



**NEWS RELEASE**

**ROXY-PACIFIC'S REVENUE GROWS 52% TO S\$379.6  
MILLION; NET PROFIT RISES 45% TO S\$72.8 MILLION IN  
9M2015**

- *Lifted by 61% growth in Property Development on higher revenue recognition*
- *Continues to seek acquisitions and investment opportunities with high yield potential both in Singapore and abroad*
- *Recurring income streams to be further strengthened upon completion of hospitality asset in Kyoto, Japan, in 4Q2015*
- *Strong cash and cash equivalents of S\$304.2 million with lowered gearing at 0.5 time*

## Financial Highlights:

S\$'million	3Q2015	3Q2014	Change (%)	9M2015	9M2014	Change (%)
Revenue	87.6	67.2	31	379.6	249.2	52
Gross profit	23.1	17.7	30	109.8	73.2	50
Gross margin (%)	26	26	-	29	29	-
Share of profit of associates (net of income tax)	3.6	8.1	(56)	9.2	12.1	(24)
Profit before tax	15.5	14.3	9	84.6	58.9	44
Profit after tax	13.3	12.4	7	72.8	50.2	45
S\$'million	Sep 30, 2015		Dec 31, 2014		Change (%)	
Net Asset Value per share (cents)	37.0		33.5		10	
Adjusted Net Asset Value per share (cents) <sup>1</sup>	76.9		72.1		7	
Net Debt to ANAV (times)	0.5		0.6		(10)	
Cash and Cash Equivalents	304.2		415.3		(27)	

**Singapore, October 30, 2015** – Roxy-Pacific Holdings Limited (“**Roxy-Pacific**”, “**乐**斯太平洋控股有限公司”, or the “**Group**”), an established property and hospitality group with an Asia-Pacific focus, announced today a 52% growth in revenue for the nine months ended September 30, 2015 (“9M2015”), to S\$379.6 million from a year ago and a 45% rise in profit after tax (“Net Profit”) to S\$72.8 million over the same period.

<sup>1</sup> The fair value of Grand Mercure Roxy Hotel and the office premise was estimated to be S\$551.2 million as at September 30, 2015 (December 31, 2014: S\$553.4 million)

An increase in revenue from the Property Development and Property Investment segments, partially offset by a decrease in revenue from the Hotel Ownership segment, contributed to the improvement in 9M2015, from revenue and net profit of S\$249.2 million and S\$50.2 million for the nine months ended September 30, 2014 (“9M2014”), respectively.

Similarly, the Group reported stronger revenue of 31% to S\$87.6 million for the three-month period ended September 30, 2015 (“3Q2015”), up from S\$67.2 million over the same corresponding period (“3Q2014”). Net profit rose 7% to S\$13.3 million in 3Q2015, up from S\$12.4 million in 3Q2014.

Mr Teo Hong Lim (张丰霖), Executive Chairman and CEO of Roxy-Pacific commented: “Despite the current macro uncertainties and challenging operating environment, we are pleased to have remained resilient, reporting a growth in our top-and bottom-lines. Our investment in the Goulburn Street office building in Australia has continued to contribute strong rental income to our Property Investment segment and we look forward to further strengthening our recurring income stream with the opening of our 81-room hotel in Kyoto by end-2015.

“While the Singapore property market remains lukewarm, we continue to prudently seek opportunities locally. With our recent acquisition of the Sea Avenue site, we plan to develop 25 very exclusive residential units. Concurrently, we continue to work with reputable partners to diversify our portfolio, both geographically and across sectors, seeking acquisition and investment opportunities that offer high yield potential.”

As at September 30, 2015, the Group’s balance sheet remained healthy with cash and cash equivalents amounting to S\$304.2 million and a comfortable net debt-to-ANAV ratio of 0.5 time.

## Segmental Performance

Roxy-Pacific's Property Development segment revenue that constituted 89% and 83% of the Group's turnover in 9M2015 and 3Q2015, respectively, was lifted 61% in 9M2015 and 40% in 3Q2015 mainly due to revenue recognition especially from the completion of a commercial project, Centropod@Changi.

Based on the units sold from its ongoing development projects, the Group has a total of S\$412.0 million of revenue to be progressively recognised from 4Q2015 to the financial year ending December 31, 2018. Roxy-Pacific has recently announced the signing of an agreement to acquire a freehold residential site in Singapore at Sea Avenue, purchased for S\$21.5 million.

Roxy-Pacific's Hotel Ownership segment revenue made up 9% and 13% of the Group's turnover in 9M2015 and 3Q2015, respectively. Revenue for the segment slid 8% in 9M2015 to S\$33.3 million and 7% in 3Q2015 to S\$11.6 million. The Grand Mercure Roxy Hotel managed to maintain a healthy average occupancy rate ("AOR"), average room rate ("ARR") and revenue per available room ("RevPar") in 9M2015 of 89.7%, S\$171.0 and S\$153.3 in 9M2015, respectively (9M2014: AOR: 91.2%; ARR: S\$186.1; RevPar: S\$169.7).

The Property Investment segment revenue that contributed 2% of the Group's turnover in 9M2015 and 4% in 3Q2015 was boosted 167% and 21%, respectively, mostly due to office rental income earned from the Goulburn Street office building in Australia.

The Group's other operating income in 9M2015 rose 48% to S\$7.6 million from S\$5.2 million in 9M2014, mainly due to unrealised foreign exchange gains and higher interest income, partially offset by lower fair value gains on investment property. Share of results from associates decreased 24% to S\$9.2 million in 9M2015 in the absence of profit recognised from the sale of strata retail floors in 8 Russell Street building in Hong Kong; the Group has successfully sold all 21 strata retail floors in 1H2015.

## Industry Outlook

Advance estimates released by the Ministry of Trade and Industry Singapore ("MTI") on October 14, 2015, showed that the Singapore economy grew 1.4% year-on-year ("y-o-y") in 3Q2015, sliding 2% from the previous quarter<sup>2</sup>. The MTI has since narrowed its 2015 GDP forecast to between 2% and 2.5% from an earlier forecast of 2% to 4%<sup>3</sup>.

On the Singapore property market, latest flash estimates for the Singapore Residential Price Index by the National University of Singapore released on October 28, 2015, showed that prices of private non-landed residential properties rose 0.1% in September 2015 from a month ago, breaking a streak of declines for five consecutive months since April 2015<sup>4</sup>.

Conversely, statistics released by the Urban Redevelopment Authority on October 23, 2015, demonstrated that prices of private residential properties decreased by 1.3% in 3Q2015, compared to the 0.9% decline in 2Q2015, marking the eighth consecutive quarter of price decline<sup>5</sup>. The data also showed a 13.9% improvement in the number of private residential units sold this quarter compared to 2Q2015<sup>5</sup>.

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<sup>2</sup> Ministry of Trade and Industry, October 14, 2015 - [http://www.singstat.gov.sg/docs/default-source/default-document-library/news/press\\_releases/advgdp3q2015.pdf](http://www.singstat.gov.sg/docs/default-source/default-document-library/news/press_releases/advgdp3q2015.pdf)

<sup>3</sup> Channel NewsAsia, August 22, 2015 - <http://www.channelnewsasia.com/news/business/singapore-narrows-2015/2041956.html>

<sup>4</sup> NUS Singapore Residential Price Index, October 28, 2015 - [http://www.ires.nus.edu.sg/webapp/srpi/SRPI\\_Main.aspx](http://www.ires.nus.edu.sg/webapp/srpi/SRPI_Main.aspx)

<sup>5</sup> Urban Redevelopment Agency, October 23, 2015 - <https://www.ura.gov.sg/uol/media-room/news/2015/oct/pr15-50.aspx>

Additionally, National Development Minister Lawrence Wong had recently said that it will be unlikely for cooling measures to be eased significantly in the short-term to prevent a premature market rebound, and that the authorities will be monitoring the market closely in view of the current macro-economic volatilities<sup>6</sup>.

On Singapore's tourism outlook, the Singapore Tourism Board ("STB") remains optimistic, highlighting that visitor arrivals have been on the rise since May although tourism spend in the first half of this year was 12% lower y-o-y and visitor arrivals dipped slightly by 0.6% for the first eight months of 2015<sup>7</sup>. STB is maintaining its forecast for a zero to 3% growth in visitor arrivals this year to receive more than 15 million visitors<sup>8</sup>.

The outlook for the Singapore hospitality sector remains fairly optimistic following several new initiatives by the STB to boost tourism in Singapore, including the S\$10 million Experience Step-Up Fund launched on August 18 to develop new tourism experiences<sup>9</sup>; a S\$20 million global marketing campaign by the Singapore Tourism Board<sup>10</sup> and a S\$20 million partnership with Singapore Airlines and Changi Airport Group to strengthen Singapore's appeal to leisure, business and MICE audiences<sup>11</sup>.

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<sup>6</sup> Straits Times, October 17, 2015 – <http://www.straitstimes.com/singapore/housing/not-time-yet-to-unwind-property-cooling-measures-minister>

<sup>7</sup> Business Times, October 30, 2015 – <http://www.businesstimes.com.sg/government-economy/visitor-spending-down-12-in-first-half-as-arrivals-drop>

<sup>8</sup> Business Times, September 17, 2015 – <http://www.businesstimes.com.sg/government-economy/singapore-keeps-2015-tourism-forecast-brushing-off-weak-first-half>

<sup>9</sup> Singapore Tourism Board, August 18, 2015 – <https://www.stb.gov.sg/news-and-publications/lists/newsroom/disperform.aspx?ID=596>

<sup>10</sup> Channel NewsAsia, April 7, 2015 – <http://www.channelnewsasia.com/news/business/singapore/stb-to-launch-s-20m/1769792.html>

<sup>11</sup> Channel NewsAsia, June 30, 2015 – <http://www.channelnewsasia.com/news/singapore/sia-cag-stb-in/1950174.html>

## **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.

For Property Investment, the Group owns 52 retail shops at The Roxy Square Shopping Centre in Singapore. In Australia, Roxy-Pacific owns 40 office units in a 28-storey freehold commercial building at 59 Goulburn Street, Sydney, which is strategically located in the CBD area.

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

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October 30, 2015