# EC WORLD REAL ESTATE INVESTMENT TRUST

*(Constituted under a Trust Deed in the Republic of Singapore)*

# CONDENSED INTERIM FINANCIAL STATEMENTS

*For the six months ended 30 June 2026*

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# Contents

## 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).

## SUMMARY RESULTS OF ECW

| | | Group | | | | | |
|---|---|---|---|---|---|---|---|
| | | 1.04.26 to 30.06.26 | 1.04.25 to 30.06.25 | Change | 1.1.26 to 30.6.26 | 1.1.25 to 30.6.25 | Change |
| | Notes | S$'000 | S$'000 | % | S$'000 | S$'000 | % |
| Gross revenue | (1) | 5,925 | 9,885 | (40.1) | 12,013 | 22,564 | (46.8) |
| Net property income/(loss) | (1) | 4,296 | 7,938 | (45.9) | 8,818 | 18,721 | (52.9) |
| Calculated Distribution to Unitholders | (2) | - | - | N/M | - | - | N/M |

## Notes:

(1) The decrease in gross revenue and net property income in 2Q2026 were mainly due to (a) derecognition of revenue from Bei Gang stage 1 as the Sponsor (being the lessee) was undergoing reorganisation proceedings; (b) the discontinuation of a third-party anchor tenant leases at Hengde Logistics Phase II; (c) the cessation of shortfall compensation and late fee income from Sponsor Group, and (d) lower contribution from underlying tenants.

(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 ending 31 December 2022, the distributions were made on a quarterly basis. On 27 December 2022, the Manager had 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 the total amount available for distribution was retained by ECW for its general working capital purpose for the financial period with effect from 1 January 2023.

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 2025.

It is highly likely that no distribution will be declared for the financial year 2026.

Please refer to the Condensed Consolidated Distribution Statement for the calculated DPU computation.

**EC WORLD REAL ESTATE INVESTMENT TRUST**
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**CONSOLIDATED STATEMENT OF TOTAL RETURN**
*For the six months ended 30 June 2026*

| | Notes | Group<br>**6 months ended 30 June 2026**<br>**S$'000** | 6 months ended 30 June 2025<br>S$'000 | Change<br>% | Remarks |
|---|---|---|---|---|---|
| Gross revenue | | **12,013** | 22,564 | (46.8) | (1) |
| Property expenses | | **(3,195)** | (3,843) | (16.9) | (2) |
| **Net property income** | | **8,818** | 18,721 | (52.9) | |
| Finance income | | **6** | 11 | (45.5) | |
| Finance costs | | **(21,271)** | (21,189) | 0.4 | (3) |
| Manager's base fees | | **(1,500)** | (1,800) | (16.7) | (4) |
| Trustee's fees | | **(72)** | (83) | (13.3) | |
| Exchange differences | | **(5,366)** | 12,040 | N/M | (5) |
| Other trust expenses | | **(1,282)** | (1,032) | 24.2 | (6) |
| **Net (loss)/income** | | **(20,667)** | 6,668 | N/M | |
| Net change in fair value of investment properties | | **(71,326)** | (115,506) | (38.2) | (7) |
| **Total loss for the period before income tax** | | **(91,993)** | (108,838) | (15.5) | |
| Income tax credit | 7 | **11,828** | 23,510 | (49.7) | |
| **Total loss for the period after income tax before distribution** | | **(80,165)** | (85,328) | (6.1) | |
| **Loss per unit (cents)** | | | | | |
| - Basic and diluted | 8 | **(9.9)** | (10.54) | (6.1) | (8) |

*The accompanying notes form an integral part of these condensed interim financial statements.*

**Remarks:**

(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 capitalised transaction costs and other financing fees.

(4) Manager's management fees consist of:

(a) A base fee of 10.0% per annum of the Distributable income (calculated before accounting for the base fee and the performance fee in each financial year; 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.

The Manager has elected to receive 100% of its base fee in the form of cash for the period from 1 January 2026 to 31 December 2026.

As the Group did not have any distributable income in the current financial year, ECW has accrued the Manager's base fee using significant estimate to determine the expected amount to be paid to the Manager for their services. In determining the estimate, ECW considered the expected expenses incurred by the Manager to perform the necessary management services to the Group.

(5) Foreign differences arose mainly from revaluation of loans in foreign currency.

(6) Other trust expenses include professional fees and other non-property related expenses.

(7) The investment properties were revalued as at 30 June 2026 by Savills Real Estate Valuation (Guangzhou) Ltd - Shanghai Branch ("**Savills**"). As the financial statements have not been prepared on a going concern basis, the carrying amounts were adjusted to reflect the estimated realisable amounts.

**CONSOLIDATED STATEMENT OF TOTAL RETURN**
*For the six months ended 30 June 2026*

(8) Basic and diluted loss per unit are calculated using the total loss for the period after tax, and the weighted average number of units in issue during the period. Diluted loss per unit is the same as basic loss per unit as no dilutive instruments were in issue during the period.

| | **6 months ended 30 June 2026** | 6 months ended 30 June 2025 |
|---|---|---|
| Weighted average number of units as at end of period | **809,838,247** | 809,838,247 |
| Basic and Diluted loss per unit (cents) | **(9.9)** | (10.54) |

## STATEMENTS OF FINANCIAL POSITION - GROUP AND ECW

*As at 30 June 2026*

| | Notes | Group 30 June 2026 S$'000 | Group 31 December 2025 S$'000 | Group Change % | ECW 30 June 2026 S$'000 | ECW 31 December 2025 S$'000 | ECW Change % | Remark |
|---|---|---|---|---|---|---|---|---|
| **ASSETS** | | | | | | | | |
| **Current assets** | | | | | | | | |
| Cash and bank balances | | **4,981** | 6,757 | (26.3) | **1,271** | 1,209 | 5.1 | |
| Trade and other receivables | | **11,965** | 12,830 | (6.7) | **114** | 73 | 56.2 | (1) |
| Investment properties | 9 | **446,862** | 498,635 | (10.4) | **-** | - | N/M | (2) |
| | | **463,808** | 518,222 | (10.5) | **1,385** | 1,282 | 8.0 | |
| **Non-current assets** | | **-** | - | N/M | **-** | - | N/M | |
| **Total assets** | | **463,808** | 518,222 | (10.5) | **1,385** | 1,282 | 8.0 | |
| **LIABILITIES** | | | | | | | | |
| **Current liabilities** | | | | | | | | |
| Trade and other payables | | **207,184** | 185,943 | 11.4 | **29,179** | 26,380 | 10.6 | |
| Loans from subsidiaries | | **-** | - | N/M | **90,823** | 90,897 | (0.1) | |
| Borrowings | 10 | **479,710** | 473,679 | 1.3 | **-** | - | N/M | (3) |
| Current income tax liabilities | | **74,959** | 88,718 | (15.5) | **-** | - | N/M | (4) |
| | | **761,853** | 748,340 | 1.8 | **120,002** | 117,277 | 2.3 | |
| **Non-current liabilities** | | **-** | - | N/M | **-** | - | N/M | |
| **Total liabilities** | | **761,853** | 748,340 | 1.8 | **120,002** | 117,277 | 2.3 | |
| **NET LIABILITIES ATTRIBUTABLE TO UNITHOLDERS** | | **(298,045)** | (230,118) | 29.5 | **(118,617)** | (115,995) | 2.3 | |
| Represented by: | | | | | | | | |
| **UNITHOLDERS' FUNDS** | | **(298,045)** | (230,118) | 29.5 | **(118,617)** | (115,995) | 2.3 | (5) |
| **UNITS IN ISSUE ('000)** | 11 | **809,838** | 809,838 | - | **809,838** | 809,838 | - | |
| **NET LIABILITY VALUE PER UNIT (S$)** | | **(0.37)** | (0.28) | 32.1 | **(0.15)** | (0.14) | 7.1 | |

*The accompanying notes form an integral part of these condensed interim financial statements.*

**Remarks:**

(1) The Group continues to closely monitor the recoverability of its outstanding rent receivables and recognises impairment allowance where necessary.

Following the adoption of the alternative basis of preparation as disclosed in the FY2025 Annual Report, the Group performed a comprehensive assessment of the recoverability of its assets, including trade and other receivables, with particular focus on amounts due from ECW's ultimate holding corporation (the "**Sponsor**") and fellow subsidiaries (the "**Sponsor Group**").

In view of the prolonged overdue nature of these receivables and the uncertainties arising from the ongoing reorganisation of the Sponsor Group, the Group recognised a total impairment allowance of S$78,977,000 as at 30 June 2026, reducing the carrying amount of the trade and other receivables from the Sponsor Group to their estimated recoverable amounts.

In relation to other receivables amounting to S$6.2 million (RMB32.6 million) from Fu Zhuo Industrial Compensation, the Manager is exploring various options including divestment of the underlying subsidiary to recover the outstanding receivables.

(2) Represents the estimated realisable value of the investment properties, based on the valuation as at 30 June 2026 performed by Savills. The investment properties have been pledged as security for the borrowings of ECW and its subsidiaries (collectively, the "**Group**").

As the financial statements were not prepared on a going concern basis, the investment properties are measured at their estimated realisable amounts expected to be realised within 12 months from the reporting date. Accordingly, the Manager applied a 10% realisation discount to the fair value determined by the independent valuer. This adjustment is based on the maximum permissible discount under paragraph 8.4(b) of the Property Funds Appendix to the Code on Collective Investment Schemes issued by the Monetary Authority of Singapore. The decrease in carrying value of the investment properties was mainly due to a decline in fair value. Before applying the 10% realisation discount, which was applied consistently at both reporting dates, the fair value of the investment properties declined by 13.6% from RMB3,016 million as at 31 December 2025 to RMB2,605 million as at 30 June 2026.

(3) Consists of term loan facilities drawn down in 3Q2019 which had been refinanced in May 2023. The increase in borrowings was mainly due to strengthening of USD and RMB against SGD. Please refer to Note 10 for details.

(4) Includes the deferred tax liabilities recognised on the fair value gains of investment properties. The decrease was mainly due to the reversal of deferred tax liabilities from the fair value loss on investment properties.

(5) Please refer to Condensed Statements of Movements in Unitholders' Funds for details.

(6) As disclosed in Note 2 to the condensed interim financial statements, the Group's financial statements for current financial year were not prepared on a going concern basis. Accordingly, the Manager classified all non-current assets and liabilities as current assets and liabilities respectively, and adjusted their carrying amounts to reflect the amounts to be realised and settled within 12 months from the reporting date. In addition, the Manager considered and disclosed contingent liabilities that may arise as a result of the Group and ECW not continuing as a going concern.

## CONSOLIDATED DISTRIBUTION STATEMENT
*For the six months ended 30 June 2026*

| | Group | |
|---|---|---|
| | **6 months ended 30 June 2026 S$'000** | 6 months ended 30 June 2025 S$'000 |
| Total loss for the period | **(80,165)** | (85,328) |
| Adjustment for net effect of non-tax (chargeable)/deductible items and other adjustments | | |
| - Trustee's fees | **72** | 83 |
| - Net fair value loss on investment properties | **71,326** | 115,506 |
| - Net deferred tax credit | **(13,721)** | (25,872) |
| - Amortisation of upfront debt issuance costs | **643** | 817 |
| - Net foreign exchange loss/(gain) | **5,329** | (12,018) |
| - Provision of withholding tax | **1,427** | 160 |
| | **65,076** | 78,676 |
| Amount available for distribution | **-** | - |
| Distribution to Unitholders | **-** | - |
| Number of units entitled to distribution | **809,838,247** | 809,838,247 |
| Distribution per Unit (cents) | **-** | - |
| Annualised Distribution per Unit (cents) | **-** | - |

**EC WORLD REAL ESTATE INVESTMENT TRUST**
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## CONSOLIDATED STATEMENT OF CASH FLOWS
*For the six months ended 30 June 2026*

| | Note | Group<br>**6 months ended 30 June 2026 S$'000** | <br>6 months ended 30 June 2025 S$'000 | Remark |
|---|---|---|---|---|
| **Cash flows from operating activities** | | | | |
| Total loss for the period | | **(80,165)** | (85,328) | |
| Adjustments for: | | | | |
| - Income tax credit | 7 | **(11,828)** | (23,510) | |
| - Finance income | | **(6)** | (11) | |
| - Finance costs | | **21,271** | 21,189 | |
| - Fair value loss on investment properties | | **71,326** | 115,506 | |
| - Unrealised foreign exchange loss/(gain), net | | **5,329** | (12,018) | |
| **Operating cash flow before working capital change** | | **5,927** | 15,828 | |
| | | | | |
| **Change in working capital:** | | | | |
| Trade and other receivables | | **1,054** | 58,631 | |
| Trade and other payables | | **(586)** | (68,289) | |
| **Cash generated from operating activities** | | **6,395** | 6,170 | |
| Interest received | | **6** | 11 | |
| Income tax paid | | **(5,043)** | (3,037) | |
| **Net cash generated from operating activities** | | **1,358** | 3,144 | |
| | | | | |
| **Cash flows from investing activities** | | | | |
| Additions to investment properties | | **(988)** | (1) | |
| **Net cash used in investing activities** | | **(988)** | (1) | |
| | | | | |
| **Cash flows from financing activities** | | | | |
| Repayment of borrowings | | **(95)** | (89) | (1) |
| Interest paid | | **(2,189)** | (2,421) | |
| Release of restricted cash | | **987** | - | |
| **Net cash used in financing activities** | | **(1,297)** | (2,510) | |
| | | | | |
| **Net (decrease)/increase in cash and cash equivalents** | | **(927)** | 633 | |
| Cash and cash equivalents at beginning of the period | | **4,596** | 4,269 | |
| Effects of exchange rate changes on cash and cash equivalents | | **93** | (111) | |
| Cash and cash equivalents at the end of the period | | **3,762** | 4,791 | (2) |

*The accompanying notes form an integral part of these condensed interim financial statements.*

**CONSOLIDATED STATEMENT OF CASH FLOWS**
*For the six months ended 30 June 2026*

**Remarks:**

(1) Refer to Note 10 for details.

(2) For the purpose of presenting the consolidated statement of cash flows, cash and cash equivalents comprise the following:

| | Group | |
|---|---|---|
| | **30 June 2026 S$'000** | 30 June 2025 S$'000 |
| Cash and bank balances | **4,981** | 5,025 |
| Less: | | |
| - Interest reserves[#] | **(1,219)** | (234) |
| Cash and cash equivalents per Consolidated Statement of Cash Flows | **3,762** | 4,791 |

[#] Bank deposits maintained as interest reserves, as required by the offshore facility and onshore facility agreements.

**STATEMENTS OF MOVEMENTS IN UNITHOLDERS' FUNDS - GROUP AND ECW**
*For the six months ended 30 June 2026*

| | Group | | ECW | |
|---|---|---|---|---|
| | **6 months ended 30 June 2026 S$'000** | 6 months ended 30 June 2025 S$'000 | **6 months ended 30 June 2026 S$'000** | 6 months ended 30 June 2025 S$'000 |
| **OPERATIONS** | | | | |
| **Beginning of the period** | **(17,955)** | 231,855 | **(38,368)** | 4,041 |
| Total loss for the period | **(80,165)** | (85,328) | **(2,622)** | (1,766) |
| **End of the period** | **(98,120)** | 146,527 | **(40,990)** | 2,275 |
| **GENERAL RESERVES*** | | | | |
| **Beginning of the period** | **41,575** | 41,575 | **-** | - |
| **End of the period** | **41,575** | 41,575 | **-** | - |
| **UNITHOLDERS' CONTRIBUTION** | | | | |
| **Beginning of the period** | **(77,627)** | (77,627) | **(77,627)** | (77,627) |
| **End of the period** | **(77,627)** | (77,627) | **(77,627)** | (77,627) |
| **FOREIGN CURRENCY TRANSLATION RESERVE** | | | | |
| **Beginning of the period** | **(176,111)** | (164,249) | **-** | - |
| Translation differences on consolidation of foreign subsidiaries | **12,238** | (25,487) | **-** | - |
| **End of the period** | **(163,873)** | (189,736) | **-** | - |
| **Total Unitholders' funds at end of the period** | **(298,045)** | (79,261) | **(118,617)** | (75,352) |

* ECW's subsidiaries incorporated in the People Republic of China are required to transfer 10% of its profits after taxation, as determined under the accounting principles and relevant financial regulations of China, to the general reserve until the reserve balance reaches 50% of registered capital. The transfer to this reserve must be made before distribution of dividends to the shareholders. This general reserve can be used to make good previous years' losses, if any, and may be converted to registered capital in proportion to the existing interests of the shareholders, provided that the balance after such conversion is not less than 25% of the registered capital.

These notes form an integral part of and should be read in conjunction with the accompanying condensed interim financial statements.

## 1. General information

EC World Real Estate Investment Trust ("ECW") is a Singapore-domiciled Real Estate Investment Trust constituted pursuant to the Trust Deed dated 5 August 2015 (as amended and restated) between EC World Asset Management Pte. Ltd. (the "Manager") and DBS Trustee Limited (the "Trustee"). The Trust Deed is governed by the laws of the Republic of Singapore.

ECW was formally admitted to the Official List of the Singapore Exchange Securities Trading Limited ("SGX-ST") on 28 July 2016 (the "Listing Date") and was approved for inclusion under the Central Provident Fund Investment Scheme.

The principal activity of ECW and its subsidiaries (the "Group") is to invest, 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.

## 2. Basis of preparation

This condensed consolidated interim financial statements for the period ended 30 June 2026 have been prepared in accordance with Singapore Financial Reporting Standards 34 Interim Financial Reporting (FRS 34). This condensed interim financial statements do not include all the disclosures included in the Group's financial report. Accordingly, this report should be read in conjunction with the Group's Annual Report for the financial year ended 31 December 2025 and any public announcements made by ECW during interim reporting period.

The condensed consolidated interim financial statements are expressed in Singapore Dollars ("S$" and "SGD") and has been rounded to the nearest thousand, unless otherwise stated.

## 2. Basis of preparation (continued)

***New or amended financial reporting standards effective this period***

On 1 January 2026, the Group has adopted new or amended FRS and Interpretations of FRS ("**INT FRS**") that are mandatory for application for the financial year. Changes to the Group's accounting policies have been made as required, in accordance with the relevant transitional provisions in the respective FRS and INT FRS.

The adoption of these new or amended FRS and INT FRS did not result in substantial changes to the accounting policies of the Group and ECW and had no material effect on the amounts reported for the current and prior financial years.

*Going concern*

As at 30 June 2026, the current liabilities of the Group and ECW exceeded the current assets by S$298,045,000 and S$118,617,000 respectively. The Group's current liabilities include bank borrowings with a carrying value of S$479,710,000, comprising S$342,413,000 of offshore loans and S$137,297,000 of onshore loans, both of which are repayable on demand due to the occurrence of a numbers of events of default under the Offshore Facility.

ECW's current liabilities include net loans from subsidiaries of S$90,823,000 (after offsetting loans to subsidiaries), which are repayable on demand. As the Offshore Facility was drawn down by a subsidiary to fund ECW and the Group, ECW would be required to repay these balances if the Offshore Facility is not refinanced or restructured.

The trading of ECW units has been suspended on a voluntary basis since 30 August 2023. The Manager has applied to the SGX-ST for waivers and extension of time for ECW to submit a resumption proposal with a view to resume trading in the Units. The waivers and extension were granted until 31 May 2026. As announced on 17 July 2026, the Manager submit a further application to SGX-ST, seeking an extension of time from 31 May 2026 to 31 December 2026 (the "**Fifth Extension Application**") to submit its resumption proposal with a view to resume trading in the Units. The Manager will announce its Fifth Extension Application's status when appropriate.

As previously disclosed, only one unauthorised mortgage remains outstanding, being the mortgage over Fuzhou E-Commerce. Following the dismissal of the Group's claims and subsequent appeals, the relevant judgments in respect of the outstanding unauthorised mortgage and guarantees have become final and binding. Taking into consideration of both outstanding mortgage and 2023 Guarantees, the maximum financial risk exposure is estimated to be RMB286 million (S$54.5 million).

**2. Basis of preparation** (continued)

*Going concern* (continued)

As announced on 24 July 2026, the legal proceeding commenced by Hangzhou Fenhua Investment LLP ("**HZFH**") has proceeded to a second-instance trial before a higher-level court. Prior to the completion of the second-instance trial, the HZFH Judgement will not become effective and HZFH cannot take any enforcement action against Beigang.

As disclosed previously, litigations relating to the Beigang Stage 2 properties remain ongoing. The relevant PRC court has imposed restrictions over the transfer of the equity interests in Chongxian Port Logistics Co., Ltd. The Manager continues to seek legal advice to assess the potential impact of these matters. As at the date of this announcement, ECW is unable to reliably estimate the potential financial impact arising from these litigations. Pending further investigation of these litigations, contingent liabilities and/or provisions for litigations may be provided in due course. The Group remains committed to ensuring that all its assets are free from unauthorised encumbrances and is taking all necessary steps to resolve these matters promptly.

As announcement 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 includes, 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).



## 2. **Basis of preparation** (continued)

*Going concern* (continued)

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.

Following the above, the Manager is unable to ascertain the appropriateness of going concern assumptions when preparing the financial statements of the Group and of ECW for the financial period ended 30 June 2026, on the following basis:

(i) The Manager has continued its efforts to divest assets, and as at the date of the financial statements, the Group has not received any reasonable offer for any of its assets;

(ii) The proposed restructuring remains under discussion with the onshore and offshore lenders, and the outcome remains subject to the agreement of the relevant stakeholders;

(iii) The recoverability of the receivables due from the Sponsor Group remains highly uncertain, given the Sponsor's ongoing restructuring and financial position; and

(iv) Various litigation including outstanding relevant mortgages, outstanding guarantees provided by the entities of the Group remains unresolved.

Accordingly, the financial statements of the Group and of ECW were not prepared on a going concern basis. The Manager classified all non-current assets and liabilities as current assets and liabilities respectively, and adjusted their carrying amounts to reflect the amounts to be realised and settled within 12 months from the reporting date. In Addition, the Manager considered and disclosed contingent liabilities that may arise as a result of the Group and ECW not continuing as a going concern.

## 3. Critical accounting estimates, assumptions and judgements

Estimates, assumptions and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The significant areas of estimation, assumptions and judgements in applying accounting policies disclosed in Annual Report 2025 remains relevant. Please refer to Note 12 for more information on the valuation of investment properties as at 30 June 2026.

## 4. Segment information

The Group had determined the operating segments based on reports reviewed by Management that are used to make strategic decisions, allocate resources and assess performance. Management comprises the Chief Executive Officer and Chief Financial Officer. Management considers and evaluates the business by the nature of investment properties – port logistics, specialised logistics and E-commerce logistics. These properties are concentrated in one geographical location: People’s Republic of China. This forms the basis of identifying the operating segments of the Group under FRS 108 *Operating Segments*.

Segment revenue comprises mainly income generated from its tenants. Segment net property income represents the income earned by each segment after allocating property expenses. This is the measure reported to Management for the purpose of assessment of segment performance. In addition, Management monitors the non-financial assets as well as financial assets attributable to each segment when assessing segment performance.

Segment results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items comprise mainly management fee, trust expenses, finance income, finance costs and related assets and liabilities.

**4. Segment information** (continued)

**Property income and expenses**

| | Port Logistics | | Specialised Logistics | | E-commerce Logistics | | Total | |
|---|---|---|---|---|---|---|---|---|
| | **6 months ended 30 June 2026 S$'000** | 6 months ended 30 June 2025 S$'000 | **6 months ended 30 June 2026 S$'000** | 6 months ended 30 June 2025 S$'000 | **6 months ended 30 June 2026 S$'000** | 6 months ended 30 June 2025 S$'000 | **6 months ended 30 June 2026 S$'000** | 6 months ended 30 June 2025 S$'000 |
| Group | | | | | | | | |
| Gross revenue | **5,362** | 7,125 | **2,037** | 3,740 | **4,614** | 11,699 | **12,013** | 22,564 |
| Property expenses | **(528)** | (854) | **(809)** | (1,067) | **(1,858)** | (1,922) | **(3,195)** | (3,843) |
| **Net property income** | **4,834** | 6,271 | **1,228** | 2,673 | **2,756** | 9,777 | **8,818** | 18,721 |
| Net change in fair value of investment properties | **(30,454)** | (91,724) | **(11,787)** | (3,220) | **(29,085)** | (20,562) | **(71,326)** | (115,506) |
| Finance income | | | | | | | **6** | 11 |
| Finance costs | | | | | | | **(21,271)** | (21,189) |
| Other trust expenses* | | | | | | | **(2,854)** | (2,915) |
| Exchange differences | | | | | | | **(5,366)** | 12,040 |
| Total loss for the financial period before income tax | | | | | | | **(91,993)** | (108,838) |
| Income tax credit | | | | | | | **11,828** | 23,510 |
| **Total loss for the financial period after income tax before distribution** | | | | | | | **(80,165)** | (85,328) |

* Other trust expenses include Manager's fees and Trustee's fees.

**4. Segment information** (continued)

**Assets and liabilities**

| | Port Logistics | | Specialised Logistics | | E-commerce Logistics | | Total | |
|---|---|---|---|---|---|---|---|---|
| | **30 June 2026 S$'000** | 31 December 2025 S$'000 | **30 June 2026 S$'000** | 31 December 2025 S$'000 | **30 June 2026 S$'000** | 31 December 2025 S$'000 | **30 June 2026 S$'000** | 31 December 2025 S$'000 |
| Group | | | | | | | | |
| Segment assets | | | | | | | | |
| - Investment properties | **116,647** | 141,853 | **102,410** | 109,118 | **227,805** | 247,664 | **446,862** | 498,635 |
| - Trade and other receivables | **9,069** | 10,097 | **1,257** | 1,911 | **1,198** | 1,011 | **11,524** | 13,019 |
| Unallocated assets | | | | | | | **5,422** | 6,568 |
| **Total assets** | | | | | | | **463,808** | 518,222 |
| Segment liabilities | **55,284** | 67,901 | **23,878** | 25,322 | **75,931** | 78,378 | **155,093** | 171,601 |
| Unallocated liabilities | | | | | | | | |
| - Borrowings | | | | | | | **479,710** | 473,679 |
| - Others | | | | | | | **127,050** | 103,060 |
| **Total liabilities** | | | | | | | **761,853** | 748,340 |

## 5. Financial assets and financial liabilities

Set out below is an overview of the financial assets and financial liabilities of the Group and ECW as at 30 June 2026 and 31 December 2025:

| | Group | | ECW | |
|---|---|---|---|---|
| | **30 June 2026 S$'000** | 31 December 2025 S$'000 | **30 June 2026 S$'000** | 31 December 2025 S$'000 |
| **Financial Assets** | | | | |
| Cash and bank balances | **4,981** | 6,757 | **1,271** | 1,209 |
| Trade and other receivables | **11,801** | 12,703 | **4** | 5 |
| | **16,782** | 19,460 | **1,275** | 1,214 |
| **Financial Liabilities** | | | | |
| Trade and other payables | **156,390** | 135,900 | **29,179** | 26,380 |
| Borrowings | **479,710** | 473,679 | **-** | - |
| Loans from a subsidiary | **-** | - | **90,823** | 90,897 |
| | **636,100** | 609,579 | **120,002** | 117,277 |

## 6. Profit before taxation

### 6.1 Significant items

| | Group | |
|---|---|---|
| | **6 months ended 30 June 2026 S$'000** | 6 months ended 30 June 2025 S$'000 |
| **Income** | | |
| Interest income | **6** | 11 |
| **Expenses** | | |
| Interest on borrowings | **20,619** | 20,194 |

## 6. Profit before taxation (continued)

### 6.2 Related party transactions

For the purpose of these condensed interim financial statements, parties are considered to be related to the Group when the Group has the ability, directly or indirectly to control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Group and the party are subjected to common significant influence. The Manager and the Property Manager are indirect wholly-owned subsidiaries of the Sponsor.

In addition to the information disclosed elsewhere in the condensed interim financial statements, the following transactions took place between the Group and related parties at terms agreed between the parties:

| | Group | |
|---|---|---|
| | **30 June 2026 S$'000** | 30 June 2025 S$'000 |
| Property management fees paid/payable | **-** | (1,153) |
| Trustee's fees paid/payable | **(72)** | (83) |
| Manager's base fees paid/payable | **(1,500)** | (1,800) |
| Rental and other related income received/receivable from the ultimate holding corporation and fellow subsidiaries | **392** | 6,848 |
| Late payment interest received/receivable from the ultimate holding corporation and fellow subsidiaries | **-** | 2,715 |
| Operating lease commitment from fellow subsidiaries where the Group is a lessor | **577** | 908 |

## 7. Taxation

| | Group | |
|---|---|---|
| | **6 months ended 30 June 2026 S$'000** | 6 months ended 30 June 2025 S$'000 |
| Tax expense attributable to profit is made up of: | | |
| - Profit for the financial period: | | |
| Current income tax | | |
| - Foreign | **466** | 2,202 |
| | **466** | 2,202 |
| Withholding tax | **-** | - |
| Deferred income tax | **(12,294)** | (25,712) |
| | **(11,828)** | (23,510) |
| - Over provision in prior financial year: | | |
| Current income tax | | |
| - Foreign | **-** | - |
| | **(11,828)** | (23,510) |

## 8. Loss per unit

The calculation of basic loss per unit is based on:

| | Group | |
|---|---|---|
| | **6 months ended 30 June 2026 S$'000** | 6 months ended 30 June 2025 S$'000 |
| Total loss attributable to Unitholders of ECW | **(80,165)** | (85,328) |
| Weighted average number of units outstanding during the period ('000) | **809,838** | 809,838 |
| Basic and diluted loss per unit (cents) | **(9.9)** | (10.54) |

Diluted loss per unit is the same as the basic loss per unit as there are no dilutive instruments in issue during the financial period.

## 9. Investment properties

| | Group | |
|---|---|---|
| | **30 June 2026** | 31 December 2025 |
| | **S$'000** | S$'000 |
| Beginning of the period | **498,635** | 713,726 |
| Asset enhancements during the year | **988** | 73 |
| Effect of straight lining of step-up rental | **-** | 276 |
| Net change in fair value of investment properties | **(71,326)** | (201,732) |
| Disposals during the year | | (16) |
| Currency translation differences | **18,565** | (13,692) |
| End of the period | **446,862** | 498,635 |

All investment properties are mortgaged to secure bank loans (Note 10).

For the unaudited financial year results for the six months ended 30 June 2026, the carrying values of the Group's investment properties were based on the independent valuations as at 30 June 2026 performed by Savills. The valuation methods used by the independent valuer involved certain estimates. The independent valuer is of the view that the valuation techniques and estimates applied are appropriate and reflective of the prevailing market conditions as at 30 June 2026. The Manager has reviewed the appropriateness of the valuation techniques, and key assumptions adopted by the independent valuer and considers them to be appropriate.

As disclosed in Note 2, the Group's financial statements for current financial period were not prepared on a going concern basis. Accordingly, the investment properties are measured at their estimated realisable amounts expected to be realised within 12 months from the reporting date. In determining the carrying amounts, the Manager applied a 10% realisation discount to the fair values determined by the independent valuer. This adjustment is based on the maximum permitted under paragraph 8.4(b) of the Property Funds Appendix of the Code on Collective Investment Schemes issued by the Monetary Authority of Singapore.

The adjustment reflects management's assessment of amounts expected to be realised within 12 months from the reporting date, taking into consideration the limited investor interest in the Group's properties over the past two years, the depressed PRC property market, limited transaction visibility and prevailing market liquidity. No forced sale or liquidation valuation has been obtained as at the reporting date.

The Manager will continue to monitor market conditions and reassess the carrying amounts of the investment properties on an ongoing basis. Further updates will be provided as and when sufficient reliable information becomes available to support such reassessment.

Please refer to Announcement on Asset Valuation released on 13 August 2026 for details.

## 10. Borrowings

| | Group | |
|---|---|---|
| | **30 June 2026 S$'000** | 31 December 2025 S$'000 |
| *Current* | | |
| Secured bank borrowings | | |
| - Onshore facility | **137,297** | 132,036 |
| - Offshore facility | **342,413** | 341,643 |
| Total borrowings | **479,710** | 473,679 |

The maturity of the borrowings are as follows:

| | Group | |
|---|---|---|
| | **30 June 2026 S$'000** | 31 December 2025 S$'000 |
| Within 1 year | **479,710** | 473,679 |
| | **479,710** | 473,679 |

*Measurement of fair value*

Onshore and Offshore interest-bearing borrowings were repriced upon revision of People's Bank of China ("**PBOC**") Lending Base Rate, Loan Prime Rate ("**LPR**"), SGD SORA and USD SOFR. The carrying amounts of the borrowings as at reporting date approximate to their corresponding fair values.

*Onshore Facility*

The existing Onshore Facility have been refinanced in full with an aggregate principal amount of up to RMB745.5 million in May 2023 (the "**2023 Onshore Facility**"). The terms of the 2023 Onshore Facility were subsequently amended pursuant to 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..

**10. Borrowings** (continued)

*Onshore Facility* (continued)

The onshore facility is secured by:

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 Zhejiang Fuzhou E-Commerce Co., Ltd. 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, Zhejiang Fuzhou E-Commerce Co., Ltd., 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 (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.

**10. Borrowings** (continued)

*Onshore Facility* (continued)

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:

(a) 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

(b) 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 and 6 months ended 30 June 2026 was 6.2% and 6.3% respectively. The blended all-in running interest rate for the quarter and 6 months ended 30 June 2026 was 5.4%.

**10. Borrowings** (continued)

*Offshore facility*

The existing offshore bank loans have been refinanced in full with the aggregate principal amount of up to SGD348.9 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. and Zhejiang Fuzhou E-commerce Co., Ltd..

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 basis;

(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 Zhejiang Fuzhou E-commerce Co., Ltd.;

(iv) A mortgage over each of the Properties and a floating mortgage over the assets of Zhejiang Fuzhou E-commerce Co., Ltd., in each case, securing the term loan facility of S$9,778,333.56 and US$2,017,518.86; 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 and 6 months ended 30 June 2026 was 10.1%.

*Blended all-in interest rate of the aggregate facilities*

The blended all-in interest rate of the aggregate facilities for the quarter and 6 months ended 30 June 2026 was 9.0%. The blended all-in running interest rate for the quarter and 6 months ended 30 June 2026 was 8.7%

**10. Borrowings** (continued)

*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.

The events of default disclosed in the FY2025 Annual Report remain applicable as at 30 June 2026.

During the current reporting period, the Manager continued discussions with the onshore and offshore lenders on the proposed restructuring of the borrowings. In addition, there were developments relating to the HZFH litigation and other legal proceedings arising from the unauthorised guarantees and mortgages. Management continues to assess the financial impact of these matters and their implications on the Group's restructuring process

*2023 Facilities financial covenants*

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

| | Before Proposed Divestment | After Proposed Divestment |
|---|---:|---:|
| Unitholders' funds being no less than | S$500 million | S$450 million |
| Loan-to-value ratio being no more than | 0.45 to 1 | 0.45 to 1 |
| Interest coverage ratio being no less than | 2 to 1 | 1.75 to 1 |
| Ratio of the total liabilities to the Deposited Property 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 aggregate leverage of ECW, comprising total borrowings and deferred payments (collectively, the "**Aggregate Leverage**"), increased to 107.5% as at 30 June 2026 (31 December 2025: 95.1%).

Pursuant to paragraph 9.4(a) of the Property Funds Appendix to the Code on Collective Investment Schemes, the Aggregate Leverage Limit is not regarded as having been breached, as the increase in ECW's Aggregate Leverage resulted from circumstances beyond the Manager's control, namely the decline in the value of ECW's investment properties.

Notwithstanding the above, under the existing Offshore Facility agreement, all the financial covenants set out in the above table have been breached. Accordingly, the Manager is not permitted to incur additional borrowings or enter into further deferred payment arrangements. The Manager continues to work with the lenders on the proposed restructuring of the Group's existing Offshore Facility with a view to resolving these matters.

## 10. Borrowings (continued)

*Sensitivity analysis on impact to interest cover ratio*

At the end of the period, the interest coverage ratio[1] was 0.27 times (31 December 2025: 0.50 times). Below is the sensitivity analysis on impact to interest cover ratio:

| | Group | |
|---|---|---|
| | **30 June 2026** | 30 June 2025 |
| a) a 10% decrease in EBITDA (times) | **0.24** | 0.94 |
| b) a 100% basis point increase in the weighted average interest rate (times) | **0.27** | 1.04 |

The Manager remains committed to maintaining a prudent and sustainable capital and debt structure. This includes the plan to paring down existing facilities with cash proceeds from divestments through ongoing marketing efforts. These will facilitate ongoing negotiations with the lenders of the Offshore Facility in relation to the proposed restructuring.

## 11. Units in issue

| | Group and ECW | |
|---|---|---|
| | **30 June 2026 No. of Units '000** | 30 June 2025 No. of Units '000 |
| *Units in issue* | | |
| Beginning of the period | **809,838** | 809,838 |
| Issue of units: | | |
| - Manager's performance fees payable in units | **-** | - |
| End of the period | **809,838** | 809,838 |

During the period, no new units were issued (30 June 2025: Nil), in respect of the payment of management fees in units.

[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.

## 12. Fair value measurement

The fair value of a financial instrument is the amount at which the instrument could be exchanged or settled between knowledgeable and willing parties in an arm's length transaction other than in a forced or liquidation sale.

The Group categorises fair value measurements using a fair value hierarchy that is dependent on the valuation inputs used as follows:

(i) quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1);

(ii) inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices) (Level 2); and

(iii) inputs for the asset or liability that are not based on observable market data (unobservable inputs) (Level 3).

There were no transfers between Levels 1 and 2 during the period.

The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined by using valuation techniques. The Group uses a variety of methods and makes assumptions that are based on market conditions existing at each balance sheet date. Quoted market prices or dealer quotes for similar instruments are used to estimate fair value for long-term debt for disclosure purposes. The fair value of interest rate swaps and cross currency interest rate swaps are calculated as the present value of the estimated future cash flows based on observable yield curves. These investments are classified as Level 2 which comprise derivative financial instruments. In frequent circumstances, where a valuation technique for these instruments is based on significant unobservable inputs, such instruments are classified as Level 3.

## 12. Fair value measurement (continued)

The table below presents financial assets and liabilities measured and carried at fair value and classified by the following level of fair value measurement hierarchy:

| | Fair value | | | |
|---|---|---|---|---|
| | Level 1<br>**S$'000** | Level 2<br>**S$'000** | Level 3<br>**S$'000** | Total<br>**S$'000** |
| Group | | | | |
| **30 June 2026** | | | | |
| **Financial assets** | **-** | **-** | **-** | **-** |
| **Financial liabilities** | **-** | **-** | **-** | **-** |
| **Non-financial assets** | | | | |
| Investment properties | **-** | **-** | **446,862** | **446,862** |
| **31 December 2025** | | | | |
| **Financial assets** | - | - | - | - |
| **Financial liabilities** | - | - | - | - |
| **Non-financial assets** | | | | |
| Investment properties | - | - | 498,635 | 498,635 |

## 13. Events occurring after reporting date

There were no events occurring after reporting date.

The condensed consolidated statement of financial position of ECW and its subsidiaries as at 30 June 2026 and the related condensed consolidated statement of total return and other comprehensive income, condensed interim distribution statement, condensed interim statement of cash flows and condensed interim statement of movements in Unitholder's funds for the six months then ended and certain explanatory notes have not been audited or reviewed.

## 1. Review of the Performance

### (i) Review of performance for the quarter ended 30 June 2026

Gross revenue of S$5.9 million was S$4.0 million or 40.1% lower compared to 2Q2025. Net property income ("**NPI**") of S$4.3 million was S$3.6 million or 45.9% lower compared to 2Q2025. In RMB terms, the gross revenue and NPI were 42.6% and 48.2% lower respectively compared to 2Q2025. The significant drop in revenue and NPI was mainly attributable to (a) the derecognition of revenue from Bei Gang stage 1 as the Sponsor (being the lessee) was undergoing reorganisation proceedings; (b) the discontinuation of a third-party anchor tenant leases at Hengde Logistics Phase II; (c) the cessation of shortfall compensation and late fee income from Sponsor Group, and (d) lower contribution from underlying tenants.

Finance costs increased marginally by 3.2% to S$10.7 million, mainly due to the strengthening of the RMB and USD against the SGD, partially offset by the reduction in onshore loan quantum following scheduled principal repayments.

There was no income available for distribution for 2Q2026, mainly due to the significant decline in revenue.

### (ii) Review of performance for the 6 months ended 30 June 2026

Gross revenue of S$12.0 million was S$10.6 million or 46.8% lower compared to the corresponding period from 1 January 2025 to 30 June 2025 ("**1H2025**"). Net property income ("**NPI**") of S$8.8 million was S$9.9 million or 52.9% lower compared to 1H2025. In RMB terms, the gross revenue and NPI were 47.6% and 53.6% lower respectively compared to 1H2025. The significant drop in revenue and NPI was mainly attributable to (a) the derecognition of revenue from Bei Gang stage 1 as the Sponsor (being the lessee) was undergoing reorganisation proceedings; (b) the discontinuation of a third-party anchor tenant leases at Hengde Logistics Phase II; (c) the cessation of shortfall compensation and late fee income from Sponsor Group, and (d) lower contribution from underlying tenants.

Finance costs remained broadly consistent at S$ 21.3 million with the corresponding period in the prior year.

There was no income available for distribution for 1H2026, mainly due to the significant decline in revenue.

## 2. Variance between the forecast

ECW did not disclose any financial forecast to the market.

**3. 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**

China's economy growth softens as domestic demand remained subdued amid persistent weakness in the property sector. Fixed asset investment and real estate investment continued to contract, reflecting cautious business sentiment, ongoing deleveraging within the property sector and subdued consumer confidence[2,3]. In response, the Chinese government maintained a supportive policy stance through targeted fiscal measures, accommodative monetary policies and initiatives aimed at stabilising the housing market and supporting domestic consumption[4].

China's logistics real estate market remains financially challenged. Elevated new supply in several key logistics hubs, including the Yangtze River Delta, resulted in higher vacancy rates, intensified leasing competition and continued downward pressure on warehouse rents. Investment activity remained selective as investors adopted a cautious approach amid higher financing costs and property market uncertainties. Oversupply, slower economic growth and external trade uncertainties are likely to keep rental growth and capital values under pressure in the near term[5].

As of June 2026, EC World REIT continues to face overwhelming financial and cash flow challenges. 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. The Manager will continue to assess the impact of the outstanding mortgages and corporate guarantees.

[2] https://www.stats.gov.cn/english/PressRelease/202607/t20260715_1964120.html
[3] https://www.reuters.com/world/china/chinas-q2-gdp-growth-slows-43-yy-misses-market-forecast-2026-07-15/
[4] https://www.ft.com/content/ea820de1-9113-47cc-8888-a1d307ca6f2e
[5] https://www.businesstimes.com.sg/property/china-new-home-prices-decline-slower-pace-june-amid-improvement-key-cities

**4. 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 immediate preceding financial period? No

**5. 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 six months ended 30 June 2026 as there was no distributable income available for distribution.

**6. 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.

**7. 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.

**8. Confirmation pursuant to Rule 705(5) of the 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 condensed interim financial statements of the Group and ECW (comprising the condensed interim statement of financial position as at 30 June 2026, condensed interim statement of total return & condensed interim distribution statement, condensed interim statement of cash flows and condensed interim statement of movements in Unitholder's funds for the period 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)

| | |
|---|---|
| Kelvin Chow<br>Chairman and Independent Non-Executive Director | Goh Toh Sim<br>Executive Director and Chief Executive Officer |

**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
13 August 2026