

PAN HONG PROPERTY GROUP LIMITED

(Incorporated in Bermuda)
(Registration Number: 37749)



汎港地產集團
PAN HONG PROPERTY GROUP

CLARIFICATION TO ANNOUNCEMENTS DATED 24 DECEMBER 2014 AND 30 JANUARY 2015 IN RELATION TO THE BANK BORROWINGS AND ADDITIONAL BANK BORROWINGS

Capitalised terms used in this announcement, unless otherwise defined herein, shall have the same meanings as used in the Company's announcements dated 24 December 2014 and 30 January 2015 in relation to the Bank Borrowings and Additional Bank Borrowings.

The Board of Directors of Pan Hong Property Group Limited (the “**Company**” and together with its subsidiaries, the “**Group**”) refers to its announcement no. SG141224OTHR4OU4 dated 24 December 2014 and announcement no. SG150130OTHR4O8U dated 30 January 2015 (collectively the “**Announcements**”).

The Company wishes to clarify that the securities mentioned in the above two Announcements in relation to the Bank Borrowings and Additional Bank Borrowings in fact include the property held under development of Huzhou Runyuan at book value of RMB192.6 million as at the date of Pledge Agreement in favour of the Lender with a maximum limit of up to RMB250.0 million².

In the circumstances, the securities for the said Bank Borrowings and Additional Bank Borrowings should be as follows:-

- (a) Corporate guarantee from the Group's subsidiary, Pan Hong Investment Limited, in favour of the Lender with a maximum limit of up to RMB287.5 million¹; and
- (b) The land use rights of Huzhou Runyuan at book value of RMB221.3 million with a maximum limit of up to RMB385.0 million and the property held under development of Huzhou Runyuan at book value of RMB192.6 million as at the date of Pledge Agreement with a maximum limit of up to RMB250.0 million².

¹ For the Bank Borrowings and all future loan agreement(s) for the period up to 19 December 2015 to be entered into between Huzhou Runyuan and the Lender, the maximum limit of the Corporate Guarantee is of up to RMB287.5 million.

² For the Bank Borrowings and all future loan agreement(s) for the period up to 01 July 2016 to be entered into between Huzhou Runyuan and the Lender, the maximum limit of the land use rights of Huzhou Runyuan is of up to RMB385.0 million and the property held under development of Huzhou Runyuan is of up to RMB250.0 million.

By Order of the Board

Wong Lam Ping
Executive Chairman
06 February 2015