



PAN HONG ACHIEVES PRE-SALES OF RMB 60.6 MILLION FOR NEW PROPERTY LAUNCH IN HANGZHOU CITY

- Commenced sales of 226 residential units on 1 January 2009
- Achieved take-up rate of 23.5%
- Take-up rate for earlier property launch in Huzhou city increased to 49.3%

Singapore, 13 January 2009 – Main Board-listed Pan Hong Property Group Limited (“Pan Hong” or the “Group”), a niche property developer that focuses primarily on the second and third-tier cities in the People’s Republic of China (“PRC”), has launched sales of 226 residential units at its property development of Hangzhou Liyang Yuan (“杭州丽阳苑”) in Hangzhou city (Zhejiang Province, the PRC) on 1 January 2009.

As at latest practicable date, the Group has achieved a take-up rate of 23.5% for Hangzhou Liyang Yuan, with the pre-sales of 53 residential units comprising an aggregate gross floor area (“GFA”) of 6,380 square metres (“sq m”). This has brought in a total pre-sales value of RMB 60.6 million and translated into an average selling price of RMB 9,500 per sq m. Sales can only be recognised as Group revenue after the completion of handover to buyers.

To utilize its resources more efficiently, the Group has engaged the services of a property sales agency to execute the marketing and sales of Hangzhou Liyang Yuan. Apart from the regular sales commission and promotional expenses, the agency will also be entitled to a 25% share of additional revenue for residential units that it sells above a base price of RMB 9,500 per sq m.

Said Mr Wong Lam Ping, Executive Chairman of Pan Hong, “We launched Hangzhou Liyang Yuan in the new year despite the softer consumer sentiment and economic climate. We believe the initial pre-sales achieved for Hangzhou Liyang Yuan so far are reasonable given that conditions are slower in the PRC’s property market. While the operating environment is now more difficult for developers, including our Group, we remain confident that Pan Hong has the ability to ride out this tough period.”

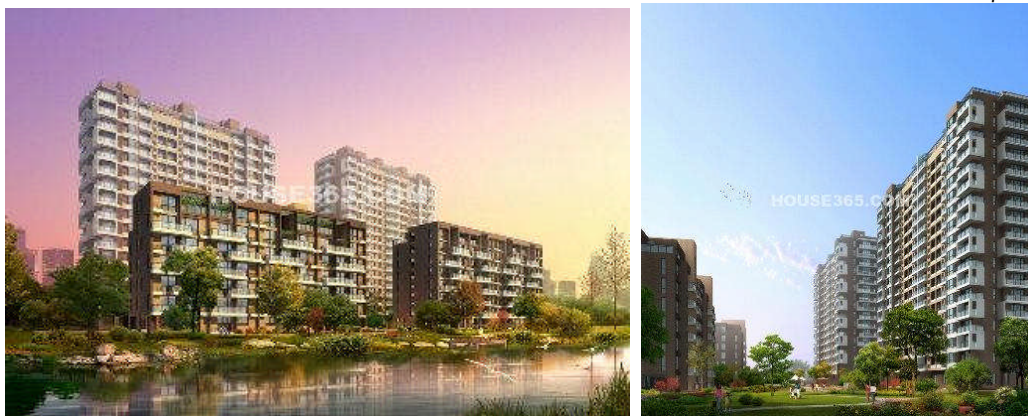
Take-up rate for property development in Huzhou city increased to 49.3%

Sales of the Group's Huzhou Liyang Jingyuan Phase 2 (“湖州丽阳景苑二期”) have continued to improve after its launch in December 2008. As at latest practicable date, the pre-sold units have increased to 74 units, lifting the take-up rate for this project to 49.3%. Correspondingly, the aggregate value and GFA of the pre-sales have risen to RMB 40.0 million and 8,240 sq m respectively.

In addition to the above-mentioned property developments, the Group has also sold 72 carpark lots at its property project in Nanchang city, Nanchang Honggu Kaixuan Phase 1 (“南昌红谷凯旋一期”), as well as received deposits as reservations for another 18 carpark lots. The total sales value of these 90 carpark lots amounted to around RMB 6.8 million.

Information on Hangzhou Liyang Yuan (杭州丽阳苑简介)

Artists' Impressions



Size

Hangzhou Liyang Yuan has a total development GFA of around 36,838 sq m, comprising 25,006 sq m of residential space, 2,372 sq m of commercial properties and 9,460 sq m of underground facilities including a basement carpark measuring 6,141 sq m.

Location

This development is centrally located west of Hangzhou city in the Shenhua Road District, which is a hub for commercial services and educational institutions (杭州市城西申花路区域).

This location is also served by an established transportation network which includes multiple bus lines connecting to various areas throughout Hangzhou city, as well as major expressways. There will also be a railway station nearby, as part of the planned Hangzhou Metro Line 2. With a high level of connectivity and accessibility, the popularity of this location is set to grow, together with an increasing sophistication of commercial services in the area.

Surrounded by complete amenities ranging from commercial centres, shopping malls, supermarkets, and primary and tertiary educational institutions including the Zhejiang University, Hangzhou Liyang Yuan is where the affluence of city living and the serenity of nature converges.

Features

Hangzhou Liyang Yuan comprises two high-rise and two mid-rise residential blocks that are nestled within a river landscape and lush greenery. Each residential unit in the high-rise blocks has a GFA of between 88 and 90 sq m, while the units in the mid-rise blocks are about 133 to 138 sq m each in size.

About Pan Hong Property Group Limited

Pan Hong Property Group Limited is a niche property developer that focuses primarily on developing high quality residential and commercial properties in the second and third-tier cities in the PRC.

Backed by over 20 years of experience in the PRC's property development industry, Pan Hong has established its presence in Hangzhou and Huzhou cities in Zhejiang Province, and Nanchang city in Jiangxi Province. Besides these cities, the Group also owns land reserves in Fuzhou, Yichun, Leping cities in Jiangxi Province and Jiangmen city in Guangdong Province, for property development.

As a testament to the quality of Pan Hong's property developments, the Group received several awards for its current project in Nanchang – Nanchang Honggu Kaixuan. In 2007, the Group was conferred the '4th Annual Nanchang City Best Property Award', 'Most Popular Property in Nanchang', as well as company accolades such as 'Reputable Brand of the Year in Jiangxi' and 'Professional Property Developer of International Standard'.

Pan Hong was listed on the Singapore Exchange on 20 September 2006.

Website : <http://www.pan-hong.com>