THE PLACE HOLDINGS LIMITED

Condensed interim financial statements
For the six months and full year ended 31 December 2021

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A. Condensed interim consolidated statement of profit or loss and other comprehensive income

	Note	Group 12 months ended 31/12/2021 $'000	Group 12 months ended 31/12/2020 $'000	Variance %	Group 6 months ended 31/12/2021 $'000	Group 6 months ended 31/12/2020 $'000	Variance %
Revenue	4	**1,180**	**1,131**	4	**596**	**569**	5
Cost of sales		(45)	(53)	15	1	42	(98)
Gross profit		**1,135**	**1,078**	5	**597**	**611**	(2)
Other income		1,147	2,861	(60)	(3,142)	(109)	(2,783)
Administrative expenses		(3,754)	(2,521)	(49)	(1,857)	(1,297)	(43)
Other expenses		(742)	-	-	(414)	-	-
Finance costs		(39)	(670)	94	(6)	(645)	99
Share of results of associate		(5)	-		(5)	-	-
(Loss) / Profit before taxation	6	**(2,258)**	**748**	NM	**(4,827)**	**(1,440)**	(235)
Tax expense	7	(415)	(437)	5	(274)	(244)	(12)
(Loss)/Profit for the financial period net of tax		**(2,673)**	**311**	NM	**(5,101)**	**(1,684)**	(203)
Other comprehensive income:							
Items that may be reclassified to profit or loss in subsequent periods (net of tax):							
Currency translation differences on consolidation of foreign entities (net)		2,080	1,504	38	1,383	900	54
Total other comprehensive income/(loss) for		**2,080**	**1,504**	38	**1,383**	**900**	54
Total comprehensive income/(loss) for the		**(593)**	**1,815**	NM	**(3,718)**	**(784)**	(374)
(Loss)/Profit attributable to:							
Attributable to:							
Owners of the company		(2,698)	686	NM	(5,140)	(1,310)	(292)
Non-controlling interests		25	(375)	NM	39	(374)	NM
		(2,673)	**311**		**(5,101)**	**(1,684)**	(203)
Total comprehensive income/(loss) attributable							
Owners of the company		(803)	2,098	NM	(3,942)	(502)	(685)
Non-controlling interests		210	(283)	NM	224	(282)	NM
		(593)	**1,815**		**(3,718)**	**(784)**	(374)
Earnings per share for profit/(loss) for the period attributable to the owners of the Company during the year:							
Basic (SGD in cent)	8	**(0.05)**	**0.01**		**(0.09)**	**(0.02)**	
Diluted (SGD in cent)	8	**(0.05)**	**0.01**		**(0.09)**	**(0.02)**	

B. Condensed interim statements of financial position

	Note	Group		Company	
		As at 31/12/2021	As at 31/12/2020	As at 31/12/2021	As at 31/12/2020
		$'000	$'000	$'000	$'000
ASSETS					
Current assets					
Cash and cash equivalents	**10**	22,193	73,030	5,752	20,519
Trade and other receivables	**11**	12,441	4,352	51,327	8,954
Other assets	**12**	-	34,261		
Development properties	**13**	206,983	13,364	-	-
Total current assets		241,617	125,007	57,079	29,473
Non-current assets					
Plant and equipment		354	447	354	447
Right-of-use assets		462	1,030	427	941
Investment in subsidiaries		-	-	35,432	58,085
Equity-accounted investment	**14**	795	800	-	-
Shareholders' loans to an associate	**15**	17,957	-	-	-
Total non-current assets		19,568	2,277	36,213	59,473
Total assets		**261,185**	**127,284**	**93,292**	**88,946**
LIABILITIES					
Current liabilities					
Trade and other payables	**16**	9,639	23,409	4,786	365
Lease liabilities		487	701	448	643
Current tax liabilities		329	229	51	140
		10,455	24,339	5,285	1,148
Non-current liabilities					
Bank loan	**17**	108,146	-	-	-
Shareholders' loans from NCI	**18**	30,171	-	-	-
Lease liabilities		-	366	-	327
		138,317	366	-	327
Total liabilities		**148,772**	**24,705**	**5,285**	**1,475**
NET ASSETS		**112,413**	**102,579**	**88,007**	**87,471**
EQUITY					
Equity attributable to equity holders of the					
Share capital	**19**	149,845	149,845	149,845	149,845
Translation reserve /(deficit)		954	(941)	-	-
Statutory reserves		776	616	-	-
Accumulated losses		(58,333)	(55,474)	(61,838)	(62,374)
Equity attributable to owners of the		93,242	94,046	88,007	87,471
Non-controlling interests (NCI)		19,171	8,533	-	-
Total equity		**112,413**	**102,579**	**88,007**	**87,471**

C. Condensed interim statements of changes in equity

	Share capital	Foreign currency translation reserves	Statutory reserves	Accumulated profit / (losses)	Total equity attributable to owners of the company	Non-controlling interests	Total equity
	$'000	$'000	$'000	$'000	$'000	$'000	$'000
The Group							
At 1 January 2020	**149,845**	**(2,353)**	**524**	**(56,068)**	**91,948**	**5**	**91,953**
Profit for the year	-	-	-	686	**686**	(375)	**311**
Other comprehensive income, net of tax	-	1,412	-	-	**1,412**	92	**1,504**
Total comprehensive income for the year	**-**	**1,412**	**-**	**686**	**2,098**	**(283)**	**1,815**
Contribution by and distribution to owners							
Transfer to statutory reserves, representing total contributions by and distributions to owners	**-**	**-**	**92**	**(92)**	**-**	**-**	**-**
Changes in ownership interest in subsidiaries							
Acquisition of a subsidiary, representing total changes in ownership interests in subsidiares	**-**	**-**	**-**	**-**	**-**	**8,811**	**8,811**
At 31 December 2020	**149,845**	**(941)**	**616**	**(55,474)**	**94,046**	**8,533**	**102,579**
At 1 January 2021	**149,845**	**(941)**	**616**	**(55,474)**	**94,046**	**8,533**	**102,579**
Loss for the year	-	-	-	(2,698)	**(2,698)**	25	**(2,673)**
Other comprehensive income							
Foreign currency translation differences	-	1,895	-	-	**1,895**	185	**2,080**
Total comprehensive income for the year	**-**	**1,895**	**-**	**(2,698)**	**(803)**	**210**	**(593)**
Contribution by and distribution to owners							
Transfer to statutory reserves	**-**	**-**	**160**	**(160)**	**-**	**-**	**-**
Fair value adjustment of shareholders' loan by non-controlling interests					**-**	8,960	**8,960**
Total contribution by and distribution to owners	-	-	160	(160)	-	8,960	8,960
Changes in ownership interest in subsidiaries, without a change in control							
Disposal of interest in the subsidiary				**3,874**	**3,874**	**459**	**4,333**
Acquisition of non-controlling interest				**(3,875)**	**(3,875)**	**(458)**	**(4,333)**
Increase in share capital by a subsidiary subscribed by non-controlling	**-**	**-**	**-**	**-**	**-**	**1,467**	**1,467**
Total changes in ownership interest in subsidiaries	-	-	-	(1)	(1)	1,468	1,467
At 31 December 2021	**149,845**	**954**	**776**	**(58,333)**	**93,242**	**19,171**	**112,413**

C. Condensed interim statements of changes in equity (cont'd)

	Share capital	Accumulated losses	Total equity
	$'000	$'000	$'000
The Company			
At 1 January 2020	**149,845**	**(60,964)**	**88,881**
Loss and total comprehensive loss for the year	-	(1,409)	(1,409)
At 31 December 2020	**149,845**	**(62,373)**	**87,472**
At 1 January 2021	149,845	(62,373)	87,472
Loss and total comprehensive loss for the year		535	535
At 31 December 2021	**149,845**	**(61,838)**	**88,007**

D. Condensed interim consolidated statement of cash flows

	Group		Group	
	12 months ended		6 months ended	
	31/12/2021	31/12/2020	31/12/2021	31/12/2020
	$'000	$'000	$'000	$'000
Cash flows from operating activities:				
(Loss) Profit for the year before tax	(2,258)	748	(4,827)	(1,440)
Adjustments for:				
Depreciation of plant and equipment	108	107	(391)	(201)
Depreciation of right-of-use assets	695	679	695	679
Share of result of investment in associate	5	-	5	-
Interest expense	36	670	4	667
Interest income	(1,120)	(1,379)	(916)	(420)
Unrealised foreign exchange loss	(103)	(1,436)	(406)	529
	(2,637)	(611)	(5,836)	(186)
Changes in:				
- Development properties and other asset	(159,358)	(22,426)	(19,228)	(22,426)
- Trade and other receivables	(7,725)	756	(3,721)	4,513
- Trade and other payables	(595)	(131)	4,960	(3,656)
Cash generated from (used in) operations	(170,315)	(22,412)	(23,825)	(21,755)
Interest received	-	818	(58)	186
Income tax refunded	-	19	-	19
Income tax paid	(316)	(753)	(175)	(233)
Net cash (used in) generated from operating activities	**(170,631)**	**(22,328)**	**(24,058)**	**(21,783)**
Cash flows from investing activity:				
Shareholder loan to associate	(17,200)	-	800	-
Deposit paid for potential acquisition of other investment	-	-	-	5,017
Deposit paid for acquisition of investment property	-	-	-	3,774
Acquisition of subsidiary, net of cash acquired	-	15	-	15
Deposit refunded from acquisition transactions	-	20,109	-	20,109
Purchase of plant and equipment	(15)	(2)	(11)	(2)
Net cash generated (used in) from investing activity	**(17,215)**	**20,122**	**789**	**28,913**
Cash flows from financing activity:				
Drawn down of shareholders' loan from non-controlling interest (NCI)	25,100	10,877	7,592	10,877
Repayment of shareholders loan to NCI	(3,477)	-	(3,477)	-
Disposal of interest in subsidiary without losing control	4,333	-	4,333	-
Proceeds from subscribing of subsidiary's share capital by NCI	1,467	-	2	-
Drawn down of bank loan	109,735	-	13,535	-
Interest paid for bank loan	(1,589)	-	(1,589)	-
Principal payment of lease liabilities	(705)	(650)	(220)	(406)
Interest paid for lease liabilities	(36)	(78)	(36)	(78)
Net cash generated from financing activity	**134,828**	**10,149**	**20,140**	**10,393**
Net increase (decrease) in cash and cash equivalents	(53,018)	7,943	(3,129)	17,523
Cash and cash equivalents at beginning of the period/year	73,030	63,102	23,954	55,294
Effect of exchange rate fluctuations on cash held	2,181	1,985	1,368	213
Cash and cash equivalents at end of the year	**22,193**	**73,030**	**22,193**	**73,030**

E. Notes to the condensed interim consolidated financial statements

1. Corporate information

The Place Holdings Limited (the "Company") is incorporated and domiciled in Singapore and whose shares are publicly traded on the Mainboard of the Singapore Exchange. These condensed interim consolidated financial statementsas at and for the six months ended 31 December 2021 comprise the Company and its subsidiaries (collectively, the Group). The primary activity of the Company owning and holding long-term investments.

The principal activities of the Group are:

(a) Property development and property management activities
(b) Cultural tourism and related "new retail" businesses
(c) Integrated media-related businesses with management & operation right

2. Basis of Preparation

The condensed interim financial statements for the six months ended 31 December 2021 have been prepared in accordance with *SFRS(I) 1-34 Interim Financial Reporting* issued by the Accounting Standards Council Singapore. The condensed interim financial statements do not include all the information required for a complete set of financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group's financial position and performance of the Group since the last interim financial statements for the period ended 30 June 2021.

The accounting policies adopted are consistent with those of the previous financial year which were prepared in accordance with SFRS(I)s, except for the adoption of new and amended standards as set out in Note 2.1.
The condensed interim financial statements are presented in Singapore dollar which is the Company's functional currency.

2.1. New and amended standards adopted by the Group

A number of amendments to Standards have become applicable for the current reporting period. The Group did not have to change its accounting policies or make retrospective adjustments as a result of adopting those standards.

2.2. Use of judgements and estimates

In preparing the condensed interim financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

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.

The estimates, assumptions and significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for the year ended 31 December 2020, as follows:

- Valuation of development properties
- Impairment of financial assets

In addition, for the condensed interim financial statements, management also made critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements, which is included in the following notes:

- Note 18 : Shareholders' loans on development properties

3. Seasonal operations

The Group's businesses are not affected significantly by seasonal or cyclical factors during the financial year.

4. Revenue and Segment information

(a) **Revenue**

Revenue from management services fee and event management fee are recognised over time, as the customer simultaneously receives and consumes the benefits provided by the Group's performance as the Group performs the services to customers.

	Group	
	2021	2020
	$'000	$'000
Revenue from contracts with customers		
Management services fee [(i)]	1,180	1,131
Event management fee [(ii)]	-	-
	1,180	1,131

Revenue is only generated in China by the wholly-owned subsidiary, Beijing Vast Universe Culture Communication Co., Ltd. Revenue is recognised as services are rendered to customers. The Group services relate mainly to:

i. management services of providing maintenance and upkeep of a customer's media facilities on fixed retainer fee basis. Revenue is recognised as services are rendered to the customer over the contractual period. The customer is a company in which certain directors of the Company holds controlling interests.

ii. event management services are ad-hoc and are delivered over short durations (less than 3 months). Revenue is recognised at the completion of service.

(b) **Segment Information**

The Group is organised into the following main business segments:

- Media and event management; and
- Property development

These operating segments are reported in a manner consistent with internal reporting provided to the Chief Executive Officer who are responsible for allocating resources and assessing performance of the operating segments.

For both financial years, revenue was generated solely from the provision of media and event management services. However, during the financial year, the Group made progress and significant investment in its property development projects to be carried out by its subsidiaries with respect to Wanrun's Mount Yuntai project in the PRC and Realty Centre in Singapore, and in a Tanah Merah Kechil project through an associate. As a result, property development segment has been presented separately to reflect the Group's strategic direction and the resources allocation.

The remaining activities of the Group in investment holding and corporate functions are included under "Others (Unallocated)" segment. Cash and cash equivalents used for group treasury activities are also grouped under Others (Unallocated) segment under corporate assets with the respective interest income & corresponding exchange differences reported under unallocated corporate income / expenses.

The segment information for the reportable business segments is as follows:

	Media and event management	Property Development	Others	Total
	S$'000	S$'000	S$'000	S$'000
1 Jul 2021 to 31 Dec 2021				
Sales				
Revenue from related party	596	-	-	596
Total segment revenue	596	-	-	596
Segment profit / (loss), representing profit / (loss) from operation	596	(77)	-	519
Other income			(3,142)	(3,142)
Unallocated expenses			(2,204)	(2,204)
Share of loss of associate				-
Loss before taxation				(4,827)
Income tax expense				(274)
Loss for the period				**(5,101)**
Segment assets	637	233,499	-	234,136
Cash and cash equivalents	-	-	22,193	22,193
Other unallocated corporate assets			4,856	4,856
Consolidated total assets				**261,185**
Segment liabilities	165	147,413	-	147,578
Unallocated corporate liabilities	-	-	1,194	1,194
Consolidated total liabilities				**148,772**

	Media and event management	Property Development	Others	Total
	S$'000	S$'000	S$'000	S$'000
1 Jul 2020 to 31 Dec 2020				
Sales				
Revenue from related party	569	-	-	569
Total segment revenue	569	-	-	569
Segment profit / (loss), representing profit / (loss) from operation	569	-	-	569
Other income	-	-	-	-
Unallocated expenses				(2,009)
Profit before taxation				(1,440)
Income tax expense				(244)
Loss for the period				**(1,684)**
Segment assets	8	48,425	-	48,433
Cash and cash equivalents	-	-	73,030	73,030
Other unallocated corporate assets	-	-	5,821	5,821
Consolidated total assets				**127,284**
Segment liabilities	248	22,911	-	23,159
Unallocated corporate liabilities	-	-	1,546	1,546
Consolidated total liabilities				**24,705**

	Media and event management	Property Development	Others	Total
	S$'000	S$'000	S$'000	S$'000
1 Jan 2021 to 31 Dec 2021				
Sales				
Revenue from related party	1,180	-	-	1,180
Total segment revenue	1,180	-	-	1,180
Segment profit / (loss), representing profit / (loss) from operation	1,055	(256)	-	799
Other income			1,147	1,147
Unallocated expenses			(4,199)	(4,199)
Share of loss of associate				(5)
Loss before taxation				(2,258)
Income tax expense				(415)
Loss for the year				**(2,673)**
Segment assets	637	233,499	-	234,136
Cash and cash equivalents	-	-	22,193	22,193
Other unallocated corporate assets			4,856	4,856
Consolidated total assets				**261,185**
Segment liabilities	165	147,413	-	147,578
Unallocated corporate liabilities			1,194	1,194
Consolidated total liabilities				**148,772**

	Media and event management	Property Development	Others	Total
	S$'000	S$'000	S$'000	S$'000
1 Jan 2020 to 31 Dec 2020				
Sales				
Revenue from related party	1,131	-	-	1,131
Total segment revenue	1,131	-	-	1,131
Segment profit / (loss), representing profit / (loss) from operation	1,014	(598)		416
Other income			2,861	2,861
Unallocated expenses			(2,529)	(2,529)
Profit before taxation				748
Taxation				(437)
Profit for the year				**311**
Segment assets	8	48,425	-	48,433
Cash and cash equivalents			73,030	73,030
Other unallocated corporate assets			5,821	5,821
Consolidated total assets				**127,284**
Segment liabilities	248	22,911	-	23,159
Unallocated corporate liabilities			1,546	1,546
Consolidated total liabilities				**24,705**

5. Financial assets and financial liabilities

Set out below is an overview of the financial assets and financial liabilities of the Group as at 31 December 2021 and 31 December 2020:

	12 months ended 31 December 2021	12 months ended 31 December 2020
	$'000	$'000
Financial Assets		
Financial assets at amortised cost		
- Trade and other receivables*	5,873	4,311
- Cash and cash equivalents	22,193	73,030
- Shareholders' loan	17,957	-
	23,829	77,341
Financial Liabilities		
Financial liabilities at amortised cost		
- Trade and other payables^	5,305	23,335
- Lease liabilities	487	1,067
- Bank loan	108,146	-
- Shareholders' loan	30,171	-
	144,109	24,402

** Excluding input tax recoverable and prepayments*
^ Excluding deposit for land sale

6. Profit before taxation

6.1 This is determined after charging the following:

	The Group			
	6 months ended 31 December 2021	6 months ended 31 December 2020	12 months ended 31 December 2021	12 months ended 31 December 2020
	$'000	$'000	$'000	$'000
Depreciation of plant and equipment	54	53	108	107
Depreciation of right-of-use assets	349	340	685	679
Professional and legal fee	285	179	538	221
Expenses relating to leases of low-value assets	2	2	2	4
Personnel expenses	41	4	1,232	1,021
Foreign exchange loss, net	327	-	742	-

6.2 Related party transactions

Some of the arrangement with related parties and the effect of these bases determined between the parties are reflected elsewhere in the report. Transactions between the Company and its subsidiaries, which are related companies of the Company, have been eliminated on consolidation and are not disclosed in this Note. Details of transactions between the Group and other related parties are disclosed below.

	The Group			
	6 months ended 31 December 2021	6 months ended 31 December 2020	12 months ended 31 December 2021	12 months ended 31 December 2020
	$'000	$'000	$'000	$'000
Companies which certain directors of the Company have controlling interests				
Revenue generated	583	562	1,180	1,131
Shareholder loan from a non-controlling interest	-	-	-	10,877
Service fee charged by a related party	-	22	-	44
Expenses paid on behalf by a related party	-	987	-	1,502
Key management personnel compensation				
Directors of the Company				
- Salary and related cost	258	172	567	722
- Contribution to defined contribution plans	10	6	16	16
- Directors' fee	105	95	210	190
	373	273	793	928

The remuneration of directors is determined by the Remuneration Committee having regard to the performance of individuals and market trends.

Key management personnel are those persons having the authority and responsibility for planning, directing and controlling the activities of the entity. All directors of the Company and certain key employees of the Group are considered key management personnel.

7. Tax expense

The Group calculates the period income tax expense using the tax rate that would be applicable to the expected total annual earnings. The major components of income tax expense in the condensed interim consolidated statement of profit or loss are:

	The Group			
	6 months ended 31 December 2021	6 months ended 31 December 2020	12 months ended 31 December 2021	12 months ended 31 December 2020
	$'000	$'000	$'000	$'000
Tax expense attributable to profit is made up of:				
Current income tax expense	274	244	415	420
Deferred income tax expense relating to origination and reversal of temporary differences	-	-	-	17
	274	244	415	437

8. Earnings per Share

	The Group			
	6 months ended 31 December 2021	6 months ended 31 December 2020	12 months ended 31 December 2021	12 months ended 31 December 2020
Net loss / profit attributable to equity holders of the Company (S$'000)	(5,140)	(1,310)	(2,698)	686
Weighted average number of ordinary shares outstanding for basic and diluted earnings per share ('000)	5,880,654	5,880,654	5,880,654	5,880,654
Basic and diluted earnings per share (cents)	(0.09)	(0.02)	(0.05)	0.01

9. Net asset value

	The Group		The Company	
	31 December 2021	31 December 2020	31 December 2021	31 December 2020
	$	$	$	$
Net assets after adjusting for non-controlling interest per ordinary share (cents)	1.58	1.60	1.50	1.49

10. Cash and cash equivalents

	The Group		The Company	
	31 December 2021	31 December 2020	31 December 2021	31 December 2020
	$	$	$	$
Cash and bank balances	22,193	36,616	5,752	2,114
Fixed deposits	-	36,414	-	18,045
	22,193	73,030	5,752	20,519

The decrease is due to fund injection of approximately S$45 million into various development projects during the year. As at 31 December 2021, we have 3 projects under development, namely Project undertaken by New Vision for redevelopment of Realty Centre, Project Wanrun which is located at Mount Yuntai, Jiaozuo County in Henan and Project Tanah Merah Kechil for development of condominium which is located beside Tanah Merah MRT (via an associate).

11. Trade and other receivables

	The Group		The Company	
	31 December 2021	31 December 2020	31 December 2021	31 December 2020
	$	$	$	$
Trade receivables – related parties [(a)]	638	-	-	-
Other receivables – related parties (non-trade)	1,204			
Amount due from subsidiaries (non-trade)	-	-	47,287	4,639
Loan to a third party [(b)]	3,600	3,600	3,600	3,600
Interest receivables	288	565	288	565
Other receivables	-	3	-	-
Input tax [(c)]	2,850	34	-	-
Deposits	143	143	143	143
Prepayments [(d)]	3,718	7	9	7
	12,441	4,352	51,327	8,954

[(a)] Despite the increase in trade and other receivables, all outstanding trade receivables are within 3 months aging.

[(b)] Loan to a third party is secured by corporate guarantee from a related party, in which certain directors of the Company have controlling interests. The loan bears interest at 8% per annum and is repayable by 20 December 2022.

[(c)] Pertains to GST receivables.

[(d)] Prepayments mainly consists of prepaid property taxes and prepaid construction costs, mainly for Wanrun project.

12. Other assets

	The Group	
	31 December 2021	31 December 2020
	$	$
At beginning of the financial year	34,261	-
Upfront paid portion for acquisition of Realty Centre	-	34,261
Transfer to development properties	(34,261)	-
	-	34,261

New Vision Holding Pte. Ltd. (“New Vision”), a 51% owned subsidiary of the Company, which is involved in the acquisition and re-development of a mixed development at 15 Enggor Street, Realty Centre, in Singapore. The acquisition of the Realty Centre is completed on 30 April 2021, and hence the amount as at 31 December 2020 (included as other assets) has been classified to development properties.

13. Development properties

	The Group	
	31 December 2021	31 December 2020
	$	$
At beginning of the financial year	13,364	-
Reclassify from other assets	34,261	-
Acquisition of subsidiary	-	13,342
Additions during the year	159,358	22
At end of the financial year	206,983	13,364

New Vision Holding Pte. Ltd. (“New Vision”), a 51% owned subsidiary of the Company, which is involved in the acquisition and re-development of a mixed development at 15 Enggor Street, Realty Centre, in Singapore. The acquisition of the Realty Centre is completed on 30 April 2021, and hence the amount as at 31 December 2020 (included as other assets) has been classified as development properties. This has also resulted in the significant amount of additions during the year.

As for Project Wanrun, an increase of $13.216 million during the year represents common costs shared with related parties which develop commercial portion of the Mount Yuntai project, and preliminary direct costs such as earthworks and architectural design.

14. Equity-accounted investment

	The Group	
	31 December 2021	31 December 2020
	$	$
At beginning of the financial year	800	-
Addition during the year	-	800
Share of post-acquisition loss	(5)	-
At end of the financial year	795	800

In December 2020, the Group, via a newly incorporated wholly-owned subsidiary, Sky Vision Management Pte. Ltd. (“SVM”) and two other third-party companies entered into a shareholders’ agreement, pursuant to which a company known as MCC Land (TMK) Pte. Ltd.("MCC-TMK”) was incorporated and jointly owned by SVM, MCC Land (Singapore) Pte. Ltd. (“MCC-SG”) and Ekovest Development (S) Pte. Ltd. in the respective proportions of 20%, 51% and 29%. The principal activity of MCC-TMK is to develop a 99-year lease site at Tanah Merah Kechil Link into a condominium with commercial spaces (“the Tanah Merah Project”), which was successfully tendered by MCC-SG.

For the financial year ended 31 December 2021, the Group recognised a S$5,000 share of loss in MCC-TMK.

15. Shareholders' loans to an associate

	The Group	
	31 December 2021	31 December 2020
	$	$
At beginning of the financial year	-	-
Additions during the year	17,957	-
At end of the financial year	17,957	-

The shareholder's loan to associate pertains to the amount lent to MCC-TMK bearing interest at 6% per annum, contributed in the same proportion as per SVM's portion of share capital of MCC-TMK, i.e. 20%.

The amount is expected to be recovered after the repayment of bank loan taken by MCC-TMK, which is beyond the next 12 months.

16. Trade and other payables

	The Group		The Company	
	31 December 2021	31 December 2020	31 December 2021	31 December 2020
	$	$	$	$
Amounts due to related parties (trade)	-	44	-	-
Amounts due to a subsidiary (non-trade)	-	-	4,333	
Trade payables (third parties) [(c)]	1,689			
Other payables (related parties) [(d)]	3,037	4,841	12	20
Other payables (third parties)	138			
Deposit for land sale [(a)]	4,333	-	-	-
Amounts due to NCI [(b)]	-	16,676	-	-
Share subscription capital owing to equity-based investment	-	800		-
Accrued expenses	441	382	441	345
Interest payables	-	592	-	-
Other tax payables	-	74		
	9,638	23,409	4,786	365

[(a)] As announced by the Company on 1 July 2021, the Company has completed the disposal of 1.5% in a subsidiary, The Place Yuntai Investment Pte. Ltd. ("TPYI") to a third party for a consideration of HKD 25,000,000 (equivalent of S$4,332,500). TPYI has a 80% subsidiary, TPYI directly holds 80% of the registered capital in Tianjie Yuntai Wanrun (Xiuwu) Property Development Co., Ltd. ("Wanrun") which develops the Mount Yuntai project ("Wanrun Project").

Subsequently, on 20 December 2021, the Company, Wanrun, and the same third party entered into agreements to effect the transfer back of the 1.5% shareholding in TPYI, in exchange for a 1,000 square metre of land within the Wanrun Project. No cash refunds or payment were made, and the balance of $4,332,500 is included as deposit for land sale.

The net effect of the disposal and transfer back is an amount of $1,000 (Note 20) directly recognised in equity (accumulated losses) in the consolidated statement of changes in equity.

(b) This represents loan from Non-controlling interest to New Vision. Upon the completion of acquisition of Realty Centre and establishment of a shareholder loan, the amount has been classified under Shareholders loan, as disclosed in Note 18 below.

(c) This mainly relates to outstanding amount on construction contracts for ancillary work completed for Project Wanrun.

(d) The amount mainly represent amount owing by Wanrun to its non-controlling shareholder, which is a related party, amounting to $2.9 million (31 Dec 2020: $4.5 million).

17. Bank loan

This is a S$171 million secured bank loan for the acquisition and redevelopment of Realty Centre with a maximum maturity date of 4.5 years. The lending banks are Malayan Banking Berhad, Singapore Branch and China Citic Bank International Limited, Singapore Branch ("Lenders"). As at 31 December 2021, S$108 million had been drawdown.

The loan is secured by charges over the 15 Enggor Street (Realty Centre) and the adjacent remnant land, and assignment of proceeds and insurance. The Company and MCC-SG has also provided corporate guarantee in favour of the Lenders.

The bank loan is classified as non-current liabilities as the bank loan is repayable on the earlier of 6 months after the TOP date and October 2025.

18. Shareholders' loans on development properties

	The Group	
	31 December 2021	31 December 2020
	$	$
MCC Land (Singapore) Pte Ltd	19,954	-
Sun Card Limited	10,217	-
	30,171	-

On 11 March 2021, a shareholder agreement ("SHA") was entered into between The Place Singapore Investment Pte. Ltd. ("TPSI", the Company's subsidiary), MCC Land (Singapore) Pte. Ltd. ("MCC-SG") and Sun Card Limited, with respect to New Vision which has increased paid up capital to S$3 million contributed by 3 shareholders in the proportion of 51%: 30% 19% respectively. With the SHA, the Group retains 51% interest in New Vision, and management is of the view that the Company maintains control over New Vision, taking into account the Reserved matters in the SHA which requires unanimous approval, as amended by the supplement agreement to the SHA. Sun Card Limited is controlled entities of certain directors/ controlling shareholders of the Company.

The shareholder's loan on development properties pertains to the amount lent to New Vision by non-controlling shareholders proportionately based on their respective portion of shareholding in New Vision.

The loan is classified as non-current liabilities as at 31 December 2021 in view of an undertaking signed by all shareholders of New Vision that the shareholders' loan will not be recalled until the repayment of its bank loan which is more than 12 months (as disclosed in Note 17 above).

19. Share capital

	The Group and The Company			
	2021		2022	
	Number of ordinary shares	$'000	Number of ordinary shares	$'000
Issued and fully paid				
At the beginning and end of the year	5,880,654	149,845	5,880,654	149,845

The ordinary shares of the Company rank *pari passu*. The holders of the ordinary shares are entitled to receive dividends as and when declared by the Company. All ordinary shares carry one vote per share without restrictions. The ordinary shares have no par value.

20. Subsequent events

There are no known subsequent events which have led to adjustments to this set of interim financial statements.

Other Information Required by Listing Rule Appendix 7.2

OTHER INFORMATION

1. Review

The condensed consolidated statement of financial position of The Place Holdings Limited and its subsidiaries as at 31 December 2021 and the related condensed consolidated profit or loss and other comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the six-month period then ended and certain explanatory notes have not been audited or reviewed.

2. Review of performance of the Group

Condensed interim consolidated statements of profit or loss

Revenue

For FY2021 and second half of year 2021 ("2H21"), the Group's revenue was solely contributed by its integrated media-related business unit, which was affected by the COVID-19 pandemic as there were lesser marketing activities and branding events by customers. The Group's revenue for FY2021 was largely contributed through provision of management services where its actual cost will only be determined as at year end.

Under the contractual arrangement of such management services, the actual cost will only be determined at the year end. As such, management will estimate and accrue the cost of sales on a monthly basis before revising at the year end. The positive cost of sales for 2H20 was an adjustment on over-accrual during the year.

Other Income

	The Group			
	12 months ended 31 December 2021	12 months ended 31 December 2020	6 months ended 31 December 2021	6 months ended 31 December 2020
	$'000	$'000	$'000	$'000
Interest income	1,120	1,379	916	420
Net exchange gain	-	1,388	-	(577)
Other income	27	94	(4,058)	48
	1,147	2,861	(3,142)	(109)

Interest income for the year 2021 is mainly contributed via shareholder's loan to associate where an interest of 6% per annum is earned on shareholder's loan contributed. This interest earned from shareholder's loan approximates S$946,000.

For the 6 months ended 31 December 2021, there is a reversal of other income of S$4.1 million that was recognised during the 6 months ended 30 June 2021, relating to sales agreement with New Lanwa International Trading Limited for a consideration of HKD25 million (approximately $4.3 million) to indirectly grant the buyer access to 1.2% of the development of Tianjie Yuntai Wanrun (Xiuwu) Property Development Co., Ltd.. The amount received is classified as deposit for land sale as at 31 December 2021, as disclosed in Note 16(a) to the condensed financial statements.

Administrative expenses

The increase in administrative expenses is because of more potential projects under consideration which resulted in the increase in professional fees, entertainment expenses and staff salaries.

Other expenses

Other expenses for FY2021 pertained to net exchange loss incurred.

Tax expense

Tax expense is constant for FY2020 and FY2021 which is in line with revenue.

As a result of the reduced sales revenue, the Group suffered a loss of $2.67 million.

Condensed interim consolidated statements of financial position

Significant increase in development properties by S$159.4 million (net of reclassification from other assets) is due to the completion of acquisition of Realty Centre and the incidental directly attributable costs (31 Dec 2020: other assets) and the costs incurred during the year for Wanrun project.

Correspondingly, bank borrowings and shareholders loan liabilities also increased significantly as the acquisition of Realty Centre is partially financed by bank loans, with the remaining financed by shareholders loan.

Cash and cash equivalents reduced by S$50.8 million due to the same factors explained above.

Trade and other receivables increased by S$8.1 million mainly due to the prepayment on costs for Wanrun development properties, common costs sharing to be refunded by the related parties (as disclosed in Note 13 to the condensed financial statements) and input taxes recoverable.

Trade and other payables increased by $13.7 million mainly due to receipt of deposit for land sale amounting to $4.4 million as disclosed in Note 16(a) to the condensed financial statements. This is offset by the reclassification of amount due to NCI of New Vision as a separate line item – “Shareholders’ loan from NCI” (Note 18) (31 December 2020: included in other payables) and as non-current liabilities (31 December 2020: current) in view of signing of shareholder loan agreement and an undertaking signed by all shareholders of New Vision that the shareholders loan will not be recalled until the repayment of bank loan.

Condensed interim consolidated statement of cash flows

In FY2021, the net cashflow used in operating activities is due to injection of funds in various development properties where a total of S$160 million was injected.

In FY2021, the net cashflow used in investing activities is mainly shareholders’ loan with principal amount of $17.2 million to an associate to finance its Tanah Merah Kechil project.

In FY2021, the net cashflow generated from financing activities is mainly due to drawdown of bank loan on the redevelopment of Project Realty Centre as well as fund injections from non-controlling shareholders in the form of shareholder’s loan.

3. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.

No forecast or prospect statement was disclosed to shareholders previously.

4. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the Group operates and any known factors or events that may affect the Group in the next operating period and the next 12 months.

The Group is in view that with the continuing roll out of vaccination, a global economic recovery is in sight, holding prospect of a gradual improvement in economic growth in Singapore.

The Group will continually and actively pursue potential investment, collaboration and expansion projects and opportunities to boost growth and enhance shareholder value. The Group is currently engaging in various discussions on opportunities and projects, and will make the relevant announcement at the appropriate time and in compliance with the applicable rules.

To-date, the Group has invested into 3 development projects, namely 80% shareholdings in Project Wanrun, 51% shareholdings in Project Realty Centre and 20% shareholdings in Project Tanah Merah Kechil. Project Wanrun has the best potential in terms of profitability. It is located in Henan, China where Covid-19 situation has been kept under control. Project Realty Centre and Project Tanah Merah Kechil are located in Singapore where property prices are stable. Barring unforeseen circumstances, sales of Project Realty Centre and Project Tanah Merah Kechil are expected to commence in 2H2022 bringing in substantial cashflow into the Group.

Mr. Ji Zenghe and Mr. Fan Xianyong created the renowned Beijing landmark "北京世贸天阶". They are also the Executive Chairman and Executive Director of the Company, a SGX mainboard-listed company. When 山东省济南市新旧动能转换试验区项目 seeks for working partners in Singapore, they came across the Group. Convinced with the Group's potential and impressed with the creativity of the management team, they invited the Group to assist on this exercise with Shimao Tianjie Investment Group, International Universities Innovation Alliance and 济南市政府, providing advisory and design consulting services for this large-scale national project. This is expected to generate some revenue for the Group in 2022.

5. Breakdown of sales

Group	FY 2021	FY2020	Change %
For first half year			
Revenue reported	584	562	4%
Profit/(Loss) for the period before deducting NCI	2,442	1,996	22%
For second half year			
Revenue reported	596	569	5%
Profit/(Loss) for the period before deducting NCI	(5,140)	(1,310)	292%

6. Dividend Information

6.1 Any dividend declared for the current financial period reported on?

No dividend declared for the current financial period reported on.

6.2 Any dividend declared for the corresponding period of the immediately preceding financial year?

None

6.3 Date payable

Not applicable

6.4 Books closure date

Not applicable

6.5 If no dividend has been declared/recommended, a statement to that effect and the reason(s) for the decision.

No dividend has been declared for the full financial year ended 31 December 2021 as the Group will be retaining its cash for expansion purpose.

7. Interested party transactions

The Group does not have a general mandate from shareholders for interested person transactions pursuant to Rule 920 of the Listing Manual of the Singapore Exchange Securities Trading Limited ("SGX-ST").

8. Confirmation that the issuer has procured undertaking from all its directors and executive officers (in the format set out in Appendix 7.7) under Rule 720(1)

We confirmed that the Company has procured undertakings from all its directors and executive officers under Rule 720(1).

9. Disclosure of persons occupying managerial positions who are related to a director, CEO or substantial shareholder

Pursuant to Rule 704(13) of the Listing Manual of the Singapore Exchange Securities Trading Limited, we confirm that all persons occupying managerial position in The Place Holdings Limited ("the Company") or any of its subsidiaries is not a relative of a director or chief executive officer or substantial shareholder of the Company.

10. Confirmation pursuant to Rule 705(5) of the SGX Listing Manual

The Board of Directors of the Company hereby confirm that, to the best of their knowledge, nothing has come to its attention which may render the unaudited financial results for the financial year ended 31 December 2021 to be false or misleading in any material aspect.

BY ORDER OF THE BOARD

JI ZENGHE
EXECUTIVE CHAIRMAN
1 MARCH 2022