



## 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 2017

#### 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 2017

Group

		For financial year ended		
		31 Dec 2017	31 Dec 2016	Change
		\$'000	\$'000	%
Revenue		93,881	103,135	(9)
Other income	A	10,227	11,855	(14)
Staff costs		(72,227)	(69,250)	4
Other expenses	B	(49,326)	(40,685)	21
Foreign exchange loss, net		(142)	(1,843)	(92)
Share of profit of associated companies		2,252	789	185
Fair value changes in purchase consideration payable		8,511	8,532	(0)
Gain on remeasurement of previously held equity interest in an associate which became a subsidiary		-	4,338	NM
Impairment loss on property, plant and equipment		-	(30,444)	NM
Impairment loss on goodwill on subsidiaries		(34,343)	(42,445)	(19)
Impairment loss on investment in available-for sale financial assets		(143)	(636)	(78)
<b>Loss before interest, tax, depreciation and amortisation (EBITDA)</b>		<b>(41,310)</b>	<b>(56,654)</b>	<b>(27)</b>
Interest income		155	306	(49)
Finance costs	C	(7,452)	(7,559)	(1)
Depreciation and amortisation		(8,873)	(13,024)	(32)
<b>Results from operating activities</b>		<b>(57,480)</b>	<b>(76,931)</b>	<b>(25)</b>
Tax (expense)/credit	D	(493)	7,108	NM
<b>Loss for the year</b>		<b>(57,973)</b>	<b>(69,823)</b>	<b>(17)</b>
<b>Other comprehensive income</b>				
<b>Items that are or may be reclassified subsequently to profit or loss:</b>				
Foreign currency translation differences - foreign operations		6,777	(16,548)	NM
Net change in fair value of available-for-sale financial assets		(101)	(563)	(82)
Net change in fair value of available-for-sale financial assets reclassified to profit or loss		143	636	(78)
<b>Other comprehensive income for the year, net of tax</b>		<b>6,819</b>	<b>(16,475)</b>	<b>NM</b>
<b>Total comprehensive income for the year</b>		<b>(51,154)</b>	<b>(86,298)</b>	<b>(41)</b>
<b>Loss attributable to:</b>				
Equity holders of the Company		(56,155)	(63,298)	(11)
Non-controlling interests		(1,818)	(6,525)	(72)
<b>Loss for the year</b>		<b>(57,973)</b>	<b>(69,823)</b>	<b>(17)</b>
<b>Total comprehensive income attributable to:</b>				
Equity holders of the Company		(49,862)	(78,643)	(37)
Non-controlling interests		(1,292)	(7,655)	(83)
<b>Total comprehensive income for the year</b>		<b>(51,154)</b>	<b>(86,298)</b>	<b>(41)</b>

NM – Not meaningful

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

	Group	
	For financial year ended	
	31 Dec 2017	31 Dec 2016
Basic earnings per share	(1.193)	(1.379)
Diluted earnings per share	(1.193)	(1.379)

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

	Group		
	For financial year ended		
	31 Dec 2017	31 Dec 2016	Change
	\$'000	\$'000	%
(A) Other income			
Management consultancy fee	1,057	1,145	(8)
Sales of prints	288	220	31
Jobs credit/government grant	622	749	(17)
Wages reimbursed from customers	7,755	9,130	(15)
Gain on disposal of available-for-sale financial assets	-	32	NM
Gain on liquidation of subsidiary	397	-	100
Others	108	579	(81)
	<u>10,227</u>	<u>11,885</u>	<u>(14)</u>
(B) Other expenses			
Selling and marketing expenses	(641)	(3,472)	(82)
Directors' fee	(340)	(346)	(2)
Professional fees	(5,018)	(2,986)	68
Reversal of impairment loss on trade and other receivables	150	347	(57)
Rental	(6,216)	(5,913)	5
Travelling and entertainment expenses	(2,665)	(2,317)	15
Gain on disposal of property, plant and equipment	13	(61)	(121)
Property, plant and equipment written off	(1,399)	-	100
Repairs and maintenance	(2,332)	(1,855)	26
Impairment loss on trade and other receivables	(2,295)	(679)	238
Project expenses	(16,756)	(15,312)	9
Administrative expenses	(408)	(275)	48
Reversal of allowance for foreseeable losses	436	1,180	(63)
Gifts and donations	(24)	(380)	(94)
Advertisement	(184)	(174)	6
Telephone and internet	(314)	(304)	3
Utilities	(674)	(336)	101
Printing and stationery	(433)	(446)	(3)
Leasing of office equipment	(160)	(154)	4
Hotel and café operating costs	(7,415)	(4,651)	59
Others	(2,651)	(2,551)	6
	<u>(49,326)</u>	<u>(40,685)</u>	<u>21</u>

NM – Not meaningful

		<b>Group</b>		
		<b>For financial year ended</b>		
		<b>31 Dec 2017</b>	<b>31 Dec 2016</b>	<b>Change</b>
		<b>\$'000</b>	<b>\$'000</b>	<b>%</b>
(C)	Finance costs			
	Interest on bank loans	(571)	(685)	(17)
	Interest expense on Medium Term Notes	(6,881)	(6,874)	0
		<u>(7,452)</u>	<u>(7,559)</u>	(1)
(D)	Tax expense			
	Current tax expense	(815)	(1,092)	(25)
	Current deferred tax credit	659	8,194	(92)
	(Under)/Over provision in respect of prior years	(337)	6	NM
		<u>(493)</u>	<u>7,108</u>	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.**

**STATEMENTS OF FINANCIAL POSITION**

	Group		Company	
	As at	As at	As at	As at
	31 Dec 17	31 Dec 16	31 Dec 17	31 Dec 16
	\$'000	\$'000	\$'000	\$'000
<b>ASSETS</b>				
<b>Non-current assets</b>				
Property, plant and equipment	66,359	56,173	123	161
Goodwill	49,911	78,873	-	-
Intangible assets	9,145	4,443	-	-
Investment property	151,612	148,444	-	-
Subsidiaries	-	-	463,781	507,416
Associates	27,321	26,866	-	-
Other investments	1,940	2,041	-	-
Deferred tax assets	532	548	-	-
	<u>306,820</u>	<u>317,388</u>	<u>463,904</u>	<u>507,577</u>
<b>Current assets</b>				
Development property	143,152	140,163	-	-
Work-in-progress	32,422	35,863	-	-
Inventories	234	302	-	-
Amounts due from subsidiaries – non-trade	-	-	2,732	9,627
Trade and other receivables	35,638	37,149	1,811	380
Cash and cash equivalents	23,268	37,580	5,881	6,644
	<u>234,714</u>	<u>251,057</u>	<u>10,424</u>	<u>16,651</u>
<b>Total assets</b>	<b><u>541,534</u></b>	<b><u>568,445</u></b>	<b><u>474,328</u></b>	<b><u>524,228</u></b>
<b>EQUITY</b>				
Share capital	788,267	782,967	788,267	782,967
Fair value reserve	405	363	-	-
Foreign currency translation reserve	(65,908)	(72,159)	-	-
Accumulated losses	(362,066)	(305,911)	(419,572)	(360,848)
<b>Equity attributable to owners of the Company</b>	<b><u>360,698</u></b>	<b><u>405,260</u></b>	<b><u>368,695</u></b>	<b><u>422,119</u></b>
<b>Non-controlling interests</b>	<b>828</b>	<b>2,140</b>	<b>-</b>	<b>-</b>
<b>Total equity</b>	<b><u>361,526</u></b>	<b><u>407,400</u></b>	<b><u>368,695</u></b>	<b><u>422,119</u></b>
<b>LIABILITIES</b>				
<b>Non-current liabilities</b>				
Deferred tax liabilities	4,372	3,171	20	20
Borrowings	21,175	116,100	-	99,526
Purchase consideration payable	12,842	11,513	-	-
	<u>38,389</u>	<u>130,784</u>	<u>20</u>	<u>99,546</u>
<b>Current liabilities</b>				
Excess of progress billings over work-in-progress	5,616	3,714	-	-
Trade and other payables	34,324	24,846	5,707	2,563
Current tax payables	789	706	-	-
Purchase consideration payable	800	-	-	-
Borrowings	100,090	995	99,906	-
	<u>141,619</u>	<u>30,261</u>	<u>105,613</u>	<u>2,563</u>
<b>Total liabilities</b>	<b><u>180,008</u></b>	<b><u>161,045</u></b>	<b><u>105,633</u></b>	<b><u>102,109</u></b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b><u>541,534</u></b>	<b><u>568,445</u></b>	<b><u>474,328</u></b>	<b><u>524,228</u></b>

**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 2017		As at 31 Dec 2016	
	Secured	Unsecured	Secured	Unsecured
	\$'000	\$'000	\$'000	\$'000
Bank loan	184	-	995	-
Medium Term Notes	-	99,906	-	-

Amount repayable after one year:

	As at 31 Dec 2017		As at 31 Dec 2016	
	Secured	Unsecured	Secured	Unsecured
	\$'000	\$'000	\$'000	\$'000
Bank loan	21,175	-	16,574	-
Medium Term Notes	-	-	-	99,526

**Medium Term Notes ("MTN")**

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

The net proceeds arising from the issuance 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. Another bank loan is secured by the shares of the borrowing subsidiary held by the borrowing subsidiary's holding company.

**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**

	<b>Group</b>	
	<b>For the financial year ended</b>	
	<b>31 Dec 2017</b>	<b>31 Dec 2016</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Cash flows from operating activities</b>		
Loss for the year	(57,973)	(69,823)
Adjustments for:		
- Tax expense/(credit)	493	(7,108)
- Depreciation of property, plant and equipment	3,941	4,694
- Amortisation of intangible assets	4,932	8,330
- Gain on disposal of available-for-sale financial assets	-	(32)
- Property, plant and equipment written off	1,399	-
- (Gain)/Loss on disposal of property, plant and equipment	(13)	61
- Interest income	(155)	(306)
- Finance costs	7,452	7,559
- Share of profit of associates companies, net of tax	(2,252)	(789)
- Gain on on remeasurement of previously held equity interest in an associate which became a subsidiary	-	(4,338)
- Fair value changes in purchase consideration payable	(8,511)	(8,532)
- Impairment loss on trade and other receivables	2,295	971
- Reversal of impairment loss on trade and other receivables	(150)	(347)
- Impairment loss on goodwill on subsidiaries	34,343	42,445
- Impairment loss on available-for-sale financial assets	143	636
- Impairment loss on property, plant and equipment	-	30,444
- Reversal of allowance for foreseeable losses	(436)	(1,180)
- Unrealised foreign exchange loss	(72)	1,665
<b>Operating (loss)/profit before working capital changes</b>	<b>(14,564)</b>	<b>4,350</b>
Changes in working capital:		
- Inventories	68	(65)
- Work-in-progress	3,877	6,571
- Trade and other receivables	1,302	2,522
- Trade and other payables	8,561	(2,789)
- Progress billings	1,902	(42)
Cash generated from operations	1,146	10,547
- Interest received	155	307
- Tax paid	(1,029)	(3,220)
<b>Net cash generated from operating activities</b>	<b>272</b>	<b>7,634</b>
<b>Cash flows from investing activities</b>		
Net cash inflows on acquisition of subsidiaries	877	3,290
Additions to property, plant and equipment	(14,155)	(2,434)
Proceeds from disposal of property, plant and equipment	13	248
Net proceeds from disposal of available-for-sale financial assets	-	32
Expenditure on investment property	(3)	(739)
Investment in associate	(70)	-
Dividends received	2,873	1,746
Changes in fixed deposits	1,290	(1,384)
<b>Net cash (used in)/generated from investing activities</b>	<b>(9,175)</b>	<b>759</b>

	<b>Group</b>	
	<b>For the financial year ended</b>	
	<b>31 Dec 2017</b>	<b>31 Dec 2016</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Cash flows from financing activities</b>		
Expenditure from issuance of ordinary shares	(60)	-
Interest paid	(7,452)	(7,203)
Proceeds from borrowings	3,707	-
Repayments from borrowings	-	(994)
<b>Net cash used in financing activities</b>	<b>(3,805)</b>	<b>(8,197)</b>
<b>Net (decrease)/increase in cash and cash equivalents</b>	<b>(12,708)</b>	<b>196</b>
Cash and cash equivalents at beginning of the year	32,929	34,059
Effect exchange rate fluctuations on cash held	(314)	(1,326)
<b>Cash and cash equivalents at end of the year</b>	<b>19,907</b>	<b>32,929</b>
<b>Cash and cash equivalents comprise:</b>		
Cash at bank and in hand	17,373	30,527
Short-term deposits	5,895	7,053
	<b>23,268</b>	<b>37,580</b>
Less: Fixed deposits with maturities of more than 3 months	-	(1,336)
Restricted cash	(3,361)	(3,315)
<b>Cash and cash equivalents in the consolidated statement of cash flows</b>	<b>19,907</b>	<b>32,929</b>

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

During the financial year ended 31 December 2017, the Group completed the following acquisitions:

- (i) Acquisition of the entire issued and paid-up share capital of AC Consortium Pte Ltd (“AC Consortium”) on 30 June 2017. The aggregate consideration for the acquisition was up to \$8,000,000, to be satisfied by way of allotment and issue of new shares of the Company.

An initial consideration of \$4,400,000 amounting to 60,773,480 shares based on a weighted average share price of \$0.0724 per share were allotted and issued to AC Consortium vendors.

- (ii) Acquisition of the entire issued and paid-up share capital of Ariva Pte Ltd (“Ariva”) on 28 February 2017. The aggregate consideration for the acquisition was up to \$10,600,000, to be satisfied by way of cash and the allotment and issue of new shares of the Company, at an issue price of \$0.15 per consideration share.

An initial consideration of 8,000,000 shares amounting to \$960,000, based on the closing share price of \$0.12 per share on the acquisition date, were allotted and issued to Ariva vendors together with cash payment of \$1,000,000.

((i) and (ii) collectively known as the “Acquisitions”.)

For the above Acquisitions, the balance of the consideration shall be paid and/or allotted subject to the terms and conditions set out in the sale and purchase agreement, which includes the achievement of certain targets.

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

	<b>AC Consortium \$'000</b>	<b>Ariva \$'000</b>	<b>Total \$'000</b>
Property, plant and equipment	4	2	6
Intangible assets	-	9,634	9,634
Cash and cash equivalents	1,712	165	1,877
Investment in associates	-	1,011	1,011
Trade and other receivables	1,115	534	1,649
Trade and other payables	(149)	(669)	(818)
Current tax payables	(4)	-	(4)
Deferred tax liabilities	-	(1,697)	(1,697)
Non-controlling interests	-	20	20
<b>Total net assets of subsidiary company</b>	<b>2,678</b>	<b>9,000</b>	<b>11,678</b>
Provisional goodwill arising from acquisition	5,322	-	5,322
<b>Total purchase consideration</b>	<b>8,000</b>	<b>9,000</b>	<b>17,000</b>
Initial consideration:			
- Issue of shares	4,400	960	5,360
- Cash paid	-	1,000	1,000
Purchase consideration payable	3,600	7,040	10,640
	<b>8,000</b>	<b>9,000</b>	<b>17,000</b>
<b>Net cash outflows from the acquisition</b>			
Cash and cash equivalents acquired	1,712	165	1,877
Purchase consideration paid	-	(1,000)	(1,000)
<b>Net cashflows on acquisition</b>	<b>1,712</b>	<b>(835)</b>	<b>877</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

	Attributable to owners of the Company						Total equity \$'000
	Share capital \$'000	Foreign currency translation reserve \$'000	Fair value reserve \$'000	Accumulated losses \$'000	Total \$'000	Non-controlling interests \$'000	
<b>At 1 January 2017</b>	782,967	(72,159)	363	(305,911)	405,260	2,140	407,400
<b>Total comprehensive income for the year</b>							
Loss for the year	-	-	-	(56,155)	(56,155)	(1,818)	(57,973)
<i>Other comprehensive income</i>							
Foreign currency translation differences for foreign operations	-	6,251	-	-	6,251	526	6,777
Change in fair value of available-for-sale financial assets reclassified to profit or loss		-	143	-	143	-	143
Net change in fair value of available-for-sale financial assets	-	-	(101)	-	(101)	-	(101)
<b>Total comprehensive income for the year</b>	-	6,251	42	(56,155)	(49,862)	(1,292)	(51,154)
<b>Transactions with owners, recorded directly in equity</b>							
<b><i>Contribution by and distributions to owners</i></b>							
Issuance of ordinary shares	5,360	-	-	-	5,360	-	5,360
Issue costs	(60)	-	-	-	(60)	-	(60)
<b>Total contribution by and distribution to owners</b>	5,300	-	-	-	5,300	-	5,300
<b>Changes in ownership interests in subsidiaries</b>							
Acquisition of subsidiaries with non-controlling interests	-	-	-	-	-	(20)	(20)
<b>Total changes in ownership interests in subsidiaries</b>	-	-	-	-	-	(20)	(20)
<b>Total transactions with owners</b>	5,300	-	-	-	5,300	(20)	5,280
<b>At 31 December 2017</b>	788,267	(65,908)	405	(362,066)	360,698	828	361,526

## STATEMENT OF CHANGES IN EQUITY

### Group

	Attributable to owners of the Company						Total equity \$'000
	Share capital \$'000	Foreign currency translation reserve \$'000	Fair value reserve \$'000	Accumulated losses \$'000	Total \$'000	Non-controlling interests \$'000	
<b>At 1 January 2016</b>	742,202	(56,741)	290	(242,613)	443,138	7,647	450,785
<b>Total comprehensive income for the year</b>							
Loss for the year	-	-	-	(63,298)	(63,298)	(6,525)	(69,823)
<i>Other comprehensive income</i>							
Foreign currency translation differences for foreign operations	-	(15,418)	-	-	(15,418)	(1,130)	(16,548)
Change in fair value of available-for-sale financial assets reclassified to profit or loss	-	-	(563)	-	(563)	-	(563)
Net change in fair value of available-for-sale financial assets	-	-	636	-	636	-	636
<b>Total comprehensive income for the year</b>	-	(15,418)	73	(63,298)	(78,643)	(7,655)	(86,298)
<b>Transactions with owners, recorded directly in equity</b>							
<b><i>Contribution by and distributions to owners</i></b>							
Issuance of ordinary shares	40,795	-	-	-	40,795	-	40,795
Issue costs	(30)	-	-	-	(30)	-	(30)
<b>Total contribution by and distribution to owners</b>	40,765	-	-	-	40,765	-	40,765
<b>Changes in ownership interests in subsidiaries</b>							
Acquisition of subsidiaries with non-controlling interests	-	-	-	-	-	2,148	2,148
<b>Total changes in ownership interests in subsidiaries</b>	-	-	-	-	-	2,148	2,148
	40,765	-	-	-	40,765	2,148	42,913
<b>At 31 December 2016</b>	782,967	(72,159)	363	(305,911)	405,260	2,140	407,400

## STATEMENT OF CHANGES IN EQUITY

### Company

	Share capital \$'000	Accumulated losses \$'000	Total equity \$'000
<b>At 1 January 2017</b>	782,967	(360,848)	422,119
<b>Total comprehensive income for the year</b>			
Loss for the year	-	(58,724)	(58,724)
<b>Total comprehensive income for the year</b>	-	(58,724)	(58,724)
<b>Transactions with owners, recorded directly in equity</b>			
<i>Contribution by and distributions to owners</i>			
Issuance of ordinary shares	5,360	-	5,360
Issue costs	(60)	-	(60)
<b>Total contribution by and distributions to owners</b>	5,300	-	5,300
<b>At 31 December 2017</b>	<u>788,267</u>	<u>(419,572)</u>	<u>368,695</u>
<b>At 1 January 2016</b>	742,202	(306,720)	435,482
<b>Total comprehensive income for the year</b>			
Loss for the year	-	(54,128)	(54,128)
<b>Total comprehensive income for the year</b>	-	(54,128)	(54,128)
<b>Transactions with owners, recorded directly in equity</b>			
<i>Contribution by and distributions to owners</i>			
Issuance of ordinary shares	40,795	-	40,795
Issue costs	(30)	-	(30)
<b>Total contribution by and distributions to owners</b>	40,765	-	40,765
<b>At 31 December 2016</b>	<u>782,967</u>	<u>(360,848)</u>	<u>422,119</u>

**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.**

There was no change in the Company's share capital since 30 June 2017.

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

	As at 31 Dec 2017	As at 31 Dec 2016
Number of issued shares	4,738,417,411	4,669,643,931
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 year reported on.**

There was no sale, transfer, disposal, cancellation and/or use of treasury shares as at the end of the current financial year 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 year ended 31 December 2017, as compared with the Group's audited financial statements for the year ended 31 December 2016.

**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 year 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 2017	31 Dec 2016
EPS based on net profit attributable to shareholders of the Company (cents):		
Basic*	(1.193)*	(1.379)*
Diluted**	(1.193)*	(1.379)*
Weighted average number of ordinary shares on issue as at the end of the year	4,707,175,695	4,591,466,461
Weighted average number of ordinary shares on issue after adjusting for effects of dilutive warrants as at the end of the period	4,707,175,695	4,591,466,461

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

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

\*\*\* The diluted earnings per share is the same as the basic earnings per share as there were 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 2017	31 Dec 2016
Net asset value per ordinary share of		
Group (cents)	7.61	8.68
Company (cents)	7.78	9.04

**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**

- The Group reported a revenue of \$93.88 million for FY2017, as compared to \$103.13 million in FY2016. The decrease of \$9.25 million or 9% was mainly due to RSP revenue in Singapore which fell \$20.27 million as a result of significant slow down in private sector building development. This was offset by growth in RSP overseas revenue and full year contribution of \$7.44 million from Squire Mech Pte Ltd ("Squire Mech"), which became a wholly owned subsidiary of the Group in August 2016 and \$2.62 million from AC Consortium Pte Ltd ("AC Consortium") which was acquired in June 2017.
- Other income declined by \$1.63 million or 14%, from \$11.86 million in FY2016 to \$10.23 million in FY2017, due to largely decline in wages reimbursed from customers which is in line with lower RSP revenue.
- Staff costs were \$72.23 million for FY2017, an increase of \$2.98 million or 4% from FY2016. AC Consortium added \$1.80 million and Ariva Pte Ltd ("Ariva") added \$0.73 million to the staff costs, which were acquired in FY2017.
- Operating expenses amounted to \$49.33 million for FY2017, an increase of \$8.64 million or 21%. The increase was mainly due to new operating expenses from Squire Mech and AC Consortium of \$1.8 million, as well as, one-off professional and project expenses of \$6.58 million arising from healthcare assets acquisition.
- The net foreign exchange loss of \$0.14 million, a decrease of \$1.70 million or 92% from FY2016. The Group recorded a net foreign exchange loss of \$1.84 million in FY2016 as a result of the Brexit referendum which impacted on our holdings of Sterling Pound which depreciated against the Singapore dollar.
- Share of profit from associated companies increased to \$2.25 million for FY2017, an increase of \$1.46 million or 185% as a result of improved financial performance from RSP India and RSP Malaysia. There was also a share of losses of \$0.9 million from Squire Mech as an associate company in FY2016, prior to it being a wholly-owned subsidiary in August 2016.
- The fair value gain in purchase consideration payable for FY2017 mainly arose from reversal of earn-out consideration payable to vendors of Squire Mech after determination that the earn-out targets is unlikely to be met in full. The gain was partially offset by fair value loss arising from re-measurement of earn-out consideration payable due to higher closing share price at year end. In FY2016, the amount was related to gain realised on final earn-out consideration paid to RSP vendors as the issuance price was lower than the closing share price which the liability was measured at the last balance sheet date.

8. The gain on equity interest in FY2016 was related to fair value gain on the Group's existing 35% shareholding in Squire Mech. The \$4.34 million gain represented the difference between the carrying amount of the cost of investment in the associate and the enterprise value of Squire Mech, at the date of acquisition in FY2016.
9. The Group recorded a mark-to-market loss of \$0.14 million of its holding of quoted equity securities in the current financial year.
10. In FY2017, the Group provided a total of \$34.34 million for impairment losses on goodwill, of which, \$20.00 million and \$9.64 million were related to RSP and Squire Mech due to the weak results in 2017. \$4.71 million goodwill impairment related to acquisition of GG Collections Pte Ltd was taken due to delays in projects expected to be managed by GG Collections Pte Ltd. Accordingly, the effect of impairment loss on goodwill relating to Squire Mech would be offset by a gain on reversal of earn-out reserves as described in paragraph 7.
11. The decrease in depreciation and amortisation of \$13.02 million to \$8.87 million in FY2017, was due to full amortisation of management contracts in FY2016 and lower charges as a result of accounting adjustments for Hotel Football.
12. Overall, the Group recorded negative EBITDA of \$41.31 million and a loss for the year of \$57.97 million.

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

1. The Group recorded net assets of \$361.53 million as at 31 December 2017 compared with \$407.40 million as at 31 December 2016, before excluding minority interests. The decrease was mainly due to a) goodwill impairment charges on RSP and GG Collections Pte Ltd, b) decrease in receivables as a result of increased collections, c) increase in payables and deferred tax liabilities arising from acquisitions during the year and d) total borrowings arising from construction of the Stock Exchange hotel.
2. The Group recorded property, plant and equipment of \$66.36 million as at 31 December 2017 compared with \$56.17 million as at 31 December 2016. The increase was due to construction-in-progress of Stock Exchange Hotel in UK and additions of \$3.16 million for the new office premises of RSP.
3. The decrease in goodwill from \$78.87 million as at 31 December 2016 to \$49.91 million as at 31 December 2017 was mainly due to impairment charges for goodwill arising from the acquisitions of RSP, Squire Mech and the GG Collections Pte Ltd totalling \$34.34 million, partially offset by the provisional of goodwill of \$5.32 million arising from acquisition of AC Consortium.
4. The increase in the intangible assets arose mainly from acquisition of Ariva.
5. The decrease in trade and other receivables from \$37.15 million as at 31 December 2016 to \$35.64 million as at 31 December 2017 was due to increased collections by RSP and Squire Mech.
6. The Group recorded a lower debit balance of foreign currency translation reserve balance of \$65.91 million as at 31 December 2017, compared to \$72.16 million as at 31 December 2016. The decrease was largely due to translation effects of the Group's UK subsidiaries. The Sterling Pound has appreciated against Singapore Dollar in FY2017 as compared to FY2016.
7. The increase in deferred tax liabilities of \$1.20 million was due to attributed to acquisition of Ariva during the financial year.
8. The purchase consideration payable of \$13.64 million was related to the earn-out consideration payable to vendors of Squire Mech, AC Consortium and Ariva.
9. Trade and other payables increased to \$34.32 million, an increase of \$9.48 million. This was primarily due to inclusion of liabilities of Ariva and AC Consortium, following the Group's acquisitions in February and June 2017 respectively.
10. Total borrowings increased by \$4.17 million or 4% in FY2017 as compared to FY2016. The increase was mainly due to partial proceeds of bank loan to facilitate the construction works for Stock Exchange hotel in Manchester.

11. The Company's share capital increased by \$5.30 million due to issuance of initial consideration shares of 68.77 million to vendors of AC Consortium and Ariva.
12. Due to the foregoing, net asset value per share for the Group decreased to 7.61 cents as at 31 December 2017, from 8.68 cents as at 31 December 2016.

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

1. Net cash generated from operating activities for FY2017 amounted to \$0.27 million, which was mainly due to positive working capital, partially offset by tax payment.
2. Net cash used in investing activities for FY2017 was \$9.18 million, which was mainly attributable to additions of property, plant and equipment of \$14.16 million, offset by additional fixed deposits of \$1.29 million, cash inflows of \$ 0.88 million on acquisition of AC Consortium and Ariva, and receipt of dividend income of \$2.87 million from RSP India.
3. Net cash used in financing activities for FY2017 was mainly due to payment of interest of \$7.45 million, offset by proceeds from borrowings of \$3.71 million.
4. Overall, the net decrease in cash and cash equivalents for FY2017 was \$12.71 million.
5. As at 31 December 2017, the Group's cash and cash equivalents amounted to \$23.27 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 has made an announcement on 18 December 2017 that it had entered into a definitive agreement with Mr Lim Eng Hock, the controlling shareholder of Rowsley, to acquire his 100% stake in Thomson Medical Pte Ltd and 70.36% stake in TMC Life Sciences Berhad ("Proposed Acquisition"). The Company also intends to change its name from "Rowsley Ltd." to "Thomson Medical Group Limited" upon completion of the Proposed Acquisition and will seek shareholders' approval for the same.

Existing shareholders will also be offered two bonus warrants for each existing share with an exercise price of S\$0.09 ("Bonus Warrant"). For every Bonus Warrant exercised, an additional warrant ("Piggyback Warrant") can be exercised on the basis of one Piggyback Warrant for every one Bonus Warrant. Each Piggyback Warrant has an exercise price of S\$0.12 per share. The Bonus Warrants and Piggyback Warrants are exercisable from the date of issue of the Bonus Warrants, up to the market day immediately preceding the first and fourth anniversary of the issuance of the Bonus Warrants respectively.

The Company has also announced on 23 February 2018 that approval in-principle has been granted by the Singapore Exchange Securities Trading Limited ("SGX-ST") to the Company for the Proposed Acquisition and the admission, listing and quotation of the consideration Shares, the warrants and the new shares on the SGX-ST, subject to fulfilment of certain conditions as set out.

On 28 February 2018, the Company announced the dispatch of the shareholders' circular containing further details of the Proposed Acquisition and enclosing the notice of the extraordinary general meeting of the Company to be held on 23 March 2018 for approval of the Proposed Acquisition, change of name of the Company, and issuance of Bonus and Piggyback Warrants.

**11. Dividend**

	Year ended	
	31 Dec 2017	31 Dec 2016
(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 2017, all exercise proceeds had been utilized for working capital.



**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
<b>31 December 2017</b>						
Total revenue from external customers	106	76,379	17,396	-	-	93,881
Inter-segment revenue	-	-	474	15,000	(15,474)	-
Interest income	6	90	-	280	(221)	155
Depreciation and amortisation	379	2,537	5,353	49	555	8,873
Reportable segment profit/(loss) before tax	7,502	(3,176)	(6,429)	(58,890)	34,277	(26,716)
Share of profit of associates	-	2,215	37	-	-	2,252
Tax (credit)/expense	-	(738)	151	-	94	(493)
Reportable segment assets	297,352	110,018	94,824	451,507	(471,223)	482,478
Associates	-	26,208	1,113	-	-	27,321
Capital expenditure*	6	3,858	10,281	13	-	14,158
Reportable segment liabilities	392,421	34,979	96,060	106,756	(463,850)	166,366
<b>31 December 2016</b>						
Total revenue from external customers	33	86,839	16,263	-	-	103,135
Inter-segment revenue	-	-	545	10,000	(10,545)	-
Interest income	10	225	-	282	(211)	306
Depreciation and amortisation	294	2,730	2,717	94	7,189	13,024
Reportable segment (loss)/profit before tax	(12,824)	9,026	(22,726)	(1,648)	(6,516)	(34,688)
Share of profit of associates	-	789	-	-	-	789
Tax expense/(credit)	-	396	(6,260)	-	(1,244)	(7,108)
Reportable segment assets	291,573	143,525	58,996	536,173	(545,138)	485,129
Associates	-	26,866	-	-	-	26,866
Capital expenditure*	1,529	1,043	414	187	-	3,173
Reportable segment liabilities	391,940	29,412	76,625	102,314	(450,759)	149,532

\* Comprises property, plant and equipment of \$14,155,000 (31 Dec 2016: \$2,434,000) and expenditure on investment property of \$3,000 (31 Dec 2016: \$739,000).

**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**

Higher revenue and improved segment earnings was recorded for Hospitality segment due acquisition of Ariva (Note 1(c)). Lower revenue and reportable segment profit was recorded from architectural, engineering and town-planning segment due to softness in the Singapore market, offset by the acquisition of AC Consortium (Note 1(c)).

**17. A breakdown of sales**

	Group Year ended		
	31 Dec 2017	31 Dec 2016	Change
	\$'000	\$'000	%
(a) Sales reported for first half year	45,078	42,805	5
(b) Operating profit/(loss) after tax before deducting non-controlling interests reported for first half year	(686)	(974)	(30)
(c) Sales reported for second half year	48,803	60,330	(19)
(d) Operating (loss)/profit after tax before deducting non-controlling interests reported for second half year	(57,287)	(68,849)	(17)

**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 2017	31 Dec 2016
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 2017.

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	49	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  Appointed as Chief Executive Officer since September 2017	N.A
Vivien Heng Cheng Sim	61	Spouse of Mr Lai Huen Poh, the Executive Director and Senior Managing Director, RSP of the Company	Director <sup>(1)</sup> , Architectural Services, RSP	N.A.

<sup>(1)</sup> 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 Executive Officer

Lai Huen Poh  
Executive Director and Senior Managing Director

1 March 2018