



**Roxy-Pacific
Holdings Limited**

ROXY-PACIFIC HOLDINGS LIMITED

(Registration Number: 196700135Z)

**UNAUDITED FIRST HALF YEAR FINANCIAL STATEMENTS ANNOUNCEMENT AND
DIVIDEND ANNOUNCEMENT FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2021**



**UNAUDITED FIRST HALF YEAR FINANCIAL STATEMENTS AND DIVIDEND
ANNOUNCEMENT FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2021**

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**UNAUDITED FIRST HALF YEAR FINANCIAL STATEMENTS AND DIVIDEND
ANNOUNCEMENT FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2021**

INFORMATION REQUIRED FOR ANNOUNCEMENTS OF HALF-YEAR AND FULL YEAR RESULTS

1(a) (i) A statement of comprehensive income (for the group) together with a comparative statement for the corresponding period of the immediately preceding financial year.

Consolidated Income Statement

	Note	First half year ended 30 Jun		
		2021 S\$'000	2020 S\$'000	Change %
Revenue	A.1	141,193	118,065	20%
Cost of sales	A.2	(115,820)	(100,258)	16%
Gross profit	A.2	25,373	17,807	42%
Other operating income	A.3	10,304	5,060	104%
Distribution and selling expenses		(2,125)	(2,030)	5%
Administrative expenses		(4,549)	(4,670)	-3%
Other operating expenses	A.4	(12,622)	(12,397)	2%
Finance costs	A.5	(9,596)	(12,731)	-25%
Share of results of associates and joint ventures (net of income tax)	A.6	2,352	11,923	-80%
Profit before taxation		9,137	2,962	n/m
Taxation	A.7	(1,785)	(795)	125%
Profit after taxation		7,352	2,167	n/m
Attributable to:				
Equity holders of the Company		5,866	2,791	110%
Non-controlling interests	A.12	1,486	(624)	n/m
		7,352	2,167	n/m



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

		First half year ended		
	Note	2021	30 Jun 2020	Change
		S\$'000	S\$'000	%
after crediting:				
Fair value gain on investment properties	A.3	4,111	1,334	208%
Foreign exchange gain (realised)	A.8	1,580	30	n/m
Foreign exchange gain (unrealised)	A.9	1,224	878	39%
Government grant		1,051	1,406	-25%
Interest income	A.3	1,136	1,509	-25%
after charging:				
Depreciation of property, plant and equipment	A.4	(4,122)	(4,377)	-6%
Depreciation of right-of-use assets		(343)	(360)	-5%
Amortisation of intangible assets		(17)	(95)	-82%
Directors' fees		(109)	(111)	-2%
Foreign exchange loss (realised)	A.10	(649)	(932)	-30%
Foreign exchange loss (unrealised)	A.11	(971)	(878)	11%
Interest on borrowings	A.5	(8,674)	(11,569)	-25%
Interest on lease liabilities		(839)	(827)	1%
Fair value loss on financial assets classified as FVTPL		(839)	(117)	n/m
Staff costs (including directors' remuneration)		(8,610)	(8,839)	-3%

n/m: Not meaningful

Notes to Consolidated Income Statement:

- A.1 Revenue increased in 1H2021 mainly due to higher revenue from the Property Development and Property Investment segments. Please refer to paragraph 8(a)(iii) for a more detailed analysis.
- A.2 Cost of sales and gross profit increased in 1H2021, in line with the higher revenue. Please refer to paragraph 8(a)(iv) for a more detailed analysis.
- A.3 Other operating income in 1H2021 is higher as compared to 1H2020 mainly contributed by higher fair value gain from investment property at NZI Centre and higher exchange gain. Please refer to note A.8 and A.9 for further elaboration on foreign exchange gain.
- Interest income in 1H2021 is lower as compared to 1H2020 mainly due to lower interest rate on fixed deposits.
- A.4 Other operating expenses comprise mainly depreciation and payroll expenses. Depreciation decreased slightly in 1H2021 mainly due to depreciation of JPY and USD against SGD when translation of depreciation of property, plant and equipment in Japan and Maldives.
- A.5 In 1H2021, finance costs decreased mainly due to lower interest rate. 1H2020 finance cost was higher mainly due to borrowing cost expensed off for uncompleted project which has not commenced construction due to closure of construction site due to circuit breaker.
- A.6 Share of results of associates and joint ventures was lower in 1H2021 mainly due to absence of profit from the sale of property at Ginza, Japan in 1H2020.
- A.7 Taxation comprises of current tax expense of \$0.4 million and deferred tax expense of \$1.4 million in 1H2021. Deferred tax mainly related to deferred tax provision for fair value gain on investment property and profit from development project.
- A.8 In 1H2021, foreign exchange gain (realised) arose mainly from conversion of AUD funds from the repayment of quasi-equity loan from subsidiaries in Australia.
- A.9 In 1H2021, foreign exchange gain (unrealised) arose mainly from depreciation of JPY advance from associate.
- A.10 In 1H2021, foreign exchange loss (realised) arose mainly from repayment of USD investment fund.
- A.11 In 1H2021, foreign exchange loss (unrealised) arose mainly from depreciation of JPY receivable and appreciation of HKD payable against SGD.
- A.12 Non-controlling interests in 1H2021 mainly from profit from development project View At Kismis. Non-controlling interests was a loss in 1H2020 mainly due to showflat expenses incurred for View At Kismis.

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

		First half year ended 30 Jun		
		2021 S\$'000	2020 S\$'000	Change %
Profit after taxation		7,352	2,167	n/m
Items that may be reclassified subsequently to profit & loss account:				
Effective portion of changes in fair value of cash flow hedge	A.13	2,280	(77)	n/m
Net change in fair value of cash flow hedge reclassified to profit or loss	A.13	1,320	-	n/m
Currency translation differences arising from consolidation	A.14	(4,301)	6,797	n/m
Other comprehensive profit, net of tax		(701)	6,720	n/m
Total comprehensive income for the period		6,651	8,887	-25%
Attributable to:				
Equity holders of the Company		5,165	9,547	-46%
Non-controlling interests		1,486	(660)	n/m
		6,651	8,887	-25%

A.13 Changes in fair value of cash flow hedge mainly relates to fair value on interest rate swap agreements to hedge the floating rate bank borrowings.

A.14 Currency translation differences in 1H2021 arose mainly from depreciation of JPY, THB and NZD against SGD. Currency translation differences in 1H2020 arose mainly from the appreciation of AUD and USD against SGD.

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	30-Jun-21 S\$'000	31-Dec-20 S\$'000	30-Jun-21 S\$'000	31-Dec-20 S\$'000
ASSETS					
Non-Current					
Property, plant and equipment	B.1	260,468	263,859	562	588
Intangible assets		100	119	31	38
Investment properties	B.2	135,538	132,236	-	-
Investment in subsidiaries	B.3	-	-	105,859	137,885
Investment in associates	B.4	218,222	216,461	-	-
Investment in joint venture	B.4	42,493	39,812	-	-
Right-of-use assets	B.5	27,875	28,132	-	-
Deferred tax assets	B.6	1,900	-	-	-
		686,596	680,619	106,453	138,511
Current					
Financial assets at fair value through profit or loss	B.7	4,215	12,950	-	-
Development properties for sale*	B.8	460,283	440,333	-	-
Inventories		1,157	1,105	-	-
Trade receivables	B.9	18,500	13,283	24	78
Contract assets	B.10	63,387	30,936	-	-
Contract costs	B.11	23,751	17,789	-	-
Other receivables	B.12	6,810	23,688	485,279	476,537
Cash and bank balances		390,954	395,553	262,378	271,774
		969,057	935,637	747,681	748,389
Total assets		1,655,653	1,616,256	854,134	886,900
EQUITY AND LIABILITIES					
Capital and Reserves					
Share capital		47,399	47,399	47,399	47,399
Treasury shares		(3,954)	(3,954)	(3,954)	(3,954)
Fair value reserve		(2,535)	(5,583)	-	-
Revaluation reserve		533	533	-	-
Other reserves		(6,526)	(2,279)	-	-
Retained earnings		451,840	445,974	225,803	210,531
Equity attributable to owners of the Company		486,757	482,090	269,248	253,976
Non-controlling interests		(2,636)	(4,620)	-	-
		484,121	477,470	269,248	253,976
Liabilities					
Non-Current					
Borrowings	B.14	340,536	341,673	-	-
Lease liability	B.5	28,934	28,584	-	-
Deferred tax liabilities		11,486	10,225	618	618
		380,956	380,482	618	618
Current					
Trade and other payables	B.13	95,495	96,342	480,879	528,778
Contract liabilities	B.10	5,171	27,625	-	-
Lease liability	B.5	206	228	-	-
Current tax liabilities		2,245	3,488	289	629
Borrowings	B.14	687,459	630,621	103,100	102,899
		790,576	758,304	584,268	632,306
Total liabilities		1,171,532	1,138,786	584,886	632,924
Total equity and liabilities		1,655,653	1,616,256	854,134	886,900

* \$317.3 million (31 December 2020: \$216.2 million) relates to the Group's pre-sold development properties as at 30 June 2021.

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

- B.1 During the six months ended 30 June 2021, the Group acquired assets amounting to \$6.3 million (30 June 2020: \$10.7 million) and there is no disposal of assets during the period. The decrease in property, plant and equipment as at 30 June 2021 was mainly due to depreciation, partially offset by development costs incurred for the resort under construction in Chalong, Thailand.
- B.2 Investment properties increased in 1H2021 mainly due to fair value gain from NZI Centre, New Zealand.
- B.3 At Company level, investment in subsidiaries decreased mainly due to repayment of long-term loan from subsidiaries.
- B.4 Investment in associates increased mainly due to equity contribution to associate for the acquisition of development land at 10A, 10B and 11 Institution Hill, Singapore, partially offset by return of shareholder's loan from the sale of land situated at Mavis Street, Revesby, Australia.

The increase in investment in joint venture is mainly due fair value gain from 350 Queen Street, Australia.

- B.5 Right-of-use assets and lease liability mainly pertain to lease commitment for land rent of Maldives amounted to \$15.7 million which has a current lease term till year 2056, and ground rent of NZI Centre amounted to \$12.2 million, which has a current lease term till year 2037 and is perpetually renewable.
- B.6 Deferred tax assets mainly arise from carry-forward of unutilised tax losses in respect of development projects which are available for deduction against the future taxable profits of the projects.
- B.7 Financial assets at fair value through profit or loss ("FVTPL") comprise real estate investment funds managed by an investment group. The decrease is due to partial return of investment fund from the fund manager.
- B.8 Properties for sale under development increased mainly due to completion of acquisition of development land at Jalan Molek, Singapore in 1H2021, partially offset by progress billing from the existing on-going projects.
- B.9 Trade receivables comprised mainly progress payments receivable from purchasers of development units. The increase in 1H2021 was mainly due to progress billing for RV Altitude.
- B.10 Contract assets primarily relate to the Group's right to consideration for work completed but not yet billed at the reporting date on the construction of development properties. The increase in contract assets was mainly due to 120 Grange, Harbour View Gardens and Bukit 828 where the work completed exceed percentage billed while yet to reach next billing stage.

Contract liabilities represent the progress billing to customers in excess of the Group's right to the consideration. The decrease in contract liabilities was mainly to construction progress from Fyve Derbyshire, View at Kismis during 1H2021.

- B.11 Contract costs relate to sales commission incurred in securing sales of development units. The increase in contract cost in 1H2021 was mainly due to sales commission incurred for RV Altitude, View at Kismis and Fyve Derbyshire, partially offset by contract cost recognition for 120 Grange, Harbour View Gardens and Bukit 828.
- B.12 The Group's other receivables comprised mainly deposits, prepayments and other receivables. The decrease was mainly due to reclassification of deposit paid for the acquisition of development land at Jalan Molek to properties for sale under development after completion of acquisition in 1H2021.
- 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.13 Trade and other payables comprised mainly of progress claims from contractors, related retention sums held, accruals for construction costs for completed projects, accruals for unbilled contractor progress claims and provision for staff and directors' bonuses. The decrease was mainly due to payment to the trade and other payables of View at Kismis, Fyve Derbyshire, 120 Grange and Harbour View Gardens.

At Company level, trade and other payables comprised mainly amounts due to subsidiaries, accrued staff and directors' bonuses and other expenses. The decrease was mainly repayment to subsidiaries.

- B.14 The Group's total borrowings amounted to \$1,028.0 million, with \$290.4 million repayable within one year and \$737.6 million repayable after one year (refer to page 10, table 1(b)(ii)).

At the Company level, total borrowings amounted to \$103.1 million, all repayable within one year. The increase was mainly due to revaluation of foreign currency loan.

- B.15 Set out below is an overview of the financial assets and financial liabilities held by the Group as at 30 June 2021 and 31 December 2020:

	GROUP		COMPANY	
	30-Jun-21 S\$'000	31-Dec-20 S\$'000	30-Jun-21 S\$'000	31-Dec-20 S\$'000
Financial Assets				
Financial assets at fair value through profit or loss (FVTPL)	4,215	12,950	-	-
Trade receivables* (Amortised cost)	18,244	13,134	2	-
Other receivables^ (Amortised cost)	2,457	20,024	485,187	476,478
Cash and bank balances (Amortised cost)	390,954	395,553	262,378	271,774
	415,870	441,661	747,567	748,252
Financial liabilities				
Borrowings (Amortised cost)	1,027,995	972,294	103,100	102,899
Lease liabilities (Amortised cost)	29,140	28,812	-	-
Trade and other payables# (Amortised cost)	93,238	89,064	480,879	528,778
Derivative liabilities (Fair value hedging)	3,492	6,768	-	-
	1,153,865	1,096,938	583,979	631,677

* Trade receivables exclude Goods and Services Tax receivables

^ Other receivables exclude prepayments and tax recoverable

Trade and other payables exclude Goods and Services Tax payables

- B.16 Fair value measurement

SFRS(I)s define fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The table below analyses financial instruments carried at fair value, by valuation method. The different levels have been defined as follows:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (as is prices) or indirectly (i.e. derived from prices); and

Level 3: inputs for the asset or liability that are not based on observable market data.

The following table shows the levels within the hierarchy of financial assets and liabilities measured at fair value on a recurring basis:

The Group	Level 1 S\$'000	Level 2 S\$'000	Level 3 S\$'000	Total S\$'000
30-Jun-21				
Financial assets				
Financial assets at fair value through profit or loss	-	-	4,215	4,215
Financial liabilities				
Derivative liability	-	3,492	-	3,492
31-Dec-20				
Financial assets				
Financial assets at fair value through profit or loss	-	-	12,950	12,950
Financial liabilities				
Derivative liability	-	6,768	-	6,768

B.17 Subsequent events

There are no known subsequent events which have led to adjustments to this set of condensed consolidated interim financial statements.

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

	30 June 2021			31 December 2020		
	Secured S\$'000	Unsecured S\$'000	Total S\$'000	Secured S\$'000	Unsecured S\$'000	Total S\$'000
Non-current						
- Amounts repayable after one year	340,536		340,536	341,673	-	341,673
Current						
- Amounts repayable in one year or less, or on demand	290,403 (i) (ii)	-	290,403	267,248	-	267,248
- Amounts repayable after one year but within the normal operating cycle of the Property Development segment	397,056	-	397,056	363,373	-	363,373
	687,459	-	687,459	630,621	-	630,621
	1,027,995	-	1,027,995	972,294	-	972,294

Details of collaterals

Borrowings are secured by:

- Land and buildings;
- Guarantee by the Company;
- Development properties for sale;
- Proceeds from sales of properties under development;
- Investment properties;
- Rental income from investment properties; and
- Fixed deposits

- \$114.9 million relates to loans for Grand Mercure Singapore Roxy hotel and shop units.
- \$103.1 million loans are secured by fixed deposits.



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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	First half year ended 30 Jun	
	2021 S\$'000	2020 S\$'000
Cash Flows from Operating Activities		
Profit before taxation	9,137	2,962
Adjustments for:		
Depreciation of property, plant and equipment	4,122	4,377
Depreciation of right-of-use assets	343	360
Amortisation of intangible assets	17	95
Dividend income from equity instruments classified as FVTPL	-	(21)
Share of results of associates and joint ventures	(2,352)	(11,923)
Fair value loss on financial assets classified as FVTPL	839	117
Interest income	(1,136)	(1,509)
Interest expense on bank borrowings	8,674	11,569
Interest expense on lease liabilities	839	827
Net fair value gain on investment properties	(4,111)	(1,334)
Net foreign exchange gain (unrealised)	(253)	-
Operating profit before working capital changes	16,119	5,520
Changes in properties for sale under development	(19,281)	12,720
Changes in developed properties for sale	-	61,160
Changes in contract cost	(5,962)	(1,943)
Changes in contract asset	B.10 (32,452)	(3,563)
Changes in contract liabilities	B.10 (22,453)	5,341
Changes in inventories	(50)	185
Changes in operating receivables	10,211	9,697
Changes in operating payables	2,518	(24,130)
Cash (used in)/generated from operations	(51,350)	64,987
Net income tax paid	(2,970)	(428)
Cash (used in)/generated from operating activities	C.1 (54,320)	64,559
Cash Flows from Investing Activities		
Acquisition of property, plant and equipment	C.2 (6,281)	(10,668)
Investment in associates	C.3 (7,980)	(13,612)
Dividend received from equity instruments classified as FVTPL	-	21
Dividend received from associates	243	11,402
Quasi-equity loan to associates	(546)	(345)
Shareholders loan to associates	-	(3,900)
Return/Proceeds from disposal of financial assets	10,460	10,176
Addition/Purchase of financial assets classified as FVTPL	(2,170)	(12,552)
Return of quasi-equity loan from associate	2,958	-
Advance (to)/from associates	(138)	12,885
Addition of investment property	-	(120)
Interest received	1,326	891
Cash used in investing activities	(2,128)	(5,822)
Cash Flows from Financing Activities		
Proceeds from borrowings	90,400	81,726
Repayment of borrowings	(30,680)	(49,648)
Fixed deposit released from/(pledged to) banks and financial institutions	13,932	(107,408)
Payment of lease liabilities	(246)	(132)
Interest paid	(8,715)	(12,145)
Dividend paid to owners of the company	-	(14,214)
Cash generated from/ (used in) financing activities	64,691	(101,821)

**First half year ended
30 Jun**

2021 2020
S\$'000 S\$'000

Net increase / (decrease) in cash and cash equivalents	8,243	(43,084)
Cash and cash equivalents at beginning of period	236,905	249,674
Effects of foreign currency translation	1,090	2,850
Cash and cash equivalents at end of period	246,238	209,440

Analysis of cash and cash equivalents:-

Project accounts	C.4	45,231	21,497
Fixed deposits in project accounts		36,000	22,000
Fixed deposits		139,554	238,915
Cash at bank		170,169	115,722
Total cash and bank balances		390,954	398,134
Less: Fixed deposits pledged to banks and financial institutions		(144,716)	(188,694)
		246,238	209,440

Notes to the consolidated statement of cash flows:

- C.1 The net cash outflows from operating activities of \$54.3 million in 1H2021 was mainly due to acquisition of development land at Jalan Molek as well as cost incurred in the construction of the development projects.
- C.2 The acquisition of property, plant and equipment was mainly related to the development costs for the resort under construction in Chalong, Thailand.
- C.3 The investment in associates in 1H2021 was mainly new equity injection for the acquisition of development land at 10A, 10B and 11 Institution Hill, Singapore.
- C.4 Project accounts consist of monies held under the Housing Developers (Project Account) Rules 1997. Withdrawals are restricted for payments for development expenditure incurred on properties for sale under development.

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1(d) (i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.

Group	Share capital S\$'000	Treasury shares S\$'000	Fair value reserve S\$'000	Revaluation reserve S\$'000	Translation reserve S\$'000	Retained earnings S\$'000	Equity attributable to owners of the Company S\$'000	Non-controlling interests S\$'000	Total S\$'000
Balance at 1 January 2021	47,399	(3,954)	(5,583)	533	(2,279)	445,974	482,090	(4,620)	477,470
Total comprehensive income for the period									
Profit for the period	-	-	-	-	-	5,866	5,866	1,486	7,352
Comprehensive income for the period	-	-	-	-	-	5,866	5,866	1,486	7,352
Other comprehensive income									
Effective portion of changes in fair value of cash flow hedge	-	-	2,051	-	-	-	2,051	229	2,280
Net change in fair value of cash flow hedge reclassified to profit or loss			997	-	-		997	323	1,320
Foreign currency translation differences	-	-	-	-	(4,247)	-	(4,247)	(54)	(4,301)
Total other comprehensive income for the period	-	-	3,048	-	(4,247)	-	(1,199)	498	(701)
Total comprehensive income for the period	-	-	3,048	-	(4,247)	5,866	4,667	1,984	6,651
Transactions with owners, recognised directly in equity									
Contributions by and distributions to owners									
Dividend paid	-	-	-	-	-	-	-	-	-
Total transactions with owners	-	-	-	-	-	-	-	-	-
Balance at 30 June 2021	47,399	(3,954)	(2,535)	533	(6,526)	451,840	486,757	(2,636)	484,121

Group	Share capital S\$'000	Treasury shares S\$'000	Fair value reserve S\$'000	Revaluation reserve S\$'000	Translation reserve S\$'000	Retained earnings S\$'000	Equity attributable to owners of the Company S\$'000	Non-controlling interests S\$'000	Total S\$'000
Balance at 1 January 2020	47,399	(3,954)	(10)	533	(22,992)	489,676	510,652	(119)	510,533
Total comprehensive income for the period									
Profit for the period	-	-	-	-	-	2,791	2,791	(624)	2,167
Comprehensive income for the period	-	-	-	-	-	2,791	2,791	(624)	2,167
Other comprehensive income									
Net change in fair value of financial derivatives	-	-	(46)	-	-	-	(46)	(31)	(77)
Foreign currency translation differences	-	-	-	-	6,802	-	6,802	(5)	6,797
Total other comprehensive income for the period	-	-	(46)	-	6,802	-	6,756	(36)	6,720
Total comprehensive income for the period	-	-	(46)	-	6,802	2,791	9,547	(660)	8,887
Transactions with owners, recognised directly in equity									
Contributions by and distributions to owners									
Dividend paid	-	-	-	-	-	(14,214)	(14,214)	-	(14,214)
Total transactions with owners	-	-	-	-	-	(14,214)	(14,214)	-	(14,214)
Balance at 30 June 2020	47,399	(3,954)	(56)	533	(16,190)	478,253	505,985	(779)	505,206

Company	Share capital S\$'000	Treasury shares S\$'000	Retained earnings S\$'000	Total S\$'000
Balance at 1 January 2021	47,399	(3,954)	210,531	253,976
Profit for the period	-	-	15,272	15,272
Comprehensive income for the period	-	-	15,272	15,272
Other comprehensive income				
Foreign currency translation difference	-	-	-	-
Total other comprehensive income for the period	-	-	-	-
Total comprehensive income for the period	-	-	15,272	15,272
Transactions with owners, recognised directly in equity				
Contributions by and distributions to owners				
Dividend paid	-	-	-	-
Total transactions with owners	-	-	-	-
Balance at 30 June 2021	47,399	(3,954)	225,803	269,248

Company	Share capital S\$'000	Treasury shares S\$'000	Retained earnings S\$'000	Total S\$'000
Balance at 1 January 2020	47,399	(3,954)	272,521	315,966
Profit for the period	-	-	2,758	2,758
Comprehensive income for the period	-	-	2,758	2,758
Other comprehensive income				
Foreign currency translation difference	-	-	-	-
Total other comprehensive income for the period	-	-	-	-
Total comprehensive income for the period	-	-	2,758	2,758
Transactions with owners, recognised directly in equity				
Contributions by and distributions to owners				
Dividend paid	-	-	(14,214)	(14,214)
Total transactions with owners	-	-	(14,214)	(14,214)
Balance at 30 June 2020	47,399	(3,954)	261,065	304,510



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1(d) (ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles, as well as the number of shares held as treasury shares, if any, against the total number of issued shares excluding treasury shares of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.

Ordinary share capital and Treasury shares

Movement in the Company's treasury shares during the six months ended 30 June 2021 are as follows:

	30 June 2021	30 June 2020
	No. of Shares	No. of Shares
Treasury shares:		
As at beginning of period	8,924,900	8,924,900
Purchase of treasury shares	-	-
As at end of period	<u>8,924,900</u>	<u>8,924,900</u>

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.

	30 June 2021	30 June 2020
Total number of ordinary shares issued and fully paid	1,303,979,944	1,303,979,944

1(d) (iv) A statement showing all sales, transfers, disposal, cancellation and/or use of treasury shares as at the end of the current financial period reported on.

Not applicable.

1(e). Corporate information

The Company was incorporated as limited liability company and domiciled in Singapore whose shares are publicly traded on the Singapore Exchange. These condensed interim consolidated financial statements as at and for the six months ended 30 June 2021 comprise the Company and its subsidiaries (collectively, the Group). The principal activities of the Company are those relating to investment holding.

The principal activities of the Group are:

- (a) Property development
- (b) Hotel operations
- (c) Property investment

2 Whether the figures have been audited, or reviewed and in accordance with which auditing standard or practice.

The figures have not been audited nor reviewed by the Company's auditors.

3 Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of a matter).

Not applicable.



4. Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.

The Group has followed accounting policies and applied methods of computations consistent with the audited financial statements as at 31 December 2020.

The consolidated financial information of the Group for the half year ended 30 June 2021 as set out in 1(a),1(b), 1(c),1(d) of this announcement, has been extracted from condensed consolidated interim financial statements that were prepared in accordance with the Singapore Financial Reporting Standard(international) 1-34 Interim Financial Reporting. The condensed consolidated interim financial statements do not include all the information required for a complete set of financial statements. However, selected notes are included to explain events and transactions that are significant to an understanding of the changes in the Group's financial position and performance of the Group since the last annual financial statements for the year ended 31 December 2020.

The condensed consolidated interim financial statements are presented in Singapore dollars which is the Company's functional currency.

Significant accounting estimates and judgements

The following are the significant accounting estimates in applying the Group's accounting policies in the financial statements for the half year ended 30 Jun 2021:

Coronavirus Disease 2019 ("COVID-19")

The evolving situation of the outbreak of the COVID-19 could impact the assessment of the carrying amounts of the Group's assets and liabilities. As these events and conditions have significant financial reporting implications, ACRA had published a financial reporting practice guidance in May 2020 highlighting key focus areas when preparing and reviewing the financial statements, especially in areas where estimates, assumptions and judgment are required. In the assessment for the current period, management has carried out a review to assess the assumptions used in the assessment of the carrying values of certain assets of the Group. Management has exercised judgment in determining the significant assumptions used and has relied on information currently available, including the COVID-19 official updates from the authorities, the work performed by independent valuers on certain assets, in the assessment of the appropriateness of the carrying values of the Group's assets, including but not limited to the following assets as at 30 June 2021:

- Carrying amount of development properties for sale
- Recoverability of the contract assets and receivable balances
- Valuation of investment properties
- Investment in associated companies
- Investment in subsidiaries
- Property, plant and equipment

Carrying amount of development properties for sale

The Group pre-sale properties under development. When it is probable that the total development costs will exceed the total revenue, the expected loss is recognised as an expense immediately. Net realisable value in respect of development properties for sale is assessed with reference to pre-sale proceeds received less estimated costs to complete construction. Significant judgement is required in determining total costs of properties, including construction costs and variation works. The Group estimates total construction costs based on contracts awarded, past experience and specialists. Net realisable value of completed properties for sales is determined based on management's estimates of the selling price which takes into account projected timing of sales and prevailing customer demand and market conditions, less applicable variable selling expenses. Revisions to estimates are made when there is a change in market conditions.

Management has assessed the estimated selling prices of unsold properties under development using recently transacted selling prices of these properties and prices of comparable properties located in the vicinity of these development projects. Management has also evaluated the Group's estimated total development costs, taking into consideration costs incurred to date, estimated costs to completion, construction progress and any deviation in project cost components which could lead to cost overruns. Based on the assessment, there was no impairment provision required for the first half year ended 30 June 2021.

Recoverability of the contract assets and receivable balances

The Group's contract assets mainly related to residential development projects in Singapore. Management performed an impairment assessment to estimate the recoverable amount of the Group's contract assets and receivable balances. Based on the assessment, there was no impairment provision required for the first half year ended 30 June 2021.

Valuation of investment properties

The Group carries its investment properties at fair value with changes in fair value being recognised in profit and loss account, determined half yearly and annually by independent professional valuers.

For the purpose of this condensed consolidated interim financial statements for the half year ended 30 June 2021, valuations were obtained from the valuers and resultant fair value changes were recognised in the profit and loss account.

In determining the fair values, the valuers have used valuation techniques which involve certain estimates. The key valuation method to determine the fair value of investment properties include direct comparison, income capitalisation and discounted cash flow. The valuation reports obtained from the valuers for certain properties have highlighted the heightened uncertainty of the COVID-19 outbreak may have on the valuation of these properties.

In relying on the valuation reports, management has exercised its judgement to ensure that the valuation methods and estimates are reflective of current market conditions.

Investment in associated companies

Management has performed an impairment assessment to estimate the recoverable amount of the Group's investment in associates. Based on the assessment, there was no impairment provision required for the first half year ended 30 June 2021.

Investment in subsidiaries

Management has performed an impairment assessment to estimate the recoverable amount of the Group's investment in subsidiaries. Based on the assessment, there was no impairment provision required for the first half year ended 30 June 2021.

Property, plant and equipment

Property, plant and equipment are stated at cost, less accumulated depreciation and accumulated impairment losses, if any. Freehold land and asset under construction are not depreciated.

Determining whether the carrying value of Property, Plant and equipment is impaired requires an estimation of the value in use of the cash-generating units ("CGU"s). This requires the Group to estimate the future cash flows expected from the CGUs and an appropriate discount rate in order to calculate the present value of the future cash flows. Based on the assessment, there was no impairment provision required for the first half year ended 30 June 2021.

Seasonal operations

The Group's businesses are not affected significantly by seasonal or cyclical factors during the six months ended 30 June 2021.

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 adopted the standards, amendments and interpretations to existing standards that are mandatory for application for the financial period beginning 1 January 2021 or from their effective date, if later. There were no substantial policies nor any significant impact on the financial statements arising from the adoption.



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6. Earnings per ordinary share of the group for the current period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends.

	First half year ended 30 Jun	
	2021	2020
Earnings per share for the financial period		
(a) Based on the weighted average number of ordinary shares on issue (cents)	0.45	0.21
(b) On fully diluted basis (cents)	0.45	0.21
Profit attributable to shareholders of the Company (\$'000)	5,866	2,791
Weighted average number of shares ('000)	1,303,980	1,303,980

7. Net asset value (for the issuer and group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the:-

(a) current financial period reported on; and

(b) immediately preceding financial year

	Group		Company	
	30-Jun-21	31-Dec-20	30-Jun-21	31-Dec-20
Net asset value per ordinary shares based on total issued 1,303,979,944 ordinary shares (cents) (2020: 1,303,979,944 ordinary shares (cents))	37.33	36.97	20.65	19.48

The Group adopts the cost model under *SFRS(I)1-16 Property, Plant and Equipment*, and measures its property, plant and equipment at cost less depreciation and impairment loss. If it had applied the fair value model under *SFRS(I)1-16*, a revaluation surplus would arise as a result of the excess of the fair value of its hotel properties (includes Grand Mercure Roxy Hotel in Singapore, Noku Kyoto Hotel in Kyoto, Japan, Noku Osaka Hotel in Osaka, Japan, Noku Maldives and hotel property in Phuket, Thailand) and own use premises, over their carrying amounts. As at 30 June 2021, our directors estimated that the fair value of these properties was estimated to be \$679.6 million (31 December 2020: \$680.3 million) based on valuation carried out by independent valuers on 31 December 2020, using the direct comparison methods. The revaluation surplus is estimated to be approximately \$463.4 million (31 December 2020: \$458.8 million). Had this revaluation surplus been recorded, the Group's adjusted net asset value ("ANAV") per share would have been as follows:

	Group	
	30-Jun-21	31-Dec-20
ANAV per ordinary share based on total issued 1,303,979,944 ordinary shares (cents) (2020: 1,303,979,944 ordinary shares (cents))	72.87	72.15



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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

The Group is organised into the following reportable operating segments which are the Group's business units:

- (1) Property development segment relating to the development of properties for sale;
- (2) Hotel ownership segment relating to ownership of hotels; and
- (3) Property investment segment relating to the business of investing in properties to earn rentals and for capital appreciation

GROUP	First half year ended 30 Jun		Change Increase/ (Decrease)		
	2021 S \$'000		2020 S \$'000		%
REVENUE					
Property Development	126,542	90%	99,316	84%	27%
Hotel Ownership	10,667	7%	15,077	13%	-29%
Property Investment	3,984	3%	3,672	3%	8%
	141,193	100%	118,065	100%	20%
GROSS PROFIT					
Property Development	17,512	69%	8,072	46%	117%
Hotel Ownership	4,669	18%	6,808	38%	-31%
Property Investment	3,192	13%	2,927	16%	9%
	25,373	100%	17,807	100%	42%
GROSS PROFIT MARGIN (%)					
Property Development	14%		8%		6 ppt
Hotel Ownership	44%		45%		-1 ppt
Property Investment	80%		80%		0 ppt
Total	18%		15%		3 ppt
ADJUSTED EBITDA					
Property Development	17,638	74%	4,997	23%	253%
Hotel Ownership	397	2%	590	3%	-33%
Property Investment - Rental income	2,484	10%	2,315	10%	7%
Property Investment - Fair value gain	4,111	17%	1,334	6%	208%
Property Investment - Share of result of associates and joint ventures	(901)	-4%	12,549	58%	n/m
	23,729	100%	21,786	100%	9%
PROFIT BEFORE TAX					
Adjusted EBITDA	23,729		21,786		9%
Corporate expenses	(2,078)		(2,086)		0%
Amortisation of intangible assets	(17)		(95)		-82%
Depreciation of property, plant and equipment	(4,122)		(4,377)		-6%
Depreciation of right-of-use assets	(343)		(360)		-5%
Net interest expense	(8,377)		(10,887)		-23%
Net foreign exchange gain /(loss)	1,184		(902)		n/m
Fair value loss on financial assets classified as FVTPL	(839)		(117)		n/m
	9,137		2,962		n/m

n/m: not meaningful

(ii) Geographical Segments

	Singapore	Australia	Japan	Thailand	Malaysia	Hong Kong	Indonesia	Maldives	New Zealand	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Revenue										
First half year ended										
30 June 2021	134,734	-	357	-	-	-	-	2,752	3,350	141,193
30 June 2020	45,043	66,662	650	-	-	-	-	2,664	3,045	118,065
Non-current assets										
As at 30 June 2021	188,065	120,720	90,449	51,603	30,095	25,214	3,764	58,842	117,844	686,596
As at 31 December 2020	177,622	118,278	98,672	49,635	29,963	24,841	3,765	59,146	118,697	680,619
Total assets										
As at 30 June 2021	1,131,673	127,079	96,983	54,549	30,095	25,215	3,767	61,387	124,905	1,655,653
As at 31 December 2020	1,071,838	126,191	113,704	54,886	29,963	24,841	3,767	62,135	128,931	1,616,256

Revenue and gross profit analysis

(iii) Revenue

The Group achieved revenue of \$141.2 million in 1H2021, 20% higher than \$118.1 million in 1H2020. This was mainly due to higher revenue from the Property Development segment and Property Investment segment.

(a) Property Development

Revenue from the Property Development segment, which made up 90% of the Group's turnover in 1H2021, increased to \$126.5 million in 1H2021 from \$99.3 million in 1H2020. The increase was largely due to higher percentage of revenue recognition from RV Altitude, View at Kismis and 120 Grange, partially offset by absence of revenue recognition from Octavia Killara and West End Glebe which obtained TOP in FY2020.

(b) Hotel Ownership and Property Investment

The Hotel Ownership segment, which contributed 7% to the Group's turnover in 1H2021, decreased 29% to \$10.7 million in 1H2021 from \$15.1 million in 1H2020. The Group's hotel operations continue to be affected by the COVID-19 outbreak as many countries imposed border control measures, impacting the tourism industry.

Revenue from the Property Investment segment constituted the balance of 3% of the Group's turnover and contributed \$4.0 million in 1H2021 as compared to \$3.7 million in 1H2020. It comprises rental income from shop units in Roxy Square and NZI Centre.

(iv) Cost of sales and gross profit

In line with the increase in revenue, cost of sales increased to \$115.8 million in 1H2021 from \$100.3 million in 1H2020.

Gross profit from the Property Development segment contributed \$17.5 million or 69% of the Group's total gross profit in 1H2021, while the remaining 31% or \$7.9 million was contributed by the Hotel Ownership and Property Investment segments. Gross profit margin from the Property Development segment was 14% in 1H2021, as compared to 8% in 1H2020. The lower profit margin in 1H2020 was mainly due to unexpected project cost escalation for Octavia Killara. The gross profit margin of the Hotel Ownership segment decreased marginally by 1 percentage point to 44% in 1H2021. Gross profit margin of the Property Investment segment remains at 80% in 1H2021.

The Group's overall gross profit margin in 1H2021 was 18%, higher than the 15% recorded in 1H2020 mainly due to higher contribution from Property Development segment with an improved profit margin.

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 8 - 10 and explanatory notes to the consolidated statement of cash flows on page 12.

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 full year ended 31 December 2020.

10. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.

The Ministry of Trade and Industry (MTI) announced on July 14, 2021 that the Singapore economy expanded by 14.3 per cent year-on-year, extending the 1.3 per cent growth from the previous quarter. This was largely due to the low base in the second quarter of 2020, when GDP fell due to the Circuit Breaker measures implemented. On a quarter-on-quarter seasonally-adjusted basis, the Singapore economy contracted by 2.0 per cent in the second quarter of 2021, a reversal from the 3.1 per cent growth in the preceding quarter¹. Singapore has since reverted back to Phase 2 (Heightened Alert) from 22 July 2021 through 18 August 2021, in response to growing COVID-19 clusters.

Meanwhile, the Singapore government has also ramped up its vaccination programme towards achieving the target of having 2 out of 3 residents fully vaccinated by National Day (9 August 2021).

The Australia's economy is also reflecting an upward trend, Australia's GDP rose by 1.8% in 1Q2021 due to sustained easing of the COVID-19 restrictions and the recovery of the labour market². According to the Reserve Bank of Australia ("RBA"), the Australian economy is transitioning from recovery to expansion phase earlier and with more momentum than anticipated. GDP growth in 4Q2020 was stronger than expected and the recover in activity and the labour market had again exceeded expectations in 1Q2021. GDP is now expected to have reached its pre-pandemic level in 1Q2021 and there were more people employed in March than before the pandemic. GDP is expected to grow around 4.75 per cent over 2021 and 3.5 per cent over 2022³.

In Japan, the real GDP growth rate for the period between January and March 2021 declined by -5.1 per cent quarter-on-quarter and at an annualised rate of -1.3 per cent quarter-on-quarter in 1Q2021⁴. The Bank of Japan has forecasted the GDP growth for fiscal year 2021 to be between +3.3 and +4.0 per cent⁵.

Impact of COVID-19

As the COVID-19 pandemic lingered for more than a year, companies and businesses are now assimilating to living with the epidemic and having to face challenges arising from uncertainties. This has been apparent from the recurring lockdowns arising from the numerous unanticipated surges in COVID-19 cases globally. The International Air Transport Association (IATA) announced that both international and domestic travel demand showed marginal improvements in May 2021, compared to the prior month, but traffic remained well below pre-pandemic levels. Recovery in international traffic in particular continued to be hampered by extensive government travel restrictions⁶.

¹ Ministry of Trade and Industry Singapore, 14 July 2021 – [Singapore's GDP Grew by 14.3 Per Cent in the Second Quarter of 2021](#)

² Australia Bureau of Statistics, June 2, 2021 – [Australian National Accounts: National Income, Expenditure and Product, Mar 2021](#)

³ Reserve Bank of Australia, May 2021 – [Statement on Monetary Policy: 5. Economic Outlook](#)

⁴ Daiwa Institute of Research, June 1, 2021 – [Japan's Economy: Monthly Outlook \(May 2021\)](#)

⁵ Bank of Japan, April 27, 2021 – [Outlook for Economic Activity and Prices \(April 2021\)](#)

⁶ International Air Transport Association, July 7, 2021 - <https://www.iata.org/en/pressroom/pr/2021-07-07-02/>



Meanwhile, prolonged disruptions to global supply chain and labour crunch continue to impact Singapore's construction sector leading to completion delays including development projects. The labour shortage was further exacerbated by the tightening of border restrictions leading to the suspension of arrivals from countries with higher risks due to the recent surges in COVID-19 cases involving the delta variant. Similarly, in Malaysia, construction projects have been delayed due to multiple lockdowns and lacking manpower as the country battles to contain the COVID-19 situation which has seen cases and death tolls escalating. As a result, construction firms are expected to face rising materials as well as manpower costs in addition to the current predicament.

While countries around the world move quickly to acquire vaccines, government bodies have also followed up with subsequent support measures to relieve additional pressures arising from the recurring lockdowns. The Group will continue to draw on government support schemes where eligible while leveraging on the support.

The Group will continue to practise prudent cash flow management by prioritising essential expenses while minimising and deferring non-essential capital expenditures. Concurrently, the Group will also continue to seek attractive opportunities and adopt enhanced evaluation processes.

Property Development

Singapore

According to the Urban Redevelopment Authority ("URA") the private residential property index increased by 0.8 per cent in 2Q2021, compared to the 3.3 per cent increase in 1Q2021. During the second quarter in 2021, 2,356 uncompleted private residential units were launched for sale and 2,966 private residential units were sold. This compared to 3,716 units launched and 3,493 units sold in 1Q2021.

As at the end of 2Q2021, there was a total of 47,097 uncompleted private residential units (excluding executive condominiums) in the pipeline with planning approvals as compared to 48,139 units in 1Q2021. Of these figures, 19,384 units remained unsold at the end of 2Q2021, in comparison to the 21,602 units in 1Q2021⁷.

Latest flash estimates from URA on the price index for private residential property for 2Q 2021 showed an increase by 1.5 points, from 162.2 points in 1Q 2021 to 163.7 points in 2Q 2021. This represents an increase of 0.9%, compared to the 3.3% increase in the previous quarter⁸.

Sales of residential projects remains hampered by the heightened Phase 2 and 3 measures that were introduced between the months of May to August this year. In response showrooms have been restricted to an occupancy limit of one person per 10 sqm of gross floor area⁹. The Group continues to persist with its sales efforts through online marketing campaigns and channels, as well as the employment of virtual showrooms for apartment viewings. While the government has relaxed some measures from 12 July, the restrictions for showrooms remain unchanged.

Construction of the Group's residential projects continues to be hindered by the epidemic and further exacerbated by the shortage of manpower in the construction sector, arising from a travel ban implemented in April for arrivals from India. The restriction was a result of a surge in local COVID-19 clusters involving the delta variant of the COVID-19. Looking ahead, the Group commits to sustain its efforts in the sales and delivery of the units in its current land bank.

In February 2021, the Group announced its acquisition of the residential sites at Institution Hill, Singapore, which has an estimated total land area of 14,300 sq ft for residential development. At the same time, the Group has completed its acquisition of the freehold residential site at Jalan Molek and Guillemard Road, Singapore.

⁷ Urban Redevelopment Authority, July 23, 2021 – [Release of 2nd Quarter 2021 Real Estate Statistics](#)

⁸ URA releases flash estimate of 2nd quarter 2021 private residential property price index, 1 July 2021 - <https://www.ura.gov.sg/Corporate/Media-Room/Media-Releases/pr21-23>

⁹ Gov.sg, June 10, 2021 – [\(Updated 7 July 2021\) Gradual re-opening to Phase 3 \(Heightened Alert\) from 12 July 2021](#)

Australia

In Australia, the residential property market showcased its strongest quarterly growth since the December quarter in 2009. Residential property prices rose 5.4 per cent in 1Q2021¹⁰. The price index for residential properties for the weighted average of eight capital cities rose by 5.4 per cent in 1Q2021 on a year-on-year basis with growth in all capital cities. During the quarter, the key city of Sydney, where the Group has a presence in, registered a gain of 6.1 per cent year-on-year¹¹. Looking ahead, the Commonwealth Bank of Australia expects property prices to remain strong and to continue climbing albeit the pace of the monthly gains is predicted to ease off gradually¹².

The Group will continue to seek attractive opportunities to broaden its presence in this country.

As of 27 July 2021, based on the number of units sold from the following ongoing development projects, the Group has total attributable pre-sale revenue of \$564.4 million, the profits of which will be recognised from 1 July 2021 to FY2023.

Project name	Type of development	Group stake %	Total units in project Unit	Unit sold Unit	Attributable total sale value ^{(i) (ii)} \$'m	Attributable revenue recognised up to 30 June 2021 \$'m	Balance attributable progress billings to be recognised from 1 July 2021 \$'m
<u>Singapore</u>							
1 Harbour View Gardens	Residential	100%	57	57	\$ 73.7	\$ 71.8	\$ 1.9
2 120 Grange	Residential	90%	56	56	\$ 92.3	\$ 43.3	\$ 49.0
3 Bukit 828	Residential	80%	34	34	\$ 32.2	\$ 18.8	\$ 13.4
4 Arena Residences	Residential	50%	98	98	\$ 67.1	\$ 26.5	\$ 40.6
5 RV Altitude	Residential	100%	140	140	\$ 218.8	\$ 69.7	\$ 149.1
6 Fyve Derbyshire	Residential	100%	71	53	\$ 95.9	\$ 21.6	\$ 74.3
7 Wilshire Residences	Residential	40%	85	29	\$ 21.2	\$ 2.6	\$ 18.6
8 Dunearn 386	Residential	100%	35	18	\$ 31.5	\$ 10.0	\$ 21.5
9 View at Kismis	Residential	60%	186	182	\$ 139.5	\$ 24.5	\$ 115.0
10 NEU AT NOVENA	Residential	50%	87	72	\$ 64.0	\$ 7.2	\$ 56.8
<u>Malaysia</u>							
11 Wisma Infinitum - The Colony	Residential	47%	423	337	\$ 59.4	\$ 44.3	\$ 15.1
Wisma Infinitum - The Luxe	Residential	47%	300 ⁽ⁱⁱⁱ⁾	166	\$ 34.5	\$ 25.4	\$ 9.1
Total			1,572	1,242	\$ 930.1	\$ 365.7	\$ 564.4

(i) For Singapore projects, sale value is based on Option to Purchase granted up to 27 Jul 2021.

(ii) For overseas projects, sale value is based on contract signed up to 27 Jul 2021.

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

¹⁰ Australian Bureau of Statistics, June 15, 2021 – [Total value of residential dwellings exceeds \\$8 trillion](#)

¹¹ Australian Bureau of Statistics, June 15, 2021 – [Residential Property Price Indexes: Eight Capital Cities, Mar 2021](#)

¹² Commonwealth Bank of Australia, July 1, 2021 – [How did property prices perform in your city in FY21?](#)

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

	Location / Description	Proposed Development	Approximate Land Area (sqf)	Approximate Gross Floor Area (sqf)	Group's stake	Approximate Attributable Gross Floor Area (sqf)	Approximate Attributable Land Cost (S GD)
1	1/1A, 3/3A, 5/5A, 7/7A, 9/9A, 11/11A, 13/13A, 15/15A, 17/17A, 19/19A and 21/21A of Jalan Molek and 217/217A, 219/219A, 221/221A and 223/223A of Guillemard Road	137 units of Residential Development	37,131	103,967	100%	103,967	S\$93m
2	10A, 10B and 11 Institution Hill	60 units of Residential Development	14,300	40,040	42%	16,817	S\$23.8m
Total		197 units	51,431	144,007		120,784	S\$116.8m

The Group plans to launch these development sites for sale from 2H2021, depending on market conditions.

Hotel Ownership

The impact of the COVID-19 pandemic continues to hinder the Group's hotel operations, as countries around the world impose lockdowns and tightened border control measures, particularly countries with a surge in COVID-19 cases. As a result, the tourism industry has remained sluggish for the past year.

Visitor arrivals in Singapore rose slightly to 6,290 visitors in May 2021, in comparison to 880 visitor arrivals in May last year¹³. Following the recent announcement by the Multi-Ministry Taskforce on the return to Phase 2 (Heightened Alert), hotels will be focused on a further step up of surveillance efforts to ensure compliance with Safe Management Measures.

In a bid to curb with new COVID-19 infections, Japan has once again reimposed a state of emergency in Tokyo due to a resurgence in COVID-19 cases; making it the fourth time that Japan has declared a state of emergency since the COVID-19 outbreak in early 2020. Inevitably, the Group's self-managed boutique hotel, Noku Osaka has remained temporarily closed since November 2020. Noku Kyoto on the other hand is still in operation, despite lower occupancy rate due to weaker demand. The Group will continue to strengthen its marketing efforts to capture the domestic market.

While Maldives had temporarily suspended entry for travellers from the South Asian region in May 2021 due to the onset of the highly contagious delta-variant, the island had announced its reopening to tourists from South Asians effective from July 15, 2021. The Group is anticipating its upscale resort, *Noku Maldives* to experience a boost in enquiries once again as travel restrictions are lifted.

Meanwhile, the Group's boutique resort in Phuket remains under construction. The Group will continue to monitor the COVID-19 situation in Phuket closely while seizing the right moment for the launch of its new Phuket resort, which is expected to operate by 2022.

¹³ CEIC Data, May 2021 – [Singapore Visitor Arrivals](#)

Property Investment

Singapore

The Group will continue to keep close communications with all tenants affected by tightened safety measures amidst Phase 2 Heightened Alert, and leverage on Government's support measures, to alleviate the impact from the COVID-19 pandemic.

Australia

The tenant demand for the office sector is expected to remain soft in 2021 due to remote working and considering the potential downside risks that may arise as stimulus measures subside. As part of the Group's effort in enhancing its recurring income stream, the Group's 40 per cent interest in the freehold commercial property at 350 Queen Street Melbourne is now attributing towards the Group's profit and continues to enjoy high occupancy.

Along with its distinguished partners, the Group will strive to sustain its efforts in engaging its tenants and fortify its relationships during these trying times.

New Zealand

In Auckland, the vacancy rates across both the CBD and metropolitan office markets have been on the rise from historically low levels in the last 18 months, attributed by an increase in new supply, economic impact of the COVID-19 as well as changing working habits. Furthermore, office properties located in strategic locations received a higher level of buyers' inquiry in comparison to properties that are not in well located premises¹⁴.

Pertaining to the Group's two key assets – 205 Queen Street, strategically located in the core of Auckland CBD, continues to enjoy good occupancy for the past year. Furthermore, the Group's wholly owned NZI Centre continues to be fully leased.

Japan

Rental are expected to decline further in 2021 due to the decrease in inbound tourist and surging adoption of remote working, coupled with shoppers' reluctance to visit crowded places, resulting in plummeting foot traffic. In addition, retailers are now taking their time in selecting their ideal units in view of the growing number of retail properties available in the market. Economic recovery from the first quarter of 2022 is expected to boost rental rates; as a result, a net drop of 4.3% is projected over the next two years.

The Group's 49% stake in the 5-storey retail building located in Shibuya-Ku, Tokyo, known as VIVEL Shibuya, continues to be fully leased as of 30 June 2021. The Group remains cautiously optimistic.

Overall, the Group's investment properties maintained a high level of occupancy at 81% as at 30 June 2021.

Outlook

The Group will continue to monitor the evolving pandemic situation and adjust and react proactively with appropriate countermeasures to minimise financial impact for the financial year ending 31 December 2021. Barring any unforeseen circumstances, the directors expect the Group to be profitable in the financial year ending 31 December 2021.

¹⁴ Colliers New Zealand, May 2021 – [New Zealand Research Report - May 2021](#)



11. Dividend

(a) Current Financial Period Reported On

Any dividend declared for the current financial period reported on? No

(b) Corresponding Period of the Immediately Preceding Financial Year

Any dividend declared for the corresponding period of the immediately preceding financial year? No

(c) Date payable

Not Applicable

(d) Books closure date

Not Applicable

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

Not applicable.

13. Interested Person Transactions

The Company does not have a shareholders' mandate for interested person transactions. There were no interested person transactions during the half year ended 30 June 2021.

14. 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.

15. Disclosures on incorporation, acquisition and realisation of shares pursuant to Rule 706A of the Listing Manual

Incorporation of subsidiaries and associates

For 1H2021, the following associate of the Group has been incorporated which related announcement has been made:

Name of Associate	Date of announcement	Issued share capital
Mequity Hills Pte. Ltd.	18-Feb-21	2,000,000 ordinary shares at issued price of S\$1.00 each, of which 840,000 shares are held by RP Ventures Pte. Ltd.(the Group's subsidiary),960,000 shares are held by Macly Capital Pte Ltd and 200,000 shares are held by LWH Holdings Pte. Ltd.

Liquidation of subsidiaries and associates

For 1H2021, the following subsidiaries and associates of the Group have been liquidated which related announcements have been made:

<u>Name of Subsidiary</u>	<u>Date of announcement</u>
RP Properties Pte. Ltd.	20-Jan-21
RP North Pte. Ltd.	20-Jan-21
Roxy Land Pte. Ltd.	21-Jan-21
RL West Pte. Ltd.	02-Feb-21

<u>Name of Associate</u>	<u>Date of announcement</u>
Feature-Roxy Pty Ltd	18-Jan-21
Mequity Assets Sdn. Bhd.	06-Apr-21

For 1H2021, the following subsidiaries and associates of the Group have commenced liquidation which related announcements have been made:

<u>Name of Company</u>	<u>Date of announcement</u>
Patos SG Pte. Ltd.	05-Jan-21
Leon SG Pte. Ltd.	05-Jan-21
Roxy Capital Pte. Ltd.	04-Mar-21

ON BEHALF OF THE BOARD

Teo Hong Lim
Chairman & CEO

Koh Seng Geok
Executive Director & Deputy CEO

5th August 2021
Singapore



**Roxy-Pacific
Holdings Limited**

CONFIRMATION PURSUANT TO RULE 705 (5) OF THE LISTING MANUAL

We confirm on behalf of the Board of Directors that, to the best of our knowledge, nothing has come to the attention of the Board of Directors which may render the unaudited interim financial results of the Group and the Company for the financial period ended 30 June 2021 to be false or misleading in any material respect.

ON BEHALF OF THE BOARD

Teo Hong Lim
Chairman & CEO

Koh Seng Geok
Executive Director & Deputy CEO

5th August 2021
Singapore