



ROWSLEY LTD.

(Incorporated in the Republic of Singapore)
(Company Registration No: 199908381D)
(the "Company")

Unaudited Second Quarter Financial Statement Announcement For The Financial Period Ended 30 June 2014

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 JUNE 2014

	Group			Group		
	2 nd quarter ended 30 Jun			Half year ended 30 Jun		
	2014	2013	Change	2014	2013	Change
	\$'000	\$'000	%	\$'000	\$'000	%
Revenue	22,136	-	NM	43,970	-	NM
Other income	A 8,767	-	NM	12,362	137	NM
Staff costs	(14,555)	(313)	NM	(29,175)	(692)	NM
Other expenses	B (7,149)	(155)	NM	(12,456)	(3,387)	NM
Share of profit/(loss) of associated companies	650	(533)	NM	984	(1,760)	NM
Profit/(loss) before interest, tax, depreciation and amortisation (EBITDA)	9,849	(1,001)	NM	15,685	(5,702)	NM
Interest income	30	37	(19)	63	81	(22)
Depreciation and amortisation	(3,570)	(13)	NM	(7,102)	(25)	NM
Total profit/(loss) before tax	6,309	(977)	NM	8,646	(5,646)	NM
Tax (expense)/credit	(218)	2	NM	(726)	2	NM
Total profit/(loss) after tax	6,091	(975)	NM	7,920	(5,644)	NM
Other comprehensive loss						
Items that may be reclassified subsequently to profit or loss:						
Available-for-sale financial assets						
- Fair value loss, net of tax	(147)	(683)	(78)	(788)	(1,684)	(53)
- Transfer to profit or loss on disposal	-	-	-	-	(115)	NM
Foreign currency translation differences - foreign operations	(135)	-	NM	(192)	-	NM
Other comprehensive loss, net of tax	(282)	(683)	(59)	(980)	(1,799)	(45)
Total comprehensive profit/(loss) for the period	5,809	(1,658)	NM	6,940	(7,443)	NM
Profit/(loss) attributable to equity holders of the Company	6,091	(975)	NM	7,920	(5,644)	NM
Total comprehensive income/(loss) attributable to equity holders of the Company	5,809	(1,658)	NM	6,940	(7,443)	NM

NM – Not meaningful

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

	Group		Group	
	2 nd quarter ended 30 Jun		Half year ended 30 Jun	
	2014	2013	2014	2013
Basic earnings/(loss) per share	0.143	(0.099)	0.186	(0.571)
Diluted earnings/(loss) per share	0.098	(0.099)	0.127	(0.571)

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

	Group			Group		
	2 nd quarter ended 30 Jun			Half year ended 30 Jun		
	2014	2013	Change	2014	2013	Change
	\$'000	\$'000	%	\$'000	\$'000	%
(A) Other income						
Gain on disposal of available-for-sale financial assets	2,340	-	NM	2,340	137	NM
Wages reimbursed from customers	2,610	-	NM	5,637	-	NM
Reversal of impairment loss on trade receivables	22	-	NM	73	-	NM
Management consultancy fee	678	-	NM	940	-	NM
Sales of prints	49	-	NM	90	-	NM
Jobs credit scheme grant	57	-	NM	267	-	NM
Foreign exchange gain	2,875	-	NM	2,875	-	NM
Others	136	-	NM	140	-	NM
	<u>8,767</u>	<u>-</u>	<u>NM</u>	<u>12,362</u>	<u>137</u>	<u>NM</u>
(B) Other expenses						
Selling and marketing expenses	(1,037)	-	NM	(1,037)	-	NM
Directors' fee	(115)	(52)	NM	(238)	(96)	NM
Professional fees	(293)	(27)	NM	(793)	(65)	NM
Rental	(1,145)	(26)	NM	(2,280)	(53)	NM
Impairment loss on available-for-sale financial assets	-	-	NM	-	(2,994)	NM
Travelling and entertainment	(446)	(9)	NM	(954)	(33)	NM
Loss on disposal of property, plant and equipment	-	-	-	(21)	-	NM
Repairs and maintenance	(140)	-	NM	(358)	(10)	NM
Foreign exchange loss, net	(111)	-	NM	(144)	(1)	NM
Project expenses	(2,998)	-	NM	(5,234)	-	NM
Administrative expenses	(62)	-	NM	(154)	-	NM
Others	(802)	(41)	NM	(1,243)	(135)	NM
	<u>(7,149)</u>	<u>(155)</u>	<u>NM</u>	<u>(12,456)</u>	<u>(3,387)</u>	<u>NM</u>

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.

STATEMENTS OF FINANCIAL POSITION

	Group		Company	
	As at 30 Jun 14 \$'000	As at 31 Dec 13 \$'000	As at 30 Jun 14 \$'000	As at 31 Dec 13 \$'000
ASSETS				
Non-current assets				
Property, plant and equipment	9,746	8,907	357	269
Goodwill	107,092	107,092	-	-
Intangible assets	21,460	27,694	-	-
Investment properties	192,251	190,739	-	-
Investment in subsidiaries	-	-	190,464	190,464
Investment in associated companies	20,737	20,450	-	-
Other investments	6,531	5,064	-	-
Derivatives	4,595	4,595	-	-
	<u>362,412</u>	<u>364,541</u>	<u>190,821</u>	<u>190,733</u>
Current assets				
Development properties	188,596	181,000	-	-
Work-in-progress	24,656	20,291	-	-
Amounts due from subsidiaries – non-trade	-	-	392,094	388,622
Trade and other receivables	23,325	25,389	206	144
Cash and cash equivalents	31,241	32,496	4,024	9,129
	<u>267,818</u>	<u>259,176</u>	<u>396,324</u>	<u>397,895</u>
Total assets	<u>630,230</u>	<u>623,717</u>	<u>587,145</u>	<u>588,628</u>
EQUITY				
Share capital	717,001	715,922	717,001	715,922
Fair value reserve	1,047	1,835	-	-
Foreign currency translation reserve	(197)	(5)	-	-
Accumulated losses	(247,839)	(255,759)	(257,254)	(254,573)
Total equity	<u>470,012</u>	<u>461,993</u>	<u>459,747</u>	<u>461,349</u>
LIABILITIES				
Non-current liabilities				
Deferred tax liabilities	4,386	5,370	20	20
Purchase consideration payable	126,750	126,750	126,750	126,750
	<u>131,136</u>	<u>132,120</u>	<u>126,770</u>	<u>126,770</u>
Current liabilities				
Excess of progress billings over work-in-progress	3,482	6,519	-	-
Trade and other payables	21,973	18,503	628	509
Current tax payable	3,627	4,582	-	-
	<u>29,082</u>	<u>29,604</u>	<u>628</u>	<u>509</u>
Total liabilities	<u>160,218</u>	<u>161,724</u>	<u>127,398</u>	<u>127,279</u>
TOTAL EQUITY AND LIABILITIES	<u>630,230</u>	<u>623,717</u>	<u>587,145</u>	<u>588,628</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 June 2014		As at 31 December 2013	
Secured	Unsecured	Secured	Unsecured
\$'000	\$'000	\$'000	\$'000
-	-	-	-

Amount repayable after one year:

As at 30 June 2014		As at 31 December 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

	2 nd quarter ended 30 Jun		Half year ended 30 Jun	
	2014 \$'000	2013 \$'000	2014 \$'000	2013 \$'000
Cash flows from operating activities				
Profit/(loss) for the period	6,091	(975)	7,920	(5,644)
Adjustments for :				
- Tax expense/(credit)	218	(2)	726	(2)
- Depreciation of property, plant and equipment	453	13	868	25
- Amortisation of intangible assets	3,117	-	6,234	-
- Gain on disposal of available-for-sale financial assets	(2,340)	-	(2,340)	(137)
- Loss on disposal of property, plant and equipment	-	-	21	-
- Interest income	(30)	(37)	(63)	(81)
- Impairment loss on available-for-sale financial assets	-	-	-	2,994
- Share of (profit)/loss of associated companies	(650)	533	(984)	1,760
- Reversal of impairment loss on trade receivables	(22)	-	(73)	-
- Unrealised foreign exchange (gain)/loss	(2,814)	-	(2,781)	1
Operating profit/(loss) before working capital changes	4,023	(468)	9,528	(1,084)
Changes in working capital :				
- Work-in-progress	(3,046)	-	(4,365)	-
- Trade and other receivables	3,980	(940)	2,148	(2,099)
- Trade and other payables	9,075	(24)	3,481	42
- Progress billings	(180)	-	(3,037)	-
- Development properties	(6,043)	-	(6,205)	-
Cash generated from/(used in) operations	7,809	(1,432)	1,550	(3,141)
- Interest received	30	8	63	27
- Tax paid	(1,291)	-	(2,574)	-
Net cash generated from/(used in) operating activities	6,548	(1,424)	(961)	(3,114)
Cash flows from investing activities				
Additions to property, plant and equipment	(1,566)	(5)	(1,750)	(8)
Proceeds from disposal of available-for-sale financial assets	-	-	-	221
Proceeds from disposal of property, plant and equipment	1	-	1	-
Expenditure on investment properties	(40)	-	(29)	-
Dividend received an associated company	700	-	700	-
Additions to fixed deposits	-	-	(50)	-
Net cash (used in)/generated from investing activities	(905)	(5)	(1,128)	213
Cash flows from financing activities				
Proceeds from issuance of ordinary shares	1,079	-	1,079	-
Net cash generated from financing activities	1,079	-	1,079	-
Net increase/(decrease) in cash and cash equivalents	6,722	(1,429)	(1,010)	(2,901)
Cash and cash equivalents at beginning of the period	23,847	15,068	31,657	16,540
Effect of exchange rate changes on cash held	(201)	-	(279)	-
Cash and cash equivalents at end of the period	30,368	13,639	30,368	13,639
Cash and cash equivalents comprise of:				
Cash and bank balances	27,137	418	27,137	418
Short-term deposits	4,104	13,221	4,104	13,221
	31,241	13,639	31,241	13,639
Less: Fixed deposits with maturities of more than 3 months	(873)	-	(873)	-
Cash and cash equivalents in the consolidated statement of cash flows	30,368	13,639	30,368	13,639

- 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

	Attributable to owners of the Group				Total equity \$'000
	Share capital \$'000	Foreign currency translation reserve \$'000	Fair value reserve \$'000	Accumulated losses \$'000	
At 1 January 2014	715,922	(5)	1,835	(255,759)	461,993
Total comprehensive profit for the period					
Profit for the period	–	–	–	7,920	7,920
<i>Other comprehensive loss</i>					
Foreign currency translation differences for foreign operations	–	(192)	–	–	(192)
Net change in fair value of available-for-sale financial assets, net of tax	–	–	(788)	–	(788)
Total comprehensive profit for the period	–	(192)	(788)	7,920	6,940
Transactions with owners, recorded directly in equity					
Contribution by and distributions to owners					
Issuance of ordinary shares	1,079	–	–	–	1,079
Total contribution by and distributions to owners	1,079	–	–	–	1,079
At 30 June 2014	717,001	(197)	1,047	(247,839)	470,012
At 1 January 2013	62,172	–	4,033	(24,801)	41,404
Total comprehensive loss for the period					
Loss for the period	–	–	–	(5,644)	(5,644)
<i>Other comprehensive loss</i>					
Net change in fair value of available-for-sale financial assets, net of tax	–	–	(1,684)	–	(1,684)
Transfer to profit or loss on disposal	–	–	(115)	–	(115)
Total comprehensive loss for the period	–	–	(1,799)	(5,644)	(7,443)
At 30 June 2013	62,172	–	2,234	(30,445)	33,961

Company

	Share capital \$'000	Accumulated losses \$'000	Total equity \$'000
At 1 January 2014	715,922	(254,573)	461,349
Total comprehensive loss for the period			
Loss for the period	–	(2,681)	(2,681)
Total comprehensive loss for the period	–	(2,681)	(2,681)
Transactions with owners, recorded directly in equity			
Contribution by and distributions to owners			
Issuance of ordinary shares	1,079	–	1,079
Total contribution by and distributions to owners	1,079	–	1,079
At 30 June 2014	717,001	(257,254)	459,747
At 1 January 2013	62,172	(26,334)	35,838
Total comprehensive loss for the period			
Loss for the period	–	(1,016)	(1,016)
Total comprehensive loss for the year	–	(1,016)	(1,016)
At 30 June 2013	62,172	(27,350)	34,822

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 30 June 2014, the Company issued 5,996,000 ordinary shares for \$1.08 million upon the exercise of warrants. As at 30 June 2014, there were 1,972,606,530 outstanding warrants (30 June 2013: 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 Jun 2014	As at 31 Dec 2013
Number of issued shares	4,256,963,931	4,250,967,931
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.

As at 30 June 2014, the Company did not hold any treasury shares (31 December 2013: 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.

Except as explained in Note 5 below, the Group has adopted the same accounting policies and methods of computation in the financial statements for the period ended 30 June 2014, as compared with the Group's audited financial statements for the period ended 31 December 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.

FRS 110 Consolidated Financial Statements came into effect on 1 January 2014. This accounting standard did not have a material impact on the financial statements of the Group.

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).

	2nd quarter ended		Half year ended	
	30 Jun		30 Jun	
	2014	2013	2014	2013
EPS based on net profit/(loss) attributable to shareholders of the Company (cents):				
Basic*	0.143	(0.099)	0.186	(0.571)
Diluted**	0.098	(0.099)	0.127	(0.571)
Weighted average number of ordinary shares on issue as at the end of the period	4,252,956,513	989,301,265	4,251,967,716	989,301,265
Weighted average number of ordinary shares on issue after adjusting for effects of dilutive warrants as at the end of the period	6,216,893,087	989,301,265	6,217,080,338	989,301,265

* 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 Jun 2014	31 Dec 2013
Net asset value per ordinary share of		
Group (cents)	11.04	10.87
Company (cents)	10.80	10.85

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 30 June 2014 ("2QFY2014") vs Second quarter ended 30 June 2013 ("2QFY2013")

1. The Group reported a revenue of \$22.14 million in 2QFY2014, as compared to nil in 2QFY2013. The increase in revenue was primarily due to contribution from RSP Architects Planners & Engineers (Pte) Ltd and its subsidiaries ("RSP"), following the completion of the acquisition on 25 September 2013.
2. Other income for 2QFY2014 amounted to \$8.77 million, as compared to nil for 2QFY2013. This amount comprised mainly the following (i) \$2.61 million of reimbursement of wage costs from RSP customers, (ii) a one-time gain of \$2.34 million from the receipt of 3,086,400 shares in Auhua Clean Energy PLC being settlement of a convertible loan to Riezen Pte. Ltd. and (iii) \$2.88 million of unrealized foreign exchange gain from the revaluation of payables.
3. Correspondingly, the Group recorded total expenses of \$25.27 million for 2QFY2014, as compared to \$0.48 million for 2QFY2013. This increase was mainly due to the inclusion of RSP's operating expenses as well as higher operating expenses due to the enlarged group.
4. As part of total expenses, the Group also recorded a non-cash amortization expense of \$3.12 million, related to the fair value adjustment of RSP's assets and liabilities arising from the RSP acquisition.
5. Share of profit from associated companies for 2QFY2014 rose to \$0.65 million from a loss of \$0.53 million for 2QFY2013. This increase was due to improvement in the financial results of the associated company from the investment portfolio, as well as contribution from RSP's associated company.
6. The Group's tax expense was \$0.22 million for 2QFY2014, which included a deferred tax credit of \$0.46 million related to the fair value adjustment of RSP's assets and liabilities.
7. As a result, the Group recorded a positive EBITDA of \$9.86 million and profit attributable to shareholders of \$6.09 million for 2QFY2014. These results represent a significant turnaround versus 2QFY2013.

8. The Group reported basic earnings per share of 0.143 cents for 2QFY2014 compared to a loss per share of 0.099 cents for 2QFY2013.

Half year ended 30 June 2014 (“1HFY2014”) vs Half year ended 30 June 2013 (“1HFY2013”)

1. The Group reported a revenue of \$43.97 million in 1HFY2014, as compared to nil in 1HFY2013. The increase in revenue was primarily due to contribution from RSP Architects Planners & Engineers (Pte) Ltd and its subsidiaries (“RSP”), following the completion of the acquisition on 25 September 2013.
2. Other income for 1HFY2014 amounted to \$12.36 million, as compared to \$0.14 million for 1HFY2013. This amount is mainly comprised of the following (i) \$5.64 million of reimbursement of wage costs from RSP’s customers (ii) a one-time gain of \$2.34 million from the receipt of 3,086,400 shares in Auhua Clean Energy PLC, being settlement of a convertible loan to Riezen Pte. Ltd. and (iii) \$2.88 million of unrealized foreign exchange gain from the revaluation of payables.
3. Correspondingly, the Group recorded total expenses of \$48.73 million for 1HFY2014, as compared to \$4.10 million for 1HFY2013. This increase was mainly due to the inclusion of RSP’s operating expenses, higher operating expenses due to the enlarged group but offset by impairment loss of \$2.99 million on available-for-sale financial asset recognized in 1HFY2013.
4. As part of total expense, the Group also recorded a non-cash amortization expense of \$6.23 million, related to the fair value adjustment of RSP’s assets and liabilities arising from the RSP acquisition.
5. Share of profit from associated companies for 1HFY2014 rose to \$0.98 million from a loss of \$1.76 million for 1HFY2013. This increase was due to improvement in the financial results of the associated company from the investment portfolio, as well as contribution from RSP’s associated company.
6. The Group’s tax expense amounted to \$0.73 million for 1HFY2014, which included a deferred tax credit of \$0.92 million related to the fair value adjustment of RSP’s assets and liabilities.
7. As a result, the Group recorded a positive EBITDA of \$15.69 million and profit attributable to shareholders of \$7.92 million for 1HFY2014. These results represent a significant turnaround versus 1HFY2013.
8. The Group reported basic earnings per share of 0.186 cents for 1HFY2014 compared to a loss per share of 0.571 cents for 1HFY2013.

Review of Statement of Financial Position

1. The Group recorded a net asset of \$470.01 million for the period ended 30 June 2014 compared with \$461.99 million for the period ended 31 December 2013. The increase was mainly due to higher value of investment properties, development properties, other investments, work-in-progress, lower excess of progress billings over work-in-progress and and offset by lower value of intangible assets and higher trade and other payables.
2. The Group recorded a value of \$192.25 million for investment properties for the period ended 30 June 2014 compared with \$190.74 million. This increase was mainly due to foreign exchange fluctuation. Similarly, the value of development properties increased to \$188.60 from \$181 million over the same period, due to fluctuation of foreign exchange as well as capitalization of expenses for the development of the Iskandar land.
3. Other investments increased by \$1.47 million or 29%. This was due to the receipt of shares in Auhua Clean Energy PLC being settlement of a convertible loan that was extended to Reizen Pte. Ltd. but offset by marked-to-market losses for the Group’s investments in quoted equity securities.

4. Intangible assets which comprises mainly order backlog of \$14.56 million and management agreement of \$6.90 million which arose due to acquisition of RSP, decreased \$6.23 million or 22.5% . The order backlog is amortized as and when the projects are completed while the management agreement is amortized on a straight-line basis over the the estimated life of 20 years.
5. Changes in other current assets and liabilities balances e.g. Work-in-progress, Trade and other receivables, Excess of work-in-progress over billings (representing billings receivable) and Trade and other payables, reflects normal course of business.
6. As a result, net asset value per share for the Group was 11.04 cents as at 30 June 2014, compared to 10.87 cents as at 31 December 2013.

Review of Statement of Cash Flows

Net cash generated by operating activities for 2QFY2014 amounted to \$6.55 million, mainly due to operating profit and positive working capital changes, offset by tax payments.

Net cash used in investing activities for 2QFY14 of \$0.91 million was mainly attributable to property, plant and equipment purchases of \$1.57 million offset by dividend received from an associated company of \$0.70 million.

Net cash generated from financing activity for 2QFY2014 amounted to \$1.08 million, which was due to proceeds received from the exercise of the Company's warrants.

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

As at 30 June 2014, the Group's cash and cash equivalents amounted to \$30.37 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.

Vantage Bay is an integrated mixed-use prime waterfront development in Johor's Iskandar Flagship A across the Singapore Causeway. The Group has been preparing for the launch of its first residential project - SKIES on this land. The Group has successfully secured the necessary regulatory approvals for the project and is in the process of obtaining the Advertising Permit and Developer's License to allow it to sell the apartments and file the subsequent Sales & Purchase Agreements. SKIES has received exemption from the RM1 million minimum price for property purchases by foreigners (foreign buyers of SKIES are still subject to a RM 500,000 minimum purchase price). SKIES has also obtained approval for its foreign buyer quota to be increased from 30% to 92%. These changes will make SKIES more accessible to a wider range of buyers.

In recent months, the strong potential of Iskandar has heightened the interest of foreign developers to further invest in Iskandar. Such investments have resulted in concerns over whether these developments would lead to an oversupply of housing in Iskandar and the investment case for current and potential buyers of Johor real estate.

The Group's assessment is that regardless of the housing supply situation, but more so in any competitive market, the key considerations for buyers would be the location, value for price, sustainability, reliability, quality and other value-propositions offered by the developers.

Therefore, despite the competition, the Group believes that it has a superior product with strong value propositions and is confident that the market will receive the project favourably when launched. The Group is upbeat about the fundamentals of Iskandar and sees the entry of other foreign developers as an endorsement of the potential of Iskandar. The Group is actively monitoring the market developments to determine the best time to launch its project so as to maximize shareholder value.

In Singapore, the last set of property cooling measures introduced by the Government continues to be in place and has slowed down the housing market. There have been growing calls for the cooling measures to be relaxed.

Singapore residential projects currently contribute to only 10% of RSP's total revenues as RSP has a well-diversified pipeline of consultancy projects. RSP has been actively procuring new projects outside Singapore and has a healthy order book of projects. New projects awarded to RSP recently include projects in China, Malaysia, Vietnam, Myanmar, Africa and Dubai.

The Group is also actively looking at high value projects around the region and will make the necessary announcements when appropriate.

11. Dividend

	30 Jun 2014	30 Jun 2013
(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 obtained during the reporting financial period.

14. Negative Confirmation pursuant to rule 705(5)

We, Lock Wai Han and Tan Wee Tuck, 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 financial period ended 30 June 2014 to be false or misleading in any material aspect.

BY ORDER OF THE BOARD

Lock Wai Han
Executive Director, Group CEO

Tan Wee Tuck
Executive Director, Group CFO

6 August 2014