

PAN HONG PROPERTY GROUP LIMITED

(Incorporated in Bermuda)
(Registration Number: 37749)



汎港地產集團
PAN HONG PROPERTY GROUP

Use of Proceeds from Placement

All capitalized terms defined in this announcement shall have the same meanings as set out in the announcements made on 17 August 2009, 21 August 2009, 24 August 2009, unless otherwise defined herein.

The Board of Directors of Pan Hong Property Group Limited (“Pan Hong” or the “Company”) refers to the announcement issued by the Company on 24 August 2009 in relation to the completion of the Placement. Pursuant to the completion of the Placement, 23,800,000 Placement Shares were allotted and issued to BOCOM International group at S\$0.50 each. The net proceeds from the Placement (after deducting expenses pertaining to the Placement) amounted to S\$11.76 million.

The Company would like to provide an update that approximately S\$2.1 million¹ (RMB 10.0 million) of the net proceeds from the Placement has been utilised to finance part payment of the purchase consideration for the land parcel in Fuzhou city (Jiangxi Province).

The use of the proceeds is in accordance with the intended use of such proceeds as disclosed in the Company’s previous announcements on 17 August 2009.

The Company will continue to provide periodic updates on the use of the remaining net proceeds from the Placement as and when the funds are materially disbursed.

By Order of the Board

Wong Lam Ping
Executive Chairman

30 September 2009

Media and Investor Relations Contact :

OCTANT CONSULTING tel (65) 6220 2842
Herman Phua (9664 7582) or Lisa Heng (9090 9887)
herman@octant.com.sg lisa@octant.com.sg

¹ Based on exchange rate of 1 RMB : 4.82595 SGD