



CONNECTING
the E-Commerce World



BALANCED
Portfolio of Specialised Assets



EC World
运通网城 REIT

3Q2017 Results Presentation

8 November 2017



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Agenda

Section A	3Q2017 Key Highlights
Section B	Financial Review
Section C	Portfolio Review



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Section A: 3Q2017 Key Highlights



3Q2017 Results Highlights

1

ECW continues to deliver steady results in 3Q2017

Gross Revenue of S\$23.9 million



5.5% higher than IPO forecast

Net Property Income of S\$22.1 million



7.7% higher than IPO forecast

Distribution Per Unit (“DPU”) of 1.44 cents



3.7% lower than IPO forecast due to withholding tax incurred during cash repatriation process. On a like for like basis, the DPU would be **1.53 Singapore cents**, **2.3% higher** than IPO forecast

Annualized distribution yield of 7.9% ⁽¹⁾

2

Differentiated and specialized portfolio continues to deliver stable performance

- ✓ Portfolio committed occupancy continues to stand at 100% with the underlying end-tenant occupancy standing at 97.8% as at 30 Sep 2017
- ✓ Resilient leases with 3.2 years of weighted average lease expiry and built-in escalations

3

Ensuring income visibility through prudent capital and risk management

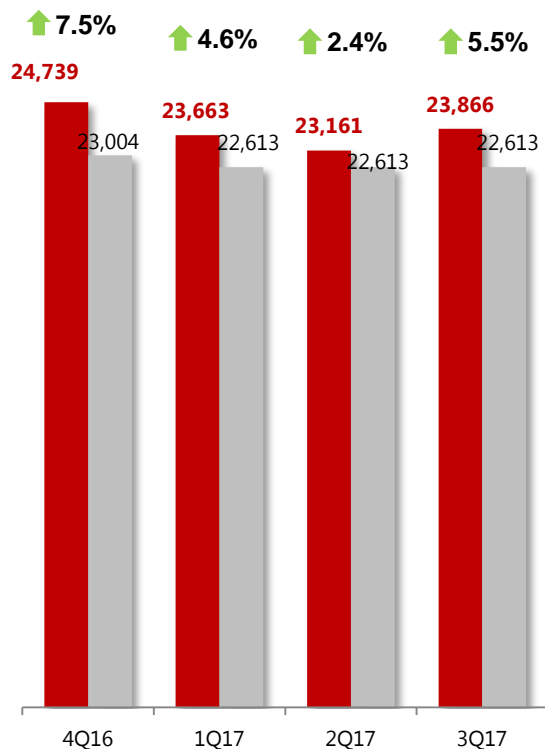
- ✓ Pursued liquidity enhancement initiative through the successful repatriation of RMB 68.2 million (SGD 13.9 million) cash distribution from PRC subsidiaries
- ✓ Entered into FX hedging contracts to hedge the FX exposure of RMB income source for distributions for 4Q2017
- ✓ Relatively low gearing of 29.2% provides debt headroom for acquisitions

(1) Based on the closing price of S\$0.77 on 29 Sep 2017 and 9M2017 DPU of 6.045 Singapore cents

Consistently Strong Operating and Financial Performance

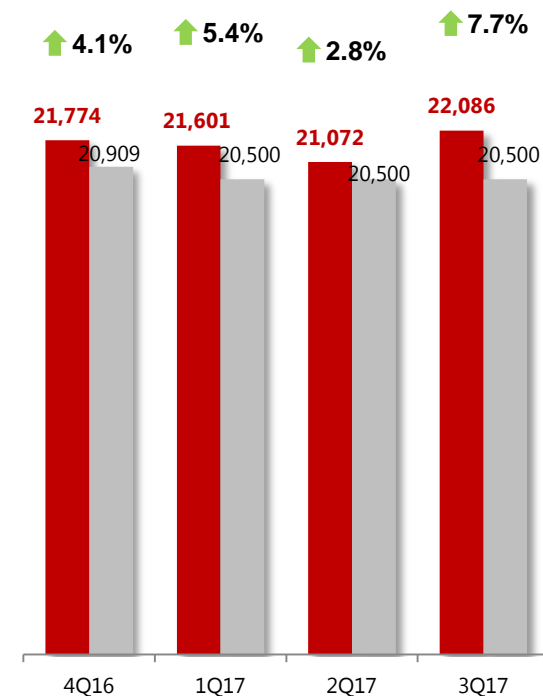
Gross Revenue

SGD'000



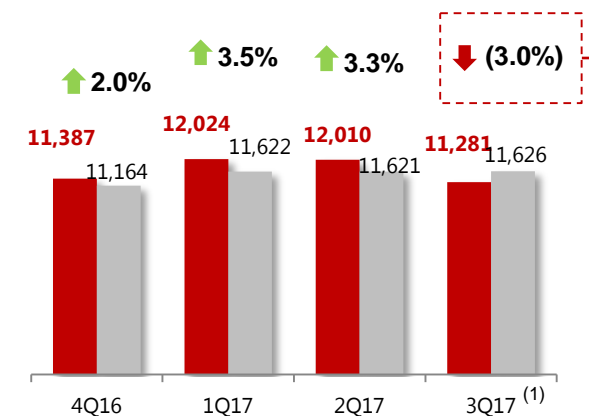
Net Property Income

SGD'000



Distributable Income

SGD'000



On a like for like basis, Distributable Income would be **SGD12.0m, 3.4% higher** than IPO forecast

Actual ■ Forecast ■

(1) Due to 5% withholding tax expenses incurred during the cash repatriation process which was not assumed in the IPO forecast

Significant Growth Potential

Rapid growth of the industry is driving strong demand for e-commerce facilities in China

China's e-commerce market is expected to grow to 3 times the size of the U.S. market by 2017

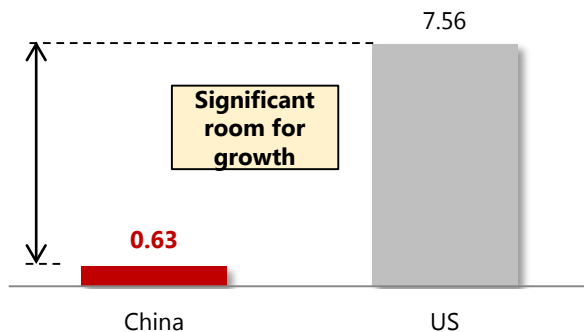


Market size of Chinese retail e-commerce is expected to exceed RMB 9.4 trillion in 2020



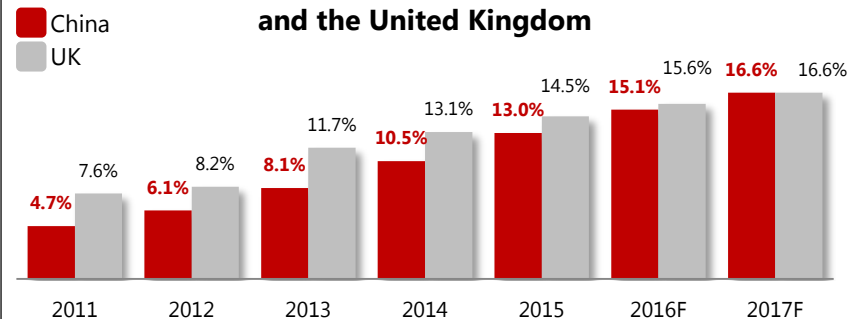
Highly favourable supply-demand dynamics for E-Commerce focused logistics assets

Per-capita Warehouse Area in China and USA (sq m)

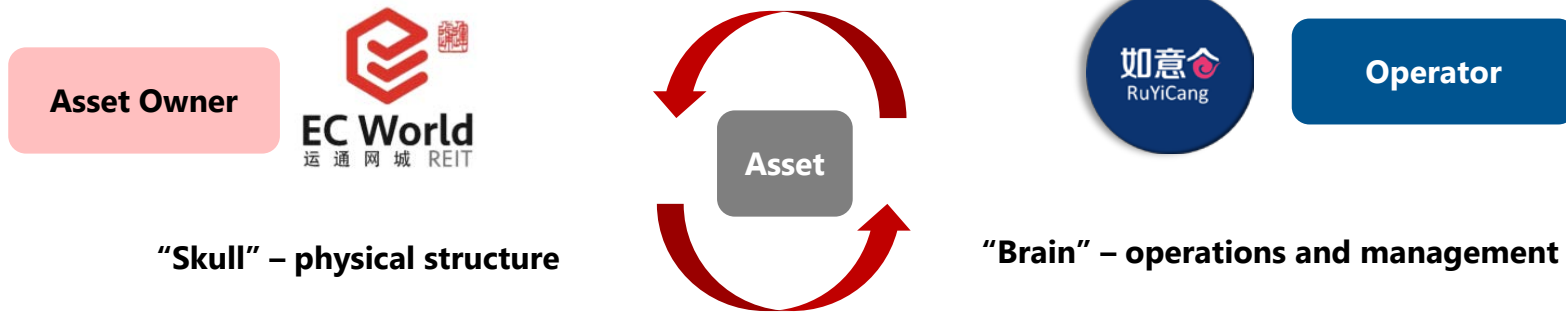


China is expected to overtake the current leader UK in terms of proportion of retail sales done online

Proportion of Online Retail Sales in China and the United Kingdom



Symbiotic Relationship between an Asset Owner and An Asset Operator



- Ownership of physical asset that houses the operations
- Collect rental and pays ownership related costs such as property taxes, maintenance and repair expenses

- Manage the business processes, systems and operations
- Earns operating revenue (handling, processing, packaging etc.) and pays rental to the asset owner

Strategic benefits

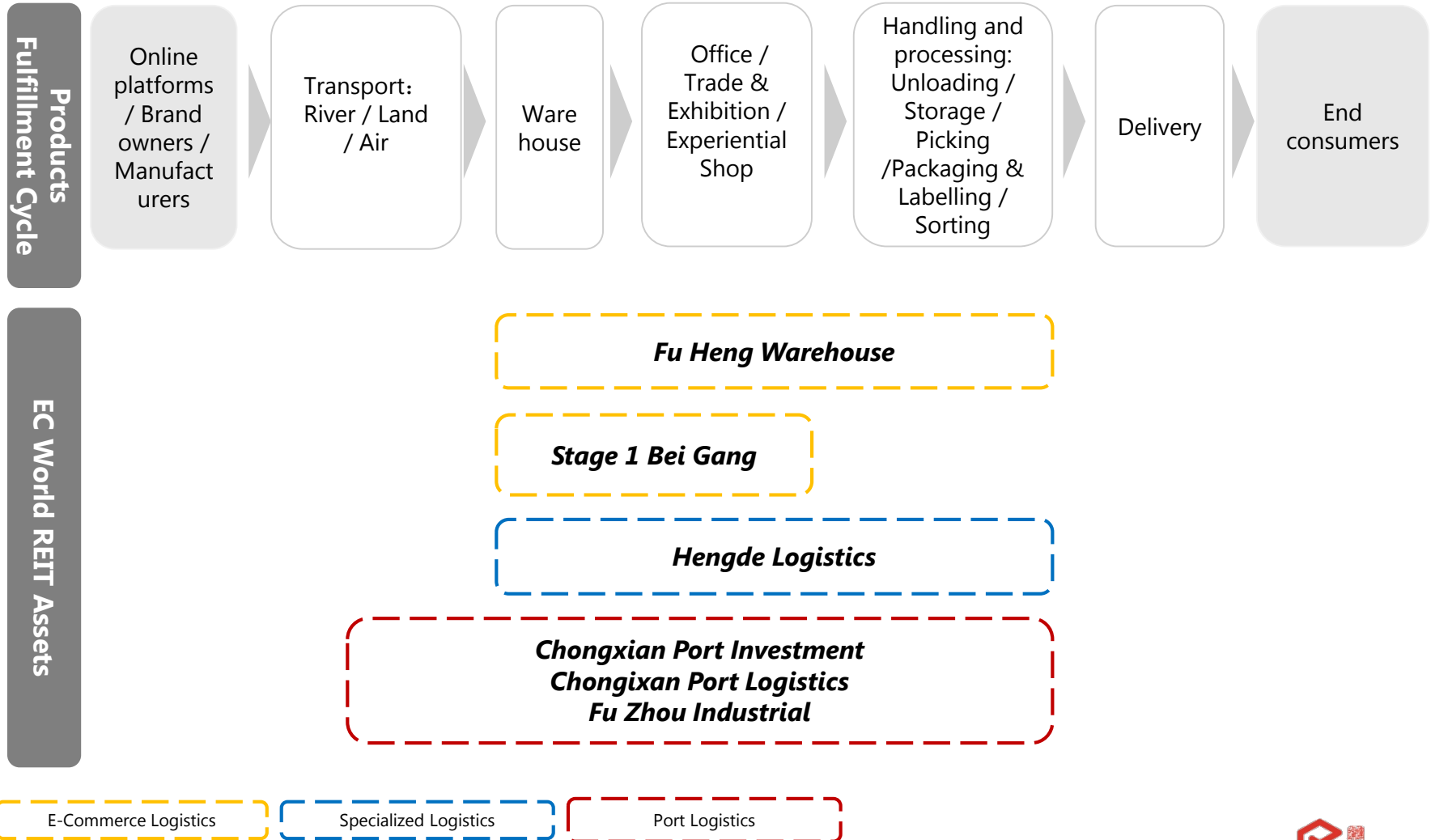
- ✓ **Full integration** of physical warehousing and logistics facilities, advanced IT management system and data analytics
- ✓ **Extensive supply chain network** across key markets in China
- ✓ Provide "**one-stop**" integrated intelligent logistics services to domestic and international customers

Extensive national network



Portfolio Provides Critical Connectivity in the Product Fulfilment Cycle

EC World REIT's asset portfolio almost covers the entire product fulfillment cycle and supply chain





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Section B: Financial Review



Summary Results

Steady and consistent 3Q17 operating and financial results

For the period 1 Jul 2017 to 30 Sep 2017	Actual	Forecast #	Variance (%)	For the period 1 Jan 2017 to 30 Sep 2017	Actual	Forecast #	Variance (%)
Gross revenue (S\$'000)	23,866	22,613	+5.5%	Gross revenue (S\$'000)	70,690	67,839	+4.2%
Net property income (S\$'000)	22,086	20,500	+7.7%	Net property income (S\$'000)	64,759	61,500	+5.3%
Distributable income (S\$'000)	11,281	11,626	(3.0%)	Distributable income (S\$'000)	35,315	34,869	+1.3%
Distribution per unit (Singapore cents)	1.44	1.50	(3.7%)	Distribution per unit (Singapore cents)	4.52	4.44	+1.8%

As per data in IPO prospectus

Distribution Timetable

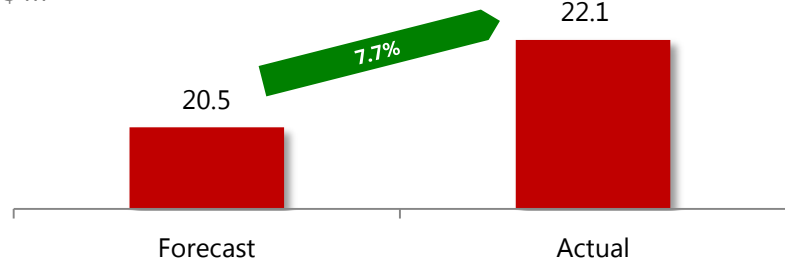
3Q2017

Last Day of Trading on "cum" Basis	:	13 Nov 2017
Ex-date	:	14 Nov 2017
Books Closure Date	:	16 Nov 2017
Distribution Payment Date	:	28 Dec 2017

Review of 3Q 2017 Performance between Actual and Forecast Results

Net Property Income

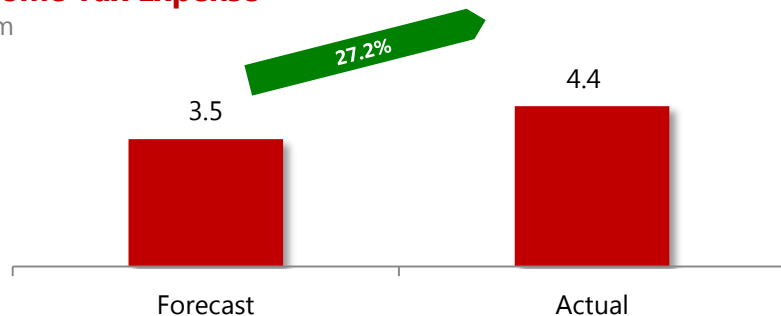
S\$ m



- Higher gross revenue primarily due to additional rental income from the asset enhancement initiative at Chongxian Port Investment (construction of a sheltered warehouse)
- NPI also benefited from lower than expected property expenses and favourable exchange rate movement

Income Tax Expense

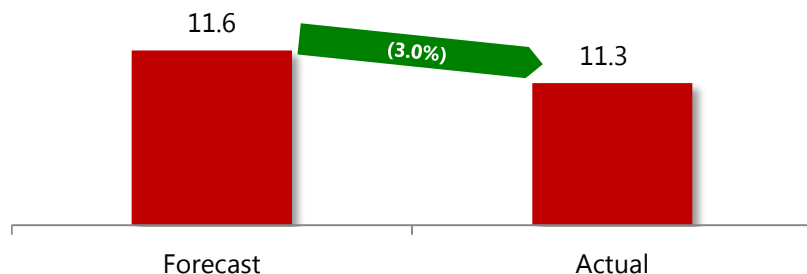
S\$ m



- Income tax expense was 27.2% higher than forecast primarily due to the 5% withholding tax incurred on the cash repatriated from PRC asset companies during the quarter

Distributable Income

S\$ m



- Due mainly to the abovementioned factors
- Compared to forecast on a like-for-like basis (i.e. gross of the 5% withholding tax), the distributable income would be **S\$12.0m, 3.4% higher** than the forecast

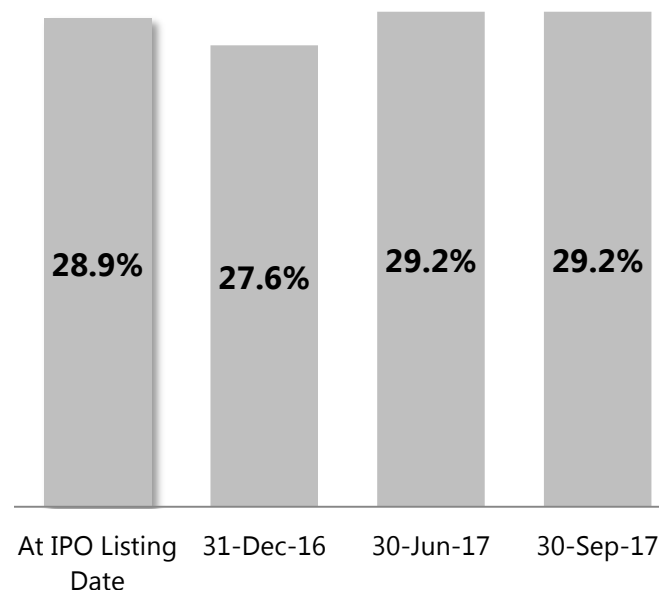
Prudent Capital Management

- ✓ Annualized all-in interest rate (9M 2017) of 5.4%
- ✓ 100% of offshore SGD facilities on fixed rate
- ✓ Entered into FX forward contracts to lock in SGDRMB for RMB income source for 4Q17 distributions at SGD/RMB 4.95. Continues to maintain a rolling 6 month FX hedging strategy

Key Debt Figures

Total Debt Drawdown as at 30 Sep 2017	<ul style="list-style-type: none"> • RMB 993.6 million onshore • S\$ 200.0 million offshore • S\$ 24.0 million RCF ⁽¹⁾
Tenure	3 years (except for RCF)
Annualized All-in Interest Rate (9M 2017)	<ul style="list-style-type: none"> • Onshore⁽²⁾ – 6.3% p.a. • Offshore⁽³⁾ – 5.0% p.a. • RCF – 1.3% p.a.
Forex (SGD/RMB)	
FY2017	5.03 (Assumption)
2Q2017	4.949 (Hedged)
3Q2017	4.996 (Hedged)
4Q2017	4.95 (Hedged)

Aggregate Leverage Ratio



- (1) S\$24.0 million drawn down from the S\$50.0 million revolving credit facility
 (2) Onshore loan is pegged to PBOC rate
 (3) Offshore fixed component at 1.485% and 1.745%, variable component is pegged to 3 month SOR

Healthy Balance Sheet

S\$'000	As at 30 Sep 2017	As at 30 Jun 2017	As at 31 Mar 2017	As at 31 Dec 2016	As at Listing Date
Cash and cash equivalents⁽¹⁾	110,440	110,077	109,148	103,665	91,417
Investment Properties⁽²⁾	1,305,946	1,305,448	1,299,594	1,333,297	1,303,443
Total Assets	1,461,265	1,461,731	1,448,569	1,482,343	1,404,934
Borrowings	419,029	419,237	405,455	398,830	393,254
Total Liabilities	760,863	760,010	748,880	756,224	722,910
Net Assets attributable to Unitholders	700,402	701,721	699,689	726,119	682,024
NAV per unit (S\$)	0.89	0.90	0.90	0.93	0.88

(1) Includes RMB301.7 million (S\$61.4 million) security deposits received from the Master Lease tenants.

(2) Investment Properties are based on independent valuations performed by Colliers as at 31 December 2016. Investment properties are pledged as security for the Group's borrowings.



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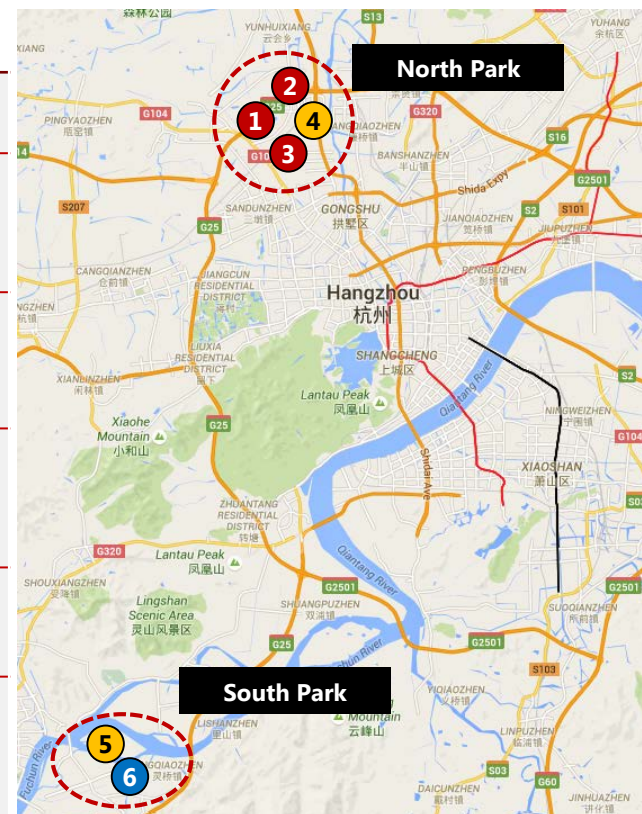
Section C: Portfolio Overview



Portfolio Overview

Balanced and well-structured portfolio offering both income stability and growth potential

Property	Type	NLA (sq m)	Type of Lease / No. of Tenants ⁽¹⁾	Remaining Land Lease Tenure (years) ⁽¹⁾	Independent Valuation (RMB m) ⁽²⁾
1 Chongxian Port Investment	Port Logistics	112,726	Master leased ⁽³⁾	38	2,124.0
2 Chongxian Port Logistics	Port Logistics	125,856	Multi-tenanted / 27 tenants	Complex 1 & 2: 38 & 43	871.0
3 Fu Zhuo Industrial	Port Logistics	7,128	Multi-tenanted / 2 tenants	38	110.0
4 Stage 1 Properties of Bei Gang Logistics	E-commerce Logistics	120,449	Master leased ⁽⁴⁾	35	1,295.0
5 Fu Heng Warehouse	E-commerce Logistics	94,287	Master leased ⁽³⁾	42	551.0
6 Hengde Logistics	Specialised Logistics	238,032	Multi-tenanted / 2 tenants	Complex 1 & 2: 36 & 42	1,456.0
Total / Average		698,478		39	6,407.0
Total (SGD m)					1,303.2⁽⁵⁾



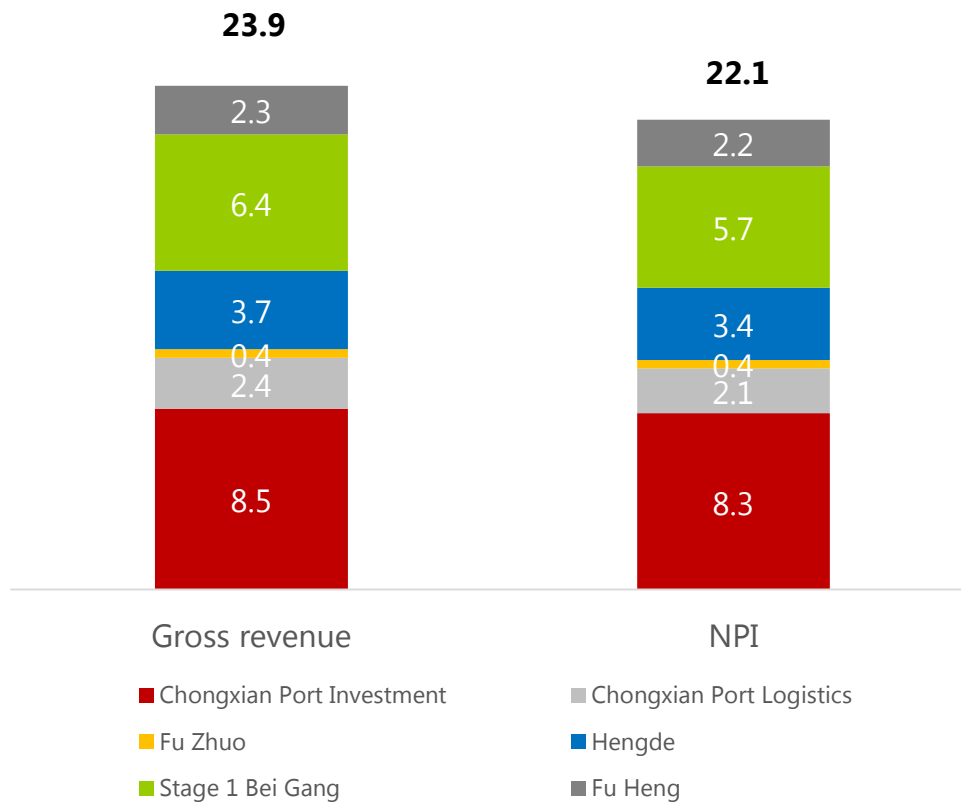
- Port Logistics
- Specialised Logistics
- E-Commerce Logistics

(1) Based on land leases as at 30 September 2017
 (2) As at 31 December 2016 appraised by Colliers
 (3) Master leases with Sponsor commenced on 1 January 2016

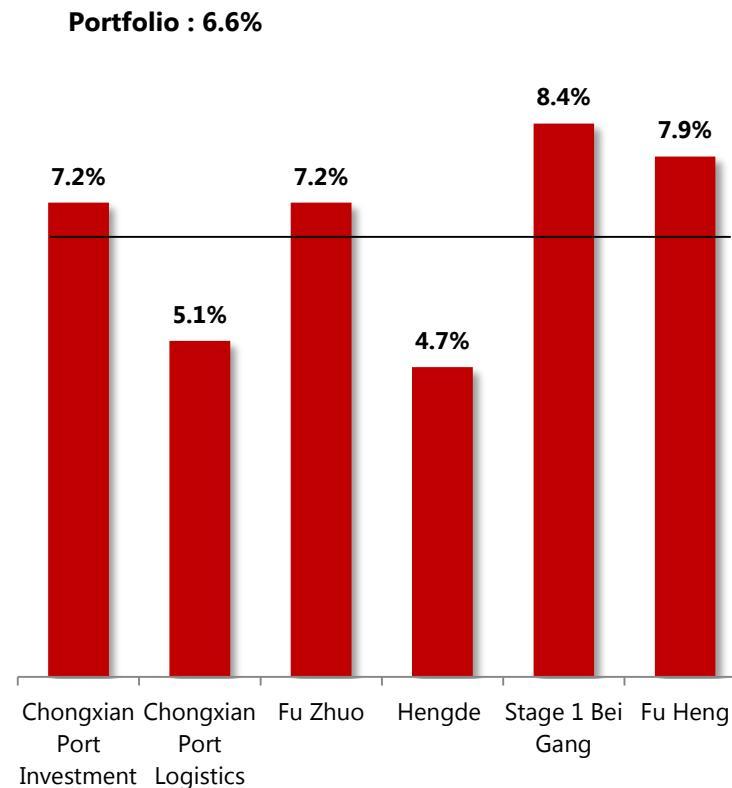
(4) Master lease with Sponsor commenced on 1 November 2015
 (5) Based on an exchange rate of S\$1.00 : RMB4.92

Summary Assets Performance

3Q17 Breakdown by Gross Revenue and NPI (SGD m)



Annualized NPI Yield (1)

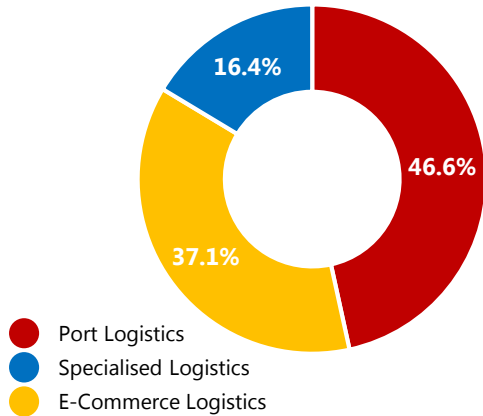


(1) Based on 9M2017

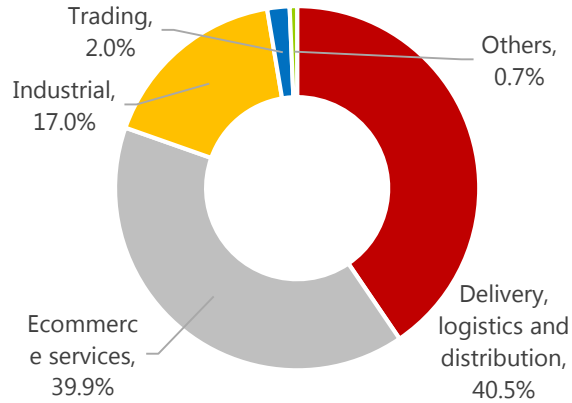
High Quality and Diversified Asset Portfolio

Breakdown of Portfolio Gross Rental Income

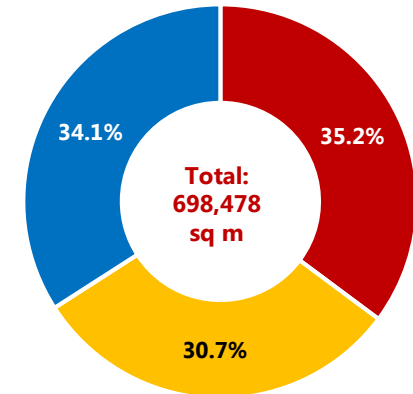
☑ Diversification by asset type ⁽¹⁾



☑ Diversification by trade sector ⁽¹⁾



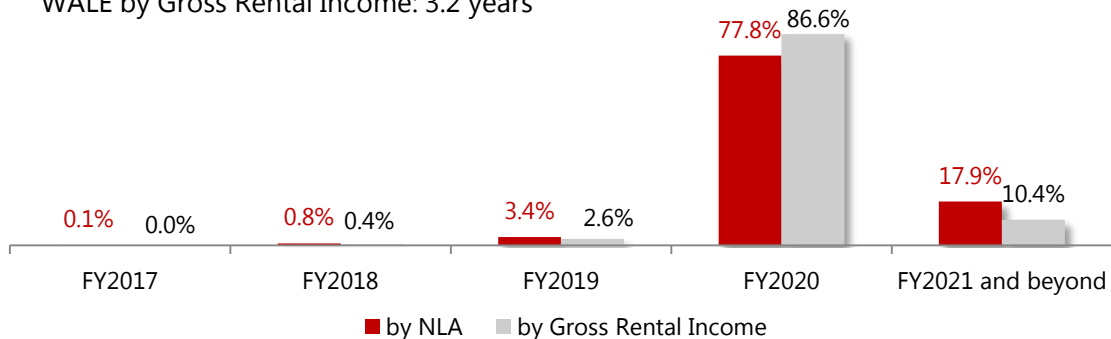
Breakdown by NLA



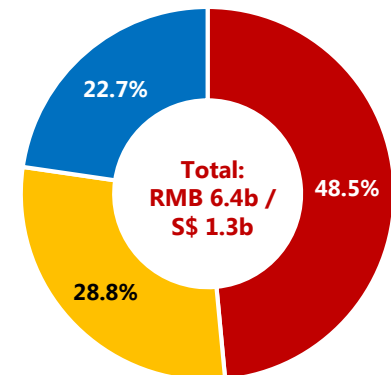
Lease Expiry Profile of Portfolio⁽²⁾

WALE by NLA: 3.2 years

WALE by Gross Rental Income: 3.2 years



Breakdown by valuation



(1) For 9M2017
(2) By Gross Rental Income and committed NLA as at 30 September 2017



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Thank You

