

**EMERGING TOWNS & CITIES SINGAPORE LTD.  
(Incorporated in the Republic of Singapore)  
(Company Registration No. 198003839Z)**

**Condensed Interim Financial Statements for the  
first Quarter ended 31 March 2023**

*Pursuant to Rule 705(2) of the SGX-ST Listing Rules (Catalist), the Singapore Exchange Regulation requires the Company to announce its quarterly financial statements in view of the disclaimer of opinion issued by the Company's auditor in the latest audited financial statements for the financial year ended 31 December 2022.*

*This announcement had 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") Listing Manual Section B: Rules of Catalist.*

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

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**A. CONDENSED INTERIM CONSOLIDATED STATEMENT OF PROFIT OR  
LOSS AND OTHER COMPREHENSIVE INCOME**

		Group	
		First Quarter Ended 31-Mar-23	First Quarter Ended 31-Mar-22
		Unaudited	Unaudited
		S\$'000	S\$'000
	Notes		
<b>Revenue</b>	<b>4</b>	<b>4,516</b>	<b>2,345</b>
Cost of sales <sup>^</sup>		(3,181)	(8,886)
<b>Gross profit/(loss)</b>		<b>1,335</b>	<b>(6,541)</b>
Other income	<b>6</b>	547	512
Selling and distribution expenses		(604)	(210)
Administrative expenses		(1,542)	(1,233)
Other expenses	<b>7</b>	(177)	(163)
Finance costs	<b>8</b>	(2,702)	(2,095)
<b>Loss before taxation</b>	<b>9</b>	<b>(3,143)</b>	<b>(9,730)</b>
Taxation	<b>10</b>	28	1,815
<b>Loss for the period</b>		<b>(3,115)</b>	<b>(7,915)</b>
<b>Loss attributable to:</b>			
Owners of the Company		(1,571)	(3,956)
Non-controlling interests		(1,544)	(3,959)
		<b>(3,115)</b>	<b>(7,915)</b>
<b>Other comprehensive (loss)/income</b>			
<b>Items may be reclassified to profit or loss in subsequent periods (net of tax)</b>			
Currency translation differences arising from consolidation of foreign operations			
		(464)	365
<b>Total comprehensive loss for the period</b>		<b>(3,579)</b>	<b>(7,550)</b>
<b>Total comprehensive loss in attributable to:</b>			
Owners of the Company		(1,798)	(3,592)
Non-controlling interests		(1,781)	(3,958)
		<b>(3,579)</b>	<b>(7,550)</b>
<b>Loss per share attributable to owners of the Company (Singapore cents)</b>			
- Basic	<b>19</b>	(0.16)	(0.40)
- diluted	<b>19</b>	(0.16)	(0.40)

<sup>^</sup>: Cost of sales for the first quarter ended 31 March 2022 included allowance for foreseeable losses on development properties of S\$7,538,000.

## B. CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION

	Note	Group		Company	
		31-Mar-23	31-Dec-22	31-Mar-23	31-Dec-22
		Unaudited S\$'000	Audited S\$'000	Unaudited S\$'000	Audited S\$'000
<b>ASSETS</b>					
<b>Non-Current</b>					
Property, plant and equipment	11	3,778	3,832	1	1
Subsidiaries		-	-	31,537	31,527
Investment properties	12	99,581	101,693	-	-
Trade receivables	14	2,176	2,220	-	-
		<b>105,535</b>	<b>107,745</b>	<b>31,538</b>	<b>31,528</b>
<b>Current</b>					
Development properties	13	94,762	96,609	-	-
Trade and other receivables	14	5,810	4,786	2	2
Prepayments		16	49	16	23
Cash and cash equivalents	15	3,412	4,011	29	29
		<b>104,000</b>	<b>105,455</b>	<b>47</b>	<b>54</b>
<b>Total assets</b>		<b>209,535</b>	<b>213,200</b>	<b>31,585</b>	<b>31,582</b>
<b>EQUITY AND LIABILITIES</b>					
<b>Capital and Reserves</b>					
Share capital	18	43,580	43,580	43,580	43,580
Reserves		35,600	37,357	(13,998)	(13,960)
<b>Equity attributable to equity holders of the Company</b>		<b>79,180</b>	<b>80,937</b>	<b>29,582</b>	<b>29,620</b>
Non-controlling interests		(24,825)	(23,054)	-	-
<b>Total equity</b>		<b>54,355</b>	<b>57,883</b>	<b>29,582</b>	<b>29,620</b>
<b>LIABILITIES</b>					
<b>Non-Current</b>					
Deferred tax liabilities		13,333	13,473	-	-
Accrued land lease premium	17	24,964	25,174	-	-
Advance consideration received from customers		5,092	3,130	-	-
		<b>43,389</b>	<b>41,777</b>	<b>-</b>	<b>-</b>
<b>Current</b>					
Borrowings	16	58,446	59,301	-	-
Accrued land lease premium	17	14,657	14,282	-	-
Trade and other payables		31,763	32,072	2,003	1,962
Advance consideration received from customers		6,925	7,885	-	-
		<b>111,791</b>	<b>113,540</b>	<b>2,003</b>	<b>1,962</b>
<b>Total liabilities</b>		<b>155,180</b>	<b>155,317</b>	<b>2,003</b>	<b>1,962</b>
<b>Total equity and liabilities</b>		<b>209,535</b>	<b>213,200</b>	<b>31,585</b>	<b>31,582</b>

### C. CONDENSED INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS

		Group	
		First Quarter Ended	First Quarter Ended
Note		31-Mar-23	31-Mar-22
		S\$'000	S\$'000
<b>Cash Flows from Operating Activities</b>			
	Loss before taxation	(3,143)	(9,730)
	Adjustments for:		
	Allowance for foreseeable losses on development properties	-	7,538
	Forfeiture of advance consideration received from customers	(20)	(306)
	Depreciation of property, plant and equipment	23	80
	Financing expense on payment from customers	345	322
	Financing income on payments from customers	(486)	(139)
	Fair value gain on investment properties	-	(57)
	Interest income	(7)	(1)
	Interest expense	2,357	1,773
	Operating loss before working capital changes	(931)	(520)
	Trade and other receivables	(461)	268
	Advance consideration received from customers	957	2,017
	Trade and other payables	(462)	189
	Development properties	2,314	(819)
	Cash generated from operations	1,417	1,135
	Income tax paid	-	-
	<b>Net cash generated from operating activities</b>	<b>1,417</b>	<b>1,135</b>
<b>Cash Flows from Investing Activities</b>			
	Interest received	7	1
	Purchase of property, plant and equipment	-	(10)
	Additions to investment properties	-	(68)
	<b>Net cash generated from/(used in) investing activities</b>	<b>7</b>	<b>(77)</b>
<b>Cash Flows from Financing Activities</b>			
	Bank balances pledged	(1,309)	609
	Interest paid	(813)	(178)
	Payment of lease liabilities	-	(1)
	Payment of land lease premium	(444)	(534)
	Repayment of bank loan	(113)	(425)
	Repayment of related party loans	(557)	(332)
	<b>Net cash used in financing activities</b>	<b>(3,236)</b>	<b>(861)</b>
<b>Net (decrease)/increase in cash and cash equivalents</b>			
		<b>(1,812)</b>	<b>197</b>
	Cash and cash equivalents at beginning of period	<b>3,507</b>	<b>2,671</b>
	Effect of exchange rate fluctuations on cash and cash equivalents	<b>(96)</b>	<b>9</b>
	<b>Cash and cash equivalents at end of period</b>	<b>1,599</b>	<b>2,877</b>
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## D. CONDENSED INTERIM STATEMENTS OF CHANGES IN EQUITY

### Group

The Group	Share capital S\$'000	Capital reduction reserve S\$'000	Capital reserve S\$'000	Share option reserve S\$'000	Revaluation reserve S\$'000	Equity component of convertible loan S\$'000	Exchange fluctuation reserve S\$'000	Accumulated profits S\$'000	Total attributable to equity holders of the company S\$'000	Non-controlling interests S\$'000	Total equity S\$'000
Balance as at 1 January 2023	43,580	15,998	24,695	730	299	13,818	(2,834)	(15,349)	80,937	(23,054)	57,883
Total comprehensive loss for the period	-	-	-	-	-	-	(227)	(1,571)	(1,798)	(1,781)	(3,579)
<b>Transactions with owners, recognised directly in equity</b>											
<b>Contributions by and distributions to owners</b>											
Incorporation of subsidiary with non-controlling interests	-	-	-	-	-	-	-	-	-	10	10
Interest incurred on convertible loan	-	-	-	-	-	41	-	-	41	-	41
<b>Balance at 31 March 2023</b>	<b>43,580</b>	<b>15,998</b>	<b>24,695</b>	<b>730</b>	<b>299</b>	<b>13,859</b>	<b>(3,061)</b>	<b>(16,920)</b>	<b>79,180</b>	<b>(24,825)</b>	<b>54,355</b>

The Group	Share capital S\$'000	Capital reduction reserve S\$'000	Capital reserve S\$'000	Share option reserve S\$'000	Revaluation reserve S\$'000	Equity component of convertible loan S\$'000	Exchange fluctuation reserve S\$'000	Accumulated profits S\$'000	Total attributable to equity holders of the company S\$'000	Non-controlling interests S\$'000	Total equity S\$'000
Balance at 1 January 2022	43,580	15,998	24,695	730	299	13,650	(3,089)	5,773	101,636	(1,906)	99,730
Total comprehensive income/(loss) for the period	-	-	-	-	-	-	364	(3,956)	(3,592)	(3,958)	(7,550)
<b>Transactions with owners, recognised directly in equity</b>											
<b>Contributions by and distributions to owners</b>											
Interest incurred on convertible loan	-	-	-	-	-	41	-	-	41	-	41
<b>Balance at 31 March 2022</b>	<b>43,580</b>	<b>15,998</b>	<b>24,695</b>	<b>730</b>	<b>299</b>	<b>13,691</b>	<b>(2,725)</b>	<b>1,817</b>	<b>98,085</b>	<b>(5,864)</b>	<b>92,221</b>

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**Company**

<b>The Company</b>	Share capital	Capital reduction reserve	Capital reserve	Equity component of convertible loan	Share option reserve	Accumulated losses	Total Equity attributable to equity holders of the Company
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Balance at 1 January 2023	43,580	15,998	10,987	13,818	730	(55,493)	29,620
Interest incurred on convertible loan	-	-	-	41	-	-	41
Total comprehensive loss for the period	-	-	-	-	-	(79)	(79)
<b>Balance at 31 March 2023</b>	<b>43,580</b>	<b>15,998</b>	<b>10,987</b>	<b>13,859</b>	<b>730</b>	<b>(55,572)</b>	<b>29,582</b>

<b>The Company</b>	Share capital	Capital reduction reserve	Capital reserve	Equity component of convertible loan	Share option reserve	Accumulated losses	Total Equity attributable to equity holders of the Company
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Balance at 1 January 2022	43,580	15,998	10,987	13,650	730	(51,185)	33,760
Interest incurred on convertible loan	-	-	-	41	-	-	41
Total comprehensive loss for the period	-	-	-	-	-	(139)	(139)
<b>Balance at 31 March 2022</b>	<b>43,580</b>	<b>15,998</b>	<b>10,987</b>	<b>13,691</b>	<b>730</b>	<b>(51,324)</b>	<b>33,662</b>

## **E. Notes to the condensed interim consolidated financial statements**

### **1. Corporate information**

Emerging Towns & Cities Singapore Ltd. (the “Company”) is incorporated as a limited company and domiciled in Singapore. The Company is listed on the Catalist of the Singapore Exchange Securities Trading Limited.

These condensed interim consolidated financial statements as at and for the first quarter ended 31 March 2023 comprise the Company and its subsidiaries (the “Group”).

The principal activities of the Company are those relating to investing holding. The principal activities of the subsidiaries are:

- a) Investment holding
- b) Property development and investment

### **2. Summary of significant accounting policies**

#### **2.1 Basis of Preparation**

The condensed interim financial statements for the first quarter ended 31 March 2023 have been prepared in accordance with SFS(I) 1-34 Interim Financial Reporting issued by the Accounting Standards Council Singapore. The condensed interim financial statements do not include all the information required for a complete set of financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group’s financial position and performance of the Group since the last annual financial statements for the year ended 31 December 2022.

The accounting policies adopted are consistent with those of the previous financial year which were prepared in accordance with SFRS(I)s. The Group has applied various new accounting standards and interpretations of accounting standards for the first time for the annual period beginning on 1 January 2023. The application of these standards and interpretations did not have a material effect on the condensed interim financial statements.

The condensed interim financial statements are presented in Singapore dollar which is the Company’s functional currency.

#### **2.2 Going concern**

For the financial period ended 31 March 2023, the Group incurred a net loss of S\$3,115,000. In addition, as disclosed in Note 16, the Group did not meet a financial covenant and did not make full payment for a facility fee in respect of its bank loan during the financial year ended 31 December 2022, resulting in the loan being repayable on demand. Consequently, the bank loan of S\$53,306,000 had been wholly classified as current as at 31 March 2023. The Group had borrowings amounting to S\$58,446,000 due for repayment within the next 12 months or on demand, with cash and bank balance of S\$3,412,000 as at 31 March 2023.

Notwithstanding this, the directors are of the view that the going concern assumption is appropriate for the preparation of the financial statements due to the following:

- The Group and the Company had net assets of S\$54,355,000 and S\$29,582,000 respectively, as at 31 March 2023.



## **2.2 Going concern (Cont'd)**

- On 13 March 2023, the Group obtained a revision of the repayment schedule. The next principal repayment of US\$1,006,500 (approximately S\$1,349,000) is scheduled on 13 June 2023, with subsequent repayments to be made every six months over five years at an annually increasing amount, with the final repayment of US\$7,480,000 (approximately S\$10,025,000) scheduled on 13 December 2027. The Group does not expect the bank to call for full repayment of the bank loan for the breach in financial covenant or default in facility fee payment

## **2.3 Use of judgements and estimates**

In preparing the condensed interim financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Although these estimates are based on management's best knowledge of current events and actions, actual results may differ from those estimates.

The significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for the year ended 31 December 2022.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

## **3 Seasonal operations**

The Group's businesses are not affected significantly by seasonal or cyclical factors during the financial period.

## **4 Segment and revenue information**

The Group's business is organised into three business segments, namely: -

- (i) Property development – relates to the development of properties for sale
- (ii) Property investment – relates to the business of investing in properties to earn rentals and for capital appreciation
- (iii) Corporate – comprises Corporate Office which incurs general corporate expenses and inactive entities in the Group

The Group accounts for inter-segment transactions on terms agreed between parties. Inter-segment transactions comprising advances between segments are eliminated on consolidation.

All operating segments' operating results are reviewed regularly by the Group's executive directors to make decisions about resources to be allocated to the segment and to assess its performance, and for which discrete financial information is available

### **Segment revenue and expenses:**

Segment revenue and expenses are the operating revenue and expenses reported in the consolidated statement of comprehensive income that are directly attributable to a segment and the relevant portion of such revenue and expense that can be allocated on a reasonable basis to a segment.

#### **4 Segment and revenue information (Cont'd)**

**Segment assets and liabilities:**

Segment assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis.

The management monitors the operating results of the operating segments for the purpose of making decisions about resource allocation and performance assessment.

Information regarding the results of each reportable segment is included below. Performance is measured based on segment profit before income tax, as included in the internal management reports that are reviewed by the management. Segment profit is used to measure performance as management believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries.

Segment profit is used to measure performance as management believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operates with these industries. Segment results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items comprise mainly corporate assets (primarily in the Company's headquarters), head office expenses, and tax assets and liabilities.

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**4.1 Reportable segments**

	Property Development Group		Property Investment Group		Corporate Group		Eliminations		Total	
	Group	Group	Group	Group	Group	Group	Group	Group	Group	Group
	First Quarter Ended	First Quarter Ended	First Quarter Ended	First Quarter Ended	First Quarter Ended	First Quarter Ended	First Quarter Ended	First Quarter Ended	First Quarter Ended	First Quarter Ended
	31 March	31 March	31 March	31 March	31 March	31 March	31 March	31 March	31 March	31 March
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
<b>Segment revenue</b>	<b>3,605</b>	<b>1,747</b>	<b>911</b>	<b>598</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4,516</b>	<b>2,345</b>
<b>Results</b>										
Segment (loss)/profit	(4,329)	(10,570)	735	493	(267)	(343)	171	178	(3,690)	(10,242)
Other income	547	455	-	57	172	177	(172)	(177)	547	512
<b>(Loss)/Profit before taxation</b>	<b>(3,782)</b>	<b>(10,115)</b>	<b>735</b>	<b>550</b>	<b>(95)</b>	<b>(166)</b>	<b>(1)</b>	<b>1</b>	<b>(3,143)</b>	<b>(9,730)</b>
Taxation	28	1,829	-	(14)	-	-	-	-	28	1,815
<b>(Loss)/Profit for the period</b>	<b>(3,754)</b>	<b>(8,286)</b>	<b>735</b>	<b>536</b>	<b>(95)</b>	<b>(166)</b>	<b>(1)</b>	<b>1</b>	<b>(3,115)</b>	<b>(7,915)</b>
Attributable to:										
Owners of the Company	(1,833)	(4,053)	357	262	(94)	(166)	(1)	1	(1,571)	(3,956)
Non-controlling interests	(1,921)	(4,233)	378	274	(1)	-	-	-	(1,544)	(3,959)
	<b>(3,754)</b>	<b>(8,286)</b>	<b>735</b>	<b>536</b>	<b>(95)</b>	<b>(166)</b>	<b>(1)</b>	<b>1</b>	<b>(3,115)</b>	<b>(7,915)</b>
<b>Assets and liabilities</b>										
<b>Segment assets</b>	<b>109,909</b>	<b>150,993</b>	<b>99,581</b>	<b>108,568</b>	<b>138</b>	<b>108</b>	<b>(93)</b>	<b>(316)</b>	<b>209,535</b>	<b>259,353</b>
<b>Segment liabilities</b>	<b>136,876</b>	<b>140,901</b>	<b>16,310</b>	<b>24,517</b>	<b>2,087</b>	<b>2,030</b>	<b>(93)</b>	<b>(316)</b>	<b>155,180</b>	<b>167,132</b>

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**4.2 Geographical segments**

Geographical Segments	Myanmar S\$'000	Singapore S\$'000	Total S\$'000
<b>First Quarter ended 31 March 2023</b>			
Revenue	4,516	-	4,516
Non-current assets*	103,358	1	103,359
<b>First Quarter ended 31 March 2022</b>			
Revenue	2,345	-	2,345
Non-current assets*	112,609	6	112,615

\*Excluding non-current trade receivables

Geographically, the non-current assets and operations of the Group are primarily located in Myanmar of the financial period ended 31 March 2023 and 31 March 2022.

There is no revenue from transactions with a single external customer that amounts to 10 per cent or more of the Group's revenue.

**4.3 Disaggregation of Revenue**

	<b>Group</b>	
	<b>31 March 2023</b>	<b>31 March 2022</b>
	S\$'000	S\$'000
Revenue from contracts with customers		
- Sale of development properties	3,605	1,747
- Rental income from investment properties	911	598
	<b>4,516</b>	<b>2,345</b>
Timing of transfer of goods and services		
- At a point in time	3,605	1,747
- Over time	911	598
	<b>4,516</b>	<b>2,345</b>

**5 Financial assets and financial liabilities**

Set out below is an overview of the financial assets and financial liabilities of the Group and the Company as at 31 March 2023 and 31 December 2022:

	<b>Group</b>		<b>Company</b>	
	<b>31 March 2023</b>	<b>31 December 2022</b>	<b>31 March 2023</b>	<b>31 December 2022</b>
	S\$'000	S\$'000	S\$'000	S\$'000
<b>Financial assets at amortised cost</b>				
Trade and other receivables (Note 14)	7,986	7,006	2	2
Cash and cash equivalents (Note 15)	3,412	4,011	29	29
	<b>11,398</b>	<b>11,017</b>	<b>31</b>	<b>31</b>
<b>Financial liabilities at amortised cost</b>				
Borrowings (Note 16)	58,446	59,301	-	-
Accrued land lease premium (Note 17)	39,621	39,456	-	-
Trade and other payables*	22,259	22,307	2,003	1,962
	<b>120,326</b>	<b>121,064</b>	<b>2,003</b>	<b>1,962</b>

\*Excluding business and other taxes payable

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**6 Other Income**

	<b>Group</b>	
	<b>First Quarter Ended</b>	
	<b>31 March</b>	<b>31 March</b>
	<b>2023</b>	<b>2022</b>
	S\$'000	S\$'000
Fair value gain on investment properties	-	57
Imputed interest income	486	139
Forfeiture of advance consideration received from customers	20	306
Others	41	10
	<b>547</b>	<b>512</b>

**7 Other expenses**

	<b>Group</b>	
	<b>First Quarter Ended</b>	
	<b>31 March</b>	<b>31 March</b>
	<b>2023</b>	<b>2022</b>
	S\$'000	S\$'000
Other operating expenses	177	163

**8 Finance Cost**

	<b>Group</b>	
	<b>First Quarter Ended</b>	
	<b>31 March</b>	<b>31 March</b>
	<b>2023</b>	<b>2022</b>
	S\$'000	S\$'000
Accreted interest on accrued land lease premium	1,042	1,062
Financing expense on payments from customers	345	322
Interest expense on borrowings	1,274	670
Interest expense on convertible loan	41	41
	<b>2,702</b>	<b>2,095</b>

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**9 Loss Before Taxation**

Other than as disclosed elsewhere in these condensed interim financial statements, loss before tax for the period has been arrived at after charging the following:

	<b>Group</b>	
	<b>First Quarter Ended</b>	
	<b>31 March</b>	<b>31 March</b>
	<b>2023</b>	<b>2022</b>
	S\$'000	S\$'000
Allowance for foreseeable losses	-	7,538
Depreciation of property, plant and equipment	23	80
Staff costs	607	488

**9.1 Related Party Transaction**

During the period, in addition to the related party information disclosed elsewhere in the financial statements, the Group entered into the following transactions with related parties.

	<b>Group</b>	
	<b>First Quarter Ended</b>	
	<b>31 March</b>	<b>31 March</b>
	<b>2023</b>	<b>2022</b>
	S\$'000	S\$'000
Office rental expense	5	5
Property Management fees	177	163

**10 Taxation**

The Group calculates the period income tax credit using the tax rate that would be applicable to the expected total annual losses. The major components of income tax credit in the condensed interim consolidated statement of profit or loss are:

	<b>Group</b>	
	<b>First Quarter Ended</b>	
	<b>31 March</b>	<b>31 March</b>
	<b>2023</b>	<b>2022</b>
	S\$'000	S\$'000
Current taxation	-	(68)
Deferred taxation	28	1,883
	<b>28</b>	<b>1,815</b>

**11 Property, plant and equipment**

During the first quarter ended 31 March 2023, the Group did not acquire any assets (1Q2022: S\$10,000).

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**12 Investment properties**

The Group's investment properties consist of both residential and commercial (retail and office units) properties, held for long-term rental yields.

	<b>Group</b>
	S\$'000
<b>At 31 December 2022, at fair value</b>	<b>101,693</b>
<b>First Quarter ended 31 March 2023</b>	
<b>At 1 January 2023</b>	
Transfer to development properties (Note 13)	(1,268)
Exchange difference on translation	(844)
<b>At 31 March 2023</b>	<b>99,581</b>

The investment properties are as follows:

<b>Location</b>	<b>Description</b>	<b>Net floor area (square metres)</b>	<b>Tenure</b>
<b>31 March 2023</b>			
<b>Golden City Project</b>			
No. 3, Land Survey Block, Kanbe, Yankin Road, Yankin Township, Yangon, Myanmar	217 residential units, 6 retail units and 16 office units	31,887	70 years
<b>31 December 2022</b>			
<b>Golden City Project</b>			
No. 3, Land Survey Block, Kanbe, Yankin Road, Yankin Township, Yangon, Myanmar	223 residential units, 6 retail units and 16 office units	32,287	70 years

The aggregate carrying amount of investment properties pledged to secure borrowings is S\$73,857,000 (FY2022: S\$75,756,000).

At year ended 31 December 2022, the fair values of investment properties are determined by an independent professional valuer, C.I.M. Property Consultants Co., Ltd. in partnership with Colliers being the reviewer, for the Golden City Project, having appropriate recognised professional qualifications and recent experience in the location and category of properties being valued. The valuation of the investment properties is based on the properties' highest and best use. For all the Group's investment properties, the current use is considered the highest and best use. For the period ended 31 March 2023, the management has determined that there is no significant variance from the valuation performed on as at 31 December 2022.

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**13. Development Properties**

The Group's Development properties consist of both residential and commercial (retail and office units) properties, held for sale.

	<u>Group</u>
	S\$'000
<b>31 December 2022, at cost</b>	<b>96,609</b>
<b>First Quarter ended 31 March 2023</b>	
<b>At 1 January 2023</b>	
Addition	677
Units sold and recognised in profit or loss	(2,981)
Transfer from investment properties (Note 12)	1,268
Exchange difference on translation	(811)
<b>At 31 March 2023, at cost</b>	<b>94,762</b>

The completed properties held for sales are as follows:

Location	Description	Net floor area (square metres)	Tenure
<b>31 March 2023</b>			
<b>Golden City Project</b>			
No. 3, Land Survey Block, Kanbe, Yankin Road, Yankin Township, Yangon, Myanmar	211 residential units, 10 retail units and 2 office units	35,412	70 years
<b>31 December 2022</b>			
<b>Golden City Project</b>			
No. 3, Land Survey Block, Kanbe, Yankin Road, Yankin Township, Yangon, Myanmar	218 residential units, 10 retail units and 2 office units	36,409	70 years

The aggregate carrying amount of development properties pledged to secure borrowings is S\$28,463,000 (FY2022: S\$30,136,000).



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**13.1 Allowance for foreseeable losses**

Movements in allowance for foreseeable losses are as follows:

	Group
	S\$'000
<b>At 1 January 2023</b>	<b>41,617</b>
Exchange difference on translation	(348)
<b>At 31 March 2023</b>	<b>41,269</b>

Development properties are measured at the lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of selling expenses. The write-down to net realisable value is presented as allowance for foreseeable losses.

The allowance for foreseeable losses is determined by management after taking into consideration of the estimated selling prices. The estimated selling prices are based on recent selling prices for the development project and prevailing market conditions. The allowance made for foreseeable losses is included in "cost of sales".

**14 Trade and other receivables**

	Group		Company	
	31 March 2023	31 December 2022	31 March 2023	31 December 2022
	S\$'000	S\$'000	S\$'000	S\$'000
<b>Trade receivables</b>				
- Non-current	2,176	2,220	-	-
- Current	5,317	4,784	-	-
	<b>7,493</b>	<b>7,004</b>	<b>-</b>	<b>-</b>
	Group		Company	
	31 March 2023	31 December 2022	31 March 2023	31 December 2022
	S\$'000	S\$'000	S\$'000	S\$'000
Amounts due from shareholders of a subsidiary (non-trade)	3,774	3,806	-	-
Allowance for impairment losses	(3,774)	(3,806)	-	-
	-	-	-	-
Amounts due from subsidiaries (non-trade)	-	-	34,487	34,487
Allowance for impairment losses	-	-	(34,487)	(34,487)
	-	-	-	-
Other receivables	493	2	2	2
	<b>493</b>	<b>2</b>	<b>2</b>	<b>2</b>
<b>Comprising</b>				
- Non-current	2,176	2,220	-	-
- Current	5,810	4,786	2	2
	<b>7,986</b>	<b>7,006</b>	<b>2</b>	<b>2</b>

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**15 Cash and cash equivalents**

The carrying amount of cash and bank balances pledged to secure borrowings is S\$1,813,000 (FY2022: S\$504,000).

For the purpose of the consolidated statement of cash flows, cash and cash equivalents comprise the following:

	<b>Group</b>	
	<b>31 March 2023</b>	<b>31 December 2022</b>
	S\$'000	S\$'000
Cash and bank balances	3,412	4,011
Less: Bank balances pledged	(1,813)	(504)
	<b>1,599</b>	<b>3,507</b>

**16 Borrowings**

	<b>Group</b>			
	<b>31 March 2023</b>		<b>31 December 2022</b>	
	Secured	Unsecured	Secured	Unsecured
	S\$'000	S\$'000	S\$'000	S\$'000
<b>Amount repayable in one year or less, or on demand</b>				
Financial liabilities:				
Bank loans <sup>(1)</sup>	53,306	-	53,556	-
Loan from third party <sup>(2)</sup>	4,246	-	4,282	-
Loans from related parties	-	894	-	1,463
	<b>57,552</b>	<b>894</b>	<b>57,838</b>	<b>1,463</b>

**Details of any collateral**

1. The syndicated bank loan is secured by certain assets relating to Golden City and certain shares in Golden City project held by a subsidiary.
2. The loan from third party is secured by certain units of residential apartments.

During the financial year ended 31 December 2022, the Group did not meet certain financial covenants and did not make full payment for a facility fee with respect to the entry into a syndicated facility agreement as announced by the Company on 8 June 2020, resulting in the loan being repayable on demand. Consequently, the syndicated bank loan amounting to S\$53,306,000 has been reclassified as current as at 31 March 2023. The Group had negotiated the repayment terms with the bank and obtained a further revision of the repayment schedule. The Group does not expect the bank to call for full repayment of the bank loan for the breach in financial covenant or default in facility fee payment.

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**17 Accrued Land Lease Premium**

	<b>Group</b>
	S\$'000
<b>31 December 2022, at cost</b>	<b>39,456</b>
<b>First Quarter ended 31 March 2023</b>	
<b>At 1 January 2023</b>	
Accreted interest	1,042
Payment of land lease premium	(444)
Exchange difference on translation	(433)
<b>At 31 March 2023, at cost</b>	<b>39,621</b>
<b>Represented by:</b>	
Non-Current	24,964
Current	14,657
	<b>39,621</b>

This relates to the leasehold land which is a right-of-use asset included in property, plant and equipment.

**18 Share Capital**

	<b>The Group and the Company</b>			
	<b>31 March 2023</b>		<b>31 December 2022</b>	
	Number of shares '000	\$'000	Number of shares '000	\$'000
<b>Issued and fully paid, with no par value</b>				
Beginning and end of interim period/year	982,073	43,580	982,073	43,580

The Company did not hold any treasury shares as at 31 March 2023.

The Company's subsidiaries did not hold any shares in the Company as at 31 March 2023 and 31 December 2022.

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**19 Loss Per Share**

	<b>Group</b>	
	<b>First Quarter Ended 31 March 2023</b>	<b>First Quarter Ended 31 March 2022</b>
<b>Loss per ordinary share:</b>		
(i) Based on weighted average no. of ordinary shares in issue (cents)	(0.16)	(0.40)
(ii) On a fully diluted basis (cents)	(0.16)	(0.40)
<b>Number of shares in issue:</b>		
(i) Based on weighted average no. of ordinary shares in issue (in millions)	982	982
(ii) On a fully diluted basis (in millions)	1,187	1,181

As at 31 March 2023 and 31 March 2022, the outstanding convertible loan was excluded from the calculation of the diluted weighted average number of ordinary shares in issue as its effect would have been anti-dilutive.

Earnings per ordinary share is calculated based on the Group's profit for the financial period attributable to the shareholders of the Company divided by the weighted average number of ordinary shares in issue during the period under review.

As at 31 March 2023 and 31 March 2022, the 15 million share options outstanding did not have a dilutive effect because the average market price of the Company's ordinary shares for the respective financial periods ended 31 March 2023 and 31 March 2022 did not exceed the exercise price.

**20 Dividend**

No dividend has been declared or recommended.

**21 Net Asset Value**

	<b>Group</b>		<b>Company</b>	
	<b>31 March 2023</b>	<b>31 December 2022</b>	<b>31 March 2023</b>	<b>31 December 2022</b>
Net Asset Value (S\$'000)	54,355	57,883	29,582	29,620
<b>Based on existing issued share capital (cents per share)</b>	<b>5.54</b>	<b>5.89</b>	<b>3.01</b>	<b>3.02</b>
Net Asset Value has been computed based on the share capital of (in millions of shares)	982	982	982	982

## **22 Fair Value Measurement**

### Definition of fair value

SFRS(I)s define fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

### Fair value hierarchy

Financial assets and financial liabilities measured or disclosed at fair value in the statement of financial position are grouped into three levels of a fair value hierarchy. The three levels are defined based on the observability of significant inputs to the measurement, as follows:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and

Level 3: inputs for the assets or liability that are not based on observable market data (unobservable inputs).

The carrying amounts of financial assets and liabilities with a maturity of less than one year (including trade and other receivables, cash and bank balances, certain borrowings, and trade and other payables) or those which reprice regularly approximate their fair values because of the short period to maturity or repricing. The fair value of non-current financial assets and liabilities is estimated by discounting the future contractual cash flows at the current market interest rate available to the Group for similar financial instruments.

### Fair value measurement of non-financial instruments

The following table shows the levels within the fair value hierarchy of non-financial instruments measured at fair value on a recurring basis.

<b>The Group</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>
<b>31 March 2023</b>				
<b>Non-financial assets</b>				
Investment properties (Note 12)	-	-	99,581	<b>99,581</b>
<b>31 December 2022</b>				
<b>Non-financial assets</b>				
Investment properties (Note 12)	-	-	101,693	<b>101,693</b>

## **23 Subsequent Events**

There are no known subsequent events which have led to adjustments to this set of interim financial statement.

## **F. Other Information Required by Appendix 7C of the Catalist Rule**

### **1. Review**

The condensed consolidated statements of financial position of Emerging Towns & Cities Singapore Ltd. (“Company”, together with its subsidiaries, the “Group”) as at 31 March 2023 and the related condensed consolidated statement of profit or loss, and other comprehensive income, condensed consolidated statements of changes in equity and condensed consolidated statement of cash flows for the three-month period then ended and certain explanatory notes (the “Condensed Interim Financial Statements”) have not been audited or reviewed by the Company’s auditors.

### **2. Review of Financial Performance (1Q2023 vs 1Q2022)**

*Note: Due to the nature of the industry that the Company operates in, recognition of revenue from the sale of properties is driven by project hand-over. Consequently, the quarterly results may not be a good indication of profitability trend.*

#### Revenue

	<b>Group</b>		
	<b>1Q2023</b>	<b>1Q2022</b>	<b>Increase/(decrease)</b>
	S\$’000	S\$’000	%
<b>Golden City</b>			
Sale of Properties	3,605	1,747	n.m.*
Rental Income	911	598	52.3%
<b>Total Revenue</b>	<b>4,516</b>	<b>2,345</b>	<b>92.6%</b>

n.m.: not meaningful

\*: in excess of 100%

Revenue for 1Q2023 was mainly contributed by the sale of Golden City property units of S\$3.6 million (79.8% of total revenue) and the rental of Golden City property units of S\$0.9 million (20.2% of total revenue). Revenue for 1Q2022 was mainly contributed by the sale of Golden City property units of S\$1.7 million (74.5% of total revenue) and the rental of Golden City property units of S\$0.6 million (25.5% of total revenue).

The Group reported revenue, and therefore profits, for units sold (i.e. units where the sale and purchase agreement have already been signed) on the earlier of handing over of the property units or one month after notification to buyers to take over the property units. 13 and 4 units were recognized as revenue in 1Q2023 and 1Q2022 respectively for Golden City project.

#### Gross Profit

	<b>Group</b>		
	<b>1Q2023</b>	<b>1Q2022</b>	<b>Increase/(decrease)</b>
	S\$’000	S\$’000	%
<b>Golden City</b>			
Sale of Properties	464	429	8.2%
Rental Income	871	568	53.4%
Allowance for foreseeable losses	-	(7,538)	(100.0%)
<b>Total Gross Profit/(Loss)</b>	<b>1,335</b>	<b>(6,541)</b>	<b>n.m.</b>

n.m.: not meaningful

Gross profit of approximately S\$1.3 million was recorded for 1Q2023, after deducting direct costs (consisting mainly of cost of the property units sold) of approximately S\$3.2 million.

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**2. Review of Financial Performance (1Q2023 vs 1Q2022) (Cont'd)**

Other Income

	<b>Group</b>		
	<b>1Q2023</b>	<b>1Q2022</b>	<b>Increase/(decrease)</b>
	S\$'000	S\$'000	%
Fair value gain on investment properties	-	57	(100.0%)
Imputed interest income	486	139	n.m.*
Forfeiture of advance consideration received from customers	20	306	(93.5%)
Others	41	10	n.m.*
<b>Other Income</b>	<b>547</b>	<b>512</b>	<b>6.8%</b>

n.m.: not meaningful  
\*: in excess of 100%

Other income increased from S\$512,000 in 1Q2022 to S\$547,000 in 1Q2023 mainly due to higher imputed interest income in the Golden City project, partially offset by lower forfeiture of advance consideration received from customers who were past due on instalments.

Selling and distribution expenses

Selling and distribution expenses, which arose from the sale of property units, increased from S\$210,000 in 1Q2022 to S\$604,000 in 1Q2023 mainly due to higher sales commission and advertisement expenses in the Golden City project. These expenses comprised primarily of salaries and related costs for the sales and marketing staff, travelling and transportation costs, commissions and marketing expenses.

Administration Expenses

Administration expenses increased from S\$1.2 million in 1Q2022 to S\$1.5 million in 1Q2023, mainly due to higher unrealised exchange loss and higher professional fees incurred during the period.

Other Expenses

	<b>Group</b>		
	<b>1Q2023</b>	<b>1Q2022</b>	<b>Increase/(Decrease)</b>
	S\$'000	S\$'000	%
Other operating expense	177	163	8.6%
<b>Other expenses</b>	<b>177</b>	<b>163</b>	<b>8.6%</b>

Other expenses increased from S\$163,000 in 1Q2022 to S\$177,000 in 1Q2023 mainly due to higher operating expense arising from property management for the Golden City project.

Finance Costs

Finance costs increased from S\$2.1 million in 1Q2022 to S\$2.7 million in 1Q2023 mainly due to higher financing expense on borrowings. Finance costs mainly comprised of interest expenses incurred from borrowings, imputed financing expenses arising from advance consideration received from customers and imputed interest expenses (which have no cash flow impact) arising from the land lease premium from the Golden City project.

**2. Review of Financial Performance (1Q2023 vs 1Q2022) (Cont'd)**

Taxation

	<b>Group</b>		
	<b>1Q2023</b>	<b>1Q2022</b>	<b>Increase/(Decrease)</b>
	S\$'000	S\$'000	%
Income tax	-	(68)	(100.0%)
Deferred tax	28	1,883	(98.5%)
<b>Taxation</b>	<b>28</b>	<b>1,815</b>	<b>(98.5%)</b>

Taxation decreased from a tax credit of S\$1.8 million in 1Q2022 to S\$28,000 in 1Q2023 mainly due to the unwinding of deferred tax liabilities from the development property units that were progressively sold in 1Q2023 whilst in 1Q2022, there were unwinding of deferred tax liabilities from the allowance of foreseeable losses of development properties in the Golden City project. Deferred tax liabilities were recognized when the development properties were recorded at fair value after the Purchase Price Allocation exercise conducted by an independent professional valuer.

**3. Review of Financial Position (31 March 2023 vs 31 December 2022)**

**Non-Current Assets**

Investment properties, which are accounted for at fair value, decreased mainly due to transfer of 6 residential units from investment properties to development properties. Trade receivables, comprising of amounts due from buyers that are one year or more, have decreased mainly due to the re-classification from non-current assets to current assets as the trade receivables approached maturity and are collectible within one year as at 31 March 2023, partially offset as property units sold were progressively recognised as income upon handover.

**Current Assets**

Development properties decreased mainly due to the progressive recognition of income from property sold upon handover, partially offset by residential units transferred from investment properties during the period. The development properties acquired at acquisition date are being recorded at fair value after the Purchase Price Allocation exercise conducted by an independent professional valuer. Trade receivables increased as property units sold were progressively recognized as income upon handover, partially offset by payment of the outstanding amounts by customers. Included in the trade receivables were S\$5.4 million relating to receivables past due but not impaired as the amounts are not expected to be uncollectible due to Golden City having the right to repossess the unit in the event of default of payment by the buyers.

**Non-Current Liabilities**

Deferred tax liabilities decreased mainly due to the unwinding of deferred tax liabilities from the development property units that were progressively sold during the period, thereby reducing the deferred tax liabilities recognized for the development properties. Deferred tax liabilities relating to development properties were recognized when the development properties were recorded at fair value after the Purchase Price Allocation exercise conducted by an independent professional valuer and when development properties are transferred to investment properties following the commencement of operating leases. Accrued land lease premium decreased mainly due to exchange difference on translation. Advance consideration received from customers increased mainly due to sales made during the period.



**3. Review of Financial Position (31 March 2023 vs 31 December 2022) (Cont'd)**

**Current Liabilities**

Borrowings decreased mainly due to repayment of loans. Accrued land lease premium increased mainly due to imputed interest expense (which has no cashflow impact) arising from the land lease premium from the Golden City project, partially offset by the repayment of land lease premium. Trade and other payables decreased mainly due to payments made to suppliers. Advance consideration received from customers decreased mainly due to handover of property units in the Golden City project to buyers.

**4. Review of Cashflow**

Net cash generated from operating activities was approximately S\$1.4 million for 1Q2023 mainly due to changes in working capital.

Net cash generated from investing activities was approximately S\$7,000 for 1Q2023 due to interest received.

Net cash used in financing activities was approximately S\$3.2 million for 1Q2023 mainly due to bank balances pledged and repayment of loans, land lease premium and interest paid.

**5. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.**

The current results are in line with the commentary in paragraph 6 of the 2022 full year Results Announcement dated 28 February 2023.

**6. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the company operates and any known factors or events that may affect the company in the next reporting period and the next 12 months.**

The Group's core business lies in identifying and investing in niche markets, with particular focus on development properties, investment properties and other related businesses in which it may value-add. The Group's sole project, Golden City, is based in the Yankin township of Yangon, Myanmar.

**Golden City Project**

As at 31 March 2023, approximately US\$241.9 million (approximately S\$321.5 million) of gross development value comprising 705 units (932,700 square feet) of the Golden City project have been sold. Correspondingly, a total of 637 residential units have been recognised as revenue as at 31 March 2023. Barring any unforeseen circumstances, revenue for the remaining units sold is expected to be progressively recognised upon the handover of the units or one month after notification to buyers to take over the units, whichever occurs earlier. The Golden City project comprises 4 phases. Phase 1 and Phase 2 construction has been completed. Due to the impact of the political situation in Myanmar, the Board of Directors has decided to suspend the construction of Phase 3 and Phase 4 until the social and economic situation in Myanmar improves.

According to the World Bank, Myanmar's economy remains subject to significant uncertainty, with ongoing conflict disrupting business operations. Economic recovery from COVID-19 and the military coup is likely to be constrained by macroeconomic and regulatory uncertainty. In the absence of more shocks, gradual economic recovery is expected in the near term and growth is estimated at 3% for the fiscal year ending September 2023.

*("Uncertainty weights on Myanmar's economy", The World Bank, 30 January 2023)*

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**6. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the company operates and any known factors or events that may affect the company in the next reporting period and the next 12 months. (Cont'd)**

Businesses in Myanmar have highlighted the volatile exchange rate as the main economy difficulty, while also citing foreign currency shortage and ongoing trade restriction as major obstacles. The coup has triggered sanctions which discourage foreign investors to do business in Myanmar. This has led to a weak domestic market for businesses to turn a profit. The continued instability coupled with the junta's style of governing have also contributed to a pessimistic economic outlook.

*("Myanmar's economy lags but slow growth expected", Big News Network.com, 31 January 2023)*

The World Bank said in a regional report that widespread violence, worsening power shortages, and policy failures will continue to disrupt an economy already crippled by political and social turmoil. The business environment is unlikely to improve materially while electricity shortages, logistics disruptions, trade and foreign exchange restrictions, and regulatory uncertainty persist.

*("Myanmar economy to remain 'severely diminished' amid conflict: World Bank", The Strait Times, 31 March 2023)*

The Group continues to monitor the political situation in Myanmar following the state of emergency declared by the Myanmar military as the political situation in Myanmar continues to evolve and remains unclear at this stage. In the near term, the impact of the above is expected to weigh on the demand for properties, and short-term volatilities are likely given the fluidity of the situation, barring any further unforeseen material deterioration of the political situation in Myanmar. Should weaker economic prospects materialise, this may further adversely impact the Group's financial performance, due to but not limited to lower sales, delays in collections from customers, lower operating income, and lower property valuations. The Group is actively monitoring the situation and will announce material developments, if any.

**7. Where the latest financial statements are subjected to an adverse opinion, qualified opinion or disclaimer of opinion**

**a) Updates on the effort taken to resolve each outstanding audit issue**

Net realisable value of development properties

As at 31 March 2023, the Company has recognised allowance of foreseeable losses amounting to S\$41.3 million (Note 13.1). The allowance for foreseeable losses is determined by management after taking into consideration of the estimated selling prices. The estimated selling prices are based on recent selling prices for the development project and prevailing market conditions.

**b) Confirmation from the board that the impact of all outstanding audit issues on the financial statements have been adequately disclosed**

The Board confirms that all impact of outstanding audit issues on the financial statements in relation to FY2022 have been adequately disclosed.

**8. Dividend**

**(a) Current Financial Period Reported On**

**Any dividend declared for the current financial period reported on?**

No dividend has been declared or recommended.

**(b) Corresponding Period of the Immediately Preceding Financial Year**

**Any dividend declared for the corresponding period of the immediately preceding financial year?**

No dividend was declared or recommended.

**(c) Date payable**

Not applicable.

**(d) Record Date**

Not applicable.

**(e) If no dividend has been declared/recommended, a statement to that effect and the reason(s) for the decision**

No dividend has been declared or recommended for the financial period ended 31 March 2023 as the Company intends to reserve its cash resources to safeguard the Group's and the Company's ability to continue as a going concern.

**9. If the group has obtained a general mandate from shareholders for IPTs, the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.**

The Group has not obtained a general mandate from shareholders for Interested Party Transactions.

**10. Disclosure on the status on the use of proceeds raised from IPO and any offerings pursuant to Chapter 8 and whether the use of the proceeds is in accordance with the stated use. Where the proceeds have been used for working capital purposes, a breakdown with specific details on how the proceeds have been applied must be disclosed.**

No use of proceeds and no new proceeds have been raised in the first quarter ended 31 March 2023.

**11. Negative assurance confirmation on interim financial results under Rule 705(5)**

Joseph Lim and Zhu Xiaolin, being two of the Directors of Emerging Towns & Cities Singapore Ltd. (the "**Company**"), do hereby confirm on behalf of the Board of Directors of the Company that, to the best of the Board's knowledge, nothing has come to the attention of the Board which may render the unaudited financial results for the three months ended 31 March 2023 to be false or misleading in any material aspect, having considered that, including but not limited to, all material information has been assessed to ensure the reliability of the financial results, and the financial statements provide a fair and balanced view of any material factors that have affected the Company's business conditions and financial position.

**EMERGING TOWNS & CITIES SINGAPORE LTD.**  
**(Company Registration No. 198003839Z)**

- 12. Confirmation that the issuer had procured undertakings from all its directors and executive officers (in the format set out in Appendix 7H) under Rule 720(1).**

The Company confirms that it had procured undertakings from all its directors and executive officers in accordance with Rule 720(1) of the Catalist Rules.

ON BEHALF OF THE DIRECTORS

Ang Mong Seng  
Non-Executive Group Chairman

**BY ORDER OF THE BOARD**  
**15 May 2023**