



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

## UPDATE ANNOUNCEMENT ON THE ECW FACILITIES, THE RELEVANT MORTGAGES AND THE RELEVANT LAWSUITS

### 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) its announcement dated 27 February 2024 in relation to, among others, its application to Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) for a waiver from Rule 707(1) of the Listing Manual of the SGX-ST (the “**Listing Manual**”) to allow for an extension of time from 30 April 2024 to 31 July 2024 for EC World REIT to hold its annual general meeting for the financial year ended 31 December 2023 (the “**SGX Waiver**”); and
- (ii) its announcement dated 26 March 2024 (the “**26 March 2024 Announcement**”) in relation to, among others, the receipt of the SGX Waiver.

As set out in the 26 March 2024 Announcement, the SGX Waiver is subject to, among others, EC World REIT providing monthly updates (the “**Update Condition**”) via SGXNet on the following:

- (a) the negotiations with the lenders of the existing facilities of the EC World REIT group (the “**ECW Facilities**”, and the lenders of the ECW Facilities, the “**Lenders**”) in respect of the refinancing and/or restructuring of the ECW Facilities as well as the various waivers from the Lenders in relation to the Mandatory Prepayment Event<sup>1</sup> and the breach of the Divestment Longstop Date<sup>2</sup> under the ECW Facilities; and

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1 This refers to the situation where the maximum aggregate amount of the outstanding loans under the ECW Facilities exceeds the lowest of (i) S\$498,000,000 (or its equivalent); (ii) 45% of the aggregate valuation of the properties of EC World REIT as reflected in the latest valuation report delivered pursuant to the ECW Facilities; and (iii) 40% of the deposited property of EC World REIT (the “**Relevant Prepayment Conditions**”). As mentioned in the 27 February 2024 Announcement, upon notification to the relevant facility agent that such situation has occurred, the EC World REIT group shall within three business days repay or prepay the loans under the ECW Facilities such that the maximum aggregate amount of the loans under the ECW Facilities outstanding will be no more than the lowest of the Relevant Prepayment Conditions.

2 “**Divestment Longstop Date**” refers to 31 October 2023 (or such later date, that is on or prior to 30 April 2024, that is agreed to by all the Lenders). As disclosed in the Manager’s announcement dated 31 May 2023, the ECW Facilities impose a requirement for the proposed divestment of Stage 1 Properties of Bei Gang Logistics and Chongxian Port Logistics (the “**Proposed Divestment**”) to take place by the Divestment Longstop Date. However, no breach of such obligation to divest would arise if on or before the Divestment Longstop Date, prepayment which would result in, inter alia, the aggregate amount of the ECW Facilities remaining outstanding being no more than S\$410,000,000 (or its equivalent) is made. It is an event of default under the ECW Facilities if the Proposed Divestment does not occur by 30 April 2024.

- (b) the progress to discharge the unauthorised mortgages over Fuzhou E-Commerce and Fuheng Warehouse (the “**Relevant Mortgages**”) and the status of the Relevant Lawsuits<sup>3</sup>, (collectively, the “**Update Matters**”).

In accordance with the Update Condition, the Board of Directors of the Manager wishes to provide unitholders of EC World REIT (the “**Unitholders**”) with the following update.

## 2. THE ECW FACILITIES

As mentioned in the 27 February 2024 Announcement, the EC World REIT group has requested that the Lenders temporarily waive the application of the Relevant Prepayment Conditions until the EC World REIT group is able to improve its financial performance and financial positions to meet such requirements. As at the date of this announcement, the Lenders are currently reviewing this request.

Additionally, as mentioned in the 27 February 2024 Announcement, the obligation to divest by the Divestment Longstop Date under the ECW Facilities has been breached and the Lenders have not made a decision on whether to extend the Divestment Longstop Date to a date later than 31 October 2023 and the aggregate amount of the ECW Facilities remaining outstanding is more than S\$410,000,000. As at the date of this announcement, the EC World REIT group is in the process of seeking a waiver from the Lenders in relation to the breach of the Divestment Longstop Date under the ECW Facilities and the Lenders are currently reviewing this request.

## 3. THE RELEVANT MORTGAGES AND THE RELEVANT LAWSUITS

As mentioned in the 26 March 2024 Announcement, the EC World REIT group has submitted the Relevant Lawsuits to the relevant PRC court and the case application is now being reviewed and is yet to be accepted by the relevant PRC court. If the EC World REIT group can obtain a favourable judgment in the Relevant Lawsuits, the EC World REIT group may de-register the Relevant Mortgages with the mortgage registration authority based on the judgment.

The Board of Directors of the Manager 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. 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 EC World REIT units (“**Units**”) which may be prejudicial to their interests, and to exercise caution when dealing in the

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<sup>3</sup> “**Relevant Lawsuits**” refers to the pleadings submitted by the EC World REIT group to the relevant court in the People’s Republic of China to initiate lawsuits to revoke the Relevant Mortgages on the basis that the Relevant Mortgages are unauthorised.

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

31 March 2024

## **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, 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.