



汎港地产集团

Pan Hong Property Group

PAN HONG PROPERTY GROUP LIMITED



2Q2012 RESULTS PRESENTATION



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2Q 2012 Financial Snapshot

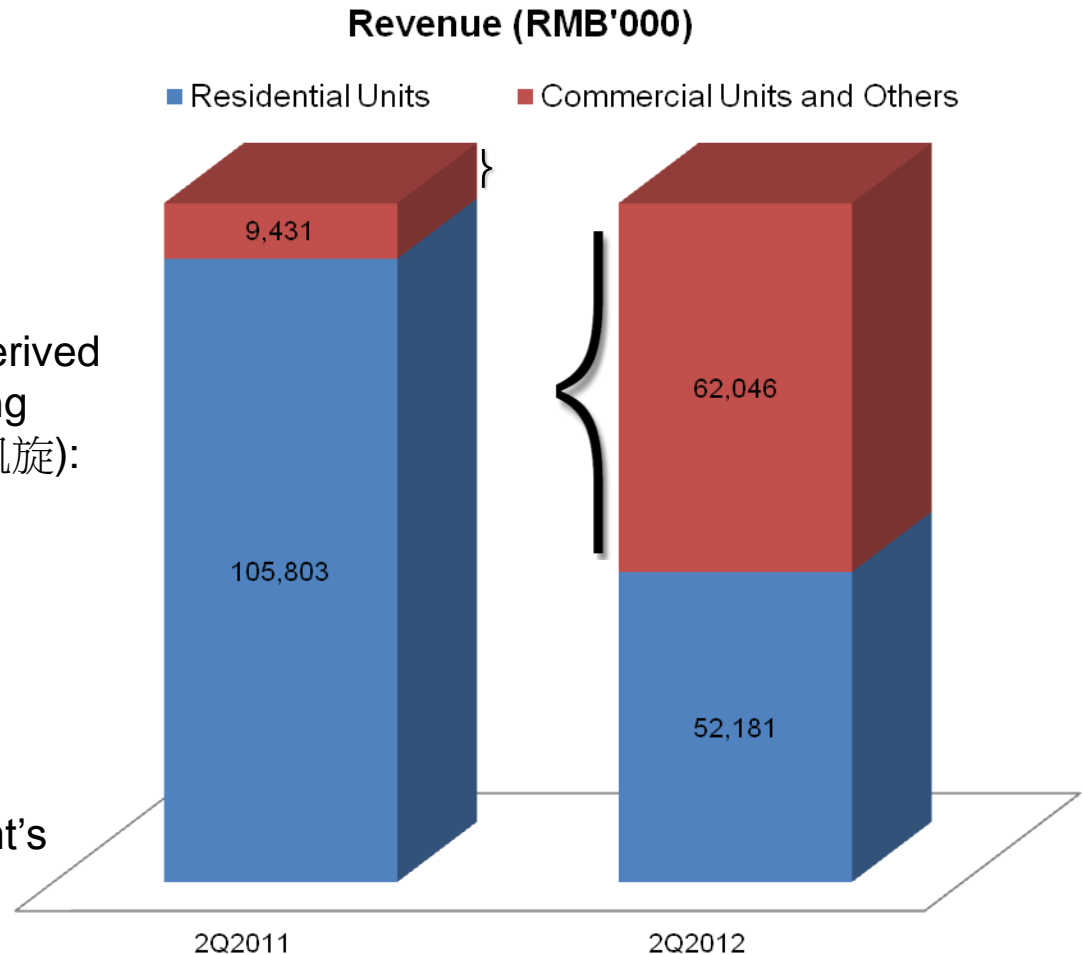
RMB ('000)	2Q2012	2Q2011	Change
Revenue	114,227	115,234	(0.9%)
Gross profit	59,197	35,026	↑ 69.0%
Gross profit margin	51.8%	30.4%	↑ 21.4pts
Operating profit	39,665	34,744	↑ 14.2%
Profit before income tax	36,025	32,192	↑ 11.9%
Profit after income tax	11,221	22,952	(51.1%)

Financial Review

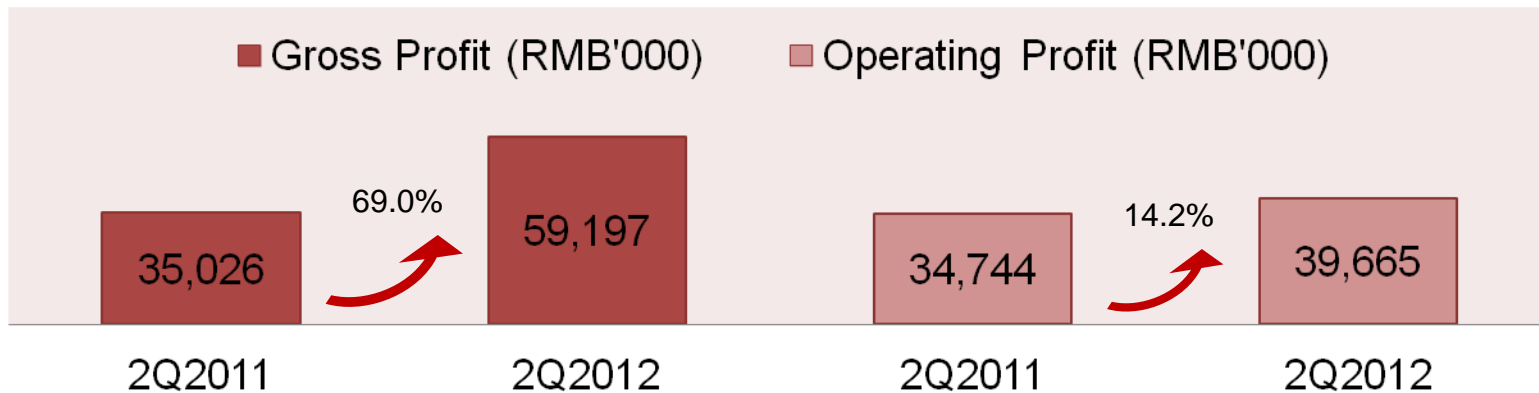
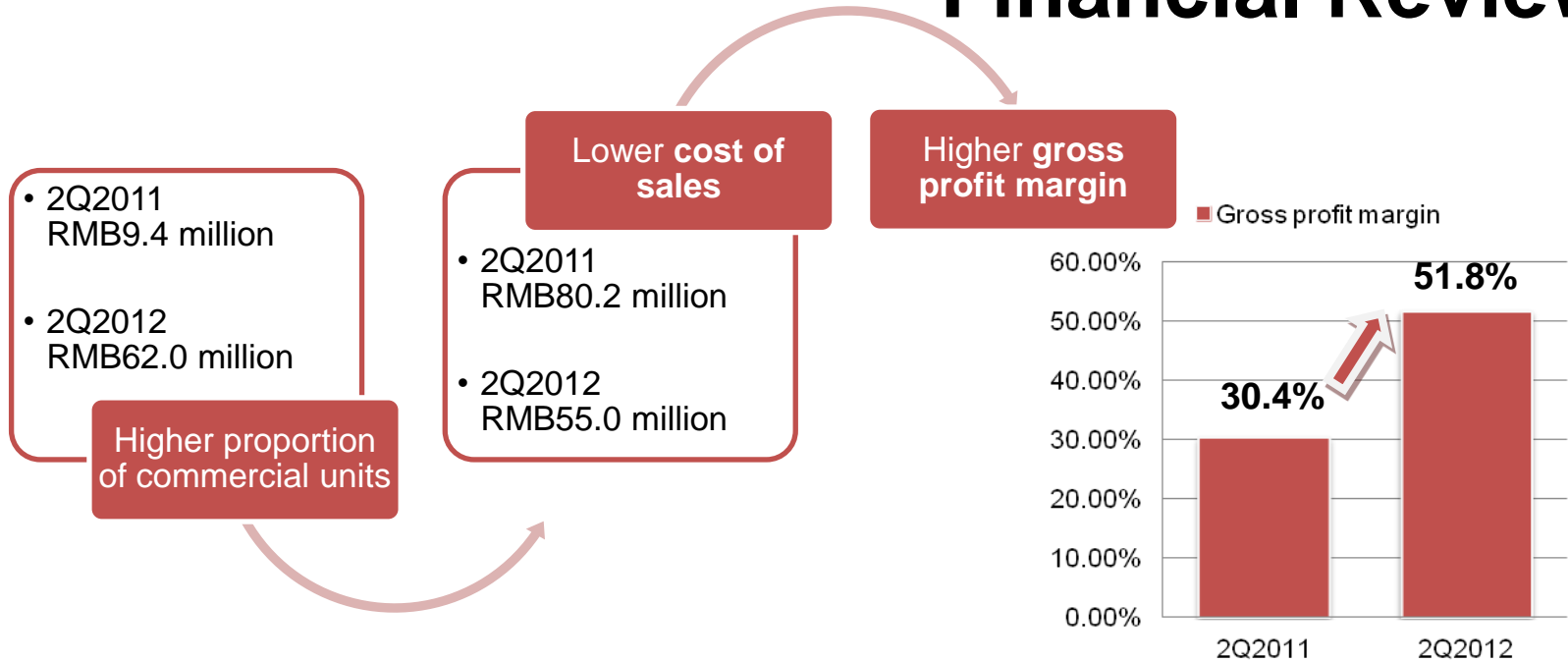
- Group revenue
 - 2Q2011 -- RMB115.2 million
 - 2Q2012 -- RMB114.2 million
 - A slight decrease of 0.9%

- 2Q2012 revenue primarily derived from the delivery of Nanchang Honggu Kaixuan (南昌红谷凯旋):
 - Residential units
 - Commercial units
 - Car park lots

- Commercial units:
 - Less affected by government's cooling measures
 - higher profit margin



Financial Review





Financial Review

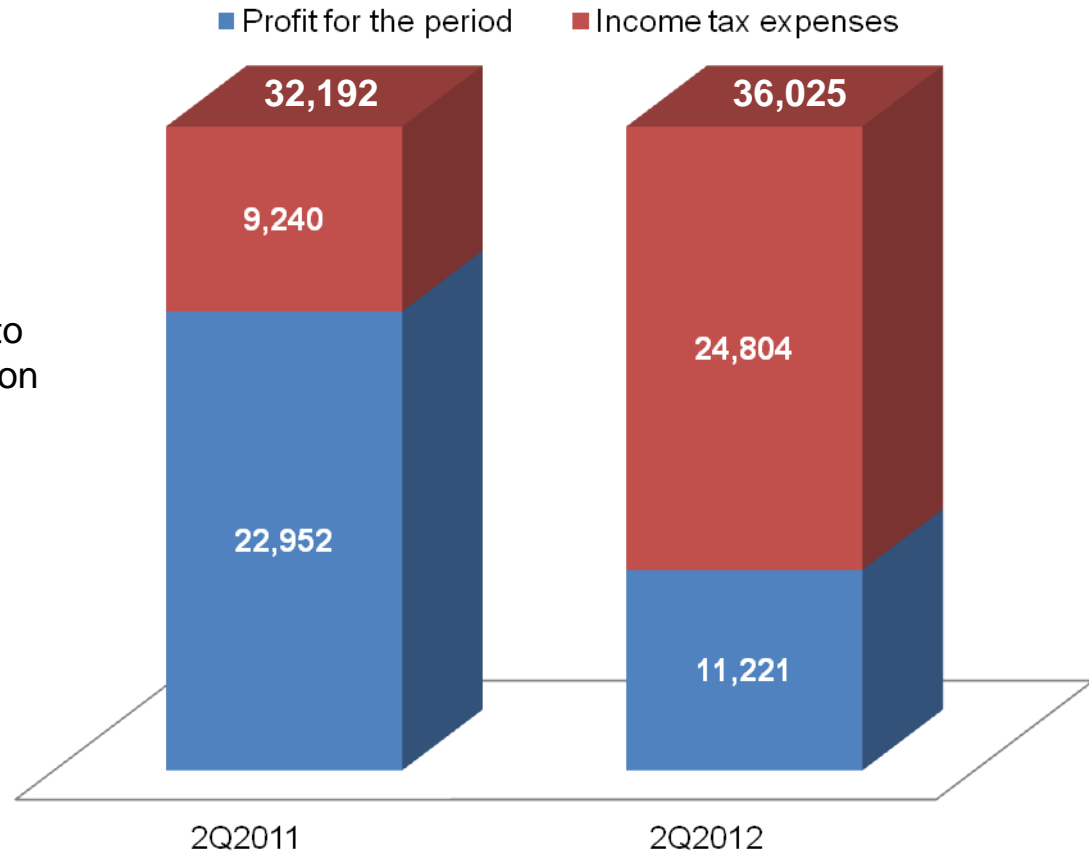
- ❑ **Profit before income tax**
 - 2Q2011-- RMB32.2 million
 - 2Q2012 -- RMB36.0 million
 - A 11.9% increase

- ❑ **Income tax expense**
 - 2Q2011-- RMB9.2 million
 - 2Q2012 -- RMB24.8 million

- ❑ **Higher income tax** is due to increase in Land Appreciation Tax as a difference components of properties handover.

- ❑ **Profit for the period**
 - 2Q2011 -- RMB23.0 million
 - 2Q2012 -- RMB11.2 million
 - A 51.1% decrease due to higher income tax

Profit before income tax (RMB'000)



Sound Financial Position

RMB ('000)	As at 30 Sept 2011	As at 31 Mar 2011
Cash and bank balances	355,255	223,069
Bank and other loans	241,505	364,779
Net current assets	1,435,557	1,096,254
Total equity	1,650,844	1,361,207
Gearing ratio	8.2%	15.0%

Financial position strengthened

- Cash and bank balances improved from RMB223.1 million at 31 March 2011 to RMB355.3 million as at 30 September 2011.
- Gearing ratio improved from 15.0% as at 31 March 2011 to 8.2% as at 30 September 2011.

Residential Properties Pre-Sales

	Nanchang Honggu Kaixuan Phase 2	Hua Cui Ting Yuan Phase 1	Fuzhou Hua Cui Ting Yuan Phase 1
Est. total GFA pre-sold (total units)	115,000 sqm (1,003 units)	44,006 sqm (184 units)	84,980 sqm (593 units)
Est. total GFA pre-sold (total units)	113,829 sqm (997 units)	37,025 sqm (150 units)	48,650 sqm (345 units)
Percentage of pre-sold	99%	84%	57%
Pre-sale GFA (units pre-sold) not handed over to buyer as at 30 September 2011 [^]	26,732 sqm (298 units)	1,062 sqm (4 units)	48,650 sqm (345 units)
Pre-sale value not handed over to buyer as at 30 September 2011 [^]	RMB231.5 m	RMB7.3 m	RMB231.1 m
ASP per sq m [*]	RMB8,659	RMB6,855	RMB4,750

*: Average Sales Price (“ASP”) of the projects is computed as follows: Pre-sale value not handed over to buyer divided by Pre-sale GFA not handed over to buyer.

[^]: Pre-sale value not handed over to buyer is computed as follows: Beginning period pre-sales plus New pre-sales during the period less those handed over to buyers as at 30 September 2011.

Commercial Properties Pre-Sales

	Nanchang Honggu Kaixuan Phase 1 and 2
Est. total GFA released for sale	14,385 sqm
Est. total GFA pre-sold	13,110 sqm
Percentage of pre-sold	91%
Pre-sale GFA not handed over to buyer as at 30 September 2011 [^]	8,166 sqm
Pre-sale value not handed over to buyer as at 30 September 2011 [^]	RMB171.4 m
ASP per sq m [*]	RMB20,994

*: Average Sales Price (“ASP”) of the projects is computed as follows: Pre-sale value not handed over to buyer divided by Pre-sale GFA not handed over to buyer.

[^]: Pre-sale value not handed over to buyer is computed as follows: Beginning period pre-sales plus New pre-sales during the period less those handed over to buyers as at 30 September 2011.

Future Developments

Jiangxi Province Projects



Future Developments

Zhejiang Province Projects





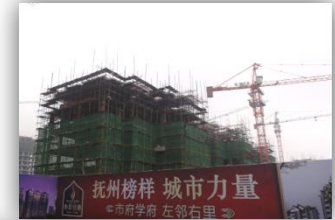
Land Reserves

	Project	Equity	Site Area (sq m)	Site Area (mu)	Est. GFA (sq m)	Expected Completion Date
1	Huzhou Hua Cui Ting Yuan Phase 2	100%	66,667	100	55,000	CY2014
2	Fuzhou Hua Cui Ting Yuan Phase 2 and 3	100%	190,753	286	177,871	Phase 2: 1QCY2013 Phase 3: 4QCY2014
3	Huzhou Runyuan Project	100%	102,972	154	216,000	CY2014
4	Hailian Project	80%	220,767	331	463,400	CY2015
5	Nanchang Dingxun Project	55%	719,548	1,079	1,004,788	Phase 1: 3QCY2013 Phase 2: 1QCY2014 Phase 3: 1QCY2015 Phase 4: 1QCY2016 Phase 5: 1QCY2017
6	Leping Project	51%	331,341	497	394,800	Phase 1: 1QCY2015 Phase 2: 1QCY2016 Phase 3: 1QCY2017
7	Yichun Project Phase 2 to 6	50%	607,084	910	1,152,038	Phase 2: 4QCY2013 Phase 3: 4QCY2014 Phase 4: 1QCY2016 Phase 5: 4QCY2017 Phase 6: 1QCY2019
	TOTAL		2,239,132	3,357	3,463,897	

Short-term Plans

□ Key Focus:

- The Group intends to quicken its pace of property development in the next few year.
- The Group will intensify its sales and pre-sales of existing properties, maintain financial prudence and a strong cash flow position.
- The Group will closely monitor any development or changes in the property market and stay nimble and astute in timing its development and launches of sales of residential and commercial properties to maintain healthy profit margins.



Company Outlook & Long Term Strategy

- ❑ Continue to enhance brand value of Pan Hong in Tier 2 and Tier 3 cities in China
- ❑ Continue to increase its land bank and seek land parcels at low cost through acquisitions or joint ventures.
- ❑ Expand business into property investments to provide long-term and stable returns through rental income



Company Outlook & Long Term Strategy

The Group will focus more on the sustainability of the company by investing in:

- ❑ Community-friendly projects like Yichun project
 - Features elderly facilities
 - Supported by the government
- ❑ Environmental-friendly projects also in consideration
 - contribute to the well-being of the residents and a low-carbon lifestyle
 - contribute to the society as a whole

The Group believes such strategies will help the Group to garner good will, as a result sustain its financial well-being, which creates a virtuous circle in the long run.



Contact

Pan Hong	PANH SP Equity
Last price (11 Nov 2011)	S\$ 0.32
Issued shares (excluding treasury shares)	515,395,024
Market capitalization	S\$ 164.9 million
Free float (%)	37.7%
P/E (Historical)	3.6 times
Major shareholders :	Substantial Shareholders: 1. Extra Good - 55.56% 2. Wong Lam Ping - 3.92% 3. Chan Heung Ling - 2.79% Directors: 1.Wang Cuiping – 0.13% 2.Shi Feng – 0.09%

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