



Press Release – for immediate release

Pan Hong 1Q2011 net profit up 27.4% to RMB13.0 million

- 1Q2011 revenue surged 269.9% to RMB88.2 million from 1Q2010's RMB23.8 million
- Group optimistic of FY2011 on high pre-sales value of RMB702.0 million

Singapore, 29 Jul 2010 – Pan Hong Property Group Limited (“Pan Hong” or the “Group”, 汎港地產集團), a Hong Kong-based property developer that focuses primarily on developing properties in the second and third-tier cities in the PRC since 1980s, recorded a net profit of RMB13.0 million for the quarter ended 30 June 2010 (“1Q2011”), an increase of 27.4% from RMB10.2 million compared to the corresponding financial period (3 months ended 30 June 2009, or “1Q2010”).

RMB'000	3 months ended 30 June 2010	3 months ended 30 June 2009	% 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
Operating Profit	23,627	12,879	83.5%
Profit for the period	13,074	10,225	27.9%
Profit attributable to Owners of the Company	13,044	10,235	27.4%
Earnings per share (RMB cents)	2.52	2.09	20.6%
	As at 30 June 2010	As at 31 March 2010	
Cash and bank balances (RMB'000)	202,750	71,176	184.9%
Net Asset Value (RMB cents)	221.71	219.01	1.2%



Commenting on the strong financial performance, Mr Wong Lam Ping (汪林冰), Executive Chairman, said, “Our strategy of focusing on second and third tier cities continue to bear results despite stringent directives from the Central Government. Our strong pre-sales in the previous quarters have enabled us to increase our 1Q2011 revenue by 269.9% notwithstanding the stringent market-cooling measures.”

The increase in the Group’s revenue from RMB23.8 million in 1Q2010 to RMB88.2 million in 1Q2011 lifted the Group’s 1Q2011 gross profit to RMB31.9 million, compared to 1Q2010’s RMB6.2 million. Gross profit margin was also higher at 36.2% in 1Q2011, compared to 26.0% in 1Q2010. Gross profit margin was lower in 1Q2010 due to the sale of car park lots at Nanchang Honggu Kaixuan Phase 1 in that quarter.

The Group ended 1Q2011 financially stronger with a cash and bank balances of RMB202.8 million as at 30 June 2010, compared to RMB71.2 million as at 31 March 2010. Net asset value of the Group, computed using the actual cost of acquiring the Group’s properties held under development, had also improved from RMB219.01 cents as at 31 March 2010 to RMB 221.71 cents as at 30 June 2010.

With an aggregate pre-sales value of RMB702.0 million for its residential and commercial units as at 30 June 2010, the Group remains positive for the coming quarters. In addition to the sale of the remaining residential units of Nanchang Honggu Kaixuan Phase 2 (南昌红谷凯旋第二期) and Huzhou Hua Cui Ting Yuan Phase 1 (湖州华萃庭院第一期), the Group will also focus on the sale of commercial units in Nanchang Honggu Kaixuan Phase 1 and 2 (南昌红谷凯旋第一与二期) and Huzhou Liyang Jingyuan Phase 2 (湖州丽阳景苑二期).



汎港地產集團
PAN HONG PROPERTY GROUP

PAN HONG PROPERTY GROUP LIMITED

Further, the Group plans to commence the construction of Yichun Project Phase I (江西宜春第一期), Fuzhou Project Phase I (江西抚州第一期) in first half year of FY2011 and expected commence the construction of Huzhou Runyuan Project Phase I (湖州润源第一期) and Nanchang Dingxun Project Phase I (鼎迅项目第一期) in second half year of FY2011.

The astute timing of launches of the Group's residential projects has enabled the Group to secure healthy profit margins. Management believes that the Group's plans for more commercial properties launches will benefit from the growth of the non-residential sector. The latter is relatively unaffected by recent government measures.

Mr Wong added, "With our strong cash position and pre-sales value, we remain confident and optimistic for FY2011. 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."

– The End –



汎港地產集團
PAN HONG PROPERTY GROUP

PAN HONG PROPERTY GROUP LIMITED

About Pan Hong Property Group Limited

Pan Hong Property Group Limited (汎港地產集團) is a Hong Kong-based 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 interests in land reserves in Fuzhou, Yichun and Leping cities in Jiangxi Province, and Pinghu City in Zhejiang Province, for property development.

As a testament to the quality of Pan Hong's property developments, the Group has 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 accolades such as 'Reputable Brand of the Year in Jiangxi' and 'Professional Property Developer of International Standard'. The Group's Huzhou Hua Cui Ting Yuan project also clinched the China Classic Villa Award 2008.

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

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

Issued for and on behalf of Pan Hong Property Group Limited

For more information please 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