



**Roxy-Pacific  
Holdings Limited**

## **ROXY-PACIFIC HOLDINGS LIMITED**

(Registration Number: 196700135Z)

UNAUDITED THIRD QUARTER AND NINE MONTHS FINANCIAL STATEMENTS AND  
DIVIDEND ANNOUNCEMENT FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2016

**UNAUDITED THIRD QUARTER AND NINE MONTHS FINANCIAL STATEMENTS AND  
DIVIDEND ANNOUNCEMENT FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2016**

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**UNAUDITED THIRD QUARTER AND NINE MONTHS FINANCIAL STATEMENTS AND  
DIVIDEND ANNOUNCEMENT FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2016**

**PART I-INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1, Q2, Q3 & Q4),  
HALF-YEAR AND FULL YEAR RESULTS**

1(a) (i) A statement of comprehensive income (for the group) together with a comparative statement for the corresponding period of the immediately preceding financial year.

**Consolidated Income Statement**

	Third quarter ended			Nine Months ended		
	30 September			30 September		
	2016	2015	Change	2016	2015	Change
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
Revenue	<b>90,909</b>	87,645	4%	<b>292,266</b>	379,556	-23%
Cost of sales	<b>(72,459)</b>	(64,538)	12%	<b>(231,243)</b>	(269,768)	-14%
Gross profit	<b>18,450</b>	23,107	-20%	<b>61,023</b>	109,788	-44%
Other operating income	<b>332</b>	2,800	-88%	<b>20,989</b>	7,632	175%
Distribution and selling expenses	<b>(1,256)</b>	(498)	152%	<b>(4,252)</b>	(1,501)	183%
Administrative expenses	<b>(3,225)</b>	(3,919)	-18%	<b>(10,100)</b>	(13,804)	-27%
Other operating expenses	<b>(3,271)</b>	(6,064)	-46%	<b>(15,047)</b>	(17,059)	-12%
Finance costs	<b>(4,185)</b>	(3,468)	21%	<b>(11,472)</b>	(9,642)	19%
Share of results of associates (net of income tax)	<b>4,040</b>	3,586	13%	<b>10,509</b>	9,212	14%
Profit before taxation	<b>10,885</b>	15,544	-30%	<b>51,650</b>	84,626	-39%
Taxation	<b>(2,046)</b>	(2,227)	-8%	<b>(11,316)</b>	(11,872)	-5%
Profit after taxation	<b>8,839</b>	13,317	-34%	<b>40,334</b>	72,754	-45%
Attributable to:						
Equity holders of the Company	<b>8,104</b>	13,252	-39%	<b>37,907</b>	72,752	-48%
Non-controlling interests	<b>735</b>	65	n/m	<b>2,427</b>	2	n/m
	<b>8,839</b>	13,317	-34%	<b>40,334</b>	72,754	-45%

n/m: not meaningful

**1(a) (ii) Consolidated Income Statement is arrived at:**

	Third quarter ended			Nine Months ended		
	30 September			30 September		
	2016	2015	Change	2016	2015	Change
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
<b>and crediting:</b>						
Fair value gain on investment properties	-	814	n/m	<b>15,540</b>	3,427	n/m
Foreign exchange gain (realised)	<b>14</b>	3	n/m	<b>13</b>	8	66%
Foreign exchange gain (unrealised)	-	1,264	n/m	<b>1,875</b>	2,216	-15%
Reversal of impairment loss on trade receivables	-	2	n/m	-	8	n/m
Interest income	<b>799</b>	588	36%	<b>2,496</b>	1,712	46%
Fair value gain on cross currency interest rate swap <sup>(1)</sup>	<b>2,071</b>	-	n/m	<b>2,071</b>	-	n/m
<b>after charging:</b>						
Depreciation of property, plant and equipment	<b>(1,443)</b>	(689)	109%	<b>(4,185)</b>	(3,000)	40%
Write-off of property, plant and equipment	-	(86)	n/m	-	(86)	n/m
Amortisation of intangible assets	<b>(4)</b>	-	n/m	<b>(13)</b>	-	n/m
Directors' fees	<b>(38)</b>	(38)	-	<b>(115)</b>	(115)	-
Foreign exchange loss (realised)	-	-	n/m	<b>(45)</b>	-	n/m
Foreign exchange loss (unrealised)	<b>(1,428)</b>	(220)	n/m	<b>(506)</b>	(402)	26%
Impairment of investment in associates	-	-	n/m	<b>(208)</b>	-	n/m
Interest on borrowings	<b>(4,120)</b>	(3,350)	23%	<b>(11,282)</b>	(9,524)	18%
Staff costs (including directors' remuneration)	<b>(6,080)</b>	(6,006)	1%	<b>(18,095)</b>	(19,506)	-7%
Fair value loss on cross currency interest rate swap <sup>(1)</sup>	-	(1,654)	n/m	<b>(2,352)</b>	(4,547)	-48%

n/m: not meaningful

(1) The net fair value gain / (loss) on cross currency interest rate swap ("CCS") is recorded in other operating expenses.

The CCS was taken up as part of the Group's interest and foreign exchange rate risk management strategy. The CCS converts the Group's AUD floating interest rate liability (on a term loan in AUD) to a fixed interest rate in SGD. The maturity date of the CCS matches that of the AUD term loan. The Group intends to exchange SGD for AUD principal (based on the pre-agreed exchange rate) and use the AUD principal to repay the term loan in AUD. Any fair value differences recorded prior to the maturity of CCS will be offset within the income statement against any foreign currency differences.

**1(a) (iii) Consolidated Statement of Comprehensive Income**

	Third quarter ended 30 September			Nine Months ended 30 September		
	2016 S\$'000	2015 S\$'000	Change %	2016 S\$'000	2015 S\$'000	Change %
<b>Profit after taxation</b>	<b>8,839</b>	13,317	-34%	<b>40,334</b>	72,754	-45%
<b>Other comprehensive income</b>						
Net change in fair value of available-for-sale financial assets	<b>91</b>	(137)	n/m	<b>53</b>	(130)	n/m
Tax on other comprehensive income	<b>(15)</b>	-	n/m	<b>(9)</b>	-	n/m
Currency translation differences arising from consolidation	<b>6,657</b>	(3,841)	n/m	<b>5,144</b>	(7,908)	n/m
Other comprehensive profit/(loss), net of tax	<b>6,733</b>	(3,978)	n/m	<b>5,188</b>	(8,038)	n/m
<b>Total comprehensive income for the period</b>	<b>15,572</b>	9,339	67%	<b>45,522</b>	64,716	-30%
Attributable to:						
Equity holders of the Company	<b>14,836</b>	9,266	60%	<b>43,095</b>	64,696	-33%
Non-controlling interests	<b>736</b>	73	n/m	<b>2,427</b>	20	n/m
	<b>15,572</b>	9,339	67%	<b>45,522</b>	64,716	-30%

n/m: not meaningful



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**1(b) (i) A statement of financial position (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year.**

	GROUP		COMPANY	
	30-Sep-16 S\$'000	31-Dec-15 S\$'000	30-Sep-16 S\$'000	31-Dec-15 S\$'000
<b>ASSETS</b>				
<b>Non-Current</b>				
Property, plant and equipment	175,110	129,680	873	949
Investment in subsidiaries	-	-	183,818	110,571
Investment in associates	121,921	60,460	-	-
Investment properties	196,469	179,768	-	-
Available-for-sale financial assets	1,500	1,447	-	-
Intangible assets	73	86	-	-
Amounts due from associates	31,407	66,694	-	-
	<b>526,480</b>	<b>438,135</b>	<b>184,691</b>	<b>111,520</b>
<b>Current</b>				
Properties for sale under development <sup>(1)</sup>	594,242	516,545	-	-
Amounts due from subsidiaries	-	-	261,739	235,928
Inventories	278	126	-	-
Trade receivables	30,536	28,850	13	6
Other receivables	17,590	30,114	7,737	8,445
Cash and bank balances	326,721	395,011	158,024	228,342
	<b>969,367</b>	<b>970,646</b>	<b>427,513</b>	<b>472,721</b>
<b>Total assets</b>	<b>1,495,847</b>	<b>1,408,781</b>	<b>612,204</b>	<b>584,241</b>
<b>EQUITY AND LIABILITIES</b>				
<b>Capital and Reserves</b>				
Share capital	47,399	47,399	47,399	47,399
Treasury shares	(120)	-	(120)	-
Fair value reserve	112	68	-	-
Translation reserve	(2,939)	(8,083)	4,931	(229)
Retained earnings	434,621	418,197	66,610	71,388
Equity attributable to owners of the Company	<b>479,073</b>	<b>457,581</b>	<b>118,820</b>	<b>118,558</b>
Non-controlling interests	3,056	629	-	-
	<b>482,129</b>	<b>458,210</b>	<b>118,820</b>	<b>118,558</b>
<b>Liabilities</b>				
<b>Non-Current</b>				
Bank borrowings	324,089	322,786	60,000	60,000
Deferred tax liabilities	30,912	21,328	-	-
	<b>355,001</b>	<b>344,114</b>	<b>60,000</b>	<b>60,000</b>
<b>Current</b>				
Trade payables	14,755	11,760	38	82
Other payables	79,670	84,791	2,055	2,873
Amounts due to subsidiaries	-	-	383,136	357,880
Provision for taxation	1,977	24,958	335	-
Bank borrowings	562,315	484,948	47,820	44,848
	<b>658,717</b>	<b>606,457</b>	<b>433,384</b>	<b>405,683</b>
<b>Total liabilities</b>	<b>1,013,718</b>	<b>950,571</b>	<b>493,384</b>	<b>465,683</b>
<b>Total equity and liabilities</b>	<b>1,495,847</b>	<b>1,408,781</b>	<b>612,204</b>	<b>584,241</b>

<sup>(1)</sup> \$409.6 million (31-Dec-15: \$342.7 million) relates to the Group's pre-sold development properties as at 30 September 2016.

**1(b) (ii) Aggregate amount of group's borrowings and debt securities**

	30-Sep-16			31-Dec-15		
	Secured S\$'000	Unsecured S\$'000	Total S\$'000	Secured S\$'000	Unsecured S\$'000	Total S\$'000
<b>Current</b>						
- Amounts repayable in one year or less, or on demand	415,860	(i) (ii) 1,000	416,860	286,671	1,000	287,671
- Amounts repayable after one year but within the normal operating cycle of Property Development segment	145,455	-	145,455	197,277	-	197,277
	<b>561,315</b>	<b>1,000</b>	<b>562,315</b>	<b>483,948</b>	<b>1,000</b>	<b>484,948</b>
<b>Non-current</b>						
- Amounts repayable after one year	264,089	60,000 (iii)	324,089	262,786	60,000	322,786
	<b>825,404</b>	<b>61,000</b>	<b>886,404</b>	<b>746,734</b>	<b>61,000</b>	<b>807,734</b>

Details of collaterals

Borrowings are secured by:

- Freehold land and buildings;
- Guarantee by the Company;
- Properties for sale under development;
- Proceeds from sales of properties under development;
- Proceeds from the sale of investment properties;
- Rental income from investment properties; and
- Fixed deposits

(i) \$151.6 million relates to our sold development project properties and is expected to be repaid by 30 September 2017 upon obtaining Temporary Occupation Permits ("TOP") and collections from buyers of the properties.

(ii) \$46.8 million loan is secured by fixed deposits.

(iii) \$60.0 million, included within non-current borrowings represents a held-to-maturity multi-currency note ("MTN"), which is unsecured and repayable in July 2018.



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**1(c) A statement of cash flows (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year.**

	Third quarter ended		Nine Months ended	
	30 September		30 September	
	2016	2015	2016	2015
	S\$'000	S\$'000	S\$'000	S\$'000
<b>Cash Flows from Operating Activities</b>				
Profit before taxation	10,885	15,544	51,650	84,626
Adjustments for:				
Depreciation of property, plant and equipment	1,443	689	4,185	3,000
Amortisation of intangible assets	4	-	13	-
Fair value (gain) / loss on cross currency interest rate swap	(2,071)	1,654	281	4,547
Share of results of associates	(4,040)	(3,586)	(10,509)	(9,212)
Impairment of investment in associates	-	-	208	-
Interest income	(799)	(588)	(2,496)	(1,712)
Interest expense on bank borrowings	4,120	3,350	11,282	9,524
Fair value gain on investment properties	-	(814)	(15,540)	(3,427)
Write-off of property, plant and equipment	-	86	-	86
Foreign exchange loss / (gain) (unrealised)	1,428	(1,044)	(1,368)	(1,814)
Operating profit before working capital changes	10,970	15,291	37,706	85,618
Changes in inventories	(157)	3	(152)	4
Changes in operating receivables	933	14,075	3,898	21,134
Changes in operating payables	5,903	(11,303)	2,694	(3,022)
Changes in properties for sale under development	16,252	1,894	(73,869)	74,821
Cash generated from/(used in) operations	33,901	19,960	(29,723)	178,555
Income tax paid	(11,149)	(5,547)	(24,912)	(8,686)
Cash generated from/(used in) operating activities	22,752	14,413	(54,635)	169,869
<b>Cash Flows from Investing Activities</b>				
Investment in associates	(1,649)	-	(1,649)	-
Dividend income from investment in associates	6,290	-	9,865	3,002
Share buy-back	(120)	-	(120)	-
Repayment from associates	1	7,688	1,815	14,538
Loan to associates	-	(1,280)	(19,312)	(49,805)
Acquisition of property, plant and equipment	(1,007)	(8,290)	(44,311)	(10,179)
Interest received	355	297	2,666	1,146
Cash generated from/(used in) investing activities	3,870	(1,585)	(51,046)	(41,298)
<b>Cash Flows from Financing Activities</b>				
Proceeds from borrowings	7,243	66,714	157,569	125,598
Repayment of borrowings	(25,140)	(47,806)	(82,800)	(253,972)
Loan from non-controlling shareholders	-	9,480	-	9,480
Fixed deposit pledged to banks and financial institutions	-	-	(5,972)	(82,000)
Interest paid	(6,850)	(5,460)	(18,379)	(15,920)
Dividend paid	(6,003)	(7,352)	(21,483)	(22,832)
Proceeds from issue of share to non-controlling interest	-	-	-	1
Cash (used in)/generated from financing activities	(30,750)	15,576	28,935	(239,645)





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	Third quarter ended 30 September		Nine Months ended 30 September	
	2016 S\$'000	2015 S\$'000	2016 S\$'000	2015 S\$'000
Net (decrease) / increase in cash and cash equivalents	<b>(4,128)</b>	28,404	<b>(76,746)</b>	(111,074)
Cash and cash equivalents at beginning of period	<b>238,531</b>	275,838	<b>312,983</b>	415,316
Effects of foreign currency translation	<b>4,319</b>	-	<b>2,485</b>	-
Cash and cash equivalents at end of period	<b>238,722</b>	304,242	<b>238,722</b>	304,242
<u>Analysis of cash and cash equivalents:-</u>				
Project accounts <sup>(1)</sup>	<b>31,149</b>	47,895	<b>31,149</b>	47,895
Fixed deposits in project accounts <sup>(1)</sup>	<b>68,000</b>	33,500	<b>68,000</b>	33,500
Fixed deposits	<b>187,078</b>	203,247	<b>187,078</b>	203,247
Cash and bank balances	<b>40,495</b>	101,628	<b>40,495</b>	101,628
Less: Fixed deposits pledged to banks and financial institutions	<b>(88,000)</b>	(82,028)	<b>(88,000)</b>	(82,028)
	<b>238,722</b>	304,242	<b>238,722</b>	304,242

(1) Project accounts consist of monies held under the Housing Developers (Project Account) Rules 1997. Withdrawals are restricted for payments for development expenditure incurred on properties for sale under development.

**1(d) (i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.**

Group	Share capital S\$'000	Treasury Shares S\$'000	Fair value reserve S\$'000	Translation reserve S\$'000	Retained profits S\$'000	Equity attributable to owners of the Company S\$'000	Non-controlling interests S\$'000	Total S\$'000
Balance at 1 January 2016	47,399	-	68	(8,083)	418,197	457,581	629	458,210
Profit for the period	-	-	-	-	29,803	29,803	1,692	31,495
<b>Comprehensive income for the period</b>	-	-	-	-	29,803	29,803	1,692	31,495
<b>Other comprehensive income</b>								
Net change in fair value of available-for-sale financial assets	-	-	(38)	-	-	(38)	-	(38)
Tax on other comprehensive income	-	-	6	-	-	6	-	6
Foreign currency translation differences	-	-	-	(1,512)	-	(1,512)	(1)	(1,513)
<b>Total other comprehensive income for the period</b>	-	-	(32)	(1,512)	-	(1,544)	(1)	(1,545)
<b>Total comprehensive income for the period</b>	-	-	(32)	(1,512)	29,803	28,259	1,691	29,950
<b>Transaction with owners, recognised directly in equity</b>								
<b>Contributions by and distributions to owners</b>								
Dividend paid	-	-	-	-	(15,480)	(15,480)	-	(15,480)
<b>Total transactions with owners</b>	-	-	-	-	(15,480)	(15,480)	-	(15,480)
Balance at 30 June 2016	47,399	-	36	(9,595)	432,520	470,360	2,320	472,680
Profit for the period	-	-	-	-	8,104	8,104	735	8,839
<b>Comprehensive income for the period</b>	-	-	-	-	8,104	8,104	735	8,839
<b>Other comprehensive income</b>								
Net change in fair value of available-for-sale financial assets	-	-	91	-	-	91	-	91
Tax on other comprehensive income	-	-	(15)	-	-	(15)	-	(15)
Foreign currency translation differences	-	-	-	6,656	-	6,656	1	6,657
<b>Total other comprehensive income for the period</b>	-	-	76	6,656	-	6,732	1	6,733
<b>Total comprehensive income for the period</b>	-	-	76	6,656	8,104	14,836	736	15,572
<b>Transaction with owners, recognised directly in equity</b>								
<b>Contributions by and distributions to owners</b>								
Share buy-back	-	(120)	-	-	-	(120)	-	(120)
Dividend paid	-	-	-	-	(6,003)	(6,003)	-	(6,003)
<b>Total transactions with owners</b>	-	(120)	-	-	(6,003)	(6,123)	-	(6,123)
Balance at 30 September 2016	47,399	(120)	112	(2,939)	434,621	479,073	3,056	482,129



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Group	Share capital S\$'000	Fair value reserve S\$'000	Translation reserve S\$'000	Retained profits S\$'000	Equity attributable to owners of the Company S\$'000	Non-controlling interests S\$'000	Total S\$'000
Balance at 1 January 2015	47,399	174	(3,168)	355,933	400,338	515	400,853
Profit for the period	-	-	-	59,500	59,500	(63)	59,437
<b>Comprehensive income for the period</b>	-	-	-	59,500	59,500	(63)	59,437
<b>Other comprehensive income</b>							
Net change in fair value of available-for-sale financial assets	-	7	-	-	7	-	7
Foreign currency translation differences	-	-	(4,077)	-	(4,077)	10	(4,067)
<b>Total other comprehensive income for the period</b>	-	7	(4,077)	-	(4,070)	10	(4,060)
<b>Total comprehensive income for the period</b>	-	7	(4,077)	59,500	55,430	(53)	55,377
<b>Transactions with owners, recognised directly in equity</b>							
<b>Contributions by and distributions to owners</b>							
Dividend paid	-	-	-	(15,480)	(15,480)	-	(15,480)
Balance at 30 June 2015	47,399	181	(7,245)	399,953	440,288	462	440,750
Profit for the period	-	-	-	13,252	13,252	65	13,317
<b>Comprehensive income for the period</b>	-	-	-	13,252	13,252	65	13,317
<b>Other comprehensive income</b>							
Net change in fair value of available-for-sale financial assets	-	(137)	-	-	(137)	-	(137)
Foreign currency translation differences	-	-	(3,849)	-	(3,849)	8	(3,841)
<b>Total other comprehensive income for the period</b>	-	(137)	(3,849)	-	(3,986)	8	(3,978)
<b>Total comprehensive income for the period</b>	-	(137)	(3,849)	13,252	9,266	73	9,339
<b>Transactions with owners, recognised directly in equity</b>							
<b>Contributions by and distributions to owners</b>							
Dividend paid	-	-	-	(7,353)	(7,353)	-	(7,353)
<b>Total transactions with owners</b>	-	-	-	(7,353)	(7,353)	-	(7,353)
Balance at 30 September 2015	47,399	44	(11,094)	405,852	442,201	535	442,736



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Company	Share capital S\$'000	Treasury shares S\$'000	Translation reserve S\$'000	Retained profits S\$'000	Equity attributable to owners of the Company S\$'000	Total S\$'000
Balance at 1 January 2016	47,399	-	(229)	71,388	118,558	118,558
Profit for the period	-	-	-	11,155	11,155	11,155
<b>Comprehensive income for the period</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>11,155</b>	<b>11,155</b>	<b>11,155</b>
<b>Other comprehensive income</b>						
Foreign currency translation differences	-	-	911	-	911	911
<b>Total other comprehensive income for the period</b>	<b>-</b>	<b>-</b>	<b>911</b>	<b>-</b>	<b>911</b>	<b>911</b>
<b>Total comprehensive income for the period</b>	<b>-</b>	<b>-</b>	<b>911</b>	<b>11,155</b>	<b>12,066</b>	<b>12,066</b>
<b>Transactions with owners, recognised directly in equity</b>						
<b>Contributions by and distributions to owners</b>						
Dividend paid	-	-	-	(15,480)	(15,480)	(15,480)
<b>Total transactions with owners</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(15,480)</b>	<b>(15,480)</b>	<b>(15,480)</b>
Balance at 30 June 2016	47,399	-	682	67,063	115,144	115,144
Profit for the period	-	-	-	5,550	5,550	5,550
<b>Comprehensive income for the period</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>5,550</b>	<b>5,550</b>	<b>5,550</b>
<b>Other comprehensive income</b>						
Foreign currency translation differences	-	-	4,249	-	4,249	4,249
<b>Total other comprehensive income for the period</b>	<b>-</b>	<b>-</b>	<b>4,249</b>	<b>-</b>	<b>4,249</b>	<b>4,249</b>
<b>Total comprehensive income for the period</b>	<b>-</b>	<b>-</b>	<b>4,249</b>	<b>5,550</b>	<b>9,799</b>	<b>9,799</b>
<b>Transactions with owners, recognised directly in equity</b>						
<b>Contributions by and distributions to owners</b>						
Share buy-back	-	(120)	-	-	(120)	(120)
Dividend paid	-	-	-	(6,003)	(6,003)	(6,003)
<b>Total transactions with owners</b>	<b>-</b>	<b>(120)</b>	<b>-</b>	<b>(6,003)</b>	<b>(6,123)</b>	<b>(6,123)</b>
Balance at 30 September 2016	47,399	(120)	4,931	66,610	118,820	118,820



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Company	Share capital S\$'000	Translation reserve S\$'000	Retained profits S\$'000	Equity attributable to owners of the Company S\$'000	Total S\$'000
Balance at 1 January 2015	47,399	-	40,643	88,042	88,042
Profit for the period	-	-	742	742	742
<b>Comprehensive income for the period</b>	<b>-</b>	<b>-</b>	<b>742</b>	<b>742</b>	<b>742</b>
<b>Other comprehensive income</b>					
Foreign currency translation difference	-	(1,121)	-	(1,121)	(1,121)
<b>Total other comprehensive income for the period</b>	<b>-</b>	<b>(1,121)</b>	<b>-</b>	<b>(1,121)</b>	<b>(1,121)</b>
<b>Total comprehensive income for the period</b>	<b>-</b>	<b>(1,121)</b>	<b>742</b>	<b>(379)</b>	<b>(379)</b>
<b>Transactions with owners, recognised directly in equity</b>					
<b>Contributions by and distributions to owners</b>					
Dividend paid	-	-	(15,480)	(15,480)	(15,480)
<b>Total transactions with owners</b>	<b>-</b>	<b>-</b>	<b>(15,480)</b>	<b>(15,480)</b>	<b>(15,480)</b>
Balance at 30 June 2015	47,399	(1,121)	25,905	72,183	72,183
Profit for the period	-	-	44	44	44
<b>Comprehensive income for the period</b>	<b>-</b>	<b>-</b>	<b>44</b>	<b>44</b>	<b>44</b>
<b>Other comprehensive income</b>					
Foreign currency translation difference	-	261	-	261	261
<b>Total other comprehensive income for the period</b>	<b>-</b>	<b>261</b>	<b>-</b>	<b>261</b>	<b>261</b>
<b>Total comprehensive income for the period</b>	<b>-</b>	<b>261</b>	<b>44</b>	<b>305</b>	<b>305</b>
<b>Transactions with owners, recognised directly in equity</b>					
<b>Contributions by and distributions to owners</b>					
Dividend paid	-	-	(7,353)	(7,353)	(7,353)
<b>Total transactions with owners</b>	<b>-</b>	<b>-</b>	<b>(7,353)</b>	<b>(7,353)</b>	<b>(7,353)</b>
Balance at 30 September 2015	47,399	(1,382)	18,596	64,613	64,613



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**1(d) (ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles, as well as the number of shares held as treasury shares, if any, against the total number of issued shares excluding treasury shares of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.**

Movement in the Company's treasury shares for the nine months period ended 30 September 2016 are as follows:

	<u>No. of Shares</u>
As at 1 January 2016	-
Purchase of treasury shares	280,000
As at 30 September 2016	<u>280,000</u>

The Company acquired 280,000 of its own shares through purchases on the Singapore Exchange during 3Q2016. The number of treasury shares held by the Company represents 0.02% of the total number of issued shares (excluding treasury shares) as at 30 September 2016.

**1(d) (iii) To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.**

	30-Sep-16	31-Dec-15
<b>Issued, fully paid share capital:</b>		
Balance no. of shares as at the beginning of period	1,193,549,994	1,193,549,994
Purchase of treasury shares	(280,000)	-
Total no. of shares as at the end of period net of treasury shares	<u>1,193,269,994</u>	<u>1,193,549,994</u>

**1(d) (iv) A statement showing all sales, transfers, disposal, cancellation and/or use of treasury shares as at the end of the current financial period reported on.**

Not applicable.

**2. Whether the figures have been audited, or reviewed and in accordance with which auditing standard or practice.**

The figures have not been audited nor reviewed by the Company's auditors.

**3. Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of a matter).**

Not applicable.

**4. Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.**

The Group has followed accounting policies and applied consistent methods of computation for the financial information of the current financial period as compared to the audited financial statements as at 31 December 2015.

**5. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.**

Not applicable.

**6. Earnings per ordinary share of the group for the current period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends.**

Earnings per share for the financial period	Third quarter ended 30 September		Nine months ended 30 September	
	2016	2015	2016	2015
(a) Based on the weighted average number of ordinary shares on issue (cents)	<b>0.68</b>	1.11	<b>3.18</b>	6.10
(b) On fully diluted basis (cents)	<b>0.68</b>	1.11	<b>3.18</b>	6.10
Profit attributable to shareholders of the Company (\$'000)	<b>8,104</b>	13,252	<b>37,907</b>	72,752
Weighted average number of shares ('000)	<b>1,193,538</b>	1,193,550	<b>1,193,538</b>	1,193,550

**7. Net asset value (for the issuer and group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the:-**

- (a) current financial period reported on; and  
(b) immediately preceding financial year**

	Group		Company	
	30-Sept-16	31-Dec-15	30-Sept-16	31-Dec-15
Net asset value ("NAV") per ordinary shares based on total issue of 1,193,269,994 ordinary shares (cents) (2015:1,193,549,994 ordinary shares (cents))	<b>40.15</b>	38.34	<b>9.96</b>	9.93

The Group adopts the cost model under *FRS16 Property, Plant and Equipment*, and measures its property, plant and equipment at cost less depreciation and impairment loss. If it had applied the fair value model under *FRS16*, a revaluation surplus would arise as a result of the excess of the fair value of its hotel properties (includes Grand Mercure Roxy Hotel, Noku Kyoto Hotel in Kyoto, Japan, hotel property in Phuket, Thailand and resorts in Maldives) and own use premises, over their carrying amounts. As at 30 September 2016, our directors estimated that the fair value of these properties to be \$634.8 million (31 December 2015: \$588.3 million) mainly based on valuation carried out by an independent valuer on 31 December 2015, using the investment method and direct comparison method, plus the newly acquired resort in Maldives during the period. The revaluation surplus is estimated to be approximately \$466.9 million (31 December 2015: \$463.4 million). Had this revaluation surplus been recorded, the Group's adjusted net asset value ("ANAV") per share would have been as follows:

	Group	
	30-Sept-16	31-Dec-15
ANAV per ordinary share based on total issue of 1,193,269,994 ordinary shares (cents) (2015:1,193,549,994 ordinary shares (cents))	<b>79.27</b>	77.16

8. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following:-

(a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and

(b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.

#### Breakdown of Performance by Segment

GROUP	Third quarter ended 30-September		Change Increase/ (Decrease) %	Nine months ended 30-September		Change Increase/ (Decrease) %				
	2016 S\$'000	2015 S\$'000		2016 S\$'000	2015 S\$'000					
<b>REVENUE</b>										
Property Development	76,246	83%	72,783	83%	5%	248,004	85%	336,945	89%	-26%
Hotel Ownership	11,456	13%	11,643	13%	-2%	35,008	12%	33,250	9%	5%
Property Investment	3,207	4%	3,219	4%	-0.4%	9,254	3%	9,361	2%	-1%
	<b>90,909</b>	100%	<b>87,645</b>	100%	4%	<b>292,266</b>	100%	<b>379,556</b>	100%	-23%
<b>GROSS PROFIT</b>										
Property Development	9,581	52%	13,409	58%	-29%	33,852	55%	82,548	75%	-59%
Hotel Ownership	6,578	36%	7,260	31%	-9%	20,543	34%	20,598	19%	-0.3%
Property Investment	2,291	12%	2,438	11%	-6%	6,628	11%	6,642	6%	-0.2%
	<b>18,450</b>	100%	<b>23,107</b>	100%	-20%	<b>61,023</b>	100%	<b>109,788</b>	100%	-44%
<b>GROSS PROFIT MARGIN (%)</b>										
Property Development	13%		18%		-5 ppt	14%		24%		-10 ppt
Hotel Ownership	57%		62%		-5 ppt	59%		62%		-3 ppt
Property Investment	71%		76%		-5 ppt	72%		71%		1 ppt
Total	20%		26%		-6 ppt	21%		29%		-8 ppt
<b>ADJUSTED EBITDA</b>										
Property Development	12,835	72%	16,526	71%	-22%	42,822	58%	89,955	82%	-52%
Hotel Ownership	2,449	14%	3,339	14%	-27%	9,186	12%	9,553	9%	-4%
Property Investment - Rental income	2,471	14%	2,446	11%	1%	6,302	9%	6,389	6%	-1%
Property Investment - Fair value gain	-	-	814	4%	n/m	15,540	21%	3,427	3%	n/m
	<b>17,754</b>	100%	<b>23,125</b>	100%	-23%	<b>73,850</b>	100%	<b>109,324</b>	100%	-32%
<b>PROFIT BEFORE TAX</b>										
Adjusted EBITDA	17,754		23,125		-23%	73,850		109,324		-32%
Corporate expenses	(2,986)		(3,658)		-18%	(9,018)		(11,290)		-20%
Depreciation of property, plant and equipment	(1,443)		(689)		109%	(4,185)		(3,000)		40%
Net interest expense	(3,321)		(2,762)		20%	(8,786)		(7,812)		12%
Net unrealised foreign exchange (loss) / gain	(1,191)		1,182		-201%	70		1,951		-96%
Fair value gain/(loss) on cross currency interest rate swap	2,071		(1,654)		n/m	(281)		(4,547)		-94%
	<b>10,885</b>		<b>15,544</b>		-30%	<b>51,650</b>		<b>84,626</b>		-39%



(ii) Geographical segments

	Singapore	Australia	Japan	Thailand	Malaysia	Hong Kong	Indonesia	Maldives	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Revenue</b>									
Third quarter ended									
<b>30 Sept 2016</b>	<b>86,942</b>	<b>2,791</b>	<b>1,159</b>	-	-	-	-	<b>17</b>	<b>90,909</b>
30 Sept 2015	84,854	2,773	-	18	-	-	-	-	87,645
Nine months ended									
<b>30 Sept 2016</b>	<b>280,508</b>	<b>7,963</b>	<b>3,738</b>	<b>41</b>	-	-	-	<b>17</b>	<b>292,266</b>
30 Sept 2015	371,427	8,028	-	100	-	-	-	-	379,556
<b>Non-current assets</b>									
<b>As at 30 Sept 2016</b>	<b>179,948</b>	<b>198,481</b>	<b>39,901</b>	<b>16,280</b>	<b>21,329</b>	<b>24,012</b>	<b>4,003</b>	<b>42,525</b>	<b>526,480</b>
As at 31 Dec 2015	182,047	159,436	34,969	16,014	17,659	24,012	3,998	-	438,135
<b>Total assets</b>									
<b>As at 30 Sept 2016</b>	<b>954,800</b>	<b>388,743</b>	<b>42,634</b>	<b>16,741</b>	<b>21,329</b>	<b>24,013</b>	<b>4,006</b>	<b>43,581</b>	<b>1,495,847</b>
As at 31 Dec 2015	1,116,081	192,866	37,955	16,210	17,659	24,012	3,998	-	1,408,781

**3Q2016 vs 3Q2015**

**(i) Revenue**

The Group achieved revenue of \$90.9 million in 3Q2016, 4% higher than \$87.6 million in 3Q2015. This was mainly from an increase in revenue from the Property Development segment.

**(a) Property Development**

Revenue from the Property Development segment, which made up 83% of the Group's turnover in 3Q2016, increased 5% to \$76.2 million in 3Q2016 from \$72.8 million in 3Q2015. The increase was largely attributable to higher revenue recognition from Trilive, LIV on Sophia and LIV on Wilkie, partially offset by lower revenue recognition from Jade Residences and Whitehaven.

**(b) Hotel Ownership and Property Investment**

Revenue from the Hotel Ownership segment, which contributed 13% to the Group's turnover, decreased by 2% to \$11.5 million from \$11.6 million in 3Q2015. Grand Mercure Roxy Hotel ("GMRH") maintained an average occupancy rate ("AOR"), average room rate ("ARR") and revenue per available room ("RevPar") of 91.8%, \$155.3 and \$142.6 in 3Q2016, respectively, as compared to 3Q2015 (AOR: 94.8%, ARR: \$168.8 and RevPar: \$160.0). The Noku Kyoto hotel recorded AOR, ARR and RevPar of 51.8%, \$273.1 and \$141.5, respectively, in 3Q2016.

Revenue from the Property Investment segment, which constituted the balance of 4% of the Group's turnover, maintained at \$3.2 million in 3Q2016 and 3Q2015.

**(ii) Cost of sales and gross profit**

In line with increase in revenue, cost of sales increased by \$8.0 million or 12% to \$72.5 million in 3Q2016 from \$64.5 million in 3Q2015.



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Gross profit from the Property Development segment contributed \$9.6 million or 52% of the Group's total gross profit, with the remaining 48% or \$8.9 million contributed by the Hotel Ownership and Property Investment segments. Gross profit margin from the Property Development segment decreased from 18% in 3Q2015 to 13% in 3Q2016. This was mainly due to write-back in 3Q2015 for over provision of development cost relating to certain projects completed in the prior period. The gross profit margin of the Hotel Ownership segment decreased 5 percentage points to 57% in 3Q2016 as compared to 62% in 3Q2015 mainly due to lower RevPar in 3Q2016. Gross profit margin of the Property Investment segment decreased 5 percentage points to 71% in 3Q2016 from 76% in 3Q2015 mainly due to leasing and maintenance costs incurred in current quarter.

The Group's overall gross profit margin in 3Q2016 was 20%, 6 percentage points lower compared to the 26% in 3Q2015.

### **(iii) Profit for the period**

The Group's other operating income decreased to \$0.3 million in 3Q2016 from \$2.8 million in 3Q2015 mainly due to higher unrealised foreign exchange gain from revaluation of bank borrowings and fair value gain arising from change of owner-use property to investment property held for rental income in 3Q2015.

Distribution and selling expenses increased by \$0.8 million to \$1.3 million in 3Q2016 from \$0.5 million in 3Q2015 mainly due to marketing and showflat expenses relating to the sales launch of Straits Mansions, Octavia and The Hensley.

Administrative expenses decreased by \$0.7 million to \$3.2 million in 3Q2016 from \$3.9 million in 3Q2015 mainly due to lower provision for directors' incentive in 3Q2016.

Other operating expenses decreased by \$2.8 million to \$3.3 million in 3Q2016 from \$6.1 million in 3Q2015 mainly due to lower fair value loss on cross currency interest rate swap, partially offset by higher depreciation expenses in 3Q2016.

Depreciation expense (refer to page 4, paragraph 1(a)(ii)) increased from \$0.7 million in 3Q2015 to \$1.4 million in 3Q2016 mainly due to depreciation of new additions following completion of refurbishment works for the Group's head office in Singapore and for the Noku Kyoto hotel in 3Q2015 and 4Q2015, respectively.

Finance cost increased by \$0.7 million to \$4.2 million in 3Q2016 from \$3.5 million in 3Q2015 mainly due to MTN Series Notes issued in July 2015 and working capital loans obtained to fund new investment in 117 Clarence Street and the resort property in Maldives.

The Group's share of results from associates after tax for 3Q2016 increased 13% to \$4.0 million compared to \$3.6 million in 3Q2015 mainly due to higher profits recognised from Eon Shenton, partially offset by the absence of profit recognition from Millage and Natura@Hillview due to Temporary Occupancy Permits ("TOP") obtained in May 2016 and Sep 2015 respectively.

The Group's profit after taxation decreased to \$8.8 million in 3Q2016 from \$13.3 million in 3Q2015.

### **9M2016 vs 9M2015**

#### **(i) Revenue**

For the nine months ended 30 September 2016, the Group achieved revenue of \$292.3 million, 23% lower than the \$379.6 million recorded in 9M2015. This is mainly due to a decrease in revenue from the Property Development segment, partially offset by an increase in revenue from the Hotel Ownership segment.

**(a) Property Development**

Revenue from the Property Development segment, which made up of 85% of the Group's turnover, decreased 26% from \$336.9 million in 9M2015 to \$248.0 million in 9M2016. The decrease was largely due to an absence of revenue recognition from the completion of Centropod@Changi, a commercial development project which obtained its TOP in January 2015. The decrease was partially offset with revenue recognised from Trilive, Sunnyvale, LIV on Wilkie and LIV on Sophia in 9M2016.

**(b) Hotel Ownership and Property Investment**

Revenue from the Hotel Ownership segment, which contributed 12% to the Group's turnover, increased 5% from \$33.3 million in 9M2015 to \$35.0 million in 9M2016 mainly due to contributions from the Noku Kyoto hotel. The GMRH maintained healthy average occupancy rate ("AOR"), average room rate ("ARR") and revenue per available room ("RevPar") of 90.4%, \$158.7 and \$143.5 in 9M2016, respectively, albeit a slight dip from that in 9M2015 (AOR: 89.7%; ARR: \$171.0; RevPar: \$153.3). The Noku Kyoto hotel recorded an AOR, ARR and RevPar of 50.1%, \$325.6 and \$163.0, respectively, in 9M2016.

Revenue from Property Investment segment, which constituted the balance 3% of the Group's turnover, achieved \$9.3 million in 9M2016 as compared to \$9.4 million in 9M2015.

**(ii) Cost of sales and gross profit**

Cost of sales decreased by \$38.6 million or 14% from \$269.8 million in 9M2015 to \$231.2 million in 9M2016.

Gross profit from the Property Development segment contributed \$33.9 million or 55% of the total gross profit of the Group, with the balance 45% or \$27.1 million contributed by the Hotel Ownership and Property Investment segments. The gross profit margin for the Property Development segment decreased 10 percentage points to 14% in 9M2016 from 24% in 9M2015. This was mainly due to higher profit margins from Centropod@Changi in 9M2015. The gross profit margin of Hotel Ownership decreased 3 percentage points to 59% in 9M2016 as compared to 62% in 9M2015 mainly due to lower RevPar in 9M2016. The gross profit margin of the Property Investment segment increased 1 percentage point to 72% in 9M2016 from 71% in 9M2015.

The Group's overall gross profit margin decreased 8 percentage points to 21% in 9M2016 as compared to 29% in 9M2015.

**(iii) Profit for the period**

The Group's other operating income increased by \$13.4 million to \$21.0 million in 9M2016 from \$7.6 million in 9M2015, mainly from higher fair value gains on investment property and higher interest income from fixed deposit.

Distribution and selling expenses increased to \$4.3 million in 9M2016 from \$1.5 million in 9M2015 mainly due to marketing and showflat expenses relating to the sales launch of Straits Mansions, Octavia and The Hensley.

Administrative expenses decreased by \$3.7 million to \$10.1 million in 9M2016 from \$13.8 million in 9M2015 mainly due to lower provision for directors' performance bonus for 9M2016, in line with lower profitability of the Group for the period.

Other operating expenses decreased by \$2.1 million to \$15.0 million in 9M2016 from \$17.1 million in 9M2015 mainly due to a reduction in fair value loss on cross currency interest rate swap, partially offset by operating expense in 9M2016 for the Maldives resort and higher depreciation expense.

Depreciation expense (refer to page 4, paragraph 1(a)(ii)) increased to \$4.2 million in 9M2016 from \$3.0 million in 9M2015 mainly due to depreciation following the completion of refurbishment works for the Noku Kyoto hotel and the Group's head office in Singapore in the second half of 2015.



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Finance costs increased from \$9.6 million in 9M2015 to \$11.5 million in 9M2016 mainly due to MTN Series Notes issued in July 2015 and working capital loans obtained to fund new investment in 117 Clarence Street and the resort property in Maldives.

The Group's share of results of associates increased to \$10.5 million from \$9.2 million mainly due to higher profits recognised from Eon Shenton.

The Group's profit after taxation decreased to \$40.3 million in 9M2016 from \$72.8 million in 9M2015.

### **(iv) Cashflow, working capital and Balance Sheet**

The Group's non-current assets comprise property, plant and equipment, investment properties, investment in associates, intangible assets and available-for-sale financial assets. As at 30 September 2016, this amounted to \$526.5 million and represented 35% of the Group's total assets.

The Group's property, plant and equipment increased \$45.4 million to \$175.1 million from \$129.7 million as at 31 December 2015 and accounted for 33% of total non-current assets of the Group as at 30 September 2016. The increase was mainly attributable to acquisition of the resort in Maldives. As at 30 September 2016, available-for-sale financial assets were valued at \$1.5 million and comprised equity securities listed on the Singapore Exchange.

Investment in associates increased \$61.4 million to \$121.9 million as at 30 September 2016 from \$60.5 million as at 31 December 2015 while long term amounts due from associates decreased \$35.3 million to \$31.4 million as at 30 September 2016 from \$66.7 million as at 31 December 2015. This was mainly due to conversion of long term amounts due from associate to investment in associate and equity loans granted to associates in 9M2016.

Investment properties increased to \$196.5 million as at 30 September 2016 from \$179.8 million as at 31 December 2015. The increase was attributable to the fair value gain on investment property at 59 Goulburn Street, Australia, recognised in 1H2016.

At the Company level, investments in subsidiaries increased to \$183.8 million from \$110.6 million mainly due to long-term equity loans granted to subsidiaries as investment in subsidiaries.

The Group's current assets mainly comprise of properties for sale under development, trade and other receivables and cash and cash equivalents. As at 30 September 2016, these assets amounted to \$969.4 million and represented 65% of the Group's total assets. Properties for sale under development amounted to \$594.2 million or 61% of total current assets as at 30 September 2016. The increase in properties for sale under development from \$516.5 million as at 31 December 2015 were mainly due to completion of acquisition of development sites in Australia and Singapore in 1Q2016.

The Group's trade receivables amounted to \$30.5 million as at 30 September 2016 and comprised mainly of progress payments receivable from purchasers and unbilled revenues for the projects which obtained its Temporary Occupation Permits ("TOP"). The increase in trade receivables of \$1.6 million from \$28.9 million as at 31 December 2015 was mainly due to progress billings from on-going projects in 9M2016.

The Group's other receivables comprise mainly deposits, prepayments and other receivables. The decrease in other receivables to \$17.6 million as at 30 September 2016 from \$30.1 million as at 31 December 2015 was mainly due to transfer of deposits on completion of acquisition of development sites in Australia and Singapore to properties for sale under development and repayment from associates.

At the Company level, other receivables decreased to \$7.7 million as at 30 September 2016 from \$8.4 million as at 31 December 2015 on receipt of payment for accrued management fees. The amounts due from subsidiaries increased to \$261.7 million as at 30 September 2016 from \$235.9 million as at 31 December 2015 mainly due from additional funding provided to subsidiaries for new investments in Australia and Maldives.



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At the Group level, cash and cash equivalents amounted to \$238.7 million as at 30 September 2016.

The Group recorded net cash outflows from operating activities of \$54.6 million in 9M2016 as compared to net cash inflows of \$169.9 million in 9M2015. This was mainly due to cash outflows for acquisition of development sites and lower operating profits in 9M2016.

The Group recorded net cash outflows from investing activities of \$51.0 million in 9M2016, mainly due to long term loans to associates for acquisition of investment property and acquisition of the resort in Maldives.

The Group recorded net cash inflows from financing activities of \$28.9 million in 9M2016 mainly due to proceeds from borrowings for completion of purchase of Maldives and development sites and lower repayment of bank borrowings.

The Group's current liabilities comprise trade payables, other payables, provision for taxation and bank borrowings. As at 30 September 2016, this amounted \$658.7 million and represented 65% of total liabilities. Trade payables comprised mainly of progress claims from contractors and retention sums held. Other payables comprise mainly accruals for construction costs for completed projects, accruals for unbilled contractor progress claims, hotel management fees, staff and directors' performance bonus. The decrease in other payables from \$84.8 million as at 31 December 2015 to \$79.7 million as at 30 September 2016 was mainly due to payment to an associate company and lower provision for directors' performance bonus.

At the Company level, the increase in amounts due to subsidiaries from \$357.9 million to \$383.1 million as at 30 September 2016 was mainly due to inter-group transfers for investment funding purposes.

The Group's non-current liabilities comprise bank borrowings and deferred tax liabilities. As at 30 September 2016, this amounted to \$355.0 million and represented 35% of total liabilities.

As at 30 September 2016, the Group's total borrowings amounted to \$886.4 million, with \$416.9 million repayable within one year and \$469.5 million repayable after one year (refer to page 7, paragraph 1(b)(ii)). The increase in the total borrowings of \$78.7 million from \$807.7 million as at 31 December 2015 was mainly from loan drawdowns on completion of acquisition of new development sites.

At the Company level, total borrowings amounted to \$107.8 million, with \$47.8 million repayable within one year and \$60.0 million repayable after one year. The increase in total borrowings of \$3.0 million from \$104.8 million as at 31 December 2015 was mainly to drawdown of working capital loans to fund the deposit for the acquisition of the resort in Maldives.

### **9. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results**

The Group's performance for the period under review is in line with expectations disclosed in the announcement of results for the first half year ended 30 June 2016.

**10. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.**

Property Development

Advance estimates by the Ministry of Trade and Industry (“MTI”) indicated that the Singapore economy grew by 0.6% on a year-on-year (“y-o-y”) basis in 3Q2016, easing from the 2.0% growth recorded in 2Q2016. On a quarter-on-quarter (“q-o-q”) seasonally-adjusted annualised basis, the economy contracted by 4.1%, a reversal from the 0.2% growth registered in the preceding quarter<sup>1</sup>. The MTI expects the Singapore economy to grow between 1.0% and 2.0% for the whole of 2016.

Latest statistics from the Australian bureau of Statistics showed a 0.5% q-o-q seasonally-adjusted growth in Australia’s GDP for the quarter ended 30 June 2016, or a 3.3% y-o-y seasonally adjusted growth from 2Q2015<sup>2</sup>. The Reserve Bank of Australia expects growth to remain steady at between 2.5% and 3.5% to December 2016, slightly above the forecast in November with headline inflation of between 2.0% and 3.0% per cent for the same period<sup>3</sup>.

On the Singapore property market front, the latest flash estimates from the Urban Redevelopment Authority (“URA”) recorded a decrease of 1.5% for 3Q2016 of private residential property prices, compared to the 0.4% decline in 2Q2016<sup>4</sup>. The URA also reported that developers sold 509 private homes in September 2016 up from 468 units in August 2016 and also higher than the 341 units for September 2015. The preliminary tally of units sold for 3Q2016 was 2,069 units, lower than the 2,256 units sold in 2Q2016 and the 2,410 units sold in 3Q2015. In view of healthy take-up for recent launches and units sold from earlier project launches, experts are of the view that the momentum will continue into the fourth quarter and estimates that more units will be sold in 2016 compared to 2015<sup>5</sup>.

For Australia, the price index for residential properties for the weighted average of the eight capital cities rose 2.0% in 2Q2016 on a q-o-q basis and rose 4.1% on a y-o-y basis. Overall, residential property prices rose in Sydney (2.8%), Melbourne (2.7%), Brisbane (1.1%), Canberra (2.2%), Adelaide (0.8%), and Hobart (0.7 %), while prices declined in Perth (-1.2%) and Darwin (-2.4%)<sup>6</sup>.

The Group launched the Straits Mansions freehold residential project (<http://www.straitsmansion.com.sg/>) in Singapore and eight-storey development, The Hensley (<http://hensleypottspoint.com.au/>), in Sydney, Australia. Both projects have received warm reception, selling over 80% of its units shortly after the sales launch in July and June, respectively. Straits Mansions is expected to start contributing positively to the Group’s performance in 2Q2017, while The Hensley is expected to contribute positively upon completion in 2018.

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<sup>1</sup> [https://www.mti.gov.sg/NewsRoom/SiteAssets/Pages/Singapore’s-GDP-Grew-by-0.6-Per-Cent-in-Third-Quarter-of-2016/AdvEst\\_3Q16](https://www.mti.gov.sg/NewsRoom/SiteAssets/Pages/Singapore’s-GDP-Grew-by-0.6-Per-Cent-in-Third-Quarter-of-2016/AdvEst_3Q16)

<sup>2</sup> <http://www.abs.gov.au/ausstats/abs@.nsf/mf/5206.0>

<sup>3</sup> <http://www.rba.gov.au/speeches/2016/sp-ag-2016-04-06.html>

<sup>4</sup> <http://www.ura.gov.sg/uol/media-room/news/2016/sep/pr16-61>

<sup>5</sup> <http://www.businesstimes.com.sg/real-estate/developers-private-home-sales-set-to-jump-in-october>

<sup>6</sup> <http://www.abs.gov.au/ausstats/abs@.nsf/mf/6416.0>



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As at 19 October 2016, based on units sold from the following ongoing development projects, the Group has total attributable pre-sale revenue of \$399.2 million, profits of which will be progressively recognised from 4Q2016 to FY2020.

Project name	Type of development	Group stake %	Total units in project Unit	Unit sold %	Attributable total sale value <sup>(i)</sup> \$'m	Attributable revenue recognised up to 30	Balance attributable progress billings to be recognised from
						Sept 2016 \$'m	4Q2016 \$'m
<b>Singapore</b>							
1 Eon Shenton	Office	20%	98	100%	\$ 60.1	\$ 42.7	\$ 17.4
	Residential	20%	132	96%	\$ 38.4	\$ 27.3	\$ 11.1
	Shop	20%	23	100%	\$ 4.8	\$ 3.4	\$ 1.4
2 Jade Residences	Residential	100%	171	100%	\$ 216.7	\$ 207.4	\$ 9.3
	Shop	100%	2	100%	\$ 1.7	\$ 1.6	\$ 0.1
3 Whitehaven	Residential	100%	120	95%	\$ 142.8	\$ 139.1	\$ 3.7
	Shop	100%	1	100%	\$ 1.2	\$ 1.2	-
4 LIV on Sophia	Residential	90%	64	100%	\$ 78.5	\$ 75.3	\$ 3.2
5 LIV on Wilkie	Residential	90%	81	86%	\$ 89.9	\$ 68.9	\$ 21.0
6 Sunnyvale Residences	Residential	100%	30	63%	\$ 29.4	\$ 21.9	\$ 7.5
7 Trilive	Residential	85%	222	80%	\$ 171.9	\$ 62.6	\$ 109.3
	Shop	85%	2	50%	\$ 0.7	\$ 0.3	\$ 0.4
8 Straits Mansions	Residential	100%	25	84%	\$ 38.7	-	\$ 38.7
<b>Malaysia</b>							
9 Wisma Infinitum	Residential	47%	423 <sup>(ii)</sup>	61%	\$ 43.7	-	\$ 43.7
<b>Australia</b>							
<b>Sydney</b>							
10 The Hensley, Potts Point	Residential	100%	44	84%	\$ 60.9	-	\$ 60.9
	Shop	100%	1	100%	\$ 1.1	-	\$ 1.1
11 Octavia, Killara	Residential	100%	43	88%	\$ 44.5	-	\$ 44.5
<b>South Brisbane</b>							
12 New World Towers, Peel Street	Residential	40%	195 <sup>(iii)</sup>	52%	\$ 25.9	-	\$ 25.9
<b>Total</b>			<b>1,677</b>		<b>\$ 1050.9</b>	<b>\$ 651.6</b>	<b>\$ 399.2</b>

(i) Includes Option to Purchase granted up to 19 October 2016

(ii) Represents Block A of the development, an additional 331 units in Block B are pending launch.

(iii) Represents Tower 1 of the development, Tower 2 with an estimated 240 units is pending launch.



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In addition, the Group has the following portfolio of properties:

	<b>Location / Description</b>	<b>Proposed Development</b>	<b>Approximate Land Area (sqm)</b>	<b>Approximate Gross Floor Area (sqm)</b>	<b>Group's stake</b>	<b>Approximate Attributable Gross Floor Area (sqm)</b>	<b>Approximate Attributable Land Cost (SGD)</b>	<b>Approximate Attributable Land Cost (foreign currency)</b>
<b><u>Singapore</u></b>								
1	178 & 180A,180, 182,184 Jalan Eunus	48 units of Residential Development	2,315	3,242	100%	3,242	S\$25.2m	NA
2	211 – 223A Pasir Panjang Road <sup>(1)</sup>	Residential Development	2,856	3,998	100%	3,998	S\$33.3m	NA
<b><u>Overseas</u></b>								
1	54 & 85 Bracks Street, North Fremantle, Australia <sup>(2)</sup>	Industrial Land; to be rezoned for Commercial & Residential use	45,456	TBC	20.2%	TBC	S\$12.8m.	AUD11.9m
2	No. 14 Cowper Street and No. 8 Elger Street, Glebe, Australia	248 units of Residential Development	7,125	18,960	100%	18,960	S\$69.7m	AUD67.4m
3	Jalan Kramat, Raya No 110, Jakarta, Indonesia	Commercial Development	1,703	7,152	49%	3,504	S\$3.3m	IDR33.4b
<b>Total</b>			<b>59,455</b>				<b>S\$144.3m</b>	

(1) The acquisition is subject to and conditional upon the obtaining of an Order for Sale from the Strata Titles Board or the High Court (as case may be) approving this sale and purchases, if necessary.

(2) The properties are currently zoned as “Industrial” by the relevant Australian authorities. A decision to onsell or redevelop the land will be made by the joint venture upon successful rezoning of the property for commercial and residential use.

The Group will focus to launch its remaining development sites in FY2016 and FY2017.





## **Roxy-Pacific Holdings Limited**

### Hotel Ownership

Latest statistics from the Singapore Tourism Board (“STB”) released on 8 September 2016 demonstrated a 11.5% y-o-y growth in international visitor arrivals for the period between January to July 2016, receiving a total of 9.8 million visitors for the 7-month period<sup>7</sup>.

STB statistics also reflected a 0.6% y-o-y uptick in Standard Average Occupancy Rate for the first seven months of 2016 of 84.9%, albeit a 3.0% decline in Standard Average Room Rate to S\$234.5 and a 2.3% drop in Revenue per Available Room to S\$199.0 across the same comparative periods<sup>8</sup>.

Following the launch of the Group’s *Noku Roxy* hospitality brand name upon the opening of its first upscale boutique hotel in Kyoto, Japan, Roxy-Pacific looks forward to bringing its hospitality brand to the rest of Asia, with a resort in Maldives scheduled next, and Phuket to follow, with a targeted opening by 2019. Where feasible, the Group plans to self-manage these hospitality assets to develop its hotel management expertise and branding, thereby strengthening recurring income streams.

### Outlook

Barring any unforeseen circumstances, the directors expect the Group to be profitable in 2016.

## **11. Dividend**

### **(a) Current Financial Period Reported On**

Any dividend declared for the current financial period reported on? No

### **(b) Corresponding Period of the Immediately Preceding Financial Year**

Any dividend declared for the corresponding period of the immediately preceding financial year? No

### **(c) Date payable**

Not Applicable

### **(d) Books closure date**

Not Applicable

## **12. If no dividend has been declared / recommended, a statement to that effect**

No dividend has been declared / recommended.

## **13. Interested Person Transactions**

The Company does not have a shareholders’ mandate for interested person transactions. There were no interested person transactions during the period.

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<sup>7</sup>[https://www.stb.gov.sg/statistics-and-market-insights/marketstatistics/copy%20of%20ivastat\\_jul\\_2016%20\(@\)\\_08sep16\).pdf](https://www.stb.gov.sg/statistics-and-market-insights/marketstatistics/copy%20of%20ivastat_jul_2016%20(@)_08sep16).pdf)

<sup>8</sup>[https://www.stb.gov.sg/statistics-and-market-insights/marketstatistics/copy%20of%202016hs\(updated%2008sep16\).pdf](https://www.stb.gov.sg/statistics-and-market-insights/marketstatistics/copy%20of%202016hs(updated%2008sep16).pdf)



**Roxy-Pacific  
Holdings Limited**

**14. Confirmation of procurement of undertakings from all directors and executives officers**

The Company confirms that it has procured the Undertakings from all its Directors and Executive Officer in the format set out in Appendix 7.7 under Rule 720(1) of the Listing Manual.

**ON BEHALF OF THE BOARD**

Teo Hong Lim  
Chairman & CEO

Koh Seng Geok  
Executive Director & CFO

28<sup>th</sup> October 2016  
Singapore



**Roxy-Pacific  
Holdings Limited**

**CONFIRMATION PURSUANT TO RULE 705 (5) OF THE LISTING MANUAL**

We confirm on behalf of the Board of Directors that, to the best of our knowledge, nothing has come to the attention of the Board of Directors which may render the unaudited interim financial results of the Group and the Company for the third quarter ended 30 September 2016 to be false or misleading in any material respect.

**ON BEHALF OF THE BOARD**

Teo Hong Lim  
Chairman & CEO

Koh Seng Geok  
Executive Director & CFO

28<sup>th</sup> October 2016  
Singapore