

EMERGING TOWNS & CITIES SINGAPORE LTD.

(Incorporated in the Republic of Singapore)
(Company Registration No. 198003839Z)

APPLICATION FOR FIFTH EXTENSION OF TIME TO APPOINT INDEPENDENT DIRECTOR

1. INTRODUCTION

The Board of Directors (“**Board**” or “**Directors**”) of Emerging Towns & Cities Singapore Ltd. (the “**Company**” or “**ETC**”, and together with its subsidiaries, the “**Group**”) refers to:

- (i) its announcement on 6 April 2021 relating to the cessation of the Company’s Independent Director, Mr Lim Jun Xiong Steven (“**Mr Lim**”);
- (ii) its announcement on 22 June 2021 relating to the Company’s application to for an extension of time to 29 October 2021 (the “**First Extension**”) for the Company to comply with Rule 704(7) of the Listing Manual Section B: Rules of Catalist of the SGX-ST (the “**Catalist Rules**”);
- (iii) its announcement on 1 July 2021 relating to the SGX-ST’s grant of the First Extension, subject to the conditions disclosed in the Company’s announcement dated 1 July 2021;
- (iv) its announcement on 22 October 2021 relating to the Company’s application for a further extension of time to 31 January 2022 (the “**Second Extension**”) for the Company to comply with 704(7) of the Catalist Rules;
- (v) its announcement on 15 November 2021 relating to the SGX-ST’s grant of the Second Extension, subject to the conditions disclosed in the Company’s announcement dated 15 November 2021;
- (vi) its announcement on 10 January 2022 relating to the Company’s application for a further extension of time to 30 April 2022 (the “**Third Extension**”) for the Company to comply with 704(7) of the Catalist Rules;
- (vii) its announcement on 25 January 2022 relating to the SGX-ST’s grant of the Third Extension, subject to the conditions disclosed in the Company’s announcement dated 25 January 2022;
- (viii) its announcement on 22 April 2022 regarding the Board and Management reshuffle at the close of the Annual General Meeting held on 28 April 2022;
- (ix) its announcement on 28 April 2022 relating to the Company’s application for a further extension of time to 31 July 2022 (the “**Fourth Extension**”) for the Company to comply with 704(7) of the Catalist Rules; and
- (x) its announcement on 25 July 2022 relating to the SGX-ST’s grant of the Fourth Extension, subject to the conditions disclosed in the Company’s announcement dated 25 July 2022,

(collectively, the “**Previous Announcements**”).

Unless otherwise defined, all capitalised terms used herein shall bear the meanings ascribed to them in the Previous Announcements.

In view of Provision 10.2 of the Code of Corporate Governance 2018 (the “**Code**”), which requires, *inter alia*, that the Audit Committee (“**AC**”) comprise at least three directors, all of whom are non-executive and the majority of whom, including the AC Chairman, are independent, and the Company’s continued efforts to comply with good corporate governance practices, the Company wishes to announce that it has, through its Sponsor, submitted an application on 26 July 2022 to the SGX-ST for a waiver of Rule 704(7) of the Catalist Rules read with Provision 10.2 of the Code until to 31 January 2023 (the “**Fifth Extension Application**”).

Rule 704(7) of the Catalist Rules states, *inter alia*, that in the event of any retirement or resignation (of a director) which renders the audit committee unable to meet the minimum number (not less than three), the issuer should endeavour to fill the vacancy within two months, but in any case, not later than three months.

2. REASONS FOR FIFTH EXTENSION APPLICATION

The Company is making the Fifth Extension Application for the following reasons:

- (i) As disclosed in the Company’s announcement dated 2 March 2021, following its consultation with Singapore Exchange Regulation and the Sponsor in relation to the report published by an activist group on the Company’s operations in Myanmar on 25 February 2021, the Company announced that, *inter alia*, it had voluntarily decided to convert the trading halt into a suspension in the trading of its securities (the “**Suspension**”).
- (ii) As disclosed in the Company’s announcement dated 22 September 2021, the independent financial review by the appointed independent reviewer, Nexia TS Advisory Pte Ltd, has been completed. However, as disclosed in the Company’s announcements dated 15 June 2021, 19 June 2021, and 22 September 2021, the independent legal review (“**Legal Review**”) of the Group’s dealings in Myanmar by the appointed independent reviewer, Kelvin Chia Partnership (“**KCP**”), is currently ongoing. Further to comments from the Singapore Exchange Regulation (the “**SGX RegCo**”) on 21 October 2021, the Company has engaged KCP to undertake a follow-on engagement (the “**Follow-On Engagement**”) to address matters in the current legal review that require further clarification or elaboration and additional issues which were not previously contemplated, including those arising from the issuance of a legal memorandum by Felicity Gerry QC on 20 October 2021. The Company notes that KCP has since provided the revised draft report to the SGX RegCo for their comments on 20 December 2021. Subsequently, the Company provided the SGX RegCo its business plan on 24 December 2021. Since the onset of the prevailing political situation in Myanmar combined with the effects of COVID-19 and additional time required for the Follow-On Engagement, the Company has prioritised its efforts and attention on its operations as well as its existing limited resources and efforts on working with the KCP to complete the Legal Review and the Follow-On Engagement with a goal to resume the trading of its securities.
- (iii) Since Mr Lim’s cessation on 5 April 2021, the First Extension, the Second Extension, the Third Extension and the Fourth Extension, the Company has identified a couple of candidates for the Independent Director position and to fill the vacancy on the AC. However, such potential candidates have expressed concerns about (a) the Suspension; (b) the ongoing Legal Review; and (c) the outlook of the Company in light of the prevailing political situation in Myanmar, and therefore they will not be able to commit at this time. Since then, the Company has not been successful in its search for an additional independent director.

In view of the above, the Company is of the opinion that the Fifth Extension Application for the extension of time would allow the Company sufficient time to complete the abovementioned and address the concerns

raised by potential candidates. The Company would be in a better position to appoint an Independent Director thereafter.

3. FURTHER INFORMATION

The Company will announce the outcome of the Fifth Extension Application in due course.

BY ORDER OF THE BOARD

Tan Swee Gek
Company Secretary

26 July 2022

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 (the "SGX-ST").

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.

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