



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

ANNOUNCEMENT

UPDATE ON THE PROPOSED DIVESTMENT

*Note: For illustrative purposes, unless otherwise indicated, in this announcement, certain RMB amounts have been translated into Singapore dollars based on the exchange rates of RMB 1.00 = S\$0.1934 and US\$1.00 = S\$1.3270 (together, the “**Illustrative Exchange Rates**”).¹ Such translations should not be construed as representations that the RMB amounts referred to could have been, or could be, converted into Singapore dollars, as the case may be, at that or any other rate or at all and vice versa.*

1. INTRODUCTION

EC World Asset Management Pte. Ltd., in its capacity as manager of EC World Real Estate Investment Trust (“**EC World REIT**” or “**ECW**”, 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;
- (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 divestment (the “**2022 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 divestment and the financing obligations of EC World REIT;
- (v) the update announcement dated 30 January 2023 in relation to the divestment;
- (vi) the update announcement dated 12 February 2023 in relation to the divestment and the financing obligations of EC World REIT;
- (vii) the update announcement dated 28 February 2023 in relation to the divestment and the financing obligations of EC World REIT;

¹ Based on the exchange rates as at 31 March 2023.

- (viii) the update announcements dated 2, 7, 10 and 17 March 2023 in relation to the divestment and the financing obligations of EC World REIT;
- (ix) the announcement dated 7 April 2023 in relation to the applications for the extension of time to the Monetary Authority of Singapore (“**MAS**”) and Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) and the financing obligations of EC World REIT;
- (x) the update announcement dated 9 April 2023 in relation to the divestment;
- (xi) the update announcement dated 1 May 2023 in relation to the receipt of waivers from the MAS and the SGX-ST for an extension of time and update on divestment;
- (xii) the update announcement dated 1 May 2023 in relation to the financing obligations of EC World REIT;
- (xiii) the update announcement dated 15 May 2023 in relation to the update on, among others, the refinancing and the divestment;
- (xiv) the update announcement dated 31 May 2023 in relation to the update on, among others, the refinancing and disclosure pursuant to Rule 704(31) of the Listing Manual of the SGX-ST (the “**Listing Manual**”) and on the divestment;
- (xv) the update announcements dated 1 and 5 June 2023 in relation to the update on the refinancing;
- (xvi) the update announcements dated 6 June 2023 in relation to the update on the refinancing;
- (xvii) the update announcement dated 13 June 2023 in relation to the divestment (the “**MAS Waiver Announcement**”);
- (xviii) the update announcement dated 16 June 2023 in relation to the update on, among others, the refinancing and the divestment (the “**16 June 2023 Announcement**”); and
- (xix) the update announcement dated 1 July 2023 in relation to the update on, among others, the divestment.

Unless otherwise defined, all capitalised terms used in this announcement shall have the meaning ascribed to them in the 2022 Circular and the 16 June 2023 Announcement.

2. SUPPLEMENTARY AGREEMENT

On 30 September 2022, EC World REIT, through its wholly-owned subsidiary incorporated in Singapore, Richwin Investment Pte. Ltd. (the “**Vendor**”), entered into an equity purchase agreement (the “**Equity Purchase Agreement**”) with Hangzhou Futou Beigang Enterprise Management Co., Ltd. (“**HFBE**”), FIPL (and together with HFBE, the “**Purchasers**”) and Forchn Holdings Group Co., Ltd., the sponsor of EC World REIT (the “**Sponsor**”), pursuant to which EC World REIT would divest its 100.0% indirect interests in Stage 1 Properties of Bei

Gang Logistics, located at Block 1-8, No. 5-4 Yunhe Road, Linping District, Hangzhou, Zhejiang Province, PRC (“**Beigang Logistics Stage 1**”), and Chongxian Port Logistics, located at No. 5-2 Yunhe Road, Linping District, Hangzhou, Zhejiang Province, PRC (“**Chongxian Port Logistics**”, and together with Beigang Logistics Stage 1, the “**Divestment Properties**”). The Purchasers are wholly-owned subsidiaries of the Sponsor.

The Manager wishes to announce that the Vendor, the Purchasers, the Sponsor and Hangzhou Bei Gang Logistics Co., Ltd.² (“**Hangzhou Beigang**”, together with the Vendor, the Purchasers and the Sponsor, the “**Relevant Parties**”) have on 9 July 2023 entered into a supplementary agreement (the “**Supplementary Agreement**”) to the Equity Purchase Agreement (as amended by the supplementary agreement dated 30 January 2023) for purposes of amending the terms of the divestment (the resulting divestment, the “**Proposed Divestment**”).

The Supplementary Agreement states that it shall take effect only upon the approval by independent Unitholders of ECW for the Supplementary Agreement (including the Long-Stop Date (as defined herein)) being obtained at an extraordinary general meeting.

The Supplementary Agreement provides for, among others, (i) the Long-Stop Date Extension (as defined herein); (ii) the flexibility of a two-stage completion process (“**Two-Stage Completion**”) if the Vendor and the Purchasers provide their respective mutual consent in accordance with the Supplementary Agreement; (iii) the revised agreed property values of the Divestment Properties (the “**Revised Agreed Property Values**”), which have increased from their agreed property values under the Equity Purchase Agreement dated 30 September 2022 (as disclosed in the 2022 Circular); and (iv) the revised Relevant Mandatory Prepayment Amount (as defined herein). For the avoidance of doubt, the Equity Consideration remains fixed at RMB 1,370,000,000.

Pursuant to the Supplementary Agreement, the Relevant Parties have agreed for the long-stop date under the Equity Purchase Agreement (as amended by the supplementary agreement dated 30 January 2023) to be amended to 31 October 2023 or such other date as may be determined by the Vendor with the approval of the Monetary Authority of Singapore (“**MAS**”) and the independent Unitholders (the “**Long-Stop Date**”, and the extension of the Long-Stop Date pursuant to the Supplementary Agreement, the “**Long-Stop Date Extension**”).

The Manager understands from the Purchasers and the Sponsor that they require the Long-Stop Date Extension in order to complete the divestment because:

- (a) as of the date of this announcement, out of the Equity Consideration of RMB 1,370,000,000, a total of RMB 333,028,995³ has been prepaid to the Vendor by

2 Hangzhou Beigang, which is a wholly-owned subsidiary of EC World REIT, currently holds (directly or indirectly) 100.0% of the interests in the Divestment Properties, with its ownership of Chongxian Port Logistics held through its 100.0% equity interests in Hangzhou Chongxian Port Logistics Co., Ltd. (“**Chongxian Logistics**”, together with Hangzhou Beigang, the “**Target Companies**”) pursuant to the completion of the Internal Restructuring announced by the Manager on 9 April 2023. On completion of the Proposed Divestment (“**Completion**”), 100.0% of the equity interests in Hangzhou Beigang will be divested by the Vendor to the Purchasers, and the Purchasers will indirectly own the Divestment Properties.

3 Calculated based on the exchange rate of RMB1.00 = S\$0.1933 as at 30 December 2022, the exchange rate of RMB1.00 = S\$0.1945 as at 4 January 2023, the exchange rate of RMB1.00 = US\$0.1442 as at 28 February 2023 and the exchange rate of RMB1.00 = US\$0.1435 as at 10 March 2023, being the dates on which the respective prepayments of the Equity Consideration were made by the Sponsor group.

the Sponsor group, and in order to proceed with the completion of the divestment, the Purchasers will need to obtain sufficient financing so as to be able to pay the outstanding balance of RMB 1,036,971,005 to the Vendor on Completion;

- (b) the Purchasers are still in the process of obtaining the relevant credit approvals from their lending banks in relation to their financing for the divestment, and are unable to complete the divestment at this juncture;
- (c) the Manager understands from the Purchasers and the Sponsor that the Purchasers' financiers will be able to finalise their internal approval process only after they are updated of Unitholders' approval of the Supplementary Agreement having been obtained at the extraordinary general meeting to be convened (the "**Proposed EGM**"); and
- (d) following the receipt of Unitholders' approval at the Proposed EGM, the Purchasers will require approximately one month for the fulfilment of the various conditions precedent to the drawdown of their acquisition loan.

The Manager's reasons for allowing the terms in the Supplementary Agreement in relation to the Long-Stop Date Extension, the flexibility for the Relevant Parties to proceed with the Two-Stage Completion, the Revised Agreed Property Values and the Relevant Mandatory Prepayment Amount are as follows:

(i) Long-Stop Date Extension

- (a) The Purchasers and the Sponsor have advised the Manager that they are unable to complete the divestment at this juncture as they have not secured the requisite financing for divestment (see the reasons set out above);
- (b) the Long-Stop Date Extension will provide the Purchasers with the opportunity to complete the divestment and make full payment to the ECW Group⁴ of the Equity Consideration pursuant to the divestment, allowing the ECW Group to fulfil its repayment obligations, among others, under the ECW Group's financing arrangements, which would require the ECW Group to repay at least S\$75,465,424⁵ by 31 October 2023 (or such later date, that is on or prior to 30 April 2024, that is agreed to by all the lenders under the Facilities). The Long-Stop Date Extension is beneficial in providing more time for the Completion of the Proposed Divestment which increases the likelihood that the ECW Group would be able to avoid a potential default on such financing obligations;
- (c) the Sponsor has continued to demonstrate its support for EC World REIT by working closely together with the Manager to engage the lenders in relation to EC World REIT's refinancing exercise which has been completed as announced by the Manager on 6 June 2023;

4 "ECW Group" means the the Vendor, its subsidiaries, EC World REIT and other entities under the same control of EC World REIT from time to time which, for the avoidance of doubt, shall include the Target Companies before Completion.

5 Calculated based on the Illustrative Exchange Rates as at 31 March 2023.

- (d) EC World REIT will continue to receive income from the Divestment Properties, pending Completion of the Proposed Divestment; and
- (e) the Proposed Divestment provides Unitholders with an opportunity to realise the value of the Divestment Properties and preserve the long-term value of EC World REIT for Unitholders.

(ii) Flexibility to proceed to Two-Stage Completion

The Manager is of the view that it would be beneficial to ECW and its Unitholders for the Supplementary Agreement to provide for the flexibility of a Two-Stage Completion taking into account the following factors:

- (a) the flexibility for the Relevant Parties to proceed with the Two-Stage Completion would potentially allow the Purchasers to provide the first tranche of the divestment proceeds to the ECW Group earlier (as part of Completion Stage One (as defined herein)), thereby increasing the likelihood that the ECW Group will be able to partially repay its loans earlier; and
- (b) the Manager understands from the Purchasers that the flexibility to proceed with the Two-Stage Completion would serve to facilitate the Purchasers in securing their financing for the Proposed Divestment.

(iii) Revised Agreed Property Values

The Revised Agreed Property Values set out in the Supplementary Agreement have increased from the agreed property values set out in the 2022 Circular so that the Parties are able to fix the Equity Consideration at RMB 1,370,000,000 notwithstanding the decrease in the net asset values (“NAV”) (excluding the book values of the Divestment Properties) of the Target Companies⁶ from 30 June 2022⁷ to 31 March 2023, such that the *pro forma* consolidated NAV of Hangzhou Beigang would be equivalent to RMB 1,370,000,000, being the Equity Consideration, based on the Revised Agreed Property Values.

Accordingly, pursuant to the Supplementary Agreement:

- (a) the Revised Agreed Property Value of Chongxian Port Logistics is RMB 824.4 million, up from RMB 820.1 million set out in the 2022 Circular; and
- (b) the Revised Agreed Property Value of Beigang Logistics Stage 1 is RMB 1,217.4 million, up from RMB 1,212.6 million set out in the 2022 Circular.

Accordingly, each of the Divestment Properties will be sold at their respective Revised Agreed Property Value which is not less than the lower of the 2023 Independent Valuations⁸ (as defined herein) for that Divestment Property, in compliance with paragraph 5.1(d) of the Code on Collective Investment Schemes issued by the MAS

⁶ Such decrease in the NAV of the Target Companies was due to dividends made by the Target Companies to their respective holding companies within the ECW Group.

⁷ The Equity Consideration of RMB 1,370,000,000 pursuant to the Equity Purchase Agreement took into account the NAV of the Target Companies as at 30 June 2022 and the 2022 Independent Valuations (as defined herein) as at 30 June 2022. Please refer to paragraph 4.2.1 of the Letter to Unitholders of the 2022 Circular for further details on the Equity Consideration and paragraph 2.4 of the Letter to Unitholders of the 2022 Circular for further details on the 2022 Independent Valuations.

⁸ Please refer to paragraph 3 below for further details on the valuations.

(the “**Property Funds Appendix**”). Further, based on the 2023 Independent Valuations, the updated valuations of the two Divestment Properties will be slightly lower than their respective 2022 Independent Valuations. In view of the foregoing, the Manager is of the view that it is in the interests of ECW and its Unitholders for the Equity Consideration to remain fixed at RMB 1,370,000,000.

(iv) Relevant Mandatory Prepayment Amount

The amount which the ECW Group is mandatorily required to repay its lenders on completion of the divestment of the Divestment Properties has been updated based on the onshore facilities and offshore facilities entered into by the ECW Group by 31 May 2023 (collectively, the “**Facilities**”⁹) in connection with the refinancing of the outstanding loans granted under the Existing Offshore Bank Loans¹⁰ and the Existing Onshore Bank Loans¹¹.

Accordingly, pursuant to the Supplementary Agreement, the Relevant Parties have agreed for the term “**Relevant Mandatory Prepayment Amount**” to be amended to mean, in respect of the Transaction¹², an amount agreed or to be agreed by all the existing offshore lenders and all the existing onshore lenders of the ECW Group. Under the terms of the Proposed Divestment the Vendor is obligated to procure that, among others, an amount equal to the Relevant Mandatory Prepayment Amount is applied towards the prepayment of the onshore loans and the offshore loans of the ECW Group on, as the case may be, the Completion Date, the Completion Stage Two Date (as defined herein) or such later date as agreed or to be agreed by all the existing offshore lenders and all the existing onshore lenders of the ECW Group. Please refer to paragraph 4.5 below for details.

3. VALUATIONS OF THE DIVESTMENT PROPERTIES AND REVISED AGREED PROPERTY VALUES

DBS Trustee Limited, in its capacity as trustee of EC World REIT (the “**Trustee**”), has commissioned an independent valuer, Colliers Appraisal & Advisory Services Co. Ltd. (“**Colliers**”), and the Manager has commissioned an independent valuer, Jones Lang LaSalle Corporate Appraisal and Advisory Limited (“**JLL**”, and together with Colliers, the “**Independent Valuers**”), to value the Divestment Properties.

9 The Facilities were drawn down on 31 May 2023, and the above-mentioned refinancing was fully completed on 6 June 2023. Please refer to the Manager’s announcements dated 31 May 2023 and 6 June 2023 for further details.

10 “**Existing Offshore Bank Loans**” means all outstanding amounts pursuant to an offshore facility agreement dated 28 June 2019 as amended, modified and supplemented from time to time between ECW Treasure Pte. Ltd. (“**ECW Treasure**”), Zhejiang Fuzhou E-Commerce Co., Ltd. (“**FZDS**”) and various banks coordinated by DBS Bank Ltd. and United Overseas Bank Limited.

11 “**Existing Onshore Bank Loans**” means all outstanding amounts pursuant to an onshore facility agreement dated 28 June 2019 as amended, modified and supplemented from time to time between certain wholly-owned subsidiaries of EC World REIT, being Hangzhou Chongxian Port Investment Co., Ltd. (“**Chongxian Investment**”), Hangzhou Beigang, Zhejiang Hengde Sangpu Logistics Co., Ltd. (“**Hengde Sangpu**”) and FZDS and various banks coordinated by DBS Bank (China) Limited Hangzhou Branch and United Overseas Bank (China) Limited Hangzhou Branch.

12 “**Transaction**” means, collectively, the sale and purchase of the equity interests in Hangzhou Beigang pursuant to the Equity Purchase Agreement (as amended) and other transactions contemplated by the Equity Purchase Agreement (as amended).

The table below sets out the independent valuations of the Divestment Properties:

- (a) as at 30 June 2023 (the “**2023 Independent Valuations**”), according to the valuation reports of the Divestment Properties issued by Colliers dated 30 June 2023 and JLL dated 30 June 2023 (the “**2023 Independent Valuation Reports**”); and
- (b) as at 30 June 2022 (the “**2022 Independent Valuations**”) according to the valuation reports of the Divestment Properties issued by JLL dated 30 September 2022 and Knight Frank Petty Limited (“**KF**”) dated 30 September 2022 (the “**2022 Independent Valuation Reports**”).

Divestment Properties	2023 Independent Valuations as at 30 June 2023 (RMB 'million)		Average of the two 2023 Independent Valuations (RMB 'million)	Revised Agreed Property Value (as defined herein) (RMB 'million)	2022 Independent Valuations as at 30 June 2022 (RMB 'million)		Average of the two 2022 Independent Valuations (RMB 'million)	Agreed property value set out in the 2022 Circular (RMB 'million)
	Colliers	JLL			KF	JLL		
Beigang Logistics Stage 1	1,213.0	1,191.0	1,202.0	1,217.4	1,178.0	1,238.0	1,208.0	1,212.6
Chongxian Port Logistics	820.0	809.0	814.5	824.4	797.0	833.0	815.0	820.1
Total	2,033.0	2,000.0	2,016.5	2,041.8 (“Aggregate Revised Agreed Property Value”)	1,975.0	2,071.0	2,023.0	2,032.7

In respect of the 2023 Independent Valuations, Colliers used the discounted cash flow approach, and JLL used the discounted cash flow approach and income capitalisation approach, to conduct the 2023 Independent Valuations.

Following arm's length negotiations, and taking into account the 2023 Independent Valuations, the Relevant Parties to the Supplementary Agreement have agreed that the Equity Consideration for the Divestment Properties shall remain unchanged. Accordingly, based on the financial information of Hangzhou Beigang and Chongxian Logistics as at 31 March 2023, the Relevant Parties have agreed on the Revised Agreed Property Values of the Divestment Properties, such that the *pro forma* consolidated NAV of Hangzhou Beigang would be equivalent to RMB 1,370,000,000, being the Equity Consideration, based on the Divestment Properties at the Revised Agreed Property Values.

The premium which the Revised Agreed Property Value of each Divestment Property bears to the lower of the two 2023 Independent Valuations for that Divestment Property is as follows:

- (i) in relation to Chongxian Port Logistics, RMB 15.4 million (approximately S\$2,973,032), representing a premium of approximately 1.9% to the lower of the two 2023 Independent Valuations; and
- (ii) in relation to Beigang Logistics Stage 1, RMB 26.4 million (approximately S\$5,111,044), representing a premium of approximately 2.2% to the lower of the two 2023 Independent Valuations.

4. PRINCIPAL TERMS OF THE SUPPLEMENTARY AGREEMENT

4.1 Supplementary Agreement takes effect upon Independent Unitholders' Approval

The Supplementary Agreement shall take effect only upon the approval by independent Unitholders of ECW for the Supplementary Agreement (including the Long-Stop Date) being obtained at an extraordinary general meeting.

4.2 The Long-Stop Date Extension

Pursuant to the Supplementary Agreement, the Relevant Parties have agreed for the long-stop date under the Equity Purchase Agreement (as amended by the supplementary agreement dated 30 January 2023) to be amended to 31 October 2023 or such other date as may be determined by the Vendor with the approval of the MAS and the independent Unitholders. Please refer to paragraph 2 above for details of the Long-Stop Date Extension.

4.3 Conditions Precedent and Requirement for Independent Unitholders' Approval

In addition to the conditions set out in the Equity Purchase Agreement (as amended by the supplementary agreement dated 30 January 2023), Completion (regardless of whether it is one-stage Completion or (where the Relevant Mutual Consent (as defined below) is provided) two-stage Completion as referred to in paragraph 4.4 of this announcement) is also subject to and conditional upon satisfaction or waiver (as the case may be) of the approval by independent Unitholders of ECW for the Supplementary Agreement (including the Long-Stop Date), at an extraordinary general meeting to be convened by ECW.

For the avoidance of doubt, for the purposes of the Supplementary Agreement, "independent Unitholders" excludes any person required to abstain from voting by the Listing Manual, paragraph 5 of the Property Funds Appendix, the SGX-ST and the MAS.

4.4 Flexibility to proceed to Two-Stage Completion

The Supplementary Agreement provides for the flexibility of the Two-Stage Completion, whereby Completion of the Proposed Divestment may take place in two stages if (and only if) the Vendor and the Purchasers provide their mutual consent to do so within five Business Days¹³ from the obtaining of the approval of independent Unitholders of ECW referred to in paragraph 4.3 above or such other date as may be agreed by the Relevant Parties in writing (the “**Relevant Mutual Consent**”).

In the event that the Vendor and the Purchasers provide their Relevant Mutual Consent to proceed with the Completion in two stages, Chongxian Logistics will be divested first (“**Completion Stage One**”), followed by Hangzhou Beigang (“**Completion Stage Two**”).

The Relevant Parties have agreed and acknowledged that the purpose of the Purchasers’ implementation of the Transaction is to acquire the equity interests in all Target Companies and thereby get control over the Divestment Properties and none of the Relevant Parties shall have the right to proceed only with Completion Stage One without being also obligated to proceed to Completion Stage Two (or *vice versa*). The obligations in connection with the completion of the Transaction shall be deemed fulfilled only after both the Completion Stage One and the Completion Stage Two are completed.

If the Purchasers fail (for any reason whatsoever) to proceed with Completion Stage Two by the Completion Stage Two Date¹⁴ in accordance with the Supplementary Agreement, the Vendor shall have the right (but not the obligation) to determine at its sole discretion whether to terminate the Equity Purchase Agreement (as amended by the supplementary agreement dated 30 January 2023 and the Supplementary Agreement (forthwith on written notice to the other Relevant Parties) without proceeding with Completion Stage Two or to require the Purchasers to continue to perform the Equity Purchase Agreement (as amended by the supplementary agreement dated 30 January 2023 and the Supplementary Agreement) (forthwith on written notice to the other Relevant Parties).

Further, according to the Supplementary Agreement, if the Vendor and the Purchasers provide the Relevant Mutual Consent to proceed with the Two-Stage Completion:

- (a) on the Completion Stage One Date¹⁵, the Vendor shall ensure and procure that:
 - (i) an amount equal to the net proceeds (i.e. after deduction of the related transaction expenses and applicable taxes that are borne by the Vendor Group) from the Completion Stage One is applied towards the prepayment of the onshore loans and the offshore loans of the ECW Group, save that if there is a cash trap situation in Hangzhou Beigang which would cause the prepayment of the offshore loans to not be immediately possible, in lieu of the above-mentioned prepayment of the offshore loans, an amount equal to the

13 “**Business Day**” means a day which is not a Saturday, a Sunday or a public holiday in Singapore or the People’s Republic of China.

14 “**Completion Stage Two Date**” means a date no later than the Long-Stop Date and to be notified by the Vendor or Hangzhou Beigang in writing to the Purchasers as the date on which Completion Stage Two shall take place.

15 “**Completion Stage One Date**” means a date no later than the Long-Stop Date and to be notified by the Vendor or Hangzhou Beigang in writing to the Purchasers as the date on which Completion Stage One shall take place.

offshore prepayment amount to be deposited in an escrow account held with the onshore facility agent or security agent;

- (ii) cash and receivables on the account of the Target Companies in the aggregate amount of no less than RMB 230,000,000 shall be retained; and
 - (iii) Hangzhou Beigang shall assign the net inter-company payables¹⁶ to Chongxian Logistics based on the management accounts of Chongxian Logistics as of the Completion Stage One Date (the “**Relevant Payables**”) to the Purchasers and accordingly the amount of such Relevant Payables, which have been assigned to the Purchasers, shall be set off against the amount payable by the Purchasers under paragraph 4.4.1(a)(ii) below on the Completion Stage One Date; and
- (b) on the Completion Stage Two Date (or such later date as agreed or to be agreed by all the existing offshore lenders and all the existing onshore lenders of the ECW Group), the Vendor shall ensure and procure that, out of the aggregated net proceeds from Completion Stage One and Completion Stage Two, an amount equal to the outstanding Relevant Mandatory Prepayment Amount is applied towards the prepayment of the onshore loans and the offshore loans of the ECW Group.

However, if the Vendor and the Purchasers do not provide the Relevant Mutual Consent to proceed with the Two-Stage Completion (i.e. Completion remains as a single-stage process), in lieu of the above-listed obligations (a) and (b) of the Vendor, the Vendor shall ensure and procure that, (i) an amount equal to the Relevant Mandatory Prepayment Amount is applied towards the prepayment of the onshore loans and the offshore loans of the ECW Group on the Completion Date (or such later date as agreed or to be agreed by all the existing offshore lenders and all the existing onshore lenders of the ECW Group); and (ii) cash and receivables on the account of the Target Companies in the aggregate amount of no less than RMB 230,000,000 shall be retained on the Completion Date.

4.4.1 Equity Consideration

On Completion, the Purchasers shall pay for the Equity Consideration of RMB 1,370,000,000 (or procure the payment of the Equity Consideration) in the following manner:

- (i) FIPL may deliver (or procure the delivery of) Promissory Notes to the Vendor in settlement of a part of the Equity Consideration, in accordance with and subject to the requirements referred to in paragraph 4.2.2(i) of the Letter to Unitholders of the 2022 Circular; and
- (ii) the actual purchaser(s)¹⁷ under the divestment shall pay the Equity Consideration (less any such part of the Equity Consideration settled in accordance with sub-paragraph (i) above) to the specified bank account of the Vendor.

¹⁶ As at 31 March 2023, the net inter-company payables owing by Hangzhou Beigang to Chongxian Logistics amounted to RMB 16.8 million.

¹⁷ The actual purchaser(s) shall comprise up to two of the following: (i) HFBEM (ii) FIPL and (iii) the Relevant Entity.

Notwithstanding the foregoing, if the Vendor and the Purchasers provide the Relevant Mutual Consent to proceed with the Two-Stage Completion, the Purchasers shall pay for the Equity Consideration (or procure the payment of the Equity Consideration) in the following manner:

(a) on the Completion Stage One Date and subject to the set-off as set out in paragraph 4.4(a)(iii) above, the actual purchaser under the Proposed Divestment shall pay:

- (i) RMB 770,000,000¹⁸, being the portion of the Equity Consideration attributable to Chongxian Logistics; plus
- (ii) an amount equivalent to Relevant Payables,

together to the specified bank account of Hangzhou Beigang; and

(b) on the Completion Stage Two Date, the Purchasers shall pay the Equity Consideration¹⁹ (or procure the payment of the Equity Consideration) in the following manner:

- (i) FIPL may, subject to the approval of the Vendor (such approval not to be unreasonably withheld) and provided always that such arrangement shall not render any member of the ECW Group in breach of any applicable law, deliver or procure that the Relevant Entity delivers (as the case may be) the duly indorsed original Promissory Notes (if issued before the Completion Stage Two Date) to the Vendor in settlement of a part of the Equity Consideration which is equal to the RMB equivalent of the aggregate principal amount of the Promissory Notes so delivered, provided always that (i) the aggregate principal amount of the Promissory Notes shall not exceed an amount in Singapore dollar equivalent of RMB 197,000,000; and (ii) the above-mentioned delivery of the Promissory Notes shall be accompanied by the delivery by FIPL or the Relevant Entity (as the case may be) of the duly executed Settlement Agreements in respect of the settlement of the Promissory Notes; and
- (ii) the actual purchaser under the Proposed Divestment shall pay the Equity Consideration (less any such part of the Equity Consideration settled in accordance with paragraph 4.4.1(b)(i) above) to the specified bank account of the Vendor.

4.4.2 HZBG Loan Repayment Amount on Completion

On Completion, the Purchasers shall also repay (or procure such repayment of) the HZBG Loan Repayment Amount, representing all the outstanding onshore borrowings of Hangzhou Beigang, the amount of which shall be notified to the

18 Between Completion Stage One and Completion Stage Two, the Manager intends to procure that this RMB 770,000,000 be utilised in the manner as set out in paragraph 4.4(a)(i) above.

19 Please note that during Completion Stage Two, the full Equity Consideration of RMB 1,370,000,000 would be payable to the Vendor for the divestment of all its equity interests in Hangzhou Beigang to the Purchasers. This is because the total consideration to be received (including prepayments from the Sponsor group) of RMB 770,000,000 under Completion Stage One will form part of the net assets of Hangzhou Beigang to be divested to the Purchasers at Completion Stage Two.

Purchasers in writing by the Vendor on Completion, and which shall be no more than RMB 266,361,216.²⁰.

Notwithstanding the foregoing, if the Vendor and the Purchasers provide the Relevant Mutual Consent to proceed with the Two-Stage Completion, the Purchasers shall repay all the outstanding onshore borrowings of Hangzhou Beigang in an amount which shall be notified to the Purchasers in writing by the Vendor on the Completion Stage Two Date and which shall be no more than RMB 266,361,216 on the Completion Stage Two Date.

4.5 Relevant Mandatory Prepayment Amount

As mentioned at footnote 24 of the 2022 Circular, the relevant mandatory prepayment amount under the Equity Purchase Agreement meant, in respect of the Transaction, the higher of:

- (i) an amount which is 25.0% of the maximum aggregate amount of the offshore loans and the onshore loans outstanding of the ECW Group; and
- (ii) an amount equal to the Relevant Percentage (as defined herein) of the maximum aggregate amount of the offshore loans and the onshore loans outstanding of the ECW Group. “**Relevant Percentage**” meant, in respect of the Transaction, the percentage of the market value of the total consolidated assets of the Target Companies sold, transferred or disposed of pursuant to the Transaction as it bears to the market value of the total consolidated assets of the ECW Group immediately prior to the completion of the divestment, as calculated by the facility agent (acting on the instructions of the lenders of the ECW Group).

However, the amount which the ECW Group is mandatorily required to repay its lenders on completion of the divestment of Beigang Logistics Stage 1 and Chongxian Port Logistics has been updated based on the Facilities in connection with the refinancing of the outstanding loans granted under the Existing Offshore Bank Loans and the Existing Onshore Bank Loans.²¹.

Accordingly, pursuant to the Supplementary Agreement, the Relevant Parties have agreed for the term “**Relevant Mandatory Prepayment Amount**” to be amended to mean, in respect of the Transaction, an amount agreed or to be agreed by all the existing offshore lenders and all the existing onshore lenders of the ECW Group. Under the terms of the Proposed Divestment, the Vendor is obligated to procure that, among others, an amount equal to the Relevant Mandatory Prepayment Amount is applied towards the prepayment of the onshore loans and the offshore loans of the ECW Group on, as the case may be, the Completion Date, the Completion Stage Two Date (as defined herein) or such later date as agreed or to be agreed by all the existing offshore lenders and all the existing onshore lenders of the ECW Group.

20 This cap of RMB 266,361,216 represents all the outstanding onshore borrowings of Hangzhou Beigang as at 30 September 2022. The HZBG Loan Repayment Amount as at Completion will not be higher than RMB 266,361,216. As at 31 March 2023, the HZBG Loan Repayment Amount is RMB 183,892,626.

21 The Facilities were drawn down on 31 May 2023, and the above-mentioned refinancing was fully completed on 6 June 2023. Please refer to the Manager’s announcements dated 31 May 2023 and 6 June 2023 for further details.

4.6 Revised Agreed Property Values

As set out at paragraph 2.4 of the Letter to Unitholders of the 2022 Circular, the agreed property values of Beigang Logistics Stage 1 and Chongxian Port Logistics were RMB 1,212.6 million and RMB 820.1 million respectively.

The Revised Agreed Property Values as amended pursuant to the Supplementary Agreement will be higher than the agreed property values set out in the 2022 Circular, as set out in the table below.

Divestment Property	Revised Agreed Property Value under the Supplementary Agreement (RMB 'million)	Agreed property value as set out in the 2022 Circular (RMB 'million)
Stage 1 Properties of Bei Gang Logistics	1,217.4	1,212.6
Chongxian Port Logistics	824.4	820.1
Total	2,041.8	2,032.7

Please refer to paragraph 2 above for the reason why the Revised Agreed Property Values are higher compared to what was set out in the 2022 Circular.

5. CONDITIONS UNDER THE MAS WAIVER

As mentioned in the MAS Waiver Announcement, MAS has granted EC World REIT a waiver from compliance with paragraph 5.4(b)(ii)²² of the Property Funds Appendix, subject to the following conditions (the “**Waiver**”):

- (i) that the divestment must be completed by 31 October 2023 (the “**Extended Timeline**”);
- (ii) that Unitholders’ approval is obtained for the Extended Timeline as well as any proposed revision to the terms of the proposed divestment;
- (iii) the Manager obtaining two independent valuations for the current market valuations of the Divestment Properties, and complying with paragraph 5.1(d) of the Property Funds Appendix which requires the transaction price of an asset sold to an interested party to be not less than the lower of the two assessed values. The updated valuations

²² Paragraph 5.4(b)(ii) of the Property Funds Appendix would have required ECW to complete the divestment (if it was intended to be completed) by 16 June 2023, being six months from the date on which approval from Unitholders was obtained pursuant to an extraordinary general meeting held on 16 December 2022.

should be disclosed in the circular to Unitholders in relation to the extraordinary general meeting to be convened; and

- (iv) the board of the Manager (the “**Board**”) providing the MAS with a written confirmation that the Board has assessed that the Extended Timeline and any proposed revision to the terms of the divestment are in the best interests of EC World REIT and its Unitholders (the “**Board’s Assessment**”). The Board’s Assessment should be disclosed in an SGXNET announcement and in the circular to Unitholders,

(collectively, the “**MAS Conditions**”).

In accordance with the MAS Condition under (ii) above, the Manager will seek the approval of Unitholders for the Supplementary Agreement in respect of the Proposed Divestment (including the Long-Stop Date) by way of an Ordinary Resolution.²³ In this respect, a Unitholders’ circular (the “**Circular**”) will be issued and the Proposed EGM convened.

Further, in accordance with the MAS Condition under (iv) above, the Board’s Assessment in relation to the Supplementary Agreement is set out in paragraph 6 below. The Board’s Assessment will also be set out in the Circular.

6. BOARD’S ASSESSMENT

The Board (with the non-Independent Directors abstaining) has assessed the Supplementary Agreement and is of the view that it is in the best interests of EC World REIT and the Unitholders. This is on the basis of the Manager’s reasons set out under paragraph 2 above.

7. PRO FORMA FINANCIAL EFFECTS OF THE PROPOSED DIVESTMENT

The *pro forma* financial effects of the Proposed Divestment on EC World REIT, prepared based on EC World REIT’s audited consolidated financial results for the financial year ended 31 December 2022 (“**FY2022**”), are set out below.

It should be noted that the *pro forma* financial effects set out below are strictly for illustrative purposes only and do not purport to be indicative or a projection of the results and financial position of EC World REIT after the Completion.

7.1 Pro Forma NAV per Unit

FOR ILLUSTRATIVE PURPOSES ONLY:

The *pro forma* financial effects of the Proposed Divestment on EC World REIT’s NAV per Unit, based on EC World REIT’s audited consolidated financial results for FY2022 and the Revised Agreed Property Values of the Divestment Properties, and assuming that the Proposed Divestment was completed on 31 December 2022, are as follows:

	As at 31 December 2022	
	Before the Proposed Divestment ⁽¹⁾	After the Proposed Divestment ⁽¹⁾⁽²⁾
NAV (S\$’000) ⁽²⁾	608,725	501,495

²³ “**Ordinary Resolution**” means a resolution proposed and passed as such by a majority being greater than 50.0% of the total number of votes cast for and against such resolution at a meeting of Unitholders.

	As at 31 December 2022	
	Before the Proposed Divestment ⁽¹⁾	After the Proposed Divestment ⁽¹⁾⁽²⁾
Units in issue ⁽³⁾	809,838,247	809,838,247
NAV per Unit (cents)	75.2	61.9

Notes:

- (1) Based on the audited consolidated financial results for FY2022 of EC World REIT.
(2) Adjusted based on the Revised Agreed Property Values of the Divestment Properties, after accounting for the Relevant Transaction Costs (as defined herein) and the Special Distribution (as defined herein).
(3) Based on the total number of Units in issue as at 9 July 2023.

7.2 Pro Forma Distribution per Unit

FOR ILLUSTRATIVE PURPOSES ONLY:

The *pro forma* financial effects of the Proposed Divestment on EC World REIT's Distribution per Unit ("DPU"), based on EC World REIT's audited consolidated financial results for FY2022 and the Revised Agreed Property Values of the Divestment Properties and assuming that the Proposed Divestment was completed on 1 January 2022, are as follows:

	FY2022	
	Before the Proposed Divestment ⁽¹⁾	After the Proposed Divestment ⁽¹⁾⁽²⁾
Distributable Income (S\$'000)	41,452	29,375
Net Property Income (S\$'000)	110,956	81,512
Units in issue ⁽³⁾	809,838,247	809,838,247
DPU (cents)	5.12	3.63

Notes:

- (1) Based on the audited consolidated financial results for FY2022 of EC World REIT.
(2) Adjusted based on *pro forma* consolidated income statement for the Target Companies as at 31 December 2022.
(3) Based on the total number of Units in issue as at 9 July 2023.

8. ESTIMATED TOTAL DIVESTMENT COST

The estimated total cost of the Proposed Divestment is approximately S\$11.7 million, comprising:

- (i) the divestment fee ("**Divestment Fee**") payable to the Manager for the Proposed Divestment pursuant to the Trust Deed of approximately S\$2.0 million (being 0.5% of the Aggregate Revised Agreed Property Value for the Divestment Properties). The Divestment Fee will be paid entirely in Units (the "**Divestment Fee Units**")²⁴. The

²⁴ As the Proposed Divestment will constitute an "interested party transaction" under the Property Funds Appendix, the Divestment Fee payable to the Manager in respect of the Proposed Divestment will be paid entirely in Units.

Divestment Fee Units will be issued to the Manager only after the record date for the purpose of determining Unitholders' entitlements to the Special Distribution, and accordingly, the Divestment Fee Units will not be entitled to the Special Distribution; and

- (ii) the estimated professional fees, loans prepayment fees, swap termination costs and other costs and expenses incurred or to be incurred by EC World REIT in connection with the Proposed Divestment of approximately S\$9.7 million (the "**Relevant Transaction Costs**").

After taking into account the estimated Relevant Transaction Costs and the estimated net book value of the Target Companies as at the Completion Date, the estimated net loss on the Proposed Divestment is approximately S\$7.9 million.²⁵

9. INTENDED USE OF DIVESTMENT PROCEEDS

The Manager intends to utilise the proceeds from the Proposed Divestment in the following manner:

- (i) approximately RMB 807,707,593 (approximately S\$156,210,649) for: (a) the settlement of a portion of the offshore Facilities amounting to approximately RMB 556,842,855 (approximately S\$107,693,408); (b) a portion of the onshore Facilities amounting to approximately RMB 18,186,351 (approximately S\$3,517,240) (other than HZBG Loan Repayment Amount); and (c) the repayment of the Relevant Offshore Revolving Credit Facilities amounting to approximately RMB232,678,387 (approximately S\$45,000,000);
- (ii) approximately RMB 50,000,000 (approximately S\$9,670,000) as payment of the Relevant Transaction Costs;
- (iii) approximately RMB 5,122,924 (approximately S\$990,774) for any contingent expenses, claims, warranties and other potential post-Completion obligations in relation to the Proposed Divestment; and
- (iv) approximately RMB 507,169,483 (approximately S\$98,086,578.²⁶) to fund the Special Distribution to the Unitholders.

For completeness, as mentioned at paragraph 4.4.2 above, on Completion, the Purchasers will repay (or procure such repayment) of the HZBG Loan Repayment Amount, being the amount representing all the outstanding onshore borrowings of Hangzhou Beigang. As at 31 March 2023, the HZBG Loan Repayment Amount is RMB 183,892,626.²⁷

²⁵ The estimated net gain/loss is calculated by subtracting the net proceeds from the Proposed Divestment of RMB 1,320,000,000 (approximately S\$ 255,288,000) (after deduction of estimated Relevant Transaction Costs, before taking into account savings on potential transaction-related tax expenses which would be borne by the Purchasers) from the estimated net book value of the Target Companies as at the Completion Date of RMB 1,360,757,094 (approximately S\$263,170,422).

²⁶ For the avoidance of doubt, this is a purely illustrative figure translated based on the prevailing exchange rate as at the date of the Supplementary Agreement. As mentioned in paragraph 10 below, the actual quantum of the Special Distribution will be computed based on the exchange rate as at the Completion Date.

²⁷ The quantum of the HZBG Loan Repayment Amount shall be notified to the Purchasers in writing by the Vendor on Completion and shall be no more than RMB 266,361,216. Please refer to paragraph 4.4.2 above for more details.

10. SPECIAL DISTRIBUTION

The Manager intends to make a special distribution to Unitholders (the “**Special Distribution**”) within 40 Business Days of Completion. The amount of the Special Distribution is expected to be the Singapore dollar equivalent of an RMB amount which represents the balance of the proceeds from the Equity Consideration after the utilisation of proceeds referred to in paragraphs 9(i), 9(ii) and 9(iii) of this announcement above, based on the exchange rate as at the Completion Date. Purely for illustrative purposes only, based on the Illustrative Exchange Rates, the Special Distribution.²⁸ is expected to be approximately S\$98,086,578, which represents approximately S\$0.1211 per Unit.²⁹

The Manager will make further announcements on the Special Distribution, the applicable record date for the purpose of determining Unitholders’ entitlements to the Special Distribution and the date of payment of the Special Distribution in due course.

11. REQUIREMENTS UNDER CHAPTER 9 OF THE LISTING MANUAL

11.1 The Supplementary Agreement as an Interested Party Transaction

11.1.1 Interested Person Transaction

Under Chapter 9 of the Listing Manual, an immediate announcement and Unitholders’ approval is required in respect of a transaction between EC World REIT and EC World REIT’s interested persons if the value of that transaction (either in itself or when aggregated with the value of other transactions, each of a value equal to or greater than S\$100,000, with the same interested person during the same financial year) is equal to or more than 5.0% of the latest audited consolidated net tangible assets (“**NTA**”) of EC World REIT.

Based on the audited consolidated financial results for FY2022, the audited NTA and audited NAV of EC World REIT was approximately S\$607.0 million as at 31 December 2022. Accordingly, if the value of a transaction which is proposed to be entered into in the current financial year by EC World REIT with an interested person is, either in itself or in aggregation with all other earlier transactions (each of a value equal to or greater than S\$100,000) entered into with the same interested person during the current financial year, equal to or in excess of S\$30.4 million, such a transaction would be subject to Unitholders’ approval under Rule 906(1) of the Listing Manual.

11.1.2 The Sponsor

As at the date of this announcement, the Sponsor has a deemed interest in an aggregate of 354,653,140 Units, representing approximately 43.793% of the total number of Units in issue. The Sponsor holds the above interest through the following:

- (i) Forchn International Pte. Ltd. (“**FIPL**”), which is a wholly-owned subsidiary of the Sponsor, a party to the Equity Purchase Agreement (as amended by the supplementary agreement dated 30 January 2023 and the Supplementary Agreement). FIPL has a direct interest in 25,732,615 Units as at the date of this announcement;

28 The illustrative quantum of Special Distribution amount is higher than that set out in the 2022 Circular. This is mainly due to the reduction (of approximately S\$8.2 million) in the amount of net proceeds to be used for the partial repayment of the Relevant Offshore Revolving Credit Facilities as compared to that in the 2022 Circular.

29 Based on a total of 809,838,247 Units in issue. The total number of Units in issue may vary from time to time.

- (ii) Forchn Global Pte. Ltd. (“**FGPL**”), which is a wholly-owned subsidiary of FIPL. FGPL has a direct interest in 322,957,200 Units as at the date of this announcement; and
- (iii) the Manager, which is a wholly-owned subsidiary of FIPL, has a direct interest in 5,963,325 Units as at the date of this announcement.

The Sponsor is therefore regarded as a “controlling unitholder” of EC World REIT under the Listing Manual. In addition, as the Manager is a wholly-owned subsidiary of the Sponsor, the Sponsor is therefore regarded as a “controlling shareholder” of the Manager under the Listing Manual.

11.1.3 The Supplementary Agreement

The Purchasers who are party to the Supplementary Agreement are HFBEM and FIPL.

HFBEM, which is a company incorporated in the PRC, is a direct wholly-owned subsidiary of the Sponsor. Thus, for the purposes of Chapter 9 of the Listing Manual, HFBEM, being an associate of a “controlling unitholder” (as defined in the Listing Manual) of EC World REIT is an “interested person” (for the purposes of the Listing Manual) of EC World REIT.

As at the date of this announcement, FIPL, a company incorporated in Singapore, holds, directly and indirectly, 354,653,140 Units, representing 43.793% of the Units in issue, and is also the sole shareholder of the Manager. FIPL is in turn wholly-owned by the Sponsor. Thus, for the purposes of Chapter 9 of the Listing Manual, FIPL, being a “controlling unitholder” (as defined in the Listing Manual) of EC World REIT is an “interested person” (for the purposes of the Listing Manual).

The issuers of the Promissory Notes are intended to be FIPL, FGPL and EC World Asset Management Pte. Ltd. (which is the manager of EC World REIT). As at the date of this announcement, FGPL has a direct interest in 322,957,200 Units, representing 39.879% of Units in issue. FGPL is in turn wholly-owned by the Sponsor. Thus, for the purposes of Chapter 9 of the Listing Manual, FGPL, being a “controlling unitholder” (as defined in the Listing Manual) of EC World REIT) is an “interested person” (for the purposes of the Listing Manual).

Therefore, the Supplementary Agreement in respect of the Proposed Divestment is an “interested person transaction” under Chapter 9 of the Listing Manual, for which the specific approval of Unitholders is required as part of the conditions imposed under the Waiver.

The Aggregate Revised Agreed Property Value for the Divestment Properties is RMB 2,041,799,771 (approximately S\$394,884,076), which represents approximately 65.1% of the audited NTA and audited NAV of EC World REIT as at 31 December 2022. The NAV of the Target Companies as at 31 December 2022, being RMB 1,360,757,094 (approximately S\$263,170,422), represents approximately 43.4% of the audited NTA and audited NAV of EC World REIT as at 31 December 2022.

In approving the Supplementary Agreement, Unitholders will be deemed to have approved all documents required to be executed or assigned by the parties in order to give effect to the Proposed Divestment (including the Long-Stop Date).

For the avoidance of doubt, approval from Unitholders of the divestment pursuant to

the Equity Purchase Agreement was obtained pursuant to the extraordinary general meeting of Unitholders held on 16 December 2022. On 31 May 2023, the Manager applied to the MAS to seek the Waiver from paragraph 5.4(b)(ii) of the Property Funds Appendix, which would have required the Equity Purchase Agreement to be completed (if it was intended to be completed) within six months of the date of Unitholders' approval of the divestment (i.e. by 16 June 2023). On 13 June 2023, the Manager announced that the MAS had provided its consent to the Waiver, subject to, among others, that the divestment must be completed by the Extended Timeline of 31 October 2023 and that Unitholders' approval is obtained for the Extended Timeline as well as any proposed revision to the terms of the divestment.

11.1.4 Abstention from Voting

Under Rule 919 of the Listing Manual, interested persons and their associates (as defined in the Listing Manual) must not vote on a resolution, nor accept appointments as proxies unless specific instructions as to voting are given, in relation to any matter in respect of which such persons are interested.

Accordingly, the Sponsor will abstain, and will procure that each of its associates (as defined in the Listing Manual), including the Manager, abstain from voting on the resolution in relation to the Supplementary Agreement.

Further, (i) Mr Zhang Guobiao, who is the Chairman and Non-Executive Director of the Manager and owns 80.0% of the equity interest of the Sponsor as at the date of this announcement and (ii) Mr Goh Toh Sim, who is an Executive Director and Chief Executive Officer of the Manager, will both abstain from voting on the resolution in relation to the Supplementary Agreement.

11.2 Existing Interested Person Transactions

For the information of Unitholders, as at the date of this announcement, save for the Proposed Divestment and any transaction whose value is less than S\$100,000, the value of all other existing interested person transactions:

- (i) entered into between EC World REIT (whether directly or indirectly), the Sponsor and its associates during the course of the current financial year from 1 January 2023 up to the date of this announcement is approximately S\$11,846,367 million, which is approximately 1.95% of EC World REIT's latest NTA as at 31 December 2022; and
- (ii) entered into during the course of the current financial year from 1 January 2023 up to the date of this announcement, between EC World REIT and all interested persons (including the Sponsor and its associates) is approximately S\$11,846,367 million which is approximately 1.95% of EC World REIT's latest audited NTA as at 31 December 2022.

For the avoidance of doubt, the approval of Unitholders will not be sought in respect of all such other existing interested person transactions but such other existing interested person transactions will continue to be aggregated with the other interested person transactions (other than the Proposed Divestment) which may be entered into by EC World REIT (whether directly or indirectly) in the current financial year in accordance with the Listing Manual.

12. INTERESTS OF DIRECTORS AND SUBSTANTIAL UNITHOLDERS³⁰

As at the date of this announcement, the details of the unitholdings of the directors of the Manager (the “**Directors**”) are as follows:

Name of Directors	Direct Interest		Deemed Interest		Total no. of Units held	%(¹)
	No. of Units	%(¹)	No. of Units	%(¹)		
Mr Zhang Guobiao	-	-	354,653,140 ⁽²⁾	43.793	354,653,140 ⁽²⁾	43.793
Mr Goh Toh Sim	1,052,675	0.130	-	-	1,052,675	0.130
Mr Chan Heng Wing	300,000	0.037	-	-	300,000	0.037
Dr David Wong See Hong	-	-	-	-	-	-
Mr Chia Yew Boon	200,000	0.025	-	-	200,000	0.025
Mr Li Guosheng	-	-	-	-	-	-

Notes:

- (1) The percentage interest is based on a total of 809,838,247 Units in issue as at the at the date of this announcement.
- (2) Zhang Guobiao owns 80.0% of the equity interest of the Sponsor. The Sponsor is in turn the sole shareholder of FIPL. Further, FIPL is the sole shareholder of FGPL and EC World Asset Management Pte. Ltd.. Accordingly, Zhang Guobiao is deemed to be interested in the Units held by FGPL and the Units held by EC World Asset Management Pte. Ltd..

As at the date of this announcement, Mr Zhang Guobiao is a Chairman and Non-Executive Director of the Manager as well as the Chairman of the Sponsor.

Based on the Register of Substantial Unitholders as at the date of this announcement, the details of the unitholdings of the Substantial Unitholders are as follows:

Name of Substantial Unitholders	Direct Interest		Deemed Interest		Total no. of Units held	%(¹)
	No. of Units	%(¹)	No. of Units	%(¹)		
FGPL	322,957,200	39.879	-	-	322,957,200	39.879
FIPL ⁽²⁾	25,732,615	3.178	328,920,525	40.615	354,653,140	43.793
The Sponsor ⁽³⁾	-	-	354,653,140	43.793	354,653,140	43.793
Zhang Guobiao ⁽⁴⁾	-	-	354,653,140	43.793	354,653,140	43.793
Zhang	-	-	354,653,140	43.793	354,653,140	43.793

³⁰ “**Substantial Unitholders**” refers to Unitholders with an interest in more than 5.0% of all Units in issue.

Name of Substantial Unitholders	Direct Interest		Deemed Interest		Total no. of Units held	% ⁽¹⁾
	No. of Units	% ⁽¹⁾	No. of Units	% ⁽¹⁾		
Zhangsheng ⁽⁵⁾						
Fosun International Holdings Ltd.	73,966,000	9.133	-	-	73,966,000	9.133
Guo Guangchan ⁽⁶⁾	-	-	73,966,000	9.133	73,966,000	9.133
Sunkits Resources Limited	81,526,700	10.067	-	-	81,526,700	10.067
China Cinda (HK) Asset Management Co., Limited ⁽⁷⁾	-	-	81,526,700	10.067	81,526,700	10.067
China Cinda (HK) Holdings Company Limited ⁽⁸⁾	-	-	81,526,700	10.067	81,526,700	10.067
China Cinda Asset Management Co., Ltd. ⁽⁹⁾	-	-	81,526,700	10.067	81,526,700	10.067
Ministry of Finance of The People's Republic of China ⁽¹⁰⁾	-	-	81,526,700	10.067	81,526,700	10.067
Dazhong Capital (Hong Kong) Co Ltd	43,546,300	5.377	-	-	43,546,300	5.377
Yang Yiqing ⁽¹¹⁾	-	-	43,546,300	5.377	43,546,300	5.377
Franklin Medici Alternative Investment VCC ⁽¹²⁾	-	-	58,000,000	7.162	58,000,000	7.162

Notes:

- (1) The percentage interest is based on a total of 809,838,247 Units in issue at the date of this announcement.
- (2) FIPL is deemed to be interested in the Units held by its wholly-owned subsidiaries, FGPL and EC World Asset Management Pte. Ltd..
- (3) The Sponsor is the sole shareholder of FIPL, which is in turn the sole shareholder of FGPL and EC World Asset Management Pte. Ltd.. Accordingly, the Sponsor is deemed to be interested in the Units held by FGPL and Units held by EC World Asset Management Pte. Ltd..
- (4) Zhang Guobiao owns 80.0% of the equity interest of the Sponsor. The Sponsor is in turn the sole shareholder of FIPL. Further, FIPL is the sole shareholder of FGPL and EC World Asset Management Pte. Ltd.. Accordingly, Zhang Guobiao is deemed to be interested in the Units held by FGPL and the Units held by EC World Asset Management Pte. Ltd..
- (5) Zhang Zhangsheng owns 20.0% of the equity interest of the Sponsor. The Sponsor is in turn the sole shareholder of FIPL. Further, FIPL is the sole shareholder of FGPL and EC World Asset Management Pte. Ltd.. Accordingly, Zhang Zhangsheng is deemed to be interested in the Units held by FGPL and the Units held by EC World Asset Management Pte. Ltd..
- (6) Guo Guangchang owns 64.45% of Fosun International Holdings Ltd. Accordingly, he is deemed to be interested in the Units held by Fosun International Holdings Ltd.
- (7) China Cinda (HK) Asset Management Co., Limited is deemed to be interested in the Units held by its wholly-owned subsidiary, Sunkits Resources Limited.
- (8) China Cinda (HK) Holdings Company Limited is deemed to be interested in the Units held by Sunkits Resources Limited. Sunkits Resources Limited is a wholly-owned subsidiary of China Cinda (HK) Asset Management Co., Limited, which is a wholly-owned subsidiary of China Cinda (HK) Holdings Company Limited.
- (9) China Cinda Asset Management Co., Ltd. is deemed to be interested in the Units held by Sunkits Resources Limited. Sunkits Resources Limited is a wholly-owned subsidiary of China Cinda (HK) Asset Management Co., Limited, which is a wholly-owned subsidiary of China Cinda (HK) Holdings Company Limited. China Cinda (HK) Holdings Company Limited is 100.0% owned by China Cinda Asset Management Co., Ltd.
- (10) The Ministry of Finance of the People's Republic of China is deemed to be interested in the Units held by Sunkits Resources Limited. Sunkits Resources Limited is a wholly-owned subsidiary of China Cinda (HK) Asset Management Co., Limited. China Cinda (HK) Asset Management Co., Limited is a wholly-owned subsidiary of China Cinda (HK) Holdings Company Limited, which is in turn 100.0% owned by China Cinda Asset Management Co., Ltd. The Ministry of Finance of the People's Republic of China owns 67.84% of China Cinda Asset Management Co., Ltd.
- (11) Dazhong Capital (Hong Kong) Co Ltd is a company wholly owned by Yang Yiqing. Therefore, Yang Yiqing is deemed to be interested in all the Units held by Dazhong Capital (Hong Kong) Co Ltd.
- (12) Forchn Global Pte. Ltd. granted a charge over 58,000,000 units ("**Charged Units**") to Franklin Medici Alternative Investment VCC, to secure certain obligations of Forchn International Pte. Ltd. to Franklin Medici Alternative Investment VCC. Franklin Medici Alternative Investment VCC is deemed to be interested in the Charged Units.

As at the date of this announcement, the Sponsor, through its indirect wholly-owned subsidiaries (including the Manager), holds an aggregate indirect interest of approximately 43.793% in EC World REIT and is deemed to be a "controlling unitholder" (as defined in the Listing Manual) of EC World REIT.

As at the date of this announcement, based on information available to the Manager and save as disclosed above, none of directors of the Manager or the "controlling unitholders" (as defined in the Listing Manual) of EC World REIT has any interest, direct or indirect, in the Proposed Divestment.

13. DIRECTOR'S SERVICE CONTRACTS

No person is proposed to be appointed as a director of the Manager in relation to the Proposed Divestment or any other transactions contemplated in relation to the Proposed Divestment.

14. ADVICE OF THE IFA

The Manager has appointed Provenance Capital Pte. Ltd., as the IFA pursuant to Rule 921(4)(a) of the Listing Manual to provide an opinion on whether Long-Stop Date Extension, the Two-Stage Completion and the Revised Agreed Property Values under the Supplementary Agreement as an interested person transaction are on normal commercial terms and are not prejudicial to the interests of EC World REIT and its minority Unitholders. The Independent Directors and the Audit and Risk Committee will form their own views after reviewing the opinion of the IFA, which will be set out in the Circular.

Each of Mr Chan Heng Wing, Dr David Wong See Hong, Mr Chia Yew Boon and Mr Li Guosheng are Independent Directors.

15. DOCUMENTS FOR INSPECTION

Copies of the following documents are available for inspection during normal business hours at the registered office of the Manager at 6 Shenton Way, #41-03 OUE Downtown 1, Singapore 068809 from the date of this announcement up to and including the date falling three months thereafter³¹:

- (i) the Equity Purchase Agreement;
- (ii) the supplementary agreement dated 30 January 2023;
- (iii) the Supplementary Agreement; and
- (iv) the 2023 Independent Valuation Reports.

The Trust Deed will also be available for inspection at the registered office of the Manager for so long as EC World REIT is listed.

16. CAUTIONARY STATEMENT

Unitholders and investors should note that there is no certainty or assurance that the Proposed Divestment will be completed, and/or that the Proposed Divestment will be completed by 31 October 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

³¹ Prior appointment with the Manager (telephone: +65 6221 9018) will be appreciated.

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 number: 201523015N)

Goh Toh Sim
Executive Director and Chief Executive Officer
10 July 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.