

PAVILLON HOLDINGS LTD.

Half-Year Financial Statements 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 ended 30 June 2025

| | Note | Group | | |
|---|------|---------------------|---------------------|---------------------|
| | | Jan 2025 – Jun 2025 | Jan 2024 – Jun 2024 | Increase/(Decrease) |
| | | S\$'000 | S\$'000 | % |
| Revenue | 4 | 8,719 | 8,967 | (3%) |
| Interest income | 4 | 58 | 680 | (91%) |
| Other income | 4 | 103 | 505 | (80%) |
| Expenses | | | | |
| Raw materials and changes in inventories | | (2,312) | (2,310) | 0% |
| Employee compensation | | (2,670) | (2,728) | (2%) |
| Depreciation expense | | (626) | (603) | 4% |
| Finance expenses | | (1,149) | (460) | 150% |
| Currency exchange Gain / (Loss) - net | | (2,013) | 209 | (1063%) |
| Other operating expenses | | (1,863) | (1,389) | 34% |
| Total expenses | | (10,633) | (7,281) | 46% |
| Share of loss of associated companies | | - | (528) | (100%) |
| (Loss) / Profit before income tax | 6 | (1,753) | 2,343 | (175%) |
| Income tax expense | 7 | (98) | (311) | (68%) |
| Net (loss) / profit | | (1,851) | 2,032 | (191%) |
| Other comprehensive income | | | | |
| <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) | | (81) | 240 | (134%) |
| <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) | | (416) | 10 | (4260%) |
| Fair value gain on financial assets at FVOCI | | 8,280 | - | 0% |
| Total comprehensive income for the period | | 5,932 | 2,282 | 160% |
| Net (loss) / profit attributable to: | | | | |
| Equity holders of the Company | | (991) | 2,335 | (142%) |
| Non-controlling interests | | (860) | (303) | 184% |
| | | (1,851) | 2,032 | (191%) |
| Total comprehensive income attributable to: | | | | |
| Equity holders of the Company | | 7,208 | 2,575 | 180% |
| Non-controlling interests | | (1,276) | (293) | 335% |
| | | 5,932 | 2,282 | 160% |
| Earnings per share attributable to owners of the Company | | Cts | Cts | |
| Basic | | (0.07) | 0.16 | |
| Diluted | | (0.07) | 0.16 | |

B. Condensed interim statements of financial position

| | | Group | |
|---|------|----------------|------------------|
| | | 30 June 2025 | 31 December 2024 |
| | | S\$'000 | S\$'000 |
| ASSETS | | | |
| Current assets | | | |
| Cash and cash equivalents | | 17,712 | 7,788 |
| Trade and other receivables | | 1,800 | 995 |
| Inventories | | 4,334 | 3,040 |
| | | 23,846 | 11,823 |
| Non-current assets | | | |
| Trade and other receivables - NC | | 809 | 865 |
| Financial asset, at FVOCI | 5,10 | 3,172 | 5,429 |
| Property, plant and equipment | 11 | 1,471 | 2,071 |
| Investment Property | 12 | 93,730 | 98,039 |
| | | 99,182 | 106,404 |
| Total assets | | 123,028 | 118,227 |
| LIABILITIES | | | |
| Current liabilities | | | |
| Trade and other payables | | 3,710 | 7,084 |
| Contract Liabilities | | 81 | 99 |
| Current income tax liabilities | | 2,833 | 433 |
| Borrowings | 13 | 6,269 | 7,614 |
| | | 12,893 | 15,230 |
| Non-current liabilities | | | |
| Trade and other payables - NC | | 4,169 | 991 |
| Borrowings - NC | 13 | 38,545 | 40,666 |
| Provisions - NC | | 339 | 339 |
| Deferred tax liabilities - NC | | 656 | 507 |
| | | 43,709 | 42,503 |
| Total liabilities | | 56,602 | 57,733 |
| NET ASSETS | | 66,426 | 60,494 |
| EQUITY | | | |
| Capital and reserve attributable to equity holders of the Company | | | |
| Share capital | 14 | 82,097 | 82,097 |
| Other reserves | | 5,011 | 4,375 |
| Accumulated losses | | (27,386) | (33,958) |
| | | 59,722 | 52,514 |
| Non-controlling interests | | 6,704 | 7,980 |
| TOTAL EQUITY | | 66,426 | 60,494 |

B. Condensed interim statements of financial position (continued)

| | | Company | |
|---|----|---------------------|-------------------------|
| | | 30 June 2025 | 31 December 2024 |
| | | S\$'000 | S\$'000 |
| ASSETS | | | |
| Current assets | | | |
| Cash and cash equivalents | | 131 | 126 |
| Trade and other receivables | | 265 | 41,724 |
| | | 396 | 41,850 |
| Non-current assets | | | |
| Trade and other receivables - NC | | 44,397 | 4,076 |
| Investments in subsidiary corporations | | 9,843 | 9,843 |
| | | 54,240 | 13,919 |
| Total assets | | 54,636 | 55,769 |
| LIABILITIES | | | |
| Current liabilities | | | |
| Trade and other payables | | 3,126 | 3,362 |
| Borrowings | 13 | - | 161 |
| | | 3,126 | 3,523 |
| Non-current liabilities | | | |
| Trade and other payables - NC | | 60 | 60 |
| | | 60 | 60 |
| Total liabilities | | 3,186 | 3,583 |
| NET ASSETS | | 51,450 | 52,186 |
| EQUITY | | | |
| Capital and reserve attributable to equity holders of the Company | | | |
| Share capital | 14 | 82,097 | 82,097 |
| Accumulated losses | | (30,647) | (29,911) |
| TOTAL EQUITY | | 51,450 | 52,186 |

C. Condensed interim statements of changes in equity

| The Group | Attributable to owners of the Company | | | | | | | | |
|--|---------------------------------------|--------------------------------------|-----------------|--------------------|---------------|--------------------|---------|---------------------------|--------------|
| | Share capital | Foreign currency translation reserve | Capital reserve | Fair value Reserve | Other Reserve | Accumulated losses | Total | Non-controlling interests | Total equity |
| | S\$'000 | S\$'000 | S\$'000 | S\$'000 | S\$'000 | S\$'000 | S\$'000 | S\$'000 | S\$'000 |
| 2025 | | | | | | | | | |
| Balance as at 1 January 2025 | 82,097 | (91) | 3,478 | 1,108 | (120) | (33,958) | 52,514 | 7,980 | 60,494 |
| Loss for the period | - | - | - | - | - | (991) | (991) | (860) | (1,851) |
| Other comprehensive loss | | | | | | | | | |
| Foreign currency translation | - | (81) | - | - | - | - | (81) | (416) | (497) |
| Fair value gain on financial asset, at FVOCI | - | - | - | 8,280 | - | - | 8,280 | - | 8,280 |
| Transfer on financial asset, at FVOCI | - | - | - | (7,563) | - | 7,563 | - | - | - |
| Total other comprehensive (loss)/income for the period, net of tax | - | (81) | - | 717 | - | 6,572 | 7,208 | (1,276) | 5,932 |
| | | | | | | | | | |
| Total contributions by and distributions to owners | - | - | - | - | - | - | - | - | - |
| Balance as at 30 June 2025 | 82,097 | (172) | 3,478 | 1,825 | (120) | (27,386) | 59,722 | 6,704 | 66,426 |
| | | | | | | | | | |
| 2024 | S\$'000 | S\$'000 | S\$'000 | S\$'000 | S\$'000 | S\$'000 | S\$'000 | S\$'000 | S\$'000 |
| Balance as at 1 January 2024 | 82,097 | (99) | 3,478 | 1,117 | - | (37,214) | 49,379 | 5,349 | 54,728 |
| Profit/(loss) for the period | - | - | - | - | - | 2,335 | 2,335 | (303) | 2,032 |
| Other comprehensive loss | | | | | | | | | |
| Foreign currency translation | - | 240 | - | - | - | - | 240 | 10 | 250 |
| Total other comprehensive (loss)/income for the period, net of tax | - | 240 | - | - | - | 2,335 | 2,575 | (293) | 2,282 |
| | | | | | | | | | |
| Effect of change of control in entities in China | - | - | - | - | (111) | (17) | (127) | 4,880 | 4,753 |
| Total contributions by and distributions to owners | - | - | - | - | (111) | (17) | (127) | 4,880 | 4,753 |
| Balance as at 30 June 2024 | 82,097 | 141 | 3,478 | 1,117 | (111) | (34,896) | 51,828 | 9,936 | 61,764 |

D. Condensed interim consolidated statement of cash flows

| | Group | |
|---|----------------|----------------|
| | Jan – Jun 2025 | Jan – Jun 2024 |
| | S\$'000 | S\$'000 |
| Cash flows from operating activities: | | |
| Net (loss)/profit | (1,851) | 2,032 |
| Adjustments for: | | |
| Depreciation of property, plant and equipment | 626 | 603 |
| Gain on disposal of property, plant and equipment | - | (199) |
| Property, plant and equipment written off | 3 | - |
| Interest income | (58) | (680) |
| Interest expense | 1,149 | 460 |
| Income tax expense | 98 | 311 |
| Share of loss of associated company | - | 528 |
| Unrealised currency translation difference | 1,794 | 41 |
| Operating cash flows before working capital changes | 1,761 | 3,096 |
| Cash flows from operating activities | | |
| Inventories | (1,294) | 202 |
| Trade and other receivables | (749) | (622) |
| Trade and other payables | (196) | 861 |
| Contract liabilities | (18) | 1 |
| Cash flows generated (used in)/from operations | (496) | 3,538 |
| Income taxes paid | (198) | (137) |
| Net cash (used in)/from operating activities | (694) | 3,401 |
| Cash flows from investing activities | | |
| Additions to property, plant and equipment | (30) | (137) |
| Proceeds from disposal of property, plant and equipment | - | 199 |
| Proceeds from disposal of investment classified as FVOCI | 13,186 | - |
| Interest received | 58 | 58 |
| Effect of change of control in entities in China | - | 803 |
| Net cash from investing activities | 13,214 | 923 |
| Cash flows from financing activities | | |
| Principal payment of lease liabilities | (511) | (483) |
| Principal payment of borrowing | (2,144) | (998) |
| Proceed from borrowings | 712 | - |
| Interest paid | (653) | (430) |
| Net cash used in financing activities | (2,596) | (1,911) |
| Net increase in cash and cash equivalents | 9,924 | 2,413 |
| Beginning of the reporting period | 7,788 | 5,748 |
| Effect of currency translation on cash and cash equivalents | - | - |
| Cash and cash equivalents at end of reporting period | 17,712 | 8,161 |
| Reconciliation of Cash and cash equivalents | | |
| Cash and cash equivalents at end of reporting period | 17,712 | 8,161 |
| Less Bank overdraft | - | - |
| Cash and cash equivalents per consolidated statement of cashflow | 17,712 | 8,161 |

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
- (f) Warehouse and logistics management

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

2. Basis of Preparation

The condensed interim financial statements for the six months ended 30 June 2025 have been prepared in accordance with SFRS(I) 1-34 Interim Financial Reporting. The condensed interim 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 annual financial statements for the year ended 31 December 2024.

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 interim 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 2024.

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 2024

3. Seasonal operations

The Group continues to navigate a dynamic operating environment, marked by increased outbound travel and cautious domestic spending during the first half of 2025. While consumer sentiment was affected by global economic uncertainties and concerns over potential US tariffs.

4. Segment and revenue information

The Group is organised into the following main business segments:

4.1. Reportable segments

1 Jan 2025 to 30 Jun 2025

Revenue from external parties

Inter-segment revenue

Revenue

Interest Income

Miscellaneous Income

Total other income

Total revenue and other income

Depreciation of property, plant and equipment

Finance expenses

Segment profit/(loss)

Loss before taxation

Taxation

Net Loss

Segment assets

Total assets per statement of financial position

Expenditures for segment non-current assets

- Additions to PPE

Segment liabilities

Current income tax liabilities

Deferred income tax liabilities

Total liabilities per statement of financial position

| Food & beverages | Properties | Other | Elimination | Total |
|------------------|--------------|------------|----------------|----------------|
| S\$'000 | S\$'000 | S\$'000 | S\$'000 | S\$'000 |
| 7,788 | 931 | - | - | 8,719 |
| - | 395 | 774 | (1,169) | - |
| 7,788 | 1,326 | 774 | (1,169) | 8,719 |
| 58 | - | - | - | 58 |
| 102 | 1 | - | - | 103 |
| 160 | 1 | - | - | 161 |
| 7,948 | 932 | - | - | 8,880 |
| (611) | (15) | - | - | (626) |
| (29) | (1,119) | (1) | - | (1,149) |
| 1,498 | (807) | (2,444) | - | (1,753) |
| | | | | (1,753) |
| | | | | (98) |
| | | | | (1,851) |
| 11,533 | 95,074 | 16,421 | - | 123,028 |
| | | | | 123,028 |
| 24 | 6 | - | - | 30 |
| 1,884 | 49,026 | 2,203 | - | 53,113 |
| 302 | - | 2,531 | - | 2,833 |
| 48 | - | 608 | - | 656 |
| | | | | 56,602 |

4.1. Reportable segments (continued)

1 Jan 2024 to 30 Jun 2024

Revenue from external parties

Inter-segment revenue

Revenue

Interest Income

Miscellaneous Income

Total other income

Total revenue and other income

Depreciation of property, plant and equipment

Finance expenses

Segment profit/(loss)

Share of loss of associated company

Profit before taxation

Taxation

Net Profit

Segment assets

Total assets per statement of financial position

Expenditures for segment non-current assets

- Additions to PPE

Segment liabilities

Current income tax liabilities

Deferred income tax liabilities

Total liabilities per statement of financial position

| Food & beverages | Properties | Other | Elimination | Total |
|------------------|------------|---------|-------------|---------|
| S\$'000 | S\$'000 | S\$'000 | S\$'000 | S\$'000 |
| 8,571 | 393 | 3 | - | 8,967 |
| - | 136 | 853 | (989) | - |
| 8,571 | 529 | 856 | (989) | 8,967 |
| 54 | 1 | 625 | - | 680 |
| 476 | - | 29 | - | 505 |
| 530 | 1 | 654 | - | 1,185 |
| 9,101 | 394 | 657 | - | 10,152 |
| (596) | (6) | (1) | - | (603) |
| (57) | (397) | (6) | - | (460) |
| 3,049 | (250) | 72 | - | 2,871 |
| - | (504) | (24) | - | (528) |
| | | | | 2,343 |
| | | | | (311) |
| | | | | 2,032 |
| 11,739 | 103,428 | 6,643 | - | 121,810 |
| | | | | 121,810 |
| | | | | |
| 106 | 31 | - | - | 137 |
| 3,493 | 53,448 | 2,468 | - | 59,409 |
| 590 | - | - | - | 590 |
| 48 | - | - | - | 48 |
| | | | | 60,047 |

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 | | | |
|--------------------------------|-----------------------------|------------|---------|---------|
| | 6 months ended 30 June 2025 | | | |
| | Food & beverages | Properties | Other | Total |
| | S\$'000 | S\$'000 | S\$'000 | S\$'000 |
| Types of goods or service: | | | | |
| Sale of goods and royalty fees | 7,788 | - | - | 7,788 |
| Rendering of services | - | - | - | - |
| Rental income | - | 152 | - | 152 |
| Services charges on rental | - | 69 | - | 69 |
| Warehouse facilities | - | 710 | - | 710 |
| Total revenue | 7,788 | 931 | - | 8,719 |
| Timing of revenue recognition: | | | | |
| At a point in time | 7,757 | - | - | 7,757 |
| Over time | 31 | 931 | - | 962 |
| Total revenue | 7,788 | 931 | - | 8,719 |
| Geographical information: | | | | |
| Singapore | 7,757 | - | - | 7,757 |
| Vietnam | 31 | - | - | 31 |
| PRC | - | 931 | - | 931 |
| Total revenue | 7,788 | 931 | - | 8,719 |

| The Group | | | | |
|--------------------------------|------------|---------|---------|-------|
| 6 months ended 30 June 2024 | | | | |
| Food & beverages | Properties | Other | Total | |
| S\$'000 | S\$'000 | S\$'000 | S\$'000 | |
| Types of goods or service: | | | | |
| Sale of goods and royalty fees | 8,571 | - | - | 8,571 |
| Rendering of services | - | - | 3 | 3 |
| Rental income | - | 56 | - | 56 |
| Services charges on rental | - | 28 | - | 28 |
| Warehouse facilities | - | 309 | - | 309 |
| Total revenue | 8,571 | 393 | 3 | 8,967 |
| Timing of revenue recognition: | | | | |
| At a point in time | 8,547 | - | - | 8,547 |
| Over time | 24 | 393 | 3 | 420 |
| Total revenue | 8,571 | 393 | 3 | 8,967 |
| Geographical information: | | | | |
| Singapore | 8,547 | - | - | 8,547 |
| Vietnam | 24 | - | - | 24 |
| PRC | - | 393 | 3 | 396 |
| Total revenue: | 8,571 | 393 | 3 | 8,967 |

5. Financial assets and financial liabilities

Set out below is an overview of the financial assets and financial liabilities of the Group as at 30 June 2025 and 31 December 2024

| | Note | Group | | Company | |
|---|------|---------------|---------------|---------------|---------------|
| | | 30 Jun 2025 | 31 Dec 2024 | 30 Jun 2025 | 31 Dec 2024 |
| | | S\$'000 | S\$'000 | S\$'000 | S\$'000 |
| Financial Assets | | | | | |
| Financial assets at fair value through other comprehensive income (FVOCI) | 10 | 3,172 | 5,429 | - | - |
| Cash and bank balances and trade and other receivables (Amortised cost) | | 20,188 | 9,508 | 44,779 | 45,906 |
| | | 23,360 | 14,937 | 44,779 | 45,906 |
| Financial Liabilities | | | | | |
| Trade and other payables and borrowings (Amortised cost) | | 51,251 | 54,807 | 3,186 | 3,584 |

6. Profit/(Loss) before taxation

6.1. Significant items

| | Group | |
|---|----------------|----------------|
| | 6 months ended | 6 months ended |
| | 30 Jun 2025 | 30 Jun 2024 |
| | S\$'000 | S\$'000 |
| Income | | |
| Interest income | 58 | 680 |
| Expenses | | |
| Interest on borrowings | 1,149 | 413 |
| Depreciation of property, plant and equipment | 626 | 603 |
| Foreign exchange loss, net | (2,013) | (209) |
| Other income | | |
| Government Grant | 59 | 256 |
| Gain on disposal of property, plant and equipment | - | 199 |
| VIP membership fee collected from F&B | 31 | - |
| Others | 13 | 50 |
| | 103 | 505 |

6.2. Related party transactions

In addition to the information disclosed elsewhere in the financial statements, the following transactions took place between the Group and related parties at terms agreed between the parties:

| Group | |
|----------------|----------------|
| 6 months ended | 6 months ended |
| 30 Jun 2025 | 30 Jun 2024 |
| S\$'000 | S\$'000 |

Transaction with related parties

Interest income receivable from Fengchi IOT Management Co., Ltd - 622*

*From January to April 2024, Fengchi IOT was accounted for as an associate company. In May 2024, the Group obtained control over Fengchi IOT, and it has since been consolidated as a subsidiary.

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:

| | Group | |
|---|----------------|----------------|
| | 6 months ended | 6 months ended |
| | 30 Jun 2025 | 30 Jun 2024 |
| | S\$'000 | S\$'000 |
| Current Income Tax expenses | 98 | 311 |
| Deferred Income tax expenses relating to origination and reversal of temporary difference | - | - |
| Income tax expense recognised in Profit and Loss | 98 | 311 |

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 30 Jun 2025 | As at 31 Dec 2024 | As at 30 Jun 2025 | As at 31 Dec 2024 |
| | Cts | Cts | Cts | Cts |
| Net asset value per ordinary share | 4.16 | 3.66 | 3.59 | 3.64 |

10. Financial assets at fair value through other comprehensive income

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

| | Group | |
|---|--------------|--------------|
| | 30 Jun 2025 | 31 Dec 2024 |
| | S\$'000 | S\$'000 |
| Quoted equity security – Lingbao Gold Group Co., Ltd (“Lingbao”) | | |
| Beginning of financial year | 5,429 | 5,332 |
| Fair value gains | 8,280 | 97 |
| Disposals | (10,537) | - |
| End of financial year | 3,172 | 5,429 |

The financial asset, at FVOCI represents 1,904,249 shares (2024: 9,950,249 shares) 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 Board wishes to announce that the unquoted shares in Lingbao Gold Group Company Ltd (“Lingbao”) previously held by the Group have been successfully converted into H Shares. The H Shares were listed and commenced trading on the Hong Kong Stock Exchange at 9:00 a.m. on 24 January 2025.

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:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities **(Level 1)**.
- 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
- 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 | Level 2 | Level 3 | Total |
|---------------------------------|---------|---------|---------|---------|
| | S\$'000 | S\$'000 | S\$'000 | S\$'000 |
| Group – 30 June 2025 | | | | |
| Financial assets | | | | |
| FVOCI investments | 3,172 | - | - | 3,172 |
| Group – 31 December 2024 | | | | |
| Financial assets | | | | |
| FVOCI investments | - | 5,429 | - | 5,429 |

11. Property, plant and equipment

During the six months ended 30 June 2025, the Group acquired assets amounting to \$30k (30 June 2024: \$137k), disposed of assets for \$0.39k (30 June 2024: \$199k), and wrote off assets totaling \$3.4k. (30 June 2024: Nil)

12. Investment properties

Following the change of control over Fengchi IOT, the Group holds an investment property comprising a multi-storey bonded warehouse, automotive warehouse showroom, automotive financial services centre, and logistics network management centre located in Tianjin, People's Republic of China. The property is leased to third parties under non-cancellable leases and is not substantially occupied by the Group.

Valuation Approach

The Group engages external, independent, and qualified professional valuers to determine the fair value of its investment properties annually, based on their highest and best use. In accordance with the Group's revaluation policy, the fair value update is performed at the end of each financial year. Discussions are held each year between management and the independent valuer to review the valuation methodology, key assumptions, and any changes in fair value.

As at 31 December 2024, the investment property was valued at S\$98 million, based on a valuation conducted by Robert Khan & Co Pte Ltd, an independent professional valuer, using the Income Approach.

The Income Approach is defined in IVS 105 – Valuation Approaches and Methods (40.1), International Valuation Standards 2020 as follows:

The income approach provides an indication of value by converting future cash flow to a single current value. Under the income approach, the value of an asset is determined by reference to the value of income, cash flow, or cost savings generated by the asset.

The fair value measurement of the Group's investment property is classified within Level 2 of the fair value hierarchy, in accordance with SFRS(I) 13 – Fair Value Measurement.

| | Group | |
|--|-------------|-------------|
| | 30 Jun 2025 | 31 Dec 2024 |
| | S\$'000 | S\$'000 |
| Balance at beginning of the year | 98,039 | - |
| Effect of gaining control in subsidiaries | - | 101,708 |
| Fair value loss recognised in profit or loss | - | (2,751) |
| Unrealised foreign currency translation difference | (4,309) | (1,043) |
| Additions | - | 125 |
| Balance at end of the year | 93,730 | 98,039 |

13. Borrowings

| | Group | |
|---|-------------|-------------|
| | 30 Jun 2025 | 31 Dec 2024 |
| | S\$'000 | S\$'000 |
| Amount repayable within one year or on demand | | |
| Bank borrowings - Unsecured | 5,613 | 6,664 |
| Lease liabilities - Unsecured | 655 | 950 |
| | 6,268 | 7,614 |
| Amount repayable after one year | | |
| Bank borrowings - Unsecured | 17,742 | 19,937 |
| Lease liabilities - Unsecured | 32 | 247 |
| Amount due to immediate and ultimate holding | 20,771 | 20,482 |
| | 38,545 | 40,666 |

| | Company | |
|---|-------------|-------------|
| | 30 Jun 2025 | 31 Dec 2024 |
| | S\$'000 | S\$'000 |
| Amount repayable within one year or on demand | | |
| Bank borrowings - Unsecured | - | 161 |
| | - | 161 |

(1) The borrowings of a subsidiary corporation of the Company – Fengchi IOT Management Co., Ltd. ("Fengchi IOT") are secured by corporate guarantee of the corporations fully controlled by Mr. Ding Furu and the assets of Fengchi IOT.

(2) A subsidiary corporation of the Company – Thai Village Restaurant Pte Ltd, was granted a term loan facility of S\$1,000,000 for working capital purposes from a licensed bank in Singapore. The term loan is secured by corporate guarantee of the Company.

14. Share capital

| | The Group and the Company | | | |
|-----------------------------|---------------------------|------------|-------------------|------------|
| | As at 30 Jun 2025 | | As at 31 Dec 2024 | |
| | Number of shares | Amount S\$ | Number of shares | Amount S\$ |
| Beginning of interim period | 1,434,967,260 | 82,098,402 | 1,434,967,260 | 82,098,402 |
| End of interim period | 1,434,967,260 | 82,098,402 | 1,434,967,260 | 82,098,402 |

The Group did not hold any treasury shares as at 30 June 2025.

The Company's subsidiaries do not hold any shares in the Company as at 30 June 2025 and 31 December 2024.

15. 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 30 June 2025 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 six-month period then ended and certain explanatory notes have not been audited or reviewed.

2. Review of performance of the Group

Revenue

For the period from January to June 2025, the Group recorded total revenue of \$8.72m, representing a 3% decrease compared to the same period in 2024. Revenue from the Singapore operations amounted to \$7.78m, while the China operations contributed \$931k. The decline in overall revenue was mainly due to a \$783k reduction in restaurant revenue, which was partially offset by a \$538k increase in contributions from the China operations.

Interest Income

The decrease in interest income is primarily due to a transition of associate to subsidiary, where previously the interest charged on loans to associated companies was recorded as interest income from January 2024 to April 2024, this interest is now eliminated in the group's consolidated financial statements.

Other Income

Other income for the period from January to June 2025 was \$402k lower compared to the same period in 2024. The higher other income in 2024 was mainly due to a \$199k gain from the disposal of a motor vehicle and higher government grants received. In 2025, there was no disposal gain, and government grants were received at a much lower amount, resulting in the overall decline.

Raw materials and changes in inventories

Expenses for raw materials and changes in inventories increased, mainly due to the rise in material costs.

Employee compensation

Employee compensation decreased slightly for the period from January to June 2025 due to a reduction in F&B staff in Singapore.

Depreciation expenses

The 4% increase in depreciation expense was mainly due to the consolidation of Fengchi IOT into the Group's financial statements, following its transition from an associate to a subsidiary in May 2024. For the six months ended 30 June 2025, depreciation includes a full six months of Fengchi IOT's results, compared to only two months in the corresponding period last year.

Finance expenses

The increase in finance expenses was mainly due to the consolidation of Fengchi IOT into the Group's financial statements, following its transition from an associate company to a subsidiary in May 2024. For the period from January to June 2025, finance expenses include a full six months of Fengchi IOT's results, compared to only two months (May and June) in the same period of 2024.

Currency exchange gain/loss - net

The currency exchange loss increased mainly due to the depreciation of the RMB against the SGD. This arose from the translation of loans denominated in Renminbi into Singapore Dollars.

Other operating expenses

Other operating expenses increased by approximately \$474k to \$1.86 million for the six months ended 30 June 2025, compared to \$1.39 million in the corresponding period in 2024. The increase was mainly due to higher administrative, occupancy-related, and marketing expenses incurred during the period. These increases were partially offset by lower commission and credit card charges.

Share of loss of associated companies

The Group did not report any share of results from associated companies, as Daju and Fengchi IOT are no longer classified as associates. They became subsidiaries following the Group's acquisition of control in May 2024.

Income Tax Expenses

The decrease in the income tax expenses is mainly due to the decrease in chargeable income of its Singapore subsidiary corporation operating restaurant.

Net Loss

As a result of the above, the Group recorded a net loss of \$1.85 million.

Review of Financial Position as at 30 June 2025

Property, plant and equipment

The carrying amount of property, plant and equipment reduced mainly due to depreciation for the current period.

Trade and other receivable - Current & Non-current

The increase in current trade and other receivables was primarily due to higher amounts receivable from debtors during the reporting period. In addition, the decrease in non-current trade and other receivables was attributable to the depreciation of the Renminbi.

Inventories

The increase in raw material inventory is primarily due to efforts to secure additional supply amid market uncertainties.

Investment Property

As no revaluation was performed during the first half of 2025, the movement in carrying amount as at 30 June 2025 was mainly attributable to foreign exchange fluctuations, as the investment property is denominated in RMB.

Liabilities

Trade and other payables - Current & Non-current

The decrease in current trade and other payables was primarily due to payments made to creditors during the reporting period, while the increase in non-current trade and other payables resulted from the reclassification of certain payables.

Borrowings - Current & Non-current

The decrease in current borrowings was primarily due to the repayment of loans and outstanding balances in accordance with their respective repayment schedules. In addition, the decrease in non-current borrowings was partly attributable to the depreciation of the Renminbi during the reporting period, as well as the reclassification of certain borrowings.

Review of Consolidated Cash Flows

The Group recorded a net loss of \$1.85 million for the six months ended 30 June 2025, compared to a net profit of \$2.03 million in the corresponding period in 2024.

Net cash inflow of \$694k from operating activities, mainly contributed by F&B business in Singapore.

Investing activities generated net cash inflows of \$13.21 million (2024: \$923k), primarily driven by proceeds from disposal of investments classified as FVOCI amounting to \$13.19 million.

Financing activities used net cash of \$2.60 million (2024: \$1.91 million), reflecting principal repayments on borrowings and lease liabilities totalling \$2.66 million (2024: \$1.48 million), partially offset by new borrowings of \$712k (2024: nil) and interest payments of \$653k (2024: \$430k).

As a result, the Group recorded a net increase in cash and cash equivalents of \$9.92 million for the six months ended 30 June 2025, compared to an increase of \$2.41 million in the same period in 2024. Cash and cash equivalents stood at \$17.71 million as at 30 June 2025, up from \$8.16 million as at 30 June 2024.

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.

As at the date of this announcement, the Group continues to operate within a competitive and evolving Food & Beverage (F&B) landscape. The industry is experiencing ongoing challenges, including rising costs and global economic uncertainties. Recent US tariffs have contributed to a cautious economic climate, affecting consumer confidence. As a result, customers are becoming more price-sensitive and less willing to spend on non-essential items such as dining out.

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 company require capital for operation 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

Total Value of Interested Person Transactions for FY2025:

As at the Latest Practicable Date, the total value of other interested person transactions with Mr. Ding or any of his associates for FY2025 was approximately RMB 16.69 million (approximately S\$2.97 million), representing approximately 4.94% of the audited NTA of the Group for FY2024 (being the latest audited NTA prior to the entry into such interested person transactions in FY2024, amounting to approximately S\$60,494,000). Such interested person transactions were entered into:

- (a) pursuant to shareholders' approval obtained (RMB 11.66 million (approximately S\$2.07 million));
- (b) prior to the relevant person becoming an interested person (RMB 0.15 million (approximately S\$0.03 million));
- (c) of no financial impact to the Company (as explained below) (RMB 4.68 million (approximately S\$0.83 million)); and
- (d) entered into in FY2024 without requiring Shareholder's approval as the value at risk was below five per cent. (5.0%) of the Group's NTA based on the audited NTA of the Group for FY2023 (being the latest audited NTA prior to the entry into such interested person transactions in FY2024), when taken together with all the other interested person transactions with Mr. Ding and his associates for FY2024, save for such interested person transactions which had already been approved or did not require such approval (RMB 0.2 million (approximately S\$0.04 million)).

6. Interested person transactions (continued)

The above total value related to the following transactions:

| Transaction | Name of interested person | Nature of relationship | Aggregate value of transaction | Approval |
|--|---------------------------|--|---|----------|
| Accrual of interest amount payable ⁽¹⁾ by Fengchi IOT to the Company under the Fengchi IOT Loan for the period of FY2025, as required by applicable accounting principles. | Mr. Ding | Mr. Ding is the 100.0% ultimate beneficial shareholder of Liuyu and Liuyu is the 51% shareholder of Fengchi IOT. Fengchi IOT is therefore an associate of Mr. Ding. | RMB 6.16 million (approximately S\$1.10 million). | |
| Accrual of interest amounts payable ⁽²⁾ by Fengchi IOT to the associated company of Mr. Ding under the Short-Term Financing Loan, for the period of FY2025 as required by applicable accounting principles. | Mr. Ding | The provider of the Short-Term Financing Loan is an associated company of Mr. Ding. | RMB 0.15 million (approximately S\$0.03 million). | |
| Accrual of interest amounts payable ⁽³⁾ by Fengchi IOT to New Development under the 2024 New Development Loan for the period of FY2025, as required by applicable accounting principles. | Mr. Ding | New Development is wholly-owned by Mr. Ding and therefore, an associate of Mr. Ding. | RMB 5.5 million (approximately S\$0.98 million). | |
| Payment of rental amount by Daju Logistics to Fengchi IOT under the Lease. | Mr. Ding | Mr. Ding is the 100.0% ultimate beneficial shareholder of Liuyu and Liuyu is the 51% shareholder of Fengchi IOT. Fengchi IOT is therefore an associate of Mr. Ding. | RMB 2.34 million (approximately S\$0.42 million) ⁽⁴⁾ . | -(5). |
| Receipt of rental amount by Fengchi IOT from Daju Logistics under the Lease. | Mr. Ding | Mr. Ding is the 100.0% ultimate beneficial shareholder of Liuyu and Liuyu is the 51% shareholder of Daju Logistics. Daju Logistics is therefore an associate of Mr. Ding. | RMB 2.34 million (approximately S\$0.42 million) ⁽⁴⁾ . | -(5). |
| Accrual of interest amount payable ⁽⁷⁾ by Fengchi IOT to Tianjin Yixing under the Tianjin Yixing Loan for the period of FY2025, as required by applicable accounting principles. | Mr. Ding | Mr. Ding is the 100.0% ultimate beneficial shareholder of Liuyu and Liuyu is the 51% shareholder of Fengchi IOT. Fengchi IOT is therefore an associate of Mr. Ding. | RMB 0.2 million (approximately S\$0.04 million) | -(6). |

6. Interested person transactions (continued)

Notes:

- (1) Whilst accrued in accordance with applicable accounting principles for the period of FY2025, the interest amount will only be payable at the end of the tenure of the Fengchi IOT Loan, in accordance with its terms.
- (2) Whilst accrued in accordance with applicable accounting principles for the period of FY2025, the interest amount will only be payable at the end of the tenure of the Short-Term Financing Loan, in accordance with its terms.
- (3) Whilst accrued in accordance with applicable accounting principles for the period of FY2025, the interest amount will only be payable at the end of the tenure of the 2024 New Development Loan, in accordance with its terms.
- (4) The rental amount paid was for the period of 1 November 2024 to 30 April 2025. Under the terms of the Lease, the rental amount is due every three (3) months, and the next rental amount will be due and payable by Daju Logistics to Fengchi IOT by end of June 2025.
- (5) Both Daju Logistics and Fengchi IOT have been consolidated as subsidiaries of the Group since May 2024, where the Company holds an indirect shareholding interest of 49.0% in each of these entities and Mr. Ding (through Liuyu) holds the remaining shareholding interest of 51.0% in each of these entities. Pursuant to the Lease, Daju Logistics as the entity at risk (as an associated company of the Company) paid a total of RMB 2.34 million (approximately S\$0.42 million) in rental amount for FY2025 (up to the Latest Practicable Date) to Fengchi IOT as the interested person (as an associate of Mr. Ding who is a Controlling Shareholder of the Company through New Development) and Fengchi IOT as the entity at risk (as an associated company of the Company) received a total of RMB 2.34 million (approximately S\$0.42 million) in rental amount for FY2025 (up to the Latest Practicable Date) from Daju Logistics as the interested person (as an associate of Mr. Ding who is a Controlling Shareholder of the Company through New Development). The payment and receipt of the rental amount thereunder are pursuant to the same transaction under the Lease and from the Company's perspective, due to the fact that these entities have the same shareholders in the same proportion, there is no financial impact on the Company resulting from the payment and receipt of rental amount under the Lease.
- (6) No approval was obtained in relation to the Tianjin Yixing Loan by Tianjin Yixing to Fengchi IOT when it was entered into in November 2024, as the value at risk was below five per cent. (5.0%) of the Group's NTA based on the audited NTA of the Group for FY2023 (being the latest audited NTA prior to the entry into such interested person transactions in FY2024), when taken together with all the other interested person transactions with Mr. Ding and his associates for FY2024, save for such interested person transactions which had already been approved or did not require such approval.
- (7) Whilst accrued in accordance with applicable accounting principles for the period of FY2025, the interest amount will only be payable at the end of the tenure of the Tianjin Yixing Loan, in accordance with its terms.

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.

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 six-month period ended 30 June 2025 to be false or misleading in any material aspect.

On behalf of the Board of Directors

Fan Bin
Executive Chairman

Singapore
7-Aug-25