

PAN HONG HOLDINGS GROUP LIMITED

(Incorporated in Bermuda)
(Registration Number: 37749)



RESPONSE TO SGX QUERIES

The Board of Directors of Pan Hong Holdings Group Limited (the “**Company**”, and together with its subsidiaries the “**Group**”) refers to the announcement released to Singapore Exchange Securities Trading Limited (“**SGX-ST**”) on 30 October 2025 (the “**Announcement**”) and would like to provide the following additional information in response to the following queries raised by the SGX-ST:

Unless otherwise defined herein, capitalised terms used in this announcement shall have the same meanings as those defined in the Announcement.

Question 1

We refer to the Company’s announcement dated 30 October 2025 where it was disclosed that an indirect wholly owned subsidiary of the Company, Huzhou Runhe, was unable to repay an outstanding bank loan of RMB 25.5 million due on 30 October 2025, which constitutes an event of default (the “Default”). The Default may result, inter alia, (i) in the Bank placing certain Collaterals in an auction sale where the proceeds will be applied towards the repayment of the Loan Payable and any interest accrued/accruing; and (ii) a cross default of certain loans owed by other subsidiaries of the Group amounting to an additional RMB 20.0 million.

- a. Please provide details of the carrying amount of the completed property units used as Collaterals for the Loan Payable (“Loan A”) as well as those that are used to secure the additional RMB 20.0 million loan (“Loans B and C”).*

Company’s response to question 1a.

Loan	Outstanding loan balance @2025.10.31 (RMB’000)	Number of units placed as collateral	Carrying amount of collaterals @2025.10.31 (RMB’000)	Notes
Loan A	25,500	214 residential units	255,268	1
		19 commercial units	12,131	
Loans B and C	20,000	24 residential units	21,788	2

Notes:

- Loan A is in default.
- Loans B and C are not due for repayment yet. Of note is that though there are certain cross-default clauses set out in the relevant bank financing facility agreements with the Third-party Bank, the Third-party Bank has not yet asserted any crystallisation of their rights arising from a cross-default, and should the Third-party Bank do so, any such assertion and enforcement of their rights will be subject to the PRC Court’s judgement.

- b. Please elaborate on the basis of the Board’s view that the Group can continue operating as a going concern given the current circumstances.*

Company’s response to question 1b.

Since the completion of construction of the Run Hong Yuan project in the first quarter of 2025, the Group no longer has any property projects under construction or pre-sale. Currently, the Group is focused on the sales and marketing of its completed property units. As such, the Group

is not exposed to construction related risks or refund claims from purchasers of property units arising from non-performing sale contracts on the part of the Group.

In addition, the quantum of the Loan Payable is relatively small compared to the net assets of Huzhou Runhe, and in particular, the value of the Collaterals significantly exceeds the Loan Payable.

Accordingly, the likelihood of liquidation proceedings being initiated by the Bank against Huzhou Runhe and the Guarantors, which would result in their eventual mandatory liquidation, is relatively low.

Although the pace of the Group's property unit sales has been slow due to the current difficult market situation, the Group has continued to market a certain number of property units each month and remains actively engaged in doing so, so as to generate cash flow for working capital purposes and repay the Loan Payable. In the event the Bank seeks to enforce its rights over the Collaterals, the Group will assist in settling the Loan Payable in an orderly manner.

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

By Order of the Board

Wong Sum
Executive Chairman
4 November 2025