



# EMERGING TOWNS & CITIES SINGAPORE LTD.

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Annual General Meeting  
23 April 2019

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# DISCLAIMER





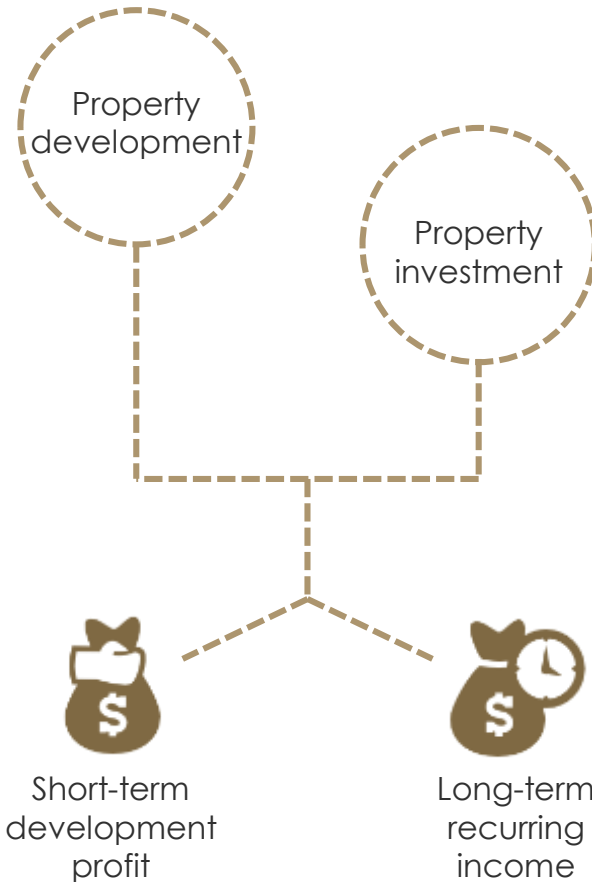
Property  
developer and  
investor in niche  
markets

Listed on SGX  
Catalist board  
(SGX:1C0)

# OVERVIEW

Focus on quality investments that would maximise shareholder returns

# MODEL



Assess each investment case rigorously to include only the right assets into the Group's existing portfolio

# PRESENCE



Golden City,  
Yankin Township,  
Yangon,  
Myanmar

Total GFA as at 31 March 2019 = ~2.2 million sq ft

## Board of Directors / Non-Executive Directors



**Ang Mong Seng**

Non-Executive and Independent Group Chairman, Chairman of the Nominating & Corporate Governance Committee and Member of both Audit and Remuneration Committees



**Lim Jun Xiong Steven**

Independent Director, Chairman of both Audit and Remuneration Committees and Member of the Nominating & Corporate Governance Committee



**Teo Cheng Kwee**

Non-Executive Director and Member of both Audit and Remuneration Committees

## Board of Directors / Executive Directors



**Tan Thiam Hee**  
Executive Director and Group  
Chief Executive Officer



**Zhu Xiaolin**  
Executive Director and Group  
President



## Management Team



Joseph Lim  
Group Chief Financial Officer



Lai Xuejun  
Senior Vice President &  
Regional General Manager –  
Myanmar



William Lau  
Vice President (Investment) &  
Regional Chief Financial  
Officer – Myanmar



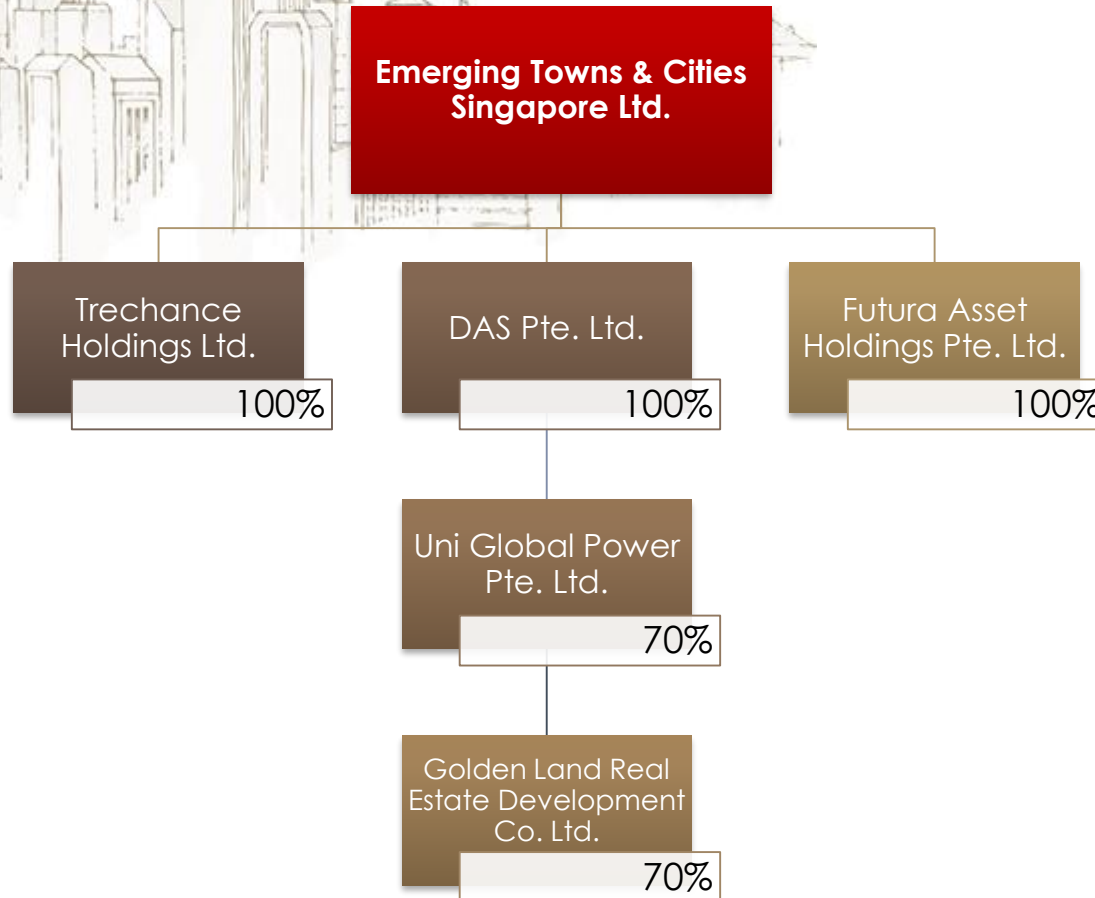
Li Bo  
Vice President (Sales &  
Marketing) & Regional Sales &  
Marketing Director – Myanmar



Irwin Ang Chee Liong  
Vice President (Quality  
Assurance)

# GROUP STRUCTURE

As at 31 March 2019



# KEY CORPORATE DEVELOPMENTS



2016

## **FEBRUARY:**

- Signing of share subscription agreement

## **MARCH:**

- Resumption of trading

## **APRIL:**

- Completion of placement
- Release of Annual Report 2015
- AGM 2015

## **SEPTEMBER:**

- Completion of rights issue
- Loan from controlling shareholder, Luo Shandong ("LSD") of US\$5,000,000 at 6% per annum

## **NOVEMBER:**

- Closure of Special Audit

## **DECEMBER:**

- Completion of Phase I acquisition of Golden City project
- Completion of 25:1 share consolidation



2017

## **JANUARY:**

- Completion of capital reduction
- Conversion of loan from LSD to Convertible Loan of US\$29,302,144 (comprising US\$5,000,000 incurred by Company, US\$24,125,000 incurred by DAS before SPA, and accrued interest) at 1% per annum

## **FEBRUARY:**

- Completion of Phase II acquisition of Golden City project
- Change of company name

## **OCTOBER:**

- Forged strategic collaboration with Yoma Bank to introduce 15-year home loan programmes

## **NOVEMBER:**

- Trading suspension in view of legal action with respect to unauthorised withdrawals from Daya Bay

# KEY CORPORATE DEVELOPMENTS



2018

## **JANUARY:**

- Arrived at a settlement deed in relation to legal action in respect of unauthorised withdrawals from Daya Bay

## **MARCH:**

- EGM convened on 15 March 2018; Shareholders approved the following:-
  - i) Disposal of Daya Bay
  - ii) Extension of the Convertible Loan Agreement ("CLA")
  - iii) Novation by Mr Luo of the CLA

## **MAY:**

- Appointment of new independent directors

## **JUNE:**

- Resumption of trading

## **OCTOBER:**

- Inked agreement with Huawei Technologies to lease out 147 apartments from Golden City



2019

## **MARCH:**

- Entered into a second addendum deed to extend the maturity date of 25 April 2019 in the CLA by an additional 12 months to 25 April 2020





# GOLDEN CITY

Yankin, Yangon, Myanmar

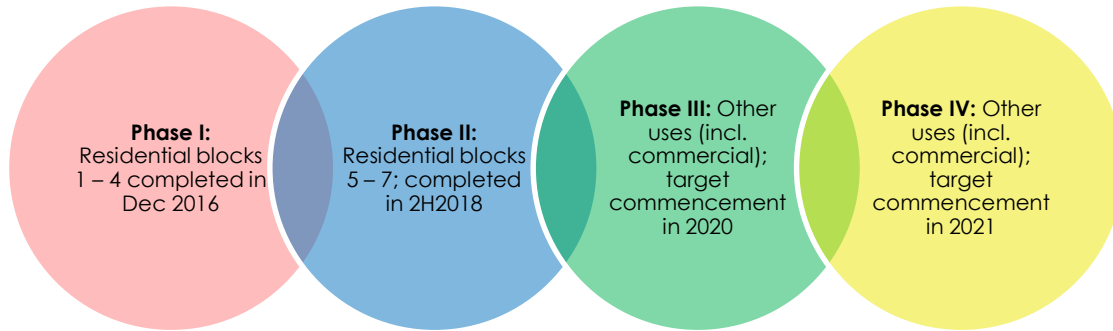
GFA: ~2.2m sq ft  
GDV: ~US\$400m  
(Phases 1 and 2 and  
CMA building only)

Brownfield

Average  
selling price:  
~US\$260 psf

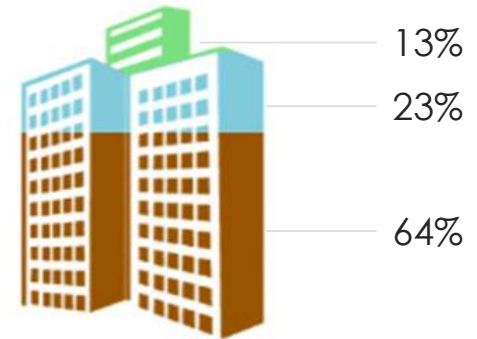
- Acquisition cost: US\$24.9m for 49.0% stake (completed in Feb 2017)
- Luxury mixed-use development including residential and commercial
- Iconic: Tallest building in Myanmar; clear views of key landmarks including Shwedagon Pagoda and Inya Lake
- Vicinity area contains prestigious real estate and lifestyle amenities, including five-star hotels, fine dining, international schools, hospitals, embassies, and office headquarters (e.g. Telenor, Unilever, MIC, LG, Petronas, Bangkok Bank, Keppel)
- Top-selling high-end residential project; buyers are mainly affluent locals; apartment units have been transacted at between US\$250 to US\$320 psf
- Engages local community through Golden City Charity Foundation, donations, volunteer work, and other CSR activities
- <http://www.glredcl.com/>

# DEVELOPMENT UPDATE @ 31 DECEMBER 2018

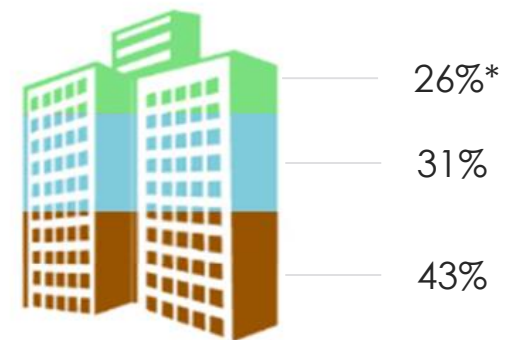


# SALES UPDATE @ 31 DECEMBER 2018

## Phase I (Comprises larger-sized units)



## Phase II (Comprises smaller-sized units)



Sold
  Unsold
  Leased

\* The lease for 147 units in Phase 2 was signed with Huawei Technologies in October 2018.

	Sales value (USD million)	No. of units	Total floor area ('000 sq ft)
Sold (SPA signed & stated at gross)	200.9	564	761.4
Unsold (Incl. deposit received but contract not signed)	199.6	501	707.3
<b>Total</b>	<b>400.5</b>	<b>1,065</b>	<b>1,468.7</b>
Notified and Handed over	133.4	403	551.2
Notified, but not handed over	7.4	17	29.2
<b>Total Sold and Recognized in P&amp;L (at gross)</b>	<b>140.8</b>	<b>420</b>	<b>580.4</b>

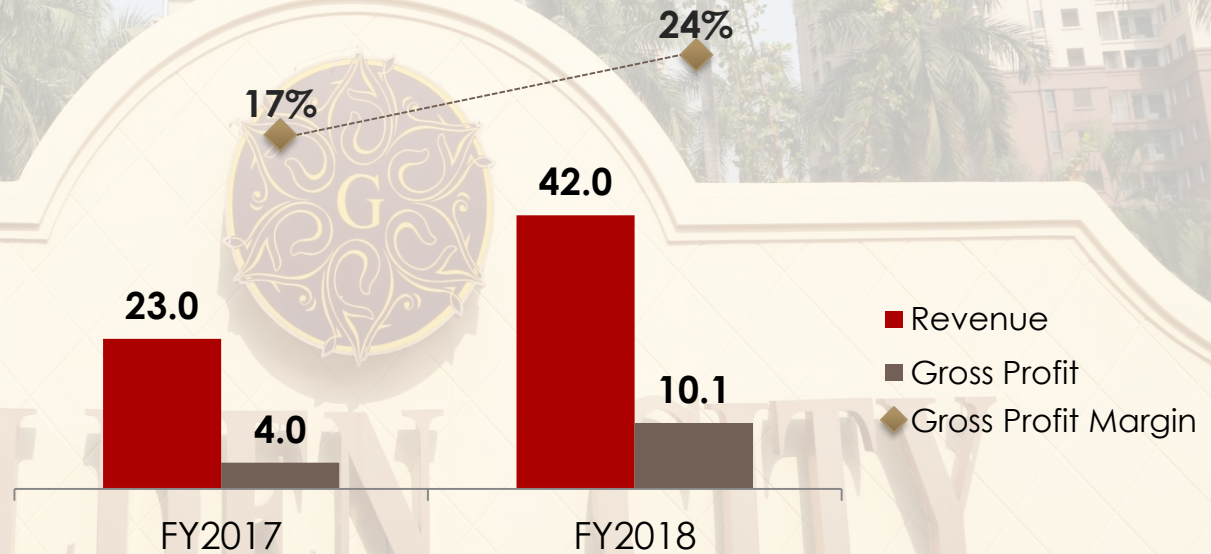
## SALE OF RESIDENTIAL DEVELOPMENT PROPERTIES as at 31 December 2018



# SALE OF DEVELOPMENT PROPERTIES as at 31 December 2018

	FY2017				FY2018			
	Sales value (USD million)	No. of units	Total floor area ('000 sq ft)	Price/sq ft (USD)	Sales value (USD million)	No. of units	Total floor area ('000 sq ft)	Price/sq ft (USD)
Sold (SPA signed & stated at gross)	35.5	100	127.7	278	14.1	37	52.6	268
Total Sold & Recognized in P&L	23.0	50	95.7	240	42.0	176	178.6	235

## GP Analysis\* (USD million)

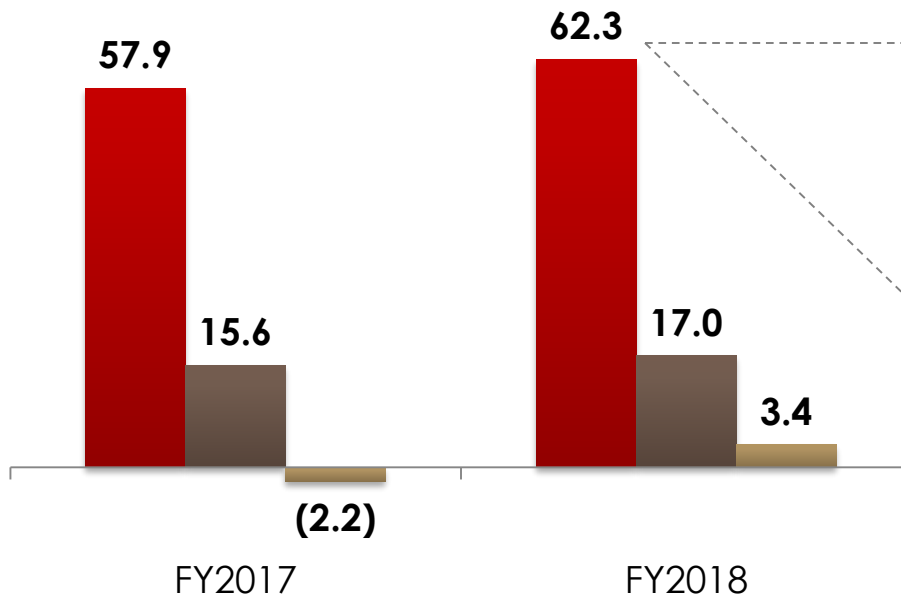


\*GP analysis solely represents the sale of development properties only. Rental property contribution is not represented in revenue, gross profit and gross profit margin figures above.



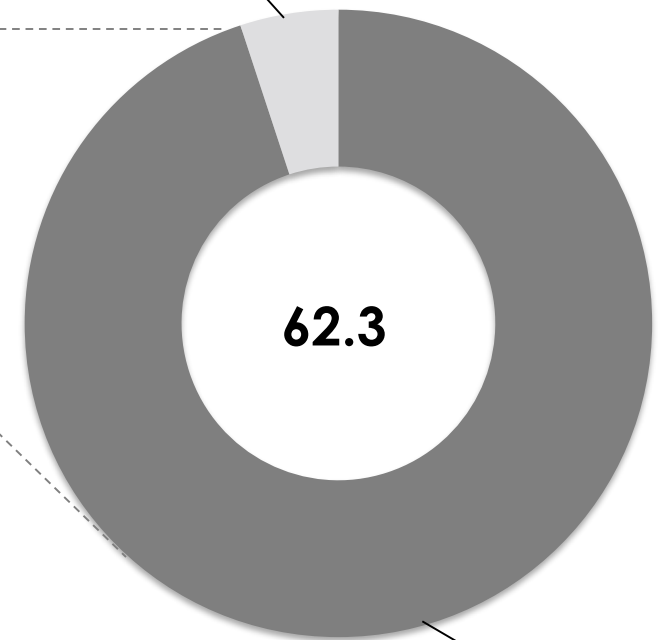
# FY2018 FINANCIAL HIGHLIGHTS

REVENUE, GROSS PROFIT, AND NET PROFIT / (LOSS) ATTRIBUTABLE TO OWNERS (IN SGD MILLION)



- Revenue
- Gross Profit
- Net Profit/(Loss) Attributable to Owners of the Company

Recurring income from rental of apartments & commercial units  
4.9%



Sale of property units  
95.1%

# FY2018 FINANCIAL HIGHLIGHTS

	As at 31 December 2018 (SGD million)	As at 31 December 2017 (SGD million)
Development properties	219.6	208.5
Cash and cash equivalents	3.0	21.1
Borrowings	48.2 <sup>1</sup>	45.1 <sup>2</sup>
Non-controlling interests	4.7	8.7
Shareholders' equity attributable to equity holders of the Company	111.7	121.8 <sup>#</sup>
Gearing ratio (excluding non-controlling interest) (%)	43.2	37.0 <sup>^</sup>
Gearing ratio (including non-controlling interest) (%)	41.4	34.6 <sup>^</sup>
Net asset value per share (Singapore cents)	12.10 <sup>3</sup>	13.57 <sup>4#</sup>

<sup>1</sup> Related to loans granted by banks, certain related parties of DAS Group and a third party

<sup>2</sup> Related to loans granted by banks and certain related parties of DAS Group

<sup>3</sup> Based on share capital of 962 million shares as at 31 December 2018

<sup>4</sup> Based on share capital of 962 million shares as at 31 December 2017

<sup>^</sup> The Group's gearing ratios had been restated to take into account the retrospective adjustments relating to SFRS(I) 15 Revenue from Contracts with Customers and a prior year adjustment relating to the reallocation of imputed interest expenses (which have no cash flow impact)

<sup>#</sup> The Group's comparative balance sheets had been restated to take into account the retrospective adjustments relating to SFRS(I) 15 Revenue from Contracts with Customers and a prior year adjustment relating to the reallocation of imputed interest expenses (which have no cash flow impact)



# MYANMAR OUTLOOK

- The Myanmar economy has been underperforming in recent years and confidence in Aung San Suu Kyi's National League for Democracy (NLD) party is low.
- Growth in foreign direct investment (FDI) numbers have been slowing amid sluggish economic conditions in Myanmar.
- The gap between supply and demand for housing in Myanmar has been expanding in recent years, thereby presenting private residential players the opportunity to capture this demand.
- The Ministry of Construction in Myanmar has recently formed a management committee to implement rules with regard to the Condominium Law. Industry observers believe that once proper by-laws and registration systems are put in place, will the sector experience further growth as it will give buyers and investors confidence to enter the market.

# **PROPOSED RESOLUTIONS**

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Ordinary Business

# RESOLUTION 1

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To receive and adopt the Directors' Statement and Audited Financial Statements for the year ended 31 December 2018 and the Auditors' Report thereon.

# RESOLUTION 2

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To re-elect Mr Tan Thiam Hee as Director, who shall retire pursuant to Regulation 87 of the Company's Constitution.



# RESOLUTION 3

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To re-elect Mr Teo Cheng Kwee as Director, who shall retire pursuant to Regulation 87 of the Company's Constitution.

# RESOLUTION 4

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To re-elect Mr Ang Mong Seng as Director, who shall retire pursuant to Regulation 94 of the Company's Constitution.

# RESOLUTION 5

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To re-elect Mr Lim Jun Xiong Steven as Director, who shall retire pursuant to Regulation 94 of the Company's Constitution.

# RESOLUTION 6

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To approve the payment of the proposed directors' fees of up to S\$200,000 to be paid quarterly in arrears for the financial year ending 31 December 2020.

# RESOLUTION 7

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To re-appoint Foo Kon Tan LLP as Auditors of the Company and to authorise the Directors to fix its remuneration.

# **PROPOSED RESOLUTIONS**

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Special Business

# RESOLUTION 8

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Authority to issue shares in the capital of the Company pursuant to Rule 806 of the Listing Manual – Section B: Rules of Catalist of the Singapore Exchange Securities Trading Limited (“SGX-ST”)

# RESOLUTION 9

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Mandate to Directors to issue Shares under the ETC Employee Share Option Scheme

# RESOLUTION 10

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Mandate to Directors to issue Shares under the ETC Performance Share Plan

# RESOLUTION 11

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Proposed renewal of the Share Purchase Mandate

# RESOLUTION 12

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The Second Proposed Extension of the expiry date of the Conversion Right under the Convertible Loan Agreement entered into between the Company and Mr Luo Shandong

# THANK YOU

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For enquiries, please contact:

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