

PAN HONG PROPERTY GROUP LIMITED

(Incorporated in Bermuda on 20 December 2005)
(Registration No.: 37749)

PROPOSED PLACEMENT OF 23,800,000 NEW ORDINARY SHARES (THE “PLACEMENT SHARES”) IN THE CAPITAL OF PAN HONG PROPERTY GROUP LIMITED AT A PLACEMENT PRICE OF S\$0.50 PER SHARE (THE “PLACEMENT”)

Further to its announcement dated 17 August 2009 in relation to the Placement, the Board of Directors of Pan Hong Property Group Limited (the “**Company**” and together with its subsidiaries, the “**Group**”) wishes to announce that the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) has on 21 August 2009 granted its in-principle approval for the listing and quotation of the Placement Shares.

The Placement Shares have been placed to the BOCOM International group (“**BOCOM International**”). BOCOM International is the Investment Banking and Securities arm of the state-controlled Bank of Communications Co., Ltd, one of the top five banks in the Peoples’ Republic of China. This Placement represents the first investment made by BOCOM International in a Singapore-listed company.

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

- (a) Compliance with the SGX-ST’s listing requirements;
- (b) A written undertaking from the Company that it will make periodic announcements on the use of the proceeds from the Placement and that it will provide a status report on the use of the Placement proceeds in the annual report;
- (c) A written undertaking from the Company that it will not allot and issue any of the Placement Shares so as to transfer a controlling interest in the Company without the prior approval of the Company’s shareholders in a general meeting;
- (d) A written confirmation from the Company that it will not issue the Placement Shares to persons prohibited under Listing Rule 812(1); and
- (e) A written confirmation from the placement agent that the Placement Shares will not be placed out to persons under Listing Rule 812(1).

The SGX-ST’s in-principle approval is not to be taken as an indication of the merits of the Placement, the Placement Shares, the Company and/or its subsidiaries.

BY ORDER OF THE BOARD

Wong Lam Ping
Executive Chairman

21 August 2009