



# Heeton Holdings Limited

Corporate Presentation

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# Agenda

- Corporate Overview
- Property Development
- Investment Properties and Hotels
- Investment Merits
- Financials
- Outlook & Strategy







# Corporate Overview

# Corporate Snapshot

- Established in 1976 and with a track record of 40 years, Heeton grew over the years to become a reputable real estate development and investment company
- Listed on SGX-Sesdaq (now known as catalyst) on 8 Sep 2003 and upgraded to Mainboard of SGX-ST on 31 August 2007
- Focused on property development, property investment and hospitality
- “Internationalisation” strategy of investment properties portfolio. Assets are situated in United Kingdom, Thailand, Australia, Japan and Singapore
- NAV grew from S\$73.7 million in 2002 to S\$342.66 million as of 31 March 2016
- Completed 36 development projects and sold approximately 3,800 units
- A total of 15 investment properties, including 6 operating hotels assets
- Actively look for more opportunities that the Group can develop in a timely manner, achieving quick turnover
- Strong partnership with other established property developers to leverage on each other strengths and tap on more opportunities

# Strong Management Team

## **Toh Giap Eng, Vince**

*Deputy Chairman & Executive Director*

Mr Toh is responsible for new markets investment and development and explore new products/businesses and the overall stewardship and governance of the Group. Vince started his career in the banking and finance industry and has been in the property development and investment business for about 2 decades. He holds a Bachelor of Arts (Business), United Kingdom.

## **Eric Teng Heng Chew**

*Chief Executive Officer & Executive Director*

Mr Teng is responsible for management of the Group's business and implementation of the direction, strategies and plans of the Board. Prior to joining the Group, Eric was an Adviser since January 2014 to Straits Trading Company Limited ("STCL") and the CEO of the property division in STCL from January 2010 to December 2013. He was concurrently the CEO of the Hospitality division and Rendezvous Hospitality Group under STCL from January 2011 to December 2013.

## **Heng Lee Cheng, Cheryl**

*Chief Financial Officer*

Ms Heng is responsible for the Group's accounting, finance and Leasing activities. Cheryl has several years of experience in the auditing and accounting profession before she joined the Group in April 2000. She holds a Bachelor of Accountancy from the Nanyang Technological University of Singapore and is a Chartered Accountant of Singapore.

## **Tan Hong Sien, Janet**

*General Manager Project Development & Marketing*

Janet joined the group in October 2012 . She oversees the property development activities of the Group in Singapore. Janet has about 20 years' experience in real estate industry and was an Assistant General Manager, Project, with a reputable listed developer for about 6 years before she joined the Group. She holds a Bachelor degree of Applied Science in Construction Management & Economics and a Diploma of Building.

# Strong Management Team

## **Liu Chun Bong, Edwin**

*Country Head, United Kingdom and Europe*

Edwin joined the group in 2012 and as a country head, he oversees property development and investment matters in the UK and Europe. Working closely with the Singapore head office, Edwin assists the executive board in identifying opportunities in the region. He manages the operation of the Heeton UK office in London and spearheads the implementation of development projects. Edwin is a Chartered Architect of the UK who has practiced for over 10 years in the UK and in South East Asia, he holds two Bachelor degrees in Architecture.

## **Adrian Koh Seng Hui**

*General Manager, Hospitality (International)*

Adrian has worked in the field of international hotel investments since 1995. He joined Heeton as General Manager, Hospitality (International) in 2014 as part of an expansion programme following the Group's new strategic focus on hospitality. Adrian oversees the Group's hotel operational and reporting functions including integrating newly-acquired hotels into the Heeton portfolio. He has a law degree from Kings College London University. Prior to joining Heeton he worked for two other Singapore PLCs representing their interest overseas.

## **Eemin Loh Yi Xuan**

*Manager, Human Resource & Administration*

Eemin joined the group in March 2001 as Personal Assistant to the Chief Executive Officer. In July 2010, she was promoted to Manager, Human Resource and Administration. She is responsible for formulating human resource and administration policies, overseeing payroll as well as staff welfare and development. Within the administration portfolio, she continues to hold the position of Personal Assistant to the Executive Deputy Chairman. Eemin holds a Graduate Diploma in Business Management from University of Bradford (UK) and Master of Social Science from Swinburne University of Technology (Australia).

# Major Milestones

## Initial Years After Listing (2003-2007)

- Listed on SESDAQ in 2003
- Largest Private Wet Market Operator
- 4 investment properties in Singapore
- Continue to grow business of property development
- Venture out of Singapore
- Upgraded to Mainboard of SGX-ST

## Formative Years (2007-2009)

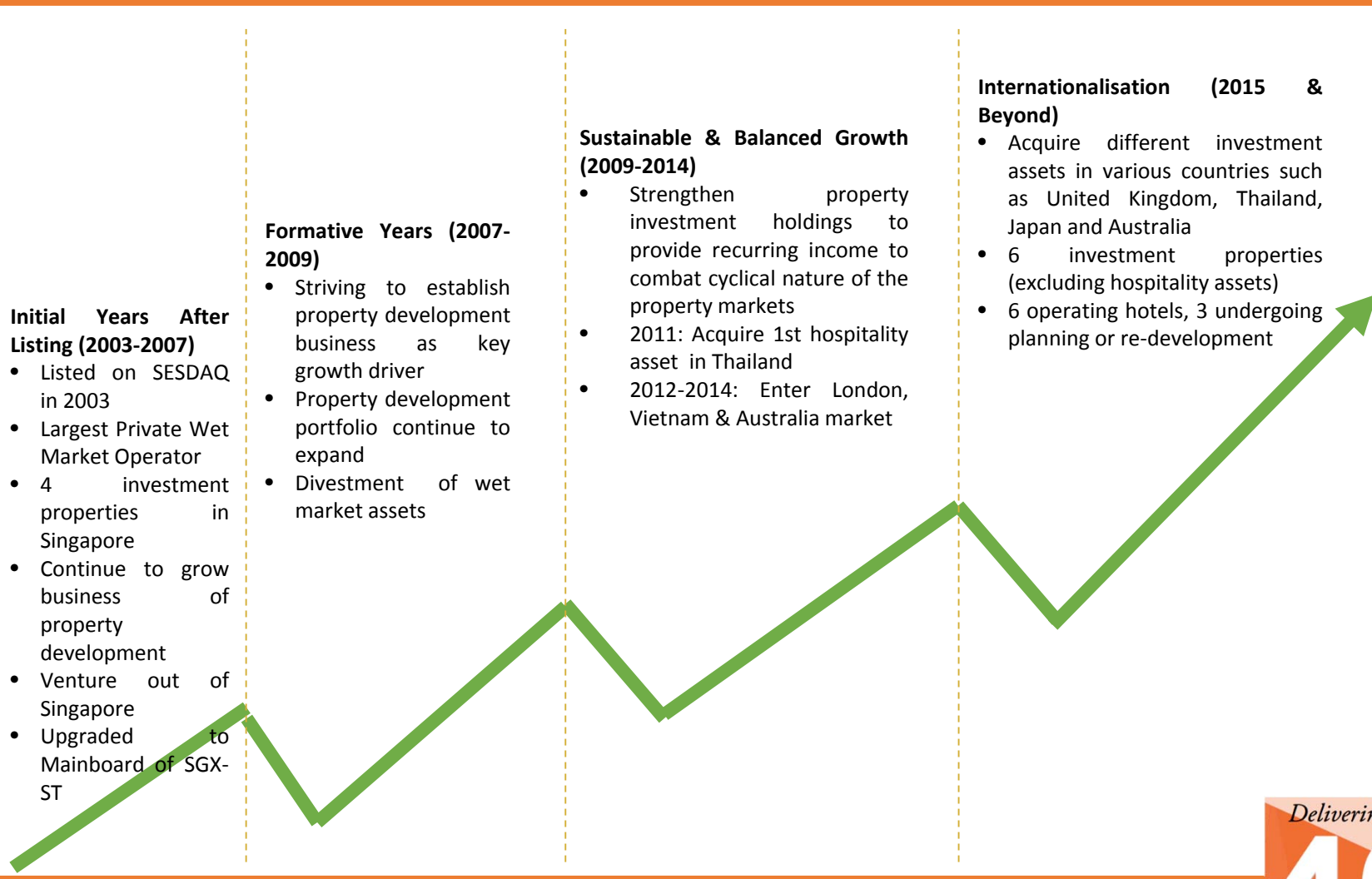
- Striving to establish property development business as key growth driver
- Property development portfolio continue to expand
- Divestment of wet market assets

## Sustainable & Balanced Growth (2009-2014)

- Strengthen property investment holdings to provide recurring income to combat cyclical nature of the property markets
- 2011: Acquire 1st hospitality asset in Thailand
- 2012-2014: Enter London, Vietnam & Australia market

## Internationalisation (2015 & Beyond)

- Acquire different investment assets in various countries such as United Kingdom, Thailand, Japan and Australia
- 6 investment properties (excluding hospitality assets)
- 6 operating hotels, 3 undergoing planning or re-development



Delivering Value

40 YEARS  
AND BEYOND



# Business Segments

## Property Development

- **Reputable Property Developer:** the Group has a niche focus on developing distinctive and high quality residential properties in Singapore's choice districts.
- **Strong Partnerships** with other established property developers to develop properties locally and in the region.
- **International Standards:** Prides itself on building exceptional and uniquely designed homes that measure up to international standards. Brought in world-renowned European design company.

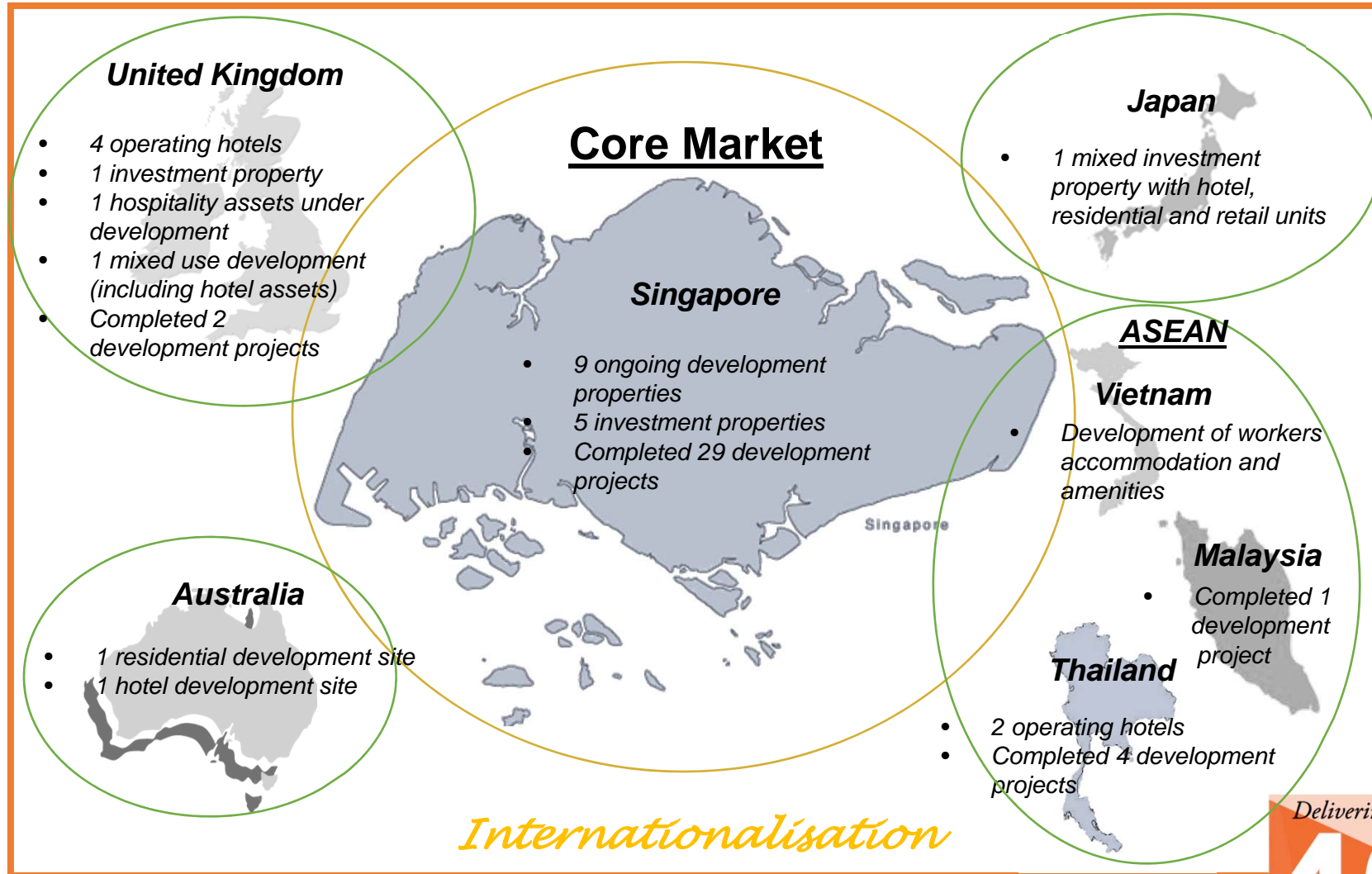
## Property Investment

- **Savvy Investors:** an eye for assets with attractive yield and opportunity for capital appreciation
- **Strong Recurring Income Base:** generated a total of more than \$30 million in FY2015, including share of results of associated companies/joint venture companies
- **International Presence:** Assets in Singapore, United Kingdom, Thailand, Malaysia, Australia, Japan and Vietnam

## Hospitality

- **Rapid Expansion:** acquired a total of 5 hotels and 3 parcels of land slated for hospitality development over the past 3 years
- **Strong Assets Base:** 6 operating hotels, 3 undergoing planning and re-development

# Our Presence



*\*current projects include launched projects, "not launched" projects and land bank*



# Property Development

# Development Properties

Project Name	Location / Type of development	Tenure	Group's stake (%)	Approx Gross Floor Area (Sqm)	Residential Units	Shop / Office Units	Percentage Sold (%) As at 31 March 2016	Launch Date	Completion Date
<u>Completed Property Developments (in Singapore) in the past six (6) years</u>									
Juluca	380 Pasir Panjang Road / Residential	Freehold	100	3,318	17	N/A	100	Oct 2007	Sept 2010
Lincoln Suites	1/3 Kiang Guan Avenue, Off Newton Road / Residential	Freehold	25	15,603	175	N/A	94.9	October 2009	April 2014
The Boutiq	145 Killiney Road / Residential	Freehold	45	10,397	130	N/A	94.6	April 2011	October 2014
Rezi26	5, 5A and 5B Lorong 26 Geylang Road / Residential	Freehold	10	6,925	106	N/A	100	October 2011	September 2015



Juluca



The Boutiq



Lincoln Suites



Rezi26



# Development Properties

Project Name	Location / Type of development	Tenure	Group's stake (%)	Approx Gross Floor Area (Sqm)	Residential Units	Shop / Office Units	Percentage Sold (%) As at 31 March 2016	Launch Date	Completion Date
<u>Completed Property Developments (in Singapore) in the past six (6) years</u>									
Palacio	Lorong M Telok Kurau Road / Residential	Freehold	36	4,152	21	N/A	100	August 2012	December 2015
Sky Green	568 & 570 Macpherson Road / Residential	Freehold	40	13,907	176	N/A	97.7	October 2012	November 2015
The Lumos	No. 9 Leonie Hill / Residential	Freehold	50	9,953	53	N/A	32.1*	July 2007	Aug 2011
iLiv@Grange	74 Grange Road / Residential	Freehold	100	4,362	30	N/A	- *	Expression of interest in April 2015 (lapsed)	October 2013

\*Some of the unsold units have been leased out to generate recurring income



Sky Green



Palacio



The Lumos



iLiv@Grange



# Development Properties

Project Name	Location / Type of development	Tenure	Group's stake (%)	Approx Gross Floor Area (Sqm)	Residential Units	Shop / Office Units	Percentage Sold (%) As at 31 March 2016	Launch Date	Completion Date
<u>Completed Property Developments (outside of Singapore) in the past six (6) years</u>									
Haus23	Ladprao 23 Road, Ladyarw (Bangsae-nuar) Bangkok Thailand / Residential	Freehold	48.99	17,214	236	N/A	75.8*	September 2011	May 2014
Earlington	30-31 Philbeach Gardens, London, UK / Residential	Freehold	100	751	15	N/A	100	October 2012	March 2014
The Britton	35-37 Cock Lane, London, UK / Residential	999 years from January 2004	100	944	15	N/A	100	May 2012	November 2012

\*Some of the unsold units have been leased out to generate recurring income



Haus23



Earlington

# Development Properties

Project Name	Location / Type of development	Tenure	Group's stake (%)	Approx Gross Floor Area (Sqm)	Residential Units	Shop / Office Units	Percentage Sold (%) As at 31 March 2016	Launch Date	Completion Date
<u>Ongoing Property Developments (in Singapore)</u>									
KAP and KAP Residences	9 and 11 King Albert Park / Commercial and Residential	Freehold	12.60	17,178	142	107	99.2	May 2013	2017
Floraville, Floravista & Floraview	2/A/B – 20A/B/C Cactus Road / Commercial and Residential	Freehold	12.25	11,549	140	28	51.1	August 2013	2017
NEWest	West Coast Way / Commercial and Residential	956 years from May 1928	12.25	25,148	136	141	100	May 2013	2016
Rezi 3Two	48-60 Lorong 32 Geylang Road / Residential	Freehold	10	3,455	65	N/A	67.7	November 2013	2017
121 Collection on Whitley	121 Whitley Road / Residential	Freehold	30	2,108	9	N/A	-	End 2016	2017



Floraville, Floravista & Floraview



Rezi 3Two



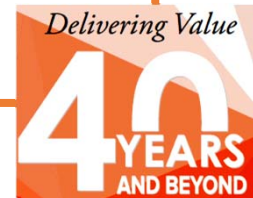
NEWest



KAP & KAP Residences



121 Collection on Whitley



# Development Properties

Project Name	Location / Type of development	Tenure	Group's stake (%)	Approx Gross Floor Area (Sqm)	Residential Units	Shop / Office Units	Percentage Sold (%) As at 31 March 2016	Launch Date	Completion Date
<u>Ongoing Property Developments (in Singapore)</u>									
Trio	7 to 19 Sam Leong Road / Commercial	Freehold	15	3,445	0	43	37.2	May 2014	2019
Onze@Tanjong Pagar	11 Kee Seng Street / Commercial and Residential	Freehold	100	5,572	56	13	42.0	September 2013	2018
Westwood Residences	180 to 196 Westwood Avenue / Residential	Leasehold term of 99 years from 14 April 2014	20	48,397	480	N/A	37.9	May 2015	2018
High Park Residences	40 Fernvale Road / Commercial and Residential	Leasehold term of 99 years from 14 April 2014	20	112,300	1,390	9	95.8	July 2015	2019



High Park Residences



Westwood Residences



Trio



Onze@Tanjong Pagar

# Development Properties

Project Name	Location / Type of development	Tenure	Group's stake (%)	Approx Gross Floor Area (Sqm)	Residential Units	Shop / Office Units	Percentage Sold (%) As at 31 March 2016	Launch Date	Completion Date
<u>Ongoing Property Developments and Land Bank (outside of Singapore)</u>									
188 W Residences	186 Wickham Street Fortitude Valley, Queensland, Australia / Residential	Freehold	18.15	28,000	324	N/A	-	To be confirmed	To be confirmed
To be confirmed	New York Road, Leeds as registered at the Land Registry under title number WYK592211, United Kingdom / Hotel and Residential	Freehold	55.0	72,700	To be confirmed	To be confirmed	-	To be confirmed	To be confirmed



# Investment Properties & Hotels



# Singapore Investment Properties

Project Name	Location / Type of development	Tenure	Approximate Lettable Area (sq m)	Average term of lease (years)	Number of units	Occupancy rate as at 31 March 2016 (%)	Estimated Fair value as at 31 March 2016 (\$'mil)	Group's stake (%)
<b>Investment Properties (in Singapore)</b>								
Tampines Mart	Blocks 5, 7, 9 and 11 Tampines Street 32 / Retail and Commercial	Leasehold term of 99 years from 1 May 1993	7,900	2 to 3	61 shops and 57 wet market stalls	96	104.0	100
The Woodgrove	30 Woodlands Avenue 1 / Retail and Commercial	Leasehold term of 99 years from 26 June 1996	3,785	2 to 3	36	100	31.2	100
Sun Plaza	30 Sembawang Drive / Retail and Commercial	Leasehold term of 99 years from 26 June 1996	14,142	3 to 4	118	100	322.0	50
62 Sembawang Road	62 Sembawang Road / Transport Facilities	Estate in Perpetuity	1,239	30	1	100	7.7	100
223@ Mountbatten	223 Mountbatten Road / Commercial	Estate in Perpetuity	10,447	3 to 5	90	61	47.0	16



Tampines Mart



The Woodgrove



Sun Plaza



223@Mountbatten

# Singapore Investment Properties

Project Name	Major Tenants
<u>Investment Properties (in Singapore)</u>	
Tampines Mart	<ul style="list-style-type: none"> <li>• McDonalds</li> <li>• Giant Supermarket</li> <li>• Anytime Fitness</li> <li>• Kopitiam</li> </ul>
The Woodgrove	<ul style="list-style-type: none"> <li>• NTUC Fairprice</li> <li>• Al-Azhar Restaurant</li> </ul>
Sun Plaza	<ul style="list-style-type: none"> <li>• NTUC Fairprice</li> <li>• Kopitiam</li> <li>• National Library Board</li> <li>• McDonalds</li> <li>• Kentucky Fried Chicken</li> </ul>
62 Sembawang Road	<ul style="list-style-type: none"> <li>• Caltex Petrol Kisok</li> </ul>
223@Mountbatten	<ul style="list-style-type: none"> <li>• Eton House Pre-School Pte Ltd</li> <li>• RCI Asia-Pacific Pte Ltd</li> </ul>

# Overseas Investment Properties

## Other Investment Properties (UK and Japan)

Project Name	Location / Type of development	Tenure	Approximate Lettable Area (sq m)	Average term of lease (years)	Number of units	Occupancy rate as at 31 March 2016 (%)	Estimated Fair value as at 31 March 2016 (\$'mil)	Group's stake (%)
Adam House	7-10 Adam Street. London United Kingdom / Serviced Office	Freehold	1,600	1	35	96	31.1	75
2-8-7 Minami 6 Jo Nishi, Chuo-ku, Sapporo, Hokkaido Prefecture, Japan	2-8-7 Minami 6 Jo Nishi, Chuo-ku, Sapporo, Hokkaido Prefecture, Japan / Hotel, Residential and Retail	Freehold	7,340	2 to 20	234 (a hotel building with 164 rooms, and a building with 66 residential and 4 retail units)	98	33.6	20



Adam House

Property at Sapporo, Japan

# Overseas Hotels

Project Name	Location / Type of development	Tenure	Number of units	Occupancy rate as at 31 March 2016 (%)	Estimated Fair value as at 31 March 2016 (\$'mil)	Group's stake (%)
<u>Hotel Properties (UK)</u>						
Ibis Hotel Gloucester	Saw Mills End, Corinium Avenue A417, Gloucestershire, United Kingdom / Hotel	Leasehold 125 years from 19 October 2009	127	71	11.9	55
Ibis Budget Bradford	Prince Court, Canal Road, Bradford, United Kingdom / Hotel	Freehold	86	91	3.1	55
Hotel ibis Style London Kensington	15-25 Hogarth Road, Kensington, London, United Kingdom / Hotel	Freehold	116	70	54.0	80
Holiday Inn Express Manchester	2-4 Oxford Road Manchester, United Kingdom	Freehold	147	63	33.6	30



Ibis Hotel Gloucester



Ibis Budget Bradford



Hotel Ibis Styles London Kensington



Holiday Inn Express Manchester

# Overseas Hotels

Project Name	Location / Type of development	Tenure	Number of units	Occupancy rate as at 31 March 2016 (%)	Estimated Fair value as at 31 March 2016 (\$'mil)	Group's stake (%)
<u>Hotel Properties (Thailand)</u>						
Mercure Hotel Pattaya	Pattaya, Thailand /Hotel	Freehold	247	94	20.6	86.7
Hotel Baraquada Pattaya, MGallery Collection	Pattaya, Thailand / Hotel	Freehold	72	85	15.3	38.98
<u>Hotel Land Bank (Australia and UK)</u>						
29 Ranwell Lane	29 Ranwell Lane Fortitude Valley, Australia / Hotel	Freehold	Proposed 198	N/A	6.4	70.0
To be confirmed	28-36 Glenthorne Road, Hammersmith, London, United Kingdom / Hotel	Freehold	Proposed 85	N/A	36.7	60.0

- **The Group's Investment properties portfolio generated recurring income of more than \$30 million in FY2015 and expects contribution from this segment to continue to further increase in FY2016 and beyond**



Mercure Hotel

Hotel Baraquada





# Investment Merits

# Investment Merits

1. **“Professional” management team**
2. **Established track record and reputation**
  - Ability to seek attractive opportunity
3. **Focused business direction and strategy**
  - Strong focus on building recurring income that can support desired funding structure
  - Enhanced investment properties to enhance recurring income
  - “Internationalisation” strategy to tap on growth opportunity and mitigate the challenge in Singapore
4. **Committed to delivering quality homes**
5. **Diversified revenue stream and financial strength**
  - Strong business model for sustainable growth
  - Healthy future cashflow and profit contribution

# Experienced Property Developer

## *Our Nucleus.....*

Experienced & “professional” team operating in markets allows quick response to opportunities beyond Singapore

To-date, the Group has successfully completed 36 property projects and has another 11 ongoing projects

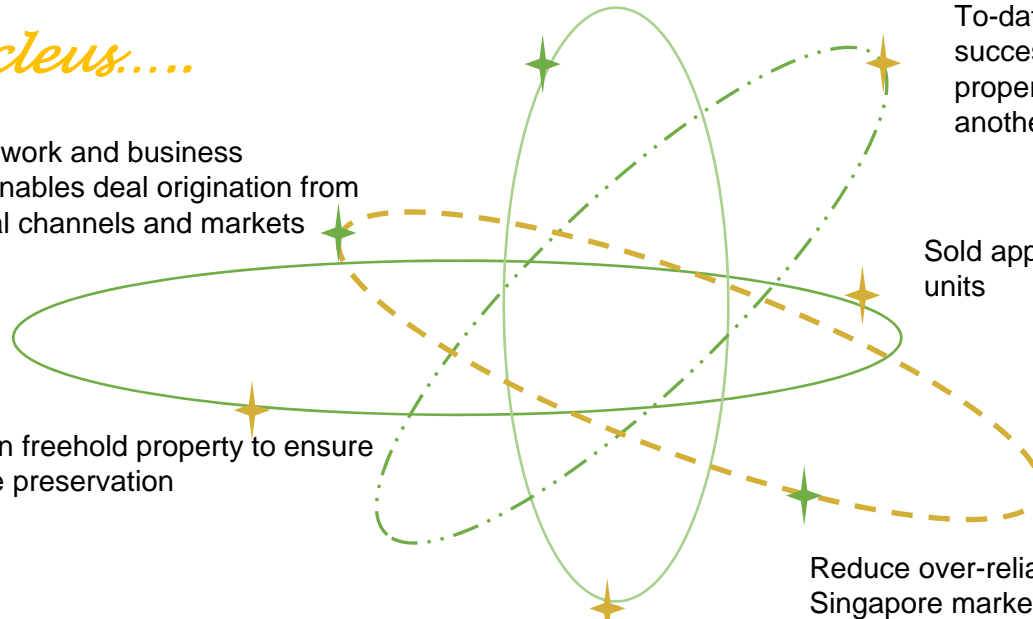
Extensive network and business relationship enables deal origination from non-traditional channels and markets

Sold approximately 3,800 units

Main focus on freehold property to ensure optimal value preservation

Reduce over-reliance on the local Singapore market

Current asset portfolio supports further leverage



# Strong Business Fundamentals



## **Strong development capabilities**

- Ability to do projects beyond Singapore
- Allows Group to do proactive sales management that will help to boost earnings

Opportunity to own and manage prime assets that can provide long term value appreciation



## **Strong investment portfolio**

- Ability to mitigate cyclical nature of property development
- Opportunity to own and manage prime assets that can provide long term value appreciation
- Strong incurring income enables sustainable growth



Strong stable cash flow to service debt requirements

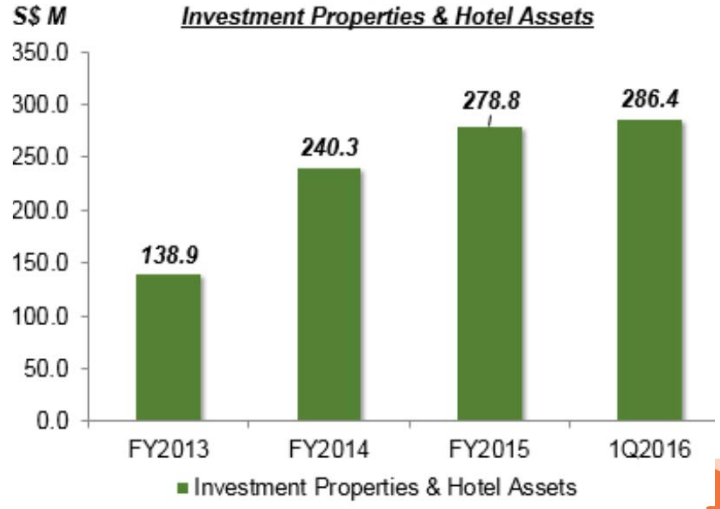
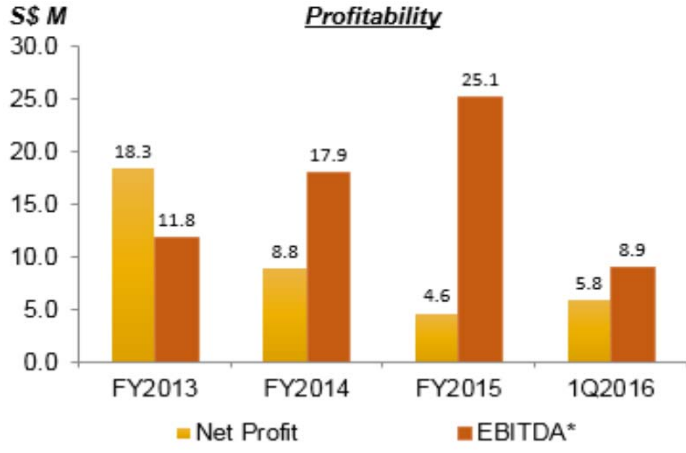
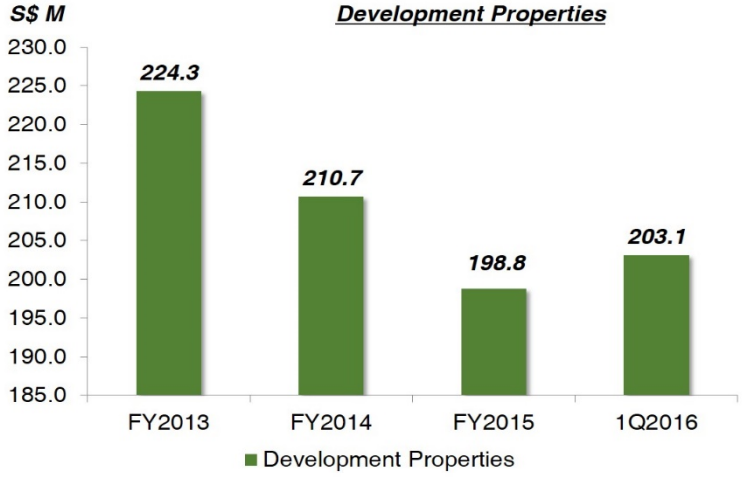
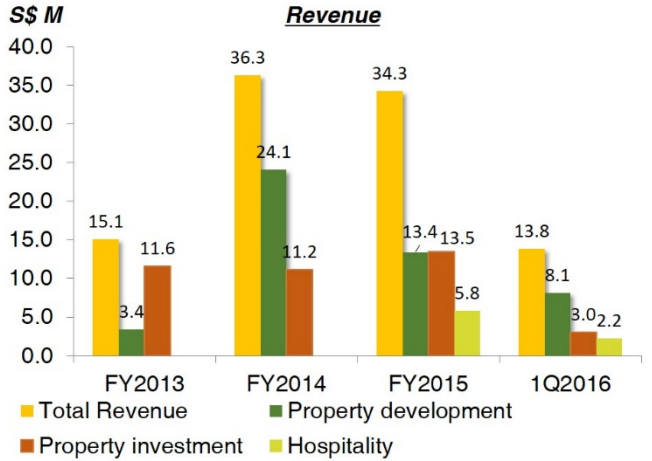




# Financials



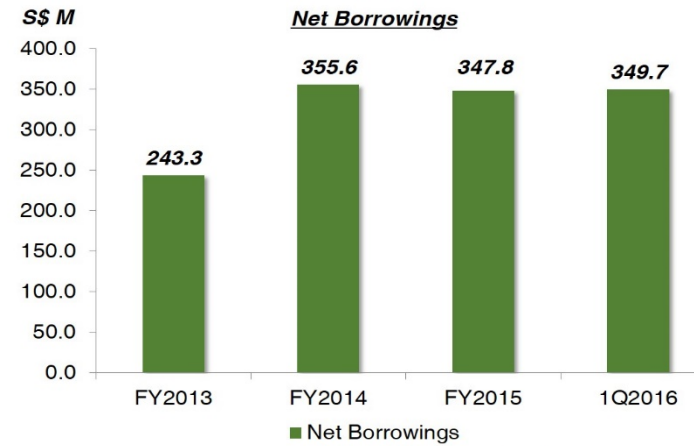
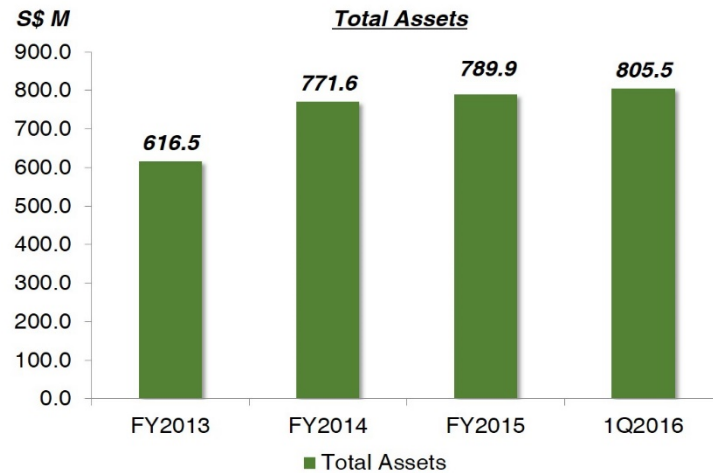
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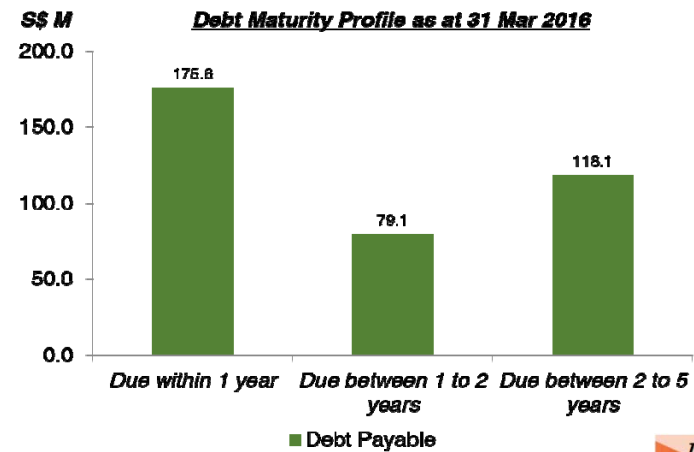
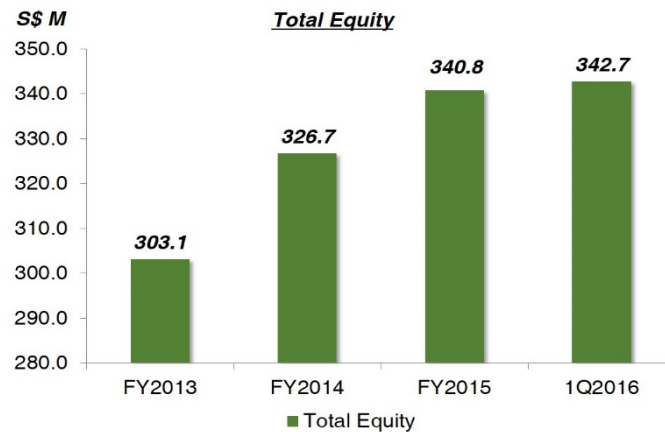
\* Includes share of results of joint venture and associated companies



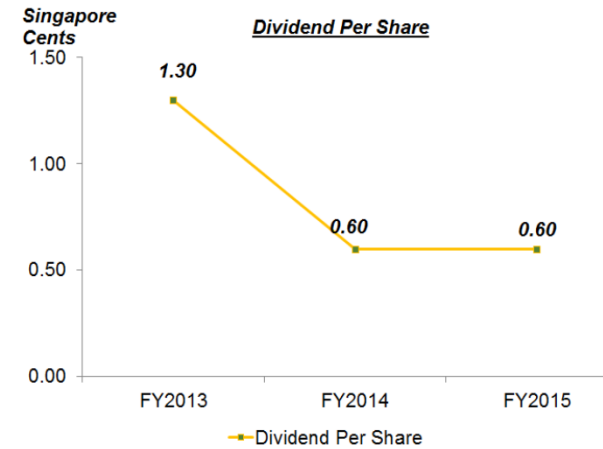
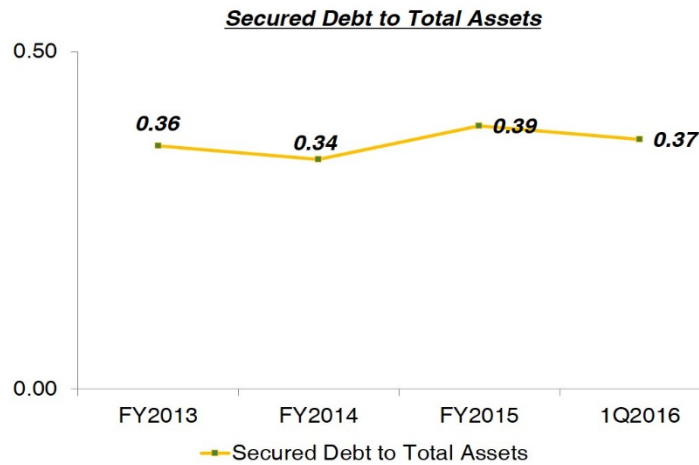
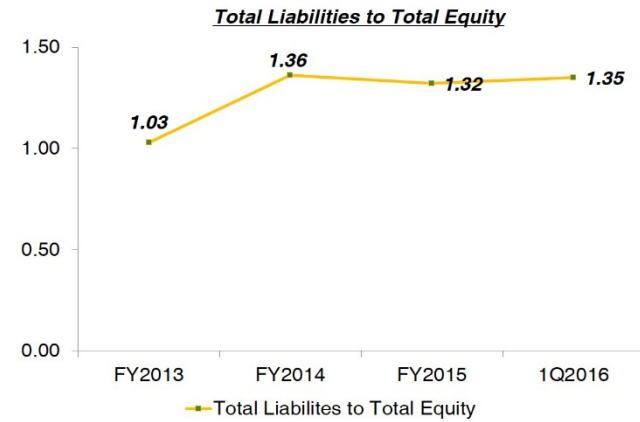
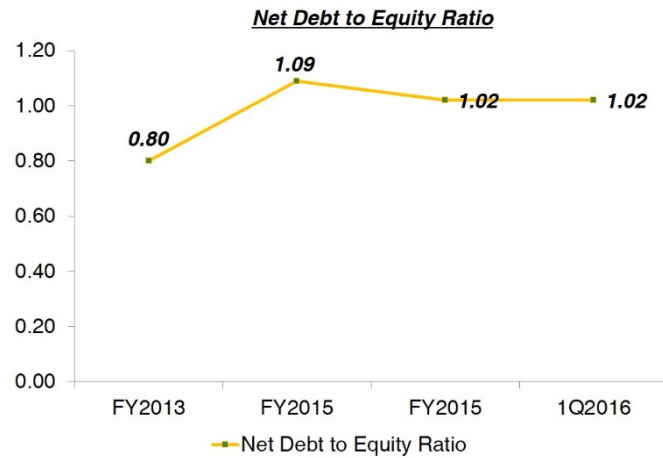
# Balance Sheet



\*Net Borrowings = Total borrowings – Cash – Fixed Deposits



# Financial Ratios





# Outlook & Strategy

# Growth Strategies

- Further expand international footprints, especially in United Kingdom
- Focus on hospitality assets
- Explore ways to increase the Group's recurring income base
- Further enhance management capabilities
- Continue to explore growth opportunities while maintaining a strong balance sheet
- Continue to build upon the already acquired experience of overseas expansion





**Thank You**

Corporate Presentation