



OXLEY HOLDINGS LIMITED
Company Registration Number 201005612G

NEWS RELEASE

OXLEY HOLDINGS 3QFY2016 NET PROFIT GREW BY MORE THAN 3 TIMES TO S\$51.2 MILLION; OUTPACES 33% REVENUE GROWTH TO S\$202.6 MILLION

- ***9MFY2016 net profit grows 199% to S\$132.2 million (which includes a S\$25.7 million gain on disposal of a long-term investment in Japan)***
- ***Locked in S\$3.2 billion of total unbilled contract value based on number of units sold***
- ***S\$2.1 billion unbilled contract value relates to eight development projects which are expected to achieve TOP/completion within next 12 months***
- ***Strong cash generation in the next 12 months expected to significantly reduce gearing ratio***
- ***Strong cash balances for repayment of bonds due in 2016 and 2018***

Singapore, 5 May 2016 – Homegrown property developer with business presence in nine geographical markets, Oxley Holdings Limited (“**Oxley**” and together with its subsidiaries, the “**Group**”), announced today that substantial project revenue recognition from eight projects, a S\$25.7 million gain on disposal of a long-term investment in Japan and rental income from investment properties lifted its performance for the three-month period (“**3QFY2016**”) and nine-month period (“**9MFY2016**”) ended 31 March 2016.

Oxley’s 3QFY2016 revenue rose 33% to S\$202.6 million from S\$152.2 million in the corresponding quarter a year ago (“**3QFY2015**”), while net profit across the same period saw a more than three-fold increase to S\$51.2 million from S\$11.9 million.

The Group also reported a 61% surge in 9MFY2016 revenue to S\$816.2 million from S\$508.0 million a year ago (“**9MFY2015**”) while net profit rose significantly by 199% to S\$132.2 million from S\$44.3 million across the same comparative period.

Oxley's Executive Chairman and CEO, Mr Ching Chiat Kwong, said, "Our latest set of financial results shows that the Group has gained momentum in driving growth, and also demonstrated its ability to moderate the cyclical impact on cash flow associated with the development of properties. Our disciplined approach to capital management allows us to lower our gearing, while also providing us with strong liquidity to capitalise on investment opportunities."

The Group's 9MFY2016 performance was mainly lifted by rental income generated from investment properties and revenue recognised using the percentage of completion method on sold units in eight residential and mixed-residential projects in Singapore namely, *Oxley Edge*, *The Promenade @Pelikat*, *Vibes @Upper Serangoon*, *NEWest*, *Floraville/Floraview/Floravista*, *KAP & KAP Residences*, *The Rise @Oxley-Residences*, and *Devonshire Residences*. Revenue was also recognised using the completion of construction method from an industrial development, *Eco-tech @ Sunview*.

For 9MFY2016, Oxley also reported a S\$25.7 million gain on disposal of long-term investment in Chiba Port Square" in Japan, a S\$7.2 million increase in fair value gains on financial instruments arising from mark-to-market position, as well as a S\$33.0 million rise in the Group's share of profit from joint ventures and associates (of which S\$21.7 million was due to the Group's investment in Galliard).

Fully diluted earnings per share (excluding treasury shares) for 3QFY2016 increased to 1.74 Singapore cents from 0.40 Singapore cent in 3QFY2015, and 4.49 Singapore cents in 9MFY2016 from 1.50 Singapore cents in 9MFY2015.

To thank all shareholders for their support, the Group has declared an interim dividend of 0.40 Singapore cent per ordinary share in respect of 3QFY2016.

Balance Sheet Enables Repayment and Early Redemption of Bonds

As at 31 March 2016, the Group's balance sheet showed strong cash and cash equivalents position of S\$454.1 million. Total unbilled contract value which is not recorded in the balance sheet, amounted to S\$3.2 billion¹, of which S\$2.1 billion relates to eight development projects that are expected to receive temporary occupation permit ("TOP") or be completed in the next 12 months (see *table 1.1 below*).

Project name	Quarter estimated to achieve TOP / completion ² (based on calendar year)
Presto@Upper Serangoon	2Q2016
The Midtown & Midtown Residences	2Q2016
Oxley Edge	3Q2016
NEWest	2Q2016
Oxley Tower	4Q2016
KAP & KAP Residences	4Q2016
The Flow	1Q2017
Royal Wharf – Phase 1A/1B	3Q2016 - 3Q2017 ³

Table 1.1

"We are expecting to receive TOP for at least six local projects by the end of 2016 and undertake the progressive handover of Royal Wharf Phase 1 from August 2016. Part of the cash flow generated from completion of these projects will be applied towards paring down outstanding project-related loans (amounting to S\$810.1 million) and we expect our gearing will be reduced significantly thereafter," added Mr Ching.

Financial Capability

Given the revenue recognition upon completion of the projects in the coming quarters, the Group's cash balances should be boosted gradually. The cash will be

¹ Subject to cancellation of contracts and excluding projects for which contract value had been fully accounted.

² Subject to approval granted by relevant authorities.

³ Some plots are expected to obtain its TOP after the next twelve months.

used for repayment of bonds due in 2016, as well as early redemption and cancellation of the outstanding S\$95.5 million fixed rate notes due in 2018 issued pursuant to Oxley's S\$500,000,000 Multicurrency Medium Term Note Programme, which are callable from July 2016. Oxley intends to redeem these notes in July 2016. Notice to noteholders will be sent out in May 2016. Overall, the Group expects to maintain a robust and liquid balance sheet.

Outlook and Strategies

Singapore

The Group's *Novotel Singapore on Stevens* and *Ibis Singapore on Stevens*, with a combined gross development value of S\$900 million, are on track to commence operations by 2017 and are expected to significantly improve Oxley's source of recurring income.

The high occupancy rate of 90% at Oxley's investment property, *Space@Tampines*, will continue to provide a stable recurring income to the Group.

London

The construction of Phase 1 of the Royal Wharf township development in London, UK, will be completed ahead of schedule. Townhouses and apartments from Phase 1 will be progressively handed over to buyers from August 2016 to mid-2017 and Oxley expects to recognise approximately S\$900 million in receivables upon completion.

Ireland

The Group's Dublin development, comprising four commercial blocks and seven residential blocks, obtained planning approval from the Dublin City Council for the development of the first commercial block in November 2015, and construction for the first commercial block commenced in December 2015. Subject to the receipt of planning approval from the Dublin City Council, construction of all 11 blocks is expected to be completed by 2019.

Cambodia

On 3 May 2016, Oxley broke ground for its second Cambodian project, *The Peak*, and launched the second residential tower comprising 507 units. Tower 1 of *The Peak Residences*, launched towards the end of 2015, is almost 50% sold.

In addition, Oxley is looking to launch *The Bridge's* retail units, which are located on the second and third storeys, in Singapore at the end of May 2016.

Subject to approval from the relevant authorities, Oxley's remaining two development sites in Phnom Penh, one of which will be a mixed-use residential, hotel and retail development and the other a residential development, will be launched at an opportune time.

Malaysia

Oxley Towers Kuala Lumpur City Centre, comprising two hotel towers with service residences, an office tower and a retail podium linking all three towers, is expected to commence construction by the end of 2016. Subject to market conditions, Oxley plans to launch the development in 2016.

Other Markets

Oxley also has plans to launch *Min Residences* in Yangon, Myanmar and the *Oxley Convention City* in Batam, Indonesia in 2016.

“Our strong track record of successful property launches stemming from the unique value propositions of our projects exemplifies our ability to identify and execute the right projects at the right time. Hence, with the impending launch of overseas developments in the coming quarters and barring any unforeseen circumstances, we are cautiously optimistic about the sales performance of these projects and we expect these new sales will help to maintain our current level of unbilled contract value.”

“We also look forward to reap the fruits of our labour as eight projects achieve completion within the next twelve months. Looking ahead, we intend to grow and enhance our portfolio – where cash flow from sales of properties is complemented by high-quality recurring income generated by our investment properties. Our land acquisition strategy continues to be purchasing land at opportune times and at reasonable prices. These will allow us to reap the long-term appreciation potential of our properties,” commented Mr Ching.

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About Oxley Holdings Limited

Oxley Holdings Limited is a homegrown 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 and has a market capitalisation of approximately S\$1.3 billion⁴.

The Group currently has a business presence across nine geographical markets including Singapore, the United Kingdom (the “UK”), Ireland, Cambodia, Malaysia, Indonesia, China, Japan and Myanmar.

Since Oxley’s incorporation in March 2010, the Group has launched a portfolio of 32 projects, and completed 19 projects. It is currently developing a waterfront township development in London, UK and two mixed-use developments in Phnom Penh, Cambodia. Oxley’s developments are typically located in choice areas that are easily accessible. Most of its projects incorporate retail elements, and lifestyle features and facilities.

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

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⁴ As at 28 April 2016.