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

PROPOSED SHARE CONSOLIDATION EXERCISE

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1. INTRODUCTION

1.1. 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 the Company intends to undertake a proposed share consolidation of every five (5) existing issued ordinary shares (the "**Existing Shares**") in the capital of the Company, held by shareholders of the Company (the "**Shareholders**"), as at a record date (the "**Record Date**") to be determined by the Directors at a later date, into one (1) ordinary share (the "**Consolidated Shares**") in the capital of the Company, fractional entitlements to be disregarded (the "**Proposed Share Consolidation**").

1.2. As a result of the Proposed Share Consolidation, each Shareholder will receive one (1) Consolidated Share for every five (5) Existing Shares held prior to the Proposed Share Consolidation as at the Record Date.

2. DETAILS OF THE PROPOSED SHARE CONSOLIDATION

2.1. The Company proposes to undertake the Proposed Share Consolidation for the consolidation of every five (5) Existing Shares in the capital of the Company registered in the name of each Shareholder as at the Record Date to one (1) Consolidated Share, fractional entitlements to be disregarded.

2.2. **Shareholders should note that the number of Consolidated Shares to which they will be entitled pursuant to the Proposed Share Consolidation, based on their holdings of Existing Shares as at the Record Date, will be rounded down to the nearest whole Consolidated Share and any fractions of Consolidated Shares arising from the Proposed Share Consolidation will be disregarded. All fractional entitlements arising from the implementation of the Proposed Share Consolidation will be dealt with in such manner as the Directors may, in their absolute discretion, deem fit in the interests of the Company, including (i) disregarding, or (ii) aggregating and selling the same and retaining the net proceeds for the benefit of the Company. Each Consolidated Share will rank *pari passu* in all respects with each other. The Consolidated Shares will be traded on the Mainboard of the Singapore Exchange Securities Trading Limited (the "SGX-ST") in board lots of one hundred (100) Consolidated Shares.**

2.3. As at the date of this announcement, the Company has an issued share capital of approximately S$149,845,000 divided into 5,880,654,539 Existing Shares (including 221,460,060 scrip shares). All of the Existing Shares are ordinary shares. The Company has no treasury shares.

2.4. On the assumptions that there will be no new **s**hares issued by the Company up to the Record Date and no fractions of Consolidated Shares arise from the Proposed Share Consolidation, and subject to Shareholders' approval being obtained for the Proposed Share Consolidation, the Company will have an issued and paid-up share capital of approximately S$149,845,000 comprising 1,176,130,902 Consolidated Shares (with no treasury shares and 44,292,012 scrip shares[1]) following the completion of the Proposed Share Consolidation.

2.5. The Proposed Share Consolidation will have no impact on the dollar value of the issued and paid-up share capital of the Company. The Proposed Share Consolidation will not involve the diminution of any liability in respect of unpaid capital or the payment to any Shareholder of any paid-up capital of the Company, and has no effect on the equity of the Group. Shareholders will not be required to make any payment to the Company in respect of the Proposed Share Consolidation. The Proposed Share Consolidation is not expected to cause any material changes to the percentage shareholding of each Shareholder, other than changes due to rounding and the disregard of the fractional entitlements.

2.6. **Shareholders who receive odd lots of Consolidated Shares pursuant to the Proposed Share Consolidation and who wish to trade in odd lots on the SGX-ST should note that the SGX-ST's unit share market is available to allow trading in odd lots with a minimum size of one (1) Consolidated Share on the SGX-ST. The unit share market will enable trading in odd lots in any quantity less than one (1) board lot of the underlying Consolidated Shares. As odd lots of Consolidated Shares can be traded on the unit share market of the SGX-ST, no separate arrangement will be made for the trading of such odd lots. The unit share market for trading of such odd lots may be illiquid. Shareholders who hold odd lots may have to bear disproportionate transaction costs in trading their shares and may find difficulty in realising the fair market price of such Consolidated Shares. Shareholders who wish to trade on the unit share market should contact their stockbroker, bank manager, or other professional adviser for details on trading.**

2.7. Subject to Shareholders' approval being obtained for the Proposed Share Consolidation at the extraordinary general meeting (the "**EGM**") to be convened, Shareholders' holdings of the Consolidated Shares arising from the Proposed Share Consolidation will be based on their holdings of Existing Shares as at the Record Date.

3. RATIONALE FOR THE PROPOSED SHARE CONSOLIDATION

3.1. The Directors believe that the Proposed Share Consolidation will generally be beneficial to the Company and its Shareholders for the following reasons:

(a) Rationalise the Share Capital of the Company

The Proposed Share Consolidation will rationalise the share capital of the Company by reducing the number of Existing Shares issued and outstanding. With all things being equal, it is expected that the theoretical trading price and net tangible asset ("**NTA**") of each Consolidated Share would be higher than the current trading price and NTA of each Existing Share following the decrease in the number of Existing Shares in issue after the Proposed Share Consolidation.

[1] The scrip shares will not be listed or traded on the Mainboard of the SGX-ST.

(b) Facilitating Future Corporate Action(s)

The Proposed Share Consolidation can also facilitate future possible corporate action(s) of the Company. As disclosed in the Company's announcement on 25 January 2021 containing the Company's responses to the SGX-ST's queries on the unusual price movements in the Company's shares, the Group is currently engaging in various discussions on opportunities and projects. As and when any definitive agreement is reached, the Company will make the relevant announcement at the appropriate time and in compliance with the applicable rules. For the avoidance of doubt, the Company is only in the midst of various preliminary discussions. There is no certainty as to whether there will be any definitive developments arising from such discussions.

(c) Increase in the market interest and attractiveness of the Company and its Consolidated Shares

In addition, the Proposed Share Consolidation increases market interest and activity in the Consolidated Shares, and generally make the Consolidated Shares more attractive to investors, including institutional investors and increase coverage of the Company amongst research houses and fund managers, thus providing a more diverse shareholder base, liquidity and exposure for strong corporate brand value.

(d) Reduction of the Magnitude of Volatility of the Share Price

As share trading may involve certain minimum fixed expenses (such as minimum brokerage fees), trading in lowly-priced shares may translate to higher transaction costs, relative to the trading price, for each board lot of shares. In addition, lowly-priced shares are generally more prone to speculation and market manipulation, which may result in excessive share price volatility.

The Board therefore believes that the Proposed Share Consolidation may serve to (i) reduce the volatility of its share price and reduce fluctuations in the Company's market capitalisation, and (ii) reduce the percentage transaction cost for trading in each board lot of Consolidated Shares. Eventually, this will help to enhance trading liquidity of the Company's shares.

3.2. **Shareholders should note, however, that there is no assurance that the Proposed Share Consolidation will achieve the desired results as stated in this paragraph 3, nor is there assurance that such results (if achieved) can be sustained in the longer term.**

4. APPROVALS AND CONDITIONS

4.1. The implementation of the Proposed Share Consolidation is subject to, among other things, the following:

(a) Shareholders' approval by way of an ordinary resolution at the EGM to be convened; and

(b) Receipt of the approval-in-principle of the SGX-ST for the dealing in, listing of and quotation of the Consolidated Shares on the Mainboard of the SGX-ST.

4.2. An application will be made to the SGX-ST for the listing of, dealing in, and quotation of the Consolidated Shares arising from the Proposed Share Consolidation on the Mainboard of the SGX-ST. An appropriate announcement on the outcome of such application will be made in due course.

5. EGM AND CIRCULAR TO SHAREHOLDERS

The Company will convene an EGM to seek the approval of the Shareholders for, *inter alia*, the Proposed Share Consolidation, and a circular containing, *inter alia*, the details thereof, together with the opinions and recommendations of the Directors in relation thereto and enclosing the notice of EGM in connection therewith, will be despatched to Shareholders in due course.

6. INTERESTS OF THE DIRECTORS OR CONTROLLING SHAREHOLDERS OF THE COMPANY

None of the Directors or substantial Shareholders of the Company, or any of their associates has any interest, direct or indirect, in the Proposed Share Consolidation, other than through their respective shareholdings (if any) in the Company.

7. CAUTIONARY STATEMENT

Shareholders and potential investors are advised to exercise caution when dealing or trading in the Existing Shares. The Proposed Share Consolidation is subject to certain conditions and as at the date of this announcement, there is no certainty or assurance that the Proposed Share Consolidation will be completed. The Company will make the necessary announcements when there are further developments. Shareholders and potential investors are advised to read this announcement and any further announcements by the Company carefully. Shareholders and potential investors should consult their stockbrokers, bank managers, solicitors, accountants, tax advisers or other professional advisers if they have any doubt about the actions they should take.

By Order of the Board

Ji Zenghe
Executive Chairman

11 March 2021