

## PAVILLON HOLDINGS LTD.

(Company Registration No. 199905141N)  
(Incorporated in the Republic of Singapore)

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### (A) DISPOSAL OF SHARES IN LINGBAO GOLD GROUP CO LTD

### (B) GRANT OF WAIVER FROM REQUIRING THE COMPANY TO SEEK SHAREHOLDERS' APPROVAL FOR THE DISPOSAL

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## 1. INTRODUCTION

- 1.1. The board of directors (the “**Board**” or the “**Directors**”) of Pavillon Holdings Ltd (the “**Company**”, and together with its subsidiaries, the “**Group**”) wishes to announce that the Company has (through its indirect wholly-owned subsidiary, Shanghai Yiwen Information and Technology Co., Ltd), disposed 2,513,000 shares in Lingbao Gold Group Co Ltd, a public listed company on the Hong Kong Stock Exchange (“**Lingbao**”), constituting approximately 0.20% of the shareholding interest in Lingbao (the “**Disposal**”).
- 1.2. The Disposal was completed through open market trades over 28 March 2025 to 9 May 2025 and the 2,513,000 shares in Lingbao (the “**Disposal Shares**”) were sold at a range of prices between HK\$7.22 (approximately S\$1.21)<sup>1</sup> to HK\$10.04 (approximately S\$1.68) per Disposal Share, resulting in total proceeds of approximately HK\$23,465,840 (approximately S\$3,929,343). For the purposes of this announcement, the disposal price for the Disposal Shares shall be the volume weighted average of the disposal price, being HK\$9.34 (approximately S\$1.56) (the “**Disposal Price**”).
- 1.3. The Disposal constitutes a discloseable transaction under Rule 1010 of the listing manual of the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) (the “**Listing Manual**”) and this announcement sets out the required disclosures in accordance with Rule 1010 of the Listing Manual.
- 1.4. As at the date of this announcement, the Company (through its indirect wholly-owned subsidiary, Shanghai Yiwen Information and Technology Co., Ltd) still holds 7,437,249 shares in Lingbao, constituting approximately 0.61% of the total share capital in Lingbao (the “**Remaining Lingbao Shares**”).

## 2. INFORMATION ON LINGBAO

### 2.1. Information on Lingbao<sup>2</sup>

Lingbao and its subsidiaries are primarily engaged in the business of gold mining, smelting, and refining in the People's Republic of China (the “**PRC**”).

### 2.2. Value of the Disposal Shares

The Disposal was conducted at the open market prices of the shares of Lingbao, which is publicly traded on the Hong Kong Stock Exchange.

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<sup>1</sup> For the purposes of this announcement, based on the exchange rate of HK\$5.97:S\$1.00.

<sup>2</sup> Information on Lingbao can be found on its website: <https://www.lbgold.com/>.

### 3. RATIONALE FOR AND BENEFITS OF THE DISPOSAL

3.1. The Company believes that the Disposal is to the benefit of the Group and its shareholders as:

- (a) the Disposal Price is a premium of 3%, 30%, 58% and 84% over the volume weighted average price per Disposal Share for the one (1)-month, three (3)-month, six (6)-month and 12-month periods, respectively, up to and including 8 May 2025, being the last trading day prior to the Disposal on which the shares of Lingbao were traded (the “**Last Trading Day**”);
- (b) the Disposal will result in a gain on disposal and gain over book value for the Group, as set out in paragraph 6.2 of this announcement;
- (c) the proceeds from the Disposal will provide cashflow for the Company to be used as set out in paragraph 4 (*Use of Proceeds*) of this announcement; and
- (d) the Company has held the asset for investment and has been looking for an appropriate time to exit from such investment. Due to the current favourable market conditions, the Directors believed that it was an appropriate time for the Disposal.

3.2. Further, the Board is of the opinion that there has been and will be no material change in the risk profile of the Company arising from the Disposal, based on the following:

- (a) the Board had previously expressed its intention in February 2025 to proceed with the disposal of the Company’s shares in Lingbao once a profitable return can be realised. The cost of the shares in Lingbao was approximately S\$0.55 per share, bringing the value of the shares in Lingbao to approximately S\$5.43 million;
- (b) based on the aggregate value of the total consideration received for the Disposal of approximately HK\$23,465,840 (approximately S\$3,929,343), this results in a gain on disposal recorded by the Group of approximately S\$2.56 million; and
- (c) the Group will continue to engage its core businesses and there is no material change or alteration to the Group’s business or risk profile as the Disposal is not expected to have any adverse impact. Specifically:
  - (i) the Group’s food and beverages segment, properties segment and other segments<sup>3</sup> accounted for approximately 14.03%, 80.93% and 5.04% of the Group’s net asset value as of 31 December 2024 based on the annual report for the financial year ended 31 December 2024 (the “**AR2024**”). Pursuant to the Disposal, the Group will remain in these segments and do not expect any material changes to the contributions of each segment, barring any unforeseen circumstances and/or new businesses (subject to any required approvals);
  - (ii) the proceeds from the Disposal is intended to provide additional cash flow for the Group for existing operations and/or fund new business investment opportunities (subject to any required approvals) and not intended to result in any change in the operations or risk profile of the Group;
  - (iii) the Disposal will not result in a change in the concentration of operations of the Group in any new business segments or jurisdictions;
  - (iv) the Group is in a net cash position as of 31 December 2024 based on the AR2024, and the Disposal will further strengthen the Group’s net cash position; and

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<sup>3</sup> All other segments, which mainly relate to management fees from related companies within the Group and the investment in the shares held by the Group in Lingbao.

- (v) the Disposal will not be expected to have a material impact on the Group's financials, as the one-time gain arising from the transaction is non-recurring and does not form part of the Group's core revenue streams. This gain will be recognised in Other Comprehensive Income (OCI) and there will be no significant adverse impact on the net tangible assets or the earnings per share of the Group.

#### 4. USE OF PROCEEDS

The Group intends to retain the proceeds from the Disposal in the PRC to fund general corporate purposes and working capital for existing operations and/or fund new business investment opportunities, subject to any required approvals.

#### 5. LISTING RULE 1006 FIGURES FOR THE DISPOSAL

5.1. The relative figures computed on the bases set out in Listing Rule 1006 are based on:

- (a) the latest available financial statements, being the financial information as at 31 December 2024 and for the full year ended 31 December 2024; and
- (b) the Disposal Price for the Disposal,

and are set out as follows:

Listing Rule	Relative Figures
<u>Rule 1006(a)</u>  The net asset value of the assets to be disposed of, compared with the group's net asset value. This basis is not applicable to an acquisition of assets.	1.92% <sup>(1)</sup>
<u>Rule 1006(b)</u>  The net profits attributable to the assets acquired or disposed of, compared with the group's net profits.	17.78% <sup>(2)</sup>
<u>Rule 1006(c)</u>  The aggregate value of the consideration given or received, compared with the issuer's market capitalisation <sup>(3)</sup> based on the total number of issued shares excluding treasury shares.	16.01% <sup>(4)</sup>
<u>Rule 1006(d)</u>  The number of equity securities issued by the issuer as consideration for an acquisition, compared with the number of equity securities previously in issue.	N.A. <sup>(5)</sup>
<u>Rule 1006(e)</u>  The 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. If the reserves are not directly comparable, the Exchange may permit valuations to be used instead of volume or amount.	N.A. <sup>(6)</sup>

**Notes:**

- (1) Based on the net assets value of the Disposal Shares of RMB 6,452,789 (approximately S\$ 1,159,449)<sup>4</sup> as at 31 December 2024 and the net assets value of the Company of S\$60,494,000 as at 31 December 2024.
  - (2) Based on the net profits attributable to the Disposal Shares of RMB1,426,128 (approximately S\$256,037) for the full year ended 31 December 2024 and the net profits of the Company and its subsidiaries (the “**Group**”) of S\$1,440,000 for the full year ended 31 December 2024.
  - (3) Based on the market capitalisation of the Company of S\$27,264,378, which is computed based on 1,434,967,260 shares in issue<sup>5</sup> and the volume weighted average price of S\$0.0258 per share as at 26 March 2025, being the last trading day prior to the date of the Disposal (on the basis of the first transaction of the Disposal on 28 March 2025) on which the shares of the Company were traded.
  - (4) Based on the aggregate value of the total consideration received for the Disposal of approximately HK\$23,465,840 (approximately S\$3,929,343).
  - (5) Not applicable as no equity securities will be issued for the Disposal.
  - (6) Not applicable as the Company is not a mineral, oil and gas company.
- 5.2. As the relative figures under Listing Rules 1006(a) to 1006(c) for the Disposal exceed 5.00% but are below 20.00%, the Disposal constitutes a “discloseable transaction” as defined under Chapter 10 of the Listing Manual.

**6. PRO FORMA FINANCIAL EFFECTS OF DISPOSAL**

- 6.1. The *pro forma* financial effects of the Disposal on the Group’s net tangible assets (“**NTA**”) per share and earnings per share (“**EPS**”) as set out below are strictly for illustrative purposes and are not indicative of the actual financial position and/or results of the Group following the Disposal. The pro forma financial effects have been prepared based on the latest audited financial results of the Group for the financial year ended 31 December 2024.
- 6.2. Assuming that the Disposal were completed on 31 December 2024, the Group expects to record a gain on disposal of S\$2.56 million and the Group will record a gain of S\$2.56 million over the book value of the Disposal Shares.
- 6.3. Assuming that the Disposal had been effected on 31 December 2024, the net tangible assets per share of the Group as at 31 December 2024 will increase from S\$0.0366 to S\$3.84.
- 6.4. Assuming that the Disposal had been effected on 1 January 2024, the basic earnings per share and diluted earnings per share of the Group for the year ended 31 December 2024 will increase from earnings per share of S\$0.0023 to earnings per share of S\$0.0023<sup>6</sup>.

**7. INTERESTS OF DIRECTORS AND CONTROLLING SHAREHOLDERS**

Save as disclosed in this announcement, none of the Directors, controlling shareholders or their associates have any interest, direct or indirect, in the Disposal (other than through their respective interests arising by way of their directorships and/or shareholdings in the Company).

**8. DIRECTORS’ SERVICE CONTRACTS**

No person is proposed to be appointed as a Director in connection with the Disposal and no service contracts in relation thereto will be entered into by the Company.

**9. WAIVER OBTAINED FROM THE SGX-ST**

- 9.1. Pursuant to Rule 1014 of the listing manual of the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) (the “**Listing Manual**”), where any of the relative figures computed on the basis set out in Rule 1006 of the Listing Manual exceeds 20%, the transaction will be

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<sup>4</sup> For the purposes of this letter, based on the exchange rate of RMB 5.57:S\$1.00.

<sup>5</sup> The Company does not have any treasury shares or subsidiary holdings.

<sup>6</sup> As the Disposal will be recorded as a gain under other comprehensive income, there will not be any impact on the Group’s earnings per share.

classified as a major transaction, and the requirements prescribed in Rule 1014 of the Listing Manual must be complied with. In determining the category of transaction under Rule 1004 of the Listing Manual which the transaction falls under, the SGX-ST may aggregate separate transactions completed within the last 12 months and treat them as if they were one (1) transaction.

9.2. Subject to conducive market conditions, the Company may undertake further disposal of the Remaining Lingbao Shares (any such disposal, a **"Further Disposal"**). Any Further Disposal may result in the Disposal and such Further Disposal being aggregated and collectively constituting a major transaction under Rule 1014 of the Listing Manual. Pursuant to Rule 1014(2) of the Listing Manual, such aggregated transaction will then need to be made conditional upon approval by shareholders in a general meeting. In light of this, the Company had submitted an application to the Singapore Exchange Regulation Pte. Ltd. (the **"SGX RegCo"**) on 14 April 2025 to seek a waiver of the requirement under Rule 1014(2) of the Listing Manual for the Company to obtain shareholders' approval for the disposal of its shareholding interests in Lingbao (the **"Lingbao Disposal"**) (the **"Waiver"**).

9.3. The Waiver was applied on the basis of the following reasons:

- (a) taking into consideration the reasons set out in paragraph 3 (*Rationale for and Benefits of the Disposal*) of this announcement, the Board is of the view that the interests of its minority shareholders will not be prejudiced and it is to the benefit of its shareholders for the Company to be able to expeditiously execute and complete the Lingbao Disposal;
- (b) specifically, the shares held by the Group in Lingbao are not operational assets and does not constitute a core asset of the Group. Further, the completion of the Lingbao Disposal will not materially change the risk profile or business operations of the Group;
- (c) additionally, the Lingbao Disposal is of a time-sensitive nature as any delay in completion may result in changes to the consideration received for the Lingbao Disposal due to potential share price changes resulting from market volatility; and
- (d) in lieu of seeking prior shareholder approval for the Lingbao Disposal, the Company will convene an extraordinary general meeting to seek shareholders' ratification for the Lingbao Disposal within six (6) months from the date of approval of the Waiver (the **"Ratification EGM"**). In this regard, it has been indicated to the Company that its controlling shareholder, New Development Hotel Management Pte. Ltd., which owns approximately 72.98% of the shareholding interests of the Company, would be willing to provide a written undertaking to the Company to vote in favour of the Lingbao Disposal (the **"Disposal Vote Undertaking"**). Accordingly, the outcome of the Ratification EGM to ratify the Lingbao Disposal would be certain.

9.4. The SGX RegCo had, on 28 April 2025, granted and had no objections to the Company's application for the Waiver, subject to the following conditions:

- (a) the Company announcing the Waiver granted, the reasons for seeking the Waiver, the conditions as required under Rule 107 of the Listing Manual and if the Waiver conditions have been satisfied. If the Waiver conditions have not been met on the date of the announcement, the Company must make an update announcement when the conditions have all been met;
- (b) submission of a written confirmation from the Company that it is not aware of any information that will have a material bearing on investors' decision which has yet to be announced by the Company;
- (c) submission to the SGX RegCo and announcement via SGXNet of a written opinion from the Company's Board of Directors that there has been or will be no material change in the risk profile of the Company arising from the Lingbao Disposal, including the basis for its opinion;

- (d) the Company announcing the Lingbao Disposal via SGXNet in accordance with Rule 1010 of the Listing Manual;
- (e) the Company holding the Ratification EGM to obtain shareholder ratification of the Disposal within six (6) months of the date of Waiver approval; and
- (f) submission to the SGX RegCo and announcement via SGXNet of a written undertaking by the Company's controlling shareholder, New Development Hotel Management Pte. Ltd., which owns 72.98% of the shareholding interests of the Company that it will not sell, transfer or otherwise dispose of its shares prior to the Ratification EGM and that it will vote in favour of the Lingbao Disposal at the Ratification EGM.

9.5. As at the date of this announcement, the Company has fulfilled conditions (a), (c) and (d) above.

9.6. Conditions (b), (e) and (f) above will be fulfilled in due course, in the event that any Further Disposal is undertaken and together with the Disposal, collectively constitute a major transaction under Rule 1014 of the Listing Manual.

## **10. FURTHER ANNOUNCEMENTS**

10.1. The Company will make the requisite announcements in compliance with the requirements of Chapter 10 of the Listing Manual in relation to any Further Disposal of the Remaining Lingbao Shares.

10.2. Further, in the event that any Further Disposal is undertaken by the Company and together with the Disposal, collectively constitutes a major transaction under Rule 1014 of the Listing Manual, a circular containing information on the Disposal and such Further Disposal will be issued to the shareholders of the Company for the purposes of obtaining the shareholders' approval at the Ratification EGM.

## **11. DIRECTORS' RESPONSIBILITY STATEMENT**

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 Disposal, the Company and its subsidiaries, and the Directors are not aware of any facts the omission of which would make any statement in this announcement misleading. Where information in this announcement has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in this announcement in its proper form and context.

## **12. CAUTIONARY STATEMENT**

Shareholders, securityholders and investors are advised to read this announcement and any past and future announcements by the Company carefully when dealing with the Shares and securities of the Company. Shareholders, securityholders, and investors should consult their stockbrokers, bank managers, solicitors or other professional advisors if they have any doubt about the actions they should take or when dealing with their Shares or securities of the Company.

## **BY ORDER OF THE BOARD**

Fan Bin  
Executive Chairman

16 May 2025