

**EMERGING TOWNS & CITIES SINGAPORE LTD.
(Incorporated in the Republic of Singapore)
(Company Registration No. 198003839Z)**

**Condensed Interim Financial Statements for the
third Quarter and nine months ended 30
September 2022**

Pursuant to Rule 705(2) of the SGX-ST Listing Rules (Catalist), the Singapore Exchange Regulation requires the Company to announce its quarterly financial statements in view of the disclaimer of opinion issued by the Company's auditor in the latest audited financial statements for the financial year ended 31 December 2021.

This announcement had 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") Listing Manual Section B: Rules of Catalist.

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

The contact person for the Sponsor is Ms Bao Qing, Registered Professional, RHT Capital Pte. Ltd., 36 Robinson Road, #10-06 City House, Singapore 068877, sponsor@rhtgoc.com

Table of Contents

A. CONDENSED INTERIM CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME.....	1
B. CONDENSED INTERIM STATEMENTS OF FINANCIAL POSITION	2
C. CONDENSED INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS.....	3
D. CONDENSED INTERIM STATEMENTS OF CHANGES IN EQUITY.....	4
E. NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS.....	6
F. OTHER INFORMATION REQUIRED BY APPENDIX 7C OF THE CATALIST RULE	21

**A. CONDENSED INTERIM CONSOLIDATED STATEMENT OF PROFIT OR
LOSS AND OTHER COMPREHENSIVE INCOME**

		Group			
	Note	3 rd Quarter Ended 30-Sept-22	3 rd Quarter Ended 30-Sept-21	Nine months Ended 30-Sept-22	Nine months Ended 30-Sept-21
		Unaudited	Unaudited	Unaudited	Unaudited
		S\$'000	S\$'000	S\$'000	S\$'000
Revenue	4	3,720	861	11,783	4,564
Cost of sales [^]		(10,858)	(1,291)	(33,334)	(3,632)
Gross (loss)/profit		(7,138)	(430)	(21,551)	932
Other income	6	613	97	2,515	497
Selling and distribution costs		(251)	(56)	(988)	(173)
Administrative expenses		(1,141)	(1,450)	(3,306)	(3,348)
Other expenses	7	(182)	(260)	(565)	(9,865)
Finance costs	8	(2,520)	(1,839)	(7,064)	(5,622)
Loss before taxation	9	(10,619)	(3,938)	(30,959)	(17,579)
Taxation	10	1,985	311	5,888	3,019
Loss for the period		(8,634)	(3,627)	(25,071)	(14,560)
Loss attributable to:					
Owners of the Company		(4,300)	(1,899)	(12,459)	(7,508)
Non-controlling interests		(4,334)	(1,728)	(12,612)	(7,052)
		(8,634)	(3,627)	(25,071)	(14,560)
Other comprehensive income/(loss)					
Items that may be reclassified to profit or loss in subsequent periods (net of tax)					
Currency translation differences arising from consolidation of foreign operations		2,531	1,659	5,419	3,417
Total comprehensive loss for the period		(6,103)	(1,968)	(19,652)	(11,143)
Total comprehensive loss attributable to:					
Owners of the Company		(1,686)	(188)	(6,927)	(4,002)
Non-controlling interests		(4,417)	(1,780)	(12,725)	(7,141)
		(6,103)	(1,968)	(19,652)	(11,143)
Loss per share attributable to owners of the Company (Singapore cents)					
- Basic	19	(0.44)	(0.19)	(1.27)	(0.76)
- Diluted	19	(0.44)	(0.19)	(1.27)	(0.76)

[^]: Cost of sales for the third quarter and nine months ended 30 September 2022 and 30 September 2021 included allowance for foreseeable losses on development properties of S\$8,274,000 (3Q2021: S\$1,553,000) and S\$24,570,000 (9M2021: S\$2,539,000) respectively.

B. CONDENSED INTERIM STATEMENTS OF FINANCIAL POSITION

Note	Group		Company		
	30-Sept-22	31-Dec-21	30-Sept-22	31-Dec-21	
	Unaudited	Audited	Unaudited	Audited	
	S\$'000	S\$'000	S\$'000	S\$'000	
ASSETS					
Non-Current					
Property, plant and equipment	11	4,148	4,117	1	1
Right-of-use assets		-	5	-	5
Subsidiaries		-	-	35,393	35,393
Investment properties	12	115,283	107,350	-	-
Trade receivables	14	2,181	2,437	-	-
		121,612	113,909	35,394	35,399
Current					
Development properties	13	120,087	142,884	-	-
Trade and other receivables	14	5,438	5,997	70	349
Prepayments		74	59	17	25
Cash and cash equivalents	15	5,250	3,844	15	77
		130,849	152,784	102	451
Total assets		252,461	266,693	35,496	35,850
EQUITY AND LIABILITIES					
Capital and Reserves					
Share capital	18	43,580	43,580	43,580	43,580
Reserves		51,255	58,056	(9,930)	(9,820)
Equity attributable to equity holders of the Company		94,835	101,636	33,650	33,760
Non-controlling interests		(14,631)	(1,906)	-	-
Total equity		80,204	99,730	33,650	33,760
LIABILITIES					
Non-Current					
Deferred tax liabilities		18,814	23,555	-	-
Accrued land lease premium	17	26,936	24,668	-	-
Advance consideration received from customers		4,202	602	-	-
Lease liabilities		-	3	-	3
		49,952	48,828	-	3
Current					
Borrowings	16	64,825	61,329	-	-
Accrued land lease premium	17	15,456	12,897	-	-
Lease liabilities		-	2	-	2
Trade and other payables		33,302	35,167	1,846	2,085
Advance consideration received from customers		8,722	8,740	-	-
		122,305	118,135	1,846	2,087
Total liabilities		172,257	166,963	1,846	2,090
Total equity and liabilities		252,461	266,693	35,496	35,850

C. CONDENSED INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS

		Group	
Note	Nine months Ended 30-Sept-22	Nine months Ended 30-Sept-21	
	S\$'000	S\$'000	
Cash Flows from Operating Activities			
Loss before taxation	(30,959)	(17,579)	
Adjustments for:			
Allowance for foreseeable losses on development properties	24,570	2,539	
Forfeiture of advance consideration received from customers	(415)	-	
Depreciation of property, plant and equipment	213	270	
Depreciation of right-of-use assets	5	53	
Financing expense on payment from customers	1,628	289	
Financing income on payments from customers	(603)	(394)	
Fair value (gain)/loss on investment properties	(1,393)	9,364	
Interest income	(11)	(5)	
Interest expense	5,436	5,333	
Operating loss before working capital changes	(1,529)	(130)	
Trade and other receivables	1,337	2,751	
Advance consideration received from customers	3,904	2,188	
Trade and other payables	(6,757)	(4,673)	
Development properties	7,537	1,299	
Cash generated from operations	4,492	1,435	
Income tax paid	(98)	-	
Net cash generated from operating activities	4,394	1,435	
Cash Flows from Investing Activities			
Interest received	11	5	
Purchase of property, plant and equipment	(15)	(11)	
Additions to investment properties	(72)	(9)	
Net cash used in investing activities	(76)	(15)	
Cash Flows from Financing Activities			
Bank balances pledged	(2,589)	(274)	
Interest paid	(1,471)	(638)	
Payment of lease liabilities	(10)	-	
Payment of land lease premium	(544)	(58)	
Repayment of bank loan	(432)	(1,360)	
Repayment of related party loans	(458)	-	
Net cash used in financing activities	(5,504)	(2,330)	
Net decrease in cash and cash equivalents			
	(1,186)	(910)	
Cash and cash equivalents at beginning of period	2,671	1,424	
Effect of exchange rate fluctuations on cash and cash equivalents	3	56	
Cash and cash equivalents at end of period	1,488	570	15

D. CONDENSED INTERIM STATEMENTS OF CHANGES IN EQUITY

Group

The Group	Share capital S\$'000	Capital reduction reserve S\$'000	Capital reserve S\$'000	Share option reserve S\$'000	Revaluation reserve S\$'000	Equity component of convertible loan S\$'000	Exchange fluctuation reserve S\$'000	Accumulated profits S\$'000	Total attributable to equity holders of the company S\$'000	Non-controlling interests S\$'000	Total equity S\$'000
Balance as at 1 January 2022	43,580	15,998	24,695	730	299	13,650	(3,089)	5,773	101,636	(1,906)	99,730
Total comprehensive income/(loss) for the period	-	-	-	-	-	-	5,532	(12,459)	(6,927)	(12,725)	(19,652)
Transactions with owners, recognised directly in equity											
Contributions by and distributions to owners											
Interest incurred on convertible loan	-	-	-	-	-	126	-	-	126	-	126
Balance at 30 September 2022	43,580	15,998	24,695	730	299	13,776	2,443	(6,686)	94,835	(14,631)	80,204

The Group	Share capital S\$'000	Capital reduction reserve S\$'000	Capital reserve S\$'000	Share option reserve S\$'000	Revaluation reserve S\$'000	Equity component of convertible loan S\$'000	Exchange fluctuation reserve S\$'000	Accumulated profits 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 2021	43,580	15,998	24,695	730	299	13,483	(5,639)	19,127	112,273	11,139	123,412
Total comprehensive income/(loss) for the period	-	-	-	-	-	-	3,506	(7,508)	(4,002)	(7,141)	(11,143)
Transactions with owners, recognised directly in equity											
Contributions by and distributions to owners											
Interest incurred on convertible loan	-	-	-	-	-	125	-	-	125	-	125
Balance at 30 September 2021	43,580	15,998	24,695	730	299	13,608	(2,133)	11,619	108,396	3,998	112,394

EMERGING TOWNS & CITIES SINGAPORE LTD.

(Company Registration No. 198003839Z)

D. CONDENSED INTERIM STATEMENTS OF CHANGES IN EQUITY (CONT'D)

Company

The Company	Share capital	Capital reduction reserve	Capital reserve	Equity component of convertible loan	Share option reserve	Accumulated losses	Total Equity attributable to equity holders of the Company
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Balance at 1 January 2022	43,580	15,998	10,987	13,650	730	(51,185)	33,760
Interest incurred on convertible loan	-	-	-	126	-	-	126
Total comprehensive loss for the period	-	-	-	-	-	(236)	(236)
Balance at 30 September 2022	43,580	15,998	10,987	13,776	730	(51,421)	33,650

The Company	Share capital	Capital reduction reserve	Capital reserve	Equity component of convertible loan	Share option reserve	Accumulated losses	Total Equity attributable to equity holders of the Company
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Balance at 1 January 2021	43,580	15,998	10,987	13,483	730	(50,360)	34,418
Interest incurred on convertible loan	-	-	-	125	-	-	125
Total comprehensive loss for the period	-	-	-	-	-	(708)	(708)
Balance at 30 September 2021	43,580	15,998	10,987	13,608	730	(51,068)	33,835

E. Notes to the condensed interim consolidated financial statements

1. Corporate information

Emerging Towns & Cities Singapore Ltd. (the “**Company**”) is incorporated as a limited company and domiciled in Singapore. The Company is listed on the Catalist of the Singapore Exchange Securities Trading Limited.

These condensed interim consolidated financial statements as at and for the nine months ended 30 September 2022 comprise the Company and its subsidiaries (the “**Group**”).

The principal activities of the Company are those relating to investing holding. The principal activities of the subsidiaries are:

- a) Investment holding
- b) Property development and investment

2. Summary of significant accounting policies

2.1 Basis of Preparation

The condensed interim financial statements for the nine months ended 30 September 2022 have been prepared in accordance with SFRS(I) 1-34 Interim Financial Reporting issued by the Accounting Standards Council Singapore. The condensed interim financial statements do not include all the information required for a complete set of financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group’s financial position and performance of the Group since the last annual financial statements for the year ended 31 December 2021.

The accounting policies adopted are consistent with those of the previous financial year which were prepared in accordance with SFRS(I)s. The Group has applied various new accounting standards and interpretations of accounting standards for the first time for the financial year beginning on 1 January 2022. The application of these standards and interpretations did not have a material effect on the condensed interim financial statements.

The condensed interim financial statements are presented in Singapore dollar which is the Company’s functional currency.

2.2 Going concern

For the financial period ended 30 September 2022, the Group incurred a net loss of S\$25,071,000. In addition, as disclosed in Note 16, the Group did not meet a financial covenant in respect of its bank loan during the financial year ended 31 December 2021, resulting in the loan being repayable on demand. Consequently, the bank loan of S\$58,758,000 had been wholly classified as current as at 30 September 2022. The Group had borrowings amounting to S\$64,825,000 due for repayment within the next 12 months or on demand, with cash and bank balance of S\$5,250,000 as at 30 September 2022.

Notwithstanding this, the directors are of the view that the going concern assumption is appropriate for the preparation of the financial statements due to the following:

- The Group had net current assets and net assets of S\$8,544,000 and S\$80,204,000 respectively, as at 30 September 2022 while the Company had net assets of S\$33,650,000 as at 30 September 2022.

2.2 Going concern (Cont'd)

- The Group had negotiated the repayment terms with the bank and obtained a temporary relief through the revision of the repayment schedule during the year ended 31 December 2021. The next principal repayment is scheduled on 8 March 2023. The Group does not expect the bank to call for full repayment of the bank loan for the breach in financial covenant.

2.3 Use of judgements and estimates

In preparing the condensed interim financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Although these estimates are based on management's best knowledge of current events and actions, actual results may differ from those estimates.

The significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that were applied to the consolidated financial statements as at and for the year ended 31 December 2021.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

3 Seasonal operations

The Group's businesses are not affected significantly by seasonal or cyclical factors during the financial period.

4 Segment and revenue information

The Group's business is organised into three business segments, namely: -

- (i) Property development – relates to the development of properties for sale
- (ii) Property investment – relates to the business of investing in properties to earn rentals and for capital appreciation
- (iii) Corporate – comprises corporate office which incurs general corporate expenses and inactive entities in the Group

The Group accounts for inter-segment transactions on terms agreed between parties. Inter-segment transactions comprising advances between segments are eliminated on consolidation.

All operating segments' operating results are reviewed regularly by the Group's executive directors to make decisions about resources to be allocated to the segment and to assess its performance, and for which discrete financial information is available

Segment revenue and expenses:

Segment revenue and expenses are the operating revenue and expenses reported in the consolidated statement of profit or loss and other comprehensive income that are directly attributable to a segment and the relevant portion of such revenue and expense that can be allocated on a reasonable basis to a segment.

4 Segment and revenue information (Cont'd)

Segment assets and liabilities:

Segment assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis.

The management monitors the operating results of the operating segments for the purpose of making decisions about resource allocation and performance assessment.

Information regarding the results of each reportable segment is included below. Performance is measured based on segment profit before income tax, as included in the internal management reports that are reviewed by the management. Segment profit is used to measure performance as management believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries.

Segment profit is used to measure performance as management believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operates with these industries. Segment results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items comprise mainly corporate assets (primarily in the Company's headquarters), head office expenses, and tax assets and liabilities.

EMERGING TOWNS & CITIES SINGAPORE LTD.
(Company Registration No. 198003839Z)

4.1 Reportable segments

	Property Development		Property Investment		Corporate		Eliminations		Total	
	Third Quarter Ended		Third Quarter Ended		Third Quarter Ended		Third Quarter Ended		Third Quarter Ended	
	30 Sept 2022	30 Sept 2021	30 Sept 2022	30 Sept 2021	30 Sept 2022	30 Sept 2021	30 Sept 2022	30 Sept 2021	30 Sept 2022	30 Sept 2021
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Segment revenue	2,973	7	747	854	-	-	-	-	3,720	861
Results										
Segment (loss)/profit	(11,866)	(4,166)	708	639	(335)	(432)	443	184	(11,050)	(3,775)
Other income/(expenses)	219	(194)	471	31	184	180	(443)	(180)	431	(163)
(Loss)/Profit before taxation	(11,647)	(4,360)	1,179	670	(151)	(252)	-	4	(10,619)	(3,938)
Taxation	2,102	319	(117)	(8)	-	-	-	-	1,985	311
(Loss)/Profit for the period	(9,545)	(4,041)	1,062	662	(151)	(252)	-	4	(8,634)	(3,627)
Attributable to:										
Owners of the Company	(4,671)	(1,976)	522	325	(151)	(252)	-	4	(4,300)	(1,899)
Non-controlling interests	(4,874)	(2,065)	540	337	-	-	-	-	(4,334)	(1,728)
	(9,545)	(4,041)	1,062	662	(151)	(252)	-	4	(8,634)	(3,627)

EMERGING TOWNS & CITIES SINGAPORE LTD.
(Company Registration No. 198003839Z)

4.1 Reportable segments (Cont'd)

	Property Development		Property Investment		Corporate		Eliminations		Total	
	Nine Months Ended		Nine Months Ended		Nine Months Ended		Nine Months Ended		Nine Months Ended	
	30 Sept 2022	30 Sept 2021	30 Sept 2022	30 Sept 2021	30 Sept 2022	30 Sept 2021	30 Sept 2022	30 Sept 2021	30 Sept 2022	30 Sept 2021
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Segment revenue	9,728	1,486	2,055	3,078	-	-	-	-	11,783	4,564
Results										
Segment (loss)/profit	(34,461)	(9,872)	1,944	2,417	(936)	(1,295)	544	539	(32,909)	(8,211)
Other (expenses)/income	557	(5)	1,393	(9,364)	602	537	(602)	(536)	1,950	(9,368)
(Loss)/Profit before taxation	(33,904)	(9,877)	3,337	(6,947)	(334)	(758)	(58)	3	(30,959)	(17,579)
Taxation	6,235	678	(347)	2,341	-	-	-	-	5,888	3,019
(Loss)/Profit for the period	(27,669)	(9,199)	2,990	(4,606)	(334)	(758)	(58)	3	(25,071)	(14,560)
Attributable to:										
Owners of the Company	(13,530)	(4,500)	1,463	(2,253)	(334)	(758)	(58)	3	(12,459)	(7,508)
Non-controlling interests	(14,139)	(4,699)	1,527	(2,353)	-	-	-	-	(12,612)	(7,052)
	(27,669)	(9,199)	2,990	(4,606)	(334)	(758)	(58)	3	(25,071)	(14,560)
Assets and liabilities										
Segment assets	137,091	171,207	115,283	107,556	135	316	(48)	(99)	252,461	278,980
Segment liabilities	148,706	107,710	21,745	57,024	1,854	1,951	(48)	(99)	172,257	166,586

EMERGING TOWNS & CITIES SINGAPORE LTD.
(Company Registration No. 198003839Z)

4.2 Geographical segments

Geographical Segments	Myanmar S\$'000	Singapore S\$'000	Total S\$'000
Third Quarter ended 30 September 2022			
Revenue	3,720	-	3,720
Third Quarter ended 30 September 2021			
Revenue	861	-	861
Geographical Segments			
	Myanmar S\$'000	Singapore S\$'000	Total S\$'000
Nine Months ended 30 September 2022			
Revenue	11,783	-	11,783
Non-current assets*	119,430	1	119,431
Nine Months ended 30 September 2021			
Revenue	4,564	-	4,564
Non-current assets*	111,774	7	111,781

*Excluding non-current trade receivables

Geographically, the non-current assets and operations of the Group are primarily located in Myanmar of the financial period ended 30 September 2022 and 30 September 2021.

There is no revenue from transactions with a single external customer that amounts to 10 per cent or more of the Group's revenue.

4.3 Disaggregation of Revenue

	Group			
	Third Quarter Ended		Nine Months Ended	
	30 September	30 September	30 September	30 September
	2022	2021	2022	2021
	S\$'000	S\$'000	S\$'000	S\$'000
Revenue:				
- Sale of development properties	2,973	7	9,728	1,486
- Rental income from investment properties	747	854	2,055	3,078
	3,720	861	11,783	4,564
Timing of transfer of goods and services in respect of revenue from contracts with customers				
- At a point in time	2,973	7	9,728	1,486

EMERGING TOWNS & CITIES SINGAPORE LTD.
(Company Registration No. 198003839Z)

5 Financial assets and financial liabilities

Set out below is an overview of the financial assets and financial liabilities of the Group as at 30 September 2022 and 31 December 2021.

	Group		Company	
	30 September 2022	31 December 2021	30 September 2022	31 December 2021
	S\$'000	S\$'000	S\$'000	S\$'000
Financial assets at amortised cost				
Trade and other receivables (Note 14)	7,619	8,434	70	349
Cash and bank balances (Note 15)	5,250	3,844	15	77
	12,869	12,278	85	426
Financial liabilities at amortised cost				
Borrowings (Note 16)	64,825	61,329	-	-
Accrued land lease premium (Note 17)	42,392	37,565	-	-
Lease liabilities	-	5	-	5
Trade and other payables	22,571	24,651	1,846	2,085
	129,788	123,550	1,846	2,090

6 Other income

	Group			
	Third Quarter Ended		Nine Months Ended	
	30 September 2022	30 September 2021	30 September 2022	30 September 2021
	S\$'000	S\$'000	S\$'000	S\$'000
Fair value gain on investment properties	471	-	1,393	-
Imputed interest income	14	4	603	394
Forfeiture of advance consideration received from customers	78	-	415	-
Foreign exchange gains	-	-	-	-
Others	50	93	104	103
	613	97	2,515	497

7 Other expenses

	Group			
	Third Quarter Ended		Nine Months Ended	
	30 September 2022	30 September 2021	30 September 2022	30 September 2021
	S\$'000	S\$'000	S\$'000	S\$'000
Fair value loss on investment properties	-	-	-	9,364
Other operating expenses	182	260	565	501
	182	260	565	9,865

EMERGING TOWNS & CITIES SINGAPORE LTD.
(Company Registration No. 198003839Z)

8 Finance costs

	Group			
	Third Quarter Ended		Nine Months Ended	
	30 September	30 September	30 September	30 September
	2022	2021	2022	2021
	S\$'000	S\$'000	S\$'000	S\$'000
Accreted interest on accrued land lease premium	1,102	1,061	3,247	3,151
Accreted interest on lease liabilities	-	9	1	58
Financing expense on payments from customers	677	50	1,628	289
Interest expense on borrowings	699	677	2,062	1,999
Interest expense on convertible loan	42	42	126	125
	2,520	1,839	7,064	5,622

9 Loss before taxation

Other than as disclosed elsewhere in these condensed interim financial statements, loss before taxation for the period has been arrived at after charging the following:

	Group			
	Third Quarter Ended		Nine Months Ended	
	30 September	30 September	30 September	30 September
	2022	2021	2022	2021
	S\$'000	S\$'000	S\$'000	S\$'000
Allowance for foreseeable losses	8,274	1,553	24,570	2,539
Depreciation expenses	69	135	218	323
Staff costs	543	681	1,583	1,682

9.1 Related party transactions

There are no material related party transactions apart from those disclosed elsewhere in the financial statements.

10 Taxation

The Group calculates the period income tax credit using the tax rate that would be applicable to the expected total annual losses. The major components of income tax expense in the condensed interim consolidated statement of profit or loss are:

	Group			
	Third Quarter Ended		Nine Months Ended	
	30 September	30 September	30 September	30 September
	2022	2021	2022	2021
	S\$'000	S\$'000	S\$'000	S\$'000
Current taxation	(23)	-	(98)	-
Deferred taxation	2,008	311	5,986	3,019
	1,985	311	5,888	3,019

EMERGING TOWNS & CITIES SINGAPORE LTD.
(Company Registration No. 198003839Z)

11 Property, plant and equipment

During the nine months ended 30 September 2022, the Group acquired fixed assets amounting to S\$15,000 (9M2021: S\$11,000).

12 Investment properties

The Group's investment properties consist of both residential and commercial (retail and office units) properties, held for long-term rental yields.

	Group
	<u>S\$'000</u>
At 31 December 2021, at fair value	107,350
Nine Months ended 30 September 2022	
At 1 January 2022	
Additions	72
Transfer from development properties (Note 13)	1,499
Transfer to development properties (Note 13)	(1,878)
Fair value gain recognised in profit or loss (Note 6)	1,393
Exchange difference on translation	6,847
At 30 September 2022	115,283

The investment properties are as follows:

Location	Description	Net floor area (square metres)	Tenure
30 September 2022			
Golden City Project			
No. 3, Land Survey Block, Kanbe, Yankin Road, Yankin Township, Yangon, Myanmar	226 residential units, 6 retail units and 16 office units	32,041	70 years
31 December 2021			
Golden City Project			
No. 3, Land Survey Block, Kanbe, Yankin Road, Yankin Township, Yangon, Myanmar	229 residential units, 5 retail units and 14 office units	31,734	70 years

The carrying amount of investment properties pledged to secure borrowings is S\$85,066,000 (2021: S\$80,881,000).

At year ended 31 December 2021, the fair values of investment properties are determined by an independent professional valuer, C.I.M. Property Consultants Co., Ltd. in partnership with Colliers being the reviewer, for the Golden City Project, having appropriate recognised professional qualifications and recent experience in the location and category of properties being valued. The valuation of the investment properties is based on the properties' highest and best use. For all the Group's investment properties, the current use is considered the highest and best use. For the period ended 30 September 2022, the management has determined that there is no significant variance from the valuation performed on as at 31 December 2021.

EMERGING TOWNS & CITIES SINGAPORE LTD.
(Company Registration No. 198003839Z)

13. Development properties

The Group's development properties consist of completed residential and commercial (retail and office) properties held for sale.

	<u>Group</u>
	S\$'000
31 December 2021, at cost	142,884
Nine Months ended 30 September 2022	
At 1 January 2022	
Addition	1,747
Transfer to investment properties (Note 12)	(1,499)
Transfer from investment properties (Note 12)	1,878
Units sold and recognised in profit or loss	(8,126)
Allowance for foreseeable losses (Note 13.1)	(24,570)
Exchange difference on translation	7,773
At 30 September 2022, at cost	120,087

The completed properties held for sale are as follows:

Location	Description	Net floor area (square metres)	Tenure
30 September 2022			
Golden City Project			
No. 3, Land Survey Block, Kanbe, Yankin Road, Yankin Township, Yangon, Myanmar	228 residential units, 9 retail units and 3 office units	37,936	70 years
31 December 2021			
Golden City Project			
No. 3, Land Survey Block, Kanbe, Yankin Road, Yankin Township, Yangon, Myanmar	254 residential units, 9 retail units and 4 office units	41,692	70 years

The carrying amount of development properties pledged to secure borrowings is S\$36,592,000 (2021: S\$53,908,000).

13.1 Allowance for foreseeable losses

Movements in allowance for foreseeable losses are as follows:

	<u>Group</u>
	S\$'000
At 1 January 2022	6,852
Allowance made	24,570
Exchange difference on translation	1,427
At 30 September 2022	32,849

EMERGING TOWNS & CITIES SINGAPORE LTD.
(Company Registration No. 198003839Z)

13.1 Allowance for foreseeable losses (Cont'd)

Development properties are measured at the lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of selling expenses. The write-down to net realisable value is presented as allowance for foreseeable losses.

The allowance for foreseeable losses is determined by management after taking into consideration of the estimated selling prices. The estimated selling prices are based on recent selling prices for the development project and prevailing market conditions. The allowance made for foreseeable losses is included in "cost of sales".

14 Trade and other receivables

	Group		Company	
	30 September 2022	31 December 2021	30 September 2022	31 December 2021
	S\$'000	S\$'000	S\$'000	S\$'000
Trade receivables				
- Non-current	2,181	2,437	-	-
- Current	5,434	5,991	-	-
	7,615	8,428	-	-
	Group		Company	
	30 September 2022	31 December 2021	30 September 2022	31 December 2021
	S\$'000	S\$'000	S\$'000	S\$'000
Amounts due from shareholders of a subsidiary (non-trade)	4,172	3,923	-	-
Allowance for impairment losses	(4,172)	(3,923)	-	-
	-	-	-	-
Amounts due from subsidiaries (non-trade)	-	-	34,553	34,830
Allowance for impairment losses	-	-	(34,487)	(34,487)
	-	-	66	343
Other receivables	4	6	4	6
	4	6	70	349
Comprising				
- Non-current	2,181	2,437	-	-
- Current	5,438	5,997	70	349
	7,619	8,434	70	349

EMERGING TOWNS & CITIES SINGAPORE LTD.
(Company Registration No. 198003839Z)

15 Cash and cash equivalents

The carrying amount of cash and bank balances pledged to secure borrowings is S\$3,762,000 (2021: S\$1,173,000).

For the purpose of the consolidated statement of cash flows, cash and cash equivalents comprise the following:

	Group	
	30 September 2022	31 December 2021
	S\$'000	S\$'000
Cash and bank balances	5,250	3,844
Less: Bank balances pledged	(3,762)	(1,173)
	1,488	2,671

16 Borrowings

	Group			
	30 September 2022		31 December 2021	
	Secured	Unsecured	Secured	Unsecured
	S\$'000	S\$'000	S\$'000	S\$'000
Amount repayable in one year or less, or on demand				
Financial liabilities:				
Bank loan ⁽¹⁾	58,758	-	55,173	-
Loan from third party ⁽²⁾	4,582	-	4,311	-
Loans from related parties	-	1,485	-	1,845
	63,340	1,485	59,484	1,845

Details of any collateral

1. The syndicated bank loan is secured by certain assets relating to Golden City and certain shares in Golden City project held by a subsidiary.
2. The loan from third party is secured by certain units of residential apartments.

During the financial year ended 31 December 2021, the Group did not meet certain financial covenants with respect to the entry into a syndicated facility agreement as announced by the Company on 8 June 2020, resulting in the loan being repayable on demand. Consequently, the syndicated bank loan amounting to S\$58,758,000 has been reclassified as current as at 30 September 2022. The Group had negotiated the repayment terms with the bank and obtained a temporary relief through the revision of the repayment schedule. The next principal repayment is scheduled on 8 March 2023. The Group does not expect the bank to call for full repayment of the bank loan for the breach in financial covenant.

EMERGING TOWNS & CITIES SINGAPORE LTD.
(Company Registration No. 198003839Z)

17 Accrued Land Lease Premium

	Group
	S\$'000
31 December 2021, at cost	37,565
Nine Months ended 30 September 2022	
At 1 January 2022	
Accreted interest	3,247
Payment of land lease premium	(544)
Exchange difference on translation	2,124
At 30 September 2022, at cost	42,392
Represented by:	
Non-Current	26,936
Current	15,456
	42,392

This relates to the leasehold land which is a right-of-use asset included in property, plant and equipment.

18 Share Capital

	The Group and the Company			
	30 September 2022		31 December 2021	
	Number of shares	\$'000	Number of shares	\$'000
Issued and fully paid, with no par value				
Beginning and end of interim period/year	982,073	43,580	982,073	43,580

The Company did not hold any treasury shares as at 30 September 2022.

The Company's subsidiaries did not hold any shares in the Company as at 30 September 2022 and 31 December 2021.

EMERGING TOWNS & CITIES SINGAPORE LTD.
(Company Registration No. 198003839Z)

19 Loss Per Share

	Group			
	Third Quarter Ended		Nine Months Ended	
	30 September	30 September	30 September	30 September
	2022	2021	2022	2021
Loss per ordinary share:				
(i) Based on weighted average no. of ordinary shares in issue (cents)	(0.44)	(0.19)	(1.27)	(0.76)
(ii) On a fully diluted basis (cents)	(0.44)	(0.19)	(1.27)	(0.76)
Number of shares in issue:				
(i) Based on weighted average no. of ordinary shares in issue (in millions)	982	982	982	982
(ii) On a fully diluted basis (in millions)	1,181	1,181	1,181	1,181

As at 30 September 2022 and 30 September 2021, the outstanding convertible loan was excluded from the calculation of the diluted weighted average number of ordinary shares in issue as its effect would have been anti-dilutive.

Loss per ordinary share is calculated based on the Group's profit for the financial year attributable to the shareholders of the Company divided by the weighted average number of ordinary shares in issue during the year under review.

As at 30 September 2022 and 30 September 2021, the 15 million share options outstanding did not have a dilutive effect because the average market price of the Company's ordinary shares for the respective financial periods 30 September 2022 and 30 September 2021 did not exceed the exercise price.

20 Dividend

No dividend has been declared or recommended.

21 Net Asset Value

	Group		Company	
	30 September	31 December	30 September	31 December
	2022	2021	2022	2021
Net Asset Value (S\$'000)	80,204	99,730	33,650	33,760
Based on existing issued share capital (cents per share)	8.17	10.16	3.43	3.44
Net Asset Value has been computed based on the share capital of (in millions of shares)	982	982	982	982

22 Fair Value Measurement

Definition of fair value

SFRS(I)s define fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Fair value hierarchy

Financial assets and financial liabilities measured or disclosed at fair value in the statement of financial position are grouped into three levels of a fair value hierarchy. The three levels are defined based on the observability of significant inputs to the measurement, as follows:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and

Level 3: inputs for the assets or liability that are not based on observable market data (unobservable inputs).

The carrying amounts of financial assets and liabilities with a maturity of less than one year (including trade and other receivables, cash and bank balances, certain borrowings, and trade and other payables) or those which reprice regularly approximate their fair values because of the short period to maturity or repricing. The fair value of non-current financial assets and liabilities is estimated by discounting the future contractual cash flows at the current market interest rate available to the Group for similar financial instruments.

Fair value measurement of non-financial instruments

The following table shows the levels within the fair value hierarchy of non-financial instruments measured at fair value on a recurring basis.

The Group	Level 1	Level 2	Level 3	Total
	S\$'000	S\$'000	S\$'000	S\$'000
30 September 2022				
Non-financial assets				
Investment properties	-	-	115,283	115,283
31 December 2021				
Non-financial assets				
Investment properties	-	-	107,350	107,350

23 Subsequent Events

There are no known subsequent events which have led to adjustments to this set of interim financial statement.

F. Other Information Required by Appendix 7C of the Catalist Rule

1. Review

The condensed consolidated statements of financial position of Emerging Towns & Cities Singapore Ltd. (“**Company**”, together with its subsidiaries, the “**Group**”) as at 30 September 2022 and the related condensed consolidated statement of profit or loss, and other comprehensive income, condensed consolidated statements of changes in equity and condensed consolidated statement of cash flows for the nine-month period then ended and certain explanatory notes (the “**Condensed Interim Financial Statements**”) have not been audited or reviewed by the Company’s auditors.

2. Review of the performance of the Group

Financial Performance (9M2022 vs 9M2021)

Note: 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, the full year results may not be a good indication of profitability trend.

Revenue

	Group		
	9M2022	9M2021	Increase/(decrease)
	S\$'000	S\$'000	%
Golden City			
Sale of Properties	9,728	1,486	n.m.*
Rental Income	2,055	3,078	(33.2%)
Total Revenue	11,783	4,564	n.m.*

n.m.: not meaningful

*: in excess of 100%

Revenue for the 9 months ended 30 September 2022 (“**9M2022**”) was mainly contributed by the sale of Golden City property units of S\$9.7 million (82.5% of total revenue) and the rental of Golden City property units of S\$2.1 million (17.5% of total revenue). Revenue for the 9 months ended 30 September 2021 (“**9M2021**”) was contributed by the sale of Golden City property units of S\$1.5 million (32.6% of total revenue) and the rental of Golden City property units of S\$3.1 million (67.4% of total revenue).

The Group reported 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. 24 and 4 units were recognised as revenue in 9M2022 and 9M2021 respectively for Golden City project.

Gross Profit

	Group		
	9M2022	9M2021	Increase/(decrease)
	S\$'000	S\$'000	%
Golden City			
Sale of Properties	1,075	462	n.m.*
Rental Income	1,944	3,009	(35.4%)
Allowance for foreseeable losses	(24,570)	(2,539)	n.m.*
Total Gross (Loss)/Profit	(21,551)	932	n.m.

n.m.: not meaningful

*: in excess of 100%

2. Review of Financial Performance (9M2022 vs 9M2021) (Cont'd)

Gross loss of S\$21.6 million was recorded for 9M2022, after deducting direct costs (consisting mainly of cost of the property units sold) and allowance for foreseeable losses on development properties of S\$24.6 million.

Other Income

	Group		
	9M2022	9M2021	Increase/(decrease)
	S\$'000	S\$'000	%
Fair value gain on investment properties	1,393	-	n.m.
Imputed interest income	603	394	53.0%
Forfeiture of advance consideration received from customers	415	-	n.m.
Others	104	103	1.0%
Other Income	2,515	497	n.m.*

n.m.: not meaningful

*: in excess of 100%

Other income increased from S\$497,000 in 9M2021 to S\$2.5 million in 9M2022 mainly due to fair value gain on investment properties, higher imputed interest income and forfeiture of advance consideration received from customers who were past due on instalments.

Selling and distribution expenses

Selling and distribution expenses, which arose from the sale of property units, increased from S\$173,000 in 9M2021 to S\$988,000 in 9M2022 mainly due to higher sales commission expenses and advertisement costs in the Golden City project. These expenses comprised primarily of salaries and related costs for the sales and marketing staff, travelling and transportation costs, commissions and marketing expenses.

Other Expenses

	Group		
	9M2022	9M2021	Increase/(Decrease)
	S\$'000	S\$'000	%
Fair value loss on investment properties	-	9,364	(100.0%)
Other operating expense	565	501	12.8%
Other expenses	565	9,865	(94.3%)

Other expenses decreased from S\$9.9 million in 9M2021 to S\$565,000 in 9M2022 mainly due to fair value gain of S\$1.4 million (presented under "other income") compared to fair value loss of S\$9.4 million in 9M2021 from the revaluation of investment properties in the Golden City project, partially offset by higher operating expense due to higher property management fees paid on the vacant units in the Golden City project.

2. Review of Financial Performance (9M2022 vs 9M2021) (Cont'd)

Finance Costs

The finance costs increased from S\$5.6 million in 9M2021 to S\$7.1 million in 9M2022 mainly due to higher financing expense on payments from customers. Finance costs mainly comprised of interest expenses incurred from borrowings, imputed financing expenses arising from advance consideration received from customers and imputed interest expenses (which have no cash flow impact) arising from the land lease premium from the Golden City project.

Taxation

	Group		
	9M2022	9M2021	Increase/(Decrease)
	S\$'000	S\$'000	%
Income tax	(98)	-	n.m.
Deferred tax	5,986	3,019	98.3%
Taxation	5,888	3,019	95.0%

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

Taxation increased from a tax credit of S\$3.0 million in 9M2021 to S\$5.9 million in 9M2022 mainly due to the unwinding of deferred tax liabilities from the allowance of foreseeable losses of development properties in the Golden City project. Deferred tax liabilities were recognised when the development properties were recorded at fair value after the Purchase Price Allocation exercise conducted by an independent professional valuer.

3. Review of Financial Position (30 September 2022 vs 31 December 2021)

Non-Current Assets

Investment properties, which are accounted for at fair value, increased mainly due to exchange difference on translation and transfer of residential and office units from development properties to investment properties. Trade receivables, comprising of amounts due from buyers that are one year or more, have decreased mainly due to the re-classification from non-current assets to current assets as the trade receivables approached maturity and are collectible within one year as at 30 September 2022, partially offset as property units sold were progressively recognised as income upon handover.

Current Assets

Development properties decreased mainly due to the progressive recognition of income from property sold upon handover, as well as allowance for foreseeable losses recognised during the period. The development properties acquired at acquisition date are being recorded at fair value after the Purchase Price Allocation exercise conducted by an independent professional valuer. Trade receivables decreased mainly due to payment of the outstanding amounts by customers. Included in the trade receivables were S\$5.2 million relating to receivables past due but not impaired as the amounts are not expected to be uncollectible due to Golden City having the right to repossess the unit in the event of default of payment by the buyers.

3. Review of Financial Position (30 September 2022 vs 31 December 2021) (Cont'd)

Non-Current Liabilities

Deferred tax liabilities decreased mainly due to the unwinding of deferred tax liabilities from the allowance of foreseeable losses of development properties recognised during the period, thereby reducing the deferred tax liabilities recognised for the development properties. Deferred tax liabilities relating to development properties were recognised when the development properties were recorded at fair value after the Purchase Price Allocation exercise conducted by an independent professional valuer and when development properties are transferred to investment properties following the commencement of operating leases. Accrued land lease premium increased mainly due to exchange difference on translation. Advance consideration received from customers increased mainly due to sales made during the period.

Current Liabilities

Borrowings increased mainly due to exchange difference on translation, partially offset by repayment of bank loan. Accrued land lease premium increased mainly due to the imputed interest expense (which has no cashflow impact) arising from the land lease premium from the Golden City project, partially offset by the repayment of land lease premium. Trade and other payables decreased mainly due to payments made to suppliers. Advance consideration received from customers decreased mainly due to handover of property units in the Golden City project to buyers.

4. Review of Cashflow

Net cash generated from operating activities was approximately S\$4.4 million for 9M2022 mainly due to changes in working capital.

Net cash used in investing activities was approximately S\$76,000 for 9M2022 mainly due to addition of investment properties and purchase of property, plant and equipment.

Net cash used in financing activities was approximately S\$5.5 million for 9M2022 mainly due to bank balances pledged, repayment of loans, land lease premium and interest paid.

5. 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 6 of the 2021 half year Results Announcement dated 12 August 2022.

6. 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 sole project, Golden City, is based in the Yankin township of Yangon, Myanmar.

6. 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. (Cont'd)

Golden City Project

As at 30 September 2022, approximately US\$233.6 million (approximately S\$335.0 million) of gross development value comprising 669 units (885,800 square feet) of the Golden City project have been sold. Correspondingly, a total of 612 residential units have been recognised as revenue as at 30 September 2022. Barring any unforeseen circumstances, revenue for the remaining units sold is expected to be progressively recognised upon the handover of the units or one month after notification to buyers to take over the units, whichever occurs earlier. The Golden City project comprises 4 phases. Phase 1 and Phase 2 construction has been completed. Due to the impact of the outbreak of COVID-19 and the political situation in Myanmar, the Board of Directors has decided to suspend the construction of Phase 3 and Phase 4 until the social and economic situation in Myanmar improves.

The first half of 2022 had property activities moving with better-than-expected results. Gradually unfolding from the impact brought by the Covid crisis, business confidence is starting to show signs of resurgence. With Myanmar opening-up to international arrivals, some foreign businesses have also returned, artificially satiating demand for the hotel and serviced apartment markets.

("1H2022 Yangon Property Report", CIM Property Consultant, 15 July 2022)

According to the World Bank, the outlook for Myanmar's economy remains weak as surging inflation, dollar shortages and lingering domestic conflict pose challenges to its pandemic recovery. It is expecting a 3% GDP growth for the fiscal year ending September 2022. Overall, Myanmar is lagging the recovery as compared to the region where GDP in other large countries is seen to have rebounded above 2019 levels or projected to do so in 2023.

("World Bank Says Myanmar Economy Remains Fragile as Prices soar", Bloomberg, 20 July 2022)

Myanmar is battling a foreign currency shortage after the kyat plunged by more than a third last year, prompting the central bank to move to a fixed rate of exchange. The shrinking forex reserves and high inflation amid international sanctions following the 2021 coup have led to frequent power outages and commodity shortages, hampering an economic recovery.

("Inflation, conflicts weaken Myanmar's economy, World Bank says", The Business Times, 27 September 2022)

The Group continues to monitor the outbreak of COVID-19 and the political situation in Myanmar, following the state of emergency declared by the Myanmar military. COVID-19 has caused disruptions across global supply chains and dampened economic growth prospects across the globe while the political situation in Myanmar continues to evolve and remains unclear at this stage. In the near term, the impact from the above is expected to weigh on the demand for properties and short-term volatilities are likely given the fluidity of the situation, barring any further unforeseen material deterioration of the COVID-19 impact and political situation in Myanmar. Should weaker economic prospects materialise, this may further adversely impact the Group's financial performance, due to but not limited to lower sales, delay in collections from customers, lower operating income and lower property valuations. The Group is actively monitoring the situation and will announce material developments, if any.

7. Where the latest financial statements are subjected to an adverse opinion, qualified opinion or disclaimer of opinion

a) Updates on the effort taken to resolve each outstanding audit issue

(i) Net realisable value of development properties

As at 30 September 2022, the Company has recognised allowance of foreseeable losses amounting to S\$32.8 million (Note 13.1). The allowance for foreseeable losses is determined by management after taking into consideration of the estimated selling prices. The estimated selling prices are based on recent selling prices for the development project and prevailing market conditions.

(ii) Independent reviews

As disclosed in the Company's announcement dated 22 September 2021, the independent financial review by the appointed independent reviewer, Nexia TS Advisory Pte Ltd, has been completed. The independent legal review of the Group's dealings in Myanmar by the appointed independent reviewer, Kelvin Chia Partnership, is currently ongoing. Further to comments from the Singapore Exchange Regulation (the "SGX RegCo") on 21 October 2021, the Company has engaged KCP to undertake a follow-on engagement to address matters in the current legal review that require further clarification or elaboration and additional issues which were not previously contemplated, including those arising from the issuance of a legal memorandum by Felicity Gerry QC on 20 October 2021. The Board will review carefully the findings of the Independent Reviews once available and consider the recommendation, if any, set out in the Independent Reviews, to enhance and improve.

b) Confirmation from the board that the impact of all outstanding audit issues on the financial statements have been adequately disclosed

The Board confirms that all impact of outstanding audit issues on the financial statements in relation to FY2021 have been adequately disclosed.

8. 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.

8. Dividend (Cont'd)

(d) Record Date

Not applicable.

(e) If no dividend has been declared/recommended, a statement to that effect and the reason(s) for the decision

No dividend has been declared or recommended for the financial period ended 30 September 2022 as the Company intends to reserve its cash resources to safeguard the Group's and the Company's ability to continue as a going concern.

9. 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.

10. 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.

No new proceeds have been raised in the nine months ended 30 September 2022.

11. Negative assurance confirmation on interim financial results under SGX Listing Rule 705(5)

Joseph Lim and Zhu Xiaolin, 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 nine months ended 30 September 2022 to be false or misleading in any material aspect, having considered that, including but not limited to, all material information has been assessed to ensure the reliability of the financial results, and the financial statements provide a fair and balanced view of any material factors that have affected the Company's business conditions and financial position, including the impact of COVID-19.

12. Disclosure on Acquisitions and Realisations of Shares pursuant to Rule 706A of the Catalist Rules

During the nine months ended 30 September 2022, there were no acquisitions or realisations of shares resulting in a company becoming or ceasing to be a subsidiary or associated company of the Company, or resulting in the Company increasing or reducing its shareholding percentage in a subsidiary or associated company.

As disclosed in the Company's announcement dated 4 October 2022, a dormant wholly-owned subsidiary of the Company, Futura Asset Holdings Pte. Ltd. was struck off on 4 October 2022.

EMERGING TOWNS & CITIES SINGAPORE LTD.
(Company Registration No. 198003839Z)

13. 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

Ang Mong Seng
Non-Executive Group Chairman

BY ORDER OF THE BOARD
11 November 2022