



POLLUX PROPERTIES LTD.
FY2017 FINANCIAL RESULTS PRESENTATION
24TH MAY 2017



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FY2017 FINANCIAL RESULTS PRESENTATION

1. FINANCIAL HIGHLIGHTS



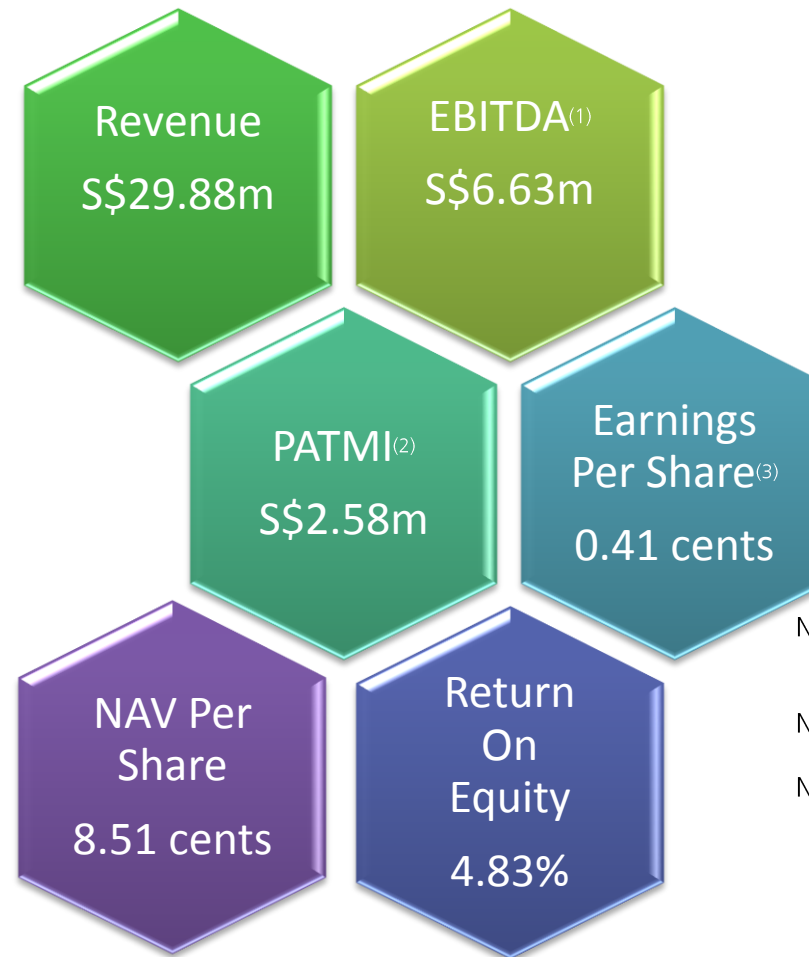
FINANCIAL HIGHLIGHTS – OVERVIEW

- Revenue at S\$29.88 million in FY2017
- Earnings per share at 0.41 cents per share in FY2017
- Return on equity at 4.83% in FY2017

Note: "FY" refers to the financial year ended 31 March in the respective years.



FINANCIAL HIGHLIGHTS FOR FY2017



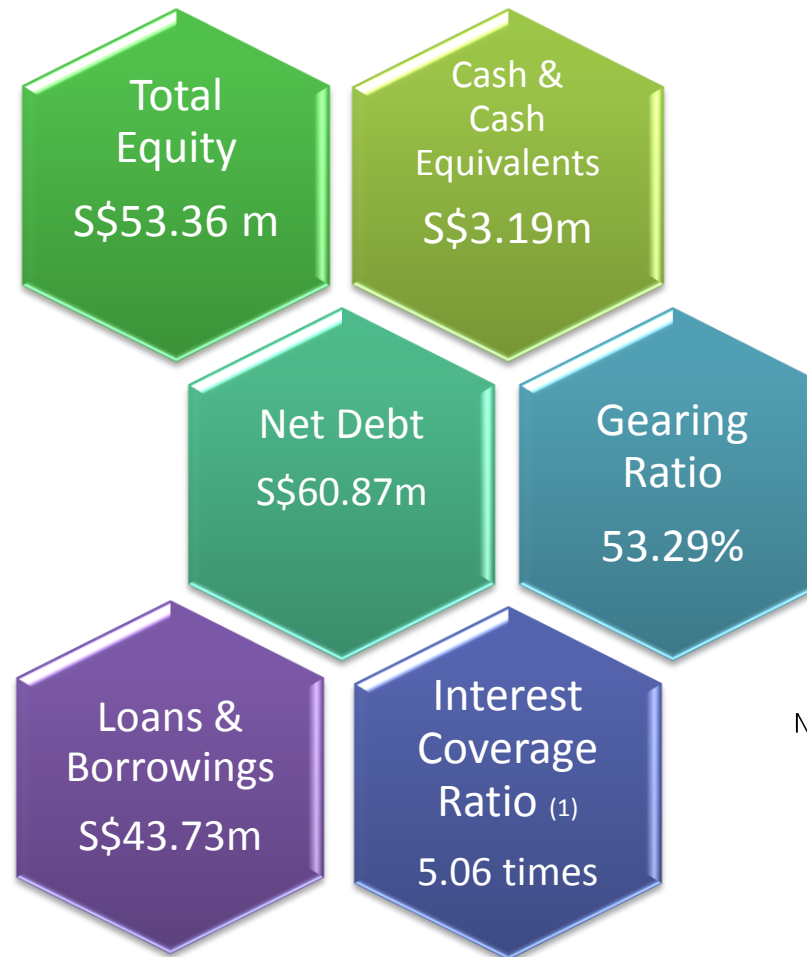
Note 1: Earnings before interest, taxes, depreciation and amortisation.

Note 2: Profit after tax and minority interests.

Note 3: Earnings per share is calculated by dividing the consolidated profit after tax attributable to equity holders of the Company over the weighted average number of ordinary shares in issue during the year



FINANCIAL HIGHLIGHTS FOR FY2017

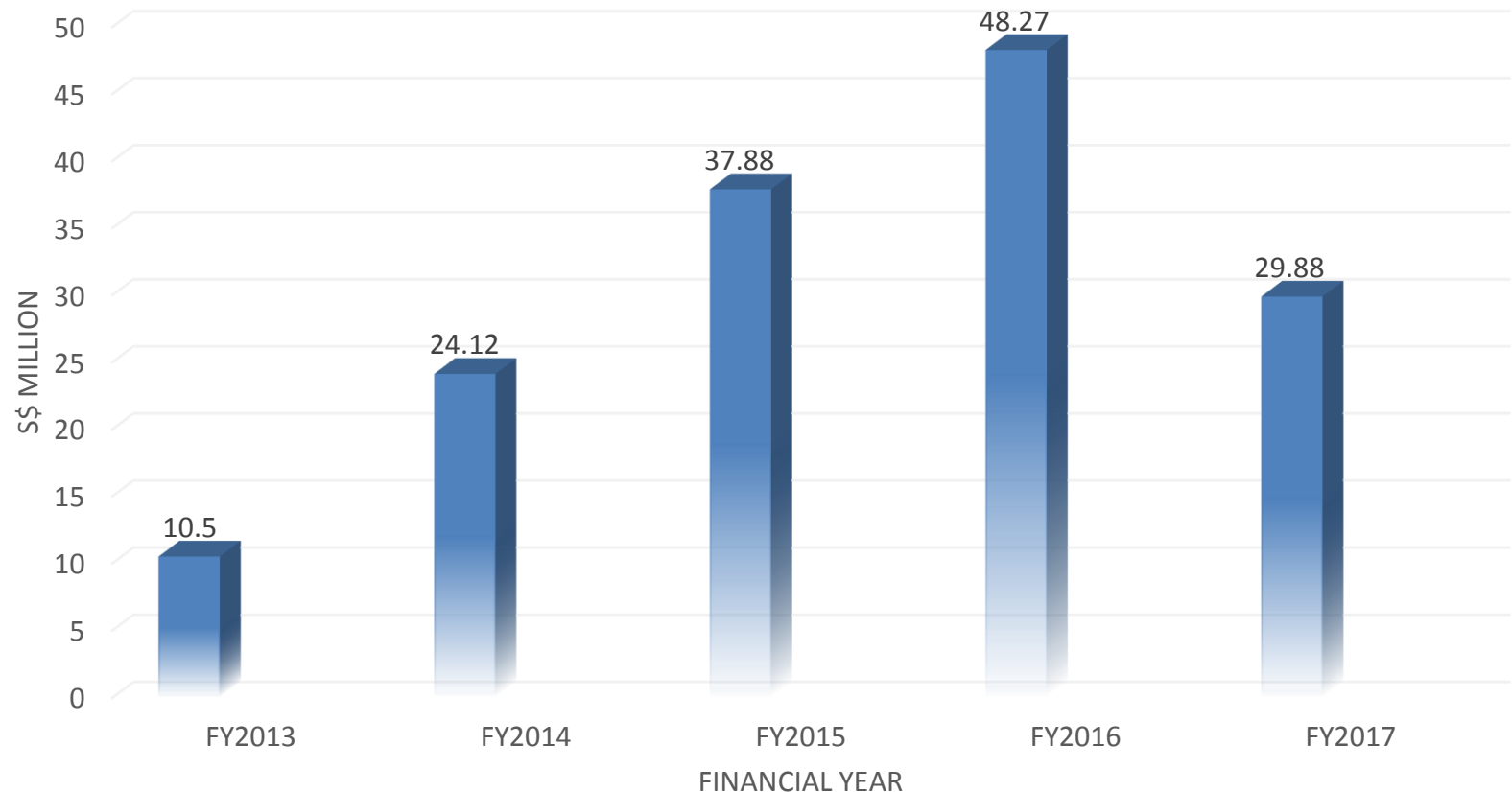


Note 1: The interest coverage ratio did not include the interest expense capitalized under development properties.



FINANCIAL HIGHLIGHTS

Revenue for The Financial Year Ended (2013 to 2017)

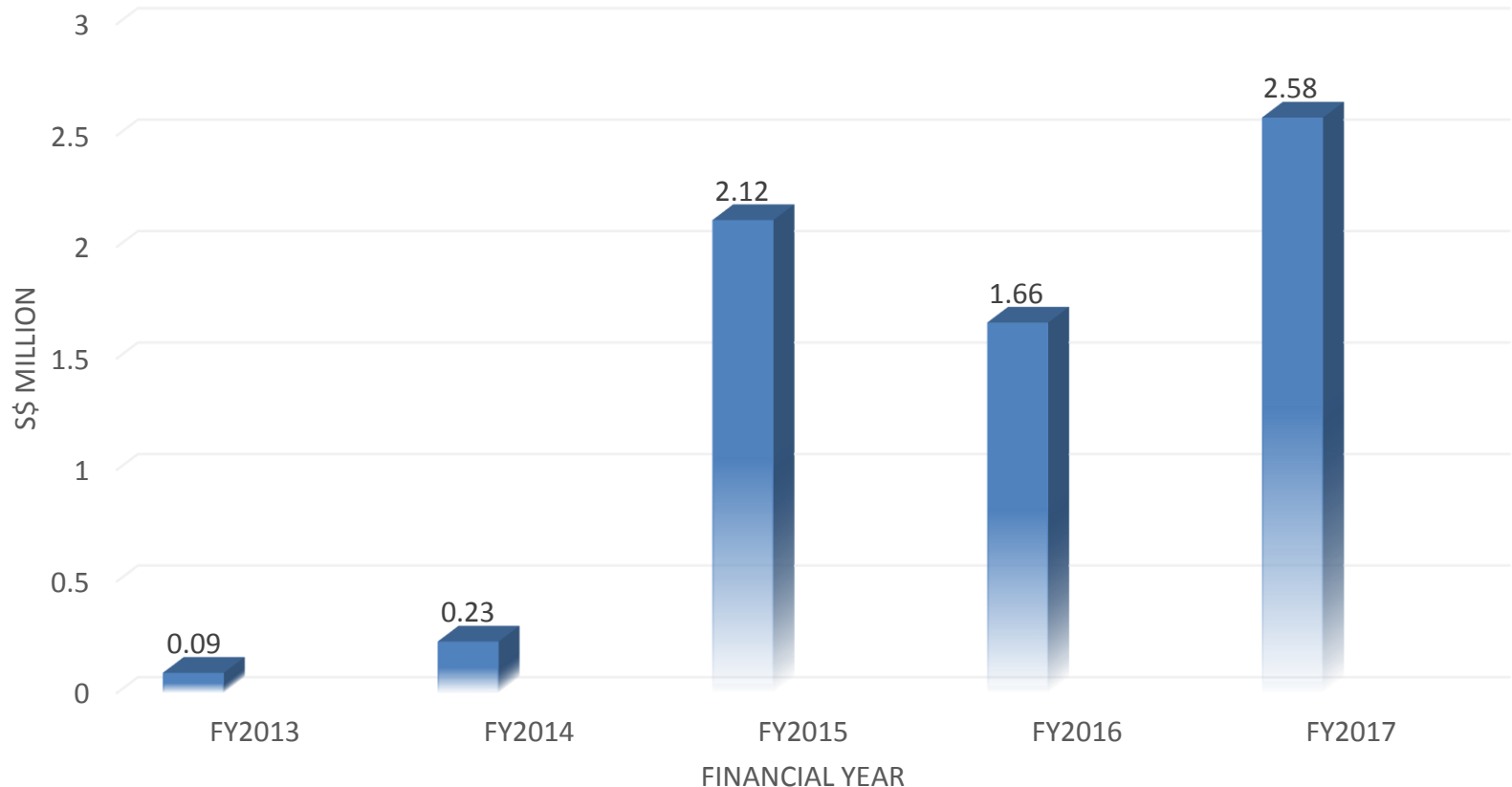


Note: The above financial information is extracted from annual reports / full year announcements of respective years.



FINANCIAL HIGHLIGHTS

PATMI for The Financial Year Ended (2013 to 2017)



Note: The above financial information is extracted from annual reports / full year announcements of respective years.



FY2017 FINANCIAL RESULTS PRESENTATION

2. OPERATION REVIEW



OPERATION REVIEW

- Garden Park Residences obtained TOP in May 2016.
- 100% tenanted for retails shops at Balestier Road in FY2017.
- Average 79% occupancy rate at Louis Kienne Serviced Residences, Havelock Road in FY2017



OPERATION REVIEW

Under Construction Projects as of 24th May 2017



Pavilion Square

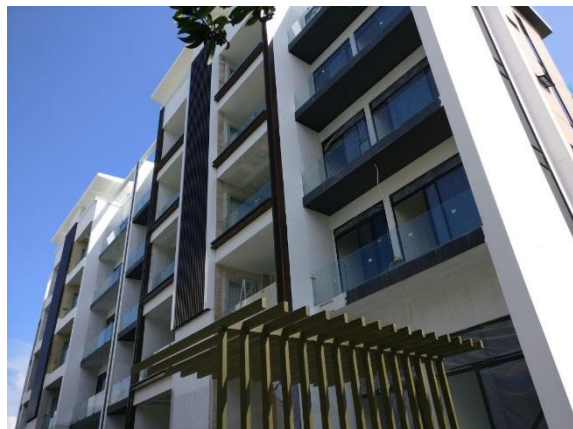


Pavilion Square

Project: Pavilion Square
Location: 345 Geylang Road
Equity Stake: 50%
% Sold: 100%
Estimated Completion: By 2nd quarter of FY2017



Mayfair Residences



Mayfair Residences

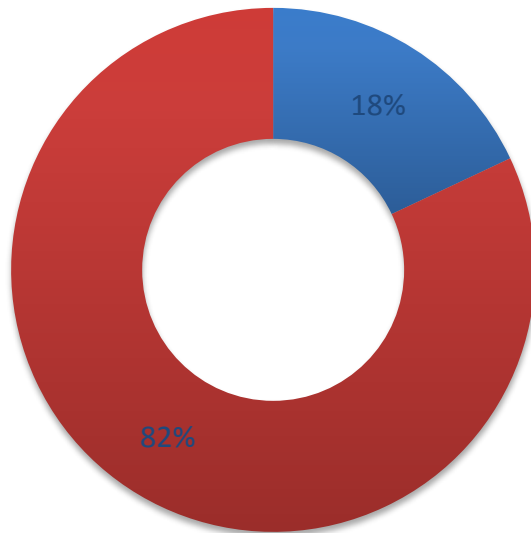
Project: Mayfair Residences
Location: 531 East Coast Road
Equity Stake: 100%
% Sold: 85%
Estimated Completion: By 2nd quarter of FY2017



OPERATION REVIEW

Revenue in FY2017 By Business Segments

REVENUE



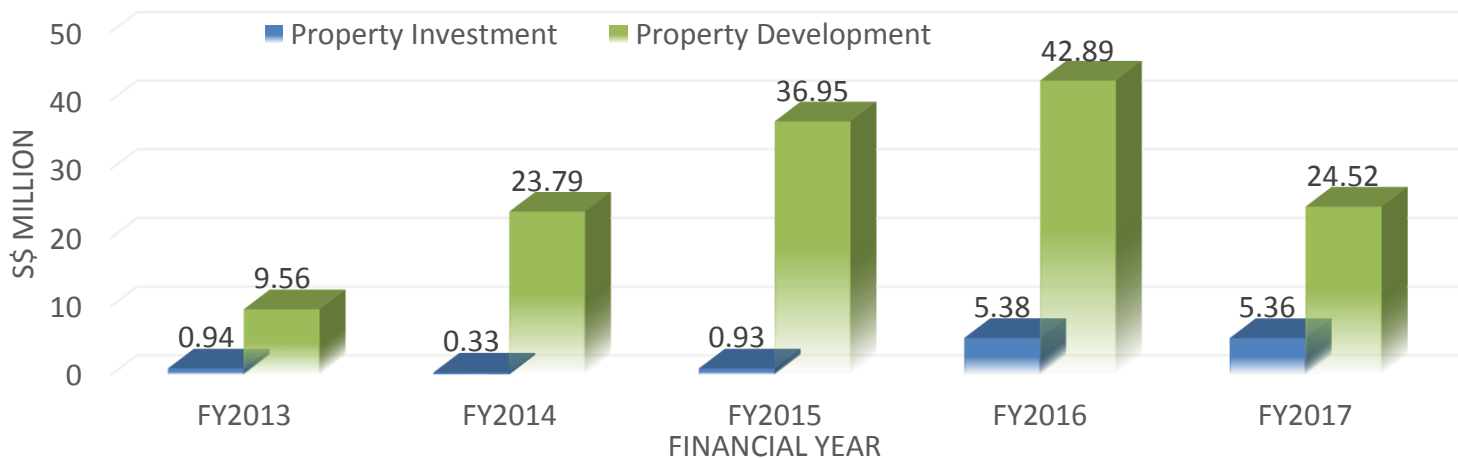
■ Property Investment ■ Property Development

BUSINESS SEGMENTS	S\$'000	PERCENTAGE %
Property Investment	5,358	18%
Property Development	24,520	82%
TOTAL	29,878	100%



OPERATION REVIEW

5 Years Revenue By Business Segments



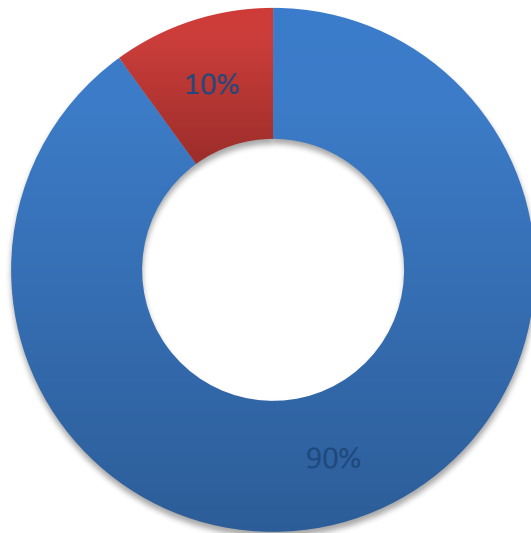
	FY2013 S\$' MIL	FY2014 S\$' MIL	FY2015 S\$' MIL	FY2016 S\$' MIL	FY2017 S\$' MIL
Property Investment	0.94	0.33	0.93	5.38	5.36
Property Development	9.56	23.79	36.95	42.89	24.52
TOTAL	10.50	24.12	37.88	48.27	29.88



OPERATION REVIEW

Gross Profit in FY2017 By Business Segments

GROSS PROFIT



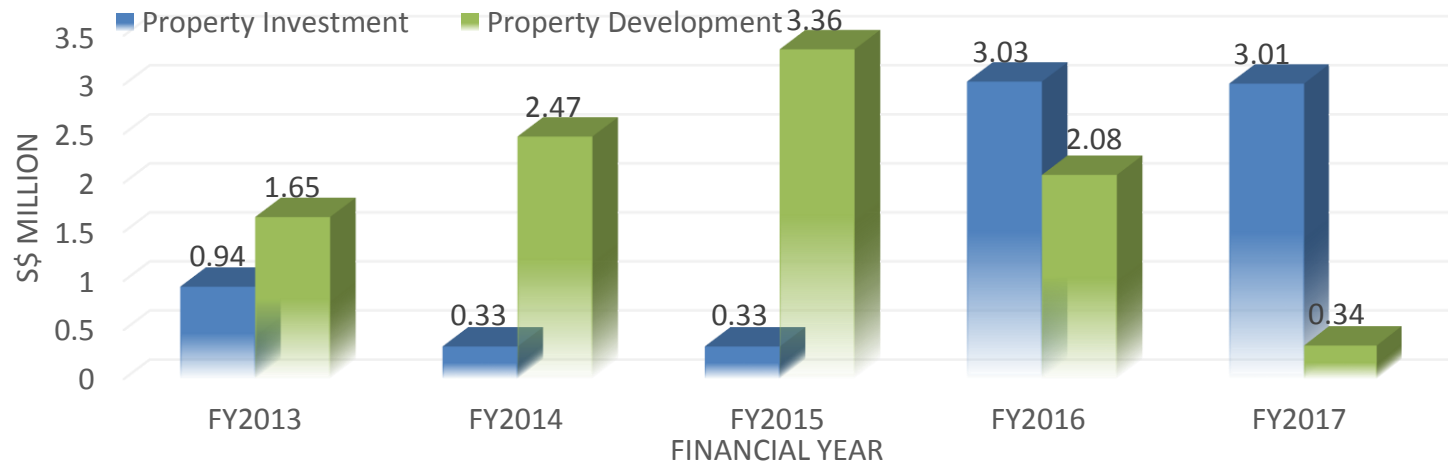
■ Property Investment ■ Property Development

BUSINESS SEGMENTS	S\$'000	PERCENTAGE %
Property Investment	3,009	90%
Property Development	336	10%
TOTAL	3,345	100%



OPERATION REVIEW

5 Years Gross Profit By Business Segments



	FY2013 S\$' MIL	FY2014 S\$' MIL	FY2015 S\$' MIL	FY2016 S\$' MIL	FY2017 S\$' MIL
Property Investment	0.94	0.33	0.33	3.03	3.01
Property Development	1.65	2.47	3.36	2.08	0.34
TOTAL	2.59	2.80	3.69	5.11	3.35



FY2017 FINANCIAL RESULTS PRESENTATION

3. MARKET OUTLOOK



PRIVATE RESIDENTIAL PROPERTIES

Key Indicators	4Q2016	1Q2017	Change	1Q2016	1Q2017	Change
Price index	137.2	136.7	-0.4%	140.6	136.7	-2.8%
Rental Index	104.5	103.6	-0.9%	107.5	103.6	-3.6%
Take up	2,316	2,962	+27.9%	1,419	2,962	+108.7%
Pipeline supply	40,913	36,942	-9.7%	53,512	36,942	-31.0%
Vacancy rate	8.4%	8.1%	-0.3% point	7.5%	8.1%	+0.6% point

- With effective of 11 March 2017, the Government has relaxed some residential property measures relating to the Seller's Stamp Duty as well as the Total Debt Servicing Ratio framework. However, with the introduction of the Additional Conveyance Duty to buyer the property market will likely remain in down-cycle with the rest of the cooling measures implemented by the government since January 2013. In 1Q2017, prices and rental of private residential properties fell 0.4% and 0.9%, compared to the 0.5% and 1.0% decline in the previous quarters.
- A number of factors will continue to put pressure on the property market, such as the large pipeline for the supply of property units, weakening demand amid low economic growth, and the market cooling measures which remain in place.

Sources: from URA website and Straits Time website



SERVICED APARTMENT OUTLOOK

- Hotel occupancy dropped 0.7% from 85% in year 2015 to 84.3% in year 2016. However, the occupancy has subsequently increased to 86% in March 2017, which is a 1.8% increase comparing March 2017 against March 2016.
- Leasing transaction figures for Q4 2016 shrunk 18.5% quarter on quarter.
- Reduced rental budgets and increasing supply of residential properties are fast reducing the cost of accommodation in Singapore.
- Given the high amount of private residential supply in pipeline, tenants will continue to hold the upper hand over landlords in negotiating rental rates.

Sources: from URA website, Singapore Tourism Board website and Savills Research & Consultancy March 2017 report



FY2017 FINANCIAL RESULTS PRESENTATION

4. GOING FORWARD



GOING FORWARD

The Management intends to achieve a balance between investment and development opportunities.

We are seeking opportunity to expand our fee-based business, such as hospitality and fund management activities, and to enlarge our portfolio of assets and diversifying our business into overseas market.

The Management is cautious when seeking opportunities such as accretive lands and investment assets which can provide sustainable return to shareholders.

Barring any unforeseen circumstances, the Group believes that the continued growth of the operation of Louis Kienne Serviced Residences at 554 Havelock Road as well as the growth of the associate fund management company, Stirling Fort Capital Pte. Ltd., will provide a stable long-term recurring income for the Group.



THANK YOU