



**Roxy-Pacific
Holdings Limited**

ROXY-PACIFIC HOLDINGS LIMITED

(Registration Number: 196700135Z)

UNAUDITED THIRD QUARTER FINANCIAL STATEMENTS AND DIVIDEND
ANNOUNCEMENT FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2019



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**UNAUDITED THIRD QUARTER FINANCIAL STATEMENTS AND DIVIDEND
ANNOUNCEMENT FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2019**

**PART I-INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1, Q2, Q3 & Q4),
HALF-YEAR AND THIRD QUARTER RESULTS**

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

Consolidated Income Statement

	Note	Third quarter ended 30 September			Nine months ended 30 September		
		2019 S\$'000	2018 S\$'000 (Restated)	Change %	2019 S\$'000	2018 S\$'000 (Restated)	Change %
Revenue	A.1	43,081	18,768	130%	182,977	102,027	79%
Cost of sales	A.2	(28,652)	(8,063)	255%	(130,813)	(63,891)	105%
Gross profit	A.2	14,429	10,705	35%	52,164	38,136	37%
Other operating income	A.3	1,421	2,042	-30%	6,016	8,390	-28%
Distribution and selling expenses	A.4	(1,803)	(2,074)	-13%	(7,072)	(6,489)	9%
Administrative expenses		(1,964)	(2,063)	-5%	(6,350)	(6,377)	0%
Other operating expenses	A.5	(5,982)	(3,899)	53%	(17,675)	(15,573)	13%
Finance costs	A.6	(6,951)	(3,183)	118%	(18,357)	(11,899)	54%
Share of results of associates (net of income tax)	A.7	1,435	3,107	-54%	3,531	14,322	-75%
Profit before taxation		585	4,635	-87%	12,257	20,510	-40%
Taxation	A.8	(270)	(859)	-69%	(3,185)	(3,942)	-19%
Profit after taxation		315	3,776	-92%	9,072	16,568	-45%
Attributable to:							
Equity holders of the Company		765	3,888	-80%	10,096	16,617	-39%
Non-controlling interests	A.11	(450)	(112)	302%	(1,024)	(49)	n/m
		315	3,776	-92%	9,072	16,568	-45%

1(a) (ii) Consolidated Income Statement is arrived at:

		Third quarter ended 30 September			Nine months ended 30 September		
	Note	2019 S\$'000	2018 S\$'000 (Restated)	Change %	2019 S\$'000	2018 S\$'000 (Restated)	Change %
after crediting:							
Fair value gain on investment properties		-	-	-	-	3,471	n/m
Foreign exchange gain (realised)		-	57	n/m	-	571	n/m
Foreign exchange gain (unrealised)	A.9	159	-	n/m	485	298	63%
Interest income	A.3	707	464	52%	2,703	1,459	85%
after charging:							
Depreciation of property, plant and equipment	A.5	(2,126)	(1,487)	43%	(6,268)	(4,629)	35%
Depreciation of right-of-use assets	A.5	(24)	-	n/m	(525)	-	n/m
Amortisation of intangible assets		(47)	(46)	2%	(141)	(136)	4%
Directors' fees		(50)	(31)	61%	(149)	(107)	40%
Foreign exchange loss (realised)		(1)	-	n/m	(7)	(7)	n/m
Foreign exchange loss (unrealised)	A.10	(1,038)	(377)	175%	(1,317)	(1,497)	-12%
Interest on borrowings	A.6	(6,419)	(3,173)	102%	(17,093)	(11,781)	45%
Interest on lease liabilities		(540)	-	n/m	(1,261)	-	n/m
Staff costs (including directors' remuneration)		(4,538)	(4,757)	-5%	(15,185)	(15,064)	1%

n/m: not meaningful

Notes to Consolidated Income Statement:

- A.1 Revenue increased in 3Q2019 and 9M2019 mainly due to higher contribution from the Property Development segment. Please refer to paragraph 8(a)(iii) for a more detailed analysis.
- A.2 Cost of sales and gross profit increased in 3Q2019 and 9M2019, in line with the higher revenue. Please refer to paragraph 8(a)(iv) for a more detailed analysis for both 3Q2019 and 9M2019.
- A.3 Other operating income decreased in 9M2019 mainly due to higher fair value gain from investment property at NZI Centre in 9M2018, and forfeiture of deposits paid by two purchasers from Liv on Wilkie and Sunnyvale as a result of repudiation of sale and purchase agreements in 3Q2018, partially offset by higher income from forfeiture of deposits from aborted units in The Hensley in 1H2019 and increase in interest income in 9M2019. Other operating income decreased in 3Q2019 mainly due to absence of forfeiture of deposits from Liv on Wilkie and Sunnyvale as explained above.
- A.4 Distribution and selling expenses were higher in 9M2019 mainly due to higher showflats expenses incurred for projects in 2019 as compared to 2018. In 3Q2019, distribution and selling expenses were lower mainly due to lower showflats expenses incurred in the quarter.
- A.5 Other operating expenses comprise mainly depreciation and payroll expenses. In 3Q2019 and 9M2019, other operating expenses increased mainly due to increase in depreciation of Noku Maldives upon the commencement of full hotel operations from 3Q2018, adjustment for depreciation of right-of-use assets and higher foreign exchange loss in 3Q2019, refer to note A.10.
- A.6 In 3Q2019 and 9M2019, finance costs increased mainly due to higher finance cost expensed off for new Singapore development projects which were launched during the year, higher finance cost from Noku Maldives due to commencement of full hotel operations in 4Q2018 as well as finance cost incurred on lease liability under SFRS(I)16. Please refer to the breakdown as follows:

	3Q2019	3Q2018	9M2019	9M2018
	S\$'000	S\$'000	S\$'000	S\$'000
Property Development	2,954	973	6,758	3,083
Hotel ownership	2,382	1,151	7,079	5,141
Finance cost on lease liability	540	-	1,261	-
Others	1,075	1,059	3,259	3,675
	<u>6,951</u>	<u>3,183</u>	<u>18,357</u>	<u>11,899</u>

- A.7 Share of results of associates was higher in 9M2018 mainly due to fair value gain from 117 Clarence Street. In 9M2019, it was lower due to share of loss as a result of showflat expenses incurred for Wilshire Residences and NEU At Novena, partially offset by profit recognised from Wisma Infinitum, fair value gain from investment properties at St Kilda Road and 33 Argyle Street. In 3Q2018, share of results of associates was higher mainly due to write-back of tax provision for an associate.
- A.8 The higher effective tax rate in 9M2019 is mainly due to tax provision for The Hensley.
- A.9 In 3Q2019 and 9M2019, foreign exchange gain (unrealised) arose mainly from appreciation of JPY advances to subsidiaries.
- A.10 In 3Q2019 and 9M2019, foreign exchange loss (unrealised) arose mainly from appreciation of JPY bank borrowings, appreciation of HKD payable against SGD and depreciation of AUD receivable against SGD.
- A.11 Non-controlling interests was a loss in 3Q2019 and 9M2019 mainly due to showflat expenses incurred for View At Kismis. In 3Q2018 and 9M2018, non-controlling interests includes showflat expenses incurred for 120 Grange and Bukit 828 projects, partially offset by profits from Trilive.



1(a) (iii) Consolidated Statement of Comprehensive Income

		Third quarter ended 30 September			Nine months ended 30 September		
		2019 S\$'000	2018 S\$'000	Change %	2019 S\$'000	2018 S\$'000	Change %
Profit after taxation		315	3,776	-92%	9,072	16,568	-45%
Other comprehensive income							
Currency translation differences arising from consolidation	A.12	(3,193)	(5,155)	-38%	(6,629)	(11,806)	-44%
Other comprehensive profit, net of tax		(3,193)	(5,155)	-38%	(6,629)	(11,806)	-44%
Total comprehensive income for the period		(2,878)	(1,379)	n/m	2,443	4,762	-49%
Attributable to:							
Equity holders of the Company		(2,430)	(1,267)	n/m	3,498	4,808	-27%
Non-controlling interests		(448)	(112)	n/m	(1,055)	(46)	n/m
		(2,878)	(1,379)	n/m	2,443	4,762	-49%

A.12 Currency translation differences in 3Q2019 and 9M2019 arose mainly from the depreciation of AUD against SGD during the period.

n/m: not meaningful

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

		GROUP		COMPANY	
	Note	30-Sep-19 S\$'000	31-Dec-18 S\$'000	30-Sep-19 S\$'000	31-Dec-18 S\$'000
ASSETS					
Non-Current					
Property, plant and equipment	B.1	234,192	231,028	709	774
Intangible assets		266	393	204	327
Investment properties	B.2	123,133	126,464	-	-
Investment in subsidiaries	B.3	-	-	167,943	170,603
Investment in associates	B.4	163,515	142,330	-	-
Right-of-use assets	B.5	28,054	-	-	-
Financial assets at fair value through profit or loss	B.6	12,082	1,856	10,447	356
		561,242	502,071	179,304	172,060
Current					
Development properties for sale*	B.7	768,497	782,499	-	-
Inventories		1,016	1,086	-	-
Amounts due from associates	B.8	61,357	58,432	-	-
Trade receivables	B.9	7,249	8,282	13	2
Contract assets	B.10	36,584	20,410	-	-
Contract costs	B.11	8,831	6,084	-	-
Other receivables	B.12	33,923	36,959	474,949	396,182
Cash and bank balances		216,793	291,574	129,899	166,888
		1,134,250	1,205,326	604,861	563,072
Total assets		1,695,492	1,707,397	784,164	735,132
EQUITY AND LIABILITIES					
Capital and Reserves					
Share capital		47,399	47,399	47,399	47,399
Treasury shares		(3,954)	(3,954)	(3,954)	(3,954)
Revaluation reserve		533	533	-	-
Other reserves		(25,157)	(18,558)	(7,282)	(5,622)
Retained earnings		469,453	470,881	283,456	201,093
Equity attributable to owners of the Company		488,274	496,301	319,618	238,916
Non-controlling interests		115	4,533	-	-
		488,389	500,834	319,618	238,916
Liabilities					
Non-Current					
Borrowings	B.14	228,059	229,651	-	-
Lease liability	B.5	28,150	-	-	-
Deferred tax liabilities		7,641	10,979	816	671
		263,850	240,630	816	671
Current					
Trade and other payables	B.13	94,315	104,234	390,428	430,138
Contract liabilities	B.10	28,227	30,933	-	-
Current tax liabilities		6,893	17,554	438	678
Borrowings	B.14	813,818	813,212	72,864	64,729
		943,253	965,933	463,730	495,545
Total liabilities		1,207,103	1,206,563	464,546	496,216
Total equity and liabilities		1,695,492	1,707,397	784,164	735,132

* \$384.1 million (31 December 2018: \$293.1 million) relates to the Group's pre-sold development properties as at 30 September 2019.

Notes to the statement of financial position for the Group and the Company:

- B.1 The increase in property, plant and equipment as at 30 September 2019 was mainly due to development costs for the hotel/resort under retrofitting/construction in Maldives and Chalong, partially offset by depreciation.
- B.2 The decrease in investment property as at 30 September 2019 was due to the depreciation of NZD currency translation differences against SGD.
- B.3 At Company level, investment in subsidiaries decreased mainly due to liquidation of subsidiaries following project completion and revaluation of long-term loans to foreign subsidiaries.
- B.4 Investment in associates increased mainly due to shareholder loans to associates and investment in an associate company for acquisition of new investment property in Japan which was completed in June 2019.
- B.5 Right-of-use assets and lease liability mainly pertain to lease commitment for land rent of Maldives amounted to \$16.4 million and ground rent of NZI Centre amounted to \$11.4 million, which has a lease term till year 2056 and perpetually respectively.
- B.6 Financial assets at fair value through profit or loss comprise equity securities listed on the Singapore Exchange and funds managed by a bank.
- B.7 Development properties for sale as at 30 September 2019 comprises of properties for sale under development (\$765.1 million) and developed properties for sale (\$3.4 million). The decrease in properties for sale under development was mainly due to completion and settlement of The Hensley during the period, partially offset by increase in construction progress at View at Kismis, and West End Residences.
- B.8 Amounts due from associates increase mainly due to loans to associates for property development.
- B.9 Trade receivables comprised mainly progress payments receivable from purchasers.
- B.10 Contract assets primarily relate to the Group's right to consideration for work completed but not yet billed at the reporting date on the construction of development properties. The increase in contract assets was mainly due to The Navian which construction is substantially completed.
- Contract liabilities represent the progress billing to customers in excess of the Group's right to the consideration.
- B.11 Contract costs relate to sales commission incurred in securing sales of residential properties. The increase in contract cost in 9M2019 was mainly due to sales commission incurred for RV Altitude, View at Kismis and Fyve Derbyshire, partially offset by contract cost recognition for The Navian.
- B.12 The Group's other receivables comprised mainly deposits, prepayments and other receivables. The decrease was mainly due to realisation of customer deposit held in trust for the Hensley upon settlement.
- At Company level, other receivables comprised mainly the amounts due from subsidiaries, deposits, prepayments and other receivables. The increase was mainly due to loans extended to subsidiaries.
- B.13 Trade and other payables comprised mainly of progress claims from contractors, related retention sums held, accruals for construction costs for completed projects, accruals for unbilled contractor progress claims and provision for staff and directors' bonuses. The decrease was mainly due to recognition of customer deposits for The Hensley upon completion and settlement in 1H2019, repayment of shareholder loan, trade and other payable for Trilive and Straits Mansions.
- At Company level, trade and other payables comprised mainly amounts due to subsidiaries, accrued staff and directors' bonuses and other expenses. The decrease was mainly due to repayment to subsidiaries.

- B.14 The Group's total borrowings amounted to \$1,041.9 million, with \$425.2 million repayable within one year and \$616.6 million repayable after one year (refer to page 9, table 1(b)(ii)).

At the Company level, total borrowings amounted to \$72.9 million, all repayable within one year. The increase was mainly due to working capital loans draw down to finance new investment in Japan.

1(b) (ii) Aggregate amount of group's borrowings and debt securities

	30 September 2019			31 December 2018		
	Secured S\$'000	Unsecured S\$'000	Total S\$'000	Secured S\$'000	Unsecured S\$'000	Total S\$'000
Non-current						
- Amounts repayable after one year	228,059	-	228,059	229,651	-	229,651
Current						
- Amounts repayable in one year or less, or on demand	425,242 (i) (ii)	-	425,242	440,605	-	440,605
- Amounts repayable after one year but within the normal operating cycle of the Property Development segment	388,576	-	388,576	372,607	-	372,607
	813,818	-	813,818	813,212	-	813,212
	1,041,877	-	1,041,877	1,042,863	-	1,042,863

Details of collaterals

Borrowings are secured by:

- a) Land and buildings;
 - b) Guarantee by the Company;
 - c) Development properties for sale;
 - d) Proceeds from sales of properties under development;
 - e) Investment properties;
 - f) Rental income from investment properties; and
 - g) Fixed deposits
- i. \$138.6 million relates to our sold development project properties and is expected to be repaid by 30 September 2020 upon obtaining TOP and collections from buyers of the properties.
\$194.5 million relates to loans for Grand Mercure Roxy Hotel, Singapore and shop units.
 - ii. \$72.9 million loans is secured by fixed deposits.

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

Note	Third quarter ended 30 September		Nine months ended 30 September	
	2019 S\$'000	2018 S\$'000 (Restated)	2019 S\$'000	2018 S\$'000 (Restated)
Cash Flows from Operating Activities				
Profit before taxation	585	4,635	12,257	20,510
Adjustments for:				
Depreciation of property, plant and equipment	2,126	1,487	6,268	4,629
Depreciation of right-of-use assets	24	-	525	-
Amortisation of intangible assets	47	46	141	136
Dividend income from equity share	(27)	(37)	(88)	(94)
Share of results of associates	(1,435)	(3,107)	(3,531)	(14,304)
Cumulative fair value gain on available-for-sale financial assets reclassified to profit or loss on adoption of SFRS(I) 9	-	-	-	(312)
Fair value gain on equity securities	(32)	(194)	(205)	126
Interest income	(707)	(464)	(2,703)	(1,459)
Interest expense on bank borrowings	6,419	3,173	17,093	11,781
Interest expense on lease liabilities	540	-	1,261	-
Net fair value gain on investment properties	-	-	-	(3,471)
Net foreign exchange loss (unrealised)	879	377	831	1,199
Operating profit before working capital changes	8,419	5,916	31,849	18,741
Changes in properties for sale under development	14,421	(103,635)	14,936	(157,636)
Changes in developed properties for sale	2,723	(3,005)	(365)	1,309
Changes in contract cost	(1,801)	(624)	(2,747)	3,354
Changes in contract asset	433	(21,042)	(16,174)	(35,569)
Changes in contract liabilities	(8,313)	6,234	(2,706)	6,234
Changes in inventories	48	(101)	70	(217)
Changes in operating receivables	(2)	85,743	3,778	46,052
Changes in operating payables	3,231	840	(8,668)	(19,863)
Cash used in operations	19,159	(29,674)	19,973	(137,595)
Net income tax paid	(6,622)	(11,575)	(17,086)	(19,662)
Cash generated from / (used in) operating activities	C.1 12,537	(41,249)	2,887	(157,257)
Cash Flows from Investing Activities				
Acquisition of property, plant and equipment	C.2 (1,664)	(8,370)	(3,640)	(14,945)
Investment in associates	C.3 (187)	(4,522)	(14,478)	(19,148)
Dividend received from equity share	27	37	88	94
Dividend received from associates	3,500	20,168	3,500	41,238
Loan to associates	C.4 (2,160)	(10,173)	(13,079)	(17,298)
Investment in financial assets	-	-	(10,021)	-
(Repayment)/Advance (to)/from associates	(438)	22,657	(619)	24,436
Acquisition of additional shares in a subsidiary	C.5 -	-	(938)	-
Addition of intangible assets	(1)	(5)	(14)	(5)
Interest received	969	444	3,319	1,830
Cash generated from / (used in) investing activities	46	20,236	(35,882)	16,202
Cash Flows from Financing Activities				
Proceeds from borrowings	9,861	122,455	87,180	308,666
Repayment of borrowings	(17,700)	(132,306)	(85,133)	(196,776)
Fixed deposit (pledged)/discharged to/from banks and financial institutions	-	-	(10,000)	6,000
Interest paid	(10,139)	(4,995)	(26,673)	(18,870)
Share buy-back	-	(840)	-	(2,764)
Dividend paid to non-controlling shareholders	(1,214)	(560)	(2,214)	(1,170)
Dividend paid to owners of the company	(2,543)	(2,548)	(11,736)	(11,724)
Proceeds from share issued to non-controlling interest	-	800	-	800
Cash generated from / (used in) financing activities	C.6 (21,735)	(17,994)	(48,576)	84,162

	Third quarter ended		Nine months ended	
	30 September		30 September	
	2019	2018	2019	2018
	S\$'000	S\$'000	S\$'000	S\$'000
Net (decrease) / increase in cash and cash equivalents	(9,152)	(39,007)	(81,571)	(56,893)
Cash and cash equivalents at beginning of period	146,677	215,159	220,333	234,295
Effects of foreign currency translation	(2,017)	(687)	(3,254)	(1,937)
Cash and cash equivalents at end of period	135,508	175,465	135,508	175,465
<u>Analysis of cash and cash equivalents:-</u>				
Project accounts	C.7	26,373	17,231	26,373
Fixed deposits in project accounts		9,000	26,000	9,000
Fixed deposits		115,964	109,869	115,964
Cash at bank		65,456	104,535	65,456
Total cash and bank balances		216,793	257,635	216,793
Less: Fixed deposits pledged to banks and financial institutions		(81,285)	(82,170)	(81,285)
		135,508	175,465	135,508

Notes to the consolidated statement of cash flows:

- C.1 The net cash inflows from operating activities of \$2.9 million in 9M2019 was mainly due to settlement of Hensley in 1H2019 as well as no acquisition of new land during the period.
- C.2 The acquisition of property, plant and equipment was mainly related to the development costs for the resort under construction in Chalong.
- C.3 The investment in associates in 9M2019 was mainly new equity injection for the acquisition of investment property in Japan.
- C.4 Loans to associates in 9M2019 was mainly shareholder loans to associate companies in Singapore, Malaysia and Australia.
- C.5 Acquisition of additional shares in an indirect subsidiary thereby increasing the Group's shareholding from 85% to 90%.
- C.6 The net cash outflows from financing activities of \$48.6 million in 9M2019 were mainly due to repayment of borrowings for completed projects, interest payment and dividend payment. This was partially offset by proceeds from borrowings for the development sites in Australia and Singapore.
- C.7 Project accounts consist of monies held under the Housing Developers (Project Account) Rules 1997. Withdrawals are restricted for payments for development expenditure incurred on properties for sale under development.

**Roxy-Pacific
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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 capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.

Group	Share capital S\$'000	Treasury shares S\$'000	Revaluation reserve S\$'000	Translation reserve S\$'000	Retained earnings S\$'000	Equity attributable to owners of the Company S\$'000	Non-controlling interests S\$'000	Total S\$'000
Balance at 1 January 2019	47,399	(3,954)	533	(18,558)	470,881	496,301	4,533	500,834
Total comprehensive income for the period								
Profit for the period	-	-	-	-	9,331	9,331	(574)	8,757
Comprehensive income for the period	-	-	-	-	9,331	9,331	(574)	8,757
Other comprehensive income								
Foreign currency translation differences	-	-	-	(3,404)	-	(3,404)	(32)	(3,436)
Total other comprehensive income for the period	-	-	-	(3,404)	-	(3,404)	(32)	(3,436)
Total comprehensive income for the period	-	-	-	(3,404)	9,331	5,927	(606)	5,321
Transactions with owners, recognised directly in equity								
Contributions by and distributions to owners								
Changes in ownership interest in subsidiary with no change in control	-	-	-	-	212	212	(1,150)	(938)
Dividend paid	-	-	-	-	(9,193)	(9,193)	(1,000)	(10,193)
Total transactions with owners	-	-	-	-	(8,981)	(8,981)	(2,150)	(11,131)
Balance at 30 June 2019	47,399	(3,954)	533	(21,962)	471,231	493,247	1,777	495,024
Profit for the period	-	-	-	-	765	765	(450)	315
Comprehensive income for the period	-	-	-	-	765	765	(450)	315
Other comprehensive income								
Foreign currency translation differences	-	-	-	(3,195)	-	(3,195)	2	(3,193)
Total other comprehensive income for the period	-	-	-	(3,195)	-	(3,195)	2	(3,193)
Total comprehensive income for the period	-	-	-	(3,195)	765	(2,430)	(448)	(2,878)
Transactions with owners, recognised directly in equity								
Contributions by and distributions to owners								
Dividend paid	-	-	-	-	(2,543)	(2,543)	(1,214)	(3,757)
Total transactions with owners	-	-	-	-	(2,543)	(2,543)	(1,214)	(3,757)
Balance at 30 September 2019	47,399	(3,954)	533	(25,157)	469,453	488,274	115	488,389

Roxy-Pacific Holdings Limited

Group	Share capital S\$'000	Treasury shares S\$'000	Fair value reserve S\$'000	Revaluation reserve S\$'000	Translation reserve S\$'000	Retained earnings S\$'000	Equity attributable to owners of the Company S\$'000	Non-controlling interests S\$'000	Total S\$'000
Balance at 1 January 2018									
As previously reported	47,399	(564)	312	533	(4,527)	459,512	502,665	5,071	507,736
Effect of adopting SFRS(I) 15	-	-	-	-	10	1,801	1,811	65	1,876
Balance at 1 January 2018, as restated	47,399	(564)	312	533	(4,517)	461,313	504,476	5,136	509,612
Effect of adopting SFRS(I) 9	-	-	(312)	-	-	-	(312)	-	(312)
Balance at 1 January 2018	47,399	(564)	-	533	(4,517)	461,313	504,164	5,136	509,300
Total comprehensive income for the period									
Profit for the period	-	-	-	-	-	12,729	12,729	63	12,792
Comprehensive income for the period	-	-	-	-	-	12,729	12,729	63	12,792
Other comprehensive income									
Foreign currency translation differences	-	-	-	-	(6,654)	-	(6,654)	3	(6,651)
Total other comprehensive income for the period	-	-	-	-	(6,654)	-	(6,654)	3	(6,651)
Total comprehensive income for the period	-	-	-	-	(6,654)	12,729	6,075	66	6,141
Transactions with owners, recognised directly in equity									
Contributions by and distributions to owners									
Share buy-back	-	(1,924)	-	-	-	-	(1,924)	-	(1,924)
Dividend paid	-	-	-	-	-	(9,176)	(9,176)	(610)	(9,786)
Total transactions with owners	-	(1,924)	-	-	-	(9,176)	(11,100)	(610)	(11,710)
Balance at 30 June 2018	47,399	(2,488)	-	533	(11,171)	464,866	499,139	4,592	503,731
Profit for the period	-	-	-	-	-	3,888	3,888	(112)	3,776
Comprehensive income for the period	-	-	-	-	-	3,888	3,888	(112)	3,776
Other comprehensive income									
Foreign currency translation differences	-	-	-	-	(5,155)	-	(5,155)	-	(5,155)
Total other comprehensive income for the period	-	-	-	-	(5,155)	-	(5,155)	-	(5,155)
Total comprehensive income for the period	-	-	-	-	(5,155)	3,888	(1,267)	(112)	(1,379)
Transactions with owners, recognised directly in equity									
Contributions by and distributions to owners									
Share buy-back	-	(840)	-	-	-	-	(840)	-	(840)
Issue of share to non-controlling interests	-	-	-	-	-	-	-	800	800
Dividend paid	-	-	-	-	-	(2,548)	(2,548)	(560)	(3,108)
Total transactions with owners	-	(840)	-	-	-	(2,548)	(3,388)	240	(3,148)
Balance at 30 September 2018	47,399	(3,328)	-	533	(16,326)	466,206	494,484	4,720	499,204

Company	Share capital S\$'000	Treasury shares S\$'000	Translation reserve S\$'000	Retained earnings S\$'000	Total S\$'000
Balance at 1 January 2019	47,399	(3,954)	(5,622)	201,093	238,916
Total comprehensive income for the period					
Profit for the period	-	-	-	29,078	29,078
Comprehensive income for the period	-	-	-	29,078	29,078
Other comprehensive income					
Foreign currency translation difference	-	-	(849)	-	(849)
Total other comprehensive income for the period	-	-	(849)	-	(849)
Total comprehensive income for the period	-	-	(849)	29,078	28,229
Transaction with owners, recognised directly in equity					
Contributions by and distributions to owners					
Dividend paid	-	-	-	(9,193)	(9,193)
Total transactions with owners	-	-	-	(9,193)	(9,193)
Balance at 30 June 2019	47,399	(3,954)	(6,471)	220,978	257,952
Profit for the period	-	-	-	65,021	65,021
Comprehensive income for the period	-	-	-	65,021	65,021
Other comprehensive income					
Foreign currency translation difference	-	-	(811)	-	(811)
Total other comprehensive income for the period	-	-	(811)	-	(811)
Total comprehensive income for the period	-	-	(811)	65,021	64,210
Transactions with owners, recognised directly in equity					
Contributions by and distributions to owners					
Dividend paid	-	-	-	(2,543)	(2,543)
Total transactions with owners	-	-	-	(2,543)	(2,543)
Balance at 30 September 2019	47,399	(3,954)	(7,282)	283,456	319,618

Company	Share capital S\$'000	Treasury shares S\$'000	Fair value reserve S\$'000	Translation reserve S\$'000	Retained earnings S\$'000	Total S\$'000
Balance at 1 January 2018, as previously reported	47,399	(564)	138	768	174,572	222,313
Effect of adoption of SFRS(I) 9	-	-	(138)	-	-	(138)
At 1 January 2018, as restated	47,399	(564)	-	768	174,572	222,175
Total comprehensive income for the period						
Profit for the period	-	-	-	-	21,051	21,051
Comprehensive income for the period	-	-	-	-	21,051	21,051
Other comprehensive income						
Foreign currency translation difference	-	-	-	(2,613)	-	(2,613)
Total other comprehensive income for the period	-	-	-	(2,613)	-	(2,613)
Total comprehensive income for the period	-	-	-	(2,613)	21,051	18,438
Transaction with owners, recognised directly in equity						
Contributions by and distributions to owners						
Share buy-back	-	(1,924)	-	-	-	(1,924)
Dividend paid	-	-	-	-	(9,176)	(9,176)
Total transactions with owners	-	(1,924)	-	-	(9,176)	(11,100)
Balance at 30 June 2018	47,399	(2,488)	-	(1,845)	186,447	229,513
Profit for the period	-	-	-	-	15,817	15,817
Comprehensive income for the period	-	-	-	-	15,817	15,817
Other comprehensive income						
Foreign currency translation difference	-	-	-	(2,394)	-	(2,394)
Total other comprehensive income for the period	-	-	-	(2,394)	-	(2,394)
Total comprehensive income for the period	-	-	-	(2,394)	15,817	13,423
Transactions with owners, recognised directly in equity						
Contributions by and distributions to owners						
Share buy-back	-	(840)	-	-	-	(840)
Dividend paid	-	-	-	-	(2,548)	(2,548)
Total transactions with owners	-	(840)	-	-	(2,548)	(3,388)
Balance at 30 September 2018	47,399	(3,328)	-	(4,239)	199,716	239,548



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.

Ordinary share capital and Treasury shares

Movement in the Company's treasury shares during the three months ended 30 September 2019 are as follows:

	30 Sep 2019	30 Sep 2018
	No. of Shares	No. of Shares
Treasury shares:		
As at beginning of period	8,924,900	5,323,900
Purchase of treasury shares	-	1,958,500
As at end of period	8,924,900	7,282,400

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.

	30 Sep 2019	30 Sep 2018
Issued, fully paid share capital:		
Balance number of shares as at the beginning of period	1,303,979,944	1,192,223,494
Purchase of treasury shares	-	(5,610,400)
Bonus issue	-	119,354,850
Bonus issue on treasury shares	-	(345,500)
Total number of shares as at the end of period net of treasury shares	1,303,979,944	1,305,622,444

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.

Not applicable.

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

The figures have not been audited nor 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.

Except as disclosed in paragraph 5 below, the Group has followed accounting policies and applied methods of computations consistent with the audited financial statements as at 31 December 2018.



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.

(i) SFRS(I) 16 Leases

The Group has applied SFRS(I) 16 *Leases* that is effective from 1 January 2019.

SFRS(I) 16 introduces new or amended requirements with respect to lease accounting. It introduces significant changes to the lessee accounting by removing the distinction between operating and finance lease, and requiring the recognition of a right-of-use asset and a lease liability at commencement for all leases, except for short-term leases and leases of low value assets. In contrast to lessee accounting, the requirements for lessor accounting have remained largely unchanged. The Group and the Company have applied the changes in accounting policies using the modified retrospective approach. Comparatives are not restated.

Refer to Paragraph 1(b) (i), B.5 for the right-of-use assets and lease liabilities recognised as at 30 September 2019 as a result of the application of SFRS (I) 16.

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

Earnings per share for the financial period	Third quarter ended 30 September		Nine months ended 30 September	
	2019	2018 (as restated)	2019	2018 (as restated)
(a) Based on the weighted average number of ordinary shares on issue (cents)	0.06	0.30	0.77	1.27
(b) On fully diluted basis (cents)	0.06	0.30	0.77	1.27
Profit attributable to shareholders of the Company (\$'000)	765	3,888	10,096	16,617
Weighted average number of shares ('000)	1,303,980	1,307,614	1,303,980	1,308,810



**Roxy-Pacific
Holdings Limited**

7. Net asset value (for the issuer and group) per ordinary share based on 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	
	30-Sep-19	31-Dec-18	30-Sep-19	31-Dec-18
Net asset value per ordinary shares based on total issued 1,303,979,944 ordinary shares (cents) (2018: 1,303,979,944 ordinary shares (cents))	37.44	38.06	24.51	18.32

The Group adopts the cost model under *SFRS(I) 1-16 Property, Plant and Equipment*, and measures its property, plant and equipment at cost less depreciation and impairment loss. If it had applied the fair value model under *SFRS(I) 1-16*, a revaluation surplus would arise as a result of the excess of the fair value of its hotel properties (includes Grand Mercure Roxy Hotel in Singapore, Noku Kyoto Hotel in Kyoto, Japan, Noku Osaka Hotel in Osaka, Japan, Noku Maldives and hotel property in Phuket, Thailand) and own use premises, over their carrying amounts. As at 30 September 2019, our directors estimated that the fair value of these properties to be \$718.5 million (31 December 2018: \$692.3 million) based on valuation carried out by independent valuers on 31 December 2018, using the investment and direct comparison methods. The revaluation surplus is estimated to be approximately \$489.2 million (31 December 2018: \$485.2 million). Had this revaluation surplus been recorded, the Group's adjusted net asset value ("ANAV") per share would have been as follows:

	Group	
	30-Sep-19	31-Dec-18
ANAV per ordinary share based on total issued 1,303,979,944 ordinary shares (cents) (2018: 1,303,979,944 ordinary shares (cents))	74.96	75.27

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

Review of Group Performance

(i) Operating Segments

GROUP	Third quarter ended 30 September			Change Increase/ (Decrease)		Nine months ended 30 September			Change Increase/ (Decrease)	
	2019 S\$'000		2018 S\$'000 (Restated)		%	2019 S\$'000		2018 S\$'000 (Restated)		%
REVENUE										
Property Development	28,625	67%	4,835	26%	492%	139,990	77%	58,848	58%	138%
Hotel Ownership	12,535	29%	12,035	64%	4%	37,189	20%	37,220	36%	0%
Property Investment	1,921	4%	1,898	10%	1%	5,798	3%	5,959	6%	-3%
	43,081	100%	18,768	100%	130%	182,977	100%	102,027	100%	79%
GROSS PROFIT										
Property Development	6,557	45%	3,459	32%	90%	29,177	56%	15,262	40%	91%
Hotel Ownership	5,997	42%	5,820	54%	3%	17,951	34%	18,789	49%	-4%
Property Investment	1,875	13%	1,426	13%	31%	5,036	10%	4,085	11%	23%
	14,429	100%	10,705	100%	35%	52,164	100%	38,136	100%	37%
GROSS PROFIT MARGIN (%)										
Property Development	23%		72%		-49 ppt	21%		26%		-5 ppt
Hotel Ownership	48%		48%		0 ppt	48%		50%		-2 ppt
Property Investment	98%		75%		23 ppt	87%		69%		18 ppt
Total	33%		57%		-24 ppt	29%		37%		-9 ppt
ADJUSTED EBITDA										
Property Development	6,082	57%	3,176	30%	92%	24,616	64%	10,297	27%	139%
Hotel Ownership	2,845	27%	2,831	27%	0%	7,397	19%	8,160	21%	-9%
Property Investment - Rental income	1,629	15%	1,446	14%	13%	4,403	11%	3,354	8%	31%
Property Investment - Fair value gain	-	0%	-	0%	-	-	0%	3,471	9%	-100%
Property Investment - Share of result of associates	145	1%	3,015	29%	-95%	2,269	6%	14,473	36%	-84%
	10,701	100%	10,468	100%	2%	38,685	100%	39,755	100%	-3%
PROFIT BEFORE TAX										
Adjusted EBITDA	10,701		10,468		2%	38,685		39,755		-3%
Corporate expenses	(833)		(1,261)		-34%	(3,153)		(3,094)		2%
Depreciation of property, plant and equipment	(2,127)		(1,487)		43%	(6,268)		(4,629)		35%
Depreciation of right-of-use assets	(25)		-		n/m	(525)		-		n/m
Net interest expense	(6,252)		(2,709)		131%	(15,651)		(10,322)		52%
Net unrealised foreign exchange (loss) / gain	(879)		(375)		134%	(831)		(1,199)		n/m
	585		4,635		-87%	12,257		20,510		-40%

n/m: not meaningful

(ii) Geographical Segments

	Singapore \$'000	Australia \$'000	Japan \$'000	Thailand \$'000	Malaysia \$'000	Hong Kong \$'000	Indonesia \$'000	Maldives \$'000	New Zealand \$'000	Total \$'000
Revenue										
Third quarter ended										
30 September 2019	36,651	2,125	2,036	-	-	-	-	720	1,549	43,081
30 September 2018	14,763	-	1,932	-	-	-	-	515	1,558	18,768
Nine months ended										
30 September 2019	108,020	60,789	6,179	-	-	-	-	3,303	4,686	182,977
30 September 2018	88,626	-	6,823	-	-	-	-	1,747	4,832	102,027
Non-current assets										
As at 30 September 2019	157,049	66,236	87,315	39,562	27,144	35,651	3,750	70,715	73,819	561,242
As at 31 December 2018	151,353	62,106	72,709	35,124	22,457	35,195	3,735	54,296	65,096	502,071
Total assets										
As at 30 September 2019	937,016	406,361	90,419	41,890	27,144	35,652	3,753	73,382	79,876	1,695,492
As at 31 December 2018	991,353	412,542	76,293	38,906	22,457	35,195	3,737	57,493	69,421	1,707,397

Revenue and gross profit analysis

(iii) Revenue

The Group achieved revenue of \$183.0 million in 9M2019, 79% higher than \$102.0 million in 9M2018. In 3Q2019, the Group achieved revenue of \$43.1 million in 3Q2019, 130% higher than \$18.8 million in 3Q2018. This was mainly due to higher revenue from the Property Development segment.

(a) Property Development

Revenue from the Property Development segment, which made up 77% of the Group's turnover in 9M2019, increased 138% to \$140.0 million in 9M2019 from \$58.8 million in 9M2018. For 3Q2019, revenue from the Property Development segment, which made up 67% of the Group's turnover in 3Q2019, increased 492% to \$28.6 million in 3Q2019 from \$4.8 million in 3Q2018. The increase was largely due to revenue recognition from The Hensley upon settlement in 1Q2019 and progressive revenue recognition from 120 Grange, The Navian and Harbour View Gardens. The increase was partially offset by the absence of revenue recognition from Trilive and Straits Mansions which obtained its TOP in June 2018 and October 2018 respectively.

(b) Hotel Ownership and Property Investment

The Hotel Ownership segment, which contributed 20% to the Group's turnover in 9M2019, recorded a slightly lower revenue of \$37.2 million in 9M2019. For 3Q2019, Hotel Ownership segment contributed 29% to the Group's turnover, registered \$12.5 million in revenue as compared to \$12.0 million in 3Q2018.

Revenue from the Property Investment segment constituted the balance of 3% of the Group's turnover and contributed \$5.8 million in 9M2019 as compared to \$5.9 million in 9M2018. For 3Q2019, this segment contributed \$1.9 million, slightly higher than revenue in 3Q2018, and it comprises rental income from shop units in Roxy Square and NZI Centre.

(iv) Cost of sales and gross profit

In line with the increase in revenue, cost of sales increased by 105% to \$130.8 million in 9M2019 from \$63.9 million in 9M2018. In 3Q2019, cost of sales increased by 255% to \$28.7 million from \$8.1 million in 3Q2018.

Gross profit from the Property Development segment contributed \$29.2 million or 56% of the Group's total gross profit in 9M2019, while the remaining 44% or \$23.0 million was contributed by the Hotel Ownership and Property Investment segments. Gross profit margin from the Property Development segment was 21% in 9M2019, as compared to 26% in 9M2018. The lower profit margin in 9M2019 was mainly contributed by The Hensley and the higher profit margin in 9M2018 was mainly due to the overprovision of project costs. The gross profit margin of the Hotel Ownership segment

decreased marginally by 2 percentage points to 48% in 9M2019, mainly contributed by lower profit margin from the overseas hotels. Gross profit margin of the Property Investment segment increased 18 percentage points to 87% in 9M2019 from 69% in 9M2018 mainly due to reclassification of lease payable on NZI Centre from cost of sales to other operating expenses due to SFRS(I) 16 Leases, which was effective from 1 January 2019.

In 3Q2019, gross profit from the Property Development segment contributed \$6.6 million or 45% of the Group's total gross profit, while the remaining 55% or \$7.9 million was contributed by the Hotel Ownership and Property Investment segments. Gross profit margin from the Property Development segment was 23% in 3Q2019, as compared to 72% in 3Q2018. The high gross profit margin in 3Q2018 was due to adjustment of over-provision of project costs. By excluding these adjustments, gross profit margin in 3Q2018 was 29%. The gross profit margin of the Hotel Ownership segment is at 48% in 3Q2019, same as compare to 3Q2018. Gross profit margin of the Property Investment segment increased 23 percentage points to 98% in 3Q2019 from 75% in 3Q2018 mainly due to adjustment for SFRS(I) 16 Leases on NZI Centre, which was effective from 1 January 2019.

The Group's overall gross profit margin in 9M2019 was 29%, lower than the 37% recorded in 9M2018 mainly due to higher contribution from Property Development segment which has a lower profit margin. 3Q2019 was 33% lower as compared to 57% mainly contributed by high profit margin from Property Development in 3Q2018 as explain above.

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:-

(b). any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.

Please refer to explanatory notes to the statement of financial position of the Group and the Company on page 8 and explanatory notes to the consolidated statement of cash flows on page 11.

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

The Group's performance for the period under review is in line with expectations disclosed in the announcement of results for the full year ended 31 December 2018.

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.

Advance estimates from the Ministry of Trade and Industry ("MTI") showed that Singapore's economy grew by 0.1% year-on-year in the third quarter of 2019, maintaining the same pace of growth in the previous quarter. On a quarter-on-quarter, seasonally-adjusted annualised basis, the economy expanded by 0.6%, a turnaround from the 2.7% contraction in the preceding quarter¹.

Looking ahead, the MTI has lowered Singapore's full-year growth to between 0% to 1%, from 1.5% to 2.5% in its previous forecast. This comes on the back of global financial uncertainties given Singapore's sensitivity to global trade flows, including the US-China trade war, an economic slowdown in China and geopolitical risks in Hong Kong and the Persian Gulf².

¹ Ministry of Trade and Industry Singapore, October 14, 2019 – [Singapore's GDP Grew by 0.1 Per Cent in the Third Quarter of 2019](#)

² Ministry of Trade and Industry Singapore, August 13, 2019 – [MTI Expects GDP Growth to be "0.0 to 1.0 Per Cent" in 2019](#)



Roxy-Pacific Holdings Limited

In Australia, the economy expanded 0.5% quarter-on-quarter on a seasonally adjusted basis in 2Q2019, or 1.4% through the year³. According to the Reserve Bank of Australia, GDP is expected to grow by 2.5% for the year ending December 2019, supported by accommodative monetary policy and some recovery in household income growth, boosted by tax cuts⁴.

Revised Cabinet Office data showed Japan's economy grew an annualised 1.3% between April to June 2019, weaker than the preliminary reading for 1.8% annualised growth. The annualised growth rate translates into a quarter-on-quarter expansion of 0.3% from January-March, compared with a preliminary reading for a 0.4% gain⁵.

Property Development

Singapore

Data from the Urban Redevelopment Authority ("URA") showed a 1.3% increase in the private residential property index in 3Q2019, compared to the 1.5% increase in 2Q2019. During the quarter, 3,628 uncompleted private residential units were launched for sale and 3,281 private residential units were sold. This compared to 2,502 units launched and 2,350 units sold in 2Q2019⁶.

As at the end of 3Q2019, there was a total of 50,964 uncompleted private residential units (excluding executive condominiums) in the pipeline with planning approvals as compared to 50,674 in 2Q2019. Of these units, 31,948 remain unsold as at the end of 3Q2019, lower than 33,673 units in 2Q2019⁷.

In October, the Group launched Neu at Novena, a freehold development located in prime district 11 and achieved a sales rate of 51% on the launch day. The Group has launched all the sites in its land bank with a total of six residential launched projects in 2019 and will place priority on the sale and delivery of the units. On the replenishment of land bank sites, the Group maintains a prudent approach with a focus on strategically-located and attractive development sites.

Australia

In Australia, the price index for residential properties for the weighted average of eight capital cities fell 0.7% in the June quarter 2019 on a quarter-on-quarter basis as six out of eight capital cities recorded falls in property prices. Through the year, the price index registered a 7.4% decline, weighed down by a 9.6% decline in Sydney and a 9.3% decline in Melbourne⁸.

In Sydney, the Group has obtained the Interim Occupancy Certificate for the residential development project, West End Residences, on 10 October 2019. As at 25 October 2019, approximately 97% of the 231 units have been sold and the revenue is expected to be recognised in 4Q2019 upon settlement of the payment from the buyers. Meanwhile, only one unsold unit remains at Octavia Killara.

³ Australia Bureau of Statistics, September 4, 2019 – [Australian National Accounts: National Income, Expenditure and Product, Jun 2019](#)

⁴ Reserve Bank of Australia, August 2019 – [Statement on Monetary Policy – August 2019](#)

⁵ Cabinet Office, Government of Japan, September 9, 2019 – [2019 April-June GDP Report](#)

⁶ Urban Redevelopment Authority, October 25, 2019 – [Release of 3rd Quarter 2019 real estate statistics](#)

⁷ Urban Redevelopment Authority, October 25, 2019 – [Release of 3rd Quarter 2019 real estate statistics](#)

⁸ Australian Bureau of Statistics, September 17, 2019 – [Residential Property Price Indexes: Eight Capital Cities, Jun 2019](#)

As at 31 October 2019, based on units sold from the following ongoing development projects, the Group has total attributable pre-sale revenue of \$691.0 million, the profits of which will be recognised from 4Q2019 to FY2023.

Project name	Type of development	Group stake %	Total units in project Unit	Unit sold %	Attributable total sale value ^{(i) (ii)} \$'m	Attributable revenue recognised up to 30 September 2019 \$'m	Balance attributable progress billings to be recognised from 4Q2019 \$'m
Singapore							
1 The Navian	Residential	100%	48	100%	\$ 58.7	\$ 53.9	\$ 4.8
2 Harbour View Gardens	Residential	100%	57	100%	\$ 73.7	\$ 26.9	\$ 46.8
3 120 Grange	Residential	90%	56	82%	\$ 76.8	\$ 11.3	\$ 65.5
4 Bukit 828	Residential	80%	34	44%	\$ 13.3	\$ 0.5	\$ 12.8
5 Arena Residences	Residential	50%	98	68%	\$ 43.5	\$ 7.3	\$ 36.2
6 RV Altitude	Residential	100%	140	25%	\$ 55.9	\$ 1.6	\$ 54.3
7 Fyve Derbyshire	Residential	100%	71	25%	\$ 35.0	-	\$ 35.0
8 Wilshire Residences	Residential	40%	85	9%	\$ 5.5	-	\$ 5.5
9 Dunearn 386	Residential	100%	35	9%	\$ 3.9	\$ 0.1	\$ 3.8
10 View at Kismis	Residential	60%	186	25%	\$ 34.1	\$ 0.2	\$ 33.9
11 NEU AT NOVENA	Residential	50%	87	62%	\$ 47.0	-	\$ 47.0
Malaysia							
12 Wisma Infinitum - The Colony	Residential	47%	423	78%	\$ 57.3	\$ 22.3	\$ 35.0
Wisma Infinitum - The Luxe	Residential	47%	300 ⁽ⁱⁱⁱ⁾	49%	\$ 30.9	\$ 11.7	\$ 19.2
Australia							
Sydney							
13 Octavia Killara	Residential	100%	43	98%	\$ 44.6	-	\$ 44.6
14 West End Residences, Tower 1 (Foundry)	Residential	100%	140	96%	\$ 147.4	-	\$ 147.4
West End Residences, Tower 2 (Art House)	Residential	100%	91	98%	\$ 99.2	-	\$ 99.2
Total			1,894		\$ 826.8	\$ 135.8	\$ 691.0

- (i) For Singapore projects, sale value is based on Option to Purchase granted up to 31 October 2019
(ii) For overseas projects, sale value is based on contract signed up to 31 October 2019
(iii) Represents Block B - The Luxe by Infinitum. An additional 31 commercial units are pending launch

Hotel Ownership

Latest statistics from the Singapore Tourism Board (“STB”) showed a 1.9% year-on-year growth in international visitor arrivals for the first eight months of 2019⁹. Latest hotel statistics also showed positive results in August 2019 – average occupancy rate improved by 0.8% year-on-year, total room revenue increased by 6.4%, average room rates gained 4.0% while revenue per available room rose 5.0%¹⁰. Data from the STB also showed tourism receipts register a 4.8% decline in the first quarter of 2019 to S\$6.5 billion. For 2019, STB has forecast tourism receipts to grow by 1% to 3% and international visitor arrivals to increase by 1% to 4%¹¹.

The outlook for Japan’s hospitality sector remains positive, supported by the country’s strong tourism numbers. According to the Japan National Tourism Organisation the estimated number of international travelers to Japan for the year through September 2019 was about 24.4 million, an increase of 4.0% from the previous corresponding period¹².

The Group’s flagship Grand Mercure Singapore Roxy hotel, and self-managed hospitality assets under the *Noku hotels* hospitality brand – *Noku Kyoto*, *Noku Osaka*, and first upscale resort in Maldives, *Noku Maldives* – continue to contribute healthy recurring income. The Group’s second resort asset in Phuket, Thailand, *Noku Phuket*, is targeted to commence operation in 2021.

⁹ Singapore Tourism Board, October 29, 2019 – [International Visitor Arrivals Statistics](#)

¹⁰ Singapore Tourism Board, October 29, 2019 – [Hotel Statistics](#)

¹¹ Singapore Tourism Board, February 13, 2019 – [Third consecutive year of growth for Singapore tourism sector in 2018](#)

¹² Japan National Tourism Organization, October 2019 – [Japan Tourism Statistics](#)



Property Investment

For the Australian office sector, the overall sentiment in commercial property markets, as measured by the NAB Commercial Property Index, gained nine points to +7 in 2Q2019. The stronger sentiment was led by the Office and Industrial sectors, as well as an improvement in Retail sentiment. During the quarter, overall confidence levels in commercial property markets bounced back to +14 in the next 12 months and +20 in 2 years' time, with the Office and Industrial property sectors recording the highest confidence levels¹³.

The Group's investment properties in Australia and New Zealand enjoy high occupancy rates and continue to provide the Group with a steady stream of recurring income.

In June 2019, the Group expanded into Japan's retail property sector with the acquisition of a 53.07% stake in a retail building situated at Ginza, which is widely known as a popular upscale shopping and entertainment district of Tokyo. The property is expected to add on to the Group's recurring income base.

Outlook

Barring any unforeseen circumstances, the directors expect the Group to be profitable in the financial year ending 31 December 2019.

11. Dividend

(a) Current Financial Period Reported On

Any dividend declared for the current financial period reported on? No

(b) Corresponding Period of the Immediately Preceding Financial Year

Any dividend declared for the corresponding period of the immediately preceding financial year? No

(c) Date payable

Not Applicable

(d) Books closure date

Not Applicable

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

No dividend has been declared / recommended.

13. Interested Person Transactions

The Company does not have a shareholders' mandate for interested person transactions. There were no interested person transactions during the quarter ended 30 September 2019.

¹³ National Australia Bank, August 8, 2019 – [NAB Quarterly Australian Commercial Property Survey Q2 2019](#)



**Roxy-Pacific
Holdings Limited**

14. Confirmation of procurement of undertakings from all directors and executives officers

The Company confirms that it has procured the Undertakings from all its Directors and Executive Officers in the format set out in Appendix 7.7 under Rule 720(1) of the Listing Manual.

ON BEHALF OF THE BOARD

Teo Hong Lim
Chairman & CEO

Koh Seng Geok
Executive Director & Deputy CEO

12th November 2019
Singapore



**Roxy-Pacific
Holdings Limited**

CONFIRMATION PURSUANT TO RULE 705 (5) OF THE LISTING MANUAL

We confirm on behalf of the Board of Directors that, to the best of our knowledge, nothing has come to the attention of the Board of Directors which may render the unaudited interim financial results of the Group and the Company for the financial period ended 30 September 2019 to be false or misleading in any material respect.

ON BEHALF OF THE BOARD

Teo Hong Lim
Chairman & CEO

Koh Seng Geok
Executive Director & Deputy CEO

12th November 2019
Singapore