Roxy-Pacific
Holdings Limited

**NEWS RELEASE**

**ROXY-PACIFIC & CHIP ENG SENG JOINTLY ACQUIRE GRADE A OFFICE BUILDING IN AUCKLAND, NEW ZEALAND, FOR NZ$174.0 MILLION**



***Centrally located in Auckland's core CBD, 205 Queen Street enjoys four street frontages and 96% high occupancy***

***Singapore, August 3, 2017 –*** Established property and hospitality group with an Asia-Pacific focus, Roxy-Pacific Holdings Limited ("**Roxy-Pacific**", 乐斯太平洋控股有限公司, or the "**Group**"), and Chip Eng Seng Corporation Ltd ("**CES**", 集永成机构有限公司), is pleased to announce its joint acquisition of Grade A office building, 205 Queen Street, in New Zealand for NZ$174.0 million (~S$175.0 million).



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A member of Roxy-Pacific Group

Roxy-Pacific and CES each owns a 50% interest in Roxy-CES (NZ) Limited, which acquired the prime property that sits on a site area of about 3,764 square metres ("**sqm**") and boasts 25,381 sqm of net lettable area, of which 96.37% is currently leased. The property has a lease term until June 2081, with a right of renewal for a further 98 years until June 2179.

Comprising two commercial towers that are 17 storeys and 22 storeys high, and a retail podium, the 205 Queen Street twin tower enjoys four street frontages in the heart of Auckland's central business district, nearby prominent landmarks including Albert Park, Auckland Town Hall and the High Street retail precinct.

Units in the Grade A office building boast large and efficient floor plates for greater versatility, while tenants enjoy direct public transportation links with doorstep access to the upcoming City Rail Link Aotea Station.

Mr Teo Hong Lim (张丰霖), Executive Chairman and CEO of Roxy-Pacific, commented, "Following the successful divestment of the 59 Goulburn Street property in Sydney at an attractive yield, we have wasted no time in recycling the capital into another yield-accretive investment to strengthen our recurring income streams."

"This acquisition marks our maiden entry into the New Zealand commercial market, where we see an opportunity to capitalise on its upward trending market cycle. With favourable market indicators, we are optimistic to raise occupancy to 100% in the near future so as to maximise rental yield."

Executive Chairman and CEO of CES, Mr Raymond Chia (谢礼铭), said, "We are pleased to partner Roxy-Pacific for making inroads into New Zealand's real estate market. This property comes with decent yield and is located at a prime location. Amid global and local challenging market conditions, we hope to diversify our operating risk while improving our recurring income with this acquisition."

The economic powerhouse of New Zealand, Auckland, has been experiencing record low vacancy rates and low supply of prime property, fuelling upward rental pressures amidst rising business confidence, growing population and employment growth[1].

**About Roxy-Pacific Holdings Limited**

Established in May 1967, Roxy-Pacific Holdings Limited, an established property and hospitality group with an Asia-Pacific focus, was listed on the SGX Mainboard on March 12, 2008. The Group is principally engaged in the development and sale of residential and commercial properties ("Property Development") and generates recurring income through its property investments and hospitality business ("Hotel Ownership and Property Investment").

Roxy-Pacific's residential development projects typically comprise small-to-medium sized residential developments such as apartments and condominiums targeted at middle-to-upper income segments. Between 2004 and 2016, the Group developed and launched 43 small-to-medium sized developments comprising a total of more than 4,000 residential and commercial units in Singapore, Malaysia and Australia.

The Group's hospitality portfolio comprises its flagship hotel in the heart of historical Katong, Grand Mercure Singapore Roxy hotel, which is self-managed under franchise agreement with international hotel operator, Accor Group. Beyond Singapore, the Group had in 2015 launched its first upscale boutique hotel under the *Noku Roxy* brand in Kyoto, Japan, with upcoming resorts in Maldives and Phuket, Thailand, in the pipeline.

For Property Investment, Roxy-Pacific owns 52 retail shops at The Roxy Square Shopping Centre in Singapore, and holds a 50% interest in a 14-storey, freehold commercial building at 117 Clarence Street in Sydney's CBD, Australia.

For more information, please visit: http://roxypacific.com.sg

[1] Colliers International, 2017 – Auckland Metropolitan Office, Developments Take Shape

**About Chip Eng Seng Corporation Ltd**

Chip Eng Seng Corporation Ltd ("CES") is one of Singapore's leading construction and property groups in Singapore and is listed on the mainboard of the Singapore Exchange Securities Trading Limited since 24 November 1999. CES core businesses are primarily in the area of property development, property investment, construction and hospitality. CES also has presence in Australia, Malaysia and Vietnam.

CES made its mark by making successful foray into the public housing market in 1982 after clinching its first Housing and Development Board construction project. Through hard work and dedication, the CES brand grew over the years and received many industry accolades and recognition. Its strong track record is attested by the construction of Singapore's most iconic public housing project – the Pinnacle @ Duxton.

With more capital and talent at hand post listing, CES ventured into development of private residential projects, which included landed homes, condominiums as well as executive condominiums since the mids 2000. CES made its foray into hospitality business in 2015 with the opening of its maiden hotel property, Park Hotel Alexandra in Singapore. Since then, CES has added two properties into its hospitality portfolio; namely, a 120-villa Maldivian island resort, Grand Park Kodhipparu and a 84-room hotel, The Sebel Mandurah, Western Australia.

Harnessing its position as a leading industry player, CES plans to build on the strength of its property portfolio by strategically growing its presence in new key markets when the right opportunity arises. CES is actively developing new ways of creating synergies amongst the business segments, while exploring strategic partnerships to boost its competitiveness in the region and bolster all aspects of its operations.

For more information about Chip Eng Seng Corporation Ltd, please visit www.chipengseng.com.

For enquiries, please contact:

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