THE PLACE HOLDINGS LIMITED
(Company Registration Number: 200107762R)
(Incorporated in the Republic of Singapore)

RESPONSES TO THE SGX-ST'S QUERIES RAISED ON 21 AUGUST 2024 AND 28 AUGUST 2024 ON THE COMPANY'S UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2024

The board of directors (the "**Board**") of The Place Holdings Limited (the "**Company**", and together with its subsidiaries, the "Group") refers to the queries raised by the Singapore Exchange Securities Trading Limited ("**SGX-ST**") on 21 August 2024 and 28 August 2024 in relation to the Company's unaudited interim financial statements for the financial period ended 30 June 2024.

The Company sets out its responses to the queries raised by the SGX-ST below:

Query 1
It is disclosed on page 16 of the HY2024 FS that "The decrease in administrative expenses was mainly due to payment of property tax of $1.8m for the development property under New Vision for the financial period ended 30 June 2024.". Please explain how the payment of property taxes in HY2024 resulted in a decrease in administrative expenses for the same period and elaborate on the factors which led to a decrease in administrative expenses.

Company's Response to Query 1
There was a typo error and the correct sentence is "The decrease in administrative expenses was mainly due to payment of property tax of $1.8m for the development property under New Vision for the financial period ended 30 June 2023." This property tax payment was not required for the financial period ended 30 June 2024.

Query 2
It is noted on page 3 of the HY2024 FS that the Group recorded no revenue for the 6 months ended 30 June 2024.

It is further disclosed on page 16 of the HY2024 FS that "Given the lack of certainty, the Company has adopted a prudent approach to the situation and not to recognise revenue in relation to the management services for the 6 months ended 30 June 2024." and further disclosed in the Company's 15 August 2024 announcement, entitled "Loss of major customer" that "On 15 August 2024, AZXY and BJVU concluded that no agreement can be reached and ended their negotiations. As such, the management services fees under the Management Services Agreement will not be continued, and no management fees will be payable to BJVU, for FY2024.".

(a) Please disclose whether the Company has any remaining businesses and/or operations following the discontinuation of the Management Services Agreement.

If yes, please provide specific details and whether the Company is expected to receive any revenue from such operations.

(b) In view of the above, please disclose the Company's plans to seek new businesses moving forward.

Company's Response to Query 2

(a) The Company has an investment in an associate, MCC Land (TMK) Pte. Ltd ("**MCC-TMK**"). The principal activity of MCC-TMK is to develop a 99-year lease site at Tanah Merah Kechil Link into a condominium with commercial spaces ("Sceneca Residences", ("**TMK Project**')). TMK Project has achieved above 70% in total sales progress and the expected TOP is 3rd quarter of 2026.

For the financial period ended 30 June 2024, the Group has not recognised any share of gain in MCC-TMK.

Based on the principle of revenue recognition on a cost-based input method, the share of profits from MCC-TMK would be accounted for by reference to the work completed and certified by a quantity surveyor/architect. MCC-TMK conducts this assessment only after the financial year end at 31 December 2024.

The Company expects there would be recognition of the share of profits for the financial year ended 31 December 2024.

(b) The Company had announced on 29 June 2022 that "The Group's business focus is on integrating traditional businesses with omni-channel strategies and digital solutions (which may include "new-retail" solutions, last-mile logistics, immersive virtual reality technology, enterprise intelligent connectivity) to harness new growth opportunities in the digital economy.".

The Company had also made a press release on 29 June 2022 that "…planning Singapore's first Sky Screen, a suspended 200 meters long video screen that will be an enhanced version of Beijing's iconic spectacle 世贸天阶梦幻天幕 ("**The Place Sky Screen**")."

Other than the ongoing process of identifying a suitable location in Singapore, the Company has also been studying the possibilities of a suitable location in other cities.

Query 3

Please provide an update on this "business focus" and "new growth opportunities", including but not limited to, progress of development, and the relevant indicative milestones.

Company's Response to Query 3

The omni-channel approach integrates both online and offline operations. It is a sophisticated system involving integrating technologies such as cloud computing, Internet of Things ("IOT"), Big Data, artificial intelligence ("AI") which would form the fundamental platform that encompasses systems such as supply chain management platform, intelligent product selection system, intelligent logistics system, smart warehousing system, omni-channel marketing platform and channel partners management platform.

The Company is currently in the evaluation and planning stage involving established brands and product companies from China, cross border e-commerce companies, logistics and warehousing companies.

The Company will provide timely updates when there are further material developments.

Query 4

It is disclosed on page 12 of the unaudited financial statements that, the amount due from a related party (trade) of $3m and amount due from a related party (non-trade) of $2m refers to Beijing Aozhong Xingye Real Estate Development Co., Ltd ("AZXY") (which certain directors of the Company have controlling interest) to the Company's subsidiary, Beijing Vast Universe Culture Communication Co., Ltd ("BJVU"). The amount due from (non-trade) is interest bearing (4% per annum) and guaranteed by Mr Ji Zenghe and Mr Fan Xianyong. For both amounts, BJVU is negotiating to finalise with AXZY on the repayment plan.

Please disclose:
(a) how long are the debts outstanding and when were the sales reported;
(b) whether AZXY is still in operation;
(c) the Board's assessment of the recoverability of these amounts due from AZXY; and
(d) a breakdown of the Company's provision for trade and other receivables (by aging buckets).

Company's Response to Query 4

(a)(i) For the amount due from a related party (trade), please see the following.

For the financial ended 31 December 2022, the reported sales were $0.77m.
For the financial ended 31 December 2023, the reported sales were $2.21m.

The reported sales for the two financial years amounted to $2.91m and equate to the debts outstanding. The difference is due to foreign exchange fluctuations between RMB and SGD.

(a)(ii) For the amount due from a related party (non-trade), the debts outstanding were since 31 December 2023.

(b) AZXY is still in operation.

(c) Having considered that AZXY has been a long-standing customer from 2016 to 2023, and that all prior debts outstanding prior to FY2022 have been paid, the Board assessed that the amounts due from AZXY are recoverable.

(d) There was no provision made for trade and other receivables.

BY ORDER OF THE BOARD

Ji Zenghe
Executive Chairman
30 August 2024