

NEWS RELEASE

**ROXY-PACIFIC ACHIEVES 60% INCREASE IN REVENUE
TO S\$291.9 MILLION AND 58% RISE IN NET PROFIT TO
S\$59.4 MILLION IN 1H2015**

- *Lifted by 67% growth in Property Development and seven-fold increase in Property Investment segment revenues*
- *Share of results of associates rose 38% to S\$5.6 million*
- *Successfully sold all 21 strata-titled retail floors in 8 Russell Street, Hong Kong*
- *Strong cash and cash equivalents of S\$275.8 million with lowered gearing at 0.53 time*
- *Good headroom with a recently-established S\$500.0 million multicurrency debt issuance programme*
- *Continues to prudently broaden both Property and Hotel asset portfolio in Singapore and the region*
- *Recently entered into an agreement to acquire a plot of land in Central Jakarta at Rp 68.1 billion (approx. S\$7.0 million) in a 49% joint venture with Indonesian partners*

Financial Highlights:

<i>S\$'million</i>	1H2015	1H2014	Change (%)
Revenue	291.9	182.1	60
Gross profit	86.7	55.5	56
Share of results of associates	5.6	4.1	38
Profit before tax	69.1	44.6	55
Profit after tax	59.4	37.7	58
	Jun 30, 2015	Dec 31, 2014	Change (%)
Net asset value per share (cents)	36.89	33.54	10
Adjusted net asset value (“ANAV”) per share (cents)¹	76.80	72.11	7
Net debt to ANAV (times)	0.53	0.58	-9
Cash and cash equivalents	275.8	415.3	-34

Singapore, July 30, 2015 – Roxy-Pacific Holdings Limited (“**Roxy-Pacific**” or the “**Group**”), an established property and hospitality group with an Asia-Pacific focus, today announced that it has achieved a 58% increase in profit after tax to S\$59.4 million for the period ended June 30, 2015 (“**1H2015**”), from S\$37.7 million a year ago (“**1H2014**”).

The bottom-line growth was backed by a 60% surge in 1H2015 revenue to S\$291.9 million from S\$182.1 million in 1H2014, mainly driven by a 67% growth in Property Development and a seven-fold rise in Property Investment segment revenues to S\$264.2 million and S\$6.1 million, respectively. This more than offset the 8% dip in Hotel Ownership revenue to S\$21.6 million from S\$23.4 million.

¹ The fair value of Grand Mercure Roxy Hotel and the office premises as at June 30, 2015, were estimated to be consistent with December 31, 2014, valuation of S\$553.4 million.

Mr Teo Hong Lim, Executive Chairman and CEO of Roxy-Pacific commented: “We are pleased that our 1H2015 performance demonstrated the Group’s resilience amidst a challenging operating environment and slowdown in the Singapore property market. We recognised higher revenues from several projects in 1H2015 and are pleased that our investment in the Goulburn Street office asset in Australia continued to contribute strong recurring rental income to our Property Investment segment.

“While Singapore still remains our key market, in view of the slowdown in the property sector, we will prudently seek projects and land acquisitions with good locations and niche positioning to protect our margins and shareholders’ interests. Meanwhile, we seek to diversify our portfolio overseas and across all property segments, working with reputable partners with strong local knowledge, experience and network to source for the best deals.

In Hong Kong, we are pleased to announce that we have successfully sold all 21 strata-titled retail floors for our property investment at 8 Russell Street, an attractively located mixed-development in which we have a 30%-stake.”

“We have also recently announced the signing of an agreement to acquire a plot of land located at Jalan Kramat Raya No. 110, Jakarta, Indonesia, in a 49% joint venture with Indonesian partners. The land is located in one of the commercial roads in Central Jakarta with consideration for the entire plot of land of approximately Rp 68.1 billion or S\$7.0 million.

“With good headroom from our recently-established S\$500 million Multicurrency Debt Issuance programme, we are looking at deepening our footprint in existing markets while expanding into new geographies to build up our yield-accretive property and hospitality asset base.”

The Group reported a 9% dip in revenue to S\$93.7 million for the three-month financial period ended June 30, 2015 (“2Q2015”), in the absence of significant revenue recognition in the same period last year. Profit after tax decreased by 42% to S\$13.1 million from S\$22.8 million across the comparative periods.

The Group’s balance sheet remained healthy with cash and cash equivalents amounting to S\$275.8 million² and a comfortable net debt-to-ANAV ratio of 0.53 time. This is further reinforced by a recently-established S\$500 million multicurrency debt issuance programme and Roxy-Pacific has issued the first set of S\$60 million 4.5% three-year notes at par on July 20, 2015, maturing on July 20, 2018.

Dividend

To reward its faithful shareholders for their continuous support, the Board has proposed a one-tier tax-exempt interim cash dividend of 0.616 Singapore cent per share, bringing the dividend payout ratio to 12% of the Group’s net profit attributable to shareholders for 1H2015.

Segmental Performance

The improvement in the Property Development segment that contributed 90% of the Group’s turnover in 1H2015 was mainly due to revenue recognition on completion of Centropod@Changi which obtained its Temporary Occupation Permit (“TOP”) in January 2015.

The Hotel Ownership segment, which made up 7% of the Group’s turnover in 1H2015, declined 8% to S\$21.6 million from S\$23.4 million achieved in 1H2014. The Grand Mercure Roxy Hotel maintained healthy average occupancy rate (“AOR”), average room rate (“ARR”) and revenue per available room (“RevPar”) of 87.1%, S\$172.2 and S\$149.9 in 1H2015, respectively, albeit a slight dip from that in 1H2014 (AOR: 89.6%; ARR: S\$187.0; RevPar: S\$167.5).

² As at June 30, 2015

The remaining 3% of the Group's turnover was contributed by the Property Investment segment that surged to S\$6.1 million in 1H2015 from S\$0.8 million year-on-year due to office rental income from the 59 Goulburn Street asset in Sydney, Australia, acquired in 3Q2014.

Industry Outlook

Singapore's GDP growth for 2015 is expected to be between 2% and 4%, consistent to the 2.9% growth last year³. Based on the latest advance estimates released by the Ministry of Trade and Industry Singapore on July 14, 2015, the Singapore economy grew 1.7% on a year-on-year basis in 2Q2015 – the slowest since 3Q2012 – 2.8% lower than 1Q2015. On a quarter-on-quarter seasonally-adjusted annualised basis, the economy contracted 4.6% compared to a 4.2% growth in 1Q2015⁴.

On the Singapore property market, latest statistics released by the Urban Redevelopment Authority on July 24, 2015, showed that prices of private residential properties decreased by 0.9% in 2Q2015, compared to the 1.0% decline in the previous quarter. This was the seventh consecutive quarter of price decline⁵.

While the Singapore real estate market remains challenging, a report by Savills expects the Sydney CBD Office net supply pipeline to remain relatively constrained thus causing vacancy rate to decrease over the medium-term⁶. On the hospitality front, Deloitte forecasts room rates to grow 3.5% per annum ("p.a."), and RevPar to rise 4.9% p.a. until December 2017⁷.

³ Singapore Budget, Feb 23, 2015 - http://www.singaporebudget.gov.sg/budget_2015/pa.aspx

⁴ Ministry of Trade and Industry, July 14, 2015 - http://www.singstat.gov.sg/docs/default-source/default-document-library/news/press_releases/advvgdp2q2015.pdf

⁵ Urban Redevelopment Authority, Jul 24, 2015 – <http://www.ura.gov.sg/uol/media-room/news/2015/jul/pr15-39.aspx>

⁶ Savills Research, Apr 2015 – Spotlight: Sydney CBD Office

⁷ Deloitte Access Economics, February 2015 – Tourism and Hotel Market Outlook 2015

Preliminary 2014 estimates from the Singapore Tourism Board indicated that visitor arrivals this year is forecast to grow between zero and 3% and the long-established 2015 target of 17 million visitor arrivals and S\$30 billion in tourism receipts will not be met⁸. Nonetheless, the outlook of the Singapore hospitality sector remains fairly optimistic with several government initiatives to boost tourist numbers, such as the S\$20 million global marketing campaign by the Singapore Tourism Board⁹ and a S\$20 million partnership with Singapore Airlines and Changi Airport Group to strengthen Singapore's appeal to leisure, business and MICE audiences¹⁰.

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 the ownership of Grand Mercure Roxy Hotel and other investment properties ("Hotel Ownership and Property Investment").

The Group'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 2014, the Group developed and launched 38 small-to-medium sized developments comprising a total of more than 3,000 residential and commercial units in Singapore.

Grand Mercure Roxy Hotel, a major asset of the Group, is managed by international hotel operator, Accor Group. Strategically located in the East Coast area of Singapore, the hotel enjoys high average occupancy rate. Beyond Singapore, the Group has acquired a hotel in Kyoto, Japan and land parcels intended for development into hotels in Phuket, Thailand and Perth, Australia.

⁸ *Straits Times*, Apr 20, 2015 – Dip in arrivals last year

⁹ *Channel NewsAsia*, Apr 7, 2015 – STB to launch S\$20m global campaign to boost tourism numbers

¹⁰ *Channel NewsAsia*, Jun 30, 2015 – SIA, CAG, STB in partnership to boost tourism

For Property Investment, the Group owns 52 retail shops at The Roxy Square Shopping Centre in Singapore. In Sydney, Roxy-Pacific owns a 28-storey freehold commercial building at 59 Goulburn Street, which is strategically located in the CBD area.

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

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