



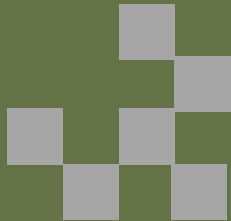
## **Roxy-Pacific Holdings Limited**

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

## **Results Briefing**

Full Year Ended 31 December 2014

17th February 2015



# Agenda

- Financial Performance
- Business Review
- Group Borrowings
- Outlook

## **Results Briefing**

Full Year Ended 31 December 2014

17th February 2015

# Financial Performance

## ***Financial Highlights – FY2014***

- ***10<sup>th</sup> consecutive year of record earnings<sup>(1)</sup>***
- ***Achieves net profit of \$96.8 million, on the back of total revenue of \$317.8 million***
- ***Recurring income from Property Investment segment rose over 4 times to \$6.6 million***
- ***Share of profit of joint-venture projects up 5.5 times to \$54.9 million***
- ***Completion of commercial development project, Centropod@Changi in January 2015 thereby underpinning the performance for FY2015***
- ***Strong headroom with cash and cash equivalents of \$415.3 million, a \$200 million Multicurrency Medium Term Note Programme and low gearing of 0.58 times***
- ***Proposes a final cash dividend of 1.297 SGD cents per share, bringing total dividends for FY2014 to 1.913 SGD cents per share***

<sup>(1)</sup> since the 1<sup>st</sup> set of results for FY2004 reported in the IPO prospectus

# Financial Performance

## Financial Results – FY2014

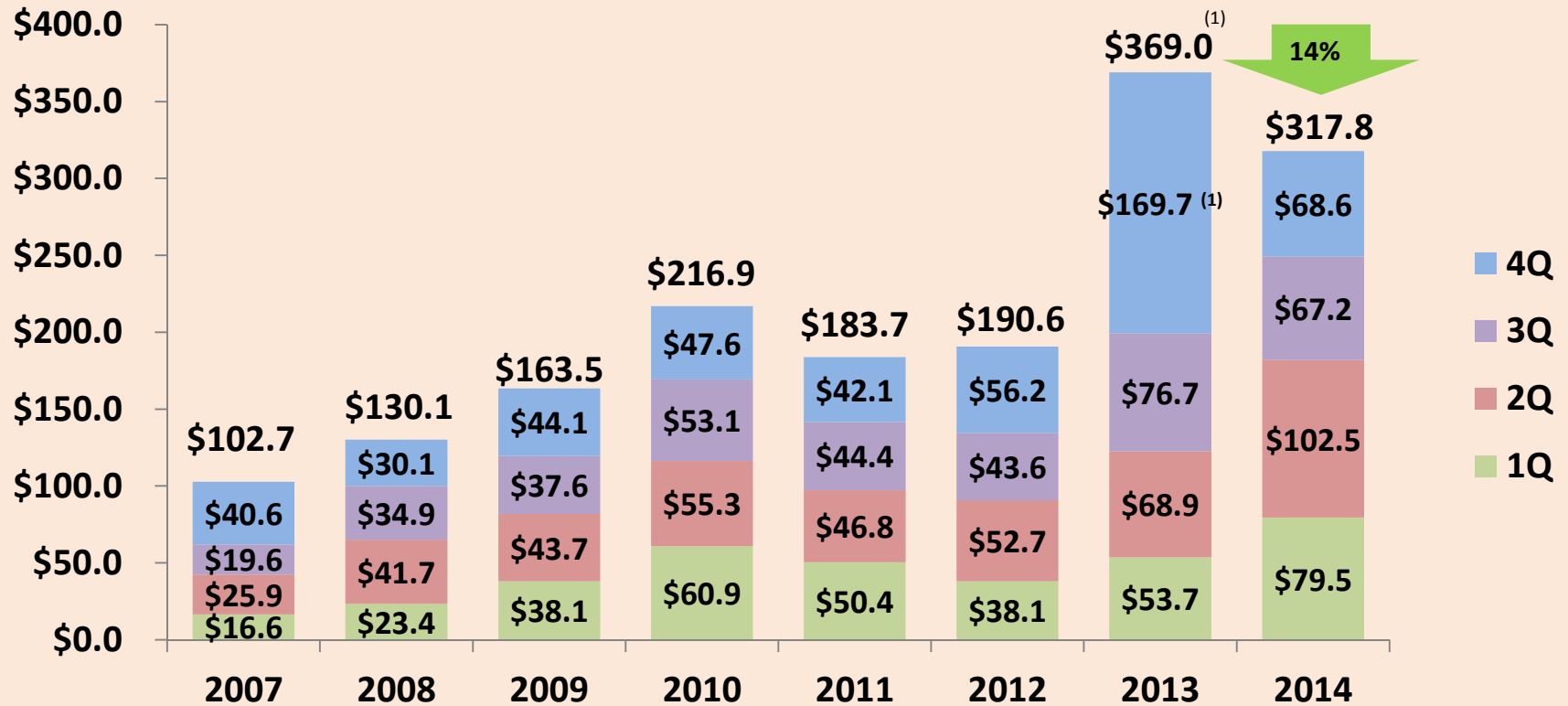
	FY2014	FY2013	% change
Revenue (S\$m)	317.8	369.0 <sup>(1)</sup>	-14%
Gross Profit (S\$m)	97.2	125.7	-23%
Gross Margin (%)	31%	34%	-3ppt
Share of results of associates (net of tax) (S\$m)	54.8	9.9	n/m
Pre-tax profit (S\$m)	110.3	106.7	3%
Net Profit (S\$m)	96.8	92.2	5%
EPS (cts)	8.10	7.73	5%

<sup>(1)</sup> Include a 100% revenue recognition on completion from WIS@Changi amounting to \$78m upon obtaining its TOP in Dec-13

# Financial Performance

## Financial Performance Turnover Trend (S\$m)

➔ Overall revenue decreased by 14% to S\$317.8m in FY2014

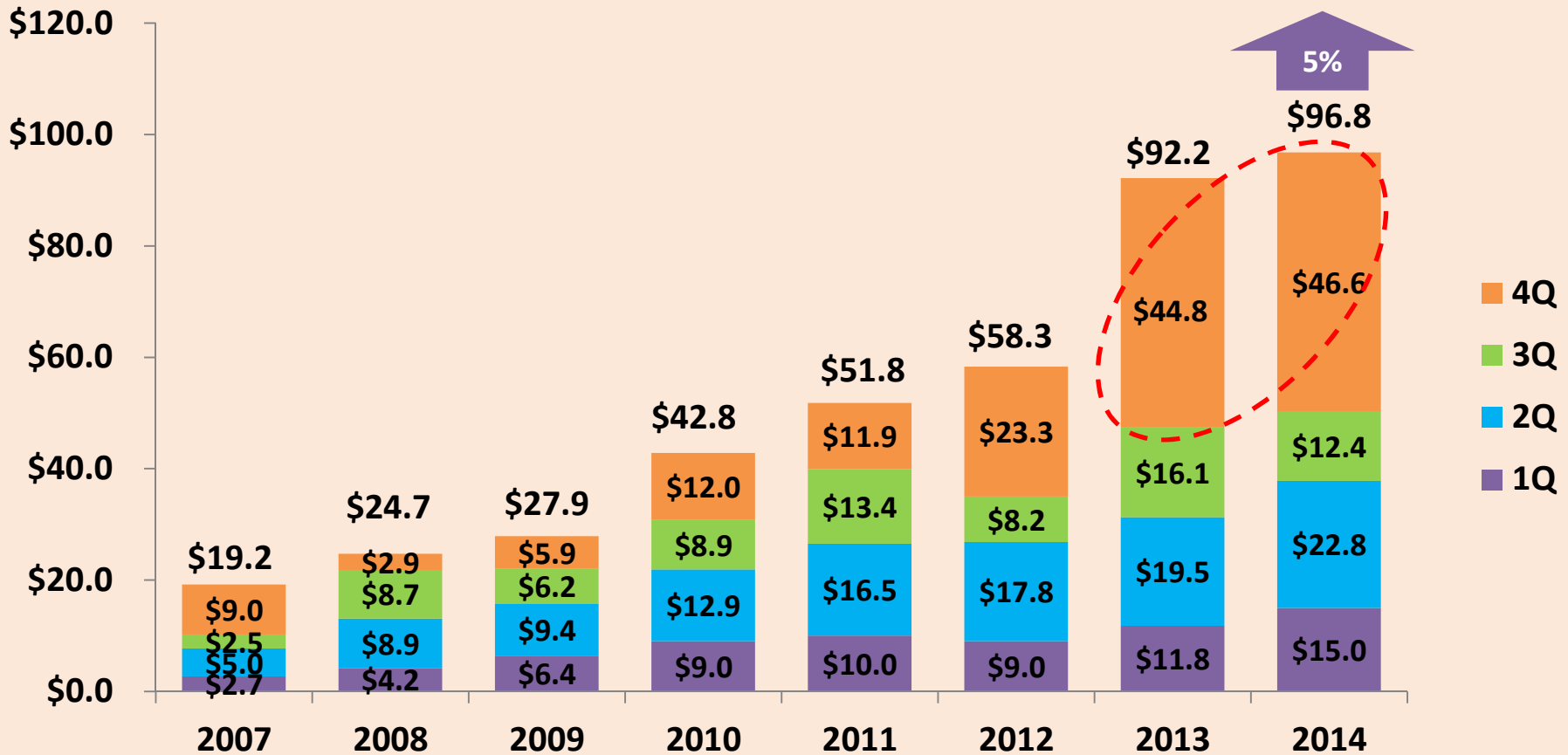


<sup>(1)</sup> Include a 100% revenue recognition on completion from WIS@Changi amounting to \$78m upon obtaining its TOP in Dec-13

# Financial Performance

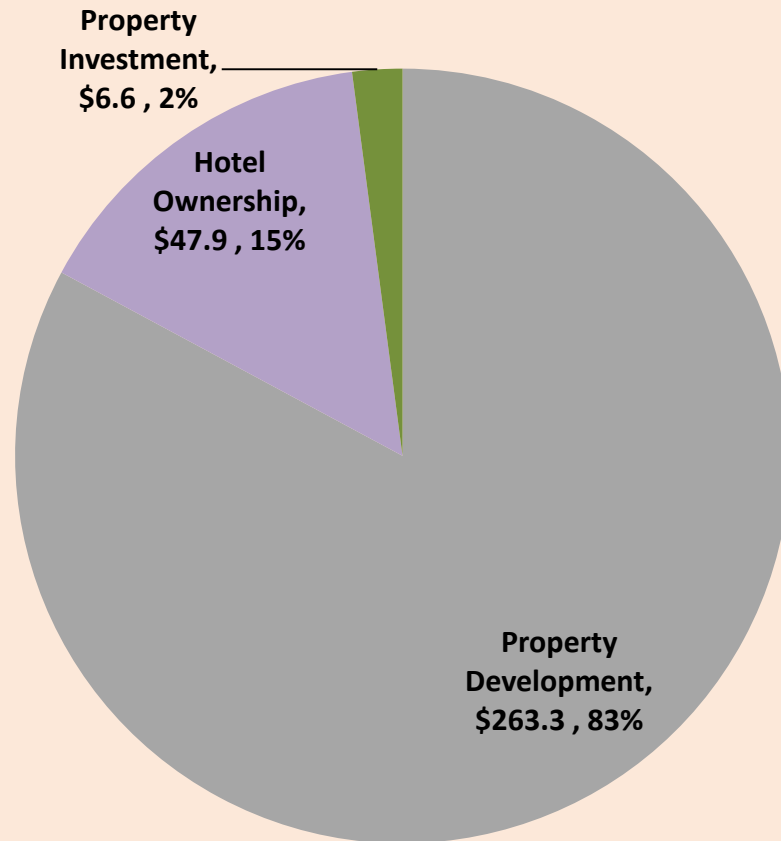
## Financial Performance Profit Trend (S\$m)

- Record 4Q & full year net profit since 2007
- Overall, net profit increased by 5% to S\$96.8m in FY2014

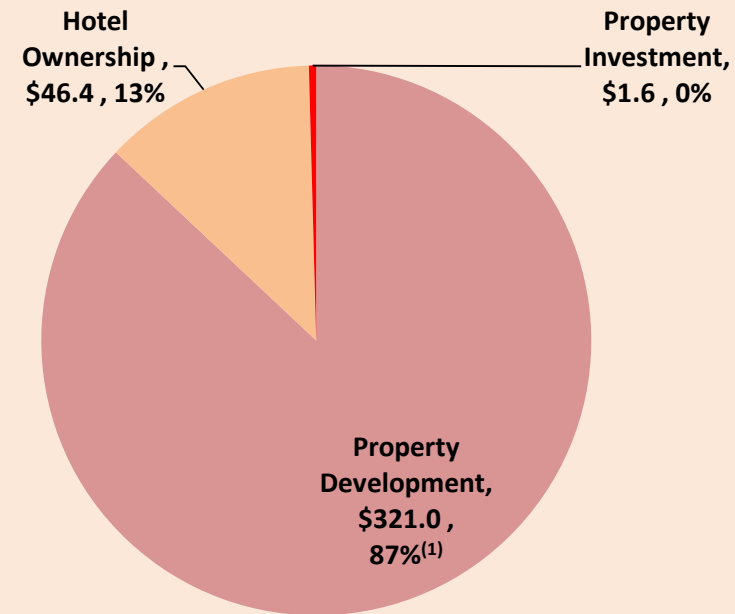


# Financial Performance

## Segment Revenue (S\$m) – FY2014



FY2014 – Total S\$317.8m



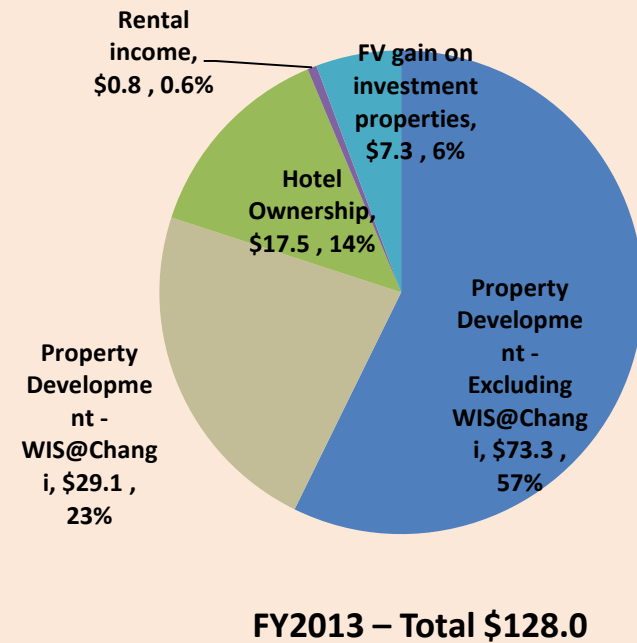
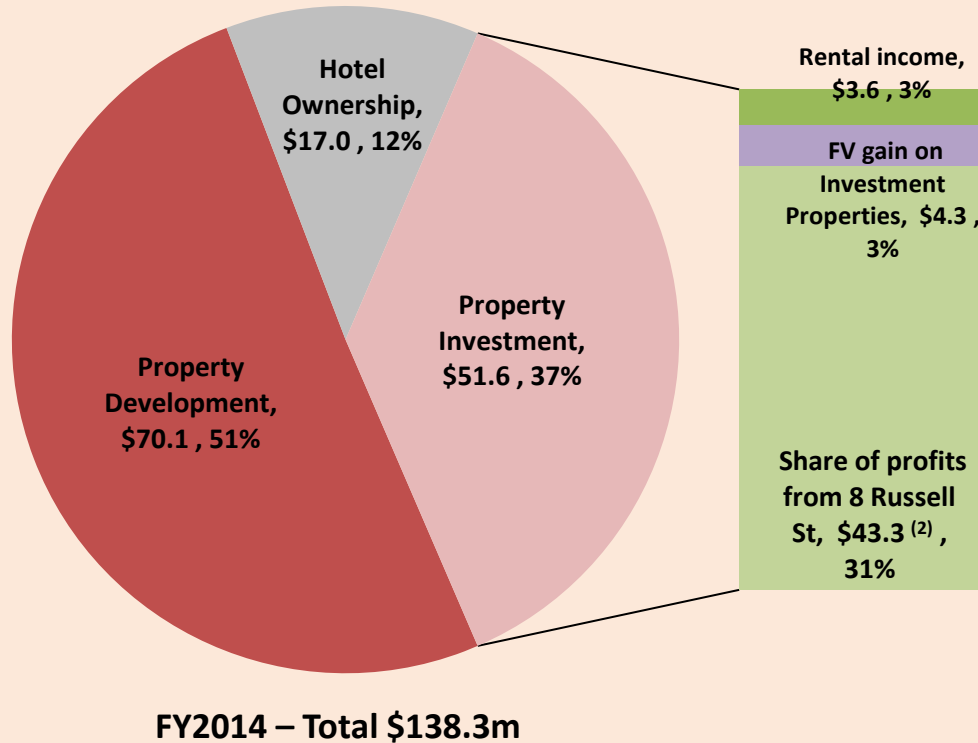
FY2013 – Total S\$369.0m

*<sup>(1)</sup> Include a 100% revenue recognition on completion from WIS@Changi amounting to \$78m upon obtaining its TOP in Dec-13*



# Financial Performance

## Segment Results – FY2014 Adjusted EBITDA <sup>(1)</sup> (\$\$'m)



<sup>(1)</sup> Excludes corporate expenses, depreciation of property, plant and equipment, finance cost (net), FV loss on CCS and gain on disposal of available-for-sale financial assets.

<sup>(2)</sup> Include share of

- (a) profits recognised on completion of sale of retail units (16 floors and 7 strata units),
- (b) fair value gain on retail units which were sold and pending completion (1 floor and 2 strata units), and
- (c) fair value gain on unsold retail units (2 floors and 3 strata units)

# Financial Performance

	31 Dec 14	31 Dec 13	Increase / (Decrease)
<b>Financial Position</b>			
Total assets (S\$'m)	1,433.3	1,298.9	10.3%
Total debt (S\$'m)	917.3	880.9	4.1%
Cash & cash equivalents (S\$'m) <sup>(1)</sup>	415.3	354.2	17.3%
Net Debt (S\$'m)	502.0	526.7	-4.7%
Net Assets Value ("NAV")(S\$'m)	400.3	329.6	21.5%
Adjusted Net Assets Value ("ANAV") (S\$'m) <sup>(2)</sup>	860.7	771.1	11.6%
<b>Financial Ratios</b>			
NAV per share (cents)	33.5	27.6	21.4%
ANAV per share (cents) <sup>(2)</sup>	72.1	64.6	11.6%
Cash holdings per share (cents) <sup>(1)</sup>	34.8	29.7	17.2%
Net Debt to ANAV (times)	0.58	0.68	-14.6%
Return on Equity (%)	24.1	28.0	-14.0%

*(1) Cash holdings include project account monies amounting to S\$176.3m as at 31 Dec 2014 (31 December 2013: S\$191.1m)*

*(2) The fair value of Grand Mercure Roxy Hotel and office premise were estimated to be S\$553.4m as at 31 Dec 2014 (31 December 2013: S\$522.5m)*

## **Property Development**

### **Results Briefing**

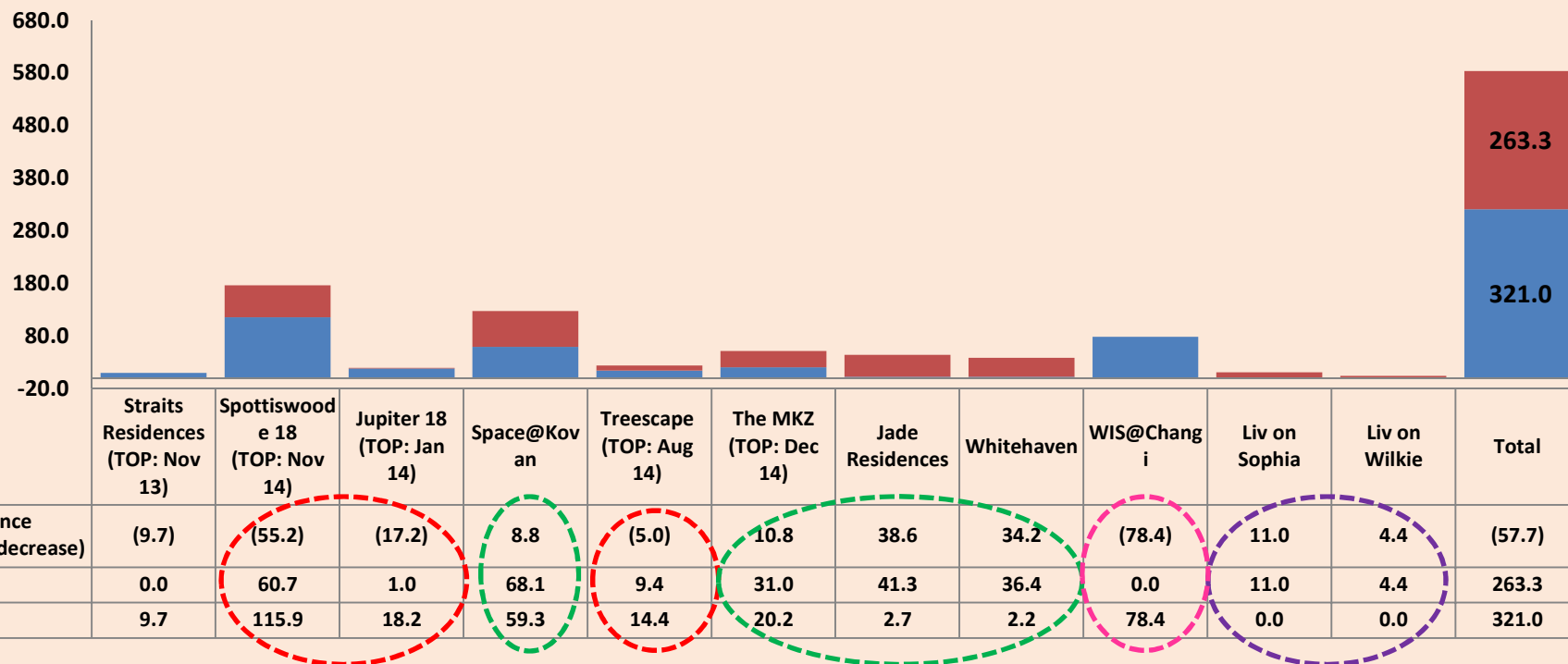
Full Year Ended 31 December 2014

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# Business Review

## Property Development – FY2014

## Revenue from Property Development (\$\$'m)



➤ Decrease in revenue by 18% from S\$321.0 million in FY2013 to S\$263.3 million in FY2014

➤ Mainly due to

- ❖ Absence of revenue recognition on completion from WIS@Changi (which was completed in Dec-13) and recognition of lower revenue from Spottiswoode 18, Jupiter 18 and Treescape

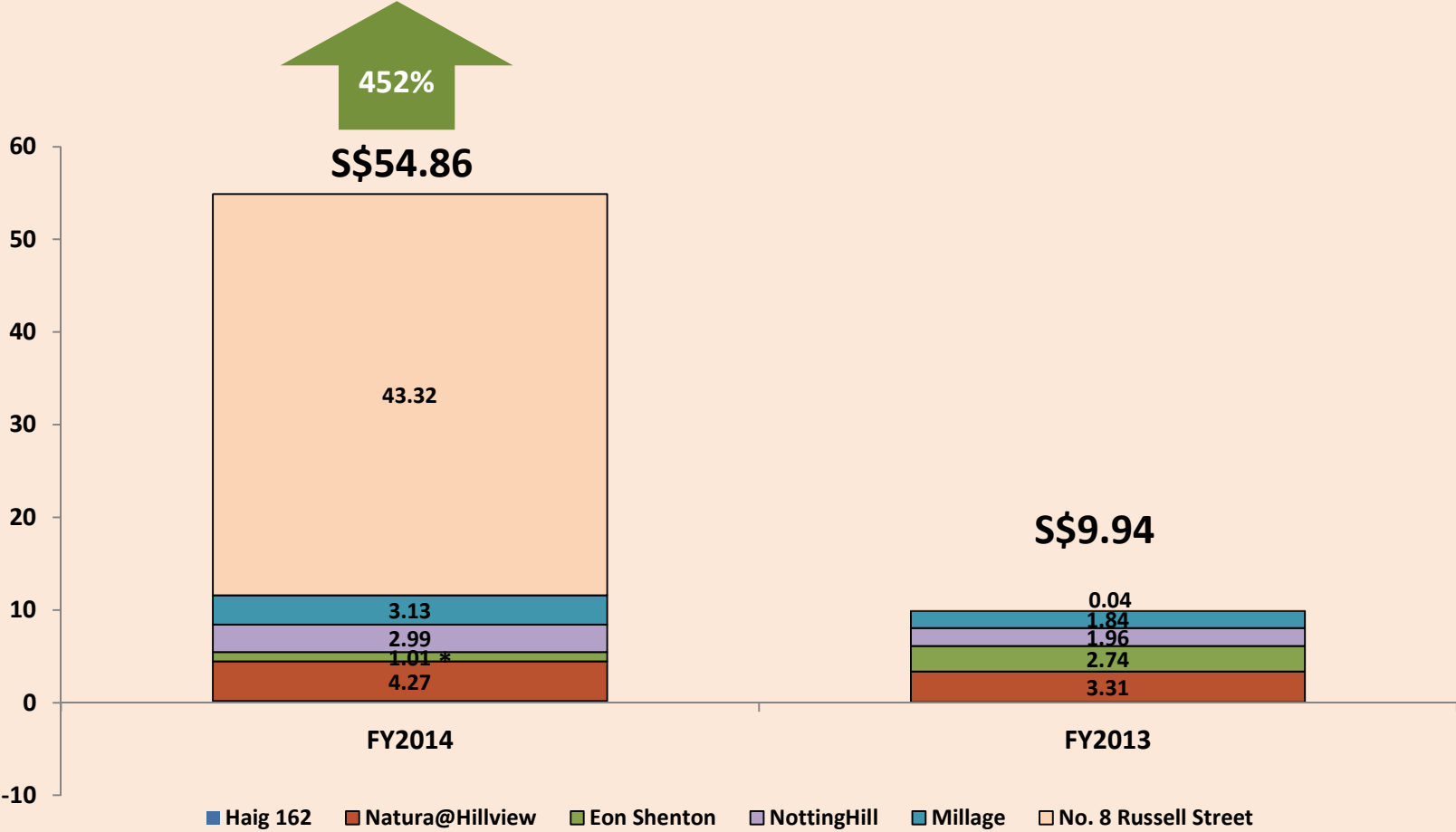
- ❖ Partly offset by

- Commencement of revenue recognition from LIV on Sophia and LIV on Wilkie
- Higher revenue recognition from Space@Kovan, The MKZ, Jade Residences and Whitehaven

# Business Review

## Property Development & Property Investment – FY2014

Share of results in associates (S\$m)



# Business Review

## Pre-Sale Revenue to be recognised by projects (\$'m) – FY2014

	Project name	Type of development	Group stake	Total units in project	Unit sold	Attributable total sale value <sup>(1)</sup>	Attributable revenue recognised up to 31 Dec 2014	Balance attributable progress billings to be recognised from 1Q2015
	(A) Development Properties		%	Unit	%	\$'m	\$'m	\$'m
1	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
1	Space@Kovan	Shop	100%	56	100%	46.6	45.6	1.0
		Residential	100%	140	100%	113.1	110.6	2.5
2	Millage	Residential	48%	70	100%	23.5	9.9	13.6
		Shop	48%	86	100%	28.7	12.1	16.6
3	Natura@Hillview	Residential	49%	193	100%	72.2	55.5	16.7
4	Eon Shenton	Office	20%	98	100%	60.1	49.3	10.8
		Residential	20%	132	96%	38.6	31.2	7.4
		Shop	20%	23	100%	4.8	3.9	0.9
5	Jade Residences	Residential	100%	171	87%	181.6	43.6	138
		Shop	100%	2	100%	1.7	0.4	1.3
6	Whitehaven	Residential	100%	120	91%	135.2	38.2	97.0
		Shop	100%	1	100%	1.2	0.4	0.8
7	LIV on Sophia	Residential	90%	64	100%	78.5	9.9	68.6
8	LIV on Wilkie	Residential	90%	81	73%	76.4	3.9	72.5
9	Sunnyvale Residences <sup>(2)</sup>	Residential	100%	30	30%	14.3	-	14.3
10	Trilive <sup>(3)</sup>	Residential	85%	222	25%	52.5	-	52.5
		Shop	85%	2	50%	0.7	-	0.7
	<b>Total</b>			<b>1,683</b>		<b>1,071.1</b>	<b>414.5</b>	<b>656.6</b>

(1) Included Option to Purchase granted up to 9 February 2015

(2) Launched in May 2014

(3) Launched in June 2014

# 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 <sup>(1)</sup>
			64,131	698,717		328,397	16.9

(1) equivalent to RM42.2m

## **Hotel Ownership**

### **Results Briefing**

Full Year Ended 31 December 2014

17th February 2015

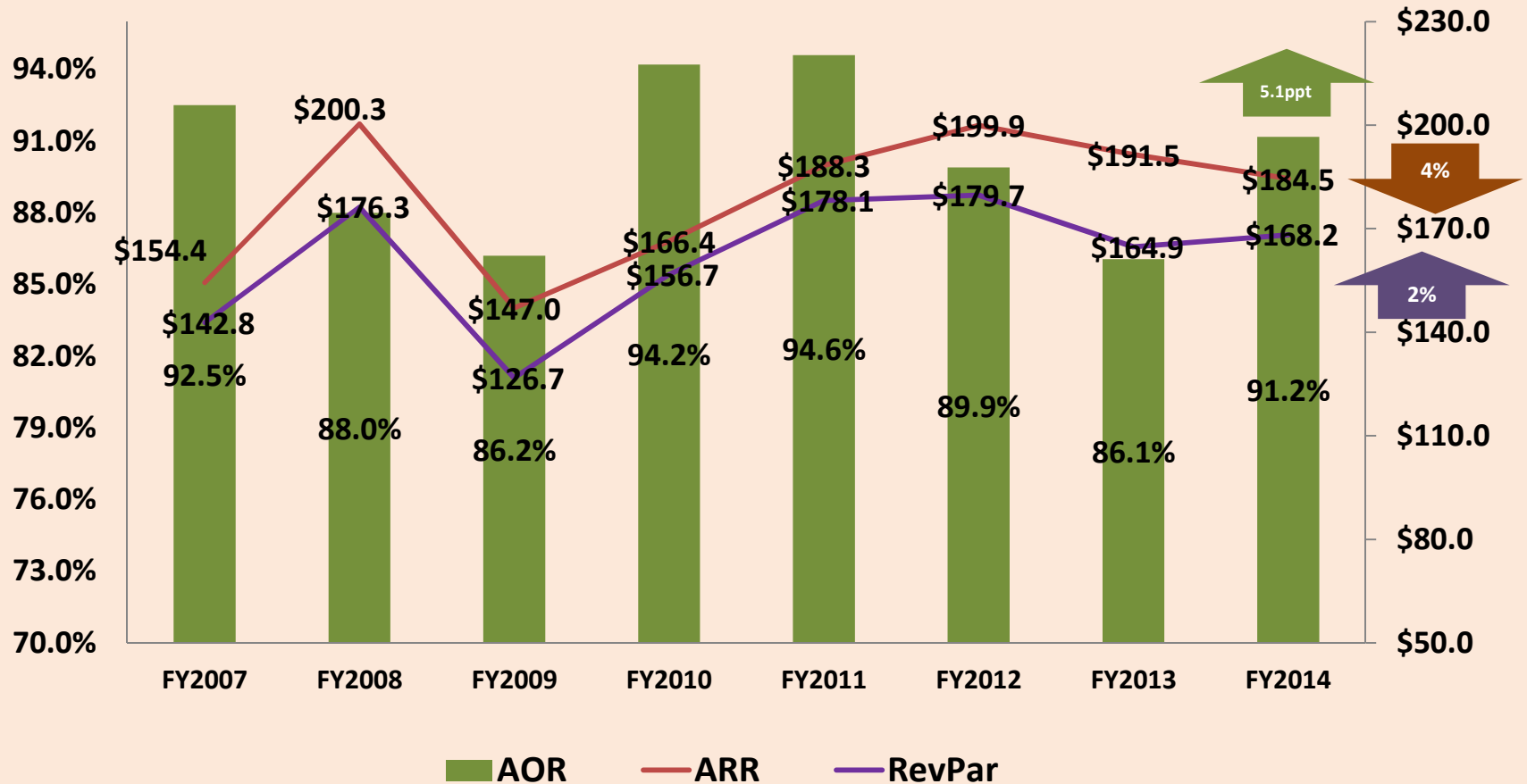


# Business Review

## Hotel Ownership – FY2014

### AOR , ARR & RevPar

RevPar increased by 2% to \$168.2 in FY2014 compared to \$164.9 in FY2013

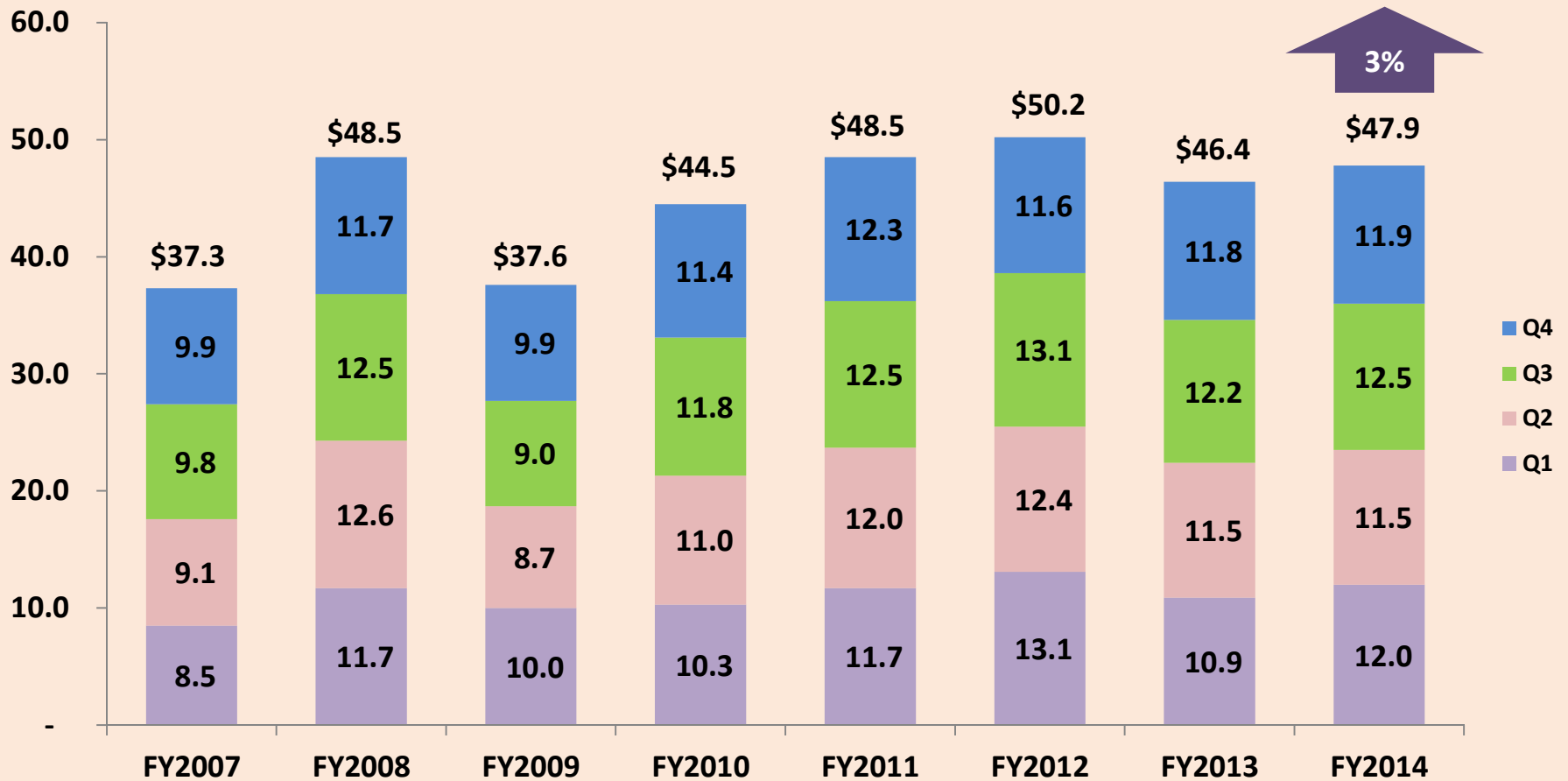


# Business Review

## Hotel Ownership – FY2014

### Hotel Revenue (\$\$'m)

➡ Hotel revenue increased by 3% from \$46.4m in FY2013 to \$47.9m in FY2014

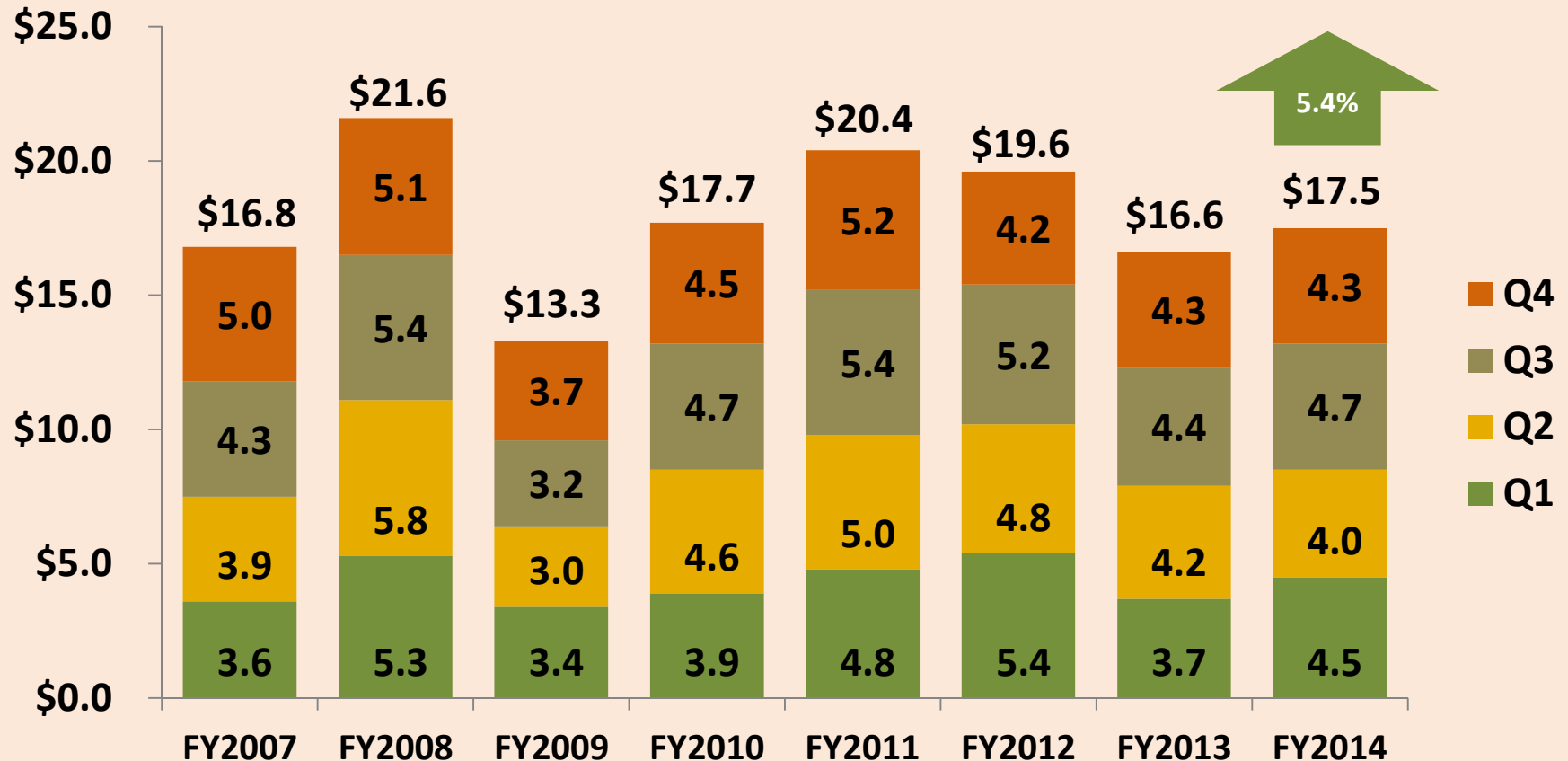


# Business Review

## Hotel Ownership – FY2014

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

▶ Hotel NOP increased by 5.4% from \$16.6m in FY2013 to \$17.5m in FY2014



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

## **Property Investment**

### **Results Briefing**

Full Year Ended 31 December 2014

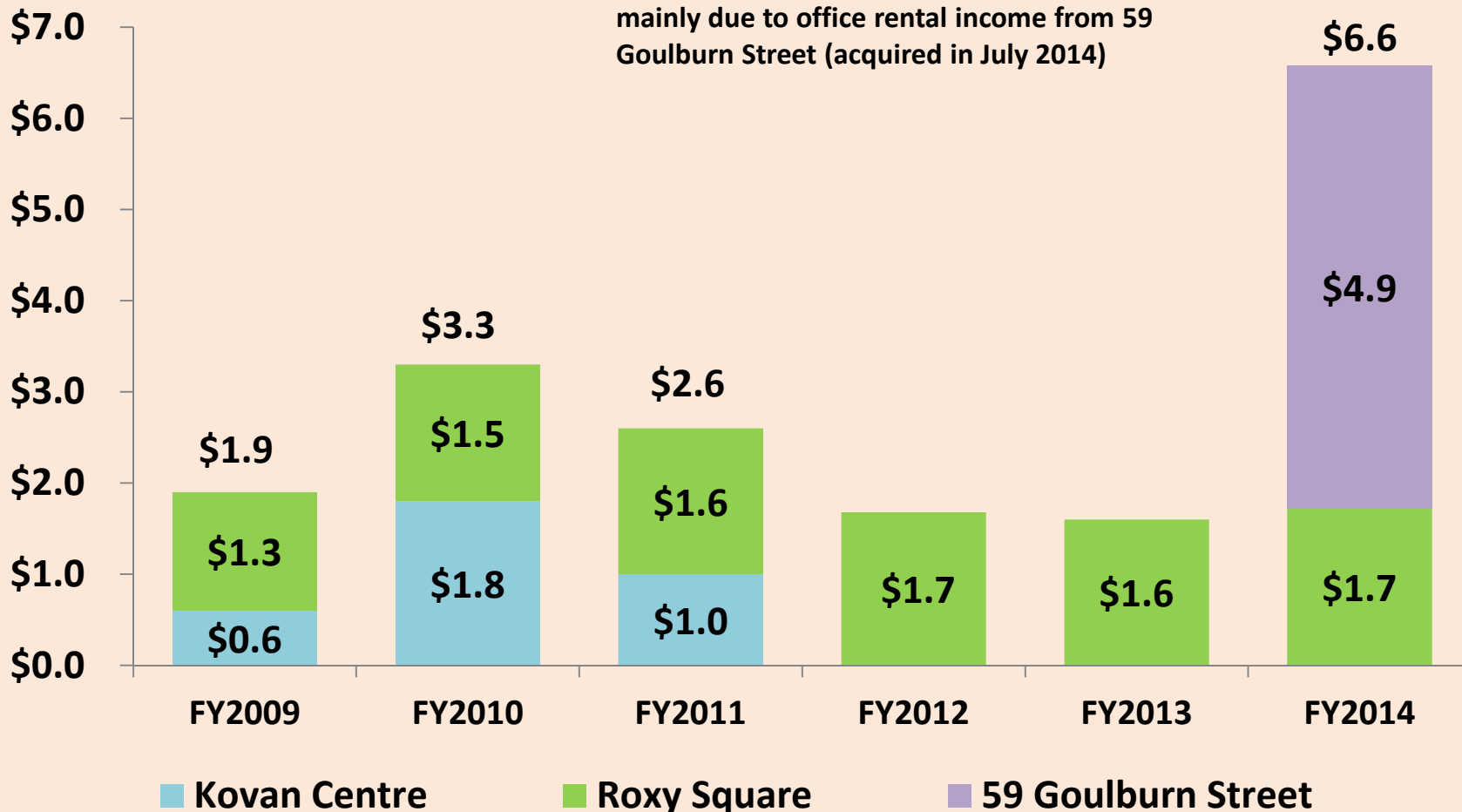
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# Business Review

## Property Investment – FY2014

Revenue (\$\$'m)

➤ Rental income increased from \$1.6m to \$6.6m mainly due to office rental income from 59 Goulburn Street (acquired in July 2014)



# Business Review

## Investment Properties

	Description	Net lettable Area /Floor area	Group's stake	Valuation <sup>(1)</sup>	Estimated Total Annual Gross Income
		(sqm)	%	S\$'m	S\$'m
1	<u>Singapore</u> 47 shop units at Roxy Square Shopping Centre	2,320.0	100%	72.3	1.7
2	<u>Overseas</u> No. 59, Goulburn Street, Sydney, Australia	19,459.3	100%	103.4	11.2
<i>Grand Total</i>		<b>21,779.3</b>		<b>175.7</b>	<b>12.9</b>

59 GOULBURN STREET, SYDNEY



(1) based on latest valuation as of 31 December 2014

## **Results Briefing**

Full Year Ended 31 December 2014

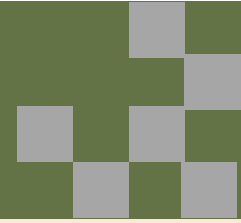
17th February 2015

# Group Borrowings

<b>Debt Profile</b>	<b>31 Dec 14</b>	<b>31 Dec 13</b>
<b>Total borrowings</b>	<b>\$917.3m</b>	<b>\$880.9m</b>
<b>Fixed rate loans</b>	<b>\$349.5 m</b>	<b>\$90.6 m</b>
<b>Fixed rate loans as % of total loans</b>	<b>38%</b>	<b>10%</b>
<b>Weighted average term for fixed rates loans</b>	<b>35 months</b>	<b>13 months</b>
<b>Weighted average interest rate (fixed rates loans)</b>	<b>2.83%</b>	<b>2.13%</b>
<b>Weighted average interest rate (floating rates loans)</b>	<b>2.08%</b>	<b>1.98%</b>
<b>Interest cover ratio (times)</b>	<b>12.1</b>	<b>20.5</b>

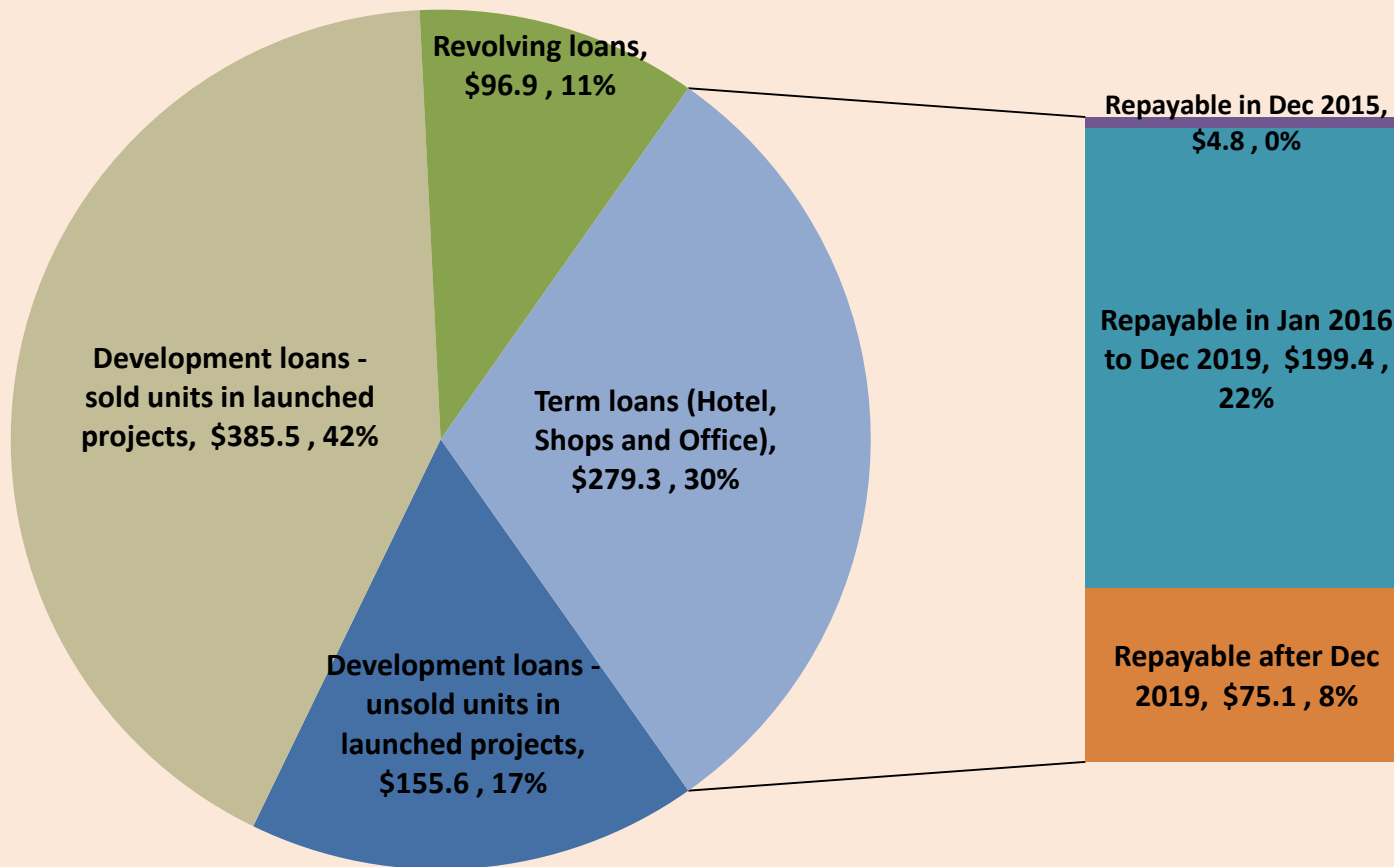


# Group Borrowing



## Debt Profile as at 31 December 2014 (\$\$'m)

Total outstanding debts of \$917.3m as at 31 December 2014



# Outlook

## 1. General

### ➤ *Ministry of Trade and Industry Singapore advance estimate:*

- Singapore's GDP growth for 2015 is forecast to be between 2% to 4%, compared to estimated growth of 2.8% in 2014.

## 2. Property Development

- Prices of private residential properties decreased by 1.0% in 4Q2014, higher than the 0.7% decline in 3Q2014, representing a fifth continuous quarter of price decline.
- The Group recognises that Singapore remains our key market despite the property cooling measures implemented by the Singapore Government. We continue to be very selective in identifying suitable sites with good locations and niche positioning for continued growth in Singapore.
- The Group has completed its commercial development project, Centropod@Changi in Jan 2015 thereby underpinning the performance for FY2015.
- The Group has expanded beyond Singapore into Malaysia and Australia.
- For overseas projects, its key strategy is to work closely with experienced partners for both property development and investment projects.

## 3. Hotel Ownership

- Latest statistics from STB shows that visitor arrivals in 2014 were 15 million, 3.1% down from 2013.
- The Group has made good progress with recent acquisitions in the region and are actively looking at asset enhancements opportunities.
- For the Hotel in Kyoto, the Group has plans to refurbish the hotel in due course and in Phuket, the Group intends to re-develop the land into resort villas.

## 4. *Strong headroom with cash and cash equivalents of \$415.3 million, a \$200 million Multicurrency Medium Term Note Programme and low gearing of 0.58 times.*

## 5. **Barring any unforeseen circumstances, the directors expect the Group to be profitable in 2015.**



# THANK YOU

## Results Briefing

### Full Year Ended 31 December 2014

17th February 2015