



EC WORLD REAL ESTATE INVESTMENT TRUST

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

UPDATE ON USE OF PROCEEDS FROM INITIAL PUBLIC OFFERING

Capitalised terms used herein, unless otherwise defined, have the meanings as defined in 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**”).

EC World Asset Management Pte. Ltd. (“**Manager**”), as manager of EC World Real Estate Investment Trust, (“**EC World REIT**”), refers to the Prospectus and its announcement on 28 July 2016, in respect of the proposed use of IPO proceeds raised from EC World REIT’s initial public offering (the “**IPO Proceeds**”).

The Manager had disclosed in the Prospectus its estimated allocation of the use of the IPO Proceeds, and the Manager wishes to update unitholders of EC World REIT (the “**Unitholders**”) on EC World REIT’s utilisation of such proceeds:

Uses	Amount Allocated (S\$)	Amount Utilised (S\$)	Balance (S\$)
Acquisition of PRC Property Companies	231,003,000.00	230,127,724.00	875,276.00
Repayment of existing loans	205,908,000.00	205,908,000.00	0.00
Redemption	545,936,000.00	545,936,000.00	0.00
Payment of initial paid-in capital	11,545,000.00	11,429,011.00	115,989.00
Transaction costs	29,597,000.00	25,969,256.41	3,627,743.59
Offshore interest reserve requirement	3,798,000.00	3,798,590.00	-590.00
Working capital	6,060,000.00	9,628,087.08	-3,568,087.08
Capital expenditure	1,846,000.00	1,846,000.00	0.00
Total	1,035,693,000.00	1,034,642,668.49	1,050,331.51

DBS Bank Ltd. is the sole financial adviser, global coordinator and issue manager for the initial public offering of EC World REIT. 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 breakdown on the use of IPO proceeds for the working capital is as follows:

Specific Uses	Amount Utilised (S\$)
Interest expenses	1,912,995.00
Distribution for the period from 28 July 2016 (Listing Date) to 30 September 2016	7,715,092.08
Total	9,628,087.08

In relation to the acquisition of the PRC Property Companies and the payment of the initial paid-in capital of Hangzhou Fu Heng Warehouse Co., Ltd., the Manager had obtained some savings as a lower amount of Singapore dollars was required to make these payments, due to the differences between the actual exchange rates and the assumed exchange rates which the Manager had used in its estimated allocations. In relation to the transaction costs, the Manager had obtained some savings as the actual IPO expenses which were lower than the budgeted amount.

The Manager had disclosed in its announcement and press release dated 27 October 2016 that the income available for distribution to Unitholders for the period from 28 July 2016 to 30 September 2016 was S\$7.7 million. As a result of the above-mentioned cost savings, EC World REIT has a higher than budgeted cash balance at the trust level in Singapore. Instead of repatriating cash from the PRC Property Companies in China, the Manager had decided to use the cash at the trust level in Singapore to meet the distribution for the period from 28 July 2016 to 30 September 2016. The Manager believes that this is a beneficial arrangement to the Unitholders as repatriating cash from the PRC Property Companies will result in withholding tax leakages in China and the cash earned in China can be deployed in future.

The Manager will make further announcements via SGXNET on the utilisation of the remainder of the IPO Proceeds as and when such funds are materially disbursed.

By Order of the Board

Lai Hock Meng
Chief Executive Officer and Executive Director

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

28 November 2016

IMPORTANT NOTICE

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), 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. 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.