



**ROWSLEY LTD.**

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

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**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 ARIVA PTE. LTD.**

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**1. INTRODUCTION**

The Board of Directors (the "**Board**") of Rowsley Ltd. (the "**Company**") wishes to announce that its wholly-owned subsidiary, Rowsley Hospitality Holdings Pte. Ltd. ("**Rowsley Hospitality**") has on 7 September 2016 entered into a conditional sale and purchase agreement with Jean-Claude Erne, Lee Sok Fang, Phyllis and Ong Ah Luan Cameron (collectively, the "**Vendors**") pursuant to which Rowsley Hospitality agreed to acquire the entire issued and paid-up share capital of Ariva Pte. Ltd. ("**Ariva**") (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**

In late 2015, the Company marked its foray into the hospitality business with the acquisition of interests in Hotel Football, Café Football as well as GG Collections Private Limited. It also announced the proposed acquisition of a 50% stake in Finestday Limited, the company that owns the Stock Exchange Hotel in Manchester, UK. The Proposed Acquisition is an expansion of the Company's hospitality business particularly into the Asia Pacific region.

The Proposed Acquisition is financially profitable and its contribution to the Company and its subsidiaries (collectively, the "**Group**") is expected to increase over time as Ariva's assets under management grow rapidly. The Proposed Acquisition will bring to the Group additional industry expertise and market access to accelerate the growth of the Company's hospitality business, in particular Hotel Football and Café Football, into the Asia Pacific region.

**2.2 Ariva**

Ariva is principally engaged in the provision of hotel management and consultancy services. Ariva manages hotels and service apartments under its own and associate companies' brands namely ARIVA, AMAR and LOUIS KIENNE as well as third party brands. Ariva currently has more than 6,500 room keys under management and in the pipeline, spread over 47 properties across the Asia Pacific region.

Ariva was founded in October 2008 by Mr. Ong and Mr. Erne, veterans in the hospitality industry with more than 60 years of combined experiences and proven track record. Mr. Ong was previously Chief Executive Officer and Managing Director for The Ascott Group while Mr. Erne was previously Senior Vice President, Product, Process and Procurement and Managing Director in Europe for The Ascott Group.

### 3. CONSIDERATION FOR THE PROPOSED ACQUISITION

The aggregate consideration for the Proposed Acquisition is up to S\$10,600,000 (the “**Consideration**”) and was arrived at following arm’s length negotiations on a “willing-buyer, willing-seller” basis, taking into consideration cashflows from existing and future contracts.

The Consideration shall be satisfied by way of cash and the allotment and issue of new shares of the Company (the “**Consideration Shares**”) at an issue price of S\$0.15 per Consideration Share.

On completion of the Proposed Acquisition, 8,000,000 Consideration Shares shall be allotted and issued to the Vendors together with a cash payment of S\$1,000,000. 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.

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

Ariva, being a management services company, is asset light. Hence, based on Ariva’s unaudited full year financial statements for 2015, the net asset value of Ariva is approximately S\$86,144.

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 2015 and the latest audited financial statements of Ariva for the financial year ended 31 December 2015.

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 Company’s shareholders (“**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 2015; 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 2015.

**NTA per Share**

	<b>Before Completion of the Proposed Acquisition</b>	<b>After Completion of the Proposed Acquisition</b>
<b>NTA attributable to Shareholders (S\$'000)</b>	326,022	313,908
<b>Number of Shares (excluding treasury shares)</b>	4,383,241,931	4,383,241,931
<b>NTA per Share attributable to Shareholders (cents)</b>	7.44	7.16

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

	<b>Before Completion of the Proposed Acquisition</b>	<b>After Completion of the Proposed Acquisition</b>
<b>Net profit attributable to Shareholders (S\$'000)</b>	(36,298)	(35,134)
<b>Weighted average number of Shares (excluding treasury shares)</b>	4,346,906,336	4,346,906,336
<b>EPS (cents)</b>	(0.835)	(0.808)

**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**

KANNAN MALINI  
Company Secretary

7 September 2016

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