



EMERGING TOWNS & CITIES SINGAPORE LTD.

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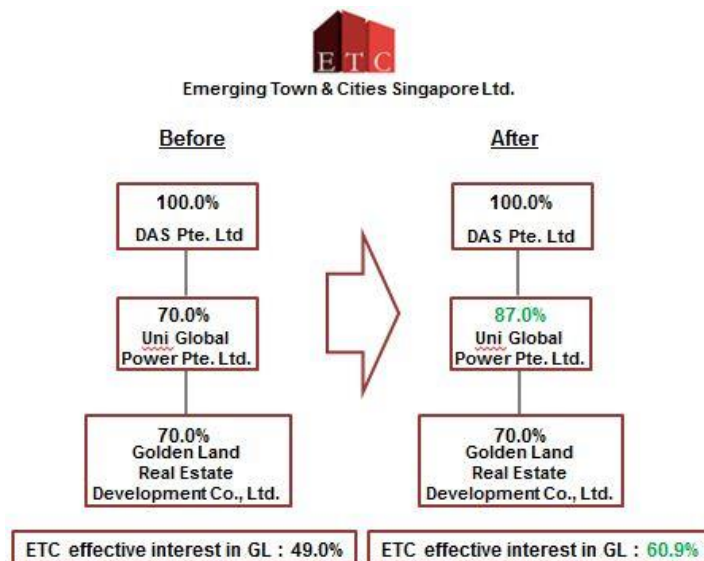
FOR IMMEDIATE RELEASE

ETC Singapore hikes effective interest in its Yangon *Golden City* project to 60.9% with US\$11.9 million earnings accretive acquisition

- Funded via the issuance of 179,161,111 new shares at S\$0.09/share; issue price represents a 5.9% premium over the last closing price of S\$0.085/share
- With vendors being key managers and investors of *Golden City* project, share issuance will align the interests of these individuals as stakeholders of the Group and incentivise them accordingly to drive the Group’s underlying financial performance
- Capitalising on the prospects offered by fast-growing Myanmar, the acquisition equips the Group with a platform to potentially capture more projects in Myanmar going forward

SINGAPORE, 6 September 2017 – Catalist-listed Emerging Towns & Cities Singapore Ltd. (“ETC Singapore” or the “Company”, and together with its subsidiaries, the “Group”) is pleased to announce that the Company’s wholly-owned subsidiary, DAS Pte. Ltd. (“**DAS**”), has on 5 September 2017, entered into sale and purchase agreements pursuant to which DAS will purchase 680 issued and paid up shares representing 17.0% of the equity interest in Uni Global Power Pte. Ltd. (“**UGP**”), for US\$11.9 million via an issuance of 179,161,111 new shares in the Company at an issue price of S\$0.09/share. This represents a premium of 5.9% over the last closing price of S\$0.085/share.

UGP currently owns a 70.0% stake in Golden Land Real Estate Development Co. Ltd. (“**GL**”), the developer of Golden City, a mixed-use luxury development project in the affluent Yankin township of Yangon, Myanmar. An infographic below provides more details on the changes to the corporate structure post acquisition.



While the acquisition is expected to cause dilution of 18.6%, elevating the number of shares post-acquisition to 1,141,328,045 it will however free up cash vital for the Group’s future plans to expand its existing portfolio of projects. Moreover, the sellers of UGP receiving the Group’s shares are either key management or investors in the *Golden City* project. This incentive to ensure Golden City continues to perform is bolstered by the alignment of interests between the sellers and the Group.

More notably, the immediate impact post-acquisition would be an increase in the effective interest in *Golden City* to 60.9%, allowing the Group to recognise a substantial increase of 11.9 percentage point in profits attributable to shareholders (Pre-acquisition effective interest of 49.0%) going forward.

Despite the improving macroeconomic conditions in Myanmar, consideration of the acquisition was favourable as it was based on the valuation for the maiden acquisition announced on 17 October 2016. This would allow the Group to capture the upside of the growing GDP and value of the *Golden City* project over the course of the year since. This is further supported by the strong demand for *Golden City* units evidenced by its record pre-sales deposits of S\$44.7 million included in the 1H2017 results. The promise of the Myanmar Government passing the condominium law, slated to be drafted within the next two months¹, would provide the impetus for greater demand of the luxurious *Golden City* project.

Mr. Tan Thiam Hee, Executive Director and Group Chief Executive Officer of ETC Singapore, remarked, *“Driven by the robustness of Myanmar’s economy and the continued interest in the Golden City project, the Group is taking proactive steps to position ourselves in Myanmar to capture the potential upside we identify. Taking a long-term view of our investment in Yangon, we are confident that an enlarged stake in GL will also allow the Group to reap greater share of profits attributable to shareholders. After initiating our investment into Yangon almost a year ago with a smaller exposure, we progressively invest in bringing the right people onboard to assemble a strong management and operational team to manage Golden City. This was a deliberate effort to manage our risks as we venture into a new geography but we believe the timing is ripe to step up a notch. With present demand led by domestic consumption, the passing of the condominium law will boost the accessibility of the real estate market to foreign investors looking to invest in one of the fastest expanding nations in the region².”*

The transactions are subject to shareholders approval at an Extraordinary General Meeting to be convened.

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About Emerging Towns & Cities Singapore Ltd.

Listed on the Catalist board of the Singapore Exchange Securities Trading Limited, Emerging Towns & Cities Singapore Ltd. was incorporated in Singapore on 17 October 1980. Formerly known as China Titanium Ltd. and later Cedar Strategic Holdings Ltd., the Company adopted the name Emerging Towns & Cities Singapore Ltd. on 27 February 2017 to mark the resolution of its legacy issues and cement its positioning as a niche market player. Going forward, the Group intends to continue to focus on property investment and development and related businesses in niche towns and cities.

Issued on behalf of Emerging Towns & Cities Singapore Ltd by: Financial PR

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This press release 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 press release.

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

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¹ “Draft condominium bylaw to be ready in two months”, The Myanmar Times, 23 August 2017

² “Fifty years on, South-east Asia emerges as global growth leader”, The Business Times, 7 August 2017