

PAN HONG PROPERTY GROUP LIMITED

(Incorporated in Bermuda)
(Registration Number: 37749)



汎港地產集團
PAN HONG PROPERTY GROUP

FURTHER INFORMATION ON THE COMPANY'S SECOND QUARTER RESULTS ANNOUNCEMENT FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2014

The Board of Directors (“**Board**”) of Pan Property Group Limited (the “**Company**” and together with its subsidiaries, the “**Group**”) refers to announcement (announcement reference: SG141112OTHRH969) in relation to the Company’s second quarter financial results announcement for the financial period ended 30 September 2014 released to the Singapore Exchange Securities Trading Limited (“**SGX-ST**”) on 12 November 2014 (“**2Q2015 Results**”). *Capitalised terms used in this announcement shall, save as otherwise defined, have the same meanings as ascribed to them in the 2Q2015 Results.*

The SGX-ST has on 19 December 2014 requested the Company to provide further information in respect of the 2Q2015 Results (the “**Query**”). The Query and the Company’s corresponding answer are set out below:-

Query

In paragraph 8 of the Company’s 2Q2015 Results Announcement (“Announcement”), the Company stated in the Announcement that “Finance costs increased by 181.6% to RMB890,000 in 2Q2015 from RMB316,000 in 2Q2014 due to an increase in bank and other loans”.

Please provide details and terms of these “other loans”.

Answer to Query:

The Company wishes to clarify that the increase in the finance costs by 181.6% to RMB890,000 in 2Q2015 from RMB316,000 in 2Q2014 was mainly due to an increase in the provision of interest expenses of a loan from a related company – Pan Hong Company Limited, which Mr. Wong Lam Ping, the controlling shareholder and director of the Company, is a beneficial owner. The balance was unsecured, interest rate at 3% p.a. and repayable on demand or on before 26 February 2015.

As disclosed under Note 29 of the Company’s audited financial statements for the financial year ended 31 March 2014 (pages 114 to 116 of the FY2014 Annual Report), bank and other loans comprised of (i) bank loans – secured; and (ii) other financial institution loans – secured.

In respect of the significant loans obtained by the Group during the year, the Company had also announced on 23 April 2014 and 3 July 2014 respectively, that:

PAN HONG PROPERTY GROUP LIMITED

Announcement – Further Information on the Company's
Second Quarter Results Announcement

- The Group's subsidiary, Fuzhou Pan Hong Kai Xuan Property Development Co., Ltd. had obtained a loan facility amounting to RMB120.0 million from Agricultural Bank of China, Fuzhou Branch for the purpose of the development of Fuzhou Hua Cui Ting Yuan Phase 3. Please refer to the Company's announcement dated 23 April 2014 for more details.
- The Group's subsidiary, Nanchang Dingxun Co. Ltd., had obtained a loan facility amounting to RMB200.0 million from Xiamen International Trust Co., Ltd. for the purpose of the development of Nanchang Sino Harbour Kaixuan City Phase 1. Please refer to the Company's announcement dated 3 July 2014 for more details.

By Order of the Board

Wong Lam Ping
Executive Chairman
22 December 2014