



(a real estate investment trust constituted on 5 August 2015
under the laws of the Republic of Singapore)

ANNOUNCEMENT

- (1) UPDATE ANNOUNCEMENT ON THE REORGANISATION OF FORCHN HOLDINGS GROUP CO., LTD. (“SPONSOR”)
- (2) INTERIM RESTRICTION ON THE TRANSFER OF EQUITY INTEREST IN CHONGXIAN PORT LOGISTICS CO., LTD. (“CXPL”)

EC World Asset Management Pte. Ltd., in its capacity as manager of EC World Real Estate Investment Trust (“**EC World REIT**”, and as manager of EC World REIT, the “**Manager**”), refers to the Manager’s announcement dated 27 March 2025 (the “**27 March 2025 Announcement**”) in relation to the “Reorganisation Application of Forchn Holdings Group Co., Ltd” (the “**Sponsor Reorganisation**”).

Update announcement on the reorganisation of the Sponsor

The Manager would like to update unitholders of ECW (“**Unitholders**”) that it was informed by the Sponsor that:

- (a) the People’s Court of Fuyang District, Hangzhou City, Zhejiang Province (the “**Fuyang Court**”) has ruled on 28 July 2025 that the Sponsor and its 68 related parties (the “**Sponsor Entities**”) would be consolidated into one single reorganisation arrangement. The Sponsor Entities include all master lessees of the EC World REIT but does not include any entities under EC World REIT.
- (b) Capital Equity Legal Group (浙江京衡律师事务所), the temporary administrator for the pre-reorganisation of the Sponsor, has been appointed by Fuyang Court to be the administrator for the reorganisation (the “**Administrator**”).
- (c) The Administrator has issued Notice of Debt Claims Submission & Procedural Guidelines on 30 July 2025.
- (d) The Administrator has released an announcement on 30 July 2025 to promote assets of the Sponsor Entities and search for prospective investors join the reorganisation of the Sponsor Entities.
- (e) There is uncertainty as to whether the above-mentioned reorganisation will be successful in the future. If the reorganisation is implemented and completed in the future, there is no certainty or assurance that the reorganisation will not involve a change in control in respect of EC World REIT, depending on the reorganisation situation of the Sponsor.

To protect our interest, the Manager has instructed our PRC legal counsel ("**PRC Counsel**") to assist in the debt claim submission as part of processes to reach a global settlement solution with the Sponsor via its Administrator, subject to the reorganisation process.

Interim restriction on the transfer of equity interest in CXPL

The Manager was further informed by the Sponsor that certain litigation cases ("**Beigang Stage 2 Litigations**") related to the assets of a Sponsor entity ("**Beigang Stage 2 Properties**") have been commenced against the Hangzhou Beigang Logistics Co., Ltd ("**Beigang**") in various courts in the People's Republic of China ("**PRC**"). As results of Beigang Stage 2 Litigations, the relevant court has given interim orders to restrict the transfer of the 100% equity in Chongxian Port Logistics Co., Ltd ("**CXPL**"), a subsidiary of Beigang ("**Interim Restriction**"). For avoidance of doubt, CXPL is not part of Beigang Stage 2 Properties.

Since the initial public offering of EC World REIT ("**IPO**"), while Beigang Stage 2 Properties are legally held by Beigang, the beneficiary interests belong to a Sponsor entity and are not part of the assets of EC World REIT. For information relating to Beigang Stage 2 Properties, the Manager would like to refer to the following disclosures in the IPO prospectus of EC World REIT:

- 1) as stated in "*Business and Properties – The Stage 1 Properties of Bei Gang Logistics (北港物流一期) – Arrangement in relation to Bei Gang Logistics*", the right of use and economic benefits of the Stage 2 Properties will remain with the Sponsor. As the owner of the right of use and economic benefits of the Stage 2 Properties, the Sponsor shall have the right to develop and manage the Stage 2 Properties at its own costs and expenses, without any such costs and/or expenses being imputed to EC World REIT.
- 2) as stated in "*Certain Agreements Relating to EC World Real Estate Investment Trust and the Properties, Grant Agreement In relation to the Stage 2 Properties of Beigang Logistics*", the Sponsor and Beigang had on 30 June 2016 entered into the Grant Agreement pursuant to which the Beigang granted to the Sponsor the right of use and economic benefits of the Stage 2 Properties of Bei Gang Logistics (the "**Granted Right**") and pursuant to the Grant Agreement, the Sponsor had undertaken the following, amongst others:
 - *to implement the construction, the inspection and acceptance of the completion of the Stage 2 Properties and obtained the building ownership certificates of the Stage 2 Properties in line with schemes of planning, designing and construction approved by the authorised bureaus and agencies, where the building ownership certificates shall be issued in the name of and held by the Beigang;*
 - *to pay for all the costs of building construction and fitting-out, equipment installation and maintenance of the Stage 2 Properties, where the Beigang shall provide the required cooperation in relation to the aforementioned matters;*
 - *to bear responsibility for the operation of the Stage 2 Properties and bear the operational costs, expenses and taxes and be authorised to obtain all the operation income of the Stage 2 Properties;*
 - *to undertake that the management and operation of the Stage 2 Properties shall not be in breach of the terms of state-owned land use right grant contract regarding to the land use right of the Stage 2 Properties;*

- 3) as stated in “*Certain Agreements Relating to EC World Real Estate Investment Trust and the Properties, Deed of Indemnity in Relation to Bei Gang Logistics*”, the Sponsor has agreed to indemnify the Trustee and Beigang (the “*Indemnified Parties*”), amongst others, against:
- *any and all losses which any Indemnified Party may suffer or incur which arises out of or in connection with a breach of any of the warranties or covenants under the deed of indemnity;*
 - *any and all losses which any Indemnified Party may suffer or incur which arises out of or in connection with the ownership, development, operation and/or management of the Stage 2 Properties;*
 - *any and all claims by any party against any Indemnified Party which arises out of or in connection with the ownership, development, operation and/or management of the Stage 2 Properties;*
 - *any and all development costs, operational costs, expenses, tax liabilities (including real estate taxes), and any other liabilities which arises out of or in connection with the ownership, development, operation and/or management of the Stage 2 Properties which any Indemnified Party may incur;*
 - *any and all losses which any Indemnified Party may suffer or incur if the Sponsor were to develop, manage or operate the Stage 2 Properties in a manner which is non-compliant with the conditions of the land use right of the Bei Gang Logistics property, thereby resulting in the land authorities revoking the land use right and compulsorily acquiring the land and buildings of the Bei Gang Logistics property (or any part thereof);*
 - *any and all losses which any Indemnified Party may suffer or incur which arises out of or in connection with a failure by the Sponsor to comply with its obligations under the equity transfer agreement for the acquisition of Hangzhou Bei Gang Logistics Co., Ltd.; and*
 - *There is no limit on the Sponsor’s liability under the deed of indemnity in relation to Bei Gang Logistics.*

The Manager is seeking legal advice from our PRC Counsel in order to ascertain, among others, the potential impact of the Beigang Stage 2 Litigations, the Interim Restriction and the legal actions which may be taken against the Sponsor to mitigate the potential losses arising from Beigang Stage 2 Litigations.

Preliminary assessment by the board of directors of the Manager seems to indicate that ringfence measures in relation to Beigang Stage 2 Properties taken during the IPO may not mitigate all the risks of Beigang. The Manager will assess the advices from our PRC Counsel and consider further mitigation actions to be taken. The Manager will provide Unitholders with a further update as and when there are material developments.

Cautionary Statement

Unitholders are advised to read this announcement and any further announcements by the Manager carefully. Unitholders should consult their stockbrokers, bank managers, solicitors or other professional advisors if they have any doubt about the actions that they should take.

The Manager will make further announcements on the SGXNET in the event there are any material developments which warrant disclosure, in compliance with its obligations under the Listing Manual. Unitholders and investors are advised to refrain from taking any action in respect of Units which may be prejudicial to their interests, and to exercise caution when dealing in the Units. Persons who are in doubt as to the action they should take should consult their stockbroker, bank manager, solicitor or other professional advisers.

For and on behalf of the Board

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

4 August 2025

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.