



(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

1. INTRODUCTION

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 circular to unitholders of EC World REIT (“**Unitholders**”) dated 24 November 2022 in relation to the Proposed Divestment (the “**Circular**”);
- (iv) the update announcements dated 29 December 2022, 31 December 2022, 3 January 2023 and 17 January 2023 all of which were in relation to the Proposed Divestment and the financing obligations of EC World REIT;
- (v) the update announcement dated 30 January 2023 in relation to the Proposed Divestment;
- (vi) the update announcement dated 12 February 2023 in relation to the Proposed Divestment and the financing obligations of EC World REIT;
- (vii) the update announcement dated 23 February 2023 in relation to, among others, the Mandatory Repayment;
- (viii) the update announcement dated 28 February 2023 in relation to the Proposed Divestment and the financing obligations of EC World REIT (the “**28 February 2023 Announcement**”);

- (ix) the update announcement dated 2 March 2023 in relation to the Proposed Divestment and the financing obligations of EC World REIT;
- (x) the update announcement dated 7 March 2023 in relation to the Proposed Divestment and the financing obligations of EC World REIT (the “**7 March 2023 Announcement**”); and
- (xi) the update announcement dated 10 March 2023 in relation to the Proposed Divestment and the financing obligations of EC World REIT (the “**10 March 2023 Announcement**”).

Unless otherwise defined, all capitalised terms used in this announcement shall have the meaning ascribed to them in the Circular and the 10 March 2023 Announcement.

2. UPDATE ON THE NEW REPAYMENT PLAN

The Manager refers to the following statements in the 28 February 2023 Announcement:

*“The Manager wishes to update Unitholders that the Purchasers have advised the Manager that they are unable to complete the Proposed Divestment by 28 February 2023, as they are still in the process of obtaining the relevant credit approvals from their lending banks in relation to their financing for the Proposed Divestment. In light of the foregoing, the Sponsor and the Manager have made a request to the Lenders to extend the Mandatory Repayment deadline to a later date subject to the conditions to be agreed by the Lenders (the “**New Repayment Plan**”).”*

The Manager further refers to the following statements in the 10 March 2023 Announcement:

“(a) as at the time of this announcement, approximately 64% of the Lenders under the Existing Onshore Bank Loans (calculated based on the principal amount outstanding under the Existing Onshore Bank Loans) and 82% of the Lenders under the Existing Offshore Bank Loans (calculated based on the principal amount outstanding under the Existing Offshore Bank Loans) have obtained their relevant internal approvals and confirmed that they are agreeable to the New Repayment Plan. The remaining Lenders are in the process of obtaining their internal approvals for the New Repayment Plan and EC World REIT has not received any indication from the Lenders that they intend to accelerate the Existing Offshore Bank Loans or the Existing Onshore Bank Loans at this juncture. The Manager expects that the Lenders should be able to advise on the outcome of their internal approval process by mid-March 2023. The Manager will provide an update to Unitholders when there is material development in this respect; ...”

The Manager wishes to update Unitholders that the Manager and Forchn Holdings Group Co., Ltd., the sponsor of EC World REIT (the “**Sponsor**”), are actively working with the Lenders to finalise the New Repayment Plan and, as at the time of this announcement, approximately 86% of the Lenders under the Existing Onshore Bank Loans (calculated based on the principal amount outstanding under the Existing Onshore Bank Loans) and 89% of the Lenders under the Existing Offshore Bank Loans (calculated based on the principal amount outstanding under the Existing Offshore Bank Loans) have obtained their relevant internal approvals and confirmed that they are agreeable to the New Repayment Plan to extend the Mandatory

Repayment deadline to 30 April 2023, subject to the finalisation of the terms and conditions under the New Repayment Plan. The remaining Lenders are in the process of obtaining their internal approvals in relation to the New Repayment Plan to extend the Mandatory Repayment Deadline to 30 April 2023. The Manager has been advised by the facility agents under the Existing Bank Loans that the remaining Lenders have no internal directive to call for an event of default under the Existing Bank Loans pending their internal approval process.

The Manager will provide an update to Unitholders when there is material development in this respect, such as in the event the terms and conditions under the New Repayment Plan are finalised and all of the Lenders have approved the New Repayment Plan.

3. PARTIAL SETTLEMENT OF THE OUTSTANDING MANDATORY REPAYMENT AMOUNT USING DEPOSITS FUNDED BY THE SPONSOR

As of 7 March 2023, the aggregate of the outstanding amount of all the deposits placed in escrow with the onshore facility agent under the Existing Onshore Bank Loans (the “**Aggregate Onshore Deposits**”) and the outstanding amount of all the deposits placed in escrow with the offshore facility agent under the Existing Offshore Bank Loans, in each case, in connection with the Existing Bank Loans (the “**Aggregate Offshore Deposits**”, and together with the Aggregate Offshore Deposits, the “**Aggregate Deposits**”), was RMB29,860,374.57, comprising wholly of the Aggregate Onshore Deposits as the Aggregate Offshore Deposits had been fully utilised. Please refer to the 7 March 2023 Announcement for details.

Further, the Sponsor had on 10 March 2023 paid a sum of US\$1,450,000 into an escrow account of a wholly-owned subsidiary of EC World REIT with the offshore facility agent under the Existing Offshore Bank Loans which was intended to be used towards the partial repayment of the Existing Offshore Bank Loans¹. Please refer to the 10 March 2023 Announcement for details. As a result, as of 10 March 2023, the outstanding amount of the Aggregate Offshore Deposits increased to US\$1,450,000, resulting in an increase in the outstanding amount of the Aggregate Deposits to RMB39,964,904.19².

The Manager wishes to update Unitholders that the following amounts have been released from the Aggregate Deposits:

- (a) on 14 March 2023, RMB18,638,180.65 from the Aggregate Onshore Deposits were used for partial repayment of the Existing Offshore Bank Loans; and
- (b) on 15 March 2023, S\$1,353,812.93 and US\$441,347.84 from the Aggregate Offshore Deposits were used for partial repayment of the Existing Offshore Bank Loans.

The Lenders confirmed that they have received the payments set out in paragraphs (a) and (b) above on 14 March 2023 and 15 March 2023, respectively. As a result, as at the date hereof:

1 The Parties to the Equity Purchase Agreement had agreed that such payment by the Sponsor shall 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.

2 US\$1,450,000 was converted to RMB based on the exchange rate of RMB1.00 = USD0.1435 as at 10 March 2023.

- (i) the outstanding amount of the Aggregate Onshore Deposits is RMB11,222,193.92;
- (ii) there are no Aggregate Offshore Deposits outstanding as they have been fully utilised towards partial repayment of the Existing Offshore Bank Loans; and
- (iii) accordingly, the outstanding amount of the Aggregate Deposits is RMB11,222,193.92.

The following table shows the changes to the outstanding Mandatory Repayment amount as a result of the partial repayments made between 7 March 2023 and the date hereof (inclusive):

Outstanding Mandatory Repayment amount	Immediately after Partial Utilisation of the Relevant Deposits on 2 and 7 March 2023 ⁽¹⁾	Immediately after Partial Utilisation of the Aggregate Deposits on 14 and 15 March 2023 ⁽¹⁾
Mandatory Offshore Repayment		
<ul style="list-style-type: none"> • Offshore (SGD) • Offshore (USD) 	<p>S\$37,921,334</p> <p>S\$19,818,596</p>	<p>S\$33,747,782</p> <p>S\$18,444,397</p>
Sub-Total	S\$57,739,930	S\$52,192,179
Mandatory Onshore Repayment	S\$23,502,512	S\$23,502,512
Total	S\$81,242,442	S\$75,694,691

Note:

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.

Cautionary Statement

Unitholders and investors should note that there is no certainty or assurance that the Lenders will consent to the extension of the Mandatory Repayment deadline beyond 28 February 2023. Unless and until such Lenders' consent is obtained, the ECW Group is in breach of its Mandatory Repayment obligations, which triggers an event of default under the Existing Offshore Bank Loans and Existing Onshore Bank Loans.

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
17 March 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.