

**NOT FOR RELEASE, PUBLICATION OR DISTRIBUTION, DIRECTLY OR INDIRECTLY, IN OR INTO THE UNITED STATES, EUROPEAN ECONOMIC AREA, CANADA, JAPAN OR AUSTRALIA.**

This announcement is not for publication or distribution, directly or indirectly, in or into the United States, European Economic Area, Canada, Japan or Australia. This announcement is not an offer of securities for sale in the United States of America (the "**United States**"), European Economic Area, Canada, Japan, Australia or any other jurisdiction where it is unlawful to do so. The securities referred to herein have not been and will not be registered under the United States Securities Act of 1933, as amended (the "**Securities Act**") or the securities law of any state of the United States and accordingly, may not be offered or sold within the United States, except in certain transactions exempt from or not subject to the registration requirements of the Securities Act. The securities referred to herein are being offered and sold only in offshore transactions as defined in and in reliance on Regulation S under the Securities Act.



## **EC WORLD REAL ESTATE INVESTMENT TRUST**

(a real estate investment trust constituted on 5 August 2015 under the laws of the Republic of Singapore)

### **LISTING OF EC WORLD REAL ESTATE INVESTMENT TRUST**

*Capitalised terms used herein, unless otherwise defined, have the meanings as defined in the prospectus of EC World Real Estate Investment Trust ("**EC World REIT**") dated 20 July 2016 and registered by the Monetary Authority of Singapore on 20 July 2016 (the "**Prospectus**").*

#### **Issue of Units in EC World Real Estate Investment Trust ("**EC World REIT**")**

EC World Asset Management Pte. Ltd., as manager of EC World REIT (the "**Manager**") is pleased to announce that the Manager has issued 777,512,000 units in EC World REIT ("**Units**") comprising:

- (i) 188,125,600 Units issued pursuant to the initial public offering of EC World REIT (the "**Offering**"), consisting of (a) an international placement of 180,625,600 Units to investors, including institutional and other investors in Singapore (the "**Placement Tranche**") and (b) an offering of 7,500,000 Units to the public in Singapore ("**Public Offer**");
- (ii) an aggregate of 349,880,400 Units (the "**Sponsor Units**") subscribed for by Forchn Investments (Singapore) Pte. Ltd. ("**Forchn Investments**") (which is a wholly-owned subsidiary of Forchn Holdings Group Co., Ltd. (the "**Sponsor**")) pursuant to a subscription agreement dated 30 June 2016 with the Manager as disclosed in the Prospectus; and

DBS Bank Ltd. is the sole financial adviser, global coordinator and issue manager for the initial public offering of EC World REIT (the "**Sole Financial Adviser, Global Coordinator and Issue Manager**"). DBS Bank Ltd., Bank of China Limited, Singapore Branch, China International Capital Corporation (Singapore) Pte. Limited and Maybank Kim Eng Securities Pte. Ltd. are the joint bookrunners and underwriters for the initial public offering of EC World REIT (the "**Joint Bookrunners and Underwriters**").

- (iii) an aggregate of 239,506,000 Units (the “**Cornerstone Units**”) subscribed for by the cornerstone investors pursuant to separate subscription agreements with the Manager as disclosed in the Prospectus.

The total number of outstanding Units immediately after completion of the Redemption and the Offering will be 777,512,000 Units.

The Units will commence trading on a “ready” basis at 2.00 p.m. on 28 July 2016.

### **Completion of Acquisition of the IPO Portfolio**

The Manager is pleased to announce that EC World REIT has completed the acquisition of Chongxian Port Investment, Chongxian Port Logistics, Fu Zhuo Industrial, Stage 1 Properties of Bei Gang Logistics, Fu Heng Warehouse, and Hengde Logistics (the “**IPO Portfolio**”) through the acquisition of the PRC Property Companies by its Singapore Holding Companies.

### **Use of Proceeds**

Gross proceeds of S\$629.8 million have been raised from the Offering and the issuance of the Sponsor Units and the Cornerstone Units, and an amount of S\$405.9 million has been drawn down from debt facilities. Of the gross proceeds raised and the amount drawn down, approximately S\$1,029.6 million has been disbursed towards the following:

- (i) approximately S\$231.0 million towards the acquisition of the PRC Property Companies;
- (ii) approximately S\$205.9 million towards the repayment of existing loans;
- (iii) approximately S\$545.9 million towards the Redemption;
- (iv) approximately S\$11.5 million towards the payment of initial paid-in capital of Hangzhou Fu Heng Warehouse Co., Ltd.;
- (v) approximately S\$29.6 million towards the payment of transaction costs;
- (vi) approximately S\$3.8 million towards the payment of the offshore interest reserve requirement; and
- (vii) approximately S\$1.8 million towards capital expenditure.

The balance of approximately S\$6.1 million will be held for working capital purposes. The above uses are in accordance with the stated uses and amounts allocated in the Prospectus. The Manager will make further announcements via SGXNET on the utilisation of the remainder of the gross proceeds from the Offering and the issuance of the Sponsor Units and the Cornerstone Units as and when such funds are materially disbursed.

### **Disclosures Pursuant to Rule 704(31) of the Listing Manual**

The Manager wishes to announce that DBS Trustee Limited, in its capacity as trustee of EC World REIT (the “**Trustee**”), had entered into a S\$200,000,000 facility agreement (the “**Facility Agreement**”) with, among others, Bank of China Limited, Singapore Branch and DBS Bank Ltd.,

as lenders (the “**Lenders**”) to partially finance the Redemption and the payment of the purchase consideration for the acquisition of the PRC Property Companies.

Pursuant to Rule 704(31) of the Listing Manual, the Facility Agreement includes provisions making reference to certain restrictions on:

- (i) Mr Zhang Guobiao ceasing to hold at least 51 per cent. equity interest and/or capital contribution in the issued share capital of the Sponsor;
- (ii) the Sponsor ceasing to hold at least 30 per cent. of the units of EC World REIT;
- (iii) the Sponsor ceasing to hold 100 per cent. of the issued share capital of Yuntong Property Management Co., Ltd or such other property manager(s) appointed from time to time for any of the PRC Property Companies with the approval of the Majority Lenders (as defined in the Facility Agreement) (such approval not to be unreasonably withheld) (the “**Property Manager**”) or ceasing to have or maintain the power to direct and control the management and affairs of the Property Manager;
- (iv) the Manager ceasing to be an Affiliate (as defined in the Facility Agreement) of Forchn Investments; or
- (v) the Manager ceasing to be the manager of EC World REIT and the replacement or substitute manager is (i) not appointed in accordance with the terms of the Trust Deed constituting EC World REIT or (ii) otherwise not approved by the lenders,

and the breach of these provisions will result in a mandatory prepayment event or lead to an event of default under the Facility Agreement.

The aggregate level of facilities which may be affected by a breach (including facilities which will be affected as a result of cross defaults) of the relevant condition is approximately S\$405.9 (excluding interest) as at the date of this announcement.

#### **Clarification in Relation to Rules 404(3) and 407(4) of the Listing Manual**

The Manager would like to clarify the statement at paragraph 11 at page 328 of the Prospectus which stated that it had obtained from the SGX-ST, *inter alia*, waivers from compliance with:

- Rule 404(3), which relates to restrictions on investments, subject to compliance with Chapter 9 of the Listing Manual, the Code on Collective Investment Schemes (the “**CIS Code**”) and Appendix 6 of the CIS Code; and
- Rule 407(4), which requires the submission of the financial track record of the investment manager.

In relation to Rule 404(3), the Manager wishes to clarify that what SGX-ST had in fact granted EC World REIT was a waiver from compliance with:

- Rule 404(3)(a), which requires the REIT to limit its investments in companies which are related to its substantial unitholders, investment managers or management companies, to a maximum of 10% of gross assets; and

- Rule 404(3)(c) which restricts investments in unlisted securities to 30% of gross assets, subject to compliance with (i) the requirements under Chapter 9 of the Listing Manual and (ii) the CIS Code.

EC World REIT, as an authorised collective investment scheme, is required to comply with the CIS Code. As per Rule 404(3)(b) of the Listing Manual, EC World REIT must abide by the same investment and borrowing restrictions prescribed by the CIS Code.

In relation to Rule 407(4), the Manager wishes to clarify that the waiver from compliance with Rule 407(4) is subject to the management team of the Manager having the relevant experience as required under Rule 404(6) of the Listing Manual.

By Order of the Board  
Lai Hock Meng  
Chief Executive Officer

**EC World Asset Management Pte. Ltd.**  
(Company Registration No. 201523015N)  
As manager of EC World Real Estate Investment Trust

28 July 2016

### **IMPORTANT NOTICE**

This announcement is for information purposes only and does not constitute or form part of an offer, invitation or solicitation of any offer to purchase or subscribe for any securities of EC World REIT in Singapore or any other jurisdiction nor should it or any part of it form the basis of, or be relied upon in connection with, any contract or commitment whatsoever.

The value of the Units and the income derived from them may fall as well as rise. The Units are not obligations of, deposits in, or guaranteed by the Manager, DBS Trustee Limited (as trustee of EC World REIT), the Sponsor, the Sole Financial Adviser, Global Coordinator and Issue Manager, the Joint Bookrunners and Underwriters or any of their respective affiliates.

An investment in the Units is subject to investment risks, including the possible loss of the principal amount invested. Holders of Units (“**Unitholders**”) have no right to request that the Manager redeem or purchase their Units while the Units are listed. It is intended that Unitholders may only deal in their Units through trading on Singapore Exchange Securities Trading Limited (the “**SGX-ST**”). Listing of the Units on the SGX-ST does not guarantee a liquid market for the Units.

This announcement may contain forward-looking statements that involve assumptions, risks and uncertainties. Actual future performance, outcomes and results may differ materially from those expressed in forward-looking statements as a result of a number of risks, uncertainties and assumptions. Predictions, projections or forecasts of the economy or economic trends of the markets are not necessarily indicative of the future or likely performance of EC World REIT. The forecast financial performance of EC World REIT is not guaranteed. A potential investor is cautioned not to place undue reliance on these forward-looking statements, which are based on the Manager's current view of future events.

This announcement is not an offer or sale of the Units in the United States. The Units have not been and will not be registered under the Securities Act or the securities law of any state of the United States and accordingly, may not be offered or sold within the United States, except in certain transactions exempt from or not subject to the registration requirements of the Securities Act. The securities referred to herein are being offered and sold only in offshore transactions as defined in and in reliance on Regulation S under the Securities Act.

This announcement is not to be distributed or circulated outside of Singapore. Any failure to comply with this restriction may constitute a violation of United States securities laws or the laws of any other jurisdiction.