



EC WORLD REAL ESTATE INVESTMENT TRUST

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

RESPONSE TO SGX-ST'S QUERIES

The Board of Directors of EC World Asset Management Pte. Ltd., in its capacity as manager of EC World Real Estate Investment Trust ("**EC World REIT**" and as manager of EC World REIT, the "**Manager**") wishes to announce the following in response to queries raised by Singapore Exchange Securities Trading Limited in relation to EC World REIT's announcement pursuant to Rule 704(5) of the Listing Manual dated 5 April 2022.

Question 1:

The Board of Directors' assessment of EC World REIT's ability to continue operating as a going concern and the bases for the said assessment.

Response:

The Board of Directors of the Manager (the "**Board**") notes that EC World REIT's auditors, PricewaterhouseCoopers LLP, have in their Independent Auditors' Report ("**Independent Auditors' Report**") on the financial statements of EC World REIT (the "**Financial Statements**") for the financial year ended 31 December 2021 highlighted a material uncertainty related to the ability of EC World REIT to continue as a going concern. The Board understands that this is because the Manager has not completed the refinancing of EC World REIT's loans which are due for repayment in May and July 2022 at the time of the issuance of the Financial Statements and as a result, the Financial Statements reflect that EC World REIT's current liabilities exceed its current assets.

The Board has been informed by management that the refinancing exercise in respect of all of EC World REIT's onshore and offshore term loans due in 2022 (the "**Refinancing Exercise**") is in the final stages of negotiation and that management is confident that the refinancing exercise will be successfully completed prior to the maturity dates of the term loans. The Board notes that on this basis, the Financial Statements were prepared on a going concern basis. In view of the foregoing, the Board does not believe that there is an issue with EC World REIT's ability to continue operating as a going concern at this juncture.

Question 2:

The Board of Directors' opinion as to whether trading of EC World REIT's units should be suspended pursuant to Listing Rule 1303(3).

Response:

PricewaterhouseCoopers LLP has highlighted a material uncertainty related to the ability of EC World REIT to continue as a going concern in the Financial Statements pending the conclusion of the Refinancing Exercise. Nonetheless, PricewaterhouseCoopers LLP's audit opinion in the Independent Auditors' Report remains unqualified and it did not conclude that EC World REIT is unable to continue as a going concern. The Financial Statements were prepared on a going concern basis.

Given that management is confident that the Refinancing Exercise will be completed before the term loans become due for repayment, the Board is of the opinion that it is not necessary to suspend the trading of EC World REIT's units at this juncture.

Question 3:

The Board of Directors' confirmation as to whether sufficient information has been disclosed to enable trading of EC World REIT's units to continue in an orderly manner and the bases for its views.

Response:

In relation to the emphasis of matter being highlighted in the Independent Auditors' Report, the following information have been disclosed in the Financial Statements:

- (i) the total amount of borrowings of EC World REIT (including its subsidiaries);
- (ii) the amount of excess between current liabilities against current assets of EC World REIT;
- (iii) the subject matter of the emphasis of matter; and
- (iv) the reason for the emphasis of matter.

In view of the above, the Board is of the opinion that sufficient information in relation to the emphasis of matter being highlighted in the Independent Auditors' Report has been disclosed to enable trading of EC World REIT's units to continue in an orderly manner.

The Manager will provide unitholders with further updates on the progress of the Refinancing Exercise in due course.

For and on behalf of the Board

Goh Toh Sim
Executive Director and Chief Executive Officer

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

Date: 7 April 2022

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 the SGX-ST. Listing of the Units on the SGX-ST does not guarantee a liquid market for the Units.

Unitholders and potential investors are advised to exercise caution when dealing in units of EC World REIT. Unitholders and potential investors are advised to read this announcement and any further announcements to be released by EC World REIT carefully. Unitholders and potential investors should consult their stockbrokers, bank managers, solicitors or other professional advisers if they have any doubt about the actions they should take.

This announcement is for information only and does not constitute an invitation or offer to acquire, purchase or subscribe 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.