

EMERGING TOWNS & CITIES SINGAPORE LTD.

(Incorporated in the Republic of Singapore)

(Company Registration No. 198003839Z)

RECEIPT OF NOTICE OF DERIVATIVE OR REPRESENTATIVE ACTION

The Board of Directors (the “**Board**”) of Emerging Towns & Cities Singapore Ltd. (the “**Company**”) and together with its subsidiaries the “**Group**”) wishes to announce that the Company had on 14 December 2017 received a letter dated the same date (the “**Section 216A Notice**”) from Shook Lin & Bok LLP, solicitors for Mr Luo Shandong (“**Mr Luo**”), constituting a notice under Section 216A of the Companies Act (Cap. 50) of a derivative or representative action.

The Section 216A Notice seeks in summary that the Company:

- (a) inform the Singapore Exchange Securities Trading Limited (“**SGX**”) and the Company’s sponsor of the contents of the Section 216A Notice;
- (b) request the SGX to direct the Company to appoint special auditors from one of the “big 4” accounting firms under Rule 305(1) of the Catalist Rules to report on the matters forming the subject of the announcements dated 14 November 2017 and 16 November 2017 relating to the legal action in respect of unauthorised withdrawals of funds from Huizhou Daya Bay Mei Tai Cheng Property Development Co., Limited (the “**Unauthorised Withdrawals**”), the request for voluntary suspension of trading in the Company’s shares dated 20 November 2017 and the announcement dated 12 December 2017 relating to the commencement of proceedings in the Huizhou Intermediate People’s Court against Mr Chen Ke, Ms Liu Zhini and Ms Wu Wenwen; and
- (c) prosecute an action against Mr Christopher Chong Meng Tak for alleged breach of his directors’ duties in respect of his actions in respect of the Unauthorised Withdrawals.

The Board is currently seeking advice on the Section 216A Notice and will provide further update to shareholders if and when there are material developments on this matter.

In the meantime, shareholders and investors are advised to exercise caution when dealing in the shares of the Company.

By Order of the Board

Mr Christopher Chong Meng Tak
Non-Executive Group Chairman

15 December 2017

*This announcement has been prepared by the Company and its contents have been reviewed by the Company’s sponsor, RHT Capital Pte. Ltd. (the “**Sponsor**”), for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited (“**SGX-ST**”). The Sponsor has not independently verified the contents of this announcement.*

This announcement has not been examined or approved by the SGX-ST and the SGX-ST assumes no responsibility for the contents of this announcement, including the correctness of any of the statements or opinions made or reports contained in this announcement.

The details of the contact person for the Sponsor is:

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