

PRESS RELEASE

First Quarter 1Q19 Results (for the three months ended 31 March 2019)

(S\$'000)	1Q19	1Q18	%
Revenue	404	295	37
Gross profit	303	289	5
<i>Interest income</i>	403	263	53
<i>Interest expense</i>	(4)	-	NM
<i>Admin expense</i>	(475)	(232)	(105)
<i>Unrealised forex gain (loss)</i>	(453)	(998)	(55)
Profit before tax	(226)	(678)	67
<i>Tax expense</i>	(108)	(72)	(50)
Profit after tax	(334)	(750)	55

*NM – Not meaningful

Singapore, 24 April 2019 – Singapore Exchange Securities Trading Limited (“SGX-ST”) Mainboard-listed The Place Holdings Limited (“The Place” or the “Group”), an investment holding company whose portfolio coverage includes developing and managing of media-related businesses, developing of integrated tourism and operating of tourism related “new retail” businesses, today announced its results for the first quarter ended 31 March 2019 (“1Q19”).

Revenue for 1Q19 comprises revenue from management of cultural events and activities of \$101,500 and provision of management services to BJ Aozhong Real Estate for \$302,500. In 1Q18, revenue only consists of provision of management services to BJ Aozhong Real Estate. Revenue from management of cultural events and activities are mainly non-recurring event management contracts secured.

The Group's gross profit margin ("GPM") decreased from 98% in 1Q18 to 75% in 1Q19, largely due to the presence of revenue from management of cultural events and activities which had a lower GPM.

Administrative expenses mainly consist of professional fees, staff salary, director's remuneration, provision of directors' fees, audit fees, and other administrative expenses. In 1Q19, there was an increase in headcount and addition of an independent director which increase the staff cost, CPF, rental of accomodation and director's fee by \$114,000. In addition, office rental expense and drawing of remuneration by directors which started in second half of 2018 approximates \$105,000.

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

	1Q19	1Q18
	\$'000	\$'000
Interest income	403	263
Interest expense	(4)	-
Net foreign exchange loss	(453)	(998)
	(54)	(735)

Increase in interest income is due to placing of all unutilised cash and cash equivalents into fixed deposits. Exchange loss comprises mainly of unrealised exchange loss of \$453,000 where United States Dollars depreciated by 1% against Singapore Dollars in 1Q19.

The Group incurred a loss after tax of \$0.3 million for 1Q19.

Outlook for 2019

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\$148,000,000. This Proposed Acquisition serves to meet the following business objectives for the Company:

- a) Embark on tourism-related business activities in Singapore. Given that all of the Group's businesses are located overseas, having a physical presence locally would bring more relevance to Shareholders and augurs well as a springboard for its enlarged tourism-related endeavours in Singapore and globally. A new mixed-use development is an excellent avenue to showcase the commitment and unique value propositions of the Group;
- b) Generate recurrent rental income and development profit from the asset classes to be developed by New Vision Investment Pte. Ltd. on the Property. The Group has always been on a lookout for potential target assets. Riding on the advantages of the Proposed Acquisition as mentioned at the beginning of this section, the Group's

current strategy for the redevelopment of the Property is to generate development profit from sale of residential units and recurrent rental income from the commercial component held for investment; and

- c) House the headquarters of the Group. The Group is still in its expansion phase since its subscription exercise in 2016 (i.e. the share subscription by Oriental Straits Fund III, which was approved by the Shareholders on 12 October 2016) and business diversifications in 2017 and 2018. Tapping on the expertise from executive directors who have years of experience in tourism and real estate development, a centrally located and presentable Singapore headquarters would definitely play a significant role in positioning itself for future business partnerships and investments as the Group reaches out globally.

This Proposed Acquisition constitutes a "major transaction" for the purposes of Chapter 10 of the Listing Manual. As such, it is subject to the prior approval of the shareholders of the Company. A circular will be issued to the Shareholders in due course for the purpose of seeking Shareholders' approval for the Proposed Acquisition at a general meeting to be convened.

On the progress of the acquisition of Tianjie Yuntai Wanrun (Xiuwu) Property Development Co., Ltd ("Tianjie Yuntai Wanrun"), Management is pending approvals from the relevant regulatory authorities of the People's Republic of China ("PRC") for the proposed subscription. Announcement will be made upon receipt of approvals from the relevant PRC regulatory authorities.

About The Place Holdings Limited

Listed on the Mainboard of the Singapore Exchange, The Place Holdings Limited (f.k.a. “Eucon Holding Limited”) (“The Place” or “the Group”) is an investment holding company whose portfolio coverage will include the investment, development and management of Media, Integrated Tourism and tourism-related “new retail” businesses.

The Group is backed by the key management team of The Place Investment Group, a multi-billion PRC conglomerate renowned for its extensive businesses in tourism, media, property management, bio-medical technology investments and international trade.

The Group’s core belief is to embrace a lifelong, forward-looking, bold and modern thinking. Through the spirit of innovation, courage to explore and keeping in touch with industry elites and market developments, they assure the Group in maintain a leading position in the industry, IT, and media and communication aspects.

At management level, the Group has created a team that is vigorous and committed. With a high degree of cohesiveness and effective execution, the management team is good at seizing opportunities and implementing projects swiftly, providing the Group huge cost-savings and substantial rewards.

Meticulous but understanding the overall situation is the selling point of the Group’s product. Paying attention to details is the vitality while working with partners and a clear picture of the overall situation creates value and product superiority.

In all collaborations, the Group strives to create value but at the same time maintain amicable balance between reality and rewards. With creating a win-win situation for all parties a priority uphold by the Group. The Group seeks the most justifiable business development plan while preserving the interests of all partners.

The Group’s current business activities include

- Provision of comprehensive branding strategy, planning and organising of corporate events, and exhibitions, and other large-scale events, and
- Development and operating of integrated tourism business including but not limited to the development of tourist townships near renowned tourist destinations, the development of commercial malls, hotels, entertainment and recreation facilities, resorts, corporate clubhouses and wellness resorts for the elderly; and

- Establishing, acquiring and/or otherwise investing in companies in the “new retail” businesses (i.e. those which manage and/or provide retail services by incorporating new advances in technology including but not limited to big data, payment, logistics, virtual reality) within the tourism industry which has synergies with the Company’s integrated tourism business.

The Group is expanding through acquisition of profitable businesses with high growth potential.

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