



PAN HONG HOLDINGS GROUP LIMITED

(Incorporated in Bermuda on 20 December 2005)
(Co. Reg. No: 37749)

1st QUARTER FINANCIAL STATEMENT AND DIVIDEND ANNOUNCEMENT FOR THREE MONTHS ENDED 30 JUNE 2016

PART I- INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1, Q2, Q3), HALF-YEAR AND FULL YEAR RESULTS

1(a) An income statement (for the group) together with a comparative statement for the corresponding period of the immediately preceding financial year.

RMB'000	Group		
	3 months ended 30 June 2016	3 months ended 30 June 2015	Increase/ (Decrease)
	(Unaudited)	(Unaudited)	
Revenue	277,228	124,425	122.8%
Cost of Sales	(208,128)	(91,594)	127.2%
Gross profit	69,100	32,831	110.5%
Other income and other gains and losses	9,996	8,292	20.5%
Selling and distribution expenses	(6,296)	(6,650)	(5.3%)
Administrative expenses	(12,369)	(12,964)	(4.6%)
Operating profit	60,431	21,509	181.0%
Finance costs	(584)	(811)	(28.0%)
Profit before income tax	59,847	20,698	189.1%
Income tax expenses	(9,157)	(6,935)	32.0%
Profit for the period	50,690	13,763	268.3%
Other comprehensive income, net of tax			
Item that may be reclassified subsequently to profit or loss:			
Exchange differences on translation of financial statements of foreign operations	(2,963)	(165)	1,695.8%
Other comprehensive income for the period	(2,963)	(165)	1,695.8%
Total comprehensive income for the period	47,727	13,598	251.0%
Profit for the period attributable to:			
Owners of the Company	11,027	8,059	36.8%
Non-controlling interests	39,663	5,704	595.4%
	50,690	13,763	268.3%
Total comprehensive income attributable to:			
Owners of the Company	8,058	7,894	2.1%
Non-controlling interests	39,669	5,704	595.5%
	47,727	13,598	251.0%
Earnings per share for profit attributable to the owners of the Company during the period (in RMB cents)			
- Basic and Diluted	2.15	1.57	36.9%



Note:

RMB '000	Group	
	3 months ended 30 June 2016 (Unaudited)	3 months ended 30 June 2015 (Unaudited)
Profit before income tax is arrived at after charging/(crediting):		
Interest charges on financial liabilities stated at amortised cost		
- Bank and other loans wholly repayable within five years	16,762	22,848
Less: amount capitalised in properties held under development	(16,178)	(22,037)
	584	811
Depreciation of property, plant and equipment	1,158	875
Less: amount capitalised in properties held under development	(82)	(101)
	1,076	774
Cost of properties held for sale recognised as expense	192,446	84,395
Operating lease charge in respect of land and buildings	93	129
Less: amount capitalised in properties held under development	(22)	(39)
	71	90
Staff costs, including directors' remuneration		
- Wages and salaries	7,541	8,761
- Retirement benefit scheme contributions - defined contribution plans	432	103
Less: amount capitalised in properties held under development	(2,225)	(1,825)
	5,748	7,039
and crediting/(charging):		
Net fair value loss on financial assets at fair value through profit or loss	(229)	(2,662)
Interest income from bank deposits and other receivables	1,346	2,966
Gain of disposal of property, plant and equipment	-	54
Rental income	7,875	7,458
Government grant	400	-
Sundry income	604	476



1(b)(i) A balance sheet (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year.

	Group		Company	
	30 June 2016 (Unaudited)	31 March 2016 (Audited)	30 June 2016 (Unaudited)	31 March 2016 (Audited)
RMB'000				
ASSETS AND LIABILITIES				
Non-current assets				
Property, plant and equipment	79,601	80,249	-	-
Investment properties	513,254	513,254	-	-
Investments in subsidiaries	-	-	564,060	564,060
Interests in joint ventures	185,264	185,264	-	-
Interests in associates	6,087	6,087	-	-
Other financial assets	20,000	20,000	20,000	20,000
Financial assets at fair value through profit or loss	4,778	4,778	-	-
Long-term pledged deposits	246,900	246,900	-	-
Deferred tax assets	25,164	25,164	-	-
	1,081,048	1,081,696	584,060	584,060
Current assets				
Properties held under development	2,273,401	2,220,453	-	-
Properties held for sale	637,896	762,084	-	-
Accounts receivable	3,997	3,151	-	-
Prepayments and other receivables	578,529	588,331	109	110
Amounts due from subsidiaries	-	-	298,893	258,893
Financial assets at fair value through profit or loss	2,890	2,962	-	-
Tax recoverable	33,397	32,560	-	-
Pledged deposits	161,948	160,960	-	-
Cash and bank balances	192,350	221,753	131	131
	3,884,408	3,992,254	299,133	259,134
Current liabilities				
Accounts and bill payables	117,439	54,478	-	-
Accruals, receipts in advance and other payables	1,406,079	1,452,394	276	269
Provision for tax	177,862	195,017	-	-
Amounts due to related parties	29,343	30,239	249,177	248,646
Bank and other loans	446,679	514,370	-	-
	2,177,402	2,246,498	249,453	248,915
Net current assets	1,707,006	1,745,756	49,680	10,219
Total assets less current liabilities	2,788,054	2,827,452	633,740	594,279
Non-current liabilities				
Bank and other loans	478,884	566,009	-	-
Deferred tax liabilities	75,903	75,903	-	-
	554,787	641,912	-	-
Net assets	2,233,267	2,185,540	633,740	594,279
EQUITY				
Equity attributable to the Company's owners				
Share capital	313,446	313,446	313,446	313,446
Reserves	1,295,324	1,287,266	320,294	280,833
	1,608,770	1,600,712	633,740	594,279
Non-controlling interests	624,497	584,828	-	-
Total equity	2,233,267	2,185,540	633,740	594,279

**1(b)(ii) Aggregate amount of group's borrowings and debt securities. Amount repayable in one year or less, or on demand****Amount repayable in one year or less, or on demand**

As at 30/06/2016		As at 31/03/2016	
Secured	Unsecured	Secured	Unsecured
RMB'000	RMB'000	RMB'000	RMB'000
446,679	-	514,370	-

Amount repayable after one year

As at 30/06/2016		As at 31/03/2016	
Secured	Unsecured	Secured	Unsecured
RMB'000	RMB'000	RMB'000	RMB'000
478,884	-	566,009	-

Details of any collateral

Bank and other loans of approximately RMB573,540,000 were secured by the Group's properties and land use rights which were classified as "Leasehold interest in land and buildings", "Investment properties", "Properties held under development" as well as "Properties held for sale" as at 30 June 2016. Bank and other loans of approximately RMB352,023,000 were mainly secured by deposits of RMB346,900,000 which were classified as "Long-term pledged deposits" and "Pledged deposits" as at 30 June 2016.



1(c) A statement of cash flow (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year.

RMB'000	Group	
	3 months ended 30 June 2016 (Unaudited)	3 months ended 30 June 2015 (Unaudited)
Cash flows from operating activities		
Profit before income tax	59,847	20,698
Adjustments for:		
Interest income	(1,346)	(2,966)
Interest expense	584	811
Depreciation of property, plant and equipment	1,076	774
Gain on disposal of property, plant and equipment	-	(54)
Net fair value loss for financial assets at fair value through profit and loss	229	2,662
Operating profit before working capital changes	60,390	21,925
Decrease in properties held under development and properties held for sale	87,500	41,346
Decrease in accounts and other receivables and prepayments	9,126	28,906
Increase in financial assets at fair value through profit or loss	(157)	-
Increase in accounts and other payables, accruals and receipts in advance	16,646	10,269
Cash generated from operations	173,505	102,446
Interest received	1,346	3,510
Income taxes paid	(27,149)	(21,222)
Net cash generated from operating activities	147,702	84,734
Cash flows from investing activities		
Purchases of property, plant and equipment	(412)	(943)
Proceeds from disposal of property, plant and equipment	-	534
Increase in pledged deposits with original maturity over three months	(988)	(43,643)
Net cash used in investing activities	(1,400)	(44,052)
Cash flows from financing activities		
Repayment to related parties	(900)	(22,953)
New borrowings	-	58,000
Repayment of borrowings	(158,180)	(111,472)
Interest paid	(16,762)	(22,404)
Net cash used in financing activities	(175,842)	(98,829)
Net decrease in cash and cash equivalents	(29,540)	(58,147)
Effect of foreign exchange difference	137	(129)
Cash and cash equivalents at beginning of the period	221,753	309,501
Cash and cash equivalents at end of the period (note)	192,350	251,225
Note:		
Analysis of balances of cash and cash equivalents		
Cash and bank balances	192,350	251,225

1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalization issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.

Group	Equity attributable to equity holders of the Company										Non - Controlling interests	Total equity
	Share capital	Treasury shares	Share premium	Merger reserve	Statutory reserve	Capital reserve	Other reserve	Exchange reserve	Retained earnings	Total		
At 1 April 2015 (audited)	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Profit for the period	313,446	(12,817)	203,250	(2,243)	84,438	3,838	82,217	(2,326)	855,719	1,525,522	522,396	2,047,918
Other comprehensive income												
Exchange differences on translation of financial statements of foreign operations	-	-	-	-	-	-	-	(165)	-	(165)	-	(165)
Total comprehensive income for the period	-	-	-	-	-	-	-	(165)	8,059	7,894	5,704	13,598
At 30 June 2015 (unaudited)	313,446	(12,817)	203,250	(2,243)	84,438	3,838	82,217	(2,491)	863,778	1,533,416	528,100	2,061,516
At 1 April 2016 (audited)	313,446	(12,817)	203,250	(2,243)	88,385	3,838	87,128	(12,580)	932,305	1,600,712	584,828	2,185,540
Profit for the period	-	-	-	-	-	-	-	-	11,027	11,027	39,663	50,690
Other comprehensive income												
Exchange differences on translation of financial statements of foreign operations	-	-	-	-	-	-	-	(2,969)	-	(2,969)	6	(2,963)
Total comprehensive income for the period	-	-	-	-	-	-	-	(2,969)	11,027	8,058	39,669	47,727
At 30 June 2016 (unaudited)	313,446	(12,817)	203,250	(2,243)	88,385	3,838	87,128	(15,549)	943,332	1,608,770	624,497	2,233,267

Company	Share capital	Treasury shares	Share premium	Contributed surplus	Retained earnings	Total
At 1 April 2015 (audited)	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Loss for the period	313,446	(12,817)	203,250	59,579	33,077	596,535
At 30 June 2015 (unaudited)	313,446	(12,817)	203,250	59,579	32,571	596,029
At 1 April 2016 (audited)	313,446	(12,817)	203,250	59,579	30,821	594,279
Profit for the period	-	-	-	-	39,461	39,461
At 30 June 2016 (unaudited)	313,446	(12,817)	203,250	59,579	70,282	633,740

- 1(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on.**

State also the number of shares that may be issued on conversion of all the outstanding convertibles, as well as the number of shares held as treasury shares, if any, against the total number of issued shares excluding treasury shares of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.

SHARE CAPITAL

Date	Particulars	<u>Number of shares</u>		<u>Amount</u>	
		Issued share capital	Treasury share	Share Capital RMB'000	Treasury share RMB'000
01 April 2016 and 30 June 2016	Balance at beginning and the end of the period	518,855,024	(6,544,000)	313,446	(12,817)

- 1(d)(iii) To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.**

The total number of issued ordinary shares as at 30 June 2016 was 518,855,024 (31 March 2016: 518,855,024), of which 6,544,000 (31 March 2016: 6,544,000) were held by the Company as treasury shares.

- 1(d)(iv) A statement showing all sales, transfers, disposal, cancellation and/or use of treasury shares as at the end of the current financial period reported on.**

NIL

- 2. Whether the figures have been audited or reviewed and in accordance with which auditing standard or practice.**

The figures have not been audited or reviewed by the Company's auditors.

- 3. Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of a matter).**

Not applicable.

- 4. Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.**

The Group had applied the same accounting policies and methods of computation in the financial statements for the current reporting period as in those of the audited financial statement for the year ended 31 March 2016.

- 5. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.**

The Group has adopted the new and revised International Financial Reporting Standards ("IFRSs") which became effective for financial periods beginning on 1 April 2016. The adoption of these new and amended IFRSs did not give rise to significant change to the financial statements.

6. Earnings per ordinary share of the group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends.

	Group	
	3 months ended 30 June 2016	3 months ended 30 June 2015
Earnings per ordinary share (in RMB cents):	(Unaudited)	(Unaudited)
- Basic and Diluted	2.15	1.57

Note:

The calculation of basic earnings per share was based on the profit attributable to equity holders of the Company of approximately RMB11,027,000 for the 3 months ended 30 June 2016 (3 months ended 30 June 2015: RMB8,059,000) divided by weighted average of 512,311,024 ordinary shares (excluding treasury shares) (3 months ended 30 June 2015: the weighted average of 512,311,024) during the period.

Diluted earnings per share for the period is the same as the basic earnings per share as there is no dilutive potential share (3 months ended 30 June 2015: Nil).

7. Net asset value (for the issuer and group) per ordinary share based on of the total number of issued shares excluding treasury shares of the issuer at the end of the:
(a) current financial period reported on; and
(b) immediately preceding financial year.

	Group		Company	
	As at 30/06/2016	As at 31/03/2016	As at 30/06/2016	As at 31/03/2016
Net asset value per ordinary share (in RMB cents)	435.92	426.60	123.70	116.00

Notes:

- (1) The number of ordinary shares of the Company as at 30 June 2016 was 512,311,024 (excluding treasury shares) (31 March 2016: 512,311,024).
- (2) For information purposes, the net asset value attributable to the Company's owners of the Group (excluding non-controlling interests) as at 30 June 2016 was RMB314.02 cents (31 March 2016: RMB312.45 cents).

8. **A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following:**
- (a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and**
 - (b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period report on.**
- (a) REVIEW OF FINANCIAL RESULTS FOR THE QUARTER ENDED 30 JUNE 2016 ("1Q2017") COMPARED TO THE PREVIOUS CORRESPONDING QUARTER ENDED 30 JUNE 2015 ("1Q2016")**

Revenue

	3 months ended 30 June 2016	3 months ended 30 June 2015
Revenue (RMB '000)		
Residential	275,358	121,417
Commercial and others	1,870	3,008
	277,228	124,425

The Group's revenue in 1Q2017 was RMB277.2 million compared to RMB124.4 million in 1Q2016, an increase of 122.8%. The increase was mainly due to the higher handover of residential units of Nanchang Sino Harbour Kaixuan City (南昌漢港凱旋城) Zone 3.

The revenue in 1Q2017 was primarily derived from the handover of residential units of Nanchang Sino Harbour Kaixuan City Zone 3. In comparison, the revenue in 1Q2016 was mainly attributable to the handover of Yichun Royal Lake City (宜春御湖城) Phase 1, Fuzhou Hua Cui Ting Yuan (撫州華萃庭院) Phase 3 as well as Nanchang Sino Harbour Kaixuan City Zone 1.

As the Group is primarily engaged in property development business, revenue recognition is dependent on the launch of new projects and completion of handover of sold properties. Consequently, revenue and profit for the Group looking across quarters will appear irregular.

Cost of Sales and Gross Profit Margin

In line with the increase in revenue, cost of sales increased from RMB91.6 million in 1Q2016 to RMB208.1 million in 1Q2017, which reflected the cost of higher handover of residential units. Gross profit margin decreased slightly from 26.4% in 1Q2016 to 24.9% in 1Q2017.

Other Income and Other Gains and Losses

Other income and other gains and losses increased from RMB8.3 million in 1Q2016 to RMB10.0 million in 1Q2017. The increase was mainly attributable to a decrease in net fair value loss on financial assets at fair value through profit or loss and the increase in rental income.

Finance Costs

The decrease in finance costs from RMB811,000 in 1Q2016 to RMB584,000 in 1Q2017 was attributable to a decrease in interest expenses due to repayment of bank and other loans.

Income Tax Expenses

Income tax expenses increased from RMB6.9 million in 1Q2016 to RMB9.2 million in 1Q2017, mainly due to higher profit in 1Q2017.

Profit for the Period

As a cumulative effect of the foregoing factors, the Group recorded a profit after tax of RMB50.7 million in 1Q2017, an increase of 268.3% from RMB13.8 million in 1Q2016.

Exchange Differences on Translation of Financial Statements of Foreign Operations

Exchange differences on translation of financial statements of foreign operations increased from a loss of RMB0.2 million in 1Q2016 to a loss of RMB3.0 million in 1Q2017. The increase was mainly due to the depreciation of RMB against Hong Kong Dollar ("HKD") during the financial period that resulted in a translation loss of the Group's subsidiaries which were denominated in HKD.

Total Comprehensive Income for the Period

As a cumulative effect of the above factors, the Group recorded a total comprehensive income for the period of RMB47.7 million in 1Q2017, compared to a total comprehensive income for the period of RMB13.6 million in 1Q2016.

(b) REVIEW OF FINANCIAL POSITION AS AT 30 JUNE 2016 AND CASH FLOW FOR 1Q2017

Properties Held Under Development

The Group's properties held under development increased by RMB52.9 million from RMB2,220.5 million as at 31 March 2016 to RMB2,273.4 million as at 30 June 2016. The increase was mainly attributable to the construction progress of property projects such as Huzhou Hua Cui Ting Yuan (湖州華萃庭院) Phase 2 and Pan Hong Run Yuan (汎港潤源) (previously stated as Huzhou Run Yuan Project 湖州潤源項目) Phase 1 during the financial period.

Properties Held for Sale

Properties held for sale decreased from RMB762.1 million as at 31 March 2016 to RMB637.9 million as at 30 June 2016, mainly due to the handover of property units in Nanchang Sino Harbour Kaixuan City Zone 3 to the buyers.

Accounts Receivable

Accounts receivable increased from RMB3.2 million as at 31 March 2016 to RMB4.0 million as at 30 June 2016, mainly due to the receivable for the handover of a residential unit.

Prepayments and Other Receivables

The Group's prepayments and other receivables decreased from RMB588.3 million as at 31 March 2016 to RMB578.5 million as at 30 June 2016. The decrease was mainly due to the utilisation of advances made to contractors for purchase of construction materials and construction costs.

Accounts and Bill Payables, Accruals, Receipts in Advance and Other Payables

Accounts and bill payables increased to RMB117.4 million as at 30 June 2016 from RMB54.5 million as at 31 March 2016 due to an increase in amounts payable to suppliers for construction costs incurred in respect of the Group's properties held under development.

Accruals, receipts in advance and other payables decreased from RMB1,452.4 million as at 31 March 2016 to RMB1,406.1 million as at 30 June 2016. Accruals, receipts in advance and other payables comprised mainly of advance receipts from customers in respect of the Group's property pre-sales, accrued construction costs and project-related expenses that were based on the progress of the project development but were not due for payment as well as guarantee deposit by the subcontractor as at 30 June 2016. The decrease in accruals, receipts in advance and other

payables was mainly due to the net effect of (i) the decrease in advance receipts from the customers of Nanchang Sino Harbour Kaixuan City Zone 3 upon the handover and recognition of sale of properties and (ii) the increase in advance receipts from customers of Pan Hong Run Yuan Phase 1 and Huzhou Hua Cui Ting Yuan Phase 2.

Provision for Tax

Provision for tax decreased from RMB195.0 million as at 31 March 2016 to RMB177.9 million as at 30 June 2016. The decrease was mainly attributable to repayment of tax liabilities in 1Q2017.

Bank and Other Loans

As at 30 June 2016, the Group had bank and other loans of RMB925.6 million, a decrease from RMB1,080.4 million as at 31 March 2016, mainly due to repayment of bank and other loans during the period.

Of these bank and other loans of approximately RMB352.0 million were secured by deposits of RMB346.9 million which was classified as “Long-term pledged deposits” and “Pledged deposits” as at 30 June 2016.

Based on the Group’s total equity of RMB2.23 billion and deposit collateral of RMB346.9 million, the Group recorded a net gearing ratio (bank and other loans less deposit collateral / total equity) of 25.9% as at 30 June 2016, compared to 33.6% as at 31 March 2016.

Cash Flow Analysis

In 1Q2017, the Group recorded RMB147.7 million of net cash generated from operating activities which was mainly attributable to the increase in advance receipts from customers.

Net cash used in investing activities in 1Q2017 amounted to RMB1.4 million, mainly due to the increase in pledged deposits.

Net cash used in financing activities in 1Q2017 amounted to RMB175.8 million, mainly due to repayment of borrowings.

As at 30 June 2016, the Group had cash and cash equivalents of RMB192.4 million.

9. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.

The first quarter financial results for the three months ended 30 June 2016 is in line with the statement made in Paragraph 10 disclosed in its previous results announcement. There was no forecast or prospect statement previously disclosed to shareholders.

10. **A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.**

Industry Outlook

The property market in the People's Republic of China ("PRC") has been improving gradually as evidenced by official data published by the National Bureau of Statistics. Official data indicated that new home prices recorded a month-on-month increase in May and June 2016 of 60 and 55 out of a statistical pool of 70 major PRC cities respectively. On a year-on-year basis, 57 out of the 70 cities recorded a higher price in June 2016.

Supported by the ease of mortgage rule, the cut of reserve requirement rate, and the cut of benchmark deposit and loan interest rate in the previous months, the Group believes that the property market will remain relatively stable in the next 12 months.

Company Update

Property Pre-sales

The cumulative results for the pre-sale and handover of properties under each project up to 1 August 2016 are summarized as follows:

Residential Units

	Pan Hong Run Yuan Phase 1	Huzhou Hua Cui Ting Yuan Phase 2	Nanchang Sino Harbour Kaixuan City Zone 3	Fuzhou Hua Cui Ting Yuan Phase 3	Yichun Royal Lake City Phase 2
Est. total GFA released for sale (total units)	103,912 sq. m. (944 units)	50,527 sq. m. (430 units)	61,128 sq. m. (616 units)	117,177 sq. m. (1,127 units)	101,587 sq. m. (1,064 units)
Est. total GFA pre-sold (total units)	102,285 sq. m. (928 units)	26,369 sq. m. (178 units)	61,040 sq. m. (615 units)	115,988 sq. m. (1,116 units)	91,731 sq. m. (1,007 units)
Percentage of pre-sold	98%	52%	99%	99%	90%
Pre-sale GFA (units pre-sold) not handed over to buyers as at 30 June 2016 [^]	102,285 sq. m. (928 units)	26,369 sq. m. (178 units)	15,405 sq. m. (152 units)	29,500 sq. m. (283 units)	21,654 sq. m. (245 units)
Pre-sale value not handed over to buyers as at 30 June 2016 [^]	RMB667.01 m	RMB218.77 m	RMB76.71m	RMB149.70m	RMB91.95m
ASP per sqm*	RMB6,521	RMB8,296	RMB4,980	RMB5,075	RMB4,246
Expected completion date	Q4CY2016	Q4CY2016	Completed	Completed	Completed

*: 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 June 2016.

Other update
- Subsequent Receipt of Significant Other Receivables

With reference to note 23(b) of notes to the financial statements of the Company's annual report for the financial year ended 31 March 2016, the remaining Initial Receivable on the sale and transfer of Jiashanyang Land Parcels of RMB60,945,000 and the rebate resulting from delay in the transfer of Southwest Land Parcels of RMB25,390,000 were subsequently received after the period ended 30 June 2016. As such, such remaining Initial Receivable and rebate would be reflected in the 2Q2017 Results in due course.

Company Strategies

Focusing on pre-sales and quickening its pace of property development will continue to be the key strategies of the Group. The Group will continue seeking opportunities to acquire land parcels in second- to third-tier cities and consider expanding its property investments portfolio to provide more stable returns through rental income in the longer term.

The Group may also consider exploring suitable business opportunities to broaden the revenue base and diversifying its core business.

11. Dividend

(a) Current Financial Period Reported On

NIL

(b) Corresponding Period of the Immediately Preceding Financial Year

Any dividend declared for the corresponding period of the immediately preceding financial year?

NIL

(c) Date payable

Not applicable

(d) Books closure date

Not applicable

12. If no dividend has been declared/recommendeded, a statement to that effect.

No dividend has been declared or recommended for the financial period ended 30 June 2016.

13. If the Group has obtained a general mandate from shareholders for IPTs, the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.

The Group does not have any general mandate from shareholders for IPTs.



14. Confirmation that the issuer has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7.7) under Rule 720(1) of the SGX-ST Listing Manual

The Company confirms that the undertakings under Rule 720(1) of the Listing Manual have been obtained from all its directors and executive officers in the format set out in Appendix 7.7 under Rule 720(1) of the SGX-ST Listing Manual.

BY ORDER OF THE BOARD

Wong Lam Ping

Chairman

8 August 2016



NEGATIVE ASSURANCE CONFIRMATION

Statement by Directors pursuant to SGX Listing Rule 705(5)

We confirm that to the best of our knowledge, nothing has come to the attention of the Board of Directors of Pan Hong Holdings Group Limited which may render these interim financial results for the quarter ended 30 June 2016 to be false or misleading in any material aspect.

For and on behalf of the
Board of Directors of
Pan Hong Holdings Group Limited

Wong Lam Ping
Executive Chairman

Wang Cuiping
Executive Director

Date: 8 August 2016