



**ROWSLEY LTD.**

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

---

**ANNOUNCEMENT PURSUANT TO RULE 704(17)(C) OF THE LISTING MANUAL OF THE  
SINGAPORE EXCHANGE SECURITIES TRADING LIMITED ("SGX-ST") –  
PROPOSED ACQUISITION OF SHARES IN AC CONSORTIUM PTE LTD**

---

**1. INTRODUCTION**

The Board of Directors (the "Board") of Rowsley Ltd. (the "**Company**") and its subsidiaries (collectively, the "**Group**") wishes to announce that its wholly-owned subsidiary, RSP Architects Planners & Engineers (Pte) Ltd ("**RSP**") has on 23 May 2017 entered into a conditional sale and purchase agreement with Grace Young Kok Inn and Tan Meow Hwa (collectively, the "**Vendors**") pursuant to which RSP agrees to acquire the entire issued and paid-up share capital of AC Consortium Pte Ltd ("**AC Consortium**") (the "**Proposed Acquisition**").

The Proposed Acquisition is in the ordinary course of the Group's business.

**2. INFORMATION RELATING TO THE PROPOSED ACQUISITION**

**2.1 Rationale for the Proposed Acquisition**

The Proposed Acquisition is part of the Company's strategy to reinforce its design and engineering business. The Proposed Acquisition would enhance the group's presence in the industrial market in Singapore and expand its capabilities in this segment. There are strong synergies between AC Consortium and RSP, which presents new growth opportunities for the group. The acquisition will be immediately earnings accretive.

**2.2 AC Consortium Pte Ltd**

AC Consortium is a leading industrial building design firm in Singapore. It was incorporated in 1999 by Grace Young Kok Inn and Tan Meow Hwa, having evolved from a partnership practice since 1986. It specializes in designing factories and warehouses and has a strong presence amongst SME developers. Some of its significant projects include One Commonwealth, Cogent 1. Logistics Hub, West Park BizCentral, Loyang Enterprise and Oxley BizHub.

**3. CONSIDERATION FOR THE PROPOSED ACQUISITION**

3.1 The aggregate consideration for the Proposed Acquisition is up to S\$8,000,000.00 (the "Consideration") which was arrived at following arm's length negotiations on a "willing-buyer, willing-seller" basis, considering the enterprise value of AC Consortium on the basis of 6.7 times forward net profit after tax for the financial periods 2016, 2017 and 2018.

3.2 The Consideration shall be satisfied by way of allotment and issuance of up to 115,654,024 new shares of the Company (the "Consideration Shares") in two tranches.

3.3 On completion of the Proposed Acquisition, up to 57,589,508 Consideration Shares (the "**Initial Consideration Shares**") shall be allotted and issued to the Vendors. Each Vendor undertakes that she will not sell, assign, transfer or otherwise dispose of any of the Initial Consideration Shares for a period of 12 months following the completion date of the sale and purchase agreement (the "**Completion Date**"). The balance of the Consideration of up to 58,064,516 Consideration Shares (the "**Earn-Out Shares**") shall be allotted subject to the terms and

conditions set out in the sale and purchase agreement, which includes the achievement of certain targets.

- 3.4 The Consideration Shares are issued based on an issue price of the weighted average price of the Company's shares for trades done on the Official List of the SGX-ST (i) on the full market day immediately preceding the Completion Date in respect of the Initial Consideration Shares; and (ii) on the business day immediately prior to the issuance of the Earn-Out Shares in respect of the Earn-Out Shares.
- 3.5 Completion of the Proposed Acquisition is subject to, *inter alia*, approval being given and not having been withdrawn by the SGX-ST for the admission to the Main Board of the SGX-ST and the dealing and quotation of the Consideration Shares upon allotment and issue to the Vendors and if there are any conditions attached to such approval, such conditions being reasonably acceptable to the parties.

#### 4. FINANCIAL EFFECTS ON THE PROPOSED ACQUISITION

Based on AC Consortium's unaudited full year financial statements for 2016, the net asset value AC Consortium is approximately \$2,950,386.00.

The pro forma financial effects of the Proposed Acquisition on the earnings and net tangible assets ("**NTA**") of the Group have been prepared based on the latest audited financial statements of the Group for the financial year ended 31 December 2016 and the latest unaudited financial statements of AC Consortium for the financial year ended 31 December 2016.

The pro forma financial effects of the Proposed Acquisition are for illustration purposes only and do not necessarily reflect the actual future results and financial position of the Group following the completion of the Proposed Acquisition.

For illustration purposes only, the financial effects of the Proposed Acquisition have been computed based on the following assumptions:

- (a) the financial effects on the Group's NTA attributable to the shareholders of the Company ("**Shareholders**") and the NTA per ordinary share in the capital of the Company ("**Share**") are computed assuming that the Proposed Acquisition was completed on 31 December 2016; and
- (b) the financial effects on the Group's earnings attributable to the Shareholders and earnings per Share have been computed assuming that the Proposed Acquisition was completed on 1 January 2016.

#### NTA per Share

	Before Completion of the Proposed Acquisition	After Completion of the Proposed Acquisition
<b>NTA attributable to Shareholders (S\$'000)</b>	321,944	321,295
<b>Number of Shares (excluding treasury shares)</b>	4,669,643,931	4,698,713,583
<b>NTA per Share attributable to Shareholders (cents)</b>	6.89	6.84

**Earnings per Share ("EPS")**

	<b>Before Completion of the Proposed Acquisition</b>	<b>After Completion of the Proposed Acquisition</b>
<b>Net loss attributable to Shareholders (S\$'000)</b>	(63,298)	(62,937)
<b>Weighted average number of Shares (excluding treasury shares)</b>	4,591,466,461	4,611,389,266
<b>EPS (cents)</b>	(1.38)	(1.36)

**5. INTERESTS OF DIRECTORS AND CONTROLLING SHAREHOLDERS**

None of the directors or controlling shareholders of the Company has any interest, direct or indirect, in the Proposed Acquisition.

**BY ORDER OF THE BOARD**

HASAN MALIK  
Company Secretary

23 May 2017

**ROWSLEY LTD.**  
Company Registration No. 199908381D  
15 Scotts Road  
#07-00 Thong Teck Building  
Singapore 228218  
Tel: +65 6731 1677  
Fax: +65 6733 9143  
Website: [www.rowsley.com](http://www.rowsley.com)