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

ENTRY INTO A MEMORANDUM OF UNDERSTANDING IN RELATION TO THE ACQUISITION OF 51% SHARES IN SUN XIN INVESTMENT PTE. LTD. AND SUN ORIENTAL PTE. LTD.

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1. INTRODUCTION

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 had on 7 March 2022, entered into a non-binding Memorandum of Understanding (the "**MOU**") with Diamond Era Investment Limited ("**Diamond Era**") and World Globe International Holdings Limited ("**World Globe**") to acquire 51% of the issued and paid up capital of each of Sun Xin Investment Pte. Ltd. ("**Sun Xin**") and Sun Oriental Pte. Ltd. ("**Sun Oriental**") (the above acquisitions to be known as the "**Proposed Acquisitions**").

Diamond Era and World Globe are collectively referred to as the "**Vendors**" and each individually, as a "**Vendor**". The Company, Diamond Era and World Globe are collectively referred to as the "**Parties**" and each, a "**Party**". Sun Xin and Sun Oriental are collectively referred to as the "**Target Companies**" and each a "**Target Company**".

2. INFORMATION ON DIAMOND ERA, WORLD GLOBE, SUN ORIENTAL AND SUN XIN

Diamond Era (Company Registration Number: 140779) is an investment holding company incorporated in British Virgin Islands with its registered office at Sea Meadow House, Blackburne Highway, (P.O. Box 116), Road Town, Tortola, British Virgin Islands. World Globe (Company Registration Number: 1409267) is an investment holding company incorporated in British Virgin Islands with its registered office at Sea Meadow House, Blackburne Highway, (P.O. Box 116), Road Town, Tortola, British Virgin Islands.

Sun Xin (Singapore company registration No. 202117454K) is a company incorporated in Singapore with its registered office at 6 battery Road #16-06 Singapore (049909), and Sun Oriental (Singapore company registration No. 202117131H) is a company incorporated in Singapore with its registered office at 6 battery Road #16-06 Singapore (049909).

Diamond Era owns 65% of the issued and paid-up capital of each of Sun Xin and Sun Oriental and World Globe owns 35% of the issued and paid-up capital of each of Sun Xin and Sun Oriental.

Sun Xin is an investment holding company whose principal business activity is to own and commercialise the intellectual property rights ("**IP rights**") that currently yield recurring royalty income. These IP rights include design patent and trademarks registered in the People's Republic of China ("**PRC**") that relate, but not limited, to the operation and management of Shimao Tianjie Sky Screen (as defined below) and real estate properties associated with THE PLACE. THE PLACE is a mixed-use development built in 2006, comprising two top-tier office buildings and a high-end shopping retail mall, located at No. 9 Guanghua Road, Chaoyang

District, Beijing, the heart of Beijing's Central Business District. Sun Xin had received royalty fees from entities using the IP rights.

Sun Oriental is an investment holding company and it is intended that Sun Oriental will set up a new wholly foreign owned enterprise ("**WFOE**") in Beijing to complete the acquisition of certain assets and businesses (the "**Assets**") relating to the Shimao Tianjie Sky Screen (as defined below) from Beijing Aozhong Xingye Real Estate Development Co., Ltd ("**BJ Aozhong Xingye**"). The acquisition of the Assets is expected to generate operating revenue.

BJ Aozhong Xingye is a property development and management company that, amongst others, owns and operates a 7,500 sqm LED sky screen known as the "**Shimao Tianjie Sky Screen**" located at No. 9 Guanghua Road, Chaoyang District, Beijing. Shimao Tianjie Sky Screen is one of the largest sky screens in Asia across a space of 250m long and 30m wide, offering a spectacular light show experience with high-resolution imagery and state-of-the-art, immersive sound systems as well as technological features that enable interactivity. BJ Aozhong Xingye also developed a landmark property located next to the Sky Screen called "THE PLACE" in Beijing, which comprises two top-tier office buildings and a high-end shopping retail mall. More information on THE PLACE and Shimao Tianjie Sky Screen can be found here: www.theplacebeijing.com.

3. RATIONALE FOR THE MOU

The rationale of the MOU is to establish a mutually beneficial relationship, to cooperate and collaborate in good faith in relation to the Proposed Acquisitions.

The Group's business focus is on integrating traditional businesses with omni-channel strategies and digital solutions (which may include "new-retail" solutions, last mile logistics, immersive virtual reality technology, enterprise intelligent connectivity) to harness new growth opportunities in the digital economy. The Board has been exploring to create new value propositions within its 3 core business pillars, (i) property development and property management activities, (ii) cultural tourism with "new retail" business concept; and (iii) integrated media-related businesses with management operation rights, in the midst of the political and economic uncertainties and challenges globally.

To further expand the integrated media-related business, the Company intends to embark on the Proposed Acquisitions to obtain a controlling stake of the Assets and the IP rights which are essential for the operation and management of the Shimao Tianjie Sky Screen and the real estate properties associated with THE PLACE.

Located next to the landmark property, THE PLACE, the Shimao Tianjie Sky Screen is an iconic and popular attraction for holding various events and also an important platform for advertisement and media. Beijing Aozhong Xingye has built a unique business model centering on the Shimao Tianjie Sky Screen after 15 years of operational and management experience. A key feature of this business model is the seamless combination of the LED screen and IP rights, which encompasses the advanced technologies behind the Shimao Tianjie Sky Screen, to create new value propositions in the digital economy.

Metaverse is a network of 3D virtual worlds focused on social connection, and has increasingly become a global trend. With the acceleration in the development of 5G and artificial intelligence in recent years as well as the emerging 6G technology, there is strong potential to develop new commercial opportunities for the expansion of the operation and application of the Shimao Tianjie Sky Screen that can be interconnected with Metaverse.

The Company envisages that it will derive economic benefits from the Proposed Acquisitions whereby the financial performance of the Group will be strengthened by the Proposed Acquisitions. In addition, the Proposed Acquisitions will allow the Company to further customize this business model (which is inclusive of the IP rights) for expansion into Singapore and other countries in near future.

Subject to, inter alia, the signing of definitive agreement(s), finalization of the commercial terms of the Proposed Acquisitions, the satisfaction completion of the necessary due diligence exercise and the required board and shareholders' approvals, the Board wants to harness such opportunity through the Proposed Acquisitions as a concrete step in expanding the integrated media-related business of the Group.

4. FURTHER INFORMATION

The MOU sets out the initial intentions of the Parties in relation to the basic objectives and scope of the Proposed Acquisitions and is subject to the execution of the definitive agreement(s) such as the sale and purchase agreements between the Parties and the satisfactory completion of due diligence on the relevant companies. Save for clauses in relation to due diligence, exclusivity, taxes, costs and expenses, confidentiality, termination, governing law and dispute resolution, binding effect and effectiveness, the MOU is non-binding.

The exclusivity period of the MOU begins 60 business days from the execution of the MOU. During this period, the Company shall have the exclusive negotiation right for the Proposed Acquisitions. If the Parties fail to execute the definitive agreement(s) by the expiry of the aforesaid exclusivity period, each Party shall be entitled to terminate the MOU.

5. INTERESTS OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

Mr Ji Zenghe, our Executive Chairman, currently owns 100% ordinary shares in Diamond Era. Mr Fan Xianyong, our Executive Director and Chief Executive Officer, currently owns 100% ordinary shares in World Globe. Therefore, the Proposed Acquisitions will constitute interested person transactions under Chapter 9 of the Listing Manual of SGX-ST upon entering into the definitive agreement(s). The Company will appoint an independent financial adviser and independent valuer for the Proposed Acquisitions in due course.

Save for Mr Ji Zenghe and Mr Fan Xianyong, none of the directors or controlling shareholders of the Company has any interest, direct or indirect, in the Proposed Acquisitions, other than through their respective shareholdings in the Company.

6. FURTHER ANNOUNCEMENTS

Upon entering into the definitive agreement(s) in relation to the Proposed Acquisitions, the Company will make further announcements including information required under Chapter 9 and Chapter 10 of the Listing Manual of the SGX-ST.

7. DOCUMENTS AVAILABLE FOR INSPECTION

A copy of the Memorandum of Understanding will be available for inspection during normal business hours at the Company's registered office at 6 Battery Road #16-06, Singapore (049909) for a period of three (3) months commencing from the date of this announcement.

Shareholders who wish to inspect the MOU may email aili.tay@theplaceholdings.com to make an appointment in advance so as to limit the number of people who are present at the registered

office at any one time. Such arrangements are subject to prevailing regulations, orders, advisories and guidelines in relation to safe distancing measures implemented by the relevant authorities from time to time.

The Company will make such further announcement(s) to keep shareholders informed, as and when there are material updates or development in connection with the Proposed Acquisitions and its implementation.

8. CAUTIONARY STATEMENT

Shareholders and potential investors are advised to exercise caution when dealing in the securities of the Company. Shareholders and potential investors should note that the entry into the MOU may or may not lead to the entry of further definitive agreement(s) with the relevant parties. There is no certainty or assurance that any definitive agreement(s) will be entered into. Shareholders are advised to read this announcement and any further announcements by the Company carefully. Shareholders should consult their stockbrokers, bank managers, solicitors or other professional advisers if they have any doubt about the actions they should take.

By Order of the Board

Ji Zenghe
Executive Chairman

7 March 2022