



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

ANNOUNCEMENT

UPDATE ON THE PROPOSED DIVESTMENT

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 circular to unitholders of EC World REIT ("Unitholders") dated 16 August 2023 (the "Circular") in relation to the supplementary agreement in respect of the proposed divestment of Stage 1 Properties of Bei Gang Logistics and Chongxian Port Logistics (the "Proposed Divestment", and the supplementary agreement in relation to the Proposed Divestment, the "Supplementary Agreement");
- (ii) the announcement dated 6 September 2023 in relation to the presentation slides for the extraordinary general meeting of Unitholders held on 7 September 2023 (the "EGM");
- (iii) the announcement dated 7 September 2023 in relation to the results of the EGM where Unitholders approved the Supplementary Agreement; and
- (iv) the announcement dated 18 September 2023 in relation to the minutes of the EGM.

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

2. UPDATE ON THE PROPOSED DIVESTMENT

Pursuant to the Equity Purchase Agreement¹, the long-stop date for the completion of the Proposed Divestment is 31 October 2023 or such other date as may be determined by the Vendor with the approval of the Monetary Authority of Singapore and the independent Unitholders (the "Long-Stop Date").

¹ "Equity Purchase Agreement" means the equity purchase agreement entered into between Richwin Investment Pte. Ltd. (the "Vendor"), being EC World REIT's wholly-owned subsidiary incorporated in Singapore, and Hangzhou Futou Beigang Enterprise Management Co., Ltd. ("HFBEM"), Forchn International Pte. Ltd. ("FIPL", and FIPL together with HFBEM, the "Purchasers") and Forchn Holdings Group Co., Ltd., the sponsor of EC World REIT (the "Sponsor"), in relation to the proposed divestment as amended by the supplementary agreements dated 30 January 2023 and 9 July 2023.

The Manager wishes to update Unitholders that the Sponsor and the Purchasers have informed the Vendor that the Sponsor has not been able to obtain sufficient financing for the Proposed Divestment and hence the Sponsor and the Purchasers will not be able to complete the Proposed Divestment by the Long-Stop Date.

In view of the foregoing, the Manager has undertaken the following steps:

- (i) the Manager is in the process of appointing at least two independent consultants to evaluate the possibility of divesting one or more properties of the EC World REIT group (including but not limited to Stage 1 Properties of Bei Gang Logistics and Chongxian Port Logistics) to third parties via open market sale(s);
- (ii) the Manager is seeking legal advice in relation to, among others, the possible termination of the Proposed Divestment; and
- (iii) the Manager intends to appoint financial advisers to explore various options available to EC World REIT to address its ongoing challenges.

The board of directors of the Manager is in the process of evaluating various options for EC World REIT and will provide Unitholders with a further update as and when there are material developments.

Cautionary Statement

Unitholders are advised to read this announcement and any further announcements by the Manager carefully. The Manager wishes to highlight that there is no certainty or assurance as at the date of this announcement that any discussion or prospects will be successfully concluded or any definitive agreements in relation to any transactions will be entered into, or that any transactions previously announced by the Manager will be completed by the stipulated long-stop date (or at all). Unitholders should consult their stockbrokers, bank managers, solicitors or other professional advisors if they have any doubt about the actions that they should take.

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
26 October 2023

Important Notice

The value of the units in EC World REIT (the “**Units**”) and the income derived from them may fall as well as rise. The Units are not obligations of, deposits in, or guaranteed by, the Manager, 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.