

UTILISATION OF PLACEMENT PROCEEDS

The Board of Directors ("**Board**") of Pavillon Holdings Ltd. ("**Company**") refers to the Company's announcement dated 19 March 2014 ("**Announcement**") in relation to the completion of placement. Unless otherwise defined, all capitalised terms used herein shall have the meanings ascribed to them in the Announcement.

Further to the Announcement, the Board wishes to update the shareholders that the Company has further utilized a portion of the placement proceeds ("**Proceeds**") amounting to S\$4,671,957 as follows:-

Purchase of equipment / cars for leasing contract numbers: -

- 201608002-1-LB05-1	:	S\$2,045,157 (equivalent to RMB10,000,000)
- 201609001-1-WD07-1	:	S\$818,063 (equivalent to RMB4,000,000)
- 201608004-1-DL04-1	:	S\$1,808,737 (equivalent to RMB8,844,000)

As at 5 October 2016, the Company has utilized the Proceeds as follows:-

Use of net Proceeds	Amount Utilized (S\$)
Purchase of Equipment / Cars for leasing contracts	16,038,847
Capital injection into State Research Pavillon Financial Leasing Co., Ltd	4,318,500
Working capital for Pavillon Financial Leasing Co., Ltd – Operating Expenses	513,967
Total placement fund utilized to date	<u>20,871,314</u>
Balance of the Proceeds	<u>3,968,686</u>

The Company will continue to provide periodic announcement(s) on the utilization of the balance of the Proceeds as and when the Proceeds are materially deployed.

By Order of the Board

Dr John Chen Seow Phun
Executive Chairman

Date: 5 October 2016