

PAN HONG PROPERTY GROUP LIMITED

(Incorporated in Bermuda)
(Registration Number: 37749)



汎港地產集團
PAN HONG PROPERTY GROUP

**PAN HONG RECEIVES EX GRATIA PAYMENT OF HK\$27.5 MILLION AS SETTLEMENT
FOR EVER SURE ACQUISITION**

(Capitalised terms used in this announcement shall have the same meaning as ascribed to them in the announcements made on 3 April, 20 May and 18 June 2009, unless otherwise defined.)

Further to the announcement issued on 18 June 2009, the Board of Directors of Pan Hong Property Group (the “Company” and together with its subsidiaries, the “Group”) is pleased to inform that the Court approved the release of a sum of HK\$27.5 million to Loerie Investments Limited (“Loerie”), a wholly-owned subsidiary of the Company, on 18 December 2009. Accordingly, Loerie received the aforesaid sum on 21 December 2009.

The sum of HK\$27.5 million represents the ex gratia payment from Mr Liu Hong Shu (the “Vendor”) to Loerie in accordance with the terms set out in the Settlement Order that was approved by the Court on 8 May 2009. The Settlement Order was in relation to Loerie’s acquisition of a 90% stake in Ever Sure Industries Limited (the “Acquisition”) from the Vendor.

As the Vendor had settled the ex gratia payment, and to comply with the terms of the Settlement Order, Loerie had discontinued its legal proceedings against the Vendor and shall not pursue the Acquisition.

The ex gratia payment of HK\$27.5 million is expected to contribute to the Group’s earnings and net asset value for the third financial quarter ending 31 December 2009.

By Order of the Board

Wong Lam Ping
Executive Chairman

22 December 2009

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