



CONNECTING
the E-Commerce World



BALANCED
Portfolio of Specialised Assets



EC World
运通网城 REIT

1Q2017 Results Presentation

11 May 2017



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Agenda

Section A	1Q2017 Key Highlights
Section B	Financial Review
Section C	Portfolio Review



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Section A: 1Q2017 Key Highlights



1Q2017 Results Highlights

1 Strong operating and financial results outperforming IPO forecasts again

Gross Revenue of S\$23.7 million



4.6% higher than IPO forecast

Net Property Income of S\$21.6 million



5.4% higher than IPO forecast

Distribution Per Unit of 1.541 cents



5.3% higher than both the IPO forecast and 4Q 2016

Annualized distribution yield of 8.3% ⁽¹⁾

2 Specialized portfolio offering both income stability and growth potential

- ✓ Portfolio committed occupancy continues to stand at 100% with the underlying end-tenant occupancy increasing from 94.4% at listing to 98.3% as at 31 March 2017
- ✓ Resilient leases with 3.7 years of lease expiry and built-in escalations
- ✓ Chinese retail e-commerce market expected to continue to experience strong growth (19% CAGR from 2015 to 2020F) ⁽²⁾

3 Prudent capital and risk management

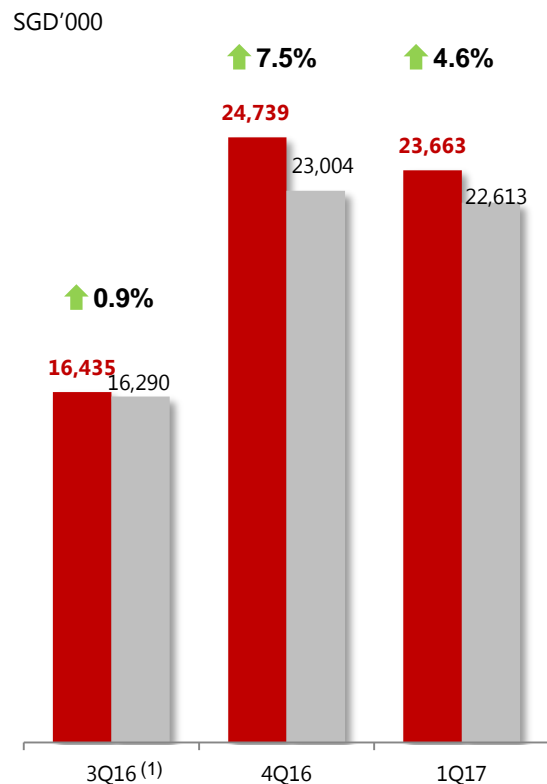
- ✓ Swapped the remaining 50% of the floating rate SGD loans into fixed rate obligations, providing further visibility and stability to the interest costs
- ✓ Relatively low gearing of 28.6% provides debt headroom for acquisitions

(1) Based on the closing price of S\$0.755 on 31 March 2017

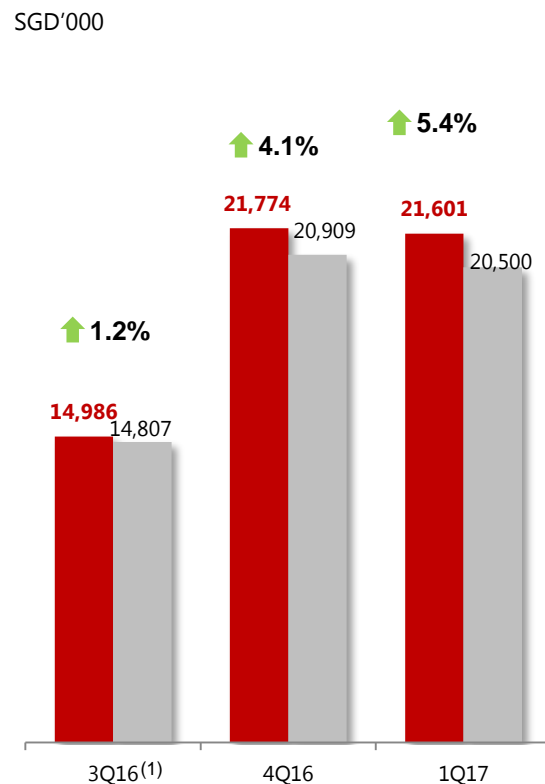
(2) Source: Analysys

Consistently Outperform Forecasts Since IPO

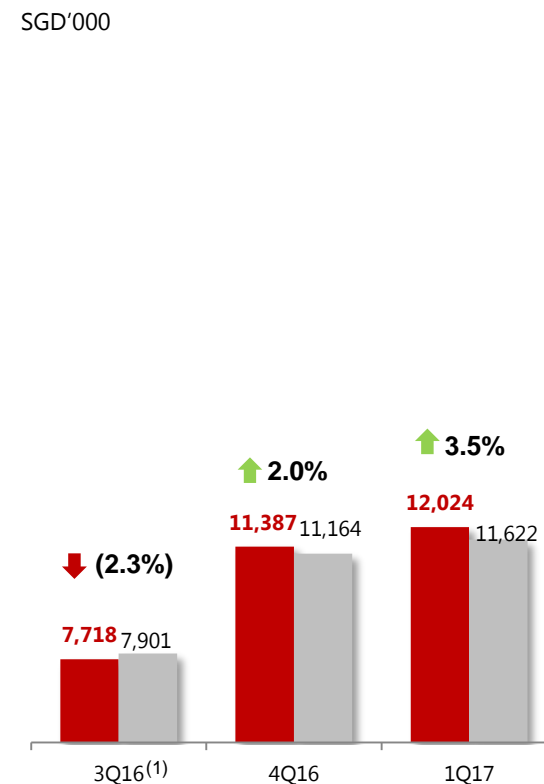
Gross Revenue



Net Property Income



Distributable Income



Actual █ Forecast █

(1) EC World REIT was listed on the SGX-ST on 28 July 2016 ("Listing Date"). The relevant reporting period is from 28 July to 30 September 2016.

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

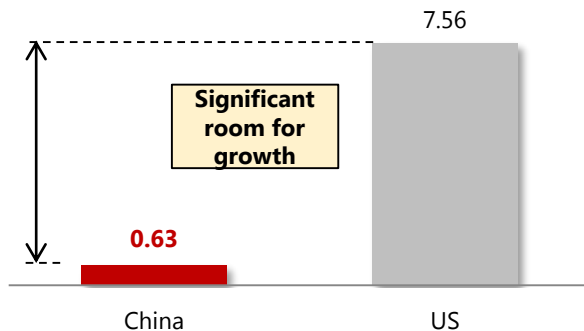


Market size of Chinese retail e-commerce is expected to exceed RMB 9.4 trillion in 2020



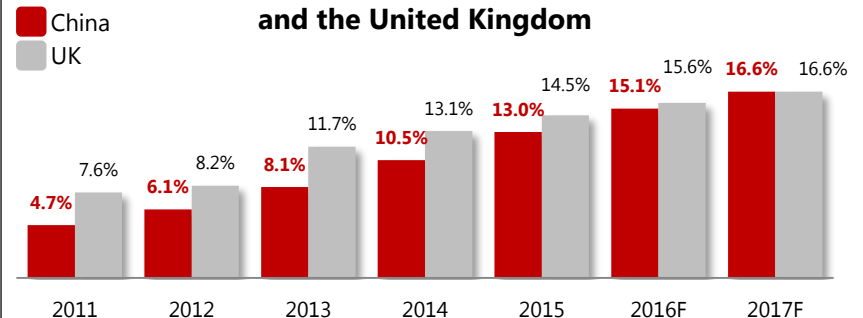
Highly favourable supply-demand dynamics for E-Commerce focused logistics assets

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



Synergy between EC World REIT and 'RuyiCang' Enhances Competitiveness



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





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Section B: Financial Review



Summary Results

Strong 1Q17 operating and financial results outperforming forecast

For the period 1 Jan to 31 Mar 2017	Actual	Forecast [#]	Variance (%)
Gross revenue (S\$'000)	23,663	22,613	+4.6%
Net property income (S\$'000)	21,601	20,500	+5.4%
Distributable income (S\$'000)	12,024	11,622	+3.5%
Distribution per unit (Singapore cents)	1.541	1.464	+5.3%

As per data in IPO prospectus

Distribution Timetable

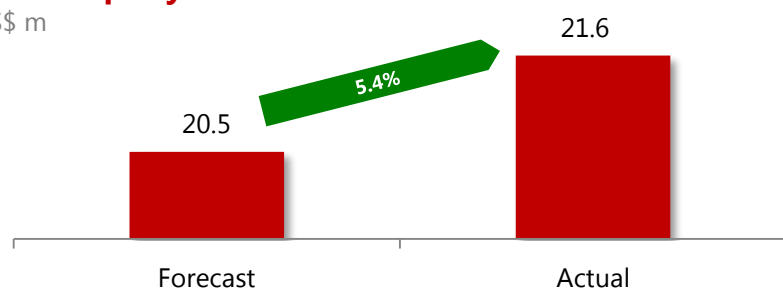
1Q2017

Last Day of Trading on "cum" Basis	:	16 May 2017
Ex-date	:	17 May 2017
Books Closure Date	:	19 May 2017
Distribution Payment Date	:	28 June 2017

Review of 1Q 2017 Performance between Actual and Forecast Results

Net Property Income

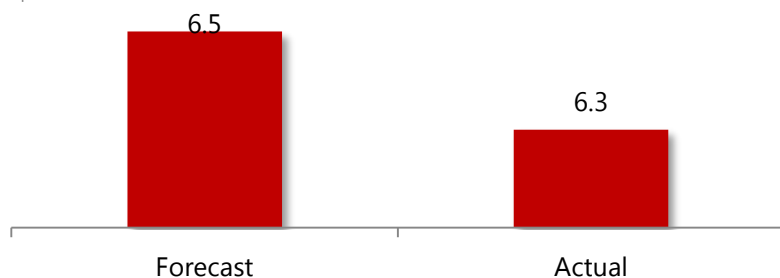
S\$ m



- Higher gross revenue primarily due to additional rental income from the sheltered warehouse in Chongxian Port Investment and stronger than forecasted SGD/RMB rate
- NPI also benefited from lower than expected property expenses and favourable exchange rate movement

Finance Cost

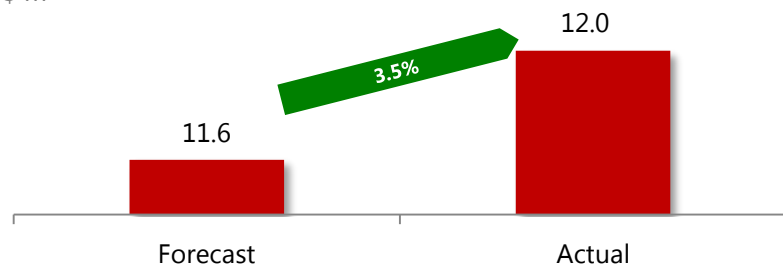
S\$ m



- Finance cost is lower than forecast mainly due to lower than forecasted SGD SOR rates and savings in finance costs arising from delay in the Standby Letter of Credit arrangement
- This is partially offset by finance cost of IRS entered into during the quarter

Distributable Income

S\$ m



- Due mainly to the abovementioned factors

Prudent Capital Management

- ✓ Diversified sources of funding (12 banks in the syndicate)
- ✓ Annualised all-in interest rate of 5.4%
- ✓ Entered into interest rate swap contract for the balance 50% floating rate SGD loan. As at 31 March 2017, 100% of ECW's SGD loans are on fixed rate obligations

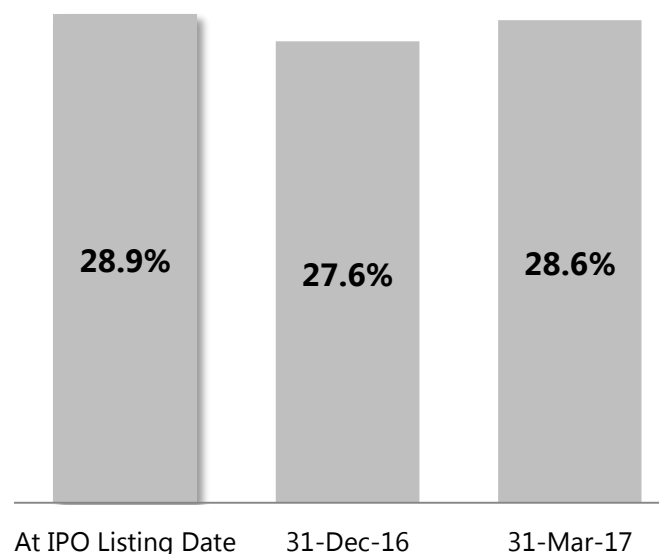
Key Debt Figures

Total Debt Drawdown as at 31 Mar 2017	<ul style="list-style-type: none"> • RMB 998.9 million onshore • S\$ 212.0 million offshore ⁽¹⁾
Tenure	3 years (1 year for RCF)
Interest Rate	<ul style="list-style-type: none"> • Onshore⁽²⁾ – 6.3% p.a. • Offshore⁽³⁾ – 4.7% p.a. • RCF – 1.4% p.a.

Forex (SGD/RMB)

FY2016	4.95 (Hedged)
FY2017	5.03 (Assumption)

Aggregate Leverage Ratio



(1) Including S\$12.0 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 1.5%, variable component is pegged to 3 month SOR and 1 month SOR respectively

Healthy Balance Sheet

S\$'000	As at 31 Mar 2017	As at 31 Dec 2016	As at Listing Date
Cash and cash equivalents ⁽¹⁾	109,148	103,665	91,417
Investment Properties ⁽²⁾	1,299,594	1,333,297	1,303,443
Total Assets	1,448,569	1,482,343	1,404,934
Borrowings	405,455	398,830	393,254
Total Liabilities	748,880	756,224	722,910
Net Assets attributable to Unitholders	699,689	726,119	682,024
NAV per unit (S\$)	0.90	0.93	0.88

(1) Includes RMB301.7 million (S\$61.1 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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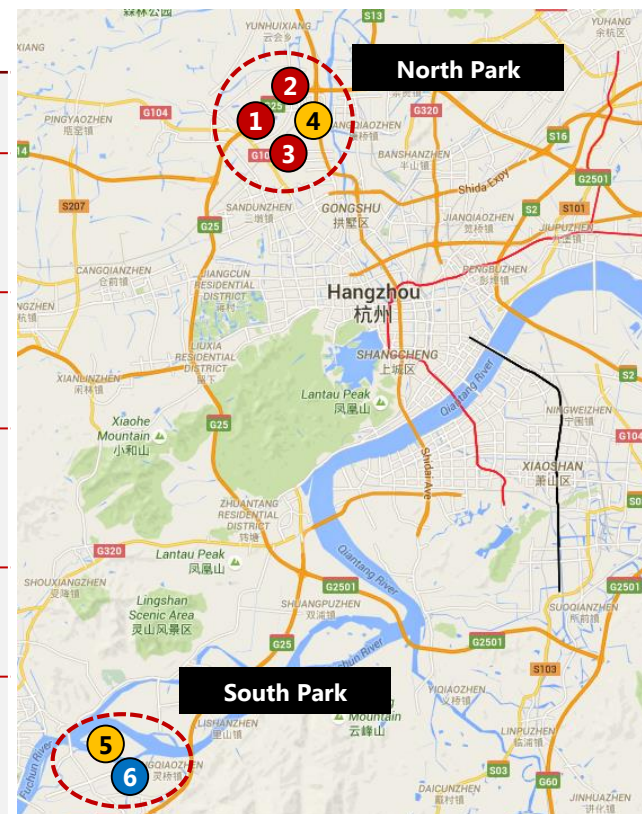
Section C: Portfolio Overview



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⁾	39	2,124.0
2 Chongxian Port Logistics	Port Logistics	125,856	Multi-tenanted / 27 tenants	Complex 1 & 2: 39 & 43	871.0
3 Fu Zhuo Industrial	Port Logistics	7,128	Multi-tenanted / 2 tenants	39	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)					1,299.6⁽⁵⁾



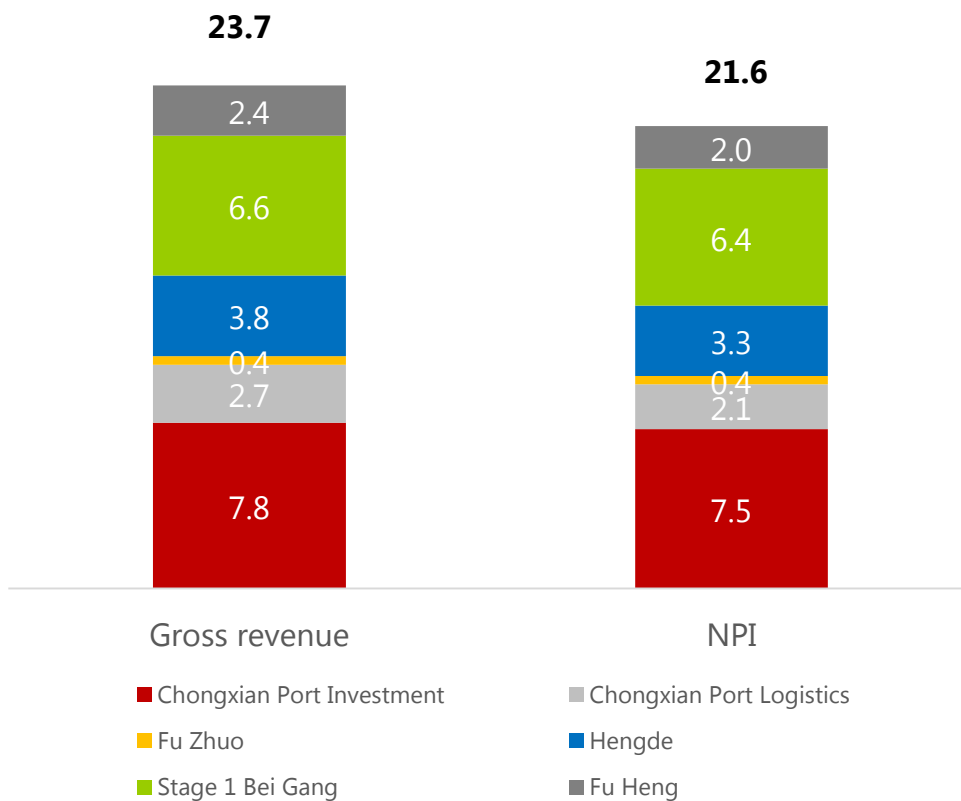
- Port Logistics
- Specialised Logistics
- E-Commerce Logistics

(1) Based on underlying end-tenants as at 31 March 2017
 (2) As at 31 December 2016 appraised by Colliers
 (3) Master leases with Sponsor commenced on 1 January 2016

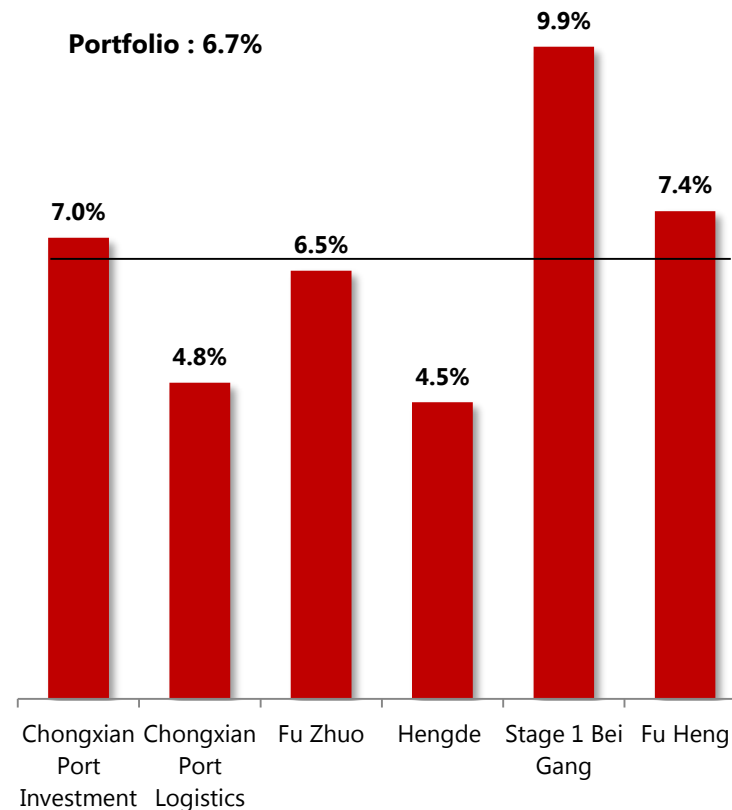
(4) Master lease with Sponsor commenced on 1 November 2015
 (5) Based on an exchange rate of S\$1.00 : RMB4.93

Summary Assets Performance

Breakdown by Gross Revenue and NPI (SGD m)



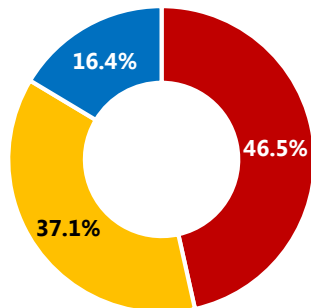
Annualized NPI Yield



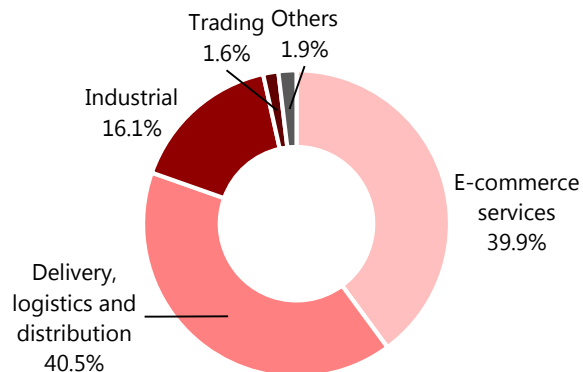
High Quality and Diversified Asset Portfolio

Breakdown by Gross Rental Income

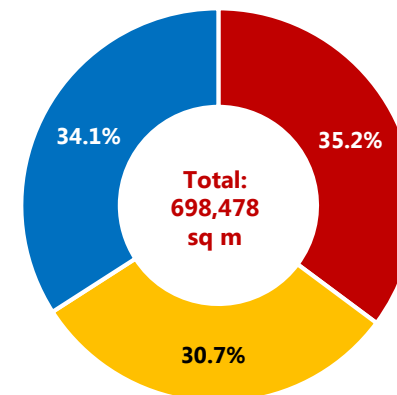
☑ Diversification by asset type⁽¹⁾



☑ Diversification by trade sector⁽¹⁾



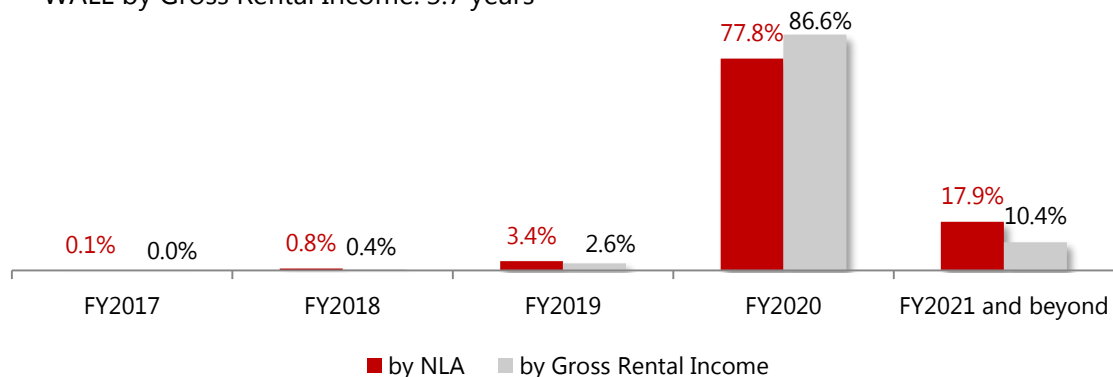
Breakdown by NLA



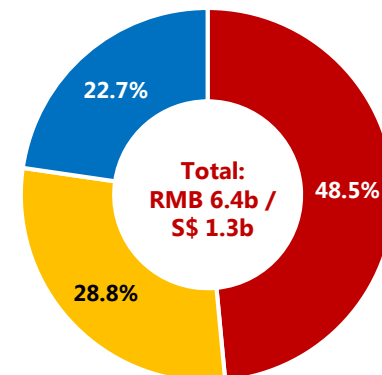
Lease Expiry Profile ⁽²⁾

WALE by NLA: 3.7 years

WALE by Gross Rental Income: 3.7 years



Breakdown by valuation



(1) For 1Q2017
 (2) By Gross Rental Income and committed NLA as at 31 March 2017



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Thank You

