



**ROWSLEY LTD.**  
(Incorporated in the Republic of Singapore)  
Company Registration No: 199908381D

**Unaudited First Quarter Financial Statement Announcement For The Financial Period Ended 31 March 2014**

**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 2014**

		Group		
		From 1 Jan 2014 to 31 Mar 2014 \$'000	From 1 Jan 2013 to 31 Mar 2013 \$'000	Change %
Revenue		21,834	-	NM
Other income	A	3,595	137	NM
Staff costs		(14,620)	(379)	NM
Other expenses	B	(5,307)	(3,232)	64
Share of profit/(loss) of associated companies		334	(1,227)	NM
<b>Profit/(loss) before interest, tax, depreciation and amortisation (EBITDA)</b>		<b>5,836</b>	<b>(4,701)</b>	
Interest income		33	44	(25)
Depreciation and amortisation expenses		(3,532)	(12)	NM
<b>Total profit/(loss) before tax</b>		<b>2,337</b>	<b>(4,669)</b>	NM
Tax expense		(508)	-	NM
<b>Total profit/(loss) after tax</b>		<b>1,829</b>	<b>(4,669)</b>	<b>NM</b>
<b>Other comprehensive loss</b>				
<b>Items that may be reclassified subsequently to profit or loss:</b>				
Available-for-sale financial assets				
- Fair value loss, net of tax		(641)	(1,001)	(36)
- Transfer to profit or loss on disposal		-	(115)	NM
Foreign currency translation differences - foreign operations		(58)	-	NM
<b>Other comprehensive loss, net of tax</b>		<b>(699)</b>	<b>(1,116)</b>	<b>(37)</b>
<b>Total comprehensive profit/(loss) for the period</b>		<b>1,130</b>	<b>(5,785)</b>	<b>NM</b>
<b>Profit/(loss) attributable to equity holders of the Company</b>		<b>1,829</b>	<b>(4,669)</b>	<b>NM</b>
<b>Total comprehensive income/(loss) attributable to owners of the Company</b>		<b>1,130</b>	<b>(5,785)</b>	<b>NM</b>

NM – Not meaningful.

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

	<b>Group</b>	
	<b>From 1 Jan 2014 to 31 Mar 2014</b>	<b>From 1 Jan 2013 to 31 Mar 2013</b>
Basic earnings/(loss) per share	0.04	(0.47)
Diluted earnings/(loss) per share	0.03	(0.47)

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

	<b>Group</b>		<b>Change %</b>
	<b>From 1 Jan 2014 to 31 Mar 2014 \$'000</b>	<b>From 1 Jan 2013 to 31 Mar 2013 \$'000</b>	
(A) Other income			
Gain on disposal of available-for-sale financial assets	-	137	NM
Wages reimbursed from customers	3,027	-	NM
Reversal of impairment loss on trade receivables	51	-	NM
Management consultancy fee	262	-	NM
Sales of prints	41	-	NM
Jobs credit scheme grant	210	-	NM
Others	4	-	NM
	<b>3,595</b>	<b>137</b>	<b>NM</b>
(B) Other expenses			
Directors' fee	(123)	(44)	NM
Professional fees	(500)	(38)	NM
Rental	(1,135)	(27)	NM
Impairment loss on available-for-sale financial assets	-	(2,994)	NM
Travelling and entertainment expenses	(508)	(24)	NM
Repairs and maintenance	(218)	(10)	NM
Foreign exchange loss, net	(33)	(1)	NM
Project expenses	(2,236)	-	NM
Others	(554)	(94)	NM
	<b>(5,307)</b>	<b>(3,232)</b>	<b>64</b>

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 31Mar-14	As at 31-Dec-13	As at 31-Mar-14	As at 31-Dec-13
Note		\$'000	\$'000	\$'000	\$'000
<b>ASSETS</b>					
<b>Non-current assets</b>					
		8,630	8,907	262	269
		107,092	107,092	-	-
	1	24,577	27,694	-	-
		190,728	190,739	-	-
		-	-	190,464	190,464
		20,784	20,450	-	-
	2	4,292	5,064	-	-
		4,595	4,595	-	-
		360,698	364,541	190,726	190,733
<b>Current assets</b>					
		181,162	181,000	-	-
		21,610	20,291	-	-
		-	-	389,432	388,622
		27,265	25,389	232	144
		24,749	32,496	6,846	9,129
		254,786	259,176	396,510	397,895
<b>Total assets</b>		615,484	623,717	587,236	588,628
<b>EQUITY</b>					
		715,922	715,922	715,922	715,922
		1,194	1,835	-	-
		(63)	(5)	-	-
		(253,930)	(255,759)	(255,972)	(254,573)
<b>Total equity</b>		463,123	461,993	459,950	461,349
<b>LIABILITIES</b>					
<b>Non-current liabilities</b>					
		4,821	5,370	20	20
		126,750	126,750	126,750	126,750
		131,571	132,120	126,770	126,770
<b>Current liabilities</b>					
		3,662	6,519	-	-
	3	12,903	18,503	516	509
	4	4,225	4,582	-	-
		20,790	29,604	516	509
<b>Total liabilities</b>		152,361	161,724	127,286	127,279
<b>TOTAL EQUITY AND LIABILITIES</b>		615,484	623,717	587,236	588,628

**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 March 2014		As at 31 December 2013	
Secured	Unsecured	Secured	Unsecured
\$'000	\$'000	\$'000	\$'000
-	-	-	-

Amount repayable after one year:

As at 31 March 2014		As at 31 December 2013	
Secured	Unsecured	Secured	Unsecured
\$'000	\$'000	\$'000	\$'000
-	-	-	-

**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>From 1 Jan 2014 to 31 Mar 2014 \$'000</b>	<b>From 1 Jan 2013 to 31 Mar 2013 \$'000</b>
<b>Cash flows from operating activities</b>		
Profit/(loss) for the period	1,829	(4,669)
Adjustments for :		
- Tax expense	508	-
- Depreciation of property, plant and equipment	415	12
- Amortisation of intangible assets	3,117	-
- Gain on disposal of available-for-sale financial assets	-	(137)
- Loss on disposal of property, plant and equipment	21	-
- Interest income	(33)	(44)
- Impairment loss on available-for-sale financial assets	-	2,994
- Share of (profit)/loss of associated companies	(334)	1,227
- Reversal of impairment loss on trade receivables	(51)	-
- Unrealised foreign exchange loss	33	1
<b>Operating profit/(loss) before working capital changes</b>	<b>5,505</b>	<b>(616)</b>
Changes in working capital :		
- Work-in-progress	(1,319)	-
- Trade and other receivables	(1,832)	(1,159)
- Trade and other payables	(5,594)	66
- Progress billings	(2,857)	-
- Development properties	(162)	-
Cash used in operations	(6,259)	(1,709)
- Interest received	33	19
- Tax paid	(1,283)	-
<b>Net cash used in operating activities</b>	<b>(7,509)</b>	<b>(1,690)</b>
<b>Cash flows from investing activities</b>		
Additions to property, plant and equipment	(184)	(3)
Proceeds from disposal of available-for-sale financial assets	-	221
Expenditure on investment properties	11	-
Additions to fixed deposits	(50)	-
<b>Net cash (used in)/generated from investing activities</b>	<b>(223)</b>	<b>218</b>
<b>Net decrease in cash and cash equivalents</b>	<b>(7,732)</b>	<b>(1,472)</b>
Cash and cash equivalents at beginning of the year	31,657	16,540
Effect of exchange rate changes on cash held	(78)	-
<b>Cash and cash equivalents at end of the period</b>	<b>23,847</b>	<b>15,068</b>
<b>Cash and cash equivalents comprise of:</b>		
Cash and bank balances	22,534	1,447
Short-term deposits	2,215	13,621
	24,749	15,068
Less: Fixed deposits with maturities of more than 3 months	(902)	-
<b>Cash and cash equivalents in the consolidated statement of cash flows</b>	<b>23,847</b>	<b>15,068</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				
	Share capital \$'000	Foreign currency translation reserve \$'000	Fair value reserve \$'000	Accumulated losses \$'000	Total equity \$'000
<b>At 1 January 2014</b>	715,922	(5)	1,835	(255,759)	461,993
<b>Total comprehensive profit for the period</b>					
Profit for the period	–	–	–	1,829	1,829
<i>Other comprehensive loss</i>					
Foreign currency translation differences for foreign operations	–	(58)	–	–	(58)
Net change in fair value of available-for-sale financial assets, net of tax	–	–	(641)	–	(641)
<b>Total comprehensive loss for the period</b>	–	(58)	(641)	1,829	1,130
<b>At 31 March 2014</b>	715,922	(63)	1,194	(253,930)	463,123
<b>At 1 January 2013</b>	62,172	–	4,033	(24,801)	41,404
<b>Total comprehensive loss for the period</b>					
Loss for the period	–	–	–	(4,669)	(4,669)
<i>Other comprehensive loss</i>					
Net change in fair value of available-for-sale financial assets, net of tax	–	–	(1,001)	–	(1,001)
Transfer to profit or loss on disposal	–	–	(115)	–	(115)
<b>Total comprehensive loss for the period</b>	–	–	(1,116)	(4,669)	(5,785)
<b>At 31 March 2013</b>	62,172	–	2,917	(29,470)	35,619

(a) Fair value reserve is not available for distribution.

## Company

	Share capital \$'000	Accumulated losses \$'000	Total equity \$'000
At 1 January 2014	715,922	(254,573)	461,349
Total comprehensive loss for the period			
Loss for the period	–	(1,399)	(1,399)
Total comprehensive loss for the period	–	(1,399)	(1,399)
At 31 March 2014	715,922	(255,972)	459,950
At 1 January 2013	62,172	(26,334)	35,838
Total comprehensive loss for the period			
Loss for the period	–	(579)	(579)
Total comprehensive loss for the year	–	(579)	(579)
At 31 March 2013	62,172	(26,913)	35,259

- 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 for the first quarter ended 31 March 2014.

As at 31 March 2014, there were 1,978,602,530 outstanding warrants (31 March 2013: Nil).

- 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.**

	As at 31 March 2014	As at 31 December 2013
Number of issued shares	4,250,967,931	4,250,967,931
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.**

As at 31 March 2014, the Company did not hold any treasury shares (31 December 2013: Nil).

**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.**

Except as explained in Note 5 below, the Group has adopted the same accounting policies and methods of computation in the financial statements for the period ended 31 March 2014, as compared with the Group's audited financial statements for the period ended 31 December 2013.

**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.**

FRS 110 Consolidated Financial Statements came into effect on 1 January 2014. This accounting standard did not have a material impact on the financial statements of the Group.



**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 March 2014	31 March 2013
EPS based on net profit/(loss) attributable to shareholders of the Company (cents):		
Basic*	0.04	(0.47)
Diluted**	0.03	(0.47)
Weighted average number of ordinary shares on issue as at the end of the period	4,250,967,931	989,301,265
Weighted average number of ordinary shares on issue after adjusting for effects of dilutive warrants as at the end of the period	6,217,256,359	989,301,265

\* 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.

**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 March 2014	31 December 2013
Net asset value per ordinary share of		
Group (cents)	10.89	10.87
Company (cents)	10.82	10.85

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.**

On 13 February 2014, the Company announced the change of its financial year-end from 31 March to 31 December. The results for the first quarter ended 31 March 2014 are compared against those of the quarter ended 31 March 2013.

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

The Group reported a revenue of \$21.83 million in the first quarter of the current financial year ("1QFY14"), as compared to nil in the corresponding period last year ("1QFY13"). The increase in revenue was primarily due to contribution from RSP Architects Planners & Engineers (Pte) Ltd and its subsidiaries ("RSP Sub-group"), following the completion of the acquisition on 25 September 2013.

Other income for 1QFY14 amounted to \$3.60 million, an increase of approximately \$3.46 million from \$0.14 million for 1QFY13. The increase in other income was due mainly to receipt of wages reimbursement from customers of \$3.03 million contributed by the RSP Sub-group in 1QFY14.

The Group recorded total expenses of \$23.46 million for 1QFY14, an increase of \$19.84 million from \$3.62 million for 1QFY13. The increase was mainly due to the higher operating expenses of the enlarged group.

As part of total expenses, the Group also recorded a non-cash amortization expense of \$3.12 million, related to the fair value adjustment of RSP's assets and liabilities arising from the RSP acquisition.

The Group recorded a share of profit from associated companies for 1QFY14 of \$0.33 million, driven by improvement in the financial results of the associated company from the investment portfolio, as well as contribution from RSP's associated company.

The Group recorded a tax expense of \$0.51 million for 1QFY14, which included a deferred tax liability of \$0.46 million related to the fair value adjustment of RSP's assets and liabilities.

Due to the foregoing reasons, the Group recorded a positive EBITDA of \$5.84 million and profit attributable to shareholders of \$1.83 million for 1QFY14.

The Group reported earnings per share of 0.04 cents compared to loss per share of 0.47 cents for 1QFY13.

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

1. The intangible assets comprised order backlog of \$21.60 million and management agreement of \$7.16 million which arose due to acquisition of RSP Sub-group. The decrease was a result of amortisation of \$3.12 million in the current reporting period.

2. Other investments decreased by \$0.77 million due to marked-to-market loss recorded for the group's investments in quoted equity securities.
3. Excess of progress billings over work-in-progress, representing advanced billings, decreased by \$2.86 million mainly due to recognition of work performed during the current reporting period.
4. Trade and other payables decreased by \$5.60 million or 30% mainly due to payment of bonuses provided for in FY2013 and reduction of trade payables.

The net asset value per share for the Group was 10.89 cents as at 31 March 2014, compared to 10.87 cents as at 31 December 2013.

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

Net cash used in operating activities for 1QFY14 amounted to \$7.50 million, which was mainly due to working capital changes and tax payments.

Net cash used in investing activities for 1QFY14 of \$0.22 million, was mainly attributable to property, plant and equipment purchases.

Overall, the net decrease in cash and cash equivalents for 1QFY14 amounted to \$7.73 million.

As at 31 March 2014, the Group's cash and cash equivalents amounted to \$24.75 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.**

On 21 April 2014, the Company announced that Vantage Bay (JB) Sdn Bhd (“VBJB”), a subsidiary and developer of an integrated mixed-use development in Iskandar Malaysia, has received regulatory approvals for the Planning Permission (Building) and Building Plan for its first residential development called SKIES.

Planning Permission (Building) spells out the usage of the land the developer intends to develop within the designated parcel. Building Plans present to the authorities the detailed floor layout on each level, including the amenities deck and car parking spaces.

The Planning Permission (Building) and Building Plan approvals are also an acknowledgement of the efforts, attention to details and quality of planning for the development, and will pave the way for the eventual launch of the project situated on freehold waterfront land across the Johor Causeway directly opposite Singapore’s Woodlands North.

The approvals granted allow the developer to proceed to build according to the approved plans. VBJB will now proceed with the application for the Advertising Permit & Developer’s Licence for the sale of the apartments.

RSP continued to take on new projects in 2014, including the extension of Changi Airport Terminal 1 and the master planning of West Xi’an, China, and maintains a healthy pipeline of projects.

**11. Dividend**

	<b>31 March 2014</b>	<b>31 March 2013</b>
(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) during the reporting financial period and no IPT general mandate has been obtained.

- 14. Negative Confirmation pursuant to rule 705(5)**

We, Lock Wai Han and Tan Wee Tuck, 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 first quarter ended 31 March 2014 to be false or misleading in any material aspect.

**BY ORDER OF THE BOARD**

Lock Wai Han  
Executive Director, Group CEO

Tan Wee Tuck  
Executive Director, Group CFO

6 May 2014