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

ANNOUNCEMENT

UPDATES IN RELATION TO PROPERTY MANAGEMENT ARRANGEMENTS

1. INTRODUCTION

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, among others:

(a) the announcement dated 10 May 2019 in connection with the proposed acquisitions and master lease agreements of Fuzhou E-Commerce;

(b) the announcement dated 8 August 2019 in connection with, among others, the completion of the acquisitions of Fuzhou E-Commerce; and

(c) the announcement dated 30 June 2021 in connection with the renewal of property management agreements in relation to Chongxian Port Investment, Chongxian Port Logistics, Fu Zhuo Industrial, Stage 1 Properties of Bei Gang Logistics, Fu Heng Warehouse and Hengde Logistics.

The Manager wishes to announce that, it has, following a tender process, entered into new property management agreements for the appointment of Hangzhou Wangcheng Property Service Co., Ltd. ("**Wangcheng**") as the new property manager of Fuzhou E-Commerce, Fuheng Warehouse, Hengde Logistics, Wuhan Meiluote and Beigang Logistics Stage 1 (the "**Tender Assets**"). In addition, in respect of Chongxian Port Investment and Chongxian Port Logistics ("**Port Assets**"), it has entered into a new port management agreement with Hangzhou Chonghang Port Supply Chain Co., Ltd. ("**Chonghang**"), replacing Hangzhou Fu Gang Supply Chain Co., Ltd. ("**Fugang**") as the port operator of the Port Assets, and new property management agreements with Hangzhou Chonghang Port Property Management Co., Ltd. (a wholly owned subsidiary of Chonghang) for the provision of property management services for the Port Assets.

Wangcheng and Chonghang are third-party service providers which are unrelated to the ECW Group.

2. BACKGROUND

In 2024, the Manager has initiated a tender process in respect of the Tender Assets to select a new property manager for the assets of EC World REIT, in view of the expiry of the individual property

management agreements in relation to two of its assets[1] and following concerns over existing checks and internal controls vis-à-vis the previous property manager of EC World REIT's properties, Yuntong Property Management Co., Ltd. ("**Yuntong**") (a subsidiary of Forchn Holdings Group Co., Ltd. which is the sponsor of EC World REIT)[2]. The previous property management agreements with Yuntong which were originally meant to expire on 29 June 2026 have been terminated by mutual agreement of the parties thereto on 31 December 2024. Please refer to paragraph 3 below for further details in relation to the property management agreements in respect of the Tender Assets.

The property management services in respect of the Port Assets were excluded from the above-mentioned tender. Owing to the specific operating requirements of the Port Assets, the operator engaged to provide property management services in respect of the Port Assets should also serve as the port operator in the interest of efficiency. Please refer to paragraph 4 below for further details in relation to the port management and property management agreements in respect of the Port Assets.

The new contract terms for the property management agreements associated with the Tender Assets and the port management agreements and property management agreements for the Port Assets are for a period of one year from 1 January 2025 to 31 December 2025, taking into consideration the need to retain flexibility to terminate the relevant service provider at minimum cost in view of the on-going asset divestment exercise by EC World REIT[3].

3. PROPERTY MANAGEMENT SERVICES FOR THE TENDER ASSETS

The Manager has awarded the tender to Wangcheng for the provision of the property management services in respect of the Tender Assets, taking into account its fees proposal, independence and familiarity with EC World REIT's assets and operations. Wangcheng is a third-party service provider that is unrelated to the EC World REIT group. It was also the sub-contractor of Yuntong, carrying out daily property management work in respect of the assets of EC World REIT.

Pursuant to the terms of the property management agreements in relation to the Tender Assets, Wangcheng will be entitled the following fees:

(i) Property Management Services[4]

For property management services provided by Wangcheng for all five Tender Assets, Wangcheng shall be entitled to receive an aggregate annual fixed fee of RMB 10,150,002. To safeguard the interest of EC World REIT, the Manager will also collect a security deposit equivalent to one month of property management fees for each of the Tender Assets.

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[1] The previous property management agreements in relation to Wuhan Meiluote and Fuzhou E-Commerce were due for renewal in the first half and second half of 2024 respectively. In the interest of cost efficiency, the Manager extended these property management agreements until 31 December 2024 and conducted a bulk tender for the provision of property management services in relation to the assets under EC World REIT's portfolio.

[2] Please refer to the Manager's announcement dated 1 September 2024 for further details on the findings in relation to the imposition of the unauthorised mortgages.

[3] Please refer to the Manager's announcement dated 11 June 2024 for further details.

[4] Under the previous property management agreements with Yuntong in respect of EC World REIT's properties (other than Wuhan Meiluote), Yuntong was entitled to a property management fee of 1.5% per annum of the gross revenue of each property. For Wuhan Meiluote, Yuntong was entitled to a property and lease management fee equivalent to an amount of RMB 1,105,400 per annum.

(ii) Marketing Services[5]

For marketing services rendered by Wangcheng, Wangcheng shall be entitled to the following:

(a) a commission of 1/24 of the contract amount in lump sum, for securing new leases with tenure of up to two years;

(b) a commission equivalent to one month rent (based on average rent over the whole lease term), for securing new leases with tenure of more than two years; and

(c) a commission of 1/48 of the contract amount for each renewed year, for securing renewals of existing leases.

(iii) Project Management Services

In relation to project management services provided by Wangcheng under each property management agreement in connection with the Tender Assets, Wangcheng shall be entitled to:

(a) where the construction costs are RMB 10 million or less, a fee of 3.25% of the construction costs;

(b) where the construction costs exceed RMB 10 million but do not exceed RMB 100 million, a fee of 3.00% of the construction costs;

(c) where the construction costs exceed RMB 100 million but do not exceed RMB 250 million, a fee of 2.75% of the construction costs; and

(d) where the construction costs exceed RMB 250 million, a fee to be mutually agreed by the parties to the relevant property management agreement.

The project management fees payable to Wangcheng are on par with the fees payable to Yuntong for project management services rendered to EC World REIT's properties, as disclosed in the prospectus of EC World REIT dated 20 July 2016.

4. PORT MANAGEMENT AND PROPERTY MANAGEMENT SERVICES FOR THE PORT ASSETS

The previous port operator of the Port Assets, Fugang, was the master lessee under the previous master lease agreement with Chongxian Port Investment and has long outstanding receivables remaining unpaid since July 2023[6]. In view of the foregoing, the Manager attempted to engage new port operators through two tender processes in 2024 but was not successful on both occasions. In late 2024, Chonghang, an independent port operator that is unrelated to the ECW group, approached the Manager with the intention of providing services in respect of the Port Assets.

[5] Under the previous property management agreements with Yuntong in respect of EC World REIT's properties, in relation to the marketing services, for leases with a tenure of 24 months or more, Yuntong was entitled to (a) a lease-up commission of 1 month for new leases, and (b) a commission of 0.5 month for the renewal of existing leases. For a new lease or lease renewal for tenure of less than 24 months, the commission was calculated pro rata.

[6] Please refer to the Manager's announcement dated 27 February 2024 for details in relation to the master lease arrangements.

The Manager has selected Chonghang to replace Fugang to serve as the port operator of the Port Assets, in view of the above-mentioned circumstances (including the lack of positive interest from the two tender processes in 2024).

Chonghang and its subsidiary (together, the "**Chonghang Group**") will be entitled to the following fees in connection with the provision of port management services and property management services to the Port Assets:

(A) Port Management Services

Under the port management agreement, Chonghang will be entitled to an incentive payment for port management services rendered to the Port Assets based on the amount of net operating income exceeding the target profit in respect of each year for the Port Assets as follows:

(i) where the net operating income exceeding target profit is RMB 3 million or less, an incentive payment of 10% of the net operating income of the Port Assets;

(ii) where the net operating income exceeding target profit is between RMB 3 million to RMB 6 million, an incentive payment of 15% of the net operating income of the Port Assets; and

(iii) where the net operating income exceeding target profit is above RMB 6 million, an incentive payment of 20% of the net operating income of the Port Assets.

(B) Property Management Services

(i) Property Management Fees[4]

The Chonghang Group shall be entitled to receive an annual fee of RMB 402,242 (including applicable tax) for property management services rendered to Chongxian Port Investment and an annual fee of RMB 1,179,658 (including applicable tax) for property management services rendered to Chongxian Port Logistics. To safeguard the interest of EC World REIT, the Chonghang Group shall also pay a security deposit equivalent to the sum of three months of property management fees for each of the Port Assets.

(ii) Marketing Fee[5]

For marketing services rendered by the Chonghang Group, the Chonghang Group shall be entitled to the following:

(a) a commission of 1/24 of the contract amount in lump sum, for securing new leases with tenure of up to two years;

(b) a commission of 1/24 of the contract amount in lump sum for the first two years and 1/48 of the annual contract amount payable yearly from the third year onwards, for securing new leases with tenure of more than two years; and

(c) a commission of 1/48 of the contract amount for each renewed year, for securing renewals of existing leases.

(iii) Project Management Fee

In relation to project management services provided by the Chonghang Group under each property management agreement associated with the Port Assets, the Chonghang Group shall be entitled to:

(a) where the construction costs are RMB 10 million or less, a fee of 3.25% of the construction costs;

(b) where the construction costs exceed RMB 10 million but do not exceed RMB 100 million, a fee of 3.00% of the construction costs;

(c) where the construction costs exceed RMB 100 million but do not exceed RMB 250 million, a fee of 2.75% of the construction costs; and

(d) where the construction costs exceed RMB 250 million, a fee to be mutually agreed by the parties to the relevant property management agreement.

The project management fees payable to the Chonghang Group are on par with the fees payable to Yuntong for project management services rendered to EC World REIT's properties, as disclosed in the prospectus of EC World REIT dated 20 July 2016.

The Board of Directors of 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. The Manager wishes to highlight that there is no certainty or assurance as at the date of this announcement that any discussion or prospects will be successfully concluded or any definitive agreements in relation to any transactions will be entered into. 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
17 March 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.