

# PAVILLON HOLDINGS LTD

## Full-Year Results Financial Statement And Dividend Announcement

### PART I - INFORMATION REQUIRED FOR HALF-YEAR AND FULL YEAR RESULTS ANNOUNCEMENTS

#### A. Condensed interim consolidated statement of profit or loss and other comprehensive income

Financial statements for the 6 months and full year ended 31 December 2022

	Note	Group				Increase/ (Decrease) %
		2H2022 S\$'000	2H2021 S\$'000	FY2022 S\$'000	FY2021 S\$'000	
<b>Revenue</b>	<b>4</b>	8,030	4,323	16,309	9,362	74.2%
<b>Other items of income</b>						
Interest income		632	42	666	77	764.9%
Other income		81	673	236	1,012	-76.7%
<b>Items of expenses</b>						
Raw materials and changes in inventories		(2,811)	(1,638)	(5,797)	(3,322)	74.5%
Employee compensation		(2,638)	(3,216)	(5,918)	(6,148)	-3.7%
Depreciation expense		(761)	(777)	(1,532)	(1,683)	-9.0%
Finance expenses		(62)	(79)	(126)	(143)	-11.9%
Currency exchange gains/(loss) - net		(4,429)	1	(4,429)	1	NM
Other operating expenses		(1,857)	(2,422)	(3,292)	(3,371)	-2.3%
<b>Total expenses</b>		<b>(12,558)</b>	<b>(8,131)</b>	<b>(21,094)</b>	<b>(14,666)</b>	<b>43.8%</b>
Share of profit/(loss) of associated companies		7,283	(12,526)	5,737	(15,351)	-137.4%
<b>Profit/(Loss) before income tax</b>	<b>6</b>	<b>3,468</b>	<b>(15,619)</b>	<b>1,854</b>	<b>(19,566)</b>	<b>-109.5%</b>
Income tax credit/(expenses)	<b>7</b>	(40)	74	(94)	64	-247.5%
<b>Net Profit / (Loss)</b>		<b>3,428</b>	<b>(15,545)</b>	<b>1,760</b>	<b>(19,502)</b>	<b>-109.0%</b>
<b>Other comprehensive income</b>						
<i>Items that may be reclassified subsequently to profit or loss in subsequent periods (net of tax):</i>						
Currency translation differences on consolidation of foreign entities (net)		(212)	487	(386)	927	-141.6%
<i>Items that will not be reclassified subsequently to profit or loss in subsequent periods (net of tax)::</i>						
Currency translation differences on consolidation of foreign entities (net)		(257)	70	(331)	230	-243.6%
Fair Value gain on financial asset, at FVOCI		132	(348)	132	(58)	-327.6%
<b>Total comprehensive income/(loss) for the year</b>		<b>3,091</b>	<b>(15,336)</b>	<b>1,175</b>	<b>(18,403)</b>	<b>-106.4%</b>
<b>Net Profit / (Loss) attributable to:</b>						
Equity holders of the Company		3,581	(12,945)	(674)	(16,124)	-95.8%
Non-controlling interests		(152)	(2,600)	2,434	(3,378)	-172.0%
		<b>3,429</b>	<b>(15,545)</b>	<b>1,760</b>	<b>(19,502)</b>	<b>-109.0%</b>
<b>Total comprehensive income/(loss)</b>						
<b>Attributable to :</b>						
Equity holders of the Company		3,469	(12,722)	(960)	(15,241)	-93.7%
Non-controlling interests		(378)	(2,614)	2,135	(3,162)	-167.5%
		<b>3,091</b>	<b>(15,336)</b>	<b>1,175</b>	<b>(18,403)</b>	<b>-106.4%</b>
<b>Earnings per share attributable to owners of the Company</b>		<b>Cts</b>	<b>Cts</b>	<b>Cts</b>	<b>Cts</b>	
Basic		0.52	(3.34)	(0.10)	(4.16)	
Diluted		0.52	(3.34)	(0.10)	(4.16)	

## B. Condensed interim statements of financial position

		Group	
		31-12-22	31-12-21
		S\$'000	S\$'000
<b>ASSETS</b>			
<b>Current assets</b>			
Cash and cash equivalents		3,566	6,791
Trade and other receivables		1,881	941
Inventories		1,434	650
		<u>6,881</u>	<u>8,382</u>
<b>Non-current assets</b>			
Trade and other receivables - NC		39,655	417
Financial asset, at FVOCI	10	4,294	4,162
Investments in associated companies		12,963	7,818
Property, plant and equipment	11	2,209	2,781
		<u>59,121</u>	<u>15,177</u>
<b>Total assets</b>		<u>66,002</u>	<u>23,559</u>
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
Trade and other payables		3,637	4,131
Current income tax liabilities		96	2
Borrowings	12	1,507	2,051
		<u>5,239</u>	<u>6,184</u>
<b>Non-current liabilities</b>			
Trade and other payables - NC		102	130
Borrowings - NC	12	1,717	2,141
Provisions - NC		198	198
Deferred tax liabilities - NC		48	48
		<u>2,065</u>	<u>2,517</u>
<b>Total liabilities</b>		<u>7,305</u>	<u>8,701</u>
<b>NET ASSETS</b>		<u>58,697</u>	<u>14,858</u>
<b>EQUITY</b>			
Capital and reserve attributable to equity holders of the Company			
Share capital	13	82,097	39,433
Other reserves		3,894	4,180
Accumulated losses		(31,867)	(31,192)
		<u>54,124</u>	<u>12,421</u>
<b>Non-controlling interests</b>		<u>4,573</u>	<u>2,437</u>
<b>TOTAL EQUITY</b>		<u>58,697</u>	<u>14,858</u>

## B. Condensed interim statements of financial position (Continued)

	Company	
	31-12-22 S\$'000	31-12-21 S\$'000
<b>ASSETS</b>		
<b>Current assets</b>		
Cash and cash equivalents	17	17
Trade and other receivables	1,083	772
	1,100	789
<b>Non-current assets</b>		
Trade and other receivables - NC	39,251	0
Investments in subsidiary corporations	12,493	13,452
	51,744	13,452
<b>Total assets</b>	52,844	14,241
<b>LIABILITIES</b>		
<b>Current liabilities</b>		
Trade and other payables	5,344	3,833
Borrowings	697	723
	6,041	4,556
<b>Non-current liabilities</b>		
Trade and other payables - NC	100	130
Borrowings - NC	461	766
	561	896
<b>Total liabilities</b>	6,602	5,452
<b>NET ASSETS</b>	46,242	8,789
<b>EQUITY</b>		
Capital and reserve attributable to equity holders of the Company		
Share capital	13 82,097	39,433
Accumulated losses	(35,856)	(30,644)
<b>TOTAL EQUITY</b>	46,242	8,789

C. Condensed interim statements of changes in equity

The Group 2022	Attributable to owners of the Company							Non-controlling interests S\$'000	Total equity S\$'000
	Share capital S\$'000	currency translation reserve S\$'000	Capital reserve S\$'000	Fair Value Reserve S\$'000	Accumulated losses S\$'000	Total S\$'000			
<b>Balance as at 1 January 2022</b>	39,433	474	3,478	228	(31,192)	12,421		2,437	14,858
Issue of share capital	42,664					42,664		-	42,664
Net profit/(loss) for the year				-	(674)	(674)		2,434	1,760
<u>Other comprehensive income/(loss)</u>									
Foreign currency translation		(386)	-	-		(386)		(331)	(717)
Fair value gain on financial asset, at FVOCI				100	-	100		32	132
<b>Total other comprehensive income for the year, net of tax</b>	-	(386)	-	100	(674)	(960)		2,135	1,175
<b>Balance as at 31 December 2022</b>	82,097	88	3,478	328	(31,867)	54,124		4,573	58,697
<b>2021</b>	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>		<b>S\$'000</b>	
<b>Balance as at 1 January 2021</b>	39,433	(453)	3,478	272	(15,068)	27,662		5,599	33,261
Net Loss for the year	-	-	-	-	(16,124)	(16,124)		(3,378)	(19,502)
<u>Other comprehensive income/(loss)</u>									
Foreign currency translation		927				927		230	1,157
Fair value loss on financial asset, at FVOCI	-	-	-	(44)	-	(44)		(14)	(58)
<b>Total other comprehensive income for the year, net of tax</b>	-	927	-	(44)	(16,124)	(15,241)		(3,162)	(18,403)
<b>Balance as at 31 December 2021</b>	39,433	474	3,478	228	(31,192)	12,421		2,437	14,858

The Company 2022	Attributable to owners of the Company					Total equity S\$'000
	Share capital S\$'000	currency translation reserve S\$'000	Capital reserve S\$'000	Fair Value Reserve S\$'000	Accumulated losses S\$'000	
<b>Balance as at 1 January 2022</b>	39,433	-	-	-	(30,644)	8,789
Issue of share capital	42,664				-	42,664
Net Loss for the year					(5,211)	(5,211)
<b>Total other comprehensive loss for the year, net of tax</b>					(5,211)	(5,211)
<b>Balance as at 31 Dec 2022</b>	82,097	-	-	-	(35,856)	46,242
<b>2021</b>	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>
<b>Balance as at 1 January 2021</b>	39,433	-	-	-	(14,759)	24,674
Profit/(Loss) for the year	-	-	-	-	(15,885)	(15,885)
<b>Total other comprehensive loss for the year, net of tax</b>	-	-	-	-	(15,885)	(15,885)
<b>Balance as at 31 Dec 2021</b>	39,433	-	-	-	(30,644)	8,789

#### D. Condensed interim consolidated statement of cash flows

	Group	
	FY2022 S\$'000	FY2021 S\$'000
Cash flows from operating activities :		
Net Profit/(Loss )	1,761	(19,502)
Adjustments for :		
Depreciation of property, plant and equipment	1,532	1,683
(Gain)/Loss on disposal of property, plant and equipment	8	(23)
Gain on lease modification relating to termination of the lease	(9)	-
Rental concession	-	(62)
Income tax expenses /(credit)	94	(64)
Interest expense	126	143
Interest income	(666)	(77)
Share of (Profit)/Loss of associated company	(5,737)	15,351
Property, plant and equipment written off	413	-
Unrealised currency translation difference	4,195	35
Operating loss before working capital changes	<u>1,717</u>	<u>(2,516)</u>
Cash flows from operating activities		
Inventories	(784)	(200)
Trade and other receivables	658	(454)
Trade and other payables	(523)	2,214
Net cash provided by/ (used in) operating activities	<u>1,068</u>	<u>(956)</u>
Cash flows from investing activities		
Additions of property, plant and equipment	(630)	(161)
Proceeds from disposal of property, plant and equipment	21	34
Interest received	37	77
Net cash used in investing activities	<u>(572)</u>	<u>(50)</u>
Cash flows from financing activities		
Principal payment of lease liabilities	(1,204)	(1,254)
Proceeds from borrowing	-	1,000
Principal payment of borrowing	(483)	(347)
Proceeds from Issuance of shares	42,664	-
Loan to associated company	(44,483)	-
Interest Paid	(126)	(143)
Net cash used in financing activities	<u>(3,632)</u>	<u>(744)</u>
Net decrease in cash and cash equivalents	(3,136)	(1,750)
Beginning of the financial year	6,376	7,952
Effect of currency translation on cash and cash equivalents	(53)	174
Cash and cash equivalents at end of the financial year	<u>3,187</u>	<u>6,376</u>
Reconciliation of Cash and cash equivalents		
Cash and cash equivalents at end of the financial year	3,566	6,791
Less Bank overdraft	(379)	(415)
Cash and cash equivalents per consolidated statement of cashflow	<u>3,187</u>	<u>6,376</u>

## **E. Notes to the condensed interim consolidated financial statements**

### **1. Corporate information**

Pavillon Holdings Ltd. (the "Company") is a limited liability company incorporated and domiciled in the Republic of Singapore and is listed on the Singapore Exchange. The registered office and principal place of business of the Company is located at Block 1002 Tai Seng Avenue #01-2536, Singapore 534409.

The principal activities of the Company are those of investment holding, franchising and provision of management services to its subsidiary corporations. There have been no significant changes in the nature of these activities during the financial year.

The principal activities of the subsidiary corporations are :

- (a) Operation of restaurants
- (b) Financial leasing of all kind of machineries, tools and equipment
- (c) Business development trading, import and export of machineries and investment holdings
- (d) Property management
- (e) Asset Management, enterprise management, mergers and acquisitions and financial advisory services

Related companies in these financial statements refer to the companies within Pavillon Holdings Ltd.'s group of companies.

### **2. Basis of Preparation**

The condensed unaudited financial statements for the year ended 31 December 2022 have been prepared in accordance with SFRS(I) 1-34 Interim Financial Reporting issued by the Accounting Standards Council Singapore. The condensed unaudited financial statements do not include all the information required for a complete set of financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group's financial position and performance of the Group since the last audited financial statements for the financial year ended 31 December 2021.

The accounting policies adopted are consistent with those of the previous financial year which were prepared in accordance with SFRS(I)s, except for the adoption of new and amended standards as set out in Note 2.1.

The condensed unaudited financial statements are presented in Singapore dollar which is the Company's functional currency.

#### **2.1. New and amended standards adopted by the Group**

A number of amendments to Standards have become applicable for the current reporting period. The Group did not have to change its accounting policies or make retrospective adjustments as a result of adopting those standards.

#### **2.2. Use of judgements and estimates**

In preparing the interim financial statements, the management of the Group (the "Management") has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

Estimates, assumptions and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances

The significant judgements made by the Management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for the year ended 31 December 2021.

Information about estimates, assumptions and judgements in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements are as follows:

There were no significant changes in critical judgements, estimates and assumptions as compared to the consolidated financial statements as at and for the year ended 31 December 2021.

### **3. Seasonal operations**

The restaurant business in Singapore has great improvement due to relaxation of covid 19 restriction, more local and tourists visiting our restaurants.

#### 4. Segment and revenue information

The Group is organised into the following main business segments :

These operating segments are reported in a manner consistent with internal reporting provided to Dr John Chen Seow Phun who are responsible for allocating resources and assessing performance of the operating segments

##### 4.1. Reportable segments

	Food & beverages S\$'000	Leasing S\$'000	Properties S\$'000	Other S\$'000	Elimination S\$'000	Total S\$'000
<b>2H2022</b>						
Revenue from external parties	8,004	-	-	26	-	8,030
Inter-segment revenue	788	-	-	-	(788)	-
	8,792	-	-	26	(788)	8,030
Interest Income	-	0	40	592		632
Miscellaneous Income	47	1	10	23		81
Total other income	47	1	50	615	-	713
<b>Total revenue and other income</b>	<b>8,051</b>	<b>1</b>	<b>50</b>	<b>641</b>	<b>-</b>	<b>8,743</b>
Depreciation of property, plant and equipment	(688)	(1)	-	(73)		(762)
Finance expenses	(36)	-	-	(26)		(62)
Segment profit/(loss)	1,103	(111)	184	(6,749)	1,758	(3,815)
Share of profit of associated company	-	136	7,146	-		7,283
Profit/(Loss) before taxation						3,468
Taxation						(40)
Net Profit/(Loss)						3,428
Segment assets	13,639	25,580	3,365	58,574	(48,118)	53,039
Investment in associated companies	-	-	12,963	-		12,963
<b>Total assets per statement of financial position</b>						<b>66,002</b>
Expenditures for segment non-current assets						
- Additions to PPE	936	-	-	9		945
- Investment in associated companies	-	-	6,886	-		6,886
Segment liabilities	7,696	5,606	22,259	6,605	(35,005)	7,161
Current income tax liabilities	96	-	-	-		96
Deferred income tax liabilities	48	-	-	-		48
<b>Total liabilities per statement of financial position</b>						<b>7,305</b>

#### 4.1. Reportable segments (continued)

	Food & beverages S\$'000	Leasing S\$'000	Properties S\$'000	Other S\$'000	Elimination S\$'000	Total S\$'000
<b>2H2021</b>						
Revenue from external parties	4,363	(7)	-	(33)	-	4,323
Inter-segment revenue	-	-	-	428	(428)	0
	<u>4,363</u>	<u>(7)</u>	<u>-</u>	<u>395</u>	<u>(428)</u>	<u>4,323</u>
Interest Income	-	42	-	-	-	42
Miscellaneous Income	496	-	-	177	-	673
Total other income	<u>496</u>	<u>42</u>	<u>-</u>	<u>177</u>		<u>715</u>
<b>Total revenue and other income</b>	<b>4,859</b>	<b>35</b>	<b>-</b>	<b>144</b>	<b>-</b>	<b>5,038</b>
Depreciation of property, plant and equipment	(696)	(69)	(11)	-	-	(777)
Finance expenses	(39)	(6)	(0)	(34)	-	(79)
Segment profit/(loss)	11	(2,059)	(22)	(1,450)	428	(3,092)
Share of profit/(loss) of associated company	-	2,825	(15,351)	-	-	(12,526)
Profit/(Loss) before taxation	11	766	(15,373)	(1,450)	428	(15,618)
Taxation	-	-	-	-	-	74
Net Loss						<u>(15,545)</u>
Segment assets	11,573	16,614	2,002	28,347	(42,795)	15,741
Investment in associated companies		7,818				7,818
Deferred income tax assets					-	
<b>Total assets per statement of financial position</b>						<u>23,559</u>
Expenditures for segment non-current assets						
- Additions to PPE	5	386	-	-	-	390
Segment liabilities	7,883	6,541	3,723	5,452	(14,948)	8,651
Current income tax liabilities	2	-	-	-	-	2
Deferred income tax liabilities	48	-	-	-	-	48
<b>Total liabilities per statement of financial position</b>						<u>8,701</u>

#### 4.1. Reportable segments (continued)

	Food & beverages	Leasing	Properties	Other	Elimination	Total
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
<b>FY2022</b>						
Revenue from external parties	16,250	-	-	59	-	16,309
Inter-segment revenue	1,579	-	-	-	(1,579)	-
	17,829	-	-	59	(1,579)	16,309
Interest Income	-	0	40	626	-	666
Miscellaneous Income	180	2	31	23	-	236
Total other income	180	2	71	649	-	902
<b>Total revenue and other income</b>	16,430	2	71	708	-	17,211
Depreciation of property, plant and equipment	(1,372)	(1)	(0)	(159)	-	(1,532)
Finance expenses	(72)	-	-	(54)	-	(126)
Segment profit/(loss)	2,449	11,688	(11,746)	(8,822)	2,548	(3,883)
Share of profit/(loss) of associated company	-	(636)	6,373	-	-	5,737
Profit/(Loss) before taxation						1,854
Taxation						(94)
Net Profit						1,760
<b>As AT 31 December 2022</b>						
Segment assets	13,639	25,580	3,365	58,574	(48,118)	53,039
Investment in associated companies	-	-	12,963	-	-	12,963
<b>Total assets per statement of financial position</b>						66,002
Expenditures for segment non-current assets						
- Additions to PPE	1,117	-	-	420	-	1,537
Segment liabilities	7,696	5,606	22,259	6,605	(35,005)	7,161
Current income tax liabilities	96	-	-	-	-	96
Deferred income tax liabilities	48	-	-	-	-	48
<b>Total liabilities per statement of financial position</b>					(35,005)	7,305

4.1. Reportable segments (continued)

	Food & beverages	Leasing	Properties	Other	Elimination	Total
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
<b>FY2021</b>						
Revenue from external parties	9,286	-	63	13	-	9,362
Inter-segment revenue	-	-	-	918	(918)	(0)
	9,286	-	63	931	(918)	9,362
Interest Income	-	77	-	-	-	77
Miscellaneous Income	765	-	24	223	-	1,012
Total other income	765	77	24	223	-	1,089
<b>Total revenue and other income</b>	10,051	77	87	236	-	10,451
Depreciation of property, plant and equipment	(1,399)	(69)	(213)	(2)	-	(1,683)
Finance expenses	(76)	(6)	(1)	(59)	-	(143)
Segment profit/(loss)	295	(2,453)	(195)	(2,780)	918	(4,215)
Share of loss of associated company	-	-	(15,351)	-	-	(15,351)
Profit/(Loss) before taxation						(19,566)
Taxation	64					64
<b>Net Loss</b>						(19,502)
<b>As AT 31 December 2021</b>						
Segment assets	11,573	16,614	2,002	28,347	(42,795)	15,741
- Investment in associated companies		7,818				7,818
<b>Total assets per statement of financial position</b>						23,559
Expenditures for segment non-current assets						
- Additions to PPE	39	387	-	-	-	426
Segment liabilities	7,883	6,541	3,723	5,452	(14,948)	8,651
Current income tax liabilities	2	-	-	-	-	2
Deferred income tax liabilities	48	-	-	-	-	48
<b>Total liabilities per statement of financial position</b>						8,701

## 4.2. Disaggregation of Revenue

The Group derives revenue from the transfer of goods and services at a point in time and over time in the following major revenue stream and geographical regions. Revenue is attributed to countries by location of customers.

	The Group				Total
	Food & beverages	Leasing	Properties	Other	
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Types of goods or service:					
Sale of goods and royalty fees	8,004	-	-	(33)	7,971
Rendering of services	-	-	-	59	59
Rental income	-	-	-	-	-
<b>Total revenue</b>	<b>8,004</b>	<b>-</b>	<b>-</b>	<b>26</b>	<b>8,030</b>
Timing of revenue recognition:					
At a point in time	7,929	-	-	26	7,955
Over time	75	-	-	-	75
<b>Total revenue</b>	<b>8,004</b>	<b>-</b>	<b>-</b>	<b>26</b>	<b>8,030</b>
Geographical information:					
Singapore	7,963	-	-	-	7,963
Vietnam	32	-	-	-	32
PRC	8	-	-	26	35
<b>Total revenue:</b>	<b>8,004</b>	<b>-</b>	<b>-</b>	<b>26</b>	<b>8,030</b>

	The Group				Total
	Food & beverages	Leasing	Properties	Other	
Types of goods or service:					
Sale of goods and royalty fees	4,364	-	-	(46)	4,317
Rendering of services	-	-	-	13	13
Rental income	-	(7)	(0)	-	(7)
<b>Total revenue</b>	<b>4,364</b>	<b>(7)</b>	<b>(0)</b>	<b>(33)</b>	<b>4,323</b>
Timing of revenue recognition:					
At a point in time	4,290	-	63	13	4,366
Over time	74	(7)	(63)	(46)	(43)
<b>Total revenue</b>	<b>4,364</b>	<b>(7)</b>	<b>(0)</b>	<b>(33)</b>	<b>4,323</b>
Geographical information:					
Singapore	4,289	-	-	-	4,289
Vietnam	42	-	-	(24)	18
PRC	32	(7)	(0)	(9)	16
<b>Total revenue:</b>	<b>4,363</b>	<b>(7)</b>	<b>(0)</b>	<b>(33)</b>	<b>4,323</b>

	The Group				Total
	Food & beverages	Leasing	Properties	Other	
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Types of goods or service:					
Sale of goods and royalty fees	16,250	-	-	-	16,250
Rendering of services	-	-	-	59	59
<b>Total revenue</b>	<b>16,250</b>	<b>-</b>	<b>-</b>	<b>59</b>	<b>16,309</b>
Timing of revenue recognition:					
At a point in time	16,055	-	-	59	16,114
Over time	195	-	-	-	195
<b>Total revenue</b>	<b>16,250</b>	<b>-</b>	<b>-</b>	<b>59</b>	<b>16,309</b>
Geographical information:					
Singapore	16,174	-	-	-	16,174
Vietnam	64	-	-	-	64
PRC	11	-	-	59	70
<b>Total revenue:</b>	<b>16,250</b>	<b>-</b>	<b>-</b>	<b>59</b>	<b>16,309</b>

	The Group				Total
	Food & beverages	Leasing	Properties	Other	
Types of goods or service:					
Sale of goods and royalty fees	9,286	-	-	-	9,286
Rendering of services	-	-	-	13	13
Rental income	-	-	63	-	63
<b>Total revenue</b>	<b>9,286</b>	<b>-</b>	<b>63</b>	<b>13</b>	<b>9,362</b>
Timing of revenue recognition:					
At a point in time	9,212	-	63	13	9,288
Over time	74	-	-	-	74
<b>Total revenue</b>	<b>9,286</b>	<b>-</b>	<b>63</b>	<b>13</b>	<b>9,362</b>
Geographical information:					
Singapore	9,212	-	-	-	9,212
Vietnam	42	-	-	-	42
PRC	32	-	63	13	108
<b>Total revenue:</b>	<b>9,286</b>	<b>-</b>	<b>63</b>	<b>13</b>	<b>9,362</b>

## 4.2. Disaggregation of Revenue (Continued)

A breakdown of sales:

	The Group		
	FY2022	FY2021	Increase / (Decrease)
	\$'000	\$'000	%
Sales reported for the first half year	8,279	5,039	64%
Next loss after tax before deducting non-controlling interests reported for first half year	(1,669)	(3,957)	-58%
Sales reported for second half year	8,030	4,323	86%
Net Profit/(Loss) after tax before deducting non-controlling interests reported for second half year	3,428	(15,545)	-122%

## 5. Financial assets and financial liabilities

Set out below is an overview of the financial assets and financial liabilities of the Group as at 31 December 2022 and 31 December 2021

	Note	Group		Company	
		31-Dec-22 S\$'000	31-Dec-21 S\$'000	31-Dec-22 S\$'000	31-Dec-21 S\$'000
<b>Financial Assets</b>					
Financial assets at fair value through other comprehensive income (FVOCI)	10	4,294	4,162	-	-
Financial assets (Amortised cost)		5,833	7,463	1,097	762
		10,127	11,625	1,097	762
<b>Financial Liabilities</b>					
Financial liabilities (Amortised cost)		6,962	8,453	6,602	5,452

## 6. Profit / (Loss) before taxation

### 6.1. Significant items

	Group			
	2H2022 S\$'000	2H2021 S\$'000	FY2022 S\$'000	FY2021 S\$'000
<b>Income</b>				
Interest income	632	43	666	77
<b>Expenses</b>				
Interest on borrowings	79	108	126	143
Depreciation of property, plant and equipment	761	777	1,532	1,683
Loss on disposal of property, plant and equipment	8	-	8	-
Foreign exchange (gain)/loss, net	4,429	(1)	4,429	(1)
<b>Other income</b>				
Government Grant	26	589	131	842
Rental concession	-	62	-	62
Rebate due to Covid-19	(20)	(29)	-	-
Recovery of rental deposit previously written off	-	(22)	-	-
Gain on disposal of property, plant and equipment	-	0	-	23
Others	96	71	105	85
	102	672	236	1,012

### 6.2. Related party transactions

There are no material related party transactions apart from those disclosed elsewhere in the financial statements.

## 7. Taxation

The Group calculates the period income tax expense using the tax rate that would be applicable to the expected total annual earnings. The major components of income tax expense in the condensed interim consolidated statement of profit or loss are:

	2H2022 S\$'000	2H2021 S\$'000	FY2022 S\$'000	FY2021 S\$'000
Current Income Tax expenses / (credit)	40	(74)	94	(29)
Deferred Income tax expenses relating to origination and reversal of temporary difference	0	0	0	(35)
Income tax expenses /(credit) recognised in Profit and Loss	40	(74)	94	(64)

## 8. Dividends

(a) Whether an interim (final) ordinary dividend has been declared (recommended).

No dividends declared during the year.

(b) (i) Amount per share:

Not applicable

(ii) Previous corresponding period: None

(c) Whether the dividend is before tax, net of tax or tax exempt. If before tax or net of tax, state the tax rate and the country where the dividend is derived. (If the dividend is not taxable in the hands of the shareholders, this must be stated.)

Not applicable.

(d) The date the dividend is payable.

Not applicable.

(e) The date on which the Registrable Transfers received by the company (up to 5:00pm) will be registered before entitlements to the dividend are determined.

Not applicable.

## 9. Net Asset Value

	Group		Company	
	As at 31/12/2022	As at 31/12/2021	As at 31/12/2022	As at 31/12/2021
	Cts	Cts	Cts	Cts
Net asset value per ordinary share	3.77	3.20	3.22	2.27

## 10. Financial assets at fair value through other comprehensive income

Financial assets at fair value through other comprehensive income comprise the following

	Group	
	31-Dec-22 S\$'000	31-Dec-21 S\$'000
<b>Unquoted equity security – Lingbao Gold Group Co., Ltd (“Lingbao”)</b>		
Beginning of financial year	4,162	4,220
Fair value gains/(losses)	132	(58)
End of financial year	4,294	4,162

The financial asset, at FVOCI represents 1.15% equity interests in a company - Lingbao that is engaged in the mining, processing, smelting and sale of gold and other metallic products. Lingbao is a joint stock limited company incorporated in PRC, which partially of its shares are listed on the Stock Exchange of Hong Kong Limited.

The Group has elected to measure the above financial asset, at FVOCI due to management's intention to hold the financial asset for strategic investment purpose.

### 10.1. Fair value measurement

The Group classifies financial assets measured at fair value using a fair value hierarchy which reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels

- a) Quoted prices (unadjusted) in active markets for identical assets or liabilities **(Level 1)**.
- b) Inputs other than quoted prices included within Level 1 which are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices) **(Level 2)**; and
- c) Inputs for the assets or liability which are not based on observable market data (unobservable inputs) **(Level 3)**.

The following table presented the assets measured at fair value :

	Level 1 S\$'000	Level 2 S\$'000	Level 3 S\$'000	Total S\$'000
<b>Group – 31 Decemeber 2022</b>				
<b>Financial assets</b>				
FVOCI investments (Quoted investments)	-	4,294	-	4,294
<b>Group – 31 Decemeber 2021</b>				
<b>Financial assets</b>				
FVOCI investments (Quoted investments)	-	4,162	-	4,162

## 11. Property, plant and equipment

During the year ended 31 December 2022, the Group has increased the value of the assets by 630K mainly due to acquisition of car washing machines.(31 December 2021: \$161,000) and disposed of assets amounting to \$29,000 (31 December 2021: \$23,000)

## 12. Borrowings

	<b>Group</b>	
	<b>31-Dec-22</b>	<b>31-Dec-21</b>
	<b>S\$'000</b>	<b>S\$'000</b>
<u>Amount repayable within one year or on demand</u>		
Bank overdrafts - Unsecured	379	415
Bank borrowings - Unsecured	512	496
Lease liabilities Unsecured	615	1,140
	<u>1,507</u>	<u>2,051</u>
<u>Amount repayable after one year</u>		
Bank borrowings - Unsecured	1,018	1,518
Lease liabilities Unsecured	699	623
	<u>1,717</u>	<u>2,141</u>
	<b>Company</b>	
	<b>31-Dec-22</b>	<b>31-Dec-21</b>
	<b>S\$'000</b>	<b>S\$'000</b>
<u>Amount repayable within one year or on demand</u>		
Bank overdrafts - Unsecured	379	415
Bank borrowings - Unsecured	318	308
	<u>697</u>	<u>723</u>
<u>Amount repayable after one year</u>		
Bank borrowings - Unsecured	461	766
	<u>461</u>	<u>766</u>

## 13. Share capital

	The Group and the Company			
	As at 31/12/2022		As at 31/12/2021	
	Number of shares	Amount S\$	Number of shares	Amount S\$
Beginning of the financial year	387,748,700	39,433,461	387,748,700	39,433,461
Issuance of shares	1,047,218,560	42,663,941	-	-
End of financial year	<u>1,434,967,260</u>	<u>82,097,402</u>	<u>387,748,700</u>	<u>39,433,461</u>

The Company did not hold any treasury shares as at 31 December 2022 and 31 December 2021

The Company's subsidiaries do not hold any shares in the Company as at 31 December 2022 and 31 December 2021

## 14. Subsequent events

There are no known subsequent events which have led to adjustments to this set of interim financial statements

## OTHER INFORMATION

### 1. Review

The condensed consolidated statement of financial position of Pavillon Holdings Ltd and its subsidiaries as at 31 December 2022 and the related condensed consolidated profit or loss and other comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the twelve-month period then ended and certain explanatory notes have not been audited or reviewed.

### 2. Review of performance of the Group

#### Revenue

Total Revenue from Singapore operation has increased 74% in year 2022 as compared to FY2021, mainly due to further relaxation of the Covid 19 restriction in 2022 when there are more locals and tourists visiting our restaurants.

#### Interest Income

Higher interest income is mainly derived from RMB 208 million loans extended by the company to its associate company.

#### Other Income

Other income for the year 2022 was lower as compared to year 2021, due to lesser grants from government.

#### Raw materials and changes in inventories

Raw materials consumption has increased 75% proportional to the increase in the Food and Beverages business in 2022.

#### Employee compensation

Employee compensation cost was reduced by 3.7% due to the retrenchment of China employees and also a reduction of director and KMP remunerations.

#### Depreciation expenses

Depreciation was reduced mainly due to most of the fixed assets in China being disposed of.

#### Finance expenses

The finance expenses were reduced by around 12% mainly due to most of the interest from Right of Use was expensed off in earlier years.

#### Currency exchange loss

The company has given its associate company RMB 200 million loan and the exchange loss is mainly due to Chinese Yuan depreciation against Singapore dollars in this financial year.

#### Other operating expenses

Other operating expenses increased by 2.6% mainly due to the following reasons :

- a) Increased in F&B operating expense of S\$470K due to improvement of F&B Business in FY2022
  - b) One time write-off cost of S\$747K to cease China automated car washing business
  - c) Travelling expenses are higher by about \$41K due to higher airfare to China due to China Covid 19 situation.
  - d) Professional fee increased by S\$90K due to lawyer fee incurred for restructuring China management team, including replacing legal representative and retrenchment of staff and also discontinuing the car washing business
- offset by a reduction of S\$1.38 m from VAT expenses in year 2022 as compared to 2021.

#### Share of profit of associated companies

While challenging economic conditions remain, Tianjin's logistic hub has improved capacity utilization and therefore led to a net contribution of S\$5.7 million to the company.

### Review of Financial Position as at 31 December 2022

#### Property, plant and equipment

Reduction of fixed assets mainly due to the value decreased of right-of-use assets and depreciation over the year and written off assets in China.

#### Trade and other receivable - Current and Non-Current

The increase in trade and other receivables as compared to last year was mainly due to the RMB8M (Current) and RMB 200m (Non-current) loan given to an associate company in China.

#### Inventories

Inventories increased due to the new shipment arrived in Dec 2022, as management expects good F & B businesses to continue in 2023.

#### Financial Assets, at FVOCI

Financial Assets at FVOCI has increased by \$132k due to fair value gain.

#### Investment in Associated companies

The investment property in Tianjin logistic hub has improved its capacity utilisation and led to an increase in the value of the investment in the associate company.

## Liabilities

### Trade and other payables - Current

The Trade & other payables have been reduced mainly due to early repayment to the creditor for a better purchase discount in December 2022.

### Finance lease liabilities - Current/Non-current

Finance Lease Liabilities reduced due to repayment of lease.

### Borrowings Current/Non-Current

The group continues to make prompt payment to reduce the bank loans.

## Review of Consolidated Cash Flows

Net cash inflow of \$1.068m from operating activities, mainly due to the improvement of F&B business in Singapore.

Net cash outflow of \$3,632K in financing activities for the financial period 2022 compared to net cash outflow of \$744K for the financial period 2021, mainly due to additional share capital of about S\$43 million and offset with loan to associated company of S\$44 million(RMB 280 million).

Cash and Cash equivalent as of 31 Dec 2022 was S\$3.6m, compared to \$6.8m from Cash and Cash equivalent as of 31 December 2021.

### **3. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.**

Consistent with previous statements.

### **4. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.**

With countries continuing to ease their Covid 19 restrictions, the group expects more tourists to visit Singapore which will enhance the group's F & B business.

While the investment asset in Tianjin logistic hub has yet to generate a positive return, it has since improved its capacity utilization. This resulted in an increase of value of our investment in the associate company although operations of the logistic hub remain challenging.

## **5. Dividend information**

### 5a. Current Financial Period Reported on

Any dividend recommended for the current financial period reported on?

No dividends declared during the period.

The group requires capital for operations needs and development of new business. Therefore the company will not be declaring any dividend.

(b) (i) Amount per share: Not applicable

(ii) Previous corresponding period: None

(c) Whether the dividend is before tax, net of tax or tax exempt. If before tax or net of tax, state the tax rate and the country where the dividend is derived. (If the dividend is not taxable in the hands of the shareholders, this must be stated.)

Not applicable.

(d) The date the dividend is payable.

Not applicable.

(e) The date on which the Registrable Transfers received by the company (up to 5:00pm) will be registered before entitlements to the dividend are determined.

Not applicable.

### 5b. Corresponding Period of the Immediate Preceding Financial Year

Any dividend declared for the corresponding period of the immediately preceding financial year?

No dividends declared during the period.

-

## **6. Interested person transactions**

The Group has not obtained a general mandate from shareholders of the Company for Interested Person Transactions.

## **7. Confirmation that the issuer has procured undertaking from all its directors and executive officers (in the format set out in Appendix 7.7) under Rule 720(1)**

The Company has received undertaking from all its directors and executive officers in the format as set out in Appendix 7.7 under Rule 720(1) of the Listing Manual of the SGX-ST.

## **8. Review of performance of the Group – turnover and earnings**

Please refer to Other information 2. Review of performance of the Group.

## **9. Disclosure of persons occupying managerial positions who are related to a director, CEO or substantial shareholder**

Pursuant to Rule 704(13) of the Listing Manual, Pavillon Holdings Ltd confirms that there are no persons occupying a managerial position in the Company or in any of its principal subsidiaries who is a relative of a director, chief executive officer or substantial shareholder of the Company.

## **Confirmation by the Board**

On behalf of the Board of Directors of the Company, we, the undersigned, hereby confirm to the best of our knowledge that nothing has come to the attention of the Board of Directors of the Company which may render the financial statements for the year ended 31 December 2022 to be false or misleading in any material aspect.

On behalf of the Board of Directors

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Dr John Chen Seow Phun  
Executive Chairman

Singapore  
23-02-23