

NEWS RELEASE

EC World REIT maintains stable Distribution Per Unit (“DPU”) for 2QFY2021

- Gross Revenue and NPI remained stable quarter-over-quarter.
- Continue to retain 10% of total amount available for distribution in view of uncertainties arising from prolonged COVID-19 pandemic
- Payout of distribution previously retained amounting to ~S\$2.0 million in 2QFY2021
- DPU of 1.532 cents translates to annualized yield of 7.6%¹

Summary of Results:

	2QFY21 S\$'000	1QFY21 S\$'000	Change %
Gross Revenue	31,187	30,802	1.2
Net Property Income (“NPI”)	27,938	27,679	0.9
Total amount available for distribution	11,582	13,736	(15.7)
Amount retained ²	1,158	1,375	(15.8)
Amount previously retained (S\$'000) to be distributed ³	1,951	-	n.m.
Distribution to Unitholders	12,375	12,361	0.1
DPU (Cents)	1.532	1.532	-

Singapore, 6 August 2021 – EC World Asset Management Pte. Ltd., as manager of EC World Real Estate Investment Trust (“**ECW**”) (the “**Manager**”) is pleased to maintain a stable DPU of 1.532 cents for 2QFY2021. While gross revenue and net property income remained stable quarter-over-quarter, total amount available for distribution declined 15.7% mainly due to higher withholding tax as a result of repatriation of income.

Mr. Goh Toh Sim, Executive Director and CEO of the Manager, said, “The Manager continues to strive to provide a stream of stable and sustainable distribution to

¹ Based on annualized 1HFY2021 DPU of 6.179 Singapore cents and closing price of S\$0.815 per unit as at 30 June 2021.

² Retention of total amount available for distribution in view of uncertainties arising from prolonged COVID-19 pandemic globally

³ ECW will pay out distribution previously retained in 4QFY19, 1QFY20 and 2QFY20 (partial) amounting to ~S\$2.0 million

Unitholders. For 2QFY2021, the Manager will retain 10% of total amount available for distribution in view of uncertainties arising from prolonged COVID-19 pandemic globally. The Manager will pay out distribution amounting to ~S\$2.0 million previously retained from the previous quarters. Consequently, the DPU remains flat quarter-over-quarter.”

Asset Management

As at 30 June 2021, the occupancy of ECW’s portfolio of eight properties remained stable at 99.1%. In May 2021, the Manager announced the renewal of a major lease at Hengde Logistics, enhancing predictability of returns. Weighted average lease to expiry remains healthy at 3.0 years (by gross rental income) and 2.7 years (by net lettable area).

On 30 April 2021, the Manager announced an incident of a displacement and collapse of a berth at Chongxian Port Investment, a port logistics asset which is master-leased to Hangzhou Fu Gang Supply Chain Co., Ltd. The Manager and Property Manager are still working closely together with the insurer on the claim assessment. The affected site has been cleared of the damaged cranes and the steel stockpiles. Design and planning work for the repair of the affected berth area has also commenced and repair work is expected to start in end-August 2021.

Stable Capital and Debt Structure

As at 30 June 2021, ECW’s aggregate leverage was 37.6% with a blended running interest rate of 4.2% for 2QFY2021 and 1HFY2021.

The Manager will continue to actively explore and diversify sources of funding as well as hedging instruments to optimize ECW REIT’s capital structure.

Outlook

China reported a gross domestic product (GDP) growth of 7.9% for the second quarter of 2021 compared to a year ago. For the first half of 2021, China GDP grew 12.7% to RMB 53,216.7 billion⁴.

Total retail sales in China amounted to RMB 21,190.4 billion yuan for the first six months of 2021, an increase of 23.0% year-on-year. Online retail sales grew 23.2% to RMB

⁴ National Bureau of Statistics of China: http://www.stats.gov.cn/english/PressRelease/202107/t20210715_1819447.html

6,113.3 billion during the same period⁵. The National Bureau of Statistics of China noted that there are still multiple challenges for the rest of the year mainly due to uncertainties from the global spread of COVID-19 as well as the unbalanced domestic recovery⁶.

On 17 May 2021, the Manager announced that ECW has been approached by Forchn International Pte. Ltd. in relation to a potential transaction involving ECW's interests in all of its properties, which may or may not lead to the divestment of these properties. At this juncture, other than what has been disclosed in the holding announcement, there has been no new developments. The Manager will make the relevant announcements on SGXNET in the event there are any material developments which warrant disclosure under the listing rules of the SGX-ST.

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ABOUT EC WORLD REIT

Listed on 28 July 2016, EC World REIT is the first Chinese specialised logistics and e-commerce logistics REIT listed on Singapore Exchange Securities Trading Limited (“**SGX-ST**”). With its portfolio of eight quality properties located predominantly in one of the largest e-commerce clusters in the Yangtze River Delta, EC World REIT offers investors unique exposure to the logistics and e-commerce sectors in Hangzhou and Wuhan, the People's Republic of China (“**PRC**”).

EC World REIT's investment strategy is to invest 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 on the PRC.

EC World REIT is listed in several indices. These include the FTSE ASEAN All-Share Index, FTSE ST All-Share Index as well as FTSE ST China Index. For more information, please visit: <http://www.ecwreit.com/>

EC World REIT is managed by EC World Asset Management Pte. Ltd., which is an indirect wholly-owned subsidiary of the Sponsor – Forchn Holdings Group Co., Ltd. Established in 1992 and headquartered in Shanghai, the Sponsor is a conglomerate with businesses in supply chain, intelligent manufacturing, medical care and healthcare, finance and other sectors.

⁵ National Bureau of Statistics of China: http://www.stats.gov.cn/english/PressRelease/202107/t20210716_1819547.html

⁶ http://www.xinhuanet.com/english/2021-07/15/c_1310063152.htm



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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 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.

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.