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the E-Commerce World



BALANCED
Portfolio of Specialised Assets



EC World
运通网城 REIT

3QFY19 Results Presentation

7 November 2019



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Agenda

Section A

3QFY19 Key Highlights

Section B

Financial Review

Section C

Portfolio Update



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Section A: 3QFY19 Key Highlights



3QFY19 Key Highlights

Continued Resilient Operating Performance | Completion of Fuzhou E-Commerce Acquisition and Refinancing



Resilient Operating Metrics

- ✓ **Strong Occupancy at 99.2%**
- ✓ **Weighted Average Lease to Expiry of 4.3 years**
- ✓ **Embedded growth with rental escalation**
- ✓ **Gross Revenue and Net Property Income grew by 7.5% and 3.2% to S\$25.7 million and S\$22.9 million respectively**

Completion of Acquisition of Quality E-Commerce Asset

- ✓ **Acquisition of Fuzhou E-Commerce**, a rare sizable integrated e-commerce logistics asset contributing positively to portfolio



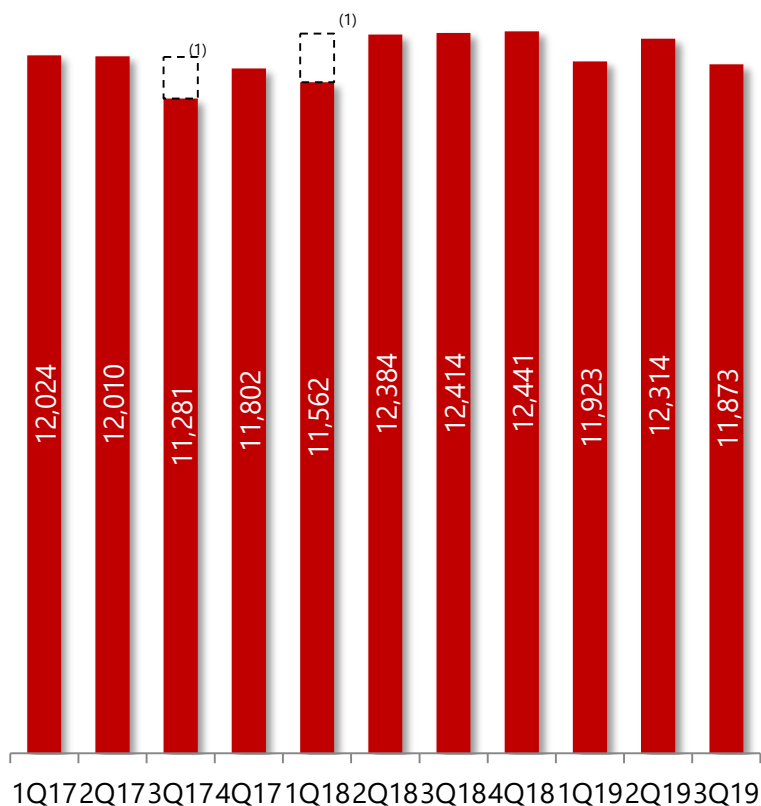
Proactive capital management

- ✓ **Successfully refinanced loans** due in July 2019
- ✓ **Significantly extending debt maturity**
- ✓ **69.4% of interest rate risk of Offshore Facility on fixed rate**

Consistent Returns to Unitholders

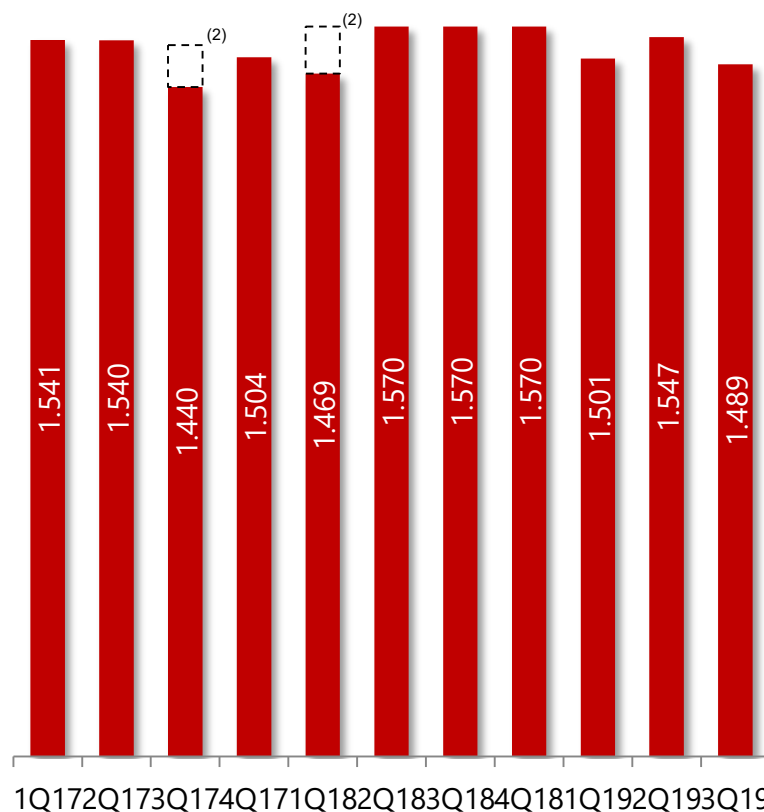
Distribution to Unitholders

SGD'000



DPU

Singapore cents

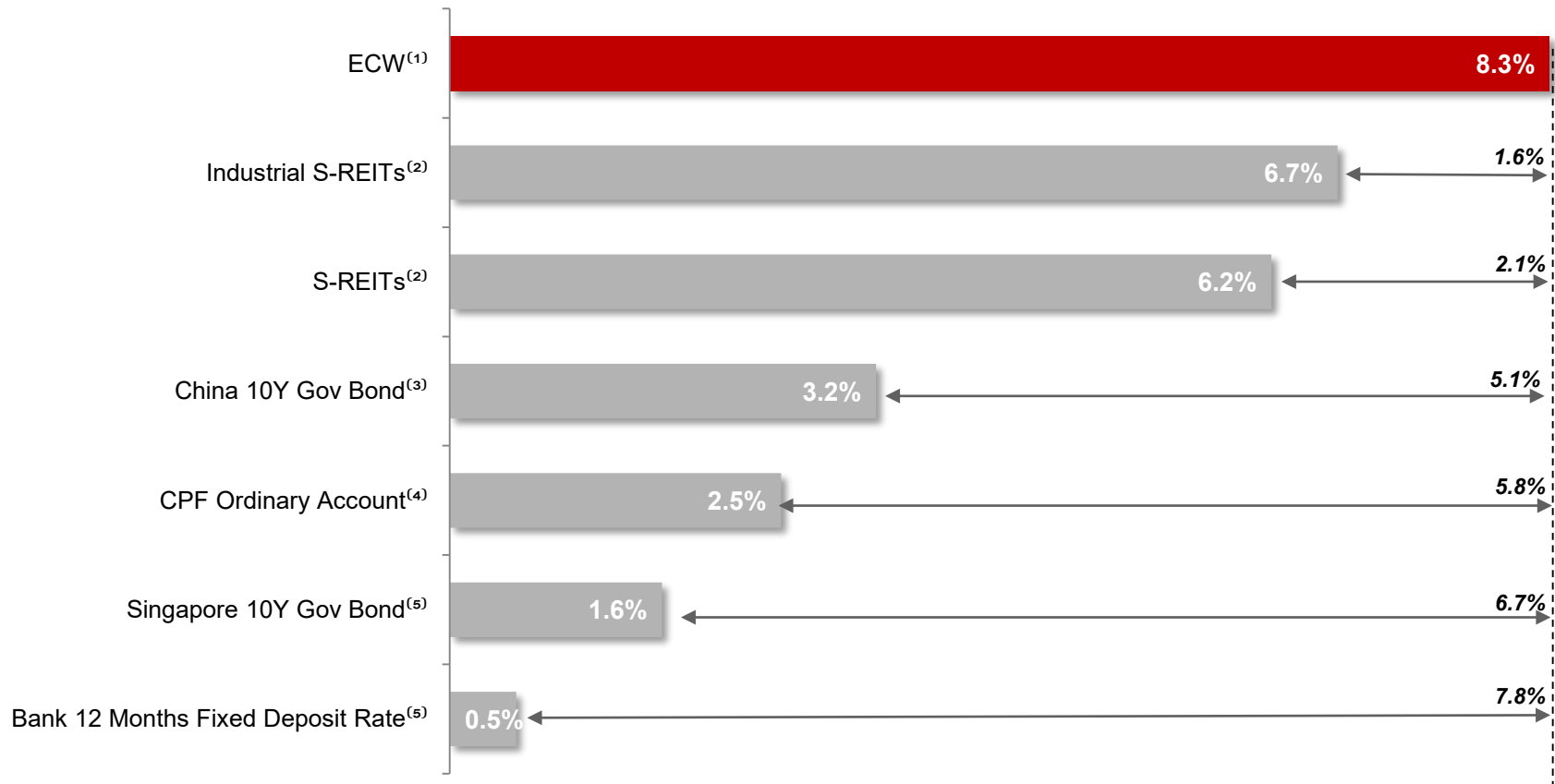


(1) There is a 5% withholding tax expenses incurred during the cash repatriation process for Distribution to Unitholders. Adjusted distribution to Unitholders gross of withholding tax expenses would be about S\$12.0 million and S\$12.4 million for 3Q17 and 1Q18 respectively

(2) Adjusted DPU gross of withholding tax expenses for 3Q17 and 1Q18 would be 1.530 and 1.570 Singapore cents respectively

Highly Attractive Distribution Yield

Attractive Yield Compared to Peers



(1) Based on YTD3QFY2019 annualised DPU of 6.066 cents and Unit Price of S\$0.73 per Unit as at 30 September 2019

(2) Based on Broker Research

(3) Source: Bloomberg

(4) Source: CPF Board

(5) Source: Monetary Authority of Singapore



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Section B: Financial Review



FY3Q19 Summary Results

Financial Performance

Year on Year Comparison	3QFY19	3QFY18	Variance (%)	Quarter on Quarter Comparison	3QFY19	2QFY19	Variance (%)
Gross revenue (RMB'000)¹	130,955	115,387	13.5	Gross revenue (RMB'000)¹	130,955	118,891	10.1
Net property income (RMB'000)¹	119,094	106,923	11.4	Net property income (RMB'000)¹	119,094	108,230	10.0
Gross revenue (S\$'000)	25,675	23,891	7.5	Gross revenue (S\$'000)	25,675	23,734	8.2
Net property income (S\$'000)	22,920	22,199	3.2	Net property income (S\$'000)	22,920	21,157	8.3
Distribution to Unitholders (S\$'000)	11,873	12,414	(4.4)	Distribution to Unitholders (S\$'000)	11,873	12,314	(3.6)
Distribution per unit (Singapore cents)	1.489	1.570	(5.2)	Distribution per unit (Singapore cents)	1.489	1.547	(3.7)

(1) In RMB. Excluding straight-line, security deposit accretion and other relevant distribution adjustments

3QFY19 Distribution Timetable

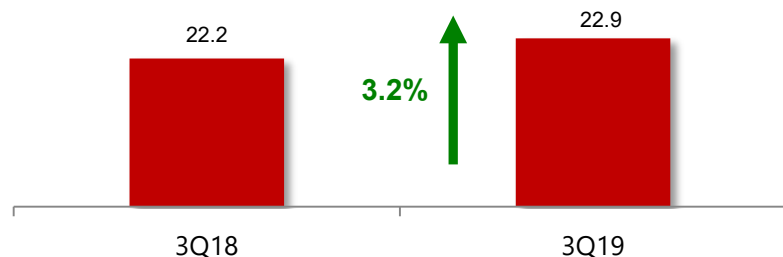
Distribution Timetable

Last Day of Trading on “cum” Basis	:	13 November 2019
Ex-date	:	14 November 2019
Books Closure Date	:	15 November 2019
Distribution Payment Date	:	26 December 2019

Review of Performance between 3QFY19 and 3QFY18

Net Property Income

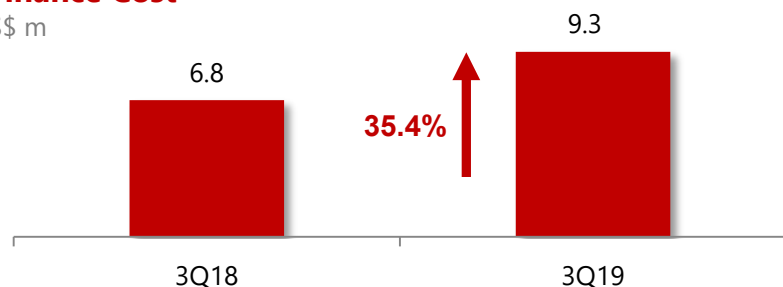
S\$ m



- NPI of S\$22.9 million was S\$0.7 million or 3.2% higher compared to 3Q18.
- In RMB terms, the gross revenue and NPI were 13.5% and 11.4% higher¹ respectively compared to the same quarter last year mainly due to contribution from Fuzhou E-Commerce

Finance Cost

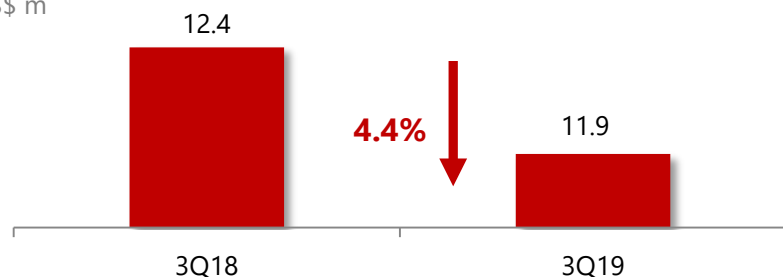
S\$ m



- Higher finance cost mainly due to higher loan quantum in 3Q19 compared to 3Q18 for the acquisition of Fuzhou E-Commerce

Distribution to Unitholders

S\$ m



- Distribution to Unitholders decreased 4.4% due to technical timing difference between the loan drawdown and completion of acquisition of Fuzhou E-Commerce and depreciation in RMB

(1) Excluding straight-line, security deposit accretion and other relevant distribution adjustments

Prudent Capital Management

Proactive Capital Management

3QFY19 Summary

- ❑ YTD3QFY2019 blended all-in running interest rate of 4.6%¹
- ❑ Successfully **refinance IPO loans**
- ❑ Majority of offshore facilities has been swapped into fixed rate²
- ❑ Aggregate leverage of **39.6%**
- ❑ Entered into FX option contract to lock in SGDRMB for our RMB income source for 1QFY20 distribution
- ❑ Continues to maintain a rolling 6 month FX hedging strategy

Key Debt Figures

Total Debt Drawdown as at 30 Sept 2019

- RMB 1,000 million onshore
- S\$295.5 million and US\$86.8 million offshore
- S\$65.2 million RCF ⁽³⁾

YTD3QFY19 Blended Interest Rate

- Onshore – 5.4% p.a.
- Offshore – 4.1% p.a.
- RCF – 1.9% to 2.6% p.a.

Hedging Profile Forex (SGD/RMB) 1QFY20

- Hedged through put spread
- Buy CNH put at 5.160
 - Sell CNH put at 5.190

(1) Including amortized upfront fee, the all-in interest rate is 5.4%

(2) Excluding RCF

(3) S\$65.2 million drawn down from the S\$120.0 million revolving credit facility

Healthy Balance Sheet

S\$'000	As at 30 Sep 2019	As at 31 Dec 2018
Cash and cash equivalents⁽¹⁾	128,241	142,127
Investment Properties	1,536,846	1,335,034
Total Assets	1,702,852	1,515,824
Borrowings	659,780	474,705
Total Liabilities	1,036,833	827,272
Net Assets attributable to Unitholders	666,019	688,552
NAV per unit (S\$)	0.84	0.87

(1) Includes RMB194.7 million (S\$37.8 million) cash security deposits received from the master leases and cash deposits of RMB371.3 million (S\$72.0 million) placed as collateral for standby letter of credit ("SBLC") issuance.



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Section C: Portfolio Update



Stable Portfolio with Augmented Growth Potential

High Income Visibility | Built-in Escalations | Exposure to E-Commerce Logistics Sector

E-Commerce Logistics Assets

Asset	Lease Structure	Occupancy	Key Highlight
Fu Heng	Master Lease: 1 Jan 2016 to 31 Oct 2024 Rental escalation of 4.0% and 3.0% on 1st Jan 2019 and 2020 respectively, 2.0% annually from 1st Jan 2021.	100%	Coveted property; entire suite of facilities supporting ecommerce fulfilment
Fuzhou E-Commerce	Master Lease: 8 Aug 2019 to 8 Aug 2024 Rental escalation of 2.25% per annum	100%	Situated next to Fu Heng. A rare sizable integrated e-commerce logistics asset
Stage 1 Properties of Bei Gang	Master lease: 1 Nov 2015 to 31 Oct 2024 Rental escalation of 1% on 1st Jan 2019 and 2020. 1% from Nov 2020 to Oct 2024	100%	One of the largest e-commerce developments in the region
Wuhan Meiluote	Multi Tenanted	85.1%	First acquisition in 2018; marquee tenants - JD.com and Dang Dang

Specialized Logistics Asset

Asset	Lease Structure	Occupancy	Key Highlight
Hengde Logistics	Multi Tenanted: 2 main leases.	100%	Customised environment control warehouse space for major SOE tenant China Tobacco

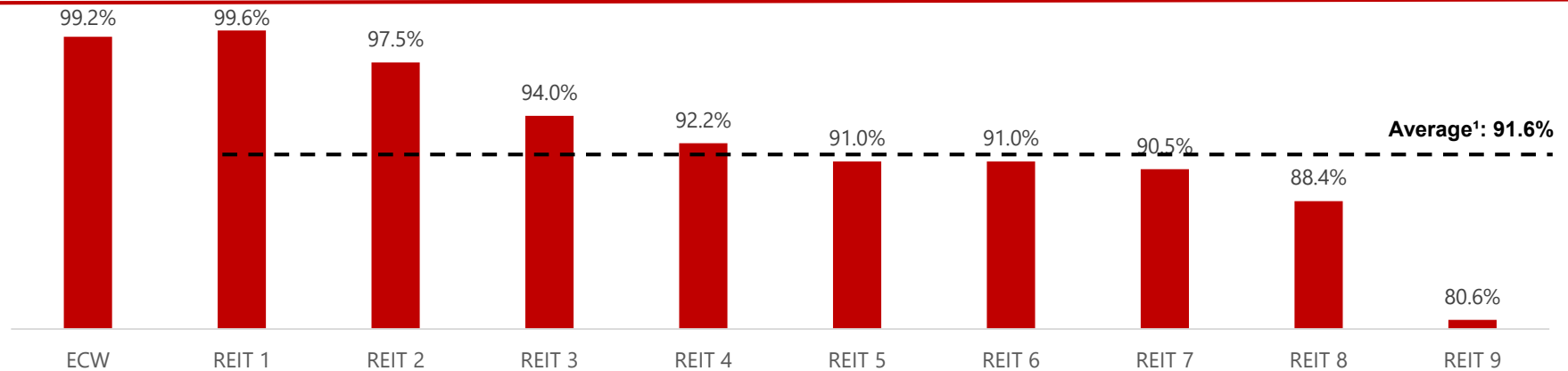
Port Logistics Assets

Asset	Lease Structure	Occupancy	Key Highlight
Chongxian Port Investment	Master lease: 1 Jan 2016 to 31 Dec 2024 Rental escalation of 4.0% and 3.0% on 1st Jan 2019 and 2020 respectively. 2.0% annually from 1st Jan 2021	100%	Leading river port with 60% market share for steel products in Hangzhou
Chongxian Port Logistics	Multi Tenanted	100%	Integrated operations , storage processing and logistics distribution for steel products
Fu Zhuo Industrial	Two main tenancies: (1) 10% annually in first 3 years, 15% from Year 4 from Oct 2015 to Oct 2020 and (2) 7.5% every 3 years from May 2016 to May 2021	100%	Adjacent to port ; for cement related products

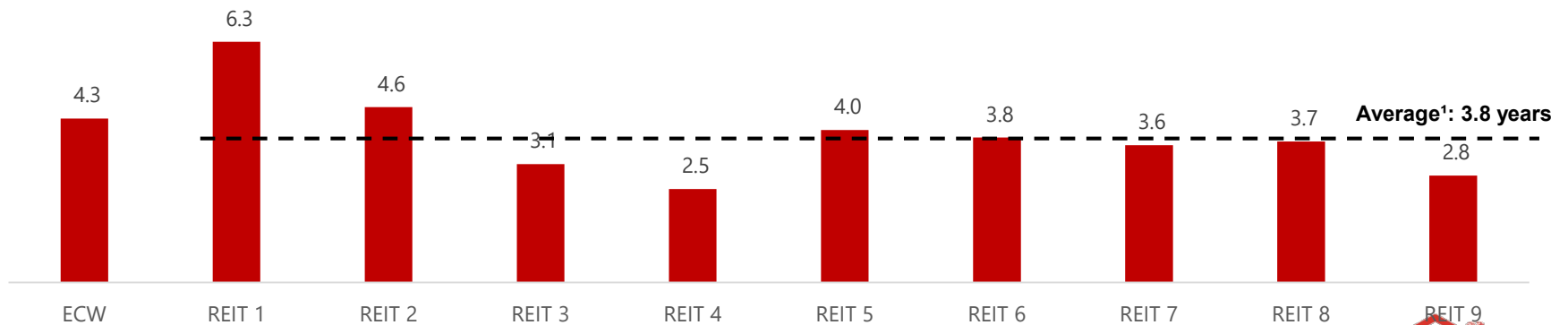
Resilient Asset Portfolio and Defensive Lease Structure

- ✓ Market leading occupancy rate and WALE
- ✓ Asset portfolio handles only domestic businesses with no international trade exposure
- ✓ Defensive lease structure provides stability and visibility of future cash flows

Portfolio Occupancy (Industrial S-REITs)



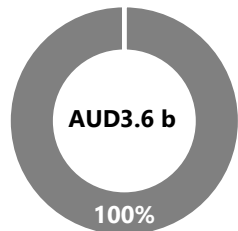
Portfolio WALE² (Years) (Industrial S-REITs)



Unique Exposure to the Booming China E-Commerce Sector

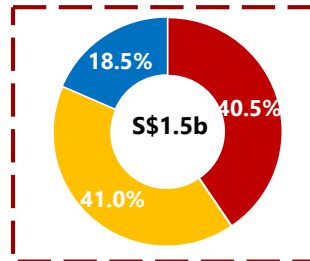
Only S-REIT Offering Substantial Access to E-Commerce Logistics Business

REIT 1



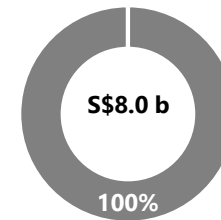
■ Logistics

ECW REIT



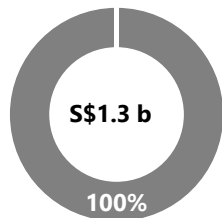
● E-Commerce Logistics ● Specialised Logistics ● Port Logistics

REIT 2



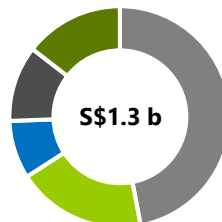
■ Logistics

REIT 3



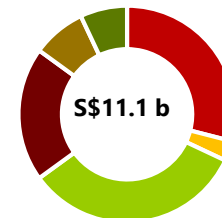
■ Logistics

REIT 4



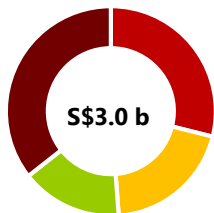
■ Logistics & Warehouse ■ Business Park
■ Hi-Tech Space ■ Light Industrial
■ General Industrial

REIT 5



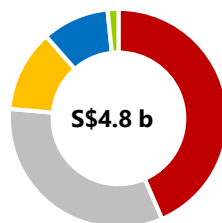
■ Logistics & Distribution Centres ■ Suburban Offices
■ Business & Science Parks ■ Hi-Specs Industrial & Data Centres
■ Light Industrial & Flatted Factories ■ Integrated Development, Amenities & Retail

REIT 6



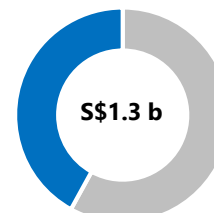
■ Business Parks ■ Logistics / Warehouse
■ Hi-Specs Industrial ■ General Industrial

REIT 7



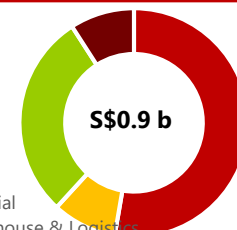
■ Hi-Tech Industrial ■ Flatted Factories
■ Business Park ■ Stack-up/Ramp-up
■ Light Industrial

REIT 8



■ Industrial ■ Business Park

REIT 9



■ Hi-Tech Industrial
■ Chemical Warehouse & Logistics
■ Warehouse & Logistics
■ General Industrial

Source: Quarterly Presentation. REIT 4 and 6 breakdown by Gross Rental Income. REIT 9 breakdown by Net Lettable Area

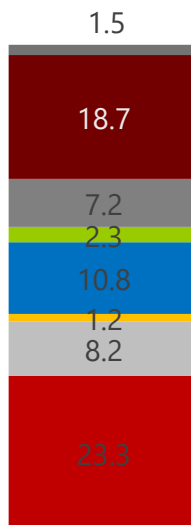
Summary Assets Performance

YTD3QFY19 Breakdown by Gross Revenue and NPI (SGD m)

YTD3QFY19 NPI Yield (1)

Total: 73.3

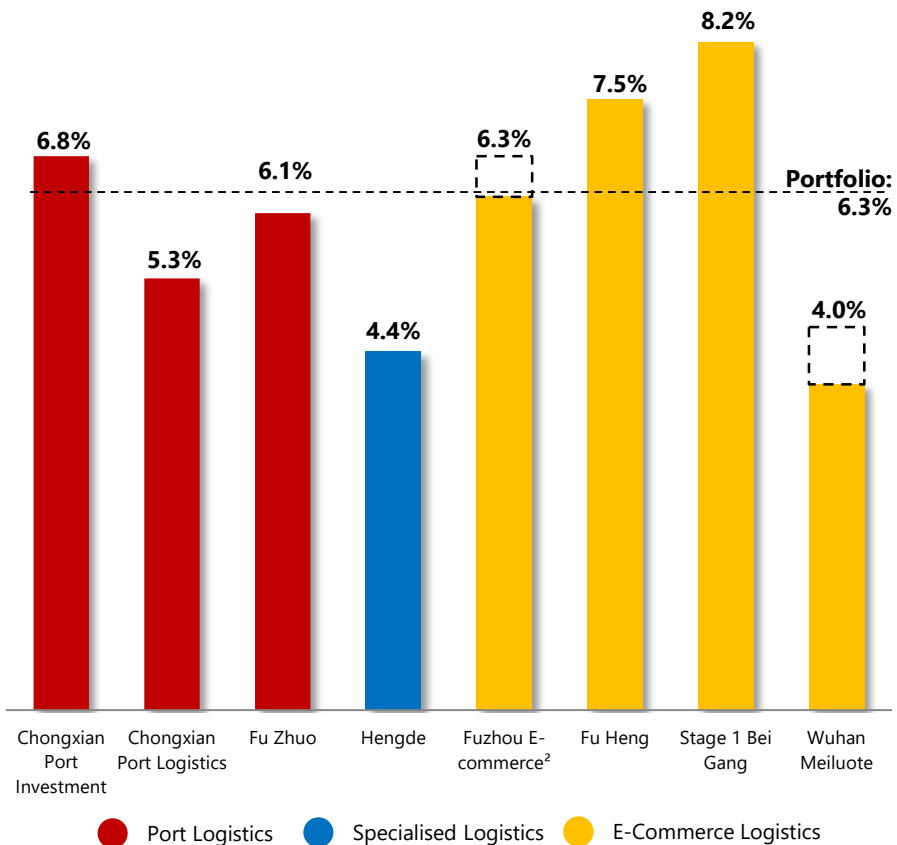
Total: 65.3



Gross Revenue

Net Property Income

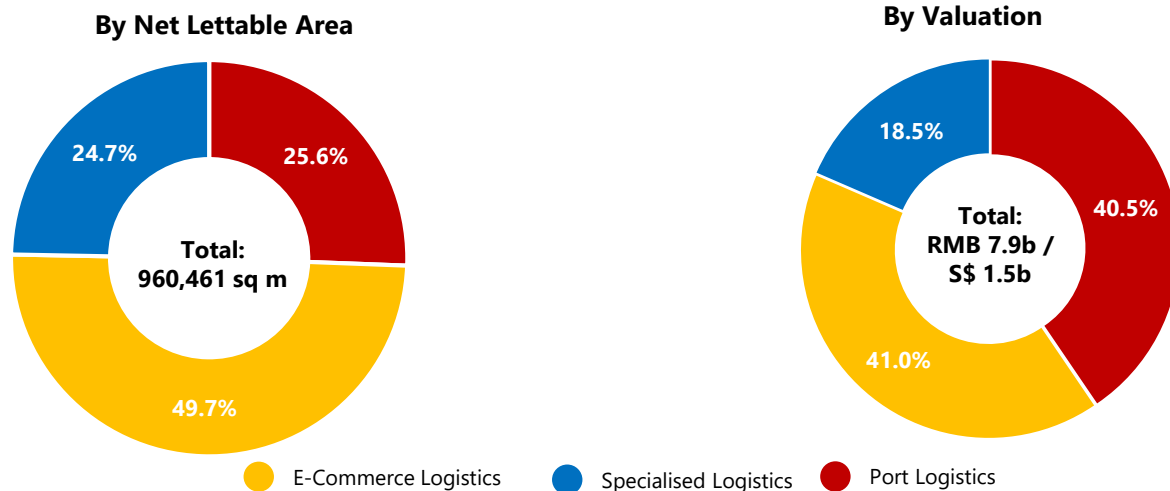
- Chongxian Port Investment ■ Chongxian Port Logistics
- Fu Zhuo ■ Hengde
- Fuzhou E-Commerce ■ Fu Heng
- Stage 1 Bei Gang ■ Wuhan Meiluote



(1) In RMB terms
 (2) Using acquisition price of RMB1,112.5 million, annualised NPI yield would be 6.8%
 (3) Using acquisition price of RMB145 million, YTDNPI yield will be 4.7%

High Quality and Differentiated Asset Portfolio

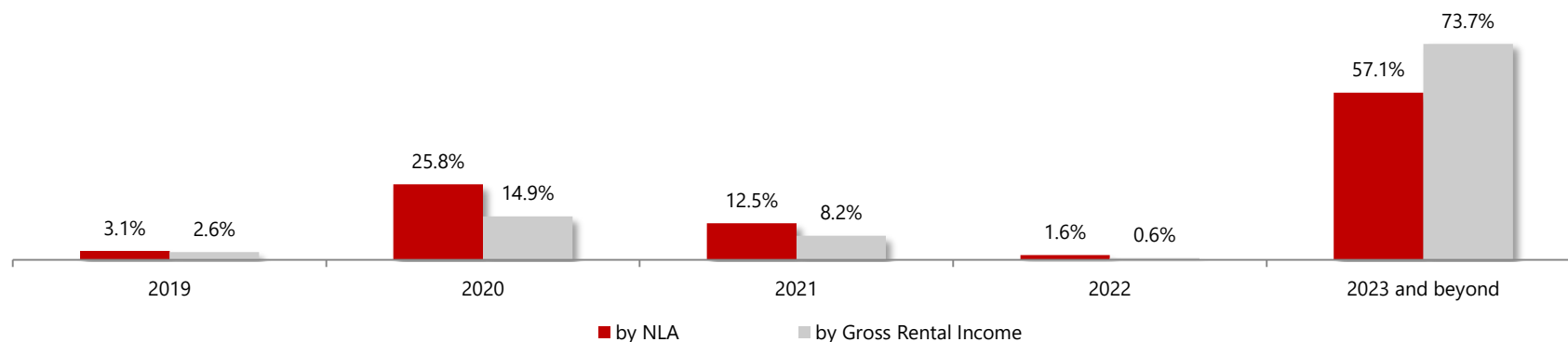
Portfolio Diversification ⁽¹⁾



Lease Expiry Profile of Portfolio ⁽¹⁾

WALE by NLA: 3.4 years

WALE by Gross Rental Income: 4.3 years



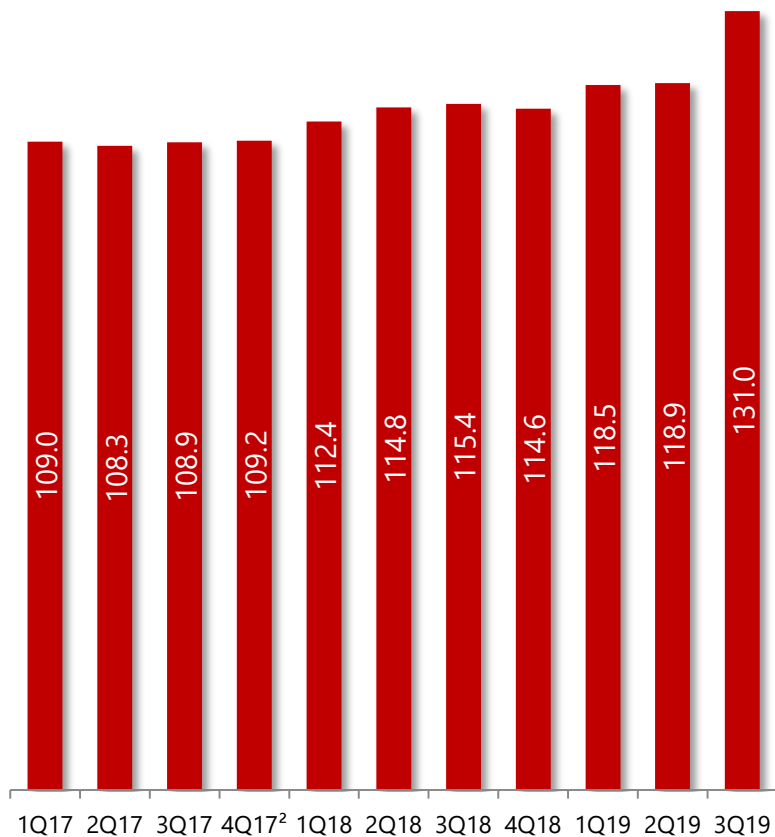
(1) As at 30 September 2019

Strong Asset Portfolio Performance

Portfolio Continues to Deliver Strong Operating Performance Despite Macro Uncertainties

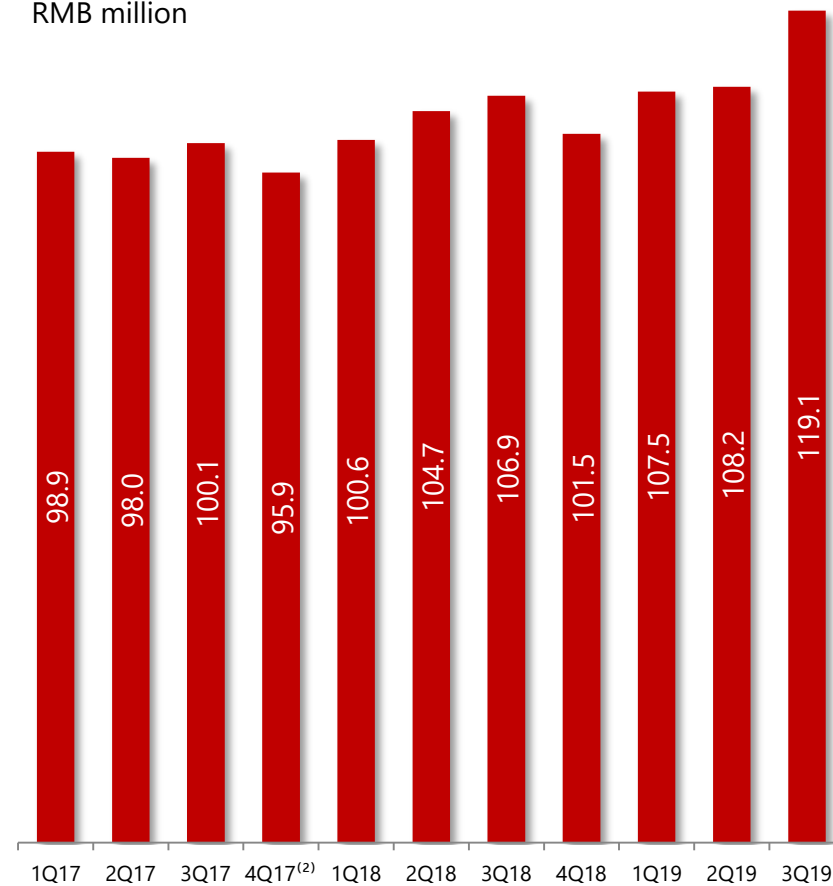
Gross Revenue ⁽¹⁾

RMB million



Net Property Income ⁽¹⁾

RMB million



(1) Excluding straight-line, security deposit accretion and other relevant distribution adjustments

(2) Including a provision of impairment (RMB5.2m) of receivables at Fu Zhuo as at 31 Dec 2017. There was no impact to DPU for FY17



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Thank You

