

QUARTERLY FINANCIAL STATEMENTS AND DIVIDEND ANNOUNCEMENT FOR THE PERIOD
ENDED 30 SEPTEMBER 2017

Part 1

INFORMATION REQUIRED FOR ANNOUNCEMENT OF QUARTERLY (Q1, Q2, Q3 AND Q4), HALF-
YEAR AND FULL YEAR RESULTS

1 (a) (i) An income statement (for the group), together with a comparative statement for the
corresponding period of the immediately preceding financial year.

	Group					
	3 rd Qtr Ended 30/9/2017	3 rd Qtr Ended 30/9/2016	Increase/ (Decrease)	YTD 3 rd Qtr Ended 30/9/2017	YTD 3 rd Qtr Ended 30/9/2016	Increase/ (Decrease)
	S\$ '000	S\$ '000	%	S\$ '000	S\$ '000	%
Revenue	19,638	9,763	n.m.*	39,842	23,849	67.1%
Cost of Sales	(14,796)	(5,795)	n.m.*	(30,048)	(16,029)	87.5%
Gross Profit	4,842	3,968	22.0%	9,794	7,820	25.2%
Other Income	741	10	n.m.*	9,861	21	n.m.*
Distribution Costs	(2,836)	(800)	n.m.*	(5,470)	(1,312)	n.m.*
Administration Expenses	(984)	(619)	59.0%	(9,212)	(2,097)	n.m.*
Other non-operating expenses	(818)	-	n.m.*	(974)	-	n.m.*
Finance Costs	1,203	(384)	n.m.	(1,659)	(1,177)	41.0%
Profit before taxation	2,148	2,175	(1.2%)	2,340	3,255	(28.1%)
Taxation	1,262	(727)	n.m.	737	(1,520)	n.m.
Profit for the period	3,410	1,448	n.m.*	3,077	1,735	77.3%
Attributable to:						
Owners of the Company	1,369	523	n.m.*	(342)	(89)	n.m.*
Non-Controlling Interests	2,041	925	n.m.*	3,419	1,824	87.4%
	3,410	1,448	n.m.*	3,077	1,735	77.3%

n.m. : not meaningful

*: in excess of 100%

1 (a) (ii) Included in the determination of profit/(loss) before taxation are the following items:

	Group					
	3 rd Qtr Ended 30/9/2017	3 rd Qtr Ended 30/9/2016	Increase/ (Decrease)	YTD 3 rd Qtr Ended 30/9/2017	YTD 3 rd Qtr Ended 30/9/2016	Increase/ (Decrease)
	S\$ '000	S\$ '000	%	S\$ '000	S\$ '000	%
Depreciation of property, plant & equipment	(88)	(44)	100.0%	(295)	(138)	n.m.*
Fair value gain on investment properties	720	-	n.m.*	9,777	-	n.m.*
Write back of amounts due to an ex-director	-	468	(100.0%)	-	468	(100.0%)
Exchange gain/(loss), net	1,210	(26)	n.m.	(842)	(68)	n.m.*
Interest Income	25	10	n.m.*	50	21	n.m.*
Write back of Interest/(expense)	1,217	(384)	n.m.	(1,638)	(1,177)	39.2%
Rental Income	975	505	93.1%	1,985	1,545	28.5%

A statement of comprehensive income (for the Group), together with a comparative statement for the corresponding period of the immediately preceding financial year.

	Group					
	3 rd Qtr Ended 30/9/2017	3 rd Qtr Ended 30/9/2016	Increase/ (Decrease)	YTD 3 rd Qtr Ended 30/9/2017	YTD 3 rd Qtr Ended 30/9/2016	Increase/ (Decrease)
	S\$ '000	S\$ '000	%	S\$ '000	S\$ '000	%
Profit for the period	3,410	1,448	n.m.*	3,077	1,735	77.3%
Other Comprehensive income						
Currency translation differences arising from consolidation	(2,488)	2	n.m.	(6,447)	6	n.m.
- (Losses)/Profit						
Total Comprehensive (Loss)/Profit for the period	922	1,450	(36.4%)	(3,370)	1,741	n.m.
Attributable to:						
Owners of the Company	(1,156)	525	n.m.	(6,789)	(83)	n.m.*
Non-controlling interests	2,078	925	n.m.*	3,419	1,824	87.4%
	922	1,450	(36.4%)	(3,370)	1,741	n.m.

n.m. : not meaningful

*: in excess of 100%

1 (b) (i) A balance sheet (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year.

	Group			Company		
	30-Sep-17 S\$'000	31-Dec-16 S\$'000	1-Jan-16* S\$'000	30-Sep-17 S\$'000	31-Dec-16 S\$'000	1-Jan-16* S\$'000
ASSETS						
Non-Current Assets						
Property, Plant and Equipment	9,743	7,928	1,376	54	87	121
Investment Properties	83,810	61,324	57,868	-	-	-
Investments in Subsidiaries		-	-	42,679	34,026	100
Total Non-Current Assets	93,553	69,252	59,244	42,733	34,113	221
Current Assets						
Development Properties	219,207	246,228	36,854	-	-	-
Trade and Other Receivables	27,513	25,167	3,359	35,904	2,372	1,239
Cash and Cash Equivalents	13,100	16,521	4,001	4,255	3,624	119
	259,820	287,916	44,214	40,159	5,996	1,358
Total Assets	353,373	357,168	103,458	82,892	40,109	1,579
EQUITY						
Capital and Reserves						
Share Capital	40,638	131,618	95,459	40,638	131,618	95,459
Capital Reduction Reserve	15,998	15,998	15,998	15,998	15,998	15,998
Equity component of convertible loan	29,802	-	-	29,802	-	-
Capital Reserve	7,327	2,278	2,278	4,057	-	-
Share-based						
Payment Reserve	535	243	-	535	243	-
Warrant Reserve	-	2,879	2,879	-	2,879	2,879
Foreign Currency Translation Reserve	(7,028)	(581)	(76)	-	-	-
Accumulated Profit/(Loss)	13,773	(98,398)	(111,943)	(9,954)	(119,194)	(115,975)
Equity attributable to equity holders of the Company	101,045	54,037	4,595	81,076	31,544	(1,639)
Non-Controlling Interests	33,925	40,150	9,691	-	-	-
Total Equity	134,970	94,187	14,286	81,076	31,544	(1,639)

1 (b) (i) A balance sheet (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year (cont'd...)

	Group			Company		
	30-Sep-17 S\$'000	31-Dec-16 S\$'000	1-Jan-16* S\$'000	30-Sep-17 S\$'000	31-Dec-16 S\$'000	1-Jan-16* S\$'000
LIABILITIES						
Non-Current Liabilities						
Provisions	30	30	30	30	30	30
Deferred Tax Liabilities	31,764	33,138	9,836	-	-	-
Financial Liabilities	19,372	60,983	22,227	-	7,229	-
Accrued Land Lease Premium	19,180	23,072	-	-	-	-
Total Non-Current Liabilities	70,346	117,223	32,093	30	7,259	30
Current Liabilities						
Financial Liabilities	23,484	26,872	-	-	-	-
Accrued Land Lease Premium	3,825	4,072	-	-	-	-
Trade and Other Payables	45,459	63,165	39,635	1,786	1,306	3,188
Deposits from Customers on Purchase of Development Properties	72,302	48,541	17,444	-	-	-
Current Tax Payable	2,987	3,108	-	-	-	-
Total Current Liabilities	148,057	145,758	57,079	1,786	1,306	3,188
Total Liabilities	218,403	262,981	89,172	1,816	8,565	3,218
Total Equity and Liabilities	353,373	357,168	103,458	82,892	40,109	1,579

*: In accordance with FRS 1 paragraph 40A, the Company shall present a 3rd statement of financial position as at the beginning of the preceding period (in this case 1 January 2016) due to the changes in the functional currency of the Company and the presentation currency of the Group from RMB to SGD given that such information is considered material to the users of the financial statements.

1 (b) (ii) Aggregate amount of group's borrowings and debt securities

	Group 30-Sep-2017		Group 31-Dec-2016		Group 1-Jan-2016*	
	Secured S\$'000	Unsecured S\$'000	Secured S\$'000	Unsecured S\$'000	Secured S\$'000	Unsecured S\$'000
Amount repayable in one year or less, or on demand						
Financial Liabilities:						
Amount due to						
Directors	-	-	-	-	-	2,090
Bank loans	17,905	-	708	-	-	-
Loans from related parties	-	2,308	-	2,890	-	-
	<u>17,905</u>	<u>2,308</u>	<u>708</u>	<u>2,890</u>	<u>-</u>	<u>2,090</u>
Amount repayable after one year						
Financial Liabilities:						
Bank Loans	19,372	-	18,898	-	-	-
Loans due to a substantial shareholder	-	-	-	42,085	-	-
	<u>19,372</u>	<u>-</u>	<u>18,898</u>	<u>42,085</u>	<u>-</u>	<u>-</u>

*: In accordance with FRS 1 paragraph 40A, the Company shall present a 3rd statement of financial position as at the beginning of the preceding period (in this case 1 January 2016) due to the changes in the functional currency of the Company and the presentation currency of the Group from RMB to SGD given that such information is considered material to the users of the financial statements.

Details of any collateral

The bank loans are secured by bank guarantees with pledge over a commercial building and certain units of residential apartments.

1 (c) A cash flow statement (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year.

	Group			
	3 rd Qtr Ended 30/9/2017	3 rd Qtr Ended 30/9/2016	YTD 3 rd Qtr Ended 30/9/2017	YTD 3 rd Qtr Ended 30/9/2016
	S\$ '000	S\$ '000	S\$ '000	S\$ '000
Cash Flows from Operating Activities				
Profit before taxation	2,148	2,175	2,340	3,255
Adjustments for:				
Depreciation of property, plant and equipment	88	44	295	138
Write back of amounts due to ex director	-	(468)	-	(468)
Equity settled share-based compensation expense	98	144	292	144
Fair value gain on investment properties	(720)	-	(9,777)	-
Interest Income	(25)	(10)	(50)	(21)
Interest expenses	(1,217)	384	1,638	1,177
Operating profit/(loss) before working capital changes	372	2,269	(5,262)	4,225
Trade and other Receivables	(51)	(430)	(3,504)	(493)
Trade and other Payables	11,239	(11,209)	12,664	(17,328)
Investment properties	(2,942)	-	(14,171)	-
Development properties	(12,006)	5,731	10,447	15,630
Cash (used in)/generated from operations	(3,388)	(3,639)	174	2,034
Income tax paid	(216)	(49)	(2,766)	(1,433)
Net Cash (used in)/generated from operating activities	(3,604)	(3,688)	(2,592)	601
Cash Flows from Investing Activities				
Interest received	25	10	50	21
Acquisition of non-controlling interest in subsidiary	-	-	(2,106)	-
Purchase of plant and equipment	-	(2)	(33)	(20)
Net Cash generated from/(used in) investing activities	25	8	(2,089)	1
Cash Flows from Financing Activities				
Issue of ordinary shares	-	18,797	-	22,572
Issue of ordinary shares arising from exercise of warrants	-	-	4,061	-
Proceed from bank loans	13,671	-	19,372	-
Repayment of bank loans	(533)	-	(657)	-
Loans	(20,973)	-	(21,386)	-
Net Cash (used in)/generated from financing activities	(7,835)	18,797	1,390	22,572

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Net (decrease)/increase in Cash and Cash Equivalents	(11,414)	15,117	(3,291)	23,174
Cash and Cash Equivalents at beginning of period	24,550	11,521	16,521	4,001
Exchange differences on translation of Cash and Cash Equivalents at beginning of period	(36)	(56)	(130)	(593)
Cash and Cash Equivalents at end of period	<u>13,100</u>	<u>26,582</u>	<u>13,100</u>	<u>26,582</u>

- 1 (d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalization issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.

Consolidated Statement of Changes in Equity for the periods ended 30 September 2017 and 30 September 2016 - Group

The Group	Share capital S\$'000	Capital reduction reserve S\$'000	Capital Reserve S\$'000	Share-based Payment reserve S\$'000	Warrant reserve S\$'000	Equity component of convertible loan S\$'000	Exchange fluctuation reserve S\$'000	Accumulated Profits/(losses) 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 2017	131,618	15,998	2,278	243	2,879	-	(581)	(98,398)	54,037	40,150	94,187
Total comprehensive income/(loss) for the period	-	-	-	-	-	-	(3,959)	(1,712)	(5,671)	1,378	(4,293)
Transactions with owners, recognised directly in equity											
Contributions by and distributions to owners											
Issue of ordinary shares arising from exercise of warrants	6,146	-	-	-	(2,365)	-	-	-	3,781	-	3,781
Expiry of warrants	-	-	-	-	(514)	-	-	514	-	-	-
Acquisition of non-controlling interest in subsidiary	6,547	-	992	-	-	-	-	-	7,539	(9,644)	(2,105)
Share-based payments	280	-	-	194	-	-	-	-	474	-	474
Issue of convertible loan	-	-	4,057	-	-	37,727	-	-	41,784	-	41,784
Issue of ordinary shares arising from conversion of convertible loan	8,010	-	-	-	-	(8,010)	-	-	-	-	-
Capital reduction	(112,000)	-	-	-	-	-	-	112,000	-	-	-
Balance at 30 June 2017	40,601	15,998	7,327	437	-	29,717	(4,540)	12,404	101,944	31,884	133,828
Total comprehensive income/(loss) for the period	-	-	-	-	-	-	(2,488)	1,369	(1,119)	2,041	922
Transactions with owners, recognised directly in equity											
Contributions by and distributions to owners											
Reversal of over-accrued sponsor fee	37	-	-	-	-	-	-	-	37	-	37
Imputed interest incurred on convertible loan	-	-	-	-	-	85	-	-	85	-	85
Share-based payments	-	-	-	98	-	-	-	-	98	-	98
Balance at 30 September 2017	40,638	15,998	7,327	535	-	29,802	(7,028)	13,773	101,045	33,925	134,970

- 1 (d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalization issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year. (cont'd...)

Consolidated Statement of Changes in Equity for the periods ended 30 September 2017 and 30 September 2016 – Group (cont'd...)

The Group	Share capital S\$'000	Capital reduction reserve S\$'000	Capital reserve S\$'000	Share-based Payment reserve S\$'000	Warrant reserve S\$'000	Exchange fluctuation reserve S\$'000	Accumulated losses 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 2016	95,459	15,998	2,278	-	2,879	(76)	(111,943)	4,595	9,691	14,286
Total comprehensive income/(loss) for the period	-	-	-	-	-	4	(612)	(608)	899	291
Transactions with owners, recognised directly in equity										
Contributions by and distributions to owners										
Issue of ordinary shares	5,776	-	-	-	-	-	-	5,776	-	5,776
Share-based payments	-	-	-	47	-	-	-	47	-	47
Balance at 30 June 2016	101,235	15,998	2,278	47	2,879	(72)	(112,555)	9,810	10,590	20,400
Total comprehensive income for the period	-	-	-	-	-	2	523	525	925	1,450
Transactions with owners, recognised directly in equity										
Contributions by and distributions to owners										
Issue of ordinary shares	19,346	-	-	-	-	-	-	19,346	-	19,346
Share-based payments	-	-	-	95	-	-	-	95	-	95
Balance at 30 September 2016	120,581	15,998	2,278	142	2,879	(70)	(112,032)	29,776	11,515	41,291

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1 (d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalization issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year. (cont'd...)

Consolidated Statement of Changes in Equity for the periods ended 30 September 2017 and 30 September 2016 – Company

The Company	Share Capital	Capital Reduction Reserve	Capital Reserve	Share-based Payment Reserve	Warrant Reserve	Equity component of convertible loan	Accumulated Profits/(losses)	Total Equity attributable to equity holders of the Company
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Balance at 1 January 2017	131,618	15,998	-	243	2,879	-	(119,194)	31,544
Issue of ordinary shares arising from exercise of warrants	6,146	-	-	-	(2,365)	-	-	3,781
Share-based payments	280	-	-	194	-	-	-	474
Expiry of warrants	-	-	-	-	(514)	-	514	-
Issue of convertible loan	-	-	4,057	-	-	37,727	-	41,784
Issue of ordinary shares arising from conversion of convertible loan	8,010	-	-	-	-	(8,010)	-	-
Acquisition of non-controlling interest in subsidiary	6,547	-	-	-	-	-	-	6,547
Capital reduction	(112,000)	-	-	-	-	-	112,000	-
Total Comprehensive loss for the period	-	-	-	-	-	-	(3,264)	(3,264)
Balance at 30 June 2017	40,601	15,998	4,057	437	-	29,717	(9,944)	80,866
Reversal of over-accrued sponsor fee	37	-	-	-	-	-	-	37
Share-based payments	-	-	-	98	-	-	-	98
Imputed interest incurred on convertible loan	-	-	-	-	-	85	-	85
Total Comprehensive loss for the period	-	-	-	-	-	-	(10)	(10)
Balance at 30 September 2017	40,638	15,998	4,057	535	-	29,802	(9,954)	81,076

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1 (d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalization issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year. (cont'd...)

Consolidated Statement of Changes in Equity for the periods ended 30 September 2017 and 30 September 2016 – Company (cont'd...)

The Company	Share Capital	Capital Reduction Reserve	Share-based Payment Reserve	Warrant Reserve	Accumulated Losses	Total Equity attributable to equity holders of the Company
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Balance at 1 January 2016	95,459	15,998	-	2,879	(115,975)	(1,639)
Issue of ordinary shares	5,776	-	-	-	-	5,776
Share-based payments	-	-	47	-	-	47
Total Comprehensive loss for the period	-	-	-	-	(1,160)	(1,160)
Balance at 30 June 2016	101,235	15,998	47	2,879	(117,135)	3,024
Issue of ordinary shares	19,346	-	-	-	-	19,346
Share-based payments	-	-	95	-	-	95
Total Comprehensive loss for the period	-	-	-	-	(840)	(840)
Balance at 30 September 2016	120,581	15,998	142	2,879	(117,975)	21,625

- 1 (d)(ii) Details of any changes in the issuer's share capital arising from right issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State the number of shares that may be issued on conversion of all the outstanding convertibles, if any, against the total number of issued shares, excluding treasury shares of the issuer and subsidiary holdings of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year. State also the number of shares held as treasury shares and the number of subsidiary holdings, if any, and the percentage of the aggregate number of treasury shares and subsidiary holdings held against the total number of shares outstanding in a class that is listed as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.**

Share Capital	Number of shares
Ordinary shares issued and fully paid	
Balance as at 30 September 2017	962,166,934

There were no changes to share capital of the Company during the quarter ended 30 September 2017.

As at 30 September 2017, convertibles (including options to subscribe for ordinary shares in our Company) that remained outstanding after share consolidation (Comparatives are restated to show the effects of the share consolidation) are as follows:

	As at 30 Sep 2017	As at 30 Sep 2016
	No. of shares	No. of shares
Convertible loan dated 25 January 2017 (maturity date: 25 April 2018)	378,315,397	-
Warrants granted on 12 June 2014 (expired on 9 June 2017)	-	51,111,111
Share Options granted on 17 May 2016 (expire on 17 May 2026)	16,000,000	16,000,000
	<u>394,315,397</u>	<u>67,111,111</u>

The Company did not hold any treasury shares as at 30 September 2017 and 30 September 2016.

There were no subsidiary holdings as at 30 September 2017 and 30 September 2016.

- 1(d)(iii) To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at end of the immediately preceding year**

The Company's total number of issued shares (excluding treasury shares) as at 30 September 2017 is 962,166,934 (31 December 2016: 762,645,245)

1(d)(iv) A statement showing all sales, transfers, cancellation and/or use of treasury shares at the end of the current financial period reported on.

Not Applicable. The Company does not hold any treasury shares.

1(d)(v) A statement showing all sales, transfers, cancellation and/or use of subsidiary holdings as at the end of the financial period reported on.

Not Applicable. There were no subsidiary holdings.

2. Whether the figures have been audited or reviewed, and in accordance with which auditing standard or practice.

The figures have not been audited or reviewed by the auditors.

3. Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of a matter).

Not Applicable.

4. Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.

Except for the adoption of the Amendments to FRSs applicable for the financial year beginning on or after 1 January 2016, the same accounting policies and methods of computation have been applied. The adoption of Amendments to FRSs did not have any effect on the financial performance or position of the Group.

The Group is of the opinion that the SGD presentation currency best reflects the current and prospective economic substance of the underlying transactions of the Group as our fund raising from the capital market have been in SGD thus far and our future projects will likely be in ASEAN, China and Greater China as well as the sub-continent.

Accordingly, the Group has translated its results and financial position into SGD starting from 1 January 2017. The comparatives of the financial statements of the Company and of the Group for 3Q2017 were restated and presented in SGD. Specifically, the assets and liabilities of the Company and of the Group as at 31 December 2016 and 31 December 2015 were translated from RMB to SGD at the closing exchange rates as at 31 December 2016 and 31 December 2015 respectively, while the income expense items of the Company and of the Group for 3Q2016 were translated at the average rate during the said period.

5. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of the change.

Please refer to note 4.

6. Earnings per ordinary share of the group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends:-

- (a) Based on the weighted average number of ordinary shares on issue; and
(b) On a fully diluted basis (detailing any adjustments made to the earnings).

	Group			
	3 rd Qtr Ended 30/9/2017	3 rd Qtr Ended 30/9/2016	YTD 3 rd Qtr Ended 30/9/2017	YTD 3 rd Qtr Ended 30/9/2016
<i>Profit/(Loss) per ordinary share</i>				
(Comparatives are restated to show the effects of the share consolidation):				
(i) Based on weighted average no. of ordinary shares in issue (cents)	0.14	0.11	(0.04)	(0.02)
(ii) On a fully diluted basis (cents)	0.10	0.11	(0.03)	(0.02)
<i>Number of shares in issue</i>				
(Comparatives are restated to show the effects of the share consolidation):				
(i) Based on weighted average no. of ordinary shares in issue (in million)	962	442	876	392
(ii) On a fully diluted basis (in million)	1,342	442	1,256	392

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.

Diluted earnings per ordinary share is calculated based on the same basis as earnings per share by adjusting the weighted average number of ordinary shares to include the outstanding warrants and options deemed converted up to the respective reporting periods.

7. Net asset value (for the issuer and group) per ordinary share based on issued share capital (excluding treasury shares) of the issuer at the end of the :
- (a) current financial period reported on; and
(b) immediately preceding financial year.

	Group			Company		
	30-Sep-17	31-Dec-16	1-Jan-16*	30-Sep-17	31-Dec-16	1-Jan-16*
Net Asset Value (S\$'000)	134,970	94,187	14,286	81,076	31,544	(1,639)
Based on existing issued share capital (cents per share) (Comparatives are restated to show the effects of the share consolidation)	14.03	12.35	4.48	8.43	4.14	(0.51)
Net Asset Value has been computed based on the share capital of (in million of shares) (Comparatives are restated to show the effects of the share consolidation)	962	762	319	962	762	319

*: In accordance with FRS 1 paragraph 40A, the Company shall present a 3rd statement of financial position as at the beginning of the preceding period (in this case 1 January 2016) due to the changes in the functional currency of the Company and the presentation currency of the Group from RMB to SGD given that such information is considered material to the users of the financial statements.

8. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following:
- (a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and
- (b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.

Review of Financial Performance (3Q2017 vs 3Q2016)

Note: Significant changes in revenues, cost of sales, other income and expenses during the financial period under review were mainly attributed to maiden consolidation of DAS or Golden City project's financial performance in 3Q2017. Consequently, the 3Q2017 quarterly results may not be comparable with the 3Q2016 quarterly results.

Revenue

	Group		
	3Q2017	3Q2016	Increase/(Decrease)
	S\$ '000	S\$ '000	%
Sale of Properties			
- Golden City	12,719	-	100.0%
- Daya Bay	5,945	9,276	(35.9%)
Total Sales of Properties	18,664	9,276	n.m.*
Rental Income			
- Golden City	469	-	100.0%
- Daya Bay	487	487	-
- ETC	18	-	100.0%
Total Rental Income	974	487	100.0%
Total Revenue	19,638	9,763	n.m.*

Note well: 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, quarterly results may not be a good indication of profitability trend.

Revenue for 3Q2017 was mainly contributed by the sale of property units in the Golden City project of S\$12.7 million (64.8% of total revenue), the Daya Bay project of S\$5.9 million (30.3% of total revenue) and the rental of Daya Bay holiday apartments and Golden City residential units of S\$1.0 million. Revenue for 3Q2016 was contributed by the Daya Bay project from the sale of property units of S\$9.3 million and rental of holiday apartments of S\$0.5 million.

The Group booked 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. 22 and 27 units (net) were recognized or booked as revenue in 3Q2017 for the Golden City project and the Daya Bay project respectively. The 399 units of holiday apartments held as investment properties in the Daya Bay project have given us a fixed monthly rental income of RMB2,000 (approximately S\$408) per room since December 2015, amounting to S\$0.5 million for 3Q2017 while the investment properties in the Golden City project contributed rental income of S\$0.5 million for 3QFY2017.

Gross Profit

	Group		
	3Q2017	3Q2016	Increase/(Decrease)
	S\$ '000	S\$ '000	%
Sale of Properties			
- Golden City	2,462	-	100.0%
- Daya Bay	1,491	3,566	(58.2%)
Total Sales of Properties	3,953	3,566	10.9%
Rental Income			
- Golden City	469	-	100.0%
- Daya Bay	402	402	-
- ETC	18	-	100.0%
Total Rental Income	889	402	100.0%
Total Gross Profit	4,842	3,968	22.0%

Gross profit of approximately S\$4.8 million was recorded for 3Q2017, after deducting direct costs (consisting mainly of cost of the property units sold) of approximately S\$14.8 million. The gross profit margins for sale of properties for Golden City and Daya Bay projects were approximately 19% and 25% respectively.

Other Income

	Group		
	3Q2017	3Q2016	Increase/(Decrease)
	S\$ '000	S\$ '000	%
Fair value gain	720	-	n.m.*
Interest income	25	10	n.m.*
Others	(4)	-	n.m.*
Other Income	741	10	n.m.*

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

Other income increased from S\$10,000 in 3Q2016 to S\$0.7 million in 3Q2017 mainly due to the fair value gain of S\$0.7 million for the transfer of 4 units of residential apartments from development properties to investment properties following the commencement of an operating lease to a 3rd party in the Golden City project.

Distribution Costs

Distribution costs of S\$2.8 million in 3Q2017 arose from the sale of property units in the Golden City and the Daya Bay projects, especially the latter with the ramp-up in sales and marketing activities following the new sales launch of the balance units in the project, whilst the distribution costs of S\$0.8 million in 3Q2016 was contributed by the Daya Bay project. These expenses comprise 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\$0.6 million in 3Q2016 to S\$1.0 million in 3Q2017, mainly due to inclusion of administrative expenses incurred by the Golden City project in 3Q2017 and unrealized exchange losses mainly arising from the Golden City project.

Other Non-Operating Expenses

Other non-operating expenses of S\$0.8 million in 3Q2017 were contributed by the Daya Bay project.

Finance Costs

The finance costs in 3Q2017 pertained mainly to interest expenses arising from loans due to a substantial shareholder, interest expenses incurred from bank loans and shareholders' loan and imputed interest expenses (which have no cash flow impact) arising from the interest-free loans from certain related parties of Daya Bay offset by the reversal of finance costs which are capitalised for the Golden City project.

Taxation

	Group		Increase/(Decrease)
	3Q2017	3Q2016	
	S\$ '000	S\$ '000	%
Income tax	(235)	(1,196)	(80.4%)
Deferred tax	1,497	469	n.m.*
Taxation	1,262	(727)	n.m.

n.m. : not meaningful

*: in excess of 100%

Taxation decreased from tax expense of S\$0.7 million in 3Q2016 to tax credit of \$1.3 million in 3Q2017 mainly due to unwinding of deferred tax liabilities (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) from the sales of development properties in the Golden City and Daya Bay projects and decrease in income tax expenses from the Daya Bay project due to lower profits partially offset by the recognition of deferred tax liabilities from the fair value gain of the investment properties in Golden City project.

Net Profit/(Loss) Attributable to Owners of the Company (3Q2017 vs 2Q2017)

Net profit attributable to owners of the Company of S\$1.4 million was posted for 3Q2017, compared to a net loss attributable to owners of the Company of S\$2.7 million for 2Q2017. The increase was mainly due to increase in recognition of sales of development properties as revenue after handing over of residential units to customers for both Golden City project and Daya Bay projects and lower administration expenses and finance costs.

Review of Financial Position (30 September 2017 vs 31 December 2016)

Non-current Assets

Property, plant and equipment ('PPE') increased mainly due to the transfer of development properties to PPE for owner-occupied office premises. Investment properties increased due to transfer of development properties to investment properties from the Golden City project following the commencement of an operating lease to a 3rd party and fair value gain for these investment properties.

Current Assets

Development properties decreased mainly due to the transfer of development properties to investment properties from Golden City project following the commencement of an operating lease to a 3rd party as well as the property units sold were progressively recognized as income upon handover. The development properties are being recorded at fair value after the Purchase

Price Allocation exercise conducted by an independent professional valuer. Trade and other receivables decreased mainly due to lower trade receivables upon payment of the outstanding amounts by customers.

Non-current Liabilities

Deferred tax liabilities decreased as the development property units were progressively sold, thereby reducing the deferred tax liabilities recognized for the development properties, partially offset by the recognition of deferred tax liabilities from the fair value gain of the investment properties. 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.

Financial liabilities decreased mainly due to the classification of the convertible loan ("CL") under equity as well as the re-classification from non-current liabilities to current liabilities as the financial liabilities approached maturity and are repayable within one year as at 30 September 2017. As the lender of the CL does not have the right to demand repayment in cash and the Company, in its absolute and sole discretion, can convert the total outstanding amount (Principal amount + Interest) at the maturity date into new shares of the Company, into a fixed number of shares at a pre-determined exchange rate and accordingly, the entire CL is considered to be equity.

Current Liabilities

The decrease in financial liabilities is mainly due to diminishment of the interest-free loans from certain related parties of Daya Bay in 3Q2017 offset by the re-classification from non-current liabilities to current liabilities as the financial liabilities approached maturity and are repayable within one year as at 30 September 2017. Trade and other payables decreased mainly due to lower trade payables for both projects following payments made to contractors and suppliers. Deposits from customers on purchase of development properties increased due to the sales of development properties from both projects which revenue have yet to be recognized as the units sold have yet to meet the revenue recognition criteria.

Equity

The accumulated loss of the Group has been written off following completion of the capital reduction of S\$112.0 million on 3 January 2017. This resulted in a corresponding reduction in the share capital, partially offset by the issue of new shares arising from exercise of warrants, conversion of convertible loan and acquisition of the remaining shares in DAS. The increase in capital reserve and equity component of convertible loan arose from the classification of the CL under equity. As the lender of the CL does not have the right to demand repayment in cash and the Company, in its absolute and sole discretion, can convert the total outstanding amount (P+I) at the maturity date into new shares of the Company, into a fixed number of shares at a pre-determined exchange rate and accordingly, the entire CL is considered to be equity.

Cash Flow

Net cash used in operating activities was approximately S\$3.6 million for 3Q2017 due mainly to increase in development and investment properties.

Net cash generated from investing activities was approximately S\$25,000 for 3Q2017 mainly from interest income earned.

Net cash used in financing activities was S\$7.8 million for 3Q2017 mainly due to reduction in loans and repayment of bank loan amounting to approximately S\$21.0 million and S\$0.5 million respectively offset by the proceeds from bank loans of approximately S\$13.7 million.

9. **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 10 of the 2Q2017 Results Announcement dated 11 August 2017.

10. **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 first project was based in Daya Bay District, Huizhou, Guangdong Province, People's Republic of China ("China"). The Group's second project is based in the Yankin township of Yangon, Myanmar.

Daya Bay Project

As at 30 September 2017, approximately RMB630.5 million (approximately S\$128.6 million) of gross development value comprising 942 units (461,200 square feet) of the Daya Bay project have been sold. Correspondingly, a total of 579 units or approximately RMB357.1 million (approximately S\$72.9 million) have been recognised as revenue. Revenue for the remaining 363 sold units is expected to be progressively recognized in final quarter of FY2017 and FY2018 upon handover of the units or one month after notification to buyers to take over the units, whichever occurs earlier.

China's National Bureau of Statistics reported average new home prices in the country's 70 major cities rose 0.2 percent in September 2017 from the preceding month. This came on the back of a series of government measures in the past year to cool the property market amidst fears of an asset bubble. In comparison, new home prices rose 6.3 percent in September 2017 against the same month last year, decelerating from an 8.3 percent year-on-year expansion in August 2017.

Third-quarter data revealed China's property sector grew 3.9 percent against the year-ago period — down from a 6.2 percent on-year increase for the second quarter. Meanwhile, year-on-year growth in construction activity slowed to 4 percent in the third quarter from 5.4 percent in the second quarter.

Cooling measures are likely to persist as President Xi Jinping signaled that the state is likely to continue managing the property market.

(Source: "China's red-hot property market may finally be set for sustained cooling", CNBC, 23 October 2017)

While cooling measures are softening property activity, other sanguine observers note that outrageous price levels for Chinese apartments are mainly restricted to the megacities like Beijing and Shanghai. Correspondingly, economic fundamentals justify investment in housing, especially inland cities where development still lags far behind wealthy coastal areas.

(Source: "China's property boom props up Xi's hopes for economy but raises fears of a bubble", Today, 20 October 2017)

Coupled with cheaper credit and fewer government regulations, smaller cities like Daya Bay in Huizhou continue to sustain interest from investors.

Golden City Project

As at 30 September 2017, approximately US\$175.7 million (approximately S\$238.5 million) of gross development value comprising 494 units (669,800 square feet) of the Golden City project have been sold. Correspondingly, a total of 257 units have been recognized as revenue as at 30 September 2017. Revenue for the remaining 237 sold units is expected to be progressively recognized in the final quarter of FY2017 and FY2018 upon handover of the units or one month after notification to buyers to take over the units, whichever occurs earlier. Golden City project comprises of 4 phases. While Phase 1's construction was already completed, Phase 2 is expected to be completed in 1H2018 and work for Phase 3 and 4 will start in FY2018.

The push from the Myanmar government to rejuvenate the economy is underway with the roll out of the Foreign Direct Investment Promotion Plan (FDIPP). Under the plan, a projected increase in foreign direct investment (FDI) to a target amount of US\$4 billion is expected. Over the longer term, the implementation of mega infrastructure projects such as roads, ports and power grids should bring FDI to US\$8 billion per year.

(Source: "Businesses more optimistic on the Myanmar investment arena compared to last year", Myanmar Times, 13 September 2017)

With the promise of the condominium law slated to be enacted soon (as noted by the Urban and Housing Development department in Myanmar), foreigners will be allowed to take a maximum 25 percent stake in a condominium property. This fresh inflow of foreign investments could potentially catalyse sales of Golden City units and contribute positively to the Group's profitability in the future.

(Source: "Rules to new Condominium Law now being refined, will be enacted soon", Myanmar Times, 12 September 2017)

The Company has also on the date of this announcement released announcements relating to certain other corporate actions and developments. These corporate actions and developments may affect the Company in the next reporting period and the next 12 months. Please refer to the separate announcements for more information.

11. 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) **Books closure date**

Not applicable.

12. Negative assurance confirmation on interim financial results under SGX Listing Rule 705(5) of the Listing Manual

Christopher Chong Meng Tak and Tan Thiam Hee, 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 3rd quarter ended 30 September 2017 to be false or misleading in any material aspect.

13. 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.

14. 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.

The details of the net proceeds utilized as at 30 September 2017 are as follows:

Intended Use	Amount Allocated	Amount Utilised
	S\$'000	S\$'000
Funding of the Daya Bay Acquisition	10,000	10,000
To fund the development of other real estate projects and/or investment in real estate and/or related assets aside from the Daya Bay Acquisition	6,000	6,000
General working capital, including to fund the salaries of the Group's employees, legal and professional fees, following up on the findings from the special audit conducted on the disbursements of the Group and strengthening corporate governance of the Group as well as ancillary expenses for the Group	2,460	2,460
Total net proceeds	18,460	18,460

Pursuant to the rights issue, the Company had raised net proceeds of approximately S\$18.5 million (after deducting estimated expenses of approximately S\$0.2 million) by issuing 5,183,391,404 rights shares at an issue price of S\$0.0036 per share. The rights shares have been allotted and issued on 19 September 2016. As at 30 September 2017, the net proceeds have been fully utilised

as above and are in accordance with the intended use as stated in the offer information statement dated 24 August 2016.

15. Confirmation that the issuer had procured undertakings from all its directors and executive officers.

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

Christopher Chong Meng Tak
Non-Executive Group Chairman

BY ORDER OF THE BOARD
14 November 2017

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

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

The details of the contact person for the Sponsor is:

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