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**EC WORLD REAL ESTATE INVESTMENT TRUST (“ECW”)  
UNAUDITED FINANCIAL STATEMENTS FOR THE SECOND QUARTER AND SIX MONTHS ENDED  
30 JUNE 2018**

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**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 initial IPO portfolio comprised six properties (collectively known as the “IPO Properties”) located in Hangzhou, the PRC, with an aggregate net lettable area (“Net Lettable Area” or “NLA”) of 698,478 square meters. The six properties are:

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

On 16 April 2018, ECW successfully completed the acquisition of Wuqiao Zhonggong Merlot (Hubei) Logistics Co., Ltd. which is the sole legal and beneficial owner of the industrial property known as the Wuhan Meiluote.

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**Summary Results of ECW**

|   |       | <b>Group</b>                 |                              |               |                              |                              |               |
|---|-------|------------------------------|------------------------------|---------------|------------------------------|------------------------------|---------------|
|   |       | <b>1.4.18 to<br/>30.6.18</b> | <b>1.4.17 to<br/>30.6.17</b> | <b>Change</b> | <b>1.1.18 to<br/>30.6.18</b> | <b>1.1.17 to<br/>30.6.17</b> | <b>Change</b> |
|   |       | <b>S\$'000</b>               | <b>S\$'000</b>               | <b>%</b>      | <b>S\$'000</b>               | <b>S\$'000</b>               | <b>%</b>      |
|   | Notes |                              |                              |               |                              |                              |               |
| Gross revenue   | (1)   | 24,926                       | 23,161                       | 7.6           | 48,865                       | 46,824                       | 4.4           |
| Net property income   | (2)   | 22,807                       | 21,072                       | 8.2           | 44,297                       | 42,673                       | 3.8           |
| Distribution to Unitholders                                   |       | 12,384                       | 12,010                       | 3.1           | 23,946                       | 24,034                       | (0.4)         |
| Distribution per unit ("DPU") (cents)                         | (3)   | 1.570                        | 1.540                        | 1.9           | 3.039                        | 3.081                        | (1.4)         |
| Annualised distribution yield (%)                             |       |                              |                              |               |                              |                              |               |
| - Based on share price of S\$0.72 per unit as at 30 June 2018 |       | 8.75                         | 8.58                         | 1.9           | 8.51                         | 8.63                         | (1.4)         |

**Notes:**

- (1) The gross revenue without effective rent and security deposit accretion accounting adjustment was S\$24.0 million in 2Q18 (2Q17: S\$22 million).
- (2) The net property income without effective rent and security deposit accretion accounting adjustment was S\$21.9 million in 2Q18 (2Q17: S\$19.8 million).
- (3) ECW's distribution policy is distribute at least 90% of distributable income for each financial year on a semi-annual basis. In the interest of the Unitholders, ECW has been making distribution on a quarterly basis since its first distribution on 28 November 2016. For 2Q18, the Manager has resolved to distribute 99.3% of the capital distribution to Unitholders. Please refer to section 1(a) for the distribution statement. The Manager will determine at a later stage whether it will change subsequent distributions periods from a semi-annual basis to quarterly basis. The next distribution for the period from 1 April 2018 to 30 June 2018 will be made on or around 28 September 2018.

**Distribution and Book Closure Date**

|                    |                              |
|--------------------|------------------------------|
| Distribution       | 1 April 2018 to 30 June 2018 |
| Distribution type  | Capital distribution         |
| Distribution rate  | 1.570 cents                  |
| Book closure date  | 16 August 2018               |
| Payment date (est) | 28 September 2018            |

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

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**1(a) Statement of Total Return and Distribution Statement**

| <u>Statement of Total Return</u>  |       | Group                |                      |             |                      |                      |              |
|---|-------|----------------------|----------------------|-------------|----------------------|----------------------|--------------|
|   |       | 1.4.18 to<br>30.6.18 | 1.4.17 to<br>30.6.17 | Change      | 1.1.18 to<br>30.6.18 | 1.1.17 to<br>30.6.17 | Change       |
|   |       | S\$'000              | S\$'000              | %           | S\$'000              | S\$'000              | %            |
|   | Notes |                      |                      |             |                      |                      |              |
| Gross revenue   | (1)   | 24,926               | 23,161               | 7.6         | 48,865               | 46,824               | 4.4          |
| Property expenses   | (2)   | (2,119)              | (2,089)              | 1.4         | (4,568)              | (4,151)              | 10.0         |
| <b>Net property income</b>  |       | <b>22,807</b>        | <b>21,072</b>        | <b>8.2</b>  | <b>44,297</b>        | <b>42,673</b>        | <b>3.8</b>   |
| Finance income  |       | 335                  | 376                  | (10.9)      | 766                  | 690                  | 11.0         |
| Finance costs   |       | (6,840)              | (6,459)              | 5.9         | (13,632)             | (12,728)             | 7.1          |
| Manager's management fees   | (3)   |                      |                      |             |                      |                      |              |
| - Base fees   |       | (1,247)              | (1,201)              | 3.8         | (2,406)              | (2,403)              | 0.1          |
| - Performance fees  |       | (111)                | (365)                | (69.6)      | (40)                 | (472)                | (91.5)       |
| Trustee's fees  |       | (73)                 | (70)                 | 4.3         | (145)                | (138)                | 5.1          |
| Foreign exchange gain/ (loss)   | (4)   | 778                  | (355)                | (319.2)     | (417)                | 1,011                | (141.2)      |
| Other trust expenses  | (5)   | (515)                | (264)                | 95.1        | (861)                | (632)                | 36.2         |
| <b>Net income</b>   |       | <b>15,134</b>        | <b>12,734</b>        | <b>18.8</b> | <b>27,562</b>        | <b>28,001</b>        | <b>(1.6)</b> |
| Net change in fair value of investment properties                                 | (6)   | 6,447                | -                    | N/M         | 6,447                | -                    | N/M          |
| Net change in fair value of financial derivatives                                 | (7)   | 792                  | (1,528)              | (151.8)     | 1,304                | (2,559)              | (151.0)      |
| <b>Total return for the financial period before income tax</b>                    |       | <b>22,373</b>        | <b>11,206</b>        | <b>99.7</b> | <b>35,313</b>        | <b>25,442</b>        | <b>38.8</b>  |
| Income tax expenses   |       | (7,600)              | (3,309)              | 129.7       | (11,844)             | (7,115)              | 66.5         |
| <b>Total return for the financial period after income tax before distribution</b> |       | <b>14,773</b>        | <b>7,897</b>         | <b>87.1</b> | <b>23,469</b>        | <b>18,327</b>        | <b>28.1</b>  |
| <u>Distribution statement</u>   |       |                      |                      |             |                      |                      |              |
| Total return for the financial period after income tax before distribution        |       | 14,773               | 7,897                | 87.1        | 23,469               | 18,327               | 28.1         |
| Distribution adjustments  | (8)   | (2,296)              | 4,113                | (155.8)     | 570                  | 5,707                | (90.0)       |
| <b>Total amount available for distribution</b>                                    |       | <b>12,477</b>        | <b>12,010</b>        | <b>3.9</b>  | <b>24,039</b>        | <b>24,034</b>        | <b>0.0</b>   |
| Distribution to Unitholders   |       | 12,384               | 12,010               | 3.11        | 23,946               | 24,034               | (0.37)       |

**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) 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.

For the financial year ended 31 December 2017, the difference in DPU shall be the difference between the actual DPU in such Financial Year and the actual annualised DPU in the Financial Year ended 31 December 2016.

- (4) Mainly due to revaluation of loans in foreign currency.
- (5) Other trust expenses include professional fees, listing fees and other non-property related expenses.
- (6) Net change in fair value of investment properties due to the acquisition of Wuhan Meiluote.

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(7) The net change in fair value of financial derivatives put in place by the manager to hedge interest rate risks and RMB income source of ECW.

(8) Net effect of non (taxable income) / tax deductible expenses and other adjustments comprises:

**Distribution adjustments**

|   | <b>Group</b>     |                  |                |                  |                  |               |
|---|------------------|------------------|----------------|------------------|------------------|---------------|
|   | <b>1.4.18 to</b> | <b>1.4.17 to</b> | <b>Change</b>  | <b>1.1.18 to</b> | <b>1.1.17 to</b> | <b>Change</b> |
|   | <b>30.6.18</b>   | <b>30.6.17</b>   |                | <b>30.6.18</b>   | <b>30.6.17</b>   |               |
|   | <b>S\$'000</b>   | <b>S\$'000</b>   | <b>%</b>       | <b>S\$'000</b>   | <b>S\$'000</b>   | <b>%</b>      |
| Straight lining of step-up rental                 | (216)            | (508)            | (57.5)         | (135)            | (1,068)          | (87.4)        |
| Security deposit accretion                        | (2)              | (38)             | (94.7)         | (4)              | (72)             | (94.4)        |
| Manager's base fees paid/payable in units         | 1,247            | 1,201            | 3.8            | 2,406            | 2,403            | 0.1           |
| Manager's performance fees payable in units       | 111              | 365              | (69.6)         | 40               | 472              | (91.5)        |
| Trustee's fees                                    | 73               | 70               | 4.3            | 145              | 138              | 5.1           |
| Fair value gain on investment properties          | (6,447)          | -                | N/M            | (6,447)          | -                | N/M           |
| Deferred tax charged, net                         | 3,464            | 134              | 2,485.1        | 3,407            | 285              | 1,095.4       |
| Fair value (gain)/loss on financial derivatives   | (792)            | 1,528            | (151.8)        | (1,304)          | 2,559            | (151.0)       |
| Amortisation of upfront debt issuance costs       | 1,042            | 999              | 4.3            | 2,065            | 1,998            | 3.4           |
| Foreign exchange loss/(gain), net<br>(unrealised) | (778)            | 356              | (318.5)        | 417              | (1,010)          | (141.3)       |
| IPO expenses                                      | -                | 2                | N/M            | -                | 2                | N/M           |
| Others  | 2                | -                | N/M            | (20)             | -                | N/M           |
| <b>Total distribution adjustments</b>             | <b>(2,296)</b>   | <b>4,109</b>     | <b>(155.9)</b> | <b>570</b>       | <b>5,707</b>     | <b>(90.0)</b> |

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**1(b)(i) Balance Sheet**

|   |     | <b>Group</b>     |                  | <b>ECW</b>     |                 |
|---|-----|------------------|------------------|----------------|-----------------|
|   |     | <b>Actual</b>    |                  | <b>Actual</b>  |                 |
|   |     | <b>30.6.18</b>   | <b>31.12.17</b>  | <b>30.6.18</b> | <b>31.12.17</b> |
| Notes   |     | <b>S\$'000</b>   | <b>S\$'000</b>   | <b>S\$'000</b> | <b>S\$'000</b>  |
| <b>ASSETS</b>                                 |     |                  |                  |                |                 |
| <b>Current assets</b>                         |     |                  |                  |                |                 |
|   |     |                  |                  |                |                 |
|   | (1) | 113,362          | 138,644          | 4,492          | 6,823           |
|   | (2) | 501              | -                | 501            | -               |
|   |     | 42,182           | 35,585           | 575            | 357             |
|   |     | -                | -                | 241,557        | 241,557         |
|   |     | <b>156,045</b>   | <b>174,229</b>   | <b>247,125</b> | <b>248,737</b>  |
| <b>Non-current assets</b>                     |     |                  |                  |                |                 |
|   | (3) | 1,380,783        | 1,337,010        | -              | -               |
|   |     | -                | -                | - *            | - *             |
|   |     | <b>1,380,783</b> | <b>1,337,010</b> | <b>- *</b>     | <b>- *</b>      |
| <b>Total assets</b>                           |     | <b>1,536,828</b> | <b>1,511,239</b> | <b>247,125</b> | <b>248,737</b>  |
| <b>LIABILITIES</b>                            |     |                  |                  |                |                 |
| <b>Current liabilities</b>                    |     |                  |                  |                |                 |
|   |     |                  |                  |                |                 |
|   |     | 26,570           | 24,597           | 4,014          | 4,055           |
|   | (4) | 51,654           | 40,142           | 49,500         | 38,000          |
|   | (2) | 83               | 1,296            | 83             | 1,296           |
|   |     | 7,398            | 9,867            | 2              | 2               |
|   |     | <b>85,705</b>    | <b>75,902</b>    | <b>53,599</b>  | <b>43,353</b>   |
| <b>Non-current liabilities</b>                |     |                  |                  |                |                 |
|   | (4) | 397,381          | 395,359          | 197,831        | 196,838         |
|   | (5) | 268,032          | 263,061          | -              | -               |
|   |     | 58,979           | 58,640           | -              | -               |
|   |     | 647              | 659              | -              | -               |
|   |     | <b>725,039</b>   | <b>717,719</b>   | <b>197,831</b> | <b>196,838</b>  |
| <b>Total liabilities</b>                      |     | <b>810,744</b>   | <b>793,621</b>   | <b>251,430</b> | <b>240,191</b>  |
| <b>NET ASSETS ATTRIBUTABLE TO UNITHOLDERS</b> |     | <b>726,084</b>   | <b>717,618</b>   | <b>(4,305)</b> | <b>8,546</b>    |
| Represented by:                               |     |                  |                  |                |                 |
|   | (6) | 791,350          | 788,380          | (4,305)        | 8,546           |
|   |     | (65,266)         | (70,762)         | -              | -               |
|   |     | <b>726,084</b>   | <b>717,618</b>   | <b>(4,305)</b> | <b>8,546</b>    |

\* Less than S\$1,000.

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**Notes**

- (1) Includes RMB151.7 million (S\$31.3 million) cash security deposits received from the master leases and cash deposits of RMB268.8 million (S\$55.4 million) as collateral for standby letter of credit (“SBLC”) issuance. Both deposits were placed with DBS Bank (China) Limited which has a 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 30 June 2018, the derivative instruments entered into are:  
 (a) Plain vanilla interest rate swaps (to hedge the interest rate of the Offshore Facility); and  
 (b) Currency option contracts (to hedge the expected income repatriation from China to Singapore).
- (3) 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”).

On 16 April 2018, ECW successfully completed the acquisition of Wuhan Meiluote. The acquisition was funded by RMB150.0 million from cash security deposit received under the master leases.

- (4) Please refer to item 1(b)(ii) Aggregate Amount of Borrowings and Debt Securities for details.
- (5) Relates mainly to the deferred tax liability arising from the fair valuation of Wuhan Meiluote.
- (6) 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**

|                                       | <b>Group</b>   |                 | <b>ECW</b>     |                 |
|---------------------------------------|----------------|-----------------|----------------|-----------------|
|                                       | <b>30.6.18</b> | <b>31.12.17</b> | <b>30.6.18</b> | <b>31.12.17</b> |
|                                       | <b>S\$’000</b> | <b>S\$’000</b>  | <b>S\$’000</b> | <b>S\$’000</b>  |
| <b>Secured borrowings</b>             |                |                 |                |                 |
| Amount repayable in one year or less  | 51,686         | 40,173          | 49,500         | 38,000          |
| Less: Unamortised debt issuance costs | (32)           | (31)            | -              | -               |
|                                       | 51,654         | 40,142          | 49,500         | 38,000          |
| Amount repayable after one year       | 401,591        | 401,505         | 200,000        | 200,000         |
| Less: Unamortised debt issuance costs | (4,210)        | (6,146)         | (2,169)        | (3,162)         |
|                                       | 397,381        | 395,359         | 197,831        | 196,838         |
| <b>Total borrowings</b>               | <b>449,035</b> | <b>435,501</b>  | <b>247,331</b> | <b>234,838</b>  |

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**Note:**

***Details of Collaterals and Borrowings***

As at 30 June 2018, ECW has an aggregate borrowing of RMB988.3 million (S\$203.8 million) (31 December 2017: RMB993.6 million, equivalent to S\$204.9 million) from the Onshore secured term loans facility (the “**Onshore Facilities**”), S\$200.0 million syndicated secured term loan facility (the “**Offshore Facility**”) and S\$49.5 million revolving credit facility.

The key terms of the Onshore Facilities and the Offshore Facility are as follows:

(a) Onshore Facilities

ECW has put in place a 3-year RMB1,004.2 million (S\$207.1 million) secured term loan facility. The portion of the loan due for repayment within one year has been classified as current liability.

The facilities are 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.;
- 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., and Hangzhou Chongxian Port Logistics Co., Ltd. and an unconditional and irrevocable guarantee from DBS Trustee Limited in its capacity as the Trustee;
- iii) A first ranking mortgage over the IPO Properties;
- iv) A pledge of all sales proceeds, rental income, bond pledge and all other revenue derived from the IPO Properties;
- v) An assignment of all material agreements in relation to the IPO Properties;
- vi) An assignment of all insurance policies in relation to the IPO Properties with the onshore security agent (being DBS Bank (China) Limited) named as the first beneficiary;
- vii) An assignment of all present and future rights and interests of the Onshore Borrowers in relation to inter-company debts and shareholder loans made by the Offshore Guarantor (ECW) and/or the Singapore Holding Companies (which consists of Fullwealth Investment Pte. Ltd., Richwin Investment Pte. Ltd., Prorich Investment Pte. Ltd., Richport Investment Pte. Ltd. and Magnasset Investment Pte. Ltd.);
- viii) A subordination deed in relation to the inter-company debts and shareholder loans made to the Onshore Borrowers and/or the Onshore Guarantors; and
- ix) Any other security as may be reasonably required by the lenders.

The annualised all-in interest rate for the quarter and six months ended 30 June 2018 was 6.4%. The annualised all-in running interest rate for the quarter and six months ended 30 June 2018 was 5.4%. As at 30 June 2018, the above facilities were fully drawn down.

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(b) Offshore Facility

ECW has a 3-year S\$200 million syndicated secured term loan facility secured by way of:

- i) An unconditional and irrevocable guarantee from the Singapore Holding Companies (which consists of Fullwealth Investment Pte. Ltd., Richwin Investment Pte. Ltd., Prorich Investment Pte. Ltd., Richport Investment Pte. Ltd. and Magnasset Investment Pte. Ltd.) on a joint and several basis;
- ii) A first ranking pledge over the entire issued share capital of each of the Singapore Holding Companies;
- iii) A first ranking pledge over the entire issued equity interest of each of the PRC Property Companies (which consists 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. and Zhejiang Hengde Sangpu Logistics Co., Ltd.);
- iv) A first priority account charge over all bank accounts of ECW (as the “Offshore Borrower”) relating to and/or in connection with the IPO Properties and its existing revenue account, operating account and fixed deposit account, and all bank accounts of the Singapore Holding Companies;
- v) A first fixed and floating charge and debenture over all the assets of the Offshore Borrower relating to and/or in connection with the IPO Properties, and over all of the assets of the Singapore Holding Companies (other than the dividends attributable solely to revenue from Stage 2 Properties), including the assignment of all the rights and benefits under all material contracts, inter-company loans, property management agreement and hedging agreements; and
- vi) A subordination in relation to inter-company debts and shareholder loans made by ECW or any of its subsidiaries other than shareholder’s loan obtained solely in relation to future property acquisition.

The annualised all-in interest rate for the quarter and six months ended 30 June 2018 was 5.2%. The annualised all-in running interest rate for the quarter and six months ended 30 June 2018 was 4.1%. As at 30 June 2018, the above facilities were fully drawn down and 100% of the interest rate risk of the Offshore Facility was hedged using floating to fixed interest rate swaps.

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

(c) Revolving Credit Facility

ECW has put in place an uncommitted revolving credit facility of S\$50.0 million with DBS Bank Ltd. As at 30 June 2018, ECW had drawn down a total of S\$49.5 million short-term loan backed by SBLC of S\$49.5 million issued by DBS Bank (China) Limited in favor of DBS Bank Ltd. The SBLC is collateralised against a cash deposit of RMB268.8 million (S\$55.4 million). The annualised all-in interest rate and annualised all-in running interest rate for the quarter and six months ended 30 June 2018 was 2.0%.

The annualised all-in interest rate of the aggregate facilities for the quarter and six months ended 30 June 2018 was 5.4%. The annualised all-in running interest rate for the quarter and six months ended 30 June 2018 was 4.4%. The Aggregate Leverage for the Group as at the end of the period was 29.5%.



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**1(c) Cash Flows Statement**

|   |  | Group                |                      |                      |                          |
|---|--|----------------------|----------------------|----------------------|--------------------------|
|   |  | 1.4.18 to<br>30.6.18 | 1.4.17 to<br>30.6.17 | 1.1.18 to<br>30.6.18 | 1.1.2017 to<br>30.6.2017 |
|   |  | S\$'000              | S\$'000              | S\$'000              | S\$'000                  |
| <b>Cash Flows from Operating Activities</b> |  |                      |                      |                      |                          |
|   | Total return for the financial period                                | 14,773               | 7,897                | 23,469               | 18,327                   |
|   | Adjustments for:   |                      |                      |                      |                          |
|   | - Income tax   | 7,600                | 3,309                | 11,844               | 7,115                    |
|   | - Interest income  | (335)                | (376)                | (766)                | (690)                    |
|   | - Finance cost   | 6,840                | 6,459                | 13,632               | 12,728                   |
|   | - Effect of straight lining of step-up rental                        | (216)                | (508)                | (135)                | (1,068)                  |
|   | - Effect of security deposits accretion                              | (707)                | (686)                | (1,401)              | (1,374)                  |
|   | - Fair value loss on derivative instruments                          | (792)                | 1,528                | (1,304)              | 2,559                    |
|   | - Fair value gain on investment properties                           | (6,447)              | -                    | (6,447)              | -                        |
|   | - Manager's base fees payable in units                               | 1,247                | 1,201                | 2,406                | 2,403                    |
|   | - Manager's performance fees payable in units                        | 111                  | 365                  | 40                   | 472                      |
|   | - Exchange (gain)/loss   | (778)                | 356                  | 417                  | (1,010)                  |
|   | <b>Operating cash flow before working capital change</b>             | <b>21,296</b>        | <b>19,545</b>        | <b>41,755</b>        | <b>39,462</b>            |
|   | <b>Changes in working capital:</b>                                   |                      |                      |                      |                          |
|   | Trade and other receivables  | (117)                | (6,287)              | (4,610)              | (8,843)                  |
|   | Trade and other payables   | (551)                | 2,260                | (548)                | (8,767)                  |
|   | <b>Cash generated from operating activities</b>                      | <b>20,628</b>        | <b>15,518</b>        | <b>36,597</b>        | <b>21,852</b>            |
|   | Interest received  | 257                  | 296                  | 612                  | 602                      |
|   | Income tax paid (net)  | (9,334)              | (10,416)             | (11,049)             | (10,884)                 |
|   | <b>Net cash provided by operating activities</b>                     | <b>11,551</b>        | <b>5,398</b>         | <b>26,160</b>        | <b>11,570</b>            |
|   | <b>Cash Flows from Investing Activities</b>                          |                      |                      |                      |                          |
|   | Additions to investment properties                                   | (2)                  | (215)                | (558)                | (565)                    |
|   | Acquisition of subsidiary  | (28,915)             | -                    | (28,915)             | -                        |
|   | Redemption of structured deposits                                    | -                    | -                    | -                    | 7,700                    |
|   | <b>Net cash used in investing activities</b>                         | <b>(28,917)</b>      | <b>(215)</b>         | <b>(29,473)</b>      | <b>7,135</b>             |
|   | <b>Cash Flows from Financing Activities</b>                          |                      |                      |                      |                          |
|   | Repayment of borrowings  | -                    | -                    | (1,090)              | (1,098)                  |
|   | Distribution to Unitholders  | (11,560)             | (12,021)             | (23,361)             | (23,411)                 |
|   | Proceeds from borrowings   | 11,500               | 12,000               | 11,500               | 24,000                   |
|   | Interest paid  | (4,876)              | (4,598)              | (9,770)              | (9,178)                  |
|   | SBLC commission paid   | (47)                 | (61)                 | (238)                | (121)                    |
|   | Settlement of derivative financial instruments (net)                 | (140)                | 9                    | (410)                | (178)                    |
|   | Placements of deposits for SBLC facilities                           | (12,716)             | (13,279)             | (12,716)             | (26,455)                 |
|   | Increase in interest reserves  | (5)                  | (5)                  | (10)                 | (10)                     |
|   | Issuance costs   | -                    | -                    | -                    | (128)                    |
|   | <b>Net cash used in financing activities</b>                         | <b>(17,844)</b>      | <b>(17,955)</b>      | <b>(36,095)</b>      | <b>(36,579)</b>          |
|   | <b>Net decrease in cash and cash equivalents</b>                     | <b>(35,210)</b>      | <b>(12,772)</b>      | <b>(39,408)</b>      | <b>(17,874)</b>          |
|   | <b>Cash and cash equivalents at beginning of financial period</b>    | <b>85,729</b>        | <b>86,784</b>        | <b>87,150</b>        | <b>94,338</b>            |
|   | <b>Effects of exchange rate changes on cash and cash equivalents</b> | <b>(1,892)</b>       | <b>396</b>           | <b>885</b>           | <b>(2,056)</b>           |
|   | <b>Cash and cash equivalents at the end of financial period</b>      | <b>48,627</b>        | <b>74,408</b>        | <b>48,627</b>        | <b>74,408</b>            |

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**Notes**

- (1) On 16 April 2018, ECW successfully completed the acquisition of Wuhan Meiluote. The acquisition was funded by RMB150.0 million from cash security deposit received under the master leases.
- (2) The RMB37.0 million placed with financial institutions which invested in debt securities in December 2016 had been fully redeemed in January 2017.
- (3) Refer to Item 1(b)(ii) Aggregate Amount of Borrowings and Debt Securities for details.
- (4) IPO underwriters’ fee and legal fee incurred in accordance with transaction costs as disclosed in the Prospectus.
- (5) For the purpose of presenting the consolidated statement of cash flows, cash and cash equivalents comprise the following:

|  | <b>Group</b>   |                |
|--|----------------|----------------|
|  | <b>30.6.18</b> | <b>30.6.17</b> |
|  | <b>S\$’000</b> | <b>S\$’000</b> |
| Cash and cash equivalents (as per Balance Sheet)                   | 113,362        | 110,077        |
| Less:  |                |                |
| - Interest reserves <sup>#</sup>                                   | (9,305)        | (9,214)        |
| - Cash collateral for SBLC facilities                              | (55,430)       | (26,455)       |
| Cash and cash equivalents per consolidated statement of cash flows | 48,627         | 74,408         |

<sup>#</sup> Bank deposits maintained as interest reserves, as required by the offshore term loan and onshore syndicated loan facility agreements.

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

|  | Group                |                      | Group                |                      |
|--|----------------------|----------------------|----------------------|----------------------|
|  | 1.4.18 to<br>30.6.18 | 1.4.17 to<br>30.6.17 | 1.1.18 to<br>30.6.18 | 1.1.17 to<br>30.6.17 |
|  | S\$'000              | S\$'000              | S\$'000              | S\$'000              |
| <b>OPERATIONS</b>  |                      |                      |                      |                      |
| Balance as at beginning of the period  | 774,429              | 728,548              | 765,733              | 718,118              |
| Total return after tax   | 14,773               | 7,897                | 23,469               | 18,327               |
| <b>Balance as at end of the period</b>   | <b>789,202</b>       | <b>736,445</b>       | <b>789,202</b>       | <b>736,445</b>       |
| <b>UNITHOLDERS' CONTRIBUTION</b>   |                      |                      |                      |                      |
| Balance as at beginning of the period  | 10,846               | 53,064               | 22,647               | 64,582               |
| Movement during the period   |                      |                      |                      |                      |
| - Issuance costs   | (1)                  | -                    | -                    | (128)                |
| - Manager's base fees paid in units  | 2,339                | 2,341                | 2,339                | 2,341                |
| - Manager's performance fees paid in units                                       | 523                  | -                    | 523                  | -                    |
| - Distributions to unitholders   | (11,560)             | (12,021)             | (23,361)             | (23,411)             |
| <b>Balance as at end of the period</b>   | <b>2,148</b>         | <b>43,384</b>        | <b>2,148</b>         | <b>43,384</b>        |
| <b>FOREIGN CURRENCY TRANSLATION RESERVE</b>                                      |                      |                      |                      |                      |
| Balance as at beginning of the period  | (54,068)             | (81,923)             | (70,762)             | (56,581)             |
| Translation differences relating to financial statements of foreign subsidiaries | (11,198)             | 3,815                | 5,496                | (21,527)             |
| <b>Balance as at end of the period</b>   | <b>(65,266)</b>      | <b>(78,108)</b>      | <b>(65,266)</b>      | <b>(78,108)</b>      |
| <b>Total Unitholders' funds as at end of the period</b>                          | <b>726,084</b>       | <b>701,721</b>       | <b>726,084</b>       | <b>701,721</b>       |

|   | ECW                  |                      | ECW                  |                      |
|---|----------------------|----------------------|----------------------|----------------------|
|   | 1.4.18 to<br>30.6.18 | 1.4.17 to<br>30.6.17 | 1.1.18 to<br>30.6.18 | 1.1.17 to<br>30.6.17 |
|   | S\$'000              | S\$'000              | S\$'000              | S\$'000              |
| <b>OPERATIONS</b>                                       |                      |                      |                      |                      |
| Balance as at beginning of the period                   | (2,747)              | (14,217)             | (14,101)             | (9,255)              |
| Total return after tax                                  | (3,706)              | (5,889)              | 7,648                | (10,851)             |
| <b>Balance as at end of the period</b>                  | <b>(6,453)</b>       | <b>(20,106)</b>      | <b>(6,453)</b>       | <b>(20,106)</b>      |
| <b>UNITHOLDERS' CONTRIBUTION</b>                        |                      |                      |                      |                      |
| Balance as at beginning of the period                   | 10,846               | 53,064               | 22,647               | 64,582               |
| Movement during the period                              |                      |                      |                      |                      |
| - Issuance costs  | (1)                  | -                    | -                    | (128)                |
| - Manager's base fees paid in units                     | 2,339                | 2,341                | 2,339                | 2,341                |
| - Manager's performance fees paid in units              | 523                  | -                    | 523                  | -                    |
| - Distributions to unitholders                          | (11,560)             | (12,021)             | (23,361)             | (23,411)             |
| <b>Balance as at end of the period</b>                  | <b>2,148</b>         | <b>43,384</b>        | <b>2,148</b>         | <b>43,384</b>        |
| <b>Total Unitholders' funds as at end of the period</b> | <b>(4,305)</b>       | <b>23,278</b>        | <b>(4,305)</b>       | <b>23,278</b>        |

**Note**

- (1) IPO underwriters' fee and legal fee incurred in accordance to transaction costs as disclosed in the Prospectus paid during the quarter.

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

|  |  |  |  |                    | <b>Group and ECW</b>         |                              |                              |                              |
|--|--|--|--|--------------------|------------------------------|------------------------------|------------------------------|------------------------------|
|  |  |  |  |                    | <b>1.4.18 to<br/>30.6.18</b> | <b>1.4.17 to<br/>30.6.17</b> | <b>1.1.18 to<br/>30.6.18</b> | <b>1.1.17 to<br/>30.6.17</b> |
|  |  |  |  |                    | <b>Units</b>                 | <b>Units</b>                 | <b>Units</b>                 | <b>Units</b>                 |
| Balance as at beginning of period                            |  |  |  | 784,657,527        | 778,515,845                  | 784,657,527                  | 778,515,845                  |                              |
| - Manager's base fees paid in units                          |  |  |  | 3,118,626          | 3,190,668                    | 3,118,626                    | 3,190,668                    |                              |
| - Manager's performance fees paid in units                   |  |  |  | 689,411            | -                            | 689,411                      | -                            |                              |
| <b>Issued units as at the end of period</b>                  |  |  |  | <b>788,465,564</b> | <b>781,706,513</b>           | <b>788,465,564</b>           | <b>781,706,513</b>           |                              |
| Units to be issued   |  |  |  | -                  | -                            | -                            | -                            |                              |
| - Manager's base fees payable in units for 1.4.18 to 30.6.18 |  |  |  | 1,732,795          | -                            | 1,732,795                    | -                            |                              |
| - Manager's base fees payable in units for 1.4.17 to 30.6.17 |  |  |  | -                  | 1,502,446                    | -                            | 1,502,446                    |                              |
| <b>Total issued and to be issued units</b>                   |  |  |  | <b>790,198,359</b> | <b>783,208,959</b>           | <b>790,198,359</b>           | <b>783,208,959</b>           |                              |

Note

(1)

**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 has agreed to receive 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). 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 year 2018. The Manager has agreed to receive 100% of its base fee in the form of units for the period from 1 April 2018 to 30 June 2018.

- 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**

Except as disclosed in item 5 below, 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 2017.

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**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**

ECW has adopted new Financial Reporting Standards in Singapore ("FRSs") and interpretations effective for the financial period beginning 1 January 2018 as follows:

(i) FRS 115 Revenue from Contracts with Customers

FRS 115 establishes a comprehensive framework for determining whether, how much and when revenue is recognised. It also introduces new cost guidance which requires certain costs of obtaining and fulfilling contracts to be recognised as separate assets when specified criteria are met.

There was no significant impact to the financial statements of the Group. Accordingly, comparative financial information presented in this set of announcement has not been restated.

(ii) FRS 109 Financial Instruments

FRS 109 introduces new requirements for classification and measurement of financial assets, impairment of financial assets, and hedge accounting. FRS 109 includes revised guidance on the classification and measurement of financial instruments, a new expected credit loss model for calculating impairment on financial assets, and new general hedge accounting requirements.

There was no change in measurement basis arising from the adoption of the new classification and measurement model. In assessing for impairment losses on financial assets, the Group has adopted the simplified approach and recorded lifetime expected losses on all trade receivables using the expected credit loss model.

There was no significant impact to the financial statements of ECW. Accordingly, ECW did not recognise any adjustments to the opening unitholders' funds on 1 January 2018.

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

|   |                              | <b>Group</b>                 |                              |                              |  |
|---|------------------------------|------------------------------|------------------------------|------------------------------|--|
| Note  | <b>1.4.18 to<br/>30.6.18</b> | <b>1.4.17 to<br/>30.6.17</b> | <b>1.1.18 to<br/>30.6.18</b> | <b>1.1.17 to<br/>30.6.17</b> |  |
| Weighted average number of units as at end of period  | 786,597,359                  | 780,273,943                  | 785,632,802                  | 779,399,751                  |  |
| Earnings per unit ("EPU") - Basic and Diluted (cents) | 1.88                         | 1.01                         | 2.99                         | 2.35                         |  |
| Number of units entitled to distribution              | 788,465,564                  | 781,706,513                  | 788,465,564                  | 781,706,513                  |  |
| Distribution per unit ("DPU") (cents)                 | 1.570                        | 1.540                        | 3.039                        | 3.081                        |  |
| Distribution per unit ("DPU") (cents) - Annualised    | 6.297                        | 6.161                        | 6.128                        | 6.213                        |  |

**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 1.570 cents per unit for period 1 April 2018 to 30 June 2018 will be paid on or around 28 September 2018.

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

|   | <b>As at<br/>30.6.18</b> | <b>As at<br/>31.12.17</b> |
|---|--------------------------|---------------------------|
| NAV / NTA of Group - attributable to Unitholders (S\$'000)  | 726,084                  | 717,618                   |
| NAV / NTA of REIT (S\$'000)                                 | (4,305)                  | 8,546                     |
| Number of units outstanding as at end of each period ('000) | 788,466                  | 784,658                   |
| <b>Group's net asset value per unit (S\$)</b>               | <b>0.92</b>              | <b>0.91</b>               |
| <b>REIT's net asset value per unit (S\$)</b>                | <b>(0.01)</b>            | <b>0.01</b>               |

**8. Review of the Performance**

**(i) Review of performance for the quarter ended 30 June 2018**

Gross revenue was S\$24.9 million representing S\$1.8 million or 7.6% increase compared to 2Q 2017. Net property income ("NPI") was S\$22.8 million or S\$1.7 million (8.2%) higher compared to 2Q 2017. The increase in gross revenue and NPI was mainly due to strengthening of RMB and contribution from the newly acquired Wuhan Meiluote.

Finance costs were S\$6.8 million representing a S\$0.4 million or 5.9% increase compared to 2Q 2017. This was mainly due to higher borrowings compared to same quarter last year.

Income tax expenses of S\$7.6 million is S\$4.3 million or 129.7% higher compared to 2Q 2017. The increase was mainly due to deferred tax impact on fair value gain of Wuhan Meiluote.

Distribution to Unitholders was S\$12.4 million, signifying S\$0.4 million or 3.1% increase compared to 2Q 2017.

**(ii) Review of performance for the 6 months ended 30 June 2018**

Gross revenue of S\$48.9 million is S\$2.0 million or 4.4% higher when compared to 1H2017. NPI of S\$44.3 million was S\$1.6 million or 3.8% higher compared to 1H2017. The increase in gross revenue and NPI was mainly due to strengthening of the RMB and contribution from the newly acquired Wuhan Meiluote.

Finance costs of S\$13.6 million was S\$0.9 million or 7.1% higher compared 1H2017. This was mainly due to the renewal of SBLC in 2018 and increase in borrowings.

Income tax expenses were S\$11.8 million is S\$4.7 million or 66.5% higher when compared to 1H2017. The increase were mainly due to the Manager's decision to repatriate cash from PRC asset companies in March 2018, which incurred a 5% withholding tax ("WHT") in 1Q2018 and deferred tax impact on fair value gain of Wuhan Meiluote.

Distribution to Unitholders was S\$23.9 million, signifying S\$0.1 million or 0.4% lower compared to 1H2017 due to the retention of distributable income.

**9. Variance between the forecast**

ECW did not disclose any financial forecast to the market.

**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**

China’s GDP grew 6.8%<sup>1</sup> in 1H18, whereas Hangzhou’s and Wuhan’s 1H2018 GDP growth rate was 7.6%<sup>2</sup> and 8.2%<sup>3</sup>, surpassing the national average by 0.8 percentage point and 1.4 percentage point respectively.

According to China’s National Bureau of Statistics, in 1H2018 online retail sales in China grew 30.1% YoY, compared with a 9.4% growth in total retail sales of consumer goods<sup>1</sup>. Online retail sales of physical goods now account for 17.4% of the total retail sales of consumer goods<sup>1</sup>, which Euromonitor predicted will rise to 24% by 2020. On the other hand, online retail sales grew by 26.2%<sup>2</sup> in Hangzhou and 41.1%<sup>3</sup> in Wuhan.

Our port logistics assets are located along the largest inland port in Hangzhou which only handles domestic business with no international trade exposure. Similarly, our e-commerce and specialized logistics assets are also focused on the domestic logistic sector and will continue to benefit from the strong economic growth of Hangzhou and Wuhan (both outperforming national averages). The Manager is monitoring any currency movement closely and will continue to adopt a proactive FX hedging strategy.

ECW’s IPO portfolio of six assets continue to enjoy 100% committed occupancy with steady organic growth. These assets are benefitting from the higher-than-national economic growth and urbanisation rate in Hangzhou.

On 16 April 2018, ECW completed its acquisition of Wuhan Meiluote, bringing the total number of assets to seven. Wuhan Meiluote, tenanted by leading e-commerce players such as JD.com and Dangdang, registered an 82.2% occupancy rate at the point of acquisition. As at 30 June 2018, occupancy has since improved to 88.2% due expansion by JD.com for approximately 2,900 square meters. The Manager is confident that the strong performance of Wuhan’s economy will provide tailwinds to the performance of the asset in the capital city of Hubei province.

Following the maiden acquisition of Wuhan Meiluote, the Manager is actively pursuing quality, yield-accretive investment opportunities in China and the Southeast Asia. On 24 April 2018, YCH Group and Forchn Holdings issued a press release concerning the signing of a framework agreement on the same day on various strategic initiatives, including securing the opportunity for ECW to assess for consideration a portfolio of logistics real estate assets.

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<sup>1</sup> National Bureau Statistics of China: <http://www.stats.gov.cn>

<sup>2</sup> Hangzhou Bureau of Statistics: <http://tjj.hangzhou.gov.cn>

<sup>3</sup> Wuhan Bureau of Statistics: <http://www.whstj.gov.cn>

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**11. Distribution**

**(a) Current financial period**

Any distributions declared for the current financial period? Yes

Name of distribution: Distribution for the period from 1 April 2018 to 30 June 2018

Distribution types: Capital distribution

Distribution rate: 1.570 cents per unit

Par value of units: Not meaningful

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 99.3% of the distributable income for the period from 1 April 2018 to 30 June 2018.

**(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 1.540 cents per unit was declared for the period from 1 April 2017 to 30 June 2017.

**(c) Date Payable (est.)** 28 September 2018

**(d) Books Closure  
Date/Record Date** 16 August 2018

**12. If no distribution has been declared/(recommended), a statement to that effect.**

Not applicable. A distribution has been declared for the period from 1 April 2018 to 30 June 2018.

**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.



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**14. Segmental results**

|                            | Group             |       |                   |       |                   |       |                   |       |
|----------------------------|-------------------|-------|-------------------|-------|-------------------|-------|-------------------|-------|
|                            | 1.4.18 to 30.6.18 |       | 1.4.17 to 30.6.17 |       | 1.1.18 to 30.6.18 |       | 1.1.17 to 30.6.17 |       |
|                            | S\$'000           | %     | S\$'000           | %     | S\$'000           | %     | S\$'000           | %     |
| <b>Gross revenue</b>       |                   |       |                   |       |                   |       |                   |       |
| - Port logistics           | 11,521            | 46.2  | 10,761            | 46.5  | 22,777            | 46.7  | 21,692            | 46.4  |
| - Specialised logistics    | 3,787             | 15.2  | 3,667             | 15.8  | 7,545             | 15.4  | 7,459             | 15.9  |
| - E-commerce logistics     | 9,618             | 38.6  | 8,733             | 37.7  | 18,543            | 37.9  | 17,673            | 37.7  |
|                            | 24,926            | 100.0 | 23,161            | 100.0 | 48,865            | 100.0 | 46,824            | 100.0 |
| <b>Net property income</b> |                   |       |                   |       |                   |       |                   |       |
| - Port logistics           | 10,864            | 47.7  | 10,560            | 50.1  | 21,513            | 48.6  | 20,493            | 48.0  |
| - Specialised logistics    | 3,523             | 15.4  | 3,665             | 17.4  | 6,968             | 15.7  | 6,915             | 16.2  |
| - E-commerce logistics     | 8,420             | 36.9  | 6,847             | 32.5  | 15,816            | 35.7  | 15,265            | 35.8  |
|                            | 22,807            | 100.0 | 21,072            | 100.0 | 44,297            | 100.0 | 42,673            | 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 the review of the actual performance.

**16. Breakdown of sales**

|                               | Group             |                   |        |
|-------------------------------|-------------------|-------------------|--------|
|                               | 1.1.18 to 30.6.18 | 1.1.17 to 30.6.17 | Change |
|                               | S\$'000           | S\$'000           | %      |
| <u>First half of the year</u> |                   |                   |        |
| Gross revenue                 | 48,865            | 46,824            | 4.4    |
| Net property income           | 44,297            | 42,673            | 3.8    |

Please refer to Item 8 for review of actual performance.

**17. Breakdown of total distribution for the financial period ended 30 June 2018**

|  | Group             |                   |
|--|-------------------|-------------------|
|  | 1.1.18 to 30.6.18 | 1.1.17 to 30.6.17 |
|  | S\$'000           | S\$'000           |
| In respect of the period:                |                   |                   |
| 1 January 2017 to 31 March 2017          | -                 | 12,024            |
| 1 April 2017 to 30 June 2017             | -                 | 12,010            |
| 1 January 2018 to 31 March 2018          | 11,562            | -                 |
| 1 April 2018 to 30 June 2018             | 12,384            | -                 |
| (Payable on or around 28 September 2018) |                   |                   |
|  | 23,946            | 24,034            |

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**EC WORLD REAL ESTATE INVESTMENT TRUST (“ECW”)  
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30 JUNE 2018**

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**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 30 June 2018:

- (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)(8).

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.

The distribution to Unitholders is based on 99.3% of the distributable income for the period from 1 April 2018 to 30 June 2018.

- (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.

**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 30 June 2018, 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

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**EC WORLD REAL ESTATE INVESTMENT TRUST (“ECW”)  
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30 JUNE 2018**

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**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.

BY ORDER 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  
7 August 2018