



**Roxy-Pacific  
Holdings Limited**

## **ROXY-PACIFIC HOLDINGS LIMITED**

(Registration Number: 196700135Z)

UNAUDITED FULL YEAR FINANCIAL STATEMENTS AND DIVIDEND  
ANNOUNCEMENT FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2018

**UNAUDITED FULL YEAR FINANCIAL STATEMENTS AND DIVIDEND ANNOUNCEMENT  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2018**

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**UNAUDITED FULL YEAR FINANCIAL STATEMENTS AND DIVIDEND ANNOUNCEMENT  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2018**

**PART I-INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1, Q2, Q3 & Q4),  
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 | Fourth quarter ended<br>31 December |                               |             | Full year ended<br>31 December |                               |             |
|----------------------------------------------------|------|-------------------------------------|-------------------------------|-------------|--------------------------------|-------------------------------|-------------|
|                                                    |      | 2018<br>S\$'000                     | 2017<br>S\$'000<br>(Restated) | Change<br>% | 2018<br>S\$'000                | 2017<br>S\$'000<br>(Restated) | Change<br>% |
| Revenue                                            | A.1  | <b>30,828</b>                       | 43,320                        | -29%        | <b>132,855</b>                 | 246,813                       | -46%        |
| Cost of sales                                      | A.2  | <b>(18,237)</b>                     | (31,398)                      | -42%        | <b>(83,625)</b>                | (187,275)                     | -55%        |
| Gross profit                                       | A.2  | <b>12,591</b>                       | 11,922                        | 6%          | <b>49,230</b>                  | 59,538                        | -17%        |
| Other operating income                             | A.3  | <b>4,836</b>                        | 3,536                         | 37%         | <b>13,226</b>                  | 32,837                        | -60%        |
| Distribution and selling expenses                  | A.4  | <b>(2,298)</b>                      | (1,586)                       | 45%         | <b>(8,787)</b>                 | (4,960)                       | 77%         |
| Administrative expenses                            | A.5  | <b>(3,840)</b>                      | (2,834)                       | 35%         | <b>(10,217)</b>                | (11,114)                      | -8%         |
| Other operating expenses                           | A.6  | <b>(7,987)</b>                      | (4,134)                       | 93%         | <b>(23,560)</b>                | (28,238)                      | -17%        |
| Finance costs                                      | A.7  | <b>(3,338)</b>                      | (3,379)                       | -1%         | <b>(12,400)</b>                | (14,343)                      | -14%        |
| Share of results of associates (net of income tax) | A.8  | <b>6,540</b>                        | 6,087                         | n/m         | <b>20,844</b>                  | 14,095                        | 48%         |
| Profit before taxation                             |      | <b>6,504</b>                        | 9,612                         | -32%        | <b>28,336</b>                  | 47,815                        | -41%        |
| Taxation                                           | A.9  | <b>(611)</b>                        | (1,366)                       | -55%        | <b>(4,553)</b>                 | (15,443)                      | -71%        |
| Profit after taxation                              |      | <b>5,893</b>                        | 8,246                         | -29%        | <b>23,783</b>                  | 32,372                        | -27%        |
| Attributable to:                                   |      |                                     |                               |             |                                |                               |             |
| Equity holders of the Company                      |      | <b>5,930</b>                        | 8,138                         | -27%        | <b>23,869</b>                  | 30,496                        | -22%        |
| Non-controlling interests                          | A.14 | <b>(37)</b>                         | 108                           | n/m         | <b>(86)</b>                    | 1,876                         | n/m         |
|                                                    |      | <b>5,893</b>                        | 8,246                         | -29%        | <b>23,783</b>                  | 32,372                        | -27%        |



**Roxy-Pacific  
Holdings Limited**

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

|                                                           |      | Fourth quarter ended<br>31 December |                               |             | Full year ended<br>31 December |                               |             |
|-----------------------------------------------------------|------|-------------------------------------|-------------------------------|-------------|--------------------------------|-------------------------------|-------------|
|                                                           | Note | 2018<br>S\$'000                     | 2017<br>S\$'000<br>(Restated) | Change<br>% | 2018<br>S\$'000                | 2017<br>S\$'000<br>(Restated) | Change<br>% |
| <b>after crediting:</b>                                   |      |                                     |                               |             |                                |                               |             |
| Fair value gain on investment properties                  |      | 1,439                               | -                             | n/m         | 4,910                          | 24,047                        | -80%        |
| Foreign exchange gain (realised)                          | A.10 | -                                   | 1,815                         | -100%       | 548                            | 1,859                         | -71%        |
| Foreign exchange gain (unrealised)                        | A.11 | 645                                 | 1,135                         | -43%        | 943                            | 2,389                         | -61%        |
| Reversal of impairment loss on trade receivables          |      | 3                                   | -                             | n/m         | 3                              | -                             | n/m         |
| Interest income                                           |      | 637                                 | 667                           | -4%         | 2,096                          | 2,360                         | -11%        |
| Fair value gain on cross currency interest rate swap      | A.12 | -                                   | -                             | -           | -                              | 666                           | -100%       |
| <b>after charging:</b>                                    |      |                                     |                               |             |                                |                               |             |
| Depreciation of property, plant and equipment             | A.6  | (2,420)                             | (1,679)                       | 44%         | (7,049)                        | (5,730)                       | 23%         |
| Amortisation of intangible assets                         |      | (46)                                | (4)                           | n/m         | (182)                          | (17)                          | n/m         |
| Directors' fees                                           |      | (41)                                | (50)                          | -17%        | (148)                          | (165)                         | -10%        |
| Foreign exchange loss (realised)                          |      | (23)                                | (7)                           | n/m         | (8)                            | (376)                         | -98%        |
| Foreign exchange loss (unrealised)                        | A.13 | (992)                               | -                             | n/m         | (2,489)                        | (478)                         | n/m         |
| Impairment loss on trade receivables                      |      | (22)                                | (7)                           | 214%        | (22)                           | (19)                          | 16%         |
| Provision for impairment of long-term loans to associates |      | -                                   | -                             | -           | -                              | (5,197)                       | -100%       |
| Bad debt written off                                      |      | -                                   | -                             | -           | -                              | (11)                          | n/m         |
| Interest on borrowings                                    | A.7  | (3,323)                             | (3,317)                       | -           | (12,267)                       | (14,064)                      | -13%        |
| Staff costs (including directors' remuneration)           |      | (7,249)                             | (5,823)                       | 24%         | (22,313)                       | (23,127)                      | -4%         |
| Property, plant and equipment written off                 |      | -                                   | (835)                         | n/m         | -                              | (835)                         | n/m         |

n/m: not meaningful

**Notes to Consolidated Income Statement:**

- A.1 Revenue decreased in FY2018 and 4Q2018 mainly due to lower contribution from the Property Development segment, partially offset by higher revenue from Hotel Ownership segment. Please refer to paragraph 8(a) for a more detailed analysis.
- A.2 Cost of sales and gross profit decreased in FY2018, in line with the lower revenue. Please refer to paragraph 8(a) for a more detailed analysis.
- A.3 Other operating income decreased in FY2018 mainly due to higher fair value gain on investment property recorded for 59 Goulburn Street amounting to \$28.3 million in 2017 as compared to \$3.9 million fair value gain recorded from NZI Centre in 2018. This was partially offset by fair value loss from Roxy Square in 2017.
- Other operating income increased in 4Q2018 mainly due to higher fair value gain on investment property recorded for NZI Centre and Roxy Square.
- A.4 Distribution and selling expenses were higher in 2018 mainly due to showflats expenses incurred for 120 Grange, Harbour View Gardens, Bukit 828, RV Altitude, Fyve Derbyshire and Dunearn 386. The higher distribution and selling expenses in 4Q2018 were mainly due to showflat expenses incurred for Fyve Derbyshire and Dunearn 386.
- A.5 Administrative expenses were lower in FY2018 mainly due lower provision for directors' incentive bonus, in line with lower profits. In 4Q2018, administrative expense is higher mainly due to provision for directors' incentive bonus in 4Q2018 upon achieving the minimum level of profits.
- A.6 Other operating expense decreased in FY2018 mainly due to provision made in prior year for impairment (\$5.2 million) of long-term loans to an associate as a result of higher than expected construction costs for the hotel development project in Perth as well as property, plant and equipment written off from the sale of 59 Goulburn Street building in 3Q2017. In 4Q2018, other operating expense increased mainly due to higher unrealised foreign exchange loss and writeback of over provision of selling expenses for the sale of Goulburn Street building in 4Q2017.
- Depreciation expense increased in FY2018 & 4Q2018 mainly due to provision for depreciation of Noku Osaka and Noku Maldives upon the commencement of its hotel operation from 4Q2017 and 3Q2018 respectively.
- A.7 In FY2018 finance costs decreased mainly due to repayment of bank loan for 59 Goulburn Street, the sale of building was completed in October 2017. The Group has also partially repaid \$19.5 million of the \$60 million MTN Series 1 Note in 3Q2017 with the remaining \$40.5 million fully repaid in July 2018. This was partially offset by the interest on loans from the acquisition of Noku Osaka in Japan and NZI Centre in New Zealand in December 2017.
- A.8 Share of results of associates increased in FY2018 mainly due to adjustment for provision for taxation on the investment in 8 Russell Street, Hong Kong.
- A.9 The lower tax expense in FY2018 is mainly due to absence of tax provision for the sale of 59 Goulburn Street, which was recorded in 2Q2017.
- A.10 In FY2018, foreign exchange gain (realised) arose mainly due to conversion of AUD fixed deposit into SGD on its maturity. In FY2017, the exchange gain (realised) arose mainly due to receipt of AUD loan repayment from Australia subsidiaries.
- A.11 In FY2018 and 4Q2018, foreign exchange gain (unrealised) arose mainly from appreciation of JPY advances made to subsidiaries and depreciation of AUD advances from Australia subsidiaries. FY2017 exchange gain (unrealised) arose mainly from depreciation of HKD payable against SGD. In 4Q2017, the unrealised foreign exchange gain arose mainly from depreciation of HKD payables against SGD and appreciation of AUD fixed deposit after the FD placement.

- A.12 The fair value gain on cross currency interest rate swap (“CCS”) is recorded in other operating income in 2017. The CCS has matured on 17 July 2017.
- A.13 Foreign exchange loss (unrealised) in FY2018 arose mainly due to depreciation of AUD Fixed deposit and receivables from subsidiaries and appreciation of HKD payable. FY2017 foreign exchange loss was mainly due to depreciation of JPY advances to subsidiaries. 4Q2018 unrealised foreign exchange loss was mainly due depreciation of AUD Fixed deposit.
- A.14 Non-controlling interests was a loss in FY2018 and 4Q2018 mainly due to showflat expenses incurred for 120 Grange and Bukit 828 projects. In FY2017 and 4Q2017, non-controlling interests comprised mainly profits from Trilive, the contribution from which in FY2018 and 4Q2018 was lower mainly due to its Temporary Occupation Permits (“TOP”) obtained in June 2018.

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

|                                                                                               | Fourth quarter ended<br>31 December |                               |             | Full year ended<br>31 December |                               |             |
|-----------------------------------------------------------------------------------------------|-------------------------------------|-------------------------------|-------------|--------------------------------|-------------------------------|-------------|
|                                                                                               | 2018<br>S\$'000                     | 2017<br>S\$'000<br>(Restated) | Change<br>% | 2018<br>S\$'000                | 2017<br>S\$'000<br>(Restated) | Change<br>% |
| <b>Profit after taxation</b>                                                                  | <b>5,893</b>                        | <b>8,246</b>                  | <b>-29%</b> | <b>23,783</b>                  | <b>32,372</b>                 | <b>-27%</b> |
| <b>Other comprehensive income</b>                                                             |                                     |                               |             |                                |                               |             |
| Net change in financial asset at fair value through profit or loss                            | (42)                                | 154                           | n/m         | (377)                          | 316                           | n/m         |
| Fair value of owner occupied Property, Plant and Equipment transferred to Investment Property | -                                   | -                             | -           | -                              | 533                           | -100%       |
| Tax on other comprehensive income                                                             | 7                                   | (26)                          | n/m         | 64                             | (54)                          | n/m         |
| Currency translation differences arising from consolidation                                   | (2,232)                             | (8,268)                       | -73%        | (14,038)                       | (2,371)                       | n/m         |
| Other comprehensive loss, net of tax                                                          | (2,267)                             | (8,140)                       | -72%        | (14,351)                       | (1,576)                       | n/m         |
| <b>Total comprehensive income for the year</b>                                                | <b>3,626</b>                        | <b>106</b>                    | <b>n/m</b>  | <b>9,432</b>                   | <b>30,796</b>                 | <b>-69%</b> |
| Attributable to:                                                                              |                                     |                               |             |                                |                               |             |
| Equity holders of the Company                                                                 | 3,663                               | (2)                           | n/m         | 9,515                          | 28,920                        | -67%        |
| Non-controlling interests                                                                     | (37)                                | 108                           | n/m         | (83)                           | 1,876                         | n/m         |
|                                                                                               | <b>3,626</b>                        | <b>106</b>                    | <b>n/m</b>  | <b>9,432</b>                   | <b>30,796</b>                 | <b>-69%</b> |

- A.15 Currency translation differences in FY2018 and 4Q2018 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 | 31-Dec-18<br>S\$'000 | 31-Dec-17<br>S\$'000<br>(Restated) | 1-Jan-17<br>S\$'000<br>(Restated) | 31-Dec-18<br>S\$'000 | 31-Dec-17<br>S\$'000 |
| ASSETS                                                |      |                      |                                    |                                   |                      |                      |
| Non-Current                                           |      |                      |                                    |                                   |                      |                      |
| Property, plant and equipment                         | B.1  | 231,028              | 215,507                            | 175,527                           | 774                  | 801                  |
| Intangible assets                                     |      | 393                  | 541                                | 68                                | 327                  | 491                  |
| Investment properties                                 |      | 126,464              | 124,191                            | 198,835                           | -                    | -                    |
| Investment in subsidiaries                            |      | -                    | -                                  | -                                 | 55,943               | 55,943               |
| Amounts due from subsidiaries                         | B.2  |                      |                                    |                                   | 114,660              | 87,237               |
| Investment in associates                              | B.3  | 142,479              | 164,875                            | 146,944                           | -                    | -                    |
| Amounts due from associates                           | B.3  | 58,432               | 34,876                             | 11,264                            | -                    | -                    |
| Financial assets at fair value through profit or loss | B.4  | 1,856                | 2,275                              | 1,425                             | 356                  | 700                  |
|                                                       |      | 560,652              | 542,265                            | 534,063                           | 172,060              | 145,172              |
| Current                                               |      |                      |                                    |                                   |                      |                      |
| Development properties for sale*                      | B.5  | 759,948              | 540,584                            | 486,369                           | -                    | -                    |
| Inventories                                           |      | 1,086                | 1,065                              | 784                               | -                    | -                    |
| Trade receivables                                     | B.6  | 28,692               | 53,279                             | 93,145                            | 2                    | 9                    |
| Other receivables                                     | B.7  | 7,883                | 31,054                             | 13,402                            | 397,213              | 336,084              |
| Cash and bank balances                                |      | 291,574              | 322,460                            | 325,325                           | 166,888              | 168,220              |
|                                                       |      | 1,089,183            | 948,442                            | 919,025                           | 564,103              | 504,313              |
| Total assets                                          |      | 1,649,835            | 1,490,707                          | 1,453,088                         | 736,163              | 649,485              |
| EQUITY AND LIABILITIES                                |      |                      |                                    |                                   |                      |                      |
| Capital and Reserves                                  |      |                      |                                    |                                   |                      |                      |
| Share capital                                         |      | 47,399               | 47,399                             | 47,399                            | 47,399               | 47,399               |
| Treasury shares                                       |      | (3,954)              | (564)                              | (555)                             | (3,954)              | (564)                |
| Fair value reserve                                    |      | -                    | 312                                | 50                                | -                    | 138                  |
| Revaluation reserve                                   |      | 533                  | 533                                | -                                 | -                    | -                    |
| Translation reserve                                   |      | (18,558)             | (4,517)                            | (2,146)                           | (5,622)              | 768                  |
| Retained earnings                                     |      | 473,213              | 461,068                            | 447,001                           | 201,674              | 174,572              |
| Equity attributable to owners of the Company          |      | 498,633              | 504,231                            | 491,749                           | 239,497              | 222,313              |
| Non-controlling interests                             |      | 4,618                | 5,071                              | 3,745                             | -                    | -                    |
|                                                       |      | 503,251              | 509,302                            | 495,494                           | 239,497              | 222,313              |
| Liabilities                                           |      |                      |                                    |                                   |                      |                      |
| Non-Current                                           |      |                      |                                    |                                   |                      |                      |
| Bank borrowings                                       | B.10 | 229,651              | 318,090                            | 270,549                           | -                    | -                    |
| Deferred tax liabilities                              | B.9  | 11,362               | 16,475                             | 33,094                            | 641                  | 643                  |
|                                                       |      | 241,013              | 334,565                            | 303,643                           | 641                  | 643                  |
| Current                                               |      |                      |                                    |                                   |                      |                      |
| Trade and other payables                              | B.8  | 74,798               | 62,211                             | 89,699                            | 430,587              | 377,055              |
| Provision for taxation                                | B.9  | 17,561               | 30,873                             | 2,104                             | 709                  | 300                  |
| Bank borrowings                                       | B.10 | 813,212              | 553,756                            | 562,148                           | 64,729               | 49,174               |
|                                                       |      | 905,571              | 646,840                            | 653,951                           | 496,025              | 426,529              |
| Total liabilities                                     |      | 1,146,584            | 981,405                            | 957,594                           | 496,666              | 427,172              |
| Total equity and liabilities                          |      | 1,649,835            | 1,490,707                          | 1,453,088                         | 736,163              | 649,485              |

\* \$293.1 million (31 December 2017: \$247.3 million) relates to the Group's pre-sold development properties as at 31 December 2018.

**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 2018 was mainly due to development costs for the hotel/resort under retrofitting/construction in Maldives and Chalong.
- B.2 Amounts due from subsidiaries increased mainly due to long-term loans to subsidiaries for acquisition of new properties in Australia in 1Q2018.
- B.3 Investment in associates decreased mainly due to dividend declared and repayment of shareholder loans from associate companies.
- Amounts due from associates increased mainly due to long-term loans to newly incorporated associates for land acquisitions.
- B.4 Financial assets at fair value through profit or loss were valued at \$1.9 million as at 31 December 2018, comprising equity securities listed on the Singapore Exchange.
- B.5 Development properties for sale as at 31 December 2018 comprises of properties for sale under development (\$756.9 million) and developed properties for sale (\$3.0 million). The increase in properties for sale under development was mainly due to completion of purchase of development sites such as Dunearn 386, Fyve Derbyshire, Lorong Kismis and Melbourne House. The increase was partially offset by progress billings from The Navian, Harbour View Gardens and 120 Grange.
- B.6 Trade receivables comprised mainly progress payments receivable from purchasers and unbilled revenues for the projects which obtained TOP. The decrease in trade receivable was mainly due to collection of unbilled revenue from previously TOP projects which was subsequently billed such as Jade Residences, LIV on Sophia, Liv on Wilkie and Sunnyvale. This is partially offset by progress payments receivable from projects such as Trilive, Straits Mansions and The Navian.
- B.7 The Group's other receivables comprised mainly deposits, prepayments and other receivables. The decrease was mainly due to refund of security deposit held for sale of 59 Goulbourn Street in 2Q2018. The decrease is also due the transfer of deposits paid for Dunearn 386, Fyve Derbyshire and Melbourne House to properties for sale under development following the completion of purchase in 1Q2018.
- 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.8 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 increase was mainly due to contribution from non-controlling shareholder for acquisition of development site at Lorong Kismis.
- At Company level, trade and other payables comprised mainly amounts due to subsidiaries, accrued staff and directors' bonuses and other expenses. The increase was mainly due to loans received from subsidiaries.
- B.9 Deferred tax liability decreased mainly due to transfer from deferred tax provision to current taxation for projects completed in prior years as a result of billing of previously unbilled revenue in 2018. Current provision for taxation decreased mainly due to tax instalment payments during the year.
- B.10 The Group's total borrowings amounted to \$1,042.9 million, with \$440.6 million repayable within one year and \$602.3 million repayable after one year (refer to page 9, table 1(b)(ii)). The increase in total borrowings was mainly due to the completion of purchase mentioned in B.5.
- At the Company level, total borrowings amounted to \$64.7 million, all repayable within one year. The increase was mainly due to drawdown of working capital loans.



**Roxy-Pacific  
Holdings Limited**

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

|                                                                                                              | 31 December 2018   |                      |                  | 31 December 2017   |                      |                  |
|--------------------------------------------------------------------------------------------------------------|--------------------|----------------------|------------------|--------------------|----------------------|------------------|
|                                                                                                              | Secured<br>S\$'000 | Unsecured<br>S\$'000 | Total<br>S\$'000 | Secured<br>S\$'000 | Unsecured<br>S\$'000 | Total<br>S\$'000 |
| <b>Non-current</b>                                                                                           |                    |                      |                  |                    |                      |                  |
| - Amounts repayable after one year                                                                           | 229,651            | -                    | 229,651          | 318,090            | -                    | 318,090          |
| <b>Current</b>                                                                                               |                    |                      |                  |                    |                      |                  |
| - Amounts repayable in one year or less, or on demand                                                        | 440,605 (i) (ii)   | -                    | 440,605          | 262,417            | 40,500 (iii)         | 302,917          |
| - Amounts repayable after one year but within the normal operating cycle of the Property Development segment | 372,607            | -                    | 372,607          | 250,839            | -                    | 250,839          |
|                                                                                                              | 813,212 (iv)       | -                    | 813,212          | 513,256            | 40,500               | 553,756          |
|                                                                                                              | <b>1,042,863</b>   | <b>-</b>             | <b>1,042,863</b> | <b>831,346</b>     | <b>40,500</b>        | <b>871,846</b>   |

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. \$144.4 million relates to our sold development project properties and is expected to be repaid by 31 December 2019 upon obtaining TOP and collections from buyers of the properties.  
\$101.2 million relates to revolving loans for Grand Mercure Roxy Hotel, Singapore and shop units.
  - ii. \$64.7 million loans is secured by fixed deposits.
  - iii. \$40.5 million represents a held-to-maturity multi-currency note ("MTN Notes"), which is unsecured and fully repaid on 20 July 2018.
  - iv. \$192.7 million relates to acquisition of development sites during the year.

**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                                                                   | Fourth quarter ended<br>31 December |                               | Full year ended<br>31 December |                               |
|------------------------------------------------------------------------|-------------------------------------|-------------------------------|--------------------------------|-------------------------------|
|                                                                        | 2018<br>S\$'000                     | 2017<br>S\$'000<br>(Restated) | 2018<br>S\$'000                | 2017<br>S\$'000<br>(Restated) |
| <b>Cash Flows from Operating Activities</b>                            |                                     |                               |                                |                               |
| Profit before taxation                                                 | 6,504                               | 9,612                         | 28,336                         | 47,815                        |
| Adjustments for:                                                       |                                     |                               |                                |                               |
| Depreciation of property, plant and equipment                          | 2,420                               | 1,679                         | 7,049                          | 5,730                         |
| Amortisation of intangible assets                                      | 46                                  | 4                             | 182                            | 17                            |
| Dividend income from equity share                                      | (21)                                | (21)                          | (115)                          | (83)                          |
| Share of results of associates                                         | (6,540)                             | (6,087)                       | (20,844)                       | (14,095)                      |
| Bad debt written off                                                   | -                                   | -                             | -                              | 11                            |
| Provision for impairment on trade receivables                          | 22                                  | 7                             | 22                             | 19                            |
| Reversal of impairment loss on trade receivables                       | (3)                                 | -                             | (3)                            | -                             |
| Provision for impairment of long-term loans to associates              | -                                   | -                             | -                              | 5,197                         |
| Interest income                                                        | (637)                               | (667)                         | (2,096)                        | (2,360)                       |
| Interest expense on bank borrowings                                    | 3,323                               | 3,317                         | 12,267                         | 14,064                        |
| Net fair value gain on investment properties                           | (1,439)                             | -                             | (4,910)                        | (24,047)                      |
| Fair value loss / (gain) on cross currency interest rate swap          | -                                   | -                             | -                              | (666)                         |
| Write-off of property, plant and equipment                             | -                                   | 835                           | -                              | 835                           |
| Net foreign exchange loss / (gain) (unrealised)                        | 347                                 | (1,135)                       | 1,546                          | (1,911)                       |
| Operating profit before working capital changes                        | 4,022                               | 7,544                         | 21,434                         | 30,526                        |
| Changes in properties for sale under development                       | (36,590)                            | (88,856)                      | (218,692)                      | (49,250)                      |
| Changes in developed properties for sale                               | -                                   | 4,522                         | 1,309                          | 3,027                         |
| Changes in inventories                                                 | 196                                 | (99)                          | (21)                           | (281)                         |
| Changes in operating receivables                                       | 22,384                              | (5,132)                       | 68,250                         | 6,811                         |
| Changes in operating payables                                          | 4,475                               | 14,190                        | (15,388)                       | (8,139)                       |
| Cash used in operations                                                | (5,513)                             | (67,831)                      | (143,108)                      | (17,306)                      |
| Net income tax paid                                                    | (2,239)                             | (46)                          | (21,901)                       | (2,350)                       |
| Cash used in operating activities                                      | C.1 (7,752)                         | (67,877)                      | (165,009)                      | (19,656)                      |
| <b>Cash Flows from Investing Activities</b>                            |                                     |                               |                                |                               |
| Acquisition of property, plant and equipment                           | C.2 (2,003)                         | (41,252)                      | (16,948)                       | (53,055)                      |
| Investment in associates                                               | C.3 (3,603)                         | (5,954)                       | (22,281)                       | (5,954)                       |
| Proceed from disposal of investment property                           | -                                   | 159,563                       | -                              | 159,563                       |
| Dividend received from equity shares                                   | 21                                  | 21                            | 115                            | 83                            |
| Dividend received from associates                                      | 183                                 | 1,225                         | 41,421                         | 3,260                         |
| Loan and advance to associates                                         | C.4 (7,327)                         | (33,559)                      | (22,738)                       | (34,795)                      |
| Repayment from associates                                              | -                                   | 1,563                         | 22,079                         | 2,212                         |
| Investment in equity shares                                            | -                                   | -                             | -                              | (534)                         |
| Acquisition of investment properties                                   | -                                   | (59,862)                      | -                              | (59,862)                      |
| Acquisition of intangible assets                                       | (29)                                | (491)                         | (34)                           | (491)                         |
| Interest received                                                      | 356                                 | 558                           | 2,186                          | 3,729                         |
| Cash (used in) / generated from investing activities                   | (12,402)                            | 21,812                        | 3,800                          | 14,156                        |
| <b>Cash Flows from Financing Activities</b>                            |                                     |                               |                                |                               |
| Proceeds from borrowings                                               | 85,097                              | 224,751                       | 393,763                        | 376,953                       |
| Repayment of borrowings                                                | (19,727)                            | (142,486)                     | (216,503)                      | (335,055)                     |
| Fixed deposit pledged to financial institutions                        | (77)                                | (120)                         | (77)                           | (120)                         |
| Discharge of fixed deposit pledged to banks and financial institutions | 11,000                              | -                             | 17,000                         | -                             |
| Interest paid                                                          | (7,515)                             | (5,535)                       | (26,385)                       | (22,061)                      |
| Share buy-back                                                         | (627)                               | -                             | (3,391)                        | (9)                           |
| Dividend paid to non-controlling shareholders                          | -                                   | (700)                         | (1,170)                        | (950)                         |
| Dividend paid to owners of the company                                 | -                                   | -                             | (11,724)                       | (16,429)                      |
| Proceeds from share issued to non-controlling interest                 | -                                   | 200                           | 800                            | 400                           |
| Cash generated from financing activities                               | C.5 68,151                          | 76,110                        | 152,313                        | 2,729                         |

|                                                                  | Fourth quarter ended |            | Full year ended |            |          |
|------------------------------------------------------------------|----------------------|------------|-----------------|------------|----------|
|                                                                  | 31 December          |            | 31 December     |            |          |
|                                                                  | 2018                 | 2017       | 2018            | 2017       |          |
|                                                                  | S\$'000              | S\$'000    | S\$'000         | S\$'000    |          |
|                                                                  |                      | (Restated) |                 | (Restated) |          |
| Net increase / (decrease) in cash and cash equivalents           | 47,997               | 30,045     | (8,896)         | (2,771)    |          |
| Cash and cash equivalents at beginning of period                 | 175,465              | 204,722    | 234,295         | 237,280    |          |
| Effects of foreign currency translation                          | (3,130)              | (472)      | (5,067)         | (214)      |          |
| Cash and cash equivalents at end of period                       | 220,332              | 234,295    | 220,332         | 234,295    |          |
| <u>Analysis of cash and cash equivalents:-</u>                   |                      |            |                 |            |          |
| Project accounts                                                 | C.6                  | 51,256     | 34,239          | 51,256     | 34,239   |
| Fixed deposits in project accounts                               |                      | 20,000     | 48,500          | 20,000     | 48,500   |
| Fixed deposits                                                   |                      | 139,624    | 157,456         | 139,624    | 157,456  |
| Cash at bank                                                     |                      | 80,694     | 82,265          | 80,694     | 82,265   |
| Total cash and bank balances                                     |                      | 291,574    | 322,460         | 291,574    | 322,460  |
| Less: Fixed deposits pledged to banks and financial institutions |                      | (71,242)   | (88,165)        | (71,242)   | (88,165) |
|                                                                  |                      | 220,332    | 234,295         | 220,332    | 234,295  |

**Notes to the consolidated statement of cash flows:**

- C.1 The net cash outflows from operating activities of \$165.0 million in FY2018 as compared to net cash outflows of \$19.7 million in FY2017 was mainly due to acquisition of new development sites in FY2018.
- C.2 The acquisition of property, plant and equipment was mainly related to the development costs for the hotel/resort under retrofitting/construction in Maldives and Chalong.
- C.3 The investment in associates in FY2018 was mainly shareholders' loans granted for the acquisition of St Kilda office building.
- C.4 Loans and advance to associates in FY2018 and 4Q2018 was mainly long term loans to associate companies in Singapore.
- C.5 The net cash inflows from financing activities of \$152.3 million in FY2018 were mainly due to proceeds from borrowings for the acquisition of new development sites in Singapore and Australia. This was partially offset by repayment of borrowings for completed projects.
- C.6 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 Holdings Limited**

**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<br>S\$'000 | Treasury shares<br>S\$'000 | Fair value reserve<br>S\$'000 | Revaluation reserve<br>S\$'000 | Translation reserve<br>S\$'000 | Retained earnings<br>S\$'000 | Equity attributable to owners of the Company<br>S\$'000 | Non-controlling interests<br>S\$'000 | Total<br>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                             | 1,556                        | 1,566                                                   | -                                    | 1,566            |
| Balance at 1 January 2018, as restated                          | 47,399                   | (564)                      | 312                           | 533                            | (4,517)                        | 461,068                      | 504,231                                                 | 5,071                                | 509,302          |
| <b>Total comprehensive income for the period</b>                |                          |                            |                               |                                |                                |                              |                                                         |                                      |                  |
| Profit for the period                                           | -                        | -                          | -                             | -                              | -                              | 17,939                       | 17,939                                                  | (49)                                 | 17,890           |
| <b>Comprehensive income for the period</b>                      | -                        | -                          | -                             | -                              | -                              | 17,939                       | 17,939                                                  | (49)                                 | 17,890           |
| <b>Other comprehensive income</b>                               |                          |                            |                               |                                |                                |                              |                                                         |                                      |                  |
| Net change in fair value of available-for-sale financial assets | -                        | -                          | (334)                         | -                              | -                              | -                            | (334)                                                   | -                                    | (334)            |
| Tax on other comprehensive income                               | -                        | -                          | 57                            | -                              | -                              | -                            | 57                                                      | -                                    | 57               |
| Foreign currency translation differences                        | -                        | -                          | -                             | -                              | (11,809)                       | -                            | (11,809)                                                | 3                                    | (11,806)         |
| <b>Total other comprehensive income for the period</b>          | -                        | -                          | (277)                         | -                              | (11,809)                       | -                            | (12,086)                                                | 3                                    | (12,083)         |
| <b>Total comprehensive income for the period</b>                | -                        | -                          | (277)                         | -                              | (11,809)                       | 17,939                       | 5,853                                                   | (46)                                 | 5,807            |
| <b>Transactions with owners, recognised directly in equity</b>  |                          |                            |                               |                                |                                |                              |                                                         |                                      |                  |
| <b>Contributions by and distributions to owners</b>             |                          |                            |                               |                                |                                |                              |                                                         |                                      |                  |
| Share buy-back                                                  | -                        | (2,764)                    | -                             | -                              | -                              | -                            | (2,764)                                                 | -                                    | (2,764)          |
| Issue of share to non-controlling interests                     | -                        | -                          | -                             | -                              | -                              | -                            | -                                                       | 800                                  | 800              |
| Dividend paid                                                   | -                        | -                          | -                             | -                              | -                              | (11,724)                     | (11,724)                                                | (1,170)                              | (12,894)         |
| <b>Total transactions with owners</b>                           | -                        | (2,764)                    | -                             | -                              | -                              | (11,724)                     | (14,488)                                                | (370)                                | (14,858)         |
| Balance at 30 September 2018                                    | 47,399                   | (3,328)                    | 35                            | 533                            | (16,326)                       | 467,283                      | 495,596                                                 | 4,655                                | 500,251          |
| Profit for the period                                           | -                        | -                          | -                             | -                              | -                              | 5,930                        | 5,930                                                   | (37)                                 | 5,893            |
| <b>Comprehensive income for the period</b>                      | -                        | -                          | -                             | -                              | -                              | 5,930                        | 5,930                                                   | (37)                                 | 5,893            |
| <b>Other comprehensive income</b>                               |                          |                            |                               |                                |                                |                              |                                                         |                                      |                  |
| Net change in fair value of available-for-sale financial assets | -                        | -                          | (42)                          | -                              | -                              | -                            | (42)                                                    | -                                    | (42)             |
| Tax on other comprehensive income                               | -                        | -                          | 7                             | -                              | -                              | -                            | 7                                                       | -                                    | 7                |
| Translation Reserve                                             | -                        | -                          | -                             | -                              | -                              | -                            | -                                                       | -                                    | -                |
| Foreign currency translation differences                        | -                        | -                          | -                             | -                              | (2,232)                        | -                            | (2,232)                                                 | -                                    | (2,232)          |
| <b>Total other comprehensive income for the period</b>          | -                        | -                          | (35)                          | -                              | (2,232)                        | -                            | (2,267)                                                 | -                                    | (2,267)          |
| <b>Total comprehensive income for the period</b>                | -                        | -                          | (35)                          | -                              | (2,232)                        | 5,930                        | 3,663                                                   | (37)                                 | 3,626            |
| <b>Transactions with owners, recognised directly in equity</b>  |                          |                            |                               |                                |                                |                              |                                                         |                                      |                  |
| <b>Contributions by and distributions to owners</b>             |                          |                            |                               |                                |                                |                              |                                                         |                                      |                  |
| Share buy-back                                                  | -                        | (626)                      | -                             | -                              | -                              | -                            | (626)                                                   | -                                    | (626)            |
| <b>Total transactions with owners</b>                           | -                        | (626)                      | -                             | -                              | -                              | -                            | (626)                                                   | -                                    | (626)            |
| Balance at 31 December 2018                                     | 47,399                   | (3,954)                    | 0                             | 533                            | (18,558)                       | 473,213                      | 498,633                                                 | 4,618                                | 503,251          |

# Roxy-Pacific Holdings Limited

| Group                                                               | Share capital<br>S\$'000 | Treasury Shares<br>S\$'000 | Fair value reserve<br>S\$'000 | Revaluation reserve<br>S\$'000 | Translation reserve<br>S\$'000 | Retained earnings<br>S\$'000 | Equity attributable to owners of the Company<br>S\$'000 | Non-controlling interests<br>S\$'000 | Total<br>S\$'000 |
|---------------------------------------------------------------------|--------------------------|----------------------------|-------------------------------|--------------------------------|--------------------------------|------------------------------|---------------------------------------------------------|--------------------------------------|------------------|
| Balance at 1 January 2017                                           |                          |                            |                               |                                |                                |                              |                                                         |                                      |                  |
| As previously reported                                              | 47,399                   | (555)                      | 50                            | -                              | (2,149)                        | 446,518                      | 491,263                                                 | 3,745                                | 495,008          |
| Effect of adopting SFRS(I) 15                                       | -                        | -                          | -                             | -                              | 3                              | 483                          | 486                                                     | -                                    | 486              |
| Balance at 1 January 2017, as restated                              | 47,399                   | (555)                      | 50                            | -                              | (2,146)                        | 447,001                      | 491,749                                                 | 3,745                                | 495,494          |
| <b>Total comprehensive income for the period</b>                    |                          |                            |                               |                                |                                |                              |                                                         |                                      |                  |
| Profit for the period                                               | -                        | -                          | -                             | -                              | -                              | 22,358                       | 22,358                                                  | 1,768                                | 24,126           |
| <b>Comprehensive income for the period</b>                          | -                        | -                          | -                             | -                              | -                              | 22,358                       | 22,358                                                  | 1,768                                | 24,126           |
| <b>Other comprehensive income</b>                                   |                          |                            |                               |                                |                                |                              |                                                         |                                      |                  |
| Net change in fair value of available-for-sale financial assets     | -                        | -                          | 162                           | -                              | -                              | -                            | 162                                                     | -                                    | 162              |
| Fair value of owner occupied PPE transferred to IP financial assets | -                        | -                          | -                             | 533                            | -                              | -                            | 533                                                     | -                                    | 533              |
| Tax on other comprehensive income                                   | -                        | -                          | (28)                          | -                              | -                              | -                            | (28)                                                    | -                                    | (28)             |
| Foreign currency translation differences                            | -                        | -                          | -                             | -                              | 5,897                          | -                            | 5,897                                                   | (1)                                  | 5,896            |
| <b>Total other comprehensive income for the period</b>              | -                        | -                          | 134                           | 533                            | 5,897                          | -                            | 6,564                                                   | (1)                                  | 6,563            |
| <b>Total comprehensive income for the period</b>                    | -                        | -                          | 134                           | 533                            | 5,897                          | 22,358                       | 28,922                                                  | 1,767                                | 30,689           |
| <b>Transaction with owners, recognised directly in equity</b>       |                          |                            |                               |                                |                                |                              |                                                         |                                      |                  |
| <b>Contributions by and distributions to owners</b>                 |                          |                            |                               |                                |                                |                              |                                                         |                                      |                  |
| Share buy-back                                                      | -                        | (9)                        | -                             | -                              | -                              | -                            | (9)                                                     | -                                    | (9)              |
| Issue of share to non-controlling interests                         | -                        | -                          | -                             | -                              | -                              | -                            | -                                                       | 200                                  | 200              |
| Dividend paid                                                       | -                        | -                          | -                             | -                              | -                              | (16,429)                     | (16,429)                                                | (250)                                | (16,679)         |
| <b>Total transactions with owners</b>                               | -                        | (9)                        | -                             | -                              | -                              | (16,429)                     | (16,438)                                                | (50)                                 | (16,488)         |
| Balance at 30 September 2017                                        | 47,399                   | (564)                      | 184                           | 533                            | 3,751                          | 452,930                      | 504,233                                                 | 5,462                                | 509,695          |
| Profit for the period                                               | -                        | -                          | -                             | -                              | -                              | 8,138                        | 8,138                                                   | 108                                  | 8,246            |
| <b>Comprehensive income for the period</b>                          | -                        | -                          | -                             | -                              | -                              | 8,138                        | 8,138                                                   | 108                                  | 8,246            |
| <b>Other comprehensive income</b>                                   |                          |                            |                               |                                |                                |                              |                                                         |                                      |                  |
| Net change in fair value of available-for-sale financial assets     | -                        | -                          | 154                           | -                              | -                              | -                            | 154                                                     | -                                    | 154              |
| Tax on other comprehensive income                                   | -                        | -                          | (26)                          | -                              | -                              | -                            | (26)                                                    | -                                    | (26)             |
| Foreign currency translation differences                            | -                        | -                          | -                             | -                              | (8,268)                        | -                            | (8,268)                                                 | 1                                    | (8,267)          |
| <b>Total other comprehensive income for the period</b>              | -                        | -                          | 128                           | -                              | (8,268)                        | -                            | (8,140)                                                 | 1                                    | (8,139)          |
| <b>Total comprehensive income for the period</b>                    | -                        | -                          | 128                           | -                              | (8,268)                        | 8,138                        | (2)                                                     | 109                                  | 107              |
| <b>Transaction with owners, recognised directly in equity</b>       |                          |                            |                               |                                |                                |                              |                                                         |                                      |                  |
| <b>Contributions by and distributions to owners</b>                 |                          |                            |                               |                                |                                |                              |                                                         |                                      |                  |
| Share buy-back                                                      | -                        | -                          | -                             | -                              | -                              | -                            | -                                                       | -                                    | -                |
| Issue of share to non-controlling interests                         | -                        | -                          | -                             | -                              | -                              | -                            | -                                                       | 200                                  | 200              |
| Dividend paid                                                       | -                        | -                          | -                             | -                              | -                              | -                            | -                                                       | (700)                                | (700)            |
| <b>Total transactions with owners</b>                               | -                        | -                          | -                             | -                              | -                              | -                            | -                                                       | (500)                                | (500)            |
| Balance at 31 December 2017                                         | 47,399                   | (564)                      | 312                           | 533                            | (4,517)                        | 461,068                      | 504,231                                                 | 5,071                                | 509,302          |

| <b>Company</b>                                                  | <b>Share capital<br/>S\$'000</b> | <b>Treasury shares<br/>S\$'000</b> | <b>Fair value reserve<br/>S\$'000</b> | <b>Translation reserve<br/>S\$'000</b> | <b>Retained earnings<br/>S\$'000</b> | <b>Total<br/>S\$'000</b> |
|-----------------------------------------------------------------|----------------------------------|------------------------------------|---------------------------------------|----------------------------------------|--------------------------------------|--------------------------|
| Balance at 1 January 2018                                       | 47,399                           | (564)                              | 138                                   | 768                                    | 174,572                              | 222,313                  |
| <b>Total comprehensive income for the period</b>                |                                  |                                    |                                       |                                        |                                      |                          |
| Profit for the period                                           | -                                | -                                  | -                                     | -                                      | 37,084                               | 37,084                   |
| <b>Comprehensive income for the period</b>                      | -                                | -                                  | -                                     | -                                      | 37,084                               | 37,084                   |
| <b>Other comprehensive income</b>                               |                                  |                                    |                                       |                                        |                                      |                          |
| Net change in fair value of available-for-sale financial assets | -                                | -                                  | (260)                                 | -                                      | -                                    | (260)                    |
| Tax on other comprehensive income                               | -                                | -                                  | 44                                    | -                                      | -                                    | 44                       |
| Foreign currency translation difference                         | -                                | -                                  | -                                     | (5,007)                                | -                                    | (5,007)                  |
| <b>Total other comprehensive income for the period</b>          | -                                | -                                  | (216)                                 | (5,007)                                | -                                    | (5,223)                  |
| <b>Total comprehensive income for the period</b>                | -                                | -                                  | (216)                                 | (5,007)                                | 37,084                               | 31,861                   |
| <b>Transaction with owners, recognised directly in equity</b>   |                                  |                                    |                                       |                                        |                                      |                          |
| <b>Contributions by and distributions to owners</b>             |                                  |                                    |                                       |                                        |                                      |                          |
| Share buy-back                                                  | -                                | (2,764)                            | -                                     | -                                      | -                                    | (2,764)                  |
| Dividend paid                                                   | -                                | -                                  | -                                     | -                                      | (11,724)                             | (11,724)                 |
| <b>Total transactions with owners</b>                           | -                                | (2,764)                            | -                                     | -                                      | (11,724)                             | (14,488)                 |
| Balance at 30 September 2018                                    | 47,399                           | (3,328)                            | (78)                                  | (4,239)                                | 199,932                              | 239,686                  |
| Profit for the period                                           | -                                | -                                  | -                                     | -                                      | 1,466                                | 1,466                    |
| <b>Comprehensive income for the period</b>                      | -                                | -                                  | -                                     | -                                      | 1,466                                | 1,466                    |
| <b>Other comprehensive income</b>                               |                                  |                                    |                                       |                                        |                                      |                          |
| Net change in fair value of available-for-sale financial assets | -                                | -                                  | 94                                    | -                                      | -                                    | 94                       |
| Tax on other comprehensive income                               | -                                | -                                  | (16)                                  | -                                      | -                                    | (16)                     |
| Foreign currency translation difference                         | -                                | -                                  | -                                     | (1,383)                                | -                                    | (1,383)                  |
| <b>Total other comprehensive income for the period</b>          | -                                | -                                  | 78                                    | (1,383)                                | -                                    | (1,305)                  |
| <b>Total comprehensive income for the period</b>                | -                                | -                                  | 78                                    | (1,383)                                | 1,466                                | 161                      |
| <b>Transactions with owners, recognised directly in equity</b>  |                                  |                                    |                                       |                                        |                                      |                          |
| <b>Contributions by and distributions to owners</b>             |                                  |                                    |                                       |                                        |                                      |                          |
| Share buy-back                                                  | -                                | (626)                              | -                                     | -                                      | -                                    | (626)                    |
| Dividend paid                                                   | -                                | -                                  | -                                     | -                                      | -                                    | -                        |
| <b>Total transactions with owners</b>                           | -                                | (626)                              | -                                     | -                                      | -                                    | (626)                    |
| Balance at 31 December 2018                                     | 47,399                           | (3,954)                            | -                                     | (5,622)                                | 201,398                              | 239,221                  |

| <b>Company</b>                                                  | <b>Share<br/>capital<br/>S\$'000</b> | <b>Treasury<br/>shares<br/>S\$'000</b> | <b>Fair value<br/>reserve<br/>S\$'000</b> | <b>Translation<br/>reserve<br/>S\$'000</b> | <b>Retained<br/>earnings<br/>S\$'000</b> | <b>Total<br/>S\$'000</b> |
|-----------------------------------------------------------------|--------------------------------------|----------------------------------------|-------------------------------------------|--------------------------------------------|------------------------------------------|--------------------------|
| Balance at 1 January 2017                                       | 47,399                               | (555)                                  | -                                         | 4,187                                      | 68,392                                   | 119,423                  |
| <b>Total comprehensive income for the period</b>                |                                      |                                        |                                           |                                            |                                          |                          |
| Profit for the period                                           | -                                    | -                                      | -                                         | -                                          | 80,458                                   | 80,458                   |
| <b>Comprehensive income for the period</b>                      | -                                    | -                                      | -                                         | -                                          | 80,458                                   | 80,458                   |
| <b>Other comprehensive income</b>                               |                                      |                                        |                                           |                                            |                                          |                          |
| Net change in fair value of available-for-sale financial assets | -                                    | -                                      | 86                                        | -                                          | -                                        | 86                       |
| Tax on other comprehensive income                               | -                                    | -                                      | (14)                                      | -                                          | -                                        | (14)                     |
| Foreign currency translation difference                         | -                                    | -                                      | -                                         | 2,187                                      | -                                        | 2,187                    |
| <b>Total other comprehensive income for the period</b>          | -                                    | -                                      | 72                                        | 2,187                                      | -                                        | 2,259                    |
| <b>Total comprehensive income for the period</b>                | -                                    | -                                      | 72                                        | 2,187                                      | 80,458                                   | 82,717                   |
| <b>Transactions with owners, recognised directly in equity</b>  |                                      |                                        |                                           |                                            |                                          |                          |
| <b>Contributions by and distributions to owners</b>             |                                      |                                        |                                           |                                            |                                          |                          |
| Share buy-back                                                  | -                                    | (9)                                    | -                                         | -                                          | -                                        | (9)                      |
| Dividend paid                                                   | -                                    | -                                      | -                                         | -                                          | (16,428)                                 | (16,428)                 |
| <b>Total transactions with owners</b>                           | -                                    | (9)                                    | -                                         | -                                          | (16,428)                                 | (16,437)                 |
| Balance at 30 September 2017                                    | 47,399                               | (564)                                  | 72                                        | 6,374                                      | 132,422                                  | 185,703                  |
| Profit for the period                                           | -                                    | -                                      | -                                         | -                                          | 42,150                                   | 42,150                   |
| <b>Comprehensive income for the period</b>                      | -                                    | -                                      | -                                         | -                                          | 42,150                                   | 42,150                   |
| <b>Other comprehensive income</b>                               |                                      |                                        |                                           |                                            |                                          |                          |
| Net change in fair value of available-for-sale financial assets | -                                    | -                                      | 80                                        | -                                          | -                                        | 80                       |
| Tax on other comprehensive income                               | -                                    | -                                      | (14)                                      | -                                          | -                                        | (14)                     |
| Foreign currency translation differences                        | -                                    | -                                      | -                                         | (5,606)                                    | -                                        | (5,606)                  |
| <b>Total other comprehensive income for the period</b>          | -                                    | -                                      | 66                                        | (5,606)                                    | -                                        | (5,540)                  |
| <b>Total comprehensive income for the period</b>                | -                                    | -                                      | 66                                        | (5,606)                                    | 42,150                                   | 36,610                   |
| <b>Transactions with owners, recognised directly in equity</b>  |                                      |                                        |                                           |                                            |                                          |                          |
| <b>Contributions by and distributions to owners</b>             |                                      |                                        |                                           |                                            |                                          |                          |
| Dividend paid                                                   | -                                    | -                                      | -                                         | -                                          | -                                        | -                        |
| <b>Total transactions with owners</b>                           | -                                    | -                                      | -                                         | -                                          | -                                        | -                        |
| <b>Balance at 31 December 2017</b>                              | 47,399                               | (564)                                  | 138                                       | 768                                        | 174,572                                  | 222,313                  |



**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 31 December 2018 are as follows:

|                             | <b>31 December 2018</b> | <b>31 December 2017</b> |
|-----------------------------|-------------------------|-------------------------|
|                             | No. of Shares           | No. of Shares           |
| <b>Treasury shares:</b>     |                         |                         |
| As at beginning of period   | <b>7,282,400</b>        | 1,326,500               |
| Purchase of treasury shares | <b>1,642,500</b>        | -                       |
| As at end of period         | <b>8,924,900</b>        | 1,326,500               |

**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.**

|                                                                       | <b>31 December 2018</b> | <b>31 December 2017</b> |
|-----------------------------------------------------------------------|-------------------------|-------------------------|
| <b>Issued, fully paid share capital:</b>                              |                         |                         |
| Balance number of shares as at the beginning of year                  | <b>1,192,223,494</b>    | 1,192,243,494           |
| Purchase of treasury shares                                           | <b>(7,252,900)</b>      | (20,000)                |
| Bonus issue                                                           | <b>119,354,850</b>      | -                       |
| Bonus issue on treasury shares                                        | <b>(345,500)</b>        | -                       |
| Total number of shares as at the end of period net of treasury shares | <b>1,303,979,944</b>    | 1,192,223,494           |

On 24 April 2018, 119,354,850 bonus shares were allotted and issued pursuant to the bonus issue at one bonus share for every ten existing ordinary shares ("bonus issue").

**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 2017.



**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.**

The Group has adopted the Singapore Financial Reporting Standards (International) (“SFRS(I)”) that are effective for annual periods beginning on or after 1 January 2018.

In adopting SFRS(I), the Group is required to apply all of the specific transition requirements in SFRS(I) 1 *First-time Adoption of Singapore Financial Reporting Standards (International)*. The Group will also concurrently apply SFRS(I) 15 *Revenue from Contracts with Customer*. There is no material impact on the financial statements in adopting SFRS(I) and applying specific transition requirement under SFRS(I) 1 except for the effects of the adoption of SFRS(I)15, which are discussed below.

SFRS(I) 15 Revenue from Contracts with Customers

(a) Sale of mixed development properties – timing of revenue recognition

Prior to 1 January 2018, the Group recognises revenue from its Malaysia’s project, Wisma Infinitum, held by its associate company, using the Completion of Contracts method. With the adoption of SFRS(I) 15, the performance obligation for the sale of the mixed development properties are satisfied over time as the Group is restricted contractually from directing the property for another use as they are being developed and has an enforceable right to payment for performance completed to date. Revenue and cost of units sold is now recognised over time in line with the progress of construction works.

The Group has applied the changes in accounting policies retrospectively to each reporting period/year presented, using the full retrospective approach.

Borrowing Costs relating to Development Properties

In December 2018, IFRS Interpretations Committee issued a tentative agenda decision for public comments where it presented its views that borrowing costs relating to development properties that are ready for its intended sale (i.e ready for launch) should not be capitalised and instead, be expensed when incurred. The Group’s accounting policy currently capitalised borrowing costs relating to its development properties under construction. The IFRS Interpretations Committee is considering the comments received before finalising the agenda decision which is expected in 1Q2019. If the tentative agenda decision is finalised with no amendments to its content, it will be an adjusting event if the financial statements have yet to be authorised for issue on the date that the agenda decision is finalised. The Group will assess the impact from adopting this accounting approach on its financial statements.

The following reconciliations summarise the impacts on initial application of SFRS(I) 1 and SFRS(I) 15 on the Group's financial statements.



**Roxy-Pacific  
Holdings Limited**

SFRS(I) 15 Revenue from Contracts with Customers (Cont'd)

*Consolidated Income Statements*

|                                                       | <b>Fourth quarter ended 31 Dec 2017</b> |                |                 | <b>Full year ended 31 Dec 2017</b> |                |                 |
|-------------------------------------------------------|-----------------------------------------|----------------|-----------------|------------------------------------|----------------|-----------------|
|                                                       | <b>As previously<br/>reported</b>       | <b>Effects</b> | <b>Restated</b> | <b>As previously<br/>reported</b>  | <b>Effects</b> | <b>Restated</b> |
|                                                       | <b>\$'000</b>                           | <b>\$'000</b>  | <b>\$'000</b>   | <b>\$'000</b>                      | <b>\$'000</b>  | <b>\$'000</b>   |
| <b>Revenue</b>                                        | 43,320                                  |                | 43,320          | 246,813                            |                | 246,813         |
| Cost of sales                                         | (31,398)                                |                | (31,398)        | (187,275)                          |                | (187,275)       |
| <b>Gross profit</b>                                   | 11,922                                  |                | 11,922          | 59,538                             |                | 59,538          |
| Other operating income                                | 3,536                                   |                | 3,536           | 32,837                             |                | 32,837          |
| Distribution and selling expenses                     | (1,586)                                 |                | (1,586)         | (4,960)                            |                | (4,960)         |
| Administrative expenses                               | (2,834)                                 |                | (2,834)         | (11,114)                           |                | (11,114)        |
| Other operating expenses                              | (4,134)                                 |                | (4,134)         | (28,238)                           |                | (28,238)        |
| Finance costs                                         | (3,379)                                 |                | (3,379)         | (14,343)                           |                | (14,343)        |
| Share of results of associates (net<br>of income tax) | 5,223                                   | 864            | 6,087           | 13,022                             | 1,073          | 14,095          |
| <b>Profit before taxation</b>                         | 8,748                                   | 864            | 9,612           | 46,742                             | 1,073          | 47,815          |
| Taxation                                              | (1,366)                                 |                | (1,366)         | (15,443)                           |                | (15,443)        |
| <b>Profit after taxation</b>                          | 7,382                                   | 864            | 8,246           | 31,299                             | 1,073          | 32,372          |
| <b>Attributable to:</b>                               |                                         |                |                 |                                    |                |                 |
| Equity holders of the Company                         | 7,274                                   | 864            | 8,138           | 29,423                             | 1,073          | 30,496          |
| Non-controlling interests                             | 108                                     |                | 108             | 1,876                              |                | 1,876           |
|                                                       | 7,382                                   | 864            | 8,246           | 31,299                             | 1,073          | 32,372          |
| <br>Earnings per ordinary share (cents)               |                                         |                |                 |                                    |                |                 |
| - basic                                               | 0.55                                    | 0.07           | 0.62            | 2.24                               | 0.08           | 2.33            |
| - diluted                                             | 0.55                                    | 0.07           | 0.62            | 2.24                               | 0.08           | 2.33            |



# Roxy-Pacific Holdings Limited

## SFRS(I) 15 Revenue from Contracts with Customers (Cont'd)

### Statement of Financial Position

|                                                 | As at 1 January 2017                |                   |                    | As at 31 December 2017              |                   |                    |
|-------------------------------------------------|-------------------------------------|-------------------|--------------------|-------------------------------------|-------------------|--------------------|
|                                                 | As previously<br>reported<br>\$'000 | Effects<br>\$'000 | Restated<br>\$'000 | As previously<br>reported<br>\$'000 | Effects<br>\$'000 | Restated<br>\$'000 |
| <b>ASSETS</b>                                   |                                     |                   |                    |                                     |                   |                    |
| <b>Non-Current</b>                              |                                     |                   |                    |                                     |                   |                    |
| Property, plant and equipment                   | 175,527                             |                   | 175,527            | 215,507                             |                   | 215,507            |
| Investment in associates                        | 146,458                             | 487               | 146,944            | 163,309                             | 1,566             | 164,875            |
| Investment properties                           | 198,835                             |                   | 198,835            | 124,191                             |                   | 124,191            |
| Available-for-sale financial assets             | 1,425                               |                   | 1,425              | 2,275                               |                   | 2,275              |
| Intangible assets                               | 68                                  |                   | 68                 | 541                                 |                   | 541                |
| Amounts due from associates                     | 11,264                              |                   | 11,264             | 34,876                              |                   | 34,876             |
|                                                 | <u>533,577</u>                      |                   | <u>534,063</u>     | <u>540,699</u>                      |                   | <u>542,265</u>     |
| <b>Current</b>                                  |                                     |                   |                    |                                     |                   |                    |
| Development properties for sale*                | 486,369                             |                   | 486,369            | 540,584                             |                   | 540,584            |
| Inventories                                     | 784                                 |                   | 784                | 1,065                               |                   | 1,065              |
| Trade receivables                               | 93,145                              |                   | 93,145             | 53,279                              |                   | 53,279             |
| Other receivables                               | 13,402                              |                   | 13,402             | 31,054                              |                   | 31,054             |
| Cash and bank balances                          | 325,325                             |                   | 325,325            | 322,460                             |                   | 322,460            |
|                                                 | <u>919,025</u>                      |                   | <u>919,025</u>     | <u>948,442</u>                      |                   | <u>948,442</u>     |
| <b>Total assets</b>                             | <u>1,452,602</u>                    |                   | <u>1,453,088</u>   | <u>1,489,141</u>                    |                   | <u>1,490,707</u>   |
| <b>EQUITY AND LIABILITIES</b>                   |                                     |                   |                    |                                     |                   |                    |
| <b>Capital and Reserves</b>                     |                                     |                   |                    |                                     |                   |                    |
| Share capital                                   | 47,399                              |                   | 47,399             | 47,399                              |                   | 47,399             |
| Treasury shares                                 | (555)                               |                   | (555)              | (564)                               |                   | (564)              |
| Fair value reserve                              | 50                                  |                   | 50                 | 845                                 |                   | 845                |
| Translation reserve                             | (2,149)                             | 3                 | (2,146)            | (4,527)                             | 10                | (4,517)            |
| Retained earnings                               | 446,518                             | 483               | 447,001            | 459,512                             | 1,556             | 461,068            |
| Equity attributable to owners of<br>the Company | 491,263                             |                   | 491,749            | 502,665                             |                   | 504,231            |
| Non-controlling interests                       | 3,745                               |                   | 3,745              | 5,071                               |                   | 5,071              |
|                                                 | <u>495,008</u>                      |                   | <u>495,494</u>     | <u>507,736</u>                      |                   | <u>509,302</u>     |
| <b>Liabilities</b>                              |                                     |                   |                    |                                     |                   |                    |
| <b>Non-Current</b>                              |                                     |                   |                    |                                     |                   |                    |
| Bank borrowings                                 | 270,549                             |                   | 270,549            | 318,090                             |                   | 318,090            |
| Deferred tax liabilities                        | 33,094                              |                   | 33,094             | 16,475                              |                   | 16,475             |
|                                                 | <u>303,643</u>                      |                   | <u>303,643</u>     | <u>334,565</u>                      |                   | <u>334,565</u>     |
| <b>Current</b>                                  |                                     |                   |                    |                                     |                   |                    |
| Trade and other payables                        | 89,699                              |                   | 89,699             | 62,211                              |                   | 62,211             |
| Provision for taxation                          | 2,104                               |                   | 2,104              | 30,873                              |                   | 30,873             |
| Bank borrowings                                 | 562,148                             |                   | 562,148            | 553,756                             |                   | 553,756            |
|                                                 | <u>653,951</u>                      |                   | <u>653,951</u>     | <u>646,840</u>                      |                   | <u>646,840</u>     |
| <b>Total liabilities</b>                        | <u>957,594</u>                      |                   | <u>957,594</u>     | <u>981,405</u>                      |                   | <u>981,405</u>     |
| <b>Total equity and liabilities</b>             | <u>1,452,602</u>                    |                   | <u>1,453,088</u>   | <u>1,489,141</u>                    |                   | <u>1,490,707</u>   |



**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                                  | Fourth quarter ended<br>30 December |           | Full year ended<br>31 December |           |
|------------------------------------------------------------------------------|-------------------------------------|-----------|--------------------------------|-----------|
|                                                                              | 2018                                | 2017      | 2018                           | 2017      |
|                                                                              | *(as restated)                      |           | *(as restated)                 |           |
| (a) Based on the weighted average number of ordinary shares on issue (cents) | <b>0.45</b>                         | 0.62      | <b>1.83</b>                    | 2.33      |
| (b) On fully diluted basis (cents)                                           | <b>0.45</b>                         | 0.62      | <b>1.83</b>                    | 2.33      |
| Profit attributable to shareholders of the Company (\$'000)                  | <b>5,930</b>                        | 8,138     | <b>23,869</b>                  | 30,496    |
| Weighted average number of shares ('000)                                     | <b>1,305,405</b>                    | 1,311,233 | <b>1,307,787</b>               | 1,311,233 |

\* Comparatives for earnings per share have been restated for bonus issue of shares.

**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-18    | 31-Dec-17<br>(restated) | 31-Dec-18    | 31-Dec-17 |
| Net asset value per ordinary shares based on total issued 1,303,979,944 ordinary shares (cents) (2017: 1,192,223,494 ordinary shares (cents)) | <b>38.24</b> | 42.29                   | <b>18.35</b> | 18.65     |

The Group adopts the cost model under *FRS16 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 FRS16, 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 in Kyoto, Japan, Noku Osaka in Osaka, Japan, hotel under development in Phuket, Thailand and Noku Maldives in Maldives) and own use premises, over their carrying amounts. As at 31 December 2018, the fair value of these properties was estimated to be \$692.3 million (31 December 2017: \$682.4 million) based on valuation carried out by independent valuers, using the investment and direct comparison methods. The revaluation surplus is estimated to be approximately \$485.2 million (31 December 2017: \$490.3 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-18    | 31-Dec-17<br>(restated) |
| ANAV per ordinary share based on total issued 1,303,979,944 ordinary shares (cents) (2017: 1,192,223,494 ordinary shares (cents)) | <b>75.45</b> | 83.42                   |

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                                                         | Fourth quarter ended<br>31 December |      |            |      |        | Change<br>Increase/<br>(Decrease)<br>% | Full year ended<br>31 December |            |          |      |        | Change<br>Increase/<br>(Decrease)<br>% |
|---------------------------------------------------------------|-------------------------------------|------|------------|------|--------|----------------------------------------|--------------------------------|------------|----------|------|--------|----------------------------------------|
|                                                               | 2018                                |      | 2017       |      |        |                                        | 2018                           |            | 2017     |      |        |                                        |
|                                                               | S\$'000                             |      | S\$'000    |      |        |                                        | S\$'000                        |            | S\$'000  |      |        |                                        |
|                                                               |                                     |      | (Restated) |      |        |                                        |                                | (Restated) |          |      |        |                                        |
| REVENUE                                                       |                                     |      |            |      |        |                                        |                                |            |          |      |        |                                        |
| Property Development                                          | 16,144                              | 53%  | 29,759     | 68%  | -46%   |                                        | 74,992                         | 56%        | 191,774  | 79%  | -61%   |                                        |
| Hotel Ownership                                               | 12,766                              | 41%  | 11,989     | 28%  | 6%     |                                        | 49,986                         | 38%        | 44,272   | 17%  | 13%    |                                        |
| Property Investment                                           | 1,918                               | 6%   | 1,572      | 4%   | 22%    |                                        | 7,877                          | 6%         | 10,767   | 4%   | -27%   |                                        |
|                                                               | 30,828                              | 100% | 43,320     | 100% | -29%   |                                        | 132,855                        | 100%       | 246,813  | 100% | -46%   |                                        |
| GROSS PROFIT                                                  |                                     |      |            |      |        |                                        |                                |            |          |      |        |                                        |
| Property Development                                          | 5,074                               | 40%  | 4,224      | 36%  | 20%    |                                        | 18,839                         | 38%        | 27,951   | 48%  | -33%   |                                        |
| Hotel Ownership                                               | 6,200                               | 50%  | 6,567      | 55%  | -5.6%  |                                        | 24,989                         | 51%        | 23,995   | 39%  | 4%     |                                        |
| Property Investment                                           | 1,317                               | 10%  | 1,131      | 9%   | 16%    |                                        | 5,402                          | 11%        | 7,592    | 13%  | -29%   |                                        |
|                                                               | 12,591                              | 100% | 11,922     | 100% | 6%     |                                        | 49,230                         | 100%       | 59,538   | 100% | -17%   |                                        |
| GROSS PROFIT MARGIN (%)                                       |                                     |      |            |      |        |                                        |                                |            |          |      |        |                                        |
| Property Development                                          | 31%                                 |      | 14%        |      | 17 ppt |                                        | 25%                            |            | 15%      |      | 10 ppt |                                        |
| Hotel Ownership                                               | 49%                                 |      | 55%        |      | -6 ppt |                                        | 50%                            |            | 54%      |      | -4 ppt |                                        |
| Property Investment                                           | 69%                                 |      | 72%        |      | -3 ppt |                                        | 69%                            |            | 71%      |      | -2 ppt |                                        |
| Total                                                         | 41%                                 |      | 28%        |      | 13 ppt |                                        | 37%                            |            | 24%      |      | 13 ppt |                                        |
| ADJUSTED EBITDA                                               |                                     |      |            |      |        |                                        |                                |            |          |      |        |                                        |
| Property Development                                          | 1,707                               | 15%  | 3,415      | 34%  | -50%   |                                        | 10,488                         | 21%        | 27,398   | 39%  | -62%   |                                        |
| Hotel Ownership                                               | 1,331                               | 11%  | 1,692      | 17%  | -21%   |                                        | 9,491                          | 19%        | 7,383    | 10%  | 29%    |                                        |
| Property Investment - Rental income                           | 739                                 | 6%   | 983        | 10%  | n/m    |                                        | 4,093                          | 8%         | 4,405    | 6%   | -7%    |                                        |
| Property Investment - Fair value gain                         | 1,439                               | 12%  | -          | 0%   | -      |                                        | 4,910                          | 10%        | 24,047   | 34%  | -80%   |                                        |
| Property Investment - Share of result of associates           | 6,612                               | 56%  | 3,925      | 39%  | n/m    |                                        | 21,085                         | 42%        | 7,804    | 11%  | 170%   |                                        |
|                                                               | 11,828                              | 100% | 10,015     | 100% | 18%    |                                        | 50,067                         | 100%       | 71,037   | 100% | -30%   |                                        |
| PROFIT BEFORE TAX                                             |                                     |      |            |      |        |                                        |                                |            |          |      |        |                                        |
| Adjusted EBITDA                                               | 11,828                              |      | 10,015     |      | 18%    |                                        | 50,067                         |            | 71,037   |      | -30%   |                                        |
| Corporate expenses                                            | 128                                 |      | 2,791      |      | -95%   |                                        | (2,966)                        |            | (3,168)  |      | -6%    |                                        |
| Depreciation of property, plant and equipment                 | (2,420)                             |      | (1,679)    |      | 44%    |                                        | (7,049)                        |            | (5,730)  |      | 23%    |                                        |
| Impairment of long-term loan to associate                     | -                                   |      | -          |      | -      |                                        | -                              |            | (5,197)  |      | n/m    |                                        |
| Net interest expense                                          | (2,686)                             |      | (2,650)    |      | 1%     |                                        | (10,171)                       |            | (11,704) |      | -13%   |                                        |
| Net unrealised foreign exchange gain / (loss)                 | (346)                               |      | 1,135      |      | n/m    |                                        | (1,545)                        |            | 1,911    |      | n/m    |                                        |
| Fair value gain / (loss) on cross currency interest rate swap | -                                   |      | -          |      | -      |                                        | -                              |            | 666      |      | -100%  |                                        |
|                                                               | 6,504                               |      | 9,612      |      | -32%   |                                        | 28,336                         |            | 47,815   |      | -41%   |                                        |

n/m: not meaningful

## **Revenue and gross profit analysis**

### **(i) Revenue**

The Group achieved revenue of \$132.9 million in FY2018, 46% lower than \$246.8 million in FY2017. For 4Q2018, the Group achieved revenue of \$30.8 million, 29% lower than \$43.3 million in 4Q2017. This was mainly due to lower revenue from the Property Development segments, partially offset by higher revenue from Hotel Ownership segment.

#### **(a) Property Development**

Revenue from the Property Development segment, which made up 56% of the Group's turnover in FY2018, decreased 61% to \$75.0 million in FY2018 from \$191.8 million in FY2017. For 4Q2018, revenue from Property Development segment made up 53% of Group's turnover, decreased 46% to \$16.1 million in 4Q2018 from \$29.8 million in 4Q2017. The decrease in FY2018 was largely due to lower revenue recognition from Trilive, which obtained its TOP in June 2018 and absence of revenue recognition from Jade Residences, Whitehaven and LIV on Wilkie following the completion of these projects in 2017. The decrease was partially offset by higher revenue recognition from The Navian and Straits Mansions. In 4Q2018, revenue was lower largely due to absence of revenue recognition from Trilive following its TOP in June 2018 and lower revenue from Straits Mansions following its TOP in October 2018. This was partially offset by higher revenue recognition on construction progress and sales of The Navian.

Although the Group has made good progress in the sales and construction of its projects in Australia, unlike in Singapore and Malaysia, it cannot progressively recognise the revenue as the completed contract method in accounting is adopted for these projects. The Hensley has obtained its TOP in December 2018, the profits of which will be recognised in 1Q2019 upon settlement.

#### **(b) Hotel Ownership and Property Investment**

The Hotel Ownership segment, which contributed 38% to the Group's turnover in FY2018, registered \$50.0 million in revenue as compared to \$44.3 million in FY2017. For 4Q2018, Hotel Ownership segment contributed 41% to the Group's turnover, registered \$12.8 million in revenue as compared to \$12.0 million in 4Q2017. The increase was mainly due to contribution from Noku Osaka which was acquired in October 2017 and higher revenue from Noku Maldives after its full operation in August 2018.

Revenue from the Property Investment segment constituted the balance of 6% of the Group's turnover in FY2018 & 4Q2018. This segment contributed \$7.9 million in FY2018 as compared to \$10.8 million in FY2017. The decrease was mainly due to the sale of 59 Goulburn Street in October 2017, partially offset by revenue generated from NZI Centre which was acquired in December 2017. For 4Q2018, revenue from Property Investment segment contributed \$1.9 million as compared to \$1.6 million in 4Q2017 mainly due to higher revenue from NZI Centre.

### **(ii) Cost of sales and gross profit**

In line with the decrease in revenue, cost of sales decreased by 55% to \$83.6 million in FY2018 from \$187.3 million in FY2017. In 4Q2018, cost of sales decreased by 42% to \$18.2 million from \$31.4 million in 4Q2017.

Gross profit from the Property Development segment contributed \$18.8 million or 38% of the Group's total gross profit in FY2018, while the remaining 62% or \$30.4 million was contributed by the Hotel Ownership and Property Investment segments. Gross profit margin from the Property Development segment was 25% in FY2018, as compared to 15% in FY2017 mainly due to higher profit margin from Straits Mansions and The Navian. The gross profit margin of the Hotel Ownership segment decreased 4 percentage points to 50% in FY2018 mainly due to lower RevPar from Noku Osaka.

In 4Q2018, gross profit from the Property Development segment contributed \$5.1 million or 40% of the Group's total gross profit, with the remaining 60% or \$7.5 million contributed by the Hotel Ownership and Property Investment segments. Gross profit margin from the Property Development segment was 31% in 4Q2018, as compared to 14% in 4Q2017 mainly due to higher profit margin from Straits Mansions and The Navian. The gross profit margin of the Hotel Ownership segment decreased 6 percentage points to 49% in 4Q2018 as compared to 55% in 4Q2017 mainly



## Roxy-Pacific Holdings Limited

due to lower RevPar from Noku Osaka. Gross profit margin of the Property Investment segment decreased 3 percentage points to 69% in 4Q2018 from 72% in 4Q2017 mainly due to lower profit margin from Roxy Square.

The Group's overall gross profit margin in FY2018 was 37%, higher than the 24% recorded in FY2017 mainly due to higher contribution from Hotel Ownership segment which has a higher profit margin. For 4Q2018, the Group's overall gross profit margin was 41%, compared with 28% in 4Q2017 mainly due to higher profit margin from Property Development segment.

**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 7-8 and explanatory notes to the consolidated statement of cash flows on page 10-11.

**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 third quarter ended 30 September 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.**

According to the Ministry of Trade and Industry, Singapore's economy grew by 3.2% for 2018. Singapore's economy expanded 1.9% year-on-year in the fourth quarter of 2018, moderating slightly from the 2.3% in the third quarter of 2018. Overall, on a quarter-on-quarter, seasonally-adjusted annualised basis, the economy grew by 1.4%, unchanged from the preceding quarter<sup>1</sup>.

Australia's economy also posted growth of 0.3% in the third quarter of 2018 on a seasonally-adjusted basis<sup>2</sup>. The Reserve Bank of Australia had projected the country's GDP to grow a little above 3.0% over 2018 and 2019<sup>3</sup>.

On the other hand, Japan's economy shrank at an annual rate of 2.5% in the July-September quarter, the sharpest contraction since a 7.3 percent shrinkage logged in the April-June quarter in 2014, as a string of natural disasters weighed on capital expenditure.

### Property Development

#### Singapore

Latest real estate statistics from the Urban Redevelopment Authority ("URA") showed that prices of private residential properties decreased by 0.1% in 4Q2018, compared with the 0.5% increase in the previous quarter. For the whole of 2018, prices of private residential properties increased by 7.9%, compared with the 1.1% increase in 2017<sup>4</sup>.

<sup>1</sup> Ministry of Trade and Industry Singapore, February 15, 2019 – Singapore Maintains 2019 Growth Forecast at "1.5 to 3.5 Per Cent"

<sup>2</sup> Australian Bureau of Statistics, December 5, 2018 – Economy grew 0.3 per cent in September quarter

<sup>3</sup> Reserve Bank of Australia, 2018 – Statement on Monetary Policy – August 2018

<sup>4</sup> Urban Redevelopment Authority, January 25, 2019 – Release of 4<sup>th</sup> Quarter 2018 real estate statistics



## **Roxy-Pacific Holdings Limited**

Following two quarters of mild price movements after the Government's cooling measures were announced on July 6, 2018, some analysts have pointed to signs of stabilisation in private home prices, with some industry players expecting these home prices to rise, albeit at a slower pace of between 1 per cent and 3 per cent for 2019.

The Group will continue exercise prudence in new site acquisitions as well as closely monitor market conditions for its planned upcoming property launches.

### **Australia**

For the Australian residential sector, the price index for residential properties for the weighted average of eight capital cities fell 1.5% in the September quarter 2018 and was down 1.9% year-to-date ie through to September quarter 2018. On a year-on-year basis, Sydney registered declines of 4.4%<sup>5</sup>.

The Group's residential development projects in Sydney have been well received, with The Hensley and Octavia are both left with one unit for sale, while West End Glebe that was launched in two phases is currently overall close to 88% sold. The Hensley has obtained its TOP in December 2018, the profits of which will be recognised in 1Q2019.

Pre-sales for the New World Towers project in Brisbane, in which the Group has 40% stake, have been stagnant after achieving 122 units sales during the phase one launch. Given the existing weak residential market fundamentals in Brisbane, the joint venture parties are have decided to put the project on hold.

In New South Wales, the Group earlier acquired a property located at Mavis Street in Revesby in New South Wales, comprising a mix of warehouse and office space. This marked the Group's first entry into Australian industrial investment, with plans underway to develop the property into light-industrial warehouses and self-storage units.

As at 12 February2019, based on units sold from the following ongoing development projects, the Group has total attributable pre-sale revenue of \$630.9 million, the profits of which will be recognised from 1Q2019 to FY2022.

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<sup>5</sup>Australian Bureau of Statistics, September 2018 – Residential Property Price Indexes: Eight Capital Cities

| Project name                             | Type of development | Group stake % | Total units in project | Unit sold % | Attributable total sale value <sup>(i) (ii)</sup> \$'m | Attributable revenue recognised up to 31 December 2018 \$'m | Balance attributable progress billings to be recognised from 1Q2019 \$'m |
|------------------------------------------|---------------------|---------------|------------------------|-------------|--------------------------------------------------------|-------------------------------------------------------------|--------------------------------------------------------------------------|
| <b>Singapore</b>                         |                     |               |                        |             |                                                        |                                                             |                                                                          |
| 1 The Navian                             | Residential         | 100%          | 48                     | 92%         | \$ 53.1                                                | \$ 19.2                                                     | \$ 33.9                                                                  |
| 2 Harbour View Gardens                   | Residential         | 100%          | 57                     | 98%         | \$ 72.2                                                | \$ 1.3                                                      | \$ 70.9                                                                  |
| 3 120 Grange                             | Residential         | 90%           | 56                     | 80%         | \$ 74.9                                                | -                                                           | \$ 74.9                                                                  |
| 4 Bukit 828                              | Residential         | 80%           | 34                     | 21%         | \$ 5.9                                                 | -                                                           | \$ 5.9                                                                   |
| 5 Arena Residences <sup>(iii)</sup>      | Residential         | 50%           | 98                     | 42%         | \$ 25.9                                                | -                                                           | \$ 25.9                                                                  |
| 6 RV Altitude <sup>(iv)</sup>            | Residential         | 100%          | 140                    | 15%         | \$ 32.9                                                | -                                                           | \$ 32.9                                                                  |
| 7 Fyve Derbyshire <sup>(iv)</sup>        | Residential         | 100%          | 71                     | 14%         | \$ 18.5                                                | -                                                           | \$ 18.5                                                                  |
| <b>Malaysia</b>                          |                     |               |                        |             |                                                        |                                                             |                                                                          |
| 5 Wisma Infinitum - The Colony           | Residential         | 47%           | 423                    | 72%         | \$ 52.9                                                | \$ 17.9                                                     | \$ 35.0                                                                  |
| Wisma Infinitum - The Luxe               | Residential         | 47%           | 300 <sup>(v)</sup>     | 42%         | \$ 26.5                                                | \$ 8.7                                                      | \$ 17.8                                                                  |
| <b>Australia</b>                         |                     |               |                        |             |                                                        |                                                             |                                                                          |
| <b>Sydney</b>                            |                     |               |                        |             |                                                        |                                                             |                                                                          |
| 6 The Hensley, Potts Point               | Residential         | 100%          | 44                     | 98%         | \$ 64.1                                                | -                                                           | \$ 64.1                                                                  |
|                                          | Shop                | 100%          | 1                      | 100%        | \$ 1.0                                                 | -                                                           | \$ 1.0                                                                   |
| 7 Octavia Killara                        | Residential         | 100%          | 43                     | 98%         | \$ 41.8                                                | -                                                           | \$ 41.8                                                                  |
| 8 West End Residences, Tower 1 (Foundry) | Residential         | 100%          | 140                    | 89%         | \$ 126.8                                               | -                                                           | \$ 126.8                                                                 |
| West End Residences, Tower 2 (Art House) | Residential         | 100%          | 91 <sup>(iv)</sup>     | 86%         | \$ 81.5                                                | -                                                           | \$ 81.5                                                                  |
| <b>Total</b>                             |                     |               | <b>1,546</b>           |             | <b>\$ 678.0</b>                                        | <b>\$ 47.1</b>                                              | <b>\$ 630.9</b>                                                          |

- (i) For Singapore projects, sale value is based on Option to Purchase granted up to 12 February 2019  
(ii) For overseas projects, sale value is based on contract signed up to 12 February 2019  
(iii) Launched on 2 November 2018  
(iv) Launched on 14 January 2019  
(v) Represents Block B - The Luxe by Infinitum. An additional 31 commercial units are pending launch

In addition, the Group has the following development land bank in Singapore:

| Project name/ Location      | Proposed Development                 | Approximate Land Area (sqf) | Approximate Gross Floor Area (sqf) | Group's stake | Approximate Attributable Gross Floor Area (sqf) | Approximate Attributable Land Cost (SGD) |
|-----------------------------|--------------------------------------|-----------------------------|------------------------------------|---------------|-------------------------------------------------|------------------------------------------|
| 1 Dunearn 386               | 35 units of Residential Development  | 19,203                      | 26,884                             | 100%          | 26,884                                          | \$36.3                                   |
| 2 15, 17 & 19 Lorong Kismis | 186 units of Residential Development | 100,336                     | 140,470                            | 60%           | 84,282                                          | \$78.4 <sup>(1)</sup>                    |
| 3 22 Farrer Road            | 85 units of Residential Development  | 39,130                      | 70,741                             | 40%           | 28,296                                          | \$39.5                                   |
| 4 NEU At Novena             | 87 units of Residential Development  | 22,198                      | 65,585                             | 50%           | 32,793                                          | \$53.0                                   |
| <b>Total</b>                | <b>393 units</b>                     | <b>180,867</b>              | <b>303,680</b>                     |               | <b>172,255</b>                                  | <b>\$207.2</b>                           |

- (1) Included estimated development charge / top up lease premium

RV Altitude and Fyve Derbyshire were launched in January 2019 and they were amongst the first projects to be launched in January this year, in the prime River Valley and Thomson vicinities. The Group plans to launch the remaining four development sites for sale in the next few quarters, depending on market conditions.



## **Roxy-Pacific Holdings Limited**

### Hotel Ownership

On the hospitality front, latest statistics from the Singapore Tourism Board (“STB”) showed that Singapore hit a record high in tourist arrivals and spending for the third consecutive year, having received 18.5 million in 2018 as compared to 17.4 million visitors in 2017. Similarly, tourism receipts rose 1.0% to S\$27.1 billion, from S\$26.8 billion in 2017<sup>6</sup>.

For 2019, the STB expects further growth for the tourism sector, forecasting visitor arrivals to grow 1% to 4% to be in the range of 18.7 million to 19.2 million, while tourism receipts are expected to be in the range of S\$27.3 to S\$27.9 billion, a growth of between 1% and 3%.

The hospitality outlook in Japan shows positive signs as well. According to Japan National Tourism Organisation, the estimated number of international travellers to Japan in November 2018 reached 2.5 million, which was an increase of 3.1% from the previous year, making it the best November ever. As of December 18, 2018, it hit a record of 30.0 million visitors<sup>7</sup>.

The Group’s flagship Grand Mercure Singapore Roxy hotel, and self-managed boutique hotels in Japan – Noku Kyoto and Noku Osaka – continue to contribute healthy recurring income. Its resort in Maldives, Noku Maldives, which commenced operations in December 2017, has received warm reception since its soft opening, with the resort hotel in Phuket targeted to open in 2020.

### Property Investment

For the Australian office sector, the overall sentiment in commercial property markets, as measured by the NAB Commercial Property Index, fell 4 points to a 2-year low of 8 in 3Q2018, but is still well above long-term average levels of 3 points<sup>8</sup>.

The sale of the commercial building at 117 Clarence Street in Sydney, which was completed on 17 August 2018, has contributed positively to Roxy-Pacific’s financial performance in the financial year ending December 31, 2018.

The Group continues to grow its presence and investment portfolio in Australia. As part of its strategy to increase recurring income streams, it recently acquired a centrally located property at 33 Argyle Street, Parramatta, New South Wales, within the central business district. This commercial building comprises one retail ground floor suite, three levels of above ground parking and six upper office levels.

### Outlook

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

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<sup>6</sup> Singapore Tourism Board, February 13, 2019 – Third consecutive year of growth for Singapore tourism sector in 2018

<sup>7</sup> Japan National Tourism Organisation – Japan Tourism Statistics

<sup>8</sup> Australia National Bank, 22 October 2018 - NAB Quarterly Australian Commercial Property Survey Q3 2018

## 11. Dividend

Any dividend declared for the current financial period reported on? Yes

The Directors are pleased to recommend a final dividend of 0.705 cents per share tax exempt one tier (2017: 0.771 cents per share tax exempt one-tier) in respect of the financial year ended 31 December 2018 for approval by shareholders at the next Annual General Meeting to be convened.

Together with the interim dividend of 0.195 cents per share tax exempt one-tier (2017: 0.214 cents per share tax exempt one-tier), total dividends paid and proposed in respect of the financial year ended 31 December 2018 will be 0.90 cents per share (2017: 0.985 cents per share tax-exempt one-tier).

|                  |                                |
|------------------|--------------------------------|
| Name of Dividend | Proposed Final                 |
| Dividend Type    | Cash (Ordinary)                |
| Dividend Rate    | 0.705 cents per ordinary share |
| Tax Rate         | Tax exempt (one-tier tax)      |

### (a) *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    | 0.771 cents per ordinary share |
| Tax Rate         | Tax exempt (one-tier tax)      |

### (b) *Date payable*

Subject to shareholders' approval at the Annual General Meeting to be held on 5 April 2019, the proposed Final dividend will be paid on 26 April 2019.

### (c) *Books closure date*

Share Transfer Books and Register of Members of the Company will be closed on 16 April 2019 after 5:00 pm for the preparation of dividend warrants.

Duly completed registrable transfers received by the Company's Share Registrar, KCK CorpServe Pte. Ltd. of 333 North Bridge Road #08-00, KH KEA Building, Singapore 188721 up to 5:00 pm on 16 April 2019 will be registered to determine shareholders' entitlements to the said proposed Final Dividend. Members whose securities accounts with The Central Depository (Pte) Limited are credited with shares at 5:00 pm on 16 April 2019 will be entitled to the abovementioned proposed dividend.

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

Not applicable.

**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 <sup>(1)</sup> |                | Group          |                |
|----------------------------------------------------------|-----------------|----------------|----------------------|----------------|---------------------|---------------|-----------------------|----------------|----------------|----------------|
|                                                          | 2018            | 2017           | 2018                 | 2017           | 2018                | 2017          | 2018                  | 2017           | 2018           | 2017           |
|                                                          | \$'000          | \$'000         | \$'000               | \$'000         | \$'000              | \$'000        | \$'000                | \$'000         | \$'000         | \$'000         |
| <b>Revenue</b>                                           |                 |                |                      |                |                     |               |                       |                |                |                |
| External                                                 | 49,986          | 44,272         | 74,992               | 191,774        | 7,877               | 10,767        | -                     | -              | 132,855        | 246,813        |
| <b>Total revenue</b>                                     | <b>49,986</b>   | <b>44,272</b>  | <b>74,992</b>        | <b>191,774</b> | <b>7,877</b>        | <b>10,767</b> | <b>-</b>              | <b>-</b>       | <b>132,855</b> | <b>246,813</b> |
| <b>Segment results</b>                                   | <b>2,662</b>    | <b>(3,126)</b> | <b>10,699</b>        | <b>21,384</b>  | <b>4,032</b>        | <b>4,209</b>  | <b>(3,502)</b>        | <b>(4,870)</b> | <b>13,891</b>  | <b>17,597</b>  |
| Interest income                                          | 9               | 5              | 18                   | 246            | 223                 | 117           | 1,846                 | 1,992          | 2,096          | 2,360          |
| Finance cost                                             | (7,291)         | (6,861)        | (322)                | (812)          | (2,853)             | (2,760)       | (1,934)               | (3,910)        | (12,400)       | (14,343)       |
| Fair value gain on investment properties                 | -               | -              | -                    | -              | 4,910               | 24,047        | -                     | -              | 4,910          | 24,047         |
| Net realised / Unrealised foreign exchange (loss) / gain | 3               | 18             | 57                   | 1,384          | (1,438)             | (98)          | 373                   | 2,090          | (1,005)        | 3,394          |
| Fair value gain / (loss) on financial derivatives        | -               | -              | -                    | -              | -                   | 666           | -                     | -              | -              | 666            |
| Share of results of associates                           | 18              | (93)           | (259)                | 6,384          | 21,085              | 7,804         | -                     | -              | 20,844         | 14,095         |
| Profit before tax                                        | (4,599)         | (10,057)       | 10,193               | 28,586         | 25,959              | 33,984        | (3,217)               | (4,698)        | 28,336         | 47,815         |
| Taxation                                                 |                 |                |                      |                |                     |               |                       |                | (4,553)        | (15,443)       |
| Profit for the year                                      |                 |                |                      |                |                     |               |                       |                | 23,783         | 32,372         |

<sup>(1)</sup> "Others" include corporate services.

**(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    |
| <b>Revenue</b>            |           |           |        |          |          |           |           |          |             |           |
| Fourth quarter ended      |           |           |        |          |          |           |           |          |             |           |
| 31 December 2018          | 25,681    | -         | 2,221  | -        | -        | -         | -         | 1,364    | 1,562       | 30,828    |
| 31 December 2017          | 39,547    | 901       | 2,312  | -        | -        | -         | -         | 309      | 251         | 43,320    |
| Full year ended           |           |           |        |          |          |           |           |          |             |           |
| 31 December 2018          | 114,307   | -         | 9,044  | -        | -        | -         | -         | 3,111    | 6,393       | 132,855   |
| 31 December 2017          | 231,554   | 8,845     | 5,503  | -        | -        | -         | -         | 660      | 251         | 246,813   |
| <b>Non-current assets</b> |           |           |        |          |          |           |           |          |             |           |
| As at 31 December 2018    | 181,397   | 90,259    | 72,709 | 35,124   | 22,841   | 35,195    | 3,735     | 54,296   | 65,096      | 560,652   |
| As at 31 December 2017    | 180,050   | 107,199   | 70,313 | 24,391   | 21,095   | 26,011    | 3,914     | 49,430   | 59,862      | 542,265   |
| <b>Total assets</b>       |           |           |        |          |          |           |           |          |             |           |
| As at 31 December 2018    | 962,844   | 383,105   | 76,293 | 38,906   | 22,841   | 35,195    | 3,737     | 57,493   | 69,421      | 1,649,835 |
| As at 31 December 2017    | 914,987   | 309,064   | 75,191 | 27,741   | 21,094   | 26,012    | 3,916     | 51,539   | 61,163      | 1,490,707 |

**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/<br>(decrease) |
|-----------------------------------------------------------------------------------------------------|------------------|------------------------|---------------------------|
|                                                                                                     | FY2018<br>\$'000 | FY2017<br>\$'000       |                           |
| (a) Sales reported for first half year                                                              | 83,295           | As restated<br>143,242 | -42%                      |
| (b) Operating profit after tax before deducting minority interest reported for the first half year  | 13,544           | 21,743                 | -38%                      |
| (c) Sales reported for second half year                                                             | 49,560           | 103,571                | -52%                      |
| (d) Operating profit after tax before deducting minority interest reported for the second half year | 10,239           | 10,629                 | -4%                       |

#### 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 |                  |
|-------------------------|-----------------------|------------------|
|                         | FY2018<br>\$'000      | FY2017<br>\$'000 |
| <u>Ordinary</u>         |                       |                  |
| Interim Dividend        | 2,548                 | 2,551            |
| Proposed Final Dividend | 9,193                 | 9,192            |
| Total                   | 11,741                | 11,743           |

#### 17. Interested Person Transactions

The Company does not have a shareholders' mandate for interested person transactions. There were no interested person transactions during the year ended 31 December 2018.

#### 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.

| <b>Name</b>         | <b>Age</b> | <b>Family relationship with any director, CEO and/or substantial shareholder</b> | <b>Current position and duties, and the year the position was first held</b>                                  | <b>Details of changes in duties and position held, if any, during the year</b> |
|---------------------|------------|----------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------|
| Teo Hong Lim        | 52         | Brother of Teo Hong Yeow Chris, Teo Hong Hee and Teo Hong Wee.                   | Executive Chairman & CEO with effect from 20 May 1993. Overall in-charge of Group's Strategies and Management | No change                                                                      |
| Teo Hong Yeow Chris | 58         | Brother of Teo Hong Yeow Hee, Teo Hong Wee and Teo Hong Lim.                     | Managing Director with effect from 16 July 2001. Overall in-charge of Hotel Ownership Business                | No change                                                                      |

**ON BEHALF OF THE BOARD**

Teo Hong Lim  
Chairman & CEO

Koh Seng Geok  
Executive Director & Deputy CEO

21st February 2019  
Singapore