

PAN HONG PROPERTY GROUP LIMITED

(Incorporated in Bermuda)
(Registration Number: 37749)

PLACEMENT OF 10,000,000 NEW ORDINARY SHARES (THE "PLACEMENT SHARES") IN THE SHARE CAPITAL OF PAN HONG PROPERTY GROUP LIMITED (THE "COMPANY") (THE "PLACEMENT") – APPROVAL IN-PRINCIPLE FROM SGX-ST

Unless otherwise defined, all terms used herein shall be as defined in the Company's announcement issued on 18 October 2007 in relation to the Placement.

Further to the announcement made by the Company on 18 October 2007, the Directors are pleased to announce that SGX-ST has on 26 October 2007 given its approval in-principle for the listing and quotation of the 10,000,000 Placement Shares on the Official List of the SGX-ST.

The in-principle approval from SGX-ST is subject to the following conditions:

- (1) Compliance with SGX-ST's listing requirements and guidelines;
- (2) A valid share issue mandate being available and sufficient for the issue and allotment of the Placement Shares;
- (3) Submission of an undertaking from the Company that:
 - (i) the use of the Placement proceeds will be announced periodically as and when the funds from the Placement are materially disbursed, and will provide a status report on the use of Placement proceeds in the annual report; and
 - (ii) the issue of Placement Shares will comply with Rule 803 of the SGX-ST Listing Manual;
- (4) Submission of an undertaking from the Company and the Placement Agent that the issue of Placement Shares will comply with Rule 812 of the SGX-ST Listing Manual;
- (5) The Placement Shares being placed out within seven (7) market days from the date of SGX-ST's approval of the Placement; and
- (6) Submission of a notification in Rule 864(4), if applicable, upon any significant changes affecting the Company's application for the listing and quotation of the Placement Shares.

The SGX-ST's in-principle approval for the admission of the Placement Shares to the Official List of the SGX-ST is not to be taken as an indication of the merits of the Company, its securities, the Placement Shares or the Placement.

A further announcement will be made by the Company upon completion of the Placement.

BY ORDER OF THE BOARD

Wong Lam Ping
Executive Chairman
Date: 26 October 2007