Report on the Audit of the Financial Statements

Disclaimer of Opinion

We were engaged to audit the financial statements of The Place Holdings Limited (the "Company") and its subsidiaries (the "Group") set out on pages 45 to 101, which comprise the consolidated statement of financial position of the Group and the statement of financial position of the Company as at 31 December 2024, and the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows of the Group for the financial year then ended, and notes to the financial statements, including material accounting policy information.

We do not express an opinion on the accompanying financial statements of the Group and of the Company because of the significance of the matters described in *the Basis for Disclaimer of Opinion* section of our report. We have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these financial statements.

Basis of Disclaimer of Opinion

<u>Brought forward and unresolved matters</u>

We expressed a disclaimer of opinion dated 12 March 2026 on the Group's financial statements for the financial year ended 31 December 2023 ("FY 2023") and the Company's statement of financial position as at 31 December 2023. All matters underpinning that disclaimer remain unresolved as at 31 December 2024. As the previous year's closing balances (which were subject to that disclaimer) flow into the determination of the accumulated losses as at 1 January 2024, they may also have a consequential impact on the financial statements for FY 2024.

1. Transactions with related parties

(a) Undisclosed and unauthorised interested persons transactions (IPT) and rationale

During the previous financial year ended 31 December 2023 ('FY 2023'), the Group made advances amounting to an aggregate amount of approximately $8,696,000 (RMB 45,000,000) to two related parties (Related Party A and Related Party B). Related Party A and Related Party B are PRC-incorporated entities directly or indirectly controlled by two directors of the Company, Mr. Ji Zenghe ("Mr. Ji") and Mr. Fan Xianyong ("Mr. Fan"). No prior approval from the Board of Directors and shareholders of the Company was obtained for such significant related party transactions (as defined under SFRS(I) 1-24) and interested person transactions (as defined under the SGX-ST Listing Rules). These IPTs were not disclosed via SGXNet pursuant to the requirements of Chapter 9 of the SGX-ST Listing Rules. Further, given that the loans advanced exceeded 5% of the latest audited net tangible assets of the Group and that no pre-approval has been procured from the Company's shareholders, it also constitutes a breach of the relevant requirements of Chapter 9 of the SGX-ST Listing Rules.

Basis of Disclaimer of Opinion (Continued)

1. Transactions with related parties (Continued)

(a) Undisclosed and unauthorised interested persons transactions (IPT) and rationale (Continued)

In this regard, as disclosed in Note 2.2, management has proposed to convene an Extraordinary General Meeting (EGM) to ratify and approve these advances to the two interested persons and related parties (including the purported set-offs and adjustments as detailed in paragraph (b) below). However, no EGM has been convened to date.

In addition to the absence of requisite approvals and required disclosures, management was unable to furnish satisfactory explanations regarding the commercial rationale for making advances to these 2 related parties.

(b) Offset arrangements effected without executed and authorised agreements and rationale

Subsequent to the disbursements to the two related parties, the Group effected a series of set-offs and adjustments with several other related and unrelated parties (as disclosed in Note 25 to the financial statements and our audit opinion for FY 2023). Thereafter, the 'adjusted' net outstanding balance owing from Related Party A became $1,955,000, and became nil for Related Party B.

For the above set-offs and adjustments, we were not provided with supporting authorised and signed agreements with the relevant contracting parties, and we were unable to determine the enforceability of the purported set-offs and adjustments, nor whether such offsets were applied in accordance with SFRS(I) 1-32 *Financial instruments: Presentation*. Additionally, we are unable to ascertain the veracity of the adjusted net outstanding balance owing from Related Party A amounting to $1,955,000 (included as other receivables and disclosed in Note 9). Further, we were not furnished with a satisfactory explanation as to the commercial rationale of the abovementioned arrangements and/or adjustments.

Consequently, we were unable to assess the appropriateness of the recognition, measurement, classification and completeness of the disclosure of the related party balances and transactions.

(c) Recoverability of non-trade amount owing from Related Party A – as disclosed in Note 9.

We are unable to determine the recoverability of the net balance due from Related Party A amounting to $1,955,000, resulting from the purported set-off exercise above.

Had the offsets described in Matter 1(b) been disregarded, the gross amounts due from Related Party A and Related Party B as at 31 Dec 2024 would have been $7,399,000 (RMB 39,826,000) and $743,000 (RMB 5,000,000) respectively. Similarly, we were also unable to determine whether any impairment loss is required on these amounts as at 31 December 2024, and whether impairment should have been recognised in the profit or loss of FY 2024 or FY 2023.

Basis of Disclaimer of Opinion (Continued)

2. Revenue and Trade receivables – Note 9

As at 31 December 2024, the Group recorded trade receivable balance due from Related Party A amounting to $2,982,000 (RMB16,000,000), which comprise the entire revenue recognised by the Group for FY 2023. As disclosed in our audit opinion for FY 2023, we have not been able to obtain sufficient appropriate audit evidence to ascertain the accuracy and occurrence of the revenue for FY 2023, which would have a corresponding impact on the trade receivable of $2,982,000 as at 31 December 2024, as well as the associated tax impact.

We were also unable to conclude whether an impairment loss should be recognised as at 31 December 2024 in respect of this balance, which remains outstanding as at the date of this report, and whether the impairment should have been recognised in the profit or loss of FY 2024 or FY 2023.

3. Going concern basis

As at the date of our report, there were operational and financial indicators as well as significant events and conditions indicating the existence of material uncertainties that may cast significant doubt on the Group's and the Company's ability to continue as going concerns. These includes:

(a) Operational and financial indicators

As disclosed in Note 2.2, the Group did not generate any revenue for FY 2024, incurred consecutive losses of $2,483,000 and recorded negative operating cash flows of $2,534,000 for FY 2024.

In addition, as noted in Matter 4 below, the Group's major asset, being the property development project in the PRC, has been suspended since FY 2023, and the Group has not announced any foreseeable date of resumption of development.

(b) Regulatory indicators

The Company received a notice of compliance ("NOC") from the SGX RegCo dated 11 December 2025 as the Company has yet to convene its Annual General Meeting (AGMs) for FY 2023 and FY 2024. On 12 February 2026, the Company also announced via SGXNet regarding the notification of all directors of the Company being placed on the Directors' and Executive Officers' Watchlist, due to the above non-compliance as stated in the SGX RegCo's NOC. Although the AGM for FY 2023 was subsequently convened on 31 March 2026, the Company has not fully complied with the NOC.

As highlighted in Matter 1(a) and (b) above, there has been potential breach of SGX-ST Listing Rules by the Company relating to undisclosed and unauthorised IPTs.

We were unable to determine the impact of the above breaches that may have on the listing status of the Company.

Basis of Disclaimer of Opinion (Continued)

3 Going concern basis (Continued)

(b) Regulatory indicators (Continued)

Management's assertions
Notwithstanding the above, the Board of Directors have prepared the financial statements on a going concern basis based on the assumptions as disclosed in Note 2.2 to the financial statements, which include, *inter alia*, the continuing financial support from the Chairman of the Company to enable the Group to operate as a going concern and to meet its obligations as and when they fall due. Further, management has also expressed confidence that, with planned actions to convene AGMs at the earliest practicable date and to convene the necessary EGM to ratify the IPTs, the compliance risk is manageable.

However, the outcome of the above assumptions are inherently uncertain and there is a limitation of scope for us to complete the subsequent event review procedures (as set out in Matter 8 below). We were also unable to obtain sufficient appropriate audit evidence regarding Mr. Ji's financial ability to provide financial support to the Group as and when necessary. Consequently, we were unable to satisfy ourselves as to the appropriateness of the going concern basis of accounting used in the preparation of these financial statements.

4. Impairment assessment of balances relating to development project in the PRC.

(a) Development properties of the Group– Note 8 to the financial statements

Included in the Group's current assets are development properties in the PRC held by an indirect subsidiary, Tianjie Yuntai Wanrun (Xiuwu) Property Development Co., Ltd. ("Wanrun"), which is located in Mount Yuntai Integrated Tourist Township ('Mount Yuntai project' or 'the Project'), with a carrying amount of $24,122,000 as at 31 December 2024. There has been no material development since FY 2022, and development has remained suspended since FY 2023, with no additional costs being capitalised in FY 2023 or up to the date of this report.

However, management is of the view that no allowance or write-off is necessary as they expect the net realisable value of the development properties to be above their carrying amount and remains recoverable.

We were unable to satisfactorily assess the reasonableness of the assumptions underlying in the valuation performed by the professional valuer engaged by management.

Accordingly, we were unable to obtain sufficient appropriate audit evidence to conclude on the appropriateness of the carrying amount of the development properties as at 31 December 2024, including whether any allowance or write-down was required as at 31 December 2024, and whether any or all of such allowance or write-down should be recorded in profit or loss for FY 2024, the related disclosures were adequate.

Basis of Disclaimer of Opinion (Continued)

4. Impairment assessment of balances relating to development project in the PRC (Continued)

(b) Prepayments of the Group – Note 9(v) to the financial statements

Included in prepayments is an amount of $3,254,000 relating to prepaid construction cost for the development properties in Mount Yuntai project, which has been brought forward since FY 2021.

Due to the suspension of the development of the Project and the passage of time, we were unable to conclude whether the amount is still appropriately classified as a prepayment as at 1 January 2024 and 31 December 2024, the recoverability of the amount and whether any impairment loss or write-off is required thereof as at 31 December 2024 and whether any or all of such impairment should be recorded in profit or loss for FY 2024.

(c) Investment in subsidiary and amount due from subsidiary of the Company – Notes 5 and 28(iii)(A) to the financial statements

As at 31 December 2024, the carrying amount of the Company's investment in The Place Yuntai Investment Pte. Ltd. ("TPYI"), the intermediary holding company of Wanrun, is $31,977,000 (Note 5). Also included in the Company's statement of financial position as at 31 December 2024 is an amount due from TPYI of $6,959,000 (Note 28(iii)(A)).

Due to the reasons as discussed in paragraph 4(a) above, we were unable to determine whether any impairment loss is required to be recognised in respect of the above equity investment and receivable as the recovery is dependent on the outcome of the sale or development of Wanrun's development project.

5. Loan to third party (Party S) – Note 9 to the financial statements

There was an interest-bearing loan made by the Company to a third party (Party S) (as first discussed in Matter 1(b) above) since 2017 with a principal amount of $3,600,000. The loan is guaranteed by a related party ("Guarantor") controlled by Mr. Ji and Mr. Fan. As at 1 January 2023, the total gross amount owing from Party S was $3,888,000 (inclusive of interest), out of which an impairment of $1,888,000 was provided for during FY 2022.

During FY 2023, the balance due from Party S was reduced to nil as part of the offsetting arrangements discussed in Matter 1(b) above, following a reversal of impairment of $1,888,000 and a purported partial repayment of $3,000,000 by Mr. Ji.

Notwithstanding the above, there was no supporting documents or agreements substantiating the purported payment on behalf. We were also unable to obtain a confirmation reply from Party S as at 31 December 2024.

Consequently, we were unable to conclude appropriateness of the nil balance being recorded with Party S as at 31 December 2024 (as disclosed in Note 25).

Basis of Disclaimer of Opinion (Continued)

6. Loan to New Vision Holdings Pte. Ltd. ('NVH') – Notes 11 and 14 to the financial statements

Included in the Group's current assets as at 31 December 2024 is an amount of $20,013,000, representing interest-free loan to NVH, an associate. NVH was a former subsidiary (as disclosed in Note 5(b)).

Included in the ending balance of $20,013,000 as at 1 January 2024 and 31 December 2024 was a fund transfer of $2,303,000 made from the Group to NVH during FY 2023, purportedly on behalf of Related Party D, which is indirectly controlled by Mr. Ji and Mr. Fan (Note 14).

There are no supporting documents to substantiate the management's representation that this is a payment on behalf. Management also did not provide us with any satisfactory explanations as to why the recording of the payment was at variance with its own representation. In addition, Management was unable to provide a reconciliation of the variance between the recorded amount and the audit confirmation reply received from NVH ("the Variance"), which indicated a lower outstanding balance owing to the Group as at 31 December 2024. While we were furnished with a waiver letter issued by the Group dated 31 December 2024 in respect of the balance owing from NVH, the amount stated as waived in the waiver letter did not agree with the Variance. Consequently, we were unable to conclude on the accuracy and completeness of the outstanding balance owing from NVH as at 31 December 2024.

Consequently, we were unable to obtain sufficient appropriate audit evidence to conclude on the accuracy of the Group's loan to NVH of $20,013,000 as at 31 December 2024 and whether there should have been any amount reflected as due from Related Party D (as represented by management).

7. Share of results of an associate - Note 6 to the financial statements

During the current financial year, management did not recognise the Group's share of results of a significant associate, MCC Land (TMK) Pte Ltd. ("MCC-TMK"), as mandated by SFRS(I) 1-28 *Investments in Associates and Joint Ventures*. We were not granted direct access to MCC-TMK's accounting records, and were therefore unable to perform the procedures necessary to confirm that MCC-TMK's audited financial information was in appropriate form and content required for the application of equity accounting.

As a result, we were unable to determine the impact of the above non-compliance of SFRS(I) 1-28 mandating the application of equity accounting for associates, and of the accuracy of the relevant disclosures in Note 6 to the financial statements.

Basis of Disclaimer of Opinion (Continued)

8. Subsequent event review procedures

For the period from 1 January 2025 to the date of this report, we were unable to complete the subsequent event review procedures that we considered necessary. Consequently, we were unable to ascertain whether all significant subsequent events and transactions had been appropriately accounted for or disclosed in these financial statements.

Responsibilities of Management and Directors for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Companies Act 1967 (the Act) and Singapore Financial Reporting Standards (International) (SFRS(I)s), and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

In preparing the financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The directors' responsibilities include overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our responsibility is to conduct an audit of the financial statements in accordance with Singapore Standards on Auditing ("SSAs") and to issue an auditor's report. However, because of the matters described in the *Basis for Disclaimer of Opinion* section of our report, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these financial statements.

We are independent of the Group in accordance with the Accounting and Corporate Regulatory Authority ("ACRA") Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities ("ACRA Code") together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we had fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code.

Report on Other Legal and Regulatory Requirements

In our opinion, because of the significance of the matters described in the *Basis for Disclaimer of Opinion* section of our report, we do not express an opinion on whether the accounting and other records required by the Act to be kept by the Company and the subsidiary corporations incorporated in Singapore have been properly kept in accordance with the provisions of the Act.

The engagement partner on the audit resulting in this independent auditor's report is Lee Yan Huei.

Acclime First Trust LLP
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Public Accountants and
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Singapore

26 August 2026