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THE PLACE HOLDINGS LIMITED

ANNUAL REPORT 2018



创造未来无限可能

CREATING A SPECTRUM OF POSSIBILITIES

ANNUAL REPORT 2018

CORPORATE PROFILE
公司简介

VISION
To create a better future by embodying the spirit of enduring innovation.

愿景
以不断创新的精神、引领潮流

MISSION
To foster the holistic development of tourism, new retail, real estate and media and emerge as a dark horse of the Singapore capital market.

使命
在旅游、新零售、地产、媒体等各方面，多方位发展，成为各领域的黑马

ABOUT US
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, biomedical technology investments and international trade.

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.

关于我们
天阶控股有限公司（"天阶控股"或"集团"）是一家在新加坡交易所主板上市的投资控股公司。集团作业范围涵盖综合旅游项目开发、地产建设、新零售、媒体等相关业务。

集团由世贸天阶投资集团（"世贸天阶"）鼎立支持。世贸天阶是一家上百亿资产、高知名度的集团。世贸天阶的商业活动包括旅游项目开发、媒体、地产管理、生物学科技及国际贸易等。

本集团目前的业务活动包括：

- 提供全面的品牌战略，规划和组织公司活动，展览和其他大型活动，以及
- 开发和经营综合旅游业务，包括但不限于在著名旅游景点附近开发旅游小镇，开发商业购物中心，酒店，娱乐和娱乐设施，度假村，企业会所和老年人健康度假村;和
- 在"新零售"业务中建立，收购和/或以其他方式投资与公司综合旅游业有协同效应的公司（例如，通过整合技术的新进展来管理和/或提供零售服务的公司，包括但不限于大数据，支付，物流，虚拟实境）。

本集团正通过收购具有高增长潜力的盈利业务而扩张。

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DEAR SHAREHOLDERS,

On behalf of the Board of Directors, I am pleased to present the Annual Report of The Place Holdings Limited ("The Place" or "the Company", and together with its subsidiaries, "the Group") for the financial year ended 31 December 2018 ("FY2018").

In 2018, the Group continued to overcome the numerous challenges in the operating environment while staying focused on its diversification plans. Aside from the existing media business, the Group has embarked on diversifying into international tourism business which will enable it to drive synergies and generate additional revenue. We believe that the current tourism market in China presents an abundance of opportunities that will produce long-term value for our business partners and shareholders.

As the Company is new in the Singapore market, the Management will be focusing on increasing market awareness, developing its existing and new businesses, as well as other strategic initiatives to better adapt to an ever-dynamic business environment.

GEARING UP FOR OPPORTUNITIES

The tourism industry in China is expected to experience sustained growth due to increasing affluence and rise in personal income levels, resulting in travel being the preferred outlet for the middle class. According to a report issued by the China Tourism Academy, Chinese tourists visited domestic attractions over 2.8 billion times in the first half of 2018, an increase of 11.4% as compared to previous corresponding period. Revenue generated by domestic tourism during the same period was up by 12.5% at RMB2.45 trillion (approximately S$489 billion). The central government has announced that it is aiming for spending on domestic tourism to reach USD$890 billion (approximately S$1.22 trillion) by 2020, more than double the figure in 2013. In connection with this, the National Tourist Administration unveiled a plan to upgrade the physical infrastructure of the tourist industry in order to support the growth of tourism. The Chinese government also plans to cultivate 1,000 specialty townships by 2020, of which tourist townships form an important part of the plan, and the government has put in place policies to promote the growth of and investment into such townships.

Furthermore, Mount Yuntai has also seen a significant spike in tourist-related activities, with tourist numbers rising from 5.4 million in 2016 to 6.2 million in 2018. Currently, the tourist site only has one hotel and some local provision stores to cater to the growing number of tourists. The Group believes that the construction and development of new accommodation, amusement facilities, shopping and retail malls under the Mount Yuntai Integrated Tourism Township will further enhance the attractiveness and influence of Mount Yuntai.

The Group intends to tap into the growth potential of the burgeoning tourism market through its venture into the tourism business, the Mount Yuntai Integrated Tourist Township. The Mount Yuntai Integrated Tourism Township will be comprised of four large-scale sectors each made up of specific projects, namely Theme Parks (Hot Spring Water World Theme Park and 5D Future Cloud City Theme Park), Resort Accommodation (health and wellness community, retirement community, villas and mansions, and corporate clubhouses), Themed Hotels (one backpacker hotel, one business hotel, one castle-themed hotel and another theme-style hotel), Shopping Malls and Retail Streets.

After the completion of its subscription of Tianjie Yuntai Wanrun (Xiuwu) Property Development Co. Ltd. ("Tianjie Yuntai Wanrun"), the Group intends to acquire other parts of the Mount Yuntai Integrated Tourism Township on a piecemeal basis. The Group is also looking into possibilities of entering into strategic partnerships and joint ventures to further enrich its diversification plans. The Management also engaged a strategic consultant to better identify and bring in future projects in a manner that will best benefit the Group.

CAPITALISING ON "NEW RETAIL"

To further enhance business performance and shareholder value, the Group is also setting its sights on diversifying into the development of innovative integrated tourism and operation of tourism-related "new retail" businesses. China remains as the largest and most innovative e-commerce retail market in the world and the "new retail" concept has significantly shifted the retail sector in the country. Coined by Alibaba Group co-founder and executive chairman Jack Ma, the "new retail" concept offers consumers with a seamless journey between online and offline channels. Through omni-channel technologies and integrated data and logistics, brick-and-mortar retailers and online retailers are enabled to sell their goods more effectively and more profitably.

Online purchase generates Big Data, which provides personalised services for customers while at the same time predicts trends and forecasts requirements amongst other functionalities for business owners. Meanwhile, Offline Physical Experience comprises of new retail experience stores that allows interactive experience with customers and improved logistics where delivery timing can be shortened at minimal expenditure.

Against this backdrop, the Group believes that there is growth potential in the Chinese tourism market following support from the government to create a robust travel industry. Tech giants such as Alibaba led the "new retail" concept, which will provide a favourable spill-over effect on the tourism industry.

Encompassing the concept of "new retail" in the Mount Yuntai Integrated Tourism Township will improve the function and profitability of the business format, as well as enhance the management level and service capability of the business ecosystem as a whole.

The Group is also on the lookout for potential assets globally and has always been interested to expand into key markets around the world.

OVERCOMING CHALLENGES

Another key focus of the Group during the financial year was to exit the Singapore Exchange Securities Trading Limited ("SGX-ST") watch-list in accordance with Rule 1314 of the SGX-ST Listing Manual. The Group is pleased to announce that the Company has been removed from the watch-list with effect from 5 June 2018.

APPRECIATION

On behalf of the Board, I would like to convey my deepest thanks to our shareholders, business associates, partners and customers for their unwavering support and trust as we set out to achieve our goal of value creation. The Board would also like to express its appreciation to the Management and staff for their invaluable contributions and commitment in steering the Company through a path towards sustainable growth in the year ahead and beyond.

We would like to welcome on board Mr Fan Xianyong, who was re-designated to Executive Director and Chief Executive Officer on 25 April 2018 and Mr Meng Kuang-Yi, who was appointed as Chief Operating Officer on 14 December 2018. We would also like to welcome Mr Chng Hee Kok and Mr Foo Chiah-Shiung (Hu Jiaxiong), who both joined the Group as Independent Directors on 1 February 2019 and 1 August 2018 respectively.

Furthermore, the Board would like to express its appreciation to Mr Wen Yao-Long, Mr Zhang Wei, Mr Zhao Xichen and Mr Teo Sheng Yue for their years of valuable contributions as Non-Executive Director, Executive Director, Independent Director and Deputy Chief Investment Officer, respectively.

JI ZENGHE
Executive Chairman

尊敬的股东们，

我很高兴代表董事会提交天阶控股有限公司（「天阶控股」或「本公司」及其附属公司「本集团」）截止于2018年12月31日财政年度的年报（“2018财政年”）。

在2018年，本集团继续克服营运环境中的众多挑战，同时继续专注于旅游开发项目。除现有媒体业务外，本集团已开始多元化国际旅游业务，以促进其协同效应及产生额外收入。我们相信，中国目前的旅游市场提供了大量机会，可为我们的业务合作伙伴和股东带来长期价值。

由于公司是新加坡市场的新成员，管理层将专注于提高市场意识，发展现有和新业务，以及其他战略计划，以更好地适应不断变化的商业环境。

抓住机遇

由于富裕程度的提高和个人收入水平的提高，预计中国的旅游业将实现持续增长，从而使旅行成为中产阶级的首选消费方式。根据中国旅游研究院的报告，2018年上半年中国游客访问国内景点超过28亿次，同比增长11.4%。同期国内旅游产生的收入增长12.5%至人民币2.45万亿元（约新币4.890亿元）。中国政府已宣布，其目标是到2020年国内旅游支出达到8,900亿美元（约新币1.22万亿元），是2013年的两倍多。与此相关，国家旅游局公布了一项改善旅游景区基础设施的计划，以支持旅游业的增长。中国政府还计划到2020年培育1000个特色乡镇，其中旅游乡镇是该计划的重要组成部分，政府已制定政策促进这些乡镇的增长和投资。

此外，云台山的旅游相关活动也出现大幅增长，旅游人数从2016年的540万增加到2018年的620万。目前，旅游景点只有一家酒店和一些本地供应商店，来承担游客数量的增加和不断增长的需求。本集团相信，云台山综合旅游小镇的新住宿，娱乐设施，购物及零售商场的建设及发展，将进一步提升云台山的吸引力和影响力。

本集团拟通过进军旅游业务 – 云台山综合旅游小镇，充分发挥蓬勃发展的旅游市场的增长潜力。云台山综合旅游小区将由四个大型业态组成，每个业态由特定项目组成，即主题公园（温泉水世界主题公园和5D未来未来云城主题公园），度假住宿（康养社区，颐养社区，别墅和公寓，企业会所），主题酒店（一家背包客酒店，一家商务酒店，一家城堡主题酒店和另一家主题酒店），以及购物中心和商业街。

在完成认购天阶云台万润（修武）房地产开发有限公司（「天阶云台万润」）后，本集团拟以零散方式收购云台山综合旅游小镇的其他部分。本集团亦正研究建立战略合作伙伴关系及合资企业的可能性，以进一步丰富强强联合。管理层亦与策略顾问合作，以最有利于本集团的方式更好地识别及引入未来项目。

资本化“新零售”

为进一步提升业务表现及股东价值，本集团亦正着眼于创新发展综合旅游及营运与旅游相关的「新零售」业务。中国仍然是世界上最大和最具创新性的电子商务零售市场，“新零售”概念已经显着改变了该国的零售业。由阿里巴巴集团联合创始人兼执行董事长马云创造，“新零售”概念为消费者提供在线和离线渠道之间的无缝旅程。通过全渠道技术以及综合数据和物流，实体零售商和在线零售商能够更有效，更有利地销售商品。

在线购买产生大数据，为客户提供个性化服务，同时为企业主预测其他功能的趋势和预测要求。同时，离线物理体验包括新的零售体验店，可以与客户进行互动体验，改善物流，以最小的支出缩短交货时间。

在此背景下，本集团相信，在政府支持创建强劲旅游业后，中国旅游市场仍有增长潜力。阿里巴巴等科技巨头领导了“新零售”概念，这将为旅游业带来有利的溢出效应。

在云台山综合旅游小镇中融入“新零售”的概念，将提升业务形式的功能和盈利能力，并提升整个商业生态系统的管理水平和服务能力。

本集团也在寻求全球潜在项目，并一直有兴趣扩展至全球主要市场。

克服挑战

本集团于本财政年度的另一个重点是，根据新加坡证券交易所上市手册第1314条退出新加坡证券交易所有限公司（新加坡证券交易所股票代码）的监察名单。本集团高兴的宣布，自2018年6月5日起，本公司已退出观察者名单。

企业价值提升

我谨代表董事会向我们的股东，业务伙伴，合作伙伴和客户致以最深切的感谢，感谢他们在实现我们的价值创造目标时所给予的坚定支持和信任。董事会还要对管理层和员工的宝贵贡献和承诺表示赞赏，引导公司在未来一年内实现可持续增长。

我们欢迎2018年4月25日被重新任命为执行董事兼首席执行官的樊献勇先生和2018年12月14日被任命为首席运营官的孟广益先生。我们还要欢迎庄熙国先生和胡家雄先生，他们分别于2019年2月1日和2018年8月1日加入本集团担任独立董事。

此外，董事会谨此感谢温耀隆先生，张伟先生，赵洗尘先生及张圣岳先生多年来作为非执行董事，执行董事，独立董事及投资副总监的宝贵贡献。

吉增和
执行主席



OVERVIEW

During the year in review, the Group registered a 26% decrease in revenue from S$2.44 million in FY2017 to S$1.80 million in FY2018. The decrease was due to lower non-recurring event management contracts secured during the period in review.

The Group's management of cultural events and activities performed by Beijing Vast Universe Culture Communication Co., Ltd. brought in revenue of S$0.2 million, contributing 12.3% of Group revenue. On the other hand, the provision of management services to Beijing Aozhong Xingye Real Estate Development Co., Ltd. contributed S$1.6 million or 87.7% of Group revenue in FY2018. Profit before tax was at S$2.5 million in FY2018, down from S$9.4 million in FY2017.

Interest income of S$1.8 million in FY2018 is mainly derived from fixed deposit income. While unrealised exchange gain amounting to S$1.1 million arising from translation of US Dollars denominated cash and cash equivalent.

PROPOSED TOURISM BUSINESS

Tianjin Yuntai Wanrun is one of the three project companies involved in the development of the Mount Yuntai Integrated Tourist Township Project and owns approximately 270,500 square metres of commercial land in the South East Side of Mount Yuntai.

The entry into the tourism business is expected to enable the Company to enhance value and growth over the long term. The subscription into Tianjie Yuntai Wanrun also enables the Group to realise immediate profit upon the sale of clubhouses. Construction of the corporate clubhouses will commence in batches and are targeted to be completed by 2020. Sales of these corporate clubhouses will proceed in 2019.



概览

回顾2018年，本集团的收入由2017财政年的244万新元减少26%至2018财政年的180万新元。减少的原因是2018年期间获得的非经常性管理合同减少。

北京中盛浩宇文化传播有限公司的文化活动和其他活动进行管理，收入为20万新元，占集团总收入的12.3%。另一方面，北京中盛浩宇文化传播有限公司向北京奥中兴业房地产开发有限公司提供的管理服务在2018财政年贡献了160万新元或集团总收入的87.7%。2018财政年税前利润为250万新元，低于2017财年的940万新元。

2018财政年的利息收入180万新元主要来自定期存款收入。未实现汇兑收益的110万新元主要来于美元对新币的汇差。

准备进入的旅游业务

天阶云台万润是参与云台综合旅游乡项目开发的三个项目公司之一，在云台山东南面拥有约270,500平方米的商业用地。

预计进入旅游业务将使公司长期提升价值和增长。认购天阶云台万润亦可让本集团在出售会所时即时获利。企业会所的建设将分批开始，目标是到2020年完成。这些企业会所的销售将在2019年进行预售。

JI ZENGHE
Executive Chairman

Mr Ji was appointed as Chairman of the Board and Chief Executive Officer on 12 October 2016. Mr Ji ceased to be the Chief Executive Officer on 25 April 2018. Mr Ji is responsible for the establishing of strategic directions and formulating of corporate strategies of the Group.

Mr Ji is also the Chairman of The Place Investment Group Co., Ltd and Beijng Aozhong Xingye Real Estate Development Co., Ltd ("Aozhong Xingye"). Under the leadership of Mr Ji, Aozhong Xingye developed a city landmark "The Place". The Place is a mixed-use development built in 2006, located in Beijing CBD area. The Place comprises of 2 top-tier office buildings, high-end retail mall and its iconic Asia's largest 250m x 30m Skyscreen. Bringing across an unique and innovative experience via combining fashion, relaxation, entertainment and culture, The Place had since then become a renowned landmark inside Beijing CBD.

Mr Ji holds a Bachelor of Political Economics from Capital Normal School and an EMBA from Cheung Kong Graduate School of Business.

FAN XIANYONG
Executive Director and Chief Executive Officer

Mr Fan was appointed as Executive Director of the Group on 12 October 2016 and was appointed as the Chief Executive Officer of the Group on 25 April 2018. Mr Fan is responsible for the overall management of the operations of the Group's companies.

Mr Fan is also the Director of The Place Investment Group Co., Ltd., Director and General Manager of Beijng Aozhong Xingye Real Estate Development Co., Ltd and Director of The Place Chuangshi (Beijing) Trading Co., Ltd. Mr Fan has more than 20 years of experience in property development, property management, and media-related industry.

Mr Fan holds a Bachelor of Engineering in Architecture from Zhengzhou University and an EMBA from Cheung Kong Graduate School of Business.

SUN QUAN
Non-Executive Director

Mr Sun was appointed as Non-Executive Director of the Group on 12 October 2016 and was last re-elected as Director at the Company's AGM held on 20 April 2017. Mr Sun is the Executive Director and CEO of China Capital Impetus Asset Management Pte. Ltd., Executive Director of Capital Impetus Group Limited, Executive Director of China Capital Impetus Investment Ltd., Executive Director of New Impetus Strategy Fund, and Non-Executive Director of RHB OSK GCMillennium Capital Pte. Ltd..

Mr Sun is the standing committee member and Deputy Secretary-General of Beijing Overseas Chinese Chamber of Commerce. He also sits on the board of Schwarzman College at Tsinghua University. Mr. Sun has more than 20 years of investment and management experience in the Greater China region, Singapore, Malaysia, Thailand and Indonesia, covering a variety of business areas including high technology, pharmaceuticals, electronics, real estate, natural resources and chemical industry.

Mr Sun graduated from Beijing University of Technology with a Bachelor's degree, and first session EMBA from Tsinghua University.

BOARD OF DIRECTORS
董事会

ER KWONG WAH
Lead Independent Director

Mr Er was appointed as Independent Director of the Group. He was last re-elected as Director at the Company's AGM held on 20 April 2017. He is also an Independent Director for several public listed companies including ecoWise Holdings Limited, CFM Holdings Limited, COSCO Shipping International (Singapore) Co., Ltd., and GKE Corporation Limited. A former Permanent Secretary in the Singapore Civil Service, he had served in various ministries before his retirement.

A Colombo Plan and Bank of Tokyo Scholar, he obtained a first class honours degree in Electrical Engineering at the University of Toronto, Canada, in 1970 and an MBA from the Manchester Business School, University of Manchester in 1978.

NG FOOK AI VICTOR
Independent Director

Mr Ng was appointed as Independent Director of the Group on 31 January 2018. Mr Ng is an Independent Non-executive Chairman of SMJ International Holdings Limited, Independent Director of Sunshine 100 China Holdings Ltd. and Independent Director of SB REIT Management Pte. Ltd. Mr Ng had also previously served as a Director of several other public listed companies including SHC Capital Asia Limited, My E.G. Services Berhad, Asia Power Corporation Limited, Cityneon Holdings Limited, Devotion Energy Group Limited and SIIC Environment Holdings Ltd. Mr Ng has more than 30 years of experience as a company director, including directorships in listed companies in Singapore, Hong Kong and Malaysia. He is the chairman of 1 Rockstead GIP Fund Limited and the founder and executive chairman of New Climate Pte. Ltd., an investment company headquartered in Asia focused on investments in Greater China.

Mr Ng holds a Bachelor of Science (Honours) in Economics and Master of Science in Economics from Birkbeck College, University of London. He was awarded the University of London Convocation Book Prize (First) and the Lord Hailsham Scholarship in 1974. Mr Ng was awarded PBM (Community Services) by the President, Republic of Singapore in 1992.

FOO CHIAH-SHIUNG
Independent Director

Mr Foo was appointed as Independent Director of the Group on 1 August 2018. He is currently the Head of Investment and Operational Risk at a Singapore based fund management company. Mr Foo had previously served as the Head Analysis & Due Diligence (Alternative Investments) at Standard Chartered Bank. Mr Foo has more than a decade of experience in investment and risk management.

Mr Foo holds a Phd in Finance and a Master of Science in Asset and Risk Management from Edhec, and a MBA in International Business and Finance from Imperial College. He was awarded Monetary Authority of Singapore Doctorate Scholarship and Edhec Scholarship.

CHNG HEE KOK
Independent Director

Mr Chng was appointed as Independent Director of the Group on 1 February 2019. He is currently serving as the Independent Director in Ellipsiz Ltd, Samudera Shipping Line Ltd, Full Apex (Holdings) Limited, Luxking Group Holdings Limited, United Food Holdings Limited and Chaswood Resources Holdings Ltd. His business experience and leadership positions spanned across Manufacturing, Property Development, Hotel Management, Trading, Entertainment and Food & Beverage Industries. He was at various times the Chief Executive Officer of Yeo Hiap Seng Ltd, Scotts Holdings Limited, Hartawan Holdings Limited, HG Metals Manufacturing Limited and LH Group Limited. He held past directorships at Public Utilities Board, Sentosa Development Corporation and Singapore Institute of Directors. Mr Chng was also a Member of Parliament of Singapore from 1984 to 2001.

Mr Chng graduated from the University of Singapore with a First Class Honours degree in Mechanical Engineering and was awarded Institute of Engineers Singapore Gold Medal and Mobil Silver Medal. He also holds a Master of Business Administration degree from the National University of Singapore, and completed the Program for Executive Development at IMD Lausanne Switzerland. He is a Fellow Member of the Singapore Institute of Directors.

吉增和
主席

吉增和先生于2016年10月12日获委任为集团董事会主席兼行政总裁并在2018年4月25日卸任行政总裁一职。吉增和先生主要负责制定集团多媒体业务的发展方向，制定公司战略及公司决策。

吉增和先生是北京世贸天阶投资集团有限公司和北京奥中兴业房地产开发有限公司的主席。在吉先生领导下的北京奥中兴业房地产开发有限公司开发、建设了“世贸天阶”一个集5A级办公楼和休闲商业街为一体, 打造成位于北京市中央商务区的自由、休闲、时尚中心广场的项目，位于北京国贸中心附近，建于2006年。该广场包括购物中心，两个办公楼及其标志性的LED天幕，跨越250米长，30米宽，是亚洲最大的LED屏幕。世贸天阶已发展成为一个著名的主题商业地产。它凭借着独特的优势和魅力，将时尚、休闲、娱乐、文化、品牌、互动和体验很好地结合在一起，给人们带来了非凡的视觉享受和与众不同的休闲购物体验。世贸天阶已经成为了一个地标性的建筑物。

吉增和先生拥有首都师范学院政治经济学学士学位和长江商学院EMBA学位。

樊献勇
执行董事兼行政总裁

樊献勇先生于2016年10月12日获委任为集团执行董事并在2018年4月25日担任行政总裁一职。樊献勇先生负责集团业务的整体管理工作。

樊献勇先生也是世贸天阶投资集团有限公司董事，北京奥中兴业房地产开发有限公司董事，总经理，天阶创世（北京）贸易有限公司董事。樊献勇先生在地产开发、物业管理和多媒体行业有超过20年的经验。

樊献勇先生拥有郑州大学建筑工程学士学位和长江商学院EMBA学位。

孙泉
非执行董事

孙泉先生于2016年10月12日获委任为集团非执行董事。孙泉先生任职中国资本动力资产管理有限公司执行董事兼行政总裁，资本动力集团有限公司执行董事，中国资本动力投资有限公司执行董事，新动力策略基金执行董事和 RHB OSK GC Millennium Capital Pte Ltd 的非执行董事。

孙泉先生是北京市侨商会常务理事，副秘书长。他还是清华大学苏世民学院董事会成员。孙先生在大中华区，新加坡，马来西亚，泰国和印度尼西亚拥有超过20年的投资和管理经验，涵盖高科技，制药，电子，房地产，自然资源和化工等多个业务领域。

孙泉先生毕业于北京工业大学，获得学士学位，后获得清华大学首届EMBA。

BOARD OF DIRECTORS
董事会

余光华
首席独立董事

余光华先生于获委任为集团独立董事，并于2017年4月20日，在公司股东年会上获选连任。余光华先生同时也兼任多家上市公司独立董事，包括绿科控股有限公司，CFM 股份有限公司，远洋海运国际（新加坡）有限公司，和锦佳集团有限公司。余先生曾任新加坡公务员事务的常务秘书，并在退休前曾在各部委任职。

余光华先生早年拿到科伦坡计划和东京银行银行奖学金，并于1970年获得加拿大多伦多大学电气工程一等荣誉学位，1978年在曼彻斯特大学曼彻斯特商学院获得工商管理硕士学位。

黄博爱
独立董事

黄先生于2018年1月31日获委任为本集团独立董事，黄先生同时也是SMJ国际控股有限公司的独立非执行主席，阳光100中国控股有限公司的独立董事及 SB REIT Management Pte. Ltd. 的独立董事。黄先生曾担任多家其他上市公司的董事，其中包括 SHC Capital Asia Limited，My E.G. Services Berhad，亚洲电力有限公司，Cityneon Holdings Limited，迪森能源集团有限公司和上实环境控股有限公司。黄先生拥有超过30年的公司董事经验，分别在新加坡，香港和马来西亚等地的上市公司担任董事一职，同时也是融石投资基金有限公司的主席和 New Climate Pte. Ltd. 的创始人兼执行主席。

黄先生拥有伦敦大学伯克贝克学院经济学理学士（荣誉）学士学位和经济学理学硕士学位。他曾获得伦敦大学评议会书奖（一等）并于1974年荣获海尔珊勋爵奖学金（Lord Hailsham Scholarship）。黄先生于1992年被新加坡总统授予 PBM（社区服务）。

胡家雄
独立董事

胡先生于2018年8月1日获委任为本集团独立董事。胡先生任职一家新加坡基金管理公司的投资兼风险控官总监并曾任渣打银行的分析及尽调总监。胡先生拥有超过10年的投资和风控管理经验。

胡先生拥有艾代克高等商学院金融学博士和资产及风险管理学硕士学位。胡先生也拥有帝国理工学院的国际商务及金融学硕士学位。他荣获新加坡金融管理局颁发的新加坡博士奖学金（Singapore Doctorate Scholarship）和艾代克高等商学院的奖学金。

庄熙国
独立董事

庄先生于2019年2月1日获委任为本集团独立董事。庄先生现任是 Ellipsiz Ltd 的主席，萨姆达拉航务公司主席，翔峰控股集团主席，力王集团控股有限公司主席，联合食品控股有限公司主席和 Chaswood Resources Holdings Ltd 的主席。庄先生拥有深厚的投资和管理经验，涵盖制造业，房地产开发，酒店管理，贸易，娱乐和食品饮料等工业。他曾担任杨协成集团首席执行官，Scotts Holdings Limited 首席执行官，Hartawan Holdings Limited 首席执行官，福源金属制造有限公司首席执行官，LH Group Limited 首席执行官，公用事业局主席和圣淘沙发展机构主席。于1984至2001年期间，庄先生也担任新加坡国会议员。

庄先生毕业于新加坡大学，获得机械工程一级荣誉学位，并获得新加坡工程师学会金将和美孚银奖。他还拥有新加坡国立大学的工商管理硕士学位，并参加瑞士洛桑IMD的执行发展项目。庄先生也是新加坡董事协会的特邀会员。

MANAGEMENT TEAM
管理层

MENG KUANG-YI
Chief Operating Officer

Mr Meng was appointed as the Chief Operating Officer of the Group on 14 December 2018. He is responsible for the overall operation and development of the Group.

Mr Meng holds the position of Senior Manager of The Place Investment Group Co., Ltd. Mr. Meng is in charge of liaison for cross-borders projects. He spearheaded several projects in South-East Asia to conduct feasibility studies on its local development, tourism and retail sector and engages in talks with local market players, seeking investment opportunities. He was also the Manager of Beijing Aozhong Xingye Real Estate Development Co., Ltd. Mr Meng has vast management experience in Aviation and Engineering Field. Mr. Meng graduated with a Master of Arts in Law from The National Taiwan University and also has a Bachelor's degree in Mechanical Engineering from Tamkang University.

TAY AI LI
Financial Controller

Ms Tay was appointed as Financial Controller of the Group on 17 October 2016. She is in charge of the Company's financial and accounting functions in Singapore and responsible for overseeing the financial reporting, accounting functions, risk management and compliance requirements relating to the Group.

Ms Tay joined the Group in July 2009 as Group Accountant. In 2014, she was promoted to Finance Manager. Prior joining the Group, Ms Tay had over 4 years of auditing experiences in one of the Big 4 accounting firms. She is a Chartered Accountant with the Institute of Singapore Chartered Accountants and holds a Bachelor Degree in Accountancy from Nanyang Technological University, Singapore. She was formerly a member of Punggol North Citizens Consultative Committee.

孟广益
首席运营官

孟广益先生于2018年12月14日获委任为集团首席运营官一职。孟广益先生主要负责集团运营管理与推动综合业务发展。

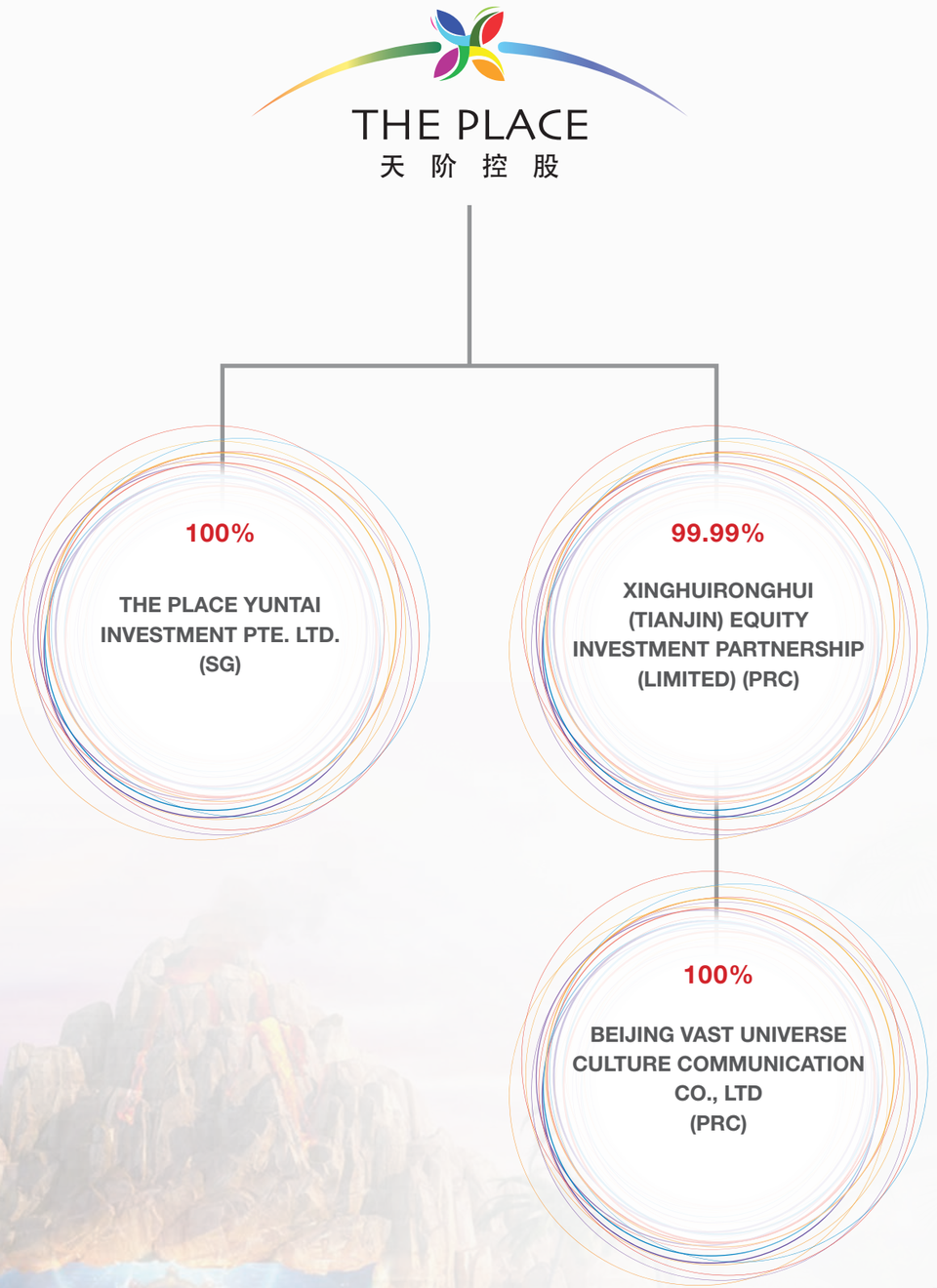
孟广益先生担任世贸天阶集团资深经理。他主要负责集团跨国案件的联系与执行，曾多次率领团队赴东南亚地区，针对旅游地产与百货零售产业进行调研，並与当地发展商接触，以寻求更多的投资机会。孟先生也曾任职北京奥中兴业房地产开发有限公司经理，並在工程与航空管理方面，有多年工作经验。孟广益先生拥有淡江大学机械工程学士学位，以及国立台湾大学法学硕士学位。

郑爱丽
财务总监

郑爱丽女士于2016年10月17日获委任为集团财务总监一职。郑爱丽女士主要负责集团的财务核算体系、资金与预算管理体系、财务监督与分析体系、内部风险控制体系等，并对有效性进行监控。

郑爱丽女士于2009年7月加入集团为集团会计师。2014年升职为财务经理。加入集团前，郑女士在德勤事务所累计了4年的审计经验。她是一名新加坡特许会计师协会注册的特许会计师，毕业于新加坡南洋理工大学的会计系。她曾担任榜鹅北公民咨询委员会一员。

GROUP STRUCTURE
公司架构



CORPORATE INFORMATION
公司信息

BOARD OF DIRECTORS

EXECUTIVE DIRECTORS
Ji Zenghe
Fan Xianyong

NON-EXECUTIVE DIRECTOR
Sun Quan

INDEPENDENT DIRECTORS
Er Kwong Wah (Lead Independent Director)
Chng Hee Kok
Foo Chiah-Shiung
Ng Fook Ai

AUDIT COMMITTEE
Er Kwong Wah (Chairman)
Chng Hee Kok
Foo Chiah-Shiung
Ng Fook Ai

NOMINATING COMMITTEE
Foo Chiah-Shiung (Chairman)
Chng Hee Kok
Er Kwong Wah
Ng Fook Ai

REMUNERATION COMMITTEE
Ng Fook Ai (Chairman)
Chng Hee Kok
Er Kwong Wah
Foo Chiah-Shiung

COMPANY SECRETARY
Benny Lim Heng Chong
Dai Lingna

REGISTERED OFFICE
20 Collyer Quay
#21-01
Singapore 049319
Tel: (65) 6781 8156
Fax: (65) 6781 8159
Website: www.theplaceholdings.com

SHARE REGISTRAR
Boardroom Corporate & Advisory Services Pte Ltd
50 Raffles Place, #32-01
Singapore Land Tower, Singapore 048623

AUDITORS
KPMG LLP
16 Raffles Quay #22-00
Hong Leong Building
Singapore 048581
Partner-in-charge: Tan Kar Yee, Linda
Appointed since financial year ended
31 December 2017

董事委员会

执行董事
吉增和
樊献勇

非执行董事
孙泉

独立董事
余光华（首席独立董事）
庄熙国
胡家雄
黄博爱

审计委员会
余光华（主席）
庄熙国
胡家雄
黄博爱

提名委员会
胡家雄（主席）
庄熙国
余光华
黄博爱

薪酬委员会
黄博爱（主席）
庄熙国
余光华
胡家雄

公司秘书
林亨聪
戴灵娜

注册办公室
20格烈码头
#21-01
新加坡邮区 049319
电话：(65) 6781 8156
传真：(65) 6781 8159
网址：www.theplaceholdings.com

股票登记及转让处
Boardroom Corporate & Advisory Services Pte Ltd
50 Raffles Place, #32-01
Singapore Land Tower, Singapore 048623

外部审计师
毕马威
16 Raffles Quay #22-00
Hong Leong Building
Singapore 048581
负责合伙人： 陈嘉仪
委任日：财政年度2017年12月31日

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5 YEAR FINANCIAL HIGHLIGHTS
5年财务亮点

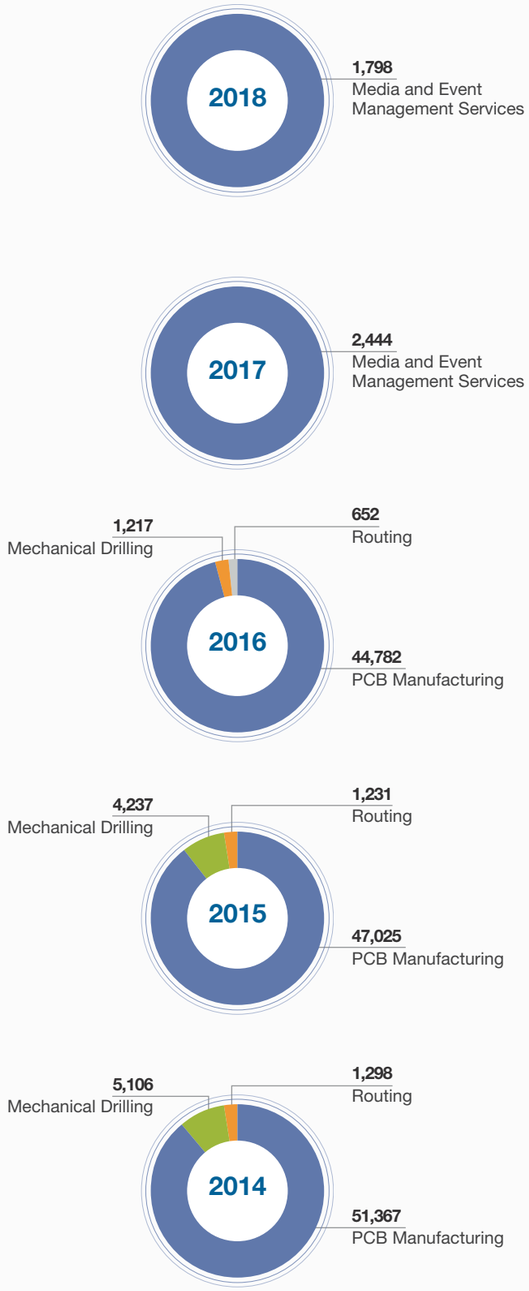
Year ended 31 December 2018

	2018	2017	2016	2015	2014
CONSOLIDATED PROFIT & LOSS ($'M)* (for the year ended 31 December)					
Revenue	1.8	2.4	46.7	52.5	57.8
Gross profit	1.5	1.9	3.9	2.8	5.7
Profit/(Loss) before tax	2.5	9.4	(7.8)	(22.8)	(10.7)
Profit/(Loss) attributable to shareholders	1.9	9.0	(6.5)	(20.2)	(11.2)
CONSOLIDATED FINANCIAL POSITION ($'M) (As at 31 December)					
Property, plant and equipment	-	-	-	19.9	33.7
Cash and cash equivalents	89.9	88.5	46.0	6.4	6.9
Other assets	3.8	3.9	62.7	40.6	53.9
TOTAL ASSETS	**93.7**	**92.4**	**108.7**	**66.9**	**94.5**
Equity attributable to owners of the company	92.9	91.8	34.6	(8.4)	10.9
Total borrowings	-	-	-	17.8	19.8
Other liabilities	0.8	0.6	74.1	52.9	56.8
Non-controlling interests	-	-	-	4.6	7.0
TOTAL LIABILITIES AND EQUITY	**93.7**	**92.4**	**108.7**	**66.9**	**94.5**
FINANCIAL RATIOS					
Return on shareholders' equity (%)	2.0	9.8	(18.79)	240.5	(103.8)
Return on assets (%)	2.7	10.2	(7.2)	(34.1)	(11.3)
Net gearing ratio	1.0	1.0	1.3	(0.7)	(0.7)
Working capital ratio	120.3	148.6	1.5	0.8	1.0
PER SHARE DATA (CENTS)					
Earnings/(Loss) after tax*	0.03	0.20	(0.54)	(3.55)	(1.88)
Net assets	1.6	2.1	1.1	(1.5)	1.9

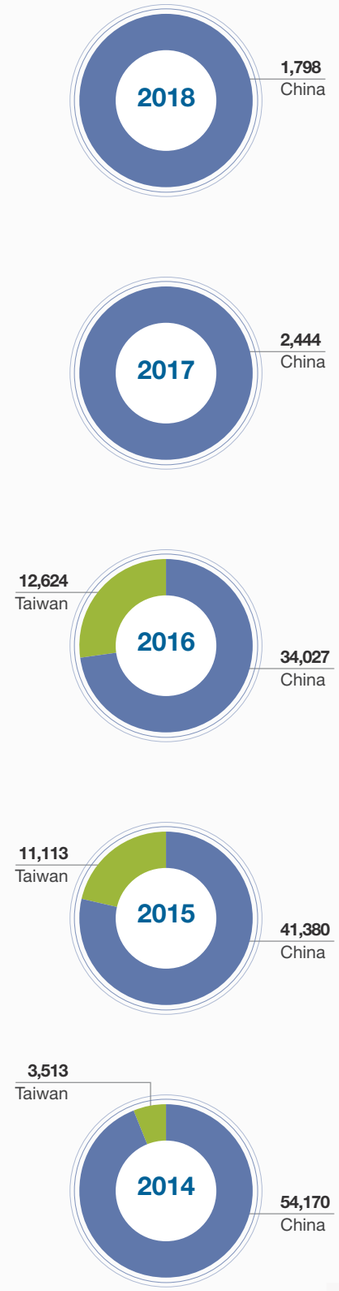
* Includes continuing and discontinued operations

FINANCIAL HIGHLIGHTS
财务亮点

REVENUE MIX BY SEGMENTS ($'000)



REVENUE MIX BY GEOGRAPHICAL LOCATIONS ($'000)



CORPORATE GOVERNANCE REPORT

The Place Holdings Limited (the "**Company**") is committed to maintaining a high standard of corporate governance within the Company and its subsidiaries (collectively, the "**Group**") to ensure greater transparency and protection of shareholders' interests. The board of directors of the Company (the "**Board**") is pleased to confirm that the Company has adhered to the principles and guidelines of the Code of Corporate Governance 2012 (the "**Code**") where it is applicable and practical to the Group, save for Guidelines 2.4 (9 year board tenure), 4.4 (multiple directorships), 9.3 (top 5 key management personnel remuneration) and 16.1 (absentia voting) of the Code. Where there is any deviation, appropriate explanation has been provided within this Annual Report.

This Annual Report outlines the Company's corporate governance processes and structure that were in place throughout the financial year ended 31 December 2018 ("**FY2018**"), with specific reference to the principles and guidelines of the Code and the best practices issued by the Singapore Exchange Securities Trading Limited (the "**SGX-ST**").

The Board and the management of the Company (the "**Management**") will continue to uphold the highest standards of corporate governance within the Company in accordance with the Code.

On 6 August 2018, the Monetary Authority of Singapore issued a revised Code of Corporate Governance (the "**2018 Code**") and accompanying Practice Guidance. The 2018 Code supersedes and replaces the Code and will apply to Annual Reports covering financial years commencing from 1 January 2019. The Group will review and set out the corporate practices in place to comply with the 2018 Code, where appropriate, in the Annual Report for the current financial year ending 31 December 2019.

(A) BOARD MATTERS

The Board's Conduct of Affairs

Principle 1: Every company should be headed by an effective Board to lead and control the company. The Board is collectively responsible for the long-term success of the company. The Board works with Management to achieve this objective and Management remains accountable to the Board.

Role of the Board

The Board assumes responsibility for stewardship of the Group. Its primary role is to protect and enhance longterm value and returns for shareholders. It provides entrepreneurial leadership, oversees the business and affairs of the Group, and approves the Group's financial and strategic plans, key business initiatives, major investments and divestments proposals, and funding decisions.

Additionally, the Board has direct responsibility for decision-making in respect of the following corporate events and actions:

(a) establish, together with Management, the strategies and financial objectives to be implemented by Management;

(b) oversee the processes of risk management, financial reporting and compliance, and evaluate the adequacy of internal controls;

(c) review and endorse the framework of remuneration for the Board and key management personnel as may be recommended by the Remuneration Committee;

(d) review the performance of Management, approve the nominations of the Board of Directors and appointment of key management personnel, as may be recommended by the Nominating Committee;

(e) ensure that necessary financial and human resources are in place for the Group to meet its objectives;

(f) assume responsibility for corporate governance; and

(g) consider sustainability issues, e.g. environmental and social factors, as part of its strategic formulation.

To assist the Board in the execution of the Board's responsibilities, certain functions of the Board have been delegated to 3 Board committees, comprising an Audit Committee ("**AC**"), a Nominating Committee ("**NC**") and a Remuneration Committee ("**RC**"). Each of these committees functions within clearly defined terms of reference and operating procedures which are reviewed on a regular basis. The effectiveness of each committee is also constantly being monitored.

The Board meets on a quarterly basis and as warranted by particular circumstances. The Company's Constitution allows for telephonic attendance and video-conference at Board and Board committee meetings. The number of Board and Board committee meetings held for the period from 1 January 2018 to 31 December 2018, as well as the attendance of each member at these meetings, are set out below:-

DIRECTORS' ATTENDANCE AT BOARD AND BOARD COMMITTEE MEETINGS				
	Board	**AC**	**NC**	**RC**
	No. of Meetings held: 4	**No. of Meetings held: 4**	**No. of Meetings held: 1**	**No. of Meetings held: 1**
Name of Directors	**No. of Meetings attended**	**No. of Meetings attended**	**No. of Meetings attended**	**No. of Meetings attended**
Ji Zenghe	4 out of 4	–	–	–
Fan Xianyong	4 out of 4	–	–	–
Sun Quan	4 out of 4	–	–	–
Er Kwong Wah	4 out of 4	4 out of 4	1 out of 1	1 out of 1
Ng Fook Ai Victor	4 out of 4	4 out of 4	1 out of 1	1 out of 1
Foo Chiah-Shiung (Hu Jiaxiong) [1]	2 out of 2	2 out of 2	–	–
Chng Hee Kok [2]	–	–	–	–
Zhao Xichen [3]	0 out of 2	0 out of 2	–	–
Zhang Wei [4]	1 out of 1	–	–	–
Wen Yao-Long [5]	1 out of 1	–	–	–
Seow Han Chiang, Winston [6]	–	–	–	–

Notes:

(1) Mr Foo Chiah-Shiung (Hu Jiaxiong) was appointed as Independent Director, NC Chairman, member of the AC and member of the RC on 1 August 2018. From 1 August 2018 to 31 December 2018, there were 2 Board meetings and 2 AC meetings held.

(2) Mr Chng Hee Kok was appointed as member of the AC, NC and RC on 1 February 2019.

(3) Mr Zhao Xichen resigned as Independent Director, and ceased appointment as member of the AC on 1 August 2018. From 1 January 2018 to 31 July 2018, there were 2 Board meetings and 2 AC meetings held.

(4) Mr Zhang Wei retired as Executive Director at the Annual General Meeting of the Company held on 25 April 2018. From 1 January 2018 to 24 April 2018, there was 1 Board meeting held.

(5) Mr Wen Yao-Long retired as Non-Executive Director at the Annual General Meeting of the Company held on 25 April 2018. From 1 January 2018 to 24 April 2018, there was 1 Board meeting held.

(6) Mr Seow Han Chiang, Winston resigned as Independent Director, and ceased appointment as RC Chairman, member of the AC and member of the NC on 31 January 2018.

The Company has adopted internal guidelines setting forth matters which require Board approval. Matters which are specifically reserved to the full Board for decision are those involving interested person transactions (including, among others, conflict of interest issues in relation to substantial shareholders and directors of the Company), material acquisitions and disposal of assets, corporate or financial restructuring, share issuance and dividends, and financial results and corporate strategies. Each Board member makes decisions objectively in the interests of the Group.

The Company has an orientation program for all newly appointed Directors, and briefings provided by Management to better understand the Group's business operations. Directors who are first-time directors, or who have no prior experience as directors of a listed company were encouraged to attend the Listed Entity Director Programme conducted by the Singapore Institute of Directors ("**SID**").

All newly appointed Directors receive a formal letter setting out their duties and responsibilities, along with an information pack containing the Company's annual report, Constitution, respective Board committees' terms of reference (where applicable), as well as a template director's disclosure form pertaining to his/her obligations in relation to disclosure of interests in securities and conflict of interests.

The Directors are provided with continuing education in areas such as directors' duties and responsibilities, corporate governance, changes in financial reporting standards, insider trading, as well as changes in the relevant provisions of the Companies Act, Chapter 50 of Singapore ("**Companies Act**") and listing rules of the SGX-ST, so as to update and refresh them on matters that affect or may enhance their performance as Board or Board committee members. They are also informed of and are encouraged to attend relevant seminars such as those organised by the SGX-ST, SID and other external professional organisations to keep abreast of developments relevant to their roles.

Board Composition and Guidance

Principle 2: There should be a strong and independent element on the Board, which is able to exercise objective judgement on corporate affairs independently, in particular, from Management and 10% shareholders. No individual or small group of individuals should be allowed to dominate the Board's decision making.

The Board, through the NC, examines and reviews its structure, size and composition annually, taking into account the scope and nature of the Company's operations. The Board presently comprises 7 directors, of whom 4 are independent directors. The Independent Directors make up a majority of the Board, thus able to exercise objective judgement on corporate affairs independently. The nature of the current directors' appointments and membership on the Board committees are as follows:-

Name of Director	Nature of appointment	Board Committee Membership		
		AC	NC	RC
Ji Zenghe	Executive Chairman	–	–	–
Fan Xianyong	Executive Director and Chief Executive Officer	–	–	–
Sun Quan	Non-Executive Director	–	–	–
Er Kwong Wah	Lead Independent Director	Chairman	Member	Member
Ng Fook Ai Victor	Independent Director	Member	Member	Chairman
Foo Chiah-Shiung (Hu Jiaxiong)[1]	Independent Director	Member	Chairman	Member
Chng Hee Kok[2]	Independent Director	Member	Member	Member

Notes:

(1) Mr Foo Chiah-Shiung (Hu Jiaxiong) was appointed as Independent Director, NC Chairman, member of the AC and member of the RC on 1 August 2018.

(2) Mr Chng Hee Kok was appointed as Independent Director, member of the AC, member of the RC and member of the NC on 1 February 2019.

The present composition of the Board complies with Guideline 2.1 of the Code that the independent directors should make up at least one-third of the Board. As the Executive Chairman is part of the management team, the Company also complies with Guideline 2.2 of the Code which provides that independent directors should make up at least half of the Board.

The Board is of the view that its current structure, size and composition is appropriate for effective decision-making, and provides balance and diversity of expertise and knowledge of the Company's business. The NC is also satisfied that the Board comprises directors who as a group provide core competencies such as accounting or finance, legal, business or management experience, industry knowledge, strategic planning experience and customerbased experience or knowledge, which are required for the Board to function effectively. The NC is of the view that no individual or small group of individuals dominates the Board's decision-making process.

The NC conducts a review to determine annually whether or not a director is independent, adopting the Code's definition of an "independent director" and guidance as to relationships, the existence of which would deem a director not to be independent. The Code also recommends that the independence of any director who has served more than 9 years from the date of his first appointment be subject to particularly rigorous review. In assessing the independence of each Independent Director, the NC noted that Mr Er Kwong Wah has served on the Board for more than 9 years from the date of his first appointment.

The Board does not impose any limit on the length of service of independent directors. The Board recognises the contributions of its independent directors who, over time, have developed significant insights into and knowledge of the Group's business and operations, and who are able to continue to provide valuable contributions to the Board. The Board also values the external experience of each of the independent directors, whose expertise in their respective fields of work adds diversity of views and depth to discussions.

Having reviewed the NC's recommendation, the Board has determined that Mr Er Kwong Wah has continued to demonstrate strong independence in character and judgment in the manner in which he has discharged his responsibilities as director of the Company. Mr Er has continued to express his viewpoints, debated issues, sought clarifications where necessary, and objectively scrutinised and challenged Management.

In addition, there were new independent directors appointed to the Board and changes to the Management team to oversee the Proposed Diversification (as defined in the circular to shareholders dated 21 September 2018 issued by the Company ("**2018 Circular**"), by the Company to the Proposed New Business (as defined therein). Accordingly, the NC is of the view that the independence of Mr Er would not be undermined or impaired as a result of familiarity with Management or business of the Group.

Each Independent Director had also abstained from deliberations in respect of the assessment on his own independence. Taking into account the views of the NC and the annual confirmation from each of the Independent Directors of his independence, the Board considers each of the Independent Directors to be independent and will be able to exercise independent judgment in the best interest of the Company in discharging their duties as independent directors.

The Non-Executive Directors challenge Management's assumptions, assess performance of Management, and also extend guidance to Management, in the best interest of the Group. To facilitate a more effective check on Management, the Non-Executive Directors met regularly during FY2018 without the presence of Management.

As part of the Board renewal process, Mr Foo Chiah-Shiung (Hu Jiaxiong) was appointed as Independent Director, NC Chairman, member of the AC and member of the RC on 1 August 2018, in place of Mr Zhao Xichen (who has served on the Board since his appointment on 12 October 2016). In addition, Mr Chng Hee Kok was appointed as Independent Director, member of the AC, member of the RC and member of the NC on 1 February 2019.

Chairman and Chief Executive Officer

Principle 3: There should be a clear division of responsibilities between the leadership of the Board and the executives responsible for managing the company's business. No one individual should represent a considerable concentration of power.

To ensure an appropriate balance of power, increased accountability and a clear division of the roles and responsibilities between the Chairman and the Chief Executive Officer ("**CEO**"), the position of the Chairman and CEO are held by separate individuals.

Currently, the Executive Chairman of the Company is Mr Ji Zenghe. As Executive Chairman of the Board, Mr Ji Zenghe plays a key role in developing the business of the Group and provides the Group with strong leadership and vision. He is responsible for the overall strategic planning and growth of the Group. He also exercises control over the quality, quantity and timeliness of information flow between the Board and Management.

Mr Ji also bears responsibility for the effective working of the Board. His responsibilities include, amongst others, ensuring that Board meetings are held when necessary, setting the Board meeting agendas to enable the Board to carry out its duties effectively and responsibly, taking a leading role to ensure and maintain a high standard of corporate governance, acting as a facilitator at Board meetings and maintaining regular dialogue with Management on all operational matters.

Mr Fan Xianyong is the CEO and Executive Director of the Company. He is not an immediately family member of the Executive Chairman, Mr Ji Zenghe. As CEO, Mr Fan is responsible for execution of the Company's corporate and business strategies and policies, as well as for the conduct of the Group's business. Mr Fan is also responsible for the overall management and day-to-day operations of the Group.

During the year, Mr Er Kwong Wah, the Lead Independent Director of the Company, led and coordinated the activities of the independent directors and addressed the concerns, if any, of the Company's shareholders. Led by Mr Er, the independent directors met regularly in FY2018 without the presence of Management to discuss matters such as the changes that they would like to see in the Board processes, corporate governance initiatives, and matters which they wish to discuss during the Board meetings. After such meetings, the Lead Independent Director will provide feedback to the Executive Chairman and the Board.

Board Membership

Principle 4: There should be a formal and transparent process for the appointment and re-appointment of directors to the Board.

The Company has established a NC to, *inter alia*, make recommendations to the Board on all Board appointments. The NC currently comprises the following independent directors:

Foo Chiah-Shiung (Hu Jiaxiong)	-	Chairman	(Appointed on 1 August 2018)
Er Kwong Wah	-	Member	
Ng Fook Ai Victor	-	Member	(Appointed on 31 January 2018)
Chng Hee Kok	-	Member	(Appointed on 1 February 2019)

Role of the NC

The role of the NC is to establish a formal and transparent process for the appointment of new directors and the re-election of directors retiring by rotation, as well as to assess the effectiveness of the Board and the overall contribution of each director towards the effectiveness of the Board.

The principal functions of the NC include the following:

(a) to make recommendations to the Board on all Board appointments, including re-nominations having regard to that director's contribution and performance (such as attendance, preparedness, participation and candour);

(b) to review the independence of the directors annually;

(c) to decide whether the director is able to and has been adequately carrying out his duties as director, in particular, where a director has multiple board representations;

(d) to review and make recommendations to the Board on all candidates nominated (whether by the Board, shareholders or otherwise) for appointment to the Board, taking into account the candidate's track record, age, experience, capabilities and other relevant factors;

(e) to identify and nominate candidates for the approval of the Board to fill vacancies in the Board as and when they arise;

(f) to decide how the Board's performance may be evaluated and propose objective performance criteria for the Board's approval; and

(g) to assess the effectiveness of the Board as a whole, and the contribution by each director to the effectiveness of the Board.

The NC has conducted an annual review of Directors' independence based on the Code's criteria for independence and is of the view that Mr Er Kwong Wah, Mr Ng Fook Ai Victor, Mr Foo Chiah-Shiung (Hu Jiaxiong) and Mr Chng Hee Kok are independent.

The NC determines annually whether a director with multiple board representations is able to and has been adequately carrying out his duties as a director of the Company. The NC has taken into account the respective director's actual conduct and effectiveness on the Board, and the time and attention given by each of them to the affairs of the Company, in making this determination, and is satisfied that all the directors having multiple board representations have been able to and have adequately carried out their duties as director.

As a person's available time and attention may be affected by factors such as whether he is in full-time employment and the nature of his other responsibilities, the NC decided not to fix a maximum limit on the number of directorships a director can hold. The NC considers that the multiple board representations held presently by its directors do not impede their respective performance in carrying out their duties to the Company.

The Company currently has no alternate directors on its Board. The Board is of the view that the appointment of alternate directors should only be appointed for limited periods in exceptional cases such as when a director has a medical emergency. An alternate director, when appointed, should be subject to the same criteria and process for selection of directors, and be appropriately qualified.

Process for appointment of new directors

The NC has recommended, and the Board has approved, a formal process for the selection of new directors as follows:

(a) The NC evaluates the balance of skills, knowledge and experience on the Board and, in the light of such evaluation and in consultation with Management, prepares a description of the role and the essential and desirable competencies for a particular appointment;

(b) Directors and Management may suggest suitable potential candidates. If necessary, the NC may enlist external help (for example, from the Singapore Institute of Directors, search consultants, advertisements) to source for potential candidates;

(c) The NC assesses suitability of short-listed candidates and discusses with them, if necessary, the expectations and the level of commitment required; and

(d) The NC makes recommendations to the Board for approval.

Criteria for appointment of new directors

All new appointments are subject to the recommendation of the NC based on, *inter alia*, the following objective criteria:

(a) Integrity;

(b) Independent mindedness;

(c) Possess core competencies which meet the current needs of the Company and complement the skills and competencies of the existing directors on the Board;

(d) Able to commit time and effort to carry out duties and responsibilities effectively;

(e) Experience in the relevant field of business of the Company or industries in which it operates; and

(f) Financially literate.

Re-appointment of directors

All directors are to submit themselves for re-nomination and reelection at regular intervals of at least once every 3 years. Under the Company's Constitution, at least one-third of the directors for the time being (or, if their number is not a multiple of 3, the number nearest to but not lesser than one-third) shall retire from office by rotation at each AGM of the Company. In addition, a newly appointed director shall hold office only until the AGM immediately following his appointment, and shall be eligible for re-election.

The NC has reviewed and recommended the re-election of Mr Ji Zenghe and Mr Fan Xianyong who will be retiring by rotation in accordance with Article 94 of the Constitution of the Company.

Mr Foo Chiah-Shiung (Hu Jiaxiong) and Mr Chng Hee Kok, who were appointed on 1 August 2018 and 1 February 2019, respectively, will cease to hold office at the forthcoming AGM in accordance with Article 100 of the Constitution of the Company, have offered themselves for re-election.

Mr Foo and Mr Chng have no relationship including immediate family relationships with the other directors, the Company or its 10% shareholders.

The Board has accepted the NC's recommendation and proposes that Mr Ji Zenghe, Mr Fan Xianyong, Mr Foo Chiah-Shiung (Hu Jiaxiong) and Mr Chng Hee Kok (collectively, the "**Retiring Directors**") be re-elected at the forthcoming AGM.

Please refer to the explanatory notes to the Notice of AGM dated 9 April 2019 and pages 118 to 127 of this Annual Report for the additional information required pursuant to Rule 720(6) read with Appendix 7.4.1 of the Listing Manual of the SGX-ST ("**Listing Manual**") not otherwise disclosed in this Annual Report in respect of the Retiring Directors seeking re-election at the forthcoming AGM.

The following key information regarding all directors is set out in the following pages of this Annual Report:

(a) pages 8 to 11 - Academic and professional qualifications;

(b) pages 40 to 43 - Date of first appointment as director, date of last re-appointment as a director, directorships or chairmanships both present and those held over the preceding 3 years in other listed companies, and other principal commitments, whether appointment is executive or non-executive, or considered by the NC to be independent; and

(c) pages 47 to 48 - Shareholding in the Company and its related corporations.

Board Performance

Principle 5: There should be a formal assessment of the effectiveness of the Board as a whole and its board committees and the contribution by each director to the effectiveness of the Board.

The Board has implemented a formal process for assessing the effectiveness of the Board as a whole and the Board committees, as well as the contribution by each director to the effectiveness of the Board.

The assessment of the Board and the Board committees provided an opportunity to obtain constructive feedback from each director on whether the Board's procedures and processes allowed him to discharge his duties effectively and the changes that should be made to enhance the effectiveness of the Board as a whole.

The individual director's assessment exercise allowed each director to reflect upon his own performance on the Board so that the overall quality of the board members may be improved upon and enhanced. It also assisted the NC in determining whether to re-nominate directors who are due for retirement by rotation at the next AGM, and in determining whether directors with multiple board representations are nevertheless able to and have adequately discharged their duties as directors of the Company.

The NC determines how the Board's performance may be evaluated and proposes objective performance criteria. Such performance criteria is approved by the Board and addresses how the Board has enhanced long-term shareholders' value.

Evaluation processes

(a) Board and Board committees

Each Board member is required to complete a Board and Board Committees Assessment Checklist. Based on the returns from each of the directors, a consolidated report was prepared and presented to the Board for discussion on the changes which should be made to help the Board and Board committees discharge their respective duties more effectively.

(b) Individual directors

In the case of the assessment of individual directors, each director is required to complete a director's assessment form by way of a self-assessment of his contribution to the effectiveness of the Board. Based on the returns from each of the directors, a consolidated report was prepared and presented to the Board for discussion. The Chairman of the Board then provides the necessary feedback on the respective Board performance of each director, with a view to improving their respective performance on the Board.

Performance criteria

The performance criteria for the Board evaluation are in respect of the Board size, composition and independence, conduct of meetings, corporate strategy and planning, risk management and internal control, Board performance in relation to discharging its principal functions, Board committee performance in relation to discharging their responsibilities set out in their respective terms of reference, achievement of financial targets which includes return on equity, improvement of performance of the Company's share price vis-à-vis the Singapore Straits Times Index, recruitment policy, process for determining remuneration and compensation of directors and key management personnel, financial reporting, and communication with shareholders.

The individual director's performance criteria are categorised into (1) attendance at board and related activities; (2) adequacy of preparation for board meeting; (3) contribution in strategic/business decision, finance/accounting, risk management, legal/regulatory, human resource management, or any other specialist area of each director; (4) area of experience; (5) generation of constructive debate; (6) maintenance of independence; (7) disclosure of interested party transactions; and (8) overall assessment.

Access to Information

Principle 6: In order to fulfil their responsibilities, directors should be provided with complete, adequate and timely information prior to board meetings and on an on-going basis so as to enable them to make informed decisions to discharge their duties and responsibilities.

To assist the Board in fulfilling its responsibilities, Management provides the Board with complete and adequate information in a timely manner. As a general rule, Board papers are required to be sent to the directors at least 7 days before the Board meeting so that the members may better understand the matters prior to the Board meeting and discussion may be focused on questions that the Board has about the Board papers. However, sensitive matters may be tabled at the meeting itself or discussed without any papers being distributed. Key management personnel who can provide additional insight into the matters at hand would be present at the relevant time during the Board meeting.

Management also provides the Board members with background or explanatory information relating to matters to be brought before the Board, copies of disclosure documents, budgets, forecasts, internal financial statements, together with explanations for any material variance between the projections and actual results in respect of its financial performance.

The Directors are also provided with the names and contact details of the Company's senior management and the Company Secretaries to facilitate direct, separate and independent access to senior management and the Company Secretaries.

The Company Secretaries administer, attend and prepare minutes of Board proceedings. They assist the Chairman by ensuring that Board procedures (including but not limited to assisting the Chairman by ensuring the timely and proper exchange of information between the Board and Board committees, and between senior management and the non-executive directors, and facilitating orientation and assisting in the professional development of the Directors as required) are followed and regularly reviewed to ensure effective functioning of the Board, and that the Company's Constitution and relevant rules and regulations, including requirements of the Companies Act and Listing Manual are complied with. They also assist the Chairman and the Board in implementing and strengthening corporate governance practices and processes with a view to enhancing long-term shareholders' value.

The appointment and removal of the Company Secretaries are subject to the approval of the Board as a whole.

The Directors, whether as a group or individually, may seek and obtain independent professional advice to assist them in the discharge of their duties, at the expense of the Company.

(B) REMUNERATION MATTERS

Procedures for Developing Remuneration Policies

Principle 7: There should be a formal and transparent procedure for developing policy on executive remuneration and for fixing the remuneration packages of individual directors. No director should be involved in deciding his own remuneration.

The RC currently comprises entirely independent directors as follows:

Ng Fook Ai Victor	-	Chairman (Appointed on 31 January 2018)
Er Kwong Wah	-	Member
Foo Chiah-Shiung (Hu Jiaxiong)	-	Member (Appointed on 1 August 2018)
Chng Hee Kok	-	Member (Appointed on 1 February 2019)

The RC is responsible for ensuring a formal and transparent procedure for developing policy on executive remuneration and for fixing the remuneration packages of individual directors and senior management.

The principal functions of the RC include the following:

(a) to review and recommend to the Board for endorsement a framework of remuneration for the Executive Chairman, CEO, directors and key management personnel of the Company. The framework will cover all aspects of remuneration, including without limitation, directors' fees, salaries, allowances, bonuses, options, share-based incentives, and benefits-in-kind;

(b) to review the remuneration packages of all managerial staff who are related to any of the executive directors;

(c) in the case of directors' service agreements, to consider what compensation or commitments the directors' service agreement, if any, would entail in the event of early termination, and to ensure that such service agreements contain fair and reasonable termination clauses which are not overly generous; and

(d) to recommend to the Board, in consultation with senior management and the Executive Chairman, any long-term incentive scheme (including share schemes) and to consider the eligibility of directors for benefits under such long-term incentive schemes.

The recommendations of the RC would be submitted to the Board for endorsement. Each member of the RC will refrain from voting on any resolution in respect of the assessment of his remuneration. No director will be involved in determining his own remuneration.

The RC has access to expert advice in the field of executive remuneration outside the Company with regards to remuneration matters wherever necessary. The RC should ensure that existing relationships, if any, between any of its directors or the Company and its appointed remuneration consultants, will not affect the independence and objectivity of the remuneration consultants. In FY2018, the Company did not seek any expert advice outside the Company on remuneration of its directors.

Level and Mix of Remuneration

Principle 8: The level and structure of remuneration should be aligned with the long-term interest and risk policies of the company, and should be appropriate to attract, retain and motivate (a) the directors to provide good stewardship of the company, and (b) key management personnel to successfully manage the company. However, companies should avoid paying more than is necessary for this purpose.

The RC assists the Board by ensuring that remuneration policies and practices are sound in that they are able to attract, retain and motivate without being excessive, and thereby maximise shareholders' value. The RC reviews and approves the remuneration package, determine the overall annual increment and bonus for each of the Executive Directors and key management personnel.

In setting remuneration packages, the RC takes into consideration the pay and employment conditions within the industry and in comparable companies. As part of its review, the RC ensures that the performance-related elements of remuneration form a significant and appropriate part of the total remuneration package of executive directors and key management personnel, and is designed to align the directors' and key management personnel's interests with those of shareholders and link rewards to corporate and individual performance, taking into account industry benchmarks. The RC also reviews all matters concerning the remuneration of non-executive directors by ensuring that the remuneration is commensurate with the level of contribution, taking into account factors such as effort and time, and responsibilities of the directors. The Company will submit the quantum of directors' fees of each year to the shareholders for approval at each AGM. The executive directors do not receive directors' fees.

The RC reviews the Company's obligations arising in the event of termination of the executive directors' and key management personnel's contracts of service, and aims to be fair and avoid rewarding inadequate performance.

Each of the Executive Directors have entered into a service agreement with the Company for a period of three years with effect from 2016. The terms of their respective service agreements were recommended by the RC, and approved by the Board. Pursuant to the terms thereof, the service agreements may be terminated by either party giving not less than six months' notice in writing. Each of the key management personnel were issued a letter of appointment, the terms of which were reviewed by the RC, and approved by the Board. The RC is satisfied that the termination clauses set out in the service agreements and the letters of appointments are fair and reasonable to the parties, and are not overly generous.

Upon the Company's successful exit from the SGX-ST Watch-List, the RC approved the remuneration package for each of the Executive Directors. The remuneration for the Executive Directors and key management personnel comprises a basic salary component and a variable component which is the annual bonus, based on the performance of the Group as a whole and their individual performance. The performance conditions of the Executive Directors and key management personnel are based on the achievement of predetermined performance targets over the performance period, which were chosen to be aligned with the Group's business objectives.

The Company has not adopted the use of contractual provisions in the terms of the contracts of service of the Executive Directors and key management personnel to reclaim incentive components of their remuneration paid in prior years in exceptional circumstances if misstatement of financial results, or of misconduct resulting in financial loss to the Company. The Company will review the feasibility of having such contractual provisions in future renewals of service agreements and/or employment contracts of its Executive Directors and key management personnel as recommended by the Code.

Disclosure on Remuneration

Principle 9: Every company should provide clear disclosure of its remuneration policies, level and mix of remuneration, and the procedure for setting remuneration, in the company's Annual Report. It should provide disclosure in relation to its remuneration policies to enable investors to understand the link between remuneration paid to directors and key management personnel, and performance.

Policy in respect of non-executive directors' remuneration

The Non-Executive Directors do not enter into service agreements with the Company. They are paid directors' fees, the amount of which is dependent on their level of responsibilities and whether they perform additional services through Board committees. The amount of directors' fees payable to non-executive directors is subject to shareholders' approval at the Company's AGM. The Company is of the view that the Non-Executive Directors are not overcompensated to the extent that their independence may be compromised. The Company has obtained shareholders' approval for a Performance Share Scheme at its extraordinary general meeting held on 12 October 2018 ("**Performance Share Scheme**"). The Performance Share Scheme, if implemented, will allow Non-Executive Directors, who are eligible to participate in the Performance Share Scheme, to hold shares in the Company so as to better align their interest with the interest of shareholders.

Remuneration policy in respect of executive directors and other key management personnel

The Company advocates a performance-based remuneration system that is flexible and responsive to the market and the performance of the Company and the individual employee. This allows the Company to better align executive compensation with shareholders' value creation. The total remuneration mix comprises annual fixed cash and annual performance incentive. The annual fixed cash component comprises the annual basic salary plus any other fixed allowances. The annual performance incentive is tied to the performance of the Company and the individual employee.

Level and mix of remuneration of the directors, key management personnel (who are not directors or the CEO) for FY2018.

The level and mix of each of the directors' remuneration, and that of each of the key management personnel (who are not directors or the CEO) for FY2018, are set out as follows:

Name of Directors	Directors' Fees (S$)	Salary (S$)	Variable Bonus# (S$)	Share-Based^ (S$)	Benefits (S$)	Total (S$)
Ji Zenghe	–	65,000	13,000	–	14,667	92,667
Fan Xianyong	–	35,000	7,000	–	7,897	49,897
Sun Quan	–	–	–	–	–	–
Er Kwong Wah	50,000	–	–	–	–	50,000
Ng Fook Ai Victor	36,667	–	–	–	–	36,667
Foo Chiah-Shiung (Hu Jiaxiong) (1)	16,667	–	–	–	–	16,667
Chng Hee Kok (2)	–	–	–	–	–	–
Zhao Xichen (3)	23,333	–	–	–	–	23,333
Zhang Wei (4)	–	–	–	–	–	–
Wen Yao-Long (5)	–	–	–	–	–	–
Seow Han Chiang, Winston (6)	3,333	–	–	–	–	3,333

Name of Key Management Personnel	Salary (%)	Variable Bonus# (%)	Share-Based^ (%)	Other Benefits (%)	Total (%)
Below S$250,000					
Tay Ai Li	92	8	–	–	100
Meng Kuang-Yi (7)	42	49	–	9	100
Teo Sheng Yue (8)	100	–	–	–	100

Notes:

Includes variable or performance-related income/bonuses.

^ Includes stock options granted, share-based incentives and awards, and other long-term incentives.

(1) Mr Foo Chiah-Shiung (Hu Jiaxiong) was appointed as Independent Director on 1 August 2018.

(2) Mr Chng Hee Kok was appointed as Independent Director on 1 February 2019.

(3) Mr Zhao Xichen resigned as Independent Director on 1 August 2018.

(4) Mr Zhang Wei retired as Executive Director at the conclusion of the Annual General Meeting of the Company held on 25 April 2018.

(5) Mr Wen Yao-Long retired as Non-Executive Director at the conclusion of the Annual General Meeting of the Company held on 25 April 2018.

(6) Mr Seow Han Chiang, Winston resigned as Independent Director on 31 January 2018.

(7) Mr Meng Kuang-Yi, who is the brother-in-law of the Executive Chairman, Mr Ji Zenghe, was appointed as Chief Operating Officer on 14 December 2018.

(8) Mr Teo Sheng Yue resigned as Deputy Chief Investment Officer on 31 December 2018.

The Company considers the heads of corporate functions to be its key management personnel and for FY2018, there were 3 such persons. Their remuneration, in bands of S$250,000, has been disclosed above. Save as disclosed, there were no other key management personnel for FY2018.

The Company has not disclosed the exact amount of the remuneration of its key management personnel as it is not in the best interests of the Company and the employees to disclose such details due to the sensitive nature of such information. The aggregate remuneration paid to the aforesaid key management personnel (who are not directors or the CEO) in FY2018 is S$263,000.

Save for Mr Meng Kuang-Yi, the Chief Operating Officer of the Company, who is the brother-in-law of the Executive Chairman, Mr Ji Zenghe, there were no employees of the Group who were immediate family members of a director or the CEO during FY2018.

The Company's Performance Share Scheme contemplates the award of fully paid shares, when or after pre-determined performance or service conditions are accomplished and/or when due recognition should be given to any good work performance and/or any significant contribution to the Company. The Performance Share Scheme is intended to be broad-based and will service to enhance the Group's overall compensation packages in order to attract talent. It will also serve as an additional and flexible incentive tool. With the Performance Share Scheme, the Company would be able to tailor share-based incentives according to the objectives to be achieved. The features and details of the Performance Share Scheme, including its eligibility criteria, potential size of grants, methodology of valuation, and other relevant terms and conditions thereof, are set out in the 2018 Circular. No awards or shares under the aforesaid share plan were issued for FY2018.

There are no termination, retirement and post-employment benefits that may be granted to directors, CEO or the top five key management personnel (who are not directors or the CEO).

(C) ACCOUNTABILITY AND AUDIT

Accountability

Principle 10: The Board should present a balanced and understandable assessment of the company's performance, position and prospects.

The Board is responsible for providing a balanced and understandable assessment of the Company's performance, position and prospects, including interim and other price sensitive public reports, and reports to regulators (if required). Management currently provides all members of the Board with appropriately detailed management accounts which present a balanced and understandable assessment of the Company's performance, position and prospects on a quarterly basis.

The Board has embraced openness and transparency in the conduct of the Company's affairs, whilst preserving the commercial interests of the Company. Financial reports and other price sensitive information are disseminated to shareholders through announcements via SGXNET to the SGX-ST, press releases, the Company's website, public webcast, media and analyst briefings.

Risk Management and Internal Controls

Principle 11: The Board is responsible for the governance of risk. The Board should ensure that Management maintains a sound system of risk management and internal controls to safeguard shareholders' interests and the company's assets, and should determine the nature and extent of the significant risks which the Board is willing to take in achieving its strategic objectives.

Management reviews and seeks to identify areas of significant business risks on an ongoing basis, and takes appropriate measures to control and mitigate such risks. Management also reviews all significant control policies and procedures and highlights all significant matters to the Board. The Board oversees Management in the design, implementation and monitoring of the risk management and internal control systems of the Company.

The Board also oversees the Group's risk management framework and policies, reviews the Group's business, financial and operational risks, and informs Management on strategies and measures to manage and mitigate these risks.

In order to ensure and maintain a sound system of risk management and internal controls to safeguard shareholders' interests and the Company's assets, the Company has developed an Enterprise Risk Management ("**ERM**") programme with the assistance of the Company's internal auditor, Messrs Ernst & Young Advisory Services Sdn. Bhd.. The ERM programme has been implemented to identify, prioritise, assess, manage and monitor key risks faced by the Group, and covers, *inter alia*, financial, operational, compliance and information technology controls of the Group. The key risks identified are deliberated by Management, and reported to the Board, which is responsible for the effective implementation of risk management strategy, policies and processes within the framework of the ERM programme. The Board will follow up on the actions required to be taken by Management to mitigate such identified risks. The AC also reviews the adequacy and effectiveness of the ERM programme periodically, and reports its findings to the Board at least once a year or as and when new significant risks are identified.

To ensure that its internal control and risk management systems are adequate and effective, the Company has requested the internal auditor to take such identified risks into consideration in drawing up the annual internal audit plan. The Company's internal auditor also assist the Company to conduct an annual review of the adequacy and effectiveness of the Company's internal controls. The external auditor, during the conduct of their normal audit procedures, may also report on matters relating to internal controls. Any material non-compliance or failures in internal controls, and recommendations for improvements, are reported to the AC. The AC also reviews the effectiveness of the actions taken by Management on the recommendations made by the internal and external auditors in this respect, and holds regular discussions with Management to ensure the timely and proper implementation of such recommendations. Based on the reports submitted by the internal and external auditors received by the AC and the Board, nothing material has come to the attention of the AC and the Board to cause the AC and the Board to believe that the internal control and risk management processes of the Group are inadequate or ineffective, or there are non-compliance of the Company's system of internal control and processes.

Based on the internal control and risk management systems established and maintained by the Group, the work conducted by the internal and external auditors as set out in their respective reports, the review by the AC of the implementation of the recommendations of the internal and external auditors as aforesaid, and the report by Management to the AC and the Board, the Board, with the concurrence of AC, is of the opinion that the system of internal control and risk management procedures maintained by Management are adequate to meet the objectives of the Company in addressing the financial, operational, compliance and information technology risks to the Company and the Group as at 31 December 2018.

The Board has also received the assurance from:

(a) the CEO and the Financial Controller, *inter alia*, that the financial records of the Company for FY2018 have been properly maintained, and the financial statements give a true and fair view of the Company's operations and finances for FY2018; and

(b) the CEO and the Financial Controller, *inter alia*, that the Company's risk management and internal control systems for FY2018 are effective.

The Board notes that no system of internal controls can provide absolute assurance against or eliminate the occurrence of material errors, poor judgment in decision-making, human error, fraud or other irregularities. However, by identifying and managing risks that may arise on a regular basis, the Group believes that it will be better placed to mitigate risks such as material financial misstatements or losses, and to ensure the safeguarding of assets, the maintenance of proper accounting records, the reliability of financial information, compliance with appropriate legislation, regulations and best practices, and the identification and management of business risks.

Audit Committee

Principle 12: The Board should establish an Audit Committee with written terms of reference which clearly set out its authority and duties.

The AC currently comprises the following directors, all of whom are independent non-executive directors:

Er Kwong Wah	-	Chairman
Ng Fook Ai Victor	-	Member (Appointed on 31 January 2018)
Foo Chiah-Shiung (Hu Jiaxiong)	-	Member (Appointed on 1 August 2018)
Chng Hee Kok	-	Member (Appointed on1 February 2019)

All the members bring with them invaluable industry knowledge and professional expertise in the financial and business spheres, and have adequate financial management knowledge and experience to discharge their responsibilities as members of the AC.

The primary functions of the AC include the following:

(a) to review the financial and operating results and accounting policies of the Group;

(b) to review the scope and results of the audit and its cost effectiveness;

(c) to review the financial statements before their submission to the Board and the external auditor's report on those financial statements;

(d) to review the significant financial reporting issues and judgements so as to ensure the integrity of the financial statements and any formal announcements relating to the Group's financial performance;

(e) to review the quarterly, half yearly and annual announcement of results of the Group before submission to the Board for approval;

(f) to consider and review the assistance given by Management to the auditors;

(g) to discuss with the external auditor the nature and scope of the audit before the audit commences;

(h) to review the external audit plan and the results of the external auditor's examination and evaluate the effectiveness of the Group's internal control system;

(i) to review the independence and objectivity of the external auditor;

(j) to recommend to the Board on the proposals to the shareholders on the appointment, re-appointment and removal of the external auditor, and approve the terms of engagement and remuneration payable to the external auditor;

(k) to review interested person transactions to ensure that they are carried out on normal commercial terms and are not prejudicial to the interests of shareholders, and are in compliance with the then prevailing rules and regulations of the SGX-ST (in particular, Chapter 9 of the Listing Manual);

(l) to review the internal audit plan and findings of the internal auditor;

(m) to commission and review the major findings of internal investigations into matters where there is any suspected fraud or irregularity or failure of internal controls or infringement of any relevant law, rule or regulation which has or is likely to have a material impact on the Group's operating results and/or financial position; and

(n) to undertake such other functions and duties as may be required by statute or the Listing Manual and by such amendments made thereto from time to time.

The AC has explicit authority to investigate any matter within its terms of reference, full access to and co-operation by Management and full discretion to invite any director or executive officer to attend its meetings, and reasonable resources to enable it to discharge its functions properly.

In addition, the AC has independent access to the internal and external auditors, who report independently their findings and recommendations to the AC. The AC met with the internal and external auditors, without the presence of Management, at least once during the year. The AC also undertook a review of the independence and objectivity of the external auditor through discussions with the external auditor.

The aggregate amount of audit fees and non-audit fees paid to the external auditor for FY2018 are S$133,000 and S$2,500 respectively. The AC was of the opinion that the non-audit fees of S$2,500 paid to the external auditor for FY2018 did not impair their independence. The Company has complied with the requirements of Rules 712 and 715 of the Listing Manual in relation to the appointment of auditing firms.

During the year, the AC performed independent reviews of the financial statements of the Group before the announcement of the Group's quarterly, half yearly and full-year results. The AC also reviewed and approved both the Company's internal and external auditors' plans. All audit findings and recommendations put up by the internal and the external auditors were forwarded to the AC. Significant issues were discussed at these meetings.

The AC is briefed by the external auditor of changes to accounting standards and issues which have a direct impact on financial statements during the presentation of the audit planning memorandum and the audit summary memorandum.

In October 2015, the Accounting and Corporate Regulatory Authority ("**ACRA**") launched the Audit Quality Indicators Disclosure Framework ("**AQI Framework**") to enable Audit Committees to better evaluate their auditors. The AQI Framework comprises 8 comparable quality markers that correlate closely with audit quality based on ACRA's observations from inspecting auditors over the past decade. These include hours spent by senior audit team members involved in the audit, relevant experience of the senior audit team members and results from internal and external inspections of auditors.

Accordingly, the AC evaluated the performance of the external auditors, Messrs KPMG LLP ("**KPMG**"), based on the audit quality indicators as set out in the AQI Framework, and upon such evaluation, recommended to the Board that KPMG be nominated for re-appointment as external auditor of the Company at the forthcoming AGM.

None of the members of the AC were partners of KPMG within the last 12 months or has any financial interest in KPMG.

The AC also reviewed the Company's "Whistle-Blower Policy" ("**Policy**") which provides for the mechanisms by which employees and other persons may, in confidence, raise concerns about possible improprieties in financial reporting or other matters, and was satisfied that arrangements are in place for the independent investigation of such matters and for appropriate follow-up action.

Following the launch of the Policy, a set of guidelines which was reviewed by the AC and approved by the Board, was issued to assist the AC in managing allegations of fraud or other misconduct which may be made pursuant to the Policy, so that investigations may be carried out in an appropriate and timely manner, and disciplinary or civil actions that may be initiated following completion of investigations, are appropriate, balanced, and fair. To date, there were no reports received through such mechanism.

On a quarterly basis, Management reports findings of interested person transactions ("**IPTs**"), if any, during AC meetings.

Internal Audit

Principle 13: The company should establish an effective internal audit function that is adequately resourced and independent of the activities it audits.

The role of the internal auditor is to assist the AC by ensuring that the Company maintains a sound system of internal controls by regular monitoring of key controls and procedures and ensuring their effectiveness, undertaking investigations as directed by the AC, and conducting regular in-depth audits of high risk areas.

The Company's internal audit functions are out-sourced to Messrs Ernst & Young Advisory Services Sdn. Bhd. (the "**Internal Auditor**"), which is staffed with professionals with relevant qualifications and experience. The Internal Auditor has unrestricted direct access to the AC. The AC approves the hiring, removal, evaluation and compensation of the Internal Auditor, who meets the professional standards set out in the Code.

The Internal Auditor's primary line of reporting is to the Chairman of the AC, although the Internal Auditor also liaise with the CEO and the Financial Controller on administrative matters.

During the year, the Internal Auditor adopted a risk-based auditing approach that focuses on material internal controls, including financial, operational, compliance and information technology controls. Internal audits were carried out on all significant business units in the Company. All findings and recommendations of the Internal Auditor are submitted to the AC for deliberation with copies of these reports extended to the CEO and relevant senior management officers.

The AC also reviews annually the adequacy and effectiveness of the internal audit function, and is satisfied that it is adequately resourced and has appropriate standing within the Company.

(D) SHAREHOLDER RIGHTS AND RESPONSIBILITIES

Shareholder Rights

Principle 14: Companies should treat all shareholders fairly and equitably, and should recognise, protect and facilitate the exercise of shareholders' rights, and continually review and update such governance arrangements.

The Company is committed to maintaining and improving its level of corporate transparency, providing timely, fair and adequate disclosure of relevant information to shareholders so that they will be apprised of the developments that may have a material impact on the Company's securities. Such information is published through the SGXNET. The Company does not practice selective disclosure. The Company is open to meetings with investors and analysts, and in conducting such meetings, the Company is mindful of the need to ensure fair disclosure.

The Company ensures true and fair information is delivered adequately to all shareholders and to ensure that shareholders have the opportunity to participate effectively in and vote at general meetings of shareholders.

A registered shareholder who is not a relevant intermediary (as defined in the Companies Act) and who is unable to attend may choose to appoint up to two proxies to attend, speak and vote at the AGM. Pursuant to the Companies Act, the Central Provident Fund Board and relevant intermediaries may appoint more than two proxies.

At general meetings, the appointed independent scrutineer will explain the rules to the shareholders, including the poll voting procedures, that govern such general meetings.

Communication with Shareholders

Principle 15: Companies should actively engage their shareholders and put in place an investor relations policy to promote regular, effective and fair communication with shareholders.

The Board is mindful of its obligations to provide timely and fair disclosure of material information to the SGX-ST in accordance with the Corporate Disclosure Policy as set out in the Listing Manual. The Board's policy is that all shareholders should be informed of all major developments that impact the Group on an equal and timely manner.

Material information is communicated to shareholders in a timely manner through:

(a) announcements of quarterly, half yearly and annual financial results which are published via the SGXNET;

(b) annual reports or circulars of the Company that are prepared and sent to all shareholders;

(c) notices of AGMs and extraordinary general meetings published in the newspapers;

(d) press releases on major developments of the Group; and

(e) the Company's website at www.theplaceholdings.com at which shareholders can access information on the Group.

The Board establishes and maintains regular dialogue with its shareholders, to gather views or inputs and to address shareholders' concerns. The AGM of the Company is the principal forum for dialogue and interaction with all shareholders as elaborated in Principle 16 below.

The Group has no specific dividend policy at present. The form, frequency and amount of dividends declared each year will take into consideration the Group's profit growth, cash position, positive cash flow generated from operations, projected capital requirements for business growth and other factors as the Board may deem appropriate. The Company is not declaring any dividend for FY2018 as its profits in FY2018 are nominal, and taking into account the cash requirements for the Company's operating expenses and the Proposed New Business (as defined in the circular dated 21 September 2018).

Conduct of Shareholder Meetings

Principle 16: Companies should encourage greater shareholder participation at general meetings of shareholders, and allow shareholders the opportunity to communicate their views on various matters affecting the company.

Notices of general meetings are despatched to shareholders, together with the annual report or circulars within the time period prescribed by the regulations. Any shareholder who is not a relevant intermediary (as defined in the Companies Act) and who is unable to attend is allowed to appoint up to 2 proxies to vote on his behalf at the meeting through proxy forms sent in advance. At shareholders' meetings, each distinct issue is proposed as a separate resolution. Shareholders are invited to put forth any questions they may have on the motions tabled and to be decided upon. All directors, in particular the chairman of each Board committee, are required to be present at general meetings of shareholders to address shareholders' questions. The external auditor is also present at such meetings to address shareholders' queries about the conduct of audit and the preparation and content of the auditor's report.

The Company is not implementing absentia voting methods such as voting via mail, e-mail or fax until security, integrity and other pertinent issues are satisfactorily resolved.

At the forthcoming AGM, the Company will put all resolutions to vote by poll so as to better reflect shareholders' interest and ensure greater transparency. A scrutineer will also be appointed to count and validate the votes cast at the forthcoming AGM. Votes cast, for or against and the respective percentages, on each resolution are tallied and informed to shareholders immediately at the general meetings. The total number of votes cast for or against the resolutions and the respective percentages are also announced on SGXNet after the general meetings.

Minutes of the general meetings are taken and are available to shareholders upon their request.

(E) DEALINGS IN SECURITIES

The Group has adopted and implemented policies in line with Rule 1207(19) of the Listing Manual in relation to the dealing of shares of the Company. The policies have been made known to directors, executive officers and any other persons as determined by Management who may possess unpublished material price-sensitive information of the Group.

The Group and its officers and employees are prohibited from trading in the Company's securities, during the period beginning 1 month and 2 weeks before the date of the announcement of the full year or quarterly results respectively and ending on the date of the announcement of the relevant results ("**Prohibited Periods**"). Directors and employees are also advised against dealing in the securities when they are in possession of any unpublished material price-sensitive information of the Group.

Directors and officers are required to comply with and observe the laws on insider trading even if they trade in the Company's securities outside the Prohibited Periods. They are discouraged from dealing in the Company's securities on short-term considerations and should be mindful of the law on insider trading.

(F) INTERESTED PERSON TRANSACTIONS

The Company has adopted an internal policy governing procedures for the identification, approval and monitoring of IPTs. All IPTs are subject to review by the AC to ensure that they are carried out on an arm's length basis, on normal commercial terms and will not be prejudicial to the interests of the shareholders.

In the event that a member of the AC has an interest in a transaction, he will abstain from reviewing that particular transaction.

The Board will ensure that all disclosure, approval and other requirements on IPTs, including those required by prevailing legislation, the Listing Manual and accounting standards are complied with.

The aggregate value of all interested person transactions entered into during FY2018 are tabulated hereunder pursuant to Rule 907 of the SGX-ST Listing Manual:

Name of interested person	Aggregate value of all IPTs during the financial year under review (excluding transactions less than $100,000 and transactions conducted under Shareholders' mandate pursuant to Rule 920)	Aggregate value of all IPTs conducted under Shareholders' mandate pursuant to Rule 920 (excluding transactions less than $100,000)
Beijing Aozhong Xingye Real Estate Development Co., Ltd - Provision of management services to Beijing Aozhong Xingye Real Estate Development Co., Ltd, inclusive of $423,142 arising from profit sharing arrangement.	$1,575,595	–

Save as disclosed above, there were no other IPTs conducted during the financial year ended 31 December 2018.

(G) MATERIAL CONTRACTS

Save for the Service Agreements entered into with the Executive Directors and IPT disclosed above that were entered into during the period under review, there were no other material contracts, not being material contracts entered into in the ordinary course of business, entered into by the Company and its subsidiaries involving the interest of the CEO, each director or controlling shareholder, which are either still subsisting at the end of the financial year or if not then subsisting, entered into since the end of the previous financial year.

PARTICULARS OF DIRECTORS PURSUANT TO THE CODE

Name of Director	Age	Board Appointment Executive/ Non-Executive/ Independent	Date of First Appointment	Date of Last Re-appointment/ Re-election	Current Directorship/ Chairmanship in other Listed Companies & Other Principal Commitments	Past (three years) Directorship in other Listed Companies
Ji Zenghe	58	Executive Chairman	12 October 2016	20 April 2017	Other Principal Commitments Chairman, The Place Investment Group Co., Ltd Chairman, Beijing Aozhong Xingye Real Estate Development Co., Ltd Director, The Place Daisy (Beijing) Investment Co., Ltd	None
Fan Xianyong	54	Executive Director and CEO	12 October 2016	20 April 2017	Other Principal Commitments Director, The Place Investment Group Co., Ltd Director, Beijing Aozhong Xingye Real Estate Development Co., Ltd Director, The Place Daisy (Beijing) Investment Co., Ltd	None
Sun Quan	53	Non-Executive Director	12 October 2016	20 April 2017	Directorship in Other Listed Companies Non-Executive Chairman, AEI Corporation Limited Other Principal Commitments Executive Director, Capital Impetus Group Limited Executive Director & CEO, China Capital Impetus Asset Management Pte. Ltd. Executive Director, China Capital Impetus Investment Limited Board of Trustees, Schwarzman College, Tsinghua University	None

Name of Director	Age	Board Appointment Executive/ Non-Executive/ Independent	Date of First Appointment	Date of Last Re-appointment/ Re-election	Current Directorship/ Chairmanship in other Listed Companies & Other Principal Commitments	Past (three years) Directorship in other Listed Companies
Er Kwong Wah	72	Lead Independent Director	8 September 2006	20 April 2017	<u>Directorship in Other Listed Companies</u> Independent Director, CFM Holdings Limited Independent Director, China Sky Chemical Fibre Co., Ltd. (Under Judicial Management) Independent Director, COSCO Shipping International (Singapore) Co., Ltd. Independent Director, ecoWise Holdings Limited Independent Director, GKE Corporation Limited Independent Director, Chaswood Resources Holdings Limited <u>Other Principal Commitments</u> Nil	Independent Director, Success Dragon International Holdings Ltd. (July 2014 – September 2017) Independent Director, China Environment Ltd. (January 2016 – December 2018) Independent Director, China Essence Group Ltd. (Delisted)

Name of Director	Age	Board Appointment Executive/ Non-Executive/ Independent	Date of First Appointment	Date of Last Re-appointment/ Re-election	Current Directorship/ Chairmanship in other Listed Companies & Other Principal Commitments	Past (three years) Directorship in other Listed Companies
Ng Fook Ai Victor	71	Independent Director	31 January 2018	25 April 2018	Directorship in Other Listed Companies Independent Director, Sunshine 100 China Holdings Ltd Independent Director, Soilbuild Business Space REIT Ltd Independent Director, SMJ International Holdings Ltd Other Principal Commitments Nil	Independent Director, My E.G. Services Berhad (January 2008 – December 2017) Independent Director, SHC Capital Asia Limited (August 2014 – December 2017) Independent Director, Cityneon Holdings Limited (June 2016 – November 2017)
Foo Chiah-Shiung (Hu Jiaxiong)	44	Independent Director	1 August 2018	N/A	Other Principal Commitments Head of Investment & Operational Risk, an Asset Management Company Sole Proprietor - 5DP	None

Name of Director	Age	Board Appointment Executive/ Non-Executive/ Independent	Date of First Appointment	Date of Last Re-appointment/ Re-election	Current Directorship/ Chairmanship in other Listed Companies & Other Principal Commitments	Past (three years) Directorship in other Listed Companies
Chng Hee Kok	70	Independent Director	1 February 2019	N/A	Directorship in Other Listed Companies Independent Director, Samudera Shipping Line Ltd Independent Director, Full Apex Holdings Ltd Independent Director, Luxking Group Holdings Ltd Chairman and Independent Director, Ellipsiz Ltd Independent Director, United Food Holdings Limited Independent Director, Chaswood Resources Holdings Ltd Other Principal Commitments Nil	Independent Director, China Flexible Packaging Holdings Ltd Independent Director, LH Group Ltd Independent Director, Pacific Century Regional Developments Ltd Independent Director, Infinio Group Limited

APPENDIX

Code of Corporate Governance
Specific principles and guidelines for disclosure

Relevant Guidelines or Principles	Page Reference in this Annual Report
Guideline 1.3 Delegation of authority, by the Board to any board committee, to make decisions on certain board matters	18-36
Guideline 1.4 The number of meetings of the Board and board committees held in the year, as well as the attendance of every board member at these meetings	19-20
Guideline 1.5 The type of material transactions that require board approval under guidelines	20
Guideline 1.6 The induction, orientation and training provided to new and existing directors	20
Guideline 2.3 The Board should identify in the company's Annual Report each director it considers to be independent. Where the Board considers a director to be independent in spite of the existence of a relationship as stated in the Code that would otherwise deem a director not to be independent, the nature of the director's relationship and the reasons for considering him as independent should be disclosed	21-22
Guideline 2.4 Where the Board considers an independent director, who has served on the Board for more than nine years from the date of his first appointment, to be independent, the reasons for considering him as independent should be disclosed	21-22
Guideline 3.1 Relationship between the Chairman and CEO where they are immediate family members	22-23
Guideline 4.1 Names of the members of the NC and the key terms of reference of the NC, explaining its role and the authority delegated to it by the Board	23-24
Guideline 4.4 The maximum number of listed company board representations which directors may hold should be disclosed	24
Guideline 4.6 Process for the selection, appointment and re-appointment of new directors to the Board, including the search and nomination process	24-25
Guideline 4.7 Key information regarding directors, including which directors are executive, non-executive or considered by the NC to be independent	25
Guideline 5.1 The Board should state in the company's Annual Report how assessment of the Board, its board committees and each director has been conducted. If an external facilitator has been used, the Board should disclose in the company's Annual Report whether the external facilitator has any other connection with the company or any of its directors. This assessment process should be disclosed in the company's Annual Report	26-27

Relevant Guidelines or Principles	Page Reference in this Annual Report
Guideline 7.1 Names of the members of the RC and the key terms of reference of the RC, explaining its role and the authority delegated to it by the Board	28
Guideline 7.3 Names and firms of the remuneration consultants (if any) should be disclosed in the annual remuneration report, including a statement on whether the remuneration consultants have any relationships with the Company	28
Principle 9 Clear disclosure of remuneration policies, level and mix of remuneration, and procedure for setting remuneration	29-31
Guideline 9.1 Remuneration of directors, the CEO and at least the top five key management personnel (who are not also directors or the CEO) of the company. The annual remuneration report should include the aggregate amount of any termination, retirement and post-employment benefits that may be granted to directors, the CEO and the top five key management personnel (who are not directors or the CEO)	30-31
Guideline 9.2 Fully disclose the remuneration of each individual director and the CEO on a named basis. There will be a breakdown (in percentage or dollar terms) of each director's and the CEO's remuneration earned through base/fixed salary, variable or performance-related income/bonuses, benefits in kind, stock options granted, share-based incentives and awards, and other long-term incentives	30-31
Guideline 9.3 Name and disclose the remuneration of at least the top five key management personnel (who are not directors or the CEO) in bands of S$250,000. There will be a breakdown (in percentage or dollar terms) of each key management personnel's remuneration earned through base/fixed salary, variable or performance-related income/bonuses, benefits in kind, stock options granted, share-based incentives and awards, and other long-term incentives. In addition, the Company should disclose in aggregate the total remuneration paid to the top five key management personnel (who are not directors or the CEO). As best practice, companies are also encouraged to fully disclose the remuneration of the said top five key management personnel	31
Guideline 9.4 Details of the remuneration of employees who are immediate family members of a director or the CEO, and whose remuneration exceeds S$50,000 during the year. This will be done on a named basis with clear indication of the employee's relationship with the relevant director or the CEO. Disclosure of remuneration should be in incremental bands of S$50,000	31
Guideline 9.5 Details and important terms of employee share schemes	31
Guideline 9.6 For greater transparency, companies should disclose more information on the link between remuneration paid to the executive directors and key management personnel, and performance. The annual remuneration report should set out a description of performance conditions to which entitlement to short-term and long-term incentive schemes are subject, an explanation on why such performance conditions were chosen, and a statement of whether such performance conditions are met	29-31

Relevant Guidelines or Principles	Page Reference in this Annual Report
Guideline 11.3 The Board should comment on the adequacy and effectiveness of the internal controls, including financial, operational, compliance and information technology controls, and risk management systems The commentary should include information needed by stakeholders to make an informed assessment of the Company's internal control and risk management systems The Board should also comment on whether it has received assurance from the CEO and the CFO: (a) that the financial records have been properly maintained and the financial statements give true and fair view of the Company's operations and finances; and (b) regarding the effectiveness of the company's risk management and internal control systems	32-33
Guideline 12.1 Names of the members of the AC and the key terms of reference of the AC, explaining its role and the authority delegated to it by the Board	33-34
Guideline 12.6 Aggregate amount of fees paid to the external auditors for that financial year, and breakdown of fees paid in total for audit and non-audit services respectively, or an appropriate negative statement	35
Guideline 12.7 The existence of a whistle-blowing policy should be disclosed in the company's Annual Report	35
Guideline 12.8 Summary of the AC's activities and measures taken to keep abreast of changes to accounting standards and issues which have a direct impact on financial statements	35
Guideline 15.4 The steps the Board has taken to solicit and understand the views of the shareholders e.g. through analyst briefings, investor roadshows or Investors' Day briefings	37-38
Guideline 15.5 Where dividends are not paid, companies should disclose their reasons	37

We are pleased to submit this report to the members of the Company together with the audited financial statements for the financial year ended 31 December 2018.

In our opinion:

(a) the financial statements set out on pages 53 to 110 are drawn up so as to give a true and fair view of the financial position of the Group and of the Company as at 31 December 2018 and the financial performance, changes in equity and cash flows of the Group for the year ended on that date in accordance with the provisions of the Singapore Companies Act, Chapter 50 (the "Act") and Singapore Financial Reporting Standards (International); and

(b) at the date of this statement, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

The Board of Directors has, on the date of this statement, authorised these financial statements for issue.

Directors

The directors in office at the date of this statement are as follows:

Ji Zenghe	
Fan Xianyong	
Sun Quan	
Er Kwong Wah	
Ng Fook Ai Victor	(appointed on 31 January 2018)
Foo Chiah-Shiung (Hu Jiaxiong)	(appointed on 1 August 2018)
Chng Hee Kok	(appointed on 1 February 2019)

Directors' interests

According to the register kept by the Company for the purposes of Section 164 of the Act, particulars of interests of directors who held office at the end of the financial year (including those held by their spouses and children) in shares, debentures, warrants and share options in the Company are as follows:

Name of Directors and corporation in which interests are held	Shareholdings at the beginning of the year/date of appointment	Shareholdings at the end of the year	At 21 January 2019
Sun Quan			
The Place Holdings Limited			
- ordinary shares			
- deemed interests	5,206,524,059	5,039,857,393	5,039,857,393
Foo Chiah-Shiung (Hu Jiaxiong)			
The Place Holdings Limited			
- ordinary shares			
- interests held	8,000	8,000	8,000

Sun Quan is a founder and director of China Capital Impetus Investment Limited which manages Oriental Straits Fund III ("OSF III"). Mr Sun Quan is deemed to be interested in 4,926,759,333 ordinary shares of The Place Holdings Limited owned by OSF III, and 113,098,060 ordinary shares of The Place Holdings Limited owned by Capital Impetus Group Limited. He is deemed to have interests in the Company and other subsidiaries of the Company by virtue of Section 7 of the Act, at the beginning and at the end of the financial year.

Except as disclosed in this statement, no director who held office at the end of the financial year had interests in shares, debentures, warrants or share options of the Company, or of related corporations, either at the beginning of the financial year, or date of appointment if later, or at the end of the financial year.

There were no changes in any of the above mentioned interests in the Company between the end of the financial year and 21 January 2019.

Share options

During the financial year, there were:

(i) no options granted by the Company to any person to take up unissued shares in the Company; and

(ii) no shares issued by virtue of any exercise of option to take up unissued shares of the Company.

As at the end of the financial year, there were no unissued shares of the Company under option.

Audit Committee

The members of the Audit Committee ("AC") during the year and at the date of this statement are:

Er Kwong Wah
Ng Fook Ai Victor
Foo Chiah-Shiung (Hu Jiaxiong)
Chng Hee Kok

The AC performs the functions specified by Section 201B of the Act, the SGX Listing Manual and the Code of Corporate Governance.

The AC has held four meetings since the last directors' statement. In performing its functions, the AC met with the Company's external and internal auditors to discuss the scope of their work, the results of their examination and evaluation of the Company's internal accounting control system.

The Audit Committee also reviewed the following:

- assistance provided by the Company's officers to the internal and external auditors;
- quarterly financial information and annual financial statements of the Group and the Company prior to their submission to the directors of the Company for adoption; and
- interested person transactions (as defined in Chapter 9 of the SGX Listing Manual).

The AC has full access to management and is given the resources required for it to discharge its functions. It has full authority and the discretion to invite any director or executive officer to attend its meetings. The AC also recommends the appointment of the external auditors and reviews the level of audit and non-audit fees.

The AC is satisfied with the independence and objectivity of the external auditors and has recommended to the Board of Directors that the auditors, KPMG LLP, be nominated for re-appointment as auditors at the forthcoming Annual General Meeting of the Company.

In appointing our auditors for the Company and subsidiaries, we have complied with Rules 712 and 715 of the SGX Listing Manual.

Auditors

The auditors, KPMG LLP, have indicated their willingness to accept re-appointment.

On behalf of the Board of Directors

Ji Zenghe
Director

Er Kwong Wah
Director

29 March 2019

INDEPENDENT AUDITORS' REPORT

To the Members of The Place Holdings Limited

Report on the audit of the financial statements

Opinion

We have audited the financial statements of The Place Holdings Limited (the "Company") and its subsidiaries (the "Group"), which comprise the statements of financial position of the Group and the Company as at 31 December 2018, and the consolidated statement of profit or loss, consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows of the Group for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, as set out on pages 53 to 110.

In our opinion, the accompanying consolidated financial statements of the Group and the statement of financial position of the Company are properly drawn up in accordance with the provisions of the Singapore Companies Act, Chapter 50 (the "Act") and Singapore Financial Reporting Standards (International) ("SFRS(I)s") so as to give a true and fair view of the financial position of the Group and the Company as at 31 December 2018 and of the consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group for the year ended on that date.

Basis for opinion

We conducted our audit in accordance with Singapore Standards on Auditing ("SSAs"). Our responsibilities under those standards are further described in the '*Auditors' responsibilities for the audit of the financial statements*' section of our report. We are independent of the Group in accordance with the Accounting and Corporate Regulatory Authority *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 have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined that there are no key audit matters to communicate in our report.

Other information

Management is responsible for the other information contained in the annual report. Other information is defined as all information in the annual report other than the financial statements and our auditors' report thereon.

We have obtained all other information prior to the date of this auditors' report.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

To the Members of The Place Holdings Limited

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 Act and 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.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.

- Obtain an understanding of internal controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.

To the Members of The Place Holdings Limited

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal controls that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless the law or regulations preclude public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other legal and regulatory requirements

In our opinion, the accounting and other records required by the Act to be kept by the Company and by those subsidiary corporations incorporated in Singapore of which we are the auditors have been properly kept in accordance with the provisions of the Act.

The engagement partner on the audit resulting in this independent auditors' report is Tan Kar Yee, Linda.

KPMG LLP
Public Accountants and
Chartered Accountants

Singapore
29 March 2019

STATEMENTS OF FINANCIAL POSITION

As at 31 December 2018

	Note	Group			Company		
		31 Dec 2018	31 Dec 2017	1 Jan 2017	31 Dec 2018	31 Dec 2017	1 Jan 2017
		$'000	$'000	$'000	$'000	$'000	$'000
Non-current assets							
Plant and equipment	4	51	12	–	50	11	–
Investment in subsidiaries	6	–	–	–	56,769	58,065	30,000
		51	12	–	56,819	58,076	30,000
Current assets							
Trade and other receivables	7	3,740	3,952	–	3,722	3,762	–
Cash and cash equivalents	8	89,883	88,484	46,047	29,508	32,959	15,504
Assets held for sale		–	–	62,684	–	–	–
		93,623	92,436	108,731	33,230	36,721	15,504
Total assets		93,674	92,448	108,731	90,049	94,797	45,504
Equity							
Share capital	9	149,845	149,845	101,127	149,845	149,845	101,127
Reserves	10	(1,020)	(318)	(8,560)	–	–	–
Accumulated losses		(55,929)	(57,701)	(57,966)	(60,115)	(58,980)	(56,012)
Equity attributable to owners of the Company		92,896	91,826	34,601	89,730	90,865	45,115
Non-controlling interests		–*	–*	–*	–	–	–
Total equity		92,896	91,826	34,601	89,730	90,865	45,115
Current liabilities							
Trade and other payables	11	459	455	391	319	3,932	389
Current tax liabilities		319	167	–	–	–	–
Liabilities held for sale		–	–	73,739	–	–	–
		778	622	74,130	319	3,932	389
Total liabilities		778	622	74,130	319	3,932	389
Total equity and liabilities		93,674	92,448	108,731	90,049	94,797	45,504

* Less than $1,000

The accompanying notes form an integral part of these financial statements.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

Year ended 31 December 2018

	Note	2018	2017
		$'000	$'000
Revenue	12	1,798	2,444
Cost of sales		(329)	(566)
Gross profit		1,469	1,878
Other income	13	–	11,056
Administrative expenses		(1,929)	(1,070)
Other expenses		–	(61)
Results from operating activities		(460)	11,803
Net finance income/(costs)	14	2,911	(2,364)
Profit before tax	15	2,451	9,439
Tax expense	16	(535)	(453)
Profit for the year		1,916	8,986
Profit attributable to:			
Owners of the Company		1,916	8,986
Non-controlling interests		–*	–*
Profit for the year		1,916	8,986
Earnings per share			
Basic and diluted earnings per share (cents)	18	0.03	0.20

* Less than $1,000

The accompanying notes form an integral part of these financial statements.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Year ended 31 December 2018

	2018	2017
	$'000	$'000
Profit for the year	1,916	8,986
Other comprehensive income		
Items that may be reclassified to profit or loss:		
Foreign currency translation differences of foreign operations	(846)	(479)
Other comprehensive income for the year, net of tax[1]	(846)	(479)
Total comprehensive income for the year	1,070	8,507
Total comprehensive income attributable to:		
Owners of the Company	1,070	8,507
Non-controlling interests	–*	–*
Total comprehensive income for the year	1,070	8,507

* Less than $1,000

[1] There are no income tax effects relating to components of other comprehensive income.

The accompanying notes form an integral part of these financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Year ended 31 December 2018

	Note	Attributable to owners of the Company								
		Share capital	Foreign currency translation reserve	Legal reserve	Statutory reserve	Other reserve	Accumulated losses	Total	Non-controlling interests	Total equity
		$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Group										
At 1 January 2017		101,127	–	2,834	5,078	(16,472)	(57,966)	34,601	–*	34,601
Total comprehensive income for the year										
Profit for the year		–	–	–	–	–	8,986	8,986	–*	8,986
Other comprehensive income										
Transfer of reserves to accumulated losses upon disposal of foreign operations		–	–	(2,834)	(5,078)	16,472	(8,560)	–	–*	–
Foreign currency translation differences of foreign operations		–	(479)	–	–	–	–	(479)	–*	(479)
Total other comprehensive income		–	(479)	(2,834)	(5,078)	16,472	(8,560)	(479)	–*	(479)
Total comprehensive income for the year		–	(479)	(2,834)	(5,078)	16,472	426	8,507	–*	8,507
Transactions with owners, recognised directly in equity										
Issue of ordinary shares under share subscription agreement, net of transaction costs		42,808	–	–	–	–	–	42,808	–	42,808
Issue of ordinary shares as settlement of introducer fee		975	–	–	–	–	–	975	–	975
Issue of option shares under share subscription agreement, net of transaction costs		4,935	–	–	–	–	–	4,935	–	4,935
Total transactions with owners		48,718	–	–	–	–	–	48,718	–	48,718
Transfer to statutory reserves		–	–	–	161	–	(161)	–	–	–
At 31 December 2017		149,845	(479)	–	161	–	(57,701)	91,826	–*	91,826

The accompanying notes form an integral part of these financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (CONT'D)

Year ended 31 December 2018

	Note	Attributable to owners of the Company						
		Share capital	Foreign currency translation reserve	Statutory reserve	Accumulated losses	Total	Non-controlling interests	Total equity
		$'000	$'000	$'000	$'000	$'000	$'000	$'000
Group								
At 1 January 2018		149,845	(479)	161	(57,701)	91,826	–*	91,826
Total comprehensive income for the year								
Profit for the year		–	–	–	1,916	1,916	–*	1,916
Other comprehensive income								
Foreign currency translation differences of foreign operations		–	(846)	–	–	(846)	–*	(846)
Total other comprehensive income		–	(846)	–	–	(846)	–*	(846)
Total comprehensive income for the year		–	(846)	–	1,916	1,070	–*	1,070
Transfer to statutory reserves		–	–	144	(144)	–	–	–
At 31 December 2018		149,845	(1,325)	305	(55,929)	92,896	–*	92,896

* Less than $1,000

The accompanying notes form an integral part of these financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

Year ended 31 December 2018

	Note	2018	2017
		$'000	$'000
Cash flows from operating activities			
Profit for the year		1,916	8,986
Adjustments for:			
Depreciation of plant and equipment		9	1
Gain on disposal of discontinued operations		–	(11,056)
Impairment of goodwill		–	61
Interest income		(1,766)	(461)
Unrealised foreign exchange (gain)/loss (net)		(1,145)	2,745
Tax expense		535	453
		(451)	729
Changes in:			
- Trade and other receivables		84	(139)
- Trade and other payables		4	31
Cash (used in)/generated from operations		(363)	621
Interest received		1,894	299
Tax paid		(383)	(360)
Net cash generated from operating activities		1,148	560
Cash flows from investing activities			
Acquisition of a subsidiary, net of cash acquired	21	–	(6)
Loan to a third party		–	(3,600)
Purchase of plant and equipment		(48)	(12)
Payments on disposal of discontinued operations, net of cash disposed	17	–	(11,040)
Net cash used in investing activities		(48)	(14,658)
Cash flows from financing activity			
Issue of share capital		–	48,718
Net cash generated from financing activity		–	48,718
Net increase in cash and cash equivalents		1,100	34,620
Cash and cash equivalents at beginning of the year		88,484	57,087
Effect of exchange rate fluctuations on cash held		299	(3,223)
Cash and cash equivalents at end of the year	8	89,883	88,484

The accompanying notes form an integral part of these financial statements.

These notes form an integral part of the financial statements.

The financial statements were authorised for issue by the Board of Directors on 29 March 2019.

1 Domicile and activities

The Place Holdings Limited (the "Company") is incorporated in the Republic of Singapore and has its registered office at 20 Collyer Quay #21-01 Singapore 049319. The immediate and ultimate holding entity is Oriental Straits Fund III, incorporated in Cayman Islands.

The principal activities of the Company is that of investment holding.

The principal activities of each of the subsidiaries are set out in Note 6 to the financial statements.

The consolidated financial statements for the year ended 31 December 2018 relate to the Company and its subsidiaries (together referred to as the "Group" and individually as "Group entities").

2 Basis of preparation

2.1 Statement of compliance

The financial statements have been prepared in accordance with Singapore Financial Reporting Standards (International) (SFRS(I)). These are the Group's first financial statements prepared in accordance with SFRS(I)s and SFRS(I) 1 *First-time Adoption of Singapore Financial Reporting Standards (International)* has been applied.

In the previous financial years, the financial statements were prepared in accordance with Financial Reporting Standards in Singapore (FRS). An explanation of how the transition to SFRS(I) and application of SFRS(I) 9 and SFRS(I) 15 have affected the reported financial position and financial performance is provided in Note 24.

2.2 Basis of measurement

The financial statements have been prepared on the historical cost basis except as otherwise described in the accounting policies below.

2.3 Functional and presentation currency

The financial statements are presented in Singapore dollar, which is the Company's functional currency. All financial information presented in Singapore dollars have been rounded to the nearest thousand, unless otherwise stated.

2.4 Use of estimates and judgements

The preparation of financial statements in conformity with SFRS(I)s requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

2 Basis of preparation (cont'd)

2.4 Use of estimates and judgements (cont'd)

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

Management is of the opinion that there are no critical judgements made in applying the entity's accounting policies and no assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment within the next financial year.

3 Significant accounting policies

The accounting policies set out below have been applied consistently to all periods presented in these financial statements and in preparing the opening SFRS(I)s statements of financial position at 1 January 2017 for the purposes of the transition to SFRS(I)s, unless otherwise indicated.

The accounting policies have been applied consistently by Group entities.

3.1 Basis of consolidation

(i) Business combinations

The Group accounts for business combinations using the acquisition method when control is transferred to the Group.

Acquisition from 1 January 2017

For acquisitions from 1 January 2017, the Group measures goodwill at the date of acquisition as:

- the fair value of the consideration transferred; plus
- the recognised amount of any non-controlling interests ("NCI") in the acquiree; plus
- if the business combination is achieved in stages, the fair value of the pre-existing equity interest in the acquiree,

over the net recognised amount (generally fair value) of the identifiable assets acquired and liabilities assumed. Any goodwill that arises is tested annually for impairment.

When the excess is negative, a bargain purchase gain is recognised immediately in profit or loss.

The consideration transferred does not include amounts related to the settlement of pre-existing relationships. Such amounts are generally recognised in profit or loss.

Any contingent consideration payable is recognised at fair value at the acquisition date and included in the consideration transferred. If the contingent consideration that meets the definition of a financial instrument is classified as equity, it is not remeasured and settlement is accounted for within equity. Otherwise, other contingent consideration is remeasured at fair value each reporting date and subsequent changes to the fair value of the contingent consideration are recognised in profit or loss.

3 Significant accounting policies (cont'd)

3.1 Basis of consolidation (cont'd)

(i) Business combinations (cont'd)

NCI that are present ownership interests and entitle their holders to a proportionate share of the acquiree's net assets in the event of liquidation are measured either at fair value or at the NCI's proportionate share of the recognised amounts of the acquiree's identifiable net assets, at the acquisition date. The measurement basis taken is elected on a transaction-by-transaction basis. All other NCI are measured at acquisition-date fair value, unless another measurement basis is required by FRSs.

Costs related to the acquisition, other than those associated with the issue of debt or equity securities, that the Group incurs in connection with a business combination are expensed as incurred.

Changes in the Group's interest in a subsidiary that do not result in a loss of control are accounted for as transactions with owners in their capacity as owners and therefore no adjustments are made to goodwill and no gain or loss is recognised in profit or loss. Adjustments to NCI arising from transactions that do not involve the loss of control are based on a proportionate amount of the net assets of the subsidiary.

Acquisitions before 1 January 2017

As part of transition to SFRS(I)s, the Group elected not to restate those business combinations that occurred before the date of transition to SFRS(I)s, i.e. 1 January 2017. Goodwill arising from acquisitions before 1 January 2017 has been carried forward from the previous FRS framework as at the date of transition.

(ii) Subsidiaries

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

The accounting policies of subsidiaries have been changed when necessary to align them with the policies adopted by the Group. Losses applicable to NCI in a subsidiary are allocated to the NCI even if doing so causes the NCI to have a deficit balance.

(iii) Loss of control

When the Group losses control over a subsidiary, it derecognises the assets and liabilities of the subsidiary, and any related NCI and other components of equity. Any resulting gain or loss is recognised in profit or loss. Any interest retained in the former subsidiary is measured at fair value when control is lost.

(v) Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income or expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements.

3 Significant accounting policies (cont'd)

3.1 Basis of consolidation (cont'd)

(vi) Subsidiaries in the separate financial statements

Investments in subsidiaries are stated in the Company's statements of financial position at cost less accumulated impairments losses.

3.2 Foreign currency

(i) Foreign currency transactions

Transactions in foreign currencies are translated to the respective functional currencies of Group entities at exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the end of the reporting date are translated to the functional currency at the exchange rate at that date. The foreign currency gain or loss on monetary items is the difference between amortised cost in the functional currency at the beginning of the year, adjusted for effective interest and payments during the year, and the amortised cost in foreign currency translated at the exchange rate at the end of the year.

Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are translated to the functional currency at the exchange rate at the date that the fair value was determined. Non-monetary items in a foreign currency that are measured in terms of historical cost are translated using the exchange rate at the date of the transaction. Foreign currency differences arising on translation are recognised in profit or loss.

(ii) Foreign operations

The assets and liabilities of foreign operations, including goodwill and fair value adjustments arising on acquisition are translated to Singapore dollars at exchange rates at the reporting date. The income and expenses of foreign operations are translated to Singapore dollars at the dates of the transactions.

Foreign currency differences are recognised in OCI. Since 1 January 2017, the Group's date of transition to SFRS(I), such differences have been recognised in the foreign currency translation reserve in equity. However, if the foreign operation is a non-wholly-owned subsidiary, then the relevant proportionate share of the translation difference is allocated to the NCI. When a foreign operation is disposed of such that control, significant influence or joint control is lost, the cumulative amount in the translation reserve related to that foreign operation is reclassified to profit or loss as part of the gain or loss on disposal. When the Group disposes of only part of its interest in a subsidiary that includes a foreign operation while retaining control, the relevant proportion of the cumulative amount is reattributed to NCI.

When the settlement of a monetary item receivable from or payable to a foreign operation is neither planned nor likely to occur in the foreseeable future, foreign exchange gains and losses arising from such a monetary item that are considered to form part of a net investment in a foreign operation are recognised in OCI, and are presented in the translation reserve in equity.

3 Significant accounting policies (cont'd)

3.3 Financial instruments

(i) Recognition and initial measurement

Non-derivative financial assets and financial liabilities

Trade receivables are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Group becomes a party to the contractual provisions of the instrument.

A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus, for an item not at fair value through profit or loss ("FVTPL"), transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

(ii) Classification and subsequent measurement

Non-derivative financial assets – Policy applicable from 1 January 2018

On initial recognition, a financial asset is classified as measured at: amortised cost; fair value through other comprehensive income ("FVOCI") – debt investment; FVOCI–equity investment; or FVTPL.

Financial assets are not reclassified subsequent to their initial recognition unless the Group changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

Financial assets at amortised cost

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortised cost comprise cash and cash equivalents, and trade and other receivables.

3 Significant accounting policies (cont'd)

3.3 Financial instruments (cont'd)

(ii) Classification and subsequent measurement (cont'd)

Financial assets: Business model assessment – Policy applicable from 1 January 2018

The Group makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management. The information considered includes:

- the stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realising cash flows through the sale of the assets;
- how the performance of the portfolio is evaluated and reported to the Group's management;
- the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;
- how managers of the business are compensated – e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and
- the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, consistent with the Group's continuing recognition of the assets.

Financial assets that are held for trading or are managed and whose performance is evaluated on a fair value basis are measured at FVTPL.

Non-derivative financial assets: Assessment whether contractual cash flows are solely payments of principal and interest – Policy applicable from 1 January 2018

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

3 Significant accounting policies (cont'd)

3.3 Financial instruments (cont'd)

(ii) Classification and subsequent measurement (cont'd)

In assessing whether the contractual cash flows are solely payments of principal and interest, the Group considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Group considers:

- contingent events that would change the amount or timing of cash flows;
- terms that may adjust the contractual coupon rate, including variable-rate features;
- prepayment and extension features; and
- terms that limit the Group's claim to cash flows from specified assets (e.g. non-recourse features).

A prepayment feature is consistent with the solely payments of principal and interest criterion if the prepayment amount substantially represents unpaid amounts of principal and interest on the principal amount outstanding, which may include reasonable additional compensation for early termination of the contract. Additionally, for a financial asset acquired at a discount or premium to its contractual par amount, a feature that permits or requires prepayment at an amount that substantially represents the contractual par amount plus accrued (but unpaid) contractual interest (which may also include reasonable additional compensation for early termination) is treated as consistent with this criterion if the fair value of the prepayment feature is insignificant at initial recognition.

Non-derivative financial assets: Subsequent measurement and gains and losses – Policy applicable from 1 January 2018

Financial assets at amortised cost

These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

Non-derivative financial assets – Policy applicable before 1 January 2018

The Group classifies non-derivative financial assets into the loans and receivables category.

Non-derivative financial assets: Subsequent measurement and gains and losses – Policy applicable before 1 January 2018

Loans and receivables

Loans and receivables were financial assets with fixed or determinable payments that are not quoted in an active market. Such assets were recognised initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, loans and receivables were measured at amortised cost using the effective interest method, less any impairment losses.

Loans and receivables comprised cash and cash equivalents, and trade and other receivables.

3 Significant accounting policies (cont'd)

3.3 Financial instruments (cont'd)

(ii) Classification and subsequent measurement (cont'd)

Non-derivative financial liabilities: Classification, subsequent measurement and gains and losses

Financial liabilities were classified as measured at amortised cost or FVTPL. A financial liability was classified as at FVTPL if it was classified as held-for-trading or it was designated as such on initial recognition. Financial liabilities at FVTPL were measured at fair value and net gains and losses, including any interest expense, were recognised in profit or loss. Directly attributable transaction costs were recognised in profit or loss as incurred.

Other financial liabilities were initially measured at fair value less directly attributable transaction costs. They were subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. These financial liabilities comprised trade and other payables.

(iii) Derecognition

Financial assets

The Group derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Group neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

The Group enters into transactions whereby it transfers assets recognised in its statement of financial position, but retains either all or substantially all of the risks and rewards of the transferred assets. In these cases, the transferred assets are not derecognised.

Financial liabilities

The Group derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire. The Group also derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value.

On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognised in profit or loss.

(iv) Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Group currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

3 Significant accounting policies (cont'd)

3.3 Financial instruments (cont'd)

(v) Cash and cash equivalents

Cash and cash equivalents include cash balances and bank deposits. For the purpose of the consolidated statement of cash flows, cash and cash equivalents comprise cash balances and fixed deposits with maturity of up to three months that are subject to insignificant risks of changes in their fair value, and are used by the Group in the management of its short term commitments.

(vi) Share capital

Ordinary shares

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new ordinary shares and share options are recognised as a deduction from equity, net of any tax effects.

3.4 Plant and equipment

(i) Recognition and measurement

Items of plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses.

Cost includes expenditure that is directly attributable to the acquisition of the asset.

When parts of an item of plant and equipment have different useful lives, they are accounted for as separate items (major components) of plant and equipment.

The gain or loss on disposal of an item of plant and equipment (calculated as the difference between the net proceeds from disposal and the carrying amount of the item) is recognised in profit or loss.

(ii) Subsequent costs

The cost of replacing a component of an item of plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the component will flow to the Group, and its cost can be measured reliably. The carrying amount of the replaced component is derecognised. The costs of the day-to-day servicing of plant and equipment are recognised in profit or loss as incurred.

(iii) Depreciation

Depreciation is based on the cost of an asset less residual value. Significant components of individual assets are assessed and if a component has a useful life that is different from the remainder of that asset, that component is depreciated separately.

Depreciation is recognised as an expense in profit or loss on a straight-line basis over the estimated useful lives of each component of an item of plant and equipment, unless it is included in the carrying amount of another asset. Leased assets are depreciated over the shorter of the lease term and their useful lives unless it is reasonably certain that the Group will obtain ownership by the end of the lease term.

3 Significant accounting policies (cont'd)

3.4 Plant and equipment (cont'd)

(iii) Depreciation (cont'd)

Depreciation is recognised from the date that the plant and equipment are installed and are ready for use, or in respect of internally constructed assets, from the date that the asset is completed and ready for use.

The estimated annual rates used for the current and comparative years are as follows:

Fixtures and equipment	- 3 to 5 years

Depreciation methods, useful lives and residual values are reviewed at the end of each reporting period and adjusted if appropriate.

3.5 Intangible assets

Goodwill

Goodwill that arises upon the acquisition of subsidiaries is included in intangible assets. For the measurement of goodwill at initial recognition (see Note 3.1).

Goodwill is measured at cost less accumulated impairment losses.

3.6 Impairment

(i) Non-derivative financial assets

Policy applicable from 1 January 2018

The Group recognises loss allowances for expected credit losses ("ECLs") on financial assets measured at amortised cost.

Loss allowances of the Group are measured on either of the following bases:

- 12-month ECLs: these are ECLs that result from default events that are possible within the 12 months after the reporting date (or for a shorter period if the expected life of the instrument is less than 12 months); or
- Lifetime ECLs: these are ECLs that result from all possible default events over the expected life of a financial instrument.

Simplified approach

The Group applies the simplified approach to provide for ECLs for all trade receivables. The simplified approach requires the loss allowance to be measured at an amount equal to lifetime ECLs.

3 Significant accounting policies (cont'd)

3.6 Impairment (cont'd)

(i) Non-derivative financial assets (cont'd)

General approach

The Group applies the general approach to provide for ECLs on all other financial instruments. Under the general approach, the loss allowance is measured at an amount equal to 12-month ECLs at initial recognition.

At each reporting date, the Group assesses whether the credit risk of a financial instrument has increased significantly since initial recognition. When credit risk has increased significantly since initial recognition, loss allowance is measured at an amount equal to lifetime ECLs.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's historical experience and informed credit assessment and including forward-looking information.

If credit risk has not increased significantly since initial recognition or if the credit quality of the financial instruments improve such that there is no longer a significant increase in credit risk since initial recognition, loss allowance is measured at an amount equal to 12-month ECLs.

The Group considers a financial asset to be in default when:

- the borrower is unlikely to pay its credit obligations to the Group in full, without recourse by the Group to actions such as realising security (if any is held); or

- the financial asset is more than 90 days past due.

The maximum period considered when estimating ECLs is the maximum contractual period over which the Group is exposed to credit risk.

Measurement of ECLs

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Group expects to receive). ECLs are discounted at the effective interest rate of the financial asset.

Credit-impaired financial assets

At each reporting date, the Group assesses whether financial assets carried at amortised cost are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

3 Significant accounting policies (cont'd)

3.6 Impairment (cont'd)

(i) Non-derivative financial assets (cont'd)

Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the borrower or issuer;
- a breach of contract such as a default or being more than 90 days past due;
- the restructuring of a loan or advance by the Group on terms that the Group would not consider otherwise;
- it is probable that the borrower will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for a security because of financial difficulties.

Presentation of ECLs in the statement of financial position

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

Write-off

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Group determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Group's procedures for recovery of amounts due.

Policy applicable before 1 January 2018

A financial asset not carried at FVTPL was assessed at the end of each reporting period to determine whether there is objective evidence that it is impaired. A financial asset was impaired if objective evidence indicates that a loss event(s) had occurred after the initial recognition of the asset, and that the loss event(s) had an impact on the estimated future cash flows of that asset that can be estimated reliably.

Objective evidence that financial assets were impaired can include default or delinquency by a debtor, restructuring of an amount due to the Group on terms that the Group would not consider otherwise, indications that a debtor or issuer will enter bankruptcy, adverse changes in the payment status of borrowers or issuers in the Group, economic conditions that correlate with defaults or the disappearance of an active market for a security.

Loans and receivables

The Group considered evidence of impairment for loans and receivables at both an individual asset and collective level. All individually significant assets were individually assessed for impairment. Those found not to be impaired were then collectively assessed for any impairment that had been incurred but not yet identified. Assets that were not individually significant were collectively assessed for impairment. Collective assessment was carried out by grouping together assets with similar risk characteristics.

3 Significant accounting policies (cont'd)

3.6 Impairment (cont'd)

(i) Non-derivative financial assets (cont'd)

In assessing collective impairment, the Group used historical information on the timing of recoveries and the amount of loss incurred, and made an adjustment if current economic and credit conditions were such that the actual losses were likely to be greater or lesser than suggested by historical trends.

An impairment loss was calculated as the difference between the asset's carrying amount and the present value of the estimated future cash flows, discounted at the asset's original effective interest rate. Losses were recognised in profit or loss and reflected in an allowance account. When the Group considered that there were no realistic prospects of recovery of the asset, the relevant amounts were written off. If the amount of impairment loss subsequently decreased and the decrease was related objectively to an event occurring after the impairment was recognised, then the previously recognised impairment loss was reversed through profit or loss.

(ii) Non-financial assets

The carrying amounts of the Group's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. For goodwill, the recoverable amount is estimated each year at the same time. An impairment loss is recognised if the carrying amount of an asset or its related cash-generating unit (CGU) exceeds its estimated recoverable amount.

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGUs. Subject to an operating segment ceiling test, for the purposes of goodwill impairment testing, CGUs to which goodwill has been allocated are aggregated so that the level at which impairment testing is performed reflects the lowest level at which goodwill is monitored for internal reporting purposes. Goodwill acquired in a business combination is allocated to groups of CGUs that are expected to benefit from the synergies of the combination.

The Group's corporate assets do not generate separate cash inflows and are utilised by more than one CGU. Corporate assets are allocated to CGUs on a reasonable and consistent basis and tested for impairment as part of the testing of the CGU to which the corporate asset is allocated.

Impairment losses are recognised in profit or loss. Impairment losses recognised in respect of CGUs are allocated first to reduce the carrying amount of any goodwill allocated to the CGU (group of CGUs), and then to reduce the carrying amounts of the other assets in the CGU (group of CGUs) on a *pro rata* basis.

An impairment loss in respect of goodwill is not reversed. In respect of other assets, impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

3 Significant accounting policies (cont'd)

3.7 Non-current assets held for sale

Non-current assets, or disposal groups comprising assets and liabilities, that are highly probable to be recovered primarily through sale or distribution rather than through continuing use, are classified as held for sale or distribution. Immediately before classification as held for sale or distribution, the assets, or components of a disposal group, are remeasured in accordance with the Group's accounting policies. Thereafter, the assets, or disposal group, classified as held for sale (held for distribution) are generally measured at the lower of their carrying amount and fair value less costs to sell (fair value less costs to distribute).

Any impairment loss on a disposal group is first allocated to goodwill, and then to remaining assets and liabilities on pro rata basis, except that no loss is allocated to financial assets, which continue to be measured in accordance with the Group's accounting policies. Impairment losses on initial classification as held for sale or distribution and subsequent gains or losses on remeasurement are recognised in profit or loss. Gains are not recognised in excess of any cumulative impairment loss.

Intangible assets and plant and equipment once classified as held for sale or distribution are not amortised or depreciated.

3.8 Employee benefits

(i) Defined contribution plans

Defined contribution plans are post-employment benefit plans under which the Group pays fixed contributions into separate entities and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution pension plans are recognised as an employee benefit expense in profit or loss in the periods during which the related services are rendered by employees.

(ii) Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid under short-term cash bonus or profit-sharing plans if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the obligation can be estimated reliably.

3.9 Revenue

(i) Media and event management fees

Revenue from sale of services in the ordinary course of business is recognised when the Group satisfies a performance obligation (PO) by transferring control of a promised good or service to the customer. The amount of revenue recognised is the amount of the transaction price allocated to the satisfied PO.

The transaction price is allocated to each PO in the contract on the basis of the relative stand-alone selling prices of the promised services. Transaction price is the amount of consideration in the contract to which the Group expects to be entitled in exchange for transferring the promised services.

3 Significant accounting policies (cont'd)

3.9 Revenue (cont'd)

(i) Media and event management fees (cont'd)

Revenue may be recognised at a point in time or over time following the timing of satisfaction of the PO. If a PO is satisfied over time, revenue is recognised based on the percentage of completion reflecting the progress towards complete satisfaction of that PO.

(ii) Fees for securing sponsorship for customers

Fees received for securing sponsorship for customers are recognised as revenue upon securing the sponsorship for customers.

3.10 Lease payments

Payments made under operating leases are recognised in profit or loss on a straight-line basis over the term of the lease. Lease incentives received are recognised as an integral part of the total lease expense, over the term of the lease. Minimum lease payments made under finance leases are apportioned between the finance expense and the reduction of the outstanding liability. The finance expense is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability. Contingent lease payments are accounted for by revising the minimum lease payments over the remaining term of the lease when the lease adjustment is confirmed.

Determining whether an arrangement contains a lease

At inception of an arrangement, the Group determines whether such an arrangement is or contains a lease. This will be the case if the following two criteria are met:

- the fulfilment of the arrangement is dependent on the use of a specific asset or assets; and
- the arrangement contains a right to use the asset(s).

At inception or upon reassessment of the arrangement, the Group separates payments and other consideration required by such an arrangement into those for the lease and those for other elements on the basis of their relative fair values. If the Group concludes for a finance lease that it is impracticable to separate the payments reliably, then an asset and a liability are recognised at an amount equal to the fair value of the underlying asset. Subsequently, the liability is reduced as payments are made and an imputed finance charge on the liability is recognised using the Group's incremental borrowing rate.

3.11 Finance income and finance costs

The Group's finance income and finance costs include:

- interest income; and
- the foreign currency gain or loss on financial assets and financial liabilities.

Interest income is recognised using the effective interest method.

3 Significant accounting policies (cont'd)

3.11 Finance income and finance costs (cont'd)

The 'effective interest rate' is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to:

- the gross carrying amount of the financial asset; or
- the amortised cost of the financial liability.

In calculating interest income, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired). However, for financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortised cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

3.12 Tax

Tax expense comprises current and deferred tax. Current tax and deferred tax is recognised in profit or loss except to the extent that it relates to a business combination, or items recognised directly in equity.

The Group has determined that interest and penalties related to income taxes, including uncertain tax treatments, do not meet the definition of income taxes, and therefore accounted for them under SFRS(I) 1-37 *Provisions, Contingent Liabilities and Contingent Assets*.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received that reflects uncertainty related to income taxes, if any. Current tax also includes any tax arising from dividends.

Current tax assets and liabilities are offset only if certain criteria are met.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Deferred tax is not recognised for:

- temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss;
- temporary differences related to investments in subsidiaries to the extent that the Group is able to control the timing of the reversal of the temporary difference and it is probable that they will not reverse in the foreseeable future; and
- taxable temporary differences arising on the initial recognition of goodwill.

The measurement of deferred taxes reflects the tax consequences that would follow the manner in which the Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date.

3 Significant accounting policies (cont'd)

3.12 Tax (cont'd)

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Future taxable profits are determined based on the reversal of relevant taxable temporary differences. If the amount of taxable temporary differences is insufficient to recognise a deferred tax asset in full, then future taxable profits, adjusted for reversals of existing temporary differences, are considered, based on the business plans for individual subsidiaries in the Group. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves.

Unrecognised deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used.

In determining the amount of current and deferred tax, the Group takes into account the impact of uncertain tax positions and whether additional taxes and interest may be due. The Group believes that its accruals for tax liabilities are adequate for all open tax years based on its assessment of many factors, including interpretations of tax law and prior experience. This assessment relies on estimates and assumptions and may involve a series of judgements about future events. New information may become available that causes the Group to change its judgement regarding the adequacy of existing tax liabilities; such changes to tax liabilities will impact tax expense in the period that such a determination is made.

3.13 Discontinued operations

A discontinued operation is a component of the Group's business, the operations and cash flows of which can be clearly distinguished from the rest of the Group and which:

- represents a separate major line of business or geographical area of operations;
- is part of a single co-ordinated plan to dispose of a separate major line of business or geographical area of operations; or
- is a subsidiary acquired exclusively with a view to resale.

Classification as a discontinued operation occurs upon disposal or when the operation meets the criteria to be classified as held for sale, if earlier. When an operation is classified as a discontinued operation, the comparative statement of profit or loss is re-presented as if the operation had been discontinued from the start of the comparative period.

3 Significant accounting policies (cont'd)

3.14 Earnings per share

The Group presents basic and diluted earnings per share data for its ordinary shares. Basic earnings per share is calculated by dividing the profit or loss attributable to ordinary shareholders of the Group by the weighted average number of ordinary shares outstanding during the year, adjusted for own shares held. Diluted earnings per share is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding, adjusted for own shares held, for the effects of all dilutive potential ordinary shares.

3.15 Segment reporting

An operating segment is a component of the Group that engages in business activities from which it may earn revenue and incur expenses, including revenue and expenses that relate to transactions with any of the Group's other components. All operating segments' operating results are reviewed regularly by the Group's chief operations decision-maker ("CODM") to make decisions about resources to be allocated to the segment and assess its performance, and for which discrete financial information is available.

Segment results that are reported to the CODM include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items comprise mainly corporate assets and head office expenses.

Segment capital expenditure is the total cost incurred during the year to acquire plant and equipment.

3.16 New standards and interpretations not yet adopted

A number of new standards, amendments to standards and interpretations are not yet effective and have not been applied in preparing these financial statements. An explanation of the impact, if any, on adoption of these new requirements is provided in Note 25.

4 Plant and equipment

	Note	Fixtures and equipment $'000
Group		
Cost		
At 1 January 2017		–
Acquisition of subsidiaries	21	1
Additions		12
At 31 December 2017		13
Additions		48
At 31 December 2018		61
Accumulated depreciation		
At 1 January 2017		–
Depreciation charge for the year		1
At 31 December 2017		1
Depreciation charge for the year		9
At 31 December 2018		10
Carrying amounts		
At 1 January 2017		–
At 31 December 2017		12
At 31 December 2018		51
Company		
Cost		
At 1 January 2017		–
Additions		12
At 31 December 2017		12
Additions		48
At 31 December 2018		60
Accumulated depreciation		
At 1 January 2017		–
Depreciation charge for the year		1
At 31 December 2017		1
Depreciation charge for the year		9
At 31 December 2018		10
Carrying amounts		
At 1 January 2017		–
At 31 December 2017		11
At 31 December 2018		50

5 Goodwill

	Group	
	2018	2017
	$'000	$'000
Goodwill arising from acquisition of a subsidiary (Note 21)	61	61
Less: Impairment loss	(61)	(61)
	–	–

For the purposes of impairment testing, goodwill has been allocated to the Group's CGUs for Beijing Vast Universe Culture Communication Co., Ltd.

In 2017, the Group assessed the carrying amount of the CGU for indicators of impairment. The recoverable amount of the CGU is determine based on value in use calculation. The value in use calculation is a discounted cash flow model using cash flow projections based on the most recent budgets and forecast by management covering 3 years. The discount rate of 9.4% applied is the weighted average cost of capital of the CGU. Based on the Group's assessment, the carrying amount of the goodwill was determined to be lower than its recoverable amount and an impairment loss of $61,000 was recognised.

6 Investment in subsidiaries

	Company	
	2018	2017
	$'000	$'000
Equity investments at cost	58,065	40,000
Less: Allowance of impairment	(1,296)	–
	56,769	40,000
Loan to a subsidiary (interest-free)	–	18,065
	56,769	58,065

In 2017, the loan to a subsidiary was unsecured and settlement of these amount was neither planned nor likely to occur in the foreseeable future. As this amount was, in substance, a part of the Company's net investment in subsidiary, it is stated at cost less accumulated impairment loss. On 17 January 2018, this amount has been fully converted into share capital of the subsidiary.

Details of subsidiaries are as follows:

Name of subsidiaries	Country of incorporation	Principal activities	Effective equity held by the Group 2018 %	Effective equity held by the Group 2017 %
The Place Yuntai Investment Pte. Ltd. [(1)(4)]	Singapore	Investment holding	100	100
Xinghuironghui (Tianjin) Equity Investment Partnership (Limited) ("Xinghuironghui") [(2)]	People's Republic of China ("PRC")	Investment holding	99.99	99.99

6 Investment in subsidiaries (cont'd)

Name of subsidiaries	Country of incorporation	Principal activities	Effective equity held by the Group 2018 %	Effective equity held by the Group 2017 %
Subsidiary of Xinghuironghui				
Beijing Vast Universe Culture Communication Co., Ltd [3][5]	PRC	Provision of media, advertising and event management services	99.99	99.99

(1) Audited by KPMG LLP Singapore

(2) Audited by KPMG LLP Singapore for consolidation purpose

(3) Audited by other member firm of KPMG International

(4) In 2017, the Company incorporated The Place Yuntai Investment Pte. Ltd.. The cost of investment of $10,000,000 was satisfied by cash.

(5) The subsidiary was acquired by Xinghuironghui on 3 January 2017. Details on acquisition of the subsidiary are disclosed in Note 21.

7 Trade and other receivables

	Group		Company	
	2018	2017	2018	2017
	$'000	$'000	$'000	$'000
Trade receivables	7	184	–	–
Amount due from a subsidiary (non-trade)	–	–	–	10
Loan to a third party	3,600	3,600	3,600	3,600
Interest receivables	34	162	23	148
Other receivables	26	6	26	4
Deposits	73	–	73	–
	3,740	3,952	3,722	3,762

Trade receivables as at year end is neither past due nor impaired.

In 2017, the amount due from a subsidiary was unsecured, interest-free and repayable on demand.

Loan to a third party is secured by corporate guarantee from a company controlled by directors of the Company, bears interest at 8% (2017: 8%) per annum and fully repayable in December 2019 (2017: December 2018). There is no allowance for impairment arising from the outstanding balance as the ECLs is not material.

The Group and the Company's exposure to credit and currency risks are disclosed in Note 20.

8 Cash and cash equivalents

	Group		Company	
	2018	2017	2018	2017
	$'000	$'000	$'000	$'000
Cash and bank balances	4,814	38,942	1,572	6,182
Fixed deposits with financial institutions	85,069	49,542	27,936	26,777
Cash and cash equivalents in the statements of financial position and statement of cash flows	89,883	88,484	29,508	32,959

Fixed deposit with financial institutions of the Group and the Company bear interest at average rates ranging from 1.20% to 1.73% (2017: 1.20% to 1.50%) per annum and 1.25% to 1.50% (2017: 1.25% to 1.50%) per annum respectively.

9 Share capital

	2018	2017	2018	2017
	Number of shares	Number of shares	Amount	Amount
	'000	'000	$'000	$'000
Company				
Fully paid ordinary shares, with no par value:				
At 1 January	5,880,654	3,120,000	149,845	101,127
Issued during the year, net of transaction costs	–	2,426,759	–	42,808[1]
Issue of shares for settlement of introducer fee	–	54,130	–	975
Issue of share options, net of transaction costs	–	279,765	–	4,935[2]
At 31 December	5,880,654	5,880,654	149,845	149,845

[1] Net of transaction costs pertaining to introducer fee of $874,000

[2] Net of transaction costs pertaining to introducer fee of $101,000

The holder of ordinary share is entitled to receive dividends as declared from time to time, and is entitled to one vote per share at meetings of the Company. All shares rank equally with regards to the Company's residual assets.

9 Share capital (cont'd)

On 11 December 2015 and 29 June 2016, the Company entered into a share subscription agreement and a supplementary agreement (collectively, the "Share Subscription Agreements") respectively, with Oriental Straits Fund III ("Oriental") and Mr Wen Yao-Long. Pursuant to the Share Subscription Agreements, the following events occurred:

1) On 12 October 2016, the Tranche 1 share subscription was completed with the allotment and issue of 2,500,000,000 new shares of the Company to Oriental at the issue price of $0.018 per share for cash consideration of $45,000,000. Contemporaneously, 50,000,000 new shares of the Company were allotted and issued to a third party, Wellmont Investment Limited (the "Introducer"), who introduced Oriental to the Company as settlement of introducer fee for the Tranche 1 share subscription of $900,000.

2) On 4 July 2017, the Tranche 2 share subscription was completed with the allotment and issue of 2,426,759,333 new shares of the Company to Oriental at the issue price of $0.018 per share for cash consideration of $43,682,000. Contemporaneously, 48,535,186 new shares of the Company were allotted and issued as introducer shares to the Introducer by the Company as settlement of introducer fee for Tranche 2 share subscription of $874,000.

3) Following the completion of Tranche 1 and 2 share subscriptions, the Company granted Oriental the right to subscribe a maximum of 279,764,726 option shares at the issue price of $0.018 per share.

4) On 10 October 2017, the Company received a subscription request from Oriental to subscribe for the above-mentioned option shares. Accordingly, the Company allotted and issued 279,764,726 new shares to Oriental on 17 October 2017 at the issue price of $0.018 per share for cash consideration of $5,036,000. Contemporaneously, 5,595,294 new shares of the Company were allotted and issued to the Introducer by the Company as settlement of introducer fee on the option shares of $101,000.

10 Reserves

The reserves of the Group comprise the following balances:

	Group		
	31 Dec 2018	31 Dec 2017	1 Jan 2017
	$'000	$'000	$'000
Foreign currency translation reserve	(1,325)	(479)	–
Legal reserve	–	–	2,834
Statutory reserve	305	161	5,078
Other reserve	–	–	(16,472)
	(1,020)	(318)	(8,560)

Foreign currency translation reserve

The foreign currency translation reserve comprises foreign currency differences arising from the translation of the financial statements of foreign operations.

10 Reserves (cont'd)

Legal reserve

At 1 January 2017, legal reserve of the Group represented 10% of the net profit of a subsidiary which was being appropriated as required under the legislation of its country of incorporation in Taiwan. Appropriation will cease only when the legal reserve is equivalent to the amount of authorised share capital in the subsidiary. The reserve may be used to offset the subsidiary's accumulated deficit but cannot be distributed as cash dividends; however, 50% of the reserve may be converted to share capital when it reaches an amount equal to one-half of the issued share capital upon approval by the subsidiary's shareholder. If the subsidiary has no earnings in any year and the reserve is in excess of 50% of the amount of issued share capital, the excess can be used to distribute cash dividends. The subsidiary was disposed on 3 January 2017.

Statutory reserve

In accordance with the Foreign Enterprise Law applicable to the subsidiaries incorporated in the PRC, the subsidiaries are required to make appropriation to a statutory reserve. In the PRC, at least 10% of the statutory profits after tax as determined in accordance with the applicable PRC accounting standards and regulations must be allocated to the statutory reserve until the cumulative total of the statutory reserves reach 50% of the subsidiaries' registered capital. Subject to approval from the relevant PRC authorities, the statutory reserve may be used to offset any accumulated losses or increase the registered capital of the subsidiaries. The statutory reserves in PRC are not available for dividend distribution to shareholders.

Other reserve

At 1 January 2017, other reserve comprises equity reserve that represents the effects of changes in ownership interests in subsidiaries when there is no change in control. The subsidiaries were disposed on 3 January 2017.

11 Trade and other payables

	Group		Company	
	2018	2017	2018	2017
	$'000	$'000	$'000	$'000
Trade payables	–	35	–	–
Non-trade amount due to a subsidiary	–	–	–	3,600
Accrued operating expenses	292	291	271	291
Other payables	167	129	48	41
	459	455	319	3,932

In 2017, the non-trade amount due to a subsidiary was unsecured, interest-free and repayable on demand.

The Group and the Company's exposure to currency and liquidity risks related to trade and other payables are disclosed in Note 20.

12 Revenue

	Group	
	2018	2017
	$'000	$'000
Media and event management fees	1,798	1,886
Fees for securing sponsorship for customers	–	558
	1,798	2,444

13 Other income

	Group	
	2018	2017
	$'000	$'000
Gain on disposal of discontinued operations	–	11,056

14 Net finance income/(costs)

	Group	
	2018	2017
	$'000	$'000
Finance income		
Interest income	1,766	461
Net foreign exchange gain	1,145	–
	2,911	461
Finance costs		
Net foreign exchange loss	–	(2,825)
Net finance income/(costs)	2,911	(2,364)

15 Profit before tax

	Group	
	2018	2017
	$'000	$'000
Audit fees paid to:		
- Auditors of the Company	114	138
- Other auditors	19	33
Non-audit fees paid to:		
- Auditors of the Company	3	2
- Other auditors	–	–
Depreciation of plant and equipment	9	1
Director fees	130	130
Impairment of goodwill	–	61
Professional and legal fee	245	238
Operating lease expenses	46	25
Employee benefits expense		
Salaries, bonuses and other costs	580	239
Contributions to defined contribution plans	38	31
	618	270

16 Tax expense

	Group	
	2018	2017
	$'000	$'000
Tax recognised in profit or loss		
Current tax expense		
Current year	535	453
Reconciliation of effective tax rate		
Profit before tax	2,451	9,439
Tax using the Singapore tax rate of 17%	417	1,605
Effect of tax rates in foreign jurisdictions	110	146
Non-deductible expenses	134	184
Tax exempt income	(88)	(1,482)
Tax rebates	(38)	–
	535	453

16 Tax expense (cont'd)

The Group is subject to income tax on an individual legal entity basis on profits arising in or derived from the tax jurisdictions in which companies comprising the Group domicile or operate.

The provision for PRC current income tax is based on a statutory income tax rate of 25% of the assessable income of the individual legal entity as determined in accordance with the relevant income tax rules and regulations of the PRC.

Unrecognised deferred tax assets

Deferred tax assets have not been recognised in respect of the following item because it is not probable that future taxable profit will be available against which the Group can use the benefits therefrom.

	Group	
	2018	2017
	$'000	$'000
Tax losses	646	–

The tax losses expire in 5 years and are subject to agreement by the tax authorities and compliance with income tax rules and regulations of the PRC in which a subsidiary operates.

Unrecognised deferred tax liabilities

As at reporting date, deferred tax liabilities have not been recognised in respect of taxes that would be payable on the distributed earnings of certain overseas subsidiaries of $2,260,000 (2017: $1,534,000) as the Group do not have plans to distribute these earnings in the foreseeable future.

17 Discontinued operations

On 30 December 2016, the Group entered into a share sale and purchase agreement with Mr Wen Yao-Long, a non-executive director that resigned on 25 April 2018 to dispose 100% of its equity interest in Eucon Investment Holding Pte Ltd at a consideration of $1. The disposal was completed on 3 January 2017.

	Group 2017 $'000
Gain on disposal of a foreign subsidiary	11,056
Profit from discontinued operations	11,056
Profit attributable to	
Owners of the Company	11,056
Non-controlling interests	–
	11,056
Cash flow from discontinued operations	
Net cash used in operating activities	–
Net cash used in investing activities	(11,040)
Net cash from financing activities	–
Net cash flows used in discontinued operations for the year	(11,040)
Effect of disposal on the financial position of the Group:	
Property, plant and equipment	16,574
Land use rights	2,946
Inventories	7,134
Trade and other receivables	19,578
Structured deposits	5,203
Cash and cash equivalents	11,040
Restricted cash	208
Borrowings	(18,054)
Retirement benefit obligation	(54)
Trade and other payables	(55,631)
Net liabilities of discontinued operations	(11,056)
Consideration received, satisfied in cash	–*
Cash and cash equivalents disposed of	(11,040)
Net cash outflow on disposal of discontinued operations	(11,040)

* Cash consideration of $1 was received.

18 Earnings per share

The calculation of basic and dilutive earnings per share at 31 December 2018 was based on the profit attributable to ordinary shareholders and a weighted average number of ordinary shares outstanding, calculated as follows:

Profit attributable to ordinary shareholders:

	Group
	$'000
2018	
Profit attributable to ordinary shareholders	1,916
2017	
Profit attributable to ordinary shareholders	8,986

Weighted average number of ordinary shares (basic):

	Group	
	Number of shares	
	2018	2017
	'000	'000
Issued shares at 1 January	5,880,654	3,120,000
Effect of shares issued	–	1,237,647
Effect of option shares issued	–	71,340
Weighted-average number of ordinary shares during the year	5,880,654	4,428,987

Weighted average number of ordinary shares (diluted):

	Group	
	Number of shares	
	2018	2017
	'000	'000
Weighted-average number of ordinary shares (basic)	5,880,654	4,428,987
Effect of option shares on issue	–	80,480
Weighted-average number of ordinary shares during the year (diluted)	5,880,654	4,509,467

19 Related parties

Other than disclosed elsewhere in the financial statements, there were the following significant related party transactions which were carried out on terms agreed between the parties as follows:

	Group	
	2018	2017
	$'000	$'000
A company which is controlled by a director of the Company		
Media and event management fees	1,576	1,359
A company in which a key management personnel of the Company has substantial financial interest		
Fees for securing sponsorship for customers	–	558

Transactions with key management personnel

Key management personnel compensation comprised:

	Group	
	2018	2017
	$'000	$'000
Salaries, bonuses and other costs	509	348
Contribution to defined contribution plans	26	26
	535	374

20 Financial risk management

The Group has exposure to the following risks from its use of financial instruments:

- credit risk
- liquidity risk
- market risk

This note presents information about the Group's exposure to each of the above risks, the Group's objectives, policies and processes for measuring and managing risks, and the Group's management of capital. There has been no change to the Group's exposure to these financial risks or the manner in which it manages and measures the risk.

Risk management framework

The Group has a system of controls in place to create an acceptable balance between the cost of risks occurring and the cost of managing the risks. The management continually reviews that the Group's risk management process reflect changes in market conditions and the Group's activities.

The Board of Directors oversees how management monitors compliance with the Group's risk management policies and procedures.

20 Financial risk management (cont'd)

Credit risk

Credit risk is the risk of financial loss to the Group resulting from the failure of a customer or counterparty to meets its contractual obligations, and arises principally from the Group's receivables from customers and cash placed with financial institutions.

Financial transactions are restricted to counterparties that meet appropriate credit criteria that are approved by the Group and are reviewed on a regular basis. In respect of trade and other receivables, the Group has guidelines governing the process of granting credit and outstanding balances are monitored on an going basis.

Trade and other receivables that are neither past due nor impaired at the reporting date are assessed to be of good credit quality.

At the reporting date, the Group does not have any significant credit risk exposure to any single counterparty or any group of counterparties having similar characteristics except for a loan to a third party of $3,600,000, which is secured by corporate guarantee from a company controlled by directors of the Company. Impairment on this balance has been measured on the 12-month expected loss basis which reflects the low credit risk of the exposure. The amount of allowance from the outstanding balance is insignificant.

Cash and cash equivalents

At the reporting date, the Group and Company held cash and cash equivalents of $89,883,000 (2017: $88,484,000), and $29,508,000 (2017: $32,959,000) respectively which represents its maximum exposure on these assets. Cash and cash equivalents are held with bank, which are rated BBB- to A, based on Standard & Poor's ratings.

Impairment on cash and cash equivalents has been measured on the 12-month expected loss basis and reflects the short maturities of the exposures. The Group considers that its cash and cash equivalents have low credit risk based on the external credit ratings of the counterparties. The amount of the allowance on cash and cash equivalents was negligible.

Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Group monitors and maintains a level of cash and cash equivalents deemed adequate by management to finance the Group's operations and to mitigate the effects of fluctuations in cash flows. Typically the Group ensures that it has sufficient cash on demand to meet expected operational expenses for a reasonable period.

20 Financial risk management (cont'd)

Liquidity risk (cont'd)

The following are the expected contractual maturities of financial liabilities, including estimated interest payments and excluding the impact of netting agreements:

		Cash flows	
	Carrying amount	Contractual cash flows	Within 1 year
	$'000	$'000	$'000
Group			
2018			
Non-derivative financial liabilities			
Trade and other payables	459	(459)	(459)
2017			
Non-derivative financial liabilities			
Trade and other payables	455	(455)	(455)
Company			
2018			
Non-derivative financial liabilities			
Trade and other payables	319	(319)	(319)
2017			
Non-derivative financial liabilities			
Trade and other payables	3,932	(3,932)	(3,932)

Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates and interest rates will affect the Group's income. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

Foreign currency risk

The Group incurs foreign currency risk on transactions that are denominated in currencies other than Singapore dollars. The Group also has subsidiaries located in PRC which have adopted Chinese Renminbi ("RMB") as the functional currency. Other than the functional currency of the Group's subsidiaries, the foreign currency which the Group has exposure to at the reporting date is the US Dollar ("USD"). Exposures to currency risk are monitored on an ongoing basis.

20 Financial risk management (cont'd)

Market risk (cont'd)

Foreign currency risk (cont'd)

Exposure to currency risk

The exposure of the Group and the Company to foreign currencies (financial assets and liabilities not denominated in the respective entities' functional currencies) as at reporting date in Singapore dollars equivalent amounts are as follows:

	USD
Group	**$'000**
2018	
Trade and other receivables	34
Cash and cash equivalents	54,279
Net exposure	54,313
2017	
Trade and other receivables	162
Cash and cash equivalents	52,189
Net exposure	52,351
Company	
2018	
Trade and other receivables	23
Cash and cash equivalents	29,412
Net exposure	29,435
2017	
Trade and other receivables	149
Cash and cash equivalents	28,222
Net exposure	28,371

20 Financial risk management (cont'd)

Market risk (cont'd)

Foreign currency risk (cont'd)

Sensitivity analysis

A 10% strengthening of Singapore dollars against the following currencies at the reporting date would increase/(decrease) profit or (loss) before any tax effects by the amounts shown below. There is no impact on equity. This analysis assumes that all other variables, in particular interest rates, remain constant.

	Group Profit or (Loss)	Company Profit or (Loss)
	$'000	$'000
31 December 2018		
USD	(5,431)	(2,944)
31 December 2017		
USD	(5,235)	(2,837)

A 10% weakening of Singapore dollars against the above currencies would have had the equal but opposite effect on the above currencies to the amounts shown above, on the basis that all other variables remain constant.

Interest rate risk

The Group's exposure to market risk for changes in interest rates relates primarily to the Group's deposits with banks. The Group does not hedge against this risk exposure.

Exposure to interest rate risk

At the reporting date, the interest rate profile of the interest-generating financial instruments are as follows:

	Group		Company	
	2018	2017	2018	2017
	$'000	$'000	$'000	$'000
Fixed rate instruments				
Trade and other receivables	3,600	3,600	3,600	3,600
Cash and cash equivalents	85,069	49,542	27,936	26,777
	88,669	53,142	31,536	30,377
Variable rate instruments				
Cash and cash equivalents	4,814	38,942	1,572	6,182

20 Financial risk management (cont'd)

Market risk (cont'd)

Interest rate risk (cont'd)

Fair value sensitivity analysis for fixed rate instruments

The Group does not account for any fixed rate financial assets at fair value through profit or loss. Therefore, in respect of the fixed rate instruments, a change in interest rates at the reporting date would not affect profit or loss.

Cash flow sensitivity analysis for variable rate instruments

A change of 100 basis points ("bp") in interest rates at the reporting date would have increased/ (decreased) profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant. The analysis is performed for the same basis for 2017.

	Group		Company	
	100bp increase	100bp decrease	100bp increase	100bp decrease
	$'000	$'000	$'000	$'000
2018				
Cash and cash equivalents	48	(48)	16	(16)
2017				
Cash and cash equivalents	389	(389)	62	(62)

Capital management policy

In managing the capital of the Group, the Board aims to maintain a capital structure which balances the need to maximise the rate of return on capital and at the same time safeguard the Group's ability to continue as a going concern in the long term, maintain investors, creditors and market confidence, and sustain future development of the business.

The Group defines capital as share capital and reserves.

The Group manages the level of capital in proportion to risk and future business development requirements while balancing the need to maximise the return on capital. The Group does not stipulate the desired level of capital. It monitors and manages its capital structure on an ongoing basis and makes adjustments to it in light of changes in economic conditions, risk characteristics of the underlying assets and performance of the Group.

As part of the capital management process, the Group may adjust its level of dividends, issue new shares and/or return capital to shareholders, where appropriate. The Board takes into consideration the cash position and capital requirements of the Group when determining the level of dividends to pay shareholders.

There was no change to the Group's approach to capital management during the year.

20 Financial risk management (cont'd)

Capital management policy (cont'd)

The Group is not subject to any externally imposed capital requirement except for the statutory reserve of the subsidiaries of the Group as disclosed in Note 10. This externally imposed capital requirement had been complied with by the subsidiary for the financial year ended 31 December 2018.

Accounting classifications and fair values

The carrying amounts and fair values of financial assets and financial liabilities are as follows. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

		Carrying amount			
	Note	Amortised cost	Loans and receivables	Other financial liabilities	Total
		$'000	$'000	$'000	$'000
Group					
2018					
Financial assets not measured at fair value					
Trade and other receivables	7	3,740	–	–	3,740
Cash and cash equivalents	8	89,883	–	–	89,883
		93,623	–	–	93,623
Financial liabilities not measured at fair value					
Trade and other payables	11	–	–	(459)	(459)
2017					
Financial assets not measured at fair value					
Trade and other receivables	7	–	3,952	–	3,952
Cash and cash equivalents	8	–	88,484	–	88,484
		–	92,436	–	92,436
Financial liabilities not measured at fair value					
Trade and other payables	11	–	–	(455)	(455)

20 Financial risk management (cont'd)

Accounting classifications and fair values (cont'd)

	Note	Carrying amount			
		Amortised cost	Loans and receivables	Other financial liabilities	Total
		$'000	$'000	$'000	$'000
Company					
2018					
Financial assets not measured at fair value					
Trade and other receivables	7	3,722	–	–	3,722
Cash and cash equivalents	8	29,508	–	–	29,508
		33,230	–	–	33,230
Financial liabilities not measured at fair value					
Trade and other payables	11	–	–	(319)	(319)
2017					
Financial assets not measured at fair value					
Trade and other receivables	7	–	3,762	–	3,762
Cash and cash equivalents	8	–	32,959	–	32,959
		–	36,721	–	36,721
Financial liabilities not measured at fair value					
Trade and other payables	11	–	–	(3,932)	(3,932)

Determination of fair values

The carrying amounts of financial assets and liabilities with a maturity of less than one year (including trade and other receivables, cash and cash equivalents, and trade and other payables) are assumed to approximate their fair values due to the short-period to maturity.

21 Acquisition of a subsidiary

The primary reason for the Group's acquisition of the subsidiary is to diversify its core business into the media business. At the time of acquisition, the Group considers whether the acquisition represents the acquisition of a business or the acquisition of an asset. The Group accounts for an acquisition as a business combination where an integrated set of activities is acquired. Typically, the Group assesses the acquisition as a purchase of business when the strategic management function and the associated processes were purchased along with the underlying assets and liabilities.

On 3 January 2017, the Group acquired 99.99% equity interests in Beijing Vast Universe Culture Communication Co., Ltd. at a consideration of $498,000. The consideration for the acquisition was satisfied in cash.

For the 12 months ended 31 December 2017, Beijing Vast Universe Culture Communication Co., Ltd. contributed revenue of $2,444,000 and net profit after tax of $1,378,000 to the Group's results.

Identifiable assets acquired and liabilities assumed

The cash flow and the net assets of the subsidiary acquired at the date of acquisition are as follows:

	Note	2017
		$'000
Plant and equipment	4	1
Trade receivables		51
Cash and cash equivalents		492
Other payables		(33)
Current tax liabilities		(74)
Net assets		437
Less: Non-controlling interests		–*
Net assets acquired		437
Goodwill on acquisition of a subsidiary	5	61
Total purchase consideration		498
Purchase consideration satisfied in cash		(498)
Cash and cash equivalents acquired		492
Net cash outflow on acquisition		(6)

* Less than $1,000

22 Commitments

(a) Operating lease rental payable

As at the end of reporting period, the Group have outstanding commitment under non-cancellable operating lease as follows:

	2018	2017
	$'000	$'000
Group		
Within 1 year	220	59
After 1 year but within 5 years	149	41
	369	100

(b) Capital commitments

On 8 November 2017, the Group entered into a subscription agreement with Jingneng Tianjie Yuntaishan Investment Co., Ltd to subscribe for 80% of the enlarged registered capital of Tianjie Yuntai Wanrun (Xiuwu) Property Development Co., Ltd. at the subscription amount of US$20,530,000 (equivalent to $27,218,000).

23 Segment information

For purpose of management reporting, the group is organised into one major reportable segment – media and event management services. The segment is the basis on which the Group reports to its CODM for the purposes of resource allocation and assessment of segment performance.

(a) Analysis by Reportable Segment

Segment revenue and expense are revenue and expense reported in the group's profit or loss that are directly attributable to a segment or can be allocated on a reasonable basis to a segment. There are no revenue arising from transactions between reportable segments.

Segment assets and liabilities comprises items that are directly attributable to a reportable segment in its operating activities or can be allocated to the reportable segment on a reasonable basis. Segment assets and liabilities are presented net of inter-segment balances.

23 Segment information (cont'd)

(a) Analysis by Reportable Segment (cont'd)

Information regarding the group's reportable segments prepared based on measurement principles of SFRS(I) is presented below.

	Media and event management services		Others		Total	
	2018	2017	2018	2017	2018	2017
	$'000	$'000	$'000	$'000	$'000	$'000
Revenue and expenses (by business segments)						
Segment revenue						
Segment revenue to related parties	1,576	1,917	–	–	1,576	1,917
Segment revenue to external parties	222	527	–	–	222	527
	1,798	2,444	–	–	1,798	2,444
Segment results	1,386	1,773	–	–	1,386	1,773
Other income	–	–	–	11,056	–	11,056
Unallocated corporate expenses	–	–	(1,846)	(1,026)	(1,846)	(1,026)
Net finance income/(costs)	634	58	2,277	(2,422)	2,911	(2,364)
Profit before tax	2,020	1,831	431	7,608	2,451	9,439
Tax expense	(505)	(453)	(30)	–	(535)	(453)
Net profit attributable to the group	1,515	1,378	401	7,608	1,916	8,986
Assets and liabilities						
Segment assets	31,754	9,848	–	–	31,754	9,848
Unallocated corporate assets	–	–	61,920	82,600	61,920	82,600
Consolidated total assets	31,754	9,848	61,920	82,600	93,674	92,448
Segment liabilities	388	251	–	–	388	251
Unallocated corporate liabilities	–	–	390	371	390	371
Consolidated total liabilities	388	251	390	371	778	622
Additions to plant and equipment	–	–	48	12	48	12
Depreciation of plant and equipment	–	–	9	1	9	1
Gain on disposal of discontinued operations	–	–	–	(11,056)	–	(11,056)
Impairment of goodwill	–	61	–	–	–	61
Interest income	(634)	(58)	(1,132)	(403)	(1,766)	(461)
Net foreign exchange (gain)/loss	–	–	(1,145)	2,825	(1,145)	2,825

Segment profit represents the profit earned by each segment without allocation of central administration costs and directors' remuneration. This is the measure reported to the CODM for the purposes of resource allocation and assessment of segment performance.

23 Segment information (cont'd)

(b) Analysis by Geographical Information

Segment revenue is analysed based on the location of customers.

Total revenue and non-current assets are analysed based on the location of those assets.

Revenue and non-current assets
(by geographical segments)

	PRC		Singapore		Total	
	2018	2017	2018	2017	2018	2017
	$'000	$'000	$'000	$'000	$'000	$'000
Segment revenue	1,798	2,444	–	–	1,798	2,444
Segment non-current assets	1	1	50	11	51	12

Information about major customers

Included in revenues from media and event management services are revenues of approximately $1,713,000 (2017: $1,917,000) which arose from services rendered to the Group's two largest customers.

24 Explanation of transition to SFRS(I) and adoption of new standards

In December 2017, the Accounting Standards Council ("ASC") issued the Singapore Financial Reporting Standards (International) ("SFRS(I)"). SFRS(I) comprises standards and interpretations that are equivalent to International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") at 31 December 2017 that are applicable for annual period beginning on 1 January 2018. Singapore-incorporated companies that have issued, or are in the process of issuing, equity or debt instruments for trading in a public market in Singapore, will apply SFRS(I) with effect from annual periods beginning on or after 1 January 2018.

As stated in Note 2.1, these are the first financial statements of the Group and of the Company prepared in accordance with SFRS(I).

The accounting policies set out in Note 3 have been applied in preparing the financial statements for the year ended 31 December 2018, the comparative information presented in these financial statements for the year ended 31 December 2017 and in the preparation of the opening SFRS(I) statement of financial position at 1 January 2017 (the Group's date of transition), subject to the mandatory exceptions and optional exemptions under SFRS(I) 1.

In addition to the adoption of the new framework, the Group also concurrently applied the following SFRS(I)s, interpretations of SFRS(I)s and requirements of SFRS(I)s which are mandatorily effective from the same date.

24 Explanation of transition to SFRS(I) and adoption of new standards (cont'd)

- SFRS(I) 15 *Revenue from Contracts with Customers* which includes clarifications to IFRS 15 *Revenue from Contracts with Customers* issued by the IASB in April 2016;

- SFRS(I) 9 *Financial Instruments* which includes amendments arising from IFRS 4 *Insurance Contracts* issued by the IASB in September 2016;

- requirements in SFRS(I) 2 *Share-based Payment* arising from the amendments to IFRS 2 – *Classification and measurement of share-based payment transactions* issued by the IASB in June 2016;

- requirements in SFRS(I) 1-40 *Investment Property arising from the amendments to IAS 40 – Transfers of investment property* issued by the IASB in December 2016;

- requirements in SFRS(I) 1 arising from the amendments to IFRS 1 – *Deletion of short-term exemptions for first-time adopters* issued by the IASB in December 2016;

- requirements in SFRS(I) 1-28 *Investments in Associates and Joint Ventures* arising from the amendments to IAS 28 – *Measuring an associate or joint venture at fair value* issued by the IASB in December 2016; and

- SFRS(I) INT 22 *Foreign Currency Transactions and Advance Consideration*.

The application of the above standards and interpretations do not have a material effect on the financial statements.

An explanation of how the transition from previous FRS to SFRS(I) has affected the Group's financial position, financial performance and cash flows, and the Company's financial position is set out under the summary of quantitative impact and the accompanying notes.

Summary of quantitative impact

The following reconciliations summarise the impacts on initial application of SFRS(I) 1, SFRS(I) 15 and SFRS(I) 9 on the Group's and the Company's financial position as at 1 January 2017, 31 December 2017 and 1 January 2018 and the Group's profit or loss and other comprehensive income for the year ended 31 December 2017. There were no material adjustments to the Group's statement of cash flows for the year ended 31 December 2017 arising on transition to SFRS(I).

24 Explanation of transition to SFRS(I) and adoption of new standards (cont'd)

Reconciliation of the Group's equity
Consolidated statement of financial position

	Note	31 December 2017				1 January 2018	
		Current framework $'000	SFRS(I) 1 $'000	SFRS(I) 15 $'000	SFRS(I) framework $'000	SFRS(I) 9 $'000	SFRS(I) framework $'000
Non-current assets							
Plant and equipment		12	–	–	12	–	12
Current assets							
Trade and other receivables		3,952	–	–	3,952	–	3,952
Cash and cash equivalents		88,484	–	–	88,484	–	88,484
Current assets		92,436	–	–	92,436	–	92,436
Total assets		92,448	–	–	92,448	–	92,448
Equity							
Share capital		149,845	–	–	149,845	–	149,845
Reserves	(i)	2,078	(2,396)^	–	(318)	–	(318)
Accumulated losses	(i)	(60,097)	2,396^	–	(57,701)	–	(57,701)
Non-controlling interests		–*	–	–	–*	–	–*
Total equity		91,826	–	–	91,826	–	91,826
Current liabilities							
Trade and other payables		455	–	–	455	–	455
Current tax liabilities		167	–	–	167	–	167
Current liabilities		622	–	–	622	–	622
Total equity and liabilities		92,448	–	–	92,448	–	92,448

* Less than $1,000

^ Relates to cumulative foreign currency translation reserve ("FCTR") as at 1 January 2017 of $6,320,000, including loss on FCTR relating to discontinued operations of $8,716,000 disposed on 3 January 2017.

24 Explanation of transition to SFRS(I) and adoption of new standards (cont'd)

Reconciliation of the Group's equity
Consolidated statement of financial position

		1 January 2017			
	Note	Current framework	SFRS(I) 1	SFRS(I) 15	SFRS(I) framework
		$'000	$'000	$'000	$'000
Current assets					
Cash and cash equivalents		46,047	–	–	46,047
Assets held for sale		62,684	–	–	62,684
Current assets		108,731	–	–	108,731
Total assets		108,731	–	–	108,731
Equity					
Share capital		101,127	–	–	101,127
Reserves	(i)	(14,880)	6,320	–	(8,560)
Accumulated losses	(i)	(51,646)	(6,320)	–	(57,966)
Non-controlling interests		–*	–	–	–*
Total equity		34,601	–	–	34,601
Current liabilities					
Trade and other payables		391	–	–	391
Liabilities held for sale		73,739	–	–	73,739
Current liabilities		74,130	–	–	74,130
Total equity and liabilities		108,731	–	–	108,731

* Less than 1,000

24 Explanation of transition to SFRS(I) and adoption of new standards (cont'd)

Reconciliation of the Group's profit or loss
Consolidated statement of profit or loss

		Year ended 31 December 2017			
	Note	Current framework	SFRS(I) 1	SFRS(I) 15	SFRS(I) framework
		$'000	$'000	$'000	$'000
Revenue		2,444	–	–	2,444
Cost of sales		(566)	–	–	(566)
Gross profit		1,878	–	–	1,878
Other income	(i)	2,340	8,716	–	11,056
Administrative expenses		(1,070)	–	–	(1,070)
Other expenses		(61)	–	–	(61)
Results from operating activities		3,087	8,716	–	11,803
Net finance costs		(2,364)	–	–	(2,364)
Profit before tax		723	8,716	–	9,439
Tax expense		(453)	–	–	(453)
Profit for the year		270	8,716	–	8,986
Profit attributable to:					
Owners of the Company		270	8,716	–	8,986
Non-controlling interests		–*	–	–	–*
Profit for the year		270	8,716	–	8,986

* Less than $1,000

24 Explanation of transition to SFRS(I) and adoption of new standards (cont'd)

Reconciliation of the Group's total comprehensive income
Consolidated statement of comprehensive income

		Year ended 31 December 2017			
	Note	Current framework	SFRS(I) 1	SFRS(I) 15	SFRS(I) framework
		$'000	$'000	$'000	$'000
Profit for the year		270	8,716	–	8,986
Other comprehensive income					
Items that may be reclassified to profit or loss:					
Foreign currency translation differences on disposal of foreign operations reclassified to profit or loss	(i)	8,716	(8,716)	–	–
Foreign currency translation differences of foreign operations		(479)	–	–	(479)
Other comprehensive income for the year, net of tax[1]		8,237	–	–	(479)
Total comprehensive income for the year		8,507	–	–	8,507
Total comprehensive income attributable to:					
Owners of the Company		(209)	8,716	–	8,507
Non-controlling interests		–*	–*	–	–*
Total comprehensive income for the year		(209)	8,716	–	8,507

* Less than $1,000

[1] There are no income tax effects relating to components of other comprehensive income.

24 Explanation of transition to SFRS(I) and adoption of new standards (cont'd)

Reconciliation of the Company's equity
Statement of financial position for the Company

	Note	31 December 2017 Current framework	SFRS(I) 1	SFRS(I) 15	SFRS(I) framework	1 January 2018 SFRS(I) 9	SFRS(I) framework
		$'000	$'000	$'000	$'000	$'000	$'000
Non-current assets							
Plant and equipment		11	–	–	11	–	11
Investment in subsidiaries		58,065	–	–	58,065	–	58,065
Non-current assets		58,076	–	–	58,076	–	58,076
Current assets							
Trade and other receivables		3,762	–	–	3,762	–	3,762
Cash and cash equivalents		32,959	–	–	32,959	–	32,959
Current assets		36,721	–	–	36,721	–	36,721
Total assets		94,797	–	–	94,797	–	94,797
Equity							
Share capital		149,845	–	–	149,845	–	149,845
Reserves	(i)	1,869	(1,869)	–	–	–	–
Accumulated losses	(i)	(60,849)	1,869	–	(58,980)	–	(58,980)
Total equity		90,865	–	–	90,865	–	90,865
Current liabilities							
Trade and other payables		3,932	–	–	3,932	–	3,932
Current liabilities		3,932	–	–	3,932	–	3,932
Total equity and liabilities		94,797	–	–	94,797	–	94,797

24 Explanation of transition to SFRS(I) and adoption of new standards (cont'd)

Reconciliation of the Company's equity
Statement of financial position for the Company

	Note	1 January 2017 Current framework	SFRS(I) 1	SFRS(I) 15	SFRS(I) framework
		$'000	$'000	$'000	$'000
Non-current assets					
Investment in subsidiaries		30,000	–	–	30,000
Non-current assets		30,000	–	–	30,000
Current assets					
Cash and cash equivalents		15,504	–	–	15,504
Current assets		15,504	–	–	15,504
Total assets		45,504	–	–	45,504
Equity					
Share capital		101,127	–	–	101,127
Reserves	(i)	1,869	(1,869)	–	–
Accumulated losses	(i)	(57,881)	1,869	–	(56,012)
Total equity		45,115	–	–	45,115
Current liabilities					
Trade and other payables		389	–	–	389
Current liabilities		389	–	–	389
Total equity and liabilities		45,504	–	–	45,504

SFRS(I) 1

In adopting SFRS(I) in 2018, the Group has applied the transition requirements in SFRS(I) 1 with 1 January 2017 as the date of transition. SFRS(I) 1 generally requires that the Group applies SFRS(I) that are effective as at 31 December 2018 on a retrospective basis, as if such accounting policy had always been applied, subject to the mandatory exceptions and optional exemptions in SFRS(I) 1. Except as described below, the application of the mandatory exceptions and the optional exemptions in SFRS(I) 1 did not have any significant impact on the financial statements.

(i) Foreign currency translation reserve (FCTR)

The Group considers that restating FCTR to comply with current SFRS(I) 1-21 *The Effects of Changes in Foreign Exchange Rates* may not be practicable as certain acquisitions and disposals were transacted at dates that preceded the statutory record keeping periods.

The Group elected the optional exemption in SFRS(I) 1 to reset its cumulative FCTR for all foreign operations to nil at the date of transition, and reclassify the cumulative FCTR of $6,320,000 as at 1 January 2017 determined in accordance with FRS at that date to accumulated losses. After the date of transition, any gain or loss on disposal of any foreign operations will exclude translation differences that arose before the date of transition.

24 Explanation of transition to SFRS(I) and adoption of new standards (cont'd)

(i) Foreign currency translation reserve (FCTR) (cont'd)

By electing this optional exemption, the cumulative FCTR decreased by $6,320,000 and accumulated losses increased by the same amount as at 1 January 2017. The cumulative FCTR of $6,320,000 included a loss of $8,716,000 relating to discontinued operations disposed on 3 January 2017. For the year ended 31 December 2017, the gain on disposal of discontinued operations recognised as "other income" increased by $8,716,000 and OCI decreased by the same amount.

SFRS(I) 15

SFRS(I) 15 establishes a comprehensive framework for determining whether, how much and when revenue is recognised. It also introduces new cost guidance which requires certain costs of obtaining and fulfilling contracts to be recognised as separate assets when specified criteria are met.

The Group adopted SFRS(I) 15 in its financial statements using the retrospective approach. The adoption of SFRS(I) 15 does not have any significant impact on the financial statements.

SFRS(I) 9

SFRS(I) 9 *Financial Instruments* sets out requirements for recognising and measuring financial assets, financial liabilities and some contracts to buy or sell non-financial items. It also introduces a new ECL model and a new general hedge accounting model. The Group adopted SFRS(I) 9 from 1 January 2018.

In accordance with the exemption in SFRS(I) 1, the Group elected not to restate information for 2017. Accordingly, the information presented for 2017 is presented, as previously reported, under FRS 39 *Financial Instruments: Recognition and Measurement*. There are no differences in the carrying amounts of financial assets and financial liabilities resulting from the adoption of SFRS(I) 9.

Arising from this election, the Group is exempted from providing disclosures required by SFRS(I) 7 *Financial Instruments: Disclosures* for the comparative period to the extent that these disclosures relate to items within the scope of SFRS(I) 9. Instead, disclosures under FRS 107 *Financial Instruments: Disclosures* relating to items within the scope of FRS 39 are provided for the comparative period.

Changes in accounting policies resulting from the adoption of SFRS(I) 9 have been generally applied by the Group retrospectively, except as described below.

- The following assessments were made on the basis of facts and circumstances that existed at 1 January 2018.
  - The determination of the business model within which a financial asset is held; and
  - The determination of whether the contractual terms of a financial asset give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding.

24 Explanation of transition to SFRS(I) and adoption of new standards (cont'd)

The impact upon adoption of SFRS(I) 9 are described below.

Under SFRS(I) 9, the financial assets of the Group are classified as measured at amortised cost. The classification of financial assets under SFRS(I) 9 is generally based on the business model in which a financial asset is managed and its contractual cash flow characteristics. SFRS(I) 9 eliminates the previous FRS 39 categories of held-to-maturity, loans and receivables and available-for-sale.

The following table and the accompanying notes below explain the original measurement categories under FRS 39 and the new measurement categories under SFRS(I) 9 for each class of the Group's financial assets as at 1 January 2018.

Classification of financial assets and financial liabilities

			1 January 2018	
	Original classification under FRS 39	New classification under SFRS(I) 9	Original carrying amount under FRS 39	New carrying amount under SFRS(I) 9
			$'000	$'000
Group				
Financial assets				
Trade and other receivables	Loans and receivables	Amortised cost	3,952	3,952
Cash and cash equivalents	Loans and receivables	Amortised cost	88,484	88,484
Total financial assets			92,436	92,436
Company				
Financial assets				
Trade and other receivables	Loans and receivables	Amortised cost	3,762	3,762
Cash and cash equivalents	Loans and receivables	Amortised cost	32,959	32,959
Total financial assets			36,721	36,721

Impairment of financial assets

SFRS(I) 9 replaces the 'incurred loss' model in FRS 39 with an ECL model. The new impairment model applies to financial assets measured at amortised cost. The adoption of the new impairment model under SFRS(I) does not have significant impact on the financial statements.

25 New standards and interpretations not yet adopted

A number of new standards and interpretations and amendments to standards are effective for annual periods beginning after 1 January 2018 and earlier application is permitted; however, the Group has not early adopted the new or amended standards and interpretations in preparing these financial statements.

The following new SFRS(I)s, interpretations and amendments to SFRS(I)s are effective for annual periods beginning after 1 January 2018:

Applicable to 2019 financial statements

- SFRS(I) 16 *Leases*
- SFRS(I) INT 23 *Uncertainty over Income Tax Treatments*
- *Long-term interests in Associates and Joint Ventures* (Amendments to SFRS(I) 1-28)
- *Prepayment Features with Negative Compensation* (Amendments to SFRS(I) 9)

Mandatory effective date deferred

- *Sale or Contribution of Assets between an Investor and its Associate or Joint Venture* (Amendments to SFRS(I) 10 and SFRS(I) 1-28)

The Group has assessed the estimated impact that initial application of SFRS(I) 16 will have on the financial statements. The Group's assessment of SFRS(I) 16, which is expected to have a more significant impact on the Group, is as described below.

SFRS(I) 16 *Leases*

SFRS(I) 16 introduces a single, on-balance sheet lease accounting model for lessees. A lessee recognises a right-of-use (ROU) asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments. There are recognition exemptions for short-term leases and leases of low-value items. Lessor accounting remains similar to the current standard – i.e. lessors continue to classify leases as finance or operating leases. SFRS(I) 16 replaces existing lease accounting guidance, including SFRS(I) 1-17 *Leases*, SFRS(I) INT 4 *Determining whether an Arrangement contains a Lease*, SFRS(I) INT 1-15 *Operating Leases – Incentives* and SFRS(I) INT 1-27 *Evaluating the Substance of Transactions Involving the Legal Form of a Lease*. The standard is effective for annual periods beginning on or after 1 January 2019, with early adoption permitted.

The Group and the Company plan to apply SFRS(I) 16 initially on 1 January 2019, using the modified retrospective approach. Therefore, the cumulative effect of adopting SFRS(I) 16 will be recognised as an adjustment to the opening balance of accumulated losses at 1 January 2019, with no restatement of comparative information. The Group and the Company plan to apply the practical expedient to grandfather the definition of a lease on transition. This means that they will apply SFRS(I) 16 to all contracts entered into before 1 January 2019 and identified as leases in accordance with SFRS(I) 1-17 and SFRS(I) INT 4.

25 New standards and interpretations not yet adopted (cont'd)

The Group and the Company as lessee

The Group and the Company expect to measure lease liabilities by applying a single discount rate to their corporate office and staff accommodation leases. Furthermore, the Group and the Company are likely to apply the practical expedient to recognise amounts of ROU assets equal to their lease liabilities at 1 January 2019. For lease contracts that contain the option to renew, the Group and the Company are expected to use hindsight in determining the lease term.

The Group and the Company expect their existing operating lease arrangements to be recognised as ROU assets with corresponding lease liabilities under SFRS(I) 16.

As at 1 January 2019, the Group and Company expect an increase in ROU assets of $227,000, an increase in lease liabilities of $237,000 and an increase in accumulated losses of $10,000.

The nature of expenses related to those leases will change as SFRS(I) 16 replaces the straight-line operating lease expense with depreciation charge for ROU assets and interest expense on lease liabilities.

STATISTICS OF SHAREHOLDINGS

As at 13 March 2019

SHARE CAPITAL

Number of Issued Shares	:	5,880,654,539
Number of Issued Shares (excluding Treasury Shares and Subsidiary Holdings [1])	:	5,880,654,539
Number and Percentage of Treasury Shares	:	0 or 0% [2]
Number and Percentage of Subsidiary Holdings [1]	:	0 or 0% [2]
Class of Shares	:	Ordinary Shares
Voting Rights (excluding Treasury Shares and Subsidiary Holdings)	:	One vote per share

Notes:

(1) "Subsidiary Holdings" is defined in the Listing Manual of the Singapore Exchange Securities Trading Limited to mean shares referred to in Sections 21(4), 21(4B), 21(6A) and 21(6C) of the Companies Act, Chapter 50 of Singapore.

(2) Percentage calculated against the number of Issued Shares (excluding Treasury Shares and Subsidiary Holdings).

DISTRIBUTION OF SHAREHOLDINGS

SIZE OF SHAREHOLDINGS	NO. OF SHAREHOLDERS	%	NO. OF SHARES	%
1 - 99	1	0.04	88	0.00
100 - 1,000	256	10.24	140,579	0.00
1,001 - 10,000	988	39.50	4,780,460	0.08
10,001 - 1,000,000	1,200	47.98	124,976,584	2.13
1,000,001 AND ABOVE	56	2.24	5,750,756,828	97.79
TOTAL	**2,501**	**100.00**	**5,880,654,539**	**100.00**

TWENTY LARGEST SHAREHOLDERS

NO.	NAME	NO. OF SHARES	%
1	DBS VICKERS SECURITIES (SINGAPORE) PTE LTD	4,929,518,533	83.83
2	CGS-CIMB SECURITIES (SINGAPORE) PTE. LTD.	189,197,765	3.22
3	CAPITAL IMPETUS GROUP LIMITED	113,098,060	1.92
4	SUNNY WORLDWIDE INTERNATIONAL LTD	108,362,000	1.84
5	UOB KAY HIAN PRIVATE LIMITED	63,587,500	1.08
6	CHIEN WAN HSIN	59,550,000	1.01
7	YEO KAN YEN	49,963,562	0.85
8	WEN YAO LONG	41,147,747	0.70
9	MAYBANK KIM ENG SECURITIES PTE. LTD.	26,023,500	0.44
10	DBS NOMINEES (PRIVATE) LIMITED	18,552,800	0.32
11	IFAST FINANCIAL PTE. LTD.	11,085,400	0.19
12	CHEN WEN-CHIN	9,762,000	0.17
13	KGI SECURITIES (SINGAPORE) PTE. LTD.	9,590,200	0.16
14	CHEN CHENG HSIUNG	8,136,800	0.14
15	RAFFLES NOMINEES (PTE.) LIMITED	7,600,700	0.13
16	KWA CHING TZE	7,300,000	0.12
17	JENG HUANG FONG MAAN	6,188,800	0.11
18	CHEN CHU-TSU	5,826,500	0.10
19	WANG JUNG HSIN	5,000,000	0.09
20	ONG TAI PENG CATHERINE	4,853,518	0.08
	TOTAL	**5,674,345,385**	**96.50**

STATISTICS OF SHAREHOLDINGS

As at 13 March 2019

Substantial shareholders
(As shown in the Register of Substantial Shareholders)

	Direct Interest		Deemed Interest	
Name of Substantial Shareholders	**No. of Shares**	**%**	**No. of Shares**	**%**
Oriental Straits Fund III[1]	4,926,759,333	83.78	–	–
Sun Quan[2]	–	–	5,039,857,393	85.70

Notes:

(1) Shares held through DBS Vickers Securities (Singapore) Pte Ltd as nominee.

(2) Mr Sun Quan is a controlling shareholder and director of both China Capital Impetus Investment Limited (which manages Oriental Straits Fund III), as well as Capital Impetus Group Limited. By virtue of Section 7 of the Companies Act, Chapter 50 of Singapore, Mr Sun Quan is deemed to be interested in the 4,926,759,333 ordinary shares of the Company owned by Oriental Straits Fund III, and the 113,098,060 ordinary shares of the Company owned by Capital Impetus Group Limited.

Shareholdings Held in the Hands of Public

Based on the information available to the Company as at 13 March 2019, approximately 14.29% of the issued ordinary shares of the Company excluding treasury shares are held by the public. Accordingly, the Company has complied with Rule 723 of the Listing Manual issued by the Singapore Exchange Securities Trading Limited.

NOTICE OF ANNUAL GENERAL MEETING

Dated 9 April 2019

NOTICE IS HEREBY GIVEN that the Seventeenth Annual General Meeting of The Place Holdings Limited (the "**Company**") will be held at Meeting Room 323, Level 3, Suntec Singapore Convention & Exhibition Centre, 1 Raffles Boulevard, Suntec City, Singapore 039593 on Wednesday, 24 April 2019 at 2.00 p.m. to transact the following businesses:

Ordinary Business

1. To receive and adopt the Directors' Statement and Audited Financial Statements for the financial year ended 31 December 2018 and the Independent Auditor's Report thereon. **Resolution 1**

2. To re-elect Mr Foo Chiah-Shiung (Hu Jiaxiong), who is retiring in accordance with Article 100 of the Constitution of the Company and who, being eligible, offers himself for re-election. **Resolution 2**
   [See Explanatory Note 1]

3. To re-elect Mr Chng Hee Kok, who is retiring in accordance with Article 100 of the Constitution of the Company and who, being eligible, offers himself for re-election. **Resolution 3**
   [See Explanatory Note 1]

4. To re-elect Mr Ji Zenghe, who is retiring by rotation under Article 94 of the Constitution of the Company, and who, being eligible, offers himself for re-election. **Resolution 4**
   [See Explanatory Note 2]

5. To re-elect Mr Fan Xianyong, who is retiring by rotation under Article 94 of the Constitution of the Company, and who, being eligible, offers himself for re-election. **Resolution 5**
   [See Explanatory Note 2]

6. To approve payment of Directors' fees by the Company of S$130,000 for the financial year ended 31 December 2018 (2017: S$130,000). **Resolution 6**

7. To re-appoint Messrs KPMG LLP as the Company's Auditor and to authorise the Directors to fix their remuneration. **Resolution 7**

8. To transact any other ordinary business that may be properly transacted at an annual general meeting.

Special Business

To consider and, if thought fit, to pass, with or without modifications, the following resolutions as Ordinary Resolution:

9. **SHARE ISSUE MANDATE** **Resolution 8**

   That pursuant to Section 161 of the Companies Act, Chapter 50 of Singapore (the "**Act**") and the listing rules of the Singapore Exchange Securities Trading Limited ("**SGX-ST**"), authority be and is hereby given to the Directors to:

   (a) (i) issue shares of the Company ("**shares**") whether by way of rights, bonus or otherwise; and/or

(ii) make or grant offers, agreements or options (collectively, "**Instruments**") that might or would require shares to be issued, including but not limited to the creation and issue of (as well as adjustments to) warrants, debentures or other instruments convertible into shares,

at any time and upon such terms and conditions and for such purposes and to such persons as the Directors may in their absolute discretion deem fit; and

(b) (notwithstanding the authority conferred by this Resolution may have ceased to be in force) issue shares in pursuance of any Instrument made or granted by the Directors while this resolution was in force,

provided that:

(1) the aggregate number of shares to be issued pursuant to this Resolution (including shares to be issued in pursuance of Instruments made or granted pursuant to this Resolution) does not exceed 50% of the total number of issued shares (excluding treasury shares and shares of the Company held by its subsidiaries ("**Subsidiary Holdings**")) of the Company (as calculated in accordance with sub-paragraph (2) below), of which the aggregate number of shares to be issued other than on a pro rata basis to shareholders of the Company (including shares to be issued in pursuance of Instruments made or granted pursuant to this Resolution) does not exceed 20% of the total number of issued shares (excluding treasury shares and Subsidiary Holdings) of the Company (as calculated in accordance with sub-paragraph (2) below);

(2) (subject to such manner of calculation as may be prescribed by the SGX-ST) for the purpose of determining the aggregate number of shares that may be issued under sub-paragraph (1) above, the percentage of issued shares shall be based on the total number of issued shares (excluding treasury shares and Subsidiary Holdings) of the Company at the time this Resolution is passed, after adjusting for:

(i) new shares arising from the conversion or exercise of any convertible securities or share options or vesting of share awards which are outstanding or subsisting at the time this Resolution is passed; and

(ii) any subsequent bonus issue, consolidation or subdivision of shares;

(3) in exercising the authority conferred by this Resolution, the Company shall comply with the provisions of the Listing Manual of the SGX-ST for the time being in force (unless such compliance has been waived by the SGX-ST) and the Constitution for the time being of the Company; and

(4) (unless revoked or varied by the Company in general meeting) the authority conferred by this Resolution shall continue in force until the conclusion of the next Annual General Meeting of the Company or the date by which the next Annual General Meeting of the Company is required by law to be held, whichever is the earlier.
[See Explanatory Note 3]

Dated 9 April 2019

10. **THE PERFORMANCE SHARE SCHEME** **Resolution 9**

That authority be and is hereby given to the Directors to:-

(a) grant award shares in accordance with the provisions of the Performance Share Scheme of the Company; and

(b) allot and/or issue from time to time such number of fully paid-up award shares as may be required to be allotted and/or issued pursuant to the vesting of awards under the Performance Share Scheme,

provided that the aggregate number of award shares to be allotted and/or issued pursuant to the Performance Share Scheme and any other share based schemes of the Company shall not exceed 15% of the total issued shares (excluding treasury shares and Subsidiary Holdings) of the Company from time to time, and that such authority shall, unless revoked or varied by the Company in a general meeting, continue in force until the conclusion of the next Annual General Meeting of the Company or the date by which the next Annual General Meeting of the Company is required by law to be held, whichever is the earlier.
[See Explanatory Note 4]

11. **PARTICIPATION BY MR SUN QUAN, A NON-EXECUTIVE DIRECTOR AND DEEMED CONTROLLING SHAREHOLDER OF THE COMPANY, IN THE PERFORMANCE SHARE SCHEME** **Resolution 10**

That subject to and contingent upon Resolution 9 being passed, approval be and is hereby given for the participation by Mr Sun Quan in the Performance Share Scheme.
[See Explanatory Note 5]

BY ORDER OF THE BOARD

BENNY LIM HENG CHONG
DAI LINGNA
Joint Company Secretaries

Singapore, 9 April 2019

NOTICE OF
ANNUAL GENERAL MEETING

Dated 9 April 2019

EXPLANATORY NOTES:

1. **Resolutions 2 and 3** – Article 100 of the Company's Constitution permits the Directors to appoint any person to be a Director either to fill a casual vacancy or as an additional Director. Any person so appointed by the Directors shall hold office only until the next annual general meeting and shall then be eligible for re-election. Mr Foo Chiah-Shiung (Hu Jiaxiong) and Mr Chng Hee Kok were appointed on 1 August 2018 and 1 February 2019 respectively, and are seeking re-election at the forthcoming 17th Annual General Meeting.

   Each of Mr Foo and Mr Chng is considered independent for the purposes of Rule 704(8) of the Listing Manual of the SGX-ST. There are no relationships (including immediate family relationships) between each of Mr Foo and Mr Chng, and the Directors, the Company or its 10% shareholders.

   Detailed information of Mr Foo and Mr Chng as required pursuant to Rule 720(6) of the Listing Manual of the SGX-ST can be found under sections "Board of Directors" and "Corporate Governance Report", and from pages 9, 11, 42 and 43 of the Company's 2018 Annual Report.

2. **Resolutions 4 and 5** – Mr Ji Zenghe and Mr Fan Xianyong, who are due to retire by rotation pursuant to Article 94 of the Company's Constitution, are seeking re-election at the forthcoming 17th Annual General Meeting.

   Detailed information of Mr Ji and Mr Fan as required pursuant to Rule 720(6) of the Listing Manual of the SGX-ST can be found under sections "Board of Directors" and "Corporate Governance Report", and from pages 8, 10 and 40 of the Company's 2018 Annual Report.

3. **Resolution 8** – Resolution 8, if passed, will empower the Directors to issue shares, make or grant instruments convertible into shares and to issue shares pursuant to such instruments. The number of shares which the Directors may issue under this Resolution will not exceed 50% of the issued shares (excluding treasury shares and Subsidiary Holdings) of the Company, with a sub-limit of 20% for issues other than on a pro rata basis. For the purpose of determining the aggregate number of shares which may be issued, the percentage of issued shares shall be based on the total number of issued shares (excluding treasury shares and Subsidiary Holdings) of the Company at the time that Resolution 8 is passed, after adjusting for (a) new shares arising from the conversion or exercise of any convertible instruments or share options or vesting of share awards which are outstanding at the time that Resolution 8 is passed, and (b) any subsequent bonus issue or consolidation or subdivision of shares. For the avoidance of doubt, shareholders' approval will be required for any consolidation or subdivision of shares.

4. **Resolution 9** – Resolution 9, if passed, will empower the Directors to grant award shares pursuant to the Performance Share Scheme and allot and/or issue fully paid-up award shares pursuant to the vesting of awards under the Performance Share Scheme.

   Approval for the Performance Share Scheme was given by shareholders at the Extraordinary General Meeting of the Company held on 12 October 2018 ("**2018 EGM**"). The grant of award shares under the Performance Share Scheme will be made in accordance with the rules of the Performance Share Scheme as set out in the circular to shareholders dated 21 September 2018 issued by the Company ("**2018 Circular**").

5. **Resolution 10** - Resolution 10, if passed, will enable the participation in the Performance Share Scheme by Mr Sun Quan, the Non-Executive Director and a deemed controlling shareholder of the Company.

   Approval for the Performance Share Scheme was given by shareholders at the 2018 EGM. The grant of award shares under the Performance Share Scheme will be made in accordance with the rules of the Performance Share Scheme as set out in the 2018 Circular.

Dated 9 April 2019

NOTES:

1. (a) A member who is not a relevant intermediary is entitled to appoint not more than two proxies to attend, speak and vote at the Annual General Meeting. Where such member's form of proxy appoints more than one proxy, the proportion of the shareholding concerned to be represented by each proxy shall be specified in the form of proxy.

   (b) A member who is a relevant intermediary is entitled to appoint more than two proxies to attend, speak and vote at the Annual General Meeting, but each proxy must be appointed to exercise the rights attached to a different share or shares held by such member. Where such member's form of proxy appoints more than two proxies, the number and class of shares in relation to which each proxy has been appointed shall be specified in the form of proxy.

   "Relevant intermediary" has the meaning ascribed to it in Section 181 of the Companies Act.

2. A proxy need not be a member of the Company.

3. The instrument appointing a proxy or proxies must be deposited at the registered office of the Company at 20 Collyer Quay, #21-01, Singapore 049319 not less than 48 hours before the time fixed for holding the Annual General Meeting, or any adjournment thereof.

Personal Data Privacy:

By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the Annual General Meeting and/or any adjournment thereof, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents or service providers) for the purpose of processing, administration and analysis by the Company (or its agents or service providers) of proxies and representatives appointed for the Annual General Meeting (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the Annual General Meeting (including any adjournment thereof), and in order for the Company (or its agents or service providers) to comply with any applicable laws, listing rules, take-over rules, regulations and/or guidelines (collectively, the "**Purposes**"), (ii) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents or service providers), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents or service providers) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.

DISCLOSURE OF INFORMATION ON DIRECTORS SEEKING RE-ELECTION

Additional Information on Directors seeking Re-election pursuant to Rule 720(6) of the Listing Manual of the Singapore Exchange Securities Trading Limited (the "SGX-ST")

Mr Ji Zenghe, Mr Fan Xianyong, Mr Foo Chiah-Shiung (Hu Jiaxiong) and Mr Chng Hee Kok are the Directors seeking re-election at the forthcoming annual general meeting of the Company to be convened on 24 April 2019 ("**AGM**") under Ordinary Resolutions 2 to 5 as set out in the Notice of AGM dated 9 April 2019 (collectively, the "**Retiring Directors**").

Pursuant to Rule 720(6) of the Listing Manual of the SGX-ST, the additional information relating to the Retiring Directors as set out in Appendix 7.4.1 is set out below, to be read in conjunction with the information set out under "Board of Directors" and the "Corporate Governance Report" on pages 8 to 11 and pages 40 to 43, respectively of this Annual Report:

DETAILS	JI ZENGHE
Country of principal residence	People's Republic of China
The Board's comments on this appointment (including rationale, selection criteria, and the search and nomination process)	Mr Ji plays a key role in developing the business of the Group and provides the Group with strong leadership and vision.
Whether appointment is executive, and if so, the area of responsibility	Executive The area of responsibility of Mr Ji can be found on pages 8, 10 and 22 of this Annual Report
Job Title (e.g. Lead ID, AC Chairman, AC Member etc.)	Executive Chairman
Any relationship (including immediate family relationships) with any existing director, existing executive officer, the issuer and/or substantial shareholder of the listed issuer or of any of its principal subsidiaries	The Chief Operating Officer, Mr Meng Kuang-Yi, is the brother-in-law of Mr Ji Zenghe
Conflict of interests (including any competing business)	No
Working experience and occupation(s) during the past 10 years	• 2003-Present, Chairman, Beijing Aozhong Xingye Real Estate Development Co., Ltd • 2001-Present, Chairman, The Place Investment Group Co., Ltd • 2001-2013, Chairman, Beijing Aozhongxiehe Trading Co., Ltd

DISCLOSURE OF INFORMATION ON DIRECTORS SEEKING RE-ELECTION

FAN XIANYONG	FOO CHIAH-SHIUNG (HU JIAXIONG)	CHNG HEE KOK
People's Republic of China	Singapore	Singapore
Mr Fan, who is also the Chief Executive Officer, has the requisite experience and capability to oversee the day-to-day operations of the Group.	The Board has accepted the NC's recommendation that Mr Foo is able to exercise independent judgement and provide valuable contributions to the Board.	The Board has accepted the NC's recommendation that Mr Chng is able to exercise independent judgement and provide valuable contributions to the Board.
Executive The area of responsibility of Mr Fan can be found on pages 8, 10 and 23 of this Annual Report	Non-Executive	Non-Executive
• Executive Director • Chief Executive Officer	• Independent Director • Nominating Committee (Chairman) • Audit Committee (Member) • Remuneration Committee (Member)	• Independent Director • Audit Committee (Member) • Nominating Committee (Member) • Remuneration Committee (Member)
No	No	No
No	No	No
• 2016-Present, Executive Director of the Company • 2003-Present, Director, Beijing Aozhong Xingye Real Estate Development Co., Ltd. • 2001-Present, Director, The Place Investment Group Co., Ltd • 2001-2013, Director and General Manager, Beijing Aozhongxiehe Trading Co., Ltd	• July 2016-Present, Head of Risk, a Singapore based Fund Management Company • August 2010-July 2016, Head of Analysis & Due Diligence, Standard Chartered Bank • March 2010-July 2010, Vice President, Great Eastern Holdings Limited • August 2007-March 2010, Senior Manager, Lion Global Investors Limited	• 2012 to 2016, MD, LH Group Ltd • 2011 to 2012, CEO, HG Metal Manufacturing Ltd • 2009 to 2011, CEO, Hartawan Holdings Ltd

DISCLOSURE OF INFORMATION ON DIRECTORS SEEKING RE-ELECTION

Additional Information on Directors seeking Re-election pursuant to Rule 720(6) of the Listing Manual of the Singapore Exchange Securities Trading Limited (the "SGX-ST")

DETAILS	JI ZENGHE
Shareholding interest in the listed issuer and its subsidiaries	No
Undertaking (in the format set out in Appendix 7H) under Rule 702(1) has been submitted to the listed issuer	Yes
Other Principal Commitments Including Directorships	**Past (for the last 5 years)** Nil **Present** ● The Place Investment Group Co., Limited ● The Place Chuangshi (Beijing) Trading Co., Ltd ● Z.D. Australia China Trading & Investment Pty Ltd ● Beijing Shimao Tianjie Property Service Co., Ltd ● Beijing Aozhong Shimao Property Management Co., Ltd ● Fortune Land Overseas Limited ● World Globe International Holdings Limited ● Aozhong Jiye Investment Group Co., Ltd ● Sun Card Limited ● Beijing Aozhong Jiye Real Estate Development Co., Ltd ● Beijing Aozhong Xingye Real Estate Development Co., Ltd ● The Place Daisy (Beijing) Investment Co., Ltd
(a) Whether at any time during the last 10 years, an application or a petition under any bankruptcy law of any jurisdiction was filed against him or against a partnership of which he was a partner at the time when he was a partner or at any time within 2 years from the date he ceased to be a partner?	No

DISCLOSURE OF INFORMATION ON DIRECTORS SEEKING RE-ELECTION

FAN XIANYONG	FOO CHIAH-SHIUNG (HU JIAXIONG)	CHNG HEE KOK
No	Mr Foo holds 810,100 ordinary shares in the Company	No
Yes	Yes	Yes
Past (for the last 5 years) Nil **Present** • The Place Investment Group Co., Limited • The Place Chuangshi (Beijing) Trading Co., Ltd • Z.D. Australia China Trading & Investment Pty Ltd • Beijing Shimao Tianjie Property Service Co., Ltd • Beijing Aozhong Shimao Property Management Co., Ltd • Fortune Land Overseas Limited • World Globe International Holdings Limited • Aozhong Jiye Investment Group Co., Ltd • Sun Card Limited • Beijing Aozhong Jiye Real Estate Development Co., Ltd • Beijing Aozhong Xingye Real Estate Development Co., Ltd • The Place Daisy (Beijing) Investment Co., Ltd	**Past (for the last 5 years)** Nil **Present** • Head of Investment & Operational Risks, an Asset Management Company • 5DP, Sole Proprietor	**Past (for the last 5 years)** • China Flexible Packaging Holdings Ltd • LH Group Ltd • Pacific Century Regional Developments Ltd • Infinio Group Limited **Present** • Samudera Shipping Line Ltd • Full Apex Holdings Ltd • Luxking Group Holdings Ltd • Ellipsiz Ltd • United Food Holdings Limited • Chaswood Resources Holdings Ltd • Sino-America Tours Corporation Pte Ltd
No	No	No

DISCLOSURE OF INFORMATION ON DIRECTORS SEEKING RE-ELECTION

Additional Information on Directors seeking Re-election pursuant to Rule 720(6) of the Listing Manual of the Singapore Exchange Securities Trading Limited (the "SGX-ST")

DETAILS	JI ZENGHE
(b) Whether at any time during the last 10 years, an application or a petition under any law of any jurisdiction was filed against an entity (not being a partnership) of which he was a director or an equivalent person or a key executive, at the time when he was a director or an equivalent person or a key executive of that entity or at any time within 2 years from the date he ceased to be a director or an equivalent person or a key executive of that entity, for the winding up or dissolution of that entity or, where that entity is the trustee of a business trust, that business trust, on the ground of insolvency?	No
(c) Whether there is any unsatisfied judgment against him?	No
(d) Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving fraud or dishonesty which is punishable with imprisonment, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such purpose?	
(e) Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such breach?	No
(f) Whether at any time during the last 10 years, judgment has been entered against him in any civil proceedings in Singapore or elsewhere involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or a finding of fraud, misrepresentation or dishonesty on his part, or he has been the subject of any civil proceedings (including any pending civil proceedings of which he is aware) involving an allegation of fraud, misrepresentation or dishonesty on his part	No

DISCLOSURE OF INFORMATION ON DIRECTORS SEEKING RE-ELECTION

FAN XIANYONG	FOO CHIAH-SHIUNG (HU JIAXIONG)	CHNG HEE KOK
No	No	No
No	No	No
No	No	No
No	No	No
No	No	No

DISCLOSURE OF INFORMATION ON DIRECTORS SEEKING RE-ELECTION

Additional Information on Directors seeking Re-election pursuant to Rule 720(6) of the Listing Manual of the Singapore Exchange Securities Trading Limited (the "SGX-ST")

DETAILS	JI ZENGHE
(g) Whether he has ever been convicted in Singapore or elsewhere of any offence in connection with the formation or management of any entity or business trust?	No
(h) Whether he has ever been disqualified from acting as a director or an equivalent person of any entity (including the trustee of a business trust), or from taking part directly or indirectly in the management of any entity or business trust?	No
(i) Whether he has ever been the subject of any order, judgment or ruling of any court, tribunal or governmental body, permanently or temporarily enjoining him from engaging in any type of business practice or activity?	No
(j) Whether he has ever, to his knowledge, been concerned with the management or conduct, in Singapore or elsewhere, of the affairs of :- **(i) any corporation which has been investigated for a breach of any law or regulatory requirement governing corporations in Singapore or elsewhere; or**	No
(ii) any entity (not being a corporation) which has been investigated for a breach of any law or regulatory requirement governing such entities in Singapore or elsewhere; or	No
(iii) any business trust which has been investigated for a breach of any law or regulatory requirement governing business trusts in Singapore or elsewhere; or	No
(iv) any entity or business trust which has been investigated for a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, **in connection with any matter occurring or arising during that period when he was so concerned with the entity or business trust?**	No

DISCLOSURE OF INFORMATION ON DIRECTORS SEEKING RE-ELECTION

FAN XIANYONG	FOO CHIAH-SHIUNG (HU JIAXIONG)	CHNG HEE KOK
No	No	No
No	No	No
No	No	No
No	No	No
No	No	No
No	No	No
No	No	No

DISCLOSURE OF INFORMATION ON DIRECTORS SEEKING RE-ELECTION

Additional Information on Directors seeking Re-election pursuant to Rule 720(6) of the Listing Manual of the Singapore Exchange Securities Trading Limited (the "SGX-ST")

DETAILS	JI ZENGHE
(k) Whether he has been the subject of any current or past investigation or disciplinary proceedings, or has been reprimanded or issued any warning, by the Monetary Authority of Singapore or any other regulatory authority, exchange, professional body or government agency, whether in Singapore or elsewhere?	No
Any prior experience as a director of an issuer listed on the Exchange?	No
If yes, please provide details of prior experience.	N.A.
If no, please state if the director has attended or will be attending training on the roles and responsibilities of a director of a listed issuer as prescribed by the Exchange.	Mr Ji will undergo the Listed Entity Director Program to familiarize himself with the roles and responsibilities of a director of a Singapore listed company.

DISCLOSURE OF INFORMATION ON DIRECTORS SEEKING RE-ELECTION

FAN XIANYONG	FOO CHIAH-SHIUNG (HU JIAXIONG)	CHNG HEE KOK
No	No	Yes Mr Chng was fined S$5000 in 2007 under Section 156 of the Companies Act, Cap. 50 and was given warning under Section 28(B)(b) of the Prevention of Corruption Act, Cap. 241.
No	No	Yes
N.A.	N.A.	Current directorships in SGX-listed companies as follows: ● Samudera Shipping Line Ltd ● Full Apex Holdings Ltd ● Luxking Group Holdings Ltd ● Ellipsiz Ltd ● United Food Holdings Limited ● Chaswood Resources Holdings Ltd
Mr Fan will undergo the Listed Entity Director Program to familiarize himself with the roles and responsibilities of a director of a Singapore listed company.	Mr Foo will undergo the Listed Entity Director Program to familiarize himself with the roles and responsibilities of a director of a Singapore listed company	N.A.

THE PLACE HOLDINGS LIMITED

(Incorporated in the Republic of Singapore)

IMPORTANT:

1. A relevant intermediary may appoint more than two proxies to attend the Annual General Meeting and vote (please see Notes 3 and 4).
2. For investors who have used their CPF/SRS monies to buy the Company's shares, this proxy form is not valid for use and shall be ineffective for all intents and purposes if used or purported to be used by them.
3. CPF/SRS investors are requested to contact their respective Agent Banks/SRS Operators for any queries they may have with regard to their appointment as proxies for the Annual General Meeting.

Proxy Form
Annual General Meeting

I/We, _____ (Name) of

_____ (Address)

being a member/members of THE PLACE HOLDINGS LIMITED (the "**Company**"), hereby appoint:

Name	Address	NRIC/Passport No.	Proportion of Shareholdings (%)

and/or (delete as appropriate)

Name	Address	NRIC/Passport No.	Proportion of Shareholdings (%)

or failing the person/persons, the Chairman of the Meeting as my/our proxy/proxies to vote for me/us on my/our behalf, at the Seventeenth Annual General Meeting ("**AGM**") of the Company, to be held at Meeting Room 323, Level 3, Suntec Singapore Convention & Exhibition Centre, 1 Raffles Boulevard, Suntec City, Singapore 039593 on Wednesday, 24 April 2019 at 2.00 p.m. and at any adjournment thereof. I/We direct my/our proxy/proxies to vote for or against the Resolutions to be proposed at the AGM as indicated hereunder. If no specific direction as to voting is given, the proxy/proxies will vote or abstain from voting at his/their discretion, as he/they will determine on any other matter arising at the AGM.

No.	Resolutions relating to:	*No. of Votes "For"	*No. of Votes "Against"
1	Adoption of Directors' Statement and Audited Financial Statements for the financial year ended 31 December 2018, together with the Independent Auditor's Report thereon		
2	Re-election of Mr Foo Chiah-Shiung (Hu Jiaxiong) as a Director		
3	Re-election of Mr Chng Hee Kok as a Director		
4	Re-election of Mr Ji Zenghe as a Director		
5	Re-election of Mr Fan Xianyong as a Director		
6	Approval of the payment of Directors' fees of S$130,000 for the financial year ended 31 December 2018		
7	Re-appointment of Messrs KPMG LLP as the Company's Auditor and to authorise the Directors to fix their remuneration		
8	Authority for Directors to allot and issue new shares pursuant to Section 161 of the Companies Act, Cap. 50 and the listing rules of the SGX-ST		
9	Authority to grant and allot and/or issue award shares pursuant to the Performance Share Scheme		
10	Approval for the participation by Mr Sun Quan in the Performance Share Scheme		

* Voting will be conducted by poll. If you wish to exercise all your votes "For" or "Against" the relevant resolution, please tick (✓) within the relevant box provided. Alternatively, if you wish to exercise your votes both "For" and "Against" the relevant resolution, please insert the relevant number of shares in the boxes provided

Dated this _____ day of _____ 2019

TOTAL NUMBER OF SHARES HELD IN:	
(a) CDP Register	
(b) Register of Members	

_____

Signature(s) of Shareholder(s)
or Common Seal of Corporate Shareholder

Notes:

1. Please insert the total number of shares held by you. If you have shares entered against your name in the Depository Register (as defined in Section 81SF of the Securities and Futures Act (Cap. 289)), you should insert that number of shares. If you have shares registered in your name in the Register of Members of the Company, you should insert that number of shares. If you have shares entered against your name in the Depository Register and registered in your name in the Register of Members, you should insert the aggregate number of shares. If no number is inserted, this proxy form will be deemed to relate to all the shares held by you.

2. A member of the Company who is not a relevant intermediary (as defined in Note (4) below) shall be entitled to appoint not more than two proxies to attend, speak and vote at the AGM in his stead. Such proxy need not be a member of the Company. Where a member appoints two proxies, he shall specify the proportion of his shareholding to be represented by each proxy. If no such proportion or number is specified, the first named proxy shall be deemed as representing 100 per cent. (100%) of the shareholding and the second named proxy shall be deemed as an alternate to the first named proxy or at the Company's option to treat this proxy form as invalid.

3. A member of the Company who is a relevant intermediary (as defined in Note (4) below) is entitled to appoint more than two proxies to attend, speak and vote at the AGM in his stead, but each proxy must be appointed to exercise the rights attached to a different share or shares held by him. Where more than one (1) proxy is appointed, the number and class of Shares in relation to which each proxy has been appointed shall be specified in the instrument appointing a proxy or proxies. In relation to a Relevant Intermediary who wishes to appoint more than two (2) proxies, it should annex to the instrument appointing a proxy or proxies the list of proxies, setting out, in respect of each proxy, the name, address, NRIC/Passport Number and proportion of shareholding (number of Shares and percentage) in relation to which the proxy has been appointed. For the avoidance of doubt, an Agent Bank/ SRS Operators who intends to appoint CPF/SRS investors as its proxies shall comply with this Note.

4. Pursuant to Section 181 of the Companies Act (Cap. 50), a "relevant intermediary" means:-

   (a) a banking corporation licensed under the Banking Act (Cap. 19) or a wholly-owned subsidiary of such a banking corporation, whose business includes the provision of nominee services and who holds shares in that capacity;

   (b) a person holding a capital markets services licence to provide custodial services under the Securities and Futures Act (Cap. 289) and who holds shares in that capacity; or

   (c) the Central Provident Fund Board established by the Central Provident Fund Act (Cap. 36), in respect of shares purchased under the subsidiary legislation made under that Act providing for the making of investments from the contributions and interest standing to the credit of members of the Central Provident Fund, if the Board holds those shares in the capacity of an intermediary pursuant to or in accordance with that subsidiary legislation.

5. This proxy form must be under the hand of the appointer or by his attorney duly authorised in writing. Where the member is a corporation, the instrument appointing the proxy or proxies must be executed under its seal or under the hand of an attorney or officer duly authorised. Where an instrument appointing a proxy or proxies is signed on behalf of the appointor by an attorney, the power of attorney (or other authority) or a duly certified copy thereof must (failing previous registration with the Company) be lodged with the instrument of proxy, failing which the instrument may be treated by the Company as invalid.

6. This proxy form must be deposited at the registered office of the Company at 20 Collyer Quay, #21-01, Singapore 049319 not less than 48 hours before the time appointed for holding the above AGM.

7. The Company shall be entitled to reject an instrument of proxy form which is incomplete, improperly completed, illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified on the proxy form. In addition, in the case of shares entered in the Depository Register, the Company may reject a proxy form if the member, being the appointor, is not shown to have shares entered against his name in the Depository Register as at 72 hours before the time appointed for holding the AGM, as certified by The Central Depository (Pte) Limited to the Company.

Personal Data Privacy:

By submitting an instrument appointing a proxy(ies) and/or representative(s), the member accepts and agrees to the personal data privacy terms set out in the Notice of AGM dated 9 April 2019.