

PRESS RELEASE

Second Quarter 2Q19 Results (for the three months ended 30 June 2019)

(S\$' million)	1H19	1H18	%		2Q19	2Q18	%
Revenue	0.7	0.6	17		0.3	0.3	-
Gross profit	0.5	0.3	67		-	0.2	(100)
Results from operating activities	(0.5)	(0.1)	NM		(0.3)	-	-
Net finance costs	0.2	1.9	(89)		0.3	2.6	-
Profit before tax	(0.3)	1.8	(117)		-	2.6	-
Tax expense	(0.2)	(0.1)	100		(0.1)	-	-
Profit after tax	(0.4)	1.7	(124)		(0.1)	2.6	(104)

*NM – Not meaningful

Singapore, 2 August 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 second quarter ended 30 June 2019 ("2Q19").

The Group's revenue for 2Q19 comprised revenue from provision of management services to BJ Aozhong Real Estate for \$0.3 million (2Q18: \$0.3 million). Management of cultural events and activities is non-recurring and the Group did not secure any non-recurring contract in 2Q19.

The Group's gross profit margin ("GPM") in 2Q19 increased to 81% from 55% in 2Q18, largely due to the non-presence of revenue from management of cultural events and activities in 2Q19 which has a lower GPM.

Administrative expenses mainly consist of professional fees, staff salaries, directors' remuneration, provision of directors' fees, audit fees, and other administrative expenses. In 2Q19, increase in staff salaries and other related costs by \$0.4 million was mainly

contributed by increase in headcount and addition of an independent director. In addition, the increase in office rental expense by \$0.1 million was due to shifting of office in late 2018.

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

		1H19	1H18	2Q19	2Q18
		\$'000	\$'000	\$'000	\$'000
Interest income		713	678	310	416
Interest expense		(8)	-	(4)	-
Net foreign exchange (loss)/gain		(458)	1,219	(5)	2,217
		247	1,897	301	2,633

Interest income decreased from \$0.4 million in 2Q18 to \$0.3 million in 2Q19 due to withdrawal of fixed deposits for the proposed acquisition of Realty Centre. Net foreign exchange loss of \$0.5 million for 1H19 and \$5,000 in 2Q19 relates to unrealised exchange loss arising from translation of United States Dollars denominated cash and cash equivalents. United States Dollars remained constant against Singapore Dollars as at month end of March 2019 and June 2019.

The Group incurred a loss after tax of \$0.1 million for 2Q19 after recognizing unrealized exchange loss of \$0.5 million arising from translation of United States Dollars denominated cash and cash equivalents.

Moving Forward 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) 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 Company;

(b) Generate recurrent rental income and development profit from the asset classes on the Property. The Group has always been on a lookout for potential target assets. The Group's current strategy for the re-development 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 Company. 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 Shareholders on 12 October 2016) and business diversifications in 2017 and 2018. Tapping on the expertise of the Board members and new management team 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 had been issued to the Shareholders for the purpose of seeking Shareholders' approval for the Proposed Acquisition at an extraordinary general meeting on 6 August 2019.

The Group shall continue to seek suitable opportunities in expanding its business in Singapore 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"), 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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