

# EMERGING TOWNS & CITIES SINGAPORE LTD.

(Incorporated in the Republic of Singapore)

(Company Registration No. 198003839Z)

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## COMPLETION OF PROPOSED SUBSCRIPTION OF CONVERTIBLE BONDS AND PROPOSED GRANT OF MANAGEMENT OPTIONS

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### 1. Introduction

The Board of Directors of Emerging Towns & Cities Singapore Ltd. (the “**Company**”, together with its subsidiaries, collectively the “**Group**”) refers to:

- (A) the announcements dated 26 July 2024 and 15 October 2024 in relation to (i) the Company’s entry into subscription agreements (the “**Subscription Agreements**”) with certain investors in relation to the proposed subscription of convertible bonds aggregating S\$4,500,000 and convertible into an aggregate of 968,270,000 new ordinary shares each in the capital of the Company (the “**Proposed Subscription**”); and (ii) the Company’s entry into option agreements (the “**Management Option Agreements**”) with key members of the management of HJC (the “**Group Employees**”), pursuant to which the Company intends to grant options to subscribe for an aggregate amount of 239,080,000 ordinary shares in the capital of the Company (the “**Management Options**”) (the “**Proposed Grant**”);
- (B) the announcement dated 15 November 2024 in relation to the extraordinary general meeting of the Company to be held on 6 December 2024 (the “**EGM**”) to seek Shareholders’ approval of, *inter alia*, the Proposed Subscription, the Proposed Grant, the proposed transfer of controlling interest in the Company to one of the Investors, Ms Cao Yongyan (the “**Proposed Transfer of Controlling Interest**”) and attaching the circular to Shareholders dated 15 November 2024 (the “**Circular**”) containing details thereof, together with the opinions and recommendations of the Directors and the notice of EGM;
- (C) the announcement dated 6 December 2024 in relation to the results of the EGM;
- (D) the announcement dated 6 June 2025 in relation to the Company’s entry into supplemental option agreements with the respective Group Employees (the “**Supplemental Management Option Agreements**”) to extend the Option Period (as defined below) of the Management Options from the period commencing from the date of the Notification (as defined below) and expiring on the date falling 3 months from the date of the Notification or such other date as may be agreed between the parties (the “**Original Option Period**”) to the period commencing from the date of the Notification and expiring on the date falling 36 months from the date of the Notification or such other date as may be agreed between the parties (the “**Revised Option Period**”) (the “**Proposed Extension**”);
- (E) the announcement dated 6 June 2025 in relation to the annual general meeting of the Company to be held on 23 June 2025 (the “**AGM**”) to seek Shareholders’ approval of, *inter alia*, the Proposed Extension and attaching the letter to Shareholders dated 6 June 2025 (the “**Letter**”) containing details thereof, together with the opinions and recommendations of the Directors and the notice of AGM; and

(F) the announcement dated 23 June 2025 in relation to the results of the AGM,  
(the “**Previous Announcements**”)

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

## 2. **Background**

As disclosed in the Company’s announcements dated 26 July 2024, 15 October 2024 and the Circular, the Company has entered into the Subscription Agreements and the Management Option Agreements in relation to the Proposed Subscription and the Proposed Grant respectively. Further to the EGM held on 6 December 2024, the approval of the Shareholders for, *inter alia*, the Proposed Subscription, the Proposed Transfer of Controlling Interest and the Proposed Grant was obtained.

As disclosed in the Company’s announcements dated 6 June 2025 and the Letter, the Company has entered into the Supplemental Management Option Agreements in relation to the Proposed Extension. Further to the AGM held on 23 June 2025, the approval of the Shareholders for, *inter alia*, the Proposed Extension was obtained.

## 3. **Completion of Proposed Subscription and Proposed Grant**

The Board is pleased to announce that the Company has received the aggregate principal amount of the Bonds of S\$4,500,000 in full from the Investors. The Company has on 10 July 2025 completed the Proposed Subscription and the Proposed Grant respectively and in connection therewith, the Company has issued the Bonds (in the aggregate principal amount of S\$4,500,000) to the Investors and has granted the Management Options (to subscribe for an aggregate amount of 239,080,000 ordinary shares in the capital of the Company) to the Group Employees.

For avoidance of doubt, subject to the conditions precedent to the Proposed Grant, the Management Options shall be exercisable by the Group Employees, in whole only, during the relevant Option Period (as defined below) only if the certain profit targets set out in the Management Option Agreements (the “**Targets**”) have been met to the Company’s satisfaction (to be determined at the Company’s sole discretion). The Company shall, upon satisfaction of the Targets, notify the Group Employees of the commencement of the Option Period by written notice (the “**Notification**”). Pursuant to the Management Option Agreements (as amended by the Supplemental Management Option Agreements), the period commencing from the date of the Notification and expiring on the date falling 36 months from the date of the Notification or such other date as may be agreed between the parties shall be the “**Option Period**”.

The Company will be submitting an application, through its Sponsor, to the Singapore Exchange Securities Trading Limited (“**SGX-ST**”) for the admission to and listing and quotation of the new ordinary shares in the capital of the Company arising from the conversion of the Bonds (the “**Conversion Shares**”) and the new ordinary shares in the capital of the Company arising from the exercise of the Management Options (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.

#### 4. Use of Proceeds

As announced in the Company's announcement dated 15 March 2024, the Company, through its wholly-owned subsidiary, ETC Capital Pte. Ltd., has incorporated an indirect wholly-owned subsidiary, Hainan Jiupeng Chuhe Technology Co., Ltd. ("**HJC**") in the People's Republic of China, with principal activities being the live streaming e-commerce and related business, including online and offline sales of consumer products (the "**E-Commerce and Retail Business**"). The Proposed Subscription is being undertaken mainly to inject capital and working capital into the E-Commerce and Retail Business, including the operations of HJC.

As at the date of this announcement, the net proceeds from the Proposed Subscription (after deducting estimated fees and expenses of approximately S\$0.1 million) of approximately S\$4.4 million have been utilised as follows:

<b>Use of Net Proceeds</b>	<b>Amount Allocated (S\$'000)</b>	<b>Amount Utilised (S\$'000)</b>	<b>Balance (S\$'000)</b>
E-Commerce and Retail Business, including the operations of HJC	4,280	2,100	2,180
General working capital purposes, legal and professional fees and ancillary expenses for the Group	120	120 <sup>(1)</sup>	-
<b>Total</b>	<b>4,400</b>	<b>2,220</b>	<b>2,180</b>

**Note:**

(1) This pertains to payments made in relation to legal and professional fees, including the sponsor and auditors of the Company.

The utilisation of the proceeds is in line with the intended use and allocation as set out in the Previous Announcements.

#### 5. 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 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

10 July 2025

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*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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