



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

ANNOUNCEMENT

UPDATE ON THE PROPOSED DIVESTMENT AND THE FINANCING OBLIGATIONS OF EC WORLD REIT

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**”), refers to:

- (i) the announcement dated 3 October 2022 in relation to the proposed divestment of Stage 1 Properties of Bei Gang Logistics and Chongxian Port Logistics (the “**Proposed Divestment**”);
- (ii) the update announcement dated 20 November 2022 in relation to the Proposed Divestment;
- (iii) the update announcements dated 22 November 2022 and 23 November 2022 both of which were in relation to the financing obligations of EC World REIT;
- (iv) the circular to unitholders of EC World REIT (“**Unitholders**”) dated 24 November 2022 in relation to the Proposed Divestment (the “**Circular**”);
- (v) the update announcement dated 26 December 2022 in relation to the financing obligations of EC World REIT;
- (vi) the update announcements dated 29 December 2022 and 31 December 2022 both of which were in relation to the Proposed Divestment and the financing obligations of EC World REIT; and
- (vii) the update announcement dated 3 January 2023 in relation to the Proposed Divestment and the financing obligations of EC World REIT (the “**3 January 2023 Announcement**”).

Unless otherwise defined, all capitalised terms used in this announcement shall have the meaning ascribed to them in the Circular and the 3 January 2023 Announcement.

As stated in the 3 January 2023 Announcement, subject to the Remaining Lenders obtaining their respective internal approvals, the Mandatory Repayment will be repaid in accordance with the following Repayment Plan:

- (a) on 30 December 2022, Forchn Holdings Group Co., Ltd., the sponsor of EC World REIT (the “**Sponsor**”), placed a margin deposit of RMB 200,000,000 (the “**Margin Deposit**”) in an escrow account of the onshore facility agent under the Existing Onshore Bank Loans. The

Margin Deposit will eventually be used for the settlement of the Mandatory Repayment¹. Please refer to paragraph (d) below for further details;

- (b) that by 6 January 2023, the Sponsor shall pay S\$4,400,000 (approximately RMB22,762,545²) to the Lenders as partial repayment of the Existing Offshore Bank Loans¹; and
- (c) the remaining Mandatory Repayment amount will be repaid by 28 February 2023.

The Manager wishes to update Unitholders that the S\$4,400,000 payment referred to in paragraph (b) above has been duly made to the Lenders on 6 January 2023, and that the Repayment Plan has been revised further to discussions with the Lenders. All the Lenders have approved the revised Repayment Plan, which is subject to the following conditions in addition to the conditions set out in the 3 January 2023 Announcement:

- (d) the Margin Deposit, which will eventually be used for the settlement of the Mandatory Repayment¹, will be held in escrow till the date of completion of the Mandatory Repayment by 28 February 2023 or till its deployment in accordance with paragraph (e)(i) below (whichever is earlier), subject to the instructions of the Lenders;
- (e) in the event the completion of the Mandatory Repayment does not take place by 28 February 2023:
 - (i) subject to the instructions of the Lenders, the Margin Deposit shall be used to repay part of the Existing Bank Loans¹; and
 - (ii) the Sponsor will be required to either put up additional collateral to the satisfaction of the Lenders for the outstanding Mandatory Repayment amount or use its cash to repay the outstanding Mandatory Repayment amount to the Lenders; and
- (f) (i) subject to compliance with all applicable laws and regulations and the Trust Deed, the distributions by EC World REIT to certain Unitholders which are subsidiaries of the Sponsor, namely Forchn International Pte. Ltd. (“**FIPL**”) and Forchn Global Pte. Ltd. (“**FGPL**”), shall be deferred for the period until the Mandatory Repayment amount is repaid (the “**Relevant Period**”); or (ii) the Sponsor shall procure that FIPL and FGPL shall use any distributions which they may receive from EC World REIT during the Relevant Period for the partial repayment of the outstanding Mandatory Repayment amount.

The Manager will make further announcements on the SGXNET in the event there are any material developments which warrant disclosure, in compliance with its obligations under the Listing Manual. Unitholders and investors are advised to refrain from taking any action in respect of Units which may be prejudicial to their interests, and to exercise caution when dealing in the Units. Persons who are in doubt as to the action they should take should consult their stockbroker, bank manager, solicitor or other professional advisers.

¹ The Parties to the Equity Purchase Agreement have agreed that the Sponsor's payments referred to in paragraphs (a) and (b) of this announcement (amounting to an aggregate of approximately RMB22,762,545) will constitute prepayment in part by the Purchasers to the Vendor (being a wholly-owned subsidiary of EC World REIT) of the Equity Consideration pursuant to the Equity Purchase Agreement. The balance of the Equity Consideration (amounting to approximately RMB1,147,237,455) will be payable to the Vendor by Completion.

² Estimated based on the exchange rate RMB1.00 = S\$0.1933 on 30 December 2022. The actual RMB figure will be based on the exchange rate prevailing on the date when the payment of S\$4,400,000 is made.

For and on behalf of the Board

EC WORLD ASSET MANAGEMENT PTE. LTD.
(as manager of EC World Real Estate Investment Trust)
(Company Registration No. 201523015N)

Goh Toh Sim
Executive Director and Chief Executive Officer
17 January 2023

Important Notice

The value of 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, the Trustee or any of their affiliates.

An investment in the Units is subject to investment risks, including the possible loss of the principal amount invested. Investors have no right to request the Manager to redeem 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. 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.

The past performance of EC World REIT is not necessarily indicative of the future performance of EC World REIT.

This announcement may contain forward-looking statements that involve 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. Representative examples of these factors include (without limitation) general industry and economic conditions, interest rate trends, cost of capital and capital availability, competition from similar developments, shifts in expected levels of property rental income, changes in operating expenses, property expenses and governmental and public policy changes. You are cautioned not to place undue reliance on these forward-looking statements, which are based on the Manager's current view of future events.