



EXCELLENCE

THE STAMFORD PROMISE

ANNUAL REPORT 2014 / 2015



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Lobby of Stamford Plaza Sydney Airport
and entrance to La Boca Sydney

...Exceptional in every sense

CHAIRMAN'S MESSAGE



C. K. Ow

EXECUTIVE CHAIRMAN

“ On the Food & Beverage front, our year-old Argentinian Grill concept “La Boca” continues to be profitable as an independently operated entity and win accolades, a fairly remarkable feat, uncommon among hotel-run restaurants. To capitalise on this success, the group will be rolling out more outlets in Sydney and subsequently Melbourne in the coming year. ”



La Boca Bar and Grill, Adelaide

CHAIRMAN'S MESSAGE

DEAR SHAREHOLDERS,

Despite a challenging year, I am pleased to announce that the Group's operating profit increased 31.9% to S\$65million on an increased turnover of S\$307million for the year ended 31 March 2015.

Of the three divisions under the Group (Property Development, Investment and Hotels), property development was the main contributor at S\$21.5million. S\$4.2million in sales commission for Macquarie Park Village ("MPV") and a fair value write down of S\$7.8million for property investment were also accounted for.

A key factor in the improved performance of the property development division was our decision to take profit with the sale of the Dulwich Hill site. This resulted in a pre-tax gain of S\$24million, an outcome comparable to our seeing through the completion and sale of units.

As an update, Stamford Grand North Ryde officially ceased operations in January 2015 after 21 years of service and contribution to the Group. In its place, at 648 units, MPV ranks among the biggest residential projects in Sydney, and is favourably located in one of the most sought after precincts. Construction at MPV commenced in February 2015 following the signing of the construction contract in December 2014. This was followed by the inking of the construction loan agreement and the award of the project management contract to an external party. With the prospects of yet more projects, it is imperative to engage professional project managers to coordinate the development process. This will also ensure cost discipline, keeping fixed costs down with variable overheads and fees commensurate with ongoing projects.

Last year, I reported having pre-sold, off the plan, 622 units (or 96% of total available units) at

MPV. It transpired that approval for development application (DA) for a portion of the carparks was not granted and as such the sale of some 142 units subsequently bereft of carparks is under reconsideration, with some potentially being rescinded. Consequently, a resale campaign is underway. The buoyant Sydney property market means that many of these units could be resold at valuations higher than earlier listed.

Earlier, I also informed shareholders about the proposed value enhancement to our property Sir Stamford at Circular Quay on the historic Macquarie Street. We had submitted a DA to prepare for redevelopment if necessary.

Following the submission, redevelopment plans were challenged by the owner of an adjacent building and adjudicated before the courts. Although our application had not been approved in its current form, it is within the prerogative and strategy of the Group to continue to seek the best use of our assets. Besides alternative uses, the property continues to turn in stellar results in the 5-star hotel market for FY2015.

PROSPECTS

For the hotel owning and management segment, while revenue suffered a slight dip, gross operating margins were maintained, in part due to improving operational efficiency. With the completion of staged refurbishment works, average room rates are expected to improve.

Over the years, the Group's dedication to service excellence has been consistently recognised. Adding to the collection of global awards, Stamford Hotels and Resorts was honoured to receive the 2014 WORLDHOTELS Annual Conference Best Online Marketing Award. In addition, for the second consecutive year, Stamford Plaza Sydney Airport won the accolade for 2015 Best Airport

CHAIRMAN'S MESSAGE

Hotel, Australia/Pacific hosted by the prestigious SKYTRAX World Airport Awards.

On the Food & Beverage front, our year-old Argentinian Grill concept "La Boca" continues to be profitable as an independently operated entity and win accolades, a fairly remarkable feat uncommon among hotel-run restaurants. To capitalise on the success, the group will be rolling out more outlets in Sydney and subsequently Melbourne in the coming year.

On the whole, outlook for the three divisions, Development, Investment and the Hotel Owning and Management, remains promising for the coming year.

APPRECIATION

I thank the Board of Directors for their support and counsel. Special thanks go to Dr Tan Chin Nam who is retiring as Director after almost eight years of contribution and service to the Board. I would also like to extend my appreciation to the management team for their loyalty and dedication.

Since the beginning of the financial year, a young and dynamic team of key management personnel was mandated to chart the Group's future, with the mission to ride on the current growth momentum and healthy cash position.

I take this opportunity to congratulate Ow Yew Heng on his appointment as the CEO and Chua Siew Hwi as Deputy CEO.

With our solid financial position, we will continually seek to invest in quality assets which will anchor the Group's income stream in the years to come.

The process driven team has been devoted to the Group's ongoing restructuring exercise, and demonstrated the tenacity and integrity as they take

on the roles and responsibilities of former senior staff who have left the organisation. It is evident that the long term interests of our Group are even better served with the current team. To all rank and file who rose to the challenge to build on our businesses and strengthen our core competencies, I would like to express my gratitude.

Last but not least, to our valued shareholders, we are grateful for your confidence in the Group. Your trust and support inspires us to work harder to deliver greater value.

C. K. Ow
Executive Chairman

BOARD OF DIRECTORS



Ow Chio Kiat AO

Executive Chairman

1962	Joined Hai Sun Hup Co.	2000-present	Chairman, Singapore Shipping Corporation Limited
1966	Managing Partner, Hai Sun Hup Co.	2001-07	Honorary Consul-General, Slovak Republic to Singapore
1971-73	Member, Free Trade Zone Advisory Committee (MOF)	2007-15	Singapore's Ambassador to Argentina
1977-07	Chairman, Mitsui O.S.K Lines (Singapore) Pte. Ltd.	2009-11	Committee Member, National Arts Council
1977-07	Singapore Representative, Federal State of Bremen	2011	Honorary Officer, Order of Australia by the Prime Minister of Australia
1989-present	Chairman, Stamford Land Corporation Ltd (Formerly known as Hai Sun Hup Group Ltd)	2015-present	Singapore's Ambassador to Italy
2000	Gran Oficial, Order of Bernardo O'Higgins by the President of Chile		



Ow Cheo Guan

Deputy Executive Chairman

1972	Joined Hai Sun Hup Co. Pte. Limited
1973	Executive Vice President, Hai Sun Hup Co. Pte. Limited
1991-present	Deputy Executive Chairman, Stamford Land Corporation Ltd (Formerly known as Hai Sun Hup Group Ltd)
2000-present	Deputy Executive Chairman, Singapore Shipping Corporation Limited
2008-present	Honorary Consul of the Slovak Republic



Ow Yew Heng

Chief Executive Officer & Executive Director

2010	Joined the Group as Assistant to Chief Operating Officer
2010-present	Executive Director, Singapore Shipping Corporation Limited
2010-present	Executive Director, Stamford Land Corporation Ltd
2015-present	Chief Executive Officer, Singapore Shipping Corporation Limited
2015-present	Chief Executive Officer, Stamford Land Corporation Ltd

BOARD OF DIRECTORS

**Tan Chin Nam***Independent Non-Executive Director*

1979-82	Director, Systems and Computer Organisation, Ministry of Defence
1982-86	General Manager, National Computer Board
1986-94	Managing Director, Economic Development Board
1987-94	Chairman, National Computer Board
1994-97	Chief Executive Officer, Singapore Tourism Board
1995-02	Chairman, National Library Board
1998-01	Permanent Secretary, Ministry of Manpower

2002-08	Permanent Secretary, Ministry of Information, Communications & the Arts
2003-10	Chairman, Media Development Authority (MDA)
2008-present	Independent Director, Stamford Land Corporation Ltd
2011-13	Chairman, International Advisory Panel (MDA)
2013-15	Senior Adviser, Singbridge Corporate Pte Ltd
2013-15	Director, Sino-Singapore Guangzhou Knowledge City Investment and Development Company Limited

Significant Concurrent Positions

Member	Board of Trustees, Bankinter Foundation for Innovation (Spain)
Senior Adviser	Salim Group
Chairman	Temasek Management Services Pte Ltd
Independent & Non-Executive Director	Yeo Hiap Seng Ltd
Director	PSA International Pte Ltd
Independent Director	Raffles Education Corporation Limited
Non-Executive Director	Gallant Venture Ltd
Chairman	Global Fusion Capital Pte Ltd
Member	The Centre for Liveable Cities Advisory Board

**Hon. Mark Anthony James Vaile AO***Independent Non-Executive Director*

1973-93	Consultant, Property Industry
1985-92	Member NSW Local Government Council

1993-08	Member of the Australian Parliament
1997-98	Minister for Transport & Regional Development
1998-99	Minister for Agriculture, Fisheries & Forestry
1999-06	Minister for Trade
2005-07	Deputy Prime Minister of Australia
2006-07	Minister for Transport & Regional Services
2008-13	Chairman, CBD Energy Limited
2009-12	Chairman, Aston Resources Limited
2009-present	Independent Director, Stamford Land Corporation Ltd

Significant Concurrent Positions

Director	Virgin Australia Holdings Limited
Director	Servcorp Limited
Chairman	Whitehaven Coal Limited
Trustee	Hostplus Superfund

BOARD OF DIRECTORS



Lim Hwee Hua

Independent Non-Executive Director

1981-89	Administrative Officer, Ministries of Finance, Education and Law
1989-92	Research Analyst/Manager, Swiss Bank Corporation
1992-00	Head of Research/Business Development, Jardine Fleming Singapore
1997-06	Elected Member of Parliament, Marine Parade GRC, Singapore

2000-04	Managing Director, Corporate Stewardship/Strategic Relations of Temasek Holdings
2002-04	Deputy Speaker and Chairman, Public Accounts Committee of Singapore Parliament
2004-08	Minister of State, Finance and concurrently, Transport
2006-11	Elected Member of Parliament, Aljunied GRC, Singapore
2008-09	Senior Minister of State, Finance and concurrently, Transport
2009-11	Minister in the Prime Minister's Office and concurrently Second Minister for Finance and Transport
2012-present	Independent Director, Stamford Land Corporation Ltd

Significant Concurrent Positions

Independent Director	Jardine Cycle & Carriage Limited, Singapore
Senior Advisor	Kohlberg Kravis Roberts & Co., USA
Executive Director	Tembusu Partners Pte Ltd, Singapore
Asia Advisory Board Member	Westpac Institutional Bank, Australia
Director	BW Group Limited Bermuda
Independent Director	United Overseas Bank, Singapore



Douglas Chester

Independent Non-Executive Director

1977-79	Research Scientist, Australian National University
1979-90	Australian Patent Office
1990-12	Department of Foreign Affairs and Trade (DFAT)
1991-93	Director, Intellectual Property Branch, DFAT

1994-96	Counsellor Commercial, Australian Embassy, Washington
1996-97	Assistant Secretary, World Trade Organisation Branch, DFAT
1997-99	Assistant Secretary, Staffing Branch, DFAT
1999-00	Australian High Commissioner, Brunei
2001-03	First Assistant Secretary, Corporate Management Division, DFAT
2003-08	Deputy Secretary, DFAT
2005-06	Ambassador to Asia-Pacific Economic Cooperation (APEC)
2008-12	Australian High Commissioner, Singapore
2013-present	Independent Director, Stamford Land Corporation Ltd

Significant Concurrent Positions

Independent Director	Civmec Limited
Lead Independent Director	Kim Heng Offshore & Marine Holdings Limited



CORPORATE INFORMATION

BOARD OF DIRECTORS

Ow Chio Kiat (Executive Chairman)
Ow Cheo Guan (Executive Deputy Chairman)
Ow Yew Heng (Chief Executive Officer)
Tan Chin Nam (Independent Non-Executive Director)
Mark Anthony James Vaile (Independent Non-Executive Director)
Lim Hwee Hua (Independent Non-Executive Director)
Douglas Owen Chester (Independent Non-Executive Director)

EXECUTIVE COMMITTEE

Ow Chio Kiat (Chairman)
Ow Cheo Guan
Ow Yew Heng (Appointed on 19 May 2015)
Lim Hwee Hua

AUDIT AND RISK MANAGEMENT COMMITTEE

Lim Hwee Hua (Chairman)
Tan Chin Nam
Mark Anthony James Vaile
Douglas Owen Chester

NOMINATING COMMITTEE

Mark Anthony James Vaile (Chairman)
Ow Chio Kiat
Lim Hwee Hua

REMUNERATION COMMITTEE

Tan Chin Nam (Chairman)
Mark Anthony James Vaile
Lim Hwee Hua

COMPANY SECRETARY

Teo Lay Eng

REGISTERED OFFICE

200 Cantonment Road
#09-01 Southpoint
Singapore 089763

SHARE REGISTRAR

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

AUDITORS

KPMG LLP
Public Accountants and
Certified Public Accountants
16 Raffles Quay
#22-00 Hong Leong Building
Singapore 048581
Partner-in-charge: Ronald Tay Ser Teck
Year of Appointment: 2015

PRINCIPAL BANKERS

Oversea-Chinese Banking
Corporation Limited
65 Chulia Street
#10-00 OCBC Centre
Singapore 049513

United Overseas Bank Limited
80 Raffles Place
UOB Plaza 1
Singapore 048624

CIMB Bank Berhad
(Singapore Branch)
50 Raffles Place
#09-01 Singapore Land Tower
Singapore 048623

CORPORATE STRUCTURE

HOTEL OWNING AND MANAGEMENT

- Atrington Trust
- Dickensian Holdings Ltd
- Goldenlines Investments Limited
- HSH (Australia) Trust
- HSH Contractors Pte Ltd
- K.R.M.F.C. Pty Ltd
- Logan Trust
- Minteyville Lt Collins Street Pty. Ltd
- MLCS Trust
- North Ryde Investments Limited
- Ovenard Trust
- RGA Trust
- SNR Trust
- Sir Stamford at Circular Quay Pty Ltd
- Sir Stamford Hotels & Resorts Pte Ltd
- Stamford Cairns Trust
- Stamford Gold Coast Trust
- Stamford Heritage Pty Ltd
- Stamford Hotels and Resorts Pty Limited
- Stamford Hotels & Resorts Pte. Ltd
- Stamford Hotels (NZ) Limited
- Stamford Hotels Pty Ltd
- Stamford Mayfair Limited
- Stamford Plaza Sydney Management Pty Limited
- Stamford Raffles Pty Ltd
- Stamford Sydney Airport Pty Ltd
- Terrace Hotel (Operations) Pty Ltd
- The Grand Hotel (S.A.) Pty Ltd
- The Grand Hotel Unit Trust
- TIA Trust

PROPERTY DEVELOPMENT

- SLC Campsie Pty Ltd
- Stamford Property Services Pty. Limited
- Stamford Raffles Trust

PROPERTY INVESTMENT

- HSH Properties Pte Ltd
- Knoxville Trust

TRADING

- Singapore Wallcoverings Centre (Private) Limited
- Varimerx S.E.Asia Pte Ltd
(In Members' Voluntary Winding Up)
- Voyager Travel Pte Ltd

OTHERS

- HSH Tanker Inc.
- Stamford Land (International) Pte Ltd
- Stamford Land Management Pte Ltd
- Stamford F&B Pty Ltd

Dining on the balcony, Stamford Plaza Brisbane

MILESTONES

Stamford Grand North Ryde ("SGNR")

The Group ventured into hotels and acquired 'Ramada' North Ryde, Sydney and rebranded SGNR.

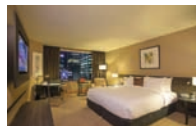
Stamford Grand Adelaide ("SGA") & Stamford Plaza Melbourne ("SPM")

Within the same year, the Group acquired 'Ramada Grand' Adelaide and 'Parkroyal' Melbourne. The properties were rebranded SGA and SPM respectively.

Sir Stamford Double Bay ("SSDB")

The Group managed 'Peppers Retreats & Resorts' Double Bay (rebranded SSDB).

Hai Sun Hup Co. Pte. Limited was incorporated and the business expanded into shipping agencies, cargo terminals and bunker barges.



Stamford Plaza Auckland ("SPAK")

The Group acquired 'Regent' Auckland and rebranded SPAK.

The Group acquired an undeveloped freehold site in Perth.

Stamford Plaza Brisbane ("SPB") & Sir Stamford at Circular Quay ("SSCQ")

The Group acquired 'Beaufort Heritage' Brisbane and 'The Ritz Carlton' Circular Quay. The properties were rebranded SPB and SSCQ respectively.



Stamford Plaza Sydney Airport ("SPSA")

The Group acquired 'Sheraton' Sydney (rebranded SPSA) and Airport Central office complex (Qantas HQ). The Group strata titled Airport Central for disposal.

Stamford Plaza Double Bay ("SPDB")

The Group managed 'The Ritz Carlton' Double Bay (rebranded SPDB), Sydney.

The Group acquired Mann Judd Building on Kent Street, Sydney.

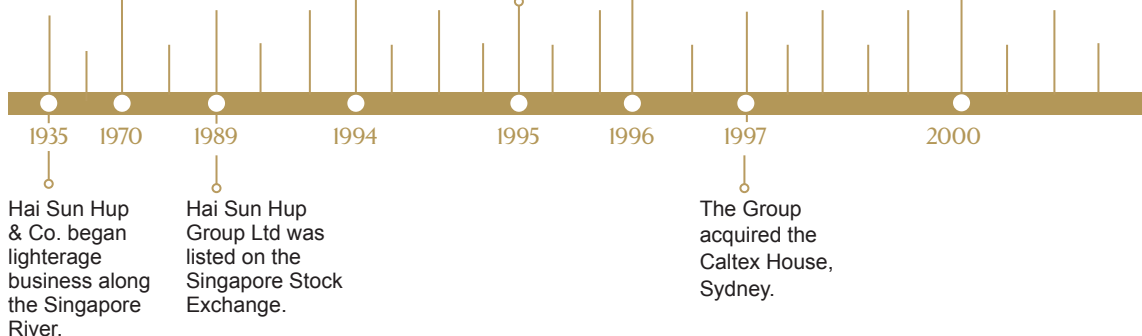


Stamford Plaza Adelaide ("SPA")

The Group acquired 'Intercontinental Adelaide' and rebranded SPA.



Stamford Hotel and Resorts ("SHR") brand was launched.



MILESTONES

The Group purchased a prime leasehold property at Gloucester Street, The Rocks, Sydney, for redevelopment.

The Stamford Residences, Auckland

The Group developed 10 floors of luxury residential apartments above SPAK.



Dynon's Plaza

The Group developed an A Grade office in Perth, fully leased to oil major, Chevron.

SSDB was converted into The Stamford Cosmopolitan luxury apartments in Double Bay, Sydney and managed by the Group.



Macquarie Park Village ("MPV")

Approval granted for redevelopment of SGNR, a 648 unit residences at MPV.

The Stamford Residences & Reynell Terraces, Sydney

The Group redeveloped the Gloucester Street site as prime residential apartments.

Dulwich Hill Site

The Group sold the site after securing Development Application (DA) Approval.

The Group acquired the freehold properties at Dulwich Hill.

The Group acquired a freehold reversionary interest for SSCQ.

MPV

Redevelopment of SGNR site is currently underway with completion expected in 2018.

Stamford Plaza Sydney Hotel & Stamford on Kent

The Group converted Caltex House in Sydney to a hotel cum luxury residential apartments.

2001

2002

2004

2006

2010

2011

2012

2013

2014

2018

Hai Sun Hup Group Ltd renamed as Stamford Land Corporation Ltd and demerged its shipping and logistics businesses to focus on its hotel and property businesses.

Stamford Marquee

The Group redeveloped the former Mann Judd Building in Sydney into a residential apartment tower.



Governors Suite, Stamford Plaza Auckland



HOTEL PORTFOLIO

STAMFORD PLAZA AUCKLAND



Freehold
286 rooms

22-26 Albert Street, Auckland,
New Zealand

☎ : (64 9) 309 8888
☎ : (64 9) 379 6445
@ : reservations@spak.stamford.com.au

STAMFORD PLAZA ADELAIDE



Freehold
336 rooms

150 North Terrace, Adelaide,
South Australia 5000

☎ : (61 8) 8461 1111
☎ : (61 8) 8231 7572
@ : reservations@spa.stamford.com.au

STAMFORD PLAZA BRISBANE



65 years lease from 2000
252 rooms

Corner Edward & Margaret Street,
Brisbane, Queensland 4000

☎ : (61 7) 3221 1999
☎ : (61 7) 3221 6895
@ : reservations@spb.stamford.com.au

STAMFORD PLAZA MELBOURNE



Freehold
283 rooms

111 Little Collins Street, Melbourne,
Victoria 3000

☎ : (61 3) 9659 1000
☎ : (61 3) 9659 0999
@ : reservations@spm.stamford.com.au

HOTEL PORTFOLIO

STAMFORD PLAZA SYDNEY AIRPORT



Freehold
314 rooms

Corner Robey & O'Riordan Street,
Mascot, New South Wales 2020

☎ : (61 2) 9317 2200
💻 : (61 2) 9317 3855
@ : reservations@spsa.stamford.com.au

SIR STAMFORD AT CIRCULAR QUAY



Freehold
105 rooms

93 Macquarie Street, Sydney,
New South Wales 2000

☎ : (61 2) 9252 4600
💻 : (61 2) 9252 4286
@ : reservations@sscq.stamford.com.au

STAMFORD GRAND ADELAIDE



Freehold
220 rooms

2 Jetty Road, Glenelg,
South Australia 5045

☎ : (61 8) 8376 1222
💻 : (61 8) 8376 1111
@ : reservations@sga.stamford.com.au

PROPERTY PORTFOLIO

INVESTMENT PROPERTIES:

DYNON'S PLAZA (PERTH)



Freehold
14-storey commercial building;
and 2-storey commercial and retail buildings

905 Hay Street, Perth, Western Australia

SOUTHPOINT BUILDING (SINGAPORE)

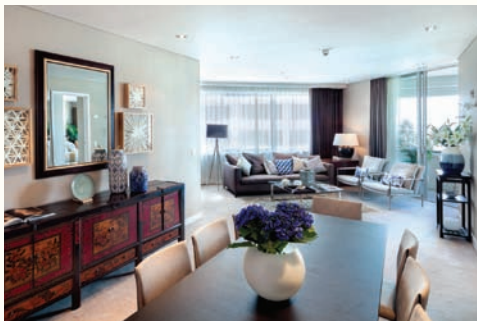


Leasehold
One floor of office building

200 Cantonment Road
#09-01 Southpoint
Singapore 089763

COMPLETED PROPERTIES FOR SALE:

THE STAMFORD RESIDENCES (AUCKLAND)



Freehold
9 luxury units of residential apartments

26 Albert Street, Auckland, New Zealand



: www.stamfordresidences.co.nz

THE STAMFORD RESIDENCES & THE REYNELL TERRACES (SYDNEY)



99 years lease from 2010
2 Commercial and retail units and
1 luxury unit of residential apartments

171 Gloucester Street, The Rocks, Sydney, Australia



: www.stamfordland.com/stamford_residence.html

PROPERTY PORTFOLIO

DEVELOPMENT PROPERTIES FOR SALE:

MACQUARIE PARK VILLAGE (SYDNEY)



Artist's Impression

Freehold

Total site area 22,000 sqm; mixed-use development comprising 648 units across seven towers

110-114 Herring Road, Macquarie Park, Sydney, Australia



: mpvliving.com.au

Macquarie Park Village, Sydney



AWARDS & ACCOLADES

TRAVEL

SKYTRAX World Airport Awards 2015

Winner Best Airport Hotel,
Australia / Pacific
(2nd consecutive year)
Stamford Plaza Sydney Airport



TripAdvisor Certificate of Excellence Hall of Fame 2015

**Five-Time Winners of a TripAdvisor
Certificate of Excellence for 2011-2015**
Stamford Plaza Melbourne
Sir Stamford at Circular Quay



TripAdvisor Certificate of Excellence 2015

Winner (3rd consecutive year)
Stamford Plaza Brisbane



TripAdvisor Certificate of Excellence 2015

Winner
Stamford Plaza Adelaide



Hotels.com Outstanding Award 2015

**Hotels.com Guest Review Score with
a 4.6 / 5 rating**
Sir Stamford at Circular Quay



Condé Nast Traveler Reader's Choice Awards 2014 #4 Best Hotel in Australia and New Zealand

Sir Stamford at Circular Quay



TripAdvisor Traveler's Choice Award 2014

(3rd consecutive year)
Top 25 Hotels in Australia
Sir Stamford at Circular Quay



AHA State Awards for Excellence 2014

**Finalist - Best Hotel Accommodation
Deluxe 5 Star and Above**
Stamford Plaza Melbourne



Qualmark New Zealand 5 Star Hotel Rating 2014

Rating for Facilities and Services
Stamford Plaza Auckland



HolidayCheck.com Awards 2014

HolidayCheck Quality Selection
Stamford Plaza Auckland



TripAdvisor Certificate of Excellence 2014

Winner (2nd consecutive year)
Stamford Plaza Auckland



Booking.com Award of Excellence 2014

Stamford Plaza Auckland
Stamford Plaza Brisbane
Sir Stamford at Circular Quay



WEDDINGS

Australian Bridal Industry Academy Awards 2014

**Finalists - Hotel Reception Venue
(South Australia)**
Stamford Plaza Adelaide
Stamford Grand Adelaide



FOOD AND BEVERAGE

TripAdvisor Certificate of Excellence 2015

Winner - Harry's Restaurant & Bar
Stamford Plaza Melbourne



TripAdvisor Certificate of Excellence 2015

Winner - Kabuki Teppanyaki Restaurant
Stamford Plaza Brisbane



Dilmah Real High Tea Challenge 2014

**Gold Medallist - Professional
Category (South Australia)**
Stamford Grand Adelaide



CORPORATE

WORLDHOTELS Annual Conference 2014

Winner - Best Online Marketing Award
Stamford Hotels and Resorts



ENVIRONMENTAL & SOCIAL RESPONSIBILITY

Qualmark New Zealand Enviro Award 2015

**Silver - for Recognition of a High Level
Commitment to Environmental & Social
Responsibility**
Stamford Plaza Auckland



FINANCIAL HIGHLIGHTS

RESULTS OF OPERATIONS

All Figures in \$'000	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015
Revenue	250,704	485,995	266,742	278,727	307,020
Net Profit	60,109	53,386	31,696	27,128	29,749
Earnings per Share (cents)	7.0	6.2	3.7	3.1	3.4
Dividend per Share (cents)	3.0	4.0	3.0	3.0	3.0

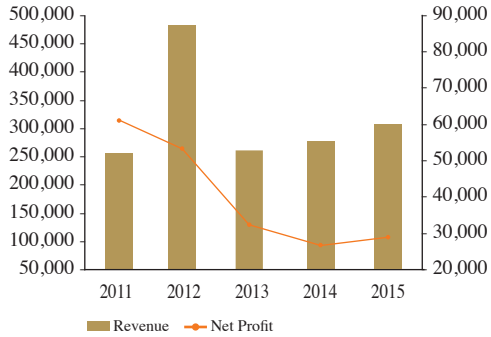
FINANCIAL POSITION

All Figures in \$'000	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015
Property, Plant and Equipment	475,541	482,891	478,604	465,430	371,191
Investment Properties	192,889	213,281	224,411	203,534	177,127
Available-for-Sale Investments	392	347	384	347	406
Current Assets	395,256	250,259	225,830	227,130	273,569
Deferred Tax Assets	1,151	3,211	2,108	2,384	1,976
Total Assets	1,065,229	949,989	931,337	898,825	824,269
Current Liabilities	230,292	176,942	353,176	250,022	231,359
Non-Current Liabilities	326,652	222,813	29,924	132,413	113,833
Deferred Tax Liabilities	16,773	25,104	27,501	24,751	19,868
Total Liabilities	573,717	424,859	410,601	407,186	365,060
Shareholders' Equity	491,512	525,130	520,736	491,639	459,209
Net Assets per Share (\$)	0.57	0.61	0.60	0.57	0.53

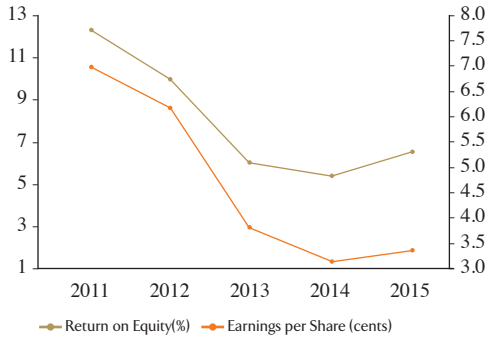
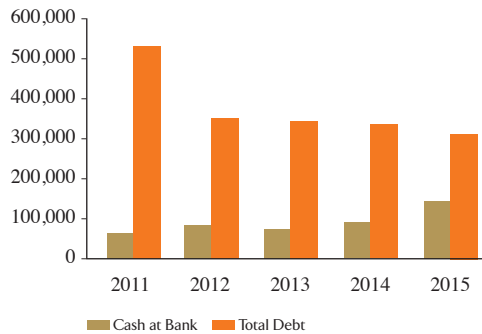
FINANCIAL HIGHLIGHTS

Revenue vs Net Profit
(\$'000)

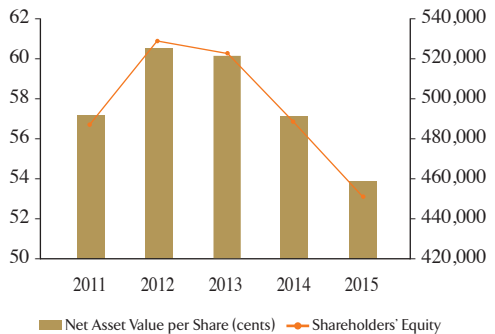
(\$'000)

Return on Equity vs Earnings per Share
%

cents

Cash at Bank vs Total Debt
(\$'000)Net Asset Value per Share vs Shareholders' Equity
cents

(\$'000)





Pav Bar, Stamford Plaza Brisbane

INTERVIEW WITH SENIOR MANAGEMENT

CHIEF EXECUTIVE OFFICER ("CEO")



MR OW YEW HENG

Chief Executive Officer & Executive Director
BBus Accounting & Management (University of Technology, Sydney)

Q1 As the newly appointed CEO, what are your priorities and key challenges?

A1 Sustainability has always been at the back of my mind, be it achieving optimal room rates, occupancy, managing operational costs or wages etc. These are issues pertinent to an owner-operator.

As our hotels are free from management encumbrances, we have less leakages to our income. On the other hand, this also demands significant effort and close monitoring on various aspects of our operations. Ensuring sustainability and maintaining our competitive edge in a market dominated by third party managers (global brands) is something that keeps me awake at night.

The company has an enviable portfolio of well-located, quality hotel assets, having made good acquisitions in the past. We will continue to do so. While we were not the eventual buyer, our recent participation to acquire the most iconic site in Sydney reflects our commitment to grow and enhance our portfolio.

Going forward, we will continue to strive for sustainability whilst growing our business.

Q2 You have been converting hotels, preferring to take one-off gains at the expense of recurring income. What is the direction of the company moving forward?

A2 We firmly believe that every property in our portfolio should continually be evaluated. This entails constant evaluation on the trade-offs between one-off development gains and existing business with a recurring income stream.

Given our properties were purchased two decades ago, there will be fair value gains from revaluing our hotel portfolio. Such an exercise will inevitably result in annual fluctuations when the market is down. Similarly, premature asset sales to realise one-off gains will erode the overall scale of our business and reduce the level of future recurring income. As we move forward, we are mindful of how these decisions will impact the long term interests of our shareholders.

Q3 What are the prospects of your business in Australasia?

A3 Fundamentally, we are operating hotels in one of the most challenging parts of the world, where businesses constantly grapple with productivity issues amidst a high labour cost environment.

As early investors in Australasia, we had the benefit of securing assets situated at prime locations at distressed prices. Given the shortage of rooms and higher replacement costs, our businesses will continue to enjoy improving rates and occupancy, in addition to long term asset appreciation.

Q4 Why focus on Australasia? Is the Company looking for opportunities in other regions?

A4 Australasia remains a key market for the Group. We have gained good working knowledge, having spent some 20 years

INTERVIEW WITH SENIOR MANAGEMENT

operating in the local market, navigating development laws and regulations.

Underpinning our success is a disciplined, systematic approach to assess and seize the right opportunities that come along. The Group will continually evaluate opportunities both within and beyond Australasia.

DEPUTY CHIEF EXECUTIVE OFFICER ("DY CEO") & CHIEF FINANCIAL OFFICER ("CFO")



MS CHUA SIEW HWI

Deputy Chief Executive Officer & Chief Financial Officer

CA (Singapore).

MBA (University of Southern Queensland).

BAcc (Nanyang Technological University, Singapore)

Q5 How do you envisage yourself in supporting the CEO?

A5 Two key priorities I envisage in supporting the CEO.

- (i) It is critical to strengthen our infrastructure to stay relevant in the competitive landscape. This includes leveraging on innovation and technology to enhance guest experience and improve productivity, a pertinent ingredient in this labour intensive industry.
- (ii) Of equal importance, we need to focus on upgrading the "software". This includes continual training for staff, identifying and grooming new talents, both from within the organisation and externally.

Given my concurrent role as CFO, I seek to ensure the Group's assets and shareholders' interests remain safeguarded. This involves continual improvement to workflow processes, putting in place adequate cost and risk management controls as well as adoption of best practices to ensure we stay on top of operations.

In addition, we will continue to build on existing relationships and forge new ones with business partners and financial institutions to ensure optimal support for our business operations.

Q6 How does a weaker AUD affect the earnings of the Group?

A6 A weaker AUD will mean lower translated profit in SGD. However, our risks are naturally hedged given that both income and loan repayments are denominated in the same currency.

Q7 What are your views on the Group's net gearing position?

A7 At 29%, SLC's net gearing ratio is not dissimilar to that of many other industry players. Most of our underlying assets are invariably below market value as they are kept at acquisition cost.

With a healthy operating cashflow, the Group is well-positioned for further growth.

Q8 What is the Group's dividend policy? Since you are doing well this year, why are you not paying more dividends?

A8 SLC is amongst the foremost list of high dividend yielding stocks. For FY2015, the Company has proposed a dividend payout of 3 cents. This is equivalent to 87% of net profits.

Shareholders must be cognisant that payout beyond the current level would mean

INTERVIEW WITH SENIOR MANAGEMENT

withering down our resources meant for asset enhancements and portfolio expansion. At some point in time, the Group may consider other options such as scrip in lieu of cash dividends to support business growth.

Q9 Why are you not revaluing your assets?

A9 We have been conservative to base our long term fixed assets on acquisition costs. This is prudent and good practice. Revaluation exercises are time-consuming and costly, and may result in unnecessary impairments during market downturns.

Notwithstanding, we may consider revaluation of our assets should the need arise (e.g. accounting standards change).

have since evolved into a major hospitality brand and property developer. Today, the Group is a well established, regional brand in its own business realm.

In the role of corporate planning, we seek to learn from and institutionalise best practices, both from within the organisation and external sources. In addition, we will continue to tap on the Group's strengths to examine how to better redeploy resources, and explore opportunities beyond our core competencies as we strive to stay relevant in the decades ahead.



DIRECTOR, CORPORATE PLANNING



MR ANDREW LIN

Director, Corporate Planning

MSc Civil Engineering (University College London).

BEng Civil & Environmental (University College London)

Q10 What is your role and how do you value add to the organisation?

A10 Having come from a structured Government background, I can see that the Group has immense potential. One of its key strengths is its ability to reinvent and transform, an important facet in today's dynamic environment.

From its humble beginnings in shipping, we

OTHER KEY EXECUTIVES



MR THOMAS ONG

*Chief Operating Officer, Hotel Division
AFA (The Association of International Accountants, London)
CHA (American Hotels & Motels Association)
AdvCert BA (University of Hong Kong)*



MR KARL UNTERFRAUNER

*VP Operations & Area GM for Adelaide
Qualified Chef and Hospitality Professional
(Scuola professionale provinciale alberghiera ed
alimentare Bressanone, Italy)
GradCert Business Administration & Management
(Deakin University, Melbourne)*



MR JOSEPH OH

*Project and Development Manager, Development Division
MPropDev (University of Technology, Sydney)
BBCM (University of New South Wales, Australia)*



MS PATRENE YAP

*Chief Executive Officer,
Singapore Wallcoverings Centre*



MS JENNY NG

*General Manager,
Voyager Travel*



MR BENJAMIN KUAH

*Assistant to CFO, Corporate Finance & Projects
CA (Singapore)
BAcc (Nanyang Technological University, Singapore)*

OTHER KEY EXECUTIVES



MS WONG HUI HUI

*Assistant to CFO, Corporate Accounting & Reporting
CA (Singapore)
BAcc (Nanyang Technological University, Singapore)*



MS YILING OW

*Manager, Treasury
BSocSc (Singapore Management University)*



MS SARAH ANNE LAW

*Legal Counsel
LLB & BSc Geography (University of Canterbury, NZ)*



MS HELEN MIAO

*Human Resource Director
BBA (Ottawa University, USA)
GRP (WorldatWork Society of Certified Professionals, USA)
Dip HRM (Singapore Human Resources Institute)*



MR PETER LIM

*Manager, IT
BSc Computing/Software Eng (Oxford Brookes University, UK)*



Stamford's Signature Curry Puffs

OPERATIONS REVIEW

BUSINESS PERFORMANCE

Hotel Operations & Management

The Group's hotel operations and management businesses performed creditably in FY2015. Revenue per available room ("revpar") for our stable of 7 hotels rose 4% over the previous year, led by stellar performances from Sir Stamford Circular Quay, Stamford Plaza Melbourne and Stamford Plaza Adelaide. In fact, total revenue from this segment, denominated mainly in Australian dollars, has risen by 3.3%.

However, despite a higher revenue, operating profit of S\$37.8million was 7.1% lower than the last financial year ("FY"). This can be attributed to a weaker Australian dollar, which dropped more than 3% in FY2015, and closure of Stamford Grand North Ryde hotel making way for the 648 units Macquarie Park Village development.

The Australian economy is expected to face persistent growth pressures in the coming year. However, demand for hotel rooms is expected to remain strong, buoyed by rising local and international tourist numbers on the back of weaker Australian currency. The Group remains optimistic about our hotel prospects for FY 2016.

SYDNEY

Sir Stamford at Circular Quay ("SSCQ") reported another year of stellar results, with an overall revpar growth of 5.5%. The award-winning hotel, recognised for its quality and service, continues to appeal to both corporate and leisure travellers.

Known for its popular English high tea offering, the hotel, also saw modest growth in its food and



Sir Stamford on Circular Quay

beverage ("F&B") segment despite operating in a highly competitive CBD environment.

With its favourable location, distinctive style and excellent service, SSCQ is well placed to continue its outstanding performance in FY2016.



Stamford Plaza Sydney Airport

Stamford Plaza Sydney Airport ("SPSA") faced a challenging FY2015 due to increased competition around the airport precinct. Notwithstanding this, the hotel is in the process of opening its second La Boca Bar & Grill Argentinian Restaurant in 2H2015 to enhance hotel offering and revenue growth.

OPERATIONS REVIEW

La Boca SPSA is the Group's second La Boca outlet following the successful debut of La Boca **Stamford Plaza Adelaide** ("SPA") a year ago.

Contributions from **Stamford Grand North Ryde** ("SGNR") were significantly lower in FY2015 as it officially ceased operations in January 2015 to make way for the development of Macquarie Park Village ("MPV"). MPV is the Group's first mass market project, and one of the largest development projects in Sydney.

ADELAIDE

Stamford Plaza Adelaide ("SPA") experienced a positive year with a 9.9% solid growth in room revenue following the completion of a A\$7.7million refurbishment program. Revpar grew 9.8% with SPA clinching the top spot for revpar growth amongst its competitor set in the Adelaide market for FY2015.

F&B division recorded a 17.4% increase in revenue riding on the success of La Boca Bar & Grill since its debut in March 2014.

GOP was uplifted as a result of commendable rooms performance and F&B results.

The property is on track to complete refurbishment of the lobby area and porte-cochère which will enhance overall guest experience and grow market share in the competitive Adelaide city market.

Whilst SPA turned in good results, its sister property in Glenelg, **Stamford Grand Adelaide** ("SGA"), faced a challenging year. F&B revenue declined by 3.2% in FY2015 due to increase competition. This, coupled with higher operating costs, resulted in a lower GOP.



Stamford Plaza Adelaide

Notwithstanding, the property is enhancing its banqueting facilities to boost F&B revenue and strengthen SGA's appeal as the choice venue in Glenelg for weddings and conferences.

In addition, the ongoing 220 guest rooms refurbishment program, once completed, will further augment revenue and reinforce the hotel's position as the only 5-star hotel in Glenelg.

BRISBANE

Despite a challenging FY2015, **Stamford Plaza Brisbane** ("SPB") maintained its position as the top hotel in Brisbane. Revpar increased by 2.3% on the back of higher average room rate and occupancy growth.

The hotel did particularly well in the wedding segment, having held close to 120 weddings at its premises. Conferencing business was boosted by large-scale sporting events such as Tennis Australia and the Asia Football Cup. In addition, SPB successfully hosted the highly publicized G20 summit held in November 2014.

OPERATIONS REVIEW



The Stamford Suite, Stamford Plaza Brisbane

The Brisbane market will likely remain soft in the near term, with continued pressure on room rates due to additional supply from new market entrants and weak demand owing to the slowdown in the mining sector. Cost efficiency management and productivity improvement remain the key focus of SPB for FY2016 as it strives to maintain its lead.

MELBOURNE

Stamford Plaza Melbourne ("SPM") recorded a stellar performance for FY2015, achieving a strong revpar growth of 6%. A concerted effort to reduce reliance on online travel agents and focus on revenue yield resulted in the hotel turning in record GOP with a year-on-year improvement of 2.4%.

To further enhance the F&B contributions to overall revenue, a refurbishment program is underway to transform Harry's Restaurant into another La Boca outlet. This will be the Group's third La Boca restaurant after SPA and SPSA. In addition, discussions are underway to construct an additional 24 suites next winter. Upon completion,

these additional room inventories will augment future revenue.

Against the backdrop of a buoyant Melbourne market backed by strong occupancy demand and a packed events calendar, SPM is expected to continue its sterling performance in FY2016.

AUCKLAND

Despite displacement in room inventory, **Stamford Plaza Auckland** ("SPAK") maintained its results for FY2015 on the back of higher average room rates. This follows the completion of Stage One of its NZ\$7.9million refurbishment program. Stage Two of the program is currently underway, and when completed in 2H2015, will further augment revenue.

In addition, there are plans to upgrade guest lifts and refresh conferencing and banqueting facilities. Overall, the series of refurbishments when completed, will enhance overall guest experience and strengthen SPAK's position as the hotel of choice in Auckland.

OPERATIONS REVIEW

PROPERTY DEVELOPMENT

Our property development segment delivered a strong set of results for FY2015 against the backdrop of a buoyant Australian property market.

Operating profit for our property development segment increased to S\$21.5million, in part attributed to the sale of Dulwich Hill site. The sale delivered a net profit comparable to a typical profit margin for development projects less related development risk.

Two units of The Stamford Residences and The Reynell Terraces were sold, amounting to some A\$8.4million in sales revenue. Subsequent to 31 Mar 2015, another two units were sold, including a penthouse, which fetched a record selling price for this development. With these transactions, only one penthouse remains for sale.

In addition, 18 units of The Stamford Residences in Auckland were sold, with sales revenue totalling NZ\$16.8million. As at 31 May 2015, a further two units have been sold for NZ\$2.4million. Of the remaining nine units, six units are tenanted.

Construction for Macquarie Park Village ("MPV") officially commenced in January 2015. Sitting on the former SGNR site, the 648-units project is slated to complete in 2018.

As development application (DA) approval for a portion of the carparks was not granted, some 142 units are under reconsideration, with some potentially being rescinded. A resale campaign is underway. In view of the buoyant Sydney property market, many units currently hold higher valuations.

Last year, the Group reported it had secured the freehold title of the Sir Stamford at Circular Quay

("SSCQ") located at the historic Macquarie Street and lodged DA for a proposed value enhancement. Redevelopment plans were challenged by the owner of an adjacent building and adjudicated before the courts. Although our application had not been approved in its current form, it is within the prerogative and strategy of the Group to continue to seek the best use of our assets. Besides alternative uses, the property continues to turn in stellar results in the 5-star hotel market for FY2015.

PROPERTY INVESTMENT

The property investment segment continues to post stable results with good rental income from Dynon's Plaza Perth. Whilst this prime CBD property is anchored by a lease to Chevron Australia until April 2020 and continues to generate a steady stream of rental income, the Group is cognisant of the softening Perth market given the slowdown in the resources sector.

As the weak business environment is unlikely to turn around quickly in the near term, we have recognized a fair value write down of S\$7.8million for the asset.



Presidential Suite, Stamford Plaza Melbourne



Sir Stamford Plaza at Circular Quay

SHAREHOLDER CALENDAR

July 2015

Annual General Meeting for financial year ended
31 March 2015 (FY2015)

Announcement of financial year ending
31 March 2016 (FY2016) first quarter results

August 2015

Scheduled payment of final dividend for FY2015

November 2015

Announcement of FY2016 second quarter results

February 2016

Announcement of FY2016 third quarter results

May 2016

Announcement of FY2016 full year results

The Stamford Residences, Auckland



CORPORATE GOVERNANCE STATEMENT

Stamford Land Corporation Ltd (the "Company") is committed to achieve a high standard of corporate governance, promote corporate transparency and protect shareholders' interests.

The Company is pleased to confirm that the Company has adopted corporate governance practices which are in line with the principles and guidelines of the revised Code of Corporate Governance 2012 (the "2012 Code").

This statement sets out the Company's main corporate governance practices with reference to the 2012 Code.

1. BOARD MATTERS

Principle 1: The Board's Conduct of Affairs

The current Board comprises seven directors and their principal functions are to:

- Formulate corporate strategies, financial objectives and directions for the Group
- Ensure effective management leadership of the highest quality and integrity
- Provide oversight in the proper conduct of the Group's businesses
- Oversee and/or evaluate the adequacy of the internal audit, risk management, financial reporting and compliance processes
- Oversee and ensure high standards of corporate governance for the Group

The Board also deliberates and makes decisions on material acquisitions and disposals of assets, corporate restructuring, dividend payments and other returns to shareholders and on matters that may involve a conflict of interest for any director.

All new directors are given an orientation of the Group's business and governance practices, and all directors have appropriate access to information. The Company is responsible for arranging regular training programmes for the Company's directors from time to time to keep them up to date on the current developments, particularly on changes to the relevant new laws and regulations, and changing commercial risks, to enable them to make informed decisions and to ensure that the directors are competent in carrying out their expected roles and responsibilities.

To efficiently discharge its responsibilities, the Board has established several board committees, namely, the Executive Committee, Audit and Risk Management Committee, Nominating Committee and Remuneration Committee. These committees are given specific responsibilities and they are empowered by the Board to deal with matters within the limits of authority set out in their respective terms of reference. They assist the Board operationally without the Board losing authority over major issues.

CORPORATE GOVERNANCE STATEMENT

The Board currently holds at least four scheduled meetings each year to review and deliberate on the key activities and business strategies of the Group, including significant acquisitions and disposals, financial performance and to endorse the release of the quarterly and annual results. Where necessary, additional meetings are held to address significant transactions or issues arising from the business operations of the Group.

The frequency of Board, Audit and Risk Management Committee, Nominating Committee and Remuneration Committee meetings held during the financial year and the attendance at those meetings are set out below:

	Number of meetings attended during the financial year ended 31 March 2015			
Name of Director	Board of Directors	Audit and Risk Management Committee	Nominating Committee	Remuneration Committee
Ow Chio Kiat (Executive Chairman and Executive Director)	4	#4	W1	NA
Ow Cheo Guan (Executive Deputy Chairman and Executive Director)	4	#4	NA	NA
Ow Yew Heng* (Chief Executive Officer and Executive Director)	4	#4	NA	NA
Tan Chin Nam (Independent and Non-executive Director)	4	4	NA	2
Mark Anthony James Vaile (Independent and Non-executive Director)	4	4	1	2
Lim Hwee Hua (Lead Independent and Non-executive Director)	4	4	1	2
Douglas Owen Chester (Independent and Non-executive Director)	4	4	NA	NA
Number of meetings held	4	4	1	2

By Invitation

NA Not applicable

* Appointed as Chief Executive Officer on 19 May 2015

CORPORATE GOVERNANCE STATEMENT

Matters requiring the Board's approval

The following is a list of key matters that require Board's approval:

- quarterly and full year results announcements;
- annual report and accounts;
- declaration of dividends;
- strategic plans; and
- major acquisitions / disposals.

Principle 2: Board Composition and Guidance

In keeping up with the recommendations of the 2012 Code that at least half of the Board should be made up of Independent Directors, the Board of Directors consists of seven members, four of whom are Independent and Non-executive Directors.

Executive Directors

Ow Chio Kiat (Executive Chairman and Executive Director)

Ow Cheo Guan (Executive Deputy Chairman and Executive Director)

Ow Yew Heng (Chief Executive Officer and Executive Director)

Independent and Non-executive Directors

Lim Hwee Hua (Lead Independent and Non-executive Director)

Tan Chin Nam (Independent and Non-executive Director)

Mark Anthony James Vaile (Independent and Non-executive Director)

Douglas Owen Chester (Independent and Non-executive Director)

The above composition complies with the 2012 Code's requirement. The appointment and retirement of director is recommended by the Nominating Committee to the Board. In addition, the Nominating Committee also reviews annually the independence of each director and board succession planning. To date, none of the Independent and Non-executive Directors have served on the Board for more than nine years. The Board is of the view that the current Board comprises persons who as a group, provide core competencies necessary to meet the Company's requirements and that the current board size is adequate, taking into account the nature and scope of the Company's operations.

The Board encourages the Independent and Non-executive Directors to meet without the presence of Management.

CORPORATE GOVERNANCE STATEMENT

Our directors' profiles are set out on pages 6 to 8 of this Annual Report. Our Board members have the appropriate breadth and depth of industry expertise and experience in the areas of accounting, finance, business, management and strategic planning.

During the year, the Independent and Non-executive Directors participate actively in reviewing proposals on strategy and performance of the Company.

Principle 3: Role of Executive Chairman (the “Chairman”) and Chief Executive Officer (the “CEO”)

Ow Chio Kiat is the Executive Chairman and CEO. The role of the Chairman is not separate from that of the CEO as the Board believes that there is adequate accountability and transparency. Major decisions are made in consultation with the Board which comprises a majority of Independent and Non-executive Directors. The Board believes that there are adequate measures in place against any uneven concentration of power and authority in one individual.

Ow Yew Heng was subsequently appointed as CEO on 19 May 2015.

With the appointment, Ow Chio Kiat continues to lead the Board and ensures its smooth and effective function.

Lim Hwee Hua, as Lead Independent Director shall be available to shareholders where they have concerns for which contact through the normal channels of the Chairman and CEO has failed to resolve or for which such contact is inappropriate. The Lead Independent Director may call for meetings of Independent Directors from time to time without the presence of other directors and provide feedback to the Chairman after such meetings.

Executive Committee (“Exco”)

Moreover the Board has delegated to the Exco the powers to supervise the management of the Group's business activities. The Exco currently comprises:

Ow Chio Kiat	<i>Chairman</i>
Ow Cheo Guan	<i>Member</i>
Lim Hwee Hua	<i>Member</i>

Ow Yew Heng joined the Exco following his appointment as CEO on 19 May 2015.

Ow Cheo Guan is the Executive Deputy Chairman of the Company. The Chairman and the Executive Deputy Chairman are brothers. Ow Yew Heng is the son of Ow Chio Kiat and nephew of Ow Cheo Guan.

CORPORATE GOVERNANCE STATEMENT

The Exco's responsibilities include reviewing and approving investments or divestments, other than operational expenditure or disposals that are conducted in the ordinary course of business.

The Chairman is assisted by the management team in the daily operations and administration of the Group's business activities and in the effective implementation of the Group's business strategies.

The Chairman also oversees the workings of the Board, ensuring that the Board is able to perform its duties and that there is an adequate flow of information between the Board and the Management. The Chairman reviews the board papers before they are presented to the Board. The management staff who have prepared the papers, or who may provide additional insights, are invited to present the papers or attend the board meetings.

Principle 4: Board Membership

We believe that board renewal must be an ongoing process to ensure good governance and maintain relevance to the changing needs of the Group's businesses.

Nominating Committee ("NC")

To achieve a formal and transparent process for the appointment of directors to the Board, the Company has established the NC to make recommendations to the Board on all board appointments. The NC is responsible for identifying and selecting new directors. The NC is also responsible for evaluating the eligibility of potential appointees based on several criteria such as his/her experience, ability to exercise independence in decision-making and his/her level of commitment prior to recommending them to the Board. In compliance with the 2012 Code, the Chairman of the NC is an Independent and Non-executive Director and is not associated with a substantial shareholder, and the majority of the NC members, including its chairman, is independent. It comprises two Independent and Non-executive Directors and one Executive Director, namely:

Mark Anthony James Vaile	<i>Chairman</i>
Ow Chio Kiat	<i>Member</i>
Lim Hwee Hua	<i>Member</i>

The NC's principal functions are to:

- Decide on and propose to the Board, for approval and implementation, the assessment process including determining a set of objective performance criteria for evaluating the Board's performance from year to year
- Evaluate the Board's performance and the contributions of each director to the effectiveness of the Board in accordance with the assessment process and performance criteria mentioned above

CORPORATE GOVERNANCE STATEMENT

- Identify, review and recommend Board appointments for approval by the Board, taking into account the experience, expertise, knowledge and skills of the candidate and the needs of the Board
- Review and recommend to the Board re-appointment of directors having regard to their performance, commitment, skill sets and ability to contribute to the Board
- Review the appropriate size of the Board
- Determine annually whether or not a director is independent in accordance with the guidelines on independence as set out in the 2012 Code

Internal guidelines have been established to address the competing time commitments faced by directors due to multiple board representations. All directors are required to declare their board representations. The NC has reviewed the abilities of each director and is satisfied that each director is able to devote adequate time and attention to fulfil his/her duties as a director of the Company. The NC conducts a review of the time commitment of each of director on an ongoing basis. The Board believes that each director should personally determine the demands of his or her competing directorships and obligations and assess how much time is available to serve on the Board effectively. Accordingly, the Board has reviewed and is satisfied with the time commitment of the directors and has not made a determination of the maximum number of board representations a director may hold.

All the directors are subject to the provisions of the Company's Articles of Association whereby one-third of the directors are required to retire and subject themselves to re-election ("one-third rotation rule") by the shareholders at every annual general meeting ("AGM").

A newly appointed director will have to submit himself for re-election at the AGM immediately following his appointment and, thereafter, he is subject to the one-third rotation rule.

The NC was satisfied that in FY2015, where a director had other listed company board representation and/or other principal commitments, the director was independent and was able to adequately carry out his duties as a director of the Company.

Principle 5: Board Performance

The Company holds the belief that the Group's performance and that of the Board are directly related. The Company assesses the Board's performance through its ability to steer the Group in the right direction and the support it renders to Management. For the purpose of evaluating directors' performance, the NC takes into consideration a number of factors including the directors' attendance, participation and level of participation and contributions at the main board and board committee meetings and other Company activities.

CORPORATE GOVERNANCE STATEMENT

The NC puts in its best efforts to ensure that directors appointed to the Board possess the necessary background, experience, skills and knowledge in management, business and finance, critical to the Group's business; and that each director is able to contribute his perspective, thus allowing effective decisions to be made. The NC conducts reviews of the Board's performance taking into account inputs from the other Board members.

Principle 6: Access to Information

To enable the Board to fulfil its responsibilities, it is provided with adequate information for Board meetings on a timely and an ongoing basis. Directors are given separate and independent access to the Company's key management personnel and Company Secretaries to address any enquiries. The appointment and removal of Company Secretaries is a matter for the Board as a whole.

The Company Secretaries or their representatives attend all Board meetings and are responsible for ensuring that proper procedures at such meetings are followed. Together with the Company's management, they are responsible to ensure that the Company complies with the requirements of the Companies Act, Listing Manual of the Singapore Exchange Securities Trading Limited (the "SGX-ST") and other rules and regulations that are applicable to the Company.

A director or as a group, may seek professional advice in furtherance of their duties and the costs will be borne by the Company.

2. REMUNERATION MATTERS

We believe in adopting a formal and transparent procedure for fixing the remuneration packages of the directors and key management personnel so as to ensure that the level of remuneration is appropriate to attract, retain and motivate the directors and key management personnel needed to run the Group's business successfully.

Remuneration Committee ("RC")

Principle 7: Procedures for Developing Remuneration Policies

The RC was formed to achieve this formal and transparent process to evaluate the remuneration packages of the directors and key management personnel. It comprises three Independent and Non-executive Directors, namely:

Tan Chin Nam	<i>Chairman</i>
Mark Anthony James Vaile	<i>Member</i>
Lim Hwee Hua	<i>Member</i>

CORPORATE GOVERNANCE STATEMENT

The RC is responsible for:

- Reviewing and determining appropriate adjustments as well as approving the remuneration of the Independent and Non-executive Directors, Executive Directors and key management personnel
- Administering any share incentive scheme implemented by the Company, and delegating the day-to-day administration of such plan or scheme to such persons as the RC deems fit
- Assuming other duties (if any) that may be required of the RC under the 2012 Code, and by the Listing Manual
- Considering the disclosure requirements for directors' and key management personnel remuneration as required by the 2012 Code
- Reviewing the Company's obligations arising in the event of termination of the Executive Directors and key management personnel

The RC meets at least once a year. In setting the remuneration packages, the RC takes into account the pay and employment conditions within the industry and in comparable companies, as well as the profitability of the Group as a whole, and individual performance. The RC is provided with access to expert professional advice on remuneration matters as and when necessary. The expenses of such services will be borne by the Company.

No director is involved in any discussion relating to his own remuneration, and terms and conditions of service and the review of his own performance.

All directors are paid a fixed board fee and additional fees are payable to a director for appointment as a chairman or member of a particular committee. The recommendations made by the RC in relation to such board fees are subject to approval by the shareholders at the AGM.

Principle 8: Level and Mix of Remuneration

The level and structure of the Group's remuneration policy are aligned with its long-term interest and risk policies, as are appropriate to attract, retain and motivate directors to provide good stewardship, as well as to retain and motivate key management personnel to successfully manage the Group.

Remuneration of non-executive and independent directors is set at a level commensurate with the level of responsibility and after taking into account industry benchmarks. The Group believes that the current remuneration of non-executive and independent directors is at a level that will not compromise the independence of the directors.

CORPORATE GOVERNANCE STATEMENT

Principle 9: Disclosure on Remuneration

The directors' fees and remuneration paid/payable by the Group and the Company are as follows:

	The Group		The Company	
	2015 \$'000	2014 \$'000	2015 \$'000	2014 \$'000
Directors' fees				
Directors of the Company	303	289	270	270
Directors' remuneration				
Directors of the Company	2,541	2,045	360	339
	2,844	2,334	630	609

The Board is of the view that given the highly competitive industry conditions coupled with the sensitivity and confidentiality of remuneration matters, the disclosure of the remuneration packages of directors and key management, including those who are immediate family members of the directors and the disclosure of remuneration of key management personnel on a named basis, as recommended by the Code would be prejudicial to the Company's interests.

The following table shows a breakdown (in percentage terms) of the remuneration of directors for the financial year ended 31 March 2015:

Remuneration bands	Salary %	Bonuses %	Directors' fees ⁽¹⁾ %	Others %	Total remuneration %
\$1,500,000 to \$1,750,000					
– Ow Chio Kiat	44	53	3	–	100
\$250,000 to \$500,000					
– Ow Cheo Guan ⁽²⁾	80	11	9	–	100
Below \$250,000					
– Ow Yew Heng ⁽³⁾	54	27	19	–	100
– Tan Chin Nam	–	–	100	–	100
– Mark Anthony James Vaile	–	–	100	–	100
– Lim Hwee Hua	–	–	100	–	100
– Douglas Owen Chester	–	–	100	–	100

⁽¹⁾ Directors' fee are subject to shareholders' approval at the annual general meeting.

⁽²⁾ Ow Cheo Guan is the brother of the Chairman, Ow Chio Kiat.

⁽³⁾ Ow Yew Heng is the son of the Chairman, Ow Chio Kiat.

CORPORATE GOVERNANCE STATEMENT

The remuneration bands and the composition of the remuneration of the top five key management personnel (excluding Executive Directors of the Company) of the Group for the financial year ended 31 March 2015 are as follows:

Remuneration bands	Salary	Bonuses	Others	Total
	%	%	%	%
S\$250,000 to S\$500,000				
– Chua Siew Hwi	64	36	1	100
– Thomas Ong	87	12	1	100
Below S\$250,000				
– Andrew Lin (appointed on 2 February 2015)	100	–	–	100
– Benjamin Kuah Hsien Yiao (appointed on 27 June 2014)	82	18	–	100
– Wong Hui Hui (appointed on 9 March 2015)	100	–	–	100

The aggregate amount of the total remuneration paid to the key management personnel (who are not directors or CEO of the Company) is approximately \$953,000.

There are no termination, retirement and post-employment benefits granted to the directors, the CEO or the top five key management personnel.

Remuneration of immediate family members of director or the CEO

Saved for those disclosed above, remuneration for Kiersten Ow Yiling, Treasury Manager, who is the daughter of the Chairman, Ow Chio Kiat, exceeded \$50,000 for the financial year ended 31 March 2015.

CORPORATE GOVERNANCE STATEMENT

3. ACCOUNTABILITY AND AUDIT

Principle 10: Accountability

The Board provides shareholders with financial statements for the first three quarters and full financial year in accordance with the Listing Manual. In presenting the annual and quarterly financial statements to shareholders, the Board aims to provide shareholders with a balanced and clear assessment of the Group's performance, financial position and prospects.

Management provides the Board with management accounts, operations review and related explanations and any other information as the Board may require together with the financial statements on a quarterly basis. The Audit and Risk Management Committee reviews the financial statements and reports to the Board for approval. The Board authorises the release of the results to the SGX-ST and the public via SGXNET. The quarterly and full year financial results are also uploaded on the Group's own website at www.stamfordland.com

The Board also provides negative assurance confirmation to shareholders for the quarterly financial statements in accordance with the Listing Manual.

Principle 11: Risk Management and Internal Controls

Principle 12: Audit and Risk Management Committee ("ARMC")

The ARMC comprises four Independent and Non-executive Directors, namely:

Lim Hwee Hua	<i>Chairman</i>
Tan Chin Nam	<i>Member</i>
Mark Anthony James Vaile	<i>Member</i>
Douglas Owen Chester	<i>Member</i>

The Board is of the view that the ARMC members have adequate accounting or related financial management expertise and accounting experience to discharge the ARMC's functions.

The ARMC meets at least four times a year and as and when deemed appropriate, to carry out its functions.

The ARMC performs the functions as set out in the 2012 Code, inter alia:

- Nominates the external auditors for appointment or re-appointment and reviews the level of audit fees, cost effectiveness of the audit and the independence and objectivity of the external auditors
- Reviews the audit plans and scope of work of the internal and external auditors

CORPORATE GOVERNANCE STATEMENT

- Reviews the findings of the internal and external auditors and the response from management
- Reviews the internal auditors' evaluation of the adequacy of the Group's system of accounting and internal controls
- Oversees management in the formulation, updating and maintenance of the Group's Enterprise Risk Management ("ERM") framework and policies
- Reviews risk reports on the Group and reviews and monitors management's responses to the findings
- Reviews any interested person transactions
- Reviews the Group's quarterly and annual results announcements and the financial statements of the Group and of the Company as well as the auditors' report thereon before they are submitted to the Board for approval
- Reviews legal and regulatory matters that may have a material impact on the financial statements
- Reports actions and minutes of the ARMC to the Board

The Board, supported by the ARMC, ensures that the Company has a robust risk management system to safeguard shareholders' interest. The Group adopts an ERM framework which sets out the required environmental and organisational components for managing risk in an integrated, systematic and consistent manner. The ERM framework and related policies are reviewed at least annually.

Internal and external auditors, where applicable, conduct audits that involve testing the effectiveness of the material internal controls in the Group addressing operational risk, compliance and legal risk, financial risk, investment risk and information technology controls risk, including testing, where practical, material internal controls in areas managed by external service providers. Any material non-compliance or lapses in internal controls together with corrective measures recommended by internal and external auditors are reported to and reviewed by the ARMC. The adequacy and effectiveness of the measures taken by Management in response to the recommendations made by the internal and external auditors is also reviewed by the ARMC.

The Board has received assurance from the CEO and the CFO:

- (a) that the financial records have been properly maintained and the financial statements give a true and fair view of the Group's operations and finances; and
- (b) regarding the effectiveness of the Group's risk management and internal control systems.

The CEO and the CFO have obtained similar assurance from the respective business and corporate executive heads in the Group.

CORPORATE GOVERNANCE STATEMENT

In addition, in the year under review, the Board has also received quarterly certification by Management on the integrity of financial reporting and the Board has provided a negative assurance confirmation to shareholders, as required by the Listing Manual of SGX-ST.

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

The ARMC is given full access to, and receives full cooperation from the Management. The ARMC has full discretion to invite any director or management staff to attend its meetings. It is empowered to investigate any matters relating to the Group's accounting, auditing, internal controls and/or financial practices that are brought to its attention; and has full access to records, resources and personnel to enable it to discharge its functions properly and effectively.

Formal procedures are in place for the internal and external auditors to report their findings and recommendations to the management and ARMC. The internal and external auditors also have unrestricted access to the ARMC. In addition, the ARMC also meets with the internal and external auditors separately, at least once a year, without the presence of the Management, in order to have free and unfiltered access to information that it may require.

The Group has in place the Whistle-Blower Policy and Procedures, pursuant to which staff may, in confidence, raise concerns about possible improprieties in matters of financial reporting or other matters. This helps to ensure that arrangements are in place for the independent investigation of such matters and for appropriate follow up action. All employees may address their report to the Whistle-Blower Panel (comprising the Head of Internal Audit, Director of Human Resources and the General Counsel) and/or the Chairman of the ARMC. Direct contact details of the Whistle-Blower Panel and the Chairman of the ARMC are available to all staff.

Dealings in Company's Securities

The Group has complied with the best practices in dealings in securities, as set out in the Listing Manual. In this regard, the Group has issued and implemented internal guidelines, to provide appropriate guidance to directors and staff on dealings in the Company's securities. All directors and staff of the Group are not allowed to trade in the Company's securities during the two weeks before the release of the Company's first three quarters' results and during the one month before the release of the full year results. To facilitate compliance, quarterly reminders are issued to all directors and staff prior to the applicable trading black-out periods. Our directors and staff, who are expected to observe insider trading laws at all times, are also reminded not to deal in the Company's securities on short-term considerations, or whilst in possession of unpublished material price-sensitive information.

CORPORATE GOVERNANCE STATEMENT

External Auditors

Details of the aggregate amount of fees paid to the external auditors for the financial year, are set out in note 11 of the Notes to the Financial Statements, found on Page 97 of the Annual Report.

The Group has complied with Rules 712 and 715 of the Listing Manual in relation to the appointment of external auditors for the Company and its subsidiaries. KPMG LLP has been engaged to audit the accounts of all companies within the Group, except for the dormant subsidiaries that are not required to be audited by the laws of the country of incorporation.

Principle 13: Internal Audit

The Group is supported by a compliance and internal audit department. The Internal Auditor (the "IA") reports to the Chairman of the ARMC on audit matters and to the CFO on administrative matters.

The IA plans the internal audit program which includes a review of the Group's risks assessments and the effectiveness of the Group's material internal controls to address the identified risks, in consultation with, but independent of the Management.

The ARMC is satisfied that the IA function is adequately resourced and has the appropriate standing within the Company to undertake its activities independently and objectively.

The IA performs detailed work to assist the ARMC in the evaluation of the Group's operational, compliance and legal, financial, investment and information technology controls based on an internal audit plan approved by the ARMC. Any material non-compliance or weakness noted in internal controls, including recommendations for improvements, are reported to the ARMC. The ARMC also reviews the effectiveness of actions taken by Management in response to recommendations made by the IA.

Based on the internal controls established and maintained by the Group, work performed by the Internal and External Auditors, and reviews performed by Management, various Board Committees and the Board; the Board with the concurrence of the ARMC, is of the opinion that the internal controls in place are adequate in addressing the Group's operational, compliance, legal, financial, investment and information technology risks in its current business environment.

CORPORATE GOVERNANCE STATEMENT

4. COMMUNICATION WITH SHAREHOLDERS

Principle 14: Shareholder Rights

Principle 15: Communication with Shareholders

The Company places great emphasis on regular, effective and open communication with our shareholders. The announcements of the Group's results and material developments are released through SGXNET to the SGX's website in a timely manner to ensure fair disclosure of information.

All shareholders receive the annual report and the notices of shareholders' meetings. The notices for such meetings are also advertised in a local newspaper and made available on SGXNET. Shareholders are given the opportunity to participate effectively and vote at general meetings of the Company, where relevant rules and procedures governing the meetings are clearly communicated. The chairpersons of the various board committees and the external auditors are invited to be present at the general meetings, to address any queries from the shareholders.

In considering the level of dividend payments, the Board takes into account various factors including:

- The level of available cash for its working capital;
- The return on equity and retained profits; and
- Projected levels of capital expenditure and other investment plans.

Principle 16: Conduct of Shareholder Meetings

General meetings are held in Singapore. At such meetings, shareholders of the Company are given the opportunity to air their views and ask the directors questions regarding the Company.

For each substantially separate issue, the Company adopts separate resolution instead of "bundling" resolutions unless the issues are interdependent and linked.

All directors are present at general meetings to address any questions that shareholders may have.

Minutes of general meeting are prepared accordingly and made available to shareholders upon their request.

The Company has adopted voting by poll for all resolutions this year.

CORPORATE GOVERNANCE STATEMENT

INTERESTED PERSON TRANSACTIONS (“IPT”)

The Company has established a procedure for recording and reporting interested person transactions. Details of significant interested person transactions for the financial year ended 31 March 2015 are set out below:

Name of interested person		Aggregate value of all IPT during the financial year ended 31 March 2015 (excluding transactions below S\$100,000)	Aggregate value of all IPT conducted under shareholders mandate pursuant to Rule 920 (excluding transactions below S\$100,000)
(a)	Rental income from related parties:		
	– Singapore Shipping Agencies Pte Ltd	242,000	–
	– SSC Ship Management Pte Ltd	139,000	–
(b)	Fees to related parties:		
	– Singapore Shipping Agencies Pte Ltd	186,000	–
(c)	Transactions entered into by the Group with directors of the Company:		
	– purchase of goods and services	1,000,000	–

All the above IPT were concluded on normal commercial terms.

There were no other material contracts or loan entered into by the Company and its subsidiaries involving the interests of the CEO, directors or controlling shareholder, which are either subsisting at the end of the financial year or, if not then subsisting, entered into since the end of the previous financial year.

*Stamford Grand Adelaide - an exceptional
wedding venue on Glenelg's beachfront*



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DIRECTORS' REPORT

The directors of the Company are pleased to present their report together with the audited financial statements of the Company and of the Group for the financial year ended 31 March 2015.

1 DIRECTORS AT DATE OF REPORT

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

Mr Ow Chio Kiat (Executive Chairman)
 Mr Ow Cheo Guan (Executive Deputy Chairman)
 Mr Ow Yew Heng
 Dr Tan Chin Nam
 Mr Mark Anthony James Vaile
 Mrs Lim Hwee Hua
 Mr Douglas Owen Chester

2 ARRANGEMENTS TO ENABLE DIRECTORS TO ACQUIRE BENEFITS BY MEANS OF THE ACQUISITION OF SHARES AND DEBENTURES

Neither at the end of the financial year nor at any time during the financial year did there exist any arrangement whose object is to enable the directors of the Company to acquire benefits by means of the acquisition of shares or debentures in the Company or any other body corporate.

3 DIRECTORS' INTERESTS IN SHARES AND DEBENTURES

Except as disclosed below, the directors of the Company holding office at the end of the financial year had no interests in the share capital and debentures/options of the Company and its related corporations:

	Interest held in the name of director at		Deemed interest of director at	
	1 April 2014	31 March 2015	1 April 2014	31 March 2015
STAMFORD LAND CORPORATION LTD				
<u>Ordinary shares</u>				
Mr Ow Chio Kiat	300,216,000	300,216,000	22,342,000	22,342,000
Mr Ow Cheo Guan	3,730,000	3,730,000	26,400,000	26,400,000
Mr Ow Yew Heng	10,000,000	10,000,000	–	–

By virtue of section 7 of the Singapore Companies Act, Chapter 50, Ow Chio Kiat with the above mentioned shareholding is deemed to have an interest in the Company and in all its subsidiaries.

The directors' interests as at 21 April 2015 were the same as those at the end of the year.

DIRECTORS' REPORT

4 CONTRACTUAL BENEFITS OF DIRECTORS

Since the beginning of the financial year, except as disclosed in the accompanying financial statements and in this report, no director of the Company 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.

5 OPTIONS EXERCISED

During the financial year, there were no shares of the Company or any subsidiaries in the Group issued by virtue of the exercise of an option to take up unissued shares.

6 UNISSUED SHARES UNDER OPTION

At the end of the financial year, there were no unissued shares under option.

7 AUDIT AND RISK MANAGEMENT COMMITTEE ("ARMC")

The members of the ARMC at the date of this report are as follows:

Mrs Lim Hwee Hua (*Chairman*)

Dr Tan Chin Nam

Mr Mark Anthony James Vaile

Mr Douglas Owen Chester

The ARMC carried out its functions in accordance with Section 201B(5) of the Singapore Companies Act, the SGX listing manual and the Code of Corporate Governance. Among others, it performed the following functions:

- Reviewed with the independent external auditors their audit plan;
- Reviewed with the independent external auditors their evaluation of the Company's internal accounting control, and their report on the financial statements and the assistance given by the Company's officers to them;
- Reviewed with the internal auditors the scope and results of the internal audit procedures;
- Reviewed the financial statements of the Group and the Company prior to their submission to the directors of the Company for adoption; and
- Reviewed the interested person transactions (as defined in Chapter 9 of the Listing Manual of SGX).

DIRECTORS' REPORT

7 AUDIT AND RISK MANAGEMENT COMMITTEE (“ARMC”) CONT'D

Other functions performed by the ARMC are described in the report on corporate governance included in the annual report. It also includes an explanation of how independent auditors' objectivity and independence are safeguarded where the independent auditors provide non-audit services.

The ARMC has recommended to the board of directors that the independent external auditors, KPMG LLP, be nominated for re-appointment as independent auditors at the next Annual General Meeting of the Company.

8 INDEPENDENT AUDITORS

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

On behalf of the Board of Directors

Ow Chio Kiat

Ow Cheo Guan

Singapore
29 May 2015

STATEMENT BY DIRECTORS

In our opinion:

- (a) the balance sheet of the Company and the consolidated financial statements of the Group as set out on pages 59 to 125 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 March 2015 and of the results of the business, changes in equity and cash flows of the Group for the year then ended; 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

Ow Chio Kiat

Ow Cheo Guan

Singapore
29 May 2015

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF STAMFORD LAND CORPORATION LTD (Registration No. 197701615H)

We have audited the accompanying financial statements of Stamford Land Corporation Ltd (the "Company") and its subsidiaries (the "Group"), which comprise the balance sheets of the Group and the Company as at 31 March 2015, the income statement, statement of comprehensive income, statement of changes in equity and statement of cash flows of the Group for the year then ended, and a summary of significant accounting policies and other explanatory information, as set out on pages 59 to 125.

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 Company's preparation of the 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 Company'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.

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF STAMFORD LAND CORPORATION LTD

(Registration No. 197701615H)

Opinion

In our opinion, the consolidated financial statements of the Group and the balance sheet 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 March 2015 and the results, changes in equity and cash flows of the Group for the year ended on that date.

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

29 May 2015

CONSOLIDATED INCOME STATEMENT

Year ended 31 March 2015

		THE GROUP	
	Note	2015 \$'000	2014 \$'000
Revenue	6	307,020	278,727
<u>Other Items of Income</u>			
Interest Income	7	1,263	1,412
Dividend Income	8	163	210
Other losses - net	9	(10,674)	(1,277)
<u>Other Items of Expense</u>			
Properties Sold	16,17	(54,770)	(39,102)
Raw Materials and Consumables Used		(21,707)	(23,493)
Staff Costs	10	(90,191)	(91,310)
Depreciation Expense	22	(14,414)	(14,813)
Other Operating Expenses	11	(60,889)	(60,700)
Finance Costs - Interest Expense on Bank Loans		(14,821)	(15,212)
Profit Before Tax		40,980	34,442
Income Tax Expense	12	(11,231)	(7,314)
Profit Attributable to Equity Holders of Parent, Net of Tax		29,749	27,128
Earnings Per Share	13		
– Basic		3.44 cents	3.14 cents
– Diluted		3.44 cents	3.14 cents

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

CONSOLIDATED STATEMENT OF TOTAL COMPREHENSIVE INCOME

Year ended 31 March 2015

	THE GROUP	
	2015 \$'000	2014 \$'000
Profit for the Year	29,749	27,128
Other Comprehensive (Loss)/Income:		
<i>Items that are or may be reclassified subsequently to profit or loss:</i>		
Fair value Gains/(Losses) on Available-for-Sale Investments	59	(37)
Exchange Differences on Consolidation of Foreign Subsidiaries	(18,242)	(27,855)
Exchange Differences on Foreign Currency Loans Forming Part of Net Investment in Foreign Operations	(18,081)	(2,418)
	(36,264)	(30,310)
Total Comprehensive Loss, Net of Tax, Attributable to Shareholders	(6,515)	(3,182)

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

BALANCE SHEETS

As at 31 March 2015

		THE GROUP		THE COMPANY	
	Note	2015 \$'000	2014 \$'000	2015 \$'000	2014 \$'000
<u>ASSETS</u>					
<u>Current Assets</u>					
Amounts Due from Subsidiaries	15	—	—	—	14
Development Properties for Sale	16	62,609	42,527	—	—
Completed Properties for Sale	17	43,949	71,238	—	—
Inventories	18	1,522	1,719	—	—
Trade and Other Receivables	19	16,812	20,041	95	6
Derivative Financial Assets	29	44	—	—	—
Investments Held-for-Trading	20	3,724	3,439	—	—
Cash and Cash Equivalents	21	144,909	88,166	51,541	463
		273,569	227,130	51,636	483
<u>Non-Current Assets</u>					
Property, Plant and Equipment	22	371,191	465,430	—	—
Investment Properties	23	177,127	203,534	—	—
Investments in Subsidiaries	24	—	—	354,944	376,513
Available-for-Sale Investments	25	406	347	406	347
Deferred Tax Assets	12	1,976	2,384	—	—
		550,700	671,695	355,350	376,860
Total Assets		824,269	898,825	406,986	377,343

BALANCE SHEETS

As at 31 March 2015

		THE GROUP		THE COMPANY	
	Note	2015 \$'000	2014 \$'000	2015 \$'000	2014 \$'000
<u>LIABILITIES</u>					
<u>Current Liabilities</u>					
Income Tax Liabilities	12	10,137	4,679	2,772	3,699
Borrowings	26	192,623	211,136	–	–
Amounts Due to Subsidiaries	27	–	–	18,008	6,163
Trade and Other Payables	28	28,599	33,606	3,253	4,933
Derivative Financial Liabilities	29	–	601	–	–
		231,359	250,022	24,033	14,795
<u>Non-Current Liabilities</u>					
Borrowings	26	113,833	132,413	–	–
Amounts Due to Subsidiaries	27	–	–	194,989	171,547
Deferred Tax Liabilities	12	19,868	24,751	4,406	5,216
		133,701	157,164	199,395	176,763
Total Liabilities		365,060	407,186	223,428	191,558
NET ASSETS		459,209	491,639	183,558	185,785
<u>EQUITY</u>					
Capital and reserves attributable to equity holders of the Company					
Share Capital	30	144,556	144,556	144,556	144,556
Retained Profits		330,709	326,875	38,651	40,937
Other Reserves	31	(16,056)	20,208	351	292
Total Equity		459,209	491,639	183,558	185,785

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

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Year ended 31 March 2015

<----- Attributable to equity holders of the Company ----->						
THE GROUP	Note	Foreign currency				
		Share capital	Fair value reserve	translation reserve	Retained profits	Total equity
		\$'000	\$'000	\$'000	\$'000	\$'000
2015						
Beginning of Financial Year		144,556	292	19,916	326,875	491,639
Profit for the Year		—	—	—	29,749	29,749
Other Comprehensive Loss for the Year		—	59	(36,323)	—	(36,264)
Total Comprehensive Loss for the Year		—	59	(36,323)	29,749	(6,515)
Transactions with Owners Recognised in Equity						
Distributions to Owners						
Dividends	14	—	—	—	(25,915)	(25,915)
Total Transactions with Owners		—	—	—	(25,915)	(25,915)
End of Financial Year		144,556	351	(16,407)	330,709	459,209
2014						
Beginning of Financial Year		144,556	329	50,189	325,662	520,736
Profit for the Year		—	—	—	27,128	27,128
Other Comprehensive Loss for the Year		—	(37)	(30,273)	—	(30,310)
Total Comprehensive Loss for the Year		—	(37)	(30,273)	27,128	(3,182)
Transactions with Owners Recognised in Equity						
Distributions to Owners						
Dividends	14	—	—	—	(25,915)	(25,915)
Total Transactions with Owners		—	—	—	(25,915)	(25,915)
End of Financial Year		144,556	292	19,916	326,875	491,639

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

CONSOLIDATED STATEMENT OF CASH FLOWS

Year ended 31 March 2015

	Note	THE GROUP	
		2015 \$'000	2014 \$'000
Cash Flows From Operating Activities			
Profit for the Year		29,749	27,128
Adjustments for:			
Income Tax Expense		11,231	7,314
Depreciation Expense of Property, Plant and Equipment		14,414	14,813
Dividend Income		(163)	(210)
Unrealised Foreign Exchange (Gains)/Losses		(1,280)	1,084
Fair Value Losses/(Gains) on Investment Properties		7,832	(409)
Interest Expense		14,821	15,212
Interest Income		(1,263)	(1,412)
(Gains)/Losses on Disposal of Property, Plant and Equipment		(465)	4
Property, Plant and Equipment Written Off		2,208	—
Fair Value Gains on Investments Held-for-Trading		(36)	—
Write-back of Impairment Loss on Completed Properties		(445)	—
		76,603	63,524
Development Properties for Sale		20,235	(37,050)
Completed Properties for Sale		21,438	39,102
Inventories		197	82
Trade and Other Receivables		3,386	(2,593)
Trade and Other Payables		(4,953)	(1,244)
Derivative Financial Assets/Liabilities		(645)	601
Cash Generated from Operations		116,261	62,422
Income Taxes Paid		(8,138)	(8,148)
Net Cash From Operating Activities		108,123	54,274

CONSOLIDATED STATEMENT OF CASH FLOWS

Year ended 31 March 2015

	Note	THE GROUP	
		2015 \$'000	2014 \$'000
Cash Flows From Investing Activities			
(Purchase)/Proceeds from Disposal of Investments Held-for-Trading		(249)	2,640
Proceeds from Disposal of Property, Plant and Equipment		1,482	34
Purchase of Property, Plant and Equipment		(7,477)	(38,947)
Interest Received		1,106	1,413
Dividends Received		163	210
Deposits Pledged		286	661
Net Cash Used in Investing Activities		(4,689)	(33,989)
Cash Flows From Financing Activities			
Proceeds from Borrowings		–	31,541
Repayment of Borrowings		(3,789)	–
Interest Paid		(14,875)	(15,382)
Dividends Paid to Equity Holders		(25,915)	(25,915)
Net Cash Used in Financing Activities		(44,579)	(9,756)
Net Increase in Cash and Cash Equivalents		58,855	10,529
Cash and Cash Equivalents at Beginning of Year		84,742	75,378
Effect of Foreign Exchange Rates Adjustment		(1,826)	(1,165)
Cash and Cash Equivalents at End of Year	21	141,771	84,742

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

NOTES TO THE FINANCIAL STATEMENTS

1 GENERAL

The Company is incorporated in Singapore with limited liability. The financial statements are presented in Singapore dollars, which is the functional currency of the Company.

The principal activities of the Group consist of investment holding, hotel owning and management, travel agency, trading and property investment and development.

The principal activity of the Company is that of an investment holding company. It is listed on the Singapore Exchange Securities Trading Limited. Its registered office and principal place of business is at 200 Cantonment Road, #09-01 Southpoint, Singapore 089763. The Company is domiciled in Singapore.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Statement of Compliance

The financial statements have been prepared in accordance with the Singapore Financial Reporting Standards ("FRS"). The financial statements are prepared on a going concern basis under the historical cost basis except as otherwise described in the notes below.

Changes and Adoption of New/Revised Financial Reporting Standards

On 1 April 2014, the Group adopted the new or amended FRS and Interpretations of FRS ("INT FRS") that are mandatory for application for the financial year. Changes to the Group's accounting policies have been made as required, in accordance with the transitional provisions in the respective FRS and INT FRS.

The adoption of these new or amended FRS and INT FRS did not result in substantial changes to the accounting policies of the Group and the Company and had no material effect on the amounts reported for the current or prior financial years.

FRS 112 Disclosures of Interests in Other Entities

FRS 110 Consolidated Financial Statements, and Amendment to FRS 27 (revised 2011)

FRS 111 Joint Arrangements, and Amendment to FRS 28 (revised 2011) Investments in Associates and Joint Ventures

Amendment to FRS 36 Impairment of Assets

INT FRS 121 Levies

Amendments to FRS 19 (R) Employee Benefits - Defined Benefit Plans: Employee Contributions

NOTES TO THE FINANCIAL STATEMENTS

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

New Standards and Interpretations Not Adopted

A number of new standards, amendments to standards and interpretations are effective for annual periods beginning after 1 April 2014, and have not been applied in preparing these financial statements. The Group does not plan to adopt these standards early.

- FRS 102 Share-based Payment (effective for annual periods beginning on or after 1 July 2014)

The amendment clarifies the definition of vesting condition and separately defines 'performance condition' and 'service condition'. The Group will apply this amendment from 1 April 2015, but this is not expected to have any significant impact on the financial statements of the Group.

- FRS 103 Business Combinations (effective for annual periods beginning on or after 1 July 2014)

The standard is amended to clarify that an obligation to pay contingent consideration which meets the definition of a financial instrument is classified as a financial liability or as equity, on the basis of the definitions in FRS 32 Financial instruments: Presentation. The standard is further amended to clarify that all non-equity contingent consideration, both financial and non-financial, is measured at fair value at each reporting date, with changes in fair value recognised in profit and loss.

The standard is also amended to clarify that FRS 103 does not apply to the accounting for the formation of any joint arrangement under FRS 111. The amendment also clarifies that the scope exemption only applies in the financial statements of the joint arrangement itself. The Group will apply this amendment for business combinations taking place on/after 1 April 2015.

- FRS 40 Investment Property (effective for annual periods beginning on or after 1 July 2014)

The standard is amended to clarify that FRS 40 and FRS 103 are not mutually exclusive. The guidance in FRS 40 assists preparers to distinguish between investment property and owner-occupied property. The Group will apply this amendment for acquisition of investment property taking place on/after 1 April 2015.

- FRS 108 Operating Segments (effective for annual periods beginning on or after 1 July 2014)

The standard is amended to require disclosure of the judgements made by management in aggregating operating segments. This includes a description of the segments which have been aggregated and the economic indicators which have been assessed in determining that the aggregated segments share similar economic characteristics. The standard is further amended to require a reconciliation of segment assets to the entity's assets when segment assets are reported. This amendment will not result in any changes to the Group's accounting policies but will require more disclosures in the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

New Standards and Interpretations Not Adopted (Cont'd)

- FRS 16 Property, Plant and Equipment (effective for annual periods beginning on or after 1 July 2014)

The standard is amended to clarify how the gross carrying amount and the accumulated depreciation are treated where an entity uses the revaluation model. The carrying amount of the asset is restated to the revalued amount. The split between gross carrying amount and accumulated depreciation is treated in one of the following ways:

- either the gross carrying amount is restated in a manner consistent with the revaluation of the carrying amount, and the accumulated depreciation is adjusted to equal the difference between the gross carrying amount and the carrying amount after taking into account accumulated impairment losses; or
- the accumulated depreciation is eliminated against the gross carrying amount of the asset.

This amendment is not expected to have any significant impact on the financial statements of the Group.

- FRS 24 Related Party Disclosures (effective for annual periods beginning on or after 1 July 2014)

The standard is amended to include, as a related party, an entity that provides key management personnel services to the reporting entity or to the parent of the reporting entity ('the management entity'). The reporting entity is not required to disclose the compensation paid by the management entity to the management entity's employees or directors, but it is required to disclose the amounts charged to the reporting entity by the management entity for services provided.

This amendment will not result in any changes to the Group's accounting policies but will require more disclosures in the financial statements.

- FRS 113 Fair Value Measurement (effective for annual periods beginning on or after 1 July 2014)

The amendment clarifies that the portfolio exception in FRS 113, which allows an entity to measure the fair value of a group of financial assets and financial liabilities on a net basis, applies to all contracts (including non-financial contracts) within the scope of FRS 39.

This amendment is not expected to have any significant impact on the financial statements of the Group.

NOTES TO THE FINANCIAL STATEMENTS

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

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.

The Group measures goodwill at the acquisition date as:

- The fair value of the consideration transferred; plus
- The recognised amount of any non-controlling interest ("NCI") 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. Any goodwill that arises is tested annually for impairment.

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

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.

NCI that are present ownership interests and entitle their holders to a proportionate share of the acquiree's net assets in the event of liquidation are measured either at fair value or at the NCI's proportionate share of the recognised amounts of the acquiree's identifiable net assets, at the acquisition date. The measurement basis taken is elected on a transaction-by-transaction basis. All other NCI are measured at acquisition-date fair value, unless another measurement basis is required by FRSs.

Costs related to the acquisition, other than those associated with the issue of debt or 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 NCI arising from transactions that do not involve the loss of control are based on a proportionate amount of the net assets of the subsidiary.

NOTES TO THE FINANCIAL STATEMENTS

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

Basis of Consolidation (Cont'd)

Subsidiaries

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. 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 NCI in a subsidiary are allocated to the NCI even if doing so causes the NCI to have a deficit balance.

Loss of control

Upon the loss of control, the Group derecognises the assets and liabilities of the subsidiary, any NCI and the other components of equity related to the subsidiary. Any surplus or deficit arising on the loss of control is recognised in profit or loss. If the Group retains any interest in the previous subsidiary, then such interest is measured at fair value at the date that control is lost. Subsequently, it is accounted for as equity-accounted investee or as an available-for-sale financial asset depending on the level of influence retained.

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 losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

Subsidiaries in the separate financial statements

Investments in subsidiaries are stated in the Company's balance sheet at cost less accumulated impairment losses.

Revenue

Revenue represents invoiced value of goods sold and services rendered, hotel and restaurant operations revenue, rental income and income from the sale of completed residential properties. The Group's revenue excludes transactions within the Group. Revenue is measured at the fair value of the consideration received or receivable, taking into account the amount of any trade discounts and volume rebates allowed by the Group.

NOTES TO THE FINANCIAL STATEMENTS

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

Basis of Revenue Recognition

Income from the sale of goods and completed properties is recognised when significant risks and rewards of ownership are transferred to the buyer and the amount of revenue and the costs of the transaction can be measured reliably. This generally coincides with the point in time when the completed property 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.

Income from the rendering of services associated with the hotel and restaurant operations is recognised when the services are rendered.

Rental income from investment properties is recognised in profit or loss on a straight-line basis over the term of the lease. Lease incentives granted are recognised as an integral part of the total rental income over the term of the lease.

Dividend income is recognised when the right to receive payment is established.

Interest income on interest-bearing instruments is recognised on a time-proportion basis, using the effective interest method.

Employee Benefits

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.

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.

NOTES TO THE FINANCIAL STATEMENTS

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

Income Tax

Current and deferred income taxes are recognised as income or expense in profit or loss, except to the extent that the tax arises from a business combination or a transaction which is recognised directly in equity or in other comprehensive income.

Current income tax for current and prior periods is recognised at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date.

Deferred income tax is recognised for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements except when the deferred income tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the transaction. Deferred tax arising from a business combination is adjusted against goodwill on acquisition.

Deferred income tax is recognised on temporary differences arising on investments in subsidiaries, associated companies and joint ventures, except where the Group is able to control the timing of the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. A deferred income tax asset is recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses 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.

Deferred income tax is measured:

- (i) at the tax rates that are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date; and
- (ii) based on the tax consequence that will follow from the manner in which the Group expects, at the balance sheet date, to recover or settle the carrying amounts of its assets and liabilities except for investment properties. Investment property measured at fair value is presumed to be recovered entirely through sale.

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.

NOTES TO THE FINANCIAL STATEMENTS

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

Foreign currency

Foreign currency transactions

Transactions in a currency other than the functional currency ("foreign currency") are translated into the functional currency using the exchange rates at the dates of the transactions. Currency exchange differences resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at the closing rates at the balance sheet date are recognised in profit or loss.

Non-monetary items measured at fair values in foreign currencies are translated using the exchange rates at the date when the fair values are 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 operations

The results and balance sheets of all the Group entities (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- (i) assets and liabilities are translated at the closing exchange rates at the reporting date;
- (ii) income and expenses are translated at average exchange rates (unless the average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated using the exchange rates at the dates of the transactions); and
- (iii) all resulting currency translation differences are recognised in other comprehensive income ("OCI") and accumulated in the foreign currency translation reserve. These currency translation differences are reclassified to profit or loss on disposal of the entity giving rise to such reserve.

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 OCI, and are presented in the foreign currency translation reserve in equity.

NOTES TO THE FINANCIAL STATEMENTS

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

Borrowing Costs

Borrowing costs are recognised in profit or loss using the effective interest method except for those costs that are directly attributable to the construction or development of properties and assets under construction. This includes those costs on borrowings acquired specifically for the construction or development of properties and assets under construction, as well as those in relation to general borrowings used to finance the construction or development of properties and assets under construction.

The actual borrowing costs incurred during the period up to the issuance of the temporary occupation permit less any investment income on temporary investment of these borrowings, are capitalised in the cost of the property under development.

Property, Plant and Equipment

Property, plant and equipment is stated at cost less any accumulated depreciation and any accumulated impairment loss.

The gain or loss arising from the derecognition of an item of property, plant and equipment is determined as the difference between the net disposal proceeds, if any, and the carrying amount of the item and is recognised in profit or loss.

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 as follows:

Freehold buildings	– 100 years
Leasehold land and buildings	– terms of the leases ranging from 51 to 70 years
Renovations, furniture and fittings	– 2 to 25 years
Motor vehicles	– 5 to 7 years
Equipment and computers	– 2 to 15 years

Depreciation is recognised from the date that the property, plant and equipment are installed and are ready for use. No depreciation is provided on freehold land and capital work-in-progress.

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

NOTES TO THE FINANCIAL STATEMENTS

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

Property, Plant and Equipment (Cont'd)

Cost includes any cost directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Subsequent cost is recognised as an asset only when it is probable that future economic benefits associated with the item will flow to the entity and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the profit or loss when incurred.

Investment Property

Investment property is 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 measured at cost on initial recognition and subsequently at fair value with any change therein recognised in profit or loss. The fair value is determined based on internal valuation or independent professional valuation. Independent professional valuation is obtained at least once every 3 years.

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.

Subsequent expenditure relating to investment properties that has already been recognised is added to the carrying amount of the asset when it is probable that future economic benefits, in excess of originally assessed standard of performance of the existing asset, will flow to the Group. All other subsequent expenditure is recognised as an expense in the period in which it is incurred.

When an investment property is disposed of, the resulting gain or loss recognised is the difference between net disposal proceeds and the carrying amount of the property.

Investment properties are not depreciated. The properties are subject to continual maintenance and regular revaluation on the basis set out above.

NOTES TO THE FINANCIAL STATEMENTS

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

Properties under Development

Properties under development are properties being developed for sale or future use as investment properties.

Development properties for sale are recognised at cost including cost of acquisition, cost of land, other direct and related development expenditure, and borrowing costs incurred in developing the properties. Borrowing costs payable on loans funding a property under development are capitalised, on a specific identification basis, as part of the cost of the property under development until the completion of development. Completed properties are transferred and accounted for as completed properties for sale.

Properties under development for future use as investment properties are initially recognised at cost and subsequently at fair value with any change therein recognised in the profit or loss. Completed properties are transferred and accounted for as investment properties.

Impairment of Non-Financial Assets

Property, plant and equipment
Investments in subsidiaries

Property, plant and equipment and investments in subsidiaries are tested for impairment whenever there is any objective evidence or indication that these assets may be impaired.

For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash inflows that are largely independent of those from other assets. If this is the case, the recoverable amount is determined for the cash-generating unit ("CGU") to which the asset belongs.

If the recoverable amount of the asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount.

The difference between the carrying amount and recoverable amount is recognised as an impairment loss in profit or loss, unless the asset is carried at revalued amount, in which case, such impairment loss is treated as a revaluation decrease.

An impairment loss for an asset other than goodwill is reversed only if, there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised.

The carrying amount of this asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortization or depreciation) had no impairment loss been recognised for the asset in prior years.

NOTES TO THE FINANCIAL STATEMENTS

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

Impairment of Non-Financial Assets (Cont'd)

Property, plant and equipment (Cont'd)

Investments in subsidiaries (Cont'd)

A reversal of impairment loss for an asset other than goodwill is recognised in profit or loss, unless the asset is carried at revalued amount, in which case, such reversal is treated as a revaluation increase. However, to the extent that an impairment loss on the same revalued asset was previously recognised as an expense, a reversal of that impairment is also recognised in profit or loss.

Non-Derivative Financial Assets

Initial recognition and measurement and derecognition of financial assets

A financial asset is recognised on the balance sheet only when the entity becomes a party to the contractual provisions of the instrument. The initial recognition of financial assets is at fair value normally represented by the transaction price. The transaction price for financial asset not classified at fair value through profit or loss includes the transaction costs that are directly attributable to the acquisition or issue of the financial asset. Transaction costs incurred on the acquisition or issue of financial assets classified at fair value through profit or loss are expensed immediately. The transactions are recorded at the trade date.

Irrespective of the legal form of the transactions performed, financial assets are derecognised when they pass the "substance over form" based derecognition test prescribed by FRS 39 relating to the transfer of risks and rewards of ownership and the transfer of control.

Subsequent measurement and impairment of financial assets

Subsequent measurement based on the classification of the financial assets in one of the following four categories under FRS 39 is as follows:

- a. Financial assets at fair value through profit or loss: Assets are classified in this category when they are incurred principally for the purpose of trading in the near term (trading assets) or because the conditions are met to use the "fair value option" and it is used. These assets are carried at fair value by reference to the transaction price or current bid prices in an active market. All changes in fair value relating to assets at fair value through profit or loss are recognised directly in the profit or loss. They are classified as non-current assets unless management intends to dispose of the investment within 12 months of the end of the reporting year. Typically, short-term investments in equity and debt securities are classified in this category.

NOTES TO THE FINANCIAL STATEMENTS

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

Non-Derivative Financial Assets (Cont'd)

Subsequent measurement and impairment of financial assets (cont'd)

- b. **Loans and receivables:** Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Assets that are for sale immediately or in the near term are not classified in this category. These assets are carried at amortised cost using the effective interest method (except that short-duration receivables with no stated interest rate are normally measured at original invoice amount unless the effect of imputing interest would be significant) minus any reduction (directly or through the use of an allowance account) for impairment or uncollectibility. Impairment charges are provided only when there is objective evidence that an impairment loss has been incurred as a result of one or more events that occurred after the initial recognition of the asset (a 'loss event') and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated. The methodology ensures that an impairment loss is not recognised on the initial recognition of an asset. Losses expected as a result of future events, no matter how likely, are not recognised. For impairment, the carrying amount of the asset is reduced through use of an allowance account. The amount of the loss is recognised in profit or loss. An impairment loss is reversed if the reversal can be related objectively to an event occurring after the impairment loss was recognised; and the reversal is recognised in profit or loss. Typically, the trade and other receivables are classified in this category.
- c. **Held-to-maturity financial assets:** These are non-derivative financial assets with fixed or determinable payments and fixed maturity that the entity has the positive intention and ability to hold to maturity. Long-term investments in bonds and debt securities are classified in this category.
- d. **Available-for-sale financial assets:** These are non-derivative financial assets that are designated as available-for-sale on initial recognition or are not classified in one of the previous categories. These assets are carried at fair value by reference to the transaction price or current bid prices in an active market. If such market prices are not reliably determinable, management establishes fair value by using valuation techniques. Changes in fair value of available-for-sale financial assets are recognised in other comprehensive income and transferred to equity in other reserves. Such reserves are reclassified to profit or loss when realised through disposal. Impairment losses are recognised in profit or loss. When there is objective evidence that the asset is impaired, the cumulative loss that had been recognised in other comprehensive income and transferred to equity is reclassified from equity to the profit or loss as a reclassification adjustment. If, in a subsequent period, the fair value of an equity instrument classified as available-for-sale increases, it is reversed through other comprehensive income. However, for debt instruments classified as available-for-sale, impairment losses recognised in profit or loss are subsequently reversed through profit or loss if an increase in the fair value of the instrument can be objectively related to an event occurring after the recognition of the impairment loss. They are classified as non-current assets unless management intends to dispose of the investment within 12 months of the end of the reporting year. Typically, long-term investments in equity shares and debt securities are classified in this category but do not include subsidiaries, joint ventures, or associates.

NOTES TO THE FINANCIAL STATEMENTS

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

Cash and Cash Equivalents

For the purpose of presentation in the consolidated statement of cash flows, cash and cash equivalents include cash on hand, deposits with financial institutions which are subject to an insignificant risk of change in value, and bank overdrafts. Bank overdrafts are presented as current borrowings on the balance sheet. For cash subjected to restriction, assessment is made on the economic substance of the restriction and whether they meet the definition of cash and cash equivalents.

Derivative Financial Instruments

The Group holds derivative financial instruments to manage exposures to foreign exchange and interest rate risks arising from operational, financing and investment activities. These derivative financial instruments do not qualify for hedge accounting and as such, they are accounted for as economic hedges. Such derivative financial instruments are initially recognised at its fair value on the date the contract is entered into and is subsequently carried at its fair value. Changes in fair values are recognised directly in profit or loss.

Non-derivative Financial Liabilities

Non-derivative financial liabilities comprise borrowings, and trade and other payables. Such financial liabilities are initially recognised at fair value (net of directly attributable transaction costs) when the Group becomes a party to the contractual provisions of the instrument. Subsequently these financial liabilities are carried at amortised cost using the effective interest method. The Group derecognises a financial liability when its contractual obligations are discharged, cancelled or expired.

Financial liabilities are classified as current liabilities if payment is due within one year or less. Otherwise, they are presented as non-current liabilities.

Offsetting of Financial Instruments

Financial assets and liabilities are offset and the net amount reported in the balance sheet when the Group has a legally enforceable right to offset the amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

NOTES TO THE FINANCIAL STATEMENTS

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

Financial Guarantees

The Company has issued corporate guarantees to banks for bank borrowings of its subsidiaries. These guarantees are financial guarantees as they require the Company to reimburse the banks if the subsidiaries fail to make principal or interest payments when due in accordance with the terms of their borrowings.

Financial guarantees are initially recognised at their fair values plus transaction costs in the Company's balance sheet.

Financial guarantees are subsequently amortised to profit or loss over the period of the subsidiaries' borrowings, unless it is probable that the Company will reimburse the banks for an amount higher than the unamortised amount. In this case, the financial guarantees shall be carried at the expected amount payable to the banks in the Company's balance sheet. Intra-group transactions are eliminated on consolidation.

Completed Properties for Sale

Completed properties held for sale are those which are intended for sale in the ordinary course of business. They are stated at the lower of cost and estimated net realisable value. Cost includes cost of acquisition, cost of land and other direct and related development expenditure, including borrowing costs, incurred in developing the properties. Borrowing costs payable on loans funding a property under development are also capitalised, on a specific identification basis, as part of the cost of the property under development until the completion of development. Net realisable value represents the estimated selling price less costs to be incurred in selling the property.

Inventories

Inventories are carried at the lower of cost and net realisable value. Cost is determined using the weighted average cost method and includes the cost of purchase and other costs in bringing the inventories to their present location and condition. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and applicable variable selling expenses.

NOTES TO THE FINANCIAL STATEMENTS

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

Provisions

A liability of provision is recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are made using best estimates of the amount required in settlement and where the effect of the time value of money is material, the amount recognised is the present value of the expenditure expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in provision due to passage of time is recognised as interest expense. Changes in estimates are reflected in profit or loss in the period they occur.

Operating Segments

An operating segment is a component of the Group that engages in business activities from which it may earn revenue and incur expenses, including revenue and expenses that relate to transactions with any of the Group's other components. Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker has been identified as the executive directors and key executives that make strategic resources allocation decisions.

A geographical segment is a distinguishable component that is engaged in providing products or services within a particular economic environment and that is subject to risks and returns that are different from those of components operating in other economic environments.

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.

Minimum lease payments made under finance leases are apportioned between the finance expense and the reduction of the outstanding liability. The finance expense is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability.

Contingent lease payments are accounted for by revising the minimum lease payments over the remaining term of the lease when the lease adjustment is confirmed.

NOTES TO THE FINANCIAL STATEMENTS

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

Lease Payments (Cont'd)

Determining whether an arrangement contains a lease

At inception of an arrangement, the Group determines whether such an arrangement is or contains a lease. This will be the case if the following two criteria are met:

- the fulfilment of the arrangement is dependent on the use of that specific asset or assets; and
- the arrangement contains a right to use the asset(s).

At inception or upon reassessment of the arrangement, the Group separates payments and other consideration required by such an arrangement into those for the lease and those for other elements on the basis of their relative fair values. If the Group concludes for a finance lease that it is impracticable to separate the payments reliably, then an asset and a liability are recognised at an amount equal to the fair value of the underlying asset. Subsequently, the liability is reduced as payments are made and an imputed finance charge on the liability is recognised using the Group's incremental borrowing rate.

Share capital and treasury shares

Ordinary shares are classified as equity. Incremental costs directly attributable to the issuance of new ordinary shares are deducted against the share capital account.

When shares are being repurchased ("treasury shares"), the carrying amount which includes the consideration paid and any directly attributable transaction cost is presented as a component within equity attributable to the Company's equity holders, until they are cancelled, sold or reissued.

When treasury shares are subsequently sold or reissued pursuant to an employee share option scheme, the cost of treasury shares is reversed from the treasury share account and the realised gain or loss on sale or reissue, net of any directly attributable incremental transaction costs and related income tax, is recognised in the non-distributable capital reserve.

Dividends to Company's shareholders

Dividends to the Company's shareholders are recognised in equity when the dividends are authorised for payment.

NOTES TO THE FINANCIAL STATEMENTS

3 CRITICAL JUDGEMENTS, ASSUMPTIONS AND ESTIMATION UNCERTAINTIES

The preparation of the financial statements in conformity with FRSs 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 ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment within the next financial year are as follows:

Current and deferred tax

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.

Impairment of properties for sale

Management makes allowance for foreseeable losses taking into account the Group's recent experience in estimating net realisable values of units by reference to comparable properties, timing of sale launches, location of property and expected net selling prices. Market conditions may, however, change which may affect the future selling prices on the remaining unsold residential units of the properties and accordingly, further impairment loss may be required or reversed in future periods.

Fair value determination of investment properties

The fair values of investment properties are estimated based on valuations carried out by management and/or external property valuers, having appropriate recognised professional qualifications and recent experience in the location and category of property being valued. The valuations reflect when appropriate, comparable sales of similar properties or estimated market values based on projection of income and expense streams over period of leases, using market rates of return.

NOTES TO THE FINANCIAL STATEMENTS

3 CRITICAL JUDGEMENTS, ASSUMPTIONS AND ESTIMATION UNCERTAINTIES (CONT'D)

Useful lives of property, plant and equipment

The estimates for the useful lives and related depreciation charges for property, plant and equipment are based on commercial and production factors which could change significantly as a result of technical innovations and competitor actions in response to market conditions. The depreciation charge is increased where useful lives are less than previously estimated, or the carrying amounts written off or written down for technically obsolete or non-strategic assets that have been abandoned or sold. It is reasonably possible, based on existing knowledge, that outcomes within the next financial year that are different from assumptions could require a significant adjustment to the carrying amount of the balance affected.

Impairment of property, plant and equipment

The Group assesses annually whether property, plant and equipment have any indication of impairment in accordance with the accounting policy. If indication exists, the recoverable amounts of property, plant and equipment are determined based on higher of fair value less costs to sell or value-in-use calculations. These calculations require the use of judgements and assumptions are assessed on an on-going basis and are based on experience and relevant factors, including expectations of future events that are believed to be reasonable under the circumstances.

Impairment of investments in subsidiaries

When a subsidiary is in a net equity deficit or has suffered operating losses or has other known impairment indicators, a test is made whether the investment in the investee has suffered any impairment, in accordance with the stated accounting policy. This determination requires significant judgement. An estimate is made of the future profitability of the investee, and the financial health of and near-term business outlook for the investee, including factors such as industry and sector performance, and operational and financing cash flow. It is reasonably possible based on existing knowledge, that outcomes within the next financial year that are different from assumptions could require a significant adjustment to the carrying amount of the asset affected.

NOTES TO THE FINANCIAL STATEMENTS

4 FINANCIAL RISK MANAGEMENT

The main purpose for holding or issuing financial instruments is to raise and manage the capital requirements for the Group's operating, investing and financing activities. The main risks arising from the Group's financial instruments are credit risk, liquidity risk and market risks comprising interest rate, foreign currency and price risks. The management of financial risks are as follows:

1. Minimise interest rate, currency, credit and market risk for all kinds of transactions.
2. Maximise the use of "natural hedge": favouring as much as possible the natural off-setting of income and costs and payables and receivables denominated in the same currency and therefore put in place hedging strategies only for the excess balance. The same strategy is pursued with regard to interest rate risk.
3. Enter into derivatives or any other similar instruments solely for hedging purposes.
4. All financial risk management activities are carried out and monitored by senior management staff.
5. All financial risk management activities are carried out following good market practices.

(a) Foreign currency risk

The Group has exposure to changes in foreign exchange rates arising from foreign currency transactions and balances. These exposures and changes in fair values from time to time are monitored and any gains and losses are included in profit or loss unless otherwise stated in the accounting policies. The Group holds derivative financial instruments to manage exposures to foreign exchange risk. These derivative financial instruments serve as economic hedges and do not qualify for hedge accounting.

NOTES TO THE FINANCIAL STATEMENTS

4 FINANCIAL RISK MANAGEMENT (CONT'D)

(a) Foreign currency risk (Cont'd)

The Group has significant investments in subsidiaries in Australia and New Zealand and is exposed to currency translation risk. The summary of Group's exposure to significant foreign currency risk as reported to the management of the Group is as follows:

	Australian Dollars	New Zealand Dollars	Total
	\$'000	\$'000	\$'000
<u>THE GROUP</u>			
<u>2015</u>			
Trade and other receivables	6,843	1,238	8,081
Cash and cash equivalents	78,485	21,783	100,268
Borrowings	(281,173)	(25,283)	(306,456)
Trade and other payables	(11,227)	(1,300)	(12,527)
	(207,072)	(3,562)	(210,634)
Less: net financial assets denominated in the respective entities' functional currencies	257,988	25,169	283,157
Net currency exposure	50,916	21,607	72,523
<u>2014</u>			
Trade and other receivables	10,399	1,012	11,411
Cash and cash equivalents	13,433	3,895	17,328
Borrowings	(316,674)	(26,875)	(343,549)
Trade and other payables	(15,478)	(1,630)	(17,108)
	(308,320)	(23,598)	(331,918)
Less: net financial assets denominated in the respective entities' functional currencies	308,434	24,632	333,066
Net currency exposure	114	1,034	1,148

NOTES TO THE FINANCIAL STATEMENTS

4 FINANCIAL RISK MANAGEMENT (CONT'D)

(a) Foreign currency risk (Cont'd)

If the Australian Dollars ("AUD") and New Zealand Dollars ("NZD") change against Singapore Dollars by 5% (2014: 5%) with all other variables held constant, the net currency position on the Group's profit before tax would increase/decrease by \$3,600,000 (2014: \$57,000).

For the Company, if the AUD and NZD change against Singapore Dollars by 5% (2014: 5%) with all other variables including tax rate being held constant, the net currency position on the Company's equity would increase/decrease by \$11,900,000 (2014: \$12,100,000). At the Group level, \$11,350,000 (2014: \$12,400,000) would be reclassified to other comprehensive income on consolidation as they relate to exchange differences on foreign currency loan that form part of the Group's net investment in foreign operations.

Management is of the view that the above sensitivity analysis may not be representative of the inherent foreign exchange risk as year-end exposures may not reflect the actual exposure and circumstances during the year.

(b) Interest rate risk

The Group obtains additional financing through bank borrowings. There is exposure to interest rate risk for financial instruments with floating interest rates that is reset as market rates change. The Group's policy is to obtain the most favourable interest rates available.

The Group's borrowings at variable rates on which effective hedges have not been entered into are denominated mainly in AUD and NZD. If the AUD and NZD interest rates had been increased/decreased by 0.5% (2014: 0.5%) with all other variables including tax rates being held constant, the profit before tax would have been lower/higher by \$1,500,000 (2014: \$1,700,000) as a result of higher/lower interest expense on borrowings.

Management is of the view that the above effective interest rates are unrepresentative of the inherent interest rate risk as the historical exposure does not necessarily reflect the exposure in future.

(c) Liquidity risk

The Group's funding is primarily handled by the Company on the basis of the subsidiaries' investing and operational liquidity requirements. The subsidiaries' excess liquidity is equalised internally through inter-company accounts.

The Group's liquidity reserves consist of bank deposits as well as committed and uncommitted credit facilities with major financial institutions. To some extent, liquid funds are in some periods placed in money market instruments or bonds.

NOTES TO THE FINANCIAL STATEMENTS

4 FINANCIAL RISK MANAGEMENT (CONT'D)(c) Liquidity risk (Cont'd)

The following table shows the contractual undiscounted cash flows of the Group and the Company's financial liabilities on the basis of their earliest possible contractual maturities.

THE GROUP	<----- Contractual cash flows ----->			
	Carrying amount	Total	Not later than 1 year	Between 1 and 5 years
	\$'000	\$'000	\$'000	\$'000
<u>2015</u>				
Bank borrowings	306,456	319,285	202,845	116,440
Trade and other payables	28,599	28,599	28,599	–
	335,055	347,884	231,444	116,440
<u>2014</u>				
Bank borrowings	343,549	362,344	222,390	139,954
Trade and other payables	33,606	33,606	33,606	–
Derivative financial liabilities (gross-settled)	601	–	–	–
– Payments	–	22,080	22,080	–
– (Receipts)	–	(21,479)	(21,479)	–
	377,756	396,551	256,597	139,954

NOTES TO THE FINANCIAL STATEMENTS

4 FINANCIAL RISK MANAGEMENT (CONT'D)

(c) Liquidity risk (Cont'd)

THE COMPANY	<----- Contractual cash flows ----->				
	Carrying amount	Total	Not later than 1 year	Between 1 and 5 years	More than 5 years
	\$'000	\$'000	\$'000	\$'000	\$'000
<u>2015</u>					
Trade and other payables	2,253	2,253	2,253	—	—
Amounts due to subsidiaries	194,989	264,977	18,008	152,929	94,040
Financial guarantees in favour of subsidiaries	1,000	306,456	306,456	—	—
	198,242	573,686	326,717	152,929	94,040
<u>2014</u>					
Trade and other payables	2,535	2,535	2,535	—	—
Amounts due to subsidiaries	171,547	230,072	6,163	152,929	70,980
Financial guarantees in favour of subsidiaries	2,398	343,549	343,549	—	—
	176,480	576,156	352,247	152,929	70,980

It is expected that all the liabilities will be paid at their contractual maturity except for bank borrowings which are expected to be re-financed. In order to meet such cash commitments, the operating activities are expected to generate sufficient cash inflows. In addition, the financial assets are held for which there is a liquid market and that are readily available to meet liquidity needs. The future cash flows on derivative instruments may be different from the amounts in the above table as exchange rates change. Except for derivative liabilities and cash flows arising from the intra-group financial guarantees, it is not expected that the cash flows included in the maturity analysis above could occur at significantly different amounts.

NOTES TO THE FINANCIAL STATEMENTS

4 FINANCIAL RISK MANAGEMENT (CONT'D)

(d) Credit risk

The carrying amounts of cash and cash equivalents, debt securities, trade receivables and other receivables represent the Group's maximum exposure to credit risk in relation to financial assets. Management 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.

The Group has no significant concentration of credit risk, as the exposure is spread over a large number of counterparties and customers. Information relating to the Group's credit risk exposure is disclosed in Notes 19 and 21 to the financial statements.

(e) Price risk

There are arrangements to invest temporary excess liquidity in equity or debt securities. Investments in derivatives for speculative purposes are not considered. As at end of the year, the quoted equity securities were held either as investments held-for-trading at fair value through profit or loss or available-for-sale investment. As a result, such investments are exposed to both currency risk and changes in fair value risk.

No sensitivity analysis was performed as management is of the view that the effect on profit before tax is not significant.

NOTES TO THE FINANCIAL STATEMENTS

4 FINANCIAL RISK MANAGEMENT (CONT'D)**(f) Financial assets and liabilities by category**

The carrying amounts of the different categories of financial assets and liabilities are disclosed on the face of balance sheet and as follows:

	Fair value through profit or loss	Loans and receivables	Available -for-sale	Other financial liabilities	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
<u>THE GROUP</u>					
<u>2015</u>					
Cash and cash equivalents	–	144,909	–	–	144,909
Derivative financial assets	44	–	–	–	44
Trade and other receivables	–	9,427	–	–	9,427
Available-for-sale investments	–	–	406	–	406
Investments held-for-trading	3,724	–	–	–	3,724
	3,768	154,336	406	–	158,510
Borrowings	–	–	–	306,456	306,456
Trade and other payables	–	–	–	28,599	28,599
	–	–	–	335,055	335,055
<u>2014</u>					
Cash and cash equivalents	–	88,166	–	–	88,166
Trade and other receivables	–	13,029	–	–	13,029
Available-for-sale investments	–	–	347	–	347
Investments held-for-trading	3,439	–	–	–	3,439
	3,439	101,195	347	–	104,981
Borrowings	–	–	–	343,549	343,549
Trade and other payables	–	–	–	33,606	33,606
Derivative financial liabilities	601	–	–	–	601
	601	–	–	377,155	377,756

NOTES TO THE FINANCIAL STATEMENTS

4 FINANCIAL RISK MANAGEMENT (CONT'D)

(f) Financial assets and liabilities by category (Cont'd)

	Loans and receivables	Available -for- sale	Other financial liabilities	Total
	\$'000	\$'000	\$'000	\$'000
<u>THE COMPANY</u>				
<u>2015</u>				
Cash and cash equivalents	51,541	—	—	51,541
Trade and other receivables	95	—	—	95
Available-for-sale investments	—	406	—	406
	51,636	406	—	52,042
Amounts due to subsidiaries	—	—	18,008	18,008
Trade and other payables	—	—	3,253	3,253
	—	—	21,261	21,261
<u>2014</u>				
Amounts due from subsidiaries	14	—	—	14
Cash and cash equivalents	463	—	—	463
Trade and other receivables	6	—	—	6
Available-for-sale investments	—	347	—	347
	483	347	—	830
Amounts due to subsidiaries	—	—	6,163	6,163
Trade and other payables	—	—	4,933	4,933
	—	—	11,096	11,096

(g) Fair value estimation of financial assets and liabilities

The fair values of financial instruments traded in active markets (such as exchange-traded and over-the-counter securities and derivatives) are based on quoted market prices at the balance sheet date. The quoted market prices used for financial assets are the current bid prices; the appropriate quoted market prices used for financial liabilities are the current asking prices.

NOTES TO THE FINANCIAL STATEMENTS

4 FINANCIAL RISK MANAGEMENT (CONT'D)

(g) Fair value estimation of financial assets and liabilities (Cont'd)

The fair values of financial instruments that are not traded in an active market are determined by using valuation techniques. The Group uses a variety of methods and makes assumptions based on market conditions that are existing at each balance sheet date. Where appropriate, quoted market prices or dealer quotes for similar instruments are used. Valuation techniques, such as discounted cash flow analysis, are also used to determine the fair values of the financial instruments.

The fair values of currency forwards are determined using actively quoted forward exchange rates.

The carrying amounts of financial assets and liabilities with a maturity of less than one year are assumed to approximate their fair values because of the short period to maturity. The carrying amounts of bank borrowings approximate their fair values as they are repriced every one to three months.

5 RELATED PARTY TRANSACTIONS

(a) Related companies:

Intragroup transactions and balances that have been eliminated in these consolidated financial statements are not disclosed as related party transactions and balances below. These are on the basis determined between the parties.

(b) Other related parties:

There are transactions and arrangements between the Group and related parties and the effects of these on the basis determined between the parties are reflected in these financial statements. The current related party balances are unsecured, without fixed repayment terms and interest unless stated otherwise.

NOTES TO THE FINANCIAL STATEMENTS

5 RELATED PARTY TRANSACTIONS (CONT'D)

(b) Other related parties: (Cont'd)

Significant related party transactions:

In addition to the transactions and balances disclosed elsewhere in the notes to the financial statements, this item includes the following:

	THE GROUP	
	2015 \$'000	2014 \$'000
Consultancy fees to directors of subsidiaries	51	580
Purchase of goods and services from a director of the Company	1,000	1,426
Management fees from related parties	243	247
Recharges of IT services from related parties	186	—
Rental income from related parties	381	382

Related parties refer to companies and their subsidiaries with a substantial shareholder in common with the Group.

(c) Key management compensation:

Key management personnel are executive directors and those persons having authority and responsibility for planning, directing and controlling the activities of the Group, directly or indirectly. The below amounts for key management compensation are all the executive directors and key management personnel.

	THE GROUP	
	2015 \$'000	2014 \$'000
Remuneration of directors of the Company	2,541	2,045
Fees to directors of the Company	303	289
Remuneration of key management personnel	953	1,945
	3,797	4,279

The above amounts are included under staff costs.

NOTES TO THE FINANCIAL STATEMENTS

6 REVENUE

	THE GROUP	
	2015 \$'000	2014 \$'000
Rendering of services from hotel operations	205,973	213,558
Rental income	14,374	15,743
Sale of properties	83,908	45,344
Others	2,765	4,082
	307,020	278,727

7 INTEREST INCOME

	THE GROUP	
	2015 \$'000	2014 \$'000
Interest income from bank deposits	1,258	1,242
Interest income from investments held-for-trading	5	170
	1,263	1,412

8 DIVIDEND INCOME

	THE GROUP	
	2015 \$'000	2014 \$'000
Dividend income on investments in quoted equity securities	163	210

NOTES TO THE FINANCIAL STATEMENTS

9 OTHER (LOSSES)/GAINS

	THE GROUP	
	2015 \$'000	2014 \$'000
Losses on disposal of investments held-for-trading	–	(42)
Fair value gains/(losses) on investments held-for-trading	36	(3)
Fair value (losses)/gains on investment properties	(7,832)	409
Gains/(losses) on disposal of property, plant and equipment - net	465	(4)
Foreign exchange losses - net	(1,578)	(1,340)
Allowance for impairment on trade receivables	–	(284)
Inventories written off	(1)	(13)
Property, plant and equipment written off	(2,208)	–
Losses on liquidation of a subsidiary	(1)	–
Write-back of impairment allowance on completed properties held for sale	445	–
Other losses - net	(10,674)	(1,277)

10 STAFF COSTS

	THE GROUP	
	2015 \$'000	2014 \$'000
Staff costs including directors' remuneration	90,191	91,310
Costs of defined contribution plans included in staff costs	5,259	5,311

NOTES TO THE FINANCIAL STATEMENTS

11 OTHER OPERATING EXPENSES

Other operating expenses include the following:

	THE GROUP	
	2015 \$'000	2014 \$'000
Audit fees paid to auditors of the Company	175	173
Audit fees paid to other auditors	240	256
Non-audit fees paid to other auditors	44	46
Commission and reservation expenses	14,706	10,215
Land lease expenses	4,590	4,779
Utilities and telecommunications	8,657	9,096
Repairs and maintenance	6,860	6,207
Advertising and promotion	4,171	7,253
Property taxes and rates	5,725	5,580
Hotel supplies and services	8,258	8,673
Consultancy, legal and professional fees	2,242	3,012
Insurance	983	1,117

12 INCOME TAX

	THE GROUP	
	2015 \$'000	2014 \$'000
Current tax expense:		
Current year	13,596	7,818
Overprovision in prior years	—	(53)
	13,596	7,765
Deferred tax credit:		
Current year	(2,365)	(451)
Tax expense	11,231	7,314

NOTES TO THE FINANCIAL STATEMENTS

12 INCOME TAX (CONT'D)

The income tax expense varied from the amount of income tax expense determined by applying the Singapore income tax rate of 17% to profit before income tax as a result of the following differences:

	THE GROUP	
	2015 \$'000	2014 \$'000
Tax rate reconciliation:		
Profit before tax	40,980	34,442
Income tax expense at statutory rate	6,967	5,855
Expenses not deductible for tax purposes	1,400	2,821
Income not subject to tax	(369)	(1,052)
Utilisation of deferred tax assets previously not recognised	(1,646)	(3,446)
Effect of different tax rates of overseas operations	4,879	3,189
Overprovision in prior years	—	(53)
Total income tax expense	11,231	7,314

Movements in current income tax liabilities:

	THE GROUP		THE COMPANY	
	2015 \$'000	2014 \$'000	2015 \$'000	2014 \$'000
Beginning of financial year	4,679	5,062	3,699	3,072
Income tax paid	(8,138)	(8,148)	(3,754)	(3,072)
Current year income tax	13,596	7,765	2,827	3,699
End of financial year	10,137	4,679	2,772	3,699

NOTES TO THE FINANCIAL STATEMENTS

12 INCOME TAX (CONT'D)

Movements in deferred tax assets and liabilities during the year are as follows:

THE GROUPDeferred tax assets

Beginning of financial year
(Charged)/credited to profit or loss
Currency translation
End of financial year

Provisions	
2015 \$'000	2014 \$'000
2,384	2,108
(179)	490
(229)	(214)
1,976	2,384

**Fair value changes on
investment properties****Others**Deferred tax liabilities

Beginning of financial year
Credited/(charged) to profit or loss
Currency translation
End of financial year

2015 \$'000	2014 \$'000	2015 \$'000	2014 \$'000
(24,547)	(27,318)	(204)	(183)
2,350	—	194	(39)
2,329	2,771	10	18
(19,868)	(24,547)	—	(204)
(19,868)	(24,751)		

Total deferred tax liabilities

Deferred tax assets not recognised are as follows:

THE GROUP

Temporary differences arising from property, plant and equipment
Provision for impairment on completed properties for sale
Unutilised tax losses

2015 \$'000	2014 \$'000
6,688	8,474
3,953	4,671
64,249	73,194
74,890	86,339

NOTES TO THE FINANCIAL STATEMENTS

12 INCOME TAX (CONT'D)

The remaining tax losses and the deductible temporary differences do not expire under current tax legislation. Deferred tax assets have not been recognised in respect of these items because it is not probable that future taxable profits will be available against which certain subsidiaries of the Group can utilise the benefits therefrom.

13 EARNINGS PER SHARE

	THE GROUP			
	2015		2014	
	Basic	Diluted	Basic	Diluted
	\$'000	\$'000	\$'000	\$'000
Profit attributable to equity holders	29,749	29,749	27,128	27,128
	No. of shares ('000)		No. of shares ('000)	
Weighted average number of ordinary shares used to compute earnings per share	863,833	863,833	863,833	863,833
Earnings per share (cents)	3.44	3.44	3.14	3.14

Basic earnings per share is based on the weighted average number of ordinary shares outstanding during each period. The diluted earnings per share is based on the weighted average number of ordinary shares and dilutive ordinary share equivalents outstanding during each period.

NOTES TO THE FINANCIAL STATEMENTS

14 DIVIDENDS

Final tax exempt (one-tier) dividend paid of 2 cents (2014: 2 cents) per share in respect of dividends approved for prior year

Special tax exempt (one-tier) dividend paid of 1 cent (2014: 1 cent) per share in respect of dividends approved for prior year

Total dividends paid in the year

THE GROUP	
2015 \$'000	2014 \$'000
17,276	17,276
8,639	8,639
25,915	25,915

In respect of the current year, the directors propose a final tax exempt (one-tier) dividend of 3 cents per ordinary share. The proposed dividend is subject to approval by the shareholders at the next Annual General Meeting.

15 AMOUNTS DUE FROM SUBSIDIARIES

Advances receivable from subsidiaries

THE COMPANY	
2015 \$'000	2014 \$'000
—	14

Amounts due from subsidiaries are unsecured, non-trade and repayable on demand.

NOTES TO THE FINANCIAL STATEMENTS

16 DEVELOPMENT PROPERTIES FOR SALE

THE GROUP	Development Other related			Total
	Land	expenditure	costs	
	\$'000	\$'000	\$'000	\$'000
Cost:				
Beginning of year 1 April 2013	–	7,481	–	7,481
Currency translation	–	(759)	–	(759)
Additions	29,032	6,683	90	35,805
End of year 31 March 2014	29,032	13,405	90	42,527
Currency translation	(1,125)	(1,106)	(4)	(2,235)
Additions	–	11,750	1,130	12,880
Transfer from property, plant and equipment (Note 22)	41,278	–	–	41,278
Disposal	(27,907)	(3,858)	(76)	(31,841)
End of year 31 March 2015	41,278	20,191	1,140	62,609

17 COMPLETED PROPERTIES FOR SALE

	THE GROUP	
	2015	2014
	\$'000	\$'000
Beginning of financial year	75,909	117,081
Currency translation	(5,078)	(2,070)
Transfer to profit or loss upon sale	(22,929)	(39,102)
	47,902	75,909
Less: Write-down to net realisable value	(3,953)	(4,671)
End of financial year	43,949	71,238

The net realisable value of unsold completed properties for sale is determined based on expected sales price. A write down to net realisable value was provided for the unsold residential properties in New Zealand based on an independent professional valuation. The valuation obtained was based on the direct sales comparison method.

NOTES TO THE FINANCIAL STATEMENTS

18 INVENTORIES

	THE GROUP	
	2015 \$'000	2014 \$'000
Finished goods	594	564
Consumables	928	1,155
	1,522	1,719

The net realisable value of inventories is determined based on the estimated selling price in the ordinary course of business less the estimated costs of completion and sale, and a reasonable profit margin based on the effort required to complete and sell the inventories.

19 TRADE AND OTHER RECEIVABLES

	THE GROUP		THE COMPANY	
	2015 \$'000	2014 \$'000	2015 \$'000	2014 \$'000
<u>Trade receivables</u>				
Third parties	6,432	7,355	—	—
Lease receivable	1,225	1,635	—	—
Less: Allowance for impairment	(86)	(101)	—	—
	7,571	8,889	—	—
<u>Other receivables</u>				
Related parties	181	183	—	—
Accrued interest receivable	204	47	82	—
Deposits	108	203	—	—
Prepayments	7,385	7,012	—	—
Other receivables	1,363	3,707	13	6
	16,812	20,041	95	6

NOTES TO THE FINANCIAL STATEMENTS

19 TRADE AND OTHER RECEIVABLES (CONT'D)

The average credit terms generally granted for third party trade receivables is about 30 days (2014: 30 days). Some customers take a longer period to settle the amounts. Trade receivables aging analysis as follows:

THE GROUP	2015		2014	
	Gross	Impairment allowance	Gross	Impairment allowance
	\$'000	\$'000	\$'000	\$'000
Less than 30 days	5,598	—	6,299	—
31 – 60 days	733	—	811	—
61 – 90 days	—	—	43	—
More than 90 days	101	(86)	202	(101)
	6,432	(86)	7,355	(101)

Amounts greater than 30 days are considered to be past due. They are not secured.

THE GROUP

Movements in impairment allowance

Beginning of financial year
Charged to profit or loss
Currency translation
Utilisation
End of financial year

2015	2014
\$'000	\$'000
101	106
—	172
(11)	(11)
(4)	(166)
86	101

Trade receivables that are neither past due nor impaired are substantially companies with a good collection track record with the Group.

NOTES TO THE FINANCIAL STATEMENTS

20 INVESTMENTS HELD-FOR-TRADING

The table below analyses financial instruments carried at fair value, by valuation method. The different levels 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 GROUP	
	2015 \$'000	2014 \$'000
<i>Level 1</i>		
Quoted equity securities	3,438	3,439
<i>Level 2</i>		
Debt securities	286	—
Fair value at end of year	3,724	3,439

The fair values of investments in quoted equity securities are determined by reference to their quoted closing bid price in an active market at the measurement date.

The fair value of debt securities was determined by reference to their quoted closing bid price in a non-active market at the measurement date.

NOTES TO THE FINANCIAL STATEMENTS

21 CASH AND CASH EQUIVALENTS

	THE GROUP		THE COMPANY	
	2015 \$'000	2014 \$'000	2015 \$'000	2014 \$'000
Cash and bank balances	11,407	11,778	49,177	457
Fixed deposits	133,502	76,388	2,364	6
Cash and cash equivalents	144,909	88,166	51,541	463
Deposits pledged	(3,138)	(3,424)	–	–
Cash and cash equivalents in the consolidated statement of cash flows	141,771	84,742	51,541	463

Deposits pledged are in relation to a banker guarantee given by a subsidiary and for the purposes of interest payment on loans of subsidiaries.

The rate of interest for the cash balances range between 0.51% and 3.35% (2014: 0.37% and 3.00%) per annum. Fixed deposits represent short-term deposits with maturity dates of less than 3 months.

NOTES TO THE FINANCIAL STATEMENTS

22 PROPERTY, PLANT AND EQUIPMENT

THE GROUP**2015**

Cost:

	Freehold land	Freehold buildings	Leasehold land and buildings	Renovation, furniture and fittings	Motor vehicles	Equipment and computers	Capital work-in- progress	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Beginning of year	73,634	309,776	114,024	70,801	1,009	113,895	137	683,276
Currency translation	(6,699)	(28,275)	(10,933)	(6,469)	(97)	(11,302)	(14)	(63,789)
Additions	–	81	–	4,023	–	2,282	1,091	7,477
Disposals	–	–	–	(1,716)	(327)	(18,631)	–	(20,674)
Transfer to development properties for sale	(4,582)	(45,317)	–	–	–	–	–	(49,899)
End of year	62,353	236,265	103,091	66,639	585	86,244	1,214	556,391

Accumulated
depreciation:

Beginning of year	–	65,601	21,347	59,067	737	71,094	–	217,846
Currency translation	–	(5,969)	(2,115)	(5,595)	(74)	(7,325)	–	(21,078)
Depreciation charge	–	3,335	1,539	4,203	20	5,317	–	14,414
Disposals	–	–	–	(1,246)	(149)	(15,966)	–	(17,361)
Transfer to development properties for sale	–	(8,621)	–	–	–	–	–	(8,621)
End of year	–	54,346	20,771	56,429	534	53,120	–	185,200

Net book value:

End of year	62,353	181,919	82,320	10,210	51	33,124	1,214	371,191
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NOTES TO THE FINANCIAL STATEMENTS

22 PROPERTY, PLANT AND EQUIPMENT (CONT'D)

THE GROUP	Freehold land	Freehold buildings	Leasehold land and buildings	Renovation, furniture and fittings	Motor vehicles	Equipment and computers	Capital work-in- progress	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
2014								
Cost:								
Beginning of year	53,032	332,804	130,559	72,855	1,032	110,615	4	700,901
Currency translation	(2,809)	(23,224)	(13,764)	(5,322)	(91)	(10,590)	—	(55,800)
Additions	17,322	196	3,318	3,273	152	14,553	133	38,947
Disposals	—	—	—	(5)	(84)	(683)	—	(772)
Reclassification	6,089	—	(6,089)	—	—	—	—	—
End of year	73,634	309,776	114,024	70,801	1,009	113,895	137	683,276
Accumulated depreciation:								
Beginning of year	—	65,947	23,067	59,051	839	73,393	—	222,297
Currency translation	—	(4,004)	(3,341)	(4,262)	(75)	(6,848)	—	(18,530)
Depreciation charge	—	3,658	1,621	4,280	57	5,197	—	14,813
Disposals	—	—	—	(2)	(84)	(648)	—	(734)
End of year	—	65,601	21,347	59,067	737	71,094	—	217,846
Net book value:								
End of year	73,634	244,175	92,677	11,734	272	42,801	137	465,430

In 2015, the Group transferred freehold land and building with a net book value of \$41,278,000 to development properties for sale due to change in use (Note 16).

In 2014, the Group transferred a property from leasehold land and buildings to freehold land and buildings after purchase of freehold interest in this property. The freehold and leasehold land and buildings with carrying value totalling approximately \$326,592,000 (2014: \$410,486,000) are charged by way of mortgages and fixed and floating equitable charges for long-term borrowings (Note 26).

NOTES TO THE FINANCIAL STATEMENTS

23 INVESTMENT PROPERTIES

The table below analyses investment properties carried at fair value, by valuation method. The different levels 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 GROUP

	Freehold land and buildings	Leasehold property	Total
	\$'000	\$'000	\$'000
<i>Level 3</i>			
Beginning of year 1 April 2013	209,854	14,557	224,411
Currency translation	(21,286)	–	(21,286)
Fair value gains	–	409	409
End of year 31 March 2014	188,568	14,966	203,534
Currency translation	(18,575)	–	(18,575)
Fair value losses	(7,832)	–	(7,832)
End of year 31 March 2015	162,161	14,966	177,127

	2015 \$'000	2014 \$'000
Rental and service income from investment properties	15,678	16,061
Direct operating expense (including repairs and maintenance, arising from investment properties that generated rental income during the year)	3,620	3,828

All investment properties are leased out under operating lease arrangements.

Investment properties are stated at fair value based on internal valuations or independent professional valuations.

NOTES TO THE FINANCIAL STATEMENTS

23 INVESTMENT PROPERTIES (CONT'D)

In 2015, the fair values of the investment properties were based on internal valuations, consistent with the Group's accounting policy to obtain an external independent valuation once every three years. The last external independent valuations for the investment properties were obtained in the previous year from certified real estate appraisers.

The following methods were used to value investment properties:

- Applying a suitable price per square metre by analysing comparable sales for similar properties, adjusted for various factors including the age, location and condition, to reflect differences with the investment properties (direct sales comparison approach).
- Capitalising rental income using a market capitalisation rate, based on yields achieved by comparable properties (capitalisation approach).
- Calculating net present value of projected cash flows relating to the investment property, using an appropriate discount rate (discounted cash flow approach).

The following table presents the information about fair value measurements using significant unobservable inputs:

Type	Valuation method	Key unobservable inputs	Inter-relationship between key unobservable inputs and fair value measurement
Commercial properties	Capitalisation approach	Capitalisation rate: 4.25% to 7.00% (2014: 4.00% to 7.25%)	The estimated fair value varies inversely against the capitalisation rate and discount rate.
	Discounted cash flow approach	Discount rate: 8.25% (2014: 8.50%)	
	Direct sales comparison	Price per square foot: \$1,974 to \$2,050 (2014: \$1,600 to \$2,025)	The estimated fair value increases in proportion with the price per square foot.

Valuations reflect when appropriate, the type of tenants actually in occupation or responsible for meeting lease commitments or likely to be in occupation after letting vacant accommodation, the allocation of maintenance and insurance responsibilities between the Group and the lessee, and the remaining economic life of the property. When rent reviews or lease renewals are pending with anticipated reversionary increases, it is assumed that all notices, and when appropriate counter-notices, have been served validly and within the appropriate time.

Investment properties at carrying values of \$177,127,000 (2014: \$203,534,000) are mortgaged as securities for the bank facilities (see Note 26).

NOTES TO THE FINANCIAL STATEMENTS

24 INVESTMENTS IN SUBSIDIARIES

	THE COMPANY	
	2015	2014
	\$'000	\$'000
Cost of investments	104,174	104,174
Loans forming part of net investment in subsidiaries	229,712	251,281
Financial guarantee to subsidiaries	22,129	22,129
	356,015	377,584
Less: Allowance for impairment	(1,071)	(1,071)
	354,944	376,513
<u>Movements in impairment allowance</u>		
Beginning of financial year	1,071	7,670
Liquidation of a subsidiary	–	(6,599)
End of financial year	1,071	1,071

The recoverable amounts of investments in subsidiaries are measured based on fair value less costs to sell, by reference to the net assets value of the subsidiaries. The net assets of the subsidiaries comprise mainly financial assets and liabilities, investment properties and properties held for sale. The Company views that the carrying amounts of the financial assets and financial liabilities approximate their fair values due to the short-term maturity of these items, while the investment properties and properties held for sale have been adjusted to their fair values and realisable values, respectively.

NOTES TO THE FINANCIAL STATEMENTS

24 INVESTMENTS IN SUBSIDIARIES (CONT'D)

Investments in subsidiaries include investments of \$100,790,000 (2014: \$100,790,000) which are denominated in Australian dollars.

		Country of incorporation and operation	Group's effective interest	
<u>Name of subsidiary</u>	<u>Principal activities</u>		2015 %	2014 %
<u>Hotel owning and management</u>				
Atrington Trust	Investment holding	British Virgin Islands	100	100
Dickensian Holdings Ltd	Investment holding	British Virgin Islands	100	100
Goldenlines Investments Ltd ⁽²⁾	Investment holding	British Virgin Islands	100	100
The Grand Hotel (S.A.) Pty Ltd ⁽¹⁾	Trustee	Australia	100	100
The Grand Hotel Unit Trust ⁽¹⁾	Hotel owning	Australia	100	100
HSH (Australia) Trust	Investment holding	British Virgin Islands	100	100
HSH Contractors Pte Ltd	Financier	Singapore	100	100
K.R.M.F.C. Pty Ltd +	Dormant	Australia	100	100
Logan Trust ⁽¹⁾	Investment holding	British Virgin Islands	100	100
Minteyville Lt Collins Street Pty Ltd ⁽¹⁾	Hotel owning & operations	Australia	100	100
MLCS Trust	Investment holding	British Virgin Islands	100	100
North Ryde Investments Limited	Investment holding	British Virgin Islands	100	100
Ovenard Trust	Investment holding	British Virgin Islands	100	100
RGA Trust	Investment holding	British Virgin Islands	100	100
Sir Stamford at Circular Quay Pty Ltd ⁽¹⁾	Hotel operator	Australia	100	100
Sir Stamford Hotels & Resorts Pte Ltd	Dormant	Singapore	100	100
SNR Trust ⁽¹⁾	Investment holding & property developer	British Virgin Islands	100	100
Stamford Cairns Trust*	Dormant	Australia	100	100
Stamford Gold Coast Trust	Investment holding	British Virgin Islands	100	100

NOTES TO THE FINANCIAL STATEMENTS

24 INVESTMENTS IN SUBSIDIARIES (CONT'D)

<u>Name of subsidiary</u>	Principal activities	Country of incorporation and operation	Group's effective interest	
			2015 %	2014 %
<u>Hotel owning and management (Cont'd)</u>				
Stamford Heritage Pty Ltd ⁽¹⁾	Hotel operator	Australia	100	100
Stamford Hotels & Resorts Pte. Ltd	Dormant	Singapore	100	100
Stamford Hotels (NZ) Limited ⁽²⁾	Hotel operator	New Zealand	100	100
Stamford Hotels Pty Ltd ⁽¹⁾	Dormant	Australia	100	100
Stamford Hotels and Resorts Pty Limited ⁽¹⁾	Hotel management	Australia	100	100
Stamford Mayfair Limited ⁺	Dormant	British Virgin Islands	100	100
Stamford Plaza Sydney Management Pty Limited ⁽¹⁾	Dormant	Australia	100	100
Stamford Raffles Pty Ltd ⁺	Dormant	Australia	100	100
Stamford Sydney Airport Pty Ltd ⁽¹⁾	Hotel operator	Australia	100	100
Terrace Hotel (Operations) Pty Ltd ⁽¹⁾	Hotel operator	Australia	100	100
TIA Trust	Investment holding	British Virgin Islands	100	100
<u>Property Development</u>				
Fontelle Trust ⁽¹⁾	Liquidated during the year	British Virgin Islands	—	100
SLC Campsie Pty Ltd ⁽¹⁾	Property developer	Australia	100	100
Stamford Property Services Pty. Limited ⁽¹⁾	Property management	Australia	100	100
Stamford Raffles Trust ⁽¹⁾	Property developer	British Virgin Islands	100	100
Knoxville Trust	Investment holding	British Virgin Islands	100	100
HSH Properties Pte Ltd	Property investment	Singapore	100	100

NOTES TO THE FINANCIAL STATEMENTS

24 INVESTMENTS IN SUBSIDIARIES (CONT'D)

<u>Name of subsidiary</u>	<u>Principal activities</u>	<u>Country of incorporation and operation</u>	<u>Group's effective interest</u>	
			<u>2015 %</u>	<u>2014 %</u>
<u>Trading</u>				
Singapore Wallcoverings Centre (Private) Limited	General importers, exporters in wallcoverings and interior decorations	Singapore	100	100
Varimerx S.E. Asia Pte Ltd	Liquidated during the year	Singapore	—	100
Voyager Travel Pte Ltd	Travel agency	Singapore	100	100
<u>Others</u>				
HSH Tanker Inc.	Dormant	Panama	100	100
Stamford Land Management Pte Ltd	Management and consultancy services	Singapore	100	100
Stamford Land (International) Pte Ltd	Dormant	Singapore	100	100
Stamford F&B Pty Ltd *	Dormant	Australia	100	—

All subsidiaries are audited by KPMG LLP, Singapore except as indicated.

(1) Audited by KPMG, Sydney

(2) Audited by KPMG, Auckland

+ Not required to be audited as it is dormant

NOTES TO THE FINANCIAL STATEMENTS

25 AVAILABLE-FOR-SALE INVESTMENTS

The table below analyses financial instruments carried at fair value, by valuation method. The different levels 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 GROUP		THE COMPANY	
	2015 \$'000	2014 \$'000	2015 \$'000	2014 \$'000
<i>Level 1</i>				
Quoted equity securities	347	384	347	384
Fair value gains/(losses) recognised in other comprehensive income	59	(37)	59	(37)
	406	347	406	347

The fair values of investments in equity securities are determined by reference to their quoted closing bid price in an active market at the measurement date.

NOTES TO THE FINANCIAL STATEMENTS

26 BORROWINGS

	THE GROUP	
	2015 \$'000	2014 \$'000
Bank loans	306,456	343,549
Less: Current portion	(192,623)	(211,136)
Non-current portion	113,833	132,413
Non-current portion is payable as follows:		
Between 1 and 2 years	113,833	5,762
Between 2 and 5 years	—	126,651
	113,833	132,413

The term loans comprise:

- (a) \$99,389,000 (A\$95,000,000) [2014: \$110,580,000 (A\$95,000,000)] and \$25,283,000 (NZ\$24,620,000) [2014: \$26,875,000 (NZ\$24,620,000)] term loans secured by legal mortgages on certain properties of the subsidiaries. These loans are repayable in financial year 2016 and are expected to be refinanced upon maturity. Interest is pegged to market rates ranging from 4.07% to 5.25% (2014: 4.35% to 4.85%) per annum. Interest rate is repriceable at intervals of 1 to 3 months.
- (b) \$89,666,000 (A\$85,706,000) [2014: \$99,763,000 (A\$85,706,000)] term loan secured by legal mortgages on certain properties of the subsidiaries. The loan is repayable in financial year 2017. Interest is pegged to market rates ranging from 4.59% to 4.69% (2014: 4.52% to 4.94%) per annum. Interest rate is repriceable at intervals of 1 to 3 months.
- (c) \$62,772,000 (A\$60,000,000) [2014: \$69,840,000 (A\$60,000,000)] term loan secured by legal mortgages on certain properties of the subsidiaries. Interest is pegged to market rates ranging from 3.72% to 4.30% (2014: 4.02% to 4.47%) per annum. Interest rate is repriceable at intervals of 1 to 3 months. Subsequent to 31 March 2015, this loan was refinanced for 1 year and is repayable in financial year 2017.
- (d) \$29,346,000 (A\$28,050,000) [2014: \$36,491,000 (A\$31,350,000)] term loan secured by legal mortgages on certain properties of the subsidiaries. \$5,179,000 is repayable within the next 12 months and remaining \$24,167,000 is repayable in financial year 2017. During the year, \$3,789,000 (A\$3,300,000) [2014: \$1,921,000 (A\$1,650,000)] was repaid. Interest is pegged to market rates ranging from 4.29% to 4.66% (2014: 4.56% to 5.02%) per annum. Interest rate is repriceable at intervals of 1 to 3 months.

Management remains confident of refinancing the remaining borrowings as and when they fall due.

NOTES TO THE FINANCIAL STATEMENTS

27 AMOUNTS DUE TO SUBSIDIARIES

	THE COMPANY	
	2015 \$'000	2014 \$'000
Current portion	18,008	6,163
Non-current portion	194,989	171,547
	212,997	177,710
<i>Non-current portion that is interest-free</i>		
Beginning of financial year	218,902	196,637
Additional advances during the financial year	23,060	22,265
	241,962	218,902
Less: unamortised interest expense	(46,973)	(47,355)
End of financial year	194,989	171,547
<i>Unamortised interest expense</i>		
Beginning of financial year	47,355	46,928
Fair value on inception of advances during the financial year	8,903	8,596
Amortised interest expense during the financial year	(9,285)	(8,169)
End of financial year	46,973	47,355

Amount due to subsidiaries are unsecured, non-trade and repayable on demand.

The carrying amount of the non-current portion of the amounts due to subsidiaries approximates its fair value as the effective interest rate approximates the prevailing market interest rate for similar debt.

NOTES TO THE FINANCIAL STATEMENTS

28 TRADE AND OTHER PAYABLES

	THE GROUP		THE COMPANY	
	2015 \$'000	2014 \$'000	2015 \$'000	2014 \$'000
<u>Trade payables</u>				
Third parties	3,176	6,178	–	–
<u>Other payables</u>				
Related parties	102	337	–	–
Accrued loan interest payable	901	955	–	–
Accrued liabilities	12,495	12,116	–	350
Other payables	11,925	14,020	2,253	2,185
Financial guarantees in favour of subsidiaries	–	–	1,000	2,398
	28,599	33,606	3,253	4,933

Other payables to related parties are unsecured, interest-free, non-trade and repayable on demand.

The fair value of financial guarantees in favour of subsidiaries is calculated based on the difference between the actual interest rates obtained by subsidiaries for loans guaranteed by the Company and market interest rates for non-guaranteed loans obtained from banker quotes.

29 DERIVATIVE FINANCIAL INSTRUMENTS

	THE GROUP	
	2015 \$'000	2014 \$'000
<i>Level 2</i>		
Derivative financial assets/(liabilities)	44	(601)

Derivative financial liabilities comprise forward exchange contracts.

NOTES TO THE FINANCIAL STATEMENTS

29 DERIVATIVE FINANCIAL INSTRUMENTS (CONT')

The fair values of derivative financial liabilities are determined by reference to broker quotes at the measurement date. The different levels 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).

30 SHARE CAPITAL

THE GROUP & THE COMPANY			
Number of ordinary shares		\$'000	
2015	2014	2015	2014
Issued and fully paid:			
Beginning and end of financial year	863,833,482	863,833,482	144,556

The ordinary shares of no par value carry no right to fixed income and are fully paid-up.

Capital management

The primary objective of the Group's capital management is to have a strong capital base and a good rating to maintain investor, creditor and market confidence and to sustain future development of the business. The management does not set a target level of gearing but uses capital opportunistically to support its business and to add value for shareholders. The key discipline adopted is to widen the margin between the return on capital employed and the cost of that capital. The Group manages its capital to ensure entities in the Group will be able to continue as going concerns while maximising the return to shareholders through optimisation of the debt and equity balance. The Group actively reviews its capital structure and considers the cost of capital and the risks associated with each class of capital. The Group balances its overall capital structure through the payment of dividends, share buy-back, new share issues as well as the issue of new debt or the redemption of existing debt.

Neither the Company nor any of its subsidiaries are subject to externally imposed capital requirements.

NOTES TO THE FINANCIAL STATEMENTS

31. OTHER RESERVES

	THE GROUP		THE COMPANY	
	2015 \$'000	2014 \$'000	2015 \$'000	2014 \$'000
<i>Other reserves</i>				
Fair value reserve	351	292	351	292
Foreign currency translation reserve	(16,407)	19,916	–	–
	(16,056)	20,208	351	292
<i>Fair value reserve</i>				
Beginning of financial year	292	329	292	329
Fair value gains/(losses)	59	(37)	59	(37)
End of financial year	351	292	351	292
<i>Foreign currency translation reserve</i>				
Beginning of financial year	19,916	50,189	–	–
Exchange differences on consolidation of foreign subsidiaries	(18,242)	(27,855)	–	–
Exchange differences on foreign currency loans forming part of net investment in foreign operations	(18,081)	(2,418)	–	–
End of financial year	(16,407)	19,916	–	–

NOTES TO THE FINANCIAL STATEMENTS

32 OPERATING SEGMENTS

For management purposes, the Group is organised into strategic business units based on their products, services and geography. The Group has five reportable segments as follows:

Hotel owning and management segment: The ownership and management of hotels.

Property development segment: The development, construction and trading in properties.

Property investment segment: The holding of properties for rental income and/or capital appreciation.

Trading segment: Interior decoration companies and a travel agency.

Others: Dividend income and management fees charged to related parties and unallocated expenses that are not directly attributable to the segment or cannot be allocated to the segment on a reasonable basis.

The Chief Operating Decision Maker ("CODM") monitors the results of each of the above operating segments for the purpose of making decisions about resource allocation and performance assessment.

Inter-segment revenue are measured on the basis that the entity actually used to price the transfers. Internal transfer pricing policies of the Group are as far as practicable based on market prices.

NOTES TO THE FINANCIAL STATEMENTS

32 OPERATING SEGMENTS (CONT'D)

The Group's activities are based in Singapore, Australia and New Zealand.

	Hotel Owning & Management	Property Development	Property Investment	Trading	Others	Inter- segment Elimination	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
2015							
REVENUE							
External revenue	205,973	84,958	13,477	2,516	96	–	307,020
Inter-segment revenue	–	858	–	801	3,514	(5,173)	–
	205,973	85,816	13,477	3,317	3,610	(5,173)	307,020
RESULTS							
Profit/(Loss) from operations	52,044	21,546	12,060	173	(6,360)	–	79,463
Depreciation	(14,205)	(45)	–	(26)	(138)	–	(14,414)
Profit/(Loss) after depreciation	37,839	21,501	12,060	147	(6,498)	–	65,049
Interest income							1,263
Dividend income							163
Finance costs							(14,821)
Other charges (Net of other credits)							(10,674)
Profit before tax							40,980
Deferred tax credit							2,365
Income tax expense							(13,596)
Profit after tax							29,749
<i>Other material non-cash items:</i>							
Fair value losses on investment properties	–	–	7,832	–	–	–	7,832
Gain on disposal of property, plant and equipment	465	–	–	–	–	–	465
Property, plant and equipment written off	2,208	–	–	–	–	–	2,208
Write-back of impairment allowance on completed properties held for sale	–	445	–	–	–	–	445
ASSETS							
Reportable segment assets	445,169	85,916	192,488	3,476	97,220	–	824,269
Capital expenditure	7,403	18	–	–	56	–	7,477
LIABILITIES							
Reportable segment Liabilities	243,104	31,445	82,966	807	6,738	–	365,060

NOTES TO THE FINANCIAL STATEMENTS

32 OPERATING SEGMENTS (CONT'D)

2014**REVENUE**

	Hotel Owning & Management	Property Development	Property Investment	Trading	Others	Inter- segment Elimination	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
External revenue	213,558	47,877	13,369	3,827	96	—	278,727
Inter-segment revenue	—	—	451	28	4,157	(4,636)	—
	213,558	47,877	13,820	3,855	4,253	(4,636)	278,727

RESULTS

Profit/(Loss) from operations	55,304	611	12,156	389	(4,338)	—	64,122
Depreciation	(14,635)	(36)	—	(23)	(119)	—	(14,813)
Profit/(Loss) after depreciation	40,669	575	12,156	366	(4,457)	—	49,309
Interest income							1,412
Dividend income							210
Finance costs							(15,212)
Other charges (Net of other credits)							(1,277)
Profit before tax							34,442
Deferred tax credit							451
Income tax expense							(7,765)
Profit after tax							27,128

Other material non-cash items:

Gain on fair value of investment properties	—	—	409	—	—	—	409
Allowance for impairment on trade receivables	284	—	—	—	—	—	284

ASSETS

Reportable segment assets	495,463	115,090	213,771	3,425	71,076	—	898,825
Capital expenditure	38,609	251	—	20	67	—	38,947

LIABILITIES

Reportable segment Liabilities	294,300	30,857	73,327	861	7,841	—	407,186
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NOTES TO THE FINANCIAL STATEMENTS

32 OPERATING SEGMENTS (CONT'D)

Geographical Segments

The following table provides an analysis of the Group's revenue by geographical market, irrespective of the origin of the goods/services:

	2015 \$'000	2014 \$'000
<u>Revenue by geographical market</u>		
Australia	264,477	222,077
New Zealand	39,549	52,345
Singapore	2,994	4,305
	307,020	278,727

The following is an analysis of the carrying amount of segment assets analysed by the geographical areas in which the assets are located:

	2015 \$'000	2014 \$'000
<u>Carrying amount of segment assets</u>		
Australia	585,731	682,859
New Zealand	118,082	121,645
Singapore	120,456	94,321
	824,269	898,825

NOTES TO THE FINANCIAL STATEMENTS

33 OPERATING LEASES

The Group leases out its investment property under operating leases. The leases have an option to renew after expiration. Lease payments are reviewed every year to reflect market rentals and changes in the local price index. None of the leases contain contingent rent arrangements. The future minimum lease payments receivable under non-cancellable operating leases are as follows:

	THE GROUP	
	2015 \$'000	2014 \$'000
Within one year	11,908	12,619
Between one and five years	53,784	57,027
More than five years	603	16,732
	66,295	86,378

34 CAPITAL EXPENDITURE COMMITMENTS

	THE GROUP	
	2015 \$'000	2014 \$'000
Estimated amounts committed for plant and equipment but not provided for in the balance sheets	3,041	931

SHAREHOLDING STATISTICS

As at 19 June 2015

Number of Shares in Issue	:	863,833,482
Number of Shareholders	:	8,536
Class of Shares	:	Ordinary Shares
Treasury Shares	:	Nil
Voting Rights	:	One vote per share

BREAKDOWN OF SHAREHOLDINGS BY RANGE

Size of Shareholdings	No. of Shareholders	% of Shareholders	No. of Shares	% of Issued Share Capital
1 - 999	168	1.97	119,429	0.01
1,000 - 10,000	4,216	49.39	27,182,448	3.15
10,001 - 1,000,000	4,104	48.08	236,312,677	27.36
1,000,001 and above	48	0.56	600,218,928	69.48
TOTAL	8,536	100.00	863,833,482	100.00

TWENTY LARGEST SHAREHOLDERS

No.	Name of Shareholder	No. of Shares	% of Issued Share Capital
1	OW CHIO KIAT	300,216,000	34.75
2	DBS NOMINEES PTE LTD	28,940,200	3.35
3	TAN GIM TEE HOLDINGS PTE LTD	26,400,000	3.06
4	UNITED OVERSEAS BANK NOMINEES PTE LTD	22,683,500	2.62
5	CITIBANK NOMINEES SINGAPORE PTE LTD	21,745,098	2.52
6	MORPH INVESTMENTS LTD	18,953,500	2.19
7	RAFFLES NOMINEES (PTE LTD)	15,724,002	1.82
8	KIERSTEN OW YILING (OU YILING)	14,341,000	1.66
9	CHU SIEW HOONG CHRISTOPHER	13,562,000	1.57
10	HAI SUN HUP GROUP PTE LTD	12,400,000	1.44
11	OW YEW HENG (OU YAOXING)	10,000,000	1.16
12	MARITIME PROPERTIES PTE LTD	9,776,000	1.13
13	OCBC NOMINEES SINGAPORE PTE LTD	9,575,600	1.11
14	PHILLIP SECURITIES PTE LTD	8,005,200	0.93
15	HONG LEONG FINANCE NOMINEES PTE LTD	7,355,000	0.85
16	TAN HUA TOCK	7,251,000	0.84
17	HT OFFSHORE PTE. LTD	6,500,000	0.75
18	MAYBANK KIM ENG SECURITIES PTE LTD	4,925,000	0.57
19	GAN TENG SIEW REALTY SDN BHD	4,624,000	0.53
20	DBS VICKERS SECURITIES (SINGAPORE) PTE LTD	4,045,000	0.47
TOTAL		547,022,100	63.32

SHAREHOLDING STATISTICS

As at 19 June 2015

SUBSTANTIAL SHAREHOLDER

	Direct Interest		Deemed Interest		Total	
	No. of Shares	% of Issued Share Capital	No. of Shares	% of Issued Share Capital	No. of Shares	% of Issued Share Capital
Ow Chio Kiat	300,216,000	34.75	22,342,000*	2.59	322,558,000	37.34

* Mr Ow Chio Kiat is deemed to have an interest in the shares owned by (a) his spouse, Madam Lim Siew Feng (166,000 shares); (b) Hai Sun Hup Group Pte Ltd (12,400,000 shares); and (c) Maritime Properties Pte Ltd (9,776,000 shares).

PUBLIC FLOAT

Rule 723 of the Listing Manual of the Singapore Exchange Securities Trading Limited requires that at least 10% of the total number of issued shares (excluding preference shares and convertible equity securities) of a listed company in a class that is listed is at all times held by the public. Based on information available to the Company as at 19 June 2015, approximately 56.05% of the issued ordinary shares of the Company was held by the public and therefore, Rule 723 of the Listing Manual has been complied with.

NOTICE OF ANNUAL GENERAL MEETING AND BOOKS CLOSURE

STAMFORD LAND CORPORATION LTD

Company Registration No. 197701615H (Incorporated in the Republic of Singapore)

NOTICE IS HEREBY GIVEN that the 37th Annual General Meeting of Stamford Land Corporation Ltd (the "Company") will be held at Level 3, Suntec Singapore Convention & Exhibition Centre, 1 Raffles Boulevard, Suntec City, Singapore 039593 on Thursday, 30 July 2015 at 2:30 p.m. to transact the following business:

ORDINARY BUSINESS

1. To receive and adopt the Audited Financial Statements for the financial year ended 31 March 2015 and the Directors' Report and Auditors' Report thereon. **(Resolution 1)**
2. To declare a final dividend (one-tier tax exempt) of 2 cents per ordinary share and a special dividend (one-tier tax exempt) of 1 cent per ordinary share for the financial year ended 31 March 2015. **(Resolution 2)**
3. To approve the payment of Directors' Fees of \$270,000 for the financial year ended 31 March 2015. **(Resolution 3)**
4. To re-elect Mark Anthony James Vaile, who is retiring in accordance with Article 91 of the Articles of Association of the Company, as a Director.

Note: Mark Anthony James Vaile will, upon his re-election as Director, remain as Chairman of the Nominating Committee, and member of the Audit and Risk Management and Remuneration Committees. He is considered independent for the purposes of Rule 704(8) of the Listing Manual of the Singapore Exchange Securities Trading Limited ("SGX-ST"). **(Resolution 4)**

5. To note that Dr Tan Chin Nam, who is retiring in accordance with Article 91 of the Articles of Association of the Company, will not be offering himself for re-election.

Note: Dr Tan Chin Nam will retire as Director of the Company at the conclusion of the Annual General Meeting. Upon Dr Tan's retirement, he will cease to be Chairman of the Remuneration Committee, and member of the Audit and Risk Management Committee.

6. To re-appoint Ow Chio Kiat as a Director retiring pursuant to Section 153(6) of the Companies Act, Cap. 50, to hold office until the next Annual General Meeting of the Company.

Note: Ow Chio Kiat will, upon his re-appointment as Director, remain as Chairman of the Board and Executive Committee, and member of the Nominating Committee. **(Resolution 5)**

7. To re-appoint KPMG LLP as Auditors of the Company and to authorise the Directors to fix their remuneration. **(Resolution 6)**

NOTICE OF ANNUAL GENERAL MEETING AND BOOKS CLOSURE

STAMFORD LAND CORPORATION LTD

Company Registration No. 197701615H (Incorporated in the Republic of Singapore)

SPECIAL BUSINESS

To consider and, if thought fit, to pass, with or without modifications, the following resolution as ordinary resolution:

8. That authority be and is hereby given to the Directors to:

- (a) (i) issue new shares in the capital of the Company ("shares") whether by way of rights, bonus or otherwise; and/or
- (ii) make or grant offers, agreements or options (collectively, "Instruments") that might or would require shares to be issued, including but not limited to the creation and issue of (as well as adjustments to) warrants, debentures or other instruments convertible into shares, at any time and upon such terms and conditions and for such purposes and to such persons as the Directors may in their absolute discretion deem fit; and

- (b) (notwithstanding the authority conferred by this Resolution may have ceased to be in force) issue shares in pursuance of any Instruments made or granted by the Directors while this Resolution was in force,

provided 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 issued shares in the capital of the Company (as calculated in accordance with sub-paragraph (ii) below), of which the aggregate number of shares to be issued other than on a pro rata basis to shareholders of the Company (including shares to be issued in pursuance of Instruments made or granted pursuant to this Resolution) does not exceed 20% of the issued shares in the capital of the Company (as calculated in accordance with sub-paragraph (ii) below);
- (ii) (subject to such manner of calculation as may be prescribed by the SGX-ST) for the purpose of determining the aggregate number of shares that may be issued under sub-paragraph (i) above, the percentage of issued shares shall be based on the number of issued shares in the capital of the Company at the time this Resolution is passed, and adjusting for: (1) 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 this Resolution is passed; and (2) any subsequent bonus issue, consolidation or subdivision of shares;
- (iii) in exercising the authority conferred by this Resolution, the Company shall comply with the provisions of the Listing Manual of the SGX-ST for the time being in force (unless such compliance has been waived by the SGX-ST) and the Articles of Association for the time being of the Company; and

NOTICE OF ANNUAL GENERAL MEETING AND BOOKS CLOSURE

STAMFORD LAND CORPORATION LTD

Company Registration No. 197701615H (Incorporated in the Republic of Singapore)

- (iv) (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.

Note: This Resolution, if passed, authorises the Directors to issue shares in the capital of the Company and to make or grant instruments (such as warrants or debentures) convertible into shares, and to issue shares in pursuance of such instruments, up to an amount not exceeding in total 50% of the issued shares in the capital of the Company, with a sub-limit of 20% for issues other than on a pro rata basis to shareholders.

(Resolution 7)

OTHER BUSINESS

To transact any other business that may be transacted at an Annual General Meeting of the Company.

NOTICE IS ALSO HEREBY GIVEN that the Share Transfer Books, Register of Members of the Company will be closed on 12 August 2015 for the preparation of dividend warrants. Duly completed registrable transfers received by the Company's Registrars, M & C Services Private Limited of 112 Robinson Road, #05-01, Singapore 068902, up to the close of business at 5:00 p.m. on 11 August 2015 will be registered to determine the shareholders' entitlement to the proposed dividends. In respect of shares in securities accounts with The Central Depository (Pte) Limited ("CDP"), the said dividends will be paid by the Company to CDP which will in turn distribute the dividend entitlements to such holders of shares in accordance with its practice.

If approved, the proposed dividends will be paid on 21 August 2015.

BY ORDER OF THE BOARD

TEO LAY ENG
COMPANY SECRETARY

Singapore
14 July 2015

Notes:

A member of the Company entitled to attend and vote at the meeting is entitled to appoint not more than two proxies to attend and vote in his stead. 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 must be deposited at the registered office of the Company at 200 Cantonment Road, #09-01 Southpoint, Singapore 089763 not less than 48 hours before the time appointed for holding the meeting.

Personal Data Privacy:

By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the Annual General Meeting and/or any adjournment thereof, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of proxies and representatives appointed for the Meeting (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the Meeting (including any adjournment thereof), and in order for the Company (or its agents) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "Purposes"), (ii) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.

PROXY FORM

STAMFORD LAND CORPORATION LTD

Company Registration No. 197701615H
(Incorporated in the Republic of Singapore)

IMPORTANT: FOR CPF INVESTORS ONLY

1. This Annual Report is forwarded to them at the request of their CPF Approved Nominees and is sent solely FOR INFORMATION ONLY.
2. This Proxy Form is not valid for use by CPF Investors and shall be ineffective for all intents and purposes if used or purported to be used by them.
3. CPF Investors who wish to attend the meeting as Observers have to submit their requests through their respective Agent Banks so that their Agent Banks may register with the Company's Registrar (please see Note No. 7 on the reverse).

Personal Data Privacy:

By submitting an Instrument appointing a proxy(ies) and/or representative(s), the member accepts and agrees to the personal data privacy terms set out in the Notice of Annual General Meeting dated 14 July 2015.

I/We _____

of _____

being a member/members of the abovementioned Company, hereby appoint

Name	Address	NRIC/ Passport Number	Proportion of Shareholdings	
			No. of Shares	%

and/or (please delete as appropriate)

Name	Address	NRIC/ Passport Number	Proportion of Shareholdings	
			No. of Shares	%

as my/our proxy/proxies, to vote for me/us and on my/our behalf at the 37th Annual General Meeting of Stamford Land Corporation Ltd (the "Company") will be held at Level 3, Suntec Singapore Convention & Exhibition Centre, 1 Raffles Boulevard, Suntec City, Singapore 039593 on Thursday, 30 July 2015 at 2:30 p.m. and at any adjournment thereof. I/We direct my/our proxy/proxies to vote for or against the Resolutions to be proposed at the Annual General Meeting as indicated below. In the absence of specific directions, the proxy/proxies will vote or abstain from voting at his/their discretion, as he/they will on any other matter arising at the Annual General Meeting.

Resolution No.	Ordinary Resolutions	For*	Against*
1.	Adoption of Directors' Report and Audited Financial Statements		
2.	Declaration of Dividends		
3.	Approval of Directors' Fees of \$270,000		
4.	Re-election of Mark Anthony James Vaile as Director		
5.	Re-appointment of Ow Chio Kiat as Director		
6.	Re-appointment of KPMG LLP as Auditors		
7.	Authority to issue shares		

* Please indicate your vote "For" or "Against" with a tick "✓" in the box provided.

Dated this _____ day of _____ 2015

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

Important: Please read the notes on the overleaf.

Total Number of Shares held	
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Affix
Postage
Stamp

The Company Secretary
STAMFORD LAND CORPORATION LTD
200 Cantonment Road
#09-01 Southpoint
Singapore 089763

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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, Chapter 50), you should insert that number of shares. If you have shares registered in your name in the Register of Members, you should insert that number of shares. 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 of shares entered against your name in the Depository Register and registered in your name in the Register of Members. If no number is inserted, the instrument appointing a proxy or proxies shall be deemed to relate to all the shares held by you.
2. A member of the Company entitled to attend and vote at a meeting of the Company is entitled to appoint one or two proxies to attend and vote instead of him. A proxy need not be a member of the Company.
3. Where a member appoints two proxies, the appointments shall be invalid unless he specifies the proportion of his shareholding (expressed as a percentage of the whole) to be represented by each proxy.
4. To be effective, the instrument appointing a proxy or proxies must be completed and deposited at the registered office of the Company at 200 Cantonment Road, #09-01 Southpoint, Singapore 089763 not less than 48 hours before the time appointed for the meeting.
5. The instrument appointing a proxy or proxies must be executed under the hand of the appointor or of his attorney duly authorised in writing. Where the instrument appointing a proxy or proxies is executed by a corporation, it must be executed either under its common seal or under the hand of an officer or attorney duly authorised.
6. 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 meeting, in accordance with Section 179 of the Companies Act, Chapter 50.
7. Agent Banks acting on the request of the CPF Investors who wish to attend the meeting as Observers are requested to submit in writing, a list with details of the investors' names, NRIC/passport numbers, addresses and number of shares held. The list, signed by an authorised signatory of the Agent Bank, should reach the Company's Registrar at least 48 hours before the time fixed for holding the meeting.

GENERAL

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



High Tea, Stamford Plaza at Circular Quay



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www.stamfordland.com
Company Registration No.: 197701615H