



## ROWSLEY LTD.

(Incorporated in the Republic of Singapore)

(Company Registration No: 199908381D)

(the "Company")

### Unaudited First Quarter Financial Statement Announcement For The Financial Period Ended 31 March 2016

#### 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 31 MARCH 2016

Group

	First quarter ended		
	31 Mar 2016	31 Mar 2015	Change
	\$'000	\$'000	%
Revenue	20,489	16,344	25
Other income	A 3,137	3,530	(11)
Staff costs	(15,696)	(15,046)	4
Operating expenses	B (8,566)	(4,776)	79
Foreign exchange (loss)/gain, net	(1,149)	42	NM
Share of profit of associated companies	568	50	1,036
Fair value changes in purchase consideration payable	9,000	4,125	118
<b>Profit before interest, tax, depreciation and amortisation (EBITDA)</b>	<b>7,783</b>	<b>4,269</b>	<b>82</b>
Interest income	106	56	89
Finance costs	C (1,895)	(74)	2,461
Depreciation and amortisation	(1,561)	(1,123)	39
<b>Results from operating activities</b>	<b>4,433</b>	<b>3,128</b>	<b>42</b>
Tax credit/(expense)	D 98	(16)	NM
<b>Profit for the period</b>	<b>4,531</b>	<b>3,112</b>	<b>46</b>
<b>Other comprehensive income</b>			
<b>Items that are or may be reclassified subsequently to profit or loss:</b>			
Foreign currency translation differences for foreign operations	7,897	(6,284)	NM
Net change in fair value of available-for-sale financial assets	(251)	(1,725)	(85)
<b>Other comprehensive income for the period, net of tax</b>	<b>7,646</b>	<b>(8,009)</b>	<b>NM</b>
<b>Total comprehensive income for the period</b>	<b>12,177</b>	<b>(4,897)</b>	<b>NM</b>
<b>Profit/(loss) attributable to:</b>			
Equity holders of the Company	4,765	3,112	53
Non-controlling interests	(234)	-	NM
<b>Profit for the period</b>	<b>4,531</b>	<b>3,112</b>	<b>46</b>
<b>Total comprehensive income attributable to:</b>			
Equity holders of the Company	13,214	(4,897)	NM
Non-controlling interests	(1,037)	-	NM
<b>Total comprehensive income for the period</b>	<b>12,177</b>	<b>(4,897)</b>	<b>NM</b>

NM – Not meaningful

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

	First quarter ended	
	31 Mar 2016	31 Mar 2015
Basic earnings per share	0.108	0.070
Diluted earnings per share	0.108	0.050

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

	Group		
	First quarter ended		Change %
	31 Mar 2016 \$'000	31 Mar 2015 \$'000	
(A) Other income			
Management consultancy fee	178	368	(52)
Sales of prints	44	22	100
Jobs credit/government grant	277	310	(11)
Wages reimbursed from customers	2,590	2,805	(8)
Gain on disposal of available-for-sale financial assets	32	-	NM
Others	16	25	(36)
	<u>3,137</u>	<u>3,530</u>	(11)
(B) Other expenses			
Selling and marketing expenses	(877)	(495)	77
Directors' fee	(102)	(124)	(18)
Professional fees	(519)	(254)	104
Rental	(1,306)	(1,151)	13
Travelling and entertainment expenses	(637)	(602)	6
Loss on disposal of property, plant and equipment	(33)	-	NM
Repairs and maintenance	(474)	(214)	120
Project expenses	(2,918)	(1,712)	70
Administrative expenses	(77)	(113)	(32)
Reversal of allowance for foreseeable losses	271	280	(3)
Gifts and donations	(62)	(5)	1,140
Advertisement	(19)	(28)	(32)
Telephone and internet	(76)	(59)	(29)
Utilities	(74)	(42)	76
Printing and stationery	(83)	(57)	46
Leasing of office equipment	(37)	(34)	9
Hotel and cafe operating costs	(1,074)	-	NM
Others	(469)	(166)	183
	<u>(8,566)</u>	<u>(4,776)</u>	79

	<b>Group</b>		
	<b>First quarter ended</b>		<b>Change</b>
	<b>31 Mar 2016</b>	<b>31 Mar 2015</b>	
	<b>\$'000</b>	<b>\$'000</b>	<b>%</b>
(C) Finance costs			
Interest on bank loans	(188)	-	NM
Interest on Medium Term Notes	(1,707)	(74)	2,207
	<u>(1,895)</u>	<u>(74)</u>	2,461
(D) Tax expense			
Current tax expense	(345)	(91)	279
Current deferred tax credit	443	75	491
	<u>98</u>	<u>(16)</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.**

STATEMENT OF FINANCIAL POSITION	Group		Company	
	As at	As at	As at	As at
	31 Mar 16	31 Dec 15	31 Mar 16	31 Dec 15
	\$'000	\$'000	\$'000	\$'000
<b>ASSETS</b>				
<b>Non-current assets</b>				
Property, plant and equipment	88,018	95,787	273	279
Goodwill	107,401	108,265	-	-
Intangible assets	8,653	8,852	-	-
Investment property	157,797	150,916	-	-
Subsidiaries	-	-	549,785	552,329
Associates	33,867	34,014	-	-
Other investments	2,353	2,604	-	-
Deferred tax assets	507	549	-	-
	<u>398,596</u>	<u>400,987</u>	<u>550,058</u>	<u>552,608</u>
<b>Current assets</b>				
Development property	149,741	143,210	-	-
Work-in-progress	41,029	40,051	-	-
Inventories	268	280	-	-
Amounts due from subsidiaries – non-trade	-	-	10,374	14,348
Trade and other receivables	24,529	35,449	553	573
Cash and cash equivalents	34,087	37,326	12,834	15,885
	<u>249,654</u>	<u>256,316</u>	<u>23,761</u>	<u>30,719</u>
<b>Total assets</b>	<b><u>648,250</u></b>	<b><u>657,303</u></b>	<b><u>573,819</u></b>	<b><u>583,327</u></b>
<b>EQUITY</b>				
Share capital	778,672	742,202	778,672	742,202
Fair value reserve	39	290	-	-
Foreign currency translation reserve	(48,041)	(56,741)	-	-
Accumulated losses	(237,848)	(242,613)	(304,981)	(306,720)
<b>Equity attributable to owners of the Company</b>	<b>492,822</b>	<b>443,138</b>	<b>473,691</b>	<b>435,482</b>
<b>Non-controlling interests</b>	<b>6,610</b>	<b>7,647</b>	<b>-</b>	<b>-</b>
<b>Total equity</b>	<b><u>499,432</u></b>	<b><u>450,785</u></b>	<b><u>473,691</u></b>	<b><u>435,482</u></b>
<b>LIABILITIES</b>				
<b>Non-current liabilities</b>				
Deferred tax liabilities	10,820	12,071	20	20
Borrowings	118,559	120,079	99,256	99,170
	<u>129,379</u>	<u>132,150</u>	<u>99,276</u>	<u>99,190</u>
<b>Current liabilities</b>				
Excess of progress billings over work-in-progress	3,090	3,756	-	-
Trade and other payables	13,401	21,529	852	3,155
Current tax payable	2,297	2,584	-	-
Purchase consideration payable	-	45,500	-	45,500
Borrowings	651	999	-	-
	<u>19,439</u>	<u>74,368</u>	<u>852</u>	<u>48,655</u>
<b>Total liabilities</b>	<b>148,818</b>	<b>206,518</b>	<b>100,128</b>	<b>147,845</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b><u>648,250</u></b>	<b><u>657,303</u></b>	<b><u>573,819</u></b>	<b><u>583,327</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 Mar 2016		As at 31 Dec 2015	
	Secured	Unsecured	Secured	Unsecured
	\$'000	\$'000	\$'000	\$'000
Bank loan	651	-	999	-

Amount repayable after one year:

	As at 31 Mar 2016		As at 31 Dec 2015	
	Secured	Unsecured	Secured	Unsecured
	\$'000	\$'000	\$'000	\$'000
Bank loan	19,303	-	20,909	-
Medium Term Notes	-	99,256	-	99,170

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

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

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

**CONSOLIDATED STATEMENT OF CASH FLOWS**

	<b>Group</b>	
	<b>First quarter ended</b>	
	<b>31 Mar 2016</b>	<b>31 Mar 2015</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Cash flows from operating activities</b>		
Profit for the period	4,531	3,112
Adjustments for:		
- Tax (credit)/expense	(98)	16
- Depreciation of property, plant and equipment	1,362	459
- Amortisation of intangible assets	199	664
- Gain on sale of available-for-sale financial assets	(32)	-
- Loss on disposal of property, plant and equipment	33	-
- Interest income	(106)	(56)
- Interest expense	1,895	74
- Share of profit of associated companies	(568)	(50)
- Fair value changes in purchase consideration payable	(9,000)	(4,125)
- Reversal of allowance for foreseeable losses	(271)	-
- Unrealised foreign exchange loss	896	359
<b>Operating (loss)/profit before working capital changes</b>	<b>(1,159)</b>	<b>173</b>
Changes in working capital :		
- Inventories	12	-
- Work-in-progress	(707)	(3,474)
- Trade and other receivables	10,760	5,631
- Trade and other payables	(6,481)	(6,401)
- Progress billings	(666)	284
- Development properties	-	(18)
Cash generated from/(used in) operations	1,759	(3,525)
- Interest received	94	56
- Tax paid	(631)	(983)
<b>Net cash generated from/(used in) operating activities</b>	<b>1,222</b>	<b>(4,452)</b>
<b>Cash flows from investing activities</b>		
Additions to property, plant and equipment	(567)	(411)
Proceeds from disposal of property, plant and equipment	132	2
Net proceeds from disposal of available-for-sale financial assets	32	-
Expenditure on investment properties	-	(19)
Dividend received from an associate	687	-
Movement in fixed deposits	(2,152)	524
<b>Net cash (used in)/generated from investing activities</b>	<b>(1,868)</b>	<b>96</b>
<b>Cash flows from financing activities</b>		
Expenditure from issuance and listing of ordinary shares	(30)	-
Net proceeds from issuance of Notes	-	98,951
Interest paid	(3,429)	-
Repayment of borrowings	(271)	-
Restricted cash	-	(3,250)
<b>Net cash (used in)/generated from financing activities</b>	<b>(3,730)</b>	<b>95,701</b>

	<b>Group</b>	
	<b>First quarter ended</b>	
	<b>31 Mar 2016</b>	<b>31 Mar 2015</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Net (decrease)/increase in cash and cash equivalents</b>	<b>(4,376)</b>	<b>91,345</b>
Cash and cash equivalents at beginning of the period	34,059	35,141
Effect of exchange rate changes on cash held	(1,015)	65
<b>Cash and cash equivalents at end of the period</b>	<b>28,668</b>	<b>126,551</b>
<b>Cash and cash equivalents comprise:</b>		
Cash and bank balances	28,041	126,471
Short-term deposits	6,046	4,232
	<b>34,087</b>	<b>130,703</b>
Less: Fixed deposits with maturities of more than 3 months	(2,152)	(902)
Cash held in interest service reserve account	(3,267)	(3,250)
<b>Cash and cash equivalents in the consolidated statement of cash flows</b>	<b>28,668</b>	<b>126,551</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 capitalization issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.

## STATEMENT OF CHANGES IN EQUITY

### Group

	Attributable to owners of the Company				Total \$'000	Non- controlling interests \$'000	Total equity \$'000
	Share capital \$'000	Foreign currency translation reserve \$'000	Fair value reserve \$'000	Accumulated losses \$'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 period</b>							
Profit for the period	-	-	-	4,765	4,765	(234)	4,531
<i>Other comprehensive income</i>							
Foreign currency translation differences for foreign operations	-	8,700	-	-	8,700	(803)	7,897
Net change in fair value of available-for-sale financial assets	-	-	(251)	-	(251)	-	(251)
<b>Total comprehensive income for the period</b>	-	8,700	(251)	4,765	13,214	(1,037)	12,177
<b>Transactions with owners, recorded directly in equity</b>							
<b>Contribution by and distributions to owners</b>							
Issuance of ordinary shares	36,500	-	-	-	36,500	-	36,500
Issue costs	(30)	-	-	-	(30)	-	(30)
<b>Total contribution by and distributions to owners</b>	36,470	-	-	-	36,470	-	36,470
<b>Total transactions with owners, recorded directly in equity</b>	36,470	-	-	-	36,470	-	36,470
<b>At 31 March 2016</b>	<b>778,672</b>	<b>(48,041)</b>	<b>39</b>	<b>(237,848)</b>	<b>492,822</b>	<b>6,610</b>	<b>499,432</b>



## 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	
<b>At 1 January 2015</b>	717,225	(10,129)	692	(206,315)	501,473
<b>Total comprehensive income for the period</b>					
Profit for the period	-	-	-	3,112	3,112
<i>Other comprehensive income</i>					
Foreign currency translation differences for foreign operations	-	(6,284)	-	-	(6,284)
Net change in fair value of available-for-sale financial assets	-	-	(1,725)	-	(1,725)
<b>Total comprehensive income for the period</b>	-	(6,284)	(1,725)	3,112	(4,897)
<b>At 31 March 2015</b>	<u>717,225</u>	<u>(16,413)</u>	<u>(1,033)</u>	<u>(203,203)</u>	<u>496,576</u>

## Company

	Share capital \$'000	Accumulated losses \$'000	Total equity \$'000
<b>At 1 January 2016</b>	742,202	(306,720)	435,482
<b>Total comprehensive income for the period</b>			
Profit for the period	-	1,739	1,739
<b>Transactions with owners, recorded directly in equity</b>			
<i>Contribution by and distributions to owners</i>			
Issuance of ordinary shares	36,500	-	36,500
Issue costs	(30)	-	(30)
<b>Total contribution by and distributions to owners</b>	36,470	-	36,470
<b>At 31 March 2016</b>	<u>778,672</u>	<u>(304,981)</u>	<u>473,691</u>
<b>At 1 January 2015</b>	717,225	(195,978)	521,247
<b>Total comprehensive income for the period</b>			
Profit for the period	-	12,645	12,645
<b>At 31 March 2015</b>	<u>717,225</u>	<u>(183,333)</u>	<u>533,892</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.**

During the quarter ended 31 March 2016, the Company issued 250,000,000 ordinary shares at market value of \$36.50 million to the RSP Vendors as final settlement of the contingent purchase consideration payable in relation to the Second Earn-out Target as agreed and set out in the sale and purchase agreement (please refer to the Company's circular to shareholders dated 20 August 2013 for details). As at 31 March 2016, there were 1,971,328,530 outstanding warrants (31 March 2015: 1,971,364,530).

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

	<b>As at 31 Mar 2016</b>	<b>As at 31 Dec 2015</b>
Number of issued shares	4,633,241,931	4,383,241,931
Number of treasury shares	Nil	Nil

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

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

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

The figures have neither been audited nor reviewed by the Company's auditors.

- 3. Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of a matter).**

Not applicable.

- 4. Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.**

The Group has applied the same accounting policies and methods of computation in the financial statements for the period ended 31 March 2016, as compared with the Group's audited financial statements for the year ended 31 December 2015.

- 5. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.**

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

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

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

	For the financial period ended	
	31 Mar 2016	31 Mar 2015
EPS based on net profit attributable to shareholders of the Company (cents):		
Basic*	0.108	0.070
Diluted**	0.108***	0.050
Weighted average number of ordinary shares on issue as at the end of the period	4,405,219,953	4,258,205,931
Weighted average number of ordinary shares on issue after adjusting for effects of dilutive warrants as at the end of the period	4,405,219,953	6,210,652,424

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

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

\*\*\* Diluted earnings per share was the same as basic earnings per share as the effects of the warrants issued by the Company were anti-dilutive.

**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 Mar 2016	31 Dec 2015
Net asset value per ordinary share of		
Group (cents)	10.64	10.11
Company (cents)	10.22	9.94

**8. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group’s business. It must include a discussion of the following:-**

- (a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and
- (b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.

## **Review of Statement of Comprehensive Income**

1. The Group reported a revenue of \$20.49 million for the first quarter of the current financial year ("Q1FY2016"), as compared to \$16.34 million in the same quarter last year ("Q1FY2015"). The increase of \$4.15 million was mainly due to contribution of \$3.79 million from the UK hospitality group and \$0.36 million increase in RSP's revenue. The hospitality group was acquired on 24 November 2015.
2. Other income for Q1FY2016 amounted to \$3.14 million, as compared to \$3.53 million recorded for Q1FY2015. The slight decline of \$0.39 million was primarily attributable to decline in wages reimbursed from customers of \$0.22 million and lower management consultancy fee of \$0.19 million.
3. Staff costs were \$15.70 million for Q1FY16, an increase of \$0.65 million from Q1FY2015. The UK hospitality business added \$1.75 million of staff costs but this was offset by a decrease in staff costs for existing businesses.
4. Operating expenses amounted to \$8.57 million for Q1FY2016, an increase of \$3.79 million. The increase was mainly due to, a) inclusion of \$2 million of operating expenses for the UK hospitality business, b) increase in RSP's project expenses of \$1.21 million and c) increase in selling and marketing expenses and professional fees of \$0.65 million.
5. The net foreign exchange loss of \$1.15 million mainly arose from depreciation of US dollar and Sterling pound against Singapore dollar in Q1FY2016.
6. Share of profit from associated companies increased from \$0.05 million in Q1FY2015 to \$0.57 million in Q1FY2016, largely due to recording of share of profit of \$0.99 million from RSP Design Consultants (India) Private Limited, following the Group's acquisition of Venture India Pte Ltd on 5 August 2015, offset by share of losses of \$0.25 million from Squire Mech Pte Ltd and \$0.17 million from RSP Architects Sdn Bhd.
7. The Company issued 250 million second and final earn-out shares to the RSP Vendors at \$0.146 per share on 24 March 2016, after the earn-out targets were met. The liability was measured at \$0.182 per share previously. As a result, the Company recorded a fair value gain arising from purchase consideration payable of \$9 million.
8. Finance costs increased from \$0.07 million in Q1FY2015 to \$1.89 million in Q1FY2016. The increase of \$1.82 million was largely due to a) an increase in \$1.63 million interest of fixed rate medium term notes of S\$100 million due 2018, which took the full quarter effect in the quarter under review, as opposed to 5 days accrual in Q1FY2015, when the notes were issued on 27 March 2015; and b) interest expense of \$0.19 million attributed to the UK hospitality group.
9. The increase in depreciation and amortisation of \$0.44 million, from \$1.12 million in Q1FY2015 to \$1.56 million in Q1FY2016, was primarily due to inclusion of depreciation for the hotel building of the UK hospitality group of \$0.95 million offset by a decrease of \$0.47 million in amortisation of intangible assets arising from the acquisition of RSP.
10. Overall, the Group recorded EBITDA of \$7.78 million and a profit for the period of \$4.53 million. Excluding the fair value gain on purchase consideration payable to RSP Vendors, EBITDA would be negative at \$1.22 million and a loss of \$4.47 million would be recorded for Q1FY2016.
11. The Group reported an improved basic earnings per share of 0.108 cents for Q1FY2016 compared to earnings per share of 0.07 cents for Q1FY2015.

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

1. The Group recorded net assets of \$499.43 million as at 31 March 2016 compared with \$450.78 million as at 31 December 2015, before excluding minority interests. The increase was mainly due to settlement of purchase consideration payable and higher investment property and development property values. However, the increase was offset by the decrease in value of property, plant and equipment and lower trade and other receivables.
2. The Group recorded property, plant and equipment of \$88.02 million as at 31 March 2016 compared with \$95.79 million as at 31 December 2015. The decrease, besides depreciation, was largely due to weakening of the Sterling against Singapore Dollar during the period under review. As a result, the UK hotel building was translated at a lower value in Q1FY2016.
3. The increase in investment property value from \$150.92 million as at 31 December 2015 to \$157.80 million as at 31 March 2016 was mainly due to strengthening of Malaysian Ringgit against Singapore Dollar in Q1FY2016. By the same reason, development property increased from \$143.21 million as at 31 December 2015 to \$149.74 million as at 31 March 2016.
4. The decline in trade and other receivables from \$35.45 million as at 31 December 2015 to \$24.53 million as at 31 March 2016 was largely due to more receipts from RSP's clients.
5. The Group recorded a lower debit balance of foreign currency translation reserve balance of \$48.04 million as at 31 March 2016, compared to \$56.74 million as at 31 December 2015. The drop was largely due exchange gain arising from shareholder's loan recorded by a Malaysian subsidiary following the strengthening of Malaysian Ringgit against the Singapore Dollar in Q1FY2016.
6. Trade and other payables declined to \$13.40 million, a decrease of \$8.13 million. This was primarily due to a) increase in progress payments made to sub-contractors; b) payment of accrued FY2015 bonus in the current quarter; and c) payment of accrued MTN interest.
7. On 24 March 2016, the Company issued second and final earn-out shares of 250 million at an issue price of \$0.146 per share to RSP Vendors, after earn-out targets were met. As a result, the Company's share capital increased by \$36.47 million to \$778.67 million as at 31 March 2016. At the same time, the purchase consideration payable of \$45.50 million was settled.
8. Due to the foregoing, net asset value per share for the Group increased to 10.64 cents as at 31 March 2016, from 10.11 cents as at 31 December 2015.

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

1. Net cash generated from operating activities for Q1FY16 amounted to \$1.22 million, which was mainly due to positive working capital, partially offset by tax payment.
2. Net cash used in investing activities for Q1FY16 was \$1.87 million, which was mainly attributable to placement of fixed deposits of \$2.15 million and additions of property, plant and equipment of \$0.57 million and offset mainly by \$0.69 million of dividend received from RSP India.
3. Net cash used in financing activities for Q1FY16 totaled \$3.73 million, which was mainly due to payment of interest on the \$100 million notes issued under the MTN Programme and repayment of bank loans.
4. Overall, the net decrease in cash and cash equivalents for the Q1FY16 was \$4.38 million.
5. As at 31 March 2016, the Group's cash and cash equivalents amounted to \$34.09 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.**

Although the private real estate market in Singapore remains challenging, RSP will continue to pursue more public sector projects as well as projects in overseas markets particularly India and the Middle East. The Group continues to be active in looking for acquisitions to bolster its overall consultancy capabilities.

In regards to the Vantage Bay Healthcare City project, the Group has made submissions for planning approval to the local authorities for the healthcare city scheme. The Group also continues to focus on developing the long-term care component of the project and pursuing discussions with key investors and operators to participate in the development. The Group will make the necessary announcements when appropriate.

In regards to its St. Michael's mixed development project in Manchester, UK, The project scheme continues to progress through the public consultation and planning approvals process. A significant event in the UK to monitor is the Brexit referendum, to be held on 23 June 2016. The Group is closely monitoring the Brexit development for any potential negative effect that may affect the launch timing for the St. Michael's development.

In its hospitality business, the Group has been developing plans to expand the business. The Group intends to grow the Hotel Football brand in Europe and Asia as well as acquiring hospitality management contracts in Asia.

**11. Dividend**

	Period ended	
	31 Mar 2016	31 Mar 2015
(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 March 2016, the exercise proceeds amounting to \$1,309,320 had not been utilised. The Company will continue to make periodic announcements on the material disbursement of any proceeds arising from the exercise of the Warrants as and when such proceeds are materially disbursed.

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

We, Tan Wee Tuck 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 financial period ended 31 March 2016 to be false or misleading in any material aspect.

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

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

**BY ORDER OF THE BOARD**

Tan Wee Tuck  
Executive Director and Chief Financial Officer

Ho Kiam Kheong  
Executive Director and Managing Director, Real Estate

26 April 2016