



EMERGING TOWNS & CITIES SINGAPORE LTD.

(formerly known as Cedar Strategic Holdings Ltd)

160 Robinson Road
#11-08 SBF Center
Singapore 068914
T: (+65) 6245 2313
F: (+65) 6245 2351

FOR IMMEDIATE RELEASE

ETC Singapore posts net profit attributable to shareholders of S\$1.8 million for FY2018 driven by growing contributions from the Group's development properties

- The Group records a 7.6% yoy increase in revenue to S\$62.3 million for FY2018 while maintaining a healthy order book of 144 units sold to be progressively recognised
- The Group continues to diversify its income streams by executing a two-pronged growth strategy of pursuing short-term development profits and long-term recurring income
- Management continues to prospect for strategic investors to rejuvenate the Group's shareholder structure and support long-term growth

SINGAPORE, 27 February 2019 – Catalyst-listed Emerging Towns & Cities Singapore Ltd (“ETC Singapore” or the “Company”, and together with its subsidiaries, the “Group”) has announced its financial results for the financial year ended 31 December 2018 (“FY2018”).

Supported by robust sales and rising rental income from its property development and property investment segments respectively, the Group recorded a 7.6% year-on-year (“yoy”) increase in revenue to S\$62.3 million for FY2018. Notwithstanding the disposal of Cedar Properties Private Limited (“CPPL”) on 15 March 2018, the Group managed to achieve this revenue growth on the back of sales from its development properties in the Golden City project which increased 79.4% yoy to S\$56.6 million for FY2018. Furthermore, and in line with management's strategic decision to drive sustainable growth by enhancing its recurring income streams, rental income from Golden City's investment property units rose 176.6% yoy to S\$2.6 million for FY2018.

Apart from the 420 units already sold and recognised as at 31 December 2018, the Group maintains an order book of 144 Golden City apartments that have been sold and are slated to be progressively recognised.

Mr. Tan Thiam Hee, Executive Director and Group Chief Executive Officer of ETC Singapore, remarked, *“We are pleased to note the accomplishment of yet another milestone as we mark the completion of phases 1 and 2 of our Golden City mixed-use project. Inclusive of both smaller and larger-sized units coupled with various lifestyle amenities, our development is able to cater to varying preferences and needs of prospective investors and homeowners.*

Apart from driving sales and marketing efforts for these properties, we have also continued to lay the foundation for sustainable growth by enhancing our recurring income streams generated from our investment properties. In this light, we had in October 2018 secured a major contract with globally renowned telecommunications conglomerate, Huawei Technologies, to lease out 147 residential apartments for a total term of three years, thereby providing long-term earnings visibility for our Group.

Moving forward, we will continue to execute our two-pronged growth strategy of securing short-term development profits along with long-term recurring income in the pursuit of enhancing shareholder value.”

The Group recorded a marked decrease in distribution expenses to S\$2.0 million for FY2018 (FY2017: S\$8.2 million). While the significant decrease in distribution expenses was mainly a result of the

ETC Singapore posts net profit attributable to shareholders of S\$1.8 million for FY2018 driven by growing contributions from the Group's development properties

divestment of CPPL, the Group's focus on cost controls allowed it to progressively reduce expenses over the course of the year.

As a result of a fair value gain of S\$10.7 million during the year arising from the transfer of 20 Golden City apartment units from development properties to investment properties and a revaluation gain across all investment properties during the year, the Group recorded a net profit attributable to shareholders of S\$1.8 million for FY2018.

Looking ahead, **Mr. Tan** added, *"In January, we witnessed significant progress for the housing market in Myanmar, as the Ministry of Construction announced the formation of a management committee to oversee and facilitate the implementation of by-laws required in conjunction with the Condominium Law passed in early 2018. Giving foreign investors the right to own up to 40.0% of each condominium project, the successful implementation of rules and proper registration systems will potentially open up a new wave of foreign demand for our Golden City project."*

While we remain focused on developing the remaining phases of Golden City, we are mindful of the need to pursue inorganic growth opportunities to diversify our portfolio. Acknowledging the need to move swiftly to capitalise on attractive investment opportunities, it is also crucial that we assess these prospects prudently and with caution amid a tepid macroeconomic outlook shrouded with uncertainties. Last but not least, we remain committed to prospecting for strategic investors so as to rejuvenate the Group's shareholder structure, value-add to our business operations, as well as support long-term growth."

###

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

Mr. Kamal Samuel / Mr. Jonathan Wee
Investor Relations
Tel: (65) 6438 2990 | Fax: (65) 6438 0064
Email: etc@financialpr.com.sg

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.

The details of the contact person for the Sponsor is:
Name: Mr. Nathaniel C.V. (Registered Professional, RHT Capital Pte. Ltd.)
Address: 9 Raffles Place, #29-01 Republic Plaza Tower 1, Singapore 048619
Tel: 6381 6757