

PAN HONG PROPERTY GROUP LIMITED

(Incorporated in Bermuda)
(Registration Number: 37749)



汎港地產集團
PAN HONG PROPERTY GROUP

Property Pre-sales Increases to RMB 785.2 million - Pre-sales of Hua Cui Ting Yuan doubled to RMB 88.7 million

Pan Hong Property Group Limited (“Pan Hong” or the “Group”) wishes to provide an update to the property pre-sales that the Group disclosed in its 1st Quarter Financial Statement Announcement issued on 12 August 2009.

As at 31 August 2009, the aggregate value of the Group’s pre-sales has risen to RMB 785.2 million, compared to RMB 722.4 million as at 9 August 2009. This was driven primarily by an increase in pre-sales of the residential units at the Group’s Chinese-style townhouse development, Hua Cui Ting Yuan Phase 1 (华萃庭院第一期).

1. Update on Pre-sales of Hua Cui Ting Yuan Phase 1

The Group released for pre-sale an initial batch of 30 residential units – terrace houses – on 14 June 2009. As at 31 August, 25 units of this first batch of terrace houses have been pre-sold at an average selling price (ASP) of RMB 8,400 per square metre (sq m), based on total pre-sales value of RMB 43.4 million and gross floor area (GFA) sold of 5,164 sq m.

On 15 August 2009, the Group launched for sale a second batch of 49 residential units comprising 27 terrace and 22 courtyard houses.

As at 31 August 2009, the Group has pre-sold 13 of the 27 terrace houses from this second batch. Based on total GFA sold of 2,656 sq m and pre-sales value of RMB 23.4 million, the ASP of the second batch of terrace houses was higher at RMB 8,800 per sq m compared to the first batch.

At the end of August 2009, 15 of the 22 courtyard houses were pre-sold for RMB 21.9 million. Based on total GFA sold of 2,919 sq m for the courtyard houses, the ASP is around RMB 7,500 per sq m.

In aggregate, the Group has pre-sold 53 residential units of the total 79 units that were released for sale, thereby achieving a take-up rate of 67%. As a result, the total pre-sales value from Hua Cui Ting Yuan Phase 1 has doubled over a 3-week period to RMB 88.7 million as at 31 August 2009, compared to RMB 42.8 million on 9 August 2009.

2. Update on Pre-sales of Nanchang Honggu Kaixuan Phase 2

The Group pre-sold additional 21 residential units at Nanchang Honggu Kaixuan Phase 2, bringing the total pre-sales value of this project to RMB 358.1 million, from RMB 341.2 million as at 9 August 2009. This translates into a take-up rate of approximately 88% of the total residential units released for sale.

Table 1: Change in aggregate pre-sales value in 2009

	As at 31 August 2009	As at 9 August 2009	As at 15 July 2009	As at 24 May 2009	As at 9 February 2009
Aggregate value of pre-sales ²	RMB 785.2 million	RMB 722.4 million	RMB 678.4 million	RMB 503.6 million	RMB 157.7 million

Table 2: Summary of Property Pre-sale Launches (as at 31 August 2009)

Property	Nanchang Honggu Kaixuan Phase 2	Huzhou Liyang Jingyuan Phase 2	Hangzhou Liyang Yuan	Hua Cui Ting Yuan Phase 1
Date of pre-sales launch	July 2008	Dec 2008	Jan 2009	June 2009
Estimated construction completion date ¹	1 st quarter 2010	4 th quarter 2009	4 th quarter 2009	2 nd quarter 2010
Total residential units released for sale	649	150	226	79
Units pre-sold in total (GFA)	571 (71,289 sq m)	149 (18,179 sq m)	222 (24,464 sq m)	53 (10,739 sq m)
Take-up rate	88%	99%	98%	67%
Average selling price ³ (RMB per sq m)	RMB 5,000	RMB 5,000	RMB 10,100	RMB 8,300 ⁴
Accumulated pre-sales value ²	RMB 358.1 million	RMB 91.3 million	RMB 247.1 million	RMB 88.7 million
Aggregate Pre-sales Value = RMB 785.2 million				

¹ Estimated construction completion dates for the residential component of the respective properties are subject to change.

² Pre-sales can only be recognised as revenue after the completion of handover to buyers.

³ Subject to variations of around \pm RMB 100 per sq m.

⁴ Change in ASP due to the difference in type of residential properties pre-sold in the respective periods.

Pre-sales of the Group's property development projects can only be recognised as Group revenue upon the completion of handover of properties that are sold to buyers.

Based on the accumulated pre-sales achieved to-date and the current construction schedule of the respective properties, and barring any unforeseen circumstances, the Group remains positive of its performance in the current financial year ending 31 March 2010.

By Order of the Board

Wong Lam Ping
Executive Chairman

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