NEWS RELEASE

EC World REIT Reported Lower Operating Performance in 3QFY2026

- *Lower operating performance year-on-year*
- *Outstanding mortgages and corporate guarantees remain in place*
- *Divestment process continuing*

Summary of Results:

	3QFY2026 S$'000	3QFY2025 S$'000	Change YoY%	9MFY2026 S$'000	9MFY2025 S$'000	Change YoY%
Gross Revenue	5,913	10,803	(45.3)	17,926	33,367	(46.3)
Net Property Income ("**NPI**")	4,290	9,000	(52.3)	13,108	27,721	(52.7)
Calculated Distribution to Unitholders[1]	-	-	n.m.	-	-	n.m.
Calculated DPU (Cents)[1]	-	-	n.m.	-	-	n.m.

Singapore, 12 November 2026 – EC World Asset Management Pte. Ltd., as the manager of EC World Real Estate Investment Trust ("**ECW**") (the "**Manager**"), reported a lower year-on-year third quarter of 2026 ("**3QFY2026**") operating performance across its portfolio, attributable to the derecognition of revenue from Bei Gang stage 1 as Forchn Holdings Group Co., Ltd. (the "**Sponsor**"), being the lessee, was undergoing reorganisation proceedings (the "**Reorganisation**"), the discontinuation of a third-party anchor tenant lease at Hengde Logistics Phase II, the cessation of shortfall compensation and late fee income from the Sponsor Group, as well as lower contribution from underlying tenants due to the overall deteriorating

[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 3QFY2026. It is highly likely that no distribution will be declared for the financial year 2026.

market situation. Gross revenue and NPI in RMB terms were 48.3% and 55.0% lower respectively as compared to 3QFY2025.

Finance costs decreased by S$8.6 million, or 74.8%, to S$2.9 million in 3QFY2026 compared to 3QFY2025. The decrease was mainly attributable to reversal of excess interest accruals.

Excluding the impact of this adjustment, finance costs would have amounted to S$9.6 million for both 3QFY2026 and 3QFY2025. On the same basis, ECW's underlying blended all-in running interest rates for the quarter and nine months ended 30 September 2026 would have been 8.0% and 7.9% per annum respectively.

Mr Goh Toh Sim, Executive Director and CEO of the Manager, said, "The Manager continues to explore the potential divestment of some or all of ECW's properties to reduce its outstanding borrowings, while pursuing restructuring options with ECW's lenders. Notwithstanding the extremely challenging circumstances, the Manager remains committed to using its best endeavours to restore the financial stability of the ECW Group."

Key Highlights:

Reorganization of the Sponsor and Outstanding relevant mortgages and guarantees in favour of Fuyang Entities

The Reorganisation of the Sponsor remains in progress. Based on information received from the Administrator of the Sponsor, Fuyang Futoufa has received RMB 107.3 million from an investor for the Sponsor Group's reorganisation through utilising other securities provided to the Fuyang Futoufa by entities from the Sponsor outside ECW. As a result, the contingent liability relating to unresolved mortgages and guarantees for Fuyang Financial Institutions in the financial statements was adjusted down to RMB 222.5 million at this juncture. Further sum may be provided depending on the circumstances including but not limited to the developments in the restructuring exercise of the Sponsor and the applicability of other securities provided to Fuyang Financial Institutions by entities outside ECW.

In addition, based on the limited information received from PRC Counsel of ECW, Fuyang Financial Institutions[2] have applied to PRC Court for assets preservation orders on FZDS[3], HDSP[3] and FHCC[3], under which two bank accounts of FZDS, one bank account of HDSP and one bank account of FHCC were frozen by the PRC Court currently. Further update would be provided once PRC Counsel receive formal documents from PRC Court.

Corporate guarantee by Beigang and litigations involving Beigang

As announced previously on 28 October 2026, based on latest list of litigations of Hangzhou Beigang Logistics Co., Ltd. ("**Beigang**") available to ECW, provisions for liabilities of approximately RMB191.1 million are recognised in the financial statements of Beigang with the claim against the Sponsor group under the indemnity given by the Sponsor in relation to Stage 2 Property of Beigang will be increased by RMB191.1 million, while the amount of contingent liabilities for Beigang is revised to approximately RMB3,887.0 million.

As disclosed previously, litigations relating to the Beigang Stage 2 properties remain ongoing. The classification and amounts of the provisions and contingent liabilities remain subject to, among other things, further verification of the underlying litigation documents, developments in the relevant legal proceedings, advice from PRC legal counsel. The amounts of provisions and contingent liabilities may therefore be revised should there be any material developments or additional information becoming available.

Capital and Debt Structure

As at 30 September 2026, the current liabilities of the Group and ECW had exceeded the current assets by S$333,218,000 and S$119,622,000 respectively. The Group's current liabilities include bank borrowings with carrying value of S$478,483,000, comprising S$341,182,000 of offshore loans (the "**Offshore Facility**") and S$137,301,000 of onshore loans (the "**Onshore Facility**"), both of which are

[2] "Fuyang Financial Institutions" refer to 杭州富阳富投发振富股权投资合伙企业 (有限合伙) (Hangzhou Fuyang Futoufa Zhenfu Equity Investment LLP) ("Futoufa") and 浙江富月融资租赁有限公司 (Zhejiang Fuyue Finance Lease Co., Ltd) ("Fuyue"), which are two entities linked to the Fuyang Government in the PRC in favour of which the Outstanding Relevant Mortgages were created.

[3] Fuzhou E-Commerce ("FZDS"), Fuheng Warehouse ("FHCC") and Hengde Logistics ("HDSP")

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 106.9% (31 December 2025: 95.1%) at 30 September 2026. 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 underlying blended all-in running interest rate for the quarter and 9 months ended 30 September 2026 was 8.0% and 7.9% per annum respectively, from 9.3% and 8.8% 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

China's commercial property market continued to face leasing and rental pressures, with office rents declining by 1.9% quarter-on-quarter, continued leasing competition and supply-demand imbalances contributed to a further 4.1% quarter-on-quarter decline in logistics rental rates[4].

China's commercial and logistics real estate markets are expected to remain challenging in the near term, with elevated vacancy levels and competitive leasing conditions are likely to continue exert pressure on rental rates and property valuations, particularly in markets with substantial existing supply[5]. Market performance is expected to remain uneven across regions, with the pace of recovery dependent on local supply-demand dynamics and broader economic conditions[6]. Against this backdrop, ECW would continue to experience severe financial difficulties for the

[4] https://www.cbre.com.cn/en/insights/figures/china-figures-q3-2026
[5] https://www.cushmanwakefield.com/en/greater-china/insights/greater-china-logistics-market-report
[6] https://www.cbre.com/insights/reports/delivering-recovery-capturing-opportunities-in-the-next-logistics-warehouse-cycle

foreseeable future with the suspension of distributions and the trading of ECW's units until the financial position is significantly improved.

— End —

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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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.

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