

TOWARDS
SUSTAINABLE
FUTURE

ROXY-PACIFIC HOLDINGS LIMITED

Results Announcement
First Quarter Ended 31 March 2017

5th May 2017

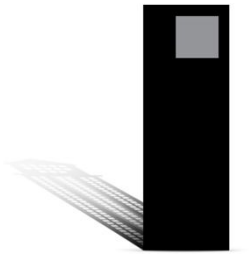
Agenda

1 Financial Performance

2 Business Review

3 Group Borrowings

4 Outlook



Financial Performance

1Q2017 Overview

- Net profit attributable to shareholders decreased to S$5.9 million in 1Q2017 (1Q2016: S$9.9 million)
- 1Q2017 Group's revenue was S$65.4 million as compared to S$103.0 million due to lower revenue recognition from Whitehaven and Jade Residences and absence of revenue recognition from LIV on Sophia.
- Total pre-sale revenue of S$439.3 million, which will be progressively recognised from 2Q2017 to 2020
- Strong cash and cash equivalents of S$260.1 million
- Net gearing remains healthy at 0.5 time notwithstanding the completion of acquisition of properties in Singapore in 1Q2017

Financial Performance

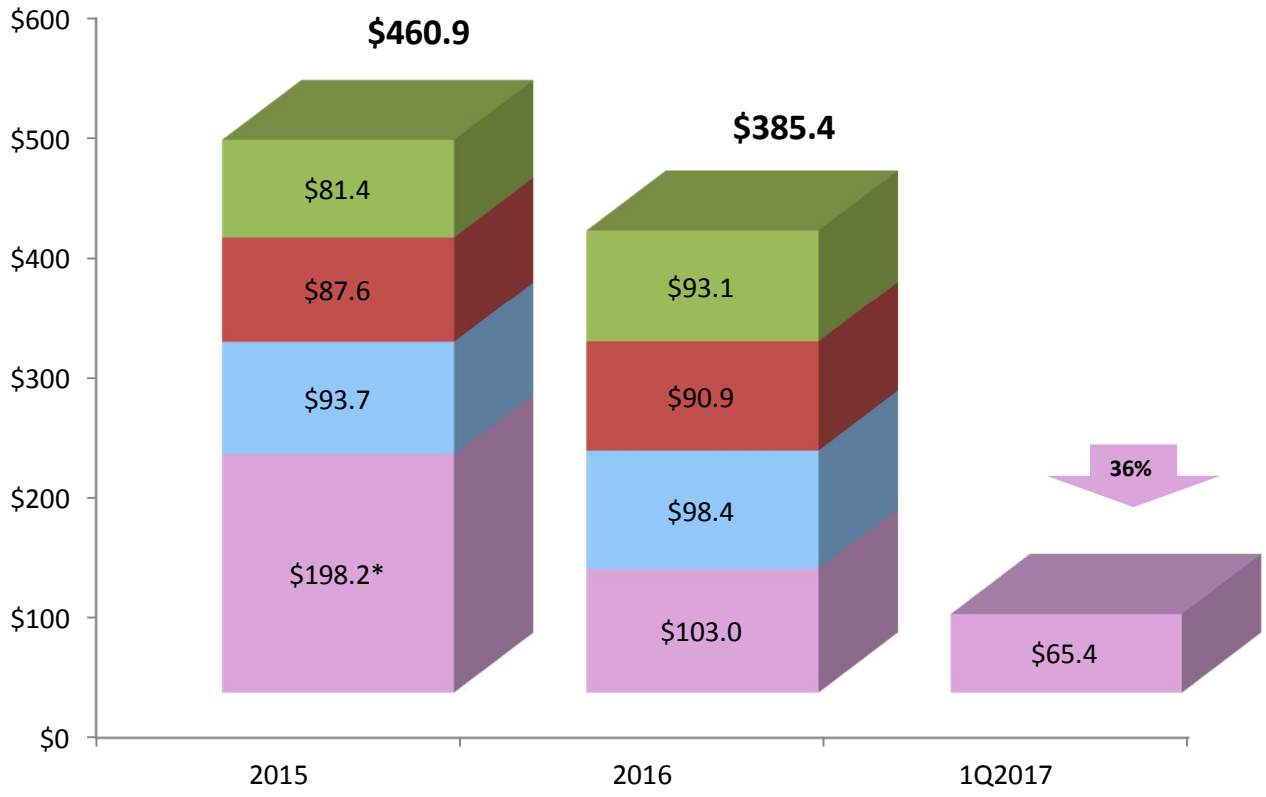
Financial Results	1Q2017	1Q2016	% change
Revenue (S$'m)	65.4	103.0	-36%
Gross Profit (S$'m)	16.3	23.1	-29%
Gross Margin (%)	25%	22%	3ppt
Share of results of associates (net of tax) (S$'m)	2.6	2.8	-8%
Pre-tax profit (S$'m)	9.2	13.5	-32%
Net Profit (S$'m)	6.3	10.9	-42%
Net Profit attributable to shareholders (S$'m)	5.9	9.9	-40%
EPS (SGD cents)	0.50	0.83	-40%

Financial Performance

Financial Performance

Turnover (S$'m)

1Q2017 revenue decreased by 36% in 1Q2017 to $65.4m due to lower revenue recognition from Whitehaven (TOP: 4Q2016) and Jade Residences (TOP: Jan 2017) and absence of revenue recognition from LIV on Sophia. (TOP: Dec 2016)



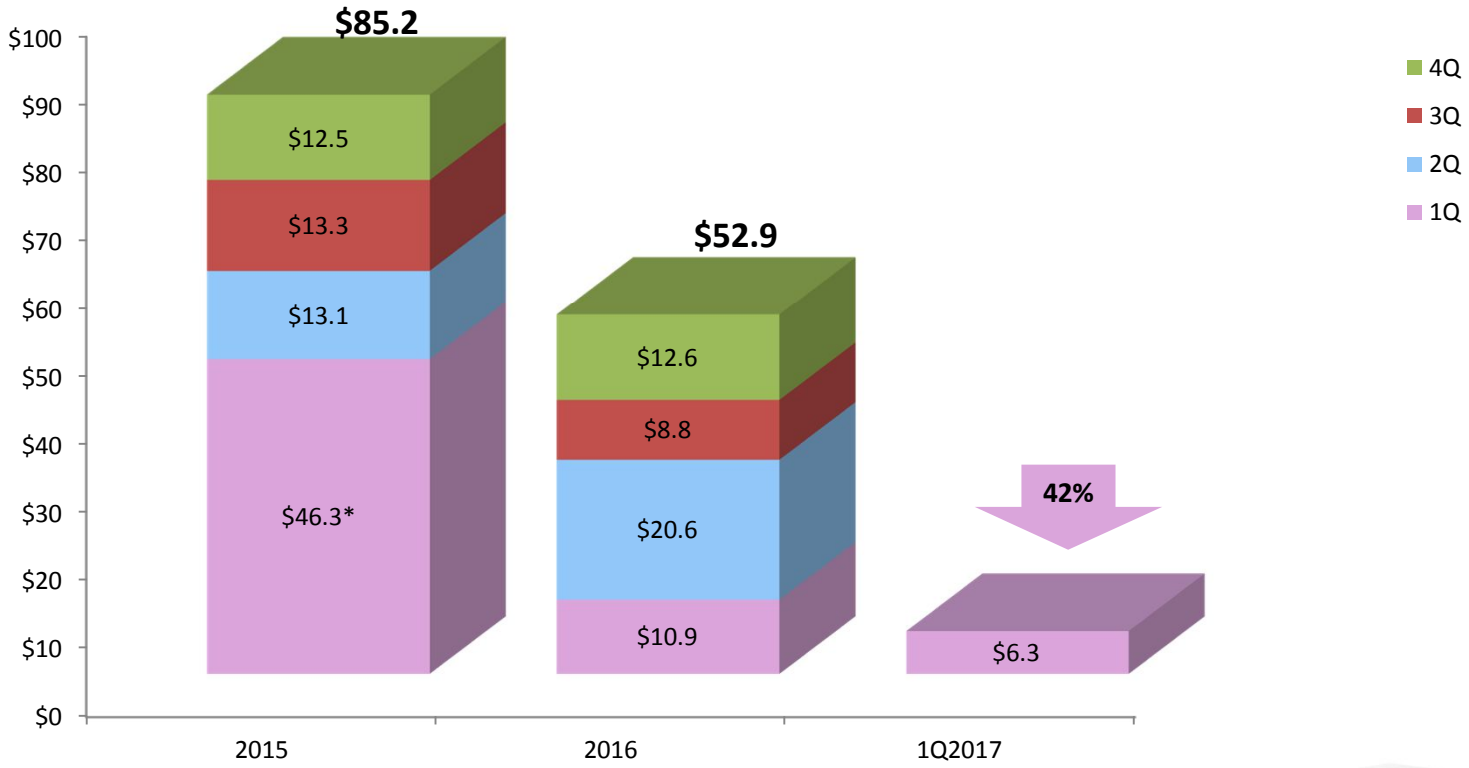
** Includes revenue recognised from Centropod@Changi amounting to S$141.4m upon obtaining its TOP in Jan 2015*

Financial Performance

Financial Performance

Profit After Tax (S$'m)

➡ **1Q2017 net profit decreased by 42% to S$6.3m.**

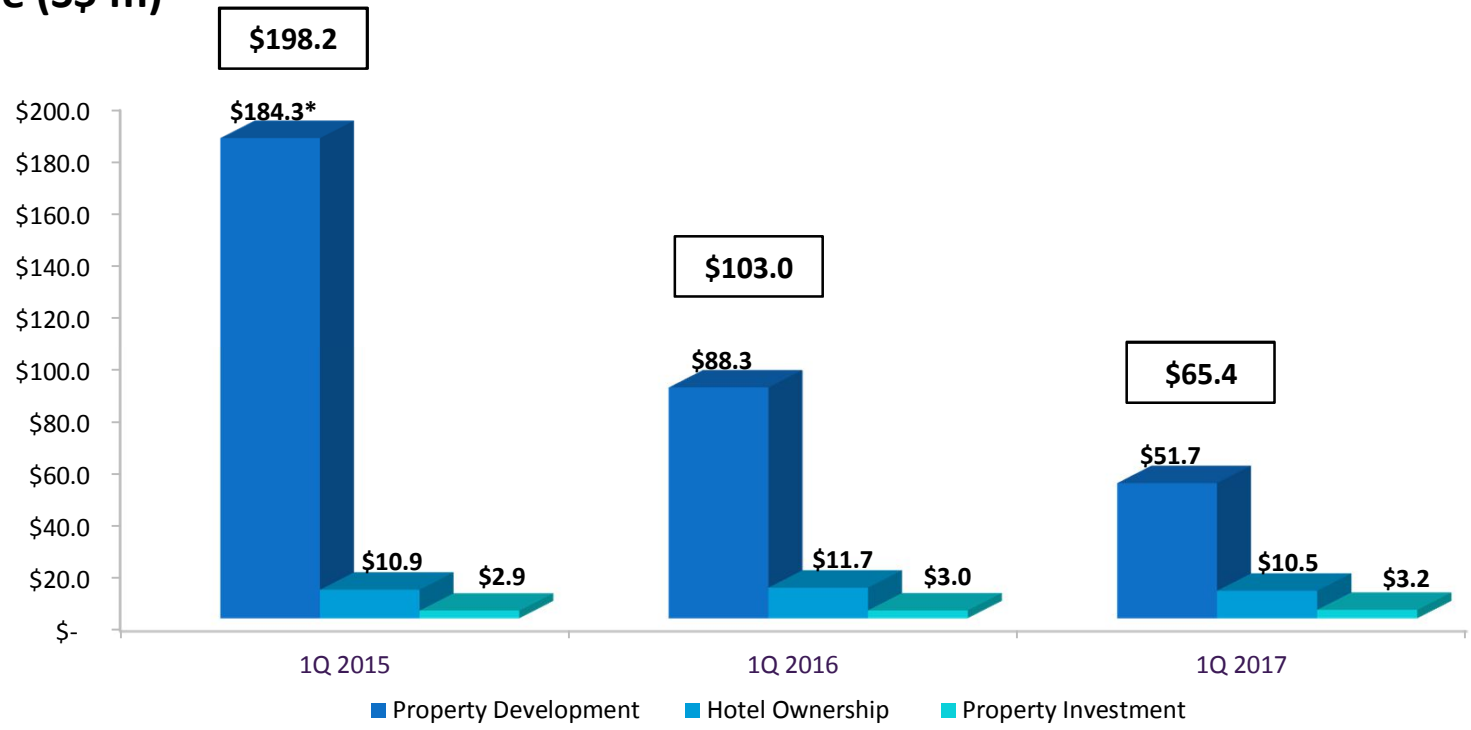


** Includes one-off contribution of profit from revenues recognised from Centropod@Changi amounting to S$43.3m upon obtaining its TOP in January 2015*

Financial Performance

Segment Results – 1Q2017

Revenue (S$'m)



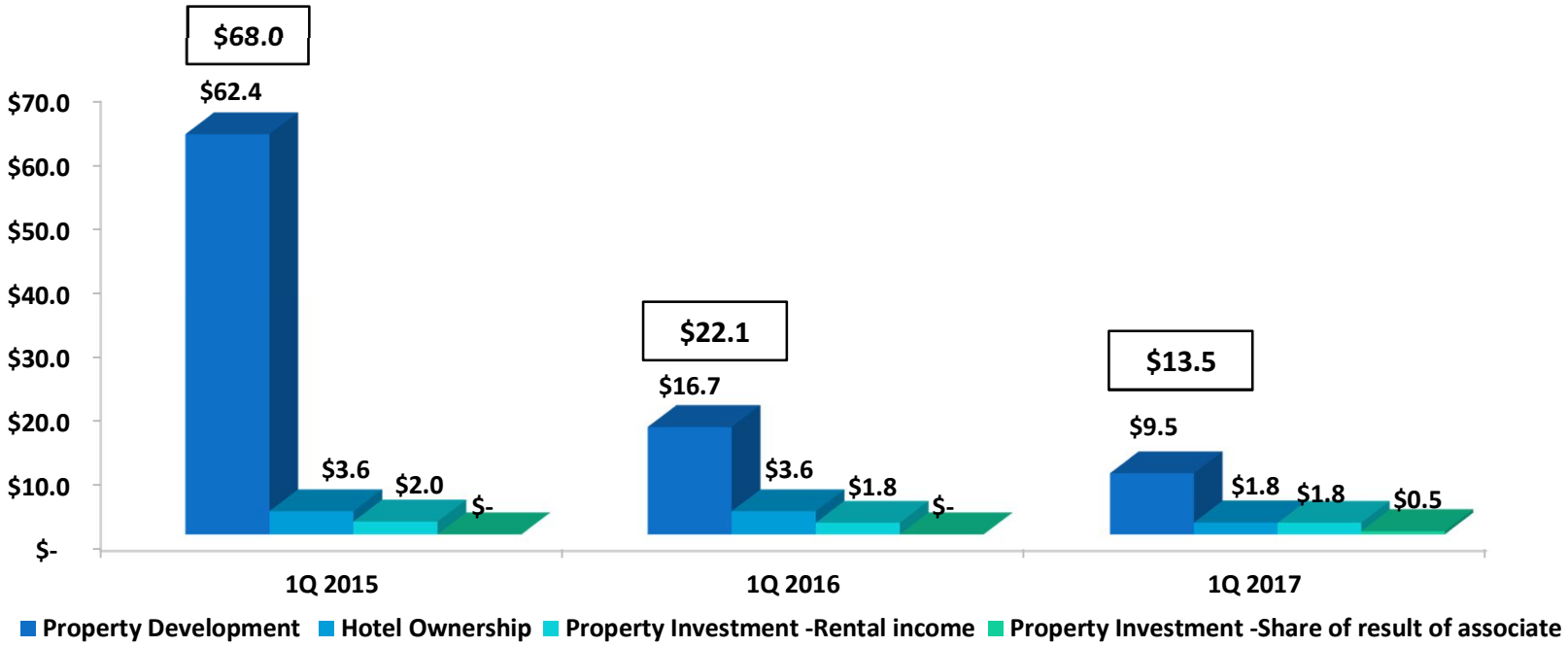
	1Q 2015	1Q 2016	1Q 2017
Property Development	93%	86%	79%
Hotel Ownership	6%	11%	16%
Property Investment	1%	3%	5%
	100%	100%	100%

**** Includes revenue recognised from Centropod@Changi amounting to S$141.4m upon obtaining its TOP in January 2015***

Financial Performance

Segment Results – 1Q2017

Adjusted EBITDA* (S$'m)

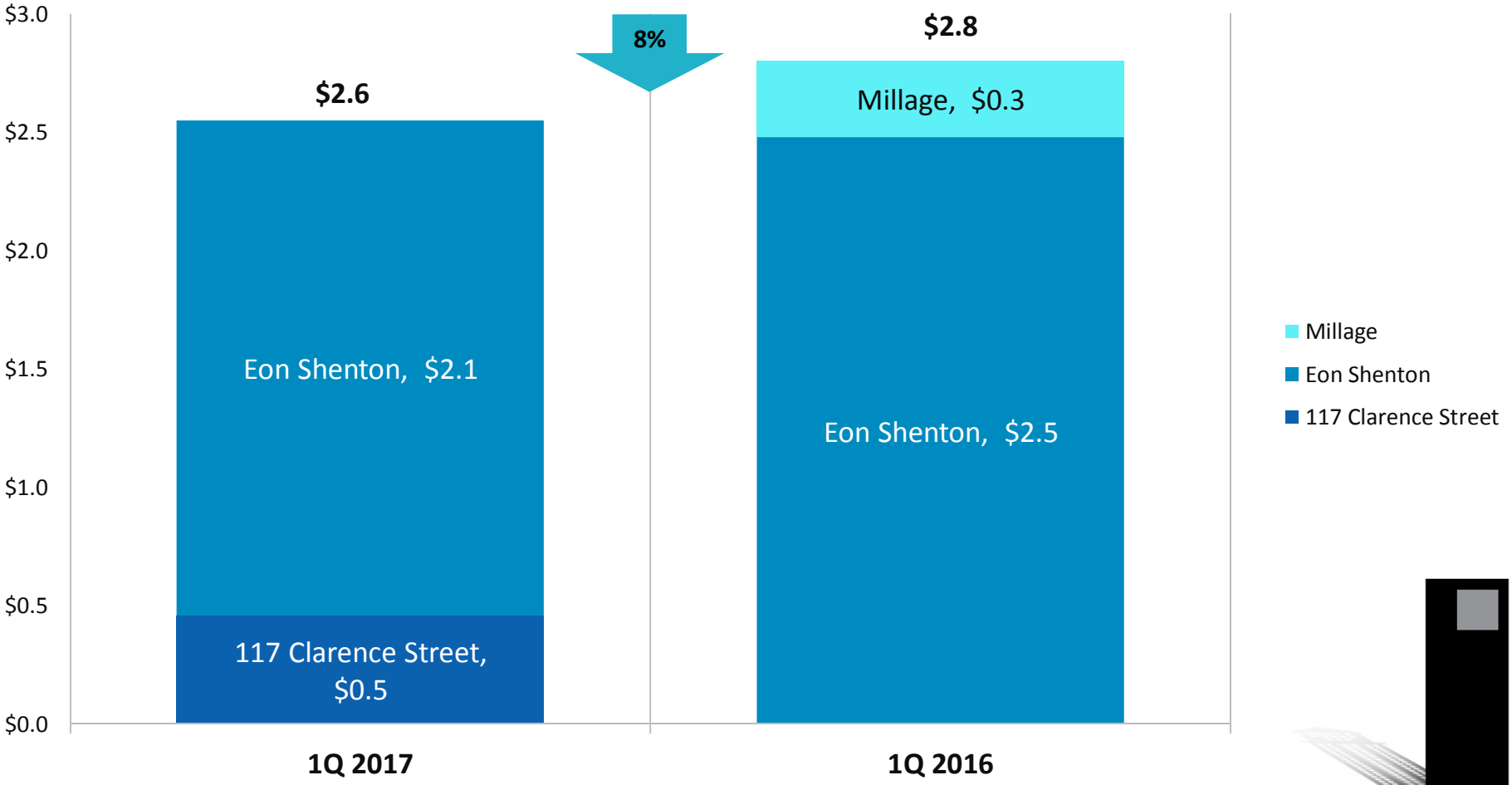


	1Q 2015	1Q 2016	1Q 2017
Property Development	92%	76%	70%
Hotel Ownership	5%	16%	14%
Property Investment -Rental income	3%	8%	13%
Property Investment -Share of result of associate	0%	0%	3%
	100%	100%	100%

*** Adjusted EBITDA excludes corporate expenses, depreciation of property, plant and equipment, finance cost (net) and fair value differences of cross currency swap and available-for-sale financial assets.**

Financial Performance

Share of results in associates (S$'m)



Financial Performance

Financial Position	31 Mar 2017 (S$m)	31 Dec 2016 (S$m)
Total assets	1,476.6	1,461.6
Total debt	839.4	832.7
Cash & cash equivalents [1]	260.1	237.3
Net debt	491.3	507.4
Net asset value ("NAV")	504.5	491.3
Revaluation surplus [2]	474.3	471.9
Adjusted net asset value ("ANAV")	978.8	963.2

(1) Cash holdings include project account monies amounting to S$117.7m as at 31 March 2017 (31 December 2016: S$112.1m)

(2) The fair value of the Grand Mercure Roxy Hotel, Noku Kyoto, hotel under development in Phuket, property in Maldives and the Head office premise were estimated to be S$636.2m as at 31 March 2017 (31 December 2016: S$636.2m)

Financial Performance

Financial Ratios	31 Mar 2017	31 Dec 2016
NAV per share (SGD cents)	42.32	41.20
ANAV per share (SGD cents) (1)	82.10	80.79
Cash holdings per share (SGD cents) (2)	21.81	19.90
Net debt to ANAV (times)	0.50	0.53
Total debt to ANAV (times)	0.86	0.86
Return on equity (%)	4.7%	10.1%

(1) The fair value of the Grand Mercure Roxy Hotel, Noku Kyoto, hotel under development in Phuket, property in Maldives and the Head office premise were estimated to be S$636.2m as at 31 March 2017 (31 December 2016: S$636.2m)

(2) Cash holdings include project account monies amounting to S$117.7m as at 31 March 2017 (31 December 2016: S$112.1m)



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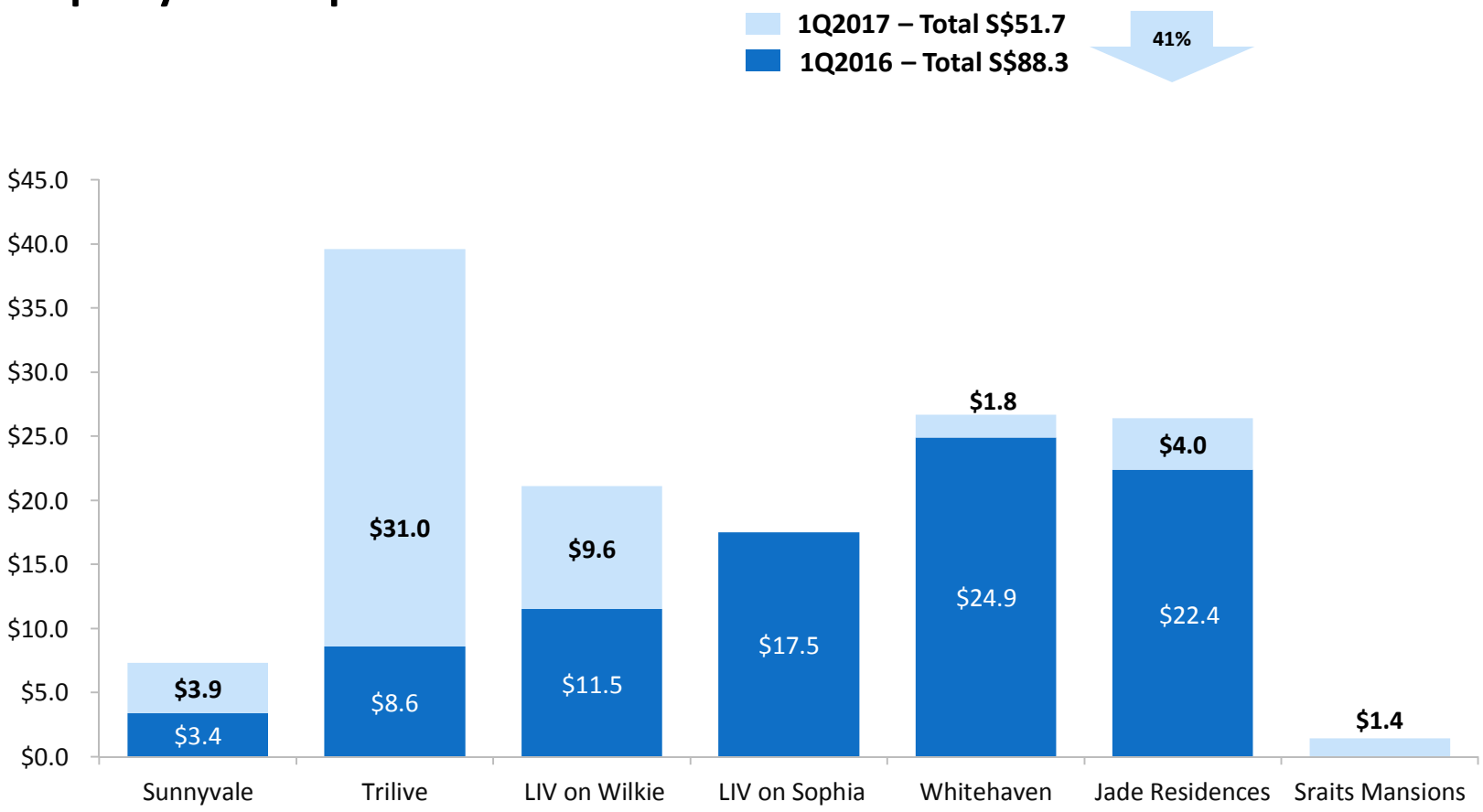
BUSINESS REVIEW

Property Development

Business Review

Property Development

Revenue from Property Development (S$'m)



- **1Q2017 Property Development revenue was mainly attributable to Trilive and LIV on Wilkie. The decrease in revenue was mainly due to lower revenue recognition from Jade Residences, Whitehaven, and absence of revenue recognition from LIV on Sophia.**

Business Review

Pre-Sale Revenue to be recognised by projects (S$'m)

	Project name	Type of development	Group stake	Total units in project	Unit sold	Attributable total sale value (i)(ii)	Attributable revenue recognised up to 31 March 2017	Balance attributable progress billings to be recognised from 2Q2017
			%	Unit	%	$'m	$'m	$'m
	Singapore							
1	Eon Shenton	Office	20%	98	100%	$ 60.1	$ 53.9	$ 6.2
		Residential	20%	132	96%	$ 38.4	$ 34.4	$ 4.0
		Shop	20%	23	100%	$ 4.8	$ 4.3	$ 0.5
2	LIV on Wilkie	Residential	90%	81	99%	$ 99.4	$ 92.8	$ 6.6
3	Sunnyvale Residences	Residential	100%	30	77%	$ 36.3	$ 32.5	$ 3.8
4	Trilive	Residential	85%	222	90%	$ 196.4	$ 123.4	$ 73.0
		Shop	85%	2	50%	$ 0.7	$ 0.4	$ 0.3
5	Straits Mansions	Residential	100%	25	100%	$ 48.2	$ 1.4	$ 46.8
	Malaysia							
6	Wisma Infinitum - The Colony by Infinitum	Residential	47%	423(iii)	70%	$ 48.5	-	$ 48.5
	Australia							
	Sydney							
7	The Hensley, Potts Point	Residential	100%	44	93%	$ 68.0	-	$ 68.0
		Shop	100%	1	100%	$ 1.2	-	$ 1.2
8	Octavia, Killara	Residential	100%	43	95%	$ 48.7	-	$ 48.7
9	West End Glebe - The Foundry	Residential	100%	140(iv)	61%	$ 100.8	-	$ 100.8
	South Brisbane							
10	New World Towers, Peel Street	Residential	40%	195(v)	62%	$ 30.9	-	$ 30.9
	Total			1,459		$ 782.4	$ 343.1	$ 439.3

(i) For Singapore projects, sale value is based on Option to Purchase granted up to 26 April 2017.
(ii) For overseas projects, sale value is based on contract signed up to 26 April 2017.
(iii) Represents Block A - The Colony by Infinitum. An additional 331 units in Block B are pending launch.
(iv) Represents Block 1 of the development. Block 2 with an estimated 91 units is pending launch.
(v) Represents Tower 1of the development. Tower 2 with an estimated 240 units is pending launch.

Business Review

Development Land Bank

	Location / Description	Proposed Development	Approximate Land Area (sgm)	Approximate Gross Floor Area (sqm)	Group's stake	Approximate Attributable Gross Floor Area (sqm)	Approximate Attributable Land Cost (SGD)	Approximate Attributable Land Cost (foreign currency)
	Singapore							
1	178,180,180A, 182 & 184 Jalan Eunos	48 units of Residential Development	2,315	3,242	100%	3,242	S$25.2m	NA
2	211 – 223A Pasir Panjang Road	57 units of Residential Development	2,856	3,998	100%	3,998	S$33.3m	NA
3	120 Grange Road	56 units of Residential Development	1,466	3,079	100%	3,079	S$48.5m	NA
4	826/A - 834/A Upper Bukit Timah Road	34 units of Residential Development	953	2,382	80%	1,906	S$13.6m	NA
	Australia							
1	54 & 85 Bracks Street, North Fremantle, Perth, Australia (1)	Industrial land; to be rezoned for Commercial & Residential use	45,463	TBC.	20.2%.	TBC.	S$12.8m	AUD11.9m
	Indonesia							
2	Jalan Kramat, Raya No 110, Jakarta, Indonesia	Commercial Development	1,703	7,152	49%	3,504	S$3.3m	IDR33.4b
	Total		54,756				S$136.7m	

(1) The properties are currently zoned as "Industrial" by the relevant Australian authorities. A decision to on-sell or redevelop the land will be made by the joint venture upon successful rezoning of the property for commercial and residential use



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BUSINESS REVIEW

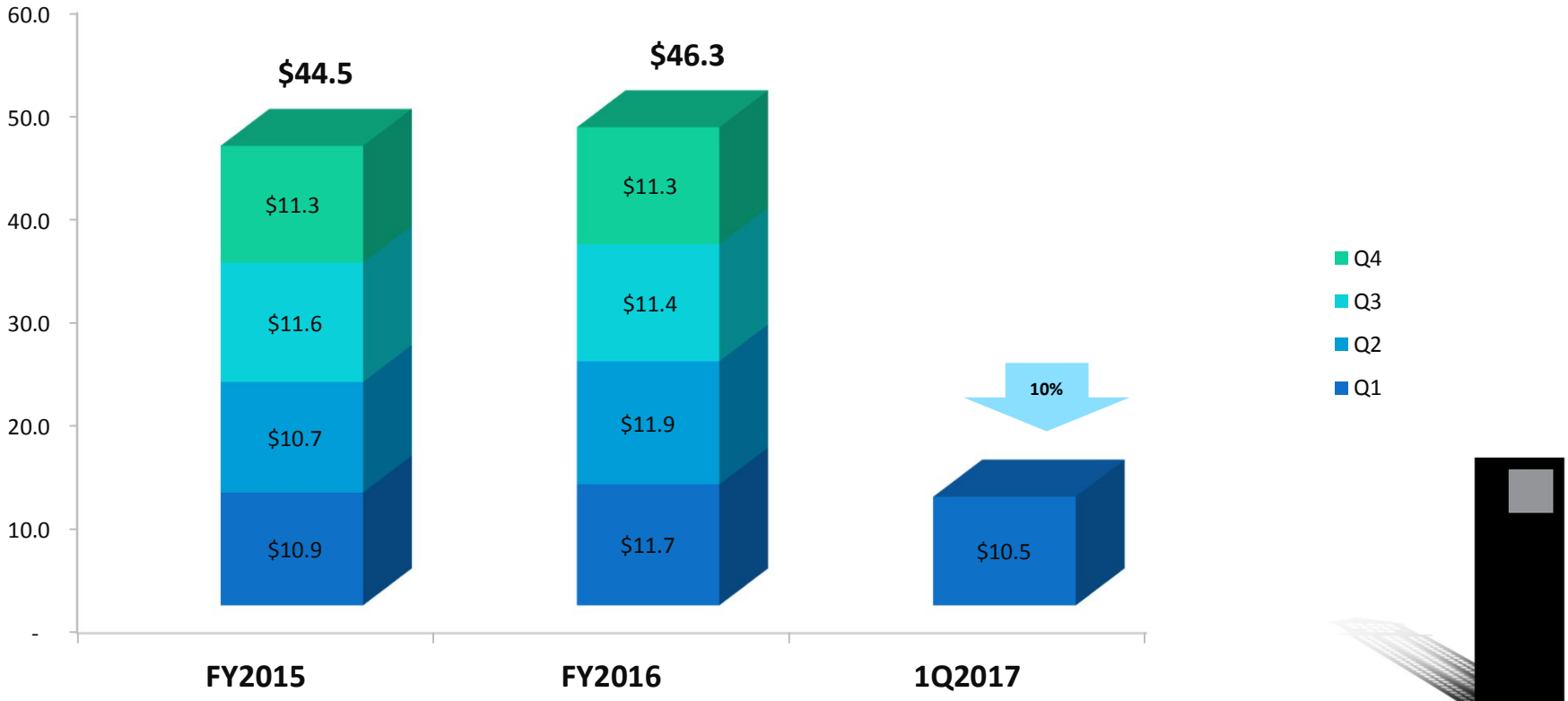
Hotel Ownership

Business Review

Hotel Ownership – 1Q2017

Hotel Revenue (S$m)

- Hotel revenue decreased 10% in 1Q2017 to S$10.5m from S$11.7m in 1Q2016 mainly due to lower RevPar of Grand Mercure Roxy Hotel

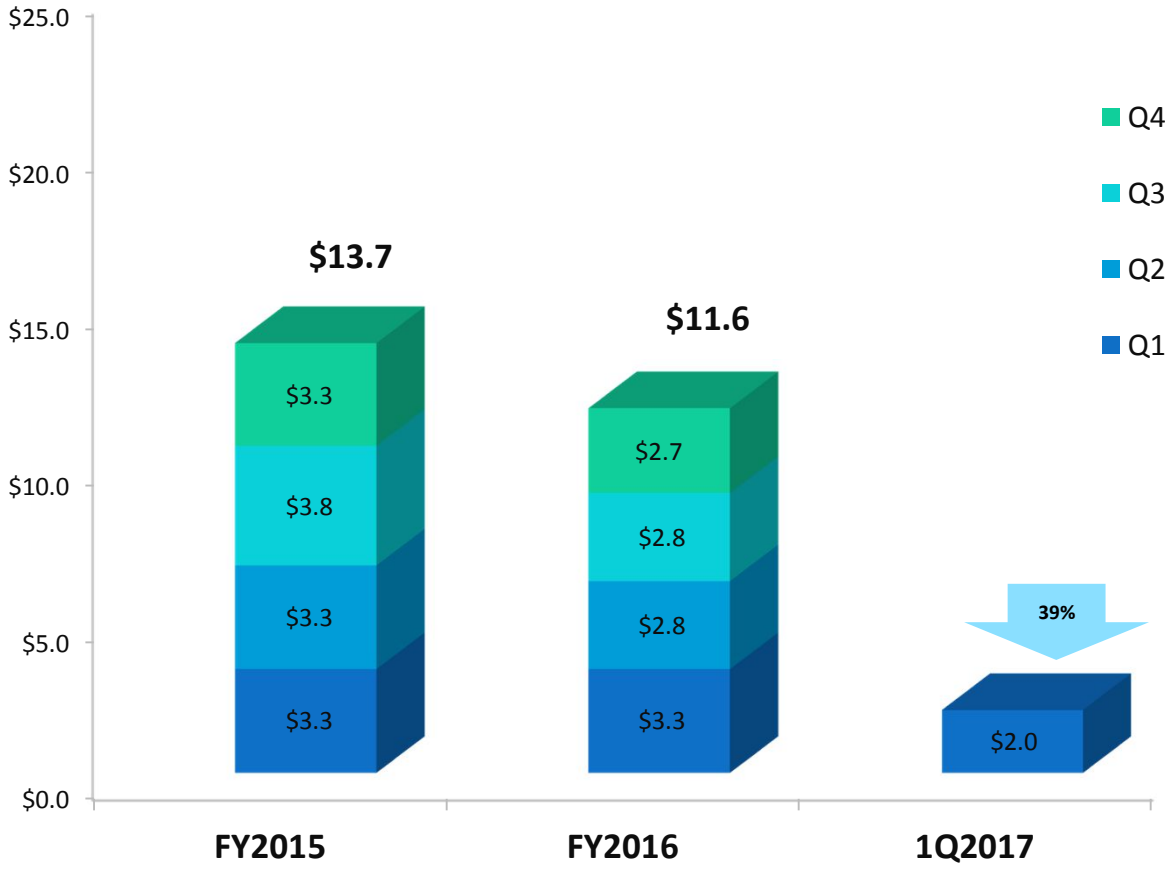


Business Review

Hotel Ownership – 1Q2017

Hotel Net Operating Profits ("NOP") (S$m)

- Hotel net operating profit decreased 39% in 1Q2017 to S$2.0m from S$3.3m in 1Q2016



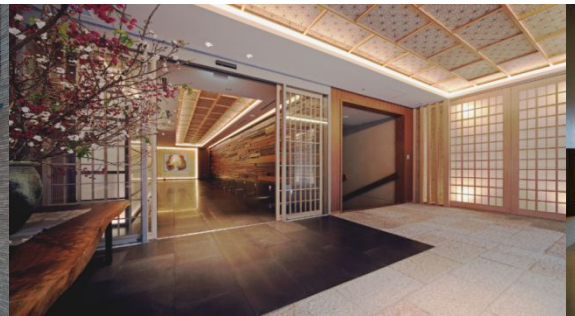
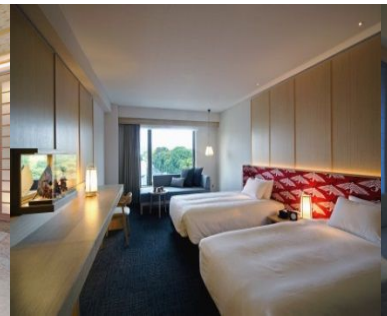
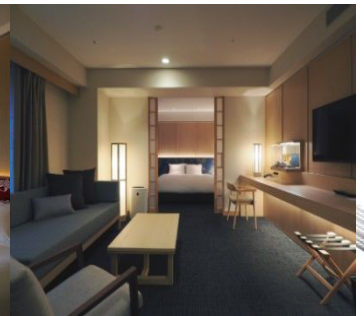
Hotel Net Operating Profits is defined as the earnings before interest, taxes, depreciation and amortisation.

Business Review

Noku Roxy Hotels under development/renovation

Hotel Name	Location	Group's stake	Tenure	Approximate Land area (sq m)	Attributable Gross Floor area (sq m)	No. of rooms	Commencement of hotel operation/ Estimated completion date
Hotel under development in Phuket	48/13 Moo 6, Chaofa Road, Phuket, Thailand	100%	Freehold	46,878	22,974	Approx. 91 rooms/villas	2019
Roxy Maldives Resort	Island of Kudafunafaru, Noonu Atoll, Maldives	100%	Remaining 40 years leasehold	89,896	16,380	50 villas	4Q2017
			Total	**136,774**			





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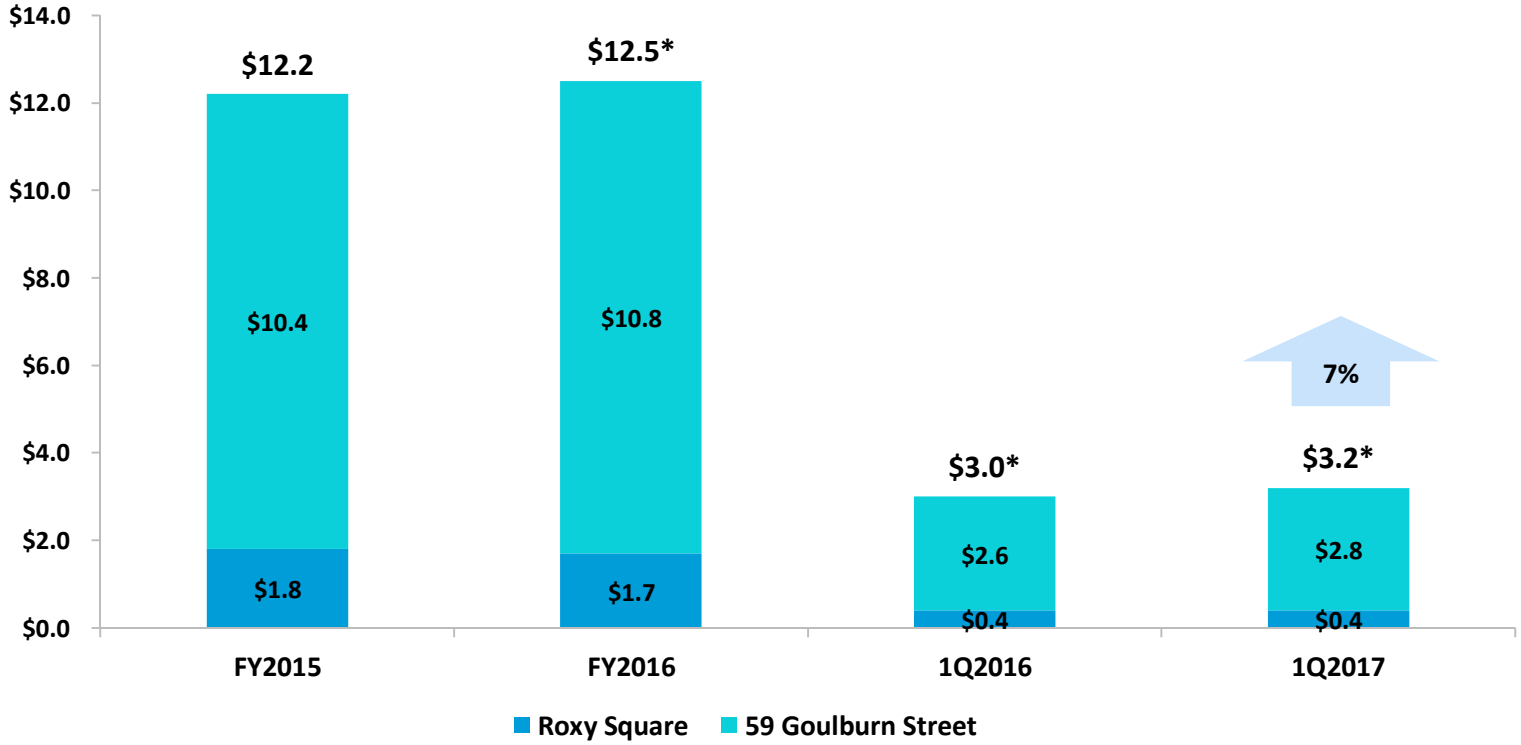
BUSINESS REVIEW
Property Investment

Business Review

Property Investment – 1Q2017

Revenue (S$'m)

- **Rental income increased 7% in 1Q2017 to S$3.2m from S$3.0m in 1Q2016**



* Excludes rental income from 117 Clarence Street as it is accounted for under share of results from associates

Business Review

Investment Properties

	Location	Description	Group's stake	Net Lettable Area/ Floor Area (sqm)	Occupancy (%) as at 31 Mar 2017 (on lettable area)	Valuation [1] ($)	Estimated Total Annual Gross Income (S$)
	Held by a subsidiary company						
1	50 East Coast Road, Roxy Square, Singapore	47 shop units [2]	100%	2,352	84%	S$67.2m	$1.8m
2	59 Goulburn Street, Sydney, Australia	28-Storey commercial building	100%	19,406	98%	S$134.6m (A$126.0m)	$11.2m
			Total	**21,758**		**S$201.8m**	
	Held by an Associate company						
1	117 Clarence Street, Sydney, Australia	14-Storey commercial building	50%	12,517	100%	S$106.6m (A$102.0m)	$7.5m

(1) Based on latest valuations as of 31 December 2016
(2) Excludes 5 units which are for owner-use premises



Roxy square


117 Clarence Street


59 Goulburn Street

Group Borrowing

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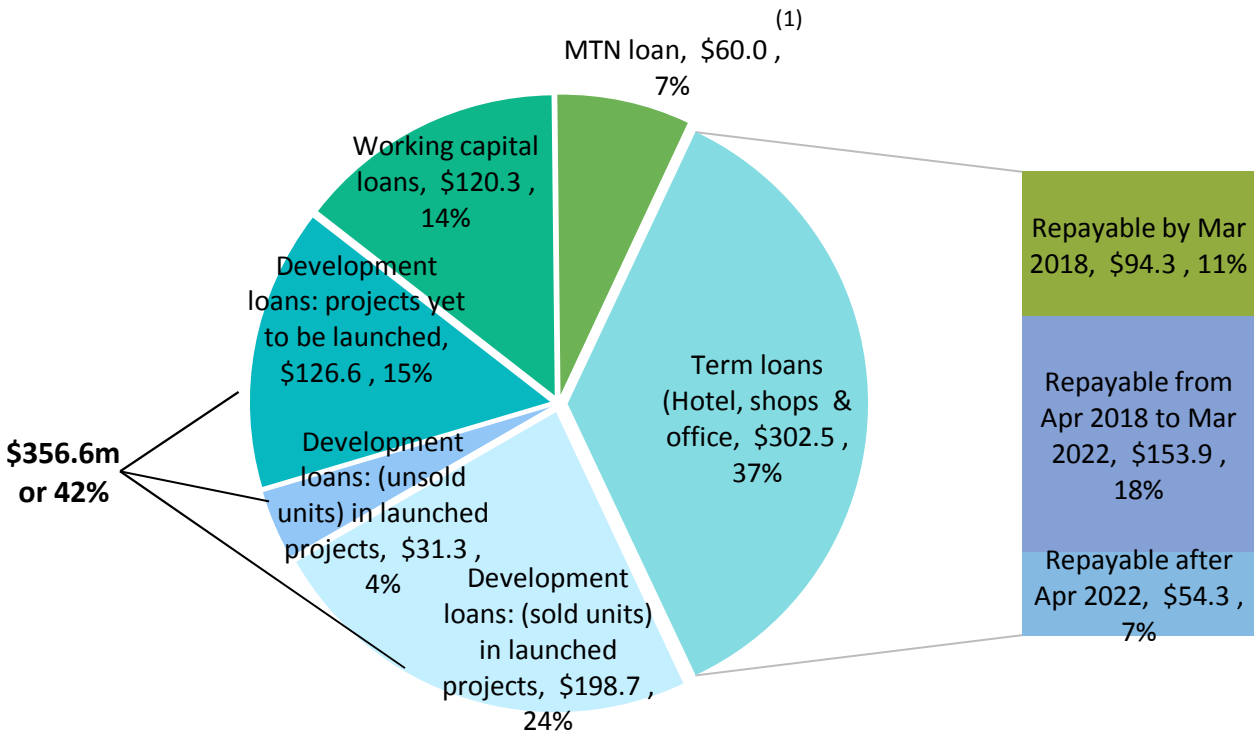
Group Borrowing

Debt Profile	31 Mar 2017	31 Dec 2016
Total borrowings (S$m)	S$839.4	S$832.7
Fixed rate loans (S$m)	S$357.8	S$357.4
Fixed rate loans as % of total loans	43%	43%
Weighted average term for fixed rate loans	13 months	14 months
Weighted average interest rate (fixed rate loans)	3.3%	2.7%
Weighted average interest rate (floating rate loans)	2.6%	2.5%
Interest coverage ratio (times)	3.0	5.4

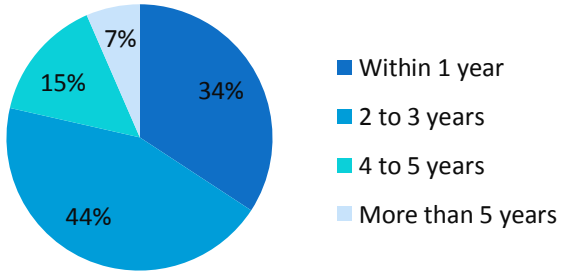
Group Borrowing

Debt Profile as at 31 Mar 2017 (S$m)

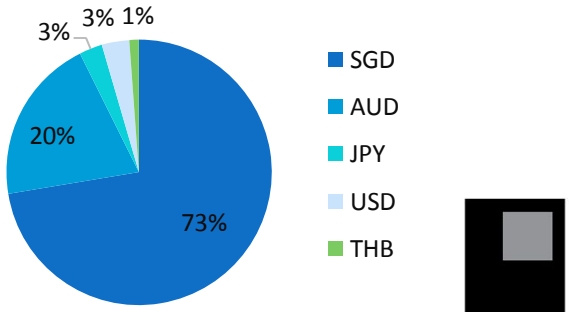
Total outstanding debts of S$839.4m as of 31 Mar 2017



Debt Maturity



Debt Currency Mix



(1) S$60.0m MTN loan is repayable in July 2018

(2) Includes term loan of S$62.6m office building at 59 Goulburn Street, Australia

Outlook

1. **General**
- The MTI announced that the Singapore economy grew by 2.5% y-o-y in 1Q2017, easing from 2.9% growth in 4Q2016. For 2017, MTI has maintained the GDP growth forecast at 1.0% to 3.0% [1]
- Latest statistics from the Australian Bureau of Statistics ("ABS") showed a 2.4% year-on-year seasonally-adjusted growth in Australia's GDP for the fourth quarter ended 31 December 2016 [2].

2. **Property Development**
- Latest statistics from the Urban Redevelopment Authority showed a 0.4% decline in private residential property prices in 1Q2017, compared with the 0.5% decline in 4Q2016[3].
- The Australia residential property price index (eight capital cities, weighted average) rose 7.7% on a y-o-y basis [4]
- Strong take-up rate of more than 60% for West End Glebe – The Foundry, in Sydney
- The Group's property development presale revenue was S$439.3 million[5], the profit of which will be progressively recognised from 2Q2017 to 2020

3. **Hotel Ownership**
- Latest statistics from the STB showed 16.4 million or a 7.7% y-o-y rise in international visitor arrivals for 2016[6]
- The Group looks forward to continue strengthening recurring income streams

4. **Property Investment**
- The Group's investment in Goulburn Street and 117 Clarence Street, Sydney, Australia, have continued to contribute strong recurring income to its Property Investment segment in 1Q2017
- The Group will continue to actively look for acquisitions and investment opportunities that offer high yield potential

5. **Strong cash and cash equivalents of S$260.1 million**

6. **Net gearing remains healthy at 0.5 time**

7. **Barring any unforeseen circumstances, the directors expect the Group to be profitable in 2017**

(1) Ministry of Trade and Industry, April 13, 2017 – Singapore's GDP grew by 2.5% in 1st Quarter 2017

(2) Australian Bureau of Statistics, March 1, 2017 – Australian National Accounts: National Income, Expenditure and Product, Dec 2016

(3) Urban Redevelopment Authority, April 28, 2017 – Release of 1st Quarter 2017 real estate statistics

(4) Australian Bureau of Statistics, March 21, 2017 – Residential Property Price Indexes: Eight Capital Cities, Dec 2016

(5) As at April 26, 2017

(6) International Visitor Arrivals Statistics – Singapore Tourism Board, February 14, 2017

ROXY-PACIFIC HOLDINGS LIMITED

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TOWARDS
SUSTAINABLE FUTURE

THANK YOU