

**ANNOUNCEMENT PURSUANT TO RULE 704(15)(B) OF THE LISTING MANUAL****ANNOUNCEMENT**

The Board of Directors of Hwa Hong Corporation Limited ("Hwa Hong") wishes to announce that Singapore Warehouse Company (Private) Ltd., a wholly owned subsidiary, has subscribed for 3.8 million Placement Shares at S\$0.81 for each Placement Share in the share capital of Pan Hong Property Group Limited ("Pan Hong"), representing 0.78% of Pan Hong's issued share capital (the "Subscription"). Prior to the Subscription, the Hwa Hong Group held 4.48% of Pan Hong's issued share capital.

The Subscription and other purchases of quoted equities (the "Acquisitions") have resulted in an increase in the Hwa Hong Group's aggregate cost of investment in quoted securities from 9.83% to 10.78% of the Group's latest audited consolidated net tangible assets ("NTA"). The details relating to the Group's cost of investment in and value of these quoted investments are set out below:-

	Before the Acquisitions	After the Acquisitions
Aggregate cost of quoted investments	S\$45,886,625	S\$50,313,935
Hwa Hong's consolidated audited NTA as at 31 December 2006	S\$466,754,434	S\$466,754,434
% of the cost against Hwa Hong's consolidated audited NTA as at 31 December 2006	9.83%	10.78%
Total market value of the quoted investments	S\$73,823,759	S\$77,528,759
Provision for diminution in value of the investments	Not applicable	Not applicable

BY ORDER OF THE BOARD

Ong Bee Leem
Company Secretary

31 October 2007