

# EMERGING TOWNS & CITIES SINGAPORE LTD.

(Incorporated in the Republic of Singapore)

(Company Registration No. 198003839Z)

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## QUALIFIED OPINION BY INDEPENDENT AUDITOR IN THE AUDITED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

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Pursuant to Rule 704(4) of the Listing Manual Section B: Rules of Catalist of the Singapore Exchange Securities Trading Limited (the "**SGX-ST**"), the board of directors (the "**Board**") of Emerging Towns & Cities Singapore Ltd. (the "**Company**", together with its subsidiaries, collectively the "**Group**") wishes to announce that the Company's independent auditor, Foo Kon Tan LLP, had issued a qualified opinion on the consolidated financial statements of the Group and the statement of financial position of the Company for the financial year ended 31 December 2025 ("**FY2025**") ("**Independent Auditor's Report**"). The basis for the Qualified Opinion is in relation to the comparability of current year's figures and corresponding figures arising from discontinued operations.

A copy of the Independent Auditor's Report and an extract in relation to the Qualified Opinion are attached to this announcement. Shareholders of the Company are advised to read the Independent Auditor's Report and the audited consolidated financial statements of the Group for FY2025 ("**Audited Financial Statements**") in its entirety in the annual report for FY2025, which will be announced by the Company on SGXNET on 27 March 2026.

The shares in the Company have been suspended from trading on the SGX-ST since 3 March 2021. In the meantime, Shareholders and potential investors are advised to read this announcement and any further announcements by the Company carefully. Shareholders and potential investors are advised to exercise caution when dealing in the shares of the Company. Shareholder and potential investors should consult their stockbrokers, bank managers, solicitors, accountants or other professional advisers if they have any doubt about the actions they should take.

### BY ORDER OF THE BOARD

Tan Swee Gek  
Company Secretary

27 March 2026

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*This announcement has been reviewed by the Company's Sponsor, RHT Capital Pte. Ltd. (the "**Sponsor**"). It has not been examined or approved by the Singapore Exchange Securities Trading Limited (the "**Exchange**") and the Exchange assumes no responsibility for the contents of this document, including the correctness of any of the statements or opinions made or reports contained in this document.*

*The contact person for the Sponsor is Mr. Joseph Au at 36 Robinson Road, #10-06 City House, Singapore 068877, Email: [sponsor@rhtgoc.com](mailto:sponsor@rhtgoc.com).*

# Independent auditor's report to the members of Emerging Towns & Cities Singapore Ltd.

## Report on the Audit of the Financial Statements

### Qualified Opinion

We have audited the financial statements of Emerging Towns & Cities Singapore Ltd. (the "Company") and its subsidiaries (the "Group"), which comprise the consolidated statement of financial position of the Group and the statement of financial position of the Company as at 31 December 2025, and the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, except for the possible effects on the corresponding figures of the matter described in the *Basis for Qualified Opinion* section of our report, the accompanying financial statements are properly drawn up in accordance with the provisions of the Companies Act 1967 (the "Act") and Singapore Financial Reporting Standards (International) ("SFRS(I)s") so as to give a true and fair view of the consolidated financial position of the Group and the financial position of the Company as at 31 December 2025 and of the consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group for the year ended on that date.

### Basis for Qualified Opinion

#### Comparability of current year's figures and corresponding figures arising from discontinued operations

In our report dated 6 June 2025 on the financial statements for the financial year ended 31 December 2024 ("FY2024"), we expressed a qualified opinion because we were unable to determine whether the opening balances of the assets and liabilities of the Group and the Company as at 1 January 2024 were appropriately stated. These assets and liabilities of the Group and the Company were disposed of during FY2024. Accordingly, any adjustments found to be necessary may significantly affect the Group's financial performance, changes in equity and cash flows for FY2024 and the related disclosures in the notes to the financial statements for FY2024 arising from discontinued operations for FY2024. We were also unable to satisfy ourselves as to the presentation and disclosures relating to discontinued operations and disposal of subsidiaries in the financial statements for FY2024. In view of the above, our opinion on the current year's financial statements is qualified because of the possible effects of this matter on the comparability of the current year's figures and the corresponding figures arising from discontinued operations for FY2024.

We conducted our audit in accordance with Singapore Standards on Auditing ("SSAs"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Group in accordance with the Accounting and Corporate Regulatory Authority ("ACRA") *Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities* ("ACRA Code"), as applicable to audits of financial statements of public interest entities, together with the ethical requirements that are relevant to audits of the financial statements of public interest entities in Singapore. We have also fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

# Independent auditor's report to the members of Emerging Towns & Cities Singapore Ltd. (cont'd)

## Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matter described in the *Basis for Qualified Opinion* section, we have determined the matter described below to be the key audit matter to be communicated in our report.

### Key audit matter

### Our responses and work performed

#### Revenue recognition (refer to Note 2(d) and 18 to the financial statements)

Revenue recognition is a significant risk area, particularly in respect of the risks of management override and cut-off of revenue, to depict the transfer of control of promised goods or services to customers in an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services before revenue is recognised.

Under SSA 240 *The Auditor's Responsibility to Consider Fraud in an Audit of Financial Statements*, revenue recognition is a presumed fraud risk. Material misstatement due to fraudulent financial reporting relating to revenue recognition often results from an overstatement of revenues through, for example, premature revenue recognition, recording fictitious revenues, or improperly shifting revenues to a later period.

Our audit procedures included testing the Group's key internal controls over revenue. We assessed whether the revenue recognition policies adopted complied with SFRS(I) 15 *Revenue from Contracts with Customers* as detailed in Note 2(d) to the financial statements. We tested selected revenue transactions by assessing the revenue recognition procedures in accordance with SFRS(I) 15 and verifying to the relevant supporting source documents. We also performed revenue cut-off test to ascertain that sales were recorded in the correct accounting period. In addition, we considered the adequacy of disclosures in the financial statements.

# Independent auditor's report to the members of Emerging Towns & Cities Singapore Ltd. (cont'd)

## **Other Information**

Management is responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. As described in the *Basis for Qualified Opinion* section above, our opinion is qualified in respect of the possible effects on the comparability of the current year's figures and the corresponding figures arising from discontinued operations for FY2024. Accordingly, we are unable to conclude whether or not the other information is materially misstated with respect to this matter.

## **Responsibilities of Management and Directors for the Financial Statements**

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Act and SFRS(I)s, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

In preparing the financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The directors' responsibilities include overseeing the Group's financial reporting process.

# Independent auditor's report to the members of Emerging Towns & Cities Singapore Ltd. (cont'd)

## Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

# Independent auditor's report to the members of Emerging Towns & Cities Singapore Ltd. (cont'd)

## Auditor's Responsibilities for the Audit of the Financial Statements (Cont'd)

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

## Report on Other Legal and Regulatory Requirements

In our opinion, except for the possible effects on the corresponding figures of the matter described in the *Basis for Qualified Opinion* section of our report, the accounting and other records required by the Act to be kept by the Company and by those subsidiary corporation incorporated in Singapore of which we are the auditors have been properly kept in accordance with the provisions of the Act.

The engagement partner on the audit resulting in this independent auditor's report is Cheong Wenjie.

Foo Kon Tan LLP  
Public Accountants and  
Chartered Accountants  
Singapore

27 March 2026