



Roxy-Pacific Holdings Limited

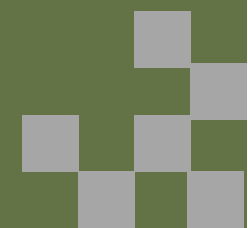
*An established property and hospitality group with
an Asia-Pacific focus*

**SUSTAINABLE
DEVELOPMENT**

Results Briefing

Half Year ended 30 Jun 2014

1 August 2014



Agenda

- Financial Performance
- Business Review
- Group Borrowings
- Outlook

Results Briefing

Half Year Ended 30 June 2014

1 August 2014

Financial Performance

Financial Highlights – 1H2014

- **Net profit up 20% to S\$37.7 million**
- **Turnover increased by 48% to S\$182.1 million**
- **Boosted by 59% revenue growth from Property Development segment**
- **Sustained earnings visibility with pre-sale revenue of S\$955.4 million⁽¹⁾, profit of which will be recognised from 3Q2014 to FY2017**
- **Sold more than 92% of strata retail floor area in 8 Russell Street, Hong Kong**
- **Strong headroom with cash and cash equivalents of S\$289.5 million and a S\$200m Multicurrency Medium Term Note Programme**
- **Declares interim dividend of 0.616 SGD cents per share**

(1) Included Option to Purchase granted up to 22 July 2014.

Financial Performance

Financial Results – 1H2014

	1H2014	1H2013	% change
Revenue (S\$'m)	182.1	122.6	48%
Gross Profit (S\$'m)	55.5	41.7	33%
Gross Margin (%)	30%	34%	-4ppt ⁽¹⁾
Pre-tax profit (S\$'m)	44.6	36.2	23%
Net Profit (S\$'m)	37.7	31.4	20%
EPS (cts) ⁽²⁾ (restated)	3.16	2.61	21%

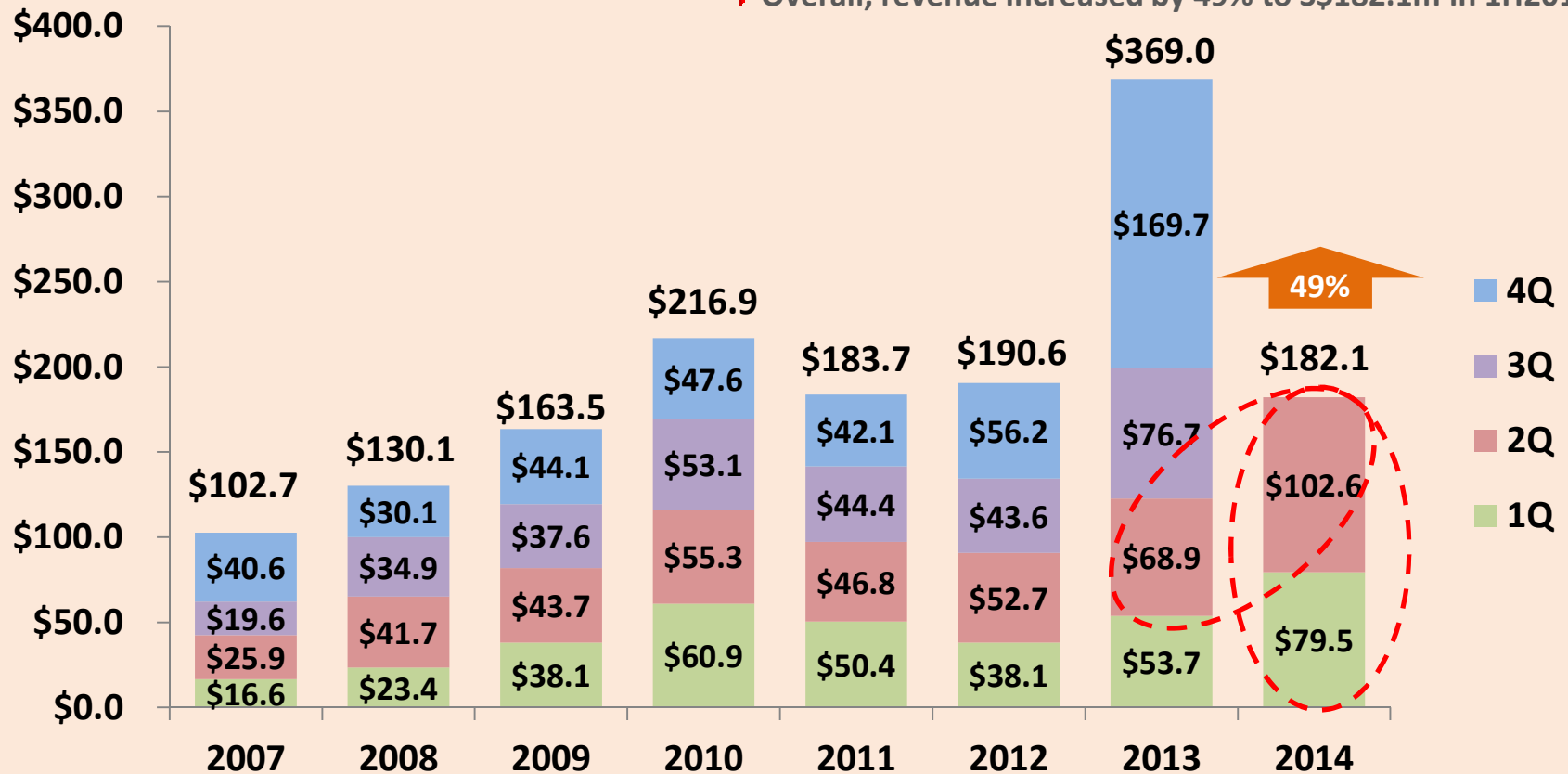
(1) Mainly due to higher percentage of revenue contribution from property development segment which has a lower gross profit margin

(2) EPS has been adjusted for the bonus issue in 2013.

Financial Performance

Financial Performance Turnover Trend (S\$m)

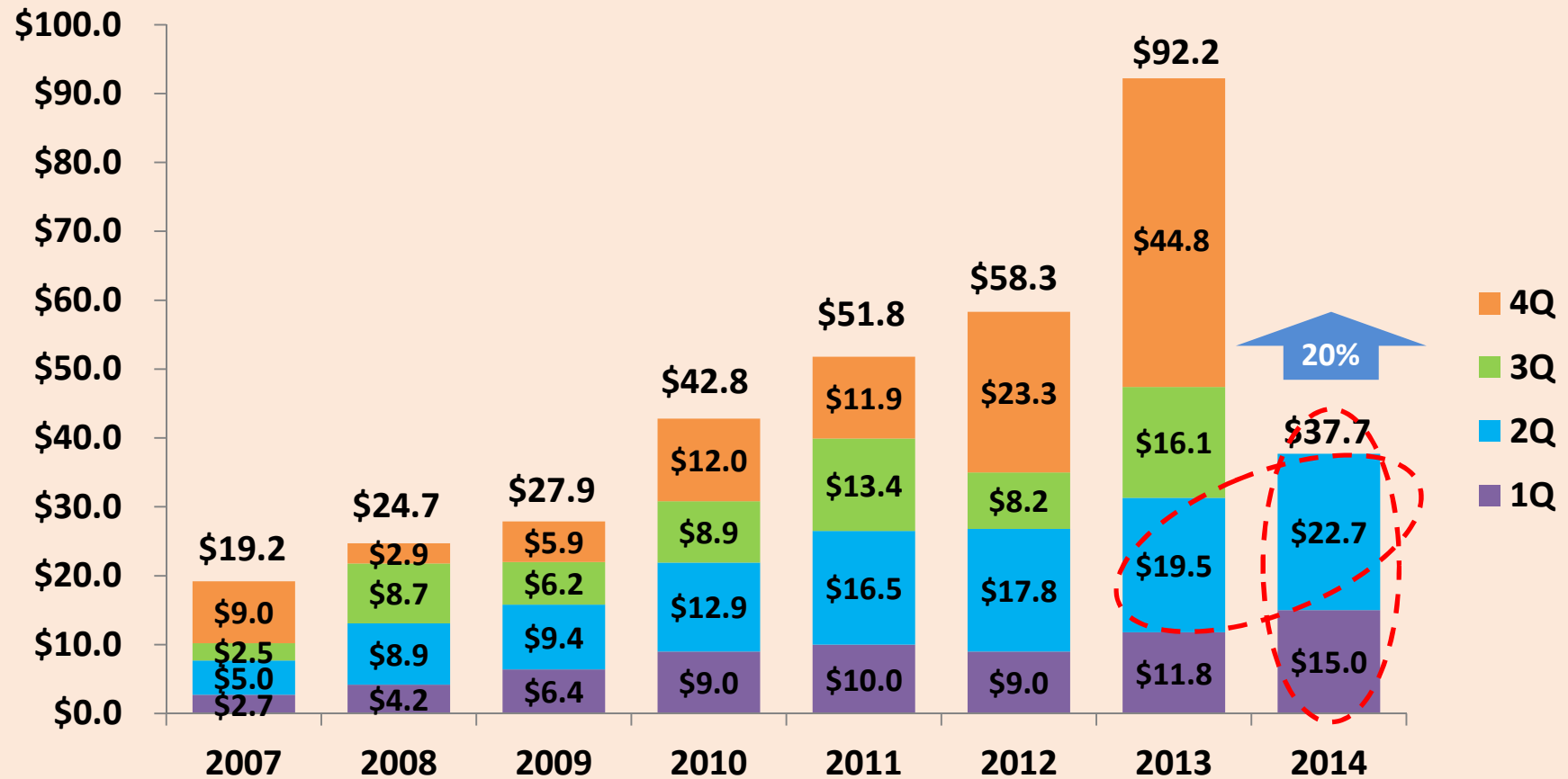
- ◆ Record 2Q & 1H turnover since 2007
- ◆ 2Q2014 revenue increased by 49% y-o-y
- ◆ 2Q2014 revenue increased by 29% q-o-q
- ◆ Overall, revenue increased by 49% to S\$182.1m in 1H2014



Financial Performance

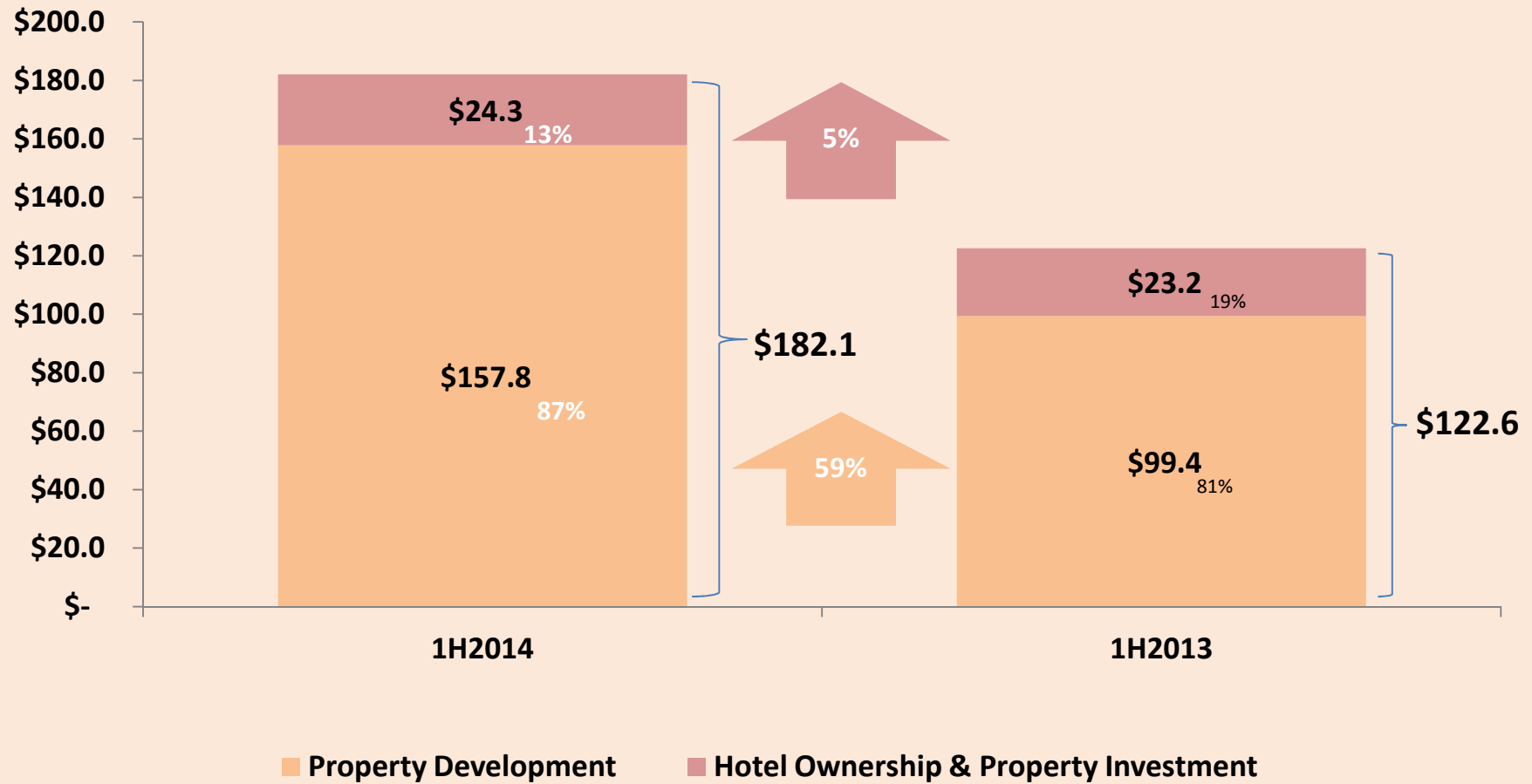
Financial Performance Profit Trend (S\$m)

- ◆ Record 2Q & 1H net profit since 2007
- ◆ 2Q2014 net profit increased by 16% y-o-y
- ◆ 2Q2014 net profit increased by 51% q-o-q
- ◆ Overall, net profit increased by 20% to S\$37.7m in 1H2014



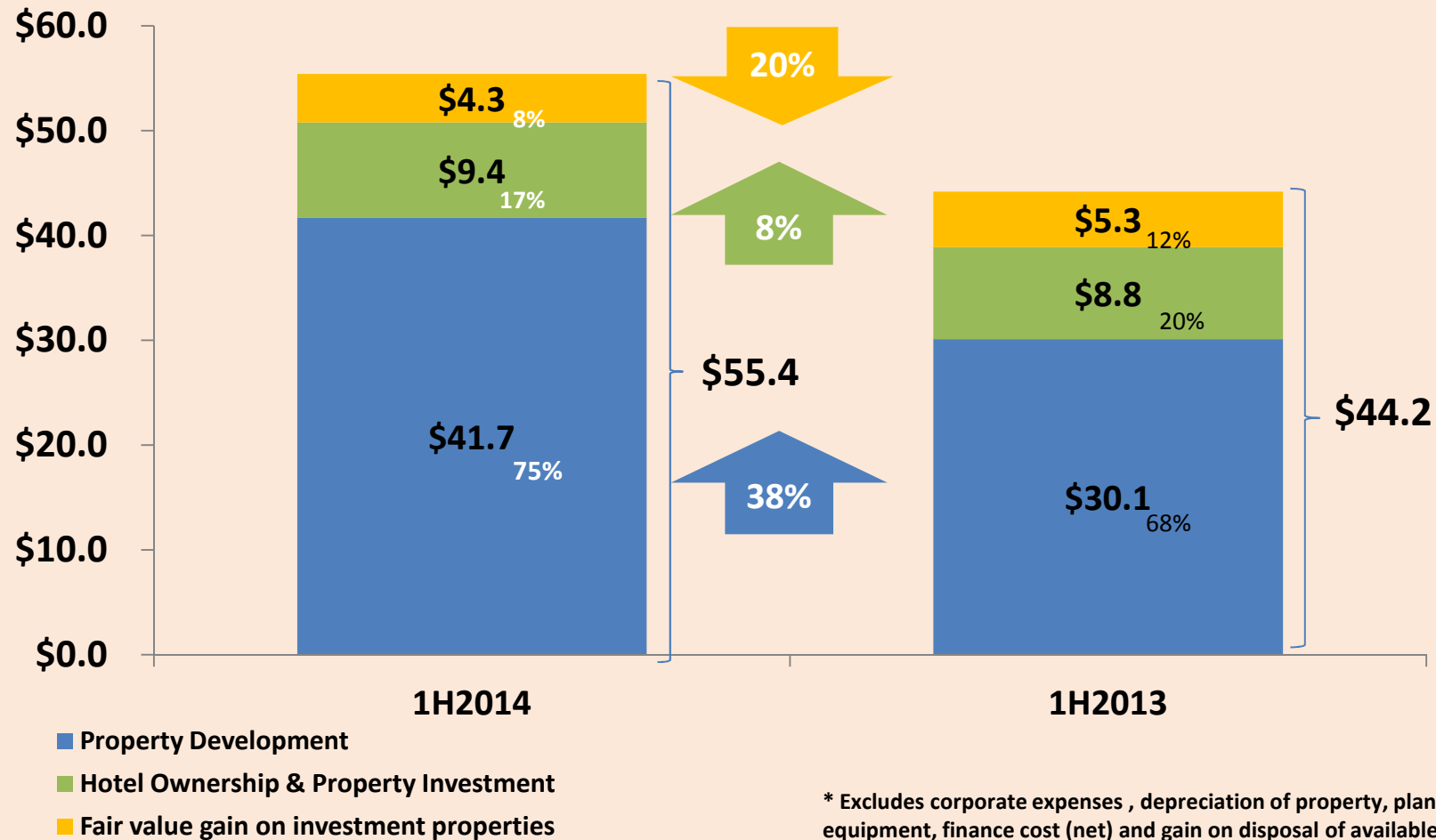
Financial Performance

Segment Results – 1H2014 Revenue (\$\$'m)



Financial Performance

Segment Results – 1H2014 Adjusted EBITDA* (\$\$'m)



Financial Performance

	30 Jun 14	31 Dec 13	Increase / (Decrease)
Financial Position			
Total assets (S\$'m)	1,264.8	1,298.9	(2.6%)
Total debt (S\$'m)	831.0	880.9	(5.7%)
Cash & cash equivalents (S\$'m) ⁽¹⁾	289.5	354.2	(18.3%)
Net Assets Value ("NAV") (S\$'m)	352.0	330.0	6.7%
Adjusted Net Assets Value ("ANAV") (S\$'m) ⁽²⁾	795.3	771.1	3.1%
Financial Ratios			
NAV per share (cents)	29.5	27.6	6.9%
ANAV per share (cents) ⁽²⁾	66.6	64.6	3.1%
Cash holdings per share (cents) ⁽¹⁾	24.3	29.7	(18.3%)
Net Debt to ANAV (times)	0.68	0.68	-
Return on Equity (%) ⁽³⁾	21.6	28.0	(22.9%)

(1) Cash holdings include project account monies amounting to S\$148.5m as at 30 Jun 2014 (31 December 2013: S\$191.1m)

(2) The fair value of Grand Mercure Roxy Hotel and office premise was estimated to be S\$523.4m as at 30 Jun 2014 (31 December 2013: S\$522.5m)

(3) Represents annualised return of equity

Property Development

Results Briefing

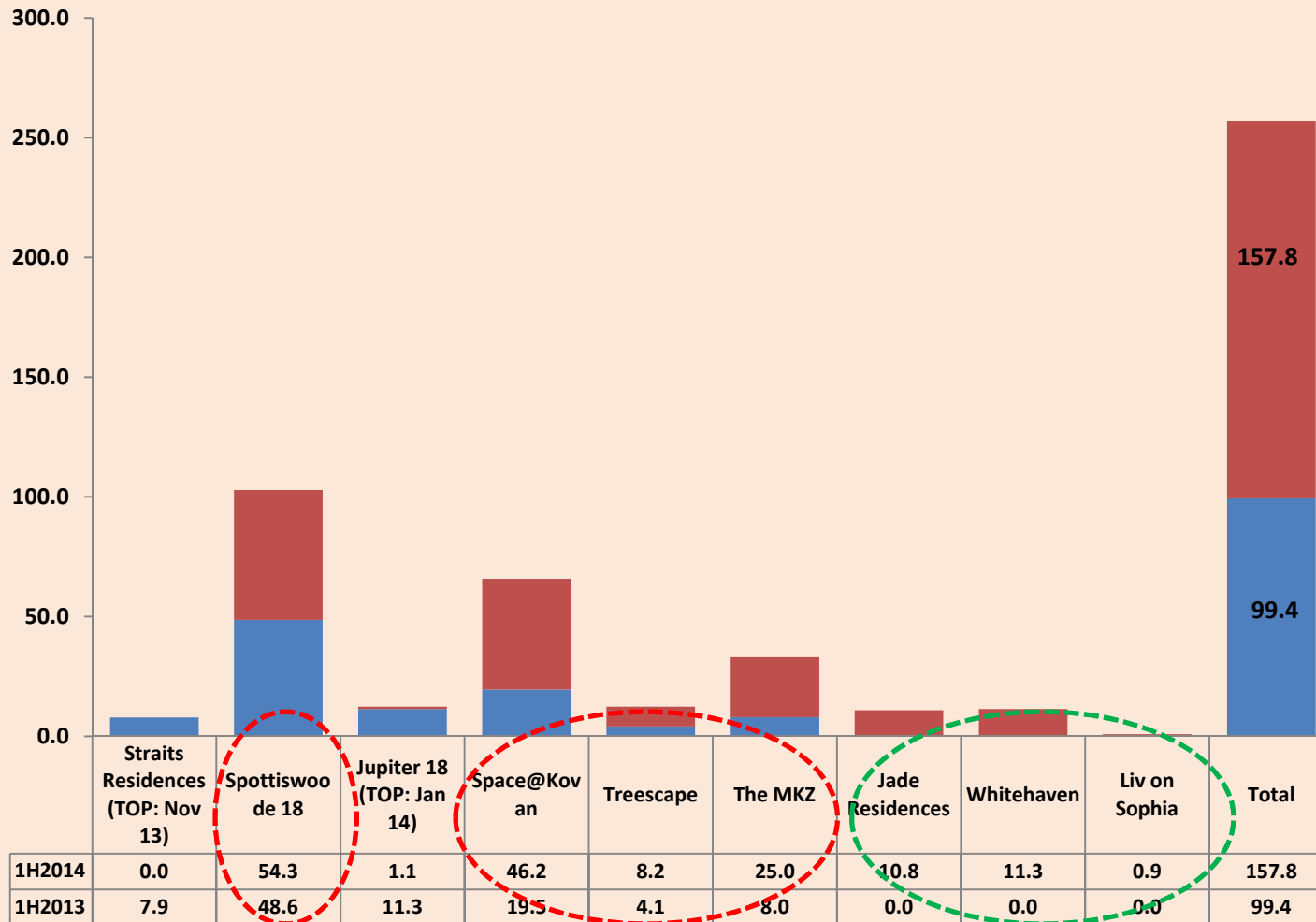
Half Year Ended 30 June 2014

1 August, 2014

Business Review

Property Development – 1H2014

Revenue from Property Development (S\$'m)



◆ Increase in revenue by 59% from S\$99.4 million in 1H2013 to S\$157.8 million in 1H2014

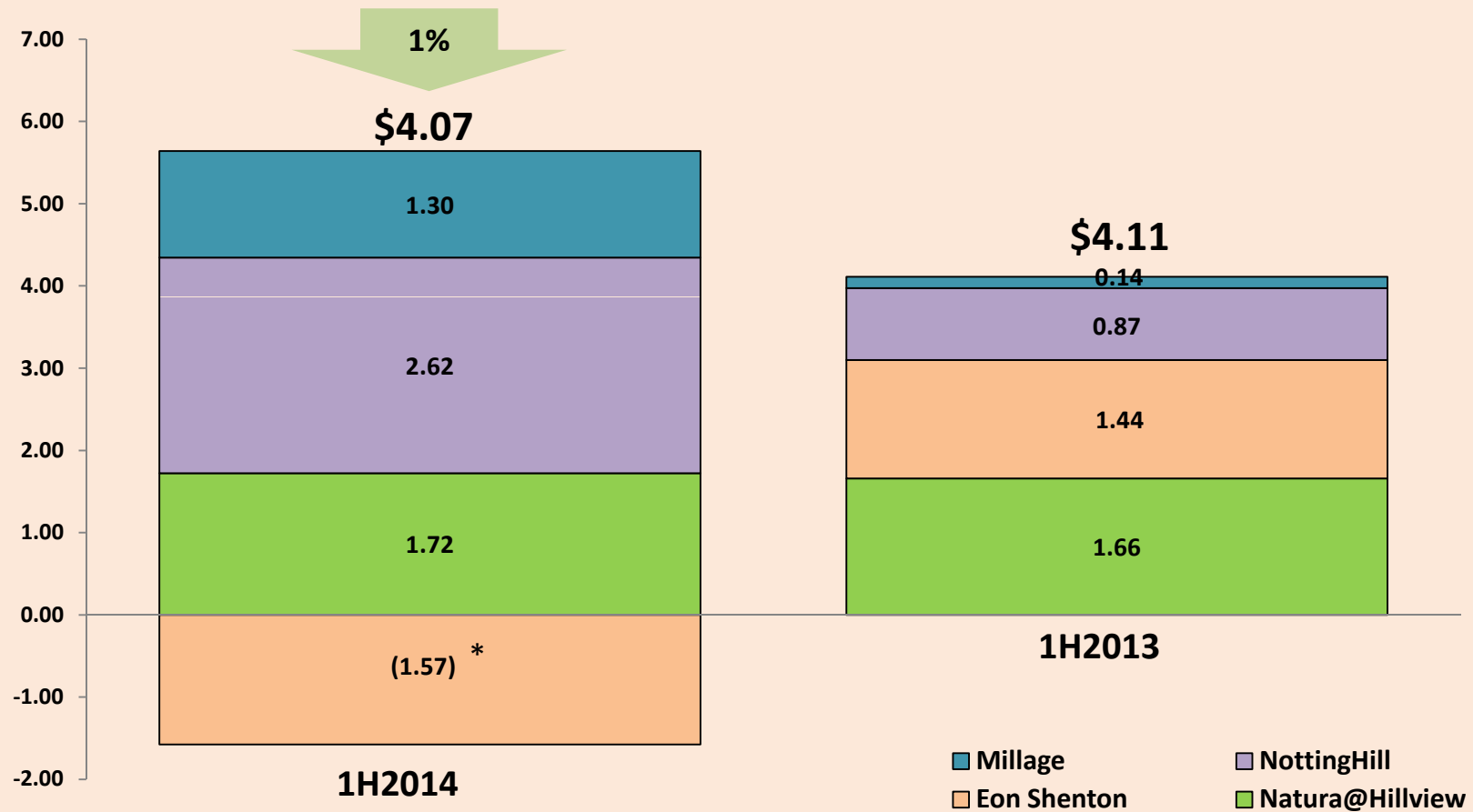
◆ Mainly due to

- Recognition of higher revenue from Spottiswoode 18, Space@Kovan, Treescape and The MKZ
- Commencement of revenue recognition from Jade Residences, Whitehaven and Liv on Sophia
- Partly offset by absence of revenue recognition from Straits Residences (TOP in Nov 2013)

Business Review

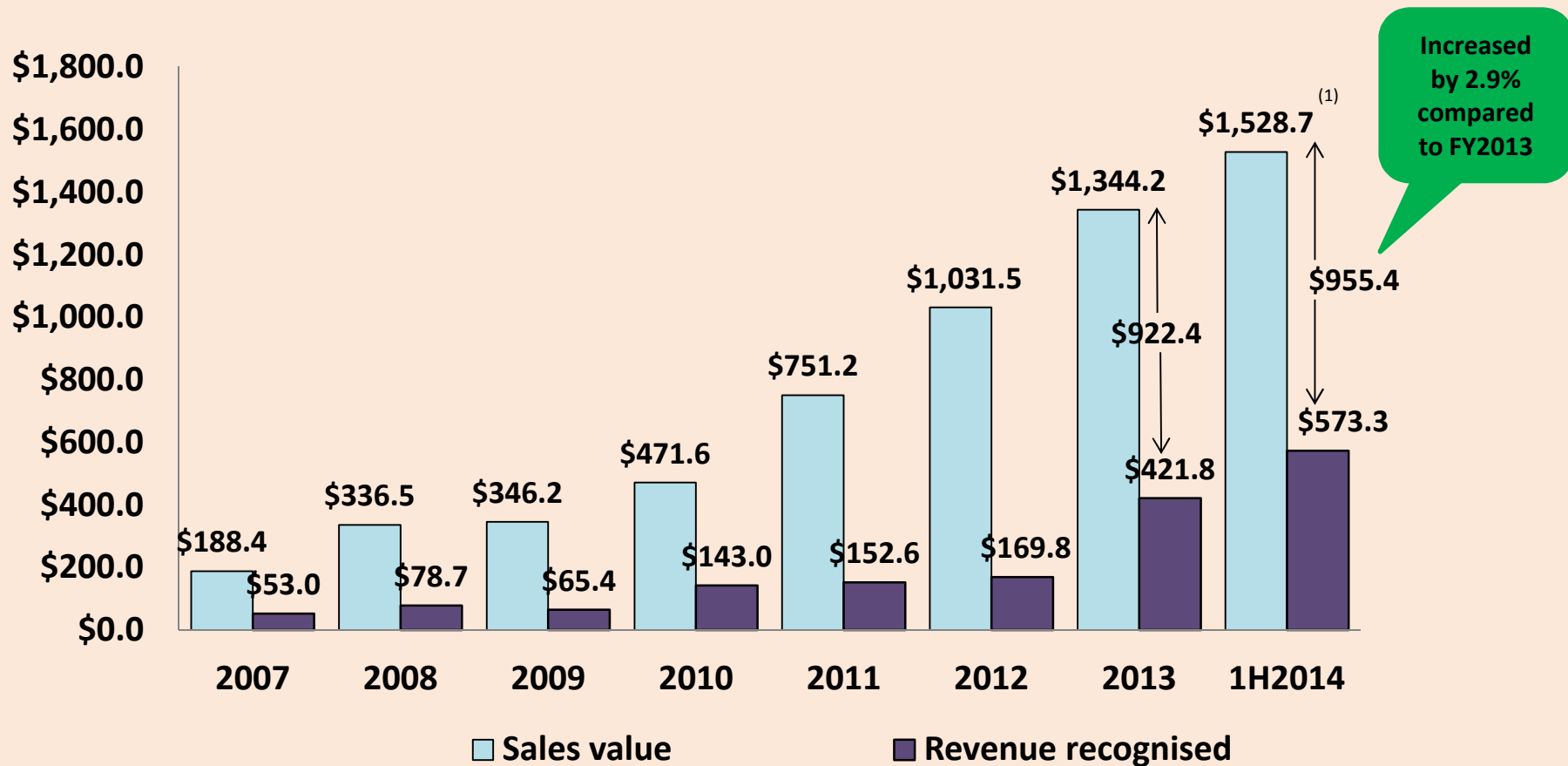
Property Development – 1H2014

Share of results in associates (S\$m)



Business Review

Pre-Sale Revenue to be recognised (S\$m) – 1H2014



⁽¹⁾ Included Option to Purchase granted up to 22 July 2014

Business Review

Pre-Sale Revenue to be recognised by projects (S\$'m) – 1H2014

	Project name	Type of development	Group stake	Total units in project / Total no of floors	Unit /floors sold	Attributable total sale value ⁽¹⁾	Attributable revenue recognised up to 30 Jun 2014	Balance attributable progress billings to be recognised from 3Q2014
			%	Unit	%	\$'m	\$'m	\$'m
1	Space@Kovan	Shop	100%	56	100%	46.6	39.0	7.6
		Residential	100%	140	100%	113.1	95.0	18.1
2	Spottiswoode 18	Residential	100%	251	100%	254.4	248.0	6.4
3	Nottinghill Suites	Residential	45%	124	100%	39.5	33.8	5.7
4	Centropod@Changi	Shop	100%	108	100%	54.4	-	54.4
		Restaurant	100%	9	100%	8.3	-	8.3
		Office	100%	75	100%	78.7	-	78.7
5	Treescape	Residential	100%	30	100%	29.2	28.0	1.2
6	Millage	Residential	48%	70	100%	23.5	6.3	17.2
		Shop	48%	86	100%	28.7	7.7	21.0
7	Natura@Hillview	Residential	49%	193	100%	72.2	35.6	36.6
8	Eon Shenton	Office	20%	98	100%	60.1	3.7	56.4
		Residential	20%	132	95%	38.0	2.3	35.7
		Shop	20%	23	100%	4.8	0.3	4.5
9	The MKZ	Residential	100%	42	100%	51.8	45.8	6.0
10	Jade Residences	Residential	100%	171	85%	175.6	13.4	162.2
		Shop	100%	2	100%	1.7	0.1	1.6
11	Whitehaven	Residential	100%	120	85%	125.2	13.4	111.8
		Shop	100%	1	100%	1.2	0.1	1.1
12	LIV on Sophia	Residential	90%	64	100%	78.5	0.8	77.7
13	LIV on Wilkie	Residential	90%	81	68%	71.7	-	71.7
14	Sunnyvale Residences ⁽²⁾	Residential	100%	30	7%	3.5	-	3.5
15	Trilive ⁽³⁾	Residential	85%	220	9%	19.2	-	19.2
		Shop	85%	2	-	-	-	-
16	No. 8 Russell Street, Causeway Bay, Hong Kong	Investment Property for sale	30%	21 floors	93%	148.8	-	148.8 ⁽⁴⁾
	Total					1,528.7	573.3	955.4

(1) Included Option to Purchase granted up to 22 July 2014

(3) Launched in June 2014

(2) Launched in May 2014

(4) equivalent to HKD916.3m

Business Review

Landbank

	Location / Description	Type	Approximate Land Area	Approximate Gross Floor Area	Group's stake	Approximate Attributable Gross Floor Area	Approximate Attributable Land Cost
			(sqf)	(sqf)	%	(sqf)	\$'m
1	<u>Overseas</u> Lot 3370, Section 41, Jalan Dewan Sultan Sulaiman, Kuala Lumpur	Commercial & Residential Development	64,131	698,717	47%	328,397	16.9 ⁽¹⁾
			64,131	698,717		328,397	16.9

(1) equivalent to RM42.2m

Hotel Ownership

Results Briefing

Half Year Ended 30 June 2014

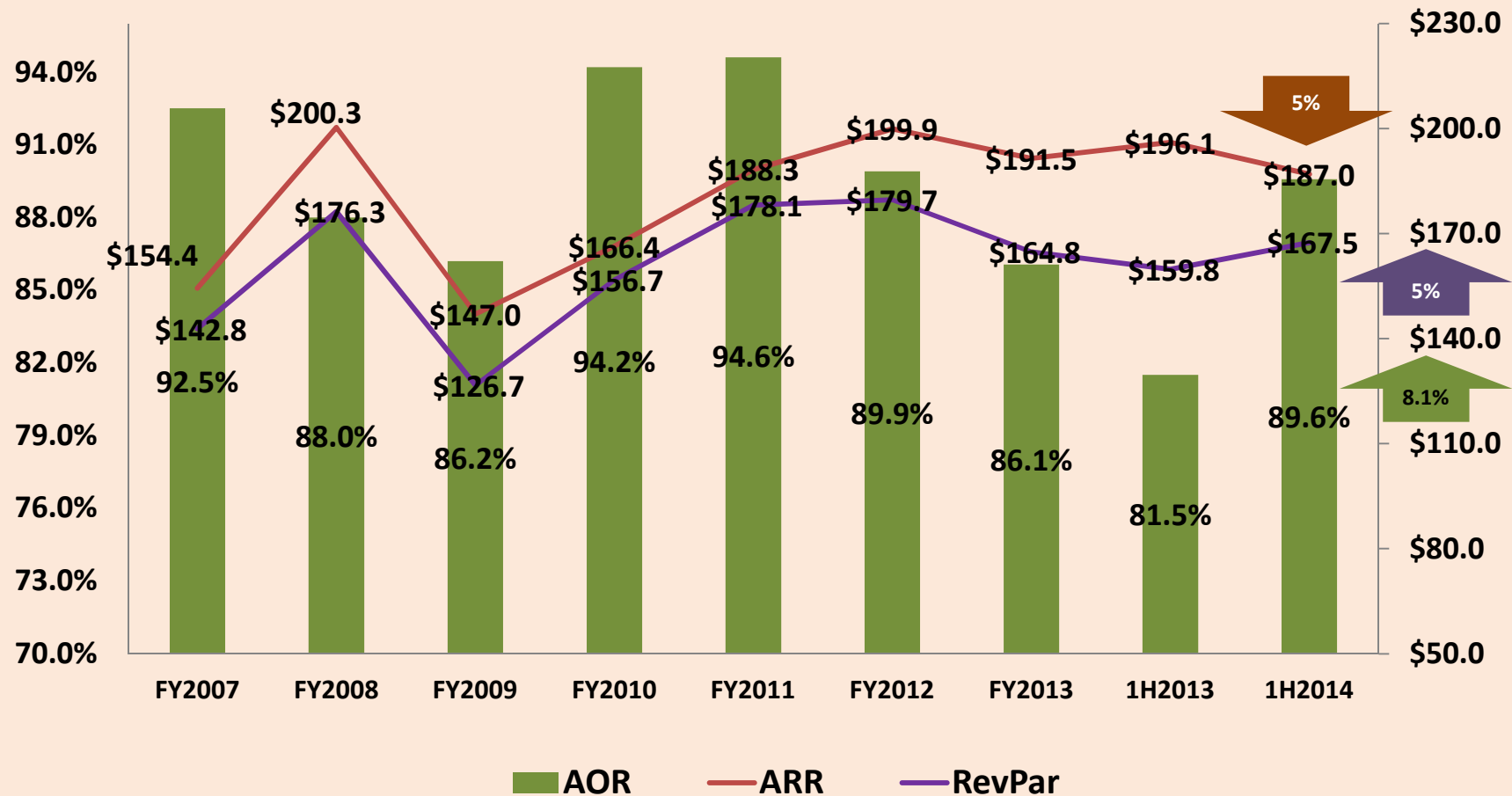
1 August 2014

Business Review

Hotel Ownership – 1H2014

AOR , ARR & RevPar

◆ RevPar increased by 5% to \$167.5 in 1H2014 compared to \$159.8 in 1H2013

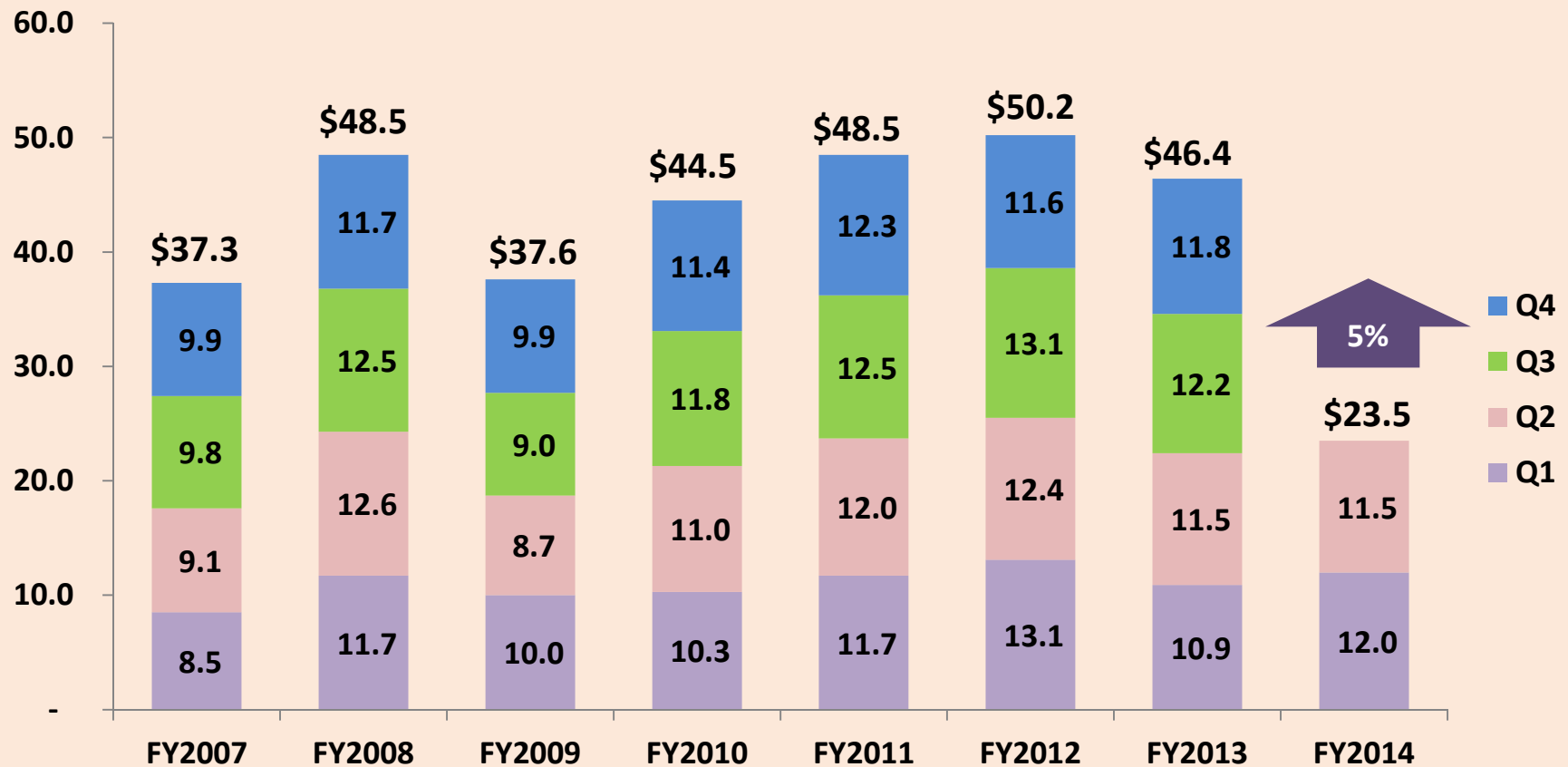


Business Review

Hotel Ownership – 1H2014

Hotel Revenue (S\$m)

Hotel revenue increased by 5% from S\$22.4m in 1H2013 to S\$23.5m in 1H2014

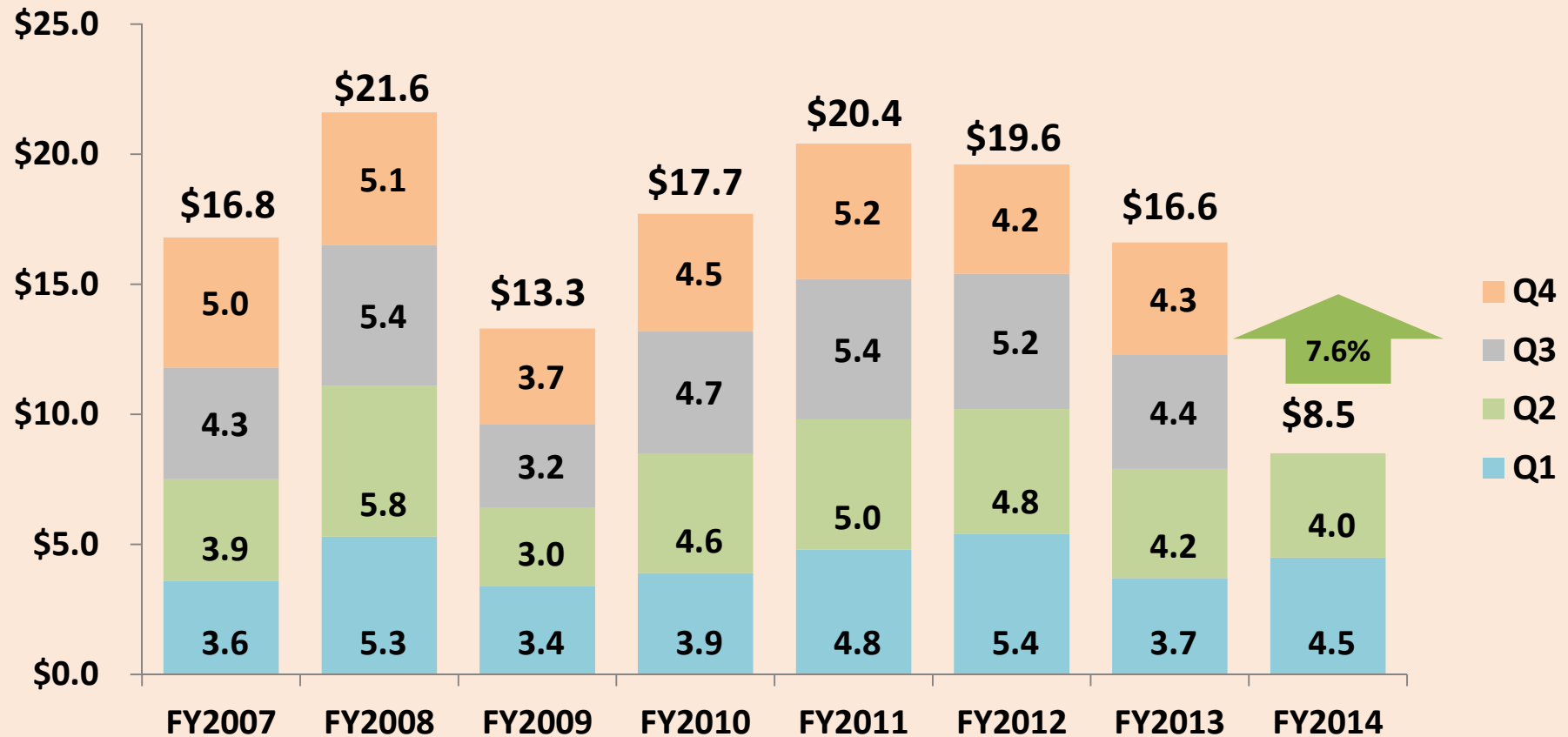


Business Review

Hotel Ownership – 1H2014

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

▲ Hotel NOP increased by 7.6% from S\$7.9m in 1H2013 to S\$8.5m in 1H2014



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

Property Investment

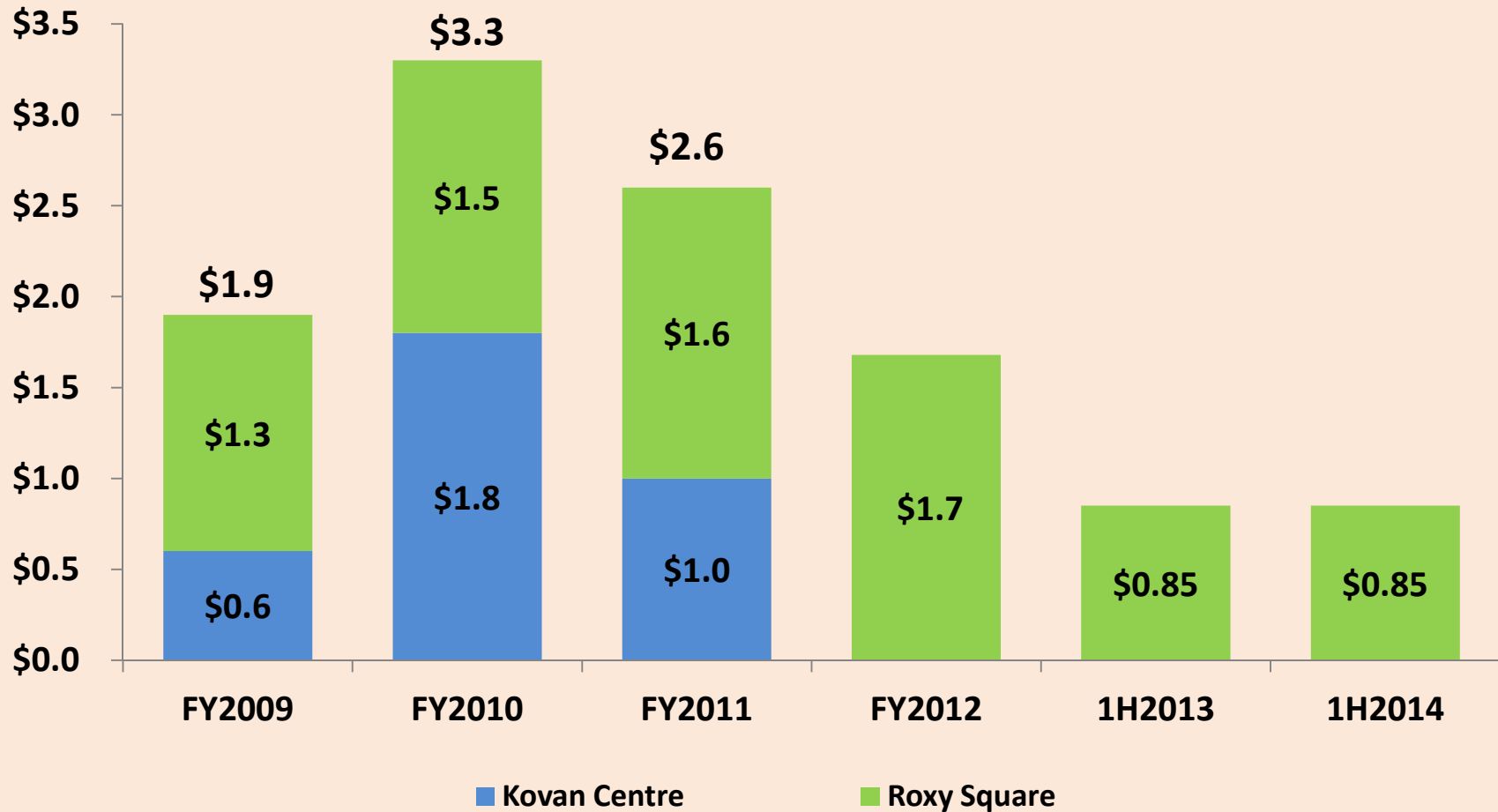
Results Briefing

Half Year Ended 30 June 2014

1 August 2014

Business Review

Property Investment – 1H2014 Revenue (\$\$'m)

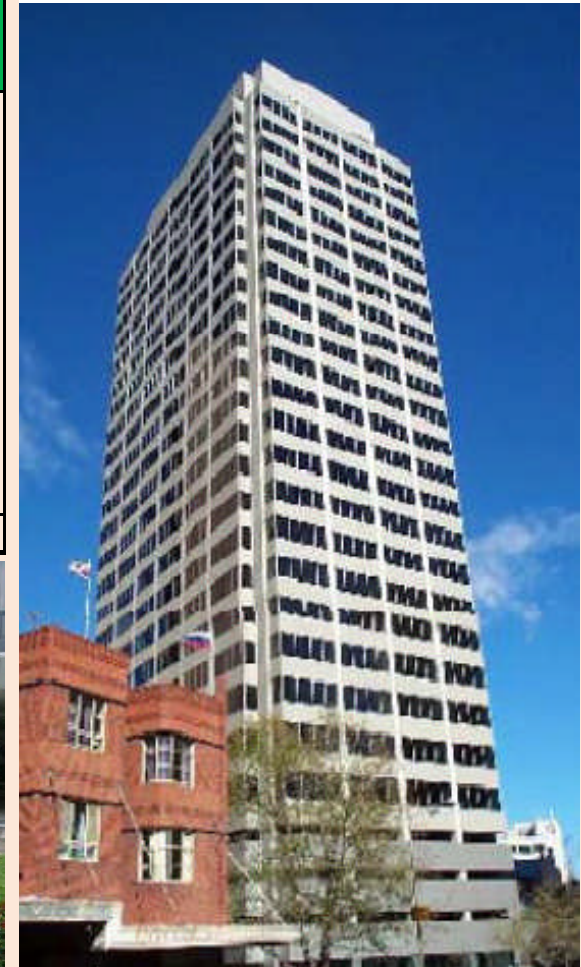


Business Review

Property Investment

	Description	Net lettable Area /Floor area	Group's stake	Valuation	Estimated Total Annual Gross Income
		(sqm)	%	S\$'m	S\$'m
1	<u>Singapore</u> 47 shop units at Roxy Square Shopping Centre	2,320	100%	72.3 ⁽¹⁾	1.7
2	<u>Overseas</u> No. 59 Goulburn Street, Sydney, Australia	19,552.7	100%	105.3 ⁽²⁾	10.3
<i>Grand Total</i>		21,872.7		177.6	12.0

59 GOULBURN STREET, SYDNEY



- (1) based on latest desktop valuation as of 30 June 2014
 (2) equivalent to AUD90.2m purchase price, acquisition of building completed on 17 July 2014



Results Briefing

Half Year Ended 30 June 2014

1 August 2014

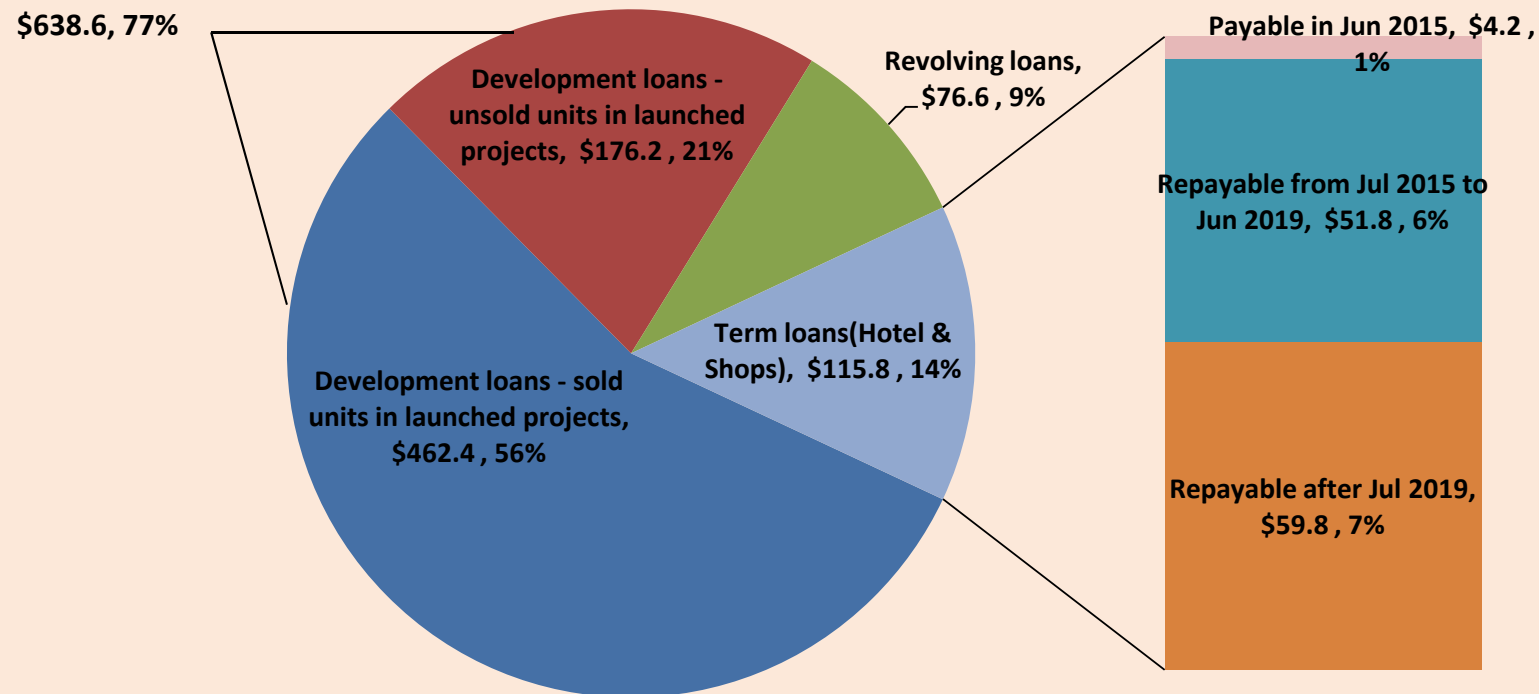
Group Borrowings

Debt Profile	30 Jun 14	31 Dec 13
Total borrowings	\$831.0m	\$880.9m
Fixed rate loans	\$155.0 m	\$90.6 m
Fixed rate loans as % of total loans	19%	10%
Weighted average term for fixed rates loans	17 months	13 months
Weighted average interest rate (fixed rates loans)	2.38%	2.13%
Weighted average interest rate (floating rates loans)	1.94%	1.98%
Interest cover ratio (times)	14.6	19.4

Group Borrowing

Debt Profile as at 30 June 2014 (S\$'m)

Total outstanding debts of S\$831.0m as at 30 June 2014



Outlook

1. General

➤ *Ministry of Trade and Industry Singapore (“MTI”) advance estimate:*

- *Singapore economy grew by 2.1% on a y-o-y basis in the 2Q2014, slower than the 4.7% growth in the 1Q2014.*

2. Property Development

➤ *Urban Redevelopment Authority (“URA”) latest statistics:*

- *Prices of private residential properties decreased by 1.0% in 2Q2014, following the 1.3% decline in 1Q2014. This was the third straight quarter of price decline.*
- *The Group has sustained earnings visibility with pre-sale revenue of S\$955.4 million, profits of which will be recognised from 3Q2014 to FY2017.*

3. Hotel Ownership

➤ *Singapore Tourism Board (“STB”) reports:*

- *International visitor arrivals were down by 1.7% y-o-y to 6.3 million for Jan to May this year*
- *The long term Singapore tourism outlook is expected to be positive :*
 - *Reputation as a leading MICE destination globally;*
 - *Continual development and introduction of leisure attractions and sporting events in Singapore.*

4. *Strong headroom with cash and cash equivalents of S\$289.5 million and a S\$200m Multicurrency Medium Term Note Programme; the Group will continue to look for opportunities to broaden asset portfolio and geographical reach*

5. *Barring any unforeseen circumstances, the directors expect the Group to be profitable in 2014.*



THANK YOU

Results Briefing

Half Year Ended 30 June 2014

1 August 2014