

PAN HONG PROPERTY GROUP LIMITED

(Incorporated in Bermuda)
(Registration Number: 37749)



汎港地產集團
PAN HONG PROPERTY GROUP

PROPOSED LISTING ON THE MAIN BOARD OF THE STOCK EXCHANGE OF HONG KONG LIMITED (THE "HKEX")

The Board of Directors of Pan Hong Property Group Ltd (the "Company" and together with its subsidiaries, the "Group") wishes to announce that the Company intends to spin-off its residential and commercial property development businesses in the cities located in the Jiangxi Province, The People's Republic of China (the "Jiangxi Property Business") and seek a primary listing of the Jiangxi Property Business on the main board of the HKEX (the "Proposed Listing").

The Directors of the Company (the "Directors") are of the view that it is desirable and beneficial for the Company to spin-off its Jiangxi Property Business for a separate listing on the HKEX as it will enable its Jiangxi Property Business to independently establish its own business direction and growth strategies and to attain financial independence to fund its own growth and investment plans. Given the different geographic location in the PRC, it is the Company's belief that the Proposed Listing offers investors and shareholders the opportunity to independently assess the market value of its Jiangxi Property Business. The Proposed Listing on the HKEX will also result in the achievement of an independent valuation of the Jiangxi Property Business.

As at the date of this announcement, the Company is in the course of identifying the relevant professional parties in respect of the Proposed Listing. Application will be made to the HKEX for the Proposed Listing. An extraordinary general meeting will be held by the Company at a later date to seek the approval of the shareholders of the Company (the "Shareholders") on, inter alia, the Proposed Listing.

The Board of Directors wishes to highlight that there is no assurance that approval of the HKEX for the Proposed Listing will be granted and/or the approval of the Shareholders will be obtained. The Company will announce any material updates when appropriate.

Shareholders and other investors are reminded to exercise caution when dealing in the Shares. In the event that Shareholders and other investors are in doubt when dealing in the Shares, they should consult their stockbrokers, bank managers, solicitors, accountants or other professional advisers.

By Order of the Board
Wong Lam Ping
Executive Chairman
25 October 2010

Investor Relations Contact:

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