
**EC WORLD REAL ESTATE INVESTMENT TRUST (“ECW”)
UNAUDITED FINANCIAL STATEMENTS FOR THE FIRST QUARTER ENDED 31 MARCH 2025**

INTRODUCTION

EC World REIT (the “**ECW**”) is a Singapore-domiciled real estate investment trust which was listed on Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) on 28 July 2016 (“**Listing Date**”). ECW was constituted by the trust deed dated 5 August 2015 (as amended and restated). EC World Asset Management Pte. Ltd. is the manager of ECW (the “**Manager**”) and DBS Trustee Limited is the trustee of ECW (the “**Trustee**”).

ECW was established with the investment strategy of investing 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 in the People’s Republic of China (“**PRC**”).

The Manager’s key financial objectives are to provide unitholders of ECW (“**Unitholders**”) with an attractive rate of return on their investment through regular and stable distributions to Unitholders and to achieve long-term sustainable growth in Distribution per Unit (“**DPU**”) and Net Asset Value (“**NAV**”) per Unit, while maintaining an appropriate capital structure for ECW.

ECW’s portfolio comprises seven properties (collectively known as the “**Properties**”) located in Hangzhou and Wuhan, the PRC, with an aggregate net lettable area (“**Net Lettable Area**” or “**NLA**”) of 927,157 square meters. The Properties are:

1. Fu Heng Warehouse (E-commerce logistics);
2. Stage 1 Properties of Bei Gang Logistics (E-commerce logistics);
3. Wuhan Meiluote (E-commerce logistics);
4. Hengde Logistics (Specialised logistics);
5. Chongxian Port Investment (Port logistics);
6. Chongxian Port Logistics (Port logistics); and
7. Fuzhou E-Commerce (E-commerce logistics).

EC WORLD REAL ESTATE INVESTMENT TRUST ("ECW")
UNAUDITED FINANCIAL STATEMENTS FOR THE FIRST QUARTER ENDED 31 MARCH 2025

Summary Results of ECW

		Group		
		1.1.25 to 31.3.25	1.1.24 to 31.3.24	Change
		S\$'000	S\$'000	%
	Notes			
Gross revenue	(1)	12,679	25,296	(49.9)
Net property income	(1)	10,783	23,311	(53.7)
Calculated Distribution to Unitholders	(2)	-	7,320	n.m
Calculated Distribution per unit ("DPU") (cents)	(2)	-	0.904	n.m
Annualised distribution yield (%)	(2)	-	12.95	n.m
- Based on share price of S\$0.28 per unit as at 28 August 2023				

Notes:

- (1) The decrease in gross revenue and net property income in 1Q2025 were mainly due to termination of master lease agreements ("**MLAs**") upon lease expiry, which was offset by income contribution from new third-party leases secured for Hengde Logistics Phase I and higher late fee. After adjusting for effective rent, security deposit accretion and other relevant distribution adjustments in item 1(a)(9), gross revenue and net property income were S\$12.7 million and S\$10.8 million respectively in 1Q2025 (1Q2024: S\$24.7 million and S\$22.7 million respectively).
- (2) ECW's distribution policy is to distribute at least 90% of distributable income for each financial year on a semi-annual basis. Since ECW's first distribution on 28 November 2016 and up to the period ended 31 December 2022, the distributions were made on a quarterly basis. On 27 December 2022, the Manager has announced that ECW will make distributions on a half-yearly basis, in respect of the periods commencing on or after 1 January 2023.

10% of total amount available for distribution was retained for ECW's general working capital purpose for the financial period with effective from 1 January 2023. Please refer to item 1(a) on Statement of Total Return and Distribution Statement.

ECW's distribution in relation to the half-year period from 1 January 2023 to 30 June 2023 ("**1H2023**") intended to be made on 28 September 2023, had been deferred to a future date when ECW has sufficient free cash for the said distribution. As per the offshore facility agreement, permitted distribution means the payment of a dividend by ECW to any holder in accordance with the Trust Deed of ECW, provided that (a) no default is continuing or would occur immediately after the making of the payment; and (b) the borrowers under the offshore facility agreement are in compliance with the requirement in Clause 20 (Financial Covenant) whether before, on or after such payment. 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.

Due to insufficient funds, there were no distribution for the periods from 1 July 2023 to 31 December 2023 ("**2H2023**"), 1 January 2024 to 30 June 2024 ("**1H2024**") and 1 July 2024 to 31 December 2024 ("**2H2024**").

It is highly likely that no distribution will be declared for the financial year 2025.

For details, please refer to Item 6 for the Calculated DPU computation.

**EC WORLD REAL ESTATE INVESTMENT TRUST (“ECW”)
UNAUDITED FINANCIAL STATEMENTS FOR THE FIRST QUARTER ENDED 31 MARCH 2025**

1(a) Statement of Total Return and Distribution Statement

<u>Statement of Total Return</u>		Group		
		1.1.25 to 31.3.25	1.1.24 to 31.3.24	Change
		S\$'000	S\$'000	%
	Notes			
Gross revenue	(1)	12,679	25,296	(49.9)
Property expenses	(2)	(1,896)	(1,985)	(4.5)
Net property income		10,783	23,311	(53.7)
Finance income		6	349	(98.3)
Finance costs	(3)	(10,811)	(11,755)	(8.0)
Manager's management fees				
- Base fees	(4)	(900)	(904)	(0.4)
Trustee's fees		(43)	(49)	(12.2)
Foreign exchange gain/(loss)	(5)	2,616	(2,723)	N/M
Other trust expenses	(6)	(476)	(381)	24.9
Net income		1,175	7,848	(85.0)
Net change in fair value of financial derivatives	(7)	-	1,955	N/M
Total return for the financial period before income tax		1,175	9,803	(88.0)
Income tax expenses	(8)	(1,574)	(3,733)	(57.8)
Total return for the financial period after income tax before distribution		(399)	6,070	N/M
<u>Distribution statement</u>				
Total return for the financial period after income tax before distribution		(399)	6,070	N/M
Distribution adjustments	(9)	(2,080)	2,064	N/M
Total amount available for distribution		-	8,134	N/M
Calculated Distribution to Unitholders		-	7,320	N/M

Notes:

- (1) Gross revenue comprises gross rental income and other income from the investment properties.
- (2) Property expenses comprise property management fee, reimbursable expenses payable to Property Manager and other property related expenses.
- (3) Finance costs comprise interest expenses on borrowings, amortisation of capitalized transaction costs and other financing fees.
- (4) Manager's management fees consist of:
 - (a) A base fee based on estimated costs during the financial period, which is pending for future arrangement with effect from 1 January 2025; and
 - (b) A performance fee of 25% per annum of the difference in Distribution per Unit (“DPU”) in a financial year with the DPU in the preceding full financial year (calculated before accounting for performance fee but after accounting for base fee in each financial year) multiplied by weighted average number of Units in issue for such financial year.

**EC WORLD REAL ESTATE INVESTMENT TRUST (“ECW”)
UNAUDITED FINANCIAL STATEMENTS FOR THE FIRST QUARTER ENDED 31 MARCH 2025**

The Manager has elected to receive 100% of its base fee in the form of cash for the period from 1 January 2025 to 31 December 2025.

- (5) Foreign exchange gain/(loss) arose mainly from revaluation of loans in foreign currency.
- (6) Other trust expenses include professional fees and other non-property related expenses.
- (7) The net change in fair value of financial derivatives relates to various derivative financial instruments which were put in place by the Manager to hedge interest rate and exchange rate risks.
- (8) Income tax expenses comprise corporate income tax, withholding tax and deferred tax.
- (9) Net effect of (non-taxable income) / tax deductible expenses and other adjustments comprises:

	Group		
	1.1.25 to 31.3.25	1.1.24 to 31.3.24	Change
	S\$'000	S\$'000	%
Straight-lining of step-up rental	-	94	N/M
Security deposit accretion	-	95	N/M
Trustee's fees	43	49	(12.2)
Net deferred tax credit	-	(24)	N/M
Net change in fair value of financial derivatives	-	(1,955)	N/M
Amortisation of upfront debt issuance costs	331	1,305	(74.6)
Net foreign exchange (gain) / loss	(2,629)	2,722	N/M
Provision of withholding tax (net)	175	(222)	N/M
Total distribution adjustments	(2,080)	2,064	N/M

**EC WORLD REAL ESTATE INVESTMENT TRUST (“ECW”)
UNAUDITED FINANCIAL STATEMENTS FOR THE FIRST QUARTER ENDED 31 MARCH 2025**

1(b)(i) Balance Sheet

	Notes	Group		ECW	
		31.03.25	31.12.24	31.03.25	31.12.24
		S\$'000	S\$'000	S\$'000	S\$'000
ASSETS					
Current assets					
Cash and cash equivalents		4,181	4,513	1,265	1,004
Trade and other receivables	(1)	165,680	168,840	3,124	3,356
Loans to subsidiaries		-	-	237,057	237,057
		169,861	173,353	241,446	241,417
Non-current assets					
Investment properties	(2)	706,833	713,726	-	-
Investment in subsidiaries		-	-	39,588	39,588
		706,833	713,726	39,588	39,588
Total assets		876,694	887,079	281,034	281,005
LIABILITIES					
Current liabilities					
Trade and other payables		232,460	233,262	24,611	22,984
Loans from subsidiaries		-	-	331,689	331,943
Borrowings	(3)	470,863	473,260	-	-
Current income tax liabilities		36,114	36,311	-	-
		739,437	742,833	356,300	354,927
Non-current liabilities					
Borrowings	(3)	7,060	7,122	-	-
Deferred income tax liabilities	(4)	99,690	101,822	-	-
Trade and other payables		3,236	2,540	-	-
Government grant		750	699	-	-
		110,736	112,183	-	-
Total liabilities		850,173	855,016	356,300	354,927
NET ASSETS ATTRIBUTABLE TO UNITHOLDERS		26,521	32,063	(75,266)	(73,922)
Represented by:					
Unitholders' funds		196,946	196,958	(75,266)	(73,922)
Foreign currency translation reserve		(170,425)	(164,895)	-	-
UNITHOLDERS' FUNDS	(5)	26,521	32,063	(75,266)	(73,922)

**EC WORLD REAL ESTATE INVESTMENT TRUST (“ECW”)
UNAUDITED FINANCIAL STATEMENTS FOR THE FIRST QUARTER ENDED 31 MARCH 2025**

Notes

- (1) Decrease in trade and other receivables was mainly due to weakening of RMB against SGD, collection offset by increase in rent receivables during the period.

The Group is carefully monitoring the collection status of the outstanding rent receivables and will recognise impairment allowance where required.

As of 31 March 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**”) had exceeded RMB647.2 million (S\$119.4 million). Of the outstanding rent receivables, RMB561.5 million (S\$103.6 million) represents the rent payable pursuant to master leases, while the balance RMB85.7 million (S\$15.8 million) represents the rent payable pursuant to other related party leases. The master lease agreements are secured by the cash security deposit of RMB345.1 million (S\$63.7 million). Under the master lease agreement, the overdue rent receivables are subjected to a late payment interest of 0.03% per day. Management has been in negotiation with 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 security deposit amount paid by the master lessees and the advance payments received from the Purchasers of the proposed divestment, hence no impairment allowance was made. The negotiation on Master Offset Agreement may be impacted by the ongoing reorganisation of the Sponsor, as announced on 27 March 2025.

In relation to the RMB32.6 million (S\$6.0 million) Fu Zhuo Industrial compensation, the Manager is exploring various options including divestment of the underlying subsidiary to recover the outstanding receivables.

Please refer to 1b(i) Balance Sheet note (6) on the steps that the Manager has undertaken.

- (2) Represents the carrying values of the investment properties, including asset enhancement initiatives, effective rental adjustments and translation differences. The investment properties were pledged as security for the borrowings of ECW and its subsidiaries (collectively, the “**Group**”). The decrease in carrying amount of investment properties was mainly due to weakening of RMB against SGD.

The carrying values of the Group’s investment properties as of 31 March 2025 were based on the independent valuations as at 31 December 2024 conducted by Savills Real Estate Valuation (Guangzhou) Ltd - Shanghai Branch (“**Savills**”) and announced on 24 February 2025. The Manager is regularly monitoring the market conditions for any indicators of change in the fair value of the investment properties and will appoint independent valuers to value the assets as and when requires.

- (3) Consists of term loan facilities drawn down in 3Q2019 which had been refinanced in May 2023. The decrease in borrowings was mainly due to weakening of USD and RMB against SGD.

Please refer to item 1(b)(ii) Aggregate Amount of Borrowings and Debt Securities for details.

- (4) Relates mainly to the deferred tax liability arising from the fair valuation of investment properties.

- (5) Please refer to item 1(d)(i) Statement of Changes in Unitholders’ Funds for details.

- (6) As at 31 March 2025, the current liabilities of the Group and ECW exceeded the current assets by S\$569,576,000 and S\$114,854,000 respectively. The Group’s current liabilities include bank borrowings of S\$472,105,000, comprising S\$345,938,000 of offshore loans (the “**Offshore Facility**”) and S\$126,167,000 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.

**EC WORLD REAL ESTATE INVESTMENT TRUST (“ECW”)
UNAUDITED FINANCIAL STATEMENTS FOR THE FIRST QUARTER ENDED 31 MARCH 2025**

The trading of ECW units has been suspended since 31 August 2023. As announced by the Manager on 31 August 2024, the Manager has applied to the SGX-ST to seek a waiver to allow an extension of time from 30 August 2024 to 31 May 2025 for ECW to submit a resumption proposal to the SGX-ST with a view to resume trading in the Units (the “**Waiver Application**”). As announced by the Manager on 13 September 2024, the SGX-ST has, on 12 September 2024, informed the Manager that the SGX-ST has no objection to ECW’s Waiver Application.

As disclosed previously, the only unauthorised mortgage that has yet to be discharged at the date of this announcement is the mortgage imposed over Fuzhou E-Commerce (the “**Outstanding Relevant Mortgage**”). The case application made by the Group to the People’s Court of Fuyang District, Hangzhou City, Zhejiang province (the “**Fuyang Court**”) in the People’s Republic of China (“**PRC**”) to initiate lawsuits (“**Mortgage Revocation Lawsuits**”) to revoke the Outstanding Relevant Mortgage has been accepted by the Fuyang Court. As announced on 14 April 2025, the Fuyang Court has issued judgements on 8 April 2025 and 10 April 2025 dismissing the ECW group’s applications for orders on the invalidity and revocation of the outstanding relevant mortgage.

The Fuyang Court held that the outstanding relevant mortgage (the “**April 2025 Judgments**”) is lawful and valid. The Manager has sought the advice of its PRC legal counsel, whose view is that the April 2025 Judgments did not address or provide any explanation regarding certain issues highlighted by the ECW group during the court proceedings, such as the Fuyang Financial Institutions’ failure to fulfil their reasonable duty of care in the conclusion of the mortgage contracts and the fact that the mortgage contracts were entered into through an unauthorised agency. The appeal against the April 2025 Judgments has been filed on the advice and recommendation of its PRC legal counsel. The maximum financial risk exposure is estimated to be RMB268.6 million (S\$49.9 million).

As announced by the Manager on 11 June 2024, the facility agent under the Offshore Facility (the “**Offshore Facility Agent**”) had on 10 June 2024 issued a letter to the Group (the “**Pre-enforcement Notice**”) stating, among others, that:

- a) The majority lenders are prepared to instruct and authorise the Offshore Facility Agent to commence enforcement actions (the “**Enforcement Actions**”) against the Group if certain conditions and milestones are not fulfilled within the time prescribed.
- b) In this regard, the Enforcement Actions include, but are not limited to:
 - (i) accelerating the loans under the Offshore Facilities (as defined in the Offshore Facility Agreement);
 - (ii) appointing a receiver and/or exercising the power of sale pursuant to the terms of the Security Documents (as defined in the Offshore Facility Agreement);
 - (iii) exercising or directing the exercise of the voting and other rights attached to the shares subject to the Share Charges (as defined in the Offshore Facility Agreement);
 - (iv) commencing legal proceedings to recover the loans and any unpaid sums under the Offshore Facilities; and
 - (v) applying for the borrower and the guarantors under the Offshore Facility Agreement to be placed into winding up or judicial management (or any analogous procedure in any jurisdiction).

In addition, the Pre-enforcement Notice also stated that the conditions and milestones are not exhaustive, and the Lenders may at any time at their sole discretion add to, amend and/or substitute the conditions and milestones set out therein as they deem fit. For the avoidance of doubt, notwithstanding that the conditions and milestones set out in the Pre-enforcement Notice may be fulfilled in whole or in part within the time prescribed therein, the majority lenders shall nonetheless remain entitled to exercise any and all of their rights and remedies.

**EC WORLD REAL ESTATE INVESTMENT TRUST (“ECW”)
UNAUDITED FINANCIAL STATEMENTS FOR THE FIRST QUARTER ENDED 31 MARCH 2025**

ECW's current liabilities include loans from subsidiaries of S\$331,689,000 which are repayable on demand and will require repayment from ECW if the Offshore Facility is not refinanced or restructured as the Offshore Facility was drawn down by one of the subsidiaries for the purpose of funding ECW and the Group.

Notwithstanding the above, the Manager has assessed that the Group and ECW are able to continue as going concerns, on the following basis:

- (i) the Group's net operating cash flows has improved with the novation of the underlying subleases from the Sponsor Group's master leases and related party leases to the Group;
- (ii) the restructuring of the existing Onshore Facility has been completed following the entry into of a supplementary agreement to the Onshore Facilities dated 16 July 2024 (the "**Onshore Supplementary Agreement**") which will allow the Group to defer part of the interest expense payments and principal instalment repayments to April 2026;
- (iii) although the Manager has received the Pre-enforcement Notice, the Pre-enforcement Notice allows up to 31 May 2025 for the Group to divest its assets in such amount sufficient to repay the Offshore Facility. Discussions are ongoing with Offshore lenders to explore flexibility or an extension of the divestment timeline. The Manager has not received any indication from the lenders that they intend to accelerate the existing bank loans under the ECW Facility;
- (iv) the Manager has appointed two established consultants, Savills Property Services (Shanghai) Co., Ltd. and Cushman & Wakefield (HK) Ltd. in relation to sourcing for potential purchaser(s) of the properties and also exploring other options concurrently;
- (v) the Manager has appointed a financial adviser, KPMG Services Pte Ltd, to explore various options for the Group to address its ongoing challengers; and
- (vi) the Manager intends to pare down existing facilities with cash proceeds from potential divestments through ongoing marketing efforts so as to aid the active negotiations with the lenders of the Offshore Facility on a possible refinancing package;

The validity of the going concern assumptions on which these financial statements have been prepared is dependent on the favourable outcome of the various measures set out above. If the Group and ECW are unable to continue in operational existence for the foreseeable future, adjustments may have to be made to reflect the situation that assets may need to be realised other than in the ordinary course of business and at amounts which could differ significantly from the amounts currently recorded in the statements of financial position of the Group and ECW. In addition, the Group and ECW may have to provide for further liabilities that may arise, and to reclassify non-current assets as current assets and non-current liabilities as current liabilities respectively. The accompanying financial statements did not include the effect of any of these adjustments.

**EC WORLD REAL ESTATE INVESTMENT TRUST (“ECW”)
UNAUDITED FINANCIAL STATEMENTS FOR THE FIRST QUARTER ENDED 31 MARCH 2025**

1(b)(ii) Aggregate Amount of Borrowings and Debt Securities

	Group	
	31.03.25	31.12.24
	S\$'000	S\$'000
Secured borrowings		
Amount repayable in one year or less	472,105	474,793
Less: Unamortised debt issuance costs	(1,242)	(1,533)
	470,863	473,260
Amount repayable after one year	7,107	7,176
Less: Unamortised debt issuance costs	(47)	(54)
	7,060	7,122
Total borrowings	477,923	480,382

Notes:

Details of Collaterals and Borrowings

The key terms of the onshore secured term loans facility (the “**Onshore Facility**”) and the offshore secured term loan facility (the “**Offshore Facility**”) are as follows:

(a) Onshore Facility

The existing Onshore Facility has been refinanced in full with an aggregate principal amount of up to RMB745.5 million in May 2023 (the “**2023 Onshore Facility**”). The restructuring of the Onshore Facility has been completed following the entry into an Onshore Supplementary agreement dated 16 July 2024. The onshore borrowers are the Group’s subsidiaries namely, Hangzhou Chongxian Port Investment Co., Ltd., Hangzhou Bei Gang Logistics Co., Ltd., Zhejiang Hengde Sangpu Logistics Co., Ltd. and Zhejiang Fuzhou E-Commerce Co., Ltd. (“**FZDS**”).

As at 31 March 2025, the onshore facility is secured by way of:

- i) a first ranking pledge over the entire issued equity interest of three of the Group’s subsidiaries, Hangzhou Chongxian Port Logistics Co., Ltd., Wuqiao Zhonggong Merlot (Hubei) Logistics Co., Ltd. and FZDS. held by Wuhan Fute Logistics Co., Ltd.;
- ii) an unconditional and irrevocable guarantee from the Onshore Guarantors on a joint and several basis, where the “Onshore Guarantors” refer to the Group’s subsidiaries, Hangzhou Fu Heng Warehouse Co., Ltd., Hangzhou Chongxian Port Logistics Co., Ltd., Wuqiao Zhonggong Merlot (Hubei) Logistics Co., Ltd., Hangzhou Chongxian Port Investment Co., Ltd., Hangzhou Beigang Logistics Co., Ltd., Zhejiang Hengde Sangpu Logistics Co., Ltd, FZDS, Wuhan Fute Logistics Co., Ltd. and Jiayaoyingkai (Shanghai) Supply Chain Management Co., Ltd., and an unconditional and irrevocable guarantee from DBS Trustee Limited in its capacity as the Trustee;
- iii) a first ranking mortgage over the Properties;
- iv) a pledge of all sales proceeds, rental income and all other revenue derived from the Properties;
- v) an assignment of all material agreements in relation to the Properties;
- vi) an assignment of all insurance policies in relation to the Properties with the onshore security agent

**EC WORLD REAL ESTATE INVESTMENT TRUST (“ECW”)
UNAUDITED FINANCIAL STATEMENTS FOR THE FIRST QUARTER ENDED 31 MARCH 2025**

(being DBS Bank (China) Limited, Hangzhou Branch) named as the first beneficiary;

- vii) an assignment of all present and future rights and interests of the Onshore Borrowers, Hangzhou Fu Heng Warehouse Co., Ltd., Hangzhou Chongxian Port Logistics Co., Ltd. and Wuqiao Zhonggong Merlot (Hubei) Logistics Co., Ltd. in relation to inter-company debts and shareholder’s loans;
- viii) a subordination deed in relation to the inter-company debts and shareholder’s loans made to the Onshore Borrowers; and
- ix) any other security as may be reasonably required by the lenders.

On 20 June 2024, Industrial and Commercial Bank of China (“**ICBC**”), as the only participant in Tranche B of the Onshore Facility, had signed a withdrawal letter from the Onshore Facility (the “**ICBC Withdrawal Letter**”) stating, among others, that:

- i) ICBC would be withdrawing from the Onshore Facility with effect from 20 June 2024 on the basis that ICBC reserves its right to claim any amounts owed or unpaid by the ECW Group under Tranche B of the Onshore Facility (the “**Tranche B Outstanding Sum**”) against the Sponsor; and
- ii) ICBC would waive all other rights and interests under the Onshore Facility, including waiving any right ICBC has against the ECW Group to pursue any amounts owed by the ECW Group under the Onshore Facility (including the Tranche B Outstanding Sum).

As a result, ICBC is bound by the terms of the ICBC Withdrawal Letter to not make any claim against the ECW Group in connection with any obligations owed by the ECW Group under the Onshore Facility (including the Tranche B Outstanding Sum) up to 20 June 2024 and may instead pursue such claims against the Sponsor.

Should ICBC successfully pursue and recover any claim against the Sponsor, the Sponsor will automatically, by operation of PRC law, gain the right to recover the same amount from the ECW Group. For the avoidance of doubt, in this scenario, such amount would remain classified as a non-current liability on the balance sheet of the ECW Group, although it would be reflected as a non-current liability owing to the Sponsor.

The blended all-in interest rate for the quarter ended 31 March 2025 was 6.7%. The blended all-in running interest rate for the quarter ended 31 March 2025 was 5.9%.

(b) Offshore Facility

The existing Offshore Facility had been refinanced in full with an aggregate principal amount of up to S\$348.9 million in May 2023 (the “**2023 Offshore Facility**”, together with the “**2023 Onshore Facility**”, the “**2023 Facilities**”). The offshore borrowers are ECW Treasure Pte. Ltd. (“**ECWT**”) and FZDS.

The Offshore Facility is secured by:

- i) An unconditional and irrevocable guarantee from the Singapore Holding Companies, Flutric Investments Limited (the “**BVI Holding Company**”) and the Trustee (in its capacity as trustee of ECW) on a joint and several bases;

**EC WORLD REAL ESTATE INVESTMENT TRUST (“ECW”)
UNAUDITED FINANCIAL STATEMENTS FOR THE FIRST QUARTER ENDED 31 MARCH 2025**

- ii) A charge over the entire issued share capital of each of the Singapore Holding Companies, the BVI Holding Company and ECW Treasure Pte. Ltd. (“**ECWT**”);
- iii) A pledge over the entire issued equity interest of each of Hangzhou Chongxian Port Investment Co., Ltd., Hangzhou Bei Gang Logistics Co., Ltd., Hangzhou Fu Heng Warehouse Co., Ltd., Zhejiang Hengde Sangpu Logistics Co., Ltd., Wuhan Fute Logistics Co., Ltd. and FZDS;
- iv) A mortgage over each of the Properties and a floating mortgage over the assets of FZDS, in each case, securing the term loan facility of S\$9.8 million and US\$2.0 million; and
- v) A debenture over all the assets of the Trustee (in its capacity as trustee of ECW) relating to and/or in connection with the Properties, and debentures over all of the assets of each of the Singapore Holding Companies and ECWT.

The blended all-in interest rate and the blended all-in running interest rate for the quarter ended 31 March 2025 was 9.9%.

(c) Blended all-in interest rate of the aggregate facilities

The blended all-in interest rate of the aggregate facilities for the quarter ended 31 March 2025 was 9.0%. The blended all-in running interest rate for the quarter ended 31 March 2025 was 8.8%, from 6.8% in the corresponding period. At the end of the period, the aggregate leverage for the Group was 56.8% (31 December 2024: 56.5%) and the interest coverage ratio¹ was 1.37 times (31 December 2024: 1.64 times).

(d) Occurrence of events of default

The Onshore Facility agreement and Offshore Facility agreement have cross-default provisions, where default of the Offshore facility shall automatically trigger default of the Onshore facility and vice versa. The lenders under the Facilities may, among others, accelerate the Facilities if an event of default is continuing.

As announced by the Manager on 11 June 2024, the Offshore Facility Agent has on 10 June 2024 issued a Pre-enforcement Notice to the ECW Group, requiring it to fulfil certain conditions and milestones, among others, that the Group shall divest assets in such amount sufficient to repay the liabilities under the Offshore Facility Agreement. Refer to 1(b)(i)(6) for more details. At the date of this announcement, the Group has not received any notice of enforcement action. The Manager is actively in negotiations with the lenders of the Offshore Facility on refinancing.

As announced by the Manager on 26 October 2024, in relation to the application filed by Franklin Medici Alternative Investment VCC (for itself and for the purpose of FM REAL ESTATE FUND) and litigation against FIPL and Mr Zhang Guobiao (“**Mr. Zhang**”):

- i) an enforcement order (the “**Enforcement Order**”) was issued in the General Division of the High Court of the Republic of Singapore on 12 August 2024 authorising the Sheriff to seize and sell certain assets belonging to Mr Zhang (“**Relevant Property**”); and
- ii) a Notice of Seizure (the “**Notice of Seizure**”) was issued by the Sheriff to, among others, Singapore Land Authority and Mr Zhang on 2 September 2024, directing them not to deal with or dispose of the Relevant Property, unless the High Court otherwise orders.

¹ calculated by dividing the trailing 12 months earnings before interest, tax, depreciation and amortisation (excluding effects of any fair value changes of derivatives and investment properties, and foreign exchange translation), by the trailing 12 months interest expense and borrowing-related fees.

**EC WORLD REAL ESTATE INVESTMENT TRUST (“ECW”)
UNAUDITED FINANCIAL STATEMENTS FOR THE FIRST QUARTER ENDED 31 MARCH 2025**

Mr. Zhang as the chairman and controlling shareholder of the Sponsor, holds 80% of the equity interest in the Sponsor and has a deemed interest in 43.793% of the units in ECW through the Sponsor group. Mr. Zhang has provided personal guarantees in respect of the 2023 Facilities as disclosed previously.

As further announced on 14 April 2025, the Manager received a notice from the Sponsor that the High Court of the Republic of Singapore has ordered that Mr Zhang be adjudged bankrupt. In view of this, Mr Zhang has resigned, and the Board of Directors of the Manager has accepted his resignation, as non-independent and non-executive of the Manager with effect from 14 April 2025. The Manager understands that there is a possibility that the Bankruptcy of Mr Zhang may result in a change in control of the Sponsor, which may in turn indirectly result in a change in control in ECW and the Manager, subject to applicable laws and regulations.

As separately announced on 27 March 2025, the manager received a notice from the Sponsor that the Sponsor had filed an application for reorganisation with the Fuyang Court on the ground that the Sponsor is unable to pay its debts but still has reorganisation value. On 25 March 2025, the Sponsor received the decision of the Fuyang Court to conduct pre-reorganisation of the Sponsor (the “**Pre-reorganisation**”). There is uncertainty as to whether the above-mentioned Pre-reorganisation will be successful and whether the reorganisation procedure will be entered in the future. Consequently, there is no certainty or assurance that the reorganisation will not involve a change in control in respect of ECW and the Manager, depending on the reorganisation situation of the Sponsor.

The Enforcement Order, Notice of Seizure, Pre-reorganisation of the Sponsor and Bankruptcy of Mr Zhang, constitute multiple events of default pursuant to the Offshore Facilities. These in turn trigger cross-defaults under ECW’s existing Onshore facilities. The events of default which have occurred to the Facilities and disclosed in Annual Report 2024 remain relevant as at 31 March 2025. Therefore, both Onshore Facility (excluding Tranche B Outstanding Sum) and Offshore Facility are classified as current liabilities as of 31 March 2025.

The Manager has updated the lenders under the Facilities in respect of the above events immediately upon receipt of the above-mentioned updates from the Sponsor, and has not received any indication that the lenders intend to accelerate the Facilities as a result of the above-mentioned circumstances as at the date of this announcement.

(e) 2023 Facilities financial covenants

The Group shall, at all times meet the following financial covenants:

	Before Proposed Divestment	After Proposed Divestment
(a) Unitholders’ funds being no less than	S\$500 million	S\$450 million
(b) Loan-to-value ratio being no more than	0.45 to 1	0.45 to 1
(c) Interest coverage ratio being no less than	2 to 1	1.75 to 1
(d) Ratio of the total liabilities to the Deposited Property (Aggregate Leverage) being no less than	0.40 to 1	0.40 to 1

As a result of the decline in the property valuations of ECW, the total borrowings and deferred payments (collectively, the “**Aggregate Leverage**”) of ECW is 56.8%. Pursuant to paragraph 9.4(a) of the Property Funds Appendix, the Aggregate Leverage Limit of ECW will not be considered to be breached given that the change in the Aggregate Leverage of ECW was due to circumstances beyond the control of the Manager, such as the depreciation in the asset value of the properties of ECW. Nevertheless, under the existing Offshore Facility agreement, all the financial covenants as set out in the above table have been breached. In such a scenario, the Manager shall not incur additional borrowings or enter into further deferred payment arrangements. The Manager is in the process of seeking various waivers from the lenders of the Offshore Facility in relation to, among others, the foregoing.

**EC WORLD REAL ESTATE INVESTMENT TRUST (“ECW”)
UNAUDITED FINANCIAL STATEMENTS FOR THE FIRST QUARTER ENDED 31 MARCH 2025**

1(c) Cash Flows Statement

		1.1.25 to 31.3.25	1.1.24 to 31.3.24
	Notes	S\$'000	S\$'000
Cash Flows from Operating Activities			
Total return for the financial period		(399)	6,070
Adjustments for:			
- Income tax		1,574	3,733
- Interest income		(6)	(349)
- Finance cost		10,811	11,755
- Effect of straight lining of step-up rental		-	94
- Effect of security deposits accretion		-	(707)
- Fair value (gain)/loss on derivative instruments		-	(1,955)
- Exchange loss/(gain)		(2,629)	2,722
Operating cash flow before working capital change		9,351	21,363
Changes in working capital:			
Trade and other receivables		(5,117)	(20,557)
Trade and other payables		(1,435)	2,073
Cash generated from operating activities		2,799	2,879
Interest received		6	349
Income tax paid		(1,893)	(1,551)
Net cash generated from operating activities		912	1,677
Cash Flows from Investing Activities			
Additions to investment properties		-	(94)
Net cash (used in)/generated from investing activities		-	(94)
Cash Flows from Financing Activities			
Repayment of bank borrowings	(1)	-	(9,794)
Interest paid		(1,217)	(9,357)
SBLC commission paid		-	(1)
Release of deposits for SBLC facilities		-	10,332
Release from interest reserves		-	5,331
Net cash used in financing activities		(1,217)	(3,489)
Net (decrease)/increase in cash and cash equivalents		(305)	(1,906)
Cash and cash equivalents at beginning of financial period		4,269	7,180
Effects of exchange rate changes on cash and cash equivalents		(25)	21
Cash and cash equivalents at the end of financial period	(2)	3,939	5,295

**EC WORLD REAL ESTATE INVESTMENT TRUST (“ECW”)
UNAUDITED FINANCIAL STATEMENTS FOR THE FIRST QUARTER ENDED 31 MARCH 2025**

Notes

- (1) Refer to Item 1(b)(ii) Aggregate Amount of Borrowings and Debt Securities for details.
- (2) For the purpose of presenting the consolidated statement of cash flows, cash and cash equivalents comprise the following:

	Group	
	31.03.25	31.3.24
	S\$'000	S\$'000
Cash and cash equivalents	4,181	83,891
Less:		
- Interest reserves [#]	(242)	(243)
- Cash collateral for SBLC facilities	-	(78,353)
Cash and cash equivalents per consolidated statement of cash flows	3,939	5,295

[#] Bank deposits maintained as interest reserves, as required by the Offshore Facility and Onshore Facility agreements.

**EC WORLD REAL ESTATE INVESTMENT TRUST (“ECW”)
UNAUDITED FINANCIAL STATEMENTS FOR THE FIRST QUARTER ENDED 31 MARCH 2025**

1(d)(i) Statements of Changes in Unitholders’ Funds

	Group	
	1.1.25 to 31.3.25	1.1.24 to 31.3.24
	S\$’000	S\$’000
OPERATIONS		
Balance as at beginning of the period	232,065	300,841
Total return after tax	(399)	6,070
Balance as at end of the period	232,945	306,911
GENERAL RESERVES		
Balance as at beginning of the period	42,520	38,605
Balance as at end of the period	41,241	38,605
UNITHOLDERS’ CONTRIBUTION		
Balance as at beginning of the period	(77,627)	(77,627)
Balance as at end of the period	(77,627)	(77,627)
FOREIGN CURRENCY TRANSLATION RESERVE		
Balance as at beginning of the period	(164,895)	(166,958)
Translation differences relating to financial statements of foreign subsidiaries	(5,143)	2,675
Balance as at end of the period	(170,038)	(164,283)
Total Unitholders’ funds as at end of the period	26,521	103,606

	ECW	
	1.1.25 to 31.3.25	1.1.24 to 31.3.24
	S\$’000	S\$’000
OPERATIONS		
Balance as at beginning of the period	3,705	(9,121)
Total return after tax	(1,344)	12,823
Distributions to unitholders	-	-
Balance as at end of the period	2,361	3,702
UNITHOLDERS’ CONTRIBUTION		
Balance as at beginning of the period	(77,627)	(77,627)
Balance as at end of the period	(77,627)	(77,627)
Total Unitholders’ funds as at end of the period	(75,266)	(73,925)

1(d)(ii) Details of Any Change in Units

	Group and ECW	
	1.1.25 to 31.3.25	1.1.24 to 31.3.24
	Units	Units
Balance as at the beginning/end of period	809,838,247	809,838,247

**EC WORLD REAL ESTATE INVESTMENT TRUST ("ECW")
UNAUDITED FINANCIAL STATEMENTS FOR THE FIRST QUARTER ENDED 31 MARCH 2025**

- 2. Whether the figures have been audited, or reviewed and in accordance with which standard, (e.g. the Singapore Standard on Auditing 910 (Engagements to Review Financial Statements), or an equivalent standard)**

The figures in this announcement have neither been audited nor reviewed by the auditors.

- 3. Where the figures have been audited, or reviewed, the auditor's report (including any qualifications or emphasis of matter)**

Not applicable.

- 4. Whether the same accounting policies and methods of computation as in the issuer's most recent audited annual financial statements have been applied**

ECW has applied the same accounting policies and methods of computation in the preparation of financial statements for the current reporting period compared with the unaudited financial statement for the financial year ended 31 December 2024.

- 5. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of the change**

Not applicable.

- 6. Earnings Per Unit ("EPU") and Calculated Distribution Per Unit ("DPU")**

	Group	
	1.1.25 to 31.3.25	1.1.24 to 31.3.24
Weighted average number of units as at end of period	809,838,247	809,838,247
Earnings per unit ("EPU") - Basic and Diluted (cents)	(0.05)	0.75
Number of units entitled to distribution	809,838,247	809,838,247
Calculated Distribution per unit ("DPU") (cents)	-	0.904
Calculated Distribution per unit ("DPU") (cents) - Annualised	-	3.636

Notes

- (1) EPU calculation uses the total return for the period after tax, and the weighted average number of units issued. The diluted EPU is the same as basic EPU as no dilutive instruments were in issue during the period.
- (2) DPU was computed and rounded based on the number of units entitled to distribution at the end of the period.

**EC WORLD REAL ESTATE INVESTMENT TRUST (“ECW”)
UNAUDITED FINANCIAL STATEMENTS FOR THE FIRST QUARTER ENDED 31 MARCH 2025**

7. Net Asset Value (“NAV”) / Net Tangible Asset (“NTA”) Per Unit

	As at 31.12.25	As at 31.12.24
NAV / NTA of Group - attributable to Unitholders (S\$'000)	26,521	32,063
NAV / NTA of REIT (S\$'000)	(75,266)	(73,922)
Number of units outstanding as at end of each period ('000)	809,838	809,838
Group's net asset value per unit (S\$)	0.03	0.04
ECW's net asset value per unit (S\$)	(0.09)	(0.09)

8. Review of the Performance

Review of performance for the quarter ended 31 March 2025

Gross revenue of S\$12.7 million was S\$12.6 million or 49.9% lower compared to 1Q2024. Net property income (“NPI”) of S\$10.8 million was S\$12.5 million or 53.7% lower compared to 1Q2024. In RMB terms, the gross revenue and NPI were 49.6% and 53.5% lower respectively compared to 1Q2024. After straight-line rental adjustment, rental security deposit accretion and other relevant distribution adjustments, gross revenue and NPI in RMB terms were 48.3% and 52.2% lower respectively compared to 1Q2024. The significant drop in revenue and NPI was mainly due to the termination of MLAs upon lease expiry for Chongxian Port Investment (“CXI”), Beigang Logistics Stage 1 (“BG”), Fu Heng Warehouse (“FHCC”) and FZDS, lower contribution from underlying leases, offset by income contribution from new third-party leases secured for Hengde Logistics Phase I and higher late fee income.

Finance costs of S\$10.8 million were S\$0.9 million or 8.0% lower compared to 1Q2024 mainly due to lower loan quantum, partially offset by higher interest rate for offshore loans.

There was no income available for distribution for 1Q2025, mainly due to the significant drop in revenue.

9. Variance between the forecast

ECW did not disclose any financial forecast to the market.

**EC WORLD REAL ESTATE INVESTMENT TRUST (“ECW”)
UNAUDITED FINANCIAL STATEMENTS FOR THE FIRST QUARTER ENDED 31 MARCH 2025**

10. Commentary on the competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting and the next 12 months

In the first quarter of 2025, China's economy grew by 5.4% year-on-year, surpassing market expectations, with a quarter-on-quarter expansion of 1.2%². This growth was primarily driven by robust manufacturing activity and a surge in exports, which increased by 6.9% year-on-year, reaching RMB 6.13 trillion, as businesses accelerated shipments ahead of anticipated U.S. tariffs². However, the recovery remains uneven, with persist challenges including weak domestic demand, falling prices, and continued pressure in the property market.

China's real estate sector continues to weigh on broader economic momentum. Property investment fell 9.9% year-on-year in the first quarter of 2025³, and new home prices remained flat in March despite earlier stimulus efforts. Consumer confidence in the housing market remains weak, and credit conditions remain tight. In response, the People's Bank of China announced a 50-basis point cut to the reserve requirement ratio in May 2025, injecting approximately RMB 1 trillion of liquidity⁴. It also reduced key interest rates, including the seven-day reverse repo rate, to lower borrowing costs and support housing demand.

As of March 2025, EC World REIT continues to face significant financial and cash flow challenges. Due to insufficient funds, EC World REIT will continue to suspend distributions until sufficient free cash is available. Trading of its units will remain suspended until the financial situation improves.

11. Distribution

(a) Current financial period

Any distributions declared for the current financial period?
No

(b) Corresponding period of the preceding financial period

Any distributions declared for the corresponding period of the immediately preceding financial period?
No

12. If no distribution has been declared/(recommended), a statement to that effect and the reason(s) for the decision.

No distribution has been declared for the period from 1 January 2025 to 31 March 2025. ECW will make distributions on a half-yearly basis, in respect of the periods commencing on or after 1 January 2023.

13. If the Group has obtained a general mandate from Unitholders for Interested Person Transactions (“IPT”), the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If not IPT mandate has been obtained, a statement to that effect.

ECW does not have a general mandate from Unitholders for interested person transactions.

² https://www.stats.gov.cn/english/PressRelease/202504/t20250416_1959313.html

³ <https://www.reuters.com/world/china/chinas-q1-economic-growth-likely-slow-tariffs-darkens-outlook-2025-04-15/>

⁴ <https://www.cnbc.com/2025/05/07/china-to-cut-key-lending-rates-by-10-points-bank-reserve-requirement-ratio-by-50-points-.html>

**EC WORLD REAL ESTATE INVESTMENT TRUST (“ECW”)
UNAUDITED FINANCIAL STATEMENTS FOR THE FIRST QUARTER ENDED 31 MARCH 2025**

14. Segmental results

	Group			
	1.1.25 to 31.3.25		1.1.24 to 31.3.24	
	S\$'000	%	S\$'000	%
Gross revenue				
- Port logistics	4,145	32.7	10,568	41.8
- Specialised logistics	1,930	15.2	872	3.4
- E-commerce logistics	6,604	52.1	13,856	54.8
	12,679	100.0	25,296	100.0
Net property income				
- Port logistics	3,730	34.6	9,982	42.8
- Specialised logistics	1,452	13.5	614	2.6
- E-commerce logistics	5,601	51.9	12,715	54.6
	10,783	100.0	23,311	100.0

Please refer to Item 8 for review of actual performance.

15. In review of performance, the factors leading to any changes in contributions to turnover and earnings by the business or geographical segments

Please refer to Item 8 for review of actual performance.

16. Breakdown of sales

	Group		
	1.1.25 to 31.3.25	1.1.24 to 31.3.24	Change
	S\$'000	S\$'000	%
<u>First half of the year</u>			
Gross revenue	12,679	25,296	(49.9)
Net property income	10,783	23,311	(53.7)

Please refer to Item 8 for review of actual performance.

17. Breakdown of total calculated distribution for the financial period ended 31 March 2025

	Group	
	1.1.25 to 31.3.25	1.1.24 to 31.3.24
	S\$'000	S\$'000
In respect of the period:		
1 January 2024 to 31 March 2024	-	7,320
1 January 2025 to 31 March 2025	-	-
<i>(there will be no distribution for the period from 1 January 2025 to 31 March 2025)</i>		

**EC WORLD REAL ESTATE INVESTMENT TRUST (“ECW”)
UNAUDITED FINANCIAL STATEMENTS FOR THE FIRST QUARTER ENDED 31 MARCH 2025**

18. Confirmation pursuant to Rule 720(1) of the Listing Manual

The Board of Directors of the Manager hereby confirms that the undertakings from all its directors and executive officers as required in the format as set out in Appendix 7.7 under Rule 720(1) of the Listing Manual were procured.

19. Certificate pursuant to Paragraph 7.3 of the Property Funds Appendix

Not applicable as there was no distribution declared for the period from 1 January 2025 to 31 March 2025.

20. Confirmation pursuant to Rule 705(5) of Listing Manual

To the best of our knowledge, nothing has come to the attention of the Board of Directors of the Manager which may render these unaudited interim financial statements of the Group and ECW (comprising the statement of financial position as at 31 March 2025, statement of total return & distribution statement, statement of cash flows and statement of movements in Unitholder’s funds for the quarter ended on that date), together with their accompanying notes, to be false or misleading, in any material aspect.

On behalf of the Board of Directors of
EC World Asset Management Pte. Ltd.
(as Manager of EC World Real Estate Investment Trust)

Chan Heng Wing
Acting Chairman
Independent Non-Executive Director
and Lead Independent Director

Goh Toh Sim
Executive Director and Chief Executive Officer

**EC WORLD REAL ESTATE INVESTMENT TRUST (“ECW”)
UNAUDITED FINANCIAL STATEMENTS FOR THE FIRST QUARTER ENDED 31 MARCH 2025**

IMPORTANT NOTICE

The value of 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, DBS Trustee Limited (as trustee of ECW), or any of their respective affiliates.

An investment in the Units is subject to investment risks, including the possible loss of the principal amount invested. Unitholders have no right to request that the Manager redeem or purchase 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.

This announcement may contain forward-looking statements that involve assumptions, 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. Predictions, projections or forecasts of the economy or economic trends of the markets are not necessarily indicative of the future or likely performance of ECW. The forecast financial performance of ECW is not guaranteed. A potential investor is cautioned not to place undue reliance on these forward-looking statements, which are based on the Manager’s current view of future events.

FOR AND ON BEHALF OF THE BOARD OF
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
14 May 2025