

PRESS RELEASE

Half Yearly Results (for the six months ended 30 June 2020)

(S\$'000)	1H20	1H19	%
Revenue	562	686	(18)
Cost of sales	(95)	(155)	39
Gross profit	467	531	(12)
Administrative expense	(1,224)	(1,059)	(16)
Interest income	959	713	35
Other income	46	-	NM
Finance cost	(25)	(8)	NM
Net foreign exchange gain (loss)	1,965	(458)	NM
Profit before tax	2,188	(281)	NM
Tax expense	(193)	(180)	(7)
Profit after tax	1,995	(461)	NM

*NM – Not meaningful

Singapore, 4 August 2020 – 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 half year ended 30 June 2020 (“1H20”).

The Group's revenue for first half of year 2020 (“1H20”) only comprised of revenue from provision of management services to BJ Aozhong Real Estate of \$0.6 million. Due to spread of Covid-19 in Beijing, no contracts were secured in 1H20, resulting the decrease in revenue.

The Group's gross profit margin (“GPM”) increased from 77% in 1H19 to 83% in 1H20 as provision of management services to BJ Aozhong Real Estate commands a higher margin. Due to spread of Covid-19 in Beijing, no contracts were secured in 1H20.

Administrative expenses mainly consist of professional fees, staff salaries, directors' remuneration, provision of directors' fees, audit fees, depreciation and other administrative expenses. The increase in administrative expenses in 1H20 is mainly due to increase in depreciation expenses of S\$200,000 partially offsetted by other administrative expenses.

	1H20	1H19
	\$'000	\$'000
<u>Depreciation Expense:</u>		
- Plant and equipment	52	23
- Rights of use	256	81
	<u>308</u>	<u>104</u>

The increase in depreciation expense is due to the moving of office in September 2019 resulting in additional furniture and fittings. The new office rental is higher and it increases the depreciation of rights of use.

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

	1H20	1H19
	\$'000	\$'000
Interest income	959	713
Other income	46	-
Finance cost	(25)	(8)
Net foreign exchange gain (loss)	1,965	(458)
	<u>2,945</u>	<u>247</u>

Interest income increased from \$0.7 million in 1H19 to \$1 million in 1H20 due to additional interest income earned from a deposit placed for acquisition of a potential investment. A deposit of USD3.5 million (approximately S\$5.0 million) placed was fully secured by a 3rd party and yields a interest rate of 1.5% - 3% per month. Net foreign exchange gain relates to unrealised exchange loss arising from translation of United States Dollars denominated cash and cash equivalent. United States Dollars increased significantly against Singapore Dollars in the first half of 2020.

The Group reports a gain after tax of \$2.0 million for half year ended 30 June 2020.

Moving Forward 2020

On 15 May 2020, The Group announce that it has been informed by the solicitors for the Vendors that a Sale Order has been granted by the High Court on 14 May 2020. The 2nd instalment of \$7,400,000 was paid in June 2020 and the completion of this acquisition will take place in November 2020.

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 in the midst of preparing for subscription into Tianjie Yuntai Wanrun and will make the necessary announcements in a timely manner.

Following the recent outbreak of Covid-19, 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. Although sales for the first half of FY2020 was affected, management is targeting a surge in the number of conferences and events after the outbreak.

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. 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.

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. 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,

- 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.

For further information, please contact:

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