



ROWSLEY LTD.

(Incorporated in the Republic of Singapore)

(Company Registration No: 199908381D)

(the "Company")

Unaudited Full Year Financial Statement Announcement For The Financial Year Ended 31 December 2015

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

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 STATEMENT OF COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2015

Group

	For the financial year ended		
	31 Dec 2015	31 Dec 2014	Change
	\$'000	\$'000	%
Revenue	83,039	87,232	(5)
Other income	A 19,708	19,278	2
Staff costs	(56,846)	(58,049)	(2)
Operating expenses	B (29,504)	(29,021)	2
Share of profit of associated companies	1,135	1,381	(18)
Fair value changes in purchase consideration payable	2,250	54,000	(96)
Impairment loss on investment in an associate	(5,217)	(7,912)	(34)
Impairment loss on investment in available-for sale financial assets	(2,879)	-	NM
Impairment loss on goodwill	(10,057)	-	NM
Impairment loss on investment properties and development properties	(24,354)	-	NM
(Loss)/profit before interest, tax, depreciation and amortisation (EBITDA)	(22,725)	66,909	NM
Interest income	528	174	203
Finance costs	C (5,277)	-	NM
Depreciation and amortisation	(6,384)	(15,972)	(60)
Results from operating activities	(33,858)	51,111	NM
Tax expense	D (2,409)	(1,667)	45
Total (loss)/profit for the year	(36,267)	49,444	NM
Other comprehensive income			
Items that are or may be reclassified subsequently to profit or loss:			
Exchange differences – translation of foreign operations	(46,612)	(10,124)	360
Net change in fair value of available-for-sale financial assets	(3,281)	(1,519)	116
Net change in fair value of available-for-sale financial assets reclassified to profit or loss	2,879	-	NM
Related tax	-	376	(100)
Other comprehensive income for the year, net of tax	(47,014)	(11,267)	317
Total comprehensive income for the year	(83,281)	38,177	NM
(Loss)/profit attributable to:			
Owners of the Company	(36,145)	49,444	NM
Non-controlling interests	(122)	-	NM
(Loss)/profit for the year	(36,267)	49,444	NM
Total comprehensive income attributable to:			
Owners of the Company	(82,926)	38,177	NM
Non-controlling interests	(355)	-	NM
Total comprehensive income for the year	(83,281)	38,177	NM

NM – Not meaningful

Earnings per share attributable to ordinary shareholders of the Company (cents per share)
Group

	For the financial year ended	
	31 Dec 2015	31 Dec 2014
Basic earnings per share	(0.831)	1.162
Diluted earnings per share	(0.831)	0.796

1 (a) (ii) Notes to the Consolidated Statement of Comprehensive Income

	Group		
	For the financial year ended		Change
	31 Dec 2015	31 Dec 2014	
	\$'000	\$'000	%
(A) Other income			
Gain on sale of available-for-sale financial assets	-	2,340	(100)
Reversal of impairment loss on trade receivables	30	77	(61)
Reversal of impairment loss on amount due from an associate	3,312	-	NM
Management consultancy fee	3,670	2,207	66
Sales of prints	231	174	33
Jobs credit/government grant	563	513	10
Wages reimbursed from customers	9,728	11,077	(12)
Fair value changes in derivative financial instrument	1,265	-	NM
Gain from bargain purchase	814	-	NM
Foreign exchange gain, net	-	2,838	NM
Others	95	52	83
	<u>19,708</u>	<u>19,278</u>	2
(B) Other expenses			
Selling and marketing expenses	(2,173)	(2,099)	4
Directors' fee	(503)	(489)	3
Professional fees	(2,240)	(1,519)	47
Rental	(4,683)	(4,572)	2
Travelling and entertainment expenses	(2,219)	(2,032)	9
Loss on disposal of property, plant and equipment	(441)	(16)	2,656
Foreign exchange loss, net	(732)	-	NM
Repairs and maintenance	(796)	(646)	23
Impairment loss on trade receivables	(197)	(34)	479
Project expenses	(11,722)	(18,721)	(37)
Administrative expenses	(451)	(308)	46
Reversal of allowance for foreseeable losses	1,222	3,658	(67)
Gifts and donations	(285)	(328)	(13)
Advertisement	(208)	(187)	11
Telephone and internet	(241)	(232)	4
Utilities	(164)	(226)	(27)
Printing and stationery	(264)	(288)	(8)
Leasing of office equipment	(147)	(134)	10
Hotel and cafe operating costs	(1,577)	-	NM
Loss on write-off of call option	(497)	-	NM
Others	(1,186)	(848)	40
	<u>(29,504)</u>	<u>(29,021)</u>	2

	Group		
	For the financial year ended		Change
	31 Dec 2015	31 Dec 2014	
	\$'000	\$'000	%
(C) Finance costs			
Interest on bank loans	(53)	-	NM
Interest on Medium Term Notes	(5,224)	-	NM
	<u>(5,277)</u>	<u>-</u>	NM
(D) Tax expense			
<u>Current tax expense</u>			
- Current year	(2,497)	(3,684)	(32)
- Under provision in respect of prior years	(167)	(235)	(29)
	<u>(2,664)</u>	<u>(3,919)</u>	(32)
<u>Deferred tax expense</u>			
- Current year	275	2,252	(88)
- Under provision in respect of prior years	(20)	-	NM
	<u>255</u>	<u>2,252</u>	(89)
	<u>(2,409)</u>	<u>(1,667)</u>	45

NM – Not meaningful

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.

STATEMENT OF FINANCIAL POSITION	Group		Company	
	As at	As at	As at	As at
	31 Dec 15	31 Dec 14	31 Dec 15	31 Dec 14
	\$'000	\$'000	\$'000	\$'000
ASSETS				
Non-current assets				
Property, plant and equipment	95,787	9,242	279	359
Goodwill	108,265	107,092	-	-
Intangible assets	8,852	13,488	-	-
Investment properties	150,916	186,820	-	-
Subsidiaries	-	-	552,329	568,456
Associates	29,079	13,276	-	-
Other investments	2,604	5,885	-	-
Derivatives	5,363	4,595	-	-
Deferred tax assets	549	-	-	-
	<u>401,415</u>	<u>340,398</u>	<u>552,608</u>	<u>568,815</u>
Current assets				
Development properties	143,210	177,280	-	-
Work-in-progress	40,051	26,203	-	-
Inventories	280	-	-	-
Amounts due from subsidiaries – non-trade	-	-	14,261	22,622
Trade and other receivables	35,449	29,398	573	526
Cash and cash equivalents	37,326	36,550	15,885	3,329
	<u>256,316</u>	<u>269,431</u>	<u>30,719</u>	<u>26,477</u>
Total assets	<u>657,731</u>	<u>609,829</u>	<u>583,327</u>	<u>595,292</u>
EQUITY				
Share capital	742,202	717,225	742,202	717,225
Fair value reserve	290	692	-	-
Foreign currency translation reserve	(56,741)	(10,129)	-	-
Accumulated losses	(242,460)	(206,315)	(306,594)	(195,978)
Equity attributable to owners of the Company	<u>443,291</u>	<u>501,473</u>	<u>435,608</u>	<u>521,247</u>
Non-controlling interests	<u>7,647</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total equity	<u>450,938</u>	<u>501,473</u>	<u>435,608</u>	<u>521,247</u>
LIABILITIES				
Non-current liabilities				
Deferred tax liabilities	12,071	2,742	20	20
Purchase consideration payable	-	48,500	-	48,500
Borrowings	120,079	-	99,170	-
	<u>132,150</u>	<u>51,242</u>	<u>99,190</u>	<u>48,520</u>
Current liabilities				
Excess of progress billings over work-in-progress	3,756	5,165	-	-
Trade and other payables	21,804	24,140	3,029	1,275
Current tax payable	2,584	3,559	-	-
Purchase consideration payable	45,500	24,250	45,500	24,250
Borrowings	999	-	-	-
	<u>74,643</u>	<u>57,114</u>	<u>48,529</u>	<u>25,525</u>
Total liabilities	<u>206,793</u>	<u>108,356</u>	<u>147,719</u>	<u>74,045</u>
TOTAL EQUITY AND LIABILITIES	<u>657,731</u>	<u>609,829</u>	<u>583,327</u>	<u>595,292</u>

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

Group

Amount repayable in one year or less, or on demand:

	As at 31 Dec 2015		As at 31 Dec 2014	
	Secured	Unsecured	Secured	Unsecured
	\$'000	\$'000	\$'000	\$'000
Bank loan	999	-	-	-

Amount repayable after one year:

	As at 31 Dec 2015		As at 31 Dec 2014	
	Secured	Unsecured	Secured	Unsecured
	\$'000	\$'000	\$'000	\$'000
Bank loan	20,909	-	-	-
Medium Term Notes	-	99,170	-	-

Medium Term Notes ("MTN")

On 27 March 2015, the Company issued S\$100 million 6.5 per cent fixed rate notes due 2018 ("Notes") under the S\$500 million Multicurrency Medium Term Note Programme that it established on 17 November 2014.

The net proceeds arising from the issue of the Notes (after deducting issue expenses) would be used for general corporate purposes of the Company and its subsidiaries, including, but not limited to, financing investments, acquisitions and expansion, repayment of borrowings, general working capital and capital expenditure requirements of the Company and/or its subsidiaries.

Details of Collateral

The Notes are secured by a charge over an interest service reserve account in which the Company maintains an interest reserve amount equivalent to six months' interest on the Notes. The bank loan is secured by a fixed and floating charge over the assets of the borrowing subsidiary.

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

CONSOLIDATED STATEMENT OF CASH FLOWS

	Group	
	For the financial year ended	
	31 Dec 2015	31 Dec 2014
	\$'000	\$'000
Cash flows from operating activities		
(Loss)/profit for the year	(36,267)	49,444
Adjustments for:		
- Tax expense	2,409	1,667
- Depreciation of property, plant and equipment	1,748	1,766
- Amortisation of intangible assets	4,636	14,206
- Gain on sale of available-for-sale financial assets	-	(2,340)
- Loss on disposal of property, plant and equipment	441	16
- Dividend income	-	(48)
- Interest income	(528)	(174)
- Interest expense	5,277	-
- Share of profit of associated companies	(1,135)	(1,381)
- Impairment loss on trade receivables	197	34
- Reversal of impairment loss on trade receivables	(30)	(77)
- Impairment loss on goodwill	10,057	-
- Impairment loss on available-for-sale financial assets	2,879	-
- Impairment loss on investment in associate	5,217	7,912
- Reversal of impairment loss on amounts due from an associate	(3,312)	-
- Impairment loss on investment properties and development properties	24,354	-
- Fair value changes in purchase consideration payable, net of settlement loss	(2,250)	(54,000)
- Fair value changes in derivatives	(1,265)	-
- Reversal of allowance for foreseeable losses	(1,222)	(3,658)
- Loss on write-off of call option	497	-
- Gain from bargain purchase	(814)	-
- Unrealised foreign exchange loss/(gain)	168	(2,516)
Operating profit before working capital changes	11,057	10,851
Changes in working capital :		
- Inventories	171	-
- Work-in-progress	(12,626)	(2,254)
- Trade and other receivables	(1,244)	(3,983)
- Trade and other payables	(7,445)	6,017
- Progress billings	(1,409)	(1,354)
- Development properties	-	(32)
Cash (used in)/generated from operations	(11,496)	9,245
- Interest received	522	174
- Tax paid	(3,647)	(4,953)
Net cash (used in)/generated from operating activities	(14,621)	4,466
Cash flows from investing activities		
Acquisition of subsidiaries*	(80,738)	-
Additions to property, plant and equipment	(1,645)	(2,485)
Proceeds from disposal of property, plant and equipment	1,685	6
Expenditure on investment properties	-	(34)
Dividend received from an associated company	700	700
Dividends received from quoted equity investments	-	48
Changes in fixed deposits	1,409	(570)
Net cash used in investing activities	(78,589)	(2,335)

	Group	
	For the financial year ended	
	31 Dec 2015	31 Dec 2014
	\$'000	\$'000
Cash flows from financing activities		
Net proceeds from issuance of Notes	98,951	-
Interest paid	(3,330)	-
Repayment of borrowings	(687)	-
Proceeds from issuance of ordinary shares	7	1,303
Restricted cash	(3,267)	-
Net cash generated from financing activities	91,674	1,303
Net (decrease)/increase in cash and cash equivalents	(1,536)	3,434
Cash and cash equivalents at beginning of the year	35,141	31,657
Effect of exchange rate changes on cash held	454	50
Cash and cash equivalents at end of the year	34,059	35,141
Cash and cash equivalents comprise:		
Cash and bank balances	28,735	31,520
Short-term deposits	8,591	5,030
	37,326	36,550
Less: Fixed deposits with maturities of more than 3 months	-	(1,409)
Cash held in interest service reserve account	(3,267)	-
Cash and cash equivalents in the consolidated statement of cash flows	34,059	35,141

*** Notes to Consolidated Statement of Cash Flows**

During the financial year ended 31 December 2015, the Group acquired the entire issued and paid-up share capital of Venture India Pte. Ltd. ("Venture India") through a wholly owned subsidiary, RSP Architects Planners & Engineers (Pte) Ltd ("RSP"), for \$20.59 million. The Purchase Price Allocation ("PPA") of the Venture India acquisition is still pending finalisation. The Group also acquired 75% interest in GG Collections Private Limited, Orchid Leisure Limited and Cafe Football Limited.

The identifiable assets acquired, liabilities assumed and the net cash flows from the acquisitions were as follows:'

	\$'000
Inventory	449
Trade and other receivables	2,051
Cash and cash equivalents	2,183
Property, plant and equipment	91,150
Deferred tax assets	561
Investments in an associated company	20,586
Trade and other payables	(31,365)
Bank borrowings	(23,091)
Deferred tax liabilities	(9,930)
Non-controlling interests	(8,001)
Total identifiable net assets acquired	44,593
Goodwill arising from acquisition	11,476
Bargain purchase on acquisition	(814)
Assumption of shareholders' loans	27,666
Total purchase consideration	82,921
Cash and cash equivalents acquired	(2,183)
Net cash outflows on acquisitions	80,738

- 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 capitalization issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.

STATEMENT OF CHANGES IN EQUITY

Group

	Attributable to owners of the Company						
	Share capital \$'000	Foreign currency translation reserve \$'000	Fair value reserve \$'000	Accumulated losses \$'000	Total \$'000	Non-controlling interests \$'000	Total equity \$'000
At 1 January 2015	717,225	(10,129)	692	(206,315)	501,473	-	501,473
Total comprehensive income for the year							
(Loss)/profit for the year	-	-	-	(36,145)	(36,145)	(122)	(36,267)
<i>Other comprehensive income</i>							
Foreign currency translation differences for foreign operations	-	(46,612)	-	-	(46,612)	(232)	(46,844)
Net change in fair value of available-for-sale financial assets, net of tax	-	-	(3,281)	-	(3,281)	-	(3,281)
Change in fair value of available-for-sale financial assets reclassified to profit or loss	-	-	2,879	-	2,879	-	2,879
Tax on other comprehensive income	-	-	-	-	-	-	-
Total comprehensive income for the year	-	(46,612)	(402)	(36,145)	(83,159)	(354)	(83,513)
Transactions with owners, recorded directly in equity							
Contribution by and distributions to owners							
Issuance of ordinary shares	25,007	-	-	-	25,007	-	25,007
Issue costs	(30)	-	-	-	(30)	-	(30)
Total contribution by and distributions to owners	24,977	-	-	-	24,977	-	24,977
Changes in ownership interests in subsidiaries							
Acquisition of subsidiaries	-	-	-	-	-	8,001	8,001
Total changes in ownership interests in subsidiaries	-	-	-	-	-	8,001	8,001
Total transactions with owners, recorded directly in equity	24,977	-	-	-	24,977	8,001	32,978
At 31 December 2015	742,202	(56,741)	290	(242,460)	443,291	7,647	450,938

Group

	Attributable to owners of the Company				
	Share capital \$'000	Foreign currency translation reserve \$'000	Fair value reserve \$'000	Accumulated losses \$'000	Total equity \$'000
At 1 January 2014	715,922	(5)	1,835	(255,759)	461,993
Total comprehensive income for the year					
Profit for the year	-	-	-	49,444	49,444
<i>Other comprehensive income</i>					
Foreign currency translation differences for foreign operations	-	(10,124)	-	-	(10,124)
Net change in fair value of available-for-sale financial assets, net of tax	-	-	(1,519)	-	(1,519)
Tax on other comprehensive income	-	-	376	-	376
Total comprehensive income for the year	-	(10,124)	(1,143)	49,444	38,177
Transactions with owners, recorded directly in equity					
<i>Contribution by and distributions to owners</i>					
Issuance of ordinary shares	1,303	-	-	-	1,303
Total contribution by and distributions to owners	1,303	-	-	-	1,303
At 31 December 2014	717,225	(10,129)	692	(206,315)	501,473

Company

	Share capital \$'000	Accumulated losses \$'000	Total equity \$'000
At 1 January 2015	717,225	(195,978)	521,247
Total comprehensive income for the year			
Loss for the year	-	(110,616)	(110,616)
Total comprehensive income for the year	-	(110,616)	(110,616)
Transactions with owners, recorded directly in equity			
<i>Contribution by and distributions to owners</i>			
Issuance of ordinary shares	25,007	-	25,007
Issue costs	(30)	-	(30)
Total contribution by and distributions to owners	24,977	-	24,976
At 31 December 2015	742,202	(306,594)	435,608
At 1 January 2014	715,922	(254,573)	461,349
Total comprehensive income for the year			
Loss for the year	-	58,595	58,595
Total comprehensive income for the year	-	58,595	58,595
Transactions with owners, recorded directly in equity			
<i>Contribution by and distributions to owners</i>			
Issuance of ordinary shares	1,303	-	1,303
Total contribution by and distributions to owners	1,303	-	1,303
At 31 December 2014	717,225	(195,978)	521,247

- 1(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issues, 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.**

During the quarter ended 31 December 2015, the Company issued 36,000 ordinary shares upon the exercise of warrants by shareholders. As at 31 December 2015, there were 1,971,328,530 outstanding warrants (31 December 2014: 1,971,364,530).

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

	As at 31 Dec 2015	As at 31 Dec 2014
Number of issued shares	4,383,241,931	4,258,205,931
Number of treasury shares	Nil	Nil

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

There was no sale, transfer, disposal, cancellation and/or use of treasury shares as at the end of the current financial period reported on.

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

The figures have neither 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 applied the same accounting policies and methods of computation in the financial statements for the financial year ended 31 December 2015, as compared with the Group's audited financial statements for the year ended 31 December 2014.

- 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.**

There is no change in the accounting policies and methods of computation adopted.

6. Earnings per ordinary share (“EPS”) of the group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends :-

- (a) Based on the weighted average number of ordinary shares on issue; and
- (b) On a fully diluted basis (detailing any adjustments made to the earnings).

	For the financial year ended	
	31 Dec 2015	31 Dec 2014
EPS based on net profit attributable to shareholders of the Company (cents):		
Basic*	(0.831)	1.162
Diluted**	(0.831)***	0.796
Weighted average number of ordinary shares on issue as at the end of the year	4,346,906,336	4,254,972,613
Weighted average number of ordinary shares on issue after adjusting for effects of dilutive warrants as at the end of the year	6,297,881,542	6,215,254,865

* Based on weighted average number of fully paid shares in issue.

** Based on weighted average number of fully paid shares in issue after adjusting for effects of all dilutive potential ordinary shares.

*** Diluted earnings per share is the same as basic earnings per share as there are no dilutive potential ordinary shares.

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.

	As at	
	31 Dec 2015	31 Dec 2014
Net asset value per ordinary share of		
Group (cents)	10.11	11.78
Company (cents)	9.94	12.24

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.

Review of Statement of Comprehensive Income

1. Revenue for FY2015 was \$83.04 million, as compared to \$87.23 million in FY2014. The decrease in revenue of \$4.19 million was primarily due to a decline in RSP's offset by one-month contribution of \$1.36 million from the hospitality segment, following the Group's acquisition on 24 November 2015.
2. Other income for FY2015 was \$19.71 million, as compared to \$19.28 million for FY2014. In FY2015, there was a fair value gain on derivative financial instrument of \$1.27 million and bargain purchase from the acquisitions of the hospitality businesses in November 2015 of \$0.81 million. In FY2014, there was gain from the receipt of Auhua Clean Energy PLC ("Auhua") shares of \$2.34 million and a net foreign exchange gain of \$2.84 million. Both items did not recur in FY2015.
3. Staff costs, operating expenses and depreciation and amortisation expenses for FY2015 was \$92.73 million as compared to \$103.04 million for FY2014. The decrease of \$10.31 million was mainly due to lower staff costs of \$1.20 million and lower amortisation expenses mainly related to the acquisition of RSP of \$9.59 million.
4. Share of profit from associated companies for FY2015 was \$1.14 million compared to \$1.38 million for FY2014. This was largely due to losses incurred by Streamax International Holding Co., Ltd., offset by profit contribution from Squire Mech and RSP India, which became an associate of RSP through the latter's acquisition of the entire issued and paid-up share capital of Venture India on 5 August 2015.
5. Fair value gains on purchase consideration payable to RSP vendors for FY2015 was \$2.25 million compared to \$54 million for FY2014. Fair value adjustments related to purchase consideration payable are based on closing share price as of balance sheet date and are non-cash in nature.
6. For FY2015, a further impairment loss of \$5.22 million was provided against the investment in Streamax International Holding Co. Ltd ("Streamax"). This was in addition to an impairment loss of \$7.91 million provided in FY2014. The additional impairment was recorded on the basis that the business outlook for Streamax had deteriorated significantly and that it was not of a temporary nature.
7. The impairment loss on available-for-sale financial assets related to impairment of certain quoted equity securities with significant and prolonged decline in their market values.
8. The impairment loss on goodwill related to goodwill that arose out of the RSP acquisition. The Group assessed the appropriate carrying value of the goodwill and provided for the corresponding impairment.
9. The impairment loss on investment properties and development properties related to the Iskandar land. This was based on a fair market valuation in light of the softening market conditions.
10. Finance costs mainly relate to the accrual of interest on the fixed rate notes of \$100 million due 2018 issued on 27 March 2015 under the \$500 million MTN Programme, measured at the effective interest rate.
11. Tax expense increased to \$2.41 million in FY 2015 from \$1.67 million in FY 2014. This was mainly due to decrease in deferred tax credit of \$2.00 million arising from the amortisation of RSP's order backlog, offset by decrease in current year tax expense by \$1.26 million, on lower pretax profit for RSP.
12. Overall, the Group recorded negative EBITDA of \$22.72 million and loss for the year of \$36.27 million for FY 2015. Excluding the asset impairments and the fair value gains on purchase consideration payable to RSP vendors, EBITDA and net profit for the year would be positive at \$17.53 million and \$3.99 million respectively.

13. Loss attributable to non-controlling interests was \$0.12 million arising from minority shareholders' share of Hotel Football's and Cafe Football's one-month results.
14. The Group reported basic loss per share of 0.831 cents for FY 2015 compared to earnings per share of 1.162 cents for FY 2014.

Review of Statement of Financial Position

1. The Group recorded net assets of \$450.94 million as at 31 December 2015 compared with \$501.47 million as at 31 December 2014. The decrease is mainly due to lower values of investment and development properties, lower purchase consideration payable against the RSP earn-out shares, increase in borrowings offset by mainly by increase in property, plant and equipment of \$86.55 million, largely due to from the fair value adjustment of Hotel Football in Manchester, UK which was acquired in November 2015
2. The Group recorded a value of \$150.92 million for investment properties as at 31 December 2015 compared with \$186.82 million as at 31 December 2014. This decrease was mainly due to impairment loss of \$12.50 million provided during the year for the land in Iskandar and further weakening of the Malaysian Ringgit against Singapore Dollar during the year. By the same reason, the value of development properties decreased to \$143.20 million as at 31 December 2015, from \$177.28 million as at 31 December 2014, due to impairment loss provided on the land of \$11.86 million and weakening of the Malaysian Ringgit.
3. Other investments decreased by \$3.28 million, largely due to marked-to-market losses and impairment for the Group's investments in quoted equity securities.
4. Derivatives increased by \$0.77 million due to fair value gain of \$1.27 million on the call options to purchase 30% interest in RSP Architects Sdn Bhd and 99.998% interest in RSP Engineers Sdn Bhd, offset by \$0.5 million of write off on the call option to over a 34.7% shareholding in RSP India, since the RSP India shares were indirectly acquired through the 100% acquisition of Venture India on 5 August 2015.
5. Intangible assets which comprised mainly order backlog of \$2.49 million and management agreement of \$6.36 million, which arose due to acquisition of RSP Architects Planners & Engineers (Pte) Ltd ("RSP"), decreased by \$4.64 million. The order backlog is amortised as and when the projects are completed while the management agreement is amortised on a straight-line basis over the the estimated life of 20 years.
6. Purchase consideration payable (current and non-current), which arose from the acquisition of RSP, is a contingent liability arising from a clause in the sale and purchase agreement ("SPA") that entitles the RSP Vendors to earn up to 375,000,000 ordinary shares of the Company upon RSP meeting certain earn-out targets based on earn-out formula as described in the SPA. On 17 April 2015, 125 million shares were issued to the RSP Vendors for having met the first earn-out target. The balance consideration payable decreased by \$3.00 million due to its re-measurement according to relevant financial reporting standards and based on the share price of the Company as at the balance sheet dates, and settlement of the payable relating to the first earn-out due to the relevant targets being met.
7. On 27 March 2015, the Group issued fixed rate notes of \$100 million under its \$500 million MTN Programme. The borrowings of \$99.08 million represented the net proceeds arising from the issue of the Notes, after deducting unamortised issue expenses. Upon acquisition of the UK hospitality businesses on 24 November 2015, the Group also assumed \$21.3 million of bank financing for Hotel Football in Manchester.
8. As a result, net asset value per share for the Group was 10.11 cents as at 31 December 2015, compared to 11.78 cents as at 31 December 2014.

Review of Statement of Cash Flows

1. Net cash used in operating activities for the year amounted to \$14.62 million, which was mainly due to negative working capital and tax payment.
2. Net cash used in investing activities for the year was \$78.59 million, which was mainly attributable to the acquisition of 100% shares of Venture India, which holds 34.72% shares in RSP India and 75% interests in GG Collections Private Limited, Orchid Leisure Limited, and Cafe Football Limited.
3. Net cash used generated from financing activities for the year was \$91.67 million, which mainly came from proceeds from the issuance of the \$100 million notes issued under the MTN Programme, offset by the payment of half-yearly interest on the notes and repayment of bank loans.
4. Overall, the net decrease in cash and cash equivalents for the year was \$1.54 million.
5. As at 31 December 2015, the Group's cash and cash equivalents amounted to \$37.33 million.

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

Not applicable.

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.

In the recent months, the outlook for the global economy has weakened significantly. The slowdown in China, the plunge in oil prices, volatility in global stock markets have created widespread uncertainty for the short and medium term. Despite the challenging outlook, the Group expects to carry out a series of growth activities over its course of business in the next 12 months.

In its consultancy business anchored by RSP, the Group expects sentiments in RSP's key market of Singapore to remain weak, in particular the private market. To counter this, RSP is positioning itself to capture more public infrastructure contracts as well as winning more projects overseas. On 5 August 2015, the Group acquired 34.72% shares in RSP India, which contributed positively to the Group's earnings in FY2015. FY2016, the full Group will be able to record 12 months of earnings from RSP India. The Group intends to make more acquisitions in relevant disciplines and markets to bolster its overall consultancy capabilities.

In its real estate development business, the Group has been highly active in executing on its plans for the Vantage Bay Healthcare City project. The Group is actively developing the long-term care component of the project and has been in discussions with key investors and operators to participate in the development. The Group will make the necessary announcements when appropriate. The Group also continues to make progress on its St. Michael's mixed development project in Manchester, UK. The project scheme is currently undergoing public consultation and planning approvals. The Group intends to launch the sale of the residential apartments later this year in the UK as well as selected markets in Asia.

In its hospitality business, which the Group has acquired into via Hotel Football, Café Football and GG Collections, the Group will record 12 months of earnings in FY2016 from these operations versus only 1 month in FY2015. Over the next twelve months, the Group expects to open the Stock Exchange hotel in Manchester, which is a 50:50 joint venture with Gary Neville and Ryan Giggs. The Group is looking to grow its hospitality business significantly by acquiring or developing hotels, through management contracts and in particular to grow the Hotel Football brand in Europe as well as in Asia.

11. Dividend

	Year ended	
	31 Dec 2015	31 Dec 2014
(a) Declaration of interim (final) ordinary dividend	None	None
(b) (i) Dividend amount per share (cents)	Not applicable	Not applicable
(b) (ii) Previous corresponding period (cents)	-	-
(c) Whether the dividend is before tax, net of tax or tax exempt. If before tax or net of tax, state the tax rate and the country where the dividend derived.	Not applicable	Not applicable
(d) The date the dividend is paid	Not applicable	Not applicable
(e) Book closure date	Not applicable	Not applicable

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

No dividend has been declared.

13. If the Group has obtained a general mandate from shareholders for IPTs, the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.

There was no reportable IPT as required under Rule 920(1)(a)(ii) and no IPT general mandate has been obtained during the reporting financial period.

14. Update on use of exercise proceeds from Warrants Issue.

As at 31 December 2015, the Exercise Proceeds amounting to S\$1,309,320 have not been utilised. The Company will continue to make periodic announcements on the material disbursement of any proceeds arising from the exercise of the Warrants as and when such proceeds are materially disbursed.

PART II - ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT (This part is not applicable to Q1,Q2 & Q3 or Half Year Results)

15. Segment revenue and results for business or geographical segments (of the group) in the form presented in the issuer's most recently audited annual financial statements, with comparative information for the immediately preceding year

	Property development and investment	Architectural, engineering and town- planning	Hospitality	Investments	Inter- segment eliminations	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
31 December 2015						
Total revenue from external customers	-	82,309	1,359	-	(629)	83,039
Inter-segment revenue	-	-	59	10,000	(10,059)	-
Interest income	17	192	-	405	(86)	528
Depreciation and amortisation	311	1,430	(152)	100	4,695	6,384
Reportable segment (loss)/profit before tax	(81,517)	27,467	802	(121,044)	152,063	(22,229)
Share of profit/(loss) of associates	-	1,193	-	(58)	-	1,135
Tax expense/(credit)	-	2,425	(16)	-	-	2,409
Reportable segment assets	296,390	129,119	93,185	585,962	(564,042)	540,614
Associates	-	29,079	-	-	-	29,079
Capital expenditure*	29	1,588	8	20	-	1,645
Reportable segment liabilities	386,294	32,923	85,709	127,919	(471,552)	161,293
31 December 2014						
Total revenue from external customers	-	87,184	-	48	-	87,232
Inter-segment revenue	-	-	-	10,000	(10,000)	-
Interest income	-	174	-	-	-	174
Depreciation and amortisation	284	1,348	-	75	14,265	15,972
Reportable segment (loss)/profit before tax	(7,153)	29,348	-	(878)	(10,000)	11,317
Share of profit of associates	-	1,265	-	116	-	1,381
Tax expense	-	1,667	-	-	-	1,667
Reportable segment assets	371,003	100,182	-	606,574	(588,510)	489,249
Associates	-	8,001	-	5,275	-	13,276
Capital expenditure*	1,258	1,075	-	186	-	2,519
Reportable segment liabilities	386,707	28,740	-	27,062	(406,903)	35,606

* Comprises property, plant and equipment of \$1,645,000 (31 Dec 2014: \$2,485,000) and expenditure on investment property of nil (31 Dec 2014: \$34,000).

16. In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the business or geographical segments

Lower revenue and reportable segment profit was recorded from architectural, engineering and town-planning segment due to softness in the Singapore market.

Following the acquisitions (Note 1(c)), a new segment, hospitality, was identified, which contributed to one month of profit.

17. A breakdown of sales

	Group Year/period ended		
	31 Dec 2015	31 Dec 2014	Change
	\$'000	\$'000	%
(a) Sales reported for first half year	34,117	43,970	(22)
(b) Operating profit/(loss) after tax before deducting non-controlling interests reported for first half year	3,628	7,920	(54)
(c) Sales reported for second half year	48,922	43,262	13
(d) Operating (loss)/profit after tax before deducting non-controlling interests reported for second half year	(39,895)	41,524	NM

18. A breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous full year.

	Year ended	
	31 Dec 2015	31 Dec 2014
Ordinary	-	-
Preference	Not applicable	Not applicable
Total	-	-

19. Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer pursuant to Rule 704(11) in the format below. If there are no such persons, the issuer must make an appropriate negative statement.

Pursuant to Rule 704(13) of the Listing Manual of the Singapore Exchange Securities Trading Limited, Rowsley Ltd. (the "Company") furnish below a list of person occupying a managerial position in the Company or in any of its subsidiaries who is related to a director or chief executive officer or substantial shareholder of the Company during the financial year ended 31 December 2015.

Name	Age	Family relationship with any director and/or substantial shareholder	Current position and duties, and the year the position was held	Details of changes in duties and position held, if any, during the year
Tan Wee Tuck	46	Nephew of substantial shareholder, Mr Lim Eng Hock	Executive Director and Chief Financial Officer overseeing Treasury, Financial Reporting and Risk Management for Rowsley group since 2013	N.A
Vivien Heng Cheng Sim	59	Spouse of Mr Lai Huen Poh, the Executive Director and Managing Director, RSP of the Company	Director ⁽¹⁾ , Architectural Services, RSP	N.A.

⁽¹⁾ Her designation as a director is for functional purposes and she is not a statutory director of any entities within Rowsley group.

20. Confirmation that the issuer has procured undertakings from all its directors and executive officers (in the format set out in appendix 7.7) under rule 720(1).

The Company confirms that it has procured undertakings from all its directors and executive officers in the format set out in Appendix 7.7 under Rule 720(1) of the Listing Manual.

BY ORDER OF THE BOARD

Tan Wee Tuck
Executive Director and Chief Financial Officer

Ho Kiam Kheong
Executive Director and Managing Director, Real Estate

24 February 2016