



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

## ANNOUNCEMENT

### UPDATE ANNOUNCEMENT ON THE LEGAL PROCEEDINGS IN RELATION TO THE IMPOSITION OF THE UNAUTHORISED MORTGAGES

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

- (i) the update announcement dated 1 February 2024 in relation to the imposition of mortgages over Fuzhou E-Commerce (“**FZDS**”), Fuheng Warehouse (“**FHCC**”) and Hengde Logistics (“**Hengde**”);
- (ii) the update announcement dated 27 February 2024 in relation to, among others, the mortgages over FZDS and FHCC;
- (iii) the update announcement dated 26 March 2024 in relation to, among others, the mortgages over FZDS and FHCC and the Mortgage Revocation Lawsuits (as defined herein);
- (iv) the update announcement dated 31 March 2024 in relation to, among others, the imposition of mortgages over FZDS and FHCC and the Mortgage Revocation Lawsuits;
- (v) the update announcement dated 1 May 2024 in relation to, among others, the imposition of mortgages over FZDS and FHCC and the Mortgage Revocation Lawsuits;
- (vi) the update announcement dated 31 May 2024 in relation to, among others, the imposition of mortgages over FZDS and FHCC and the Mortgage Revocation Lawsuits (the “**31 May 2024 Announcement**”);
- (vii) the update announcement dated 30 June 2024 in relation to, among others, the imposition of mortgages over FHCC and the Mortgage Revocation Lawsuits;
- (viii) the announcement dated 1 September 2024 in relation to the update on findings in relation to the imposition of the unauthorised mortgages (the “**1 September 2024 Announcement**”); and
- (ix) the announcement dated 30 September 2024 on the legal proceedings in relation to the imposition of the unauthorised mortgages.

As mentioned in the 1 September 2024 Announcement, the ECW group filed, among others, a case application to the relevant court in the People's Republic of China (“**PRC**”) to initiate lawsuits (“**Mortgage Revocation Lawsuits**”) to revoke the mortgage contracts over FZDS executed in favour of the Fuyang Financial Institutions<sup>1</sup> (the “**Outstanding Relevant Mortgage**”)².

The Manager wishes to update unitholders of ECW (“**Unitholders**”) that the People's Court of Fuyang District, Hangzhou City (the “**PRC 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 “**April 2025 Judgments**”). The PRC Court held that the Outstanding Relevant Mortgage is lawful and valid. Its view was that FZDS' grant of the security was a legitimate decision made by an authorised body in accordance with the law and FZDS' articles of association, on the basis that there was a shareholder's resolution passed at a shareholder's meeting authorising the grant of the security in favour of the Fuyang Financial Institutions (being the defendants in the Mortgage Revocation Lawsuits). The PRC Court thus found that the Fuyang Financial Institutions did not act in bad faith or collude with FZDS in respect of the signing of the mortgage contracts.

The Manager has sought the advice of its PRC legal counsel, whose view is that the April 2025 Judgments do 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 unauthorised agency. Accordingly, the Manager intends to appeal against the April 2025 Judgements, on the advice and recommendation of its PRC legal counsel.

The Board of Directors of the Manager will provide Unitholders with a further update as and when there are material developments.

### **Cautionary Statement**

Unitholders are advised to read this announcement and any further announcements by the Manager carefully. Unitholders should consult their stockbrokers, bank managers, solicitors or other professional advisers if they have any doubt about the actions that they should take.

The Manager will make further announcements on the SGXNET in the event there are any material developments which warrant disclosure, in compliance with its obligations under the Listing Manual. Unitholders and investors are advised to refrain from taking any action in respect of ECW units (“**Units**”) which may be prejudicial to their interests, and to exercise caution when dealing in the Units. Persons who are in doubt as to the action they should take should consult their stockbroker, bank manager, solicitor or other professional advisers.

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<sup>1</sup> “**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) and 浙江富月融资租赁有限公司 (Zhejiang Fuyue Finance Lease Co., Ltd), which are two entities linked to the Fuyang Government in the PRC in favour of which the Outstanding Relevant Mortgage (as defined herein) was created.

<sup>2</sup> As stated in the 31 May 2024 Announcement, of the mortgages previously granted in favour of the Fuyang Financial Institutions, the mortgages over FHCC and Hengde Logistics have been discharged, and it is only the mortgage imposed over FZDS which remains outstanding.

For and on behalf of the Board

**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 April 2025

**Important Notice**

The value of the units in EC World REIT (the “Units”) and the income derived from them may fall as well as rise. The Units are not obligations of, deposits in, or guaranteed by, the Manager, the Trustee or any of their affiliates.

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

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

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

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

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