

# EMERGING TOWNS & CITIES SINGAPORE LTD.

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

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## APPLICATION FOR WAIVER OF BUSINESS VALUATION

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### 1. INTRODUCTION

The Board of Directors (“**Board**” or “**Directors**”) of Emerging Towns & Cities Singapore Ltd. (the “**Company**” or “**ETC**”, and together with its subsidiaries, the “**Group**”) refers to its announcement on 1 July 2023 in relation to the Company’s entry into a sale and purchase agreement (the “**SPA**”) with Grand Ally Investments Pte. Ltd. (the “**Purchaser**”) for the disposal of all the shares held by the Company in DAS Pte. Ltd. (“**DAS**”, and together with its subsidiary, “**DAS Group**”), representing 100% of the total issued and paid up capital of DAS (the “**Proposed Disposal**”) (the “**Previous Announcement**”).

*Unless otherwise defined, all capitalised terms used herein shall bear the meanings ascribed to them in the Previous Announcement.*

As the figures computed on the basis of each of Rules 1006(a) and (b) of the Catalist Rules exceeds 50%, the Proposed Disposal therefore constitutes a “major transaction” under Chapter 10 of the Catalist Rules.

Rule 1014(5) of the Catalist Rules states that, notwithstanding Rule 1014(2), where a disposal of assets is one where any of the relative figures as computed on the bases set out in Rule 1006 exceeds 75%, the issuer must appoint a competent and independent valuer to value the assets to be disposed.

The Company is seeking a waiver of Rule 1014(5) of the Catalist Rules (the “**Waiver Application**”) to such extent that the Company need only carry out an independent property valuation of Golden Land (“**Property Valuation**”) instead of a business valuation of DAS Group (“**Business Valuation**”).

The Company understands that pursuant to Rule 1014(5) of the Catalist Rules, the Company is required to undertake a Business Valuation for the shares to be disposed in DAS. The Company, for the reasons stated below, is writing to apply for a waiver of the above requirement, such that the Company need only undertake a Property Valuation instead.

For the avoidance of doubt, the Company will continue to comply with Rule 1014(5) of the Catalist Rules with reference to the Property Valuation, i.e. the Company will disclose, in respect of the Property Valuation, the value placed on the assets, the party who commissioned the valuation and the basis and date of such valuation.

### 2. REASONS FOR WAIVER APPLICATION

The Company is making the Waiver Application for the following reasons:

- (i) Following the announcement of the Proposed Disposal on 1 July 2023, Company has approached several firms to conduct a Business Valuation to facilitate the preparation of a circular for the Company’s Extraordinary General Meeting. These firms have all declined to take on the Business Valuation engagement.
- (ii) The Company is of the view that the Property Valuation (of development properties, investment properties and land & building under property, plant and equipment (“**PPE**”) of Golden Land would

enable the Company to arrive at the value of the Proposed Disposal in all material aspects. The Company wishes to highlight the following:

- (1) The properties (development properties, investment properties and land & building under PPE) of Golden Land comprised approximately 94% and 95% of DAS Group's assets as at 30 June 2023 and 31 December 2022 respectively. Please note that this does not represent the percentage upon revaluation or at the date of completion of the Proposed Disposal.
- (2) DAS and UGP are both investment holding companies and the sole asset of DAS and UGP is the investment in subsidiary in UGP and the investment in subsidiary in Golden Land respectively.
- (3) DAS Group does not have any complex debt, equity or financial instruments that require valuation(s) to be conducted.
- (4) The cash consideration for the Proposed Disposal of S\$4 million is not dependent on any valuation(s) to be conducted nor subject to any adjustments under the SPA.

In view of the aforementioned, the Company is of the view that the Property Valuation would enable the Company to arrive at the value of the Proposed Disposal in all material aspects.

### 3. FURTHER INFORMATION

The Company will announce the outcome of the Waiver Application in due course.

#### BY ORDER OF THE BOARD

Tan Swee Gek  
Company Secretary

17 August 2023

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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").*

*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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