

THIS LETTER TO SHAREHOLDERS IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. PLEASE READ IT CAREFULLY.

This Letter to Shareholders ("**Letter**") is circulated to shareholders ("**Shareholders**") of Emerging Towns & Cities Singapore Ltd. (the "**Company**") together with the Company's annual report for the financial year ended 31 December 2024 (the "**Annual Report**"). Its purpose is to provide Shareholders with information on and to explain the rationale for (i) the proposed renewal of the Share Purchase Mandate (defined below) and (ii) the proposed extension of the Option Period (defined below) to the Revised Option Period (defined below) to be tabled at the Annual General Meeting of Shareholders to be held at 160 Robinson Road, #06-01 SBF Center, Singapore 068914 on 23 June 2025 at 10 a.m. If you are in any doubt in relation to this Letter or as to the action you should take, you should consult your stockbroker, bank manager, solicitor, accountant, tax adviser or other professional adviser immediately.

The Notice of Annual General Meeting and Proxy Form are enclosed with the Annual Report.

If you have sold or transferred all your ordinary shares in the capital of the Company ("**Shares**") held through The Central Depository (Pte) Limited ("**CDP**"), you need not forward this Letter and the Annual Report with the Notice of Annual General Meeting and the attached Proxy Form to the purchaser or transferee as arrangements will be made by CDP for a separate Letter and the Annual Report with the Notice of Annual General Meeting and the attached Proxy Form to be sent to the purchaser or transferee. If you have sold or transferred all your Shares which are not deposited with the CDP, you should immediately forward this Letter and the Annual Report with the Notice of Annual General Meeting and the attached Proxy Form to the purchaser or transferee, or to the bank, stockbroker or agent through whom the sale or transfer was effected for onward transmission to the purchaser or transferee.

The legal adviser appointed by the Company for the purpose of the corporate actions set out in this Letter is Wong Tan & Molly Lim LLC.

This Letter 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.



EMERGING TOWNS & CITIES SINGAPORE LTD.

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

LETTER TO SHAREHOLDERS IN RELATION TO

(1) THE PROPOSED RENEWAL OF THE SHARE PURCHASE MANDATE

(2) THE PROPOSED EXTENSION OF THE OPTION PERIOD OF THE MANAGEMENT OPTIONS TO THE REVISED OPTION PERIOD

IMPORTANT DATES AND TIMES

Last date and time for submission of questions	:	14 June 2025 at 10 a.m.
Last date and time for lodgment of Proxy Form	:	20 June 2025 at 10 a.m.
Date and time of Annual General Meeting	:	23 June 2025 at 10 a.m.
Place of Annual General Meeting	:	160 Robinson Road, #06-01 SBF Center, Singapore 068914

CONTENTS

Page

	DEFINITIONS	3
	LETTER TO SHAREHOLDERS	
1	INTRODUCTION	7
	1.1 Annual General Meeting	7
	1.2 Purpose of this Letter	7
2	THE PROPOSED RENEWAL OF SHARE PURCHASE MANDATE	7
	2.1 Background	7
	2.2 Rationale for the Proposed Renewal of the Share Purchase Mandate	8
	2.3 Authority and Limits of the Share Purchase Mandate	8
	2.3.1 Maximum Number of Shares	8
	2.3.2 Duration of Authority	9
	2.3.3 Manner of purchases or acquisitions of Shares	9
	2.3.4 Maximum purchase price	10
	2.4 Status of Purchased Shares	10
	2.5 Source of Funds	12
	2.6 Financial Effects	12
	2.7 Reporting Requirements	15
	2.8 Catalyst Rules	15
	2.9 Take-over Implications	16
	2.10 Tax implications arising from Share Purchases	17
	2.11 Shares Purchased by the Company	17
	2.12 Interested Persons	17
3	EXTENSION OF THE OPTION PERIOD OF THE MANAGEMENT OPTIONS TO THE REVISED OPTION PERIOD	17
	3.1 Background	17
	3.2 Extension of the Original Option Period to the Revised Option Period	17
4	INTERESTS OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS AND SHAREHOLDING STRUCTURE OF THE COMPANY	19
5	DIRECTORS' RECOMMENDATION	20
6	ANNUAL GENERAL MEETING	20
7	ACTION TO BE TAKEN BY THE SHAREHOLDERS	20
8	DIRECTORS' RESPONSIBILITY STATEMENT	22
9	DOCUMENTS AVAILABLE FOR INSPECTION	22

DEFINITIONS

In this Letter, the following definitions apply throughout unless the context otherwise requires or unless otherwise stated:

“ACRA”	: The Accounting and Corporate Regulatory Authority of Singapore
“AGM”	: The annual general meeting of the Company to be held on 23 June 2025 at 160 Robinson Road, #06-01 SBF Center, Singapore 068914 at 10 a.m.
“Annual Report”	: The Company's annual report for the financial year ended 31 December 2024
“Associate”	: (a) In relation to any Director, Chief Executive Officer, Substantial Shareholder or Controlling Shareholder (being an individual) means: (i) his immediate family; (ii) the trustees of any trust of which he or his immediate family is a beneficiary or, in the case of a discretionary trust, is a discretionary object; and (iii) any company in which he and his immediate family together (directly or indirectly) have an interest of 30% or more; (b) In relation to a Substantial Shareholder or Controlling Shareholder (being a company) means any company which is its subsidiary or holding company or is a subsidiary of any such holding company or one in the equity of which it and/or such other company or companies taken together (directly or indirectly) have an interest of 30% or more
“Board”	: The board of Directors of the Company
“Catalist”	: The Catalist Board of the SGX-ST
“Catalist Rules”	: Listing Manual – Section B: Rules of Catalist of the SGX-ST, as amended, modified or supplemented from time to time
“CDP”	: The Central Depository (Pte) Limited
“Companies Act”	: Companies Act 1967 of Singapore, as amended, modified or supplemented from time to time
“Company”	: Emerging Towns & Cities Singapore Ltd.
“Constitution”	: The Constitution of the Company, as amended from time to time
“Control”	: The capacity to dominate decision-making, directly or indirectly, in relation to the financial and operating policies of the Company
“Controlling Shareholder”	: A person who: (a) holds directly or indirectly 15% or more of all voting shares in the Company (unless the SGX-ST determines that such a person is not a Controlling Shareholder); or (b) in fact exercises Control over the Company
“CPF”	: Central Provident Fund

DEFINITIONS

“Directors”	:	The directors of the Company as at the Latest Practicable Date and each a “Director”
“EPS”	:	Earnings per Share
“FY2024”	:	The financial year ended 31 December 2024
“Group”	:	The Company and its subsidiaries
“Group Employees”	:	Key members of management of HJC, being Mr Duan Yupeng, Ms Zhu Li and Mr Li Liwei
“HJC”	:	Hainan Jiupeng Chuhe Technology Co., Ltd. (海南九鹏初禾科技有限公司) (Registration No. 91460000MADELT3G7W)
“Latest Practicable Date”	:	5 June 2025, being the latest practicable date prior to the publication of this Letter
“Letter”	:	This letter to Shareholders dated 6 June 2025
“Management Options”	:	The Option FY2024 and Option FY2025, being the options to subscribe for an aggregate amount of 239,080,000 Management Option Shares granted pursuant to the Management Option Agreements at the Options Exercise Price
“Management Agreements”	Option :	The option agreements dated 26 July 2024 and entered into between the Company and each of Mr Duan Yupeng and Ms Zhu Li, and the option agreement dated 15 October 2024 and entered into between the Company and Mr Li Liwei, respectively
“Management Shares”	Option :	The number of new ordinary shares each in the capital of the Company upon exercise of the Management Options, being an aggregate number of 239,080,000 new ordinary shares
“Notice of AGM”	:	The notice of the AGM which is set out on pages 156 to 163 of the Annual Report
“Notification”	:	The written notice to be given by the Company upon satisfaction of the Targets to notify the Group Employees of the commencement of the Option Period
“November 2024 Circular”	:	The circular dated 15 November 2024 issued by the Company to Shareholders relating to, <i>inter alia</i> , the grant of the Management Options
“NTA”	:	Net tangible assets
“Options Exercise Price”	:	The exercise price of approximately S\$0.004647 per share
“Option FY2024”	:	The right to subscribe for the Option Shares FY2024 in accordance with the respective Management Option Agreements
“Option FY2025”	:	The right to subscribe for the Option Shares FY2025 in accordance with the respective Management Option Agreements
“Option Period”	:	The period during which the Management Options may be exercised
“Option Shares FY2024”	:	The 119,540,000 new ordinary shares to be issued credited as fully paid up upon exercise of the Option FY2024 in accordance with the terms of the respective Management Options Agreements, such ordinary shares to rank <i>pari passu</i> in all respects with all other existing Shares

DEFINITIONS

“Option Shares FY2025”	: The 119,540,000 new ordinary shares to be issued credited as fully paid up upon exercise of the Option FY2025 in accordance with the terms of the respective Management Options Agreements, such ordinary shares to rank <i>pari passu</i> in all respects with all other existing Shares
“Original Option Period”	: The period commencing from the date of the Notification and expiring on the date falling 3 months from the date of the Notification or such other date as may be agreed between the parties
“Outstanding Options”	: The 15,000,000 options granted under The Cedar Strategic Holdings Ltd. Employee Share Option Scheme approved by the Shareholders at an extraordinary general meeting of the Company held on 21 August 2009 (each option carrying the right to subscribe for one (1) new Share in the capital of the Company at an exercise price of S\$0.075 exercisable from the date falling 24 months after the date of the grant up till 17 May 2026) existing as at the Latest Practicable Date that were previously issued by the Company, the number and issue price of which have been adjusted pursuant to the completion of the Company's consolidation of every twenty-five (25) existing ordinary shares to one (1) consolidated share, fractional entitlements to be disregarded, as disclosed in the Company's announcement dated 5 December 2016
“Public Shareholders”	: Persons other than the Directors, chief executive officer, Substantial Shareholders or Controlling Shareholders of the Company and its subsidiaries, as well as the Associates of such persons
“Register of Members”	: Register of members of the Company
“Register of Substantial Shareholders”	: Register of Substantial Shareholders of the Company
“Registrar”	: The Registrar of Companies appointed under the Companies Act and includes any Deputy or Assistant Registrar of Companies
“Remuneration Committee”	: The remuneration committee of the Company
“Revised Option Period”	: The period commencing from the date of the Notification and expiring on the date falling 36 months from the date of the Notification or such other date as may be agreed between the parties
“Securities Account”	: A securities account maintained by a Depositor with the CDP but not including a securities sub-account maintained with a Depository Agent
“Securities and Futures Act”	: Securities and Futures Act 2001 of Singapore, as amended, modified or supplemented from time to time
“SGX-ST”	: Singapore Exchange Securities Trading Limited
“SGXNET”	: The SGXNET Corporate Announcement System, being a system network used by listed companies to send information and announcements to the SGX-ST or any other system networks prescribed by the SGX-ST
“Share Purchase Mandate”	: The general mandate given to the Company for the purchase or acquisition by the Company of its issued Shares
“Share Registrar”	: The share registrar of the Company
“Shareholders”	: The registered holders of Shares in the register of members of the Company, except that where the registered holder is CDP, the term “Shareholders” shall, in relation to such Shares and where the context

DEFINITIONS

	so admits, mean the Depositors whose securities accounts are credited with such Shares
“Shares”	: Issued and paid-up ordinary shares in the capital of the Company, and each a “Share”
“Sponsor”	: RHT Capital Pte. Ltd.
“Substantial Shareholder”	: A person (including a corporation) who has an interest in not less than 5% of the total issued voting Shares
“Supplemental Management Option Agreements”	: The supplemental option agreements dated 6 June 2025 and entered into between the Company and each of Mr Duan Yupeng, Ms Zhu Li, and Mr Li Liwei, respectively
“Take-over Code”	: Singapore Code on Take-overs and Mergers
“Targets”	: (a) for Option FY2024: net profit of HJC based on the audited accounts of HJC for the financial period from date of incorporation and ending 31 December 2024 of at least RMB11 million, excluding fair value gain or loss, intra-group management fees and charges; and (b) for Option FY2025: net profit of HJC based on the audited accounts of HJC for the financial year ending 31 December 2025 of at least RMB20 million, excluding fair value gain or loss, intragroup management fees and charges
“RMB”	: Renminbi, being the lawful currency of the People's Republic of China
“S\$” and “cents”	: Singapore dollars and cents respectively, being the lawful currency of Singapore
“%” or “per cent.”	: Per centum or percentage

The terms **“Depositor”**, **“Depository Agent”** and **“Depository Register”** shall have the meanings ascribed to them respectively in Section 81SF of the Securities and Futures Act.

The terms **“subsidiaries”** and **“related corporations”** shall have the meanings ascribed to them respectively in Sections 5 and 6 of the Companies Act.

Words importing the singular shall, where applicable, include the plural and *vice versa* and words importing the masculine gender shall, where applicable, include the feminine and neuter genders and *vice versa*. References to persons shall, where applicable, include corporations.

Any reference to a time of day and date in this Letter is made by reference to Singapore time and date, unless otherwise stated.

Any reference in this Letter to any enactment is a reference to that enactment as for the time being amended or re-enacted. Any word defined under the Companies Act, the Catalist Rules, the Take-over Code or any statutory or regulatory modification thereof and not otherwise defined in this Letter shall, where applicable, have the meaning ascribed to it under the Companies Act, the Catalist Rules, the Take-over Code or any such statutory or regulatory modification thereof, as the case may be, unless the context otherwise requires.

The headings in this Letter are inserted for convenience only and shall be ignored in construing this Letter.

Any discrepancies in figures included in this Letter between the amounts listed and their actual values are due to rounding. Accordingly, figures may have been adjusted to ensure that totals or sub-totals shown, as the case may be, reflect an arithmetic aggregation of the figures that precede them.

Any reference in this Letter being allotted to a person includes allotment to CDP for the account of that person.

LETTER TO SHAREHOLDERS



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

Board of Directors:

Ang Mong Seng (*Non-Executive and Independent Group Chairman*)
Ye Binlin (*Independent Director*)
Teo Cheng Kwee (*Non-Executive Director*)
Zhu Xiaolin (*Non-Executive Director*)
Joseph Lim (*Executive Director and Chief Executive Officer*)

Registered Office:

80 Robinson Road
#17-02 Singapore
068898

6 June 2025

To: The Shareholders of Emerging Towns & Cities Singapore Ltd.

Dear Sir/Madam

LETTER TO SHAREHOLDERS IN RELATION TO (1) THE PROPOSED RENEWAL OF THE SHARE PURCHASE MANDATE AND (2) THE PROPOSED EXTENSION OF THE OPTION PERIOD OF THE MANAGEMENT OPTIONS TO THE REVISED OPTION PERIOD

1 INTRODUCTION

1.1 Annual General Meeting

The Board refers to Resolution 9 in item 10 and Resolution 10 in item 11 of the Notice of AGM in relation to the proposed renewal of the Share Purchase Mandate and the proposed extension of the Option Period respectively, which are to be tabled at the AGM to be held on 23 June 2025.

1.2 Purpose of this Letter

- 1.2.1 The purpose of this Letter is to provide Shareholders with information pertaining to Resolution 9 and Resolution 10.
- 1.2.2 **The SGX-ST takes no responsibility for the accuracy of any of the statements made or opinions made or reports contained in this Letter.**

2 THE PROPOSED RENEWAL OF SHARE PURCHASE MANDATE

2.1 Background

- 2.1.1 Any purchase or acquisition of its Shares by the Company has to be made in accordance with, and in the manner prescribed by the Companies Act, the Catalyst Rules, the Constitution and such other laws and regulations as may for the time being be applicable.
- 2.1.2 It is a requirement under the Companies Act that a company which wishes to purchase or otherwise acquire its own shares has to obtain the approval of its shareholders to do so at a general meeting of its shareholders. It is also a requirement under the Catalyst Rules that an issuer which wishes to purchase its own shares should obtain the prior approval of its shareholders in a general meeting.

LETTER TO SHAREHOLDERS

Accordingly, approval is being sought from Shareholders at the AGM for the proposed renewal of the Share Purchase Mandate.

- 2.1.3 At the annual general meeting held on 26 April 2024, Shareholders had approved, *inter alia*, the renewal of the Share Purchase Mandate authorising the Company to purchase or acquire its Shares. The authority conferred through the existing Share Purchase Mandate will expire on 23 June 2025, being the date of the forthcoming AGM. In this regard, Shareholders' approval is being sought at the AGM for the proposed renewal of the Share Purchase Mandate by way of an ordinary resolution.
- 2.1.4 Notwithstanding the approval of the proposed renewal of the Share Purchase Mandate at the forthcoming AGM, the prior approval of Shareholders by way of an ordinary resolution will be required for each annual renewal of the Share Purchase Mandate.

2.2 Rationale for the Proposed Renewal of the Share Purchase Mandate

- 2.2.1 The approval of the proposed renewal of the Share Purchase Mandate authorising the Company to purchase or acquire its Shares would give the Company the flexibility to undertake Share purchases or acquisitions up to the limit described in paragraph 2.3 below at any time, subject to market conditions, during the period when the Share Purchase Mandate is in force.
- 2.2.2 The rationale for the Company to undertake a purchase or acquisition of its Shares is as follows:
- (a) the purchase by the Company of its issued shares is one of the ways in which the return on equity of the Company may be improved, thereby increasing Shareholder value. By obtaining a Share Purchase Mandate, the Company will have the flexibility to undertake purchases of Shares at any time, subject to market conditions, during the period when the Share Purchase Mandate is in force;
 - (b) the Share Purchase Mandate will also facilitate the return to the Shareholders by the Company of surplus cash (if any) which is in excess of the Group's financial needs in an expedient and cost-effective manner;
 - (c) Share purchases also allow the Board to exercise control over the Company's share structure with a view to enhancing the EPS and/or the NTA value per Share; and
 - (d) the Board further believes that Share purchases by the Company may help to mitigate short-term market volatility in the price of the Shares, off-set the effects of short-term speculation and bolster Shareholders' confidence.
- 2.2.3 If and when circumstances permit, the Board will decide whether to effect the Share purchase or acquisition, after taking into account the relevant factors such as the financial resources available, the prevailing market conditions and the cost and timing involved. No purchase or acquisition of Shares will be made in circumstances which would have or may have a material adverse effect on the liquidity and capital adequacy position of the Group as a whole.
- 2.2.4 Notwithstanding that Shares in the Company have been suspended from trading on the SGX-ST since 3 March 2021, the approval of the proposed renewal of the Share Purchase Mandate provides the Company the flexibility to undertake Share purchases or acquisitions without calling for an additional extraordinary general meeting, which would incur additional costs and time.

2.3 Authority and Limits of the Share Purchase Mandate

The authority and limitations placed on the purchases or acquisitions of Shares by the Company under the Share Purchase Mandate, if approved at the AGM, are summarised below:

2.3.1 Maximum Number of Shares

- (a) The total number of Shares which may be purchased or acquired by the Company pursuant to the Share Purchase Mandate is limited to that number of Shares representing not more than 10% of the number of the Company's issued Shares as at the date on which the resolution authorising the renewal of the Share Purchase Mandate is passed, unless the Company has effected a reduction of the share capital of the Company in accordance with the

LETTER TO SHAREHOLDERS

applicable provisions of the Companies Act, at any time during the Relevant Period, in which event, the total number of Shares of the Company shall be taken to be the total number of Shares of the Company as altered.

- (b) For the above purposes, “**Relevant Period**” means the period commencing from the date on which the resolution authorising the renewal of the Share Purchase Mandate is passed, and expiring on the date the next annual general meeting of the Company is held or is required by law to be held, whichever is the earlier.
- (c) Any Shares which are held as treasury shares or subsidiary holdings will be disregarded for the purpose of computing the 10% limit. As at the Latest Practicable Date, the Company does not hold any treasury shares and there are no subsidiary holdings.
- (d) Solely for illustrative purposes, based on 982,072,934 Shares in issue as at the Latest Practicable Date, and assuming that no further Shares are issued on or prior to the AGM, not more than 98,207,293 Shares (representing 10% of the Shares in issue as at that date) may be purchased or acquired by the Company pursuant to the Share Purchase Mandate.

2.3.2 Duration of Authority

- (a) Purchases or acquisitions of Shares may be made, at any time and from time to time, by the Company on and from the date of the AGM at which the Share Purchase Mandate is approved, up to the earliest of:
 - (i) the date on which the next annual general meeting of the Company is held or required by law to be held; or
 - (ii) the date on which the purchases or acquisitions of Shares pursuant to the Share Purchase Mandate are carried out to the full extent mandated; or
 - (iii) the date on which the authority conferred by the Share Purchase Mandate is revoked or varied by the Shareholders in general meeting.
- (b) The Share Purchase Mandate may be renewed at subsequent annual general meetings or other general meetings of the Company.

2.3.3 Manner of purchases or acquisitions of Shares

Purchases or acquisitions of Shares may be effected by the Company by way of:

- (a) on-market purchases (“**Market Purchases**”), transacted on the SGX-ST through the ready market through one or more duly licensed dealers appointed by the Company for the purpose; and/or
- (b) off-market purchases (“**Off-Market Purchases**”) (if effected otherwise than on the SGX-ST) in accordance with any equal access scheme(s) as may be determined or formulated by the Directors as they may consider fit, which scheme(s) shall satisfy all the conditions prescribed by the Companies Act and the Catalist Rules.

In an Off-Market Purchase, the Directors may impose such terms and conditions which are not inconsistent with the Share Purchase Mandate, the Catalist Rules and the Companies Act and other applicable laws and regulations, as they consider fit in the interests of the Company in connection with or in relation to any equal access scheme or schemes. An equal access scheme must, however, satisfy all the following conditions:

- (i) offers for the purchase or acquisition of Shares shall be made to every person who holds Shares to purchase or acquire the same percentage of their Shares;
- (ii) all of those persons shall be given a reasonable opportunity to accept the offers made; and
- (iii) the terms of all the offers are the same, except that there shall be disregarded (1) differences in consideration attributable to the fact that offers may relate to Shares with different accrued

LETTER TO SHAREHOLDERS

dividend entitlements, (2) differences in consideration attributable to the fact that the offers may relate to Shares with different amounts remaining unpaid and (3) differences in the offers introduced solely to ensure that each person is left with a whole number of Shares.

Under Rule 870 of the Catalist Rules, if the Company wishes to make an Off-Market Purchase in accordance with an equal access scheme, it will issue an offer document containing at least the following information:

- (A) the terms and conditions of the offer;
- (B) the period and procedures for acceptances;
- (C) the reasons for the proposed purchase or acquisition of Shares;
- (D) the consequences, if any, of the purchase or acquisition of Shares that will arise under the Take-over Code or other applicable take-over rules;
- (E) whether the purchase or acquisition of Shares, if made, could affect the listing of the Company's shares on the SGX-ST;
- (F) details of any share purchase made by the Company in the previous 12 months (whether Market Purchases or Off-Market Purchases), giving the total number of Shares purchased, the purchase price per Share or the highest and lowest prices paid for the purchases of Shares, where relevant, and the total consideration paid for the purchases; and
- (G) whether the Shares purchased by the Company will be cancelled or kept as treasury shares.

2.3.4 Maximum purchase price

The purchase price (excluding related brokerage, commission, applicable goods and services tax, stamp duties, clearance fees and other related expenses) to be paid by the Company for the Shares as determined by the Directors must not exceed:

- (a) in the case of a Market Purchase, 105% of the Average Closing Price (as defined hereinafter); and
- (b) in the case of an Off-Market Purchase, 115% of the Average Closing Price (as defined hereinafter),

(each, the "**Maximum Price**").

For the above purposes:

"Average Closing Price" means the average of the closing market prices of a Share over the last five (5) Market Days, on which transactions in the Shares were recorded, immediately preceding the date of making the Market Purchase or, as the case may be, the day of the making of an offer pursuant to the Off-Market Purchase, and deemed to be adjusted, in accordance with the rules of the SGX-ST, for any corporate action that occurs during the relevant five (5) day period and the day on which the purchases are made; and

"day of the making of the offer" means the day on which the Company announces its intention to make an offer for the purchase of Shares from Shareholders, stating the purchase price (which shall not be more than the Maximum Price calculated on the foregoing basis) for each Share and the relevant terms of the equal access scheme for effecting the Off-Market Purchase.

2.4 **Status of Purchased Shares**

- 2.4.1 A Share purchased or acquired by the Company is deemed cancelled immediately on purchase or acquisition (and all rights and privileges attached to the Share will expire on such cancellation) unless such Share is held by the Company as a treasury share.

LETTER TO SHAREHOLDERS

2.4.2 At the time of each purchase of Shares by the Company, the Board will decide whether the Shares purchased will be cancelled or kept as treasury shares, or partly cancelled and partly kept as treasury shares, depending on the needs of the Company and as the Board deems fit in the interests of the Company at that time.

2.4.3 Some of the provisions on treasury shares under the Companies Act are summarised below:

(a) *Maximum Holdings*

The maximum number of treasury shares which may be held by the Company is as follows:

- (i) the Company if having only one (1) class of shares shall not hold treasury shares exceeding 10% of the total number of such shares; or
- (ii) the Company if having more than one (1) class of shares shall not hold treasury shares of that class exceeding 10% of the total number of issued shares in that class at any time;

and in the event that the Company holds in its treasury more than 10% of the total number of issued shares in any class of its shares, it shall cancel the excess within six (6) months or such further period as the Registrar may allow.

(b) *Voting and Other Rights*

The Company cannot exercise any right in respect of treasury shares. In particular, the Company cannot exercise any right to attend or vote at meetings and for the purposes of the Companies Act, the Company shall be treated as having no right to vote and the treasury shares shall be treated as having no voting rights.

Further, no dividend may be paid, and no other distribution of the Company's assets may be made to the Company in respect of treasury shares. However, the allotment of shares as fully paid bonus shares in respect of treasury shares is allowed. Also, a subdivision or consolidation of any treasury share into treasury shares of a greater or smaller number is allowed so long as the total value of the treasury shares after the subdivision or consolidation is the same as before.

(c) *Disposal and Cancellation*

Where Shares are held as treasury shares, the Company may at any time:

- (i) sell the treasury shares for cash;
- (ii) transfer the treasury shares for the purposes of or pursuant to any share scheme, whether for employees, directors or other persons;
- (iii) transfer the treasury shares as consideration for the acquisition of shares in or assets of another company or assets of a person;
- (iv) cancel the treasury shares; or
- (v) sell, transfer or otherwise use the treasury shares for such other purposes as may be prescribed by the Minister for Finance.

2.4.4 Under Rule 704(31) of the Catalist Rules, the Company must immediately announce any sale, transfer, cancellation and/or use of treasury shares, stating the following:

- (a) date of the sale, transfer, cancellation and/or use;
- (b) purpose of such sale, transfer, cancellation and/or use;
- (c) number of treasury shares sold, transferred, cancelled and/or used;

LETTER TO SHAREHOLDERS

- (d) number of treasury shares before and after such sale, transfer, cancellation and/or use;
- (e) percentage of the number of treasury shares against the total number of shares outstanding in a class that is listed before and after such sale, transfer, cancellation and/or use; and
- (f) value of the treasury shares if they are used for a sale or transfer, or cancelled.

2.5 Source of Funds

2.5.1 The Companies Act permits any purchase or acquisition of shares to be made out of a company's capital or profits so long as the company is solvent. Such a payment shall include any expenses (including brokerage or commission) incurred directly in the purchase or acquisition of Shares. For this purpose, a company is solvent if:

- (a) there is no ground on which the company could be found to be unable to pay its debts;
- (b) if:
 - (i) it is intended to commence winding up of the company within the period of 12 months immediately after the date of the payment, the company will be able to pay its debts in full within the period of 12 months after the date of commencement of the winding up; or
 - (ii) it is not intended so to commence winding up, the company will be able to pay its debts as they fall due during the period of 12 months immediately after the date of the payment; and
- (c) the value of the company's assets is not less than the value of its liabilities (including contingent liabilities) and will not after the proposed purchase or acquisition, become less than the value of its liabilities (including contingent liabilities).

2.5.2 The Company intends to use internal sources of funds or external borrowings or a combination of both to finance the Company's purchase or acquisition of the Shares pursuant to the Share Purchase Mandate. In purchasing or acquiring Shares pursuant to the Share Purchase Mandate, the Board will, principally consider the availability of internal resources. In addition, the Board will also consider the availability of external financing. However, in considering the option of external financing, the Board will consider particularly the prevailing gearing level of the Group. The Board will only make purchases or acquisitions pursuant to the Share Purchase Mandate in circumstances which they believe will not result in any material adverse effect to the financial position of the Company or the Group.

2.6 Financial Effects

2.6.1 The financial effects on the Company and the Group arising from purchases or acquisitions of Shares which may be made pursuant to the Share Purchase Mandate will depend on, *inter alia*, the aggregate number of Shares purchased or acquired, the price paid for such Shares, whether the purchase or acquisition was made out of profits and/or capital and whether the Shares purchased or acquired are held in treasury or cancelled.

2.6.2 Purchase or acquisition made out of capital and/or profits

Where the consideration paid by the Company for the purchase or acquisition of Shares is made out of profits, such consideration (excluding related brokerage, goods and services tax, stamp duties and clearance fees) will correspondingly reduce the amount available for the distribution of cash dividends by the Company.

Where the consideration paid by the Company for the purchase or acquisition of Shares is made out of capital, such consideration will correspondingly reduce the share capital of the Company but the amount available for the distribution of cash dividends by the Company will not be reduced.

Where the purchase of Shares is financed through internal resources, it will reduce the cash reserves of the Company and the Group, and thus the current assets and shareholders' funds of the Company and the Group. This will result in an increase in the gearing ratios of the Company and the Group and

LETTER TO SHAREHOLDERS

a decline in the current ratios of the Company and the Group. The actual impact on the gearing and current ratios will depend on the number of Shares purchased or acquired and the price paid for such Shares.

Where the purchase or acquisition of Shares is financed through external borrowings or financing, there would be an increase in the gearing ratios of the Company and the Group, and a decline in the current ratios and shareholders' funds of the Company and the Group, with the actual impact dependent on the number of Shares purchased or acquired and the prices at which the Shares are purchased or acquired.

2.6.3 Number of Shares purchased or acquired

For illustrative purposes only, on the basis of 982,072,934 Shares as at the Latest Practicable Date, assuming that no further Shares are issued on or prior to the AGM, the purchase by the Company of 10% of its issued Shares will result in the purchase or acquisition of 98,207,293 Shares.

2.6.4 Maximum Price paid for Shares purchased or acquired

In the case of Market Purchase by the Company, assuming that the Company purchases or acquires 98,207,293 Shares at the Maximum Price of S\$0.0368 per Share (being the price equivalent to 105% of the Average Closing Price¹, the maximum amount of funds required for the purchase or acquisition of the 98,207,293 Shares (excluding brokerage, stamp duties, commission, applicable goods and services tax and other related expenses) is approximately S\$3,614,000.

In the case of an Off-Market Purchase by the Company, assuming that the Company purchases or acquires 98,207,293 Shares at the Maximum Price of S\$0.0403 per Share (being the price equivalent to 115% of the Average Closing Price, the maximum amount of funds required for the purchase or acquisition of the 98,207,293 Shares (excluding brokerage, stamp duties, commission, applicable goods and services tax and other related expenses) is approximately S\$3,958,000.

2.6.5 Illustrative Financial Effects

For illustrative purposes only, on the basis of the assumptions set out below and based on the audited financial statements of the Group for FY2024 and assuming that:

- (i) the Share Purchase Mandate had been effective on 1 January 2024;
- (ii) the purchases or acquisitions of Shares are financed solely by non-current borrowings with no interest charged on the borrowings; and
- (iii) there were no expenses incurred directly in such purchases of Shares,

the financial effects of the purchase or acquisition of such Shares by the Company based on the audited financial statements of the Group for FY2024 would have been as follows:

31 December 2024	Before Share Purchase S\$'000	After Share Purchase assuming Market Purchase S\$'000		After Share Purchase assuming Off-Market Purchase S\$'000	
		Shares cancelled	Shares held as treasury shares	Shares cancelled	Shares held as treasury shares
Capital and Reserves					
Share capital	43,580	39,966	43,580	39,622	43,580
Treasury Shares	-	-	(3,614)	-	(3,958)
Reserves	(40,180)	(40,180)	(40,180)	(40,180)	(40,180)

¹ For illustrative purposes, "Average Closing Price" in paragraph 2.6.4 refers to the means the average of the closing market prices of a Share over the last five (5) Market Days, on which transactions in the Shares were recorded, immediately preceding the suspension of the Company's shares on 3 March 2021.

LETTER TO SHAREHOLDERS

Total Equity					
Attributable to Owners	3,400	(214)	(214)	(558)	(558)
Non-controlling interest	460	460	460	460	460
Total Equity	3,860	246	246	(98)	(98)
Current assets	8,397	8,397	8,397	8,397	8,397
Current liabilities	6,804	6,804	6,804	6,804	6,804
Total borrowings	-	3,614	3,614	3,958	3,958
Cash and cash equivalents	5,471	5,471	5,471	5,471	5,471
Number of issued Shares ('000)	982,073	883,866	883,866	883,866	883,866
Financial ratios					
Basic EPS (cents)	(5.59)	(6.21)	(6.21)	(6.21)	(6.21)
NTA per Share ⁽¹⁾					
(cents)	0.39	0.03	0.03	(0.01)	(0.01)
Current ratio (times)	1.23	1.23	1.23	1.23	1.23
Gearing ratio (%) ⁽²⁾	-	N.M	N.M	N.M	N.M
Return on Equity (%) ⁽³⁾	N.M	N.M	N.M	N.M	N.M

* N.M: Not meaningful

Notes:

- (1) "NTA per Share" is calculated based on the Net Tangible Assets.
- (2) "Gearing ratio" is calculated using the ratio of total borrowings to total equity.
- (3) "Return on Equity" is calculated based on the net profits attributable to owners of the Company and total equity less non-controlling interests.

SHAREHOLDERS SHOULD NOTE THAT THE FINANCIAL EFFECTS SET OUT ABOVE ARE PURELY FOR ILLUSTRATIVE PURPOSES ONLY AND HAVE BEEN PREPARED ON THE ASSUMPTION THAT THE COMPANY EXERCISES THE SHARE PURCHASE MANDATE UP TO 10% IN THE CASE OF MARKET PURCHASES AND 10% IN THE CASE OF OFF-MARKET PURCHASES, BEING THE MAXIMUM NUMBER OF SHARES THE COMPANY IS ABLE TO PURCHASE UNDER THE SHARE PURCHASE MANDATE, HAVING REGARD TO (i) THE REQUIREMENT FOR THE COMPANY TO REMAIN SOLVENT AND (ii) THE MAXIMUM PRICES AS CALCULATED IN THE MANNER PROVIDED FOR ABOVE.

SHAREHOLDERS SHOULD NOTE THAT ALTHOUGH THE SHARE PURCHASE MANDATE WOULD AUTHORISE THE COMPANY TO PURCHASE OR ACQUIRE UP TO 10% OF THE ISSUED SHARES, THE COMPANY MAY NOT NECESSARILY PURCHASE OR ACQUIRE OR BE ABLE TO PURCHASE OR ACQUIRE THE ENTIRE 10% OF THE ISSUED SHARES. IN PARTICULAR, THE MAXIMUM NUMBER OF SHARES THAT THE COMPANY MAY PURCHASE UNDER THE SHARE PURCHASE MANDATE IS LIMITED TO THE EXTENT THAT THE COMPANY WILL REMAIN SOLVENT. THE DIRECTORS DO NOT INTEND TO EXERCISE THE SHARE PURCHASE MANDATE UP TO THE MAXIMUM LIMIT IF SUCH EXERCISE WOULD MATERIALLY AND ADVERSELY AFFECT THE FINANCIAL POSITION OF THE GROUP.

For illustrative purposes, it has been assumed that the purchases or acquisitions of Shares are financed solely by non-current borrowings, with no interest charged on the borrowings. As a result, there would be an increase in the gearing ratio of the Group, with the actual impact dependent on, *inter alia*, the number of Shares purchased or acquired and the prices at which the Shares are purchased or acquired.

Shareholders should also note that the financial effects set out above are for illustration purposes only (based on the aforementioned assumptions). The actual impact will depend on, *inter alia*, the number and price of the Shares purchased or acquired (if any). In particular,

LETTER TO SHAREHOLDERS

Shareholders should note that the above analysis is based on the audited financial statements of the Group for FY2024 and is not necessarily representative of future financial performance.

The Company may take into account both financial and non-financial factors (for example, stock market conditions and the performance of the Shares) in assessing the relative impact of a share purchase before execution.

2.7 Reporting Requirements

The Companies Act and the Catalist Rules require the Company to make reports in relation to the Share Purchase Mandate as follows:

- (a) within 14 days of the passing of a Shareholders' resolution to approve purchases of Shares, the Company must lodge a copy of such resolution with ACRA;
- (b) the Company must notify ACRA, within 14 days of a purchase of Shares on the SGX-ST or otherwise. Such notification in the form as may be prescribed by the ACRA shall include details of the date of the repurchase, the total number of Shares purchased by the Company, the number of Shares cancelled, the number of Shares held as treasury shares, the Company's issued share capital before the purchase of Shares, the Company's issued share capital after the purchase of Shares, the amount of consideration paid by the Company for the purchase, whether the Shares were purchased out of profits or the capital of the Company and such other particulars as may be required;
- (c) under Rule 871 of the Catalist Rules, purchases of Shares must be reported to the SGX-ST in the forms prescribed by the Catalist Rules and announced to the public in the case of Market Purchases, not later than 9.00 a.m. on the Market Day following the day of purchase of any of its Shares and in the case of Off-Market Purchases, not later than 9.00 a.m. on the second Market Day after the close of acceptances of the offer made by the Company; and
- (d) in its annual report and accounts, the Company shall make disclosure of details pertaining to purchases of Shares made during the year, including the total number of Shares purchased during the financial year under review, the purchase price per Share or the highest and lowest prices paid for the purchases, and where relevant, the total consideration paid.

2.8 Catalist Rules

2.8.1 While the Catalist Rules do not expressly prohibit any purchase of shares by a listed company during any particular time or times, because the listed company would be regarded as an "insider" in relation to any proposed purchase or acquisition of its issued shares, the Company will not undertake any purchase or acquisition of Shares pursuant to the Share Purchase Mandate in any of the following circumstances:

- (a) at any time after any matter or development of a price-sensitive or trade-sensitive nature has occurred or has been the subject of a decision of the Board of Directors until the price-sensitive or trade-sensitive information has been publicly announced; and
- (b) during the period commencing one month immediately preceding the announcement of the Company's full-year results and the period of two weeks before the announcement of the Company's first quarter, second quarter and third quarter results.

2.8.2 The Catalist Rules require a listed company to ensure that at least 10% of any class of its listed securities (excluding treasury shares) must be held by Public Shareholders. As at the Latest Practicable Date, approximately 64.32% of the issued Shares (excluding treasury shares) are held by Public Shareholders. Assuming that the Company undertakes purchases or acquisitions of its Shares up to the full 10% limit permitted under the Share Purchase Mandate, approximately 60.35% of the issued Shares (excluding treasury shares) will be held by Public Shareholders. Accordingly, the Company is of the view that there is a sufficient number of the Shares in issue held by Public Shareholders which would permit the Company to undertake purchases or acquisitions of its Shares through Market Purchases up to the full 10% limit pursuant to the Share Purchase Mandate without affecting the listing status of the Shares on the Catalist, and that the number of Shares remaining in

LETTER TO SHAREHOLDERS

the hands of the public will not fall to such a level as to cause market illiquidity or to affect orderly trading.

2.9 Take-over Implications

2.9.1 Appendix 2 of the Take-over Code contains the Share Buy-Back Guidance Note applicable as at the Latest Practicable Date. The take-over implications arising from any purchase or acquisition by the Company of its Shares are set out below:

(a) Obligation to make a Take-over Offer

If, as a result of any purchase or acquisition by the Company of its Shares, a Shareholder's proportionate interest in the voting capital of the Company increases, such increase will be treated as an acquisition for the purposes of Rule 14 of the Take-over Code. If such increase results in a change of effective control, or, as a result of such increase, a Shareholder or group of Shareholders acting in concert obtains or consolidates effective control of the Company, such Shareholder or group of Shareholders acting in concert could become obliged to make a take-over offer for the Company under Rule 14 of the Take-over Code.

(b) Persons Acting in Concert

Under the Take-over Code, persons acting in concert comprise individuals or companies who, pursuant to an agreement or understanding (whether formal or informal), cooperate, through the acquisition by any of them of shares in a company, to obtain or consolidate effective control of that company.

Unless the contrary is established, the following persons will be presumed to be acting in concert:

- (i) a company with any of its directors (together with their close relatives, related trusts as well as companies controlled by any of the directors, their close relatives and related trusts); and
- (ii) a company, its parent, subsidiaries and fellow subsidiaries, and their associated companies and companies of which such companies are associated companies, all with each other. For this purpose, a company is an associated company of another company if the second company owns or controls at least 20% but not more than 50% of the voting rights of the first-mentioned company.

The circumstances under which Shareholders of the Company (including Directors of the Company) and persons acting in concert with them respectively will incur an obligation to make a take-over offer under Rule 14 after a purchase or acquisition of Shares by the Company are set out in Appendix 2 of the Take-over Code.

(c) Effect of Rule 14 and Appendix 2 of the Take-over Code

In general terms, the effect of Rule 14 and Appendix 2 is that, unless exempted, Directors of the Company and persons acting in concert with them will incur an obligation to make a take-over offer for the Company under Rule 14 if, as a result of the Company purchasing or acquiring its Shares, the voting rights of such Directors and their concert parties would increase to 30% or more, or if the voting rights of such Directors and their concert parties fall between 30% and 50% of the Company's voting rights, the voting rights of such Directors and their concert parties would increase by more than 1% in any period of 6 months.

Under Appendix 2, a Shareholder not acting in concert with the Directors of the Company will not be required to make a take-over offer under Rule 14 if, as a result of the Company purchasing or acquiring its Shares, the voting rights of such Shareholder in the Company would increase to 30% or more, or, if such Shareholder holds between 30% and 50% of the Company's voting rights, the voting rights of such Shareholder would increase by more than 1% in any period of six months. Such Shareholder need not abstain from voting in respect of the Ordinary Resolution authorising the Share Purchase Mandate.

LETTER TO SHAREHOLDERS

- 2.9.2 The Directors are not aware of any fact(s) or factor(s) which suggest or imply that any particular person(s) and/or Shareholder(s) are, or may be regarded as, parties acting in concert such that their respective interests in voting Shares in the capital of the Company should or ought to be consolidated, and consequences under the Take-over Code would ensue, as a result of a purchase of Shares by the Company pursuant to the Share Purchase Mandate.
- 2.9.3 Based on information in the Register of Substantial Shareholders maintained by the Company as at the Latest Practicable Date and to the best of the Directors' knowledge, there are no persons who may incur an obligation to make a take-over offer for the Company under Rule 14 of the Take-over Code as a result of the purchase or acquisition by the Company of the maximum limit of 10% of its Shares (excluding treasury shares and subsidiary holdings) as at the Latest Practicable Date. Further details of the interests of the Directors and Substantial Shareholders of the Company in Shares as at the Latest Practicable Date are set out in Section 3.1 of this Letter.
- 2.9.4 **The statements in this Letter do not purport to be a comprehensive or exhaustive description of all implications that may arise under the Take-over Code. Shareholders are advised to consult their professional advisers, the Securities Industry Council or other relevant authorities at the earliest opportunity as to whether an obligation to make a take-over offer would arise by reason of any purchase or acquisition of Shares by the Company.**

2.10 Tax implications arising from Share Purchases

Shareholders who are in doubt as to their respective tax positions or tax implications of acquisitions of Shares by the Company, or who may be subject to tax whether in or outside Singapore, should consult their own professional advisers.

2.11 Shares Purchased by the Company

The Company has not made any share purchase in the 12 months preceding the Latest Practicable Date.

2.12 Interested Persons

The Company is prohibited from knowingly buying Shares on the Catalist from an interested person, that is, a Director, the chief executive of the Company or Controlling Shareholder of the Company or any of their Associates, and an interested person is prohibited from knowingly selling his Shares to the Company.

3 **EXTENSION OF THE OPTION PERIOD OF THE MANAGEMENT OPTIONS TO THE REVISED OPTION PERIOD**

3.1 Background

- 3.1.1 At the extraordinary general meeting held on 6 December 2024, Shareholders had approved, *inter alia*, the grant of the Management Options to the Group Employees which are exercisable during the Original Option Period.
- 3.1.2 The Management Options, subject to the conditions precedent, shall be exercisable by the Group Employees, in whole only, during the Original Option Period only if the Targets set out in the Management Option Agreements have been met to the Company's satisfaction (to be determined at the Company's sole discretion). The Company shall, upon satisfaction of the Targets, notify the Group Employees via the Notification.
- 3.1.3 The Group Employees have requested the Company extend the Original Option Period by an additional thirty-three (33) months to thirty-six (36) months. Accordingly, approval is being sought from Shareholders at the AGM for the proposed extension of Option Period of the Management Options.

3.2 Extension of the Original Option Period to the Revised Option Period

- 3.2.1 In May 2025, the Group Employees requested an extension of the Option Period of the Management Options from the Original Option Period to the Revised Option Period. The request of the Group

LETTER TO SHAREHOLDERS

Employees was conveyed to the Remuneration Committee which deliberated on the request. The Remuneration Committee took into account the rationale for the grant of the Management Options which had been set out in the November 2024 Circular. The Remuneration Committee recommended to the Board that the request for the extension of the Option Period to the Revised Option Period be approved. The Remuneration Committee and the Board were of the view that by acceding to the request to extend the Option Period and therefore allowing the Group Employees more time to obtain the necessary funds required by them pay for the aggregate exercise price of the Management Options which amount in aggregate to approximately S\$1.1 million would further motivate the Group Employees to greater dedication, loyalty and higher standards of performance.

- 3.2.2 As announced by the Company in its announcement dated 6 June 2025, the Company has on 6 June 2025 entered into the Supplemental Management Option Agreements with the respective Group Employees to extend the Option Period of the Management Options from the Original Option Period to the Revised Option Period. Subject to the approval of the Shareholders, the Revised Option Period will be effective on the date on which approval of the Shareholders is obtained at a general meeting of the Company for the Revised Option Period.
- 3.2.3 Save for the proposed extension of the Option Period from the Original Option Period to the Revised Option Period, all other terms of the grant of the Management Options to the Group Employees remain the same and as set out in the November 2024 Circular.

LETTER TO SHAREHOLDERS

4 INTERESTS OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS AND SHAREHOLDING STRUCTURE OF THE COMPANY

- 4.1 The interests of the Directors and the Substantial Shareholders in the share capital of the Company as at the Latest Practicable Date based on the Register of Directors' Shareholdings and the Register of Substantial Shareholders are set out below:

	As at Latest Practicable Date						After the Share Purchase Mandate					
	Direct Interest		Deemed Interest		Total Interest		Direct Interest		Deemed Interest		Total Interest	
	Number of Shares	Shareholding (%) ⁽¹⁾	Number of Shares	Shareholding (%) ⁽¹⁾	Number of Shares	Shareholding (%) ⁽¹⁾	Number of Shares	Shareholding (%) ⁽²⁾	Number of Shares	Shareholding (%) ⁽²⁾	Number of Shares	Shareholding (%) ⁽²⁾
Director(s)												
Ang Mong Seng	-	-	-	-	-	-	-	-	-	-	-	-
Ye Binlin	-	-	-	-	-	-	-	-	-	-	-	-
Teo Cheng Kwee ⁽³⁾	59,281,760	6.04	-	-	59,281,760	6.04	59,281,760	6.71	-	-	59,281,760	6.71
Zhu Xiaolin ⁽⁴⁾	151,120,969	15.39	49,269,895	5.02	200,390,864	20.41	151,120,969	17.10	49,269,895	5.57	200,390,864	22.67
Joseph Lim ⁽⁵⁾	1,733,000	0.18	-	-	1,733,000	0.18	1,733,000	0.20	-	-	1,733,000	0.20
Substantial Shareholder(s)												
Zhang Xiang	89,000,000	9.06	-	-	89,000,000	9.06	89,000,000	10.07	-	-	89,000,000	10.07

Notes:

- (1) Calculated based on 982,072,934 Shares in the capital of the Company.
(2) Calculated based on 883,865,641 Shares in the capital of the Company, assuming purchase by the Company of the maximum limit of 10% of its issued Shares (i.e. 98,207,293 Shares).
(3) Mr Teo Cheng Kwee has interests in 2,000,000 Outstanding Options granted under the CSH Employee Share Option Scheme 2009.
(4) Mr Zhu Xiaolin is deemed interested in 49,269,895 shares held by Philip Securities Pte. Ltd. as his nominee.
(5) Mr Joseph Lim has interests in 2,000,000 Outstanding Options granted under the CSH Employee Share Option Scheme 2009.

- 4.2 None of the Directors or Substantial Shareholders has any interest, direct or indirect, in the proposed renewal of the Share Purchase Mandate other than through their respective shareholdings (if any) in the Company.

LETTER TO SHAREHOLDERS

5 **DIRECTORS' RECOMMENDATION**

- 5.1 After having considered, amongst other things, the rationale for (i) the proposed renewal of the Share Purchase Mandate and (ii) the proposed extension of the Option Period to the Revised Option Period, the Directors are of the view that (i) the proposed renewal of the Share Purchase Mandate and (ii) the proposed extension of the Option Period to the Revised Option Period are in the best interests of the Company and the Shareholders. Accordingly, the Directors recommend that the Shareholders vote in favour of (i) the proposed renewal of the Share Purchase Mandate and (ii) the extension of the Option Period to the Revised Option Period.
- 5.2 In giving the above recommendations, the Directors have not had regard to the specific investment objectives, financial situation, tax position or unique needs or constraints of any individual Shareholder. As different Shareholders would have different investment objectives and profiles, the Directors recommend that any individual Shareholder who may require specific advice in relation to his specific investment portfolio should consult his stockbroker, bank manager, solicitor, accountant, tax adviser or other professional advisers.

6 **ANNUAL GENERAL MEETING**

The AGM, notice of which is set out on pages 156 to 163 of the Annual Report, will be held at 160 Robinson Road, #06-01 SBF Center, Singapore 068914 on 23 June 2025 (Monday) at 10.00 a.m., for the purpose of considering and, if thought fit, passing with or without modification the resolutions set out in the Notice of AGM.

7 **ACTION TO BE TAKEN BY THE SHAREHOLDERS**

Physical meeting

- 7.1 The AGM is being convened and will be held physically at 160 Robinson Road, #06-01 SBF Center, Singapore 068914. There will be no option for members to participate virtually.

Member's queries

- 7.2 Members, including investors who hold shares through relevant intermediaries (as defined in Section 181 of the Companies Act), will be able to submit questions in advance of, or "live" at, the AGM.
- 7.3 Questions may be submitted in advance of the AGM **no later than 10.00 a.m. on 14 June 2025** to the Company:
- (a) **via email** to info@etcsingapore.com; or
- (b) **in hard copy** by sending personally or by post and lodging the same at the office of the Company's Share Registrar, B.A.C.S. Private Limited at 77 Robinson Road #06-03, Robinson 77, Singapore 068896.
- 7.4 For verification purposes, when submitting any questions by post, members **MUST** provide the Company with their particulars (comprising: full name (for individuals) / company name (for corporations) as it appears on his/her/its CDP/CPF/SRS share records, email address, contact number, NRIC / passport number / company registration number, the manner in which the member holds his/her/its shares in the Company (e.g. via CDP, CPF or SRS) and number of shares held).
- 7.5 Please note that the Company will not be able to answer questions from persons who provide insufficient details to enable the Company to verify his/her/its shareholder status.
- 7.6 The Company will endeavour to address the substantial and relevant queries from members, as determined by the Company, by **17 June 2025**, by publishing the Company's responses to such questions on SGXNet and the Company's website at the URL: <http://investor.etcsingapore.com/newsroom.html>. The Company will address those substantial and relevant questions which have not already been addressed prior to the AGM, as well as those

LETTER TO SHAREHOLDERS

received “live” at the AGM itself, during the AGM. The minutes of the AGM shall thereafter be published on SGXNet, within one (1) month from the conclusion of the AGM.

Voting

- 7.7 Live voting will be conducted during the AGM for members and proxies attending the AGM. Shareholders will be instructed on how to cast their votes at the AGM.
- 7.8 Save for a member who is a relevant intermediary as defined in paragraph 6.9, a member entitled to attend and vote at the AGM is entitled to appoint one or two proxies to attend and vote in his stead. Where a member (other than a relevant intermediary) appoints two proxies, the appointments shall be invalid unless he specifies the proportion of his shareholding (expressed as a percentage of the whole) to be represented by each proxy.
- 7.9 A member who is a relevant intermediary entitled to attend the AGM and vote is entitled to appoint more than two proxies to attend and vote instead of the member, but each proxy must be appointed to exercise the rights attached to a different Share or Shares held by such member. Where such member appoints more than two proxies, the appointments shall be invalid unless the member specifies the number of Shares in relation to which each proxy has been appointed.

“**Relevant intermediary**” means:

- (a) a banking corporation licensed under the Banking Act 1970 of Singapore or a wholly-owned subsidiary of such a banking corporation, whose business includes the provision of nominee services and who holds shares in that capacity;
 - (b) a person holding a capital markets services licence to provide custodial services for securities under the Securities and Futures Act 2001 of Singapore and who holds shares in that capacity; or
 - (c) the Central Provident Fund Board established by the Central Provident Fund Act 1953 of Singapore, in respect of shares purchased under the subsidiary legislation made under that Act providing for the making of investments from the contributions and interest standing to the credit of members of the Central Provident Fund, if the Board holds those shares in the capacity of an intermediary pursuant to or in accordance with that subsidiary legislation.
- 7.10 A proxy need not be a member of the Company.
- 7.11 The instrument or form appointing a proxy or proxies must be signed by the appointor or his/her/its attorney duly authorised in writing. Where the instrument appointing a proxy or proxies is executed by a corporation, it must be executed either under its common seal or under the hand of any officer or attorney duly authorised.
- 7.12 Where an instrument appointing a proxy is submitted by email, it must be authorised in the following manner:
- by way of the affixation of an electronic signature by the appointor or his/her duly authorised attorney or, as the case may be, an officer or duly authorised attorney of a corporation; or
 - by way of the appointor or his duly authorised attorney or, as the case may be, an officer or duly authorised attorney of a corporation signing the instrument under hand and submitting a scanned copy of the signed instrument by email.
- 7.13 Where the instrument appointing a proxy or proxies is signed on behalf of the appointor by an attorney, the letter or power of attorney or a duly certified copy thereof (failing previous registration with the Company) must be lodged with the instrument of proxy, failing which the instrument may be treated as invalid.
- 7.14 In the case of joint shareholders, all holders must sign the instrument appointing a proxy/proxies.
- 7.15 The instrument of proxy must be submitted to the Company in the following manner:

LETTER TO SHAREHOLDERS

- (a) if **in hard copy** and sent personally or by post, the proxy form must be deposited at the office of the Company's Share Registrar, B.A.C.S. Private Limited at 77 Robinson Road #06-03, Robinson 77, Singapore 068896; or
- (b) if **via email**, the proxy form must be received by the Company's Share Registrar at main@zicoholdings.com,

in any case **not less than 72 hours** before the time for holding the AGM and at any adjournment thereof, and in default the instrument of proxy shall not be treated as valid. Members are strongly encouraged to submit completed proxy forms electronically via email.

- 7.16 Investors who hold shares through relevant intermediaries (as defined in Section 181 of the Companies Act) (including CPF and/or SRS investors) and who wish to participate in the AGM should approach their respective agents **by 5.00 p.m. on 11 June 2025** in order to facilitate the necessary arrangements for them to participate in the AGM.
- 7.17 The Company shall be entitled to reject the instrument appointing a proxy if it is incomplete, improperly completed, illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the instrument of proxy.
- 7.18 In the case of shares entered in the Depository Register, the Company may reject any instrument appointing a proxy if the member, being the appointor, is not shown to have shares entered against his/her/its name in the Depository Register as at 72 hours before the time appointed for holding the AGM, as certified by The Central Depository (Pte) Limited to the Company.

Documents for AGM

- 7.19 The Company's Notice of AGM, proxy form and request form ("**Request Form**") for members to request for a physical copy of the Company's Annual Report and Letter are sent to members by via mail. No printed copies of the Annual Report and Letter will be sent. The Annual Report, Letter, Notice of AGM, proxy form and Request Form are available on the Company's website at the URL <http://investor.etc singapore.com/newsroom.html> and SGXNet at the URL <https://www.sgx.com/securities/company-announcements>.
- 7.20 A member will need an internet browser and PDF reader to view these documents on SGXNet and the Company's website.

8 DIRECTORS' RESPONSIBILITY STATEMENT

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this Letter and confirm after making all reasonable enquiries, that to the best of their knowledge and belief, this Letter constitutes full and true disclosure of all material facts about (i) the proposed renewal of the Share Purchase Mandate and (ii) the proposed extension of Option Period to the Revised Option Period, the Company and its subsidiaries, and the Directors are not aware of any facts the omission of which would make any statement in this Letter misleading. Where information in the Letter has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in the Letter in its proper form and context.

9 DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents are available for inspection at the registered office of the Company at 80 Robinson Road, #17-02, Singapore 068898 during normal business hours from the date of this Letter up to and including the time and date of the AGM:

- (a) Supplemental Management Option Agreements;
- (b) the Constitution; and

LETTER TO SHAREHOLDERS

(c) the Annual Report.

The Annual Report may be accessed on the Company's website at the URL www.etcsingapore.com and has also been made available on SGXNet. Please contact the Company at (65) 6584 9411 or info@etcsingapore.com for more information.

Yours faithfully

For and on behalf of the Board of Directors of
EMERGING TOWNS & CITIES SINGAPORE LTD.

Joseph Lim
Executive Director and Chief Executive Officer