



**ROWSLEY LTD.**  
(Incorporated in the Republic of Singapore)  
Company Registration No: 199908381D

**Unaudited First Quarter Financial Statement Announcement For The Financial Period Ended 30 September 2013**

**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 PERIOD ENDED 30 SEPTEMBER 2013**

	<b>Group</b>			<b>Group</b>		
	<b>2<sup>nd</sup> quarter ended 30 September</b>			<b>Half year ended 30 September</b>		
	<b>2013</b>	<b>2012</b>	<b>Change</b>	<b>2013</b>	<b>2012</b>	<b>Change</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>%</b>	<b>\$'000</b>	<b>\$'000</b>	<b>%</b>
Revenue – dividend income	-	-	-	-	-	-
Other income/(losses) - net	A 1,162	31	NM	1,199	(82)	NM
Staff costs	(343)	(318)	8	(656)	(621)	6
Depreciation expenses	(12)	(17)	29	(25)	(37)	(32)
Other expenses	B (3,527)	(230)	NM	(3,682)	(404)	NM
Share of profit/(loss) of an associated company	135	4	NM	(398)	(128)	NM
Losses before income tax	(2,585)	(530)	NM	(3,562)	(1,272)	(78)
Income tax credit	C -	-	-	2	-	NM
<b>Losses attributable to equity holders of the Company</b>	<b>(2,585)</b>	<b>(530)</b>	<b>NM</b>	<b>(3,560)</b>	<b>(1,272)</b>	<b>NM</b>
<b>Other comprehensive income/(loss)</b>						
Available-for-sale financial assets						
- Fair value gain/(loss)	242	479	(49)	(441)	274	NM
- Reclassification	-	-	-	-	(87)	NM
Currency translation differences arising from consolidation	(37)	-	NM	(37)	-	NM
<b>Other comprehensive income/(loss), net of tax</b>	<b>205</b>	<b>479</b>	<b>(57)</b>	<b>(478)</b>	<b>187</b>	<b>NM</b>
<b>Total comprehensive loss for the financial period attributable to equity holders of the Company</b>	<b>(2,380)</b>	<b>(51)</b>	<b>NM</b>	<b>(4,038)</b>	<b>(1,085)</b>	<b>(30)</b>

NM – Not meaningful.

**Loss per share attributable to ordinary shareholders of the Company (cents per share)**

	Group 2 <sup>nd</sup> quarter ended 30 September		Group Half year ended 30 September	
	2013	2012	2013	2012
Basic loss per share	(0.198)	(0.059)	(0.325)	(0.143)
Diluted loss per share	(0.198)	(0.059)	(0.325)	(0.143)

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

	Group 2 <sup>nd</sup> quarter ended 30 September			Group Half year ended 30 September		
	2013	2012	Change	2013	2012	Change
	\$'000	\$'000	%	\$'000	\$'000	%
(A) Other income/(loss) - net						
Interest income	(38)	10	NM	(1)	20	NM
Foreign exchange gain	1,200	21	NM	1,200	21	NM
Loss on disposal of available-for-sale financial assets	-	-	-	-	(123)	NM
	<u>1,162</u>	<u>31</u>	NM	<u>1,199</u>	<u>(82)</u>	NM
(B) Other expenses						
Directors' fee	(44)	(39)	13	(96)	(92)	4
Professional fees	(3,250)	(58)	NM	(3,277)	(104)	NM
Rental	(29)	(26)	12	(55)	(53)	4
Travelling expenses	(7)	(61)	(89)	(12)	(75)	(84)
EGM expenses	(92)	-	NM	(92)	-	NM
Others	(105)	(46)	NM	(150)	(80)	88
	<u>(3,527)</u>	<u>(230)</u>	NM	<u>(3,682)</u>	<u>(404)</u>	NM
(C) Overprovision in respect of previous:						
Current tax	-	-	-	2	-	NM

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 30-Sep-13 \$'000	As at 31-Mar-13 \$'000	As at 30-Sep-13 \$'000	As at 31-Mar-13 \$'000
<b>ASSETS</b>				
<b>Current assets</b>				
Properties under development	180,528	-	-	-
Work-in-progress	9,249	-	-	-
Amounts due from subsidiaries – non-trade	-	-	388,464	18,644
Trade and other receivables	22,696	1,285	187	1,282
Cash and cash equivalents	20,361	15,068	688	15,015
	<u>232,834</u>	<u>16,353</u>	<u>389,339</u>	<u>34,941</u>
<b>Non-current assets</b>				
Property, plant and equipment	5,701	287	269	287
Provisional goodwill	370,891	-	-	-
Investment properties	190,242	-	-	-
Investment in subsidiaries	-	-	422,799	200
Investment in associated companies	17,312	13,394	-	-
Held-to-maturity financial assets	5,191	-	-	-
Available-for-sale financial assets	5,837	6,368	-	-
	<u>595,174</u>	<u>20,049</u>	<u>423,068</u>	<u>487</u>
<b>Total assets</b>	<u>828,008</u>	<u>36,402</u>	<u>812,407</u>	<u>35,428</u>
<b>LIABILITIES</b>				
<b>Current liabilities</b>				
Excess of progress billings over WIP	3,160	-	-	-
Trade and other payables	10,059	163	973	147
Current tax payable	1,842	2	-	2
	<u>15,061</u>	<u>165</u>	<u>973</u>	<u>149</u>
<b>Non-current liabilities</b>				
Deferred tax liabilities	866	618	20	20
Purchase consideration payable	126,750	-	126,750	-
	<u>127,616</u>	<u>618</u>	<u>126,770</u>	<u>20</u>
<b>Total liabilities</b>	<u>142,677</u>	<u>783</u>	<u>127,743</u>	<u>169</u>
<b>NET ASSETS</b>	<u>685,331</u>	<u>35,619</u>	<u>684,664</u>	<u>35,259</u>
<b>EQUITY</b>				
<b>Capital and reserves attributable to equity holders of the Company</b>				
Share capital	715,922	62,172	715,922	62,172
Fair value reserve	2,476	2,917	-	-
Foreign currency translation reserve	(37)	-	-	-
Accumulated losses	(33,030)	(29,470)	(31,258)	(26,913)
<b>Total equity</b>	<u>685,331</u>	<u>35,619</u>	<u>684,664</u>	<u>35,259</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 30 September 2013		As at 31 March 2013	
Secured	Unsecured	Secured	Unsecured
\$'000	\$'000	\$'000	\$'000
-	-	-	-

Amount repayable after one year:

As at 30 September 2013		As at 31 March 2013	
Secured	Unsecured	Secured	Unsecured
\$'000	\$'000	\$'000	\$'000
-	-	-	-

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.

**CONSOLIDATED STATEMENT OF CASH FLOWS**

	<u>Group</u>		<u>Group</u>	
	<u>2<sup>nd</sup> quarter ended 30 September</u>		<u>Half year ended 30 September</u>	
	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>
	<u>\$'000</u>	<u>\$'000</u>	<u>\$'000</u>	<u>\$'000</u>
<b>Cash flows from operating activities</b>				
Loss for the period	(2,585)	(530)	(3,560)	(1,272)
Adjustments for :				
- Income tax credit	-	-	(2)	-
- Depreciation of property, plant and equipment	12	17	25	37
- Loss on disposal of available-for-sale financial assets	-	-	-	123
- Interest income	38	(10)	1	(20)
- Share of (profit)/loss of an associated company	(135)	(4)	398	128
- Unrealised currency translation differences	(1,200)	-	(1,200)	-
<b>Operating loss before working capital changes</b>	<b>(3,870)</b>	<b>(527)</b>	<b>(4,338)</b>	<b>(1,004)</b>
Change in working capital :				
- Trade and other receivables	1,703	(4)	763	(8)
- Trade and other payables	857	1	833	(71)
- Properties under development	(5,519)	-	(5,519)	-
Cash used in operations	(6,829)	(530)	(8,261)	(1,083)
- Interest received	48	10	56	20
<b>Net cash used in operating activities</b>	<b>(6,781)</b>	<b>(520)</b>	<b>(8,205)</b>	<b>(1,063)</b>
<b>Cash flows from investing activities</b>				
Additions to property, plant and equipment	(2)	-	(7)	-
Disposal of available-for-sale financial assets	-	-	-	27
Purchase of available-for-sale financial assets	-	-	-	(2,768)
Acquisition of a subsidiary, net of cash acquired	19,320	-	19,320	-
Expenditure on investment properties	(5,815)	-	(5,815)	-
Dividend received	-	934	-	934
<b>Net cash generated from/(used in) investing activities</b>	<b>13,503</b>	<b>934</b>	<b>13,498</b>	<b>(1,807)</b>
<b>Cash flows from financing activities</b>				
Proceeds from issuance of ordinary shares	-	10,074	-	10,257
<b>Net cash generated from financing activities</b>	<b>-</b>	<b>10,074</b>	<b>-</b>	<b>10,257</b>
<b>Net increase in cash and cash equivalents</b>	<b>6,722</b>	<b>10,488</b>	<b>5,293</b>	<b>7,387</b>
<b>Cash and cash equivalents at beginning of financial period</b>	<b>13,639</b>	<b>6,230</b>	<b>15,068</b>	<b>9,331</b>
<b>Cash and cash equivalents at end of financial period</b>	<b>20,361</b>	<b>16,718</b>	<b>20,361</b>	<b>16,718</b>

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

On 25 September 2013, the Group acquired the entire issued and paid-up share capital of RSP Architects Planners & Engineers (Pte) Ltd and a 9.23-hectare land in Malaysia's Iskandar Development Region ("Acquisitions") for a total of S\$653.75 million, by issuing 3,261,666,666 ordinary shares.

The net assets of the subsidiary company and land acquired and the net cash flows from the Acquisitions were as follows:

	<b>S\$'000</b>
Investment properties	183,690
Properties under development	174,310
Work-in-progress	9,249
Trade and other receivables	22,504
Cash and cash equivalents	19,320
Property, plant and equipment	5,432
Investments in associated companies	4,316
Held-to-maturity financial assets	5,191
Excess of progress billings over WIP	(3,160)
Trade and other payables	(9,062)
Current income tax liabilities	(1,842)
Deferred tax liabilities	(339)
<b>Total net assets of subsidiary company</b>	<b>409,609</b>
Provisional goodwill arising from acquisition	370,891
<b>Total purchase consideration</b>	<b>780,500</b>
Less:	
Issue of shares as consideration	(653,750)
Purchase consideration payable	(126,750)
	-
Cash and cash equivalents acquired	19,320
<b>Net cashflows on acquisition</b>	<b>19,320</b>

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.

## STATEMENT OF CHANGES IN EQUITY

### Group

	Share capital	Fair value reserve	Foreign currency translation reserve	Accumulated losses	Total equity
	\$'000	(a) \$'000	\$'000	\$'000	\$'000
Balance as at 31 March 2013	62,172	2,917	-	(29,470)	35,619
Issue of new shares*	653,750	-	-	-	653,750
Total comprehensive loss for the financial period	-	(441)	(37)	(3,560)	(4,038)
Balance as at 30 September 2013	715,922	2,476	(37)	(33,030)	685,331
Balance as at 31 March 2012	51,915	4,711	-	(23,600)	33,026
Issue of new shares **	10,257	-	-	-	10,257
Total comprehensive loss for the financial period	-	187	-	(1,272)	(1,085)
Balance as at 30 September 2012	62,172	4,898	-	(24,872)	42,198

(a) Fair value reserve is not available for distribution.

### Company

	Share capital	Accumulated losses	Total equity
	\$'000	\$'000	\$'000
Balance as at 31 March 2013	62,172	(26,913)	35,259
Issue of new shares*	653,750	-	653,750
Total comprehensive loss for the financial period	-	(4,345)	(4,345)
Balance as at 30 September 2013	715,922	(31,258)	684,664
Balance as at 31 March 2012	51,915	(24,948)	26,967
Issue of new shares **	10,257	-	10,257
Total comprehensive loss for the financial period	-	(971)	(971)
Balance as at 30 September 2012	62,172	(25,919)	36,253

\* During the financial period, 3,261,666,666 shares were issued as consideration for the acquisition of the entire issued and paid-up share capital of RSP Architects Planners & Engineers (Pte) Ltd, and a vacant land located in the Iskandar Development Region, Johor Bahru, Malaysia.

\*\* During the financial period, 102,570,434 warrants were converted into shares.

- 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.**

Changes in share capital

During the financial period, the Company issued 3,261,666,666 ordinary shares as consideration for the acquisition of the entire issued and paid-up share capital of RSP Architects Planners & Engineers (Pte) Ltd and a 9.23-hectare land in Malaysia's Iskandar Development Region.

	30 September 2013		30 September 2012	
	No. of issued shares	Amount \$'000	No. of issued shares	Amount \$'000
Balance as at 1 April	989,301,265	62,172	886,730,831	51,915
Issue of shares	3,261,666,666	653,750	102,570,434	10,257
Balance as at 30 September	4,250,967,931	715,922	989,301,265	62,172

As at 30 September 2013, there were no outstanding warrants (30 September 2012: nil).

- 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 30 September 2013	As at 31 March 2013
Number of issued shares	4,250,967,931	989,301,265

- 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.**

As at 30 September 2013, the Company did not hold any treasury shares (30 September 2012: Nil).

- 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 current financial period compared with those used for the audited financial statements as at 31 March 2013.



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.**

The adoption of the new and revised FRS and INT FRS is assessed to have no material impact on the results of the Group and Company for the financial period ended 30 September 2013.

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).**

	2 <sup>nd</sup> quarter ended		Half year ended	
	30 September		30 September	
	2013	2012	2013	2012
EPS based on net profit/(loss) attributable to shareholders of the Company (cents):				
Basic*	(0.198)	(0.059)	(0.325)	(0.143)
Diluted**	(0.198)	(0.059)	(0.325)	(0.143)
Weighted average number of ordinary shares on issue as at the end of the period	1,304,946,426	889,891,170	1,096,241,156	888,643,073
Weighted average number of ordinary shares on issue after adjusting for effects of dilutive warrants as at the end of the period	1,304,946,426	889,891,170	1,096,241,156	888,643,073

\* 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.

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	
	30 September 2013	31 March 2013
Net asset value per ordinary share of		
Group (cents)	16.12	3.60
Company (cents)	16.11	3.56

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**

##### **Second quarter ended FY2014 ("2QFY2014") vs Second quarter ended FY2013 ("2QFY2013")**

The Group had not received any dividend income in 2QFY2014 and 2QFY2013.

Other income for 2QFY2014 increased by approximately \$1.13 million, from \$31,000 in 2QFY2013 to \$1.16 million in the quarter under review. The increase was mainly on account of the unrealised foreign exchange gain of \$1.20 million, which arose from the revaluation of foreign currency denominated payables.

Other expenses for 2QFY2014 increased by more than 100% or \$3.30 million as compared to 2QFY2013. The increase was largely attributed to higher professional fees incurred for acquisitions of RSP and the vacant land located in the Iskandar Development Region. Further, EGM expenses incurred in 2QFY2014 in relation to the acquisitions also contributed to the increase in the operating expense.

The Group recorded a share of profit of \$135,000 from the associated company, Streamax International Holding Co., Limited ("Streamax") in 2QFY2014, higher by \$131,000 compared to 2QFY2013. The improvement was largely due improved margins recorded by Streamax.

The Group's loss per share increased from 0.059 cents for 2QFY2013 to 0.198 cents for 2QFY2014.

##### **Half year FY2014 ("1HFY2014") vs Half year FY2013 ("1HFY2013")**

The Group had not received any dividend income in 1HFY2014 and 1HY2013.

The Group recorded a loss attributable to shareholders of \$3.56 million for 1HFY2014, compared to a loss of \$1.27 million for 1HFY2013. The increase in loss was mainly due to higher costs incurred for the acquisitions and EGM expenses, offset by the unrealised foreign exchange gain of \$1.20 million arising from the revaluation of foreign currency denominated payables.

The increase in the loss amount was also attributed to the Group's record of its higher share of loss of \$398,000 from Streamax in 1HFY2014, as opposed to a share of loss of \$128,000 in 1HFY2013, with no change in the Group's shareholdings in Streamax.

The Group's loss per share increased from 0.143 cents for 1HFY2013 to 0.325 cents for 1HFY2014.

## **Review of Statement of Financial Position**

The Group's total assets increased from \$36.40 million as at 31 March 2013 to \$828.00 million as at 30 September 2013. The increase of \$791.61 million was primarily attributable to the provisional goodwill of approximately \$370.89 million arising from the acquisition of RSP and the land cost of \$370.77 million.

Total liabilities of the Group amounted to \$142.68 million as at 30 September 2013, representing an increase of \$141.89 million from the financial year ended 31 March 2013. The increase mainly arose from the purchase consideration payable of \$126.75 million as a result of the acquisition of RSP. Further, the consolidation of RSP's excess of progress billings over work-in-progress, trade and other payables and current tax payables totaling \$14.90 million, following the acquisition of RSP, also contributed to the increase in total liabilities.

The net asset value per share for the Group was 16.12 cents as at 30 September 2013, compared to 3.60 cents as at 31 March 2013.

## **Review of Statement of Cash Flows**

Net cash used in operating activities for 2QFY2014 amounted to \$6.78 million, which was mainly due to expenditure incurred for properties under development.

Net cash provided by investing activities for 2QFY2014 amounted to \$13.50 million, which was mainly attributable to the cash acquired from RSP of \$19.32 million, offset by expenditure incurred for investment properties.

Overall, the net increase in cash and cash equivalents for 2QFY2014 amounted to \$6.72 million.

As at 30 September 2013, the Group's cash and cash equivalents amounted to \$20.36 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.**

The Company had, on 25 September 2013, successfully completed its acquisitions of the entire issued and paid-up share capital of RSP and a piece of vacant land located in Iskandar Development Region in Malaysia.

The land, measuring 92,310 sqm, will be developed into an integrated mixed-use complex known as "Vantage Bay", comprising residential apartments, large lifestyle mall, commercial offices and hotel.

Designed by RSP, Vantage Bay will have an allowable gross floor area of about one million sq metres when completed.

RSP has an established track record for delivering quality projects to clients in the most timely and cost-efficient manner. Therefore, it is in a position to add tremendous value to Vantage Bay by bringing together the design and development components seamlessly in the value chain.

Lastly, RSP was appointed the local architect and civil and structural engineers for Jewel, an iconic development designed by world renowned architect, Moshe Safdie, comprising mixed-used commercial attraction and aviation facilities envisaged to be a world-class lifestyle destination on a 3.5-hectare plot fronting Terminal 1 of Changi International Airport.

**11. Dividend**

	<b>30 September 2013</b>	<b>30 September 2012</b>
(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.**

During the reporting financial period, the Company, through its wholly-owned subsidiary Vantage Bay JB Sdn. Bhd., acquired a vacant land located in the Iskandar Development Region, particulars of which were set out in the Company's Circular dated 20 August 2013. The acquisition constituted an interested person transaction under Chapter 9 of the Listing Manual and was approved by shareholders on 5 September 2013. Save for this acquisition, the Company did not enter into any other interested person transaction and no IPT general mandate has been obtained.

**14. Negative Confirmation pursuant to rule 705(5)**

We, Lai Huen Poh and Ho Kiam Kheong, being two directors of Rowsley Ltd. (the "Company") do hereby confirm on behalf of the directors of the Company that to the best of their knowledge nothing has come to the attention of the board of directors of the Company which may render the financial statements for the second quarter financial period ended 30 September 2013 to be false or misleading in any material aspect.

**BY ORDER OF THE BOARD**

Lai Huen Poh  
Executive Director

Ho Kiam Kheong  
Executive Director

1 November 2013