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the E-Commerce World



BALANCED
Portfolio of Specialised Assets



EC World
运通网城 REIT

1QFY2021 Results Presentation

11 May 2021



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Agenda

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Portfolio Update



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Section A: 1QFY2021 Key Highlights



1QFY2021 Key Highlights

Ensuring Predictable and Sustainable Returns



1QFY21 Financials and Distributions

- **30.9% increase in gross revenue and net property income (“NPI”) year-on-year** mainly due to absence of rental rebates provided to tenants in efforts to mitigate the impact of COVID-19 situation in 1QFY20 and **strengthening of RMB**
- **In RMB terms**, the gross revenue and NPI were **26.0% and 26.1% higher** respectively compared to 1Q2020
- **Distribution Per Unit (“DPU”)** increased 32.3% to **1.532 cents**
- Manager continue to strive to **provide stable and predictable distribution**. Continue to retain 10% of amount available for distribution in view of uncertainties arising from prolonged COVID-19 pandemic globally and for general working capital purpose



Asset management

- Secured **renewal of major lease** at Hengde Logistics extending weighted average lease to expiry (“WALE”) to 3.2 years (by gross rental income) from 3.1 years (by gross rental income) as at 31 March 2021
- Healthy **Portfolio occupancy of 99.1%** as at 31 March 2021

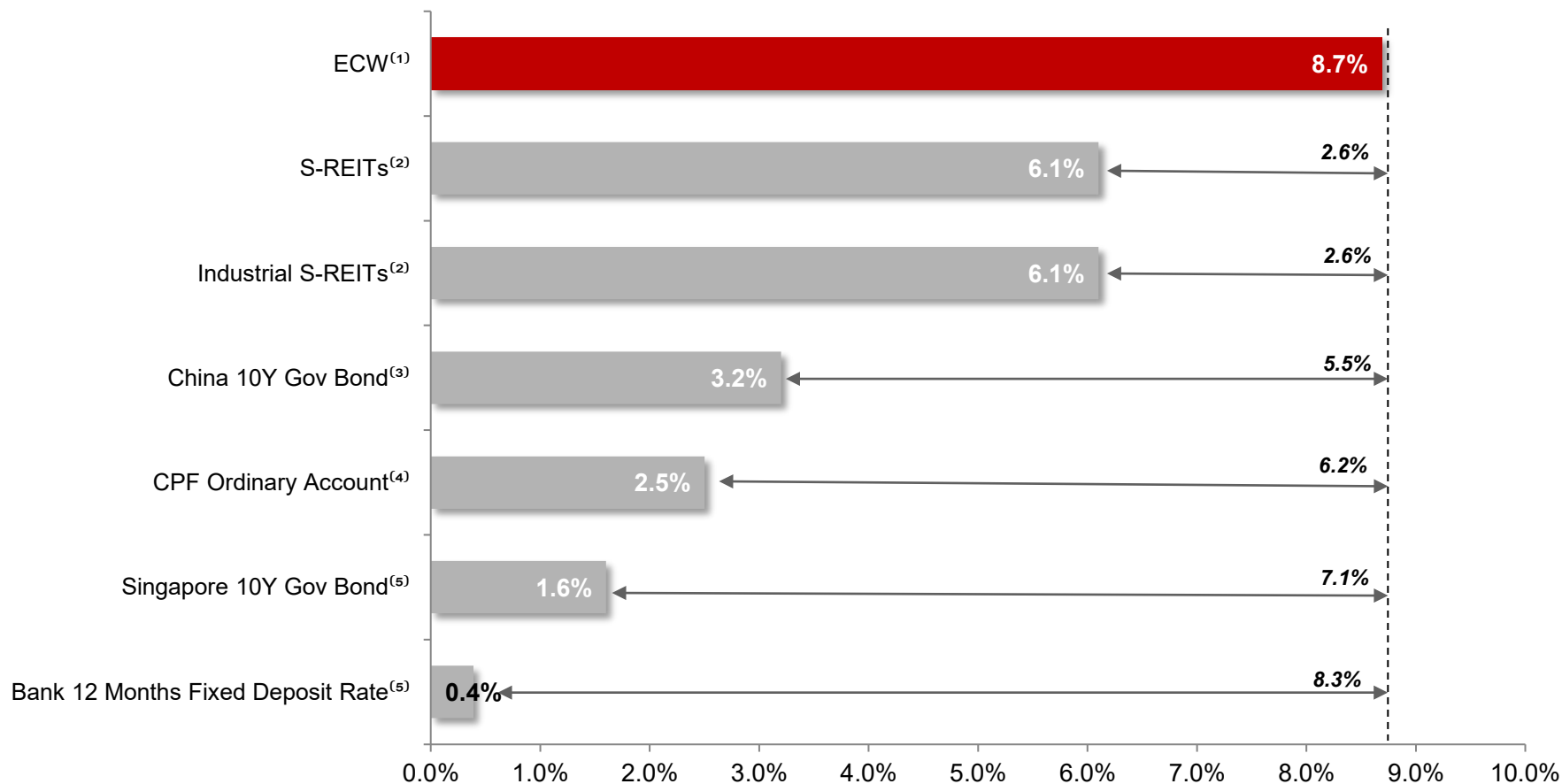


Stable Capital and Debt Structure

- **All-in running interest rate** for 1QFY2021 of **4.1%**
- Weighted Average Term of Debt Expiry of **1.4 years**

Distribution Yield

Attractive Yield Compared to Peers



(1) Based on annualized 1QFY21 DPU of 6.213 Singapore cents and closing price of S\$0.715 per unit as at 31 March 2021.

(2) Based on Broker Research

(3) Source: Bloomberg

(4) Source: CPF Board

(5) Source: Monetary Authority of Singapore

1QFY2021 Distribution Timetable

Distribution Timetable

Last Day of Trading on “cum” Basis	:	11 June 2021 (Friday)
Ex-date	:	14 June 2021 (Monday)
Record Date	:	15 June 2021 (Tuesday)
Distribution Payment Date	:	29 June 2021 (Tuesday)



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Section B: Financial Review



1QFY2021 Summary Results

Year on Year Comparison	1QFY2021	1QFY2020	Variance (%)
Gross revenue (S\$'000)	30,802	23,534	30.9
Net property income (S\$'000)	27,679	21,138	30.9
Finance Cost (S\$'000)	(9,703)	(9,736)	(0.3)
Total amount available for distribution (S\$'000)	13,736	9,788	40.3
Amount retained (S\$'000) ¹	1,375	490	n.m.
Distribution to Unitholders (S\$'000)	12,361	9,298	32.9
Applicable number of units for computation of DPU (million)	806.8	802.9	0.5
Distribution Amount Available per Unit ² (Singapore cents)	1.702	1.219	39.6
Distribution per unit after retention (Singapore cents)	1.532	1.158	32.3

- Gross revenue and NPI were **30.9% higher year-on-year** 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 and **strengthening of RMB**
- 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 1QFY2020
- **Distribution to Unitholders increased 32.9%**
- **DPU of 1.532 cents is 32.3% higher**

(1) Retention of total amount available for distribution in view of uncertainties arising from prolonged COVID-19 pandemic globally and for general working capital purpose

(2) On 100% distribution basis

1QFY2021 Summary Results

Year on Year Comparison	1QFY2021	4QFY2020	Variance (%)
Gross revenue (S\$'000)	30,802	29,532	4.3%
Net property income (S\$'000)	27,679	27,203	1.7%
Finance Cost (S\$'000)	(9,703)	(9,851)	-1.5%
Total amount available for distribution (S\$'000)	13,736	12,783	7.5%
Amount retained (S\$'000) ¹	1,375	1,278	7.6%
Distribution to Unitholders (S\$'000)	12,361	11,505	7.4%
Applicable number of units for computation of DPU (million)	806.8	805.8	0.1%
Distribution Amount Available per Unit ² (Singapore cents)	1.702	1.586	7.3%
Distribution per unit after retention (Singapore cents)	1.532	1.427	7.4%

- **Gross revenue and NPI increased mainly due to strengthening of RMB and rental escalation in master leases**
- **Total amount available for distribution increased mainly due to higher revenue and lower income tax**
- **Distribution per unit of 1.532 Singapore cents after retention is 7.4% higher than 4QFY20**

(1) Retention of total amount available for distribution in view of uncertainties arising from prolonged COVID-19 pandemic globally and for general working capital purpose

(2) On 100% distribution basis

Stable Balance Sheet

S\$'000	As at 31 March 2021	As at 31 December 2020
Cash and cash equivalents⁽¹⁾	160,036	151,692
Investment Properties	1,647,189	1,623,653
Total Assets	1,855,600	1,815,654
Borrowings	703,332	683,831
Total Liabilities	1,119,406	1,100,144
Net Assets attributable to Unitholders	736,194	715,510
NAV per unit (S\$)	0.91	0.89

(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.

Prudent Capital Management

Proactive Capital Management

1QFY21 Summary

- ❑ **1QFY2021** running interest rate of **4.1%**
- ❑ Aggregate leverage of **38.3%**
- ❑ **Weighted Average Debt Maturity** of **1.4 years**
- ❑ Interest coverage ratio of **2.79x⁽¹⁾**
- ❑ Proactive monitoring of exchange rate.

Key Debt Figures

Total Debt Drawdown as at 31 March 2021

- Onshore: RMB1,018.0 and RMB77.0 million
- Offshore: S\$305.6 million and US\$86.8 (S\$114.8 million)
- S\$101.7 million RCF ⁽²⁾

1QFY2021 Blended Running Interest Rate⁽³⁾

- Onshore – 5.9% p.a.
- Offshore – 4.1% p.a.
- RCF – 1.2% to 1.7% p.a.

Hedging Profile Forex (SGD/RMB) for 1QFY2021 distribution

- Hedged through call vanilla option
- Strike price at CHN 4.90

(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.

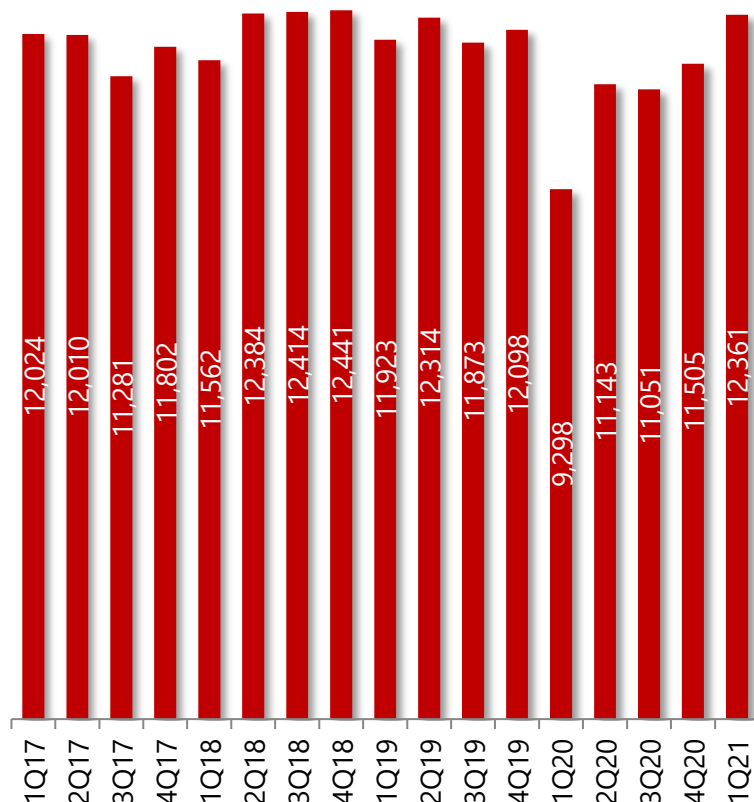
(2) S\$101.7 million drawn down from the S\$130.0 million revolving credit facility

(3) Including amortized upfront fee, the all-in interest rate is 4.9% for 1QFY2021

Distributions to Unitholders

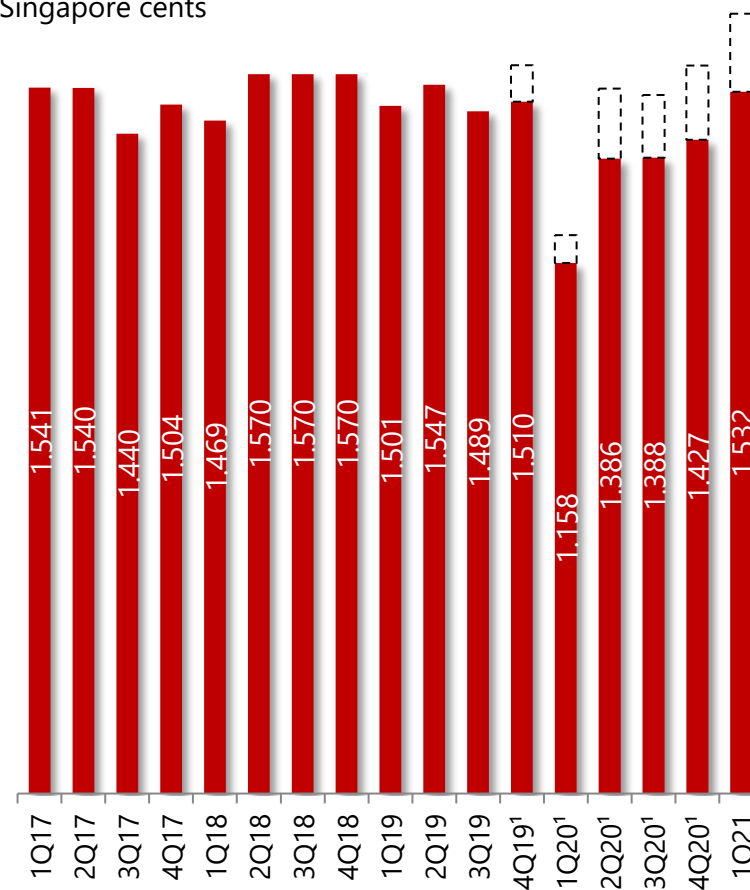
Distribution to Unitholders

SGD'000



DPU

Singapore cents



(1) For 4QFY2019 and 1QFY2020, ECW distributed 95% of total amount available for distribution to Unitholders. Based on a 100% distribution, DPU would have been 1.590 cents and 1.219 cents for 4QFY2019 and 1QFY2020 respectively. For 2QFY20, ECW distributed 90% of total amount available for distribution to Unitholders. For 3QFY20, ECW retained 9% of total amount available for distribution. For 4QFY20 and 1QFY21, ECW retained 10% of total amount available for distribution. Based on 100% distribution, DPU would have been 1.539 cents, 1.525 cents, 1.589 cents and 1.702 for 2QFY20, 3QFY20, 4QFY20 and 1QFY21 respectively.



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Section C: Portfolio Update



Stable Portfolio with Embedded Organic Growth

Healthy Occupancy

E-Commerce Logistics Assets

Asset	Lease Structure	Occupancy ¹	Key Highlight
Fu Heng	Master Lease: 1 Jan 2016 to 31 Dec 2024 Rental escalation of 2.0% annually from 1 st Jan 2021.	100%	Coveted property; entire suite of facilities supporting e-commerce fulfilment
Fuzhou E-Commerce	Master Lease: 8 Aug 2019 to 7 Aug 2024 Rental escalation of 2.25% per annum	100%	Situated next to Fu Heng. A sizable integrated e-commerce logistics asset
Stage 1 Properties of Bei Gang	Master lease: 1 Nov 2015 to 31 Oct 2024 Annual rental escalation of 1% from Nov 2020 to Oct 2024	100%	One of the largest e-commerce developments in the region
Wuhan Meiluote	Multi Tenanted	81.3%	First acquisition in 2018. Houses mainly e-commerce players

Specialized Logistics Asset

Asset	Lease Structure	Occupancy	Key Highlight
Hengde Logistics	Multi Tenanted.	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 2.0% annually from 1 st 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) 26 Apr 2020 to 25 Apr 2021 (no escalation) and (2) 7.5% every 3 years from Oct 2014 to Oct 2029	100%	Adjacent to port ; for cement related products

(1) As at 31 March 2021

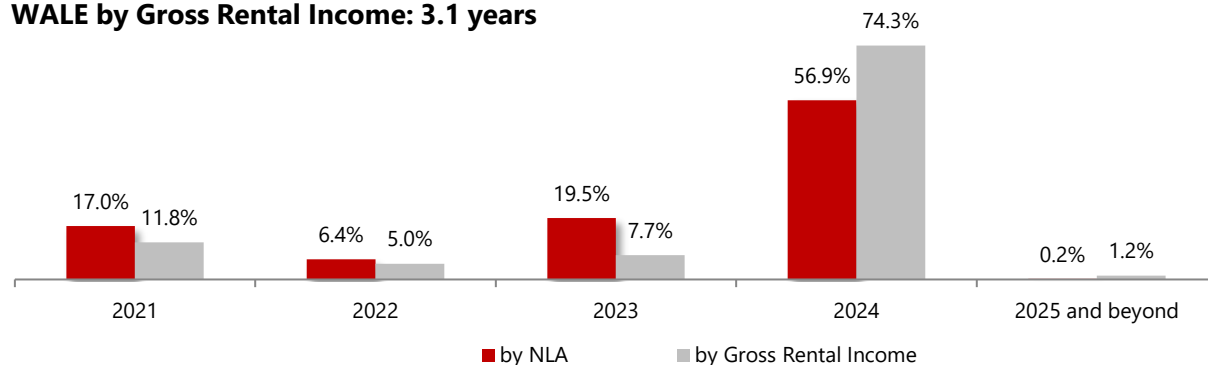
Quality and Differentiated Asset Portfolio

- ☑ Successfully renewed major lease at Hengde Logistics, extending WALE to 3.2 years by gross rental income
- ☑ Healthy portfolio occupancy of **99.1%** as at 31 March 2021

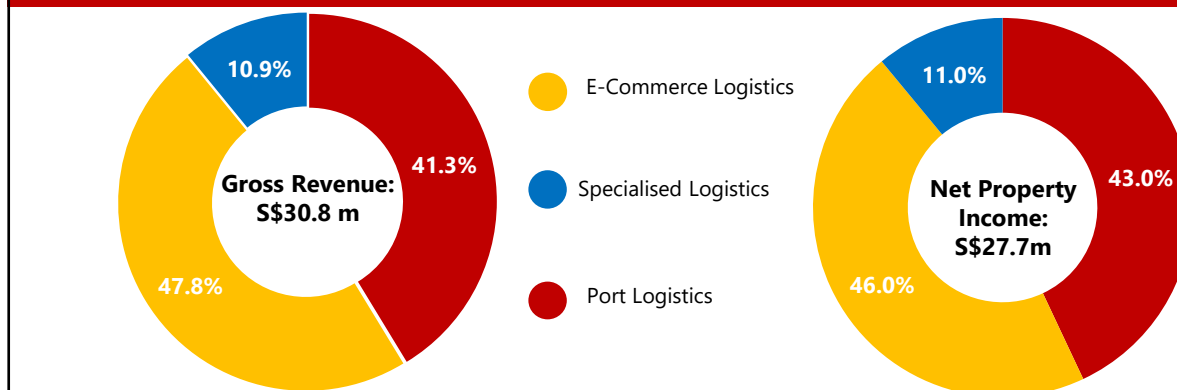
Lease Expiry Profile of Portfolio ⁽¹⁾

WALE by NLA: 2.7 years

WALE by Gross Rental Income: 3.1 years

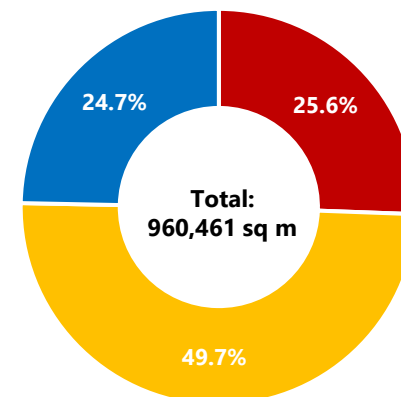


Contribution by segments ⁽²⁾

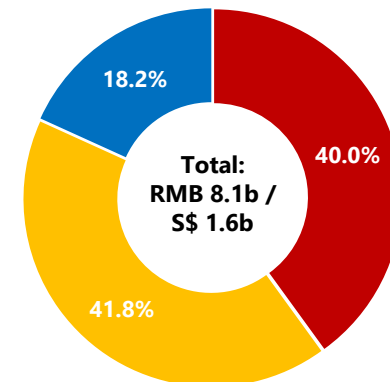


Portfolio Diversification ⁽¹⁾

By Net Lettable Area



By Valuation



● E-Commerce Logistics
 ● Specialised Logistics
 ● Port Logistics

(1) As at 31 March 2021. WALE excludes renewal of 74,057 sqm of space in relation to Hengde Logistics

(2) For the period 1 January 2021 to 31 March 2021

Incident at Chongxian Port Investment

- On 30 April 2021, the Manager announced there has been an incident of **displacement and collapse of a berth** at Chongxian Port Investment that 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**.
- A team from the Property Manager was on site immediately to **assess the damage**
- Reported to the relevant governmental agencies as well as the insurer.
- 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**.
- The Manager will **provide unitholders with further updates** in due course.

Property Information	Chongxian Port Investment
Net Lettable Area (sqm)	112,726
Land Use Expiry	30 December 2055
Valuation (RMB million) ¹	2,265.0
Lease structure	Master leased to Hangzhou Fu Gang Supply Chain Co., Ltd
Occupancy ²	100%
Description:	A port logistics asset with 23 berths of 500-tonne (1,000-tonne for hydraulic berths) with total designed annual throughput capacity of approximately 6 million tonnes and stacking space area of approximately 101,960.00 square metres.



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Thank You

