

PAVILLON HOLDINGS LTD.

(Company Registration No. 199905141N)

PROPOSED PROPERTIES ACQUISITION, PROPOSED ISSUE AND ALLOTMENT OF CONSIDERATION SHARES, PROPOSED ISSUE OF CONVERTIBLE BONDS AND PROPOSED DISPOSAL

DESPATCH OF CIRCULAR

Reference is made to:

- (i) the announcements by the Company on 18 September, 22 September 2017 and 22 December 2017 in relation to the proposed acquisition by Fengchi Real Estate Sdn. Bhd. ("**Fengchi RE**"), a subsidiary of the Company, of 99 strata lots in a commercial building situated at No. 21 Jalan Tebrau, Johor Bahru ("**City Plaza Commercial Complex**"), forming part of the City Plaza Commercial Complex and 8 plots of land adjoining City Plaza Commercial Complex in accordance with and subject to the terms and conditions as stipulated in the conditional sale and purchase agreements dated 16 September 2017 ("**SPAs**") (as amended and supplemented by the addendum agreements ("**Addendum Agreements**")) to each of the SPAs entered into with each of Hock Der Realty Sdn. Bhd. and Ascent Asia Sdn. Bhd. ("**Proposed Properties Acquisition**");
- (ii) the announcement by the Company on 22 November 2017 in relation to the proposed disposal by its wholly-owned subsidiary Tianjin Pavillon Assets Management Co., Ltd. (天津兰亭资产管理有 限公司), of its 40% equity interest in Tianjin Binhai New Area Changjiang Cultural Assets Trading Center Co., Ltd. (天津滨海新区长江文化资产交易中心有限公司) in accordance with and subject to the terms and conditions as stipulated in the equity transfer agreement entered into with Inner Mongolia Jiangmeng Culture and Arts Co., Ltd. (内蒙古江蒙文化艺术有限公司) ("**Proposed Disposal**");
- (iii) the further announcement by the Company on 10 January 2018 that Fengchi RE has on 10 January 2018 entered into:
 - (a) a bond subscription agreement with Mr Low Eng Heng @ Low Yong Heng pursuant to which the Company has agreed to issue and Mr Low Eng Heng @ Low Yong Heng has agreed to subscribe for RM29,855,000 principal amount of 5.0% convertible bonds due three years from the date of issuance ("**Convertible Bonds**"). The Convertible Bonds are convertible into 98,694,214 ordinary shares in the capital of the Company at the conversion price of RM0.3025 per Share; and
 - (b) a confirmation letter by the Vendors in favour of the Company and Fengchi RE confirming that the amount of RM25,355,000 payable to Hock Der and the amount of RM4,500,000 payable to Ascent Asia by Fengchi RE under the SPAs and Addendum Agreements shall be fully settled by way of issuance of the Convertible Bonds to Mr Low Eng Heng @ Low Yong Heng; and
- (iv) the announcements by the Company on 8 December 2017 and 10 January 2018 that the Singapore Exchange Securities Trading Limited ("**SGX-ST**") has on 8 December 2017 and 10 January 2018 granted its in-principle approval for the listing of and quotation for the Consideration Shares and Conversion Shares respectively, on the Official List of the SGX-ST,

(collectively, "**Announcements**").

Capitalised terms used but not defined in this announcement shall have the meanings given to them in the Announcements.

In connection therewith, the Board wishes to announce that the Company has today despatched a circular ("**Circular**") dated 25 January 2018 in relation to the Proposed Properties Acquisition, the proposed issue

and allotment of Consideration Shares to Mr Lim Tiong Soon, the Proposed Transfer of Controlling Interest to Mr Lim Tiong Soon, the proposed issue of Convertible Bonds to Mr Low Eng Heng @ Low Yong Heng, the Proposed Potential Transfer of Controlling Interest to Mr Low Eng Heng @ Low Yong Heng and the Proposed Disposal (collectively, "**Proposed Transactions**"), to shareholders of the Company ("**Shareholders**").

The Circular contains information on the Proposed Transactions as well as the Notice of the Extraordinary General Meeting ("**EGM**") of the Company to be held at the Thai Village Restaurant, 2 Stadium Walk #01-02/03 Singapore Indoor Stadium, Singapore 397691 on 9 February 2018 at 3.00 p.m.. A copy of the Notice of EGM is attached to this announcement.

Shareholders who do not receive the Circular within a week from the date hereof should contact the share registrar of the Company at the following address:-

RHT Corporate Advisory Pte. Ltd.
9 Raffles Place #29-01 Republic Plaza Tower 1
Singapore 048619

An electronic copy of the Circular and the Notice of EGM will be made available on the website of the Singapore Exchange Securities Trading Limited at www.sgx.com.

Shareholders are requested to note the following important dates and times in respect of the EGM:-

Last date and time for lodgement of Proxy Form	: 7 February 2018 at 3.00 p.m.
Date and time of EGM	: 9 February 2018 at 3.00 p.m.
Place of EGM	: Thai Village Restaurant, 2 Stadium Walk #01-02/03 Singapore Indoor Stadium, Singapore 397691

By Order of the Board

Dr John Chen Seow Phun
Executive Chairman

25 January 2018

This announcement has not been examined or approved by the SGX-ST and the SGX-ST assumes no responsibility for the contents of this announcement, including the correctness of any of the statements made, reports contained or opinions expressed in this announcement.

PAVILLON HOLDINGS LTD.

(Company Registration Number: 199905141N)
(Incorporated in the Republic of Singapore)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that an Extraordinary General Meeting (“EGM”) of Pavillon Holdings Ltd. (“Company”) will be held at Thai Village Restaurant, 2 Stadium Walk, #01-02/03 Singapore Indoor Stadium, Singapore 397691 on 9 February 2018 at 3.00 p.m. for the purpose of considering and, if thought fit, passing with or without modifications, the following resolutions which will be proposed as ordinary resolutions:

All capitalised terms used in this Notice of EGM which are not defined herein shall, unless the context otherwise requires, have the same meanings ascribed to them in the Circular of the Company dated 25 January 2018 to Shareholders.

AS ORDINARY RESOLUTIONS

RESOLUTION 1 – THE PROPOSED ACQUISITION OF 99 STRATA LOTS OF CITY PLAZA COMMERCIAL COMPLEX AND 8 PLOTS OF ITS ADJOINING VACANT LANDS IN JOHOR BAHRU BY FENGCHI REAL ESTATE SDN. BHD.

THAT:

- (a) Approval be and is hereby given, for the Proposed Properties Acquisition on the terms set out in Section 2 of the Circular; and
- (b) the Directors and any of them be and are hereby authorised to do all acts and things as they or each of them deem desirable, necessary or expedient to give effect to the Proposed Properties Acquisition.

RESOLUTION 2 – THE PROPOSED ISSUE AND ALLOTMENT OF 70,000,000 NEW SHARES IN THE COMPANY TO MR LIM TIONG SOON AS SETTLEMENT OF PART OF THE PROPERTIES PURCHASE CONSIDERATION PAYABLE TO HOCK DER UPON COMPLETION

THAT:

- (a) approval be and is hereby given, for the issue and allotment by the Company of Consideration Shares as part payment of the Properties Purchase Consideration; and
- (b) the Directors and any of them be and are hereby authorised to do all acts and things as they or each of them deem desirable, necessary or expedient to give effect to the proposed issue and allotment of Consideration Shares.

RESOLUTION 3 – THE PROPOSED TRANSFER OF CONTROLLING INTEREST IN THE COMPANY TO MR LIM TIONG SOON PURSUANT TO THE PROPOSED ISSUE AND ALLOTMENT OF CONSIDERATION SHARES

THAT:

- (a) approval be and is hereby given for the transfer of Controlling Interest in the Company to Mr Lim Tiong Soon under Rule 803 of the Listing Manual pursuant to the proposed issue and allotment of the Consideration Shares; and
- (b) the Directors and any of them be and are hereby authorised to complete and to take such steps, enter into all such transactions, arrangements and agreements, execute all such documents and do all such acts and things as they may consider necessary, desirable or expedient to give effect to the Proposed Transfer of Controlling Interest to Mr Lim Tiong Soon.

RESOLUTION 4 – THE PROPOSED ISSUE OF RM29,855,000 PRINCIPAL AMOUNT OF 5.0% CONVERTIBLE BONDS DUE THREE YEARS FROM THE DATE OF ISSUANCE BY THE COMPANY

THAT:

- (a) Approval be and is hereby given, for the Convertible Bond issuance on the terms set out in Section 5 of the Circular;

- (b) to allot and issue:
 - (i) such number of Conversion Shares as may be required or permitted to be allotted or issued on the conversion of the Convertible Bonds, to the holders of the Convertible Bonds on the conversion thereof, subject to and otherwise in accordance with the terms and conditions of the Bond Subscription Agreement, whereby such Conversion Shares shall rank pari passu in all respects with the then existing shares of the Company, except for any dividends, rights, allotment or other distributions the record date for which is before the relevant conversion date of the Convertible Bonds; and
 - (ii) on the same basis as paragraph (b)(i) above, such further Conversion Shares as may be required to be allotted and issued on the conversion of any of the Convertible Bonds upon the adjustment of the conversion price in accordance with the terms and conditions of the Bond Subscription Agreement; and
- (c) the Directors and any of them be and are hereby authorised to do all acts and things as they or each of them deem desirable, necessary or expedient to give effect to the Convertible Bonds issuance and/or Bond Subscription.

RESOLUTION 5 – THE PROPOSED POTENTIAL TRANSFER OF CONTROLLING INTEREST IN THE COMPANY TO MR LOW ENG HENG @ LOW YONG HENG PURSUANT TO THE PROPOSED ISSUE AND ALLOTMENT OF CONVERSION SHARES

THAT:

- (a) approval be and is hereby given for the transfer of Controlling Interest in the Company to Mr Low Eng Heng @ Low Yong Heng under Rule 803 of the Listing Manual pursuant to the proposed issue and allotment of the Conversion Shares; and
- (b) the Directors and any of them be and are hereby authorised to complete and to take such steps, enter into all such transactions, arrangements and agreements, execute all such documents and do all such acts and things as they may consider necessary, desirable or expedient to give effect to the Proposed Potential Transfer of Controlling Interest to Mr Low Eng Heng @ Low Yong Heng.

RESOLUTION 6 – THE PROPOSED DISPOSAL OF THE ENTIRE EQUITY INTEREST IN TIANJIN BINHAI NEW AREA CHANGJIANG CULTURAL ASSETS TRADING CENTER CO., LTD., AN INDIRECT ASSOCIATED COMPANY OF THE COMPANY

THAT:

- (a) Approval be and is hereby given, for the Proposed Disposal on the terms set out in Section 7 of the Circular; and.
- (b) the Directors and any of them be and are hereby authorised to do all acts and things as they or each of them deem desirable, necessary or expedient to give effect to the Proposed Disposal.

By Order of the Board
PAVILLON HOLDINGS LTD.

Dr. John Chen Seow Phun
Executive Chairman
25 January 2018

Notes:

1. (a) A member of the Company who is not a Relevant Intermediary is entitled to appoint not more than two proxies to attend, speak and vote in his/her stead at the EGM. Where such member's proxy form appoints more than one proxy, the proportion of the shareholding concerned to be represented by each proxy (expressed as a percentage as a whole) shall be specified in the proxy form. If no percentage is specified, the first named proxy shall be deemed to represent 100 per cent of the shareholdings and the second named proxy shall be deemed to be an alternate to the first named proxy.

(b) A member of the Company who is a Relevant Intermediary is entitled to appoint more than two proxies to attend, speak and vote in its stead at the EGM, but each proxy must be appointed to exercise the rights attached to a different share or shares held by such member. Where such member's proxy form appoints more than two proxies, the number and class of shares in relation to which each proxy has been appointed shall be specified in the proxy form. In relation to a relevant intermediary who wishes to appoint more than two proxies, it should annex to the proxy form the list of proxies, setting out, in respect of each proxy, the name, NRIC/Passport Number and proportion of shareholding (number of shares, class of shares and percentage) in relation to which the proxy has been appointed.

"Relevant Intermediary" has the meaning ascribed to it in Section 181(6) of the Companies Act, Chapter 50.
2. A proxy need not be a member of the Company.
3. The instrument appointing a proxy or proxies must be deposited at the Company's registered office at Block 1002 Tai Seng Avenue, #01-2536, Singapore 534409 not less than 48 hours before the time appointed for the EGM. Subject to note 5, completion and return of the instrument appointing a proxy shall not preclude a member from attending and voting at the EGM. Any appointment of a proxy or proxies shall be deemed to be revoked if a member attends the EGM in person and, in such event, the Company reserves the right to refuse to admit any person or persons appointed under the instrument of proxy, to the EGM.
4. The Company shall be entitled to reject an instrument of proxy which is incomplete, improperly completed, illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified on the instrument of proxy. In addition, in the case of shares entered in the Depository Register, the Company may reject an instrument of proxy if the member, being the appointor is not shown to have shares entered against his name in the Depository Register as at 72 hours before the time appointed for holding the EGM, as certified by The Central Depository (Pte) Limited to the Company. A Depositor shall not be regarded as a member of the Company entitled to attend the EGM and vote thereat unless his name appears on the Depository Register 72 hours before the time appointed for the EGM.
5. An investor who holds shares under the Central Provident Fund Investment Scheme ("CPF Investor") and/or the Supplementary Retirement Scheme ("SRS Investor") (as may be applicable) may attend and cast his vote(s) at the EGM in person. CPF and/or SRS Investors who are unable to attend the EGM but would like to vote, may inform their CPF and/or SRS Approved Nominees to appoint the Chairman of the EGM to act as their proxy, in which case, the CPF and/or SRS Investors shall be precluded from attending the EGM.

Personal Data Privacy:

By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the EGM and/or any adjournment thereof, a member of the Company (a) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents or service providers) for the purpose of the processing, administration and analysis by the Company (or its agents or service providers) of proxies and representatives appointed for the EGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the EGM (including any adjournment thereof), and in order for the Company (or its agents or service providers) to comply with any applicable laws, listing rules, take-over rules, regulations and/or guidelines (collectively "Purposes"), (b) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents or service providers), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents or service providers) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (c) agrees that the member will indemnify the Company in respect

of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.