



Pan Hong Property Group Limited

泛港地产集团有限公司

Corporate Presentation
June 2007



泛港地產集團
PAN HONG PROPERTY GROUP

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湖州八里店农民新村市场综合大楼

农贸市场透视图 ◀

Business Overview

Business Overview



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A Niche Residential and Commercial Property Developer Focused on the Developing Second and Third-Tier Cities in the Peoples' Republic of China

▪ Track Record :

- Started in Hangzhou in 1992
- Completed residential and commercial properties with GFA of approximately 0.5 million sq m

▪ Target Markets :

- Developing cities with significant growth potential and urbanization
- Built presence in Huzhou and Hangzhou (Zhejiang Province), Nanchang, Yi Chun and Le Ping (Jiangxi Province) and Beihai (Guangxi Province)

▪ Target Customer Group :

- Middle to upper-middle income level consumers

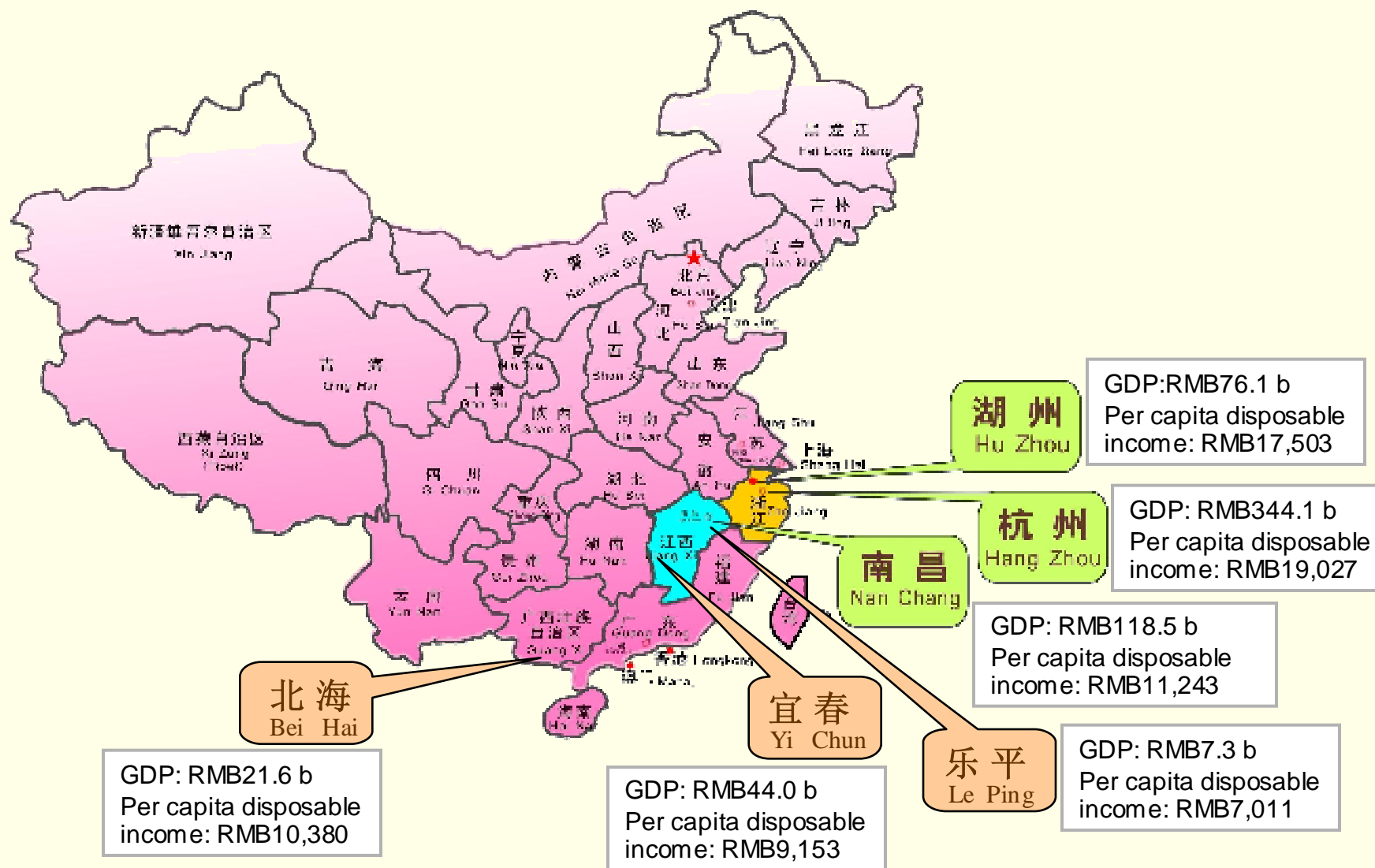
▪ Land Reserves :

- Sizeable land reserves* with planned GFA of approximately 2.9 million sq m
- Located in prime locations in various cities

*include properties currently under development and joint development projects



Expanding Geographical Coverage



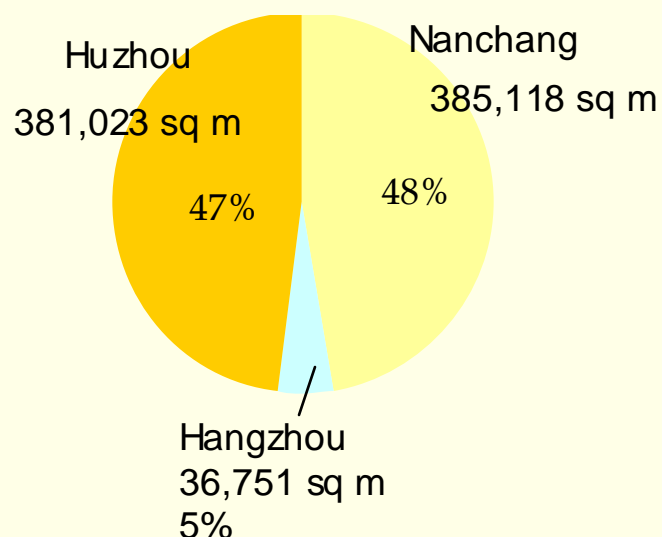
*Based on 2006 economic statistics



Significant Land Bank

September 2006

Land Bank – 0.81 million sq m

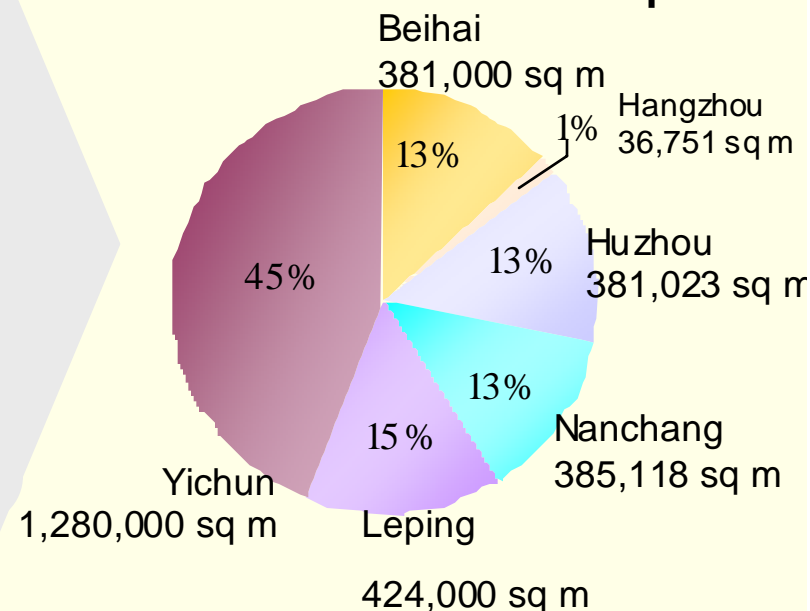


Dec 06:
Acquired land in
Beihai city¹,
Guangxi Province

Apr 07:
Acquired land in
Leping city² and
Yichun city³
(Jiangxi Province)

April 2007

Land Bank – 2.9 million* sq m



*Includes projects under development and future projects

¹ Through the acquisition of a 90% stake in Ever Sure Industries Limited and its subsidiaries

² Through a 51% interest in joint venture company, Leping City Fenghuang Jincheng Holdings Limited

³ Through a 50-50 joint venture with Jiangxi Ganghong Investment Co., Ltd



湖州八里店农民新村市场综合大楼

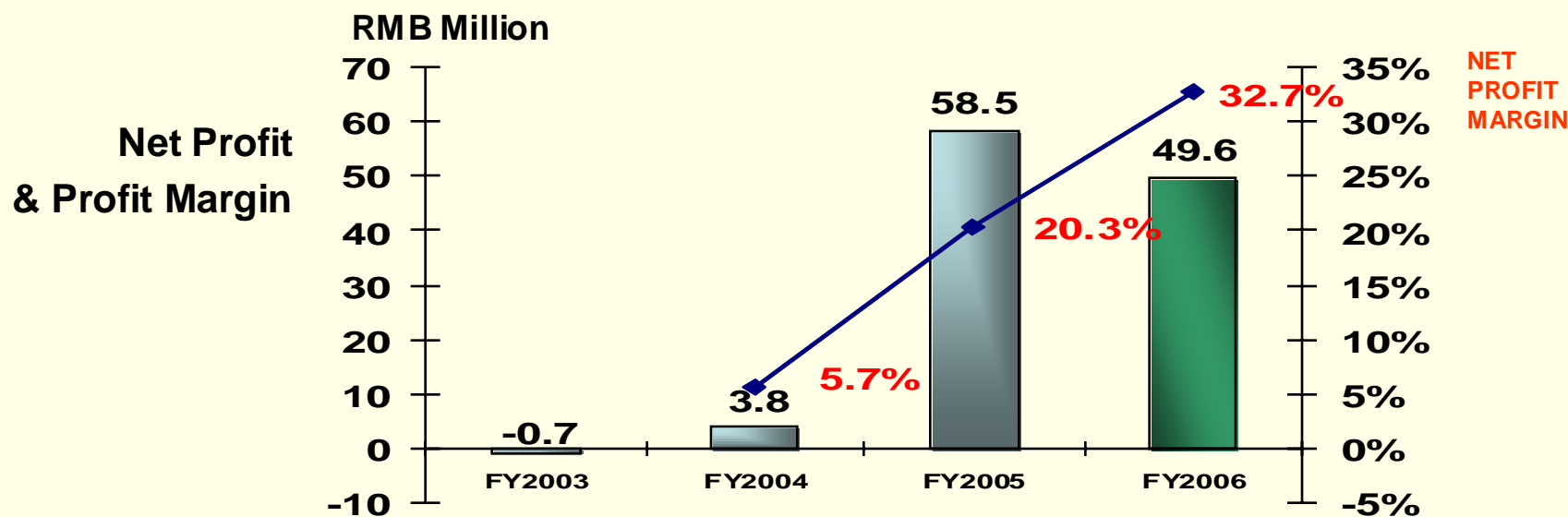
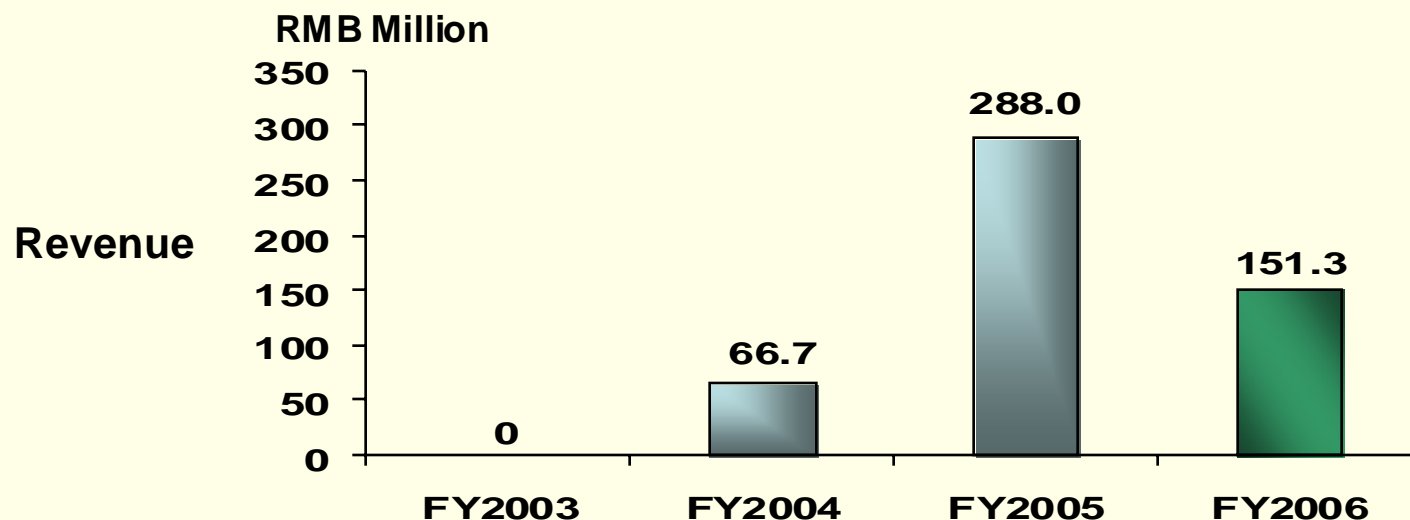
商业街透视图

Financial Review

Revenue, Net Profit and Profit Margin



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Revenue, Net Profit and Profit Margin



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- ❖ FY06 revenue decreased due to lower revenue contribution from sales of remaining units of existing developments

Revenue in FY06 (收入)	RMB 'million (百万人民币)
Huzhou Zhili Phase 1 (湖州织里亚洲城第一期)	3.2
Huzhou Liyang Phase 1 (湖州丽阳景苑第一期)	57.5
Huzhou Xinya Jiayuan (湖州馨雅家园)	26.9
Huzhou Hongjin Balidian (湖州吴兴区八里店)	63.7
Total	151.3

- ❖ In line with decreased revenue, net profit decreased by 15.2% to RMB 49.6 million
- ❖ Gross profit margins increased from 32.4% to 36% due to higher ASP of units sold in FY06 compared to FY05
- ❖ Net profit margins jumped from 20.3% to 32.7%, due in part to a significant increase in fair value gain of investment properties

Financial Highlights for 1st Quarter 2007



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EVEREADY PROPERTY GROUP

(RMB Mil)	1Q 2007	1Q 2006	% change
Revenue	4.1	33.3	-90%
Gross Profit	2.0	13.6	-90%
<i>Gross Profit Margin</i>	<i>48.5%</i>	<i>40.7%</i>	
Other Income and Gains **	79.6	6.1	+1,210%
Net Profit	76.6	10.3	+640%
<i>Net Profit Margin</i>	<i>NM</i>	<i>30.8%</i>	
Earnings per Share* (RMB Cents)	14.33	2.12	+576%

** Mainly due to capital gains from acquisition of 90% in Ever Sure Industries Ltd (owns the Beihai city land)

*Based on issued share capital of 480,000,000 ordinary shares

Analysis of 1st Quarter 2007 Performance



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PACIFIC OCEAN PROPERTY GROUP

RMB million	1Q 2007	1Q 2006
Residential	1.9	24.2
Commercial	2.2	7.6
Others	0.0	1.6

No new projects completed
Lesser GFA available for sale

	Huzhou Liyang Jingyuan Phase 1		Huzhou Zhili Yazhoucheng Phase 1	
	1Q 2007	1Q 2006	1Q 2007	1Q 2006
GFA sold (sq m)				
-Residential	148	5,407	641	1,768
-Commercial	286	1,349	-	-
Revenue	RMB 2.7 m	RMB 28.6m	RMB 1.4 m	RMB 2.5 m
Average selling prices (RMB/sq m)				
-Residential	3,585	4,013	2,165	1,414
-Commercial	7,732	5,114	-	-

Balance Sheet



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(RMB Mil)	31/03/2007	31/12/2006
Cash and bank balances	150.5	221.4
Net Assets	644.5	548.0
-Properties Under Development	524.6	291.4
-Properties Held for Sale	42.2	42.8
Interest Bearing Liabilities (Long-term)	110.0	110.0
Net Gearing	Net Cash	Net Cash
Net Asset Value per share (RMB cents)*	134.3	114.2

*Based on issued share capital of 480,000,000 ordinary shares



Properties Under Development/Future Projects

Under Development - Nanchang Honggu Kaixuan



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- Nanchang is the capital of Jiangxi Province, has the 4th fastest GDP growth in the PRC
- Within new CBD zone of Nanchang city
- Won China IACE International Habitat Award
- Site area: 78,361 sq m, GFA: 385,118 sq m
- Mixed development (2,139 units and 1,741 parking lots)- residential: 249,073 sqm, commercial: 33,428 sq m
- Estimated total cost: RMB900 m or RMB2,308 per sq m
- To be completed in 3 phases 2007-2011
 - First phase 126,000 sq m
 - Pre sale in May 2007. As at 31 May 2007, 98% of the units launched under Stage 1 of Phase I have been pre-sold at an average of RMB 4,450 per sqm



Sales Status of Nanchang Project




 滙豐地產集團
 HUI SUN PROPERTY GROUP

As at 31 May 2007

	Total GFA (sq m)	Percentage Pre-sold	ASP (RMB)	Sales Value (RMB)	Remaining GFA to be sold and handed over by 31 December 2007 (sq m)
Phase 1 – Stage 1*	42,918	98%	4,450	187.1 million	858
	Total GFA (sq m)	Percentage Pre-booked	Expected ASP (RMB)	GFA to be sold and handed over by 31 December 2007 (sq m)	
Phase 1 – Stage 2**	41,445	75%	4,550	13,738	
Balance of Phase 1***	41,637				
Balance of the Project ****	259,118				

*Consists of Residential Block 6 and 9 with total 408 residential units. Both blocks will be completed and handed over by December 2007.

**Consists of Residential Block 7 and 8 with 90 and 248 residential units respectively. Block 7 will be completed by December 2007. Status based on pre-marketing activities and actual pre-sale will commence in 2nd half of June 2007.

*** Consists of Residential Block 10.

**** Consists of Residential Block 1-5 and Commercial/Office Block.

Honggu Kaixuan - Pre-sales Progress



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