



EC WORLD REAL ESTATE INVESTMENT TRUST

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

ENTRY INTO NON-BINDING MEMORANDUM OF UNDERSTANDING FOR SALE OF BEIGANG LOGISTICS STAGE 1 AND CHONGXIAN PORT LOGISTICS

The Board of Directors of 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**”) wishes to announce that the Manager has on 13 June 2022 entered into a non-binding memorandum of understanding (the “**MOU**”) with Forchn International Pte. Ltd. (“**FIPL**”) to explore the potential divestment (the “**Potential Divestment**”) of Beigang Logistics Stage 1 and Chongxian Port Logistics to an entity controlled or managed by FIPL (the “**Purchaser**”). Both properties are located in Hangzhou, People’s Republic of China.

FIPL is a substantial unitholder of EC World REIT and also the sole shareholder of the Manager. FIPL is in turn wholly-owned by Forchn Holdings Group Co., Ltd., the sponsor of EC World REIT.

The MOU is non-binding in nature and is intended to be for the purposes of facilitating negotiations between the parties only. Under the MOU, the completion of the Potential Divestment shall be subject to, among others, the following:

- (i) the parties agreeing to the terms of any definitive agreements to be entered into in relation to the Potential Divestment;
- (ii) the valuations delivered by independent valuers commissioned by the DBS Trustee Limited (in its capacity as trustee of EC World REIT) and/or the Manager meeting the necessary regulatory requirements under the Code on Collective Investment Schemes and the Listing Manual of Singapore Exchange Securities Trading Limited (the “**Listing Manual**”), and satisfactory to EC World REIT;
- (iii) the approval of unitholders of EC World REIT for the Potential Divestment at an extraordinary general meeting to be convened;
- (iv) all relevant corporate, governmental and regulatory approvals being obtained for all matters contemplated by, incidental to or necessary to give full effect to the Potential Divestment;
- (v) the completion and satisfaction of the Purchaser with the results of its due diligence investigations in connection with the Potential Divestment; and
- (vi) the Purchaser having secured sufficient financing to discharge their payment obligations under the Potential Divestment.

The Manager will make further announcements, in compliance with the requirements of the Listing Manual, upon the execution of any definitive agreements in connection with the Potential Divestment and/or when there are material developments in respect of the Potential Divestment.

Unitholders and potential investors are advised to exercise caution when trading in the units of EC World REIT as the MOU is non-binding in nature. There is no assurance or certainty that that any transaction will occur from these discussions, any definitive agreements in relation to the Potential Divestment will be entered into and/or that the Potential Divestment will even materialise. In the event of any doubt as to the action they should take, Unitholders and potential investors should consult their stockbrokers, bank managers, solicitors, or other professional advisers.

For and on behalf of the Board

Goh Toh Sim
Executive Director and Chief Executive Officer

EC World Asset Management Pte. Ltd.
(Company Registration No. 201523015N)
As manager of EC World Real Estate Investment Trust

Date: 13 June 2022

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 EC World REIT), 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.

Unitholders and potential investors are advised to exercise caution when dealing in units of EC World REIT. 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.

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 EC World REIT. The forecast financial performance of EC World REIT 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.