

**EC WORLD REAL ESTATE INVESTMENT TRUST (“ECW”)
UNAUDITED FINANCIAL STATEMENTS FOR THE FIRST QUARTER ENDED 31 MARCH 2021**

INTRODUCTION

ECW is a Singapore-domiciled real estate investment trust which was listed on Singapore Exchange Securities Trading Limited (the “SGX-ST”) on 28 July 2016 (“Listing Date”). ECW was constituted by the trust deed dated 5 August 2015 (as amended and restated). EC World Asset Management Pte. Ltd. is the manager of ECW (the “Manager”) and DBS Trustee Limited is the trustee of ECW (the “Trustee”).

ECW was established with the investment strategy of investing principally, directly or indirectly, in a diversified portfolio of income-producing real estate which is used primarily for e-commerce, supply-chain management and logistics purposes, as well as real estate-related assets, with an initial geographical focus in the People’s Republic of China (“PRC”).

The Manager’s key financial objectives are to provide unitholders of ECW (“Unitholders”) with an attractive rate of return on their investment through regular and stable distributions to Unitholders and to achieve long-term sustainable growth in Distribution per Unit (“DPU”) and Net Asset Value (“NAV”) per Unit, while maintaining an appropriate capital structure for ECW.

ECW’s portfolio comprises eight properties (collectively known as the “Properties”) located in Hangzhou and Wuhan, the PRC, with an aggregate net lettable area (“Net Lettable Area” or “NLA”) of 960,461 square meters. The Properties are:

1. Fu Heng Warehouse (E-commerce logistics);
2. Stage 1 Properties of Bei Gang Logistics (E-commerce logistics);
3. Wuhan Meiluote (E-commerce logistics);
4. Hengde Logistics (Specialised logistics);
5. Chongxian Port Investment (Port logistics);
6. Chongxian Port Logistics (Port logistics);
7. Fu Zhuo Industrial (Port logistics); and
8. Fuzhou E-Commerce (E-commerce logistics).

EC WORLD REAL ESTATE INVESTMENT TRUST ("ECW")
UNAUDITED FINANCIAL STATEMENTS FOR THE FIRST QUARTER ENDED 31 MARCH 2021

Summary Results of ECW

		Group		
		1.1.21 to 31.3.21	1.1.20 to 31.3.20	Change
		S\$'000	S\$'000	%
	Notes			
Gross revenue	(1)	30,802	23,534	30.9
Net property income	(1)	27,679	21,138	30.9
Distribution to Unitholders		12,361	9,298	32.9
Distribution per unit ("DPU") (cents)	(2)	1.532	1.158	32.3
Annualised distribution yield (%)				
- Based on share price of S\$0.715 per unit as at 31 March 2021		8.69	8.32	4.4

Notes:

- (1) The increase in gross revenue and net property income was mainly because in 1Q20, there were one-off rental rebates given to tenants in efforts to mitigate the adverse impact of the Coronavirus Disease ("COVID-19") situation on tenants' operations and strengthening of RMB by 3.5% year-on-year. After adjusting for effective rent, security deposit accretion and other relevant distribution adjustments in section 1(a)(7), gross revenue and net property income were S\$29.8 million and S\$26.6 million respectively in 1Q2021 (1Q2020: S\$23.7 million and S\$21.6 million respectively).
- (2) ECW's distribution policy is to distribute at least 90% of distributable income for each financial year on a semi-annual basis. ECW has been making distribution on a quarterly basis since its first distribution on 28 November 2016. The Manager will determine at a later stage whether it will change the frequency of distributions.

For 1Q2021, the Manager has resolved to distribute 90% of the total amount available for distribution to Unitholders. ECW will retain 10% of total amount available for distribution in 1Q2021 in view of uncertainties arising from prolonged COVID-19 pandemic globally and for general working capital purpose. Please refer to section 1(a) for the distribution statement. The next distribution for the period from 1 January 2021 to 31 March 2021 will be made on or around 29 June 2021.

Distribution and Record Date

Distribution	1 January 2021 to 31 March 2021
Distribution type	Capital distribution
Distribution rate	1.532 cents
Record date	15 June 2021
Payment date (est)	29 June 2021

For details, please refer to Item 6 for the DPU computation.

**EC WORLD REAL ESTATE INVESTMENT TRUST (“ECW”)
UNAUDITED FINANCIAL STATEMENTS FOR THE FIRST QUARTER ENDED 31 MARCH 2021**

1(a) Statement of Total Return and Distribution Statement

		Group		
		1.1.21 to 31.3.21	1.1.20 to 31.3.20	Change
		S\$'000	S\$'000	%
Statement of Total Return				
Gross revenue	Notes (1)	30,802	23,534	30.9
Property expenses	(2)	(3,123)	(2,396)	30.3
Net property income		27,679	21,138	30.9
Finance income		528	345	53.0
Finance costs		(9,703)	(9,736)	(0.3)
Manager's management fees	(3)			
- Base fees		(1,446)	(1,031)	40.3
Trustee's fees		(83)	(82)	1.2
Foreign exchange loss	(4)	(1,406)	(3,971)	(64.6)
Other trust expenses	(5)	(328)	(356)	(7.9)
Net income		15,241	6,307	>100
Net change in fair value of financial derivatives	(6)	4,537	842	>100
Total return for the financial period before income tax		19,778	7,149	>100
Income tax expenses		(4,891)	(3,810)	28.4
Total return for the financial period after income tax before distribution		14,887	3,339	>100
Distribution statement				
Total return for the financial period after income tax before distribution		14,887	3,339	>100
Distribution adjustments	(7)	(1,151)	6,449	N/M
Total amount available for distribution		13,736	9,788	40.3
Distribution to Unitholders		12,361	9,298	32.9

Notes:

- (1) Gross revenue comprises gross rental income and other income from the investment properties.
- (2) Property expenses comprise property management fee, reimbursable expenses payable to Property Manager and other property related expenses.
- (3) Manager's management fees consist of:
 - (a) A base fee of 10% per annum of the Distributable Income (calculated before accounting for the base fee and the performance fee in each financial year); and
 - (b) A performance fee of 25% per annum of the difference in Distribution per Unit (“DPU”) in a financial year with the DPU in the preceding full financial year (calculated before accounting for performance fee but after accounting for base fee in each financial year) multiplied by weighted average number of Units in issue for such financial year.

The Manager has agreed to receive 50% of its base fee in the form of units for the year from 1 January 2021 to 31 December 2021.

- (4) Foreign exchange loss arises mainly from revaluation of loans in foreign currency.
- (5) Other trust expenses include professional fees and other non-property related expenses.

**EC WORLD REAL ESTATE INVESTMENT TRUST (“ECW”)
UNAUDITED FINANCIAL STATEMENTS FOR THE FIRST QUARTER ENDED 31 MARCH 2021**

- (6) The net change in fair value of financial derivatives relates to various derivative financial instruments which were put in place by the Manager to hedge interest rate and exchange rate risks.
- (7) Net effect of (non-taxable income) / tax deductible expenses and other adjustments comprises:

	Group		
	1.1.21 to 31.3.21	1.1.20 to 31.3.20	Change
	S\$'000	S\$'000	%
Straight-lining of step-up rental	(272)	933	N/M
Security deposit accretion	(25)	(103)	(75.7)
Manager's base fees paid/payable in units	723	515	40.4
Trustee's fees	83	82	1.2
Deferred tax expense	68	233	(70.8)
Fair value gain on financial derivatives	(4,537)	(842)	>100
Amortisation of upfront debt issuance costs	1,403	1,367	2.6
Foreign exchange loss, net (unrealised)	1,406	3,971	(64.6)
Provision of real estate tax	-	293	N/M
Total distribution adjustments	(1,151)	6,449	N/M

EC WORLD REAL ESTATE INVESTMENT TRUST ("ECW")
UNAUDITED FINANCIAL STATEMENTS FOR THE FIRST QUARTER ENDED 31 MARCH 2021

1(b)(i) Balance Sheet

		Group		ECW	
		Actual		Actual	
		31.3.21	31.12.20	31.3.21	31.12.20
		S\$'000	S\$'000	S\$'000	S\$'000
ASSETS					
Current assets					
	(1)	160,036	151,692	914	1,310
	(2)	9	6	9	6
	(3)	48,366	40,303	964	965
		-	-	288,978	288,095
		208,411	192,001	290,865	290,376
Non-current assets					
	(4)	1,647,189	1,623,653	-	-
		-	-	39,588	39,588
		1,647,189	1,623,653	39,588	39,588
Total assets					
		1,855,600	1,815,654	330,453	329,964
LIABILITIES					
Current liabilities					
		29,665	30,028	2,037	1,848
		-	-	428,810	416,720
	(5)	107,124	91,047	-	-
	(2)	8,984	13,506	-	-
		19,225	19,666	-	-
		164,998	154,247	430,847	418,568
Non-current liabilities					
	(5)	596,208	592,784	-	-
	(6)	289,237	285,084	-	-
		67,969	67,035	-	-
		994	994	-	-
		954,408	945,897	-	-
Total liabilities					
		1,119,406	1,100,144	430,847	418,568
NET ASSETS ATTRIBUTABLE TO UNITHOLDERS					
		736,194	715,510	(100,394)	(88,604)
Represented by:					
UNITHOLDERS' FUNDS					
	(7)	736,194	715,510	(100,394)	(88,604)

**EC WORLD REAL ESTATE INVESTMENT TRUST (“ECW”)
UNAUDITED FINANCIAL STATEMENTS FOR THE FIRST QUARTER ENDED 31 MARCH 2021**

Notes

- (1) Includes RMB195.1 million (S\$40.0 million) cash security deposits received from the master leases and cash deposits of RMB572.9 million (S\$117.6 million) placed as collateral for standby letter of credit (“SBLC”) issuance. Deposits were placed with Malayan Banking Berhad Shanghai Branch, United Overseas Bank (China) Limited and Bank of East Asia (China) Limited which have good credit rating.
- (2) This relates to the fair values of the derivative financial instruments entered into to hedge the various risks of ECW. As at 31 March 2021, the derivative instruments entered into were:
- (a) Plain vanilla interest rate swaps (to hedge the interest rate of the Offshore Facility);
 - (b) Cross currency swaps (to hedge the interest rate and foreign exchange rate of the Offshore Facility); and
 - (c) Currency options contracts (to hedge the expected income repatriation from China to Singapore).
- (3) Increase in trade and other receivables is mainly due to appreciation of RMB and increase in rent and late rental payment penalty (“Late Fees”) receivables of \$6.6m. Rent receivables under master lease agreement overdue is subjected to a late payment interest of 0.03% per day and \$0.3m Late Fees accrued as at 31 March 2021 was received in April 2021.
- (4) Represents the carrying values of the investment properties, including asset enhancement initiatives, effective rental adjustments and translation differences. The investment properties are pledged as security for the borrowings of ECW and its subsidiaries (collectively, the “Group”). The increase in carrying amount of investment properties was mainly due to strengthening of RMB against SGD. In view of the COVID-19 situation, the Board and Management expect variations in the asset valuation of the Properties.
- (5) Consists of term loan facilities drawn down in 3Q2019 and revolving credit facilities.
- Please refer to item 1(b)(ii) Aggregate Amount of Borrowings and Debt Securities for details.
- (6) Relates mainly to the deferred tax liability arising from the fair valuation of investment properties.
- (7) Please refer to item 1(d)(i) Statement of Changes in Unitholders’ Funds for details.

1(b)(ii) Aggregate Amount of Borrowings and Debt Securities

	Group	
	31.3.21	31.12.20
	S\$’000	S\$’000
Secured borrowings		
Amount repayable in one year or less	107,270	91,191
Less: Unamortised debt issuance costs	(146)	(144)
	107,124	91,047
Amount repayable after one year	602,977	600,859
Less: Unamortised debt issuance costs	(6,769)	(8,075)
	596,208	592,784
Total borrowings	703,332	683,831

**EC WORLD REAL ESTATE INVESTMENT TRUST (“ECW”)
UNAUDITED FINANCIAL STATEMENTS FOR THE FIRST QUARTER ENDED 31 MARCH 2021**

Notes:

Details of Collaterals and Borrowings

The key terms of the onshore secured term loans facility (the “**Onshore Facility**”) and the offshore secured term loan facility (the “**Offshore Facility**”) are as follows:

(a) Onshore Facility

ECW has put in place 3-year RMB1,018.0 million (S\$209.0 million) and 10-year RMB77.0 million (S\$15.8 million) secured term loan facility.

The facility is secured by way of:

- i) a first ranking pledge over the entire issued equity interest of the Group’s subsidiary, Hangzhou Chongxian Port Logistics Co., Ltd. and Wuqiao Zhonggong Merlot (Hubei) Logistics Co., Ltd. and a first ranking pledge over 65.98% equity interests of Zhejiang Fuzhou E-Commerce Co., Ltd. held by Wuhan Fute Logistics Co., Ltd.;
- ii) an unconditional and irrevocable guarantee from the Onshore Guarantors on a joint and several basis, where the “Onshore Guarantors” refer to the Group’s subsidiaries Hangzhou Fu Zhuo Industrial Co., Ltd., Hangzhou Fu Heng Warehouse Co., Ltd., Hangzhou Chongxian Port Logistics Co., Ltd., Wuqiao Zhonggong Merlot (Hubei) Logistics Co., Ltd., Hangzhou Chongxian Port Investment Co., Ltd., Hangzhou Beigang Logistics Co., Ltd., Zhejiang Hengde Sangpu Logistics Co., Ltd., Zhejiang Fuzhou E-Commerce Co., Ltd., Wuhan Fute Logistics Co., Ltd., Jiayaoyingkai (Shanghai) Supply Chain Management Co., Ltd., and an unconditional and irrevocable guarantee from DBS Trustee Limited (in its capacity as Trustee of ECW);
- iii) a first ranking mortgage over the Properties;
- iv) a pledge of all sales proceeds, rental income and all other revenue derived from the Properties;
- v) an assignment of all material agreements in relation to the Properties;
- vi) an assignment of all insurance policies in relation to the Properties with the onshore security agent (being DBS Bank (China) Limited, Hangzhou Branch) named as the first beneficiary;
- vii) an assignment of all present and future rights and interests of the Onshore Borrowers (which consists of Hangzhou Chongxian Port Investment Co., Ltd., Hangzhou Bei Gang Logistics Co., Ltd., Zhejiang Hengde Sangpu Logistics Co., Ltd. and Zhejiang Fuzhou E-commerce Co., Ltd.), Hangzhou Fu Zhuo Industrial Co., Ltd., Hangzhou Fu Heng Warehouse Co., Ltd., Hangzhou Chongxian Port Logistics Co., Ltd. and Wuqiao Zhonggong Merlot (Hubei) Logistics Co., Ltd. in relation to inter-company debts and shareholder’s loans;
- viii) a subordination deed in relation to the inter-company debts and shareholder’s loans made to the Onshore Borrowers; and
- ix) any other security as may be reasonably required by the lenders.

The blended all-in interest rate for the quarter ended 31 March 2021 was 6.9%. The blended all-in running interest rate for the quarter ended 31 March 2021 was 5.9%.

**EC WORLD REAL ESTATE INVESTMENT TRUST (“ECW”)
UNAUDITED FINANCIAL STATEMENTS FOR THE FIRST QUARTER ENDED 31 MARCH 2021**

(b) Offshore Facility

ECW has 3-year S\$305.6 million and US\$86.8 million (S\$116.9 million) secured term loan facility secured by way of, *inter alia*:

- i) An unconditional and irrevocable guarantee from Fullwealth Investment Pte. Ltd., Richwin Investment Pte. Ltd., Prorich Investment Pte. Ltd., Richport Investment Pte. Ltd., Magnasset Investment Pte. Ltd., JY Logistics Investment Pte. Ltd. and Realtime Assets Global Pte. Ltd. (the “Singapore Holding Companies”) and Flutric Investments Limited (the “BVI Holding Company”), and the Trustee (in its capacity as trustee of ECW) on a joint and several basis;
- ii) A charge over the entire issued share capital of each of the Singapore Holding Companies, the BVI Holding Company and ECW Treasure Pte. Ltd. (“ECWT”);
- iii) A pledge over the entire issued equity interest of each of Hangzhou Chongxian Port Investment Co., Ltd., Hangzhou Bei Gang Logistics Co., Ltd., Hangzhou Fu Zhuo Industrial Co., Ltd., Hangzhou Fu Heng Warehouse Co., Ltd., Zhejiang Hengde Sangpu Logistics Co., Ltd., Wuhan Fute Logistics Co., Ltd. and Zhejiang Fuzhou E-commerce Co., Ltd.;
- iv) A mortgage over each of the Properties and a floating mortgage over the assets of Zhejiang Fuzhou E-commerce Co., Ltd., in each case, securing the term loan facility of S\$39.1 million and US\$5.84 million; and
- v) A debenture over all the assets of the Trustee (in its capacity as trustee of ECW) relating to and/or in connection with the Properties, and debentures over all of the assets of each of the Singapore Holding Companies and ECWT.

The blended all-in interest rate for the quarter ended 31 March 2021 was 5.0%. The blended all-in running interest rate for the quarter ended 31 March 2021 was 4.1%. As at 31 March 2021, S\$300.0 million and US\$86.8 (S\$116.9 million) of the above facility were drawn down and 100% of the interest rate risk of the Offshore Facility was hedged using floating to fixed interest rate swaps and cross currency swaps.

The Onshore Facility and the Offshore Facility have cross-default provisions, where default of the Offshore Facility shall automatically trigger default of the Onshore Facility and vice versa.

(c) Revolving Credit Facilities

ECW has put in place uncommitted revolving credit facilities of S\$130.0 million with Malayan Banking Berhad (“MBB”), United Overseas Bank Ltd (“UOB”) and Bank of East Asia Limited, Singapore Branch (“BEA”). As at 31 March 2021, ECW had drawn down a total of S\$101.7 million short-term loans backed by SBLC issued by Malayan Banking Berhad Shanghai Branch, United Overseas Bank (China) Ltd and Bank of East Asia (China) Limited. The SBLC is collateralised against a total cash deposit of RMB572.9 million (S\$117.6 million). The interest rates ranged from 1.2% to 1.7% per annum for the quarter ended 31 March 2021.

The blended all-in interest rate of the aggregate facilities for the quarter ended 31 March 2021 was 4.9%. The blended all-in running interest rate for the quarter ended 31 March 2021 was 4.1% per annum. At the end of the period, the Aggregate Leverage for the Group was 38.3% (31 December 2020: 38.1%) and the interest coverage ratio¹ was 2.79 times (31 December 2020: 2.62 times).

¹ calculated by dividing the trailing 12 months earnings before interest, tax, depreciation and amortisation (excluding effects of any fair value changes of derivatives and investment properties, and foreign exchange translation), by the trailing 12 months interest expense and borrowing-related fees.

EC WORLD REAL ESTATE INVESTMENT TRUST ("ECW")
UNAUDITED FINANCIAL STATEMENTS FOR THE FIRST QUARTER ENDED 31 MARCH 2021

1(c) Cash Flows Statement

		Group	
		1.1.21 to 31.3.21	1.1.20 to 31.3.20
		S\$'000	S\$'000
Cash Flows from Operating Activities			
Total return for the financial period		14,887	3,339
Adjustments for:			
- Income tax		4,891	3,810
- Interest income		(528)	(345)
- Finance cost		9,703	9,736
- Effect of straight lining of step-up rental		(272)	933
- Effect of security deposits accretion		(775)	(796)
- Fair value gain on derivative instruments		(4,537)	(842)
- Manager's base fees payable in units		723	515
- Exchange loss		1,406	3,971
Operating cash flow before working capital change		25,498	20,321
Changes in working capital:			
Trade and other receivables		(7,435)	(17,934)
Trade and other payables		(1,156)	(1,451)
Cash generated from operating activities		16,907	936
Interest received		528	345
Income tax paid (net)		(5,539)	(1,598)
Net cash generated from/(used in) operating activities		11,896	(317)
Cash Flows from Financing Activities			
Repayment of bank borrowings	(1)	(16,604)	(4,507)
Distribution to Unitholders		(11,499)	(12,098)
Proceeds from bank borrowings	(1)	29,799	18,299
Interest paid		(7,211)	(7,616)
SBLC commission paid		(106)	(45)
Placements of deposits for SBLC facilities	(1)	(18,190)	(18,299)
Net cash used in financing activities		(23,811)	(24,266)
Net decrease in cash and cash equivalents		(11,915)	(24,583)
Cash and cash equivalents at beginning of financial period		38,037	34,697
Effects of exchange rate changes on cash and cash equivalents		535	1,056
Cash and cash equivalents at the end of financial period	(2)	26,657	11,170

**EC WORLD REAL ESTATE INVESTMENT TRUST (“ECW”)
UNAUDITED FINANCIAL STATEMENTS FOR THE FIRST QUARTER ENDED 31 MARCH 2021**

Notes

- (1) Refer to Item 1(b)(ii) Aggregate Amount of Borrowings and Debt Securities for details.
- (2) For the purpose of presenting the consolidated statement of cash flows, cash and cash equivalents comprise the following:

	Group	
	31.3.21	31.3.20
	S\$'000	S\$'000
Cash and cash equivalents (as per Balance Sheet)	160,036	117,737
Less:		
- Interest reserves [#]	(15,766)	(15,737)
- Cash collateral for SBLC facilities	(117,613)	(90,830)
Cash and cash equivalents per consolidated statement of cash flows	26,657	11,170

[#] Bank deposits maintained as interest reserves, as required by the Offshore Facility and Onshore Facility agreements.

EC WORLD REAL ESTATE INVESTMENT TRUST ("ECW")
UNAUDITED FINANCIAL STATEMENTS FOR THE FIRST QUARTER ENDED 31 MARCH 2021

1(d)(i) Statements of Changes in Unitholders' Funds

	Group	
	1.1.21 to 31.3.21	1.1.20 to 31.3.20
	S\$'000	S\$'000
OPERATIONS		
Balance as at beginning of the period	838,166	850,259
Total return after tax	14,887	3,339
Balance as at end of the period	853,053	853,598
GENERAL RESERVES		
Balance as at beginning of the period	20,907	15,709
Balance as at end of the period	20,907	15,709
UNITHOLDERS' CONTRIBUTION		
Balance as at beginning of the period	(68,283)	(49,974)
Movement during the period		
- Manager's base fees paid in units	673	1,275
- Distributions to unitholders	(11,499)	(12,098)
Balance as at end of the period	(79,109)	(60,797)
FOREIGN CURRENCY TRANSLATION RESERVE		
Balance as at beginning of the period	(75,280)	(132,069)
Translation differences relating to financial statements of foreign subsidiaries	16,623	44,866
Balance as at end of the period	(58,657)	(87,203)
Total Unitholders' funds as at end of the period	736,194	721,307

	ECW	
	1.1.21 to 31.3.21	1.1.20 to 31.3.20
	S\$'000	S\$'000
OPERATIONS		
Balance as at beginning of the period	(20,321)	(31,166)
Total return after tax	(964)	1,185
Balance as at end of the period	(21,285)	(29,981)
UNITHOLDERS' CONTRIBUTION		
Balance as at beginning of the period	(68,283)	(49,974)
Movement during the period		
- Manager's base fees paid in units	673	1,275
- Distributions to unitholders	(11,499)	(12,098)
Balance as at end of the period	(79,109)	(60,797)
Total Unitholders' funds as at end of the period	(100,394)	(90,778)

**EC WORLD REAL ESTATE INVESTMENT TRUST (“ECW”)
UNAUDITED FINANCIAL STATEMENTS FOR THE FIRST QUARTER ENDED 31 MARCH 2021**

1(d)(ii) Details of Any Change in Units

		Group and ECW	
		1.1.21 to 31.3.21	1.1.20 to 31.3.20
		Units	Units
Balance as at beginning of period		805,843,981	801,206,236
- Manager's base fees paid in units		938,534	1,689,424
Issued units as at the end of period		806,782,515	802,895,660
Units to be issued			
- Manager's base fees payable in units for 1.1.21 to 31.3.21	(1)	1,014,284	-
- Manager's base fees payable in units for 1.1.20 to 31.3.20			1,047,931
Total issued and to be issued units		807,796,799	803,943,591

Note

- (1) These are units to be issued to the Manager as payment for its base fees and performance fees at an issue price which is computed based on the 10 business day volume-weighted average price of ECW traded on the SGX-ST.

The Manager received 100% of its base fee and performance fee in the form of units for the period from the Listing Date to 31 December 2017 as stated in the Prospectus (pages 32 and 119). Subsequently, the Manager may elect to receive base fee and performance fee in cash or Units or a combination of cash and Units (as it may in its sole discretion determine) from 2018. The Manager has elected to receive 50% of its base fee in the form of units for the year from 1 January 2021 to 31 December 2021.

- 2. Whether the figures have been audited, or reviewed and in accordance with which standard, (e.g. the Singapore Standard on Auditing 910 (Engagements to Review Financial Statements), or an equivalent standard)**

The figures in this announcement have neither been audited nor reviewed by the auditors.

- 3. Where the figures have been audited, or reviewed, the auditors' report (including any qualifications or emphasis of matter)**

Not applicable.

- 4. Whether the same accounting policies and methods of computation as in the issuer's most recent audited annual financial statements have been applied**

ECW has applied the same accounting policies and methods of computation in the preparation of financial statements for the current reporting period compared with the audited financial statement for the financial year ended 31 December 2020.

EC WORLD REAL ESTATE INVESTMENT TRUST ("ECW")
UNAUDITED FINANCIAL STATEMENTS FOR THE FIRST QUARTER ENDED 31 MARCH 2021

5. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of the change

Not applicable.

6. Earnings Per Unit ("EPU") and Distribution Per Unit ("DPU")

		Group	
		1.1.21 to 31.3.21	1.1.20 to 31.3.20
Weighted average number of units as at end of period		805,854,409	801,224,801
Earnings per unit ("EPU") - Basic and Diluted (cents)	(1)	1.85	0.42
Number of units entitled to distribution		806,782,515	802,895,660
Distribution per unit ("DPU") (cents)	(2)	1.532	1.158
Distribution per unit ("DPU") (cents) - Annualised		6.213	4.657

Notes

- (1) EPU calculation uses the total return for the period after tax, and the weighted average number of units issued. The diluted EPU is the same as basic EPU as no dilutive instruments were in issue during the period.
- (2) DPU was computed and rounded based on the number of units entitled to distribution at the end of the period. Distribution of 1.532 cents per unit for period from 1 January 2021 to 31 March 2021 will be paid on or around 29 June 2021.

7. Net Asset Value ("NAV") / Net Tangible Asset ("NTA") Per Unit

	As at 31.3.21	As at 31.12.20
NAV / NTA of Group - attributable to Unitholders (S\$'000)	736,194	715,510
NAV / NTA of REIT (S\$'000)	(100,394)	(88,604)
Number of units outstanding as at end of each period ('000)	806,783	805,844
Group's net asset value per unit (S\$)	0.91	0.89
REIT's net asset value per unit (S\$)	(0.12)	(0.11)

**EC WORLD REAL ESTATE INVESTMENT TRUST (“ECW”)
UNAUDITED FINANCIAL STATEMENTS FOR THE FIRST QUARTER ENDED 31 MARCH 2021**

8. Review of the Performance

(i) Review of performance for the quarter ended 31 March 2021

Gross revenue of S\$30.8 million was S\$7.3 million or 30.9% higher compared to 1Q2020. Net property income (“NPI”) of S\$27.7 million was S\$6.5 million or 30.9% higher compared to 1Q2020. In RMB terms, the gross revenue and NPI were 26.0% and 26.1% higher respectively compared to 1Q2020. After straight-line, security deposit accretion and other relevant distribution adjustments, the gross revenue and NPI in RMB terms were 21.0% and 18.9% higher respectively compared to 1Q2020, mainly due to one-off rental rebates given to tenants in 1Q20 in efforts to mitigate the adverse impact of the COVID-19 situation on tenants’ operations.

Finance costs of S\$9.7 million were consistent with 1Q2020.

Distribution to Unitholders of S\$12.4 million represents S\$3.1 million or 32.9% increase compared to 1Q2020 mainly due to absence of rental rebates given.

9. Variance between the forecast

ECW did not disclose any financial forecast to the market.

**EC WORLD REAL ESTATE INVESTMENT TRUST (“ECW”)
UNAUDITED FINANCIAL STATEMENTS FOR THE FIRST QUARTER ENDED 31 MARCH 2021**

10. Commentary on the competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting and the next 12 months

According to the National Bureau of Statistics of China², gross domestic product (GDP) in 1Q2021 increased 18.3% to RMB 24,931.0 billion compared to 1Q2020. The sharp spike was partly due to the low base figure last year and increase of working days due to staff staying put over the Spring Festival in 1H2021 to minimise the spread of COVID-19³. Compared to 4Q2020, GDP increased by 0.6%. China’s Premier Li Keqiang has indicated an economic growth target of above 6% for 2021⁴.

Total retail sales in China saw a 34.2% increase year-on-year while online retail sales increased by 29.9% year-on-year². Within Zhejiang Province, online retail sales increased by 48.5% vis-à-vis a year ago⁵. The provincial government has set its GDP target for 2021 at more than 6.5%⁶.

On 30 April 2021, the Manager announced that there has been an incident of displacement and collapse of a berth at Chongxian Port Investment which has resulted in the damage of two gantry cranes located within the vicinity of the berth. No injuries were reported. Due to the location of the damaged area, the operations at the damaged berth and the 2 adjacent berths have been suspended. The rest of the port operation is not affected. The cause of the incident is still being investigated. The Manager is working closely with the insurer to assess the quantum of revenue loss and property damage recoverable by insurance claims.

As at 31 March 2021, EC World REIT has a portfolio of eight properties, of which, seven assets are located in the Hangzhou, Zhejiang and one in Wuhan. The portfolio has a healthy occupancy of 99.1% and a weighted average lease to expiry of 3.1 years as at 31 March 2021. Four of its properties are on master leases with annual rental escalation providing organic growth. On 7 May 2021, the Manager announced that it has successfully renewed a second major lease amounting to 74,057 square metres in relation to Hengde Logistics, with China Tobacco Zhejiang Industrial Co., Ltd. The renewal will provide stability to ECW. However, the renewal is expected to reduce ECW’s revenue by 0.8%⁷.

² National Bureau of Statistics of China: http://www.stats.gov.cn/tjsj/zxfb/202104/t20210416_1816307.html

³ <https://www.channelnewsasia.com/news/asia/china-gdp-grows-record-18-3-in-first-quarter-in-covid-19-rebound-14632688>

⁴ <https://www.channelnewsasia.com/news/commentary/china-economy-monetary-fiscal-policy-pcob-covid-debt-trade-infra-14651974>

⁵ http://www.xinhuanet.com/english/2021-03/18/c_139819122.htm

⁶ http://www.xinhuanet.com/english/2021-01/26/c_139699318.htm

⁷ Annualised based on December 2020 monthly gross revenue

**EC WORLD REAL ESTATE INVESTMENT TRUST (“ECW”)
UNAUDITED FINANCIAL STATEMENTS FOR THE FIRST QUARTER ENDED 31 MARCH 2021**

11. Distribution

(a) Current financial period

Any distributions declared for the current financial period? Yes

Name of distribution: Distribution for the period from 1 January 2021 to 31 March 2021

Distribution types: Capital distribution

Distribution rate: 1.532 cents per unit

Tax rate: The capital distribution represents a return of capital to Unitholders for Singapore income tax purposes and is therefore not subject to Singapore income tax. For Unitholders who hold the Units as trading assets, the amount of capital distribution will be applied to reduce the cost base of their Units for the purpose of calculating the amount of taxable trading gains arising from the disposal of the Units.

Remarks: The distribution to Unitholders is based on 90% of the distributable income for the period from 1 January 2021 to 31 March 2021.

(b) Corresponding period of the preceding financial period

Any distributions declared for the corresponding period of the immediate preceding financial period?

Yes. A capital distribution of 1.158 cents per unit was declared for the period from 1 January 2020 to 31 March 2020.

(c) Date Payable (est.) 29 June 2021

(d) Record Date 15 June 2021

12. If no distribution has been declared/(recommended), a statement to that effect and the reason(s) for the decision.

A distribution has been declared for the period from 1 January 2021 to 31 March 2021.

13. If the Group has obtained a general mandate from Unitholders for Interested Person Transactions (“IPT”), the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If not IPT mandate has been obtained, a statement to that effect.

ECW does not have a general mandate from Unitholders for interested person transactions.

**EC WORLD REAL ESTATE INVESTMENT TRUST (“ECW”)
UNAUDITED FINANCIAL STATEMENTS FOR THE FIRST QUARTER ENDED 31 MARCH 2021**

14. Segmental results

	Group			
	1.1.21 to 31.3.21		1.1.20 to 31.3.20	
	S\$'000	%	S\$'000	%
Gross revenue				
- Port logistics	12,723	41.3	9,059	38.5
- Specialised logistics	3,366	10.9	3,364	14.3
- E-commerce logistics	14,713	47.8	11,111	47.2
	30,802	100.0	23,534	100.0
Net property income				
- Port logistics	11,901	43.0	8,394	39.7
- Specialised logistics	3,054	11.0	3,027	14.3
- E-commerce logistics	12,724	46.0	9,717	46.0
	27,679	100.0	21,138	100.0

Please refer to Item 8 for review of actual performance.

15. In review of performance, the factors leading to any changes in contributions to turnover and earnings by the business or geographical segments

Please refer to Item 8 for review of actual performance.

16. Breakdown of sales

	Group		
	1.1.21 to 31.3.21	1.1.20 to 31.3.20	Change
	S\$'000	S\$'000	%
<u>First half of the year</u>			
Gross revenue	30,802	23,534	30.9
Net property income	27,679	21,138	30.9

Please refer to Item 8 for review of actual performance.

**EC WORLD REAL ESTATE INVESTMENT TRUST (“ECW”)
UNAUDITED FINANCIAL STATEMENTS FOR THE FIRST QUARTER ENDED 31 MARCH 2021**

17. Breakdown of total distribution for the financial period ended 31 March 2021

In respect of the period:

1 January 2020 to 31 March 2020

1 January 2021 to 31 March 2021

(Payable on or around 29 June 2021)

Group	
1.1.21 to 31.3.21	1.1.20 to 31.3.20
S\$'000	S\$'000
-	9,298
12,361	-
12,361	9,298

18. Confirmation pursuant to Rule 720(1) of the Listing Manual

The Board of Directors of the Manager hereby confirms that the undertakings from all its directors and executive officers as required in the format as set out in Appendix 7.7 under Rule 720(1) of the Listing Manual were procured.

19. Certificate pursuant to Paragraph 7.3 of the Property Funds Appendix

The Manager hereby certifies that in relation to the distribution to the Unitholders for the quarter ended 31 March 2021:

- (a) ECW will declare a distribution which is classified as capital distribution from a tax perspective, being derived from the consolidated net profit after tax of ECW and its subsidiaries for the financial period, as adjusted to eliminate the effects of adjustments as listed in Item 1(a)(7).

ECW's distribution policy is to distribute 100% of ECW's distributable income for the period from the Listing Date to 31 December 2017. Thereafter, ECW will distribute at least 90% of its distributable income for each financial year. The actual distribution will be determined at the Manager's discretion. For 1Q2021, the Manager has resolved to distribute 90% of the total amount available for distribution to Unitholders.

- (b) The Manager is satisfied on reasonable ground that, immediate after making the distributions, ECW will be able to fulfill, from its deposited properties, its liabilities as they fall due.

**EC WORLD REAL ESTATE INVESTMENT TRUST (“ECW”)
UNAUDITED FINANCIAL STATEMENTS FOR THE FIRST QUARTER ENDED 31 MARCH 2021**

20. Confirmation pursuant to Rule 705(5) of Listing Manual

To the best of our knowledge, nothing has come to the attention of the Board of Directors of the Manager which may render these unaudited interim financial statements of the Group and ECW (comprising the statement of financial position as at 31 March 2021, statement of total return & distribution statement, statement of cash flows and statement of movements in Unitholder’s funds for the quarter ended on that date), together with their accompanying notes, to be false or misleading, in any material aspect.

On behalf of the Board of Directors of
EC World Asset Management Pte. Ltd.
(as Manager of EC World Real Estate Investment Trust)

Zhang Guobiao
Chairman and Non-Executive Director

Goh Toh Sim
Executive Director and Chief Executive Officer

IMPORTANT NOTICE

The value of 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, DBS Trustee Limited (as trustee of ECW), or any of their respective affiliates.

An investment in the Units is subject to investment risks, including the possible loss of the principal amount invested. Unitholders have no right to request that the Manager redeem or purchase 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.

This announcement may contain forward-looking statements that involve assumptions, 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. Predictions, projections or forecasts of the economy or economic trends of the markets are not necessarily indicative of the future or likely performance of ECW. The forecast financial performance of ECW is not guaranteed. A potential investor is cautioned not to place undue reliance on these forward-looking statements, which are based on the Manager’s current view of future events.

FOR AND ON BEHALF OF THE BOARD OF
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
11 May 2021