

THE PLACE HOLDINGS LIMITED

Quarterly Financial Statement And Dividend Announcement

PART I - INFORMATION REQUIRED FOR QUARTERLY (Q1, Q2 & Q3), HALF-YEAR AND FULL YEAR ANNOUNCEMENTS

1(a)(i) An income statement (for the group) together with a comparative statement for the corresponding period of the immediately preceding financial year.

| | Group | | | | Group | | | |
|---|-----------------|------------------------|----------|--|----------------|------------------------|----------|--|
| | 12 months ended | | Variance | | 3 months ended | | Variance | |
| | 31/12/2019 | 31/12/2018 Restated | | | 31/12/2019 | 31/12/2018 Restated | | |
| | \$'000 | \$'000 | % | | \$'000 | \$'000 | % | |
| Revenue | 2,293 | 1,798 | 28 | | 1,331 | 926 | 44 | |
| Cost of sales | (423) | (329) | (29) | | (214) | (131) | (63) | |
| Gross profit | 1,870 | 1,469 | 27 | | 1,117 | 795 | 41 | |
| Gross profit margin | 82% | 82% | NM | | 84% | 86% | NM | |
| Administrative expenses | (2,591) | (1,929) | (34) | | (808) | (890) | 9 | |
| Results from operating activities | (721) | (460) | (57) | | 309 | (95) | NM | |
| Net finance income | 1,621 | 2,911 | (44) | | 39 | 589 | (93) | |
| Profit before tax | 900 | 2,451 | (63) | | 348 | 494 | (30) | |
| Tax expense | (820) | (535) | (53) | | (534) | (332) | (61) | |
| Profit/ (loss) for the year/period | 80 | 1,916 | (96) | | (186) | 162 | NM | |
| Attributable to: | | | | | | | | |
| Owners of the company | 80 | 1,916 | (96) | | (186) | 162 | NM | |
| Non-controlling interests | -* | -* | NM | | -* | -* | NM | |
| | 80 | 1,916 | | | (186) | 162 | NM | |
| Statement of comprehensive income | | | | | | | | |
| Net profit/ (loss) for the year/ period | 80 | 1,916 | (96) | | (186) | (147) | (27) | |
| Other comprehensive income: | | | | | | | | |
| Items that may be reclassified to profit or loss: | | | | | | | | |
| Foreign currency translation differences of foreign operations | (1,028) | (846) | (22) | | (155) | 180 | NM | |
| Other comprehensive (loss)/ income for the year/ period, net of tax | (1,028) | (846) | (22) | | (155) | 180 | NM | |
| | | | | | | | | |
| Total comprehensive (loss)/income for the year/ period | (948) | 1,070 | NM | | (341) | 33 | NM | |
| Total comprehensive (loss)/income attributable to: | | | | | | | | |
| Owners of the company | (948) | 1,070 | NM | | (341) | 33 | NM | |
| Non-controlling interests | -* | -* | NM | | -* | -* | NM | |
| Total comprehensive (loss)/income for the year/ period | (948) | 1,070 | NM | | (341) | 33 | NM | |

* Less than \$1,000

NM: Not meaningful

Profit before income tax is arrived at after charging/ (crediting) the following:

| | | | | |
|-------------------------------------|---------|---------|---------|-------|
| Depreciation of plant and equipment | 568 | 9 | 410 | 6 |
| Plant and equipment written off | 21 | - | - | - |
| Interest income | (2,284) | (1,766) | (1,105) | (534) |
| Interest expense | 45 | - | 30 | - |
| Net foreign exchange loss/(gain) | 618 | (1,145) | 1,036 | (55) |

- 1(b)(i) A balance sheet (for the issuer and group) together with a comparative statement as at the end of the immediately preceding financial year.

Statements of Financial Position

| | Group | | Company | |
|--|-------------------------------|-------------------------------|-------------------------------|-------------------------------|
| | As at 31/12/2019 \$'000 | As at 31/12/2018 \$'000 | As at 31/12/2019 \$'000 | As at 31/12/2018 \$'000 |
| Non-current assets | | | | |
| Plant and equipment | 2,093 | 51 | 1,958 | 50 |
| Investment in subsidiaries | - | - | 56,769 | 56,769 |
| | 2,093 | 51 | 58,727 | 56,819 |
| Current assets | | | | |
| Trade and other receivables | 35,272 | 3,740 | 3,827 | 3,722 |
| Cash and cash equivalents | 63,102 | 89,883 | 26,920 | 29,508 |
| | 98,374 | 93,623 | 30,747 | 33,230 |
| Total assets | 100,467 | 93,674 | 89,474 | 90,049 |
| Equity | | | | |
| Share capital | 149,845 | 149,845 | 149,845 | 149,845 |
| Reserves | (1,829) | (1,020) | - | - |
| Accumulated losses | (56,068) | (55,929) | (62,261) | (60,115) |
| Equity attributable to owners of the Company | 91,948 | 92,896 | 87,584 | 89,730 |
| Non-controlling interests | 5 | - * | - | - |
| Total equity | 91,953 | 92,896 | 87,584 | 89,730 |
| Non-current liability | | | | |
| Lease liabilities | 890 | - | 802 | - |
| Current liabilities | | | | |
| Trade and other payables | 6,443 | 489 | 439 | 319 |
| Current tax liabilities | 511 | 289 | 28 | - |
| Lease liabilities | 670 | - | 621 | - |
| | 7,624 | 778 | 1,088 | 319 |
| Total liabilities | 8,514 | 778 | 1,890 | 319 |
| Total equity and liabilities | 100,467 | 93,674 | 89,474 | 90,049 |

* Less than \$1,000

- 1(b)(ii) Aggregate amount of the group's borrowings and debt securities

Amount repayable in one year or less, or on demand

| As at 31/12/2019 | | As at 31/12/2018 | |
|---------------------|-----------|---------------------|-----------|
| Secured | Unsecured | Secured | Unsecured |
| \$'000 | \$'000 | \$'000 | \$'000 |
| - | - | - | - |

The amount repayable after one year

| As at 31/12/2019 | | As at 31/12/2018 | |
|---------------------|-----------|---------------------|-----------|
| Secured | Unsecured | Secured | Unsecured |
| \$'000 | \$'000 | \$'000 | \$'000 |
| - | - | - | - |

Details of any collaterals

None.

- 1 (c) A cash flow statement (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year.

Cash Flow Statement for the financial year ended 31 December

| | Group | | Group | |
|---|-----------------|--------------------|-----------------|--------------------|
| | 12 months ended | | 3 months ended | |
| | 31/12/2019 | 31/12/2018 | 31/12/2019 | 31/12/2018 |
| | \$'000 | Restated \$'000 | \$'000 | Restated \$'000 |
| Cash flows from operating activities: | | | | |
| Profit for the year | 80 | 1,916 | (186) | 162 |
| Adjustments for: | | | | |
| Plant and equipment written off | 21 | - | - | - |
| Depreciation of plant and equipment | 568 | 9 | 410 | 6 |
| Interest expense | 45 | - | 30 | - |
| Interest income | (2,284) | (1,766) | (1,105) | (535) |
| Unrealised foreign exchange loss/(gain) (net) | - | (1,145) | - | (55) |
| Tax expense | 820 | 535 | 534 | 332 |
| | (749) | (451) | (316) | (90) |
| Changes in: | | | | |
| - Trade and other receivables | (5,903) | 256 | (5,786) | 707 |
| - Trade and other payables | 5,989 | 34 | 6,007 | (221) |
| Cash used in operations | (663) | (161) | (95) | 396 |
| Interest received | 2,011 | 1,722 | 1,048 | 545 |
| Tax paid | (628) | (413) | (170) | (185) |
| Net cash (used in)/generated from operating activities | 720 | 1,148 | 783 | 756 |
| Cash flows from investing activities: | | | | |
| Deposit paid for acquisition of property asset # | (25,356) | - | (19,320) | - |
| Purchase of plant and equipment | (592) | (48) | (25) | (48) |
| Net cash used in investing activities | (25,948) | (48) | (19,345) | (48) |
| Cash flows from financing activity: | | | | |
| Repayment of lease liabilities | (525) | - | (373) | - |
| Net cash used in financing activity | (525) | - | (373) | - |
| Net (decrease)/increase in cash and cash equivalents | (25,753) | 1,100 | (18,935) | 708 |
| Cash and cash equivalents at beginning of the period | 89,883 | 88,484 | 82,192 | 88,978 |
| Effect of exchange rate fluctuations on cash held | (1,028) | 299 | (155) | 197 |
| Cash and cash equivalents at end of the period | 63,102 | 89,883 | 63,102 | 89,883 |

Relates to deposits and stamp duty paid for the acquisition of Realty Centre and Tianjie Yuntai Wanrun (Xiuwu) Property Development Co., Ltd ("Tianjie Yuntai Wanrun"). Refer to section 10 in this Announcement for details.

1(d)(i) A statement for the issuer and the group together with a comparative statement for the corresponding year of the immediately preceding financial year.

Statement of Changes in Equity for the financial period ended 31 December

| | Share capital | Foreign currency translation reserves | Statutory reserves | Accumulated losses | Total equity attributable to owners of the company | Non-controlling interests | Total equity |
|---|------------------|--|-----------------------|-----------------------|---|------------------------------|---------------|
| | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 |
| Group | | | | | | | |
| At 1 January 2018 | 149,845 | (479) | 161 | (57,701) | 91,826 | - * | 91,826 |
| Total comprehensive income for the year: | | | | | | | |
| Profit for the year | - | - | - | 1,916 | 1,916 | - * | 1,916 |
| Other comprehensive income | | | | | | | |
| Foreign currency translation difference of foreign operations | - | (846) | - | - | (846) | - | (846) |
| Total other comprehensive loss for the year | - | (846) | - | - | (846) | - | (846) |
| Total comprehensive loss for the year | - | (846) | - | 1,916 | 1,070 | -* | 1,070 |
| Transfer to statutory reserves | - | - | 144 | (144) | - | - | - |
| At 31 December 2018 | 149,845 | (1,325) | 305 | (55,929) | 92,896 | -* | 92,896 |
| At 1 January 2019 | 149,845 | (1,325) | 305 | (55,929) | 92,896 | -* | 92,896 |
| Total comprehensive loss for the year: | | | | | | | |
| Profit for the year | - | - | - | 80 | 80 | - * | 80 |
| Other comprehensive income | | | | | | | |
| Foreign currency translation difference of foreign operations | - | (1,028) | - | - | (1,028) | - | (1,028) |
| Total other comprehensive loss for the year | - | (1,028) | - | - | (1,028) | - | (1,028) |
| Total comprehensive loss for the year | - | (1,028) | - | 80 | (948) | - | (948) |
| Changes in ownership interests in subsidiaries | | | | | | | |
| Incorporation of subsidiary with non-controlling interests | - | - | - | - | - | 5 | 5 |
| Total changes in ownership interests in subsidiaries | - | - | - | - | - | 5 | 5 |
| Total transactions with owners | - | - | - | - | - | 5 | 5 |
| Transfer to statutory reserves | - | - | 219 | (219) | - | - | - |
| At 31 December 2019 | 149,845 | (2,353) | 524 | (56,068) | 91,948 | 5 | 91,953 |

* Less than \$1,000

- 1(d)(i) A statement for the issuer and the group together with a comparative statement for the corresponding year of the immediately preceding financial year.

Statement of Changes in Equity for the financial year ended 31 December

| <u>Company</u> | Share capital \$'000 | Accumulated losses \$'000 | Total equity \$'000 |
|---|----------------------------|---------------------------------|------------------------|
| At 1 January 2018 | 149,845 | (58,980) | 90,865 |
| <u>Total comprehensive income for the year:</u> | | | |
| Loss and total comprehensive loss for the year | - | (1,135) | (1,135) |
| At 31 December 2018 | 149,845 | (60,115) | 89,730 |
| At 1 January 2019 | 149,845 | (60,115) | 89,730 |
| <u>Total comprehensive income for the year:</u> | | | |
| Loss and total comprehensive loss for the year | - | (2,146) | (2,146) |
| At 31 December 2019 | 149,845 | (62,261) | 87,584 |

- 1(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles, as well as the number of shares held as treasury shares, if any, against the total number of issued shares excluding treasury shares of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.

During the financial year ended 31 December 2019 ("FY19"), The Place Holdings Limited (the "Company") did not issue any shares.

- 1(d)(iii) To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.

| | As at 31/12/2019 | As at 31/12/2018 |
|--|---------------------|---------------------|
| The total number of issued shares excluding treasury shares | 5,880,654,539 | 5,880,654,539 |

- 1(d)(iv) A statement showing all sales, transfers, disposal, cancellation and/or use of treasury shares as at the end of the current financial period reported on.

Not applicable.

2. Whether the figures have been audited or reviewed, and in accordance with which auditing standard or practice.

The figures have not been audited or reviewed.

3. Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of matter).

Not applicable.

4. Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.

Except as disclosed in paragraph 5, the financial statements have been prepared using the same accounting policies and methods of computation as presented in the audit financial statements for the financial year ended 31 December 2018.

5. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and effect, of the change.

The Group has adopted SFRS (I) 16 Leases for the financial period beginning 1 January 2019 using the modified retrospective approach of which the right-of-use ("ROU") assets recognised at date of initial application are equal to their lease liabilities with no restatement to the comparative information. The Group applied the practical expedient to grandfather the definition of a lease on transition of which the Group applied SFRS(I) 16 to all contracts entered into before 1 January 2019 and identified as leases in accordance with SFRS(I) 1-17 and SFRS(I) INT 4. On 1 January 2019, the effect on adoption of SFRS (I) 16 an increase in ROU assets of \$568,000 and an increase in lease liabilities of \$568,000.

6. Earnings per ordinary share of the group for the current period reported on and the corresponding period of the immediately preceding financial year after deducting any provision for preference dividends.

| | Group | | Group | |
|---|-----------------|---------------|----------------|---------------|
| | 12 months ended | | 3 months ended | |
| | 31/12/2019 | 31/12/2018 | 31/12/2019 | 31/12/2018 |
| Earnings per ordinary share for the period based on net profit for the period: | | Restated | | Restated |
| (i) Based on the weighted average number of ordinary shares in issue (cts); and | # | 0.03 | # | # |
| Weighted average number of shares | 5,880,654,539 | 5,880,654,539 | 5,880,654,539 | 5,880,654,539 |
| (ii) On a fully diluted basis (cts) | # | 0.03 | # | # |
| Weighted average number of shares | 5,880,654,539 | 5,880,654,539 | 5,880,654,539 | 5,880,654,539 |

Less than 0.01 cts

7. Net asset value (for the issuer and group) per ordinary share based on issued share capital of the issuer at the end of the (a) current period reported on; and (b) immediately preceding financial year.

| | Group | | Company | |
|--|---------------------|---------------------|---------------------|---------------------|
| | As at 31/12/2019 | As at 31/12/2018 | As at 31/12/2019 | As at 31/12/2018 |
| Net asset value per ordinary share (cts) | 1.56 | 1.58 | 1.49 | 1.53 |
| Number of shares | 5,880,654,539 | 5,880,654,539 | 5,880,654,539 | 5,880,654,539 |

8. Review of the Group's performance

INCOME STATEMENT

Revenue and Profitability

Revenue for FY19 comprises revenue from management of cultural events and activities of \$1.0 million and provision of management services to BJ Aozhong Real Estate for \$1.3 million. Revenue from management of cultural events and activities are mainly non-recurring event management contracts secured.

Revenue for the three months ended 31 December 2019 ("4Q19") comprised revenue from management of cultural events and activities of \$0.9 million and provision of management services to BJ Aozhong Real Estate for \$0.4 million.

The Group's gross profit margin remained constant at 82% for FY19 and FY18, as well as between 84% and 86% for 4Q19 and 4Q18.

Expenses

Administrative Expenses

The increase in administrative expenses for FY19 by \$0.7 million is mainly due to the increase in headcount, addition of one director and additional depreciation expense arose from right-of-use assets in relation to office and staff accommodation.

On a quarterly basis, the significantly higher administrative expenses in 4Q18 is mainly due to a one off fund management fee in respect of Xinghuironghui (Tianjin) Equity Investment Partnership (limited) of \$0.6 million for capital injected upon incorporation in 2016.

Net finance income

Net finance income comprises of net interest income and net foreign exchange differences.

| | FY19 | FY18 | 4Q19 | 4Q18 |
|----------------------------------|--------------|--------------|-----------|------------|
| | \$'000 | \$'000 | \$'000 | \$'000 |
| Interest income | 2,284 | 1,766 | 1,105 | 534 |
| Interest expense | (45) | - | (30) | - |
| Net foreign exchange (loss)/gain | (618) | 1,145 | (1,036) | 55 |
| | <u>1,621</u> | <u>2,911</u> | <u>39</u> | <u>589</u> |

FY19 interest income of \$2.3 million is contributed by \$1.1 million from China operations and \$1.2 million from Singapore operations. \$1.1 million interest income from China arises from financial products purchased. Net foreign exchange loss of \$0.6 million for FY19 arises from translation of United States Dollars denominated cash and cash equivalents. United States Dollars had been weakening against Singapore Dollars for the year 2019.

On a quarterly basis, the increase in interest income for 4Q19 is mainly due to improved cash management controls in place, coupled with better interest rate secured by China operations. Net foreign exchange loss of \$1 million for 4Q19 arises from translation of United States Dollars denominated cash and cash equivalents. United States Dollars had been weakening against Singapore Dollars for the quarter ended 31 December 2019.

Tax expense

Tax expense was mainly incurred by a subsidiary, Beijing Vast Universe Culture Communication Co., Ltd ("BJ Vast Universe"). The net profit before tax was higher for FY19 due to increase in revenue from management of cultural events and activities and interest income as compared to FY18.

STATEMENTS OF FINANCIAL POSITION

The increase in plant and equipment mainly pertains to the acquisition of 2 motor vehicles for corporate use and recognition of right-of-use assets in relation to lease of office and staff accommodation.

| | 31/12/2019 | 31/12/2018 |
|---------------------|--------------|------------|
| | \$'000 | \$'000 |
| Right-of-use assets | 1,542 | - |
| Motor Vehicle | 387 | - |
| Others | 164 | 51 |
| | <u>2,093</u> | <u>51</u> |

The increase in trade and other receivables mainly pertains to RMB 100 million (approximately \$19.3 million) refundable deposit paid for the proposed subscription of equity interest in Tianjie Yuntai Wanrun and \$11.8 million deposit and stamp duty paid for the acquisition of Realty Centre. The remaining increase in trade and other receivables are due to interest receivables from fixed deposits and a \$3.6 million loan to a third party. The loan to a third party is secured by corporate guarantee from a company controlled by two directors of the Company, bears interest at 8% per annum and is fully repayable in December 2020.

The decrease in the Group's cash and cash equivalents was mainly attributable to \$19.3 million of refundable deposit paid for the proposed subscription of equity interest in Tianjie Yuntai Wanrun, \$6 million paid in respect of the acquisition of Realty Centre and payment made for daily operations such as directors' fees and staff salary etc, as well as unrealised exchange loss of \$0.6 million arising from foreign currency fluctuation between Singapore Dollars and United States Dollars.

The increase in trade and other payables is mainly due to \$5.9 million payable to Sun Card Limited for the deposit and stamp duty in respect of the acquisition of Realty Centre. The Place Yuntai Investment Pte Ltd, a wholly-owned subsidiary and Sun Card Limited, a related party, each has 51% and 49% interest in the acquisition respectively. The remaining are mainly accrued expenses of \$0.5 million which comprise accrued independent director's fees, audit fees and other expenses.

Lease liabilities relates to recognition of liabilities for lease of office and staff accommodation arising from the adoption of SFRS (I) 16 on 1 January 2019.

Income tax payable of \$0.5 million mainly pertains to tax payable by BJ Vast Universe.

The Group's net working capital position is \$92.0 million as at 31 December 2019 as compared to \$92.9 million as at 31 December 2018.

As at 31 December 2019, the Group's current ratio (current assets/current liabilities) is 13x while equity attributable to owners of the Company stands at \$91.9 million.

CASH FLOW STATEMENT

For 4Q19, cash flow generated from operating activities were mainly from revenue and interest income generated.

For 4Q19, cash flow used in investing activities is due to \$19.3 million refundable deposit paid for the proposed subscription of equity interest in Tianjie Yuntai Wanrun, coupled with purchase of office equipment.

For 4Q19, cash flow used in financing activity pertains to repayment of lease liabilities from office and staff accommodation leases.

9. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.

No forecast or prospect statement was disclosed to shareholders previously.

10. A commentary at the date of announcement of the competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.

On 22 April 2019, The Group announced that its joint venture has been successfully awarded the tender for the acquisition by way of collective sale for Realty Centre at the aggregate purchase price of S\$148 million. Subsequent to shareholders' approval obtained on 6 August 2019, the remaining condition precedent for completion of acquisition is pending for 100% approval from the owners of Realty Centre, or otherwise the issuance of Sale Order.

Concurrently, the Group continues to seek suitable opportunities in expanding its business based on its execution know how and competitiveness. It will also take a prudential approach towards capital management and risk reward balance in tandem with changing market conditions.

On the progress of the acquisition of Tianjie Yuntai Wanrun (Xiuwu) Property Development Co., Ltd ("Tianjie Yuntai Wanrun"), the Group had placed a RMB 100 million refundable deposit to show its commitment on this proposed acquisition and for the application to the relevant regulatory authorities of People's Republic of China ("PRC") authority for the change in zoning of the Target Company's Land from commercial to residential. Management is currently pending approvals from the relevant PRC regulatory authorities and announcement will be made upon receipt of approvals from the relevant PRC regulatory authorities.

Following the recent outbreak of novel coronavirus, management expects minimal impact for the year 2020 as Beijing Vast Universe has a fixed management fee component with Beijing Aozhongxingye Real Estate Development Co., Ltd. Affected sales during the outbreak will be filled by a surge in the number of conferences and events after the outbreak when businesses are back in operation.

Based on the revised SGX reporting framework, the Group is not required to perform quarterly reporting. The Group wishes to inform shareholders that the Group will cease quarterly reporting with immediate effect and will instead perform half-yearly reporting. The Group's next financial results announcement will be in relation to the Group's half year ending 30 June 2020. Notwithstanding the adoption of this new reporting framework, the Group remains committed in announcing material business development on a timely manner to keep the market informed of the Group's state of affairs.

11. Dividend

11(a) Any dividend declared for the current financial period reported on?

None.

11(b) Any dividend declared for the corresponding period of the immediately preceding financial year?

None

11(c) Date payable

Not applicable

11(d) Books closure date

Not applicable

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

No dividend has been declared for the fourth quarter and financial year ended 31 December 2019. The Group will be retaining its cash for expansion purpose.

PART II - ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT

(This part is not applicable to Q1, Q2, Q3 or Half Year Results)

13. **Segmented revenue and results for business or geographical segments (of the group) in the form presented in the issuer's most recently audited annual financial statements, with comparative information for the immediately preceding year.**

(a) Analysis by Reportable Segment

Segment revenue and expense are revenue and expense reported in the group's profit or loss that are either directly attributable to a segment or can be allocated on a reasonable basis to a segment. There are no revenue arising from transactions between reportable segments.

Segment assets are all operating assets that are employed by and liabilities comprises items that are directly attributable to a reportable segment in its operating activities and that either are directly attributable to the segment or can be allocated to the reportable segment on a reasonable basis. Segment assets and liabilities are presented net of inter – segment balances.

Information regarding the group's reportable segments prepared based on measurement principles of SFRS(I) is presented below.

| Revenue and Expenses (by business segments) | Media and Event Management | | Corporate | | Total | |
|--|-------------------------------|--------|-----------|---------|---------|---------|
| (\$'000) | 2019 | 2018 | 2019 | 2018 | 2019 | 2018 |
| Segment revenue | | | | | | |
| Segment revenue to related parties | 1,289 | 1,576 | - | - | 1,289 | 1,576 |
| Segment revenue to external parties | 1,004 | 222 | - | - | 1,004 | 222 |
| | 2,293 | 1,798 | - | - | 2,293 | 1,798 |
| Segment results | 1,798 | 1,386 | - | - | 1,798 | 1,386 |
| Unallocated corporate expenses | - | - | (2,519) | (1,846) | (2,519) | (1,846) |
| Net finance income | 1,127 | 634 | 494 | 2,277 | 1,621 | 2,911 |
| Profit/ (loss) before tax | 2,925 | 2,020 | (2,025) | 431 | 900 | 2,451 |
| Tax expense | (731) | (505) | (89) | (30) | (820) | (535) |
| Net profit attributable to the Group | 2,194 | 1,515 | (2,114) | 401 | 80 | 1,916 |
| Assets and Liabilities | | | | | | |
| Segment assets | 33,250 | 31,754 | - | - | 33,250 | 31,754 |
| Unallocated corporate assets | - | - | 67,217 | 61,920 | 67,217 | 61,920 |
| Consolidated total assets | 33,250 | 31,754 | 67,217 | 61,920 | 100,467 | 93,674 |
| Segment liabilities | 713 | 388 | - | - | 713 | 388 |
| Unallocated corporate liabilities | - | - | 7,801 | 390 | 7,801 | 390 |
| Consolidated total liabilities | 713 | 388 | 7,801 | 390 | 8,514 | 778 |
| Additions to plant and equipment | - | - | 592 | 48 | 592 | 48 |
| Depreciation of plant and equipment | 52 | - | 517 | 9 | 568 | 9 |
| Interest income | (1,135) | (634) | (1,149) | (1,132) | (2,284) | (1,766) |
| Net foreign exchange loss/(gain) | - | - | 618 | (1,145) | 618 | (1,145) |

Segment revenue is analysed based on the location of customers.

Total revenue and non-current assets are analysed based on the location of those assets.

| Revenue (by geographical segments) (\$'000) | PRC | | Singapore | | Total | |
|---|-------|-------|-----------|------|-------|-------|
| | 2019 | 2018 | 2019 | 2018 | 2019 | 2018 |
| Segment revenue | 2,293 | 1,798 | - | - | 2,293 | 1,798 |
| Segment non-current tangible assets | 135 | 1 | 1,958 | 50 | 2,093 | 51 |

14. In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by business or geographical segments.

Not applicable

15. A breakdown of sales as follows:

| | Group | | |
|--|-----------------|----------|-----------|
| | 12 months ended | | |
| | 31/12/19 | 31/12/18 | Inc/(Dec) |
| | \$'000 | \$'000 | % |
| Sales reported for the first half year | 686 | 590 | 16% |
| Net (loss)/ profit for first half year | (446) | 1,713 | -126% |
| Sales reported for second half year | 1,607 | 1,208 | 33% |
| Net profit for second half year | 526 | 203 | 159% |

16. A breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous full year as follows:-

Not applicable

17. Interested party transactions

The Group does not have a general mandate from shareholders for interested person transactions pursuant to Rule 920 of the Listing Manual of the Singapore Exchange Securities Trading Limited ("SGX-ST").

During the financial period, there were related parties transactions based on terms agreed between the parties as follows:-

| Name of interested person | Aggregate value of all interested person transactions during the financial period under review (excluding transactions less than \$100,000 and transactions conducted under Shareholders' mandate pursuant to Rule 920) | Aggregate value of all interested person transactions conducted under Shareholders' mandate pursuant to Rule 920 (excluding transactions less than \$100,000) |
|--|---|---|
| Beijing Aozhongxingye Real Estate Development Co., Ltd | \$1,564,000 | - |

The Company had acquired Beijing Vast Universe Culture Communication Co., Ltd ("BJ Vast Universe") on 3 January 2017. Prior to the Company's acquisition of BJ Vast Universe, BJ Vast Universe had already entered into a management agreement with BJ Aozhong Real Estate, a company which is controlled by Mr. Ji Zenghe, the Company's Executive Chairman.

Under the said management agreement, BJ Vast Universe will manage certain assets of BJ Aozhong Real Estate, including the landmark LED screen located at The Place, Beijing, and earn a fixed management fee of RMB6 million (equivalent to approximately \$1.2 million) annually, coupled with profit sharing arrangement, with BJ Aozhong Real Estate in respect of the assets being managed.

No announcement had been made in respect of the management agreement as it was in place prior to the Company's acquisition of BJ Vast Universe.

Except for the above, there was no other interested person transaction, as defined in Chapter 9 of the Listing Manual of the SGX-ST, entered into by the Group or the Company during the financial year ended 31 December 2019.

18. Disclosure of persons occupying managerial positions in the Group, are relatives of the following Director, Chief Executive Officer and Substantial Shareholder of the Company

Pursuant to Rule 704(13) of the Listing Manual of the Singapore Exchange Securities Trading Limited, we confirm that all persons occupying managerial position in The Place Holdings Limited ("the Company") or any of its subsidiaries is a relative of a director or chief executive officer or substantial shareholder of the Company are disclosed as below.

| Name | Age | Family relationship with any director and/or substantial shareholder | Current position and duties, and the year the position was held | Details of changes in duties and position held, if any, during the year |
|---------------|-----|--|---|---|
| Meng Kuang-Yi | 55 | Brother-in-law of Executive Chairman, Mr Ji Zenghe | Mr Meng was appointed as the Marketing Director of the Group on 3 May 2019. He is responsible for the development and implementation of the branding strategy of the Group. | Yes. On 3 May 2019, Mr Meng was re-designated from Chief Operating Officer to Marketing Director. |

19. Confirmation pursuant to Rule 705(5) of the SGX Listing Manual

The Board of Directors of the Company hereby confirm that, to the best of their knowledge, nothing has come to its attention which may render the unaudited financial results for the fourth quarter ended 31 December 2019 to be false or misleading in any material aspect.

20. Confirmation that the issuer has procured undertakings from all its directors and executive officers under Rule 720(1)

We confirmed that the Company has procured undertakings from all its directors and executive officers under Rule 720(1).

BY ORDER OF THE BOARD

Ji Zenghe
Executive Chairman
20 February 2020