

# EMERGING TOWNS & CITIES SINGAPORE LTD.

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

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## ACCOUNTING AND CORPORATE REGULATORY AUTHORITY'S ("ACRA") FINAL FINDINGS LETTER

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The Board of Directors ("**Board**" or "**Directors**") of Emerging Towns & Cities Singapore Ltd. (the "**Company**" or "**ETC**", and together with its subsidiaries, the "**Group**") wishes to announce that, following a series of queries and responses between the Company and ACRA, the Company has today received a Final Findings Letter from ACRA issued to the Board.

ACRA is of the view that the Company's financial statements for the financial year ended 31 December 2019 ("**FY2019 FS**") had not complied with paragraph 57(d) of Singapore Financial Reporting Standards (International) 1-40 *Investment Property*. This is because the Group had recognised the transfer of development properties to investment properties, together with the corresponding fair value gain on investment properties, in FY2019. This is despite the evidence of a change in use in 2018, following a lease agreement being signed between the Group and Huawei Technologies (Yangon) Co Ltd ("**Huawei**") on 12 October 2018, though fitting-out works were carried out only in FY2019 and the lease commenced on 1 August 2019, subsequent to the amendment lease agreement being signed between the Group and Huawei on 29 May 2019.

ACRA has requested and the Company has agreed to revise the Company's FY2019 FS, including the 2018 comparatives in the FY2019 FS, and lay the revised FY2019 FS at the Company's next general meeting by April 2022 (the "**Proposed Remediation**") in order to remediate the final findings pursuant to Section 202A of the Companies Act. ACRA has granted the Company four (4) months to complete the Proposed Remediation, i.e. by 5 March 2022.

There is no impact to the consolidated financial statements of the Group and the statement of financial position of the Company for the year ended 31 December 2020.

Further announcements will be made by the Company as and when appropriate. In the meantime, shareholders are advised to exercise caution when dealing in the securities of the Company and to refrain from taking any action in relation to their securities which may be prejudicial to their interests. Persons who are in doubt as to the action they should take should consult their stockbrokers, bank managers, solicitors, accountants, tax advisers or other professional advisers immediately.

### BY ORDER OF THE BOARD

Tan Thiam Hee  
Executive Director and Group Chief Executive Officer

5 November 2021

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*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 (the "**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.*

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