

NEWS RELEASE

EC World REIT Reported Lower Operating Performance in 3QFY2025

- Lower operating performance year-on-year
- No distribution for 3QFY2025
- Sponsor re-organisation commenced

Summary of Results:

	3QFY2025 S\$'000	3QFY2024 S\$'000	Change YoY%	9MFY2025 S\$'000	9MFY2024 S\$'000	Change YoY%
Gross Revenue	10,803	25,081	(56.9)	33,367	76,314	(56.3)
Net Property Income (“NPI”)	9,000	22,807	(60.5)	27,721	69,999	(60.4)
Calculated Distribution to Unitholders ¹	-	3,249	n.m.	-	16,781	n.m.
Calculated DPU (Cents) ¹	-	0.401	n.m.	-	2.072	n.m.

Singapore, 13 November 2025 – EC World Asset Management Pte. Ltd., as the manager of EC World Real Estate Investment Trust (“**ECW**”) (the “**Manager**”), reported for the third quarter of 2025 (“**3QFY2025**”) lower operating performance across its portfolio year-on-year, mainly due to the termination of all four MLAs upon lease expiry, lower contribution from underlying leases and weakening of RMB against SGD, offset by income contribution from new third-party leases secured for Hengde

¹ 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. Hence, there was no distribution for 1HFY2025. It is highly likely that no distribution will be declared for the financial year 2025.

Logistics Phase I. After straight-line rental adjustment, security deposit accretion and other relevant distribution adjustments, gross revenue and NPI in RMB terms were 54.6% and 58.3% lower respectively as compared to 3QFY2024.

As of 30 September 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**”) has exceeded RMB337.8 million (S\$61.2 million). Of these outstanding rent receivables, RMB247.6 million (S\$44.9 million) represents the rent payable pursuant to master leases, while the balance RMB90.2 million (S\$16.3 million) represents the rent payable by the Sponsor Group pursuant to other related party leases. 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 advance payments received from the purchasers of the proposed divestment since 2024 (the “**Master Offset Agreement**”). Subject to the outcome of the Master Offset Agreement, no impairment allowance was made as of 30 September 2025.

As the Sponsor and its 68 related parties (the “**Sponsor Entities**”) have been consolidated into one single reorganisation arrangement (“**Sponsor Reorganisation**”), ECW has submitted preliminary claims of RMB 1.14 billion against the Sponsor entities, which includes claims over outstanding rental receivables and late penalty interest receivables, contingent liabilities and land use right claim of Beigang, other receivables arising from novation process in 2024 from the Sponsor Entities and contingent liabilities over the unauthorised mortgage over Fuzhou E-Commerce (“**FZDS**”).² There is uncertainty as to whether the above-mentioned Reorganisation will be successful in the future. If the Reorganisation is implemented and completed in the future, there is no certainty or assurance that the Reorganisation will not involve a change in control in respect of EC World REIT, depending on the Reorganisation situation of the Sponsor.

In relation to the RMB32.6m (S\$5.9 million) Fu Zhuo Industrial compensation, the Manager is exploring various options including divestment of the underlying subsidiary to recover the outstanding receivables.

Finance costs of S\$11.5 million were S\$2.9 million or 20.3% lower compared to 3QFY2024, mainly attributable to a reduced loan quantum and the absence of additional finance cost incurred for SBLC settlement. ECW’s blended all-in running

² Announced on 4 August 2025 and 25 September 2025.

interest rate for the quarter and 9 months ended 30 September 2025 was 9.3% and 8.8% per annum respectively, from 9.5% and 7.9% in the corresponding period.

Mr Goh Toh Sim, Executive Director and CEO of the Manager, said, “on quarterly basis, the revenue in RMB terms was 54.6% lower compared to 3QFY2024, which largely reflects the actual drop in revenue between MLAs and underlying leases. Due to insufficient funds, there was no distribution for the periods from 1 July 2023 to date and the Manager does not expect this circumstance to be improved in the foreseeable future.

While the Manager is trying its best endeavour to negotiate with the Sponsor and its Administrator for the Sponsor Reorganisation, the Manager continues to focus on the discharging of the unauthorised mortgage imposed over FZDS and related obligations through the pending legal proceedings.

The Manager continues to explore restructuring possibilities with the existing offshore lenders for ECW’s Offshore Facilities since a Pre-enforcement Notice was issued for the offshore facilities in 2024. At the date of this announcement, the Group has not received any notice of enforcement action. Nevertheless, persisting severe challenges to maintain and improve ECW’s ongoing operation and meet the financing obligations will not be overcome in short term.”

Key Highlights:

Application for extension of time to submit a resumption proposal

In consideration of the current operating and financial situation, the Manager intends to apply to the SGX-ST to extend the submission deadline of resumption proposal to providing additional time to resolve uncertainties before finalizing the Resumption Proposal. Unitholders will be further updated accordingly.

The Imposition of unauthorised mortgage over Fuzhou E-commerce

The Manager continues to work on discharging of unauthorised mortgage imposed over FZDS (“**Outstanding Relevant Mortgage**”) and relevant contingent obligations. The appeal case to revoke the Outstanding Relevant Mortgage (“**Mortgage Revocation Lawsuits**”) is currently pending. The maximum financial risk exposure is estimated to be RMB268.6 million (S\$48.7 million).

Asset Management

As at 30 September 2025, the overall occupancy for ECW's portfolio stood at 84.3%. Weighted average lease to expiry ("WALE") stood at 0.9 year for gross rental income and 1.2 years for net lettable area. The Manager continues to work closely with the Property Manager to optimize the occupancy rates of the properties. Existing and prospective tenants are engaged well in advance of lease expiry dates to mitigate the risk of non-renewals and vacancies.

Capital and Debt Structure

As at 30 September 2025, the current liabilities of the Group and ECW had exceeded the current assets by S\$573,629,000 and S\$116,797,000 respectively. The Group's current liabilities include bank borrowings of S\$465,939,000, comprising S\$342,186,000 of offshore loans (the "**Offshore Facility**") and S\$123,753,000 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.

The aggregate leverage for the Group was 71.1% (31 December 2024: 56.5%) at 30 September 2025. Paragraph 9.4(a) of the Property Funds Appendix states that the aggregate leverage limit is not considered to be breached if it is due to circumstances beyond the control of the Manager, such as the depreciation in the asset value of the properties of ECW. Nevertheless, the increased leverage ratio breached the financial covenant under the existing offshore facility agreement, which requires ECW's leverage ratios to be no more than 40%. In such a scenario, the Manager shall not incur additional borrowings or enter into further deferred payment arrangements. The Manager intends to resolve these issues by restructuring the ECW Group's existing ECW Facility and divest some assets.

ECW's blended all-in running interest rate for the quarter and 9 months ended 30 September 2025 was 9.3% and 8.8% per annum respectively, from 9.5% and 7.9% in the corresponding period. As global economic conditions remain volatile, ECW expects the blended interest rates for the Offshore Facilities will continue to fluctuate due to offshore loans remain unhedged.

Outlook

According to the National Bureau of Statistics of China, in the first nine months of 2025, China's GDP grew 5.2 % year-on-year to RMB 101.5 trillion.³ However, the real-estate sector continues to be weak, where fixed-asset investment fell 0.5 % and property development investment dropped 13.9%. Sales of new commercial housing declined 5.5 % by area and 7.9 % in value, and the sector remains a major drag on the economy.³

The logistic real estate sector is dependent on the overall macroeconomic situation which remains uncertain. Uncertain macroeconomic situation also has a significant bearing on ECW's efforts to divest its assets.

ECW continues to be affected by significant financial and cash flow challenges. In view of insufficient available funds, the suspension of distributions will remain in effect until such time as adequate free cash becomes available. Likewise, trading of ECW's units will continue to be suspended until the financial position is sufficiently stabilized.

— End —

³ https://www.stats.gov.cn/english/PressRelease/202510/t20251020_1961608.html

ABOUT EC WORLD REIT

Listed on 28 July 2016, EC World REIT is the first Chinese specialised logistics and e-commerce logistics REIT listed on Singapore Exchange Securities Trading Limited (“**SGX-ST**”). With its portfolio of seven quality properties located predominantly in one of the largest e-commerce clusters in the Yangtze River Delta, EC World REIT offers investors unique exposure to the logistics and e-commerce sectors in Hangzhou and Wuhan, the People’s Republic of China (“**PRC**”).

EC World REIT’s investment strategy is to invest 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 on the PRC.

EC World REIT is managed by EC World Asset Management Pte. Ltd., which is an indirect wholly-owned subsidiary of the Sponsor – Forchn Holdings Group Co., Ltd. Established in 1992 and headquartered in Shanghai, the Sponsor is a conglomerate with businesses in supply chain, intelligent manufacturing, medical care and healthcare, finance and other sectors.

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IMPORTANT NOTICE

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An investment in the Units is subject to investment risks, including the possible loss of the principal amount invested. Investors have no right to request the Manager to redeem their Units while the Units are listed. It is intended that Unitholders may only deal in their Units through trading on the SGX-ST. Listing of the Units on the SGX-ST does not guarantee a liquid market for the Units.

Unitholders and potential investors are advised to exercise caution when dealing in Units. Unitholders and potential investors are advised to read this announcement and any further announcements to be released by EC World REIT carefully. Unitholders and potential investors should consult their stockbrokers, bank managers, solicitors or other professional advisers if they have any doubt about the actions they should take.

This announcement is for information only and does not constitute an invitation or offer to acquire, purchase or subscribe for the Units.

The past performance of EC World REIT is not necessarily indicative of the future performance of EC World REIT.

This announcement may contain forward-looking statements that involve risks and uncertainties. Actual future performance, outcomes and results may differ materially from those expressed in forward-looking statements as a result of a number of risks, uncertainties and assumptions. Representative examples of these factors include (without limitation) general industry and economic conditions, interest rate trends, cost of capital and capital availability, competition from similar developments, shifts in expected levels of property rental income, changes in operating expenses, property expenses and governmental and public policy changes. You are cautioned not to place undue reliance on these forward-looking statements, which are based on the Manager’s current view of future events.