



Oxley Holdings Limited
Company Registration Number 201005612G

For immediate release

Oxley reports revenue of \$506 million and net profit after tax of \$23 million for 1H FY2022

- ***As of 25 January 2022, 3,813 units or 97% of the Singapore development portfolio have been sold***
- ***The Group has unbilled contract values of \$1.8 billion (effective stakes) to be collected progressively***

Singapore and Hong Kong, 10 February 2022 – Oxley Holdings Limited (“**Oxley**” or the “**Company**”, and together with its subsidiaries, the “**Group**”), a home-grown property developer with business presence in 8 geographical markets, announced its financial results for the first half year ended 31 December 2021 (“**1HFY2022**”).

Financial Review

The Group reported 1HFY2022 revenue of \$506.4 million, a 13% decrease compared with revenue of \$582.3 million for the first half year ended 31 December 2020 (“1H FY2021”), mainly due to lower revenue contribution from Royal Wharf project in the United Kingdom, partially offset by higher revenue from the development projects in Singapore and sale of land parcels in Australia.

Net profit after tax for the period of \$23.4 million was 18% lower than the same period last year, primarily due to flow-through of lower revenue and gross profit, partially offset by absence of a loss from discontinued operations of \$14.9 million in 1H FY2021.

During 1HFY2021, the Group generated positive cash flows of \$266.5 million from operating activities arising mainly from collection of sale proceeds from the Singapore development projects as the construction progresses, completion and delivery of overseas development projects to the buyers, and sale of land parcels in Australia.



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Net gearing ratio of 2.01 times as at 31 December 2021 was lower than the ratio of 2.18 times as at 30 June 2021. Excluding derivative financial instrument and lease liabilities, net gearing ratio in relation to borrowings was lower at 1.93 times compared to 2.10 times.

Barring any unforeseen circumstances including achieving Temporary Occupation Permits for the Group's Singapore development projects in Year 2022, the Group's net gearing ratio is expected to improve over the next 12 months.

Operational Review

As at 25 January 2022, the Group had total unbilled contract value (effective stakes) of approximately \$1.8 billion, of which approximately \$1.5 billion was attributable to the projects in Singapore and approximately \$0.3 billion was attributable to overseas projects.

Approximately 97% of the Group's Singapore residential units has been sold, representing 96% of the total gross development value (GDV) or approximately \$4.7 billion. The Group is targeting to sell the remaining 110 units or 3% of the portfolio by end of 2022 and complete construction of all the Singapore development projects progressively by early 2023.

The property cooling measures announced on 16 December 2021 which increased the Additional Buyers' Stamp Duty (ABSD) and tightened the Total Debt Servicing Ratio (TDSR) are less likely to affect the first-time buyers as their ABSD remain unchanged. The Group's current exposure to the Singapore residential market is not significant as the projects are 97% sold and the remaining units are in the mid-mass market segment that are attractive to the first-time buyers.

The Group's Novotel and Mercure Hotels on Stevens have been signed up as Stay-Home Notice (SHN) dedicated facilities from the onset of the COVID-19 outbreak and have been generating positive operating cash flows. Uncertainty arising from the mutations of COVID-19 will continue to require such SHN facilities though the demand is shrinking. Nonetheless, the hospitality sector is positioned for some form of recovery from new protocols that exempt vaccinated travellers from countries with manageable COVID-19 situations, from mandatory quarantine on arrival in Singapore.



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For overseas markets, the Royal Wharf township development project in London is fully completed and has been 100% sold. Construction of the 100% sold Dublin Landings project has been completed, with the last residential block delivered to the buyer before the end of 1HFY2022. All retail, residential and office units were completed at The Peak project in Cambodia and 91% of the project has been sold. Construction of the Shangri-La Hotel at The Peak is on-going and expected to be completed in early 2023 while The Palms project will be completed and delivered to the buyers in 2022.

On 21 September 2021, Oxley completed the sale of land parcels in Sydney for \$96.3 million. The sale has a material positive impact on the Group's profitability and cash flow position.

On 1 November 2021, Oxley entered into a contract for the block sale of 207 affordable housing units at the Riverscape project in the United Kingdom for GBP50.5 million. The first payment of GBP15.15 million will be received by the Group when the Golden Brick Works is completed in early 2022. Except for a final payment of GBP2.52 million that will be made when construction of the property achieves practical completion (currently estimated to be achieved in 4Q 2023), the remaining sale proceeds will be paid according to the construction progress.

Construction has also begun at the Group's Connolly Station project in Dublin following the planning permission approval for Phase 1 of the commercial component in early 2021. Planning permission for the mainly commercial Phase 2 which also includes a small residential offering is slated in late 2022.

Looking Forward

As the Singapore development projects are substantially sold and construction will be progressively completed in the next 12 months, the Group intends to focus its property development activities in developed countries that generate relatively higher profit margin. Currently, the Group is focusing on Riverscape project in the United Kingdom and Connolly Station project in Ireland.

Riverscape (formerly known as Deanston Wharf) is located adjacent to Oxley's flagship Royal Wharf London development. It is easily accessible and well-connected to the public transport network, supported with resident amenities, and overlooks Lyle Park and the River Thames.



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Riverscape will deliver approximately 770 new homes, 1,100 square meters of commercial space and a 170-metre-long expansion to the adjoining Lyle Park. GDV of the project is approximately \$685 million.

Connolly station is the busiest railway station in Dublin and Ireland, and is a focal point in the Irish rail network. On the North side of the River Liffey, the station provides InterCity, Enterprise and commuter services to the north, north-west, south-east and south-west. The Connolly Station development is a mixed-use development that comprises 180 residential units, 6 office blocks and a hotel with approximately 240 rooms. Total GDV of the project is estimated to be \$1.4 billion.

The Group has begun construction of the Riverscape and Connolly Station projects, and completion is expected to take place progressively by 2024. In addition to the sale of the 207 affordable units, sales of the private residential units are ongoing and more than 45% of the launched units have been sold.

“Despite a challenging 2021 that witnessed a series of road bumps from COVID-19 virus outbreaks, the Group achieved significant milestones including TOPs for 3 Singapore residential developments, completing constructions of The Peak (except for Shangri-La Hotel component of the development) and Dublin Landings projects, and commencing construction of new Riverscape and Connolly Station projects in the developed markets. Between January 2021 and January 2022, the Group secured new sales of approximately \$1.3 billion.

Prospects of the hospitality sector are expected to brighten as more countries transition to endemic living with COVID-19 and gradually easing their borders. Though US Federal Reserve is hiking rates, Singapore interest rates are likely to lag in the rise due to monetary policy by the Monetary Authority of Singapore. The mid-mass market offerings by the Group are likely to remain affordable to the buyers, supported by a steadily recovering global economy.



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As the world enters the third year of the pandemic, Oxley will continue to pro-actively manage the evolving situation to complete and sell the ongoing projects promptly to generate positive cash flows for the Group.”

Mr Ching Chiat Kwong
Executive Chairman and CEO

About Oxley Holdings Limited

Oxley Holdings Limited is a home-grown property developer with a diversified portfolio including property development, property investment and project management. Oxley is listed on the Main Board of the SGX-ST.

The Group currently has a business presence across eight geographical markets including Singapore, the United Kingdom (the “UK”), Ireland, Cyprus, Cambodia, Malaysia, the People’s Republic of China (“PRC”) and Vietnam. The Group specialises in the development of quality residential, commercial, industrial and hospitality projects.

Since Oxley’s incorporation in March 2010, the Group has launched a portfolio of 49 projects, and completed 36 projects across various countries, demonstrating its comprehensive execution capabilities.

For more information on Oxley, please visit www.oxley.com.sg.

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