THE PLACE HOLDINGS LIMITED

(Company Registration Number: 200107762R)
(Incorporated in the Republic of Singapore)

CAPITAL REDUCTION EXERCISE OF A SUBSIDIARY

The board of directors (the "**Board**" or the "**Directors**") of The Place Holdings Limited (the "**Company**", and together with its subsidiaries, the "**Group**") wishes to announce that a capital reduction exercise (the "**Capital Reduction Exercise**") had been carried out by Beijing Vast Universe Culture Communication Co., Ltd ("**BJ Vast Universe**"). BJ Vast Universe is wholly-owned by Xinghuironghui (Tianjin) Equity Investment Partnership (Limited), which in turn is 99.99% owned by the Company. Accordingly, the Company's effective interest in BJ Vast Universe is 99.99%.

The Capital Reduction Exercise was completed on 8 December 2020, as approved by the relevant Administration for Industry and Commerce in the People's Republic of China.

Following the completion of the Capital Reduction Exercise, the registered capital of BJ Vast Universe was reduced from RMB142,001,000 to RMB12,001,000. The excess capital ("**Proceeds**") from the Capital Reduction Exercise will be returned to the Company. The table below shows the effects of the Capital Reduction Exercise:

	Immediately before the capital reduction	**Immediately after the completion of the capital reduction**
Registered capital of BJ Vast Universe		
Amount	RMB142,001,000	RMB12,001,000

Upon completion of the Capital Reduction Exercise, the proportion of ownership interest of the Company in BJ Vast Universe remains unchanged. The Capital Reduction Exercise is not expected to have any material impact on the earnings per share or net tangible assets of the Group for the financial year ending 31 December 2020.

The Company intends to use the Proceeds of the Capital Reduction Exercise for business expansion purposes in its 80% owned subsidiary, Tianjie Yuntai Wanrun (Xiuwu) Property Development Co., Ltd. ("**Tianjie Yuntai Wanrun**") in connection with the Group's tourism development project in Mount Yuntai ("**Mount Yuntai Integrated Tourist Township Project**"). The Proceeds of the Capital Reduction Exercise will be transferred back to the Company before re-investing into Tianjie Yuntai Wanrun as foreign capital. Please refer to the Company's circular dated 21 September 2018 for further details on Mount Yuntai Integrated Tourist Township Project.

None of the Directors or controlling shareholders of the Company has any interest, direct or indirect (other than through their shareholdings in the Company), in the Capital Reduction Exercise.

By Order of the Board

Ji Zenghe
Executive Chairman

8 December 2020