



**Roxy-Pacific
Holdings Limited**

ROXY-PACIFIC HOLDINGS LIMITED

(Registration Number: 196700135Z)

UNAUDITED FULL YEAR FINANCIAL STATEMENTS ANNOUNCEMENT AND
DIVIDEND ANNOUNCEMENT FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020

**UNAUDITED FULL YEAR FINANCIAL STATEMENTS AND DIVIDEND ANNOUNCEMENT
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020**

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**UNAUDITED FULL YEAR FINANCIAL STATEMENTS AND DIVIDEND ANNOUNCEMENT
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020**

**PART I-INFORMATION REQUIRED FOR ANNOUNCEMENTS OF HALF-YEAR AND FULL YEAR
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	Second half year ended 31 December			Full year ended 31 December		
		2020 S\$'000	2019 S\$'000	Change %	2020 S\$'000	2019 S\$'000	Change %
Revenue	A.1	80,366	304,134	-74%	198,431	444,030	-55%
Cost of sales	A.2	(64,879)	(235,679)	-72%	(165,137)	(337,840)	-51%
Gross profit	A.2	15,487	68,455	-77%	33,294	106,190	-69%
Other operating income	A.3	11,698	2,588	352%	16,426	7,185	129%
Distribution and selling expenses	A.4	(3,490)	(3,612)	-3%	(5,520)	(8,881)	-38%
Administrative expenses	A.5	(3,449)	(9,594)	-64%	(8,119)	(13,980)	-42%
Other operating expenses	A.6	(26,528)	(17,543)	51%	(38,926)	(29,237)	33%
Finance costs	A.7	(9,415)	(13,784)	-32%	(21,814)	(25,190)	-13%
Share of results of joint venture (net of income tax)	A.8	(660)	-	n/m	537	-	n/m
Share of results of associates (net of income tax)	A.8	(18,104)	6,382	n/m	(7,378)	8,478	n/m
(Loss) / Profit before taxation		(34,461)	32,892	n/m	(31,500)	44,565	n/m
Taxation	A.9	(313)	(12,511)	-97%	(1,107)	(15,426)	-93%
(Loss) / Profit after taxation		(34,774)	20,381	n/m	(32,607)	29,139	n/m
Attributable to:							
Equity holders of the Company		(32,280)	20,987	n/m	(29,489)	30,319	n/m
Non-controlling interests	A.13	(2,494)	(606)	312%	(3,118)	(1,180)	164%
		(34,774)	20,381	n/m	(32,607)	29,139	n/m

n/m: Not meaningful



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

	Note	Second half year ended 31 December			Full year ended 31 December		
		2020 S\$'000	2019 S\$'000	Change %	2020 S\$'000	2019 S\$'000	Change %
after crediting:							
Fair value gain on investment properties	A.3	721	737	-2%	2,055	737	179%
Foreign exchange gain (realised)		-	-	-	30	-	-
Foreign exchange gain (unrealised)	A.10	1,217	442	175%	1,845	769	140%
Fair value gain on financial assets classified as FVTPL		976	51	n/m	859	224	283%
Government grant		4,822	87	n/m	6,228	131	n/m
Interest income	A.3	707	761	-7%	2,216	2,757	-20%
Dividend income from equity instruments		-	49	-	21	110	-81%
after charging:							
Depreciation of property, plant and equipment		(4,289)	(4,336)	-1%	(8,666)	(8,478)	2%
Depreciation of right-of-use assets		(353)	(199)	77%	(713)	(700)	2%
Amortisation of intangible assets		(99)	(94)	5%	(194)	(188)	3%
Directors' fees		(119)	(65)	83%	(219)	(165)	-
Foreign exchange loss (realised)	A.11	(3)	(3)	-7%	(936)	(9)	n/m
Foreign exchange loss (unrealised)	A.12	-	(151)	-100%	(627)	(430)	46%
Impairment of property, plant and equipment	A.6	(7,009)	(3,338)	110%	(7,009)	(3,338)	110%
Bad debts recovery		12	-	-	12	-	-
Impairment of trade and other receivables		(135)	(275)	-51%	(135)	(275)	-
Impairment of investment in associates		(1,428)	-	-	(1,428)	-	-
Project sunk cost written off	A.6	(5,015)	-	-	(5,015)	-	-
Interest on borrowings	A.7	(8,525)	(12,483)	-32%	(20,094)	(23,157)	-13%
Interest on lease liabilities		(832)	(954)	-13%	(1,659)	(1,675)	-1%
Fair value loss on financial derivatives		(1,230)	-	-	(1,562)	-	-
Staff costs (including directors' remuneration)		(9,426)	(12,059)	-22%	(18,265)	(22,706)	-20%
n/m: Not meaningful							



Notes to Consolidated Income Statement:

- A.1 Revenue decreased in 2H2020 and FY2020 mainly due to lower contribution from the Property Development and Hotel Ownership segments. Please refer to paragraph 8(a)(ii) for a more detailed analysis.
- A.2 Cost of sales and gross profit decreased in 2H2020 and FY2020, in line with the lower revenue. Please refer to paragraph 8(a)(iii) for a more detailed analysis.
- A.3 Other operating income increased in 2H2020 and FY2020 mainly due to government grant received for Job Support Scheme, higher foreign exchange gain and higher fair value gain on financial assets. In FY2020, higher other operating income is also contributed by higher fair value gain from investment property at Roxy Square, partially offset by fair value loss from investment property at NZI Centre. Interest income in FY2020 is lower as compared to FY2019 mainly due to lesser fixed deposit placement and lower interest rate in FY2020.
- A.4 Distribution and selling expenses were lower in FY2020 mainly due to lower showflats expenses incurred for projects as compared to FY2019.
- A.5 Administrative expenses were lower in 2H2020 and FY2020 mainly due to no provision of directors and staff bonuses as compared to FY2019.
- A.6 Other operating expenses increased in 2H2020 and FY2020 mainly due to impairment provided for Noku Osaka and Noku Maldives as well as write off of sunk costs incurred in the hotel development project in 360 Little Bourke Street, Melbourne, due to change of development plan to commercial office.
- A.7 During 2H2020 and FY2020, finance costs decreased mainly due to lower interest rate as compared to 2019.
- A.8 Share of results of associates was a loss in 2H2020 and FY2020 mainly due to additional tax expenses incurred for the divested investment in 8 Russell Street, Hong Kong in 2H2020, and provision of impairment losses on the properties held by its Australia's associated companies, partially offset by the profit from the sale of property at Ginza, Japan in 1H2020.
- A.9 The tax expense in FY2020 is mainly due to tax provision for West End Glebe and Singapore property development projects.
- A.10 In FY2020, foreign exchange gain (unrealised) arose mainly from appreciation of AUD receivable, depreciation of JPY payable and depreciation of USD bank borrowing. In 2H2020, foreign exchange gain (unrealised) arose mainly from depreciation of HKD payable and appreciation of AUD receivable.
- A.11 In FY2020, foreign exchange loss (realised) arose mainly from repayment of JPY bank loan when JPY appreciated against SGD.
- A.12 In FY2020, foreign exchange loss (unrealised) arose mainly from depreciation of USD financial assets.
- A.13 Non-controlling interests was a loss in FY2020 mainly due to showflat expenses incurred for View At Kismis, and share of impairment of property in North Fremantle.



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

	Second half year ended 31 December			Full year ended 31 December		
	2020 S\$'000	2019 S\$'000	Change %	2020 S\$'000	2019 S\$'000	Change %
(Loss) / Profit after taxation	(34,774)	20,381	n/m	(32,607)	29,139	n/m
Other comprehensive income						
Net change in financial derivatives	A.14 (6,674)	(16)	n/m	(6,752)	(16)	n/m
Currency translation differences arising from consolidation	A.15 13,821	(1,029)	n/m	20,617	(4,466)	n/m
Other comprehensive profit, net of tax	7,147	(1,045)	n/m	13,865	(4,482)	n/m
Total comprehensive income for the period	(27,627)	19,336	n/m	(18,742)	24,657	n/m
Attributable to:						
Equity holders of the Company	(25,043)	19,948	n/m	(15,497)	25,876	n/m
Non-controlling interests	(2,584)	(612)	322%	(3,245)	(1,219)	166%
	(27,627)	19,336	n/m	(18,742)	24,657	n/m

A.14 Net change in financial derivatives mainly relates to unrealised fair value loss on interest rate swap agreements to hedge the floating rate bank borrowings for certain development projects.

A.15 Currency translation differences in FY2020 arose mainly from appreciation of AUD and NZD against SGD. Currency translation differences in FY2019 arose mainly from the depreciation of AUD against SGD during the year.

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.

	Note	GROUP		COMPANY	
		31-Dec-20 S\$'000	31-Dec-19 S\$'000	31-Dec-20 S\$'000	31-Dec-19 S\$'000
ASSETS					
Non-Current					
Property, plant and equipment	B.1	263,859	261,970	588	688
Intangible assets		119	221	38	164
Investment properties	B.2	132,236	126,609	-	-
Investment in subsidiaries	B.3	-	-	166,450	175,454
Investment in associates	B.4	186,918	168,432	-	-
Investment in joint venture	B.4	39,812	-	-	-
Right-of-use assets	B.5	28,132	28,008	-	-
		651,076	585,239	167,076	176,306
Current					
Financial assets	B.6	12,950	10,109	-	10,109
Development properties for sale*	B.7	440,333	552,657	-	-
Inventories		1,105	1,455	-	-
Amounts due from associates	B.8	29,543	62,456	-	-
Trade receivables	B.9	13,283	6,346	88	33
Contract assets	B.10	30,936	25,155	-	-
Contract costs	B.11	17,789	10,371	-	-
Other receivables	B.12	23,309	12,586	535,394	428,056
Cash and bank balances		395,553	330,959	271,774	134,710
		964,801	1,012,094	807,256	572,908
Total assets		1,615,877	1,597,334	974,332	749,214
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)
Fair value reserve		(6,729)	(9)	-	-
Revaluation reserve		533	533	-	-
Other reserves		(2,280)	(22,992)	-	-
Retained earnings		445,974	489,676	270,690	272,521
Equity attributable to owners of the Company		480,943	510,653	314,134	315,966
Non-controlling interests		(3,473)	(119)	-	-
		477,470	510,533	314,134	315,966
Liabilities					
Non-Current					
Borrowings	B.14	341,673	189,118	-	-
Lease liability	B.5	28,606	27,985	-	-
Deferred tax liabilities		10,225	9,943	618	851
		380,504	227,046	618	851
Current					
Trade and other payables	B.13	95,963	89,901	556,052	359,334
Contract liabilities	B.10	27,625	25,563	-	-
Lease liability	B.5	206	240	-	-
Current tax liabilities		3,488	18,103	629	706
Borrowings	B.14	630,621	725,948	102,899	72,357
		757,903	859,755	659,580	432,397
Total liabilities		1,138,407	1,086,801	660,198	433,248
Total equity and liabilities		1,615,877	1,597,334	974,332	749,214

* \$267.8 million (31 December 2019: \$205.9 million) relates to the Group's pre-sold development properties as at 31 December 2020.



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

- B.1 The increase in property, plant and equipment as at 31 December 2020 was mainly due to resort under construction in Chalong, Thailand partially offset by impairment of Noku Osaka and Noku Maldives.
- B.2 Investment properties increased as at 31 December 2020 was due to fair value gain from investment property at Roxy Square, partially offset by fair value loss from investment property at NZI Centre.
- B.3 At Company level, investment in subsidiaries decreased mainly due to repayment of long-term loan from a subsidiary that in substance form part of the net investment in the subsidiary.
- B.4 Investment in associates increased mainly due to share of associates results from sale of investment property in Ginza, Japan and reclassification of amount due from associates to investment in associates.

Investment in joint venture relates to the capital contributions for the acquisition of the new commercial building at 350 Queen Street, Melbourne and the retail building at 23-10 Udagawacho, Shibuyaku, Tokyo, Japan in 2020.

- B.5 Right-of-use assets and lease liability mainly pertain to lease commitment for land rent of Maldives amounted to \$15.7 million which has a current lease term till year 2056, and ground rent of NZI Centre amounted to \$12.4 million, which has a current lease term till year 2037 and is perpetually renewable. The increase is due to adjustment of the discount rate used in computing the right-of-use assets and lease liability.
- B.6 Financial assets at fair value through profit or loss (“FVTPL”) comprise real estate investment funds managed by an investment group. At Company level, financial assets relate to funds managed by a financial institution, which was sold in FY2020.
- B.7 Development properties for sale as at 31 December 2020 comprise of properties for sale under development. The decrease in properties for sale under development was mainly due to completion and settlement of Octavia Killara and West End Glebe during the year.
- B.8 Amounts due from associates decreased in 2020 mainly due to reclassification to non-current assets under investment in associates.
- B.9 Trade receivables comprised mainly progress payments receivable from purchasers of development units. The increase in trade receivable is mainly due to progress billings due from new purchasers for the on-going projects.
- 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 Harbour View Gardens and Bukit 828 where the work completed exceed percentage billed while yet to reach next billing stage.

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 development units. The increase in contract cost in FY2020 was mainly due to sales commission incurred for RV Altitude, View at Kismis, Bukit 828 and Fyve Derbyshire, partially offset by contract cost recognition for Harbour View Gardens.
- B.12 The Group’s other receivables comprised mainly deposits, prepayments and other receivables. The increase was mainly due to deposit paid for acquisition of development land at Jalan Molek and Guillemard Road, partially offset by realisation of customer deposit held in trust for the Octavia Killara and West End Glebe upon settlement.

At Company level, other receivables comprised mainly the amounts due from subsidiaries, deposits, prepayment and other receivables. The increase was mainly due to loans extended to subsidiaries.



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- 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. As of 31 December 2020, other payables include advance from an associate in Ginza, Japan and derivative liabilities related to interest rate swaps, partially offset by a decrease in customer deposits received for the Octavia Killara and West End Glebe due to recognition of deposits upon construction completion and settlement.

At Company level, trade and other payables comprised mainly amounts due to subsidiaries. The increase was mainly advance from subsidiaries.

- B.14 The Group's total borrowings amounted to \$972.3 million, with \$267.2 million repayable within one year and \$705.1 million repayable after one year (refer to page 9, table 1(b)(ii)).

At the Company level, total borrowings amounted to \$102.9 million, and is repayable within one year. The increase was mainly due to working capital loans drawn down to finance new investment in Japan and acquisition of new site in Singapore.

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

	31 December 2020			31 December 2019		
	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	341,673		341,673	189,118	-	189,118
Current						
- Amounts repayable in one year or less, or on demand	267,248 (i) (ii)	-	267,248	339,072	-	339,072
- Amounts repayable after one year but within the normal operating cycle of the Property Development segment	363,373	-	363,373	386,876	-	386,876
	630,621	-	630,621	725,948	-	725,948
	972,294	-	972,294	915,066	-	915,066

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. \$114.9 million relates to loans for Grand Mercure Singapore Roxy Hotel and shop units.
 - ii. \$102.9 million loans are 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	Second half year ended		Full year ended	
		31 December		31 December	
		2020	2019	2020	2019
		S\$'000	S\$'000	S\$'000	S\$'000
Cash Flows from Operating Activities					
(Loss) / Profit before taxation		(34,461)	32,892	(31,500)	44,565
Adjustments for:					
Depreciation of property, plant and equipment		4,289	4,336	8,666	8,478
Depreciation of right-of-use assets		353	199	713	700
Amortisation of intangible assets		99	94	194	188
Dividend income from equity instruments classified as FVTPL		-	(49)	(21)	(110)
Share of results of associates		18,104	(6,382)	7,378	(8,478)
Share of results of joint venture		660	-	(537)	-
Impairment of quasi-equity loan to associates		1,428	-	1,428	-
Fair value gain on financial assets classified as FVTPL		(976)	(51)	(859)	(224)
Impairment of trade and other receivables		135	275	135	275
Impairment of property, plant and equipment		7,009	3,338	7,009	3,338
Project sunk cost written off		5,015	-	5,015	-
Interest income		(707)	(761)	(2,216)	(2,757)
Interest expense on bank borrowings		8,525	12,483	20,094	23,157
Interest expense on lease liabilities		832	954	1,659	1,675
Net fair value gain on investment properties		(721)	(737)	(2,055)	(737)
Fair value loss on financial derivatives		1,230	-	1,562	-
Net foreign exchange (gain)/loss (unrealised)		(1,218)	(291)	(1,218)	(339)
Operating profit before working capital changes		9,596	46,300	15,447	69,731
Changes in properties for sale under development		35,429	255,045	48,149	255,560
Changes in developed properties for sale		4,089	(55,149)	65,249	(58,237)
Changes in contract cost		(5,475)	(3,341)	(7,418)	(4,287)
Changes in contract asset		(2,218)	11,862	(5,781)	(4,745)
Changes in contract liabilities		(3,280)	(10,977)	2,061	(5,370)
Changes in inventories		165	(391)	350	(369)
Changes in operating receivables		(33,943)	21,791	(24,245)	25,571
Changes in operating payables		15,034	1,629	(9,429)	(10,271)
Cash generated from/(used in) operations		19,396	266,769	84,383	267,583
Net income tax refund / (paid)		(15,273)	(5,423)	(15,701)	(15,887)
Cash generated from operating activities	C.1	4,123	261,346	68,682	251,696
Cash Flows from Investing Activities					
Acquisition of property, plant and equipment	C.2	(8,025)	(3,966)	(18,693)	(5,942)
Investment in associates		-	384	-	(13,907)
Investment in joint venture	C.3	(24,355)	-	(37,967)	-
Dividend received from equity instruments classified as FVTPL		-	49	21	110
Dividend received from associates		1,574	3,515	12,976	3,515
Quasi-equity loan to associates		(437)	(9,471)	(4,682)	(9,471)
Shareholders loan to associates		-	6,419	-	(4,500)
Proceeds from disposal of financial assets		-	1,992	10,176	1,992
Purchase of financial assets classified as FVTPL		-	-	(12,552)	(10,021)
Return of capital from associate		-	480	-	480
Advance from/(to) associates		6,513	146	19,398	(35)
Acquisition of additional shares in a subsidiary, from NCI		-	-	-	(938)
Addition of intangible assets		(92)	(3)	(92)	(16)
Addition of investment property		(147)	(99)	(267)	(99)
Interest received		1,633	883	2,524	3,233
Cash (used in) / generated from investing activities		(23,336)	329	(29,158)	(35,599)
Cash Flows from Financing Activities					
Proceeds from borrowings		28,201	20,895	109,927	98,214
Repayment of borrowings		(4,436)	(156,419)	(54,084)	(223,852)
Fixed deposit pledged to banks and financial institutions		30,055	-	(77,353)	(10,000)
Payment of lease liabilities		(957)	(2,158)	(1,916)	(2,158)
Interest paid		(10,077)	(16,945)	(21,395)	(33,479)
Return of share capital to non-controlling shareholder for a liquidated subsidiary		(100)	-	(100)	-
Dividend paid to non-controlling shareholders		(9)	(1,284)	(9)	(2,284)
Dividend paid to owners of the company		-	(2,543)	(14,213)	(11,736)
Cash generated from/ (used in) financing activities	C.4	42,677	(158,454)	(59,143)	(185,295)



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	Second half year ended		Full year ended		
	31 December		31 December		
	2020	2019	2020	2019	
	S\$'000	S\$'000	S\$'000	S\$'000	
Net increase / (decrease) in cash and cash equivalents	23,464	103,221	(19,619)	30,802	
Cash and cash equivalents at beginning of period	209,441	146,677	249,674	220,332	
Effects of foreign currency translation	4,000	(224)	6,850	(1,460)	
Cash and cash equivalents at end of period	236,905	249,674	236,905	249,674	
<u>Analysis of cash and cash equivalents:-</u>					
Project accounts	C.5	41,417	33,190	41,417	33,190
Fixed deposits in project accounts		30,000	13,000	30,000	13,000
Fixed deposits		194,516	113,427	194,516	113,427
Cash at bank		129,620	171,342	129,620	171,342
Total cash and bank balances		395,553	330,959	395,553	330,959
Less: Fixed deposits pledged to banks and financial institutions		(158,648)	(81,285)	(158,648)	(81,285)
		236,905	249,674	236,905	249,674

Notes to the consolidated statement of cash flows:

- C.1 The net cash inflows from operating activities of \$68.7 million in 2020 was mainly due to settlement of The Octavia Killara and West End Glebe in 1H2020.
- C.2 The acquisition of property, plant and equipment was mainly related to the development costs for the resort under construction in Chalong, Thailand.
- C.3 The investment in joint venture in FY2020 was mainly new equity injection for the acquisition of commercial building at 350 Queen Street, Melbourne and a retail building at 23-10 Udagawacho, Shibuyaku, Tokyo, Japan in 2020.
- C.4 The net cash outflows from financing activities of \$59.1 million in 2020 were mainly due to fixed deposits pledged to banks to secure additional credit facilities.
- C.5 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.



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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	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 2020	47,399	(3,954)	(9)	533	(22,992)	489,676	510,653	(119)	510,534
Total comprehensive income for the period									
Profit for the period	-	-	-	-	-	2,791	2,791	(624)	2,167
Comprehensive income for the period	-	-	-	-	-	2,791	2,791	(624)	2,167
Other comprehensive income									
Net change in fair value of financial derivatives	-	-	(47)	-	-	-	(47)	(31)	(78)
Foreign currency translation differences	-	-	-	-	6,802	-	6,802	(6)	6,796
Total other comprehensive income for the period	-	-	(47)	-	6,802	-	6,755	(37)	6,718
Total comprehensive income for the period	-	-	(47)	-	6,802	2,791	9,546	(661)	8,885
Transactions with owners, recognised directly in equity									
Contributions by and distributions to owners									
Dividend paid	-	-	-	-	-	(14,213)	(14,213)	-	(14,213)
Total transactions with owners	-	-	-	-	-	(14,213)	(14,213)	-	(14,213)
Balance at 30 June 2020	47,399	(3,954)	(56)	533	(16,190)	478,254	505,986	(780)	505,206
Profit for the period	-	-	-	-	-	(32,280)	(32,280)	(2,494)	(34,774)
Total comprehensive income for the period	-	-	-	-	-	(32,280)	(32,280)	(2,494)	(34,774)
Other comprehensive income									
Net change in fair value of financial derivatives	-	-	(6,673)	-	-	-	(6,673)	(1)	(6,674)
Foreign currency translation differences	-	-	-	-	13,910	-	13,910	(89)	13,821
Total other comprehensive income for the period	-	-	(6,673)	-	13,910	-	7,237	(90)	7,147
Total comprehensive income for the period	-	-	(6,673)	-	13,910	(32,280)	(25,043)	(2,584)	(27,627)
Transactions with owners, recognised directly in equity									
Contributions by and distributions to owners									
Liquidation of a subsidiary	-	-	-	-	-	-	-	(100)	(100)
Dividend paid	-	-	-	-	-	-	-	(9)	(9)
Total transactions with owners	-	-	-	-	-	-	-	(109)	(109)
Balance at 31 December 2020	47,399	(3,954)	(6,729)	533	(2,280)	445,974	480,943	(3,473)	477,470



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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 2019	47,399	(3,954)	0	533	(18,558)	470,881	496,301	4,533	500,834
Total comprehensive income for the period									
Profit for the period	-	-	-	-	-	9,332	9,332	(574)	8,758
Comprehensive income for the period	-	-	-	-	-	9,332	9,332	(574)	8,758
Other comprehensive income									
Foreign currency translation differences	-	-	-	-	(3,405)	-	(3,405)	(32)	(3,437)
Total other comprehensive income for the period	-	-	-	-	(3,405)	-	(3,405)	(32)	(3,437)
Total comprehensive income for the period	-	-	-	-	(3,405)	9,332	5,927	(606)	5,321
Transaction 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)	0	533	(21,963)	471,232	493,247	1,777	495,024
Profit for the period	-	-	-	-	-	20,987	20,987	(606)	20,381
Comprehensive income for the period	-	-	-	-	-	20,987	20,987	(606)	20,381
Other comprehensive income									
Net change in fair value of financial derivatives	-	-	(9)	-	-	-	(9)	-	(9)
Foreign currency translation differences	-	-	-	-	(1,029)	-	(1,029)	(6)	(1,035)
Total other comprehensive income for the period	-	-	(9)	-	(1,029)	-	(1,039)	(6)	(1,045)
Total comprehensive income for the period	-	-	(9)	-	(1,029)	20,987	19,948	(612)	19,336
Transaction with owners, recognised directly in equity									
Contributions by and distributions to owners									
Dividend paid	-	-	-	-	-	(2,543)	(2,543)	(1,284)	(3,827)
Total transactions with owners	-	-	-	-	-	(2,543)	(2,543)	(1,284)	(3,827)
Balance at 31 December 2019	47,399	(3,954)	(9)	533	(22,992)	489,676	510,653	(119)	510,533

Company	Share capital S\$'000	Treasury shares S\$'000	Retained earnings S\$'000	Total S\$'000
Balance at 1 January 2020	47,399	(3,954)	272,521	315,966
Profit for the period	-	-	2,758	2,758
Comprehensive income for the period	-	-	2,758	2,758
Other comprehensive income				
Foreign currency translation difference	-	-	-	-
Total other comprehensive income for the period	-	-	-	-
Total comprehensive income for the period	-	-	2,758	2,758
Transactions with owners, recognised directly in				
Contributions by and distributions to owners				
Dividend paid	-	-	(14,213)	(14,213)
Total transactions with owners	-	-	(14,213)	(14,213)
Balance at 30 June 2020	47,399	(3,954)	261,066	304,511
Profit for the period	-	-	9,624	9,624
Comprehensive income for the period	-	-	9,624	9,624
Other comprehensive income				
Foreign currency translation difference	-	-	-	-
Total other comprehensive income for the period	-	-	-	-
Total comprehensive income for the period	-	-	9,624	9,624
Transactions with owners, recognised directly in equity				
Contributions by and distributions to owners				
Dividend paid	-	-	-	-
Total transactions with owners	-	-	-	-
Balance at 31 December 2020	47,399	(3,954)	270,690	314,134



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Company	Share capital S \$'000	Treasury shares S \$'000	Retained earnings S \$'000	Total S \$'000
Balance at 1 January 2019	47,399	(3,954)	195,471	238,916
Total comprehensive income for the period				
Profit for the period	-	-	28,229	28,229
Comprehensive income for the period	-	-	28,229	28,229
Other comprehensive income				
Net change in fair value of available-for-sale financial assets	-	-	-	-
Tax on other comprehensive income	-	-	-	-
Foreign currency translation difference	-	-	-	-
Total other comprehensive income for the period	-	-	-	-
Total comprehensive income for the period	-	-	28,229	28,229
Transactions 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)	214,507	257,952
Profit for the period	-	-	58,014	58,014
Comprehensive income for the period	-	-	58,014	58,014
Other comprehensive income				
Foreign currency translation differences	-	-	-	-
Total other comprehensive income for the period	-	-	-	-
Total comprehensive income for the period	-	-	58,014	58,014
Transactions with owners, recognised directly in equity				
Contributions by and distributions to owners				
Dividend paid	-	-	-	-
Total transactions with owners	-	-	-	-
Balance at 31 December 2019	47,399	(3,954)	272,521	315,966



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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 six months ended 31 December 2020 are as follows:

	31 Dec 2020	31 Dec 2019
	No. of Shares	No. of Shares
Treasury shares:		
As at beginning of period	8,924,900	8,924,900
Purchase of treasury shares	-	-
As at end of period	8,924,900	8,924,900

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.

	31 Dec 2020	31 Dec 2019
Total number of ordinary shares issued and fully paid	1,303,979,944	1,303,979,944

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.

The Group has followed accounting policies and applied methods of computations consistent with the audited financial statements as at 31 December 2019.

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.

Not applicable.



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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	Second half year ended 31 December		Full year ended 31 December	
	2020	2019	2020	2019
(a) Based on the weighted average number of ordinary shares on issue (cents)	-2.48	1.61	-2.26	2.33
(b) On fully diluted basis (cents)	-2.48	1.61	-2.26	2.33
(Loss)/ Profit attributable to shareholders of the Company	(32,280)	20,987	(29,489)	30,319
Weighted average number of shares ('000)	1,303,980	1,305,405	1,303,980	1,303,980

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	
	31-Dec-20	31-Dec-19	31-Dec-20	31-Dec-19
Net asset value per ordinary shares based on total issued 1,303,979,944 ordinary shares (cents) (2019: 1,303,979,944 ordinary shares (cents))	36.88	39.16	24.09	24.73

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 31December 2020, the fair value of these properties was estimated to be \$680.3 million (31 December 2019: \$722.8 million) based on valuation carried out by independent valuers on 31 December 2020, using the combination of income capitalisation method, discounted cash flows method and direct comparison method. The revaluation surplus is estimated to be approximately \$458.8 million (31 December 2019: \$504.3 million). Had this revaluation surplus been recorded, the Group's adjusted net asset value ("ANAV") per share would have been as follows:

	Group	
	31-Dec-20	31-Dec-19
ANAV per ordinary share based on total issued 1,303,979,944 ordinary shares (cents) (2019: 1,303,979,944 ordinary shares (cents))	72.07	77.84

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	Second half year ended 31 December		Change Increase/ (Decrease) %	Full year ended 31 December		Change Increase/ (Decrease) %				
	2020 S\$'000	2019 S\$'000		2020 S\$'000	2019 S\$'000					
REVENUE										
Property Development	66,473	82%	274,577	91%	-76%	165,789	84%	385,942	87%	-57%
Hotel Ownership	10,170	13%	25,760	8%	-61%	25,247	12%	50,414	11%	-50%
Property Investment	3,723	5%	3,797	1%	-2%	7,395	4%	7,674	2%	-4%
	80,366	99%	304,134	100%	-74%	198,431	100%	444,030	100%	-55%
GROSS PROFIT										
Property Development	9,310	60%	52,566	77%	-82%	17,382	52%	75,186	71%	-77%
Hotel Ownership	3,098	20%	12,444	18%	-75%	9,906	30%	24,397	23%	-59%
Property Investment	3,079	20%	3,445	5%	-11%	6,006	18%	6,607	6%	-9%
	15,487	100%	68,455	100%	-77%	33,294	100%	106,190	100%	-69%
GROSS PROFIT MARGIN (%)										
Property Development	14%		19%		-5 ppt	10%		19%		-9 ppt
Hotel Ownership	30%		48%		-18 ppt	39%		48%		-9 ppt
Property Investment	83%		91%		-8 ppt	81%		86%		-5 ppt
Total	19%		23%		-3 ppt	17%		24%		-7 ppt
ADJUSTED EBITDA										
Property Development	(6,141)	74%	45,808	82%	-113%	(1,355)	-10%	64,342	77%	-102%
Hotel Ownership	1,162	-14%	2,695	5%	-57%	1,963	15%	7,512	9%	-74%
Property Investment - Rental income	2,046	-25%	1,982	4%	3%	4,176	31%	4,756	6%	-12%
Property Investment - Fair value gain	721	-9%	737	1%	-2%	2,055	15%	737	1%	n/m
Property Investment - Share of result of associates	(6,108)	73%	4,409	8%	-239%	6,441	49%	6,533	8%	-1%
	(8,320)	100%	55,630	100%	-115%	13,280	100%	83,880	100%	-84%
PROFIT BEFORE TAX										
Adjusted EBITDA	(8,320)		55,630		-115%	13,280		83,880		-84%
Corporate expenses	(514)		(2,383)		-78%	(3,436)		(4,872)		-29%
Amortisation of intangible assets	(99)		(95)		4%	(194)		(189)		2%
Depreciation of property, plant and equipment	(4,289)		(4,337)		-1%	(8,666)		(8,479)		2%
Depreciation of right-of-use assets	(353)		(199)		77%	(713)		(700)		2%
Impairment of property, plant and equipment	(7,009)		(3,338)		110%	(7,009)		(3,338)		110%
Project sunk cost written off	(5,015)		-		-	(5,015)		-		-
Impairment of investment in associates	(1,428)		-		-	(1,428)		-		-
Net interest expense	(8,651)		(12,677)		-32%	(19,537)		(22,076)		-11%
Net unrealised foreign exchange (loss) / gain	1,217		291		n/m	1,218		339		n/m
	(34,461)		32,892		n/m	(31,500)		44,565		n/m

n/m: not meaningful



Revenue and gross profit analysis

(ii) Revenue

The Group achieved revenue of \$198.4 million in FY2020, 55% lower than \$444.0 million in FY2019. In 2H2020, the Group achieved revenue of \$80.4 million, 74% lower than \$304.1 million in 2H2019. This was mainly due to lower revenue from the Property Development and Hotel Ownership segments.

(a) Property Development

Revenue from the Property Development segment, which made up 84% of the Group's turnover in FY2020, decreased to \$165.8 million in FY2020 from \$385.9 million in FY2019. For 2H2020, revenue from the Property Development segment, which made up 82% of the Group's turnover, decreased to \$66.5 million from \$274.6 million in 2H2019. The decrease was largely due to absence of revenue recognition from The Hensley and The Navian upon settlement and TOP in 2019, as well as West End Glebe where most of the units' settlement occurred in 2019. Delay in construction for development projects due to the closure of construction sites also contribute to a lower recognition of revenue in 2H2020 and FY2020.

(b) Hotel Ownership and Property Investment

The Hotel Ownership segment, which contributed 12% to the Group's turnover in FY2020, decreased 50% to \$25.2 million in 2020 from \$50.4 million in 2019. In 2H2020, the Hotel Ownership segment contributed 13% to the Group's turnover, decreased 61% to \$10.2 million from \$25.8 million in 2H2019. The Group's hotel operations were affected by the COVID-19 outbreak as many countries imposed border control measures, impacting the tourism industry.

Revenue from the Property Investment segment constituted the balance of 4% of the Group's turnover and contributed \$7.4 million in 2020 as compared to \$7.7 million in 2019. In 2H2020, revenue from the Property Investment segment constituted the balance of 5% of the Group's turnover and contributed \$3.7 million as compared to \$3.8 million in 2H2019. Revenue from this segment comprises rental income from shop units in Roxy Square and NZI Centre.

(iii) Cost of sales and gross profit

In line with the decrease in revenue, cost of sales decreased to \$165.1 million in FY2020 from \$337.8 million in FY2019. In 2H2020, cost of sales decreased to \$64.9 million from \$235.7 million in 2H2019.

Gross profit from the Property Development segment contributed \$17.4 million or 52% of the Group's total gross profit in FY2020, while the remaining 48% or \$15.9 million was contributed by the Hotel Ownership and Property Investment segments. Gross profit margin from the Property Development segment was 10% in FY2020, as compared to 19% in FY2019, mainly due to lower profit margins for some projects in Singapore as well as unexpected project cost escalation for Octavia Killara. The gross profit margin of the Hotel Ownership segment decreased by 9 percentage points to 39% in FY2020, mainly due to lower profit margin from the overseas hotels. Gross profit margin of the Property Investment segment decreased 5 percentage points to 81% in 2020 from 86% in FY2019 mainly due to rental rebates given to tenants.

In 2H2020, Gross profit from the Property Development segment contributed \$9.3 million or 60% of the Group's total gross profit in 2H2020, while the remaining 40% or \$6.2 million was contributed by the Hotel Ownership and Property Investment segments. Gross profit margin from the Property Development segment was 14% in 2H2020, as compared to 19% in 2H2019. The lower profit margin in 2H2020 was mainly due to cost adjustment in 2020 for units sold in 2019 for West End Glebe and lower profit margin from Singapore development projects. The gross profit margin of the Hotel Ownership segment decreased by 18 percentage points to 30% in 2H2020, mainly due to lower profit margin from the overseas hotels. Gross profit margin of the Property Investment segment decreased 8 percentage points to 83% in 2H2020 from 91% in 2H2019 mainly due to higher cost in NZI Centre.

The Group's overall gross profit margin in 2020 was 17%, lower than the 24% recorded in 2019, 2H2020 was 19%, lower than the 23% recorded in 2H2019, the lower gross profit margin mainly due to lower profit margin from Property Development and hotel ownership segments.



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 7 - 9 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

A profit guidance was announced on 8 January 2021 and the results for 2H2020 and FY2020 are consistent with the guidance issued.

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.

The Ministry of Trade and Industry (MTI) announced that the Singapore economy contracted by 5.4% for the whole of 2020. For 2021, MTI has maintained the GDP growth forecast at 4.0% to 6.0%.¹

Reflecting the beginning of the expected economic effects of COVID-19, Australia's GDP rose 3.3% in 3Q2020 on a seasonally-adjusted basis from the previous quarter², due to the easing of Covid-19 related restrictions. While Australia's GDP is expected to recover at a faster pace than expected over the coming quarters, the Reserve Bank of Australia ("RBA") anticipates that the pandemic will have long-lasting effects on the Australian economy, with GDP unlikely to return to pre-pandemic levels until end-2021.³ To ensure that Australia is well placed for the recovery, the RBA reaffirmed targets for the cash rate and the yield on 3-year Australian government bonds of 0.1%⁴.

In Japan, the economy grew by 5.3% quarter-on-quarter in 3Q2020⁵. While the Bank of Japan has forecast real GDP growth of -5.6% for fiscal year 2020, it expects real GDP to grow by 3.9% in fiscal year 2021 as economic conditions improve⁶.

Impact of COVID-19

The COVID-19 pandemic has caused a severe disruption to global economic activity and the impact on economies across the world has been broad and significant, affecting different sectors to varying degrees. Even with a vaccine being distributed, the effects of the pandemic are expected to linger on for years. According to the International Air Transport Association, air traffic volumes are not expected to return to pre-Covid-19 levels until 2024.⁷ As a result of the challenging market conditions, the Group financial results will be adversely affected, and the extent of the impact will depend on the future trajectory of the pandemic and its recovery.

In response to the crisis, governments across the world have introduced various support measures to cushion the impact of COVID-19. The Group will tap onto the government support schemes, where available, to maximise the value of the support. The Group has also taken conservative approach with a primary focus on preserving cash by reduce operating expenses where applicable and deferring all non-essential capital expenditures. At the same time, the Group will keep a look out for opportunities and adopt a more stringent evaluation process.

¹ Ministry of Trade and Industry, Feb 15, 2021 – [MTI Maintains 2021 GDP Growth Forecast at 4.0 to 6.0 Per Cent](#)

² Australian Bureau of Statistics, Dec 2, 2020 – [Australian National Accounts: National Income, Expenditure and Product, Sep 2020](#)

³ Reserve Bank of Australia, Nov, 2020 – [Statement on Monetary Policy November 2020, Table 6.1: Output Growth and Inflation Baseline Forecasts](#)

⁴ Reserve Bank of Australia, Dec 1, 2020 – [Minutes of the Monetary Policy Meeting of the Reserve Bank Board](#)

⁵ Ministry of Foreign Affairs of Japan, Dec 8, 2020 – [Japanese Economy](#)

⁶ Bank of Japan, January 2021 – [Outlook for Economic Activity and Prices](#)

⁷ International Air Transport Association, Nov 24 2020 - [Deep Losses Continue Into 2021](#)



Property Development

Singapore

According to the Urban Redevelopment Authority (“URA”) the private residential property index increased by 2.1% in 4Q2020, compared to the 0.8% increase in 3Q2020. For the whole of 2020, prices of private residential properties increased by 2.2%. During the quarter, 1,852 uncompleted private residential units were launched for sale and 1,713 private residential units were sold. This compared to 2,093 units launched and 2,149 units sold in 1Q2020.

As at the end of 4Q2020, there were a total of 49,307 uncompleted private residential units (excluding executive condominiums) in the pipeline with planning approvals as compared to 50,369 in 3Q2020. Of these units, 24,296 remain unsold as at the end of 4Q2020, lower than 26,483 units in 3Q2020⁸.

For 2021, property analysts expect the Urban Redevelopment Authority's (URA) benchmark index for overall private home price to post growth ranging from zero per cent to 4 per cent in 2021.

Construction of the Group’s residential projects are also expected to continue to be delayed due to the earlier Circuit Breaker period as well as the implementation of precautionary and safe distancing measures. Going forward, the Group will continue to prioritise the sale and delivery of the units in its current land bank.

Since the Phase 3 re-opening in Singapore, the Group’s showrooms have stepped up its engagement with buyers through physical and online marketing channels including virtual showrooms to showcase the apartment units.

In November 2020, the Group acquired a freehold residential site at Jalan Molek and Guillemard Road at the purchase price of S\$93,000,000. This freehold residential site has an estimated total land area of 37,131 sq ft and is allowed for residential development with a Plot Ratio of 2.8.

In February 2021, the Group announced that it has entered into an agreement to acquire a 999-year leasehold residential site in Singapore, 10A and 10B Institution Hill, at the purchase price of S\$33,600,000. The Group intends to amalgamate the site with another 999-year leasehold site at 11 Institution Hill after it exercises the Option To Purchase issued on 1 February 2021. The amalgamated site will have an estimated total land area of 14,300 sq ft with a total Gross Floor Area of 40,040 sq ft for residential development.

Australia

In Australia, COVID-19 continues to impact residential property transactions in some capital cities. The price index for residential properties for the weighted average of eight capital cities increased by 4.5% in the September quarter 2020 on a year-on-year basis with rises in all capital cities except Darwin. During the quarter, the key city of Sydney, where the Group has a presence in, registered a gain of 5.4% year-on-year.⁹

In Sydney, Australia, the Group’s residential development projects, Octavia Killara and West End Glebe, have been fully sold.

As at 31 December 2020, based on units sold from the following ongoing development projects, the Group has total attributable pre-sale revenue of \$539.4 million, the profits of which will be recognised from 1 Jan 2021 to FY2023.

⁸ URA, Jan 22, 2021 - [Release of 4th Quarter 2020 real estate statistics](#)

⁹ Australian Bureau of Statistics, December 8, 2020 - [Residential Property Price Indexes: Eight Capital Cities](#)

Project name	Type of development	Group stake %	Total units in project Unit	Unit sold Unit	Attributable total sale value ^{(i) (ii)} \$'m	Attributable revenue recognised up to 31 December 2020 \$'m	Balance attributable progress billings to be recognised from 1 Jan 2021 \$'m
Singapore							
1 120 Grange	Residential	90%	56	56	\$ 92.3	\$ 28.5	\$ 63.8
2 Bukit 828	Residential	80%	34	34	\$ 32.2	\$ 14.1	\$ 18.1
3 Arena Residences	Residential	50%	98	98	\$ 67.1	\$ 15.2	\$ 51.9
4 RV Altitude	Residential	100%	140	63	\$ 100.6	\$ 20.8	\$ 79.8
5 Fyve Derbyshire	Residential	100%	71	51	\$ 93.2	\$ 10.9	\$ 82.3
6 Wilshire Residences	Residential	40%	85	14	\$ 9.3	\$ 1.2	\$ 8.1
7 Dunearn 386	Residential	100%	35	17	\$ 29.5	\$ 5.0	\$ 24.5
8 View at Kismis	Residential	60%	186	166	\$ 124.4	\$ 7.2	\$ 117.2
9 NEU AT NOVENA	Residential	50%	87	72	\$ 63.8	\$ 1.8	\$ 62.0
Malaysia							
10 Wisma Infinitem - The Colony	Residential	47%	423	339	\$ 60.2	\$ 40.4	\$ 19.8
Wisma Infinitem - The Luxe	Residential	47%	300 ⁽ⁱⁱⁱ⁾	167	\$ 34.9	\$ 23.0	\$ 11.9
Total			1,515	1,077	\$ 707.5	\$ 168.1	\$ 539.4

(i) For Singapore projects, sale value is based on Option to Purchase granted up to 7 Feb 2021.

(ii) For overseas projects, sale value is based on contract signed up to 7 Feb 2021.

(iii) Represents Block B - The Luxe by Infinitem. An additional 31 commercial units are pending launch.

Hotel Ownership

The Group's hotel operations were affected by the COVID-19 outbreak as many countries imposed border control measures, impacting the tourism industry. While the re-opening process has slowly begun in some countries, the pandemic crisis continues to exert profound impact on the hospitality sector.

Singapore's international visitor arrivals stood at 2.7 million for January to June 2020, a 71.4 per cent year-on-year decline¹⁰. Visitor arrivals dropped significantly to 14,700 in November 2020, a year-on-year decline of 99.9 per cent¹¹.

The Group's flagship Grand Mercure Singapore Roxy hotel joined a large number of hotels in providing their entire accommodation facilities any person(s) that need to be isolated from the general population in a "Government Quarantine Facility" as a matter of precaution. For hospitality, the Group will continue to focus on training, improving productivity, internal processes and operational efficiencies, to prepare for when the market recovers.

To curb the spread of COVID-19, Japan has travel bans in place for travellers from around 129 countries and regions, which resulted in a significant decrease in international visitor arrivals. For November 2020, visitor arrivals to Japan stood at 56,700, a decline of 97.7%¹². As a result, Noku Osaka, one of the Group's self-managed boutique hotels, has been closed for operations since November 2020. As part of its efforts to revive the domestic tourism industry, the government has unveiled a US\$16 billion "Go To" campaign to subsidise domestic tourism. This has been temporary halted from December 28 to February 7 2021 to reduce infection risks.

¹⁰ STB, February 1, 2021 - [Singapore's tourism sector emerges from 2020 with greater resilience and reinvention](#)

¹¹ Japan National Tourism Organization, Overseas Residents' Visits to Japan, January 8 2021



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Meanwhile, the Maldives reopened its tourist resorts on 15 July 2020 and received its first international flight in over three months. The Group's upscale resort in Maldives, Noku Maldives, has received positive enquiries since the travel restriction was lifted.

The Group's second resort asset in Thailand, Noku Phuket, is expected to operate in 2022.

Property Investment

Singapore

The Group continues to communicate and support its tenants in tiding over this difficult period, providing assistance to eligible tenants in Singapore such as rental rebates and offsetting of cash security deposits, and also passing on the full amount of property tax rebates to tenants. The Group also continues to be vigilant following its implementation of precautionary and safe distancing measures.

Australia

The office sector is not expected to face an immediate structural shift in demand notwithstanding that office towers in core commercial markets are largely unoccupied due to remote working measures implemented in response to COVID-19. Office assets in Sydney and Melbourne will continue to be highly sought after by investors given Australia's strong prospects for economic recovery, long-term growth potential, and 'safe haven' characteristics¹³. To further enhance its recurring income stream, the Group, together with its joint venture partner, has recently announced the investment in a 40% interest in a commercial tower located at 350 Queen Street, Melbourne, Australia. The freehold property comprises a commercial tower with offices, retail offerings and community amenities, situated in the Central Business District of Melbourne, Australia.

Additionally, the Group's re-development of the former Melbourne House at 360 Little Bourke in Melbourne, Australia into Park Hotel Melbourne, will be converted into a commercial development to tap on steady recurring income stream.

Together with its partner, the Group will continue to actively engage its tenants and extend support, where applicable, forging stronger relationships through this crisis.

New Zealand

There has been significant new supply added to total office stock across New Zealand in recent years. However, COVID-19 has deferred the number of previously planned office projects, thereby limiting uncommitted supply. In the year ahead, this will assist in limiting the potential rise in vacancy rates which would have occurred had the pre-Covid-19 pipeline progressed as previously planned. Over the short-term, new development will predominantly be dependent upon significant tenant commitment being secured.¹⁴

Between our two key assets in New Zealand, 205 Queen Street, located in the core of Auckland's CBD, enjoyed a high occupancy rate of 84% as of 31 December 2020. We will look for opportunities to raise occupancy to maximise rental yield. Additionally, our wholly-owned building, NZI Centre, situated in the western end of Auckland's CBD, is fully leased to a well-known tenant – IAG New Zealand Limited – the largest insurer in New Zealand.

Japan

In Japan, high street vacancy stood at 3.3% in Q4 2020, an increase of 0.7 points from the previous quarter.

¹³ Knight Frank, Asia-Pacific Real Estate Outlook 2021: Navigating The Post-Pandemic Recovery

¹⁴ Colliers International, New Zealand Office 2020 Review & 2021 Forecast



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The number of units seeking new tenants increased during the period as multiple tenants elected to relinquish their leases as a result of poor performance triggered by pandemic. However, the central government's declaration of a second state of emergency means that domestic spending, which had been recovering, is now anticipated to decline once more. With vacancies expected to rise and new opening demand anticipated to weaken, rents are forecast to fall by 7.5% over the next 12 months.

From Q1 2022, rents are projected to return to growth as the economy is expected to recover, limiting the net rent decrease over the next two years to 4.3%.¹⁵

During the year, the Group acquired a 49% stake in a 5-storey retail building, VIVEL Shibuya, located at Shibuya-Ku, Tokyo, Japan, in the central hub for youth culture in this city. This building is strategically located in close proximity to the Shibuya Station and adjacent to the famous Shibuya scramble crossing, which is proximity to immense amounts of foot traffic from both foreign tourists and domestic shoppers.

Overall, the Group's investment properties maintained a high level of occupancy at 88% as at 31 December 2020.

Outlook

The economic outlook remains challenging for the year ahead and the prolonged COVID-19 pandemic is expected to adversely impact the Group's operational performance.

Impairments of hotel assets and share of losses in overseas associated companies resulting from the impairments of properties have also adversely impacted the Group's financial performance. The Group will remain financially prudent, defer uncommitted capital expenditure, implement cost savings as required, and maintain operation agility to conserve essential resources to prepare for post-pandemic recovery process. Despite all the challenges, the Group will continue to monitor the evolving pandemic situation and adjust and react proactively with appropriate countermeasures to minimise financial impact for the financial year ending 31 December 2021. Barring any unforeseen circumstances, the directors expect the Group to be profitable in the financial year ending 31 December 2021.

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? Yes

Name of Dividend	Proposed Final
Dividend Type	Cash (Ordinary)
Dividend Rate	1.09 cents per ordinary share
Tax Rate	Tax exempt (one-tier tax)

(c) Date payable

Not Applicable

(d) Books closure date

Not Applicable

¹⁵ CBRE, *Vacancy Rose in Ginza & Shinsaibashi; Demands Focused on Prime Locations*

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

In view of the uncertain economic outlook, no final dividend has been recommended.

13. Segmental revenue and results for business or geographical segments (of the group) in the form presented in the issuer's most recently audited financial statements, with comparative information for the immediately preceding year

(a) Business Segments

	Hotel Ownership		Property Development		Property Investment		Others ⁽¹⁾		Group	
	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Revenue										
External	25,247	50,414	165,789	385,942	7,395	7,674	-	-	198,431	444,030
Total revenue	25,247	50,414	165,789	385,942	7,395	7,674	-	-	198,431	444,030
Segment results	(8,017)	(1,043)	13,632	62,540	3,137	4,402	(2,915)	(5,338)	5,837	60,562
Interest income	0	16	351	563	74	132	1,791	2,046	2,216	2,757
Finance cost	(9,129)	(10,530)	(8,675)	(9,624)	(2,651)	(3,505)	(1,358)	(1,531)	(21,814)	(25,190)
Fair value gain on investment properties	-	-	-	-	2,055	737	-	-	2,055	737
Impairment of property, plant and equipment	(7,009)	(3,338)	-	-	-	-	-	-	(7,009)	(3,338)
Project sunk cost written off	(5,015)	-	-	-	-	-	-	-	(5,015)	-
Fair value gain on financial assets at fair value through profit or loss	-	-	-	-	792	102	67	122	859	224
Net realised / unrealised foreign exchange gain / (loss)	(40)	213	85	-	941	(100)	(674)	217	312	330
Fair value (loss) / gain on financial derivatives	(384)	-	(1,178)	6	-	-	-	-	(1,562)	6
Share of results of associates	(20)	73	(13,809)	1,857	6,441	6,532	10	16	(7,378)	8,478
Profit before tax	(29,615)	(14,609)	(9,593)	55,342	10,787	8,300	(3,079)	(4,468)	(31,500)	44,565
Taxation									(1,107)	(15,426)
Profit for the year									(32,607)	29,139

(b) Geographical segments

	Singapore	Australia	Japan	Thailand	Malaysia	Hong Kong	Indonesia	Maldives	New Zealand	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Revenue										
Second half year ended										
31 December 2020	70,051	5,499	829	-	-	-	-	737	3,250	80,366
31 December 2019	73,703	220,813	4,153	-	-	-	-	2,385	3,080	304,134
Full year ended										
31 December 2020	115,094	72,161	1,479	-	-	-	-	3,401	6,296	198,431
31 December 2019	145,072	279,477	8,296	-	-	-	-	4,968	6,217	444,030
Non-current assets										
As at 31 December 2020	177,622	118,278	98,672	49,635	29,963	24,841	3,765	59,146	89,154	651,076
As at 31 December 2019	143,196	105,665	86,253	36,078	28,946	35,038	3,872	66,272	79,919	585,239
Total assets										
As at 31 December 2020	1,071,459	155,734	113,704	54,886	29,963	24,841	3,767	62,135	99,388	1,615,877
As at 31 December 2019	933,239	306,645	89,328	44,058	28,946	35,038	3,874	69,464	86,742	1,597,334

14. In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the business or geographical segments

Please refer to paragraph 8 above.

15. A breakdown of sales

	Group		% Increase/ (decrease)
	FY2020 \$'000	FY2019 \$'000	
(a) Sales reported for first half year	118,065	139,896	-16%
(b) Operating profit after tax before deducting minority interest reported for the first half year	2,168	8,757	-75%
(c) Sales reported for second half year	80,366	304,134	-74%
(d) Operating profit after tax before deducting minority interest reported for the second half year	(34,775)	20,382	n.m

16. A breakdown of the annual dividend (in dollar value) for the issuer's latest full year and its previously full year

	Total Annual Dividend	
	FY2020 \$'000	FY2019 \$'000
Ordinary		
Interim Dividend	-	2,543
Proposed Final Dividend	-	14,213
Total	-	16,756



17. Interested Person Transactions

The Company does not have a shareholders’ mandate for interested person transactions. There were no interested person transactions during the half year ended 31 December 2020.

18. 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.

19. Report of persons occupying managerial positions who are related to a director, chief executive officer or substantial shareholder

Pursuant to Rule 704 (13) of the Listing Manual of the Singapore Exchange Securities Trading Limited, we confirm that there is no person occupying a managerial position in Roxy-Pacific Holdings Limited (“the Company”) or in any of its principal subsidiaries who is a relative of a director, chief executive officer or substantial shareholder of the Company except for the following:

Name	Age	Family relationship with any director, CEO and/or substantial shareholder	Current position and duties, and the year the position was first held	Details of changes in duties and position held, if any, during the year
Teo Hong Lim	54	Brother of Teo Hong Yeow Chris.	Executive Chairman & CEO with effect from 20 May 1993. Overall in-charge of Group's Strategies and Management	No change
Teo Hong Yeow Chris	60	Brother of Teo Hong Lim.	Deputy CEO with effect from 23 March 2018. Overall in-charge of Hotel Ownership Business	No change
Alicia Teo Su Min	27	Daughter of Teo Hong Lim and niece of Teo Hong Yeow Chris.	Director of Business Development and Investment with effect from 1 January 2021. Support CEO on Business Development, Investments and Special Projects matters of the Group	She was the Business Development and Investment Manager since 1 January 2020.

ON BEHALF OF THE BOARD

Teo Hong Lim
Chairman & CEO

Koh Seng Geok
Executive Director & Deputy CEO

19th February 2021
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 31 December 2020 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

19th February 2021
Singapore