

EMERGING TOWNS & CITIES SINGAPORE LTD.

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

PROPOSED GRANT OF OPTIONS TO GROUP EMPLOYEES – CHANGE OF GROUP EMPLOYEE

1. Introduction

The Board of Directors of Emerging Towns & Cities Singapore Ltd. (the “**Company**” together with its subsidiaries, collectively the “**Group**”) refers to the announcement dated 26 July 2024 (the “**Previous Announcement**”) in relation to the Proposed Grant (as defined in the Previous Announcement).

Capitalised terms in this announcement (unless otherwise defined or the context otherwise requires) have the same meaning ascribed to them in the Previous Announcement.

2. Termination of Management Option Agreement with Ms Wang Ping

Following the cessation of Ms Wang Ping as Financial Controller of HJC on 30 September 2024, the Company has on 15 October 2024 entered into a termination deed with Ms Wang Ping to terminate the Management Option Agreement with Ms Wang Ping.

3. Entry into Management Option Agreement with Mr Li Liwei

The Company has on 15 October 2024 entered into a new option agreement with Mr Li Liwei (the “**LLW Management Option Agreement**”), who has been appointed as the new Financial Controller of HJC on 30 September 2024, on the same terms and conditions as the Management Option Agreements. Save for the change in participation of the Group Employees from Ms Wang Ping to Mr Li Liwei, the terms and conditions of the Proposed Grant remain the same, including the terms of the Management Options, the number of Management Option Shares arising from the exercise of the Management Options and the Options Exercise Price.

All references to “Group Employees”, “Proposed Grant”, “Management Option Agreements”, “Management Options”, “Management Options Shares” and “Options Exercise Price” and other such terms shall henceforth include reference to Mr Li Liwei in substitution of Ms Wang Ping.

4. Information on the Group Employees

Following the abovementioned, the Group Employees comprise key management of HJC as follows:

Name	Designation	Management Option Shares	Percentage of current share capital ⁽¹⁾ (%)	Percentage of Enlarged Share Capital ⁽²⁾ (%)
Duan Yupeng	General Manager	107,586,000	10.95	4.50
Zhu Li	Deputy General Manager	71,724,000	7.30	3.00
Li Liwei	Financial Controller	59,770,000	6.09	2.50
Total		239,080,000	24.34	10.00

Note:

(1) Based on existing issued and paid-up share capital of the Company of 982,072,934 ordinary shares.

(2) Based on Enlarged Share Capital of 2,390,792,438 ordinary shares.

As at the date of this announcement, none of the Group Employees hold any shares or convertible securities in the capital of the Company.

Mr Li Liwei has represented and warranted to the Company that he is not acting in concert, in collaboration with or co-operating, pursuant to an agreement or undertaking (whether formal or informal), with any existing director or shareholder of the Company, to obtain or consolidate effective control of the Company through the issue of the Management Options and/or the Management Option Shares (including as contemplated in the Takeover Code).

To the best knowledge of the Directors, Mr Li Liwei has no existing relationship (including business relationships) with the Company, the Group, its Directors, its substantial shareholders, save for his employment with HJC, and is not a person to whom the Company is prohibited from issuing shares to, as provided under Rule 812(1) of the Catalist Rules.

5. Salient Terms of the Management Option Agreement with Mr Li Liwei

The terms and conditions of the LLW Management Option Agreement are the same disclosed in the Previous Announcement, save for the necessary amendments to align the long-stop date and completion date of the LLW Management Option Agreement with that of the other Management Option Agreements, i.e. on or before 26 July 2025.

6. Rationale

The rationale of the Proposed Grant remains as disclosed in the Previous Announcement.

7. General

The Proposed Grant is not underwritten and there is no placement agent appointed for the purpose of the Proposed Grant.

8. Listing and Quotation

As disclosed in the Previous Announcement, the Company will be submitting an application, through its Sponsor, to the SGX-ST for the admission to and listing and quotation of the Management Option Shares on the SGX-ST in conjunction with the Company's resumption of trading proposal to the SGX-ST at an appropriate time. The Company will make the necessary announcements upon application for a listing and quotation notice from the SGX-ST for the listing and quotation of the Management Option Shares. The listing and quotation notice, if and when given by the SGX-ST, is not to be taken as an indication of the merits of the Management Option Shares, the Proposed Grant, the Company, its subsidiaries and its securities.

9. Shareholders' Approval

As disclosed in the Previous Announcement, the Company intends to convene an extraordinary general meeting (the "EGM") to seek the approval of the Shareholders for, *inter alia*: (i) the grant of the Management Options, and (ii) the issuance of the Management Option Shares. A Circular containing, *inter alia*, the notice of the EGM and details of the abovementioned transactions will be despatched to the Shareholders in due course.

10. Financial Effects of the Proposed Grant

The pro forma financial effects of the Proposed Grant remain unchanged as disclosed in the Previous Announcement.

11. Interests of Directors and Shareholders

None of the Directors (other than in his capacity as Director or Shareholder of the Company) and (as far as the Directors are aware) substantial Shareholders of the Company or their respective associates has any interest, direct or indirect, in the Proposed Grant.

12. Directors' Responsibility Statement

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this announcement and confirm after making all reasonable enquiries that to the best of their knowledge and belief, this announcement constitutes full and true disclosure of all material facts about the Proposed Grant, the Company and its subsidiaries, and the Directors are not aware of any facts the omission of which would make any statement in this announcement misleading.

Where information in this announcement has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in this announcement in its proper form and context.

13. Documents Available for Inspection

Copy of the LLW Management Option Agreement may be inspected at the Company's registered address at 80 Robinson Road, #17-02, Singapore 068898 during normal business hours for three (3) months from the date of this announcement.

14. Caution in Trading

The shares in the Company have been suspended from trading on the SGX-ST since 3 March 2021. Shareholders and potential investors are advised to exercise caution when dealing in the shares of the Company as completion of the Proposed Grant are subject to the fulfilment of conditions precedent, and there is no certainty or assurance as at the date of this announcement that the Proposed Grant will be completed.

In the meantime, Shareholders and potential investors are advised to read this announcement and any further announcements by the Company carefully. Shareholders and potential investors are advised to exercise caution when dealing in the shares of the Company. Shareholder and potential investors should consult their stockbrokers, bank managers, solicitors, accountants or other professional advisers if they have any doubt about the actions they should take.

BY ORDER OF THE BOARD

Joseph Lim
Executive Director and Chief Executive Officer

15 October 2024

This announcement has been reviewed by the Company's sponsor, RHT Capital Pte. Ltd. (the "Sponsor"). It has not been examined or approved by the Singapore Exchange Securities Trading Limited (the "Exchange") and the Exchange assumes no responsibility for the contents of this document, including the correctness of any of the statements or opinions made or reports contained in this document.

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