



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 2017

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		Increase/ (Decrease)
	3 months ended 30 June 2017	3 months ended 30 June 2016	
	(Unaudited)	(Unaudited)	
Revenue	395,047	277,228	42.5%
Cost of Sales	(331,017)	(208,128)	59.0%
Gross profit	64,030	69,100	(7.3%)
Other income and other gains and losses	10,590	9,996	5.9%
Selling and distribution expenses	(3,914)	(6,296)	(37.8%)
Administrative expenses	(13,882)	(12,369)	12.2%
Operating profit	56,824	60,431	(6.0%)
Finance costs	(791)	(584)	35.4%
Profit before income tax	56,033	59,847	(6.4%)
Income tax expenses	(21,417)	(9,157)	133.9%
Profit for the period	34,616	50,690	(31.7%)
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	1,442	(2,963)	148.7%
Other comprehensive income for the period	1,442	(2,963)	148.7%
Total comprehensive income for the period	36,058	47,727	(24.4%)
Profit for the period attributable to:			
Owners of the Company	35,049	11,027	217.8%
Non-controlling interests	(433)	39,663	(101.1%)
	34,616	50,690	(31.7%)
Total comprehensive income attributable to:			
Owners of the Company	36,616	8,058	354.4%
Non-controlling interests	(558)	39,669	(101.4%)
	36,058	47,727	(24.4%)
Earnings per share for profit attributable to the owners of the Company during the period (in RMB cents)			
- Basic and Diluted	6.84	2.15	218.1%



Note:

RMB '000	Group	
	3 months ended 30 June 2017 (Unaudited)	3 months ended 30 June 2016 (Unaudited)
Profit before income tax is arrived at after charging/(crediting):		
Interest charges on financial liabilities stated at amortised cost		
- Bank loans wholly repayable within five years	22,164	16,762
Less: amount capitalised in properties held under development	(21,373)	(16,178)
	791	584
Depreciation of property, plant and equipment	641	1,158
Less: amount capitalised in properties held under development	(38)	(82)
	603	1,076
Cost of properties held for sale recognised as expense	315,466	192,446
Operating lease charge in respect of land and buildings	26	93
Less: amount capitalised in properties held under development	(24)	(22)
	2	71
Staff costs, including directors' remuneration		
- Wages and salaries	6,710	7,541
- Retirement benefit scheme contributions - defined contribution plans	684	432
Less: amount capitalised in properties held under development	(1,210)	(2,225)
	6,184	5,748
and crediting/(charging):		
Net fair value loss on financial assets at fair value through profit or loss	(2,324)	(229)
Interest income from bank deposits and other receivables	3,316	1,346
Rental income	7,878	7,875
Government grant	1,000	400
Sundry income	720	604



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 2017 (Unaudited)	31 March 2017 (Audited)	30 June 2017 (Unaudited)	31 March 2017 (Audited)
RMB'000				
ASSETS AND LIABILITIES				
Non-current assets				
Property, plant and equipment	77,132	76,533	-	-
Investment properties	557,247	557,247	-	-
Investments in subsidiaries	-	-	564,060	564,060
Interests in joint ventures	184,764	184,764	-	-
Interests in associates	5,673	5,673	-	-
Other financial assets	28,795	28,627	20,000	20,000
Financial assets at fair value through profit or loss	7,070	7,070	-	-
Long-term pledged deposits	-	5,500	-	-
Deferred tax assets	22,810	22,810	-	-
	883,491	888,224	584,060	584,060
Current assets				
Properties held under development	2,064,624	1,721,126	-	-
Properties held for sale	452,047	790,884	-	-
Accounts receivable	15,084	3,077	-	-
Prepayments and other receivables	194,308	405,928	115	116
Amounts due from subsidiaries	-	-	328,892	328,892
Financial assets at fair value through profit or loss	9,003	11,327	-	-
Tax recoverable	24,561	25,647	-	-
Structured bank balances	-	120,100	-	-
Pledged deposits	355,500	373,488	-	-
Cash and bank balances	424,522	288,122	131	131
	3,539,649	3,739,699	329,138	329,139
Current liabilities				
Accounts payable	73,132	92,172	-	-
Accruals, receipts in advance and other payables	748,395	1,090,430	60	276
Provision for tax	176,286	171,837	-	-
Amounts due to related parties	11,363	33,006	313,654	312,922
Bank loans	352,225	332,253	-	-
	1,361,401	1,719,698	313,714	313,198
Net current assets	2,178,248	2,020,001	15,424	15,941
Total assets less current liabilities	3,061,739	2,908,225	599,484	600,001
Non-current liabilities				
Bank loans	722,021	604,565	-	-
Deferred tax liabilities	83,697	83,697	-	-
	805,718	688,262	-	-
Net assets	2,256,021	2,219,963	599,484	600,001
EQUITY				
Equity attributable to the Company's owners				
Share capital	313,446	313,446	313,446	313,446
Reserves	1,355,828	1,319,212	286,038	286,555
	1,669,274	1,632,658	599,484	600,001
Non-controlling interests	586,747	587,305	-	-
Total equity	2,256,021	2,219,963	599,484	600,001

**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 30/06/2017		As at 31/03/2017	
Secured	Unsecured	Secured	Unsecured
RMB'000	RMB'000	RMB'000	RMB'000
352,225	-	332,253	-

Amount repayable after one year

As at 30/06/2017		As at 31/03/2017	
Secured	Unsecured	Secured	Unsecured
RMB'000	RMB'000	RMB'000	RMB'000
722,021	-	604,565	-

Details of any collateral

Bank loans of approximately RMB798,720,000 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 2017. Bank loans of approximately RMB275,526,000 were mainly secured by deposits of RMB280,829,000 which were classified as "Pledged deposits" as at 30 June 2017.



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 2017 (Unaudited)	3 months ended 30 June 2016 (Unaudited)
Cash flows from operating activities		
Profit before income tax	56,033	59,847
Adjustments for:		
Interest income	(3,316)	(1,346)
Interest expense	791	584
Depreciation of property, plant and equipment	603	1,076
Net fair value loss for financial assets at fair value through profit and loss	2,324	229
Operating profit before working capital changes	56,435	60,390
Decrease in properties held under development and properties held for sale	295,296	87,500
(Increase)/decrease in accounts and other receivables and prepayments	(17,823)	9,126
Increase in financial assets at fair value through profit or loss	-	(157)
(Decrease)/increase in accounts and other payables, accruals and receipts in advance	(422,185)	16,646
Cash (used in)/generated from operations	(88,277)	173,505
Interest received	3,316	1,346
Income taxes paid	(15,882)	(27,149)
Net cash (used in)/generated from operating activities	(100,843)	147,702
Cash flows from investing activities		
Purchases of property, plant and equipment	(1,240)	(412)
Decrease/(increase) in pledged deposits with original maturity over three months	23,488	(988)
Decrease in structured bank balances	120,100	-
Net cash generated from/(used in) investing activities	142,348	(1,400)
Cash flows from financing activities		
Repayment to related parties	(21,643)	(900)
New borrowings	159,827	-
Repayment of borrowings	(21,223)	(158,180)
Interest paid	(22,164)	(16,762)
Net cash generated from/(used in) financing activities	94,797	(175,842)
Net increase/(decrease) in cash and cash equivalents	136,302	(29,540)
Effect of foreign exchange difference	98	137
Cash and cash equivalents at beginning of the period	288,122	221,753
Cash and cash equivalents at end of the period (note)	424,522	192,350
Note:		
Analysis of balances of cash and cash equivalents		
Cash and bank balances	424,522	192,350



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 2016 (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)	88,385	3,838	87,128	(12,580)	932,305	1,600,712	584,828	2,185,540
Other comprehensive income	-	-	-	-	-	-	-	-	11,027	11,027	39,663	50,690
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
At 1 April 2017 (audited)	313,446	(12,817)	203,250	(2,243)	100,529	3,838	87,128	(19,314)	958,841	1,632,658	587,305	2,219,963
Profit for the period	-	-	-	-	-	-	-	-	35,049	35,049	(433)	34,616
Other comprehensive income	-	-	-	-	-	-	-	-	-	-	-	-
Exchange differences on translation of financial statements of foreign operations	-	-	-	-	-	-	-	1,567	-	1,567	(125)	1,442
Total comprehensive income for the period	-	-	-	-	-	-	-	1,567	35,049	36,616	(558)	36,058
At 30 June 2017 (unaudited)	313,446	(12,817)	203,250	(2,243)	100,529	3,838	87,128	(17,747)	993,890	1,669,274	586,747	2,256,021

Company	Share capital	Treasury shares	Share premium	Contributed surplus	Retained earnings	Total
At 1 April 2016 (audited)	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Profit for the period	313,446	(12,817)	203,250	59,579	30,821	594,279
At 30 June 2016 (unaudited)	313,446	(12,817)	203,250	59,579	70,282	633,740
At 1 April 2017 (audited)	313,446	(12,817)	203,250	59,579	36,543	600,011
Loss for the period	-	-	-	-	(517)	(517)
At 30 June 2017 (unaudited)	313,446	(12,817)	203,250	59,579	36,026	599,484

- 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 and the number of subsidiary holdings, 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	Number of shares		Amount	
		Issued share capital	Treasury share	Share Capital RMB'000	Treasury share RMB'000
01 April 2017 and 30 June 2017	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 2017 was 518,855,024 (31 March 2017: 518,855,024), of which 6,544,000 (31 March 2017: 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

- 1(d)(v) A statement showing all sales, transfer, cancellation and/or use of subsidiary holdings 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 2017.

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 2017. 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 2017	3 months ended 30 June 2016
Earnings per ordinary share (in RMB cents):	(Unaudited)	(Unaudited)
- Basic and Diluted	6.84	2.15

Note:

The calculation of basic earnings per share was based on the profit attributable to equity holders of the Company of approximately RMB35,049,000 for the 3 months ended 30 June 2017 (3 months ended 30 June 2016: RMB11,027,000) divided by weighted average of 512,311,024 ordinary shares (excluding treasury shares) (3 months ended 30 June 2016: 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 2016: 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 30/06/2017	As at 31/03/2017	As at 30/06/2017	As at 31/03/2017
Net asset value per ordinary share (in RMB cents)	440.36	433.32	117.02	117.12

Notes:

- (1) The number of ordinary shares of the Company as at 30 June 2017 was 512,311,024 (excluding treasury shares) (31 March 2017: 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 2017 was RMB325.83 cents (31 March 2017: RMB 318.68 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 2017 ("1Q2018") COMPARED TO THE PREVIOUS CORRESPONDING QUARTER ENDED 30 JUNE 2016 ("1Q2017")

Revenue

	3 months ended 30 June 2017	3 months ended 30 June 2016
Revenue (RMB '000)		
Residential	374,616	275,358
Commercial and others	20,431	1,870
	395,047	277,228

The Group's revenue in 1Q2018 was RMB395.0 million compared to RMB277.2 million in 1Q2017, an increase of 42.5%. The increase was mainly due to the higher handover of residential units of Pan Hong Run Yuan (汎港潤園) Phase 1.

The revenue in 1Q2018 was primarily derived from the handover of residential units of Pan Hong Run Yuan Phase 1. In comparison, the revenue in 1Q2017 was mainly attributable to the handover of Nanchang Sino Harbour Kaixuan City (南昌漢港凱旋城) Zone 3.

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 RMB208.1 million in 1Q2017 to RMB331.0 million in 1Q2018. Gross profit margin decreased from 24.9% in 1Q2017 to 16.2% in 1Q2018 as a result of the lower gross profit margin in respect of the units sold for Pan Hong Run Yuan Phase 1 as compared to the gross profit margin for the units sold for Nanchang Sino Harbour Kaixuan City Zone 3.

Other Income and Other Gains and Losses

Other income and other gains and losses increased from RMB10.0 million in 1Q2017 to RMB10.6 million in 1Q2018. The slight increase was the net effect of the increase in interest income and fair value loss on financial assets at fair value through profit or loss.

Selling and Distribution Expenses

Selling and distribution expenses decreased from approximately RMB6.3 million in 1Q2017 to approximately RMB3.9 million in 1Q2018. The lower selling expenses in 1Q2018 were mainly due to a decrease in marketing expenses incurred in Pan Hong Run Yuan and Yichun Royal Lake City.

Administrative Expenses

Administrative expenses increased to approximately RMB13.9 million in the 1Q2018 from

approximately RMB12.4 million in the 1Q2017. The increase was mainly attributable to an increase in the staff cost.

Finance Costs

The increase in finance costs from RMB584,000 in 1Q2017 to RMB791,000 in 1Q2018 was attributable to the increase in balance of bank loans.

Income Tax Expenses

Income tax expenses increased from RMB9.2 million in 1Q2017 to RMB21.4 million in 1Q2018, mainly due to higher profit in 1Q2018.

Profit for the Period

As a cumulative effect of the foregoing factors, the Group recorded a profit for the period of RMB34.6 million in 1Q2018, a decrease of 31.7% from RMB50.7 million in 1Q2017.

Exchange Differences on Translation of Financial Statements of Foreign Operations

Exchange differences on translation of financial statements of foreign operations decreased from a loss of RMB3.0 million in 1Q2017 to a gain of RMB1.4 million in 1Q2018. The increase was mainly due to the appreciation of RMB against Hong Kong Dollar ("HKD") during the financial period that resulted in a translation gain 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 RMB36.1 million in 1Q2018, compared to a total comprehensive income for the period of RMB47.7 million in 1Q2017.

(b) REVIEW OF FINANCIAL POSITION AS AT 30 JUNE 2017 AND CASH FLOW FOR 1Q2018

Properties Held Under Development

The Group's properties held under development increased by RMB343.5 million from RMB1,721.1 million as at 31 March 2017 to RMB2,064.6 million as at 30 June 2017. The increase was mainly due to the re-classification of prepaid land use rights amounting to RMB217.4 million from the prepayment and other receivables after obtaining the land use rights certificates of Huzhou Runhe Project (湖州潤和项目).

Properties Held for Sale

Properties held for sale decreased from RMB790.9 million as at 31 March 2017 to RMB452.0 million as at 30 June 2017, mainly due to the handover of property units in Pan Hong Run Yuan Phase 1 to the buyers.

Accounts Receivable

Accounts receivable increased from RMB3.0 million as at 31 March 2017 to RMB15.1 million as at 30 June 2017, mainly due to the handover of residential units.

Prepayments and Other Receivables

The Group's prepayments and other receivables decreased from RMB405.9 million as at 31 March 2017 to RMB194.3 million as at 30 June 2017. The decrease was mainly due to the re-classification of the prepaid land use rights of Huzhou Runhe Project amounting to RMB217.4 million to property held under development.

Accounts Payable, Accruals, Receipts in Advance and Other Payables

Accounts payable decreased to RMB73.1 million as at 30 June 2017 from RMB92.2 million as at 31 March 2017 due to a decrease 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 RMB1,090.4 million as at 31 March 2017 to RMB748.4 million as at 30 June 2017. 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 2017. The decrease in accruals, receipts in advance and other payables was the net effect of the decrease in advance receipts from the customers of Pan Hong Run Yuan Phase 1 and Huzhou Hua Cui Ting Yuan Phase 2 upon the handover and recognition of sale of properties.

Provision for Tax

Provision for tax increased from RMB171.8 million as at 31 March 2017 to RMB176.3 million as at 30 June 2017. The increase was mainly attributable to accruals of tax liabilities in 1Q2018.

Bank Loans

As at 30 June 2017, the Group had bank loans of RMB1,074.2 million, an increase from RMB936.8 million as at 31 March 2017, mainly due to new borrowing during the period.

Bank loans of approximately RMB798.7 million 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 2017. Bank loans of approximately RMB275.5 million were mainly secured by deposits of RMB280.8 million which were classified as "Pledged deposits" as at 30 June 2017.

Based on the Group's total equity of RMB2,256.0 million and deposit collateral of RMB280.8 million, the Group recorded a net gearing ratio (bank loans less deposit collateral / total equity) of 35.2% as at 30 June 2017, compared to 30.4% as at 31 March 2017.

Cash Flow Analysis

In 1Q2018, the Group recorded RMB100.8 million of net cash used in operating activities which was mainly attributable to the decrease in advance receipts from customers.

Net cash generated in investing activities in 1Q2018 amounted to RMB142.3 million, mainly due to the decrease in structured bank balances.

Net cash used in financing activities in 1Q2018 amounted to RMB94.8 million, mainly due to new borrowings.

As at 30 June 2017, the Group had cash and cash equivalents of RMB424.5 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 2017 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 2017 of 56 and 60 out of a statistical pool of 70 major PRC cities respectively. On a year-on-year basis, all 70 cities recorded a higher price in June 2017.

Company Update

Property Pre-sales

The cumulative results for the pre-sale and handover of properties under each project up to 2 August 2017 are summarized as follows:

Residential Units

	Pan Hong Run Yuan Phase 2	Huzhou Hua Cui Ting Yuan Phase 2	Nanchang Sino Harbour Kaixuan City Zone 2	Fuzhou Hua Cui Ting Yuan Phase 3	Yichun Royal Lake City Phase 2
Est. total GFA released for sale (total units)	27,806 sq. m. (222 units)	50,400 sq. m. (430 units)	34,095 sq. m. (180 units)	117,177 sq. m. (1,127 units)	101,587 sq. m. (1,064 units)
Est. total GFA pre-sold (total units)	21,394 sq. m. (172 units)	49,750 sq. m. (425 units)	19,159 sq. m. (103 units)	117,065 sq. m. (1,126 units)	100,828 sq. m. (1,056 units)
Percentage of pre-sold	77%	99%	56%	99%	99%
Pre-sale GFA (units pre-sold) not handed over to buyers as at 30 June 2017 ^	21,394 sq. m. (172 units)	3,214 sq. m. (27 units)	15,395 sq. m. (88 units)	3,402 sq. m. (32 units)	7,239 sq. m. (66 units)
Pre-sale value not handed over to buyers as at 30 June 2017 ^	RMB176.7m	RMB25.3m	RMB213.89m	RMB16.76m	RMB30.37m
ASP per sqm*	RMB8,257	RMB7,872	RMB13,893	RMB4,927	RMB4,195
Expected completion date	Q2CY2019	Completed	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 2017.

Company Strategies

The Group will continue to work on its sales of existing projects and focus on the launch of the pre-sales in the coming financial year. The Group is also exploring suitable business opportunities to diversify its core business as it believes that this will provide opportunities to expand its income sources.



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 2017.

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

10 August 2017



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 2017 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: 10 August 2017