EC WORLD REAL ESTATE INVESTMENT TRUST

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

APPLICATION FOR FURTHER EXTENSION OF TIME TO SUBMIT A RESUMPTION PROPOSAL PURSUANT TO RULE 1304(1) OF THE LISTING MANUAL

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1. INTRODUCTION

EC World Asset Management Pte. Ltd., in its capacity as manager ("**Manager**") of EC World Real Estate Investment Trust ("**ECW**") refers to:

(a) the announcements dated 27 November 2025 and 16 December 2025 on the application for an extension of time to 31 May 2026 to submit a resumption proposal pursuant to Rule 1304(1) of the Listing Manual and the receipt of waiver from SGX-ST for an extension of time to submit a resumption proposal ("**Third Application Announcements**");

(b) the announcement dated 4 February 2026 in relation to the update on the legal proceedings in relation to the imposition of mortgage ("**4 February 2026 Announcement**");

(c) the announcement dated 17 April 2026 in relation to the update on the legal proceedings in relation to the guarantees in favour of Fuyang Futoufa ("**17 April 2026 Announcement**");

(d) the announcement dated 8 May 2026 in relation to the further update on the legal proceedings in relation to the guarantees in favour of Fuyang Futoufa ("**8 May 2026 Announcement**");

(e) the announcement dated 9 May 2026 in relation to the update on the legal proceedings in relation to the guarantee in favour of one of the major creditors of the Sponsor, Hangzhou Fenhua Investment LLP ("**9 May 2026 Announcement**"); and

(f) the press release dated 14 May 2026, accompanying the unaudited financial statements for the first quarter ended 31 March 2026 ("**1QFY2026 Press Release**").

Unless otherwise defined herein, all capitalised terms shall have the meanings ascribed to them in the Third Application Announcements.

2. APPLICATION TO THE SGX-ST

As stated in the Third Application Announcements, the SGX-ST had, on 15 December 2025, informed the Manager that the SGX-ST had no objection to ECW's application for an extension of time to 31 May 2026 with regard to compliance with Rule 1304(1) of the Listing Manual. This follows two earlier extension of time applications which extended the deadline for ECW to submit a resumption proposal from 30 August 2024 to 31 May 2025 and subsequently from 31 May 2025 to 30 November 2025.

The Manager wishes to update that it has, on 8 June 2026, applied to the SGX-ST for a further extension of time ("**Fourth Extension Application**") of six (6) months (from 31 May 2026 to 1 December 2026) for ECW to submit its proposal ("**Resumption Proposal**") with a view to resuming trading in its units ("**Units**"), as required under Rule 1304(1) of the Listing Manual. The outcome of the Fourth Extension Application is still pending. The Board of Directors of the Manager will provide Unitholders with a further update as and when there are material developments.

3. UPDATES ON RECENT EVENTS

<u>Update on the Relevant Divestment</u>

As updated in the 1QFY2026 Press Release, ECW has not received any reasonable offer to purchase from potential buyers of the Properties. Based on current market conditions, it is unlikely that the ECW group would be able to complete the Relevant Divestment. However, ECW group has not received any notice of Enforcement Action.

<u>Re-trial of the April 2025 Judgements (as defined below) and January 2026 Judgements (as defined below), and the conclusion of the April 2026 Judgements</u>

As announced in the 4 February 2026 Announcement, the PRC legal counsel has received judgements issued by the Hangzhou Intermediate Court on 29 January 2026 dismissing the ECW group's appeal applications for orders on the invalidity and revocation of the Relevant Mortgage ("**January 2026 Judgements**"), in connection with the judgement by Hangzhou Fuyang District Court in April 2025 dismissing the ECW group's application ("**April 2025 Judgements**"). As announced in the 1QFY2026 Press Release, based on the recommendations of its PRC legal counsel, the Manager has applied to the higher-level courts for re-trial of the April 2025 Judgements and the January 2026 Judgements, but has yet to receive a response. However, such application cannot be taken as an appeal of the January 2026 Judgements.

Further, as announced in the 17 April 2026 Announcement, the PRC legal counsel has received judgements issued by the Hangzhou Intermediate Court on 13 April 2026 in favour of Fuyang Futoufa, upholding the validity and enforceability of the guarantees against three of ECW's subsidiaries ("**April 2026 Judgements**"). As mentioned in the 8 May 2026 Announcement, as the lenders of ECW have not granted approval to release the funds to pay the court fees for the appeal ("**Fees**") and the Manager was not able to identify other source of funds to pay the Fees, the appeal could not be proceeded with. As a result, the April 2026 Judgements have become final and conclusive, and are binding on FZDS, FHCC and HDSP.

As the contingent liabilities of RMB 268.6 million relating to the unauthorised mortgages and guarantees has been recognised by ECW in the financial statements announced previously, there is no further adjustment to be made. The contingent liability of RMB 286 million provided is based on several assumptions and the assessments of the Manager. Further sum may be provided depending on the circumstances including but not limited to the developments in the restructuring exercise of the Sponsor and the applicability of other securities provided to Fuyang Financial Institutions by entities outside ECW.

<u>Update on the HZFH Judgement</u>

As announced in the 9 May 2026 Announcement, one of the major creditors of the Sponsor, Hangzhou Fenhua Investment LLP (an affiliate of China Zheshang Bank Co., Ltd. ("**HZFH**"), has initiated a legal proceeding against ECW's subsidiary, Hangzhou Beigang Logistics Co., Ltd. ("**Beigang**"), and certain other entities ("**Other Entities**") outside the ECW group in the Hangzhou Intermediate Court in relation to guarantees entered into by Beigang and the Other Entities as guarantors (the "**Guarantees**") on 31 December 2021 under which the guarantors agreed to guarantee the payment obligations of the Sponsor to HZFH under an equity repurchase agreement entered between the Sponsor and HZFH. The Manager's PRC counsel informed the Manager of a judgement from the Hangzhou Intermediate Court on 6 May 2026 ruling Beigang and the Other Entities as jointly liable for a total amount of RMB 3.515 billion ("**HZFH Judgement**").

The PRC legal counsel further advised that if Beigang does not appeal on the HZFH Judgement, a contingent liability of RMB3.515 billion will be binding on Beigang, and HZFH has the discretion to require Beigang and/or any of the Other Entities to satisfy all or part of the RMB 3.515 billion, and may apply for court enforcement against any, some or all of the guarantors. The PRC legal counsel is continuing to review the documents relating to the HZFH Judgement and will carry out the relevant inquiry where possible. The Manager will continue to consult with the PRC legal counsel on any further potential impact of the HZFH Judgement on ECW.

<u>Update on the reorganisation of the Sponsor Group (as defined below)</u>

As announced in the 1QFY2026 Press Release, subsequent to the submission of preliminary claims against the Sponsor group entities ("**Sponsor Group**"), the ECW group has managed to offset RMB89.3 million receivables and the payables with the Sponsor Group. Given the prolonged overdue status of the remaining receivables and uncertainties arising from the ongoing reorganisation process of the Sponsor Group, a total impairment allowance of S$77,444,000 has been recognised as at 31 March 2026 to reduce the carrying amount of the trade and other receivables from the Sponsor Group to their estimated recoverable amounts.

There remains uncertainty as to whether the reorganisation of the Sponsor will be successful in 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 ECW, depending on the reorganisation situation of the Sponsor.

<u>Update on capital and debt structure</u>

As announced in the 1QFY2026 Press Release, as at 31 March 2026, the current liabilities of the ECW group and ECW exceeded the current assets by S$234.7 million and S$117.3 million respectively. The ECW group's current liabilities include bank borrowings with a carrying value of S$476.8 million comprising S$342.2 million of offshore loans (the "**Offshore Facility**") and S$134.6 million of onshore loans (the "**Onshore Facility**"), both of which are repayable on demand due to the occurrence of several events of default. ECW's capital position has exceeded the gearing limit imposed by the Monetary Authority of Singapore, with aggregate leverage at 94.2% as at 31 March 2026 (31 December 2025: 95.1%).

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. 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 continues to explore options to resolve these issues by restructuring the ECW group's existing facilities, which currently has culminated in the New Restructuring Proposal.

The blended all-in running interest rate for the quarter ended 31 March 2026 was 8.7%.

New Restructuring Proposal (as defined below)

Given the difficulty in proceeding with any Relevant Divestment, as at 31 May 2026, ECW has sent a new restructuring term sheet ("**New Restructuring Proposal**") to the onshore and offshore lenders (the "**Lenders**") of ECW. No response has been received from the Lenders on the New Restructuring Proposal at the date of this announcement.

The New Restructuring Proposal, includes among others, reducing the principal and interest on the amounts owing to the Lenders, a new repayment schedule and an extended loan tenure.

Further updates will be provided as and when there are new developments.

4. REASONS FOR THE FOURTH EXTENSION APPLICATION

Accordingly, in view of the above, the Fourth Extension Application is made to obtain more time for the ECW group to (1) work with its PRC legal counsel to secure a re-trial of the April 2025 Judgements and the January 2026 Judgements and to evaluate the impact of the HZFH Judgement; (2) negotiate and implement the New Restructuring Proposal if so agreed by the Lenders; (3) effect measures to mitigate the risks from past unauthorised actions; and (4) review its internal control measures, policies and procedures.

This will allow the Manager to submit the Resumption Proposal in due course, while announcing the relevant updates to the Unitholders as and when they arise, and thereby help to ensure that no Unitholder trades in the Units without sufficient information required to make an informed decision. The Manager is of the view that is in the interest of the Unitholders for the aforementioned arrangements to be in place prior to the resumption of trading of Units so as to, amongst others, reduce the risk of ECW facing enforcement action from its lenders and other operational difficulties moving forward.

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.
(Company Registration No. 201523015N)
(as manager of EC World Real Estate Investment Trust)

Goh Toh Sim
Executive Director and Chief Executive Officer
9 June 2026

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.