



RESPONSE TO SGX QUERIES: ANNUAL REPORT 2014/2015

Singapore Shipping Corporation Limited (the "Company") wishes to clarify the following by way of response to the SGX-ST's query on 28 July 2015 over the Company's Annual Report 2014/2015:-

- Q1. Guideline 11.3 of the Code states that the Board should comment on the adequacy and effectiveness of the internal controls, including financial, operational, compliance and information technology controls, and risk management systems in the annual report. As required under Listing Rule 710, please make disclosure as recommended in the Code; in particular, the effectiveness of the internal controls, including financial, operational, compliance and information technology controls, and risk management systems, or otherwise explain the reason(s) for the deviation.**

The Board, aided by the Audit and Risk Management Committee, regularly reviews the Company's risk management and internal control systems to address the financial, operational, compliance and information technology risks affecting the operations, and have received assurance from the Chief Executive Officer and the Chief Financial Officer the said risk management and internal control systems are adequate to meet the needs of the Company in its current business environment.

Based on the internal controls established and maintained by the Company, the work performed by the internal and external auditors and the reviews conducted by management, the Board, with the concurrence of the Audit and Risk Management Committee, is of the opinion that the Company's risk management and internal control systems addressing financial, operational, compliance and information technology risks were adequate and effective as at 31 March 2015.

- Q2. Guideline 9.4 of the Code states that disclosure of remuneration of the employees who are immediate family members of a director or the CEO, and whose remuneration exceeds S\$50,000 during the year should be in incremental bands of S\$50,000. Please make disclosure as recommended in the Code or otherwise provide an explanation for the deviation.**

Ms Kiersten Ow Yiling, Manager, Treasury, who is the daughter of the Chairman, Ow Chio Kiat, received remuneration that is between \$50,000 to \$100,000 for the financial year ended 31 March 2015.

BY ORDER OF THE BOARD

CHUA SIEW HWI
COMPANY SECRETARY

Singapore
29 July 2015