ROWSLEY

TRANSFORMED FOR GREATER **GROWTH**

ROWSLEY LTD.

ANNUAL REPORT

2013

Contents

Lifestyle mall in Vantage Bay, developed by Vantage Bay JB Sdn. Bhd. and designed by RSP Architects Planners & Engineers.

VISION

To be a highly-acclaimed multi-disciplinary lifestyle real estate developer and consultant.

MISSION

To plan, design, invest in, develop and manage real estate developments for sustainable communities.

CORE VALUES

EXCELLENCE in all aspects of our work and products.

TEAMWORK with a focus on results and customer satisfaction.

ABOUT US

Rowsley Ltd. is a multi-disciplinary lifestyle real estate company with capabilities in planning, architecture, engineering, investment and development. Our two major assets are a piece of land in southern Malaysia and RSP Architects Planners & Engineers. We are dedicated to developing sustainable communities in the high growth markets in Asia and around the world through the provision of quality homes that meet the aspirations of our customers, as well as environmentally-friendly, state-of-the-art commercial buildings.

Our people are highly innovative, quality-driven and professional, enabling us to offer clients a unique and fully integrated, multi-disciplinary service. This excellence is reflected in our projects, which together with our partners, have won numerous prestigious international prizes and awards.

Rowsley Ltd. has been listed on the Singapore Exchange since 2002.

Letter to Shareholders

We have created value for shareholders with the changes and are poised to create more value in the coming years.

Left
CHIANG CHIE FOO
Non-Executive Chairman

Right
LOCK WAI HAN
Group Chief Executive Officer

DEAR SHAREHOLDERS,

2013 was a landmark year for Rowsley, characterised by change and new opportunities. We are pleased to report that we have made solid progress in building strategic platforms that will anchor the Group and help create robust growth for the future.

Two substantial acquisitions were behind our transformation from an investment holding company to a major integrated real estate group with investment, development, planning, architectural and engineering capabilities.

At the end of 2012, we announced plans for two acquisitions: a 9.23-hectare freehold waterfront land in an excellent location in Johor Bahru, within Iskandar – Malaysia's special economic zone in the southern state of Johor – and RSP Architects Planners & Engineers (Pte) Ltd, Singapore's leading architectural practice. The two transactions were approved by shareholders at an extraordinary general meeting in September 2013 and completed in the same month.

The Board and management believe that the Group's two key assets are synergistically exciting. The expertise and services of RSP, combined with the development potential of the land which has been conceived as an exciting township called Vantage Bay, will provide the Rowsley Group with the platform and scale to realise its long-term mission.

The two businesses – RSP and the Iskandar development at Vantage Bay – will generate streams of earnings that will be both complementary and balanced. Income from real estate development is usually sizeable but lumpy in nature while income from the provision of professional services is steady and recurrent.

VANTAGE BAY

Vantage Bay is a mega mixed-use township centring on the themes of wellness and lifestyle. The development includes one of the largest shopping malls in Johor Bahru, a waterfront promenade with eateries, shops, and open air entertainment areas, a hotel, office towers, as well as serviced and residential apartments with a combined gross floor area of more than 900,000 square metres.

The development is adjacent to a medical hub developed by Thomson Medical, one of Singapore's premier healthcare service providers.

We have worked hard on the design of Vantage Bay and look forward to launch Skies Vantage Bay, the first two residential towers available for sale.

We are also pleased to report that due to the excellent integrated product and our early investment into Iskandar Malaysia, Vantage Bay qualifies for tax exemptions for development and operational activities.

We are confident that Vantage Bay will be a significant contributor to the Group's bottom line in the coming years, notwithstanding the cooling measures announced in the Malaysian 2014 Budget and by the Johor government towards the end of 2013. The project has strong competitive advantages and bears all the hallmarks of an excellent real estate investment. We believe that demand for Vantage Bay will be strong. Our land is a great asset that we have. It is a stone's throw away from the Causeway, and will provide an attractive lower-cost alternative to real estate in Singapore.

The Board and management believe that the Group's two key assets are synergistically exciting. The expertise and services of RSP, combined with the development potential of the land which has been conceived as an exciting township called Vantage Bay, will provide the Rowsley Group with the platform and scale to realise its long-term mission.

Letter to Shareholders

REVENUE

$22.5 million

NET TANGIBLE ASSETS

$327.2 million

RSP

We are pleased to note that RSP has met its first earn-out target of achieving consolidated net profit after tax of at least $25 million for FY 2013. This is part of a three-year agreement whereby the RSP vendors will receive full consideration if and when RSP achieves cumulative consolidated net profit of at least $75 million for financial years 2013, 2014, and 2015.

RSP is one of Singapore's oldest architect firms. Founded in 1956 as Raglan Squire and Partners, RSP has grown over the years into a leading architectural practice known internationally for its expertise and solid track record in town planning, urban design, architecture, engineering and interior design. The RSP Group, which employs over 800 people around the region, is behind many iconic and environmentally-friendly buildings in Asia and beyond. Last year, RSP celebrated RSP Beijing's 10th anniversary.

In Singapore, some of its better known projects include the award-winning ITE Headquarters and College Central in Ang Mo Kio which was chosen as the venue for the 2013 National Day Rally. RSP's commitment to service and quality has led to numerous awards over the years including prestigious ones like the Outstanding Architectural Firm Award by The Society Of Project Managers, the Construction 21 Best Practice Award 2001 and the Built Environment Leadership Gold Class Award by The Building and Construction Authority and the President's Design Award.

RSP performed very well in 2013. It completed 22 projects and secured another 66 projects during the year. These included being part of the consortium for the high profile Project Jewel, a major part of Singapore Changi Airport's expansion plans to maintain Singapore's lead as an international aviation hub in Asia.

MANAGEMENT

As we transit from an investment holding company to a multi-disciplinary real estate group, we have broadened our boardroom representation, as well as beefed up our management and bench strength.

Dr Ho Tat Kin, 70, who joined Rowsley when the Company first listed on the Mainboard of the Singapore Exchange Securities Trading Limited in 2002, retired as Executive Chairman in December 2013. We thank Dr Ho for his leadership and invaluable contributions over the past decade and wish him all the best in his retirement.

We joined the Group as Non-Executive Chairman and Chief Executive Officer in January 2014 and November 2013 respectively.

Tan Wee Tuck was appointed Executive Director and Group Chief Financial Officer in November 2013 to oversee the Group's treasury, financial reporting and risk management functions. Ho Kiam Kheong, Chief Executive Officer of Vantage Bay JB Sdn. Bhd., joined the Board as Executive Director and will continue to spearhead the development at Vantage Bay. Lai Huen Poh, Managing Director of RSP, also joined the Board as Executive Director and will be responsible for driving the business of the RSP Group.

Last year was clearly a transition year for the Group. The new management team will put in place more streamlined policies, processes and systems as we prepare to grow the business. We believe that we have established a good foundation to build up the company and to effectively execute our business plans.

Festive Square at Vantage Bay.

We have created value for shareholders with the changes and are poised to create more value in the coming years. The developments we are undertaking in Vantage Bay are long-term in nature and their value will be realised over time as we complete various parts of the project.

Even as we roll out Skies Vantage Bay, we are looking out for real estate investment and development opportunities elsewhere. We are generally optimistic about prospects in Asia and we believe that real estate as an asset class will provide our shareholders with superior returns in the long run. Our legacy investments totalled $18.14 million for the year ended December 2013. When suitable opportunities arise, we will look into divesting these investments but we are not in a rush and will wait for the right time to do so.

FINANCIALS

The Company completed its acquisition of RSP by issuing a total of 875 million shares at an issue price of $0.150 per share in favour of the RSP vendors.

On the acquisition date (25 September 2013), the Company's share price closed at $0.650 per share. Under the relevant financial reporting standard, the shares were measured at $0.338 per share (after adjusting for warrants) or $422.50 million in total, and the goodwill from the acquisition was determined to be $328.34 million. Consequently, a non-cash goodwill impairment charge of $221.24 million was recorded on 31 December 2013.

The Group changed its financial year end to December from March. For the nine months ended December 2013, the Group reported a net loss of $5 million before a non-cash goodwill impairment for the purchase of RSP. Including the goodwill impairment, the net loss was $226.3 million.

The Group continued to maintain a strong balance sheet, with net tangible assets as at 31 December 2013 amounting to $327.21 million (viz 31 March 2013: $35.62 million), of which cash and cash equivalents was $32.50 million. The Group did not have any bank borrowings as at 31 December 2013.

ACKNOWLEDGEMENT

On behalf of the Board, we would like to express our appreciation and thanks to our shareholders, business associates and partners for their continued support and confidence in Rowsley. We also wish to acknowledge the good counsel and guidance from fellow directors as well as the management and staff for their hard work and invaluable contributions. 2013 had been a hectic year for all.

We look forward to a successful 2014.

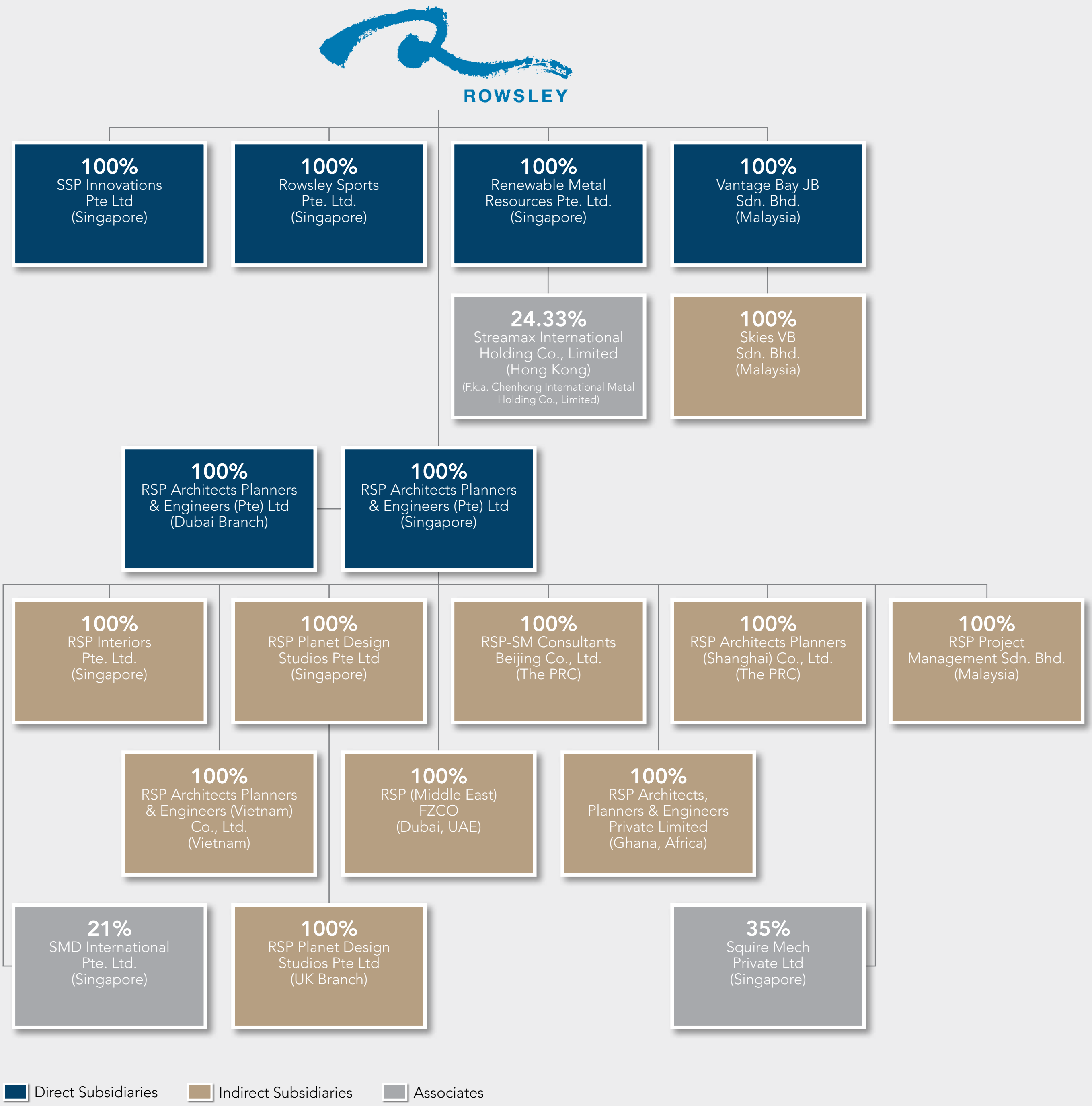
CHIANG CHIE FOO
Non-Executive Chairman

LOCK WAI HAN
Group Chief Executive Officer

ITE Headquarters and ITE College Central @ Ang Mo Kio, one of RSP's award-winning projects.

CREATING GREATER SYNERGY

Corporate Structure



As at 31 December 2013

Financial Highlights

MARKET CAPITALISATION
$1.4 billion
* As at 31 Dec 2013

NET TANGIBLE ASSETS
$327.2 million

REVENUE
$22.5 million
* Includes only 4th quarter of RSP's revenue

GEARING RATIO
Nil
* Based on total debt/total assets

NET ASSET VALUE PER SHARE
10.87 cents

Share Price Performance

©2014 Yahoo! Southeast Asia Pte Ltd. (Co. Reg. No. 199700735D)

Operations Review

Vantage Bay, a mixed-use integrated development, just a 3-minute drive to Johor CIQ.

Our performance for the financial year ended 31 December 2013 reflected most of the operating results of Rowsley in its earlier form as an investment holding company, as its transformation and strategic change in direction came only in the last quarter of the year with its two substantial acquisitions in September 2013.

Since then, we have refocused the company on developing our multi-disciplinary capabilities in designing, investing, developing and managing real estate projects.

The two acquisitions, a 9.23-hectare piece of land in Johor Bahru within Iskandar Malaysia, and RSP Architects Planners & Engineers, Singapore's leading architectural practice, were both all-share transactions. For the land which is being developed into a township called Vantage Bay, we paid $358 million by issuing 2,386,666,666 shares at $0.15 a share. In the RSP purchase, we had agreed to pay up to $187.5 million by way of an issue of up to 1,250,000,000 shares also at $0.15

each. The RSP consideration of $187.50 million comprised an initial payment of $131.25 million when the acquisition was completed in September 2013, and subsequent payments of up to $56.25 million to be made if RSP met certain profit targets for fiscal years 2013, 2014, and 2015. We also undertook a bonus issue of warrants, on the basis of two warrants for every share, to reward existing shareholders and to raise funds for the enlarged Group in the future. The exercise price of the warrants, which were issued free, is $0.18. All in, we issued 1,978,602,530 warrants and if all the warrants are exercised, the Group will receive gross proceeds of approximately $356.10 million, which can be used for the Vantage Bay project, future working capital, as well as future investments.

The land is located within Flagship A of Iskandar Malaysia and is just one kilometre from Johor's new customs, immigration and quarantine facility and the Causeway, making it highly accessible to Singaporeans and Singapore residents due to its proximity to Singapore.

VANTAGE BAY IN JOHOR BAHRU, ISKANDAR

The acquisition of the land from Vantage Bay Sdn. Bhd., a company belonging to Rowsley's controlling shareholder, Mr Peter Lim, and DYAM Tunku Ismail Idris Ibni Sultan Ibrahim Ismail, was completed in September. The land is located within Flagship A of Iskandar Malaysia and is just one kilometre from Johor's new customs, immigration and quarantine facility and the Causeway, making it highly accessible to Singaporeans and Singapore residents due to its proximity to Singapore.

This same proximity underpins the success of the whole Iskandar region, which is seen as the hinterland of Singapore, similar to the Hong Kong-Shenzhen model. Despite new property cooling measures announced in the Malaysian 2014 Budget and also by the state government on foreigners buying property in Johor, investors, particularly those from Singapore, continued to be interested in investing in Iskandar. Last year alone, the Iskandar region in Malaysia secured RM21 billion in investments, according to the Iskandar Regional Development Authority.

SKIES Vantage Bay, developed by Vantage Bay JB Sdn. Bhd.

Operations Review

Lifestyle mall at Vantage Bay, adjacent to medical hub, Thomson Iskandar.

On a broader scale, Iskandar is a long-term growth story and international investors have committed more than RM135 billion of investments in various sectors, thereby propelling Johor into a new phase of economic growth and expansion.

Given Singapore's scarce land supply, relatively high property prices and tight labour supply, the prospects for Iskandar are bright as more companies relocate or expand their operations there. With more investments pouring into Iskandar, the special economic zone will achieve its vision to be a thriving metropolis for people to live, work and play.

Our Vantage Bay project will be at the heart of this metropolis in an already well-populated area of Johor Bahru. The plan is to develop the waterfront site in phases over several years into an integrated mixed-use township centring on the themes of wellness and lifestyle. Our development, which will potentially generate more than 10,000 jobs, will be adjacent to Thomson Iskandar, a medical hub to be managed by Thomson Medical, one of Singapore's premier healthcare service providers. In the first phase, a 300-bed general hospital with specialist services in areas such as diabetes and ophthalmology is expected to be ready by early 2018.

During the year under review, RSP completed 22 projects and secured 66 new projects. It also won 23 awards including the BCI Top Ten Architectural Firms in Singapore, the BCA Construction Excellence Award for Woh Hup Headquarters, BCA Universal Design Mark for Westgate and Westgate Tower and the SIA Architectural Design Award for ITE College Central and Headquarters.

While the hospital will focus on medical needs associated with growing affluence that affect an increasing number of Malaysians, it will also cater to Singaporeans and Indonesians looking for quality healthcare at affordable prices.

Recognised by the Iskandar Regional Development Authority and the Ministry of Finance as a catalytic project with significant economic impact to Iskandar Malaysia, Vantage Bay has been granted fiscal incentives mainly in the form of tax exemptions for its development and operational activities. Among the incentives granted is a 100% income tax exemption on statutory income derived from the rental, sale or part-sale of the buildings of non-residential use. Additionally, companies that carry out selected eligible activities within Vantage Bay will also enjoy 100% tax exemption on statutory income derived from such qualifying activities or Investment Tax Allowance of 100% on qualifying capital expenses incurred in carrying out the eligible activities.

RSP GROUP

The RSP Group became a wholly-owned subsidiary of Rowsley in September 2013. The acquisition by Rowsley has increased RSP's profile and has helped to open new markets and opportunities, especially in newly-emerging markets such as Iskandar Malaysia. In addition, being associated with a listed company is a competitive advantage over smaller privately-held firms. Founded in Singapore in 1956, RSP is one of the leading architectural firms in the Republic and some of its better known projects include the award-winning ITE Headquarters and College Central in Ang Mo Kio, LASALLE College of the Arts and The Orchard Residences. Its commitment to sustainability has also led to other awards, including a BCA Design and Engineering Safety Excellence Award and SIA Architectural Design Award, as well as numerous BCA Construction Productivity Awards and BCA Universal Design Marks.

During the year under review, RSP completed 22 projects and secured 66 new projects. It also won 23 awards including the BCI Top Ten Architectural Firms in Singapore, the BCA Construction Excellence Award for Woh Hup Headquarters, BCA Universal Design Mark for Westgate and Westgate Tower and the SIA Architectural Design Award for ITE College Central and Headquarters.

During the year, we also marked the official opening of our multiple-award-winning ITE Headquarters and College Central in Ang Mo Kio. This development was first conceptualised in a two-stage competition in February 2010 and was completed in record time by October 2012.

The eight storey campus consists of a total of 10 blocks comprising an administrative block, four school blocks, three workshop blocks, an aerospace block and a sports complex. Efficient block layout linked by a central circulation spine has yielded a gross floor area of 192,820 square metres on a site area of 10.61 hectares.

Operations Review

Designed as a college of creativity and innovation and catering to 1,400 staff and 10,400 students, the entire campus is linked by a linear Inspiration Zone along the central green spine, linking the four Schools and three Activity Hubs (Atrium, Forum and Amphitheatre) from the main entrance to the sports complex in the north. The new headquarters is given due distinction and prominence fronting Ang Mo Kio Avenue 5, while the convention centre serves as an anchor at the vantage corner of the site. With a continuous environmental canopy connecting all blocks, covering and providing shade to the central green spine and outdoor sports areas, the overall form of the college is an interweaving ribbon that has no definitive start or stop point, symbolising education as a continuous and lifelong learning process.

One of the key recognisable features of the ITE Headquarters and ITE College Central is the provision of a green wall. At a height of 25 metres and area of 5,600 square metres, it is the largest green wall installation for a single development in Singapore.

ITE Headquarters and ITE College Central has also won several awards in 2013 including SIA Architectural Design Award, NParks Skyrise Greenery Awards (Excellence) and LIAS Awards (Gold), Green Mark Platinum award, Design and Engineering Safety Excellence Award and Construction Productivity Award.

Among the new projects awarded in 2013, the most high-profile was Project Jewel, an iconic development comprising lush garden attractions, a baggage check-in facility, retail and food and beverage shops, a cinema multiplex, an aviation academy and a cabin hotel as part of Singapore Changi Airport's expansion plans. To be built on a 6.6-hectare plot of land, it will seamlessly connect Terminals 1, 2, and 3. A key feature of the complex is a large-scale, indoor garden with a breathtaking waterfall.

Other projects secured during the year include the Hampton Court luxury condominium development, the redevelopment of Sampoerna Strategic Square in Jakarta, Indonesia and civil and structural engineering of Terminal 4, Changi Airport.

In China, RSP has an established practice, having designed a diverse collection of project types, including residential apartments, offices and mixed-developments. It celebrated its 10th anniversary in Beijing last year.

For the nine months ended December 2013, Rowsley reported a revenue of $22.5 million from $229,000 in the previous financial year. The increase in revenue was due primarily to contribution from RSP, following the completion of the acquisition in September 2013.

LASALLE College of the Arts.


ION Orchard and The Orchard Residences.

Architectural revenue continues to be the main contributor to RSP's total revenue, accounting for 74%, with the balance coming from civil and structural engineering works and master planning. In geographical terms, Singapore and China contributed 67% and 15% of the revenue respectively with other countries making up the balance.

RSP's staff strength increased by some 9% last year with more than 800 people in its offices in Singapore, China, Vietnam, United Kingdom, United Arab Emirates and Ghana.

INVESTMENT PORTFOLIO

Following the completion of the land and RSP acquisitions, we have shifted our focus to property development and architectural and engineering services, a move that has rendered the Group's existing investments as non-core assets.

The Board is undertaking a comprehensive review of these legacy investments – Streamax International Holding Co., Limited, Epicentre Holdings Limited, F J Benjamin Holdings Ltd and Riezen Pte Ltd – taking into consideration the capital requirements of the enlarged Group's business, the expected returns from such investments, prevailing market conditions, as well as any disposal opportunities which may present themselves and which the Board regards to be in the interest of the Group and its shareholders.

The Group recorded a share of loss of $323,315 from associated company, Streamax International Holding Co., Limited, which undertakes recycling of stainless steel and manufacturing of nickel products.

Epicentre, a one-stop premium retailer specialising in the sale of Apple brand products and its complementary accessories in Singapore and Malaysia, did not declare dividends in the last financial year as it recorded a loss.

The Group received dividends of $96,320 from its investments in F J Benjamin, a leader in building brands and developing retail and distribution networks for luxury and lifestyle labels across Asia.

Riezen, and its subsidiaries, Heliconix Inc and Ziolar Pte Ltd, are in the business of providing primary process technologies to solar thermal collector companies and developing low and mid temperature thin film selective coatings for solar thermal applications. We have signed a Sales and Purchase Agreement, pending completion, to sell Ziolar's assets to Auhua Clean Energy PLC, a solar thermal company listed on London AIM.

RSP is part of the consortium to build the high profile Project Jewel, a major part of Singapore Changi Airport's expansion plans.

ASCENDING GREATER HEIGHTS

Board of Directors

1. MR CHIANG CHIE FOO

Group Chairman (Non-Executive)

Appointed Non-Executive Non-Independent Chairman of the Company on 1 January 2014. Mr Chiang served more than 32 years in the Administrative Service of the Government of Singapore in various appointments in the Ministry of Education, Ministry of Home Affairs and Ministry of Defence. He retired from the Civil Service as Permanent Secretary of the Ministry of Defence on 1 September 2013.

He also served as Chairman and member of various statutory boards, institutions and private companies in the course of his career. He is currently Chairman of the CPF Board, a Director on the Board of the LKY Exchange Fellowship, Member of the Asia Pacific Breweries Foundation Board of Trustees and Senior Advisor to the Ministry of Defence.

Mr Chiang graduated with a Bachelor of Engineering (First Class Honours) from University of Western Australia in 1978 on a Colombo Plan Scholarship, and a Master in Public Administration from Harvard University in 1988 on a Fulbright Scholarship.

2. MR LOCK WAI HAN

Group CEO

Appointed Group CEO of Rowsley Ltd. on 1 November 2013. He is responsible for the businesses of the Rowsley Group including the newly-acquired RSP Architects Planners & Engineers (Pte) Ltd and Vantage Bay, a mixed-use development in Iskandar, Malaysia.

Mr Lock brings with him extensive knowledge and experience in investment, design, development and operation of foreign integrated real estate and the management, development, expansion and governance of talents and organisations.

Prior to joining Rowsley, Mr Lock was based in Beijing as the China CEO of CapitaMalls Asia (CMA), where he had oversight of a retail mall portfolio that included Raffles City projects and CMA mixed developments. Up until then, he had served in the Singapore public sector for more than 20 years during which he held various leadership roles including Commissioner, Immigration & Checkpoints Authority; Director, Criminal Investigations Department and Deputy Secretary, Ministry of Information, Communications & the Arts, as well as directorships in various statutory boards.

Mr Lock holds a Bachelor and Master of Arts (Engineering) from the University of Cambridge, UK, and a Master of Science (Management) from Leland Stanford Junior University, USA.

3. MR TAN WEE TUCK

Group CFO

Appointed Group Chief Financial Officer of Rowsley Ltd. on 18 November 2013. He was a Non-Executive Non-Independent Director of Rowsley from 25 September 2013 to 17 November 2013 before being re-designated Executive Director of the Company on 18 November 2013.

He has direct oversight of the treasury, financial reporting and internal controls, risk management, corporate finance, tax and investor relations functions of Rowsley and its subsidiaries.

Prior to joining Rowsley, Mr Tan was Vice President of Business Development and Partnerships for CNBC Asia Pacific and CFO for NBC Universal's Television Group in the Asia Pacific. He also previously worked for the General Electric Company where he held a variety of leadership finance positions across several industries and global locations, as well as for Sony International where he was employed in international logistics.

Mr Tan holds a Master of Business Administration from the Nanyang Business School and a Bachelor of Arts in Economics and Psychology from the National University of Singapore. He is also a member of the Institute of Singapore Chartered Accountants.

4. MR LAI HUEN POH

Executive Director

Appointed Executive Director of Rowsley Ltd. in September 2013. Since 2007, Mr Lai has helmed the RSP Group as Managing Director, having first joined the architectural and engineering practice in 1984 as a civil and structural engineer before becoming a partner in 1991.

Mr Lai is a member of several professional associations and sits on the Building Control Authority Board, as well as on its various panels and committees. He is also a long-serving member of the Strata Titles Board of Singapore. Mr Lai is an industry ambassador and promotes best practices in design and engineering safety, construction productivity and prefabrication technology through his capacity as committee member on various panels. He also sits on the NTU School of Civil and Environmental Engineering advisory committee and the REDAS advisory panel and is a member of the Singapore Land Authority Board.

Mr Lai graduated from Sheffield University with a Bachelor of Engineering. Upon graduation, he worked with Balfours Consulting Engineers in the UK for four years before coming to Singapore. Mr Lai is a Chartered Engineer with the Association of Consulting Engineers, UK and a Fellow of the Society of Project Managers.

5. MR HO KIAM KHEONG

Executive Director

Appointed Executive Director of Rowsley Ltd. in September 2013. Mr Ho is the Chief Executive Officer of Vantage Bay JB Sdn Bhd, an entity wholly owned by Rowsley Ltd. and set up to spearhead the development of Vantage Bay.

Mr Ho brings with him more than 25 years of experience in the real estate industry. Prior to joining Rowsley as Executive Director, Mr Ho held various senior positions in real estate companies, including Chief Development Officer of Reem Investments PJSC and Senior Vice-President (New

Board of Directors

Markets) at CapitaLand Residential Ltd and CapitaLand Commercial Ltd. At Reem, Mr Ho led the development of two mega projects totallng about 200 hectares in Abu Dhabi. At CapitaLand, he managed the Group's residential and commercial forays into frontier markets like Russia, Kazakhstan, India, Vietnam and Malaysia. He has also worked at SembCorp Engineers & Constructors Pte Ltd, ST Architects & Engineers Pte Ltd and SembCorp Infrastructure India.

Mr Ho holds a Master of Science (Engineering) from the University of Liverpool and a Bachelor of Engineering from the National University of Singapore.

6. DR WONG CHIANG YIN

Non-Executive Non-Independent Director

Appointed Non-Executive Non-Independent Director of Rowsley Ltd. in September 2013. He is President of Thomson International Health Services Pte Ltd and Sasteria Pte Ltd, as well as Executive Director of TMC Life Sciences Bhd.

From 1998 to 2008, Dr Wong held various senior positions in the public sector, including Chief Operating Officer of Changi General Hospital, Chief Operating Officer of Singapore General Hospital, Director of the Projects Office, Singapore Health Services Pte Ltd, and Assistant Director, Ministry of Health of Singapore. He is a council member of both the Singapore Medical Association and Academy of Medicine Singapore. He was President of the Singapore Medical Association from 2006 to 2009.

Dr Wong is Chairman of the Citizen Consultative Committee, Cashew Division of Holland–Bukit Timah Group Representation Constituency.

Dr Wong holds a Master of Medicine (Public Health) from the National University of Singapore and a Master in Business Administration (Finance) from the University of Leicester.

7. DR LAM LEE G

Lead Independent Director

Appointed Rowsley Ltd.'s Director since 26 June 2002 and Lead Independent Director from 1 August 2010. Dr Lam has served in various leadership roles on the Board, including the Audit and Risk Committee, Investment Committee and the Remuneration Committee. He currently chairs the Board's Nominating Committee.

Dr Lam has over 30 years of multinational general management, management consulting, corporate governance, investment banking, direct investment and fund management experience. He is Chairman – Indochina, Myanmar and Thailand, and Senior Adviser – Asia, of Macquarie Capital (an international investment bank from Australia). He also serves on the board of several publicly-listed companies and investment funds in the Asia Pacific region.

Dr Lam earlier served as a part-time member of the Central Policy Unit of the Government of Hong Kong Special Administrative Region for two terms and the Legal Aid Services Council. He is a member of the Jilin Province Committee (and formerly a Specially-invited Member of the Zhejiang Province Committee) of the Chinese People's Political Consultative Conference, a member of the Hong Kong Institute of Bankers, a member of the World Presidents' Organisation, a member of the Chief Executives Organization, a Fellow of the Hong Kong Institute of Directors and Hong Kong Institute of Arbitrators, an Accredited Mediator of the Centre of Effective Dispute Resolution (CEDR), a member of the General Committee of The Chamber of Hong Kong Listed Companies, a member of the Derivatives Market Consultative Panel of Hong Kong Exchange and Clearing Limited, a non-official member of the New Business Committee of the Financial Services Development Council, a Board Member of the Australian Chamber of Commerce in Hong Kong and Macau, a founding Board Member and Honorary Treasurer of the Hong Kong-Vietnam Chamber of Commerce, a founding member of Hong Kong-Korea Business Council, Vice President of the Hong Kong Real Property Federation and chairman of Monte Jade and Technology Association of Hong Kong.

Dr Lam is a visiting professor (in the subjects of corporate governance and investment banking) at the School of Economics & Management of Tsinghua University in Beijing, and an adjunct professor in the Department of Management of the Chinese University of Hong Kong.

8. MS CLAIRE LEE SUK LENG

Independent Director

Appointed Independent Director of Rowsley Ltd. in May 2003. Ms Lee has more than 10 years of experience in corporate finance, advisory and private wealth management. She serves on the Board of TMC Life Sciences Bhd in Malaysia.

She has worked in the merchant-banking arm of Union Bank of Switzerland, UBS (East Asia) Ltd, HSBC Investment Bank Plc and Salomon Smith Barney (Singapore) Pte Ltd.

Ms Lee holds a Bachelor of Business Administration (Distinction) in Finance from the University of Hawaii at Manoa.

9. MR YOON SOON SENG

Independent Director

Appointed Independent Director of Rowsley Ltd. in August 2010. He is Managing Director of the Secura Group of Companies in Singapore and specialises in fraud and risk management. He brings with him 30 years of management experience, having worked in various industries in Singapore, in planning, manufacturing and marketing functions of commercial products.

Mr Yoon holds a Bachelor of Engineering from the Institute of Science and Technology and a Master of Engineering in Material Science from the University of Wales. He also graduated with a Master of Business Administration from the University of Warwick.

10. MR CHUA HWEE SONG

Independent Director

Appointed Independent Director in September 2013. He is Managing Director of Tembusu Ventures Pte. Ltd., a private equity firm working with growth stage companies in Singapore since 2005.

Prior to Tembusu Ventures Pte. Ltd., Mr Chua was with the Singapore Economic Development Board where he was responsible for promoting technology entrepreneurship and development of the venture capital and private equity industry in Singapore. He was head of the investment group covering Asia, and subsequently North America, as part of the Technopreneurship Investment project.

He holds a Master in Business Administration from the National University of Singapore and a First Class Honours in Electrical and Electronics Engineering from King's College, University of London. Mr Chua is a CFA charterholder and a member of the Institute of Singapore Chartered Accountants.

Senior Management (Rowsley)

1

2

3

4

1. MR LOCK WAI HAN

Group CEO

Information on Mr Lock Wai Han is found in the "Board of Directors" section of this Report.

2. MR TAN WEE TUCK

Group CFO

Information on Mr Tan Wee Tuck is found in the "Board of Directors" section of this Report.

3. MR QUEK KAI HOO

Director/Head, Investments

Mr Quek has extensive experience in private equity, mergers and acquisitions (M&As) and operations management, and has previously worked with several firms such as Rothschild Ventures, Temasek Holdings, Unisteel, HRJ Capital and Kestrel Capital Partners. He has evaluated and carried out multi-million acquisitions and fund-of-fund investments in Singapore and overseas. He has also carried out General Management roles where he had P&L responsibilities, and implemented operational improvements and restructuring to enhance the revenues and profits for the companies under his charge. He has China-related experience and was based in Shanghai for two years as the Chief Representative of a fund management company.

Mr Quek started his career with the Economic Development Board (EDB) through a EDB-Glaxo scholarship. He holds a Bachelor of Science in Electrical Engineering and a Master of Science in Industrial Engineering from the University of Michigan (Ann Arbor). He is also a CFA charterholder.

4. MR LEE PIN KWAN

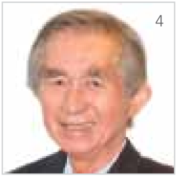
Financial Controller/Company Secretary

Mr Lee has worked in two international accounting firms in Singapore where he was involved in audits primarily of multinational and Singapore-listed companies in diverse industries ranging from trading, retail and installations projects, to manufacturing, property development and shipping.

Prior to joining Rowsley, Mr Lee was Chief Financial Officer of a company listed on the main board of the Stock Exchange of Hong Kong Limited with a manufacturing subsidiary operating in the People's Republic of China. He was involved in the Initial Public Offering process of that group of companies and oversaw the group's financial and accounting functions post listing.

Mr Lee holds a Bachelor of Innovation and Entrepreneurship from the University of Adelaide, Australia. He is a member of the Institute of Singapore Chartered Accountants, a member of the Hong Kong Institute of Certified Public Accountants and a Fellow member of the Association of Chartered Certified Accountants, UK.

Senior Management (RSP)



1. DR ALBERT HONG HIN KAY

Chairman

Dr Albert Hong joined Raglan Squire & Partners as an associate in 1964, quickly rising to become Partner and then Managing Partner in 1986. Upon incorporation of the RSP practice in 1992, he became Chairman and Managing Director. He continues to hold his appointment as Chairman of the firm.

Dr Hong is strongly associated with the success of RSP as a leading architectural and engineering practice both in Singapore and the region. He was named "Businessman of the Year" in the 1994 Singapore Business Awards for leading RSP into successful forays overseas. In 2006, Dr Hong was conferred a Fellow (Life) membership of the Singapore Institute of Architects. He was also conferred the Public Service Star (BBM) in recognition of his contribution to public housing, as well as the Public Service Star (Bar) BBM(L) in recognition of his contribution to the construction industry. In 2008, Dr Hong was conferred the award of "Panglima Negara Bintang Sarawak (PNBS)" and the title Dato Sri by Tuan Yang Terutama Yang di-Pertua Negeri Sarawak. In 2009, Dr Hong was conferred the award of Officer of the Most Excellent Order of the British Empire (OBE) by Queen Elizabeth II. The award recognises Dr Hong's contributions in forging strong links between the Singapore and British communities as Singapore Co-Chairman of the Singapore-British Business Council.

Dr Hong has served as a member of the National University of Singapore School of Architecture Advisory Committee, the Professional Engineers Board, as well as the Board of Architects.He was also a past President of the Singapore Institute of Architects.

Dr Albert Hong holds a degree in architecture from the Birmingham School of Architecture. In 1999, he was conferred an honorary doctorate by the University of Central England in Birmingham.

2. MR LAI HUEN POH

Managing Director

Information on Mr Lai Huen Poh is found in the "Board of Directors" section of this Report.

3. MR LEE KUT CHEUNG

Managing Director

Mr Lee joined RSP as a director in 1994 and has since 2007 led RSP as Managing Director.

Mr Lee had a long career with the Public Works Department of Singapore, culminating in his joining the directorate, before he joined RSP. Mr Lee was the Registrar of the Board of Architects (BOA) from 1984 to 1991 and concurrently a Council member of the Singapore Institute of Architects. From 1991 to 2000, he was a Board Member of BOA and a member of its Accreditation Committee. He was an External Examiner for the M.Arch Degree in NUS in 2001-2003 and served as a Board Member of the Building & Construction Authority (BCA) from April 2005 to March 2009. He was the Vice President of the Society of Project Managers from 2001-2009, and also serves on the Inquiry Committee of the Law Society as well as the Inquiry Committee of the Singapore Medical Council. For his public service, he received the Public Administration Medal (Bronze) National Day Honours 1975, Public Administration Medal (Silver) National Day Honours 1991, and Public Service Medal National Day Honours 1999.

Mr Lee graduated from Hong Kong University with a Bachelor of Architecture degree and has a Graduate Diploma (Hons) from the Architectural Association (AA) School of Architecture in London in 1981.

4. DR LIU THAI KER

Senior Director

Dr Liu Thai Ker joined RSP as a Director since 1992, and is now a Senior Director of the firm.

Dr Liu had a distinguished career in public service. As architect-planner and Chief Executive Officer of the Singapore Housing & Development Board, 1969-1989, Dr Liu saw the completion of over half a million dwelling units. In 1989, he became the Chief Executive Officer & Chief Planner of Urban Redevelopment Authority for which he spearheaded the major revision of the Singapore Concept Plan 1991.

Dr Liu has served as the Adjunct Professor of the School of Design and Environment and the Lee Kuan Yew School of Public Policy, National University of Singapore. He is also the Adjunct Professor in the College of Humanities, Arts & Social Sciences, Nanyang Technological University. He is a member of several government bodies in Singapore, and planning advisor to over 20 cities in China.

Dr Liu is the Founding Chairman of Centre for Liveable Cities since 2008. In the cultural arena, he served as Chairman of the National Arts Council from 1996 to 2005 and Singapore Tyler Print Institute from 2000 to 2009. He is also a recipient of several awards, including the Public Administration Medal (Gold) in 1976 and the Meritorious Service Medal in 1985, the Gold Medal of the Singapore Institute of Architects and the Medal of the City of Paris, France in 2001.

Dr Liu obtained his Bachelor of Architecture with First Class Honours & University Medal from the University of New South Wales in 1962, and a Masters in City Planning with Parsonis Memorial Medal from Yale University in 1965. He later attended the Stanford INSEAD Advanced Management Programme, Fontainebleau, Paris in 1980. In 1995, he was conferred the degree of Doctor of Science honoris causa by the University of New South Wales.

Senior Management (Vantage Bay)

MR HO KIAM KHEONG

Chief Executive Officer

Information on Mr Ho Kiam Keong is found in the "Board of Directors" section of this Report.

Corporate Governance

The Board of Directors (the "**Board**") and the management team (the "**Management**") of Rowsley Ltd. (the "**Company**") and its subsidiaries (collectively known as the "**Group**") are committed to high standards of corporate governance and have generally adopted the corporate governance principles contained in the Code of Corporate Governance 2012 (the "**Code**"). The Group has put in place several monitoring mechanisms to ensure effective corporate governance. This section outlines the main corporate governance processes and practices adopted by the Group with specific reference to the principles of the Code.

BOARD MATTERS

The Board's Conduct of Affairs

Principle 1: Every company should be headed by an effective board to lead and control the company. The board is collectively responsible for the success of the company. The board works with the management to achieve this objective and management remains accountable to the board.

The Board is responsible for the success of the Company. The Board works with Management to achieve this objective and Management remains accountable to the Board. Apart from its statutory responsibilities, the Board sets the overall strategy of the Group as well as policies on various matters including major investments, key operational initiatives and financial controls, reviews the Group's financial performance, provides leadership, sets strategic direction, establishes risk management procedures and goals for Management as well as monitors the achievement of the goals. The Board has adopted a set of internal control guidelines which list out the approval limits at board level for capital expenditure, investments and divestments and bank borrowings. Approvals of sub-limits are also provided at management level to facilitate operational efficiency. The Board members have diversified knowledge and experience and exercise independent judgment on issues of strategy (including social and environmental issues), performance, resources and standards of conduct and ethics.

Some of the matters that require board approval under such guidelines are listed below:

(a) approval of quarterly financial statements and results announcements;
(b) approval of annual financial statements and results announcements;
(c) approval of annual reports;
(d) declaration of interim dividends and proposal of final dividends;
(e) convening of shareholders' meetings;
(f) approval of corporate strategies;
(g) authorisation of merger and acquisition transactions;
(h) authorisation of major transactions; and
(i) approval of annual budgets.

The Board also sets the Group's values and standards, and ensures that obligations to shareholders and stakeholders are understood and met. Each member of the Board abstains from voting on any resolutions and making any recommendations and/or participating in respect of matters in which he is interested.

For effective and efficient execution of its responsibilities, the Board has established and delegated some of its powers to board committees, namely, the Audit and Risk Management Committee ("**ARMC**"), Nominating Committee ("**NC**") and Remuneration Committee ("**RC**").

Each of the board committees has its respective written terms of reference which are reviewed on a regular basis.

For financial year ended 31 December 2013, 4 board meetings were held. The attendance of Directors at board and board committee meetings held during the financial year ended 31 December 2013 and the number of meetings attended by each member at the respective meetings is disclosed in Table 1.

Apart from board meetings, important or urgent matters concerning the Group are also presented for the Board's decision by way of written resolutions, fax, electronic mail and telephone conferencing. The articles of association of the Company provides for board meetings to be conducted by way of telephone conference and for Board's approval of resolutions to be in writing.

Corporate Governance

Table 1: Attendance at Board and Board Committee Meetings

Name of Director	Board	ARMC	NC	RC
Number of Meetings Scheduled	4	4	1	2
Number of Meetings Attended				
Dr Ho Tat Kin(1)	4	*	1	*
Quek Kai Hoo(2)	2	*	*	*
Lock Wai Han(3)	1	*	NA	*
Tan Wee Tuck(4)	2	2	NA	NA
Lai Huen Poh(5)	2	*	NA	NA
Ho Kiam Kheong(6)	2	*	NA	NA
Dr Wong Chiang Yin(7)	2	2	NA	NA
Dr Lam Lee G(8)	4	2	1	NA
Claire Lee Suk Leng	4	4	NA	2
Yoon Soon Seng	4	4	1	2
Chua Hwee Song(9)	2	2	NA	1

* Attended by invitation

Notes:
1. Dr Ho Tat Kin resigned as Executive Chairman on 31 December 2013.
2. Mr Quek Kai Hoo resigned as Executive Director on 25 September 2013.
3. Mr Lock Wai Han was appointed as Executive Director and Group Chief Executive Officer on 1 November 2013.
4. Mr Tan Wee Tuck was appointed as Non-executive Non-independent Director on 25 September 2013 and was subsequently appointed as Executive Director and Group Chief Financial Officer on 18 November 2013.
5. Mr Lai Huen Poh was appointed as Executive Director on 25 September 2013.
6. Mr Ho Kiam Kheong was appointed as Executive Director on 25 September 2013.
7. Dr Wong Chiang Yin was appointed as Non-executive Non-independent Director on 25 September 2013.
8. Dr Lam Lee G resigned from the ARMC on 25 September 2013.
9. Mr Chua Hwee Song was appointed as Independent Director on 25 September 2013.

As a general rule, board papers are sent to Directors approximately seven days before board meetings so that board members have ample time to review and better understand the matters and issues for discussions at the board meetings.

The Directors have separate and independent access to the Group's management who together with the Company Secretary are responsible for ensuring that the board procedures are followed and that applicable rules and regulations are complied with. Under the articles of association of the Company, the decision to appoint or remove the Company Secretary can only be taken by the Board. The Company Secretary administers, attends and prepares minutes of all board and board committee meetings. He assists the Chairman in ensuring that the board procedures are followed and he regularly reviews them to ensure effective functioning of the Board. The Company Secretary ensures that the Company's memorandum and articles of association, the relevant rules, regulations and legislative provisions, including the requirements of the Companies Act (Cap. 50) and the Singapore Exchange Securities Trading Limited ("**Singapore Exchange**" or "**SGX-ST**") are complied with. He also assists the Chairman and the Board in implementing and strengthening corporate governance practices and processes with a view to enhance long-term shareholder value. Under the direction of the Chairman, the Company Secretary is responsible for ensuring good information flows within the Board and its committees and between Management and Non-executive Directors, as well as facilitating orientation and assisting with professional development as and when required. The Group Chief Executive Officer ("**CEO**") and Group Chief Financial Controller ("**CFO**") are the primary channels of communication between the Company and the Singapore Exchange.

Corporate Governance

The Board takes independent professional advice as and when necessary to enable it to discharge its responsibilities effectively. Subject to the approval of the Chairman, Directors whether as a group or individually, may seek and obtain independent professional advice to assist them in their duties at the expense of the Company. New Directors will undergo an orientation programme. Apart from keeping the Board informed of all relevant new laws and regulations, the Company also informs Directors of relevant training and professional development programmes that are available from time to time and the Company has provided for funds for Directors to attend training programmes.

Board Composition and Guidance

Principle 2: There should be a strong and independent element on the board, which is able to exercise objective judgement on corporate affairs independently, in particular, from management and 10% shareholders. No individual or small group of individuals should be allowed to dominate the board's decision making.

The Board of Directors currently comprises 10 members, 4 of whom are Executive Directors, 2 of whom are Non-executive, Non-independent Directors and the remaining 4 are Independent Directors. Independent Directors make up 40% of the Board which is higher than the one-third recommendation stated in the Code. The requirement for Independent Directors to make up at least half of the board where the Chairman is not an Independent Director will not come into effect until the Company's financial year commencing 1 January 2017.

Annually, each Independent Director is required to to declare to the Company whether he/she considers himself/herself to be independent and not having any relationship as identified in the Code.

Following its annual review, the NC noted that notwithstanding that Dr Lam Lee G and Ms Claire Lee Suk Leng have served the Board for more than nine years, their independence is not affected as they continue to exercise independent judgement and demonstrate objectivity in their deliberations in the interest of the Company. In addition, they have continued to express their individual viewpoints, debated issues and objectively scrutinised and challenged Management. The profiles of the Directors' qualifications and experiences and the detailed board and board committees' composition are set out in the section "Board of Directors" of this Annual Report and in Table 2 below respectively.

The NC is of the view that the current Board comprises persons who, as a group, provide the necessary core competencies for effective decision making for the Group. Given the nature and scope of the Group's operations, the current board size is appropriate. The Board consists of high calibre members with a wealth of knowledge, expertise and experience. They contribute valuable direction and insight, drawing from their vast experiences in matters relating to business, accounting, finance, legal and general corporate matters. At board meetings, the Directors discuss corporate strategy, budgets and financial objectives as well as challenges arising from changes in the evolving competitive landscape, openly debate and exercise objective judgement, while always acting in the best interests of all shareholders.

Chairman and Chief Executive Officer

Principle 3: There should be a clear division of responsibilities between the leadership of the board and the executives responsible for managing the company's business. No one individual should represent a considerable concentration of power.

There is a clear division of roles and responsibilities between the Chairman and the CEO which ensures an appropriate balance of power between the Board, the Chairman and the CEO, thereby allowing for increased accountability and greater independent decision-making ability. The Chairman and CEO are not related to each other.

The CEO, in consultation with the Chairman, initiates the holding of board meetings. The Board approves the schedule of board meetings that enables the Board to perform its duties and responsibilities while not interfering with the flow of the Group's operations. Board meeting agenda is prepared by the Company Secretary after consultation with the CEO and the Chairman.

Corporate Governance

In addition, the CEO monitors communications and relations between the Company and its shareholders, between the Board and Management, between Executive and Non-executive Directors, and between Independent and Non-independent Directors, with a view to encourage constructive relations and dialogue amongst them.

The Chairman is responsible for representing the Board to shareholders and maintaining regular dialogue with the Executive Directors on all operational matters. He ensures that Board members are provided with adequate and timely information, and that the Group's guidelines on corporate governance are being complied with.

Dr Lam Lee G was appointed Lead Independent Director on 1 August 2010. The role of the lead independent director will include meeting with shareholders when they have concerns which the normal channels of the Chairman or CEO have failed to resolve or for which such contact is inappropriate. In addition, the lead independent director will co-ordinate and lead the independent directors in providing a non-executive perspective and contributing to a balance of viewpoints on the Board. Where necessary, the lead independent director will chair meetings with independent directors without executive directors being present so as to facilitate well-balanced viewpoints on the Board.

With Dr Lam Lee G as the Lead Independent Director, who will avail himself to address shareholders' concerns and to act as a counter-balance in the decision-making process, the Board is of the opinion that there will be sufficient independence in its exercise of objective judgment on business affairs of the Group.

Board Membership

Principle 4: There should be a formal and transparent process for the appointment and re-appointment of directors to the board.

The NC currently comprises three members, the majority of whom (including the NC Chairman) are Independent Directors. The members of the NC are Dr Lam Lee G (NC Chairman, appointed on 25 September 2013), Chiang Chie Foo (appointed on 7 January 2014, who replaced Dr Ho Tat Kin) and Yoon Soon Seng. One meeting was held during the financial year ended 31 December 2013.

The NC has adopted its terms of reference in writing which had been approved by the Board of Directors. Each member of the NC abstains from voting on any resolutions and making any recommendations and/or participating in respect of matters in which he is interested.

The responsibilities of the NC are to ensure that there is a formal and transparent process in the nomination, appointment and re-appointment of directors to the Board. The NC reviews and assesses candidates for directorship before making recommendations to the Board. The NC assesses the effectiveness and contribution of the Board to the strategic growth and development of the Group. The Board and the NC have endeavoured to ensure that directors appointed to the Board possess the experience, knowledge and skills critical to the Group's business in order for balanced and effective decisions to be made.

Article 96 of the articles of association of the Company requires one-third of the Board to retire by rotation and subject themselves to re-election by shareholders at every annual general meeting of the Company. This means that no director stays in office for more than three years without being re-elected by shareholders. New directors are appointed by way of board resolutions after the NC approves their appointment. Pursuant to Article 97 of the articles of association of the Company, new directors who are appointed during the year to fill any vacancy in the Board shall hold office only until the next annual general meeting and be eligible for re-election. Pursuant to Article 78 of the articles of association of the Company, new directors appointed during the year to the Board shall hold office until the next annual general meeting and be eligible for re-election.

Corporate Governance

This year, the following Directors will be retiring at the forthcoming annual general meeting and seeking re-election as Directors:-

1. Dr Lam Lee G, Claire Lee Suk Leng and Yoon Soon Seng (pursuant to Article 96 of the Company's articles of association);

2. Chiang Chie Foo (pursuant to Article 97 of the Company's articles of association); and

3. Lock Wai Han (pursuant to Article 78 of the Company's articles of association).

The NC also assesses whether a director who has multiple board representations is able to and has been carrying out adequately and effectively the duties as a director and ensures that internal guidelines adopted to address the competing time commitments are relevant and being followed. All directors are required to declare their board representations. The NC has decided not to fix a limit on the number of board representations of each director as it considers that the board representations presently held by its Directors do not impede the performance of their duties to the Company.

The composition of the Board and Board Committees are set out below.

Table 2 : Board and Board Committees Composition

Name of Director	Date of first appointed/last re-elected as Director	Board	ARMC	NC	RC
Executive Directors					
Lock Wai Han	1 Nov 2013	Member	NA	NA	NA
Tan Wee Tuck	25 Sep 2013	Member	NA	NA	NA
Lai Huen Poh	25 Sep 2013	Member	NA	NA	NA
Ho Kiam Kheng	25 Sep 2013	Member	NA	NA	NA
Non-Executive, Non Independent Directors					
Chiang Chie Foo	1 Jan 2014	Chairman	NA	Member	NA
Dr Wong Chiang Yin	25 Sep 2013	Member	Member	NA	NA
Independent Directors					
Dr Lam Lee G	26 Jun 2002/ 11 Jul 2008	Member	Member	Chairman	NA
Claire Lee Suk Leng	24 May 2003/ 17 Jul 2009	Member	Member	NA	Chairperson
Yoon Soon Seng	11 Aug 2010/ 12 Jul 2011	Member	Chairman	Member	Member
Chua Hwee Song	25 Sep 2013	Member	Member	NA	Member

Board Performance

Principle 5: There should be a formal annual assessment of the effectiveness of the board as a whole and its board committees and the contribution by each director to the effectiveness of the board.

The NC is responsible for assessing, reviewing and evaluating the performance and effectiveness of the Board of Directors as a whole. The performance measurement ensures that the mix of skills and experience of Directors continues to meet the needs of the Group. Based on the recommendations by the NC, the Board has established processes and objective performance criteria for evaluating the effectiveness of the Board as a whole.

Corporate Governance

Each board member is required to complete a board appraisal assessment form on a yearly basis. Based on the returns submitted, the Chairman of the NC prepares a consolidated report which is presented together with financial performance information to the Board for consideration and adoption. In evaluating the Board's performance, the NC considers a set of quantitative and qualitative performance criteria. These criteria have been approved by the Board and have not changed significantly from the last year. The performance criteria for the board evaluation include board size and composition, board processes, board information and accountability, board performance in relation to discharging its principal functions and responsibilities for financial targets. In view that the composition of a majority of the Board members was changed towards the end of the financial year ended 31 December 2013, there was no board appraisal assessment for the financial year under review.

Access to Information

Principle 6: In order to fulfil their responsibilities, directors should be provided with complete, adequate and timely information prior to board meetings and on an on-going basis so as to enable them to make informed decisions to discharge their duties and responsibilities.

The Board of Directors receives regular updates on the Group's businesses and performance through financial and other reports provided by Management. Such updates and reports cover background and explanatory notes and include disclosure statements, budgets and forecasts and other relevant supporting documents.

The Board fully recognises that in order to effectively discharge its responsibilities, board members should be provided with complete and timely information prior to board meetings. Meeting papers are circulated approximately seven days prior to each meeting. Where necessary, the Directors, either individually or as a group, have the right to seek independent professional advice at the Company's expense.

In addition, the Board has unrestricted, separate and independent access to the Company Secretary and Management at all times. The Company Secretary attends all board meetings and has the responsibility to ensure that board procedures are being followed and regulations established by the Board and its committees are being complied with. The Company Secretary is also tasked with keeping the minutes of board meetings.

REMUNERATION MATTERS

Procedures for Developing Remuneration Policies

Principle 7: There should be a formal and transparent procedure for developing policy on executive remuneration and for fixing the remuneration packages of individual directors. No director should be involved in deciding his own remuneration.

The RC currently comprises three members, all of whom are Independent Directors.

Two RC meetings were held during financial year ended 31 December 2013.

The RC has adopted its terms of reference in writing which had been approved by the Board of Directors.

Each member of the RC abstains from voting on any resolutions and making any recommendations and/or participating in respect of matters in which he is interested.

The RC is tasked to recommend to the Board a framework of remuneration for the Board and key executives. It reviews and recommends remuneration policies and packages that attract, retain and motivate Directors and key executives to run the Company successfully. The review of remuneration packages takes into consideration the long-term interests of the Group and ensures that the interests of the Directors and key executives are aligned with those of the shareholders. The review covers all aspects of remuneration, including but not limited to Directors' salaries, fees, allowances, bonuses, options, profit sharing and benefits-in-kind. It also oversees management development and succession planning in the Group. The RC has access to expert advice from independent consultants on remuneration policies.

Corporate Governance

The Company adopts a formal procedure for the fixing of the remuneration packages of individual Directors. No Director is involved in deciding his own remuneration. In setting remuneration packages, the Company takes into account pay and employment conditions within the same industry and in comparable companies, as well as the Group's relative performance and the performance of individual Directors.

Executive Directors do not receive directors' fees. The remuneration policy for Executive Directors and management consists of three key components, that is, fixed cash, annual variable and long-term incentive. The fixed component includes salary, pension fund contributions and other allowances. The variable component comprises a performance-based bonus which forms a significant proportion of the total remuneration package and is payable on the achievement of individual and corporate performance targets. The long-term incentive is granted based on individual employee's performance and contribution. The remuneration policy has been endorsed by the RC and the Board.

The service contracts for the Executive Directors and management have clauses relating to early termination. None of the service contracts has any onerous removal clauses. Notice periods for resignation are generally three months in service contracts for Executive Directors and in the terms of employment of management.

Non-executive Directors have no service contracts with the Company and their terms are specified in the articles of association of the Company. Non-executive Directors are paid a basic fee and an additional fee for serving on any of the board committees. In determining the quantum of such fees, factors such as frequency of meetings, time spent and responsibilities of Directors are taken into account. Such fees are subject to the approval of the shareholders at annual general meetings.

Level and Mix of Remuneration

Principle 8: The level and structure of remuneration should be aligned with the long-term interest and risk policies of the company, and should be appropriate to attract, retain and motivate (a) the directors to provide good stewardship of the company, and (b) key management personnel to successfully manage the company. However, companies should avoid paying more than is necessary for this purpose.

The Group's remuneration policy is to provide compensation packages at market rates which reward successful performance and attract, retain and motivate the Directors. The Independent and Non-executive Directors receive directors' fees in accordance with their contribution, taking into account factors such as effort, time spent and the level of responsibility. The directors' fees are recommended by the Board for shareholders' approval at each annual general meeting. No Director is involved in deciding his or her own remuneration. The Executive Directors do not receive director's fees.

Disclosure on Remuneration

Principle 9: Each company should provide clear disclosure of its remuneration policies, level and mix of remuneration, and the procedure for setting remuneration, in the company's annual report. It should provide disclosure in relation to its remuneration policies to enable investors to understand the link between remuneration paid to directors and key management personnel, and performance.

Corporate Governance

Table 3 below shows the breakdown of remuneration received by the Directors for the financial year ended 31 December 2013.

Table 3 : Remuneration of Directors

	Fees	Salary	Other Benefits	Total
Remuneration in the band of $500,001 to $750,000				
Dr Ho Tat Kin(1)	0%	99%	1%	100%
Remuneration in the band of up to $250,000				
Lai Huen Poh(2)	0%	99%	1%	100%
Quek Kai Hoo(3)	0%	92%	8%	100%
Lock Wai Han(4)	0%	96%	4%	100%
Ho Kiam Kheong(5)	0%	94%	6%	100%
Tan Wee Tuck(6)	18%	79%	3%	100%
Dr Wong Chiang Yin(7)	100%	0%	0%	100%
Dr Lam Lee G(8)	100%	0%	0%	100%
Claire Lee Suk Leng	100%	0%	0%	100%
Yoon Soon Seng	100%	0%	0%	100%
Chua Hwee Song(9)	100%	0%	0%	100%

Notes:
(1) Dr Ho Tat Kin resigned as Executive Chairman on 31 December 2013.
(2) Mr Lai Huen Poh was appointed as Executive Director on 25 September 2013.
(3) Mr Quek Kai Hoo resigned as Executive Director on 25 September 2013.
(4) Mr Lock Wai Han was appointed as Executive Director and Group Chief Executive Officer on 1 November 2013.
(5) Mr Ho Kiam Kheong was appointed as Executive Director on 25 September 2013.
(6) Mr Tan Wee Tuck was appointed as Non-executive Non-independent Director on 25 September 2013 and was subsequently appointed as Executive Director and Group Chief Financial Officer on 18 November 2013.
(7) Dr Wong Chiang Yin was appointed as Non-executive Non-independent Director on 25 September 2013.
(8) Dr Lam Lee G resigned from the ARMC on 25 September 2013.
(9) Mr Chua Hwee Song was appointed as Independent Director on 25 September 2013.

For the financial year ended 31 December 2013, the breakdown of remuneration of the management is as follows:

	Fees	Salary	Other Benefits	Total
Remuneration in the band of up to $250,000				
Albert Hong Hin Kay	0%	99%	1%	100%
Lee Kut Cheung	0%	98%	2%	100%
Liu Thai Ker	0%	98%	2%	100%

In aggregate, the total annual remuneration paid to the management, who are neither Directors nor the Chairman, for the financial year ended 31 December 2013 amounted to $374,723*.

Corporate Governance

Our Executive Director, Tan Wee Tuck, is the nephew of our controlling shareholder, Lim Eng Hock. Vivien Heng Cheng Sim, an employee of the Group, is the spouse of our Executive Director, Lai Huen Poh. The aggregate remuneration paid to each of Tan Wee Tuck and Vivien Heng Cheng Sim for the financial year ended 31 December 2013 was less than $150,000*.

No termination and retirement benefit was granted to any Director, the Chairman or the management for the year ended 31 December 2013.

The Company has a share option scheme known as the "Rowsley Group Share Option Scheme 2012" which was approved by shareholders at the Company's extraordinary general meeting held on 26 June 2012. No option has been granted under the scheme.

*The remuneration for each of Albert Hong Hin Kay, Lee Kut Cheung, Liu Thai Ker and Vivien Heng Cheng Sim is computed for the period commencing from the completion of the Company's acquisition of RSP Architects Planners & Engineers (Pte) Ltd.

ACCOUNTABILITY AND AUDIT

Accountability

Principle 10: The board should present a balanced and understandable assessment of the company's performance, position and prospects.

The Board of Directors is accountable to shareholders, and Management is accountable to the Board.

The Board undertakes the responsibility of overseeing the corporate performance of the Group and is accountable to shareholders for the processes and structure of directing and managing the Group's business and affairs.

Management's accountability role is to report to the Board the operational and financial performance of the Group by keeping the Board informed and updated with clear and precise financial and management reports, on a regular basis.

Aside from adopting corporate governance practices in line with the spirit of the Code, the Company also observes obligations of continuing disclosures under the SGX-ST Listing Manual. The Company undertakes to circulate timely, adequate and non-selective disclosure of information.

Risk Management and Internal Controls and Audit Committee

Principle 11: The board is responsible for the governance of risk. The board should ensure that Management maintains a sound system of risk management and internal controls to safeguard shareholders' interests and the company's assets, and should determine the nature and extent of the significant risks which the board is willing to take in achieving its strategic objectives.

Principle 12: The board should establish an AC with written terms of reference which clearly set out its authority and duties.

The Board is responsible for the governance of risk across the Group. It is assisted by the ARMC which is responsible for making the necessary recommendation to the Board such that an opinion or comment regarding the adequacy and effectiveness of the risk management and internal control systems of the Group can be made by the Board in the annual report of the Company according to the Listing Manual of the SGX-ST and the Code.

The ARMC currently comprises 4 members, of whom 2 members and the chairman are Independent Directors and the remaining member is a Non-executive, Non-independent Director. Four ARMC meetings were held in the financial year ended 31 December 2013. The Board is of the view that members of the ARMC are appropriately qualified and have sufficient financial management expertise or experience to discharge the functions of the ARMC. The ARMC serves as a channel of communication between the Board and the internal auditors.

Corporate Governance

The ARMC is guided by its terms of reference to:

(i) review the audit plans of the internal and external auditors of the Company and ensure the adequacy of the Company's system of accounting controls and the co-operation given by Management to the internal and external auditors;

(ii) review significant financial reporting issues and judgements so as to ensure the integrity of the financial statements of the Company and any formal announcements relating to the Group's financial performance including annual financial statements before their submission to the Board as well as the external auditors' report on the balance sheet of the Company and the consolidated financial statements of the Group;

(iii) review annually the adequacy and effectiveness of the Group's material internal controls, including financial, operational and compliance and information technology controls and risk management;

(iv) meet with the internal and external auditors at least annually, other board committees and management in separate executive sessions to discuss any matters that these groups believe should be discussed privately with the ARMC;

(v) review legal and regulatory matters that may have a material impact on the financial statements, related compliance policies and programmes and any reports received from regulators;

(vi) review the independence, objectivity and cost effectiveness of the external auditors annually as well as the nature and extent of any substantial volume of non-audit services supplied by the external auditors to the Company so as to balance the maintenance of objectivity, independence and value for money;

(vii) recommend to the Board the internal and external auditors to be nominated, re-appointed or removed, approve the compensation of the internal and external auditors, and review the scope and results of the respective audits;

(viii) review interested person transactions, if any, as defined under the requirements of the SGX-ST Listing Manual;

(ix) report actions and minutes of the ARMC to the Board with such recommendations as the ARMC considers appropriate;

(x) review with Management on the areas of risk that may affect the Group's operations and the risk mitigation efforts;

(xi) direct and work with Management to develop and review policies and processes to address and manage identified areas of risk in a systematic and structured manner;

(xii) make recommendations to the Board in relation to business risks that may affect the Group, as and when these risks may arise; and

(xiii) to review and resolve any conflict of interest which may arise from the interests of the Directors, executive officers, controlling shareholders and/or their respective associates in any company carrying on a similar or competing businesses as the Group.

Corporate Governance

In September 2013, the Company completed the acquisition of RSP Architects Planners and Engineers (Pte) Ltd and a piece of land measuring 9.23 hectare in Iskandar, Malaysia (collectively, the "**Acquisitions**"). Following the Acquisitions, both the Board and the Management have taken measures to enhance the risk management and internal controls of the Group.

In late 2013, the Board also appointed Nexia TS Advisory Pte Ltd ("**Nexia TS**") to perform an enterprise risk assessment as well as to establish an enterprise risk management framework for the Group.

Separately, the ARMC had met with the external auditors without the presence of the Management. The ARMC had also conducted a review of interested person transactions for the financial year under review. Information relating to the Company's interested person transactions for the financial year under review is set out in the section "Interested Person Transactions" of this Annual Report.

The ARMC also conducted a review of all non-audit services provided by the external auditors for the financial year under review and was of the opinion that the nature and extent of such non-audit services provided by the external auditors would not affect the independence and objectivity of the external auditors. The aggregate amount of fees paid/payable to the external auditors, KPMG LLP, for the financial year under review was $858,635, of which audit fee amounted to $278,635 and non-audit fee amounted to $580,000. The non-audit fee related to the Acquisitions and was paid to KPMG LLP as reporting accountant for the Acquisitions before it was appointed as the Company's auditors.

The Board has received assurance from the CEO and the CFO that (a) the financial records of the Group have been properly maintained and the financial statements for the year ended 31 December 2013 give a true and fair view of the Group's operations and finances; and (b) the Group's risk management system and internal controls are effective.

Based on the above, the Board is satisfied that the Group's risk management system and internal controls are effective. At the same time, the Board and the Management continue to make efforts to enhance the Group's overall risk management effectiveness.

The Board notes that the system of risk management and internal controls established by the Company provides reasonable, but not absolute, assurance that the Group will not be significantly affected by any event that can be reasonably foreseen as it strives to achieve its business objectives. However, the Board also notes that no system of risk management and internal controls can provide absolute assurance in this regard, or absolute assurance against poor judgment in decision making, human error, losses, fraud or other irregularities.

Internal Audit

Principle 13: The company should establish an effective internal audit function that is adequately resourced and independent of the activities it audits.

The Board of Directors believes it is crucial to put in place a system of internal controls of the Group's procedures and processes to safeguard shareholders' interests and the Group's assets, and to manage risks.

The ARMC reviews, on an annual basis, the adequacy and effectiveness of the internal audit function.

The Company had appointed Nexia TS as its internal auditors. The internal auditors report directly to the chairman of the ARMC and report administratively to the CFO. The internal auditors have unfettered access to all the Company's documents, records, properties and personnel, including the ARMC.

The ARMC believes that the outsourced internal auditors have appropriate standing to perform their functions effectively.

Corporate Governance

SHAREHOLDER RIGHTS AND RESPONSIBILITIES

Shareholder Rights and Communications with Shareholders

Principle 14: Companies should treat all shareholders fairly and equitably, and should recognise, protect and facilitate the exercise of shareholders' rights, and continually review and update such governance arrangements.

Principle 15: Companies should actively engage their shareholders and put in place an investor relations policy to promote regular, effective and fair communication with shareholders.

The Board of Directors is mindful of the obligation to provide regular, effective and fair communication with shareholders. In line with continuous disclosure obligations of the Company pursuant to the rules of the SGX-ST Listing Manual and the provisions of the Companies Act, the Board aims to keep its shareholders informed of all major developments of the Group on a timely basis. Where there is inadvertent disclosure made to a select group, the Company will make the same disclosure via SGX-NET and where relevant, followed by a news release. The Company discloses major events and pertinent information through SGX-NET and press releases in various print media.

All results, corporate announcements and shareholder reports are issued promptly and within prescribed periods.

The Company also hosts a website (www.rowsley.com) to enhance its communication with its shareholders and the general public.

In addition, the Company has appointed an investor relations firm to promote effective communication with shareholders. Any questions from shareholders could either be raised to the investor relations firm or the Company to be addressed by Management and/or the relevant person-in-charge.

Conduct of Shareholder Meetings

Principle 16: Companies should encourage greater shareholder participation at general meetings of shareholders, and allow shareholders the opportunity to communicate their views on various matters affecting the company.

Shareholders are given the right to vote on resolutions at general meetings. A proxy form is sent with each notice of general meetings to all shareholders such that shareholders who are unable to attend the general meeting in person can appoint a proxy or proxies to attend and vote on their behalf.

The Company welcomes active participation from shareholders at its general meetings. To facilitate voting by shareholders, the Company's articles of association allow shareholders to appoint not more than two proxies to attend and vote at the general meetings.

At general meetings, the chairpersons of the ARMC, NC and RC as well as the external auditors are requested to be present and available to address any queries by shareholders.

The Board of Directors takes note that there should be separate resolutions at general meetings on each substantially separate issue and will provide reasons and material implications where resolutions are interlinked.

The Company does not have any dividend policy for the financial year ended 31 December 2013.

Corporate Governance

SECURITIES TRANSACTIONS

The Company has a policy on dealings in the securities of the Company for compliance by the directors and employees of the Company and its subsidiaries. It sets out the implications of insider trading and guidance on such dealings. It has adopted the Best Practices Guide on Dealings in Securities issued by SGX-ST. Its officers and their immediate family members are not allowed to deal in the Company's shares during the period commencing two weeks before the announcement of the Company's quarterly financial results and ending on the date of the announcement of the financial results or if they are in possession of unpublished price-sensitive information of the Group. In the case of full year financial results announcement, the applicable period is one month before the announcement of financial results.

Directors and all employees of the Group are also expected to observe all applicable insider trading laws at all times even when dealing in securities within permitted trading periods.

An officer of the Company is not allowed to deal in the Company's securities on short-term considerations.

MATERIAL CONTRACTS

There was no material contracts entered into during financial year ended 31 December 2013 by the Company or any of its subsidiaries involving the interests of the CEO, any director or substantial shareholder.

INTERESTED PERSON TRANSACTIONS

During financial year ended 31 December 2013, the Company, through its wholly-owned subsidiary Vantage Bay JB Sdn. Bhd., acquired a vacant land located in the Iskandar Development Region, particulars of which were set out in the Company's Circular dated 20 August 2013. The acquisition constituted an interested person transaction under Chapter 9 of the SGX-ST Listing Manual and was approved by shareholders on 5 September 2013. Save for the acquisition, the Company did not enter into any other interested person transaction.

CODE OF BUSINESS CONDUCT

The Group has adopted a Code of Business Conduct to regulate the standards of ethical conduct of the Group, which provides that its directors, officers and employees are required to observe and maintain high standards of integrity in compliance with the law, regulations and Company policies.

WHISTLE BLOWING POLICY

The Company has a whistle-blowing framework where employees of the Group may, in confidence, raise concerns about possible corporate improprieties in matters of financial reporting and other matters.

Details of the whistleblowing policies and announcements are made available to all employees. The whistleblowing policy has been reviewed by the Audit and Risk Management Committee to ensure that it has been properly implemented.

Corporate Directory

BOARD OF DIRECTORS

Mr Chiang Chie Foo
Non-executive
Non-independent Chairman

Mr Lock Wai Han
Executive Director, Group CEO

Mr Tan Wee Tuck
Executive Director, Group CFO

Mr Lai Huen Poh
Executive Director

Mr Ho Kiam Kheong
Executive Director

Dr Wong Chiang Yin
Non-executive
Non-independent Director

Dr Lam Lee G
Lead Independent Director

Ms Claire Lee Suk Leng
Independent Director

Mr Yoon Soon Seng
Independent Director

Mr Chua Hwee Song
Independent Director

AUDIT AND RISK MANAGEMENT COMMITTEE

Mr Yoon Soon Seng
Chairman

Ms Claire Lee Suk Leng
Member

Mr Chua Hwee Song
Member

Dr Wong Chiang Yin
Member

NOMINATING COMMITTEE

Dr Lam Lee G
Chairman

Mr Chiang Chie Foo
Member

Mr Yoon Soon Seng
Member

REMUNERATION COMMITTEE

Ms Claire Lee Suk Leng
Chairperson

Mr Yoon Soon Seng
Member

Mr Chua Hwee Song
Member

CHIEF FINANCIAL OFFICER

Tan Wee Tuck

COMPANY SECRETARY

Lee Pin Kwan

SHARE REGISTRAR & SHARE TRANSFER OFFICE

M & C Services Private Limited
112 Robinson Road #05-01
Singapore 068902

INDEPENDENT AUDITOR

KPMG LLP
16 Raffles Quay #22-00
Hong Leong Building
Singapore 048581

Partner-in-charge:
Mr Barry Lee Chin Siang

PRINCIPAL BANKER

United Overseas Bank Limited

The Hongkong and Shanghai
Banking Corporation Limited

Standard Chartered Bank

SOLICITORS

Chang See Hiang & Partners

REGISTERED OFFICE

1 Kim Seng Promenade #14-01
Great World City, East Tower
Singapore 237994
Tel : (65) 6235 5056
Fax : (65) 6235 6505
Email : contactus@rowsley.com
Website : www.rowsley.com

Financial Contents

Directors' Report

We submit this annual report to the members of the Company together with the audited financial statements for the financial period from 1 April 2013 to 31 December 2013.

DIRECTORS

The directors in office at the date of this report are as follows:

Chiang Chie Foo	(Chairman)	(Appointed on 1 January 2014)
Lock Wai Han	(Chief Executive Officer)	(Appointed on 1 November 2013)
Tan Wee Tuck		(Appointed on 25 September 2013)
Lai Huen Poh		(Appointed on 25 September 2013)
Ho Kiam Kheong		(Appointed on 25 September 2013)
Dr Wong Chiang Yin		(Appointed on 25 September 2013)
Chua Hwee Song		(Appointed on 25 September 2013)
Dr Lam Lee G		
Claire Lee Suk Leng		
Yoon Soon Seng		

CHANGE OF FINANCIAL YEAR-END

During the period, the Company changed its financial year-end from 31 March to 31 December to align its financial year end with that of its subsidiary, RSP Architects Planners & Engineers (Pte) Ltd, which the Company acquired on 25 September 2013.

DIRECTORS' INTERESTS

According to the register kept by the Company for the purposes of Section 164 of the Companies Act, Chapter 50 (the "Act"), particulars of interests of directors who held office at the end of the financial period (including those held by their spouses and infant children) in shares, debentures, warrants or share options in the Company and in related corporations (other than wholly-owned subsidiaries) are as follows:

Name of director and corporation in which interests are held	Holdings at beginning of the financial period/date of appointment	Holdings at end of the financial period	Holdings as at 21/1/2014
Rowsley Ltd.			
Chiang Chie Foo*			
(appointed on 1 January 2014)			
- ordinary shares	20,000	–	20,000
- warrants	40,000	–	40,000
**Lai Huen Poh ** **			
- ordinary shares	109,375,000	109,375,000	109,375,000

* Chiang Chie Foo is deemed interested in the 20,000 ordinary shares and 40,000 warrants held by his spouse.

** Pursuant to a sale and purchase agreement dated 3 February 2013, up to an additional 46,875,000 shares in the Company will be issued and alloted to Lai Huen Poh if certain earn-out targets are achieved.

Except as disclosed in this report, no director who held office at the end of the financial period had interests in shares, debentures, warrants or share options of the Company or of related corporations either at the beginning of the financial period, or date of appointment, if later, or at the end of the financial period.

Directors' Report

DIRECTORS' INTERESTS (CONT'D)

Except as disclosed in this report, neither at the end of, nor at any time during the financial period, was the Company a party to any arrangement whose objects are, or one of whose objects is, to enable the directors of the Company to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.

Except for salaries, bonuses and fees and those benefits that are disclosed in this report and in note 24 to the financial statements, since the end of the last financial year, no director has received or become entitled to receive, a benefit by reason of a contract made by the Company or a related corporation with the director, or with a firm of which he is a member, or with a company in which he has a substantial financial interest.

SHARE OPTIONS

The Rowsley Group Share Option Scheme 2012 (the Scheme) of the Company was approved and adopted by its members at an Extraordinary General Meeting held on 26 June 2012. The Scheme is administered by a committee which consists of directors of the Company.

During the financial period, there were:

(i) no options granted by the Company or its subsidiaries to any person to take up unissued shares in the Company or its subsidiaries; and

(ii) no shares issued by virtue of any exercise of option to take up unissued shares of the Company or its subsidiaries.

As at the end of the financial period, there were no unissued shares of the Company or its subsidiaries under option.

AUDIT AND RISK MANAGEMENT COMMITTEE

The members of the Audit and Risk Management Committee during the period and at the date of this report are:

- Yoon Soon Seng (Chairman)
- Claire Lee Suk Leng
- Chua Hwee Song (Appointed on 25 September 2013)
- Dr Wong Chiang Yin (Appointed on 25 September 2013)

The Audit and Risk Management Committee ("ARMC") performs the functions specified in Section 201B of the Act, the SGX Listing Manual and the Code of Corporate Governance. In performing those functions, the Committee:

(i) reviews the audit plans of the internal and external auditors of the Company and ensures the adequacy of the Company's system of accounting controls and the co-operation given by Management to the internal and external auditors;

(ii) reviews significant financial reporting issues and judgements so as to ensure the integrity of the financial statements of the Company and any formal announcements relating to the Group's financial performance including annual financial statements before their submission to the Board as well as the external auditors' report on the balance sheet of the Company and the consolidated financial statements of the Group;

(iii) reviews annually the adequacy and effectiveness of the Group's material internal controls, including financial, operational and compliance and information technology controls and risk management;

Directors' Report

AUDIT AND RISK MANAGEMENT COMMITTEE (CONT'D)

(iv) meets with the internal and external auditors at least annually, other board committees and Management in separate executive sessions to discuss any matters that these groups believe should be discussed privately with the ARMC;

(v) reviews legal and regulatory matters that may have a material impact on the financial statements, related compliance policies and programmes and any reports received from regulators;

(vi) reviews the independence, objectivity and cost effectiveness of the external auditors annually as well as the nature and extent of any substantial volume of non-audit services supplied by the external auditors to the Company so as to balance the maintenance of objectivity, independence and value for money;

(vii) recommends to the Board the internal and external auditors to be nominated, re-appointed or removed, approves the compensation of the internal and external auditors, and reviews the scope and results of the respective audits;

(viii) reviews interested person transactions, if any, as defined under the requirements of the SGX-ST Listing Manual;

(ix) reports actions and minutes of the ARMC to the Board with such recommendations as the ARMC considers appropriate;

(x) reviews with Management on the areas of risk that may affect the Group's operations and the risk mitigation efforts;

(xi) directs and works with Management to develop and review policies and processes to address and manage identified areas of risk in a systematic and structured manner;

(xii) makes recommendations to the Board in relation to business risks that may affect the Group, as and when these risks may arise; and

(xiii) reviews and resolves any conflict of interest which may arise from the interests of the Directors, executive officers, controlling shareholders and/or their respective associates in any company carrying on a similar or competing businesses as the Group.

The Audit and Risk Management Committee met four times during the financial period ended 31 December 2013. The Committee has met with the independent auditor without the presence of management, to discuss about audit matters.

The Audit and Risk Management Committee has full access to management and is given the resources required for it to discharge its functions. It has full authority and the discretion to invite any director or executive officer to attend its meetings. The Audit and Risk Management Committee also recommends the appointment of the external auditors and reviews the level of audit and non-audit fees.

The Audit and Risk Management Committee is satisfied with the independence and objectivity of the external auditors and has recommended to the Board of Directors that the auditors, KPMG LLP, be nominated for re-appointment as auditors at the forthcoming Annual General Meeting of the Company.

In appointing our auditors for the Company and subsidiaries, we have complied with Rules 712, 715 and 716 of SGX Listing Manual.

Directors' Report

AUDITORS

With the approval of shareholders obtained at the Extraordinary General Meeting held on 5 September 2013, KPMG LLP was appointed as auditors of the Company in place of Nexia TS Public Accounting Corporation (with effect from the date of completion of RSP Acquisition and the Land Acquisition) for the financial period ended 31 December 2013 and to hold office until the conclusion of the next Annual General Meeting of the Company.

The auditors, KPMG LLP, have indicated their willingness to accept re-appointment.

On behalf of the Board of Directors

Lock Wai Han
Director

Tan Wee Tuck
Director

20 March 2014

Statement by Directors

In our opinion:

(a) the financial statements set out on pages 48 to 98 are drawn up so as to give a true and fair view of the state of affairs of the Group and of the Company as at 31 December 2013 and the results, changes in equity and cash flows of the Group for the period from 1 April 2013 to 31 December 2013 in accordance with the provisions of the Singapore Companies Act, Chapter 50 and Singapore Financial Reporting Standards; and

(b) at the date of this statement, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

The Board of Directors has, on the date of this statement, authorised these financial statements for issue.

On behalf of the Board of Directors

Lock Wai Han
Director

Tan Wee Tuck
Director

20 March 2014

Independent Auditors' Report

Members of the Company
Rowsley Ltd.

REPORT ON THE FINANCIAL STATEMENTS

We have audited the accompanying financial statements of Rowsley Ltd. (the Company) and its subsidiaries (the Group), which comprise the statements of financial position of the Group and the Company as at 31 December 2013, the statement of comprehensive income, statement of changes in equity and statement of cash flows of the Group for the period from 1 April 2013 to 31 December 2013 and a summary of significant accounting policies and other explanatory information, as set out on pages 48 to 98.

Management's responsibility for the financial statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Singapore Companies Act, Chapter 50 (the Act) and Singapore Financial Reporting Standards, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair profit and loss accounts and balance sheets and to maintain accountability of assets.

Auditors' responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Singapore Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements of the Group and the statement of financial position of the Company are properly drawn up in accordance with the provisions of the Act and Singapore Financial Reporting Standards to give a true and fair view of the state of affairs of the Group and of the Company as at 31 December 2013 and the results, changes in equity and cash flows of the Group for the period from 1 April 2013 to 31 December 2013.

Other matter

The financial statements of Rowsley Ltd. and its subsidiaries for the year ended 31 March 2013 were audited by another auditor who expressed an unmodified opinion on those statements on 31 May 2013.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

In our opinion, the accounting and other records required by the Act to be kept by the Company and by those subsidiaries incorporated in Singapore of which we are the auditors have been properly kept in accordance with the provisions of the Act.

KPMG LLP
Public Accountants and Chartered Accountants

Singapore
20 March 2014

Statements of Financial Position

As at 31 December 2013

	Note	Group 31/12/2013 $'000	Group 31/3/2013 $'000	Company 31/12/2013 $'000	Company 31/3/2013 $'000
Assets					
Property, plant and equipment	4	8,907	287	269	287
Intangible assets and goodwill	5	134,786	–	–	–
Investment property	6	190,739	–	–	–
Subsidiaries	7	–	–	190,464	200
Associates	8	20,450	13,394	–	–
Other investments	9	5,064	6,368	–	–
Derivatives	10	4,595	–	–	–
Non-current assets		364,541	20,049	190,733	487
Development properties	11	181,000	–	–	–
Work-in-progress	12	20,291	–	–	–
Trade and other receivables	13	25,389	1,285	388,766	19,926
Cash and cash equivalents	14	32,496	15,068	9,129	15,015
Current assets		259,176	16,353	397,895	34,941
Total assets		623,717	36,402	588,628	35,428
Equity					
Share capital	15	715,922	62,172	715,922	62,172
Reserves	16	(253,929)	(26,553)	(254,573)	(26,913)
Total equity		461,993	35,619	461,349	35,259
Liabilities					
Deferred tax liabilities	17	5,370	618	20	20
Purchase consideration payable	18	126,750	–	126,750	–
Non-current liabilities		132,120	618	126,770	20
Excess of progress billings over work-in-progress	12	6,519	–	–	–
Trade and other payables	19	18,503	163	509	147
Current tax payable		4,582	2	–	2
Current liabilities		29,604	165	509	149
Total liabilities		161,724	783	127,279	169
Total equity and liabilities		623,717	36,402	588,628	35,428

The accompanying notes form an integral part of these financial statements.

Consolidated Statement of Comprehensive Income

Period from 1 April 2013 to 31 December 2013

	Note	Group Period from 1/4/2013 to 31/12/2013 $'000	Year ended 31/3/2013 $'000
Revenue	20	22,504	229
Other income		6,214	175
Staff costs		(16,705)	(1,320)
Depreciation and amortisation expenses		(1,503)	(62)
Impairment loss on goodwill		(221,244)	–
Other expenses		(14,286)	(3,798)
Share of loss of associates, net of tax		(525)	(1,094)
Loss before tax	21	(225,545)	(5,870)
Tax expense	22	(744)	–
Loss for the period/year		(226,289)	(5,870)
Other comprehensive loss			
Items that are or may be reclassified subsequently to profit or loss:			
Foreign currency translation differences – foreign operations		(5)	–
Net change in fair value of available-for-sale financial assets, net of tax		(1,082)	(1,592)
Transfer to profit or loss on disposal		–	(202)
Other comprehensive loss for the period/year, net of tax		(1,087)	(1,794)
Total comprehensive loss for the period/year		(227,376)	(7,664)
Loss attributable to equity holders of the Company		(226,289)	(5,870)
Total comprehensive loss attributable to equity holders of the Company		(227,376)	(7,664)
Earnings per share			
Basic loss per share (cents)	23	(10.52)	(0.63)
Diluted loss per share (cents)	23	(10.52)	(0.63)

The accompanying notes form an integral part of these financial statements.

Statement of Changes in Equity

Period from 1 April 2013 to 31 December 2013

Group	Note	Share capital $'000	Foreign currency translation reserve $'000	Fair value reserve $'000	Accumulated losses $'000	Total equity $'000
At 1 April 2012		51,915	–	4,711	(23,600)	33,026
Total comprehensive loss for the year						
Loss for the year		–	–	–	(5,870)	(5,870)
Other comprehensive loss						
Net change in fair value of available-for-sale financial assets, net of tax		–	–	(1,592)	–	(1,592)
Transfer to profit or loss on disposal		–	–	(202)	–	(202)
Total comprehensive loss for the year		–	–	(1,794)	(5,870)	(7,664)
Transactions with owners, recorded directly in equity						
Contribution by and distributions to owners						
Issuance of ordinary shares	15	10,257	–	–	–	10,257
Total contribution by and distributions to owners		10,257	–	–	–	10,257
At 31 March 2013		62,172	–	2,917	(29,470)	35,619
At 1 April 2013		62,172	–	2,917	(29,470)	35,619
Total comprehensive loss for the period						
Loss for the period		–	–	–	(226,289)	(226,289)
Other comprehensive loss						
Foreign currency translation differences for foreign operations		–	(5)	–	–	(5)
Net change in fair value of available-for-sale financial assets, net of tax		–	–	(1,082)	–	(1,082)
Total comprehensive loss for the period		–	(5)	(1,082)	(226,289)	(227,376)
Transactions with owners, recorded directly in equity						
Contribution by and distributions to owners						
Issuance of ordinary shares	15	653,750	–	–	–	653,750
Total contribution by and distributions to owners		653,750	–	–	–	653,750
At 31 December 2013		715,922	(5)	1,835	(255,759)	461,993

The accompanying notes form an integral part of these financial statements.

Consolidated Statement of Cash Flows

Period from 1 April 2013 to 31 December 2013

	Note	Group Period from 1/4/2013 to 31/12/2013 $'000	Group Year ended 31/3/2013 $'000
Cash flows from operating activities			
Loss for the period/year		(226,289)	(5,870)
Adjustments for:			
Advances to affiliates written off		44	–
Amortisation of intangible assets		1,073	–
Deposits written off		65	–
Depreciation of property, plant and equipment		430	62
Dividend income		(96)	(229)
Gain on sale of available-for-sale financial assets		–	(14)
Interest income		(649)	(100)
Impairment loss on available-for-sale financial assets		–	2,994
Impairment loss on goodwill		221,244	–
Loss on disposal of held-to-maturity financial assets		221	–
Reversal of impairment loss on trade receivables		(23)	–
Share of loss of associated companies, net of tax		525	1,094
Tax expense		744	–
Unrealised foreign exchange gain		(2,264)	–
Operating loss before working capital changes		(4,975)	(2,063)
Changes in working capital:			
Work-in-progress		1,875	–
Trade and other receivables		(1,424)	(1,145)
Trade and other payables		8,987	5
Progress billings		1,086	–
Development properties		(5,632)	–
Cash used in operations		(83)	(3,203)
Interest received		707	43
Income tax paid		(585)	–
Net cash generated from/(used in) operating activities		39	(3,160)
Cash flows from investing activities			
Acquisition of subsidiary, net of cash acquired	29	18,481	–
Dividends received		96	1,163
Proceeds from disposal of available-for-sale financial assets		–	248
Proceeds from disposal of held-to-maturity financial assets		6,818	–
Proceeds from disposal of property, plant and equipment		4	–
Additions to property, plant and equipment		(2,680)	(3)
Expenditure on investment property		(5,934)	–
Acquisition of other investments		–	(2,768)
Net cash generated from/(used in) investing activities		16,785	(1,360)

The accompanying notes form an integral part of these financial statements.

Consolidated Statement of Cash Flows

Period from 1 April 2013 to 31 December 2013

	Note	Group Period from 1/4/2013 to 31/12/2013 $'000	Year ended 31/3/2013 $'000
Cash flows from financing activities			
Proceeds from issuance of ordinary shares		–	10,257
Net cash generated from financing activities		–	10,257
Net increase in cash and cash equivalents		16,824	5,737
Cash and cash equivalents at beginning of the period/year		15,068	9,331
Effect of exchange rate fluctuation on cash held		(235)	–
Cash and cash equivalents at end of the period/year	14	31,657	15,068

Significant non-cash items

On 25 September 2013, the Company acquired the entire issued and paid-up share capital of RSP Architects Planners & Engineers (Pte) Ltd and a 9.23 hectare land in Malaysia's Iskandar Development Region (collectively referred to as the "Acquisitions") for a total of $653.75 million, by issuing 3,261,666,666 ordinary shares (see Note 29).

Notes to the Financial Statements

These notes form an integral part of the financial statements.

The financial statements were authorised for issue by the directors on 20 March 2014.

1 DOMICILE AND ACTIVITIES

Rowsley Ltd. (the Company) is listed on the Singapore Exchange Securities Trading Limited ("SGX-ST") and incorporated and domiciled in the Republic of Singapore. The address of its registered office is 1 Kim Seng Promenade, #14-01 Great World City, East Tower, Singapore 237994.

The financial statements of the Group as at and for the period from 1 April 2013 to 31 December 2013 comprise the Company and its subsidiaries (together referred to as the "Group" and individually as "Group entities") and the Group's interest in associates.

The principal activities of the Company are those of investments, investment holding and strategic investments and other related activities. The principal activities of the subsidiaries are disclosed in Note 7 to the financial statements.

2 BASIS OF PREPARATION

2.1 Statement of compliance

The financial statements have been prepared in accordance with the Singapore Financial Reporting Standards (FRS).

2.2 Basis of measurement

The financial statements are prepared on the historical cost basis, except as disclosed in the accounting policies below.

2.3 Functional and presentation currency

The financial statements are presented in Singapore dollars which is the Company's functional currency. All financial information presented in Singapore dollars has been rounded to the nearest thousand, unless otherwise stated.

2.4 Significant accounting estimates and judgements

The preparation of financial statements in conformity with FRS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

Information about assumption and estimation uncertainties that have a significant risk of resulting in a material adjustment within the next financial year are included in the following notes:

- Note 5 - Key assumptions used in discounted cash flow projections
- Notes 11 and 12 - Estimation of allowance for foreseeable losses
- Note 13 - Recoverability of trade and other receivables
- Note 22 - Estimation of tax provision
- Note 29 - Fair value determination of assets, liabilities and contingent liabilities acquired in business combination

Notes to the Financial Statements

2 BASIS OF PREPARATION (CONT'D)

2.5 Changes in accounting policies

(i) Fair value measurement

FRS 113 establishes a single framework for measuring fair value and making disclosures about fair value measurements, when such measurements are required or permitted by other FRS. In particular, it unifies the definition of fair value as the price at which an orderly transaction to sell an asset or to transfer a liability would take place between market participants at the measurement date. It also replaces and expands the disclosure requirements about fair value measurements in other FRS, including FRS 107 *Financial Instruments: Disclosure*.

From 1 April 2013, in accordance with the transitional provisions of FRS 113, the Group has applied the new fair value measurement guidance prospectively, and has not provided any comparative information for new disclosures. Notwithstanding the above, the change had no significant impact on the measurements of the Group's assets and liabilities. The additional disclosures necessary as a result of the adoption of this Standard has been included in Note 27.

(ii) Presentation of items of other comprehensive income

From 1 April 2013, as a result of the amendments to FRS 1, the Group has modified the presentation of items of other comprehensive income in its consolidated statement of comprehensive income, to present separately items that would be reclassified to profit or loss in the future from those that would never be. Comparative information has also been re-presented accordingly.

The adoption of the amendments to FRS 1 has no impact on the recognised assets, liabilities and comprehensive income of the Group.

3 SIGNIFICANT ACCOUNTING POLICIES

The accounting policies set out below have been applied consistently to all periods presented in these financial statements, and have been applied consistently by Group entities, except as explained in Note 2.5, which addresses changes in accounting policies.

3.1 Basis of consolidation

Business combinations

Business combinations are accounted for using the acquisition method in accordance with FRS 103 *Business Combination* as at the acquisition date, which is the date on which control is transferred to the Group. Control is the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. In assessing control, the Group takes into consideration potential voting rights that are currently exercisable.

The Group measures goodwill at the acquisition date as:

- the fair value of the consideration transferred; plus
- the recognised amount of any non-controlling interests in the acquiree; plus
- if the business combination is achieved in stages, the fair value of the pre-existing equity interest in the acquiree,

over the net recognised amount (generally fair value) of the identifiable assets acquired and liabilities assumed.

When the excess is negative, a bargain purchase gain is recognised immediately in profit or loss.

Notes to the Financial Statements

3 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.1 Basis of consolidation (cont'd)

Business combinations (cont'd)

The consideration transferred does not include amounts related to the settlement of pre-existing relationships. Such amounts are generally recognised in profit or loss.

Any contingent consideration payable is recognised at fair value at the acquisition date and included in the consideration transferred. If the contingent consideration is classified as equity, it is not remeasured and settlement is accounted for within equity. Otherwise, subsequent changes to the fair value of the contingent consideration are recognised in profit or loss.

Costs related to the acquisition, other than those associated with the issue of equity securities, that the Group incurs in connection with a business combination are expensed as incurred.

Changes in the Group's interest in a subsidiary that do not result in a loss of control are accounted for as transactions with owners in their capacity as owners and therefore no adjustments are made to goodwill and no gain or loss is recognised in profit or loss. Adjustments to non-controlling interests arising from transactions that do not involve the loss of control are based on a proportionate amount of the net assets of the subsidiary.

Subsidiaries

Subsidiaries are entities controlled by the Group. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

The accounting policies of subsidiaries have been changed when necessary to align them with the policies adopted by the Group. Losses applicable to the non-controlling interests in a subsidiary are allocated to the non-controlling interests even if doing so causes the non-controlling interests to have a deficit balance.

Associates

Associates are those entities in which the Group has significant influence, but not control or joint control, over the financial and operating policies. Significant influence is presumed to exist when the Group holds between 20% and 50% or more of the voting power of another entity.

Investments in associates are accounted for using the equity method and are recognised initially at cost. The cost of the investments includes transaction costs.

The consolidated financial statements include the Group's share of the profit or loss and other comprehensive income of associate, after adjustments to align the accounting policies with those of the Group, from the date that significant influence commences until the date that significant influence ceases.

When the Group's share of losses exceeds its interest in an associate, the carrying amount of the investment, including any long-term interests that form part thereof, is reduced to zero, and the recognition of further losses is discontinued except to the extent that the Group has an obligation or has made payments on behalf of the investee.

Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements. Unrealised gains arising from transactions with equity-accounted investees are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

Notes to the Financial Statements

3 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.1 Basis of consolidation (cont'd)

Subsidiaries in the separate financial statements

Investments in subsidiaries are stated in the Company's statement of financial position at cost less accumulated impairment losses.

3.2 Foreign currency

(i) Foreign currency transactions

Transactions in foreign currencies are translated to the respective functional currencies of Group entities at the exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are retranslated to the functional currency at the exchange rate at that date. The foreign currency gain or loss on monetary items is the difference between amortised cost in the functional currency at the beginning of the period, adjusted for effective interest and payments during the period, and the amortised cost in foreign currency translated at the exchange rate at the end of the period.

Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are retranslated to the functional currency at the exchange rate at the date on that the fair value was determined. Non-monetary items in a foreign currency that are measured in terms of historical cost are translated using the exchange rate at the date of the transaction.

Foreign currency differences arising on retranslation are recognised in profit or loss.

(ii) Foreign operations

The assets and liabilities of foreign operations, excluding goodwill and fair value adjustments arising on acquisition, are translated to Singapore dollars at exchange rates at the end of the reporting period. The income and expenses of foreign operations are translated to Singapore dollars at exchange rates at the dates of the transactions. Goodwill and fair value adjustments arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and are translated at the exchange rates at the end of the reporting period.

Foreign currency differences are recognised in other comprehensive income, and presented in the foreign currency translation reserve (translation reserve) in equity. However, if the foreign operation is a non-wholly-owned subsidiary, then the relevant proportionate share of the translation difference is allocated to the non-controlling interests. When a foreign operation is disposed of such that control, significant influence is lost, the cumulative amount in the translation reserve related to that foreign operation is reclassified to profit or loss as part of the gain or loss on disposal. When the Group disposes of only part of its interest in a subsidiary that includes a foreign operation while retaining control, the relevant proportion of the cumulative amount is reattributed to non-controlling interests. When the Group disposes of only part of its investment in an associate that includes a foreign operation while retaining significant influence, the relevant proportion of the cumulative amount is reclassified to profit or loss.

When the settlement of a monetary item receivable from or payable to a foreign operation is neither planned nor likely to occur in the foreseeable future, foreign exchange gains and losses arising from such a monetary item that are considered to form part of a net investment in a foreign operation are recognised in other comprehensive income, and are presented in the translation reserve in equity.

Notes to the Financial Statements

3 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.3 Property, plant and equipment

(i) Recognition and measurement

Items of property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses.

Cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes:

- the cost of materials and direct labour;
- any other costs directly attributable to bringing the assets to a working condition for their intended use;
- when the Group has an obligation to remove the asset or restore the site, an estimate of the costs of dismantling and removing the items and restoring the site on which they are located; and
- capitalised borrowing costs.

Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

The gain or loss on disposal of an item of property, plant and equipment (calculated as the difference between the net proceeds from disposal with the carrying amount of the item), and is recognised in profit or loss.

(ii) Subsequent costs

The cost of replacing a component of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the component will flow to the Group, and its cost can be measured reliably. The carrying amount of the replaced component is derecognised. The costs of the day-to-day servicing of property, plant and equipment are recognised in profit or loss as incurred.

(iii) Depreciation

Depreciation is based on the cost of an asset less its residual value. Significant components of individual assets are assessed and if a component has a useful life that is different from the remainder of that asset, that component is depreciated separately.

Depreciation is recognised as an expense in profit or loss on a straight-line basis over the estimated useful lives of each component of an item of property, plant and equipment, unless it is included in the carrying amount of another asset. Leased assets are depreciated over the shorter of the lease term and their useful lives unless it is reasonably certain that the Group will obtain ownership by the end of the lease term.

Depreciation is recognised from the date that the property, plant and equipment are installed and are ready for use.

Notes to the Financial Statements

3 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.3 Property, plant and equipment (cont'd)

(iii) Depreciation (cont'd)

The estimated useful lives for the current and comparative years are as follows:

Buildings	-	60 years
Furniture and fittings	-	3 to 15 years
Computers	-	3 to 6 years
Office equipment	-	5 years
Renovation	-	2 to 15 years
Electrical fittings and other fixtures	-	2 to 10 years
Motor vehicles	-	5 to 10 years

Depreciation methods, useful lives and residual values are reviewed at the end of each reporting period and adjusted if appropriate.

3.4 Intangible assets and goodwill

(i) Management consultancy agreement

Management consultancy agreement, that was acquired by the Group, comprises agreements pertaining to the Group's right to 11% of certain entities' revenue in relation to the services provided under these agreements. It has a finite useful life and is measured at cost less accumulated amortisation and accumulated impairment losses.

(ii) Order backlog

Order backlog, that was acquired by the Group, comprises remaining architectural contract revenues that have yet to be invoiced to customers. It has a finite useful life and is measured at cost less accumulated amortisation and accumulated impairment losses.

(iii) Goodwill

Goodwill that arises upon the acquisition of subsidiaries is included in intangible assets. For the measurement of goodwill at initial recognition, see Note 3.1.

Subsequent measurement

Goodwill is measured at cost less accumulated impairment losses.

Subsequent expenditure
Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including expenditure on internally generated goodwill and brands, is recognised in profit or loss as incurred.

Amortisation
Amortisation is calculated based on the cost of the asset, less its residual value. Amortisation methods, useful lives and residual values are reviewed at the end of each reporting period and adjusted if appropriate.

Notes to the Financial Statements

3 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.4 Intangible assets and goodwill (cont'd)

Management consultancy agreement

Amortisation is recognised in profit or loss on a straight-line basis over the estimated useful life of 20 years.

Order backlog

Amortisation is recognised in profit or loss based on the architectural contract revenues expected to be invoiced to customers.

3.5 Investment property

Investment property is a property held either to earn rental income or for capital appreciation or for both, but not for sale in the ordinary course of business, use in the production or supply of goods or services or for administrative purposes.

Investment property is stated at cost and accumulated impairment losses.

Cost includes expenditure that is directly attributable to the acquisition of the investment property. The cost of self-constructed investment property includes the cost of materials and direct labour, any other costs directly attributable to bringing the investment property to a working condition for their intended use and capitalised borrowing costs.

Gains or losses on disposal of an investment property are determined by comparing the proceeds from disposal with the carrying amount of investment property, and are recognised in profit or loss.

Depreciation
No depreciation is provided on freehold land included in the investment property.

Transfers
Transfers to, or from, investment property are made when there is a change in use, evidenced by:

- Commencement of owner-occupation, for a transfer from investment property to property, plant and equipment;
- Commencement of development with a view to sell, for a transfer from investment property to development properties; and
- End of owner-occupation, for a transfer from property, plant and equipment to investment property.

3.6 Development properties

Development properties are measured at the lower of cost and net realisable value. Cost includes acquisition costs, development expenditure, capitalised borrowing costs and other costs directly attributable to the development activities. Cost includes an appropriate share of development overheads allocated based on normal capacity.

Borrowing costs that are directly attributable to the acquisition and development of the properties under development are capitalised as part of properties under development during the period of development.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and selling expenses.

The aggregated costs incurred are presented as development properties while progress billings are presented separately as deferred income in the statement of financial position.

Notes to the Financial Statements

3 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.7 Construction work in progress

Construction work in progress represents the gross unbilled amount expected to be collected from customers for contract work performed to date. It is measured at cost plus profit recognised to date (see Note 3.12) less progress billings and recognised losses. Cost includes all expenditure related directly to specific projects and an allocation of fixed and variable overheads incurred in the Group's contract activities based on normal operating capacity.

Construction work in progress is presented in the statement of financial position for all contracts in which costs incurred plus recognised profits exceed progress billings and recognised losses. If progress billings exceed costs incurred plus recognised profits, then the difference is presented as excess of progress billings over work-in-progress in the statement of financial position.

3.8 Financial instruments

(i) Non-derivative financial assets

The Group initially recognises loans and receivables and deposits on the date that they are originated. All other financial assets are recognised initially on the trade date, which is the date that the Group becomes a party to the contractual provisions of the instrument.

The Group derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred. Any interest in transferred financial assets that is created or retained by the Group is recognised as a separate asset or liability.

Financial assets and liabilities are offset and the net amount presented in the statement of financial position when and only when, the Group has a legal right to offset the amounts and intends either to settle on a net basis or to realise the assets and settle the liability simultaneously.

The Group classifies non-derivative financial assets into the following categories: loans and receivables, available-for-sale financial assets and held-to-maturity financial assets.

Loans and receivables
Loans and receivables are financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are recognised initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, loans and receivables are measured at amortised cost using the effective interest method, less any impairment losses.

Loans and receivables comprise trade and other receivables and cash and cash equivalents.

Cash and cash equivalents comprise cash balances and short-term deposits with maturities of three months or less from the acquisition date that are subject to an insignificant risk of changes in their fair value, and are used by the Group in the management of its short-term commitments. For the purpose of the consolidated statement of cash flows, pledged deposits are excluded whilst bank overdrafts that are repayable on demand and that form an integral part of the Group's cash management are included in cash and cash equivalents.

Notes to the Financial Statements

3 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.8 Financial instruments (cont'd)

(i) Non-derivative financial assets (cont'd)

Available-for-sale financial assets
Available-for-sale financial assets are non-derivative financial assets that are designated as available for sale or are not classified in any of the other categories of financial assets. Available-for-sale financial assets are recognised initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, they are measured at fair value and changes therein, other than impairment losses are recognised in other comprehensive income and presented in the fair value reserve in equity. When an investment is derecognised, the gain or loss accumulated in equity is reclassified to profit or loss.

Available-for-sale financial assets comprise equity securities.

Held-to-maturity financial assets
If the Group has the positive intent and ability to hold debt securities to maturity, then such financial assets are classified as held-to-maturity. Held-to-maturity financial assets are recognised initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, held-to-maturity financial assets are measured at amortised cost using the effective interest method, less any impairment losses.

Held-to-maturity financial assets comprise debt securities.

(ii) Non-derivative financial liabilities

Financial liabilities for contingent consideration payable in a business combination are recognised at the acquisition date. All other financial liabilities are recognised initially on the trade date, which is the date that the Group becomes a party to the contractual provisions of the instrument.

The Group derecognises a financial liability when its contractual obligations are discharged, cancelled or expire.

Financial liabilities for contingent consideration payable in a business combination are initially measured at fair value. Subsequent changes in the fair value of the contingent consideration are recognised in profit or loss.

Financial assets and liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Group has a legal right to offset the amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

The Group classifies non-derivative financial liabilities into the other financial liabilities category. Such financial liabilities are recognised initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, these financial liabilities are measured at amortised cost using the effective interest method.

Other financial liabilities comprise trade and other payables.

(iii) Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares are recognised as a deduction from equity, net of any tax effects.

(iv) Derivatives

Non-trading derivatives
Derivatives are recognised initially at fair value; attributable transaction costs are recognised in the profit or loss when incurred. Subsequent to initial recognition, derivatives are measured at fair value, and changes in their fair values are recognised immediately in the profit or loss.

Notes to the Financial Statements

3 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.9 Impairment

(i) Non-derivative financial assets

A financial asset not carried at fair value through profit or loss, including an interest in an associate, is assessed at the end of each reporting period to determine whether there is objective evidence that it is impaired. A financial asset is impaired if objective evidence indicates that a loss event(s) has occurred after the initial recognition of the asset, and that the loss event(s) has an impact on the estimated future cash flows of that asset that can be estimated reliably.

Objective evidence that financial assets (including equity securities) are impaired can include default or delinquency by a debtor, restructuring of an amount due to the Group on terms that the Group would not consider otherwise, indications that a debtor or issuer will enter bankruptcy, adverse changes in the payment status of borrowers or issuers in the Group, economic conditions that correlate with defaults or the disappearance of an active market for a security. In addition, for an investment in an equity security, a significant or prolonged decline in its fair value below its cost is objective evidence of impairment.

Loans and receivables and held-to-maturity financial assets
The Group considers evidence of impairment for loans and receivables and held-to-maturity financial assets at both a specific asset and collective level. All individually significant loans and receivables and held-to-maturity investment securities are assessed for specific impairment. All individually significant receivables and held-to-maturity investment securities found not to be specifically impaired are then collectively assessed for any impairment that has been incurred but not yet identified. Loans and receivables and held-to-maturity investment securities that are not individually significant are collectively assessed for impairment by grouping together loans and receivables and held-to-maturity investment securities with similar risk characteristics.

In assessing collective impairment, the Group uses historical trends of the probability of default, the timing of recoveries and the amount of loss incurred, adjusted for management's judgement as to whether current economic and credit conditions are such that the actual losses are likely to be greater or less than suggested by historical trends.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows, discounted at the asset's original effective interest rate. Losses are recognised in profit or loss and reflected in an allowance account against loans and receivables or held-to-maturity investment securities. Interest on the impaired asset continues to be recognised. When a subsequent event (eg. Repayment by a debtor) causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through profit or loss.

Available-for-sale financial assets
Impairment losses on available-for-sale financial assets are recognised by reclassifying the losses accumulated in the fair value reserve in equity to profit or loss. The cumulative loss that is reclassified from equity to profit or loss is the difference between the acquisition cost, net of any principal repayment and amortisation, and the current fair value, less any impairment loss recognised previously in profit or loss. Changes in cumulative impairment provisions attributable to application of the effective interest method are reflected as a component of interest income. If, in a subsequent period, the fair value of an impaired available-for-sale equity security increases and the increase can be related objectively to an event occurring after the impairment loss was recognised, any subsequent recovery in the fair value of an impaired available-for-sale equity security is recognised in other comprehensive income.

An impairment loss in respect of an associate is measured by comparing the recoverable amount of the investment with its carrying amount in accordance with Note 3.9(ii). An impairment loss is recognised in profit or loss. An impairment loss is reversed if there has been a favourable change in the estimates used to determine the recoverable amount.

Notes to the Financial Statements

3 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.9 Impairment (cont'd)

(ii) Non-financial assets

The carrying amounts of the Group's non-financial assets, other than investment property, development properties and work-in-progress, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. For goodwill, the recoverable amount is estimated each year at the same time. An impairment loss is recognised if the carrying amount of an asset or its related cash-generating unit (CGU) exceeds its estimated recoverable amount.

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGUs. Subject to an operating segment ceiling test, for the purposes of goodwill impairment testing, CGUs to which goodwill has been allocated are aggregated so that the level at which impairment testing is performed reflects the lowest level at which goodwill is monitored for internal reporting purposes. Goodwill acquired in a business combination is allocated to groups of CGUs that are expected to benefit from the synergies of the combination.

The Group's corporate assets do not generate separate cash inflows and are utilised by more than one CGU. Corporate assets are allocated to CGUs on a reasonable and consistent basis and tested for impairment as part of the testing of the CGU to which the corporate asset is allocated.

Impairment losses are recognised in profit or loss. Impairment losses recognised in respect of CGUs are allocated first to reduce the carrying amount of any goodwill allocated to the CGU (group of CGUs), and then to reduce the carrying amounts of the other assets in the CGU (group of CGUs) on a *pro rata* basis.

An impairment loss in respect of goodwill is not reversed. In respect of other assets, impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

Goodwill that forms part of the carrying amount of an investment in an associate is not recognised separately, and therefore is not tested for impairment separately. Instead, the entire amount of the investment in an associate is tested for impairment as a single asset when there is objective evidence that the investment in associate may be impaired.

Notes to the Financial Statements

3 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.10 Employee benefits

(i) Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution pension plans are recognised as an employee benefit expense in profit or loss in the periods during which related services are rendered by employees.

(ii) Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid under short-term cash bonus or profit-sharing plans if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the obligation can be estimated reliably.

(iii) Accrual for accumulated compensated absences

Employee benefits in the form of accumulated compensated absences are recognised in the profit or loss when the employees render services that increase their entitlement to future compensated absences.

3.11 Financial guarantee contracts

Financial guarantee contracts are accounted for as insurance contracts. A provision is recognised based on the Group's estimate of the ultimate cost of settling all claims incurred but unpaid at the balance sheet date. The provision is assessed by reviewing individual claims and tested for adequacy by comparing the amount recognised and the amount that would be required to settle the guarantee contract.

3.12 Revenue

(i) Sale of development properties - overseas

Revenue from sales of development properties is only recognised upon the transfer of control and significant risks and rewards of ownership of the property to the buyer. This generally coincides with the point in time when the development unit is delivered to the buyer. No revenue is recognised when there is significant uncertainty as to the collectability of consideration due or the possible return of units sold.

(ii) Contract revenue from architectural services

Revenue is recognised when the relevant services are rendered. Revenue is recorded using the percentage of completion method, measured by reference to the percentage of contract costs incurred to date to the estimated total cost for the contract.

Estimated foreseeable losses on uncompleted contracts are made on a contract by contract basis.

When the outcome of a contract cannot be estimated reliably, revenue is recognised only to the extent of contract costs incurred that is expected to be recoverable.

(iii) Dividends

Dividend income from subsidiaries and associates are recognised in the profit or loss when the Company's right to receive payment is established.

Dividend income from quoted and unquoted financial assets are recognised as and when it is received.

Notes to the Financial Statements

3 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.13 Lease payments

Payments made under operating leases are recognised in profit or loss on a straight-line basis over the term of the lease. Lease incentives received are recognised as an integral part of the total lease expense, over the term of the lease. Contingent rentals are charged to profit or loss in the accounting period in which they are incurred.

3.14 Interest income

Interest income is recognised using the effective interest method.

3.15 Tax

Tax expense comprises current and deferred tax. Current tax and deferred tax is recognised in profit or loss except to the extent that it relates to a business combination, or items recognised directly in equity or in other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for:

- temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss;

- temporary differences related to investments in subsidiaries and associates to the extent that the Group is able to control the timing of the reversal of the temporary difference and it is probable that they will not reverse in the foreseeable future; and

- taxable temporary differences arising on the initial recognition of goodwill.

The measurement of deferred taxes reflects the tax consequences that would follow the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date.

Notes to the Financial Statements

3 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.15 Tax (cont'd)

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

A deferred tax asset is recognised for unused tax losses, tax credits and deductible temporary differences, to the extent that it is probable that future taxable profits will be available against which they can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

In determining the amount of current and deferred tax, the Group takes into account the impact of uncertain tax positions and whether additional taxes and interest may be due. The Group believes that its accruals for tax liabilities are adequate for all open tax years based on its assessment of many factors, including interpretations of tax law and prior experience. This assessment relies on estimates and assumptions and may involve a series of judgements about future events. New information may become available that causes the Group to change its judgement regarding the adequacy of existing tax liabilities; such changes to tax liabilities will impact tax expense in the period that such a determination is made.

3.16 Earnings per share

The Group presents basic and diluted earnings per share data for its ordinary shares. Basic earnings per share is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the period, adjusted for own shares held. Diluted earnings per share is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding, adjusted for own shares held, for the effects of all dilutive potential ordinary shares.

3.17 Segment reporting

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components. All operating segments' operating results are reviewed regularly by the Board of Directors (the chief operating decision maker) to make decisions about resources to be allocated to the segment and to assess its performance, and for which discrete financial information is available.

Segment results that are reported to the Group's Board of Directors include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items comprise mainly corporate assets (primarily the Company's headquarters), head office expenses and tax assets and liabilities.

Segment capital expenditure is the total cost incurred during the year to acquire property, plant and equipment, investment property, and intangible assets other than goodwill.

Notes to the Financial Statements

3 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.18 New standards and interpretations not yet adopted

A number of new standards, amendments to standards and interpretations are effective for annual periods beginning after 1 April 2013, and have not been applied in preparing these financial statements. Those new standards, amendments to standards and interpretations are set out below.

Applicable for the Group's 2014 financial statements

- FRS 110 *Consolidated Financial Statements*, changes the definition of control such that an investor controls an investee when it is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power with the investee. FRS 110 introduces a single control model with a series of indicators to assess control. FRS 110 also adds additional context, explanation and application guidance based on the principle of control.

  In accordance with the transitional provisions of FRS110, the Group re-assessed the control conclusion for its investees and other arrangements that the Group entities have entered into. As a consequence, the Group would be consolidating Riezen Pte Ltd ("Riezen") and RSP Engineers Sdn. Bhd. ("RSP Engineering") as a result of the following arrangements:

  - Convertible loan agreement between the Group's wholly owned subsidiary, SSP Innovations Pte Ltd ("SSP") and Riezen, giving rise to potential voting rights of 41.7% that are currently exercisable; and

  - Call option agreement between RSP Architects Planners Architects & Engineers Pte Ltd ("RSP Sub-Group") and RSP Engineering, giving rise to potential voting rights of 99.9%.

  collectively known as the "Agreements".

  The arrangements are currently being accounted for as available-for-sale asset and derivative assets respectively. As a result of the Agreements, the Group has potential voting rights that are currently exercisable. In addition, under the convertible loan agreement, the Group has board representation in Riezen.

  The Group has not consolidated Riezen and RSP Engineering as it does not have any ownership benefits.

  Accordingly, when the Group adopts FRS110 in 2014, it would apply acquisition accounting to the investments on 1 January 2010, as if the investee had been consolidated from that date.

- FRS 112 *Disclosure of Interests in Other Entities*, sets out the disclosures required to be made in respect of all forms of an entity's interests in other entities, including subsidiaries, joint arrangements, associates and unconsolidated structured entities. The adoption of this standard would result in more extensive disclosures being made in the Group's financial statements in respect of its interests in other entities; as FRS 112 is primarily a disclosure standard, there will be no financial impact on the results and financial position of the Group and the Company upon early adoption of this standard by the Group in 2014. The Group is currently collating the information of the additional disclosures required.

Notes to the Financial Statements

4 PROPERTY, PLANT AND EQUIPMENT

	Note	Buildings $'000	Furniture and fittings $'000	Computers $'000	Office equipment $'000	Renovation $'000	Electrical fittings and other fixtures $'000	Motor vehicles $'000	Total $'000
Group									
Cost									
At 1 April 2012		–	69	20	9	55	–	318	471
Additions		–	1	2	–	–	–	–	3
Disposals		–	(1)	(3)	–	–	–	–	(4)
At 31 March 2013/ 1 April 2013		–	69	19	9	55	–	318	470
Additions		2,196	106	284	7	–	87	–	2,680
Acquisitions through business combinations	29	1,825	819	2,058	–	1,619	–	28	6,349
Disposals		–	(28)	(49)	(1)	–	–	–	(78)
Translation difference		16	9	12	–	5	–	1	43
At 31 December 2013		4,037	975	2,324	15	1,679	87	347	9,464
Accumulated depreciation									
At 1 April 2012		–	22	15	3	44	–	40	124
Depreciation for the year		–	14	3	2	11	–	32	62
Disposals		–	–	(3)	–	–	–	–	(3)
At 31 March 2013/ 1 April 2013		–	36	15	5	55	–	72	183
Depreciation for the period		65	57	217	1	63	1	26	430
Disposals		–	(25)	(48)	(1)	–	–	–	(74)
Translation difference		2	7	7	–	1	–	1	18
At 31 December 2013		67	75	191	5	119	1	99	557
Carrying amounts									
At 1 April 2012		–	47	5	6	11	–	278	347
At 31 March 2013		–	33	4	4	–	–	246	287
At 31 December 2013		3,970	900	2,133	10	1,560	86	248	8,907

Notes to the Financial Statements

4 PROPERTY, PLANT AND EQUIPMENT (CONT'D)

	Furniture and fittings $'000	Computers $'000	Office equipment $'000	Renovation $'000	Motor vehicles $'000	Total $'000
Company						
Cost						
At 1 April 2012	69	20	9	55	318	471
Additions	1	2	–	–	–	3
Disposals	(1)	(3)	–	–	–	(4)
At 31 March 2013/1 April 2013	69	19	9	55	318	470
Additions	1	18	2	–	–	21
Disposals	–	(6)	(1)	–	–	(7)
At 31 December 2013	70	31	10	55	318	484
Accumulated depreciation						
At 1 April 2012	22	15	3	44	40	124
Depreciation for the year	14	3	2	11	32	62
Disposals	–	(3)	–	–	–	(3)
At 31 March 2013/ 1 April 2013	36	15	5	55	72	183
Depreciation for the period	10	4	1	–	24	39
Disposals	–	(6)	(1)	–	–	(7)
At 31 December 2013	46	13	5	55	96	215
Carrying amounts						
At 1 April 2012	47	5	6	11	278	347
At 31 March 2013	33	4	4	–	246	287
At 31 December 2013	24	18	5	–	222	269

5 INTANGIBLE ASSETS AND GOODWILL

	Note	Management consultancy agreement $'000	Order backlog $'000	Goodwill $'000	Total $'000
Cost					
At 1 April 2012/31 March 2013/1 April 2013		–	–	–	–
Acquisitions through business combination	29	7,164	21,603	328,336	357,103
At 31 December 2013		7,164	21,603	328,336	357,103
Accumulated amortisation and impairment					
At 1 April 2012/31 March 2013/1 April 2013		–	–	–	–
Amortisation for the period		89	984	–	1,073
Impairment loss		–	–	221,244	221,244
At 31 December 2013		89	984	221,244	222,317
Carrying amounts					
At 1 April 2012/31 March 2013/1 April 2013		–	–	–	–
At 31 December 2013		7,075	20,619	107,092	134,786

Notes to the Financial Statements

5 INTANGIBLE ASSETS AND GOODWILL (CONT'D)

Impairment loss

Following the acquisition of RSP Sub-Group, the Group assessed the recoverable amount of RSP Sub-Group (see Note 29) as part of its goodwill impairment testing.

The recoverable amount of RSP Sub-Group was estimated based on its value-in-use. Based on the assessment, the carrying amount of RSP Sub-Group was determined to be $221,244,000 higher than its recoverable amount, and an impairment loss was recognised.

Impairment testing for cash-generating units containing goodwill

For the purpose of impairment testing, the entire goodwill is allocated to RSP Sub-Group.

Key assumptions used in discounted cash flow projection calculations

Key assumptions used in the calculation of recoverable amounts are discount rate, terminal value growth rate and the growth rate. The values assigned to the key assumptions represented management's assessment for future trends in the architectural, engineering and town-planning industry and were based on external and internal sources (historical date). The key assumptions were as follows:

	2013 **%**
Group	
Discount rate	13.0
Terminal value growth rate	1.0
Budgeted EBITDA growth rate	0.0

Discount rate

The discount rate is a post-tax measure estimated based on past experience, and industry average weighted average cost of capital.

Terminal value growth rate

Three years of cash flows were included in the discounted cash flow model. A long-term growth rate into perpetuity has been determined based on management's estimate of the long-term compound annual growth rate in earnings before interest, tax, depreciation and amortisation ("EBITDA") which management believed was consistent with the assumption that a market participant would make.

Budgeted EBITDA growth

Budgeted EBITDA is expressed as the compound annual growth rates in the initial three years of the plans used for impairment testing and has been based on past experience.

Following an impairment in the goodwill relating to RSP Sub-Group, the recoverable amount is equal to the carrying amount. Therefore, any adverse movement in a key assumption would lead to a further impairment.

Notes to the Financial Statements

6 INVESTMENT PROPERTY

	Group 31/12/2013 $'000	Group 31/3/2013 $'000
Cost/Carrying amount		
At 1 April	–	–
Additions	190,739	–
At 31 December/March	190,739	–
Fair value		
At 31 December/March	200,848	–

On 25 September 2013, the Group completed its acquisition of a piece of freehold land ("the Land"), measuring 9.23 hectares and located within the Iskandar Development Region, Johor Bahru, Malaysia (see Note 29).

The Land is intended for mixed-use development comprising hotel, retail, offices and serviced apartments. The investment property portion accounts for 51.31% of the total land area and has its carrying amount as above.

7 SUBSIDIARIES

	Company 31/12/2013 $'000	Company 31/3/2013 $'000
Unquoted shares, at cost	422,799	200
Less: Impairment losses	(232,335)	–
	190,464	200

As at 31 December 2013, the Company assessed the recoverable amount of a subsidiary using the value-in-use approach. Based on this assessment, the Company made an impairment loss of $232,335,000.

Details of significant subsidiaries are as follows:

Name of subsidiaries	Principal activities	Place of incorporation and business	Effective equity interest held by the Group 31/12/2013 %	Effective equity interest held by the Group 31/3/2013 %
Vantage Bay JB Sdn. Bhd. and its subsidiary [(1)]:	Property developer	Malaysia	100	–
Skies VB Sdn. Bhd. [(1)]	Property developer	Malaysia	100	–

Notes to the Financial Statements

7 SUBSIDIARIES (CONT'D)

Name of subsidiaries	Principal activities	Place of incorporation and business	Effective equity interest held by the Group 31/12/2013 %	31/3/2013 %
RSP Architect Planners & Engineers (Pte) Ltd and its subsidiaries ("RSP Sub-Group") [(2) #]:	Architects, planners, surveyors and engineers	Singapore	100	–
RSP-SM Consultants Beijing Co., Ltd [(3)]	Architects and planners	People's Republic of China	100	–
RSP Architects Planners & Engineers (Vietnam) Co., Ltd. [(3)]	Architects and planners	Socialist Republic of Vietnam	100	–
RSP (Middle East) FZCO [(1)]	Architects and planners	Dubai, United Arab Emirates	100	–
RSP Interiors Pte Ltd [(3)]	Interior design	Singapore	100	–
RSP Architects Planners (Shanghai) Co., Ltd [(3)]	Architects and planners	People's Republic of China	100	–
RSP Architects, Planners & Engineers Private Limited [(4)]	Architects and planners	Ghana	100	–
RSP Planet Design Studios Pte Ltd [(3)]	Architects and planners	Singapore	100	–

(1) Audited by member firms of KPMG International.
(2) Audited by KPMG LLP Singapore.
(3) Audited by other public accounting firm.
(4) Not required to be audited in the country of incorporation.
\# Acquired through a business combination (see Note 29)

Notes to the Financial Statements

8 ASSOCIATES

	Group 31/12/2013 $'000	Group 31/3/2013 $'000	Company 31/12/2013 $'000	Company 31/3/2013 $'000
Investments in associates	20,450	13,394	–	–

Associates

Details of associates are as follows:

Name of associates	Principal activities	Place of incorporation and business	Effective equity interest held by the Group 31/12/2013 %	Effective equity interest held by the Group 31/3/2013 %
Streamax International Holding Co., Limited[(1)]	Recycling and sale of stainless metal and production and sale of nickel bean products	Hong Kong	24	24
SMD International Pte Ltd[(1)#]	Industrial park and port development in Myanmar	Singapore	21	–
Squire Mech Private Ltd[(1)#]	Consulting engineering	Singapore	35	–

(1) Audited by other public accounting firm.
\# Acquired through a business combination (see Note 29).

The Group has not recognised losses relating to SMD International Pte Ltd where its share of losses exceeds the Group's interest in this associate. The Group's cumulative share of unrecognised losses at the end of the reporting period was $12,072,000 (31/3/2013: nil), of which $31,000 (31/3/2013: nil) was the share of current year's losses. The Group has no obligation in respect of these losses.

The summarised financial information relating to associates, not adjusted for the percentage of ownership held by the Group, are as follows:

	31/12/2013 $'000	31/3/2013 $'000
Assets and liabilities		
Total assets	97,921	70,862
Total liabilities	70,298	31,993
Results		
Revenue	107,760	135,260
Net loss for the period/year	(2,050)	(4,367)

Notes to the Financial Statements

9 OTHER INVESTMENTS

	Group 31/12/2013 $'000	Group 31/3/2013 $'000
Available-for-sale financial assets		
Quoted available-for-sale equity securities	5,064	6,368

10 DERIVATIVES

Derivatives comprise the aggregate fair values of the following call options agreements entered by a subsidiary of the Group:

(a) Call options to purchase 30% interest (ordinary shares) in RSP Architects Sdn Bhd ("RSP Architects") from a director of RSP Sub-Group, with an exercise price of MYR1 and an indefinite exercise period;

(b) Call options to purchase 99.998% interest (ordinary shares) in RSP Engineering from an employee, with an exercise price of MYR1 and an indefinite exercise period; and

(c) Call options to purchase 34.88% interest (ordinary shares) in RSP Design Consultants (India) Pvt Ltd, with an exercise price of 7.5 times the consolidated earnings based on the audited financial results for the financial year immediately preceding the financial year in which the Call Option is exercised.

11 DEVELOPMENT PROPERTIES

	Group 31/12/2013 $'000	Group 31/3/2013 $'000
Development properties		
- Costs incurred	181,000	–

The Group makes allowance for foreseeable losses by reference to comparable properties, timing of sale launches, location of property, expected net selling prices and development expenditure. Market conditions, however, may change which might affect the future selling prices on the remaining unsold residential units of the development properties, and accordingly, the carrying value of development properties may have to be further adjusted in future periods.

The development properties held by the Group as at 31 December are as follows:

Description and location	Existing use	Tenure	Gross floor area	Interest %
Land under development in Malaysia's Iskandar Development Region	Residential	Freehold	494,426 sqm	100

Notes to the Financial Statements

12 WORK-IN-PROGRESS

	Group 31/12/2013 $'000	31/3/2013 $'000
Work-in-progress, at cost	135,141	–
Attributable profits	65,397	–
	200,538	–
Allowance for foreseeable losses	(6,685)	–
	193,853	
Progress payments received and receivable	(180,081)	–
	13,772	–
Represented by:		
Work-in-progress	20,291	
Excess of progress billings over work-in-progress	(6,519)	–
	13,772	–

Source of estimation uncertainty

The Group uses the percentage of completion method in accounting for its contract revenue. The percentage of completion is measured by reference to the percentage of project costs incurred to date to estimated total project costs for the project.

Significant judgement is required in determining the percentage of completion, the estimated total contract revenue and contract costs, as well as the recoverability of and foreseeable losses relating to the contracts.

Total contract revenue includes variation works and claims that are recoverable from client, if any. The Group conducts regular reviews of all of its projects. The Group constantly monitors and reviews the progress of all projects taking into consideration all inputs from both internal project managers and external customers' project managers in order to determine the total estimated costs. The reviews include evaluating any potential risks and factors which may affect the timely completion of the projects. The review also encompasses a cost analysis process whereby both actual cost incurred and future costs-to-complete are examined. The estimated future cost-to-complete takes into consideration potential manpower resources needed to complete the project and external services required. Based on these reviews, anticipated losses on uncompleted projects are provided when foreseeable.

The assessment of the percentage of completion, the estimated total contract revenue and contract costs and anticipated losses either increase or decrease contract revenue recognised, cost of sales expense and construction work-in-progress.

Notes to the Financial Statements

13 TRADE AND OTHER RECEIVABLES

	Group		Company	
	31/12/2013 $'000	31/3/2013 $'000	31/12/2013 $'000	31/3/2013 $'000
Trade receivables	20,977	–	–	–
Less: Accumulated impairment losses	–	–	–	–
	20,977	–	–	–
Amounts due from:				
- affiliates (non-trade)	86	–	–	–
- subsidiaries (non-trade)	–	–	395,719	25,741
	86	–	395,719	25,741
Less: Accumulated impairment losses	–	–	(7,097)	(7,097)
	86	–	388,622	18,644
Deposits paid to				
- affiliates	998	–	–	–
- third parties	164	34	33	34
Interest receivable	–	57	–	57
Management consultancy fee receivable	1,184	–	–	
Other receivables	1,207	–	42	–
	3,553	91	75	91
Loans and receivables	24,616	91	388,697	18,735
Prepayments	773	1,194	69	1,191
	25,389	1,285	388,766	19,926

The non-trade amounts due from affiliates and subsidiaries are unsecured, interest-free and repayable on demand.

The Group conducts periodic reviews on the collectability of its trade receivables. The review comprises a critical assessment of the ability of the trade debtors to repay its debts by taking into account their respective financial position and future business prospects. Differences between the Group's assessment of the trade debtors' future business prospects and actual financial performance will be taken into the period in which the differences occur.

The ageing of loans and receivables at the reporting date is:

	Group				Company			
	Gross 31/12/2013 $'000	Impairment losses 31/12/2013 $'000	Gross 31/3/2013 $'000	Impairment losses 31/3/2013 $'000	Gross 31/12/2013 $'000	Impairment losses 31/12/2013 $'000	Gross 31/3/2013 $'000	Impairment losses 31/3/2013 $'000
Not past due	13,609	–	91	–	395,794	7,097	25,832	7,097
Past due 0 – 30 days	2,380	–	–	–	–	–	–	–
Past due 31 – 90 days	3,776	–	–	–	–	–	–	–
More than 91 days	4,851	–	–	–	–	–	–	–
	24,616	–	91	–	395,794	7,097	25,832	7,097

Notes to the Financial Statements

13 TRADE AND OTHER RECEIVABLES (CONT'D)

Movements in allowance for impairment losses on loans and receivables during the period were as follows:

	Group		Company	
	31/12/2013 $'000	31/3/2013 $'000	31/12/2013 $'000	31/3/2013 $'000
At 1 April	–	–	7,097	7,097
Impairment loss recognised	34	–	–	–
Impairment loss reversed	(38)	–	–	–
Translation difference	4	–	–	–
At 31 December/March	–	–	7,097	7,097

Source of estimation uncertainty

The Group and the Company maintain allowance for impairment losses at a level considered adequate to provide for potential uncollectible receivables. The level of this allowance is evaluated by the Group and the Company on the basis of factors that affect the collectability of the accounts. These factors include, but are not limited to, the length of the Group's and the Company's relationship with debtors, their payment behaviour and known market factors. The Group and the Company review the age and status of receivables, and identifies accounts that are to be provided with allowance on a continuous basis. The amount and timing of recorded expenses for any period would differ if the Group and the Company made different judgement or utilised different estimates. An increase in the Group's and the Company's allowance for impairment losses would increase the Group's and the Company's recorded operating expenses and decrease current assets.

The Group's and the Company's exposure to credit and currency risks, are disclosed in Note 27.

14 CASH AND CASH EQUIVALENTS

	Group		Company	
	31/12/2013 $'000	31/3/2013 $'000	31/12/2013 $'000	31/3/2013 $'000
Cash at bank and in hand	31,035	1,446	9,129	1,393
Short-term deposits	1,461	13,622	–	13,622
	32,496	15,068	9,129	15,015
Fixed deposits with maturities of more than 3 months	(839)	–	–	–
Cash and cash equivalents in the consolidated statement of cash flows	31,657	15,068	9,129	15,015

The weighted average effective interest rate per annum relating to the fixed deposits at the balance sheet date for the Group is 1.54% (31/3/2013: 0.88%). Interest rates reprice monthly.

Notes to the Financial Statements

15 SHARE CAPITAL

Company	Note	31/12/2013 No. of shares '000	31/3/2013 No. of shares '000
Fully paid ordinary shares, with no par value			
In issue at beginning of the period/year		989,301	886,731
Issued in business combination	29	875,000	–
Issued for cash		–	102,570
Issued in acquisition of land	29	2,386,667	–
In issue at end of the period/year		4,250,968	989,301

The holders of ordinary shares are entitled to receive dividends as declared from time to time, and are entitled to one vote per share at meetings of the Company. All shares rank equally with regard to the Company's residual assets.

All issued shares are fully paid, with no par value.

Issue of ordinary shares

During the period, the Company issued 3,261,666,666 ordinary shares as consideration for the Acquisitions (see Note 29).

In the previous financial year, the Company issued 102,570,434 ordinary shares arising from the conversion of 102,570,434 warrants.

Capital management

The Board's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. Capital consists of share capital of the Group. The Board of Directors also monitors the level of dividends paid to ordinary shareholders.

There was no change in the Company's approach to capital management during the period.

16 RESERVES

	Group		Company	
	31/12/2013 $'000	31/3/2013 $'000	31/12/2013 $'000	31/3/2013 $'000
Accumulated losses	(255,759)	(29,470)	(254,573)	(26,913)
Foreign currency translation reserve	(5)	–	–	–
Fair value reserve	1,835	2,917	–	–
	(253,929)	(26,553)	(254,573)	(26,913)

The foreign currency translation reserve comprises all foreign exchange differences arising from the translation of the financial statements of foreign operations.

The fair value reserve comprises the cumulative net change in the fair value of available-for-sale financial assets until the investments are derecognised or impaired.

Notes to the Financial Statements

17 DEFERRED TAX LIABILITIES

Movement in temporary differences during the period/year

	At 1/4/2012 $'000	Recognised in profit or loss (Note 22) $'000	Recognised in equity $'000	At 31/3/2013 $'000	Recognised in profit or loss (Note 22) $'000	Recognised in equity $'000	Acquisitions through business combinations (Note 29) $'000	At 31/12/2013 $'000
Group								
Deferred tax liabilities								
Property, plant and equipment	20	–	–	20	7	–	614	641
Available-for-sale financial assets	965	–	(367)	598	–	(222)	–	376
Intangible assets	–	–	–	–	(70)	–	4,472	4,402
	985	–	(367)	618	(63)	(222)	5,086	5,419
Deferred tax asset								
Other provisions	–	–	–	–	(4)	–	(45)	(49)
Company								
Deferred tax liabilities								
Property, plant and equipment	20	–	–	20	–	–	–	20

Deferred tax liabilities and assets are offset when there is a legally enforceable right to set off deferred tax assets against deferred tax liabilities and when the deferred taxes relate to the same taxation authority. The following amounts, determined after appropriate offsetting are as follows:

	Group		Company	
	31/12/2013 $'000	31/3/2013 $'000	31/12/2013 $'000	31/3/2013 $'000
Deferred tax liabilities	5,370	618	20	20

Notes to the Financial Statements

17 DEFERRED TAX LIABILITIES (CONT'D)

Unrecognised deferred tax assets

Deferred tax assets have not been recognised in respect of the following item:

	Group		Company	
	31/12/2013 $'000	31/3/2013 $'000	31/12/2013 $'000	31/3/2013 $'000
Tax losses	6,133	5,901	3,494	5,901

Tax losses do not expire under current tax legislation. Deferred tax assets have not been recognised in respect of tax losses because it is not probable that future taxable profit will be available against which the Group can utilise the benefits therefrom.

18 PURCHASE CONSIDERATION PAYABLE

The contingent consideration liability arose from the acquisition of RSP Sub-Group, which includes a clause that entitles the vendor up to 375,000,000 ordinary shares upon RSP Sub-Group meeting certain earn-out targets based on earn-out formula as described in the sale and purchase agreement. See Note 29 for information in relation to the contingent consideration liability arising from the business combination.

19 TRADE AND OTHER PAYABLES

	Group		Company	
	31/12/2013 $'000	31/3/2013 $'000	31/12/2013 $'000	31/3/2013 $'000
Trade payables	3,643	–	–	–
Accrued operating expenses	10,159	156	437	139
GST/VAT payables	1,174	–	–	–
Tender deposits	253	–	–	–
Amounts due to directors	742	–	–	–
Amounts due to companies in which directors have a substantial interest	241	–	–	–
Retention payable	114	–	–	–
Land tax payable	48	–	–	–
Other payables	2,129	7	72	8
	18,503	163	509	147

Non-trade amounts due to directors and companies in which the directors have a substantial interest are unsecured, interest-free and repayable on demand.

Notes to the Financial Statements

20 REVENUE

Revenue comprises:

	Group Period from 1/4/2013 to 31/12/2013 $'000	Group Year ended 31/3/2013 $'000
Architectural services	17,581	–
Civil and structural services	3,170	–
Master planning services	1,657	–
Dividend	96	229
	22,504	229

21 LOSS BEFORE TAX

The following items have been charged/(credited) in arriving at loss before tax:

	Note	Group Period from 1/4/2013 to 31/12/2013 $'000	Group Year ended 31/3/2013 $'000
Audit fees paid to auditors of the Company			
- Auditors of the Company		271	56
- Other auditors		25	–
Non-audit fees paid to auditors of the Company		600	8
Professional fees		3,485	112
Operating lease expenses		1,284	106
Impairment loss on available-for-sale financial assets		–	2,994
Loss on disposal of held-to-maturity financial assets	(a)	221	–
Project expenses		5,726	–
Wages, salaries and bonuses		15,453	1,163
Contributions to defined contribution plans		868	64
Foreign exchange (gain)/loss, net		(2,118)	21
Wages reimbursed from customers		(2,868)	–

(a) The held-to-maturity financial assets represented 1,900 number of Sukuk bonds ("the Sukuks") with a face value of AED10,000 each issued by Nakheel PJSC ("Nakheel") acquired through a business combination (see Note 29).

The Sukuks were measured at amortised cost, using the effective interest method. Subsequent to the acquisition, the Sukuks were sold to an unrelated party for a sales consideration of $6,818,000, resulting in a loss on disposal of $221,000. Interest income from the Sukuks of $559,000 was recognised in the profit or loss prior to the disposal.

Notes to the Financial Statements

22 TAX EXPENSE

	Group Period from 1/4/2013 to 31/12/2013 $'000	Group Year ended 31/3/2013 $'000
Current tax expense		
- Current year	805	–
- Underprovision in prior years	6	–
	811	–
Deferred tax expense		
- Movements in temporary differences	(67)	–
	744	–

Reconciliation of effective tax rate

	Group Period from 1/4/2013 to 31/12/2013 $'000	Group Year ended 31/3/2013 $'000
Loss before tax	(225,545)	(5,870)
Tax calculated at 17% (31/3/2013: 17%)	(38,343)	(998)
Expenses not deductible for tax purposes	40,229	1,049
Income not subject to tax	(1,164)	(62)
Current year losses for which no deferred tax asset was recognised	39	10
Others	(17)	1
	744	–

Source of estimation uncertainty

The Group has exposure to income taxes in several jurisdictions. Significant judgement is involved in determining the group-wide provision for income taxes. These are certain transactions and computations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group recognised liabilities for expected tax issues based on estimation of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recognised, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

Notes to the Financial Statements

23 EARNINGS PER SHARE

The calculation of basic and diluted loss per share at 31 December 2013 was based on the loss attributable to ordinary shareholders of $226,289,000 (31/3/2013: $5,870,000), and a weighted average number of ordinary shares outstanding of 2,151,641,000 (31/3/2013: 938,834,000), calculated as follows:

Loss attributable to ordinary shareholders:

	Group	
	Period from 1/4/2013 to 31/12/2013 $'000	Year ended 31/3/2013 $'000
Loss attributable to ordinary shareholders for basic and diluted loss per share	(226,289)	(5,870)

Weighted average number of ordinary shares:

	Group	
	31/12/2013 '000	31/3/2013 '000
Issued ordinary shares at beginning of the period/year	989,301	886,731
Effect of shares issued	–	52,103
Effect of shares issued related to the Acquisitions	1,162,340	–
Weighted average number of ordinary shares during the period/year	2,151,641	938,834

At 31 December 2013, 1,978,602,530 warrants (31/3/2013: nil) were excluded from the dilutive weighted average number of ordinary shares calculation as their effect would have been anti-dilutive.

24 RELATED PARTY TRANSACTIONS

Key management personnel compensation

Key management personnel of the Group are those persons having the authority and responsibility for planning, directing and controlling the activities of the entity. The directors are considered as key management personnel of the Group.

Key management personnel compensation comprised:

	Group	
	31/12/2013 $'000	31/3/2013 $'000
Remuneration of directors		
- Short-term employment benefits	1,592	1,041
Post-employment benefits	30	24

Notes to the Financial Statements

24 RELATED PARTY TRANSACTIONS (CONT'D)

Other related party transactions

During the period, other than those disclosed elsewhere in the financial statements, there were the following significant related party transactions carried out in the normal course of business on terms agreed between the parties:

	Group	
	Period from 1/4/2013 to 31/12/2013 $'000	31/3/2013 $'000
With affiliates:		
Rental paid/payable	(1,097)	–
Management consultancy fees charged	335	–
Consultancy fees charged	366	–
Consultancy fees paid/payable	(374)	–
With associates:		
Consultancy fees paid/payable	(393)	–

25 CONTINGENT LIABILITIES

(i) A subsidiary of the Group, RSP Sub-Group is currently defending a claim brought against their developer, contractors and the consultants, including RSP Sub-Group, by the owners of a certain condominium. Based on legal advice, the directors are of the opinion that there is no merit to the quantum of damages claimed against RSP Sub-Group and do not expect the outcome of the action to have a material effect on the Group's financial position at the balance sheet date.

(ii) Subsidiaries of the Company have contingent liabilities in respect of bank guarantees given to third parties as a result of management contracts and projects undertaken. The directors are of the view that no material liabilities will arise from the bank guarantees at the date of these financial statements.

	Group	
	31/12/2013 $'000	31/3/2013 $'000
Performance guarantees	769	–
Bank guarantees	50	–
Performance Bonds	400	–

Notes to the Financial Statements

26 COMMITMENTS

As at the reporting date, the Group and the Company has the following commitments:

(a) Operating lease

The Group leases several office premises, a warehouse and computers under operating leases. The leases typically run for an initial period of one to six years, with an option to renew the lease after that date. None of the leases have any contingent rental arrangements.

The future minimum lease payments for the Group and Company on non-cancellable operating leases with a term of more than one year are as follows:

	Group		Company	
	31/12/2013 $'000	31/3/2013 $'000	31/12/2013 $'000	31/3/2013 $'000
Payable:				
Within 1 year	4,606	117	185	117
After 1 year but within 5 years	696	293	401	293
	5,302	410	586	410

(b) Commitments

As at 31 December 2013, the Group has not entered into any contractual arrangement for development expenditure.

27 FINANCIAL RISK MANAGEMENT

Financial risk management objectives and policies

Exposure to credit, interest rate and currency risk arises in the normal course of the Group's business. The Group has risk management policies and guidelines which set out its overall business strategies, its tolerance of risk and its general risk management philosophy and has established processes to monitor and control the hedging of transactions in a timely and accurate manner. These policies are reviewed annually by the Board of Directors, and quarterly reviews are undertaken to ensure that the Group's policy guidelines are adhered to.

The Group does not hold or issue derivative financial instruments for trading purposes.

Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's receivables.

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The Group has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis. Credit evaluations are performed on all customers requiring credit over a certain amount. Cash is placed with financial institutions that are regulated.

The Group establishes an allowance for impairment that represents its estimate of incurred losses in respect of trade and other receivables. The main components of this allowance are a specific loss component that relates to individually significant exposures.

At balance sheet date, there were no significant concentrations of credit risk. The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the balance sheet.

Notes to the Financial Statements

27 FINANCIAL RISK MANAGEMENT (CONT'D)

Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group monitors its liquidity risk and maintains a level of cash and cash equivalents deemed adequate by management to finance the Group's operations and to mitigate the effects of fluctuations in cash flows.

The following are the contractual maturities of financial liabilities, including estimated interest payments and excluding the impact of netting agreements:

	Carrying amount	Contractual cash flows		
		Within 1 year	Within 1 to 5 years	Total
	$'000	$'000	$'000	$'000
Group				
31/12/2013				
Non-derivative financial liabilities				
Trade and other payables	18,503	18,503	–	18,503
Purchase consideration payable*	126,750	–	–	–
	145,253	18,503	–	18,503
31/3/2013				
Non-derivative financial liabilities				
Trade and other payables	163	163	–	163
Company				
31/12/2013				
Non-derivative financial liabilities				
Trade and other payables	509	509	–	509
Purchase consideration payable*	126,750	–	–	–
	127,259	509	–	509
31/3/2013				
Non-derivative financial liabilities				
Trade and other payables	147	147	–	147

* The Company's obligation under the Sale and Purchase Agreement with the Vendor (See Note 18) is to issue share of up to 375,000,000 shares. Thus, there is no future contractual cash flows.

Interest rate risk

The Group and Company are not exposed to significant interest rate risk.

Notes to the Financial Statements

27 FINANCIAL RISK MANAGEMENT (CONT'D)

Foreign currency risk

The Group incurs foreign currency risk mainly on sales, purchases, receivables and payables that are denominated in currencies other than the respective functional currencies of the Group entities. The currencies giving rise to this risk are primarily the US Dollar ("USD"), Malaysian Ringgit ("MYR"), Renminbi ("RMB") and Arab Emirates Dirham ("AED").

There is no formal hedging policy with respect to foreign exchange exposures. Exposures to currency risk are monitored on an ongoing basis and the Group endeavours to keep the net exposures at an acceptable level.

The Group's exposures to foreign currencies in Singapore dollars equivalent are as follows:

Group	USD $'000	MYR $'000	RMB $'000	AED $'000
31 December 2013				
Trade and other receivables	2,674	2,614	2,253	2,988
Trade and other payables	(24)	(1,227)	(1,725)	(2,452)
	2,650	1,387	528	536

The Group had no significant foreign currency exposures for the year ended 31 March 2013.

Company

The Company is not exposed to significant foreign currency risks.

Sensitivity analysis

A 10% strengthening of the foreign currencies against Singapore dollars at 31 December would have decreased/(increased) loss before tax by the amounts shown below. This analysis is based on foreign currency exchange rate variances that the Group considered to be reasonably possible at the end of the reporting period. The analysis assumes that all other variables, in particular interest rates, remain constant.

	Group Loss before tax $'000
31 December 2013	
USD	265
MYR	139
RMB	53
AED	54
	511

A 10% weakening of foreign currencies against Singapore dollars would have had the equal but opposite effect on the above currencies to the amounts shown above, on the basis that all other variables remain constant.

Notes to the Financial Statements

27 FINANCIAL RISK MANAGEMENT (CONT'D)

Fair value hierarchy

The different levels in the fair value hierarchy have been defined as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The table below analyses fair value measurements for financial assets and liabilities by the levels in the fair value hierarchy based on the inputs to valuation techniques.

Financial assets and liabilities carried at fair value

Group	Level 1 $'000	Level 2 $'000	Level 3 $'000	Total $'000
31 December 2013				
Derivatives	–	–	4,595	4,595
Available-for-sale equity securities	5,064	–	–	5,064
	5,064	–	4,595	9,659
Purchase consideration payable	–	–	126,750	126,750
31 March 2013				
Available-for-sale equity securities	6,368	–	–	6,368

The following table shows a reconciliation from the beginning balances to the ending balances for the fair value measurements in Level 3 of the fair value hierarchy.

	Group		
	Derivative $'000	Purchase consideration payable $'000	Total $'000
At 1 April 2013	–	–	–
Arising from business combination	4,595	(126,750)	(122,155)
At 31 December 2013	4,595	(126,750)	(122,155)

Notes to the Financial Statements

27 FINANCIAL RISK MANAGEMENT (CONT'D)

Fair value hierarchy (cont'd)

The following table shows the valuation technique and the key unobservable inputs used in the determination of fair value of the purchase consideration payable:

	Valuation techniques	Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair value measurement
Derivatives	The fair value is calculated using expected cash flows, discounted to a present value using a risk-adjusted discount rate.	• Discount rate of 15.0%	The estimated fair value would increase if the risk-adjusted discount rate was lower.
Purchase consideration payable	The fair value is determined considering the probability of RSP Sub-Group meeting the specified earn-out targets and the share price of the Company on the date the earn-out targets are met.	• Adjusted share price at date of acquisition of $0.338 • Forecast EBITDA margin (32%) • Forecast annual revenue growth rate (0%) • Forecast net operating profit after tax ("NOPAT") growth rate (0%)	The estimated fair value would increase if the share price was higher.

For the fair value of purchase consideration payable, changing one or more of the significant unobservable inputs would have the following effects. These effects have been calculated by recalibrating the values from the valuation technique using alternative estimates of unobservable inputs that might reasonably have been considered by a market participant to price the contingent consideration at the end of the reporting period. Any interrelationship between the unobservable inputs is not considered to have a significant impact within the range of reasonably possible alternative assumptions.

31 December2013

	Increase/ (decrease) in unobservable inputs $'000	Favourable/ (unfavourable) impact on profit or loss $'000
• Share price	1%	(128,018)
	(1%)	128,018
• EBITDA margin	1%	–
	(1%)	54,881
• Annual revenue growth rate	1%	–
	(1%)	65,970
• NOPAT growth rate	1%	–
	(1%)	4,211

Key unobservable inputs

Key unobservable inputs correspond to:

- Scenario on revenue, EBITDA and NOPAT growth were developed by management considering the construction industry growth rate in the countries where RSP Sub-Group operates.
- Estimated EBITDA margin and price-earnings ratio are determined based on RSP Sub-Group's historical EBITDA margins and price-earning ratios, cross-checked to the weighted average of comparable listed companies in the pertinent locations.
- Estimated share price of $0.338 is determined based on a risk neutral valuation principle.

Notes to the Financial Statements

27 FINANCIAL RISK MANAGEMENT (CONT'D)

Non-financial assets not carried at fair value but for which fair values are disclosed

	Level 1 $'000	Level 2 $'000	Level 3 $'000	Total $'000
Investment property	–	200,848	–	200,848

The fair value of investment property as at 31 December 2013 is based on market values, being the estimated amount for which a property could be exchanged on the date of the valuation between a willing buyer and a willing seller in an arm's length transaction.

The valuation is determined internally by the Board of Directors, using the Direct Comparison Method. The Direct Comparison Method involves the analysis and study of recent sales evidence of similar properties in comparable developments in the subject/comparable vicinities.

Classification of financial instruments

	Note	Loans and receivables $'000	Available-for-sale $'000	Liabilities at amortised cost $'000	Fair value through profit and loss $'000	Total $'000
Group						
31 December 2013						
Available-for-sale equity securities	9	–	5,064	–	–	5,064
Derivatives	10	–	–	–	4,595	4,595
Trade and other receivables#	13	24,616	–	–	–	24,616
Cash and cash equivalents	14	32,496	–	–	–	32,496
		57,112	5,064	–	4,595	66,771
Purchase consideration payable	18	–	–	–	126,750	126,750
Trade and other payables	19	–	–	18,503	–	18,503
		–	–	18,503	126,750	145,253
31 March 2013						
Available-for-sale equity securities	9	–	6,368	–	–	6,368
Trade and other receivables#	13	91	–	–	–	91
Cash and cash equivalents	14	15,068	–	–	–	15,068
		15,159	6,368	–	–	21,527
Trade and other payables	19	–	–	163	–	163

Notes to the Financial Statements

27 FINANCIAL RISK MANAGEMENT (CONT'D)

	Note	Loans and receivables $'000	Available-for-sale $'000	Liabilities at amortised cost $'000	Total $'000
Company					
31 December 2013					
Trade and other receivables#	13	388,697	–	–	388,697
Cash and cash equivalents	14	9,129	–	–	9,129
		397,826	–	–	397,826
Trade and other payables	19	–	–	509	509
31 March 2013					
Trade and other receivables#	13	18,735	–	–	18,735
Cash and cash equivalents	14	15,015	–	–	15,015
		33,750	–	–	33,750
Trade and other payables	19	–	–	147	147

Excludes prepayments.

Estimating the fair values

The following summarises the significant methods and assumptions used in estimating the fair values of financial instruments of the Group.

Investment in equity securities

The fair value of available-for-sale financial assets is determined by reference to their quoted bid prices at the rporting date.

Derivatives

The fair value of the call options are determined using either the combination of binomial option pricing model and monte carlo simulation or income approach.

Purchase consideration payable

The fair value is determined considering the probability of RSP Sub-Group meeting the specified earn-out targets and the share price of the Company on the date the earn-out targets are met.

Other financial assets and liabilities

The notional amounts of financial assets and liabilities with a maturity of less than one year (including trade and other receivables, cash and cash equivalents, trade and other payables) are assumed to approximate their fair values because of the short period to maturity.

Notes to the Financial Statements

27 FINANCIAL RISK MANAGEMENT (CONT'D)

Equity price risk

The Group has investment in quoted equity securities. A 10% increase/(decrease) in the underlying equity prices at the reporting dates would increase/(decrease) equity by the following amounts:

	31.12.2013 $'000	31.3.2013 $'000
Quoted equity investments available-for-sale	420	529

This analysis assumes that all other variables remain constant.

28 OPERATING SEGMENTS

Business Segments

The Group has 3 reportable segments as described below. For each of the reportable segment, the Group's chief operating decision maker reviews internal management reports on at least a quarterly basis. The following summary describes the operations in each of the Group's reportable segments:

Property development and investment:	The development and construction of development properties for sale and investments and the holding and management of investment property.
Architectural, engineering and town-planning:	The provision of architectural, master planning, urban design, civil & structural and mechanical & electrical engineering, interior design and project management services.
Investments:	The holding of investments in equity securities, provision of management services and investment holding company.

Information regarding the results of each reportable segment is included below. Performance is measured based on segment profit before tax, as included in the internal management reports that are reviewed by the Group's chief operating decision maker. Segment profit is used to measure performance as management believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries. Inter-segment pricing is determined on an arm's length basis.

Notes to the Financial Statements

28 OPERATING SEGMENTS (CONT'D)

Business Segments (cont'd)

	Property development and investment $'000	Architectural, engineering and town-planning $'000	Investments $'000	Inter-segment eliminations $'000	Total $'000
31/12/2013					
Total revenue from external customers	–	22,408	96	–	22,504
Inter-segment revenue	–	–	10,000	(10,000)	–
Interest income	–	649	–	–	649
Depreciation and amortisation	40	351	39	–	430
Reportable segment profit/ (loss) before tax	1,641	380	4,751	(10,000)	(3,228)
Share of loss of associates	–	(202)	(323)	–	(525)
Tax (expense)/credit	–	(746)	2	–	(744)
Reportable segment assets	374,470	79,448	609,026	(574,013)	488,931
Associates and joint ventures	–	7,380	13,070	–	20,450
Capital expenditure*	193,104	294	21	–	193,419
Reportable segment liabilities	372,450	28,577	26,665	(392,718)	34,974
31/3/2013					
Total revenue from external customers	–	–	229	–	229
Inter-segment revenue	–	–	–	–	–
Interest income	–	–	–	–	–
Depreciation and amortisation	–	–	62	–	62
Reportable segment loss before tax	–	–	(5,870)	–	(5,870)
Share of loss of associates	–	–	(1,094)	–	(1,094)
Tax (expense)/credit	–	–	–	–	–
Reportable segment assets	–	–	36,402	–	36,402
Associates and joint ventures	–	–	13,394	–	13,394
Capital expenditure	–	–	3	–	3
Reportable segment liabilities	–	–	783	–	783

* *Comprises property, plant and equipment of $2,680,000 (31/3/2013: $3,000) and expenditure on investment property of $190,739,000 (31/3/2013: nil)*

Notes to the Financial Statements

28 OPERATING SEGMENTS (CONT'D)

Geographical segments

The operations of the Group are principally located in Singapore.

In presenting information on the basis of geographical segments, segment revenue is based on the geographical location of revenue sources. Segment assets are based on the geographical location of the assets.

	Singapore $'000	Other countries $'000	Total $'000
31 December 2013			
Revenue	11,828	10,676	22,504
Non-current assets #	151,072	203,810	354,882
Reportable segment assets	97,823	391,108	488,931
31 March 2013			
Revenue	229	–	229
Non-current assets #	6,655	13,394	20,049
Reportable segment assets	23,008	13,394	36,402

Include property, plant and equipment, intangible assets and goodwill, investment property and interests in associates.

Reconciliation of reportable segment profit or loss, assets and liabilities and other material items

	31/12/2013 $'000	31/3/2013 $'000
Profit or loss		
Total reportable segment loss before tax	(3,228)	–
Unallocated amounts:		
- Impairment loss on goodwill	(221,244)	–
- Amortisation expense	(1,073)	
Consolidated loss before tax	(225,545)	–
Assets		
Total reportable segment assets	488,931	–
Unallocated amounts:		
- Goodwill	107,092	–
- Intangible assets	27,694	–
Consolidated total assets	623,717	–
Liabilities		
Total reportable segment liabilities	34,974	–
Unallocated amount:		
- Purchase consideration payable	126,750	–
Consolidated total liabilities	161,724	–

Notes to the Financial Statements

29 ACQUISITIONS

On 25 September 2013, the Group completed the following acquisitions:

(i) Acquisition of the entire issued and paid up share capital of RSP Architects Planners & Engineers (Pte) Ltd pursuant to the terms and conditions of the sale and purchase agreement entered into between the Company and RSP Architects Planners & Engineers (Pte) Ltd in relation to the proposed RSP Acquisition ("RSP Acquisition Agreement"), to be satisfied by way of allotment and issuance of up to 1,250,000,000 ordinary shares.

The allotment and issuance of up to 1,250,000,000 ordinary shares comprise the following:

(a) 875,000,000 ordinary shares being the consideration for the entire issued share capital of the RSP Sub-Group upon completion of the RSP Acquisition; and

(b) Number of shares up to 375,000,000 ordinary shares upon RSP Sub-Group meeting certain earn-out targets based on earn-out formula as described in the RSP Acquisition Agreement ("contingent consideration").

(ii) Acquisition of part of the parcels of vacant land located within the Iskandar Development Region, Johor Bahru, Malaysia, measuring approximately 9.23 hectares (the "Land") from Vantage Bay Sdn. Bhd. pursuant to the terms and conditions of the sale and purchase agreement entered into between the Company and Vantage Bay Sdn. Bhd., by way of allotment and issuance of 2,386,666,666 ordinary shares.

(collectively known as "the Acquisitions").

The Company is transforming into a integrated multi-discipline real estate business and believes that the acquisition of RSP will bring synergies and that RSP's expertise in architecture, urban-planning and engineering will maximise the potential of the land which it had acquired at the same time.

The following summarises the major class of consideration transferred, and the recognised amounts of assets acquired and liabilities assumed at the acquisition date:

Consideration transferred:

RSP Acquisition

	$'000
Equity instruments issued (875,000,000 ordinary shares)	295,750,000
Contingent consideration	126,750,000
	422,500,000

Equity instruments issued

The fair value of the ordinary shares was based on the listed share price of the Company, adjusted for effects of warrants issuance in relation to the RSP Acquisition on 25 September 2013 of $0.338 per share.

Notes to the Financial Statements

29 ACQUISITIONS (CONT'D)

Contingent consideration

In conjunction with the RSP Acquisition, the payment of the contingent consideration to the vendors is subject to the RSP Sub-Group achieving certain earn-out targets based on RSP Sub-Group's cumulative net operating profit after tax for financial year ended 31 December 2013; financial years ending 31 December 2014; and 31 December 2015.

Land Acquisition

The Land Acquisition was recognised based on the fair value of the Land at the acquisition date.

Identifiable assets acquired and liabilities assumed

	Note	$'000
Associates		7,575
Cash and cash equivalents		19,320*
Property, plant and equipment	4	6,349
Intangible assets		28,767
Investment property		183,690
Development properties		174,310
Work-in-progress		22,165
Other investments		6,811
Trade and other receivables		22,502
Derivatives	10	4,595
Excess of progress billings over work-in-progress		(5,433)
Current tax liabilities		(4,348)
Deferred tax liabilities		(5,041)
Trade and other payables		(9,098)
Total identifiable net assets		452,164
Goodwill arising from acquisition	5	328,336
Total purchase consideration		780,500
Issuance of shares as consideration		(653,750)
Purchase consideration payable	18	(126,750)
		–
Cash and cash equivalents acquired		18,481
Net cash flows on acquisition		18,481

* Includes fixed deposits with maturities of more than 3 months of $839,000.

The trade receivables comprise gross contractual amounts due of $23,613,000, of which $1,111,000 was expected to be uncollectible at the acquisition date.

From the date of acquisition to 31 December 2013, RSP Sub-Group contributed revenue of $22,408,000 and profit for the period of $1,200,000 to the Group's results. If the acquisition had occurred on 1 April 2013, the Group's revenue for the period ended 31 December 2013 would have increased by $45,185,000 and loss for the period would have decreased by $17,681,000.

Acquisition related costs

The Group incurred acquisition-related costs of $3,189,000 related to external professional fees. These costs have been included in other expenses in the Group's statement of comprehensive income.

Notes to the Financial Statements

30 SHARE OPTIONS

The Company has a share option scheme known as the Rowsley Group Share Option Scheme 2012 (the "Scheme") which was approved by shareholders at an extraordinary general meeting of the Company ("EGM") held on 26 June 2012.

The Scheme is administered by a committee which consists of directors of the Company. A member of the committee who is also a participant of the Scheme shall not be involved in the deliberation in respect of options to be granted to him. Subject to the absolute discretion of the committee, participants who have attained the age of 21 years on or prior to the relevant date of grant, are not undischarged bankrupts, have not entered into a composition with their respective creditors, and, where applicable, who have, as of the date of grant, been in the employment of the Group for a period of at least 12 months, or such shorter period as the committee may determine, and non-executive directors who, in the opinion of the committee, have contributed or will contribute to the success of the Group, shall be eligible to participate in the Scheme. Under the Scheme, the aggregate number of shares over which the committee may offer to grant options on any date, when added to the number of new ordinary shares issued and/or issuable and/or existing shares transferred and/or transferable in respect of the options granted under the Scheme and in respect of all other share-based incentive schemes of the Company, if any, shall not exceed fifteen per cent (15%) of the total number of issued shares (excluding treasury shares) of the Company on the date immediately preceding the date of grant. The maximum duration of the Scheme is ten (10) years commencing on the date the approval was granted by shareholders at the EGM on 26 June 2012.

The exercise price for each ordinary share in respect of which an option is exercisable shall be determined by the committee as follows:

(a) at the market price; or

(b) at a price which is set at a discount to the market price, the quantum of such discount to be determined by the committee in its absolute discretion, provided that the maximum discount which may be given in respect of any option shall not exceed 20% of the market price.

Upon the exercise of an option, the Company may either allot and issue new shares and/or transfer treasury shares to the option holder in accordance with the rules of the Scheme. Options granted with the exercise price set at the market price shall be exercisable one (1) year after the date of grant of that option. Options granted with exercise price set at a discount to market price shall only be exercisable two (2) years after the date of grant of that option.

An option shall, to the extent unexercised, immediately lapse and become null and void upon the occurrence of certain events:

(a) the option holder ceasing to be in the employment of the Group or a non executive director for any reason whatsoever;

(b) the bankruptcy of the option holder or the happening of any other event which result in his being deprived of the legal or beneficial ownership of such option; or

(c) in the event of misconduct on the part of the option holder, as determined by the committee in its absolute discretion.

As at the date of this report, there were no unissued shares under Scheme. No options under the Schemes were granted during the current financial year and no options were granted to employees of the Company and its related corporations.

Notes to the Financial Statements

31 CHANGE OF FINANCIAL YEAR-END

During the period, the Company changed its financial year-end from 31 March to 31 December to align the Company's financial year end with that of its subsidiary, RSP Architects Planners & Engineers (Pte) Ltd, which the Company recently acquired. Consequently, the current financial statements of the Group are for a period of 9 months from 1 April 2013 to 31 December 2013 and therefore not comparable with the previous financial year, which are for a period of 12 months from 1 April 2012 to 31 March 2013.

32 COMPARATIVE INFORMATION

Following the RSP Acquisition, the Group modified the expenses classification from classification by function to classification by nature to reflect the Group's operations better. Comparative amounts in the statement of comprehensive income were reclassified for consistency. Since the amounts are reclassified within the statement of comprehensive income, these reclassifications will not have effect on the statement of comprehensive income and statement of cash flows.

Shareholdings and Warrantholdings Statistics

As at 12 March 2014

No of issued shares	-	4,250,967,931 shares
Class of shares	-	Fully paid ordinary shares
Voting rights	-	1 vote per ordinary share

SHAREHOLDINGS HELD IN HANDS OF PUBLIC

Based on information available to the Company as at 12 March 2014, 18% of the issued ordinary shares of the Company is held by the public and therefore Rule 723 of the Listing Manual is complied with.

SUBSTANTIAL SHAREHOLDERS

Substantial Shareholders as at 12 March 2014

		Number of Shares				
S/No	Substantial Shareholders	Shareholdings registered in the name of substantial shareholders	Shareholdings held by the substantial shareholders in the name of nominees	Shareholdings in which the substantial shareholders are deemed to be interested	Total	Percentage of the issued shares
(1)	Jovina Investments Limited	–	1,267,311,317 [(a)]	–	1,267,311,317	29.81
(2)	Bellton International Limited	–	546,888,594 [(a)]	–	546,888,594	12.87
(3)	DYAM Tunku Ismail Idris Ibni Sultan Ibrahim Ismail	–	543,133,422 [(a)]	–	543,133,422	12.78
(4)	Albert Hong Hin Kay	–	564,305,000 [(b)]	–	564,305,000	13.27
(5)	Garville Pte Ltd	111,930,588	–	183,848,294 [(c)]	295,778,882	6.96
(6)	Lim Eng Hock	–	–	2,109,978,793 [(d)]	2,109,978,793	49.64

Notes

(a) These shares are held through UOB Kay Kian Pte Ltd.

(b) These shares are held through Raffles Nominees (Pte) Ltd.

(c) Garville Pte Ltd is deemed interested in the shares registered in the name of Garville (Hong Kong) Limited by virtue of Section 4 of the Securities and Futures Act, Cap. 289.

(d) Lim Eng Hock is deemed interested in the shares registered in the name of Jovina Investments Limited, Bellton International Limited, Garville Pte Ltd and Garville (Hong Kong) Limited by virtue of Section 4 of the Securities and Futures Act, Cap. 289.

Shareholdings and Warrantholdings Statistics

As at 12 March 2014

ANALYSIS OF SHAREHOLDINGS

RANGE OF SHAREHOLDINGS	NO. OF SHAREHOLDERS	%	NO. OF SHARES	%
1 - 999	175	2.31	17,751	0.00
1,000 - 10,000	2,286	30.12	16,636,087	0.39
10,001 - 1,000,000	5,052	66.56	370,062,501	8.71
1,000,001 and above	77	1.01	3,864,251,592	90.90
	7,590	100.00	4,250,967,931	100.00

TOP 20 SHAREHOLDERS

NO.	NAME OF SHAREHOLDER	NO. OF SHARES	%
1	UOB KAY HIAN PTE LTD	2,588,081,960	60.88
2	RAFFLES NOMINEES (PTE) LTD	569,511,605	13.40
3	GARVILLE PTE LTD	111,930,588	2.63
4	LAI HUEN POH	109,375,000	2.57
5	LEE KUT CHEUNG	109,375,000	2.57
6	LIU THAI KER @ LAU AH BAH	65,695,000	1.55
7	CITIBANK NOMINEES SINGAPORE PTE LTD	33,973,591	0.80
8	HUD BIN ABU BAKAR	26,250,000	0.62
9	MAYBANK KIM ENG SECURITIES PTE LTD	21,079,500	0.50
10	OCBC SECURITIES PRIVATE LTD	17,043,500	0.40
11	HSBC (SINGAPORE) NOMINEES PTE LTD	15,594,466	0.37
12	DBS NOMINEES PTE LTD	15,427,195	0.36
13	PHILLIP SECURITIES PTE LTD	10,233,105	0.24
14	NOMURA SINGAPORE LIMITED	9,900,000	0.23
15	UNITED OVERSEAS BANK NOMINEES PTE LTD	9,045,400	0.21
16	OCBC NOMINEES SINGAPORE PTE LTD	7,094,420	0.17
17	BANK OF SINGAPORE NOMINEES PTE LTD	6,740,000	0.16
18	LIM HWEE LENG	6,667,262	0.16
19	SEET HONG KIANG	5,399,000	0.13
20	KWA CHOK KIONG	5,041,000	0.12
		3,743,457,592	88.07

Shareholdings and Warrantholdings Statistics

As at 12 March 2014

ANALYSIS OF WARRANTHOLDINGS

RANGE OF WARRANTHOLDINGS	NO. OF WARRANTHOLDERS	%	NO. OF WARRANTS	%
1 - 999	152	3.04	10,732	0.00
1,000 - 10,000	691	13.85	4,386,716	0.22
10,001 - 1,000,000	3,991	79.98	500,680,412	25.31
1,000,001 and above	156	3.13	1,473,524,670	74.47
	4,990	100.00	1,978,602,530	100.00

TOP 20 WARRANTHOLDERS

NO.	NAME OF WARRANTHOLDER	NO. OF WARRANTS	%
1	UOB KAY HIAN PTE LTD	440,509,588	22.26
2	GARVILLE PTE LTD	223,861,176	11.31
3	HSBC (SINGAPORE) NOMINEES PTE LTD	73,268,932	3.70
4	OCBC SECURITIES PRIVATE LTD	66,422,000	3.36
5	DBS NOMINEES PTE LTD	45,335,600	2.29
6	MAYBANK KIM ENG SECURITIES PTE LTD	39,448,000	1.99
7	CITIBANK NOMINEES SINGAPORE PTE LTD	23,787,000	1.20
8	NOMURA SINGAPORE LIMITED	18,400,000	0.93
9	DMG & PARTNERS SECURITIES PTE LTD	18,137,000	0.92
10	LIM TIEN LOCK CHRISTOPHER	18,008,000	0.91
11	PHILLIP SECURITIES PTE LTD	17,695,210	0.89
12	CIGA ENTERPRISES PTE LTD	16,650,000	0.84
13	UNITED OVERSEAS BANK NOMINEES PTE LTD	15,684,800	0.79
14	LEE THENG KIAT	14,308,000	0.72
15	LIM & TAN SECURITIES PTE LTD	13,517,000	0.68
16	BANK OF SINGAPORE NOMINEES PTE LTD	13,180,000	0.67
17	CIMB SECURITIES (S) PTE LTD	13,137,000	0.66
18	LIM HWEE LENG	12,734,524	0.64
19	NG KOK POH	11,000,000	0.56
20	OCBC NOMINEES SINGAPORE PTE LTD	10,657,840	0.54
		1,105,741,670	55.86

Notice of Annual General Meeting

NOTICE IS HEREBY GIVEN that the Fourteenth Annual General Meeting of the Company will be held on Tuesday, 22 April 2014 at 9.30 a.m. at Hotel Grand Pacific, Pacific I Room, Level 2, 101 Victoria Street, Singapore 188018, to transact the following businesses: -

ORDINARY BUSINESS

1. To receive and adopt the Directors' Report and Audited Accounts for the financial period from 1 April 2013 to 31 December 2013 and the Auditors' Report thereon. **[Resolution 1]**

2. To re-elect Dr Lam Lee G, a Director retiring by rotation pursuant to Article 96(2) of the Articles of Association of the Company. [See Explanatory Note (a)] **[Resolution 2]**

3. To re-elect Ms Claire Lee Suk Leng, a Director retiring by rotation pursuant to Article 96(2) of the Articles of Association of the Company. [See Explanatory Note (b)] **[Resolution 3]**

4. To re-elect Mr Yoon Soon Seng, a Director retiring by rotation pursuant to Article 96(2) of the Articles of Association of the Company. [See Explanatory Note (c)] **[Resolution 4]**

5. To re-elect Mr Chiang Chie Foo, a Director retiring pursuant to Article 97 of the Articles of Association of the Company. [See Explanatory Note (d)] **[Resolution 5]**

6. To re-elect Mr Lock Wai Han, a Director retiring pursuant to Article 78 of the Articles of Association of the Company. [See Explanatory Note (e)] **[Resolution 6]**

7. To approve the sum of up to $490,000 as Directors' fees for the financial year ending 31 December 2014 and the payment thereof on a quarterly basis. (31 March 2014: up to $245,500/-) **[Resolution 7]**

8. To re-appoint KPMG LLP as Auditors of the Company and to authorise the Directors of the Company to fix their remuneration. **[Resolution 8]**

SPECIAL BUSINESS

To consider and, if thought fit, to pass with or without modifications, the following as Ordinary Resolution(s):-

9. <u>Authority to allot and issue shares in the capital of the Company</u>

   That pursuant to Section 161 of the Companies Act, Chapter 50 of Singapore, the Articles of Association of the Company and the listing rules of the Singapore Exchange Securities Trading Limited (the "**SGX-ST**"), the Board of Directors of the Company be and is hereby authorised to:-

Notice of Annual General Meeting

(a) (i) allot and issue shares in the capital of the Company (the "**Shares**") whether by way of rights, bonus or otherwise; and/or

(ii) make or grant offers, agreements or options (collectively the "**Instruments**") that might or would require Shares to be issued, including but not limited to the creation and issue of warrants, debentures or other instruments convertible into Shares,

at any time to such persons, upon such terms and conditions and for such purposes as the Directors may in their absolute discretion deem fit; and

(b) (notwithstanding that the authority conferred by this Resolution may have ceased to be in force):-

(i) issue additional Instruments as adjustments in accordance with the terms and conditions of the Instruments made or granted by the Directors while this Resolution was in force; and

(ii) issue Shares in pursuance of any Instruments made or granted by the Directors while this Resolution was in force or such additional Instruments in b(i) above,

PROVIDED ALWAYS THAT:-

(I) the aggregate number of Shares to be issued pursuant to this Resolution (including Shares to be issued in pursuance of Instruments made or granted pursuant to this Resolution) does not exceed 50% of the total number of issued Shares (excluding treasury shares, if any) at the time of the passing of this Resolution (as calculated in accordance with subparagraph (II) below), of which the aggregate number of Shares issued other than on a pro rata basis to existing shareholders (including Shares to be issued in pursuance of Instruments made or granted pursuant to this Resolution) does not exceed 20% of the Company's total number of issued Shares (excluding treasury shares, if any) (as calculated in accordance with subparagraph (II) below);

(II) (subject to such manner of calculation as may be prescribed by SGX-ST for the purpose of determining the aggregate number of Shares that may be issued under subparagraph (I) above), the percentage of the issued Shares is based on the Company's total number of issued Shares (excluding treasury shares, if any) at the time of the passing of this Resolution after adjusting for:

(a) new Shares arising from the conversion or exercise of convertible securities;

(b) new Shares arising from the exercise of share options or vesting of share awards outstanding or subsisting at the time of the passing of this Resolution, provided the options or awards were granted in compliance with Part VIII of Chapter 8 of the SGX-ST Listing Manual; and

(c) any subsequent bonus issue, consolidation or subdivision of Shares; and

(III) (unless revoked or varied by the Company in general meeting) the authority conferred by this Resolution shall continue in force until the conclusion of the next Annual General Meeting of the Company or the date by which the next Annual General Meeting of the Company is required by law to be held, whichever is the earlier.
[See Explanatory Note (f)] **[Resolution 9]**

Notice of Annual General Meeting

10. Authority to grant options and allot and issue shares under the Rowsley Group Share Option Scheme 2012

That authority be and is hereby given to the Directors of the Company to offer and grant options from time to time in accordance with the provisions of the Rowsley Group Share Option Scheme 2012 (the "**Option Scheme**"), and, pursuant to Section 161 of the Companies Act, Chapter 50 of Singapore, to allot and issue from time to time such number of shares in the capital of the Company as may be required to be issued (notwithstanding that the authority conferred by this Resolution may have ceased to be in force) pursuant to the exercise of the options granted (while the authority conferred by this Resolution is in force) under the Option Scheme, provided always that the aggregate number of shares over which the committee may offer to grant options on any date, when added to the number of new ordinary shares issued and/or issuable and/or existing shares transferred and/or transferable in respect of the options granted under the Option Scheme and in respect of all other share-based incentive schemes of the Company, if any, shall not exceed 15% of the total number of issued shares (excluding treasury shares, if any) in the capital of the Company from time to time and further, unless revoked or varied by the Company in general meeting, the authority conferred by this Resolution shall remain in force until the conclusion of the next Annual General Meeting of the Company or the date by which the next Annual General Meeting of the Company is required by law to be held, whichever is the earlier.
[See Explanatory Note (g)] **[Resolution 10]**

ANY OTHER BUSINESS

11. To transact any other business that may be transacted at an annual general meeting.

By Order of the Board

Lee Pin Kwan
Company Secretary

Singapore
7 April 2014

EXPLANATORY NOTES

(a) Dr Lam Lee G, if re-elected, will remain as Chairman of the Nominating Committee. He will be considered as an Independent Director and will also remain as the Lead Independent Director of the Company.

(b) Ms Claire Lee Suk Leng, if re-elected, will remain as a member of the Audit and Risk Management Committee. She will be considered as an Independent Director and will also remain as Chairperson of the Remuneration Committee.

(c) Mr Yoon Soon Seng, if re-elected, will remain as Chairman of the Audit and Risk Management Committee. He will be considered as an Independent Director of the Company and will also remain as a member of the Nominating Committee and Remuneration Committee.

(d) Mr Chiang Chie Foo, if re-elected, will remain as a member of the Nominating Committee and also as the Non-Executive, Non-Independent Chairman of the Board.

(e) Mr Lock Wai Han, if re-elected, will remain as an Executive Director and also as the Group Chief Executive Officer of the Company.

(f) Ordinary Resolution 9, proposed in Item 9 above, if passed, will empower the Board of Directors of the Company, from the date of the above Meeting until the next Annual General Meeting of the Company or the date by which the next Annual General Meeting of the Company is required by law to be held, whichever is the earlier, to issue Shares and convertible securities in the Company up to an amount not exceeding 50% of the total number of issued Shares (excluding treasury shares, if any), with a sub-limit of 20% for issues other than on a pro rata basis to shareholders. The aggregate number of Shares which may be issued shall be based on the total number of issued Shares at the time Ordinary Resolution 9 is passed, after adjusting for new Shares arising from the conversion or exercise of any convertible securities or share options or vesting of share awards which are outstanding or subsisting at the time Ordinary Resolution 9 is passed, and any subsequent bonus issue or consolidation or subdivision of Shares. This authority will, unless revoked or varied at a general meeting, expire at the next Annual General Meeting of the Company or the date by which the next Annual General Meeting of the Company is required by law to be held, whichever is the earlier.

(g) Ordinary Resolution 10, proposed in Item 10 above, if passed, will empower the Directors of the Company to offer and grant options and to allot and issue shares in the capital of the Company pursuant to the exercise of the options under the Option Scheme, provided always that the aggregate number of shares issued and issuable under the Option Scheme and all other share-based incentive schemes of the Company, if any, shall not exceed 15% of the total number of issued shares (excluding treasury shares, if any) in the capital of the Company from time to time. Unless revoked or varied by the Company in general meeting, the authority conferred by this Resolution shall remain in force until the conclusion of the next Annual General Meeting of the Company or the date by which the next Annual General Meeting of the Company is required by law to be held, whichever is the earlier.

NOTE

A member entitled to attend and vote at the Annual General Meeting may appoint not more than two proxies to attend and vote on his behalf. Where a member appoints more than one proxy, he shall specify the proportion of his shareholdings to be represented by each proxy. A proxy need not be a member of the Company. The instrument appointing a proxy or proxies must be deposited at the registered office of the Company at 1 Kim Seng Promenade #14-01, Great World City, East Tower, Singapore 237994 not less than 48 hours before the time set for the Annual General Meeting.

This page has been intentionally left blank.

PROXY FORM

ROWSLEY LTD.

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

IMPORTANT FOR CPF INVESTORS ONLY:

1. This Annual Report is forwarded to you at the request of your CPF Approved Nominee and is sent SOLELY FOR INFORMATION ONLY.
2. This Proxy Form is therefore not valid for use by CPF investors and shall not be effective for all intents and purposes if used or purported to be used by them.
3. CPF Investors who wish to attend the Annual General Meeting as OBSERVERS have to submit their requests through their respective Agent Banks so that their Agent Banks may register with the Company Secretary of Rowsley Ltd.

I / We ____

NRIC / Passport /Co. Registration No. ____

of ____

being a member / members of **ROWSLEY LTD.** hereby appoint:

Name	Address	NRIC / Passport No.	Proportion of Shareholdings (%)

and /or (delete as appropriate)

Name	Address	NRIC / Passport No.	Proportion of Shareholdings (%)

as my/our proxy/proxies to attend and to vote for me/us on my/our behalf and, if necessary, to demand a poll at the Annual General Meeting ("**AGM**") of the Company to be held on **Tuesday, 22 April 2014 at 9.30 a.m.** at Hotel Grand Pacific, Pacific I Room, Level 2, 101 Victoria Street Singapore 188018 and at any adjournment thereof. I/We direct my/our proxy/proxies to vote for or against the Resolutions to be proposed at the AGM as indicated hereunder. If no specific directions as to voting are given, the proxy/proxies will vote or abstain from voting at his/their discretion, as he/they will on any other matter arising at the AGM. If no person is named in the above boxes, the Chairman of the AGM shall be my/our proxy to vote, for or against the Resolutions to be proposed at the AGM as indicated hereunder for me/us and on my/our behalf at the AGM and at any adjournment thereof.

No.	Resolutions Relating To:	* For	* Against
	ORDINARY BUSINESS		
1.	Directors' Report and Audited Accounts for the financial period from 1 April 2013 to 31 December 2013 and the Auditors' Report		
2.	Re-election of Dr Lam Lee G as Director		
3.	Re-election of Ms Claire Lee Suk Leng as Director		
4.	Re-election of Mr Yoon Soon Seng as Director		
5.	Re-election of Mr Chiang Chie Foo as Director		
6.	Re-election of Mr Lock Wai Han as Director		
7.	Approval of Directors' fees for the financial year ending 31 December 2014		
8.	Re-appointment of KPMG LLP as Auditors of the Company		
	SPECIAL BUSINESS		
9.	Authority to allot and issue shares in the capital of the Company		
10.	Authority to grant options and allot and issue shares under the Rowsley Group Share Option Scheme 2012		

* Please indicate your vote "For" or "Against" with a "X" within the box provided.

Dated this ________ day of __________________ 2014

Total Number of Shares Held	
Depository Register	
Register of Members	

____
Signature(s) of Member(s) or
Common Seal of Corporate Member

IMPORTANT: PLEASE READ NOTES OVERLEAF

Notes

1. Please insert the total number of shares held by you. If you have shares entered against your name in the Depository Register (as defined in Section 130A of the Companies Act, Cap. 50), you should insert that number. If you have shares registered in your name in the Register of Members of the Company, you should insert that number. If you have shares entered against your name in the Depository Register and shares registered in your name in the Register of Members, you should insert the aggregate number. If no number is inserted, this form of proxy will be deemed to relate to all the shares held by you.

2. A member entitled to attend and vote at the AGM of the Company is entitled to appoint not more than two proxies to attend and vote on his behalf. A proxy need not be a member of the Company.

3. The instrument appointing a proxy or proxies must be deposited at the Company's registered office at 1 Kim Seng Promenade #14-01, Great World City, East Tower, Singapore 237994 not less than 48 hours before the time set for the AGM.

4. Where a member appoints more than one proxy, he shall specify the proportion of his shareholding to be represented by each proxy. If no such number or proportion is specified the first named proxy shall be deemed as representing 100% of the shareholding and any second named proxy as an alternate to the first named.

5. The instrument appointing a proxy or proxies shall be in writing and signed by the appointer or by an attorney duly authorised in writing. Where the instrument appointing a proxy or proxies is executed by a corporation, it must be executed under its common seal or under the hand of its officer or attorney duly authorised.

6. Where an instrument appointing a proxy or proxies is signed on behalf of the appointer by the attorney, the power of attorney (or other authority) or a notarially duly certified copy thereof must be lodged with the instrument of proxy, failing which the instrument may be treated as invalid.

7. A corporation which is a member may authorise by resolution of its directors or other governing body such person as it thinks fit to act as its representative at the AGM, in accordance with Section 179 of the Companies Act, Cap. 50.

8. The Company shall be entitled to reject this instrument of proxy if it is incomplete, improperly completed, illegible or where the true intentions of the appointer are not ascertainable from the instructions of the appointer specified in this instrument of proxy. In addition, in case of members whose shares are entered in the Depository Register, the Company may reject an instrument of proxy lodged if the member, being the appointer, is not shown to have shares entered against his name in the Depository Register as at 48 hours before the time set for holding the AGM, as certified by The Central Depository (Pte) Limited to the Company.

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

1 Kim Seng Promenade, #14-01
Great World City, East Tower
Singapore 237994
Tel (65) 6235 5056
Fax (65) 6235 6505
Email contactus@rowsley.com
www.rowsley.com

Addendum to Annual Report 2013

The following is an addendum to Table 3: Remuneration of Directors on page 34 (Corporate Governance) of the Annual Report 2013.

Table 3 (a) : Remuneration of Directors

	Fees	Salary	Other Benefits	Total $'000
Dr Ho Tat Kin(1)	0%	99%	1%	509
Lai Huen Poh(2)	0%	99%	1%	113
Quek Kai Hoo(3)	0%	92%	8%	194
Lock Wai Han(4)	0%	96%	4%	112
Ho Kiam Kheong(5)	0%	94%	6%	84
Tan Wee Tuck(6)	18%	79%	3%	70
Dr Wong Chiang Yin(7)	100%	0%	0%	18
Dr Lam Lee G(8)	100%	0%	0%	47
Claire Lee Suk Leng	100%	0%	0%	51
Yoon Soon Seng	100%	0%	0%	50
Chua Hwee Song(9)	100%	0%	0%	20

Notes:
(1) Dr Ho Tat Kin resigned as Executive Chairman on 31 December 2013.
(2) Mr Lai Huen Poh was appointed as Executive Director on 25 September 2013.
(3) Mr Quek Kai Hoo resigned as Executive Director on 25 September 2013.
(4) Mr Lock Wai Han was appointed as Executive Director and Group Chief Executive Officer on 1 November 2013.
(5) Mr Ho Kiam Kheong was appointed as Executive Director on 25 September 2013.
(6) Mr Tan Wee Tuck was appointed as Non-executive Non-independent Director on 25 September 2013 and was subsequently appointed as Executive Director and Group Chief Financial Officer on 18 November 2013.
(7) Dr Wong Chiang Yin was appointed as Non-executive Non-independent Director on 25 September 2013.
(8) Dr Lam Lee G resigned from the ARMC on 25 September 2013.
(9) Mr Chua Hwee Song was appointed as Independent Director on 25 September 2013.