



汎港地產集團
PAN HONG PROPERTY GROUP

PAN HONG PROPERTY GROUP LIMITED

PAN HONG PROPERTY – 1Q2011 RESULTS PRESENTATION

1Q2011 Results Presentation



Fuzhou Project





汎港地產集團
PAN HONG PROPERTY GROUP

1Q2011 Financial Snapshot

PAN HONG PROPERTY – 1Q2011 RESULTS PRESENTATION

RMB ('000)	1Q2011	1Q2010	Change
Revenue	88,174	23,837	269.9%
Gross profit	31,921	6,190	415.7%
Gross profit margin	36.2%	26.0%	10.2 %age pts
Profit after tax	13,074	10,225	27.9%
Profit attributable to shareholders	13,044	10,235	27.4%



汎港地產集團
PAN HONG PROPERTY GROUP

1Q2011 Financial Review

PAN HONG PROPERTY – 1Q2011 RESULTS PRESENTATION

Group revenue

- Substantial increase in revenue was mainly due to higher number of residential units sold for property development projects as pre-sold units in previous quarters were realized as revenue when units were handed over to the buyers.
- As at 30 June 2010, the Group sold 41 of 222 units at Hangzhou Liyang Yuan, 45 of 844 units at Nanchang Honggu Kaixuan Phase 2

Gross profit margin

- Gross profit margin in 1Q2011 improved to 36.2% from 26.0% in 1Q2010.
- 1Q2011 gross profit margin is higher in comparison to that of 1Q2010 because sale of car park lots at Nanchang Honggu Kaixuan Phase 1 had affected gross profit margin in 1Q2010.

Profit

- Profit before tax increased to RMB22.9 million in 1Q2011 by 108.6% from RMB11.0 million in 1Q2010 brought about by the higher revenue, and better gross profit margin and lower finance cost.
- Income tax expense increased from RMB0.8 million in 1Q2010 to RMB9.8 million in 1Q2011 from the substantially higher income tax is due to the PRC corporate income tax and Land Appreciation Tax (LAT) provision arising from the higher revenue.
- As a result, profit after tax increased of 27.9% from RMB10.2 million in 1Q2010 to RMB13.1 million in 1Q2011.



汎港地產集團
PAN HONG PROPERTY GROUP

Sound Financial Position

PAN HONG PROPERTY – 1Q2011 RESULTS PRESENTATION

RMB ('000)	As at 30 Jun 2010	As at 31 Mar 2010
Cash and bank balances	202,750	71,176
Borrowings (repayable ≤ 1 year)	192,141	207,415
Borrowings (repayable > 1 year)	154,632	154,752
Net Borrowings (Total borrowings less deposit collateral)	139,273	154,667
Total equity	1,144,206	1,133,085
Gearing ratio	12.2%	13.7%

Financial position strengthened

- The Group improved its cash and bank balances from RMB71.2 million at 31 March 2010 to RMB202.8 million as at 30 June 2010.
- The Group improved its gearing ratio from 13.7% as at 31 March 2010 to 12.2%, as at 30 June 2010.



汎港地產集團
PAN HONG PROPERTY GROUP

Residential Properties Pre-Sales

PAN HONG PROPERTY – 1Q2011 RESULTS PRESENTATION

	Nanchang Honggu Kaixuan Phase 2	Hangzhou Liyang Yuan	Hua Cui Ting Yuan Phase 1
Est. completion date	1QCY 2010	1QCY 2010	3QCY 2010
Est. total GFA released for sale (total units)	115,000 sq m (1,003 units)	25,000 sq m (226 units)	36,000 (184 units)
Est. total GFA pre-sold (total units)	104,000 (844 units)	24,500 (222 units)	23,600 (102 units)
Percentage of pre-sold	90%	98%	65%
Pre-sale GFA (units pre-sold) not handed over to buyer as at 25 July 2010 ^	67,300 (569 units)	5,500 (48 units)	23,600 (102 units)
Pre-sale value not handed over to buyer as at 25 July 2010 ^	\$385.7	\$55.7	\$171.3
ASP per sqm*	RMB5,300 to RMB6,000	RMB9,600 to RMB10,300	RMB6,000 to RMB10,600

*: There are several factors affecting the ASP for the projects, for example, the height of the unit, the direction the unit is facing, the size of the unit and the time of launch of the unit. The range of ASP for Hua Cui Ting Yuan Phase 1 is wide because there are different types of units in this project, such as terrace houses and courtyard houses.

^: Pre-sale not yet handed over to the buyer as at 25 July 2010: Beginning period pre-sales not yet handed over to buyer + New pre-sale during the period – handed over to buyers during period (Recognized as sales during period).



汎港地產集團
PAN HONG PROPERTY GROUP

Commercial Properties Pre-Sales

PAN HONG PROPERTY – 1Q2011 RESULTS PRESENTATION

Project	Est. GFA (pre-sale)	Est. Pre-sales
Huzhou Liyang Jingyuan Phase 2	8,988 sq m	RMB89.3 million

Note: GFA figures above are estimated. During pre-sale, the GFA figure can only be estimated. The actual GFA figures are computed by surveyors only after units are handed over to buyers.



汎港地產集團
PAN HONG PROPERTY GROUP

Future Developments

PAN HONG PROPERTY – 1Q2011 RESULTS PRESENTATION

Jiangxi Province

Nanchang City

Nanchang Dingxun Project

Est. GFA: 1,034,000 sq m
55% equity interest

Yichun City

Yichun Project Phase 1

Est. GFA: 122,341 sq m
50% equity interest

Yichun Project Phase 2 - 5

Est. GFA: 1,200,000 sq m
50% equity interest

Fuzhou City

Fuzhou Project Phase 1

Est. GFA: 85,000 sq m
100% equity interest

Fuzhou Project Phase 2 - 3

Est. GFA: 185,000 sq m
100% equity interest

Leping City

Leping Project

Est. GFA: 420,000 sq m
51% equity interest



Zhejiang Province

Huzhou City

Hua Cui Ting Yuan Phase 2

Est. GFA: 55,000 sq m
100% equity interest

Huzhou Runyuan Project

Est. GFA: 216,000 sq m
100% equity interest

Hailian Project

Est. GFA: 463,400 sq m
80% equity interest

Pinghu City

Pinghu Project

Est. GFA: 135,661 sq m
100% equity interest



汎港地產集團
PAN HONG PROPERTY GROUP

Land Reserves

PAN HONG PROPERTY – 1Q2011 RESULTS PRESENTATION

	Project	Equity	Site Area (sq m)	Site Area (mu)	Est. GFA (sq m)	Actual Cost of Acquiring Land (RMB '000)
1	Hua Cui Ting Yuan Phase 2	100%	66,667	100	55,000	17,000
2	Fuzhou Project	100%	190,753	286	270,000	200,000
3	Huzhou Runyuan Project	100%	102,972	154	216,000	221,300
4	Pinghu Project	100%	226,102	339	135,661	47,490
5	Hailian Project	80%	220,767	331	463,400	420,000
6	Nanchang Dingxun Project	55%	719,548	1,079	1,034,000	377,760
7	Leping Project	51%	326,668	490	420,000	24,500
8	Yichun Project	50%	640,343	961	1,322,341	239,720
	TOTAL		2,493,820	3,740	3,916,402	1,547,770



汎港地產集團
PAN HONG PROPERTY GROUP

Short-term Plans

PAN HONG PROPERTY – 1Q2011 RESULTS PRESENTATION

▪ Key Focus:

- Strengthen sales and pre-sales of existing properties
- Maintain financial prudence and strong cash and credit position
- Seek suitable land sites for business expansion

▪ New launches:

- Remaining units of Nanchang Honggu Kaixuan Phase 2 and Huzhou Hua Cui Ting Yuan Phase 1
- Commercial units for Huzhou Liyang Jingyuan Phase 2 and Nanchang Honggu Kaixuan Phase 1 and 2

▪ Commencement of construction:

- Yichun Project Phase I (GFA: 122,341 sqm)
- Fuzhou Project Phase I (GFA: 80,000 sqm)
- Huzhou Runyuan Project Phase I (GFA: 100,000 sqm)
<Construction is expected to commence in 2nd half year>
- Nanchang Dingxun Project Phase I (GFA: 200,000 sqm)
<Construction is expected to commence in 2nd half year>



Hua Cui Ting Yuan Showroom



汎港地產集團
PAN HONG PROPERTY GROUP

Long Term Strategy

PAN HONG PROPERTY – 1Q2011 RESULTS PRESENTATION

- Continue to enhance brand equity of Pan Hong in lower-tier cities market
- Seek strategic land parcels at low cost through acquisitions or JVs
- Increase market competitiveness as an entrenched residential property developer in fast growing lower-tier cities
- Strengthen size of land bank
- Expand business into property investments to provide long-term and stable returns through rental income





汎港地產集團
PAN HONG PROPERTY GROUP

Company Outlook

PAN HONG PROPERTY – 1Q2011 RESULTS PRESENTATION

Astute timing of launches of the Group's residential projects has enabled it to secure healthy profit margins.

The Group's plans for more commercial properties launches will benefit from the growth of this non-residential sector, which is relatively unaffected by recent government measures.

The Group believes that with clearer macro policies direction and better regulations in place for the mass residential market segment, the overall PRC residential market is expected to stabilize.



汎港地產集團
PAN HONG PROPERTY GROUP

Investor Relations Contact :
Financial PR Pte Ltd
Kathy ZHANG, Managing Director, kathy@financialpr.com.sg
El LEE, Senior Manager, el@financialpr.com.sg
Tel: (65) 6438 2990
Fax: (65) 6438 0064

PAN HONG PROPERTY – 1Q2011 RESULTS PRESENTATION



Fuzhou Project

