



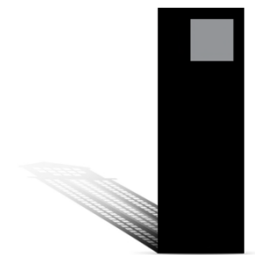
PRIMED FOR
GROWTH

ROXY-PACIFIC HOLDINGS LIMITED

Results Announcement
First Quarter Ended 31 March 2018
14th May 2018

Agenda

- 1 Financial Performance
- 2 Business Review
- 3 Group Borrowings
- 4 Outlook



Financial Performance

1Q2018 Overview

- Net profit attributable to shareholders increased by 19% to S\$7.0 million (1Q2017: S\$5.9 million).
- Group's revenue was lower at S\$46.4 million (1Q2017: S\$65.4 million) due to lower revenue recognition from Trilive and absence of revenue recognition from Jade Residences, Whitehaven and LIV on Wilkie.
- Strong take-up rate for The Navian (77% sold) and Harbour View Gardens (91% sold).
- Total pre-sale revenue of S\$548.1 million (1Q2017: S\$439.3 million), which will be recognised from 2Q2018 to 2021.
- Completed the purchase of residential site at 5 Derbyshire Road, Singapore, a office building at 312 St. Kilda Road, Melbourne and a mixed-use development site at 360 Little Bourke Street, Melbourne.
- Healthy cash and bank balances of S\$270.3 million.
- Net gearing remains healthy at 0.65 time notwithstanding the completion of acquisition of properties in 1Q2018.

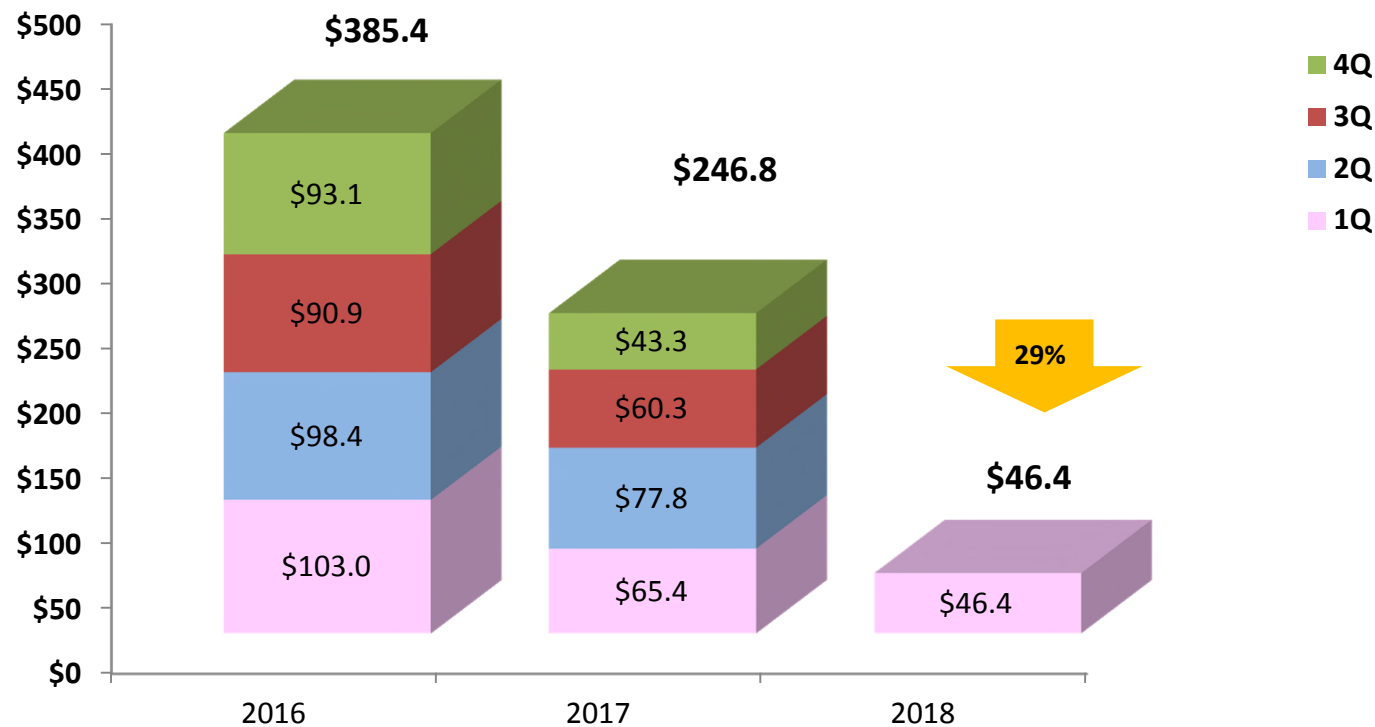
Financial Performance

Financial Results	1Q2018	1Q2017	% change
Revenue (S\$m)	46.4	65.4	-29%
Gross Profit (S\$m)	13.5	16.3	-17%
Gross Margin (%)	29%	25%	4ppt
Share of results of associates (net of tax) (S\$m)	5.8	2.6	121%
Pre-tax profit (S\$m)	7.9	9.2	-14%
Net Profit (S\$m)	7.0	6.3	11%
Net Profit attributable to shareholders (S\$m)	7.0	5.9	19%
EPS (SGD cents)	0.59	0.50	19%

Financial Performance

Financial Performance Turnover (\$\$'m)

► 1Q2018 revenue decreased by 29% to \$46.4m due to lower contribution from property development and property investment segments

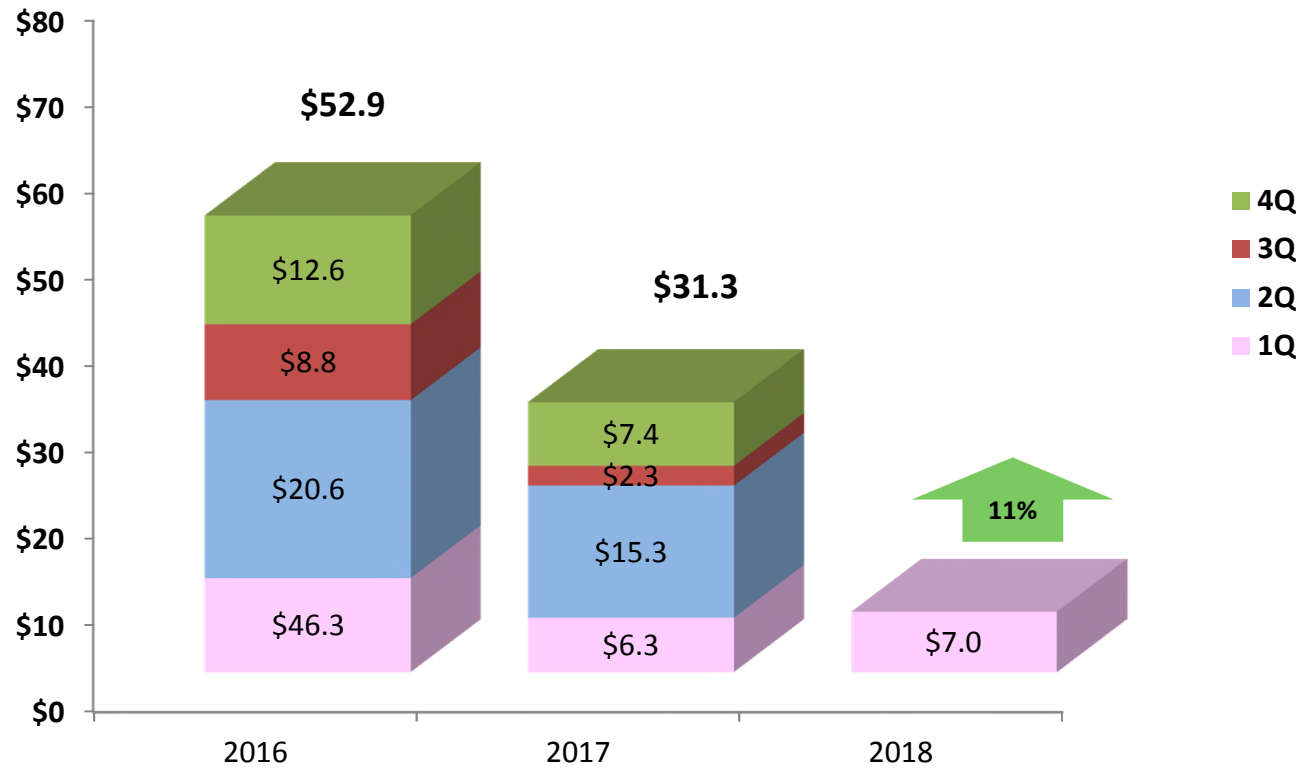


Financial Performance

Financial Performance

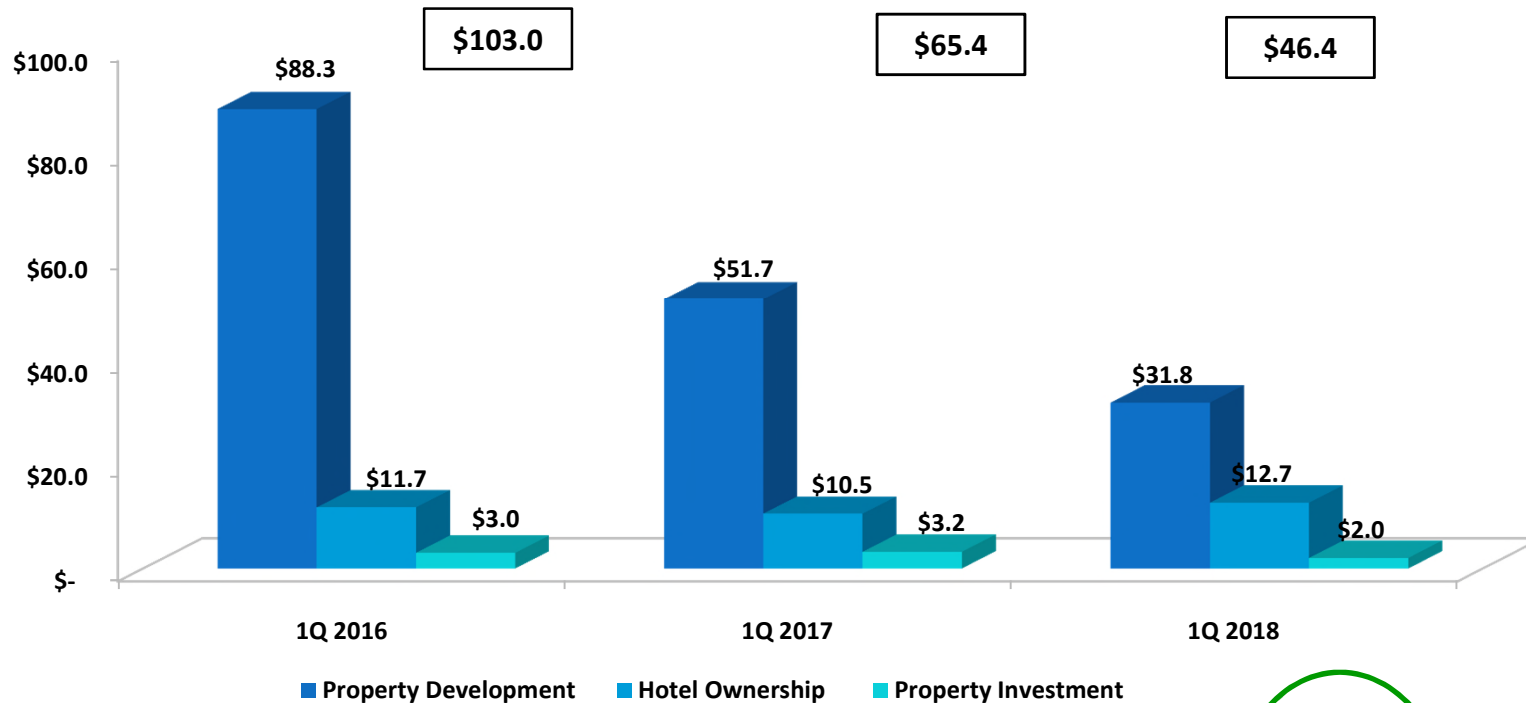
Profit After Tax (\$\$'m)

► 1Q2018 net profit increased by 11% to S\$7.0m



Financial Performance

Segment Results – 1Q2018 Revenue (\$\$'m)

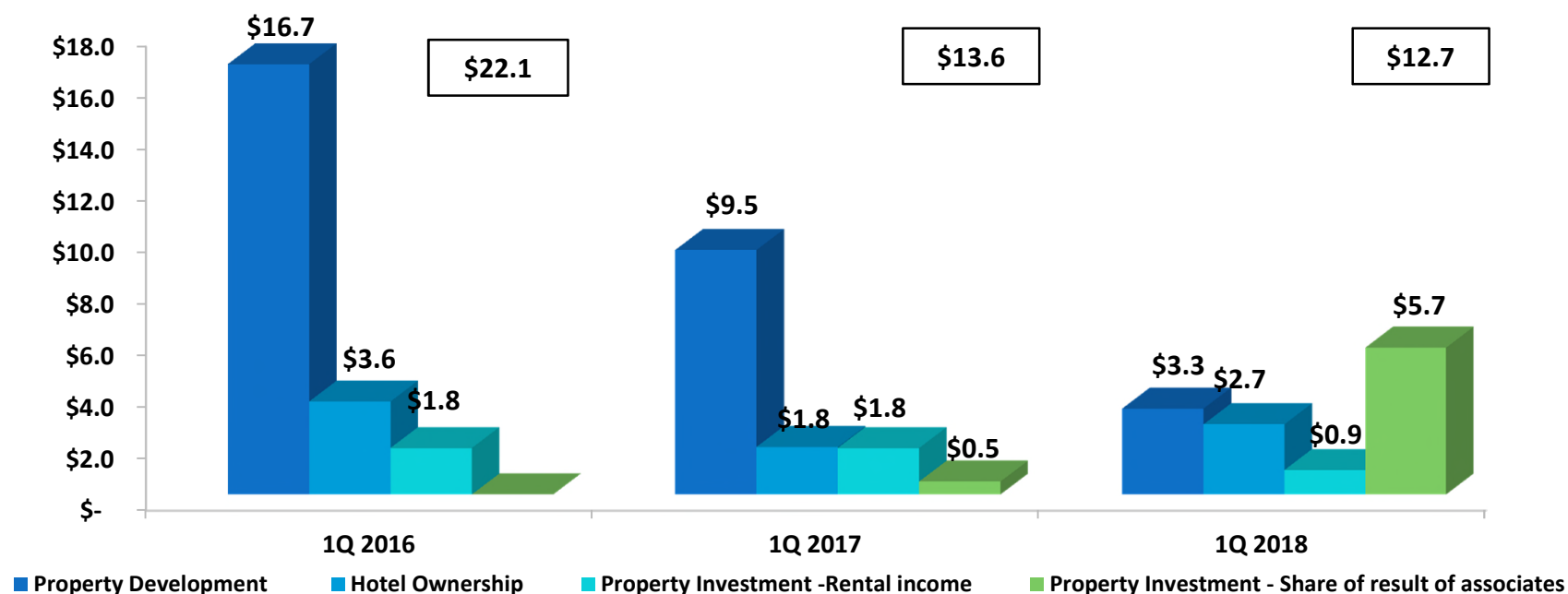


	1Q 2016	1Q 2017	1Q 2018
Property Development	86%	79%	68%
Hotel Ownership	11%	16%	28%
Property Investment	3%	5%	4%
	100%	100%	100%

Financial Performance

Segment Results – 1Q2018

Adjusted EBITDA* (\$S'm)

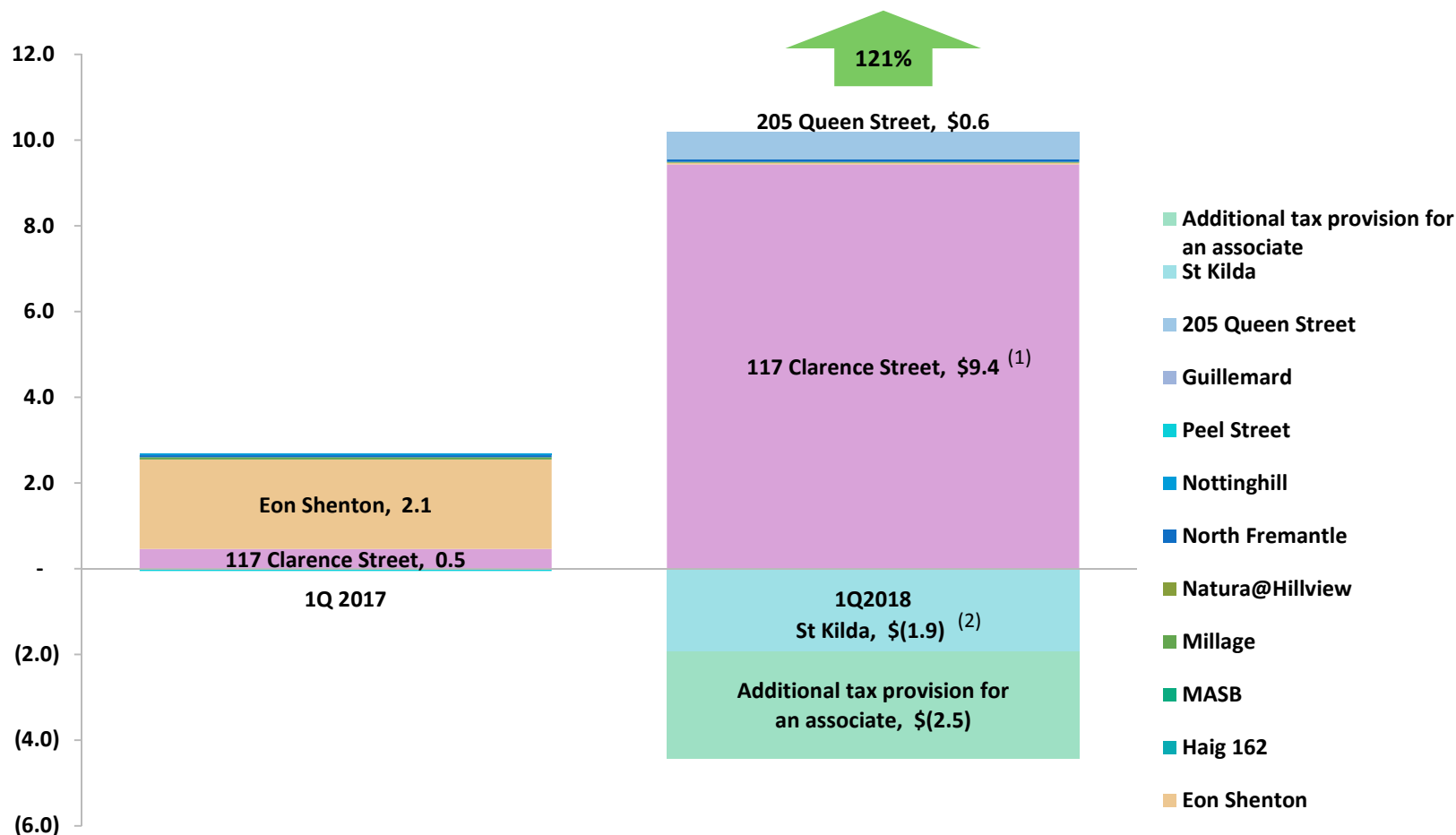


	1Q 2016	1Q 2017	1Q 2018
Property Development	76%	70%	26%
Hotel Ownership	16%	14%	22%
Property Investment -Rental income	8%	13%	7%
Property Investment - Share of result of associates	0%	3%	45%
	100%	100%	100%

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

Financial Performance

Share of results in associates (S\$m)



(1) includes S\$9.0m fair value gain, net of tax, from 117 Clarence Street

(2) Includes share of stamp duty incurred on the acquisition of office building at 312 St Kilda Road

Financial Performance

Financial Position	31 Mar 2018 (S\$m)	31 Dec 2017 (S\$m)
Total assets	1,532.5	1,489.1
Total debt	909.5	871.8
Cash & bank balances ⁽¹⁾	270.3	322.4
Net debt	639.2	549.4
Net asset value ("NAV")	501.9	502.7
Revaluation surplus ⁽²⁾	488.5	490.3
Adjusted net asset value ("ANAV")	990.4	992.7

(1) Cash holdings include project account monies amounting to S\$35.6m as at 31 March 2018 (31 December 2017: S\$82.7m) and S\$88.2m (31 December 2017: S\$88.2m) pledged to banks and financial institution

(2) The fair value of the Grand Mercure Roxy Hotel, Noku Kyoto, Noku Osaka, hotel under development in Phuket, property in Maldives and the head office premise were estimated to be S\$681.6m as at 31 March 2018 (31 December 2017: S\$682.4m)

Financial Performance

Financial Ratios	31 Mar 2018	31 Dec 2017
NAV per share (SGD cents)	42.16	42.16
ANAV per share (SGD cents) ⁽¹⁾	83.20	83.28
Cash holdings per share (SGD cents) ⁽²⁾	22.71	27.05
Net debt to ANAV (times)	0.65	0.55
Total debt to ANAV (times)	0.92	0.88
Return on equity (%) ⁽³⁾	5.7%	5.9%

(1) The fair value of the Grand Mercure Roxy Hotel, Noku Kyoto, Noku Osaka, hotel under development in Phuket, property in Maldives and the head office premise were estimated to be S\$681.6m as at 31 March 2018 (31 December 2017: S\$682.4m)

(2) Cash holdings include project account monies amounting to S\$35.6m as at 31 March 2018 (31 December 2017: S\$82.7m) and S\$88.2m (31 December 2017: S\$88.2m) pledged to banks and financial institution

(3) Calculated by dividing annualised profit after tax attributable to equity shareholders by net assets value

**Results Announcement
First Quarter Ended 31 March 2018**

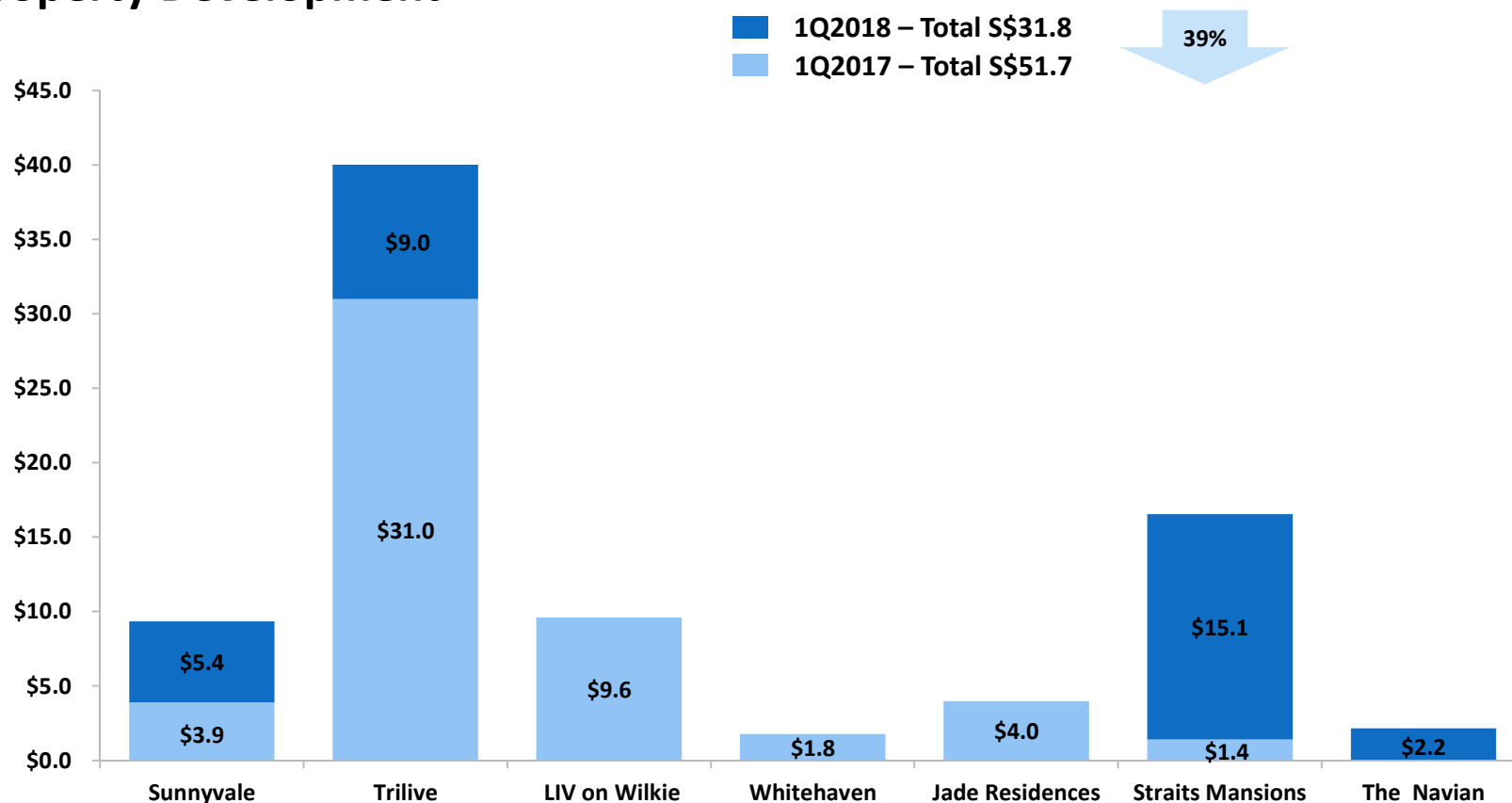
14th May 2018

BUSINESS REVIEW
Property Development

Business Review

Property Development

Revenue from Property Development (S\$'m)



- 1Q2018 Property Development revenue was mainly attributable to Trilive and Straits Mansions. The decrease in revenue was mainly due to lower revenue recognition from Trilive and absence of revenue recognition from Jade Residences, Whitehaven and LIV on Wilkie.

Business Review

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

Project name	Type of development	Group stake %	Total units in project Unit	Unit sold %	Attributable total sale value ^{(i) (ii)} \$'m	Attributable revenue recognised up to 31 Mar 2018 \$'m	Balance attributable progress billings to be recognised from 2Q2018 \$'m
<u>Singapore</u>							
1 Trilive	Residential	85%	222	100%	\$ 224.1	\$ 214.2	\$ 9.9
	Shop	85%	2	100%	\$ 1.4	\$ 1.3	\$ 0.1
2 Straits Mansions	Residential	100%	25	100%	\$ 48.2	\$ 31.9	\$ 16.3
3 The Navian ⁽ⁱⁱⁱ⁾	Residential	100%	48	77%	\$ 42.8	\$ 2.0	\$ 40.8
4 Harbour View Gardens ^(iv)	Residential	100%	57	91%	\$ 65.8	-	\$ 65.8
<u>Malaysia</u>							
5 Wisma Infinitum - The Colony	Residential	47%	423	68%	\$ 50.8	-	\$ 50.8
Wisma Infinitum - The Luxe	Residential	47%	300 ^(v)	32%	\$ 21.0	-	\$ 21.0
<u>Australia</u>							
<u>Sydney</u>							
6 The Hensley, Potts Point	Residential	100%	44	95%	\$ 69.1	-	\$ 69.1
	Shop	100%	1	100%	\$ 1.1	-	\$ 1.1
7 Octavia, Killara	Residential	100%	43	95%	\$ 46.8	-	\$ 46.8
8 West End Glebe, Tower 1 (Foundry)	Residential	100%	140	87%	\$ 141.8	-	\$ 141.8
West End Glebe, Tower 2 (Art House)	Residential	100%	91	49%	\$ 54.5	-	\$ 54.5
<u>South Brisbane</u>							
9 New World Towers, Peel Street	Residential	40%	195 ^(vi)	63%	\$ 30.1	-	\$ 30.1
Total			1,591		\$ 797.5	\$ 249.4	\$ 548.1

iii. Launched in January 2018

iv. Launched in April 2018

v. Represents Block B - The Luxe by Infinitum. An additional 31 commercial units are pending launch

vi. Represents Tower 1 of the development. Tower 2 with an estimated 240 units are pending launch

Note: Pre-sale revenue of overseas projects will be recognised based on completed contract method.

Business Review

Development Land Bank 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	120 Grange	56 units of Residential Development	15,780	33,142	90%	29,828	\$43.6
2	826/A-834/A Upper Bukit Timah Road	34 units of Residential Development	10,258	25,640	80%	20,512	\$13.6
3	RV Millenia	148 units of Residential Development	28,793	80,632	100%	80,632	\$110.0
4	2, 6, 12 & 14 Guillemard Lane	98 units of Residential Development	26,454	74,072	50%	37,036	\$28.3 ⁽³⁾
5	386/A/B, 388/A/B, 390/A/B, 392/A/B Dunearn Road	36 units of Residential Development	19,203	26,884	100%	26,884	\$36.3
6	5 Derbyshire Road	70 units of Residential Development	18,506	53,154	100%	53,154	\$73.9
7	15, 17 & 19 Lorong Kismis ⁽¹⁾	186 units of Residential Development	100,336	140,470	60%	84,282	\$78.5 ⁽⁴⁾
8	22 Farrer Road ⁽²⁾	86 units of Residential Development	39,130	64,310	40%	25,724	\$39.5
Total		714 units	258,461	498,304		358,052	\$423.7

(1) The acquisition is subject to and conditional upon the obtaining of in-principle approval from the Singapore Land Authority to issue a fresh 99 years lease for the Property and an Order for Sale from the Strata Titles Board or the High Court (as case may be) approving this sale and purchases, if necessary.

(2) The acquisition is subject to and conditional upon obtaining an Order for Sale from the Strata Titles Board or the High Court (as may be necessary) approving this sale

(3) Includes state land cost

(4) Included estimated development charge / top up lease premium



Results Announcement First Quarter Ended 31 March 2018

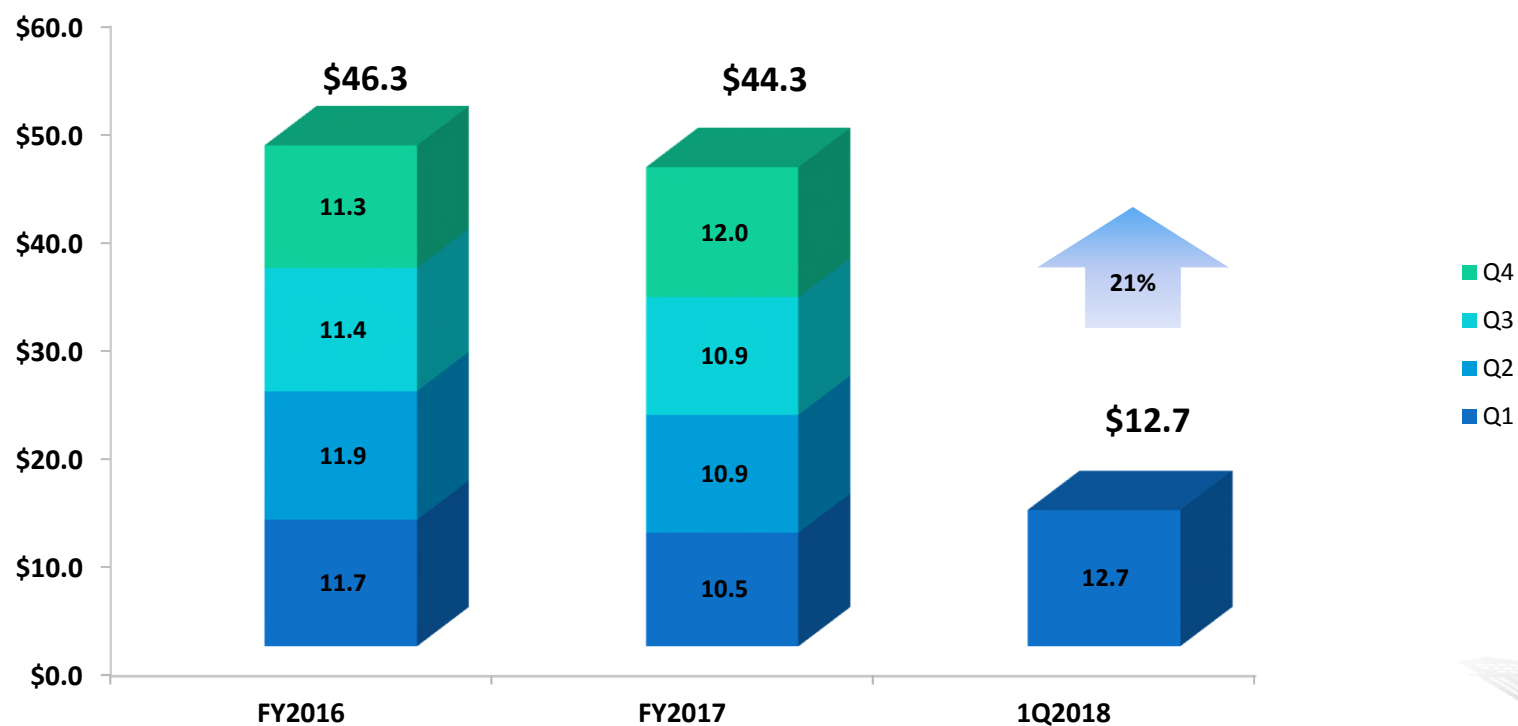
14th May 2018

BUSINESS REVIEW *Hotel Ownership*

Business Review

Hotel Ownership – 1Q2018 Hotel Revenue (\$m)

Hotel revenue increased 21% in 1Q2018 to S\$12.7m mainly due to newly acquired hotel in Osaka, Japan and higher revenue from resort in Maldives after its partial opening

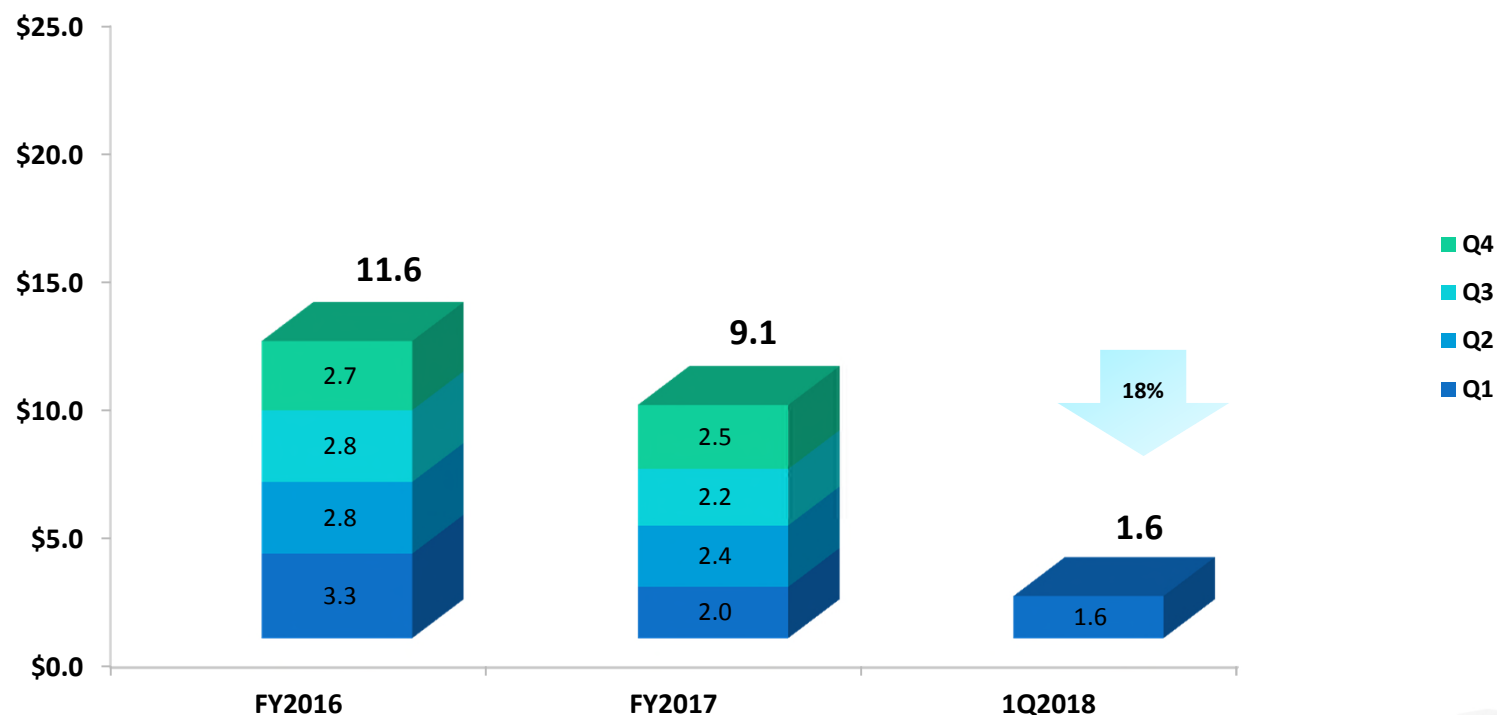


Business Review

Hotel Ownership – 1Q2017

Hotel Net Operating Profits (“NOP”) (S\$m)

► Hotel net operating profit decreased 18% in 1Q2018 to S\$1.6m from S\$2.0 m in 1Q2017



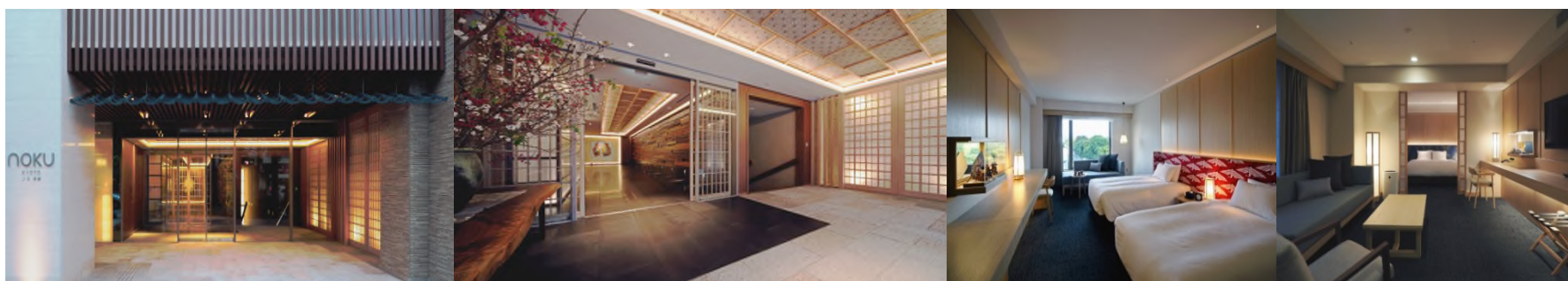
Hotel Net Operating Profits is defined as the earnings before interest, taxes, depreciation and amortisation.

Business Review

Hotels in operations

Properties	Grand Mercure Singapore Roxy	Noku Kyoto	Noku Osaka	Noku Maldives
Location	50 East Coast Road	205-1 Okuracho Kyoto, Japan	Kita-Ku, Osaka City, Japan	Island of Kudafunafaru, Noonu Atoll, Maldives
Managed by	Roxy under franchise with Accor Group	Noku Roxy	Noku Roxy	Noku Maldives
Rooms	576 rooms	81 rooms	154 rooms	50 villas
Date of TOP/acquisition	TOP in Sep 2000	2-Oct-14	17-Oct-17	11-May-16
Tenure	Freehold	Freehold	Freehold	Remaining 38 years leasehold
Approximate Land Area (sq m)	15,172	940	886	89,896
Gross Floor area (sq m)	35,336	4,780	3,672.26	16,830
Valuation as at 31 December 2017	S\$518.0 million	S\$37.2 million (JPY3.01 billion)	S\$37.1 million (JPY3.0 billion)	S\$50.8 million (US\$38.0 million)

*Noku Maldives was soft opened in December 2017. It is expected to be in full operation by June 2018.



Business Review

Noku Roxy Hotels under development

Hotel Name	Location	Date of acquisition	Tenure	Approximate Land Area (sq m)	No. of rooms	Estimated completion date
Noku Phuket	48/13 Moo 6, Chaofa Road, Phuket, Thailand	6-Nov-14	Freehold	46,878	Approx. 91 rooms/villas	2019





Results Announcement First Quarter Ended 31 March 2018

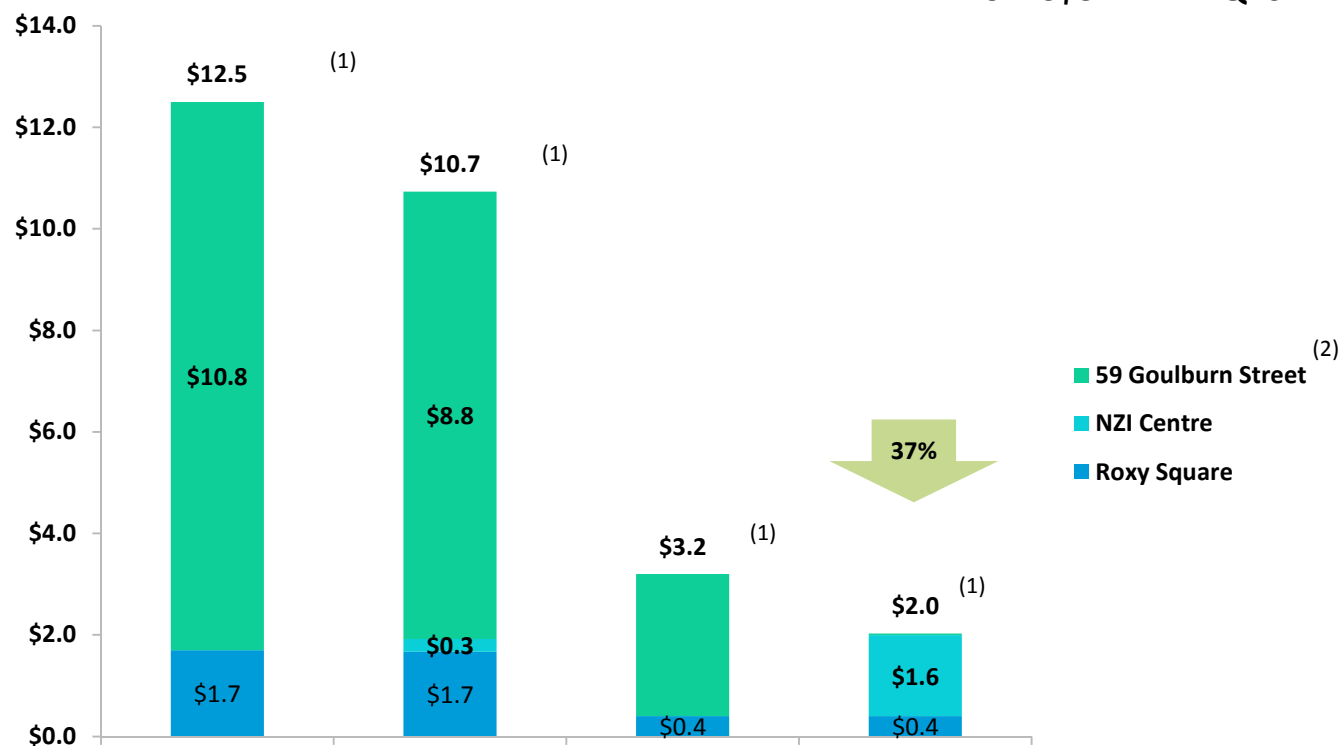
14th May 2018

BUSINESS REVIEW
Property Investment

Business Review

Property Investment – 1Q2018 Revenue (S\$m)

► Rental income decreased 37% in 1Q2018 to S\$2.0m from S\$3.2m in 1Q2017



(1) Excludes rental income from 117 Clarence Street, 205 Queen Street and 312 St Kilda Road as it is accounted for under share of results from associates

(2) The Group has sold the office building on 16th October 2017

Business Review

Investment Properties

	Location	Description	Date of TOP/acquisition	Group's stake	Net Lettable Area/ Floor Area (sqm)	Occupancy (%) as at 31 March 2018 (on lettable area)	Valuation ⁽¹⁾ (\$)	Estimated Total Annual Gross Income (\$\$)
Held by a subsidiary company								
1	50 East Coast Road, Roxy Square, Singapore	49 shop units ⁽²⁾	1984/1998	100%	2,403	87%	S\$64.3 m	1.7m
2	NZI Centre, 1 Fanshawe Street, Auckland, New Zealand	6-Storey commercial building	15-Dec-17	100%	9,446	100%	S\$59.7 m (NZ\$63.2 m)	S\$6.4m (NZ\$6.8m)
	Total				11,849		\$ 124.0	

Held by an Associate company

3	117 Clarence Street, Sydney, Australia	14-Storey commercial building	10-Feb-16	50%	12,517	100%	S\$149.8 m (A\$145.0 m)	S\$9.1m (A\$9.0m)
4	205 Queen Street, Auckland, New Zealand	2 Office Tower with 17 and 22 Storey	20-Dec-17	50%	25,367	87%	S\$164.4 m (NZ\$174.0 m)	S\$13.2m (NZ\$13.9m)
5	312 St Kilda Road, Melbourne, Australia	6 levels of office and 4 basement levels	23-Jan-18	45%	9,813	90%	S\$74.6 m (A\$74.1 m)	S\$4.9m (A\$4.9m)
	Total				47,697		\$ 388.8	

(1) Based on latest valuations as of 31 December 2017 / 31 March 2018

(2) Excludes 3 units which are for owner-use premises



Roxy square



117 Clarence Street

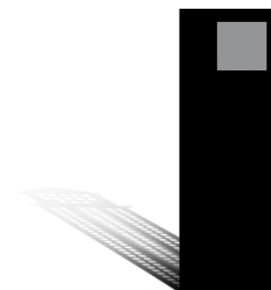


NZI Centre

Group Borrowing

Results Announcement First Quarter Ended 31 March 2018

14th May 2018



Group Borrowing

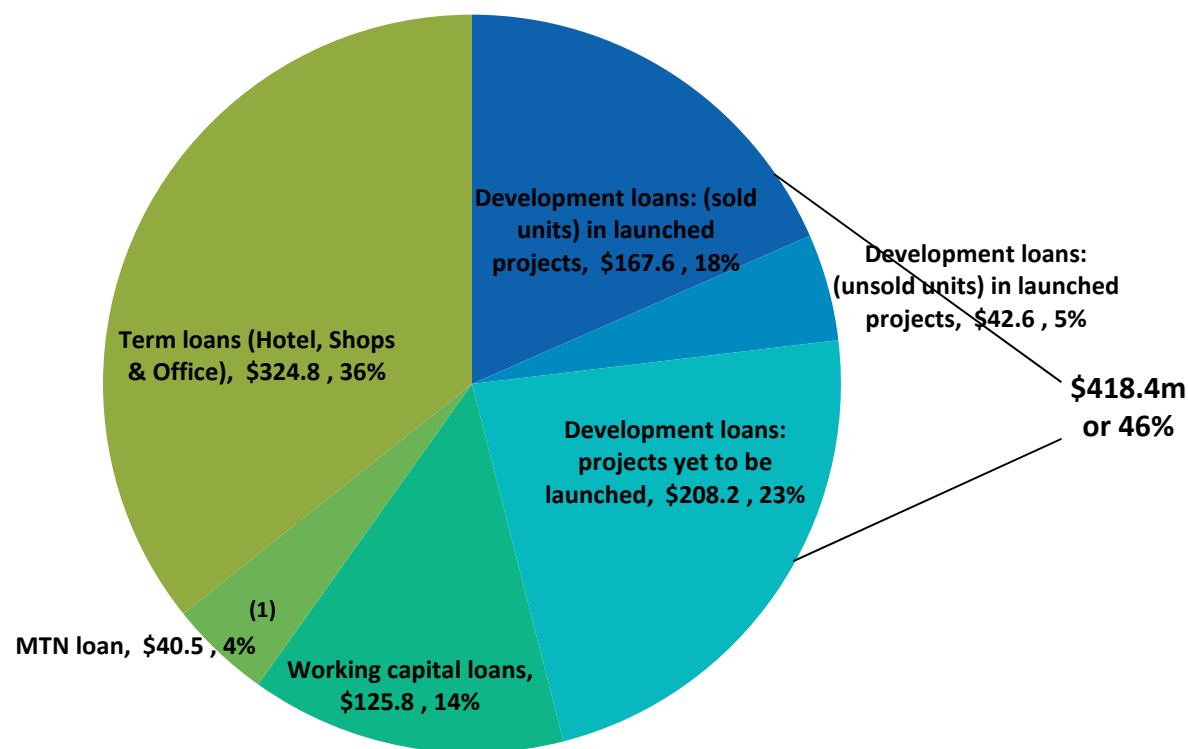
Debt Profile	31 Mar 2018	31 Dec 2017
Total borrowings (S\$m)	S\$909.5	S\$871.8
Net borrowings (S\$m)	S\$639.2	S\$549.4
Fixed rate loans (S\$m)	S\$295.6	S\$271.6
Fixed rate loans as % of total loans	32%	31%
Weighted average term for fixed rate loans	23 months	29 months
Weighted average interest rate (fixed rate loans)	3.2%	3.3%
Weighted average interest rate (floating rate loans)	2.6%	2.6%
Interest coverage ratio (times) ⁽¹⁾	3.5	4.3

(1) calculated by dividing profit before interest and taxes by the interest expenses for the same period

Group Borrowing

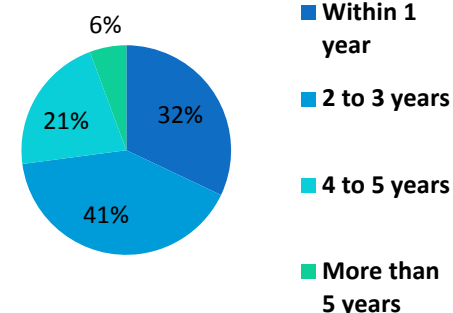
Debt Profile as at 31 Mar 2018 (S\$m)

Total outstanding debts of S\$909.5m as of 31 Mar 2018

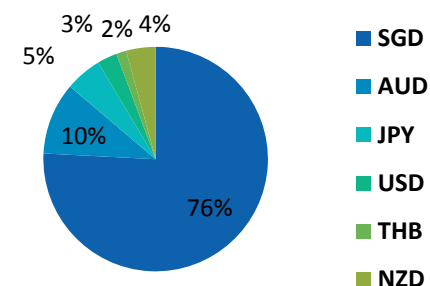


(1) S\$40.5m MTN loan is repayable in July 2018

Debt Maturity



Debt Currency Mix



Outlook

1. General

- Latest statistics from MTI showed that the Singapore economy grew 4.3% y-o-y in 1Q2018¹.
- Australia's economy also posted positive growth of 2.4% on a y-o-y in 4Q2017².
- Japan's economy advanced 0.4% q-on-q in 4Q2017³.

2. Property Development

- URA reported that private residential property prices in 1Q2018 grew 3.9%, a sharp increase compared to the 0.8% growth recorded in the preceding quarter⁴.
- In Australia, residential property prices rose 5.0% through the full year in 2017. Key cities where the Group has a presence in also registered y-o-y growth of 3.8% in Sydney and 2.1% in Brisbane⁵.
- In Singapore, the Group currently has eight development sites as its land bank and of which six are planned to be launched in FY2018.
- In Australia, the Group's residential development projects, The Hensley and Octavia in Sydney are left with two units for sale each, while West End Glebe is overall 72% sold.
- The Group has completed the purchase of a mixed-use development site at 360 Little Bourke Street, Melbourne on 1st March 2018.
- As at 3rd May 2018, pre-sale revenue from the development projects was S\$548.1 million, the profit of which will be recognised from 2Q2018 to 2021.

3. Hotel Ownership

- Latest statistics from STB⁶ showed that Singapore hit a second consecutive year of record tourism performance in 2017 with a 3.9% growth in tourism receipts and a 6.2% growth in visitor arrivals. For 2018, STB expects further growth for the tourism sector, forecasting visitor arrivals to grow 1% to 4%, while tourism receipts are expected to grow between 1% and 3%.
- According to Japan National Tourism Organisation⁷, the estimated number of international travelers to Japan in February 2018 was about 2.5 million (+23.3% from the previous year), being the best February ever.
- The Group resort in Maldives, was partially opened for operation in December 2017 and has maintained strong occupancy since its soft launch. It is expected to be in full operation by June 2018.
- The Group targets to open Phuket resort in 2019.

4. Property Investment

- For the Australian office sector⁸, the December quarter records the fastest growth in rents of 0.8%. Property analysts believe the office property sector will grow faster in the next 1 to 2 years (1.4% and 1.9% respectively).
- The Group's associate company has entered into a Heads of Agreement to sell 117 Clarence Street.
- The Group has completed the acquisition of the 45% stake office building located at 312 St Kilda Road, Southbank, Melbourne, Australia.
- The Group will continue to explore opportunities to strengthen its income streams and enhance shareholder value.

5. Healthy cash and bank balances of S\$270.3 million.

6. Net gearing remains healthy at 0.65 time, notwithstanding the completion of acquisition of development sites and office building in 1Q2018.

7. Barring any unforeseen circumstances, the directors expect the Group to be profitable in 2018.

¹ Ministry of Trade and Industry Singapore, April 13, 2018 – Singapore's GDP Grew by 4.3 Per Cent in the First Quarter of 2018

² Australian Bureau of Statistics, March 7, 2018 – Australian National Accounts: National Income, Expenditure and Product, Dec 2017

³ <https://tradingeconomics.com/japan/gdp-growth>

⁴ Urban Redevelopment Authority, April 27, 2018 – Release of 1st Quarter 2018 real estate statistics

⁵ Australian Bureau of Statistics, March 20, 2018 – Residential Property Price Indexes: Eight Capital Cities Dec 2017

⁶ Singapore Tourism Board, February 12, 2018 – Singapore tourism sector performance breaks record for the second year running in 2017

⁷ <https://www.tourism.jp/en/tourism-database/stats/>

⁸ National Australia Bank, February 24, 2018 – NAB Commercial Property Survey Q4 2017

**ROXY-PACIFIC
HOLDINGS LIMITED**

Results Announcement

First Quarter Ended 31 March 2018

14th May 2018

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