

PAN HONG PROPERTY GROUP LIMITED

(Incorporated in Bermuda)
(Registration Number: 37749)



汎港地產集團
PAN HONG PROPERTY GROUP

PROPOSED ADOPTION OF A SHARE PURCHASE MANDATE

The Board of Directors of Pan Hong Property Group Limited (the “**Company**” and together with its subsidiaries, the “**Group**”) wishes to announce that the Company intends to convene a special general meeting (“**SGM**”) to seek the approval of the Company’s shareholders (“**Shareholders**”) for the proposed adoption of a share purchase mandate (the “**Share Purchase Mandate**”).

The proposed Share Purchase Mandate is to authorize the Directors to purchase or otherwise acquire, on behalf of the Company, shares in the capital of the Company (“**Shares**”). The rationale for the Share Purchase Mandate is to provide the Company with a mechanism to facilitate the return of any surplus cash in excess of the Group’s working capital requirements, and to help buffer the price of the Shares against the effects of short-term market volatility or speculation.

The Share Purchase Mandate, if approved by Shareholders at the SGM, will give the Company the flexibility to undertake purchase of Shares at any time, subject to market conditions, during the validity period of the Share Purchase Mandate.

A circular to Shareholders containing, *inter alia*, details of the Share Purchase Mandate and the Notice of SGM will be despatched to Shareholders in due course.

By Order of the Board

Wong Lam Ping
Executive Chairman

2 June 2009

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