



THE PLACE HOLDINGS LIMITED
(Company Registration No. 200107762R)
(Incorporated in the Republic of Singapore)

ANNOUNCEMENT IN RELATION TO ENTRY INTO JOINT VENTURE AND SHAREHOLDERS' AGREEMENT BETWEEN META PLACE DIGITAL PTE. LTD., A WHOLLY OWNED SUBSIDIARY OF THE COMPANY, STELLAR EXPERIENCE PTE. LTD. AND STARPLACE PTE. LTD.

1. INTRODUCTION

- 1.1 The Board of Directors (the "**Board**") of The Place Holdings Limited (the "**Company**", together with its subsidiaries, the "**Group**") refers to the announcement dated 29 June 2022 (the "**Announcement**") in relation to the entry into a collaboration agreement with Stellar Lifestyle Pte. Ltd. ("**Stellar Lifestyle**"), a business arm of SMRT Corporation Ltd. ("**SMRT**") (the "**Collaboration Agreement**"). Unless otherwise defined, all capitalised terms used herein shall bear the same meanings as ascribed to them in the Announcement.

2. ENTRY INTO SHAREHOLDERS AGREEMENT

- 2.1 As mentioned in the Announcement and the joint press release of the Company and Stellar Lifestyle released on 29 June 2022, the Company and Stellar Lifestyle will jointly develop the "L.I.F.E" Omni-Channel Ecosystem in accordance with the Collaboration Agreement. The "L.I.F.E" Omni-Channel Ecosystem stands for Logistics, Immersive, Futuristic and E-Commerce.
- 2.2 To this end, Meta Place Digital Pte. Ltd. ("**Meta Place**"), a wholly-owned subsidiary of the Company, Stellar Experience Pte. Ltd. ("**Stellar Experience**"), a wholly-owned subsidiary of SMRT, and StarPlace Pte. Ltd. (the "**JV Company**", and together with Meta Place and Stellar Experience, the "**Parties**", and each, a "**Party**") have entered into a joint venture and shareholders' agreement on 29 May 2023 (the "**JVSHA**") for the purposes of entry into a joint venture by way of incorporating the JV Company in Singapore, to carry on the business of providing the full services of the "L.I.F.E" Omni-Channel Ecosystem in Singapore and such other territories as may be agreed between the Parties from time to time.

3. INFORMATION ON STELLAR EXPERIENCE

- 3.1 Stellar Experience (Company Registration Number: 200001959G) is a company incorporated in the Republic of Singapore with its registered office at 2 Tanjong Katong Road, #08-01, PLQ3, Singapore 437161.
- 3.2 As mentioned at paragraph 2.2 above, Stellar Experience is a fully owned subsidiary of SMRT and the holding company of transit retail and media businesses.

4. RATIONALE FOR ENTRY INTO THE JVSHA

- 4.1 As mentioned in the Announcement, the rationale of the Collaboration Agreement is to establish a mutually beneficial relationship between the Parties and to enable the Parties to cooperate and collaborate in good faith to meet the scope and objectives under the Collaboration Agreement.

4.2 The business of the JV Company shall be to carry out the business of providing a full-services of Logistics, Immersive, Futuristic and E-Commerce (L.I.F.E.) Omnichannel Ecosystem, a smart digital ecosystem with a best in class Application (“**App**”) to integrate various businesses, products and services from upstream to downstream offerings to create online to offline ecosystem in Singapore and other territories that the Parties may agree, including integrating with a digital sky screen to be constructed and commissioned by the Company.

4.3 The JV Company is envisaged to provide the following services and business activities:

- (a) providing advanced digital media solutions to serve the business needs in or out of the subway network, enhancing businesses positioning and values to the commuters and the communities thus further enhancing the vibrancy of Singapore;
- (b) providing a digital ecosystem platform with but not limited to meta-commerce, meta-media and meta-entertainment features, immersive media and advanced technologies, artificial intelligence and big data applications, with smart business management experience gained from Parties to serve the business needs and capture the markets in Singapore and other territories;
- (c) providing e-commerce platform services within the App to cater for business to business (B2B) and direct to consumer (D2C) customer experience including the shopping journey, transactions, to fulfilling the commuters’ last mile lifestyle needs such as collection upon arrival or having the items delivered to their offices or nearby stations, with an intelligent commuter station connection;
- (d) developing relevant and competitive products and services including data as a service, to improve the service positioning of the business in the subway network and partners to enable better commuters/customers values with application technologies that learn and evolve;
- (e) as a sole agent on marketing, distributing, licensing and managing the content operations of the sky screen(s) to be constructed by the Company for business purposes; and
- (f) being the vehicle for Parties to structure future businesses contemplated to be part of the business scopes from time to time.

4.4 The Board believes that the entry into the JVSHA presents opportunities to provide earnings and growth opportunities for the Group, and will deliver new revenue streams to improve the financial condition of the Group, which in turn will contribute positively to the Group’s financial position and enhance long term value for the shareholders of the Company. Accordingly, the Board believes that the entry into the JVSHA is in the best interests of the Group.

5. SALIENT TERMS OF THE JVSHA

5.1 Subscription of Shares

Pursuant to the JVSHA, Parties have agreed to subscribe for such new shares in the JV Company (the “**Subscription Shares**”) (the “**Subscription**”). The consideration proportion to be paid by each Party and the shareholding proportion to be held by each Party in the JV Company upon completion of the Subscription (“**Completion**”) shall be as follows:

Party	Number of Shares	Shareholding Percentage	Subscription Consideration
Meta Place	7,000,000	70%	S\$7,000,000 to be satisfied wholly in cash within six (6) months, in two (2) equal tranches

Stellar Experience	3,000,000	30%	S\$3,000,000, of which S\$1,000,000 shall be satisfied in cash within six (6) months, in two (2) equal tranches and S\$2,000,000 shall be satisfied in kind in accordance with the schedule as set out at Schedule 1 herein, taking into account the Business operation requirements and the capital injection schedule of the Company and as verified by the board of the JV Company
Total	10,000,000	100%	S\$10,000,000

5.2 Conditions Precedent

- (A) The obligations of the Parties to consummate the Subscription contemplated by the JVSHA, are subject to fulfilment, on or prior to the date of Completion, of each of the following conditions:
- (a) all necessary board and shareholders' approvals of Parties being obtained (if required);
 - (b) no order issued by any court of competent jurisdiction preventing the consummation of the transactions contemplated herein being in effect, nor any material claim or proceeding initiated by or before any governmental agency of competent jurisdiction having valid enforcement authority seeking such an order being pending or threatened, nor any law or order being enacted (and not subsequently overturned or otherwise made inapplicable to the transactions contemplated hereby) that makes the transactions contemplated herein illegal or impractical;
 - (c) all reasonably necessary governmental, regulatory or other third-party approvals, permits and consents relating to the execution and performance of the JVSHA, if any, being obtained, and such approvals, permits and consents not being subject to any substantive conditions that are materially detrimental to a Party, as determined by that Party in its reasonable discretion;
 - (d) the transfer of such assets and/or staff and/or shares of operating companies (if any) as Parties may mutually agree is necessary for the purposes of performing the business of the JV Company;
 - (e) the representations and warranties set out in the JVSHA being true and accurate in all material aspects;
 - (f) no resolution having been proposed or petition presented for the winding-up of the JV Company; the JV Company not having entered or proposed any arrangement or composition for the benefit of its creditors; no encumbrance taking or having taken possession and no receiver or administrator being or having been appointed in respect of the whole or any part of the undertaking or assets of the JV Company; no security given by any mortgage, charge or other security interest created by the JV Company becoming enforceable, whether or not the mortgagee or chargee takes steps to enforce same; and, in respect of any of the above, the JV Company not being or becoming able to pay its debts as they fall due following the Completion;
 - (g) receipt of such waivers or consents as may be necessary to enable Parties to be registered in the register of members of the JV Company as the respective holders of the Subscription Shares or where applicable or required by the JV Company from

any third party, and such waivers or consents being subject only to such condition(s) to which Parties have no objection; and

- (h) the JV Company not being in breach of its obligations under the JVSHA in any material respect.
- (B) The Parties may, and upon such terms as each of the shareholders of the JV Company agree, waive compliance with any of the conditions set out in paragraph 5.2(A) above, and any condition so waived by a Party shall be deemed to have been satisfied as to such Party (provided that waiver by one Party of a condition shall not be deemed a waiver by any other Party to the JVSHA).
- (C) If any condition set out in paragraph 5.2(A) above is not fulfilled (or waived by the Party entitled to waive such provision pursuant to paragraph 5.2(B) above) on or before the date of Completion, any Party may terminate the JVSHA (provided that a Party may not terminate the JVSHA pursuant to this paragraph 5.2(C) if the failure to satisfy the conditions precedent in paragraph 5.2(B) above was the result of such Party's failure to comply with its obligations under the JVSHA), and no Party shall have any claim against any other Parties for any costs, damages, expenses, compensation or otherwise; provided, however, if the termination pursuant to this paragraph 5.2(C) was solely caused by a Party's failure to comply with its obligations under the JVSHA or satisfy its conditions precedent in paragraph 5.2(A) above on or prior to the date of Completion, the non-breaching Parties may seek actual damages, including reasonable and documented third-party fees and expenses incurred in connection with the transactions contemplated hereby. Notwithstanding the foregoing, no Party may seek speculative, consequential, indirect, punitive or similar damages.

5.3 Information and Business of the JV Company

The JV Company (Company Registration Number: 202320976C) is a company incorporated in the Republic of Singapore with its registered office at 6 Battery Road, #21-01, Singapore 049909.

As mentioned at paragraph 4.2 above, the business of the JV Company shall be to carry on the business of providing the full-services of the "L.I.F.E." Omnichannel Ecosystem, a smart digital ecosystem with the App to integrate various businesses, products and services from upstream to downstream offerings to create online to offline ecosystem in Singapore and other territories as the Parties may agree, including integrating with the sky screen.

5.4 Board of Directors and Management Team of the JV Company

Pursuant to the JVSHA, the board of directors of the JV Company will comprise up to six (6) directors, with Meta Place being entitled to appoint four (4) Directors and Stellar Experience being entitled to appoint two (2) Directors. In addition, Meta Place shall be entitled to nominate the Chief Executive Officer and the Chief Technology Officer, and Stellar Experience shall be entitled to nominate the Deputy Chief Executive Officer.

5.5 Board and Shareholders Reserved Matters

Under the JVSHA, certain customary reserved matters require the prior written approval of each director of the JV Company present in a duly constituted board meeting, including *inter alia*, approval of the initial business plan or the initial budget, approval and variation of the JV Company's financial policy, the exercise of the borrowing powers of the JV Company, other than borrowings approved in the JV Company's annual budget for each financial year, and sale, transfer, license, pledge or otherwise disposal of any trademark, patent, copyright or other intellectual property rights of the JV Company and/or its subsidiaries.

In addition, certain customary reserved matters require the prior written approval of each shareholder, including *inter alia*, any change in the number of the directors of the JV Company, any change in the issued, subscribed or paid-up share capital (including any securities) of the JV Company (except for the purposes of the JVSHA), any amendment, alteration or repeal of any

provision of the constitution of the JV Company, and the disposal of all, or substantially all, of the assets and undertakings of the JV Company.

5.6 Pre-emptive Rights and Transfer Restrictions

(A) Pre-emptive Rights

Each Party shall have pre-emptive rights with respect to any new issuances of shares, at the offered price in proportion to its shareholding ratio in the JV Company at the relevant time, provided that a Party's rights will lapse with respect to an issuance if such Party does not subscribe for such securities within 28 days of being offered the right to subscribe.

(B) Transfer Restrictions

Except as permitted under Clause 13.5 of the JVSHA or in accordance with Clauses 11 or 21 of the JVSHA:

- (a) each Party shall not and shall not agree to transfer, mortgage, charge or otherwise dispose of the whole or any part of its interest over its shares in the JV Company to any third party, without the prior written consent of the other Party during the lock-up period as defined in the JVSHA;
- (b) no Party shall transfer shares in the JV Company held by it or otherwise mortgage, charge or otherwise dispose of the whole or any part of its interest therein to a competitor as defined in the JVSHA; and
- (c) no shareholder of the JV Company shall transfer shares in the JV Company held by it or otherwise mortgage, charge or otherwise dispose of the whole or any part of its interest therein otherwise than in accordance with the provisions herein and unless and until the rights conferred by Clause 13 of the JVSHA have been exhausted; provided that if a shareholder of the JV Company complies with Clause 13 of the JVSHA with respect to any transfer, each shareholder of the JV Company shall cause its representative directors of the JV Company to approve such transfer to the extent required by applicable law.

(C) Right of First Refusal

Prior to agreeing to transfer any shares in the JV Company or any interest therein to any person (other than a transfer as permitted under (other than a transfer as permitted under Clause 13.5 of the JVSHA or in accordance with Clauses 10 or 21 of the JVSHA) (a "**JV Third Party**"), a shareholder of the JV Company (the "**Selling Member**") shall deliver notice in writing (the "**Sale Notice**") to each of the shareholders of the JV Company (other than the Selling Member) (the "**ROFR Shareholders**"), which notice shall include all material terms and conditions of a proposed transfer, including without limitation the price per Security and the number of Securities to be transferred pursuant to such offer (the "**Sale Shares**").

Each ROFR Shareholder shall have the right (the "**Right of First Refusal**"), but not the obligation, to elect (independently or jointly with one or more other ROFR Shareholders) to acquire all, but not less than all, of the Sale Shares upon written notice (the "**ROFR Notice**") to the Selling Member (with copies to each other Shareholder), within fourteen (14) days of receipt of the Sale Notice. If more than one ROFR Shareholder or group of ROFR Shareholders exercise their Rights of First Refusal, the Sale Shares shall be allocated among electing ROFR Shareholders (or groups thereof) *pro rata* based on their respective shareholdings in the JV Company at that time.

Upon delivery of the ROFR Notice, any such electing ROFR Shareholders shall be bound to complete the purchase of Sale Shares as provided in Clause 13.3(b) of the JVSHA, and the Selling Member shall be bound to complete the sale of the Sale Shares to the said ROFR Shareholder or ROFR Shareholders as provided in Clause 13.3(b) of the JVSHA, within twenty-one (21) days from service of the ROFR Notice, on the terms and conditions (including price) specified in the Sale Notice.

Subject to compliance with Clause 13.3 of the JVSHA, if the ROFR Shareholders do not exercise their Rights of First Refusal within the fourteen (14) day period specified in Clause 13.3(b) of the JVSHA, the Selling Member shall be entitled to transfer all, but not less than all, of the Sale Shares to a Third Party within three (3) months of the expiration of such fourteen (14) day period at a price that is no less than that specified in the Sale Notice and on terms and conditions that are not more favourable to the Selling Member than those specified in the Sale Notice.

(D) Tag Along

If at any time any shareholder of the JV Company intends to dispose of any of its shares and subject to such shareholder of the JV Company having complied with the requirements set out in the JVSHA, the other shareholder(s) of the JV Company shall have the tag-along right to require the third-party buyer to purchase their shares in the JV Company *pro rata* based on their respective shareholdings in the JV Company at that time for the same purchase price per share of the JV Company and otherwise on the same terms and conditions, *mutatis mutandis*.

(E) Drag Along

In the event that Meta Place receives a *bona fide* binding offer to sell all (but not some only) of its shares to a third party on a *bona fide* basis, Meta Place shall be entitled to a drag-along right to, after having complied with the requirements of the JVSHA and by notice in writing to the other shareholder(s) of the JV Company, require such shareholder(s) of the JV Company to sell to the third party all, but not less than all, of its shares on terms no less favourable than those for the sale of Meta Place's shares to the third-party buyer.

6. FINANCIAL EFFECTS OF THE SUBSCRIPTION FOLLOWING COMPLETION

6.1 The financial effects of the Subscription following Completion (the "**Proposed Transaction**") as set out below are for **illustrative purposes only** and are not intended to reflect the actual future financial performance or position of the Group immediately after the Completion. The financial effects of the entry into the JVSHA following Completion set out below have been prepared on the following key bases and assumptions:

- (a) the financial effects of the entry into the Proposed Transaction on the net tangible assets ("**NTA**") per Share and earning per share ("**EPS**") or loss per share ("**LPS**") of the Group are based on the Group's audited consolidated financial statements for FY2022;
- (b) for the purposes of illustrating the financial effects of the Proposed on the NTA per Share of the Group, it is assumed that the Proposed Transaction had been completed on 31 December 2022;
- (c) for the purposes of illustrating the financial effects of the entry into the Proposed Transaction on the EPS of the Group, it is assumed that the Proposed Transaction had been completed on 1 January 2022;
- (d) the NTA per Share is computed based on the 5,880,654,539 shares of the Company (the "**Shares**") in issue, excluding treasury shares, as at 31 December 2022, and the EPS of the Group is computed based on the weighted average of 5,880,654,539 Shares in issue as at 31 December 2022; and
- (e) the financial effects of the entry into the Proposed Transaction are purely for illustrative purposes only and are neither indicative of the actual financial effects of the Proposed Transaction on the NTA per Share and EPS or LPS (as the case may be) of the Group, nor do they represent the future financial performance and/or position of the Group immediately following Completion.

6.2 Effect of the Proposed Transaction on the NTA per Share of the Group

On the bases and assumptions set out above, the pro forma effect of the Proposed Transaction on the NTA per Share of the Group is as follows:

	Before the Proposed Transaction	After the Proposed Transaction
Consolidated NTA (S\$'000)	78,148	81,148
Number of Shares	5,880,654,539	5,880,654,539
Consolidated NTA per Share (S\$ cents)	1.33	1.38

6.3 Effect of the Proposed Transaction on EPS of the Group

On the bases and assumptions set out above, the pro forma effect of the Proposed Transaction on the EPS of the Group is as follows:

	Before the Proposed Transaction	After the Proposed Transaction
(Loss)/Profit attributable to equity holders of the Company (S\$'000)	(12,460)	(12,460)
Weighted average number of Shares	5,880,654,539	5,880,654,539
(LPS)/EPS (S\$ cents)	(0.21)	(0.21)

7. **RELATIVE FIGURES OF THE SUBSCRIPTION UNDER CHAPTER 10 OF THE LISTING MANUAL**

7.1 Relative Figures of the Subscription under Rule 1006 of the Listing Manual

The relative figures computed on the bases set out in Rule 1006 of the Listing Manual are as follows in respect of the Subscription:

<u>Listing Rules / Bases</u>	Subscription (SGD million)	Group (SGD million)	Relative Figures (%)
<u>Rule 1006(a):</u> Net asset value of the assets to be disposed of, compared with the NAV of the Group.	Not applicable as the Subscription does not relate to a disposal of an asset.		
<u>Rule 1006(b):</u> Net profits attributable to the assets acquired or disposed of, compared with the Group's net profits.	Not applicable as the JV Company has yet to commence operations.		
<u>Rule 1006(c):</u> Aggregate value of the consideration given or received, compared with the Company's market capitalization based on the total number of issued shares excluding treasury shares.	7	58.81 ⁽¹⁾	11.9
<u>Rule 1006(d):</u>	Not applicable as no equity securities will be issued by the Company in connection with the Subscription.		

Number of equity securities issued by the Company as consideration for an acquisition, compared with the number of equity securities previously in issue.	
<u>Rule 1006(e):</u> Aggregate volume or amount of proved and probable reserves to be disposed of, compared with the aggregate of the Group's proved and probable reserves. This basis is applicable to a disposal of mineral, oil or gas assets by a mineral, oil and gas company, but not to an acquisition of such assets.	Not applicable as the Subscription does not relate to a disposal of mineral, oil or gas assets by a mineral, oil and gas company.

Note:

- (1) The market capitalisation of the Company was determined by multiplying the number of shares in issue of the Company of 5,880,654,539 Shares by the weighted average price of such shares transacted on 29 May 2023 (being the market day preceding the date of the SHA) of S\$0.01 per share.

7.2 The Proposed Transaction as Disclosable Transactions under Chapter 10 of the Listing Manual

Taking into consideration that the relative figure computed under Rule 1006(c) of the Listing Manual exceeds 5% but does not exceed 20%, the Proposed Transaction constitutes “disclosable transactions” under Chapter 10 of the Listing Manual.

The Proposed Transaction will be funded through internal resources, and at present, is not expected to have any material impact on the net tangible asset value and earnings per share of the Company for the current financial year.

8. INTERESTS OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

- 8.1 None of the directors or controlling shareholders of the Company has any interest, direct or indirect, in the JVSHA, other than through their respective shareholdings (if any) in the Company.

9. DIRECTORS' RESPONSIBILITY STATEMENT

- 9.1 The Directors collectively and individually accept full responsibility for the accuracy of the information given in this announcement and confirm after making all reasonable enquiries that, to the best of their knowledge and belief, this announcement constitutes full and true disclosure of all material facts about the JVSHA, the Company and its subsidiaries, and the Board are not aware of any facts the omission of which would make any statement in this announcement misleading.
- 9.2 Where information contained in this announcement has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Board has been to ensure that such information has been accurately and correctly extracted from these sources and/or reproduced in this announcement in its proper form and context.

10. DOCUMENTS FOR INSPECTION

Subject to prevailing regulations, orders, advisories and guidelines relating to safe distancing which may be issued by the relevant authorities, a copy of the JVSHA may be inspected at the

registered office of the Company at 6 Battery Road, #21-01, Singapore 049909 during normal business hours for a period of three (3) months from the date of this announcement.

11. FURTHER ANNOUNCEMENTS

The Company will make further announcements to keep shareholders informed, as and when there are further material updates and development in respect of the JVSHA.

12. CAUTIONARY STATEMENT

- 12.1 Shareholders and potential investors of the Company are advised to exercise caution in trading the Company's shares as there is no certainty or assurance that the entry into the JVSHA will be completed or be proceeded with or that no changes will be made to the terms thereof.
- 12.2 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, solicitors or other professional advisors if they have any doubts as to the actions they should take.

By Order of the Board

Ji Zenghe
Executive Chairman
29 May 2023

Schedule 1

Stellar Experience shall satisfy S\$2,000,000 in kind in accordance with the following table:

S/N	In-Kind Contribution by Stellar Experience	In-kind contribution equivalent sum (S\$)	Timeline	Total (S\$)
1	Stellar Experience shall contribute to the business operations of the JV Company by providing 1) assets (media resources based on applicable published rates); 2) resources in identifying one (1) sky screen location; and 3) top management involvement, assistance, and support in seeking business opportunities for the JV Company.	1,350,000.00	Within 12 months from the date of the JVSHA	1,350,000.00
2	Stellar Experience shall provide market data in relation to footfall, ridership, demographics per station – for 5 stations to the JV Company.	150,000.00	Within 12 months from the date of the JVSHA	150,000.00
3	Stellar Experience shall provide tenant on-boarding services which include customer data, sync-up and account management to the JV Company.	500,000.00	Within 12 months from the date of the JVSHA	500,000.00

Total	<u><u>2,000,000.00</u></u>
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