

PAN HONG HOLDINGS GROUP LIMITED

(Incorporated in Bermuda)
(Registration Number: 37749)



DISCLOSURE PURSUANT TO RULE 704(32) OF THE LISTING MANUAL OF THE SINGAPORE EXCHANGE SECURITIES TRADING LIMITED

The Board of Directors (the “**Board**”) of the Company (the “**Company**”, and collectively with its subsidiaries, the “**Group**”) wishes to inform the shareholders of the Company that its indirect wholly-owned subsidiary, Huzhou Pan Hong Runhe Property Development Limited (“**Huzhou Runhe**”), is not able to repay the outstanding bank loan of RMB25,500,000 (“**Loan Payable**”) to Bank of Communications Huzhou Branch (the “**Bank**”) due on 30 October 2025, which constitutes an event of default (the “**Default**”) under the relevant loan agreements dated 28 October 2021, 7 December 2022, 27 December 2023 and 28 December 2023 (collectively, the “**Loan Agreements**”).

Huzhou Runhe has provided a number of completed property units as collaterals of the Loan Payable in favour of the Bank (the “**Collaterals**”). In addition, two other subsidiaries of the Group, Huzhou Pan Hong Runyuan Property Development Company Limited and Huzhou Delong Real Estate Company Limited (the “**Guarantors**”) have each provided a corporate guarantee in favour of the Bank in relation to the Loan Payable.

Since few months before the maturity date of the Loan Payable, the management of the Company has been actively seeking refinancing of the Loan Payable and negotiating with the Bank on an extension of the maturity date. To date, the negotiations are still ongoing.

Based on the Board’s understanding, the Default constitutes a breach of the terms of the Loan Agreements, resulting in the following rights crystallising for the Bank:

- (1) the right to demand immediate repayment of the Loan Payable and interest accrued; and/or
- (2) the right to impose “risk re-pricing” towards the Loan Payable, and “risk re-pricing” refers to imposition of a new interest rate on the Loan Payable since a future specified date to be determined by the Bank (according to the Loan Agreements, the new interest rate is not prescribed and is to be negotiated by both Huzhou Runhe and the Bank); and/or
- (3) the right to place the Collaterals in an auction sale where the proceeds will be applied towards to the repayment of the Loan Payable and any interest accrued/accruing.

Despite the fact that Huzhou Runhe does not have sufficient cash balance to fully settle the Loan Payable by the maturity date, the Board notes that the quantum of the Loan Payable is relatively small when compared to the net assets of Huzhou Runhe, and in particular, the value of the Collaterals is much higher than the Loan Payable. Accordingly, the Board is of the opinion that the possibility that liquidation proceedings being commenced by the Bank against Huzhou Runhe as well as the Guarantors (which would lead to their eventual mandatory liquidation) is relatively low. Separately, the Group is also actively marketing its properties units to generate cashflows in order to repay the Loan Payable.

The Board further notes that certain subsidiaries of the Group other than Huzhou Runhe have bank financing facilities with outstanding loan principal aggregating to RMB20,000,000, due by May 2026, with another third-party bank (the “**Third-party Bank**”). With respect to the terms of these bank financing facility agreements, the captioned default on the part of Huzhou Runhe may potentially result in certain contractual rights crystallising in favour of the Third-party Bank, and upon crystallisation of such rights, the Third-party Bank may, at its discretion, demand acceleration of repayment of the outstanding loan principal and interest on the basis that the default on the part of Huzhou Runhe has already or possibly

adversely impacted the ability of those other subsidiaries to meet relevant obligations under the respective bank financing facility agreements. The aforementioned banking financing facilities are secured by various completed property units of the Group other than the Collaterals. At the date of this announcement, the Group has not received any notice from the Third-party Bank claiming such potential crystallisation of rights, and the Group will consider seeking specific advice from its legal adviser in the event such crystallisation of rights occur.

To the information, knowledge and circumstances available as at the date hereof, the Board is of the view that the Group can continue operating as a going concern.

The Company will make further announcement(s) when there is any further development on the matter.

Shareholders are advised to review and consider this announcement and any further announcements by the Company carefully. Shareholders are also advised to refrain from taking any action in respect of their securities in the Company which may be prejudicial to their interests. Shareholders should consult their stockbrokers, bank managers, solicitors or other professional advisors if they have any doubt about the actions they should take.

By Order of the Board

Wong Sum
Executive Chairman

30 October 2025