



(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, 31 December 2022 and 3 January 2023, all of which were in relation to the Proposed Divestment and the financing obligations of EC World REIT; and
- (vii) the update announcement dated 17 January 2023 in relation to the Proposed Divestment and the financing obligations of EC World REIT (the “**17 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 17 January 2023 Announcement.*

As stated in the 17 January 2023 Announcement, Forchn Holdings Group Co., Ltd., the sponsor of EC World REIT (the “**Sponsor**”), had on 30 December 2022 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 17 January 2023 Announcement further stated the following:

- “(d) *the Margin Deposit, which will eventually be used for the settlement of the Mandatory Repayment, 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 Loans; 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; ...”*

As stated in the 17 January 2023 Announcement, the Parties to the Equity Purchase Agreement have agreed that the utilisation of the Margin Deposit for the partial settlement of the Mandatory Repayment 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 Manager wishes to update Unitholders that the Sponsor and the Lenders have, at the request of the Manager, agreed for a portion of the Margin Deposit to be released from escrow and utilised to partially repay the outstanding Mandatory Repayment. This would enable EC World REIT to save on interest payments which would otherwise be incurred on the outstanding loan amounts.

Accordingly, on 10 February 2023, the following amounts have been released from the Margin Deposit:

- (1) S\$24,420,246.10 and USD 2,945,824.66 (amounting to an aggregate of RMB 140,214,893.86) were used for partial repayment of the Existing Offshore Bank Loans; and
- (2) S\$11,337,017.51.<sup>1</sup> (RMB 58,649,857.78) was used for partial repayment of the Existing Onshore Bank Loans.

As a result, as at the date hereof, the outstanding amount of the Margin Deposit is RMB1,135,248.36, which continues to be held in escrow.

The following table shows the changes to the outstanding Mandatory Repayment amount as a result of the partial repayments made between 31 December 2022 and the date hereof:

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<sup>1</sup> Based on the illustrative exchange rate of RMB1.00 = S\$0.1933, which was the actual exchange rate as at 30 December 2022.

Outstanding Mandatory Repayment amount	As at 31 December 2022 <sup>(1)</sup>	Immediately after Sponsor Payment on 6 January 2023 <sup>(1) (2)</sup>	Immediately after Partial Utilisation of the Margin Deposit on 10 February 2023 <sup>(1)</sup>
Mandatory Offshore Repayment			
• Offshore (SGD)	S\$71,015,937	S\$68,027,885	S\$43,607,639
• Offshore (USD)	S\$27,688,160	S\$26,276,212	S\$22,315,256
<b>Sub-Total</b>	S\$98,704,097	S\$94,304,097	S\$65,922,895
Mandatory Onshore Repayment	S\$40,498,363	S\$40,498,363	S\$29,161,345
<b>Total</b>	S\$139,202,460	S\$134,802,460	S\$95,084,240

**Notes:**

1. Based on the illustrative exchange rates of RMB1.00 = S\$0.1933 and US\$1.00 = S\$1.3446, which were the actual exchange rates as at 30 December 2022 (the **"Relevant Exchange Rate"**).
2. As stated in the 17 January 2023 Announcement, one of the conditions under the Repayment Plan was for the Sponsor to pay S\$4,400,000 to the Lenders as partial repayment of the Existing Offshore Bank Loans, and this payment was duly made on 6 January 2023.

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.

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

12 February 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.