



POLLUX PROPERTIES LTD.  
1H2017 FINANCIAL RESULTS PRESENTATION  
8<sup>TH</sup> NOVEMBER 2016



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2. Operation Review
3. Market Outlook
4. Going Forward



1H2017 FINANCIAL RESULTS PRESENTATION

# 1. FINANCIAL HIGHLIGHTS



## FINANCIAL HIGHLIGHTS – OVERVIEW

- Revenue decreased by 33% in 1H2017 as compared to 1H2016
- Earnings per share at 0.28 cents per share in 1H2017
- Gross profit margin increase from 11.5% in 1H2016 to 14.5% in 1H2017



# FINANCIAL PERFORMANCE

	1H2017 <sup>(1)</sup>	1H2016 <sup>(1)</sup>	% Change
Revenue (S\$ million)	18.66	27.87	(33.04)
EBITDA <sup>(2)</sup> (S\$ million)	3.68	3.96	(7.07)
PATMI <sup>(3)</sup> (S\$ million)	1.78	1.91	(6.81)
Earnings per Share <sup>(4)</sup> (cents)	0.28	0.31	(9.68)
NAV per Share (cents)	8.38	8.16	2.70
Return on Equity (%)	3.38	3.73	(9.38)

Notes :-

(1) Six months financial period ended 30 September 2017 ("1H2017") and 30 September 2016 ("1H2016"), respectively.

(2) Earnings before interest, taxes, depreciation and amortisation.

(3) Profit after tax and minority interests.

(4) Earnings per share is calculated by dividing the consolidated profit after tax attributable to equity holders of the Company over the weighted average number of ordinary shares in issue during the period



# FINANCIAL PERFORMANCE

	As at 30 September 2016	As at 31 March 2016	% Change
Total Equity (S\$ million)	52.56	50.78	3.51
Cash and Cash Equivalents(S\$ million)	4.49	9.94	(54.83)
Net Debt (S\$ million)	51.28	65.41	(21.60)
Gearing Ratio (%)	49.38	56.30	(12.29)
Loans and Borrowings (S\$ million)	35.03	53.93	(35.05)
Interest Coverage Ratio <sup>(1)</sup> (times)	6.98	3.30	111.52

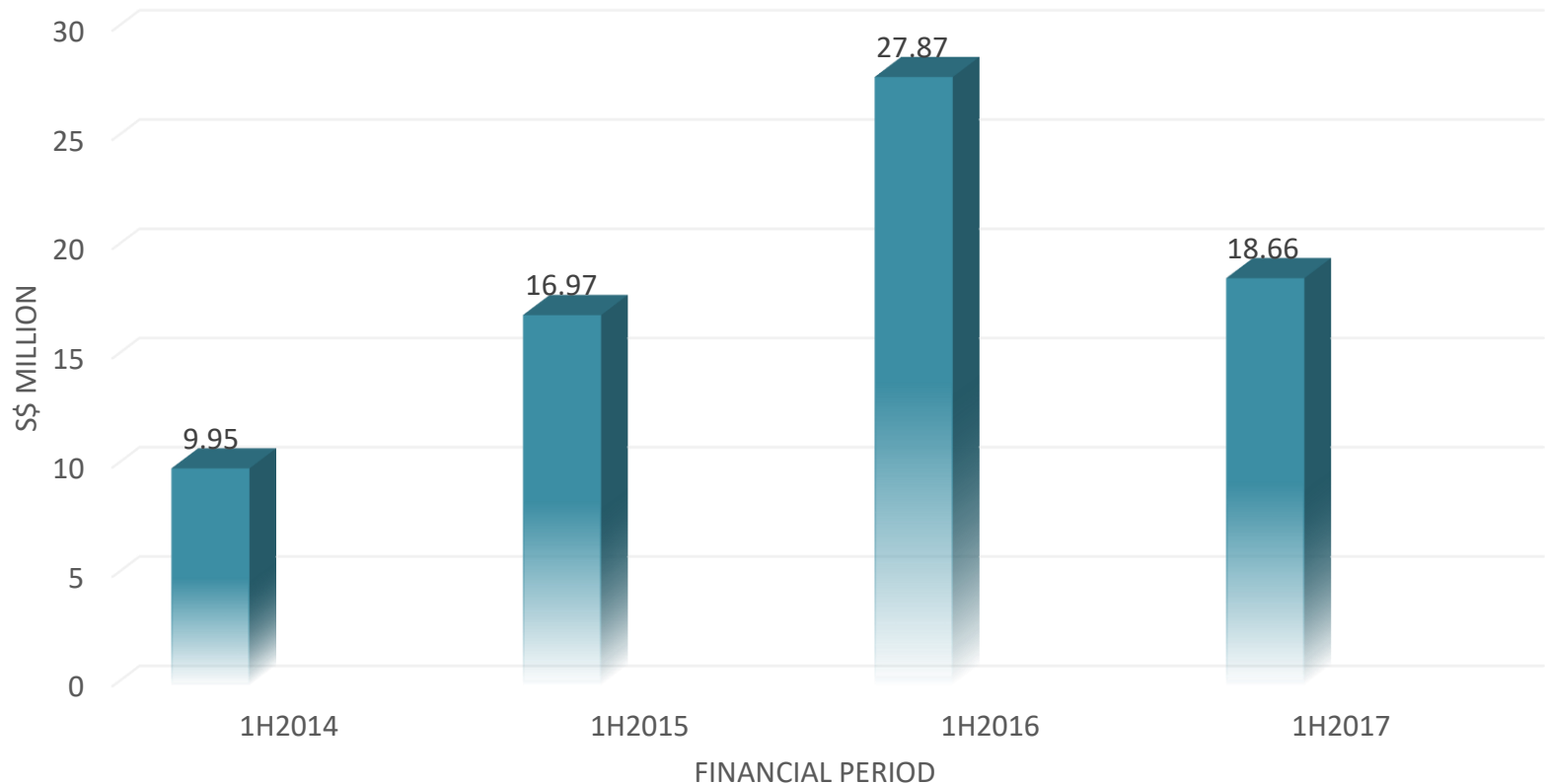
Note 1: The Interest Coverage Ratio did not include the interest expenses capitalised under development properties





# FINANCIAL HIGHLIGHTS

## Revenue for Six Months Financial Period Ended 30 September (2014 to 2017)

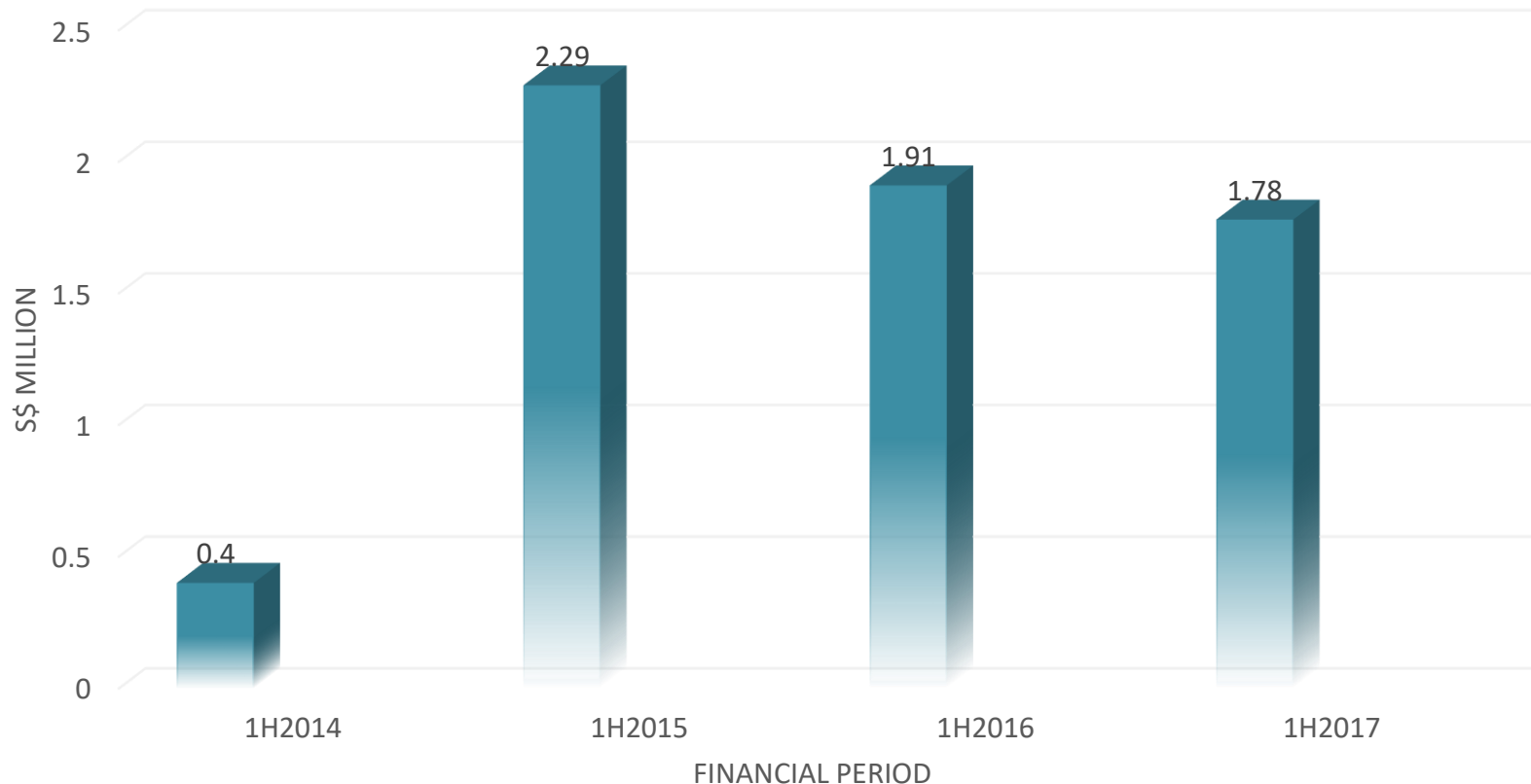


Note: The above financial information is extracted from half year announcements of the respective financial years.



# FINANCIAL HIGHLIGHTS

## PATMI for Six Months Financial Period Ended 30 September (2014 to 2017)



Note: The above financial information is extracted from half year announcements of the respective financial years.



1H2017 FINANCIAL RESULTS PRESENTATION

# 2. OPERATION REVIEW



# OPERATION REVIEW

## Highlights for 1H2017

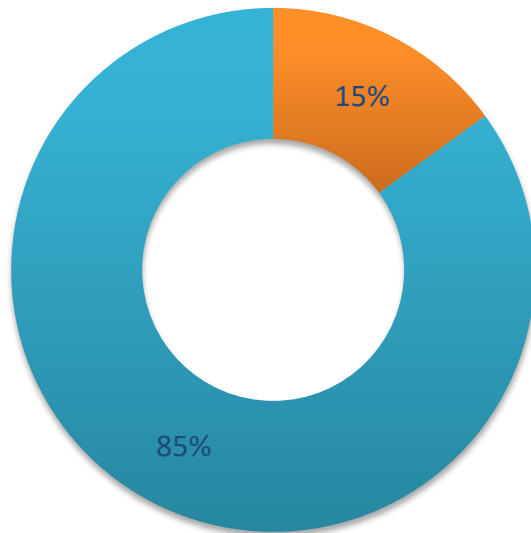
- Garden Park Residences obtained TOP in May 2016.



# OPERATION REVIEW

## Revenue in 1H2017 By Business Segments

### REVENUE



■ Property Investment    ■ Property Development

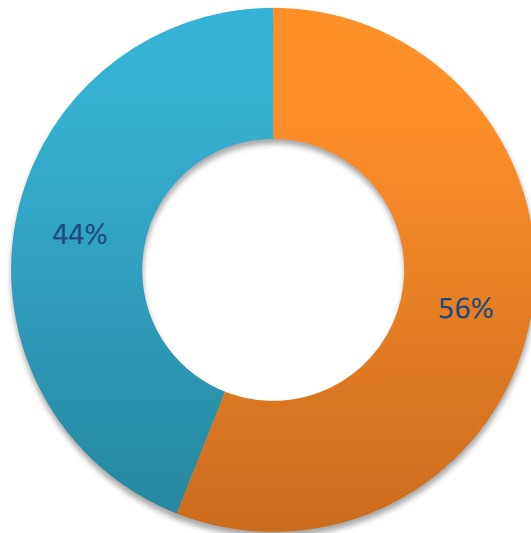
BUSINESS SEGMENTS	S\$'000	PERCENTAGE %
Property Investment	2,755	15%
Property Development	15,904	85%
<b>TOTAL</b>	<b>18,659</b>	<b>100%</b>



# OPERATION REVIEW

## Gross profit in 1H2017 By Business Segments

### GROSS PROFIT



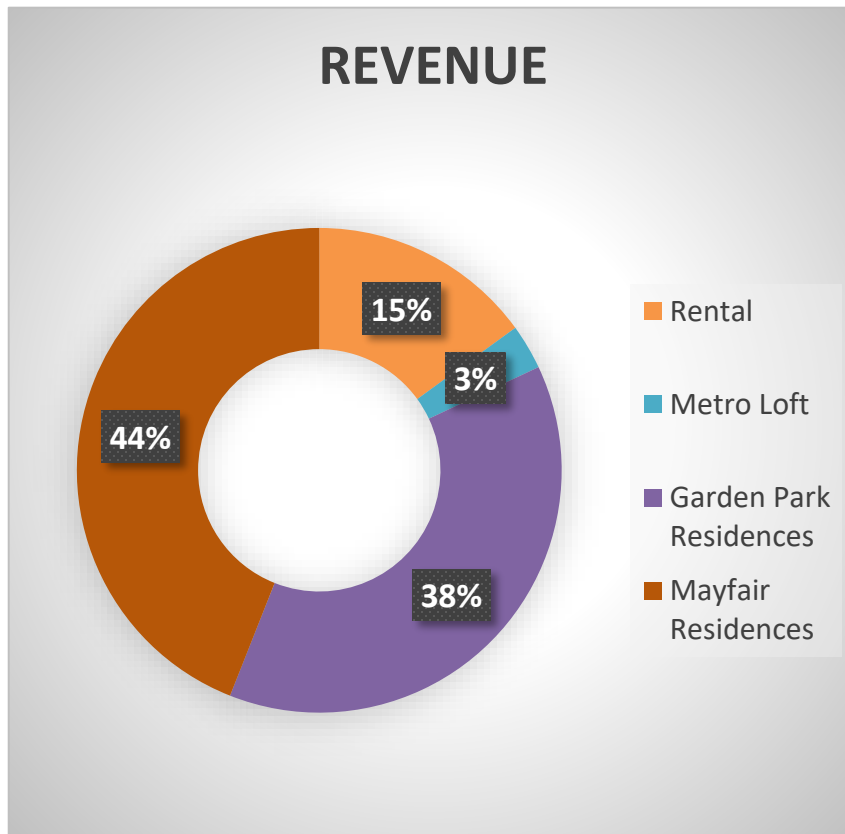
■ Property Investment   ■ Property Development

BUSINESS SEGMENTS	S\$'000	PERCENTAGE %
Property Investment	1,527	56%
Property Development	1,183	44%
<b>TOTAL</b>	<b>2,710</b>	<b>100%</b>



# OPERATION REVIEW

## Revenue in 1H2017 By Projects

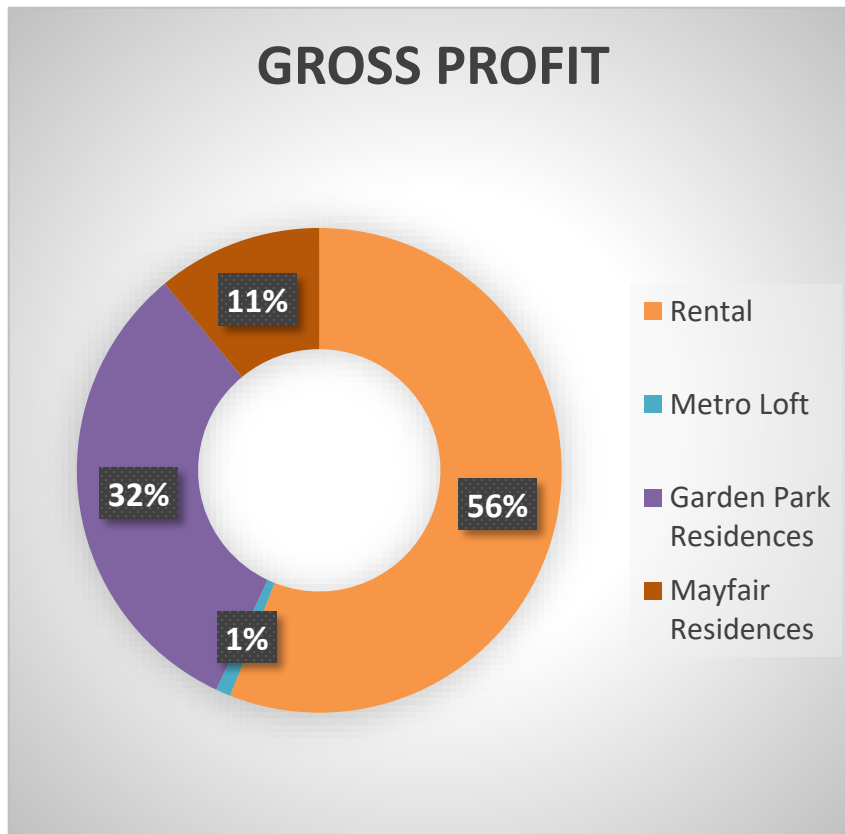


PROJECTS	S\$'000	PERCENTAGE %
Rental	2,755	15%
Metro Loft	650	3%
Garden Park Residences	7,155	38%
Mayfair Residences	8,099	44%
<b>TOTAL</b>	<b>18,659</b>	<b>100%</b>



# OPERATION REVIEW

## Gross Profit in 1H2017 By Projects



PROJECTS	S\$'000	PERCENTAGE %
Rental	1,527	56%
Metro Loft	23	1%
Garden Park Residences	875	32%
Mayfair Residences	285	11%
<b>TOTAL</b>	<b>2,710</b>	<b>100%</b>





# DEVELOPMENT PROPERTIES

## Status of Sales and Construction Progress as at 30 September 2016

PROJECTS	LAUNCH	TOTAL AREA (SQM)	TENURE	TOTAL UNITS	UNITS SOLD (AS OF 30 SEP 2016)	UNITS SOLD %	EST. TOP	CONSTRUCTION PROGRESS % (AS OF 30 SEP 2016)
Metro Loft	August 2012	469.70	Freehold	31	31	100	January 2016	100
Pavilion Square*	March 2013	660.00	Freehold	42	42	100	February 2017	63
Pavilion Square* (Commercial)	March 2013	690.00	Freehold	93	93	100	February 2017	63
Garden Park Residences	April 2013	1805.10	Freehold	36	36	100	May 2016	100
Mayfair Residences	May 2013	1425.00	Freehold	20	17	85	January 2017	66
Berkeley Residences	November 2013	1125.80	Freehold	22	22	100	December 2015	100
<b>TOTAL</b>		<b>6175.60</b>		<b>244</b>	<b>241</b>	<b>98.77</b>		

Above information are as of 30 September 2016

\*50:50 joint venture with Goldman Morgan Holdings Pte. Ltd.



# DEVELOPMENT PROPERTIES

## Completed Projects as of 30<sup>th</sup> September 2016

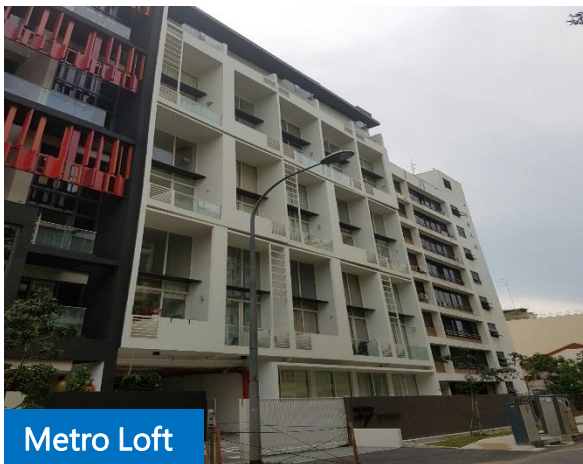


**Park Residences  
Kovan**



**Park Residences  
Kovan**

**Project: Park Residences Kovan**  
**Location: 831 Serangoon Road**  
**Equity Stake: 100%**  
**% Sold: 100%**  
**Certificate Obtained: TOP, CSC**



**Metro Loft**



**Metro Loft**

**Project: Metro Loft**  
**Location: 5 Lorong 27 Geylang**  
**Equity Stake: 100%**  
**% Sold: 100%**  
**Certificate Obtained: TOP**



# DEVELOPMENT PROPERTIES

## Completed Projects as of 30<sup>th</sup> September 2016



**Project:** Berkeley Residences  
**Location:** 11 Lorong N Telok Kurau  
**Equity Stake:** 100%  
**% Sold:** 100%  
**Certificate Obtained:** TOP



**Project:** Garden Park Residences  
**Location:** 25 Lorong M Telok Kurau  
**Equity Stake:** 100%  
**% Sold:** 100%  
**Certificate Obtained:** TOP





# DEVELOPMENT PROPERTIES

## Under Construction Projects as of 30<sup>th</sup> September 2016



**Project:** Pavilion Square  
**Location:** 345 Geylang Road  
**Equity Stake:** 50%  
**% Sold:** 100%  
**Estimated Completion:** By 2016/17



**Project:** Mayfair Residences  
**Location:** 531 East Coast Road  
**Equity Stake:** 100%  
**% Sold:** 85%  
**Estimated Completion:** By 2016/17



# INVESTMENT PROPERTIES

## Project Status

### **Retail Shops at Balestier Road**

- 100% tenanted in 1H2017.

### **Louis Kienne Serviced Residences at Havelock Road**

- Average 79% occupancy rate in 1H2017.



1H2017 FINANCIAL RESULTS PRESENTATION

# 3. MARKET OUTLOOK



# SINGAPORE PRIVATE RESIDENTIAL MARKET

Key Indicators	3Q2016	2Q2016	Change
Price index	137.9	140.0	-1.5%
Rental Index	105.6	106.9	-1.2%
Take up	1,981	2,256	-12.2%
Pipeline supply	43,693	47,250	- 7.5%
Vacancy rate	8.7%	8.9%	- 0.2% point

- Singapore's property market will likely remain in down-cycle with the cooling measurement implemented by the government since January 2013. In 3Q2016, prices and rental of private residential properties fell 1.5% and 1.2%, compared to the 0.4% and 0.6% decline in the previous quarters.
- A number of factors will continue to put pressure on the property market, such as the large pipeline for the supply of property units, weakening demand amid low economic growth, and the market cooling measures which remain in place.

Source: URA website



# SERVICED APARTMENT OUTLOOK

- Hotel occupancy dropped 1.8% from 80.9% to 79.1% in September 2016 as compared to September 2015.
- Leasing transaction figures for Q2 2016 increased by 10.8% as compared to Q1 2016.
- Reduced rental budgets and increasing supply of residential properties are fast reducing the cost of accommodation in Singapore.
- The tougher economic times and slower hiring rate will cause rental rates to continue to fall in 2016.
- Given the high amount of private residential supply in pipeline, tenants will continue to hold the upper hand over landlords in negotiating rental rates.

Sources: website of STR, Inc. and Savills Research & Consultancy September 2016 report





1H2017 FINANCIAL RESULTS PRESENTATION

# 4. GOING FORWARD



## GOING FORWARD

The Management intends to achieve a balance between investment and development opportunities.

We are seeking opportunity to expand our fee-based business, such as hospitality and fund management activities, and to enlarge our portfolio of assets and diversifying our business into overseas market.

The Management is cautious when seeking opportunities such as accretive lands and assets which can provide sustainable return to shareholders.

Barring any unforeseen circumstances, the Group believes that the continued growth of the operation of Louis Kienne Serviced Residences at 554 Havelock Road as well as the growth of the associate fund management company, Stirling Fort Capital Pte. Ltd., will provide a stable long-term recurring income for the Group.



# THANK YOU