

PAN HONG PROPERTY GROUP LIMITED

(Incorporated in Bermuda)
(Registration Number: 37749)



汎港地產集團
PAN HONG PROPERTY GROUP

BANK BORROWINGS

The Board of Directors of Pan Hong Property Group Limited (the “**Company**” and together with its subsidiaries, the “**Group**”) wishes to announce that the Group’s subsidiary, Sino Harbour Limited (the “**Borrower**”) has obtained a bank loan facility of HKD315.0 million (the “**Facilities**”) from Hang Seng Bank Limited (the “**Lender**”) for the purpose of development of the Group’s property projects located at the Southwest junction of Moganshan Road (莫干山路) and Shenhua Road (申花路), Gongshu District (拱墅区), Hangzhou City, Zhejiang Province, the People’s Republic of China (“**PRC**”) (the “**Hangzhou Project**”).

The Facilities were secured by, *inter alia*, the following securities and the Borrower’s covenants and undertakings to the Lender:

- (a) Personal guarantee from Mr. Wong Lam Ping (“**Mr. Wong**”) for HKD315.0 million in favour of the Lender (the “**Personal Guarantee**”);
- (b) Corporate guarantee from the Group’s subsidiaries, Sino Harbour Property Group Limited, Sino Africa Investment and Development Group Limited, Jiangxi Asia City Real Estate Development Co., Limited and Fuzhou Pan Hong Kai Xuan Property Development Co., Limited for HKD315.0 million in favour of the Lender;
- (c) Pledged bank deposit of not less than HKD190.0 million executed by the Group’s subsidiaries, Jiangxi Asia City Real Estate Development Co., Limited and Fuzhou Pan Hong Kai Xuan Property Development Co., Ltd;
- (d) Share Mortgage from the Group’s subsidiary, Sino Harbour Property Holdings Limited over the entire present or future issued share capital of the Borrower;
- (e) Share mortgage from the Borrower over the entire present or future issued share capital of the Group’s subsidiary, Sino Africa Investment and Development Group Limited;
- (f) Pledge of equity share from the Borrower over the entire present or future issued share capital of the Group’s subsidiaries, Jiangxi Asia City Real Estate Development Co., Limited and Fuzhou Pan Hong Kai Xuan Property Development Co., Ltd.

Mr. Wong is the controlling shareholder and executive chairman of the Company, being an interested person in favour of the Lender in order for the Borrower, being the entity at risk, to obtain the Facilities.

Mr. Wong will not be receiving any form of consideration from the Company or the Group for the provision of his personal guarantee to the Lender and he has confirmed that he will not claim against the Company or the Group in the event of any such claim against him by the Lender.

The Audit Committee of the Company (the “**AC**”) has reviewed the terms of the Personal Guarantee and is of the view that:

- (a) the terms are on normal commercial basis and not prejudicial to the interests of the Company and its minority shareholders;
- (b) there is no risk to the Company pursuant to Rule 909 of the SGX-ST Listing Manual; and
- (c) this transaction is not an interested person transaction which falls within the ambit of Chapter 9 of the SGX-ST Listing Manual.

Save for Mr. Wong’s interest as mentioned above, none of the Directors or substantial shareholders of the Company has any interest, direct or indirect in the above transaction.

By Order of the Board

Wong Lam Ping
Executive Chairman

25 April 2013