



EC World
运通网城 REIT

NEWS RELEASE

EC World REIT Reported Lower Operating Performance in FY2025

- Lower operating performance year-on-year
- No distribution for FY2025
- Portfolio valuation declined by 21.2% year-on-year in RMB terms

Summary of Results:

	4QFY2025 S\$'000	4QFY2024 (Restated) S\$'000	Change YoY%	FY2025 S\$'000	FY2024 (Restated) S\$'000	Change YoY%
Gross Revenue	6,983	15,742	(55.6)	40,350	92,056	(56.2)
Net Property Income (“NPI”)	4,428	13,712	(67.7)	32,149	83,711	(61.6)
Calculated Distribution to Unitholders ¹	-	-	n.m	-	13,087	n.m
Calculated DPU (Cents) ¹	-	-	n.m	-	1.616	n.m

Singapore, 27 February 2026 – EC World Asset Management Pte. Ltd., as the manager of EC World Real Estate Investment Trust (“**ECW**”) (the “**Manager**”), reported a full year 2025 (“**FY2025**”) lower operating performance across its portfolio year-on-year, mainly due to the termination of all four MLAs upon lease expiry, lower contribution from underlying leases, decrease in market rent and weakening of RMB against SGD during FY2025, offset by income contribution from new third-party leases secured for Hengde Logistics Phase I. After straight-line rental adjustment and other

¹ Based on ECW’s current cash situation, ECW is not able to fulfil, from the deposited property of ECW, its liabilities as they fall due. Hence, there will be no distribution for the financial year 2025.



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relevant distribution adjustments, gross revenue and NPI in RMB terms were 55.8% and 68.4% lower respectively as compared to 4QFY2024 (Restated).

As of 31 December 2025, the overdue rent receivables owing to ECW and its subsidiaries (collectively, the “**ECW Group**”) by the Sponsor and its subsidiaries (collectively, the “**Sponsor Group**”) approximated RMB329.1 million (S\$60.5 million), subjected to the ongoing negotiation with the Administrator of the Sponsor for a master offset agreement to offset all the receivables from the Sponsor Group against its payables to the Sponsor Group including the advance payments received from the purchasers of the proposed divestment since 2024 (the “**Master Offset Agreement**”). Of these outstanding rent receivables, RMB249.2 million (S\$45.8 million) represents the rent payable pursuant to master leases, while the balance RMB79.9 million (S\$14.7 million) represents the rent payable by the Sponsor Group pursuant to other related party leases.

Pending the re-organisation of the Sponsor and its 68 related parties (the “**Sponsor Entities**” and the “**Sponsor Reorganisation**”), ECW has submitted preliminary claims of RMB 1.14 billion against the Sponsor entities, which includes claims over outstanding rental receivables and late penalty interest receivables, contingent liabilities and land use right claim of Beigang, other receivables arising from novation process in 2024 from the Sponsor Entities and contingent liabilities over the outstanding relevant mortgages over Fuzhou E-Commerce (“**FZDS**”) (“**Outstanding Relevant Mortgage**”) and unauthorised corporate guarantees (“**2023 Guarantees**”).² The above-mentioned Reorganisation remains in progress and there is no certainty that the Reorganisation will be successful which in turn may involve a change in control in respect of EC World REIT, depending on the progress of the Reorganisation.

Finance costs of S\$43.5 million were S\$5.4 million or 11.1% lower compared to FY2024 (Restated), mainly attributable to a reduced loan quantum and the absence of additional finance cost incurred for SBLC settlement, and partly offset by the effect of the default interests.

Mr Goh Toh Sim, Executive Director and CEO of the Manager, said, “on quarterly basis, the revenue in RMB terms was 55.8% lower compared to 4QFY2024 (Restated). While the negotiations with the Administrator of the Sponsor to resolve the outstanding receivables are ongoing, the Manager remains committed to actively exploring options to divest some or whole of the Group’s assets to pare down existing facilities. In the meantime, the Manager, with the close guidance of all independent directors, is trying

² Announced on 4 August 2025 and 25 September 2025.

its best endeavour to improve the performance of the ECW Group amid severe persisting challenges from operation and financing activities.”

Key Highlights:

Application for extension of time to submit a resumption proposal

In consideration of the current operating and financial situation, the Manager has applied to the SGX-ST to extend the submission deadline of resumption proposal to providing additional time to resolve uncertainties before finalizing the Resumption Proposal. SGX approved the request and extended the submission deadline to 31 May 2026.

The Imposition of mortgage over Fuzhou E-commerce and unauthorised corporate guarantees

The PRC counsel has received judgements issued by Hangzhou Intermediate Court on 29 January 2026 dismissing the ECW group’s appeal applications for orders on the invalidity and revocation of the Outstanding Relevant Mortgage (the “**January 2026 Judgments**”). Based on the recommendations of its PRC legal counsel, the Manager intends to apply to higher level courts for re-trial of the April 2025 Judgements and the January 2026 Judgements. However, please note that such application cannot be taken as an appeal of the January 2026 Judgements.

As further mentioned in the 13 November 2025 Announcement, one of the Fuyang Financial Institutions, 杭州富阳富投发振富股权投资合伙企业 (有限合伙) (“Fuyang Futoufa”), has initiated two separate cases in the Hangzhou Court, against the three ECW’s subsidiaries. Both lawsuits were heard in the Hangzhou Intermediate Court on 28 January 2026 and currently pending further court processes.

Taking into consideration of the both Outstanding Relevant Mortgage and 2023 Guarantees, contingent liabilities of RMB 286 million are recognised by ECW at this stage.

Asset Management

As at 31 December 2025, the overall occupancy for ECW's portfolio stood at 83.4%. Weighted average lease to expiry ("WALE") stood at 0.9 year for gross rental income and 1.1 years for net lettable area. Amid the current weak leasing market condition, the Manager is committed to focus closely with the Property Manager to maintain the occupancy rates of the properties through active management of the existing and prospective tenants to mitigate the risk of non-renewals and vacancies.

Capital and Debt Structure

As at 31 December 2025, the current liabilities of the Group and ECW had exceeded the current assets by S\$586,897,000 and S\$116,595,000 respectively. The Group's current liabilities include bank borrowings of S\$467,011,000, comprising S\$341,643,000 of offshore loans (the "**Offshore Facility**") and S\$125,368,000 of onshore loans (the "**Onshore Facility**"), both of which are repayable on demand due to the occurrence of a numbers of events of default under the Offshore Facility.

The aggregate leverage for the Group was 73.5% (31 December 2024: 57.0% (Restated)) at 31 December 2025. Paragraph 9.4(a) of the Property Funds Appendix states that the aggregate leverage limit is not considered to be breached if it is due to circumstances beyond the control of the Manager, such as the depreciation in the asset value of the properties of ECW. Nevertheless, the increased leverage ratio breached the financial covenant under the existing offshore facility agreement, which requires ECW's leverage ratios to be no more than 40%. In such a scenario, the Manager shall not incur additional borrowings or enter into further deferred payment arrangements. The Manager intends to resolve these issues by restructuring the ECW Group's existing ECW Facility and divest some assets.

ECW's blended all-in running interest rate for the quarter and 12 months ended 31 December 2025 were all 8.8% per annum, from 9.1% and 8.2% in the corresponding period. Due to the volatile global economic conditions, ECW expects the blended interest rates for the Offshore Facilities continue to fluctuate.



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Outlook

China's broader property sector remains in a protracted adjustment phase, with official data showing real estate development investment down 17.2% YoY in 2025, underscoring continued deleveraging and cautious private-sector capital deployment.³ Policy direction has increasingly focused on inventory absorption, project completion, and systemic risk management to support market confidence, but transmission into a broad-based recovery appears gradual.⁴ On the balance, 2026 is more likely to be characterised by policy-supported stabilisation rather than cyclical rebound, with recovery prospects uneven across regions and asset classes.

China's logistics and industrial property segment continues to benefit from structural drivers such as e-commerce penetration, advanced manufacturing upgrading, and trade-related supply chain activity, but near-term fundamentals remain cautious. While freight volumes and trade activity remain resilient at the macro level,⁵ market research indicates continued net absorption alongside rental softening and elevated vacancy in the logistics property sector, reflecting supply pressures and tenant cost sensitivity, and further suggests that the current supply–demand balance may continue to limit near-term rental growth until vacancy rates stabilise.^{6,7}

As of date of this announcement, the Outstanding Relevant Mortgage imposed over Fuzhou E-Commerce and 2023 Guarantees have not been discharged. EC World REIT pursued legal actions to protect unitholders' interests while concurrently negotiating with the Sponsor for their removal. Due to insufficient funds, distributions will remain to be suspended for the foreseeable future. EC World REIT will continue to face significant financial and cash flow challenges in the short to medium term. Trading of its units will remain suspended until the financial situation improves.

— End —

³ https://www.stats.gov.cn/english/PressRelease/202601/t20260120_1962353.html

⁴ <https://www.reuters.com/world/china/state-firms-china-buy-foreclosed-properties-slow-downturn-2026-02-12/>

⁵ https://english.www.gov.cn/archive/statistics/202601/14/content_WS69673a26c6d00ca5f9a088f1.html

⁶ <https://www.cbre.com/insights/figures/china-figures-q4-2025>

⁷ <https://research.jllapsites.com/appd-market-report/q4-2025-logistics-industrial-shanghai/>



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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 seven 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 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.

For queries, please contact:

Investor Relations
EC World Asset Management Pte. Ltd.
Tel: +65 6221 9018
Email: ir@ecwreit.com



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IMPORTANT NOTICE

The value of the units in EC World REIT (the “**Units**”) and the income derived from them may fall as well as rise. The Units are not obligations of, deposits in, or guaranteed by, the Manager, the Trustee or any of their affiliates.

An investment in the Units is subject to investment risks, including the possible loss of the principal amount invested. Investors have no right to request the Manager to redeem their Units while the Units are listed. It is intended that Unitholders may only deal in their Units through trading on the SGX-ST. Listing of the Units on the SGX-ST does not guarantee a liquid market for the Units.

Unitholders and potential investors are advised to exercise caution when dealing in Units. Unitholders and potential investors are advised to read this announcement and any further announcements to be released by EC World REIT carefully. Unitholders and potential investors should consult their stockbrokers, bank managers, solicitors or other professional advisers if they have any doubt about the actions they should take.

This announcement is for information only and does not constitute an invitation or offer to acquire, purchase or subscribe for the Units.

The past performance of EC World REIT is not necessarily indicative of the future performance of EC World REIT.

This announcement may contain forward-looking statements that involve risks and uncertainties. Actual future performance, outcomes and results may differ materially from those expressed in forward-looking statements as a result of a number of risks, uncertainties and assumptions. Representative examples of these factors include (without limitation) general industry and economic conditions, interest rate trends, cost of capital and capital availability, competition from similar developments, shifts in expected levels of property rental income, changes in operating expenses, property expenses and governmental and public policy changes. You are cautioned not to place undue reliance on these forward-looking statements, which are based on the Manager’s current view of future events.