

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, Huzhou Pan Hong Runyuan Housing and Land Development Company Limited (湖州汎港潤源房地產開發有限公司) (“**Huzhou Runyuan**”) had obtained bank borrowings amounting to RMB30.0 million and RMB20.0 million respectively (collectively the “**Bank Borrowings**”) from Bank of Communications Co., Ltd. – Zhejiang Province Branch (交通銀行股份有限公司 – 浙江省分行) (the “**Lender**”) for the purposes of the development of Huzhou Run Yuan Project (湖州潤源項目).

The Bank Borrowings were secured by the following:

- (a) Corporate guarantee from the Group’s subsidiary, Pan Hong Investment Limited, in favour of the Lender with a maximum limit of up to RMB287.5 million¹; and
- (b) The land use rights of Huzhou Runyuan at book value of RMB221.3 million with a maximum limit of up to RMB385.0 million².

¹ For the Bank Borrowings and all future loan agreement(s) for the period up to 19 December 2015 to be entered into between Huzhou Runyuan and the Lender, the maximum limit of the Corporate Guarantee is of up to RMB287.5 million.

² For the Bank Borrowings and all future loan agreement(s) for the period up to 01 July 2016 to be entered into between Huzhou Runyuan and the Lender, the maximum limit of the land use rights of Huzhou Runyuan is of up to RMB385.0 million.

None of the Directors or substantial shareholders of the Company has any interest, direct or indirect in the above transactions.

By Order of the Board

Wong Lam Ping
Executive Chairman
24 December 2014