INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE PLACE HOLDINGS LIMITED

Report on the Audit of the Financial Statements

Disclaimer of Opinion

We were engaged to audit the accompanying financial statements of The Place Holdings Limited (the "Company") and its subsidiaries (the "Group"), which comprise the consolidated statement of financial position of the Group and the statement of financial position of the Company as at 31 December 2023, 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

1. Transactions with related parties

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

During the current 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 pre-approval from the Board of Directors and shareholders of the Company has been obtained for such significant related party transactions (as defined in SFRS(I) 1-24) and interested person transactions (as defined by 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.

In this regard, as disclosed in Note 2.2, management proposes to convene an Extraordinary General Meeting (EGM) to ratify and approve these advances to the two interest persons or 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 lack of the requisite approvals and the relevant disclosures, we did not receive satisfactory explanations from management regarding the commercial rationale for these advances made to these 2 related parties.

Basis of Disclaimer of Opinion (Continued)

1. Transactions with related parties (Continued)

(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 parties and unrelated parties (as disclosed in Note 26 to the financial statements and briefly described below). Thereafter, the 'adjusted' net outstanding balance owing from Related Party A became $1,929,000, and became nil for Related Party B.

Offsetting arrangements:

(i) Net balance owing to Mr. Ji of $1,601,000 (representing loans from Mr. Ji to the Group at interest of 4% per annum, net of repayment) as at 31 December 2023;

(ii) Loan from a Singapore-incorporated company indirectly wholly owned by Mr. Ji and Mr. Fan (Related Party C), amounting to $1,878,000 as at 31 December 2023;

(iii) Contract liability balance with a third party (Party N), representing amount received from Party N for rights over land to be developed by the Group's subsidiary, of HKD25 million (equivalent to $3,863,000), on the basis that the agreement with Party N had been terminated and the balance has been refunded to Party N by Mr. Ji on behalf of the Group. We have neither received a copy of the signed termination agreement, nor any supporting documents substantiating the purported refund made by Mr. Ji on behalf of the Group.

Incremental adjustment:

(iv) An incremental adjustment of $955,000 pertaining to a net balance owing from a third party (Party S) as at 31 December 2023 (see Matter 5 below);

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 and whether the offset is 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 $1,929,000 (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, and corresponding impact on consolidated statement of cash flows for FY 2023.

Basis of Disclaimer of Opinion (Continued)

1. Transactions with related parties (Continued)

(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 $1,929,000, resulting from the purported set-off exercise above.

Had the offset as mentioned in Matter (b) been disregarded, the gross amount due from Related Party A and Related Party B as at 31 Dec 2023 would have been $7,389,000 (equivalent to RMB 39,826,000) and $927,000 (equivalent to RMB 5,000,000) respectively. Similarly, we were also unable to determine whether any impairment loss is required on these amounts for FY 2023.

2. Revenue and Trade receivables – as disclosed in Note 19 and 9 respectively

The Group's revenue of approximately $2,211,000 (RMB11,320,000) for the current financial year relates to revenue earned from the sole customer, Related Party A. The Group has recognised revenue for the rendering of management services for the maintenance and upkeep of the customer's media facilities under a fixed retainer fee arrangement, pursuant to a master agreement and an annually renewed supplemental agreement. However, we were provided with an undated signed supplemental agreement for the period from 1 January 2023 to 31 December 2023 (FY 2023) stipulating a contract value that is significantly different from the amount recorded for FY2023.

In addition, as of the date of this report, we noted that Related Party A has not settled the outstanding trade amount arising from service rendered by the Group in the preceding financial year as well as that of the current financial year. Accordingly, the outstanding amount due from Related Party A included in the trade receivable balance of $2,965,000 represented unpaid revenue recognised by the Group in FY2022 and FY2023.

Relatedly, we are unable to ascertain whether the threshold for recognition of revenue for FY 2023 has been fulfilled under SFRS(I) 15 *Revenue from Contracts with Customers*, in particular, para 9(e) thereof, in view of the collection trend from Related Party A.

Consequently, we have not been able to obtain sufficient appropriate audit evidence to ascertain the accuracy and occurrence of the revenue for FY 2023, and the corresponding impact on the trade receivable of $2,965,000 as at 31 December 2023, as well as the associated tax impact. We were also unable to conclude whether impairment loss should be recognised for FY 2023 relating to the recorded balance which is still outstanding as at the date of this report.

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Basis of Disclaimer of Opinion (Continued)

3. Going concern basis

As of the date of our report, there were operational and financial indicators as well as significant events and conditions which indicate 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 and the Company reported consecutive losses of $1,455,000 and negative operating cash flows of $7,754,000 for FY 2023. In addition, the Company announced via SGXNet on 15 August 2024 the loss of its sole customer (namely, Related Party A), resulting in no revenue being generated for the subsequent financial year 2024 ("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.

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.

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 is also confident that with the planned actions to convene AGMs the soonest practicable, 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.

Basis of Disclaimer of Opinion (Continued)

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 $ 23,997,000 as at 31 December 2023. There was no material development since FY 2022, and development has been suspended since FY 2023 (and remains suspended) with no additional costs being capitalised in FY 2023 and 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 applied in the valuation 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 2023, including whether any allowance or write-down was required for FY 2023, and whether the related disclosures were adequate.

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

Included in prepayments is an amount of $3,235,000 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 31 December 2023, the recoverability of the amount and whether any impairment loss or write-off is required thereof for FY 2023.

(c) Investment in subsidiary and amount due from subsidiary of the Company – Notes 5 and 29(iii)(A) to the financial statements

As at 31 December 2023, 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 2023 is an amount due from TPYI of $6,959,000 (Note 29(iii)(A)).

Due to the reasons as discussed in (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.

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Basis of Disclaimer of Opinion (Continued)

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 current financial year, the Company recorded a total cash receipt of $3,000,000 from Mr. Ji. The receipt was recorded as a partial repayment of the amount owing from Party S as management represented that Mr. Ji was making the payment on behalf of Party S in view of the latter's indebtedness to the Company of $3,888,000. Consequently, there was a full reversal of the previous impairment loss of $1,888,000 in the current financial year given the purported partial repayment. The net balance of $955,000 (including interest accrued for FY2023) was then 'zerorised' as part of the offsetting arrangements as discussed in Matter 1(b) above.

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 2023.

Consequently, we were unable to conclude on the appropriateness of the reversal of the impairment, the purported settlement on behalf by Mr Ji and the offsetting adjustments resulting in a nil balance being recorded with Party S as at 31 December 2023 (as disclosed in Note 26).

6. Loan to New Vision Holdings Pte. Ltd. ('NVH') – Notes 7 and 15 to the financial statements

Included in the Group's current assets as at 31 December 2023 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)).

During the current financial year, the Group transferred funds amounting to $2,303,000 to NVH. Management represented that this payment was meant to be made on behalf of Related Party D, which is indirectly controlled by Mr. Ji and Mr. Fan (Note 15). Notwithstanding this representation, the amount was recorded as the Group's loan to NVH, forming and culminating in the ending balance of $20,013,000 as at 31 December 2023 (Note 7).

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. We were also unable to obtain confirmation reply from NVH regarding its outstanding balance owing to the Group as at 31 December 2023.

Basis of Disclaimer of Opinion (Continued)

6. Loan to New Vision Holdings Pte. Ltd. ('NVH') – Notes 7 and 15 to the financial statements (Continued)

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 2023 and whether there should have been any amount reflected as due from Related Party D (as represented by management). We were also unable to conclude on whether the consolidated cash flows and related party transactions disclosures for FY 2023 are appropriately presented.

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*. In addition, we did not receive all the requested supporting documents and explanations from the component auditors of MCC-TMK during our review of their audit workpapers, that we considered necessary. We were also not given direct access to MCC-TMK's accounting records as alternative procedures.

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.

8. Subsequent event review procedures

For the period from April 2024 to the date of our report, we were unable to complete the subsequent events 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.

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

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.

Crowe Horwath First Trust LLP
Public Accountants and
Chartered Accountants
Singapore

12 March 2026