



(A) ADJUSTMENT TO RATIO OF PROPOSED WARRANTS ISSUE

(B) IN-PRINCIPLE APPROVAL FROM THE SINGAPORE EXCHANGE SECURITIES TRADING LIMITED

The Board of Directors of Pan Hong Property Group Limited (the "Company") refers to the Company's announcements dated 7 September 2009 and 8 September 2009 ("Announcements") relating to the proposed issue of warrants. *Unless otherwise defined, all terms used herein bear the same meaning as in the Announcements.*

(A) ADJUSTMENT TO RATIO OF PROPOSED WARRANTS ISSUE

Having discussed with the Singapore Exchange Securities Trading Limited ("SGX-ST"), the Board wishes to announce that in order to avoid creating odd lots as far as possible, the Company will adjust the ratio of the Warrants Issue such that up to 155,548,208 free Warrants ("Adjusted Warrants") are proposed to be issued on the basis of three (3) Adjusted Warrants for every ten (10) Shares held by the Shareholders as at the Book Closure Date.

Based on the Company's issued share capital of 518,494,024 Shares (excluding treasury shares and assuming that the 5,055,024 consideration shares pursuant to the acquisition of the entire interests in Pinghu Jiahai Warehousing Limited as announced on 30 June 2009 will be issued prior to the Books Closure Date) ("Existing Issued Share Capital"), up to 155,548,208 free Adjusted Warrants will be issued pursuant to the Warrants Issue. Assuming that the Adjusted Warrants are fully exercised and converted into new Shares, the issued share capital of the Company (excluding treasury shares) would increase by up to 155,548,208 Shares, representing approximately 30.00% of the Company's Existing Issued Share Capital and the estimated gross proceeds will amount to approximately S\$102.66 million.

Except as stated above, all information in the Announcements remain unchanged.

(B) IN-PRINCIPLE APPROVAL FROM THE SINGAPORE EXCHANGE SECURITIES TRADING LIMITED

The Board is pleased to announce that the SGX-ST has on 28 September 2009, granted its in-principle approval for the listing of and quotation of up to 155,548,208 Adjusted Warrants and up to 155,548,208 new Shares to be issued arising from the exercise of the Warrants Issue ("New Shares"), subject to the following:

- (a) Compliance with the Exchange's listing requirements;
- (b) A written undertaking from the Company that it will make periodic announcements on the use of the proceeds arising from the exercise of the Adjusted Warrants and that it will provide a status report on the use of the proceeds in the annual report;

- (c) A written confirmation from the Company that there is a satisfactory spread of warrant holders (at least 100) to provide an orderly market for the warrants in compliance with Listing Rule 826;
- (d) A written confirmation from the Company that the terms of the warrants issue do not permit revision of the exercise price/ratio in any form, other than in compliance with Listing Rule 829(1);
- (e) A written undertaking from the Company that it will announce any adjustment made pursuant to Listing Rule 829(1); and
- (f) A written undertaking from the Company that Listing Rule 831 will be complied with.

The in-principle approval granted by the SGX-ST is not to be taken as an indication of the merits of the Warrants Issue, the Adjusted Warrants, the New shares, the Company and/or its subsidiaries.

The Books Closure Date to determine the entitlement of Shareholders under the Warrants Issue will be announced in due course.

BY ORDER OF THE BOARD

Wong Lam Ping
Executive Chairman
28 September 2009