



## **MEDIA RELEASE**

### **ROWSLEY REPORTS 1QFY16 NET ATTRIBUTABLE PROFIT UP 53% TO \$4.8 MILLION**

- *Revenue 25% higher at \$20.5 million*
- *UK hospitality now accounts for 18.5% of Group revenue, RSP sees marginal growth*
- *Group to expand consultancy and hospitality businesses despite economic slowdown*

**Singapore, 26 April 2016** – Rowsley Ltd. today announced net attributable profit of \$4.8 million for the first quarter ended 31 March 2016 (1QFY16), up 53% from \$3.1 million in the same quarter last year.

Group revenue was 25% higher at \$20.5 million compared to 1QFY15, mainly due to higher contribution of \$3.8 million from the UK hospitality group acquired in November last year, and now accounting for 18.5% of Group revenue. RSP, Rowsley's architectural, engineering and master planning consultancy, saw marginal increase of \$0.4 million in its revenue to \$16.7 million, amid continued weakness Singapore's real estate market. .

Group earnings before interest, taxation, depreciation and amortisation (EBITDA) reached \$7.8 million in the first quarter of the current financial year; excluding the fair value gain on purchase consideration payable to RSP vendors, EBITDA was a negative \$1.2 million.

On 24 March, Rowsley had issued 250 million second and final earn-out shares to the RSP vendors at \$0.146 per share, after earn-out targets were met. The liability was measured at \$0.182 per share previously, resulting in a fair value gain of \$9 million.

Other income for 1QFY16 amounted to \$3.1 million, a slight decline from the same quarter last year.

The Group said that the latest results showed the value created from diversifying our business into the hospitality industry as well as across geographies. Management continues to tap opportunities within the real estate and hospitality industries to create synergies for the Group's businesses and to enhance value for shareholders.

Rowsley said that although the private real estate market in Singapore remains challenging for its consultancy business, 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.

On its Vantage Bay Healthcare City project, Rowsley has made submissions for planning approval to the local authorities for the healthcare hub comprising specialist, community and teaching hospitals, long-term care facilities, a medical school, research and training institutions, and purpose-built wellness facilities.

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

In its hospitality business, the Group intends to grow the Hotel Football brand in Europe and Asia as well as acquire hospitality management contracts in Asia.

Net cash generated from operating activities for 1QFY16 was \$1.2 million, while net cash used in financing activities was \$3.7 million, mainly due to the payment of interest on the \$100 million issued under the Multicurrency Medium Term Note programme established on 17 November 2014 and repayment of bank loans.

As at 31 March 2016, the Group's cash and cash equivalents amounted to \$34.1 million.

- The End -

**For media queries, please contact:**

**Catherine Ong Associates**

Catherine Ong

Tel: (65) 6327 6088

Email: [cath@catherineong.com](mailto:cath@catherineong.com)

Doreen Siow

Tel: (65) 6327 6084

Email: [doreen@catherineong.com](mailto:doreen@catherineong.com)