
ANNOUNCEMENT OF INTERESTED PERSON TRANSACTIONS PURSUANT TO RULE 905(2) OF THE LISTING MANUAL

1. INTRODUCTION

The Board of Directors (the “**Board**”) of Pavillon Holdings Ltd. (the “**Company**” or together with its subsidiaries, the “**Group**”) wishes to announce that the aggregate value of the transactions entered into by the Company with Daju Logistics (Tianjin) Co., Ltd (“**Daju Logistics**”) and its associated company, Fengchi IOT Management Co., Ltd (“**Fengchi IOT**”) pursuant to Rule 905(2) of the Listing Manual (“**Listing Manual**”) of the Singapore Exchange Securities Trading Limited (“**SGX-ST**”) has exceeded 3% of the Group’s latest audited net tangible assets as at 31 December 2022 (“**Audited NTA**”).

Pursuant to Rule 905(2) of the Listing Manual, if the aggregate value of all transactions entered into with the same interested person during the same financial year amounts to 3% or more of the Group’s latest audited net tangible assets, the Company must make an immediate announcement of the latest transaction and all future transactions entered into with that same interested person during that financial year.

2. DETAILS OF THE INTERESTED PERSONS TRANSACTIONS

As announced by the Company on 13 April 2023, the Company’s wholly-owned subsidiary, Pavillon Business Development (Shanghai) Co., Ltd. (兰亭商业发展(上海)有限公司) (“**Pavillon Business Development**”) together with Shanghai Liuyu Information Technology Co., Ltd (上海六渝信息科技有限公司) (“**Shanghai Liuyu**”) had incorporated a limited liability company in Tianjin, People’s Republic of China under the name “Daju Logistics (Tianjin) Co., Ltd (达聚物流(物流)有限公司)” (“**Daju Logistics**”) with registered capital of RMB30 million.

Subsequently, Pavillon Business Development had on 11 May 2023 injected capital of RMB4 million in Daju Logistics as paid-up capital in proportion to its shareholding (the “**Transaction**”). Fengchi IOT Management Co., Ltd. (丰驰物联网管理有限公司) (“**Fengchi IOT**”) entered into a lease agreement with Daju Logistics for a term of 1 year of RMB850,000 per month which was due in 31 October 2023. Fengchi IOT had on 1 November 2023 renewed the lease agreement with Daju Logistics for another term of 1 year of RMB390,000 per month (the “**Lease**”).

The Transaction and Lease are Interested Person Transactions (the “**IPTs**”) as Mr Ding Furu is the 100% ultimate beneficial shareholder of Shanghai Liuyu. Shanghai Liuyu is an associate of Mr Ding Furu who is a non-executive non-independent director and controlling shareholder of the Company. Shanghai Liuyu also owns 51% of Fengchi IOT.

The value of the IPTs entered into between the Company, Daju Logistics and Fengchi IOT from 1 January 2023 up to the date of this announcement in connection with the Transaction and rental income from the Lease for the financial year ended 31 December 2023 are as follows:

Name of interested person	Nature of relationship	Aggregate value of all interested person transactions during the financial year under review (excluding transactions less than S\$100,000 and transactions conducted under shareholders’ mandate pursuant to Rule 920)	Aggregate value of all interested person transactions conducted under shareholders’ mandate pursuant to Rule 920 (excluding transactions less than S\$100,000)

Mr Furu	Ding	Mr Ding Furu holds 51% equity interest in Fengchi IOT Management Co., Ltd. He is also a Director and Shareholder of Shanghai New Development Enterprise Management Co., Ltd.		
		Loan repayment from associated companies Fengchi IOT Management Co., Ltd		1,536,000
		Interest receivable from associated company Fengchi IOT Management Co., Ltd		1,905,549.33
		Pavillon Business Development (Shanghai) Co., Ltd capital injection to associated company - Daju Logistics (Tianjin) Co., Ltd	766,000	
		Rental services rendered between associated companies - Fengchi IOT Management Co., Ltd and Daju Logistics (Tianjin) Co., Ltd (Period: 1 January 2023 to 31 October 2023)	1,473,019.20	
		Rental services rendered between associated companies - Fengchi IOT Management Co., Ltd and Daju Logistics (Tianjin) Co., Ltd (Period:	138,890.08	

	1 November 2023 to 31 December 2023)		
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The aggregate value of all IPTs (excluding transactions which are less than S\$100,000) entered into between the Company, Daju Logistics and Fengchi IOT for FY2023 is approximately S\$2,377,909.29 (the “**Aggregate Value**”), representing approximately 4.05% of the Audited NTA of S\$58,697,000. As this does not exceed 5% of the Audited NTA, the Company is not required to seek shareholders’ approval pursuant to Rule 906(1)(b) of the Listing Manual for the IPTs.

3. RATIONALE FOR THE INTERESTED PERSON TRANSACTIONS AND BENEFIT

The Audit and Risk Committee (except for Mr Ding Furu who was the substantial shareholder) of the Company has reviewed the IPTs. The Audit and Risk Committee is of the view that the risks and rewards of the Transactions and Lease are in proportion to the equity of each Daju Logistics (Tianjin) Co., Ltd (“**Daju Logistics**”) and the Company’s associated company, Fengchi IOT Management Co., Ltd (“**Fengchi IOT**”), and the terms are not prejudicial to the interests of the Company.

The Transaction and Lease is not expected to have any material impact on the Group’s earnings per share and net tangible assets per share for the financial year ending 31 December 2023.

None of the Directors or substantial shareholders of the Company have any interest, directly or indirectly, in the said transaction, save for their interest arising by way of their shareholdings and/or directorships, as the case may be, in the IPTs.

By Order of the Board

Dr John Chen Seow Phun
Executive Chairman

8 November 2023