



## EMERGING TOWNS & CITIES SINGAPORE LTD.

(formerly known as Cedar Strategic Holdings Ltd)

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### FOR IMMEDIATE RELEASE

## ETC Singapore reports revenue of S\$7.2 million for 2Q2018 driven by progressive recognition of the Group's flagship Golden City project

- Remaining order book of 275 units sold to be recognised progressively continue to indicate sustained demand for the Group's Golden City project
- In line with its two-pronged growth strategy of increasing recurring revenue for long-term earnings visibility, total rental income rises 30.0% year-on-year to S\$0.6 million
- While cognisant of the need to pursue inorganic growth opportunities to diversify its portfolio, the Group maintains a prudent approach when assessing potential investment opportunities

**SINGAPORE, 8 August 2018** – Catalyst-listed Emerging Towns & Cities Singapore Ltd (“ETC Singapore” or the “Company”, and together with its subsidiaries, the “Group”), today reported its financial results for the second quarter ended 30 June 2018 (“2Q2018”).

Following the disposal of Cedar Properties Pte Ltd (“CPPL”) during the first quarter ended 31 March 2018 (“1Q2018”), effectively divesting ETC Singapore's stake in the Daya Bay project, the Group posted revenue amounting to S\$7.2 million for 2Q2018 contributed mainly from the sale of units in its Golden City project. During the quarter, 9 units from the Golden City project worth S\$6.5 million were recognised as revenue with a gross profit margin of 29.8%. 275 units sold in the Golden City project is slated to be recognised progressively upon handover.

In spite of the divestment of CPPL in 1Q2018, total rental income generated by the Group's investment properties, contributed mainly by the Golden City project, achieved a 30.0% year-on-year (“yoy”) increase to S\$0.6 million for 2Q2018. In line with the Group's two-pronged strategy to drive sustainable growth, this improvement highlights management's strategic actions aimed at generating long-term recurring income to bolster short-term profits derived from the Group's development properties.

**Mr. Tan Thiam Hee, Executive Director and Group Chief Executive Officer of ETC Singapore,** remarked, *“As we move toward the completion of phase 2 in 2H2018, we remain encouraged by our remaining order book of 275 units sold which will be progressively recognised as revenue. Indicative of the sustained interest for our luxury mixed-use development, we remain cautiously optimistic that subsequent phases 3 and 4 have the potential to attract more local buyers, as well as corporate tenants to the Golden City Business Centre. Nestled in an area of prestigious real estate with a range of lifestyle amenities, foreign demand for residential units is also poised to gather momentum once the local government implements proper registration systems following the enactment of the Condominium Law back in January 2018.”*

As a result of effective cost controls, coupled by the absence of sales and marketing activities following the divestment of CPPL, distribution costs and administrative expenses for 2Q2018 dipped by 68.9% and 30.6% yoy to S\$0.5 million (2Q2017: S\$1.7 million) and S\$2.6 million (2Q2017: S\$3.7 million) respectively. Proactive efforts by management to manage its costs offset the adverse effects of seasonality, allowing the Group to narrow its losses from 2Q2017. The Group posted a net loss attributable to shareholders of S\$19,000 for 2Q2018 (2Q2017: net loss of S\$2.7 million).

Looking ahead, **Mr. Tan** added, *“Following the successful resumption of trading of our company's shares alongside the introduction of three new board members during the quarter, our focus now lies in steering the Group back on its growth trajectory by executing our two-pronged growth strategy of seeking short-term development profit and securing long-term recurring rental income. Even as we*

*remain cognisant of the need to pursue inorganic growth to diversify our portfolio, it remains of utmost importance that potential investment prospects are assessed prudently and with caution amid macroeconomic uncertainties exacerbated by ongoing international trade tensions. Aligned with our efforts to maximise shareholder value, we continue to prospect for strategic partners able to value-add to our business operations and long-term growth.”*

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**About Emerging Towns & Cities Singapore Ltd.**

Listed on the Catalist board of the Singapore Exchange Securities Trading Limited, Emerging Towns & Cities Singapore Ltd. was incorporated in Singapore on 17 October 1980. Formerly known as China Titanium Ltd. and later Cedar Strategic Holdings Ltd., the Company adopted the name Emerging Towns & Cities Singapore Ltd on 27 February 2017 to mark the resolution of its legacy issues and cement its positioning as a niche market player. Going forward, the Group intends to continue to focus on property investment and development and related businesses in niche towns and cities.

*Issued on behalf of Emerging Towns & Cities Singapore Ltd by: Financial PR*

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This press release 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 ("SGX-ST"). The Sponsor has not independently verified the contents of this press release.

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