

PAVILLON HOLDINGS LTD.
(Company Registration No. 199905141N)

AWARD OF LAND TENDER

The Board of Directors (“**Board**”) of Pavillon Holdings Ltd. (the “**Company**”) wishes to announce that its indirect subsidiary, Fengchi IOT Management Co., Ltd. (丰驰物联网管理有限公司) (“**Fengchi IOT**”), a subsidiary of a direct subsidiary, Pavillon Financial Leasing Co., Ltd. (兰亭融资租赁有限公司) (“**PFL**”), was awarded the tender on 18 October 2017 for a piece of land in Dongjiang Bonded Port area, People’s Republic of China (“**PRC**”) (the “**Land**”) at the tender price of RMB42.8 million, of which a deposit of RMB12 million had been paid upon submission of tender. The acquisition of land is in the ordinary course of the Group’s business.

The Board of the Company also wishes to announce that PFL has injected a further amount of RMB50 million as paid-up capital into Fengchi IOT, resulting in an increase in paid-up capital of Fengchi IOT to RMB63 million.

The Land known as Code: 津滨东(挂) No. G2017-2 with approximately 57,052.9 square meters, will be used to construct of multi-storey bonded warehouse, automotive warehouse showroom, automotive financial services center and logistics network management center in Tianjin East Xinjiang Bonded Port, PRC.

Sources of Funds and Financial Effects

The injection of capital into Fengchi IOT, which will be used to fulfil payment obligations towards the tender price, was funded through internal resources and the transaction is not expected to have a material impact on the consolidated net tangible assets and consolidated earnings per share of the Company for the financial year ending 31 December 2017.

Interest of Directors and Substantial Shareholders

None of the Directors and to the best knowledge of the Directors, none of the controlling shareholders or substantial shareholders of the Company has any interest, direct or indirect, in the above transaction save for their shareholdings in the Company.

The Company will provide further updates when there are further developments.

By Order of the Board

Dr John Chen Seow Phun
Executive Chairman

Date: 23 October 2017