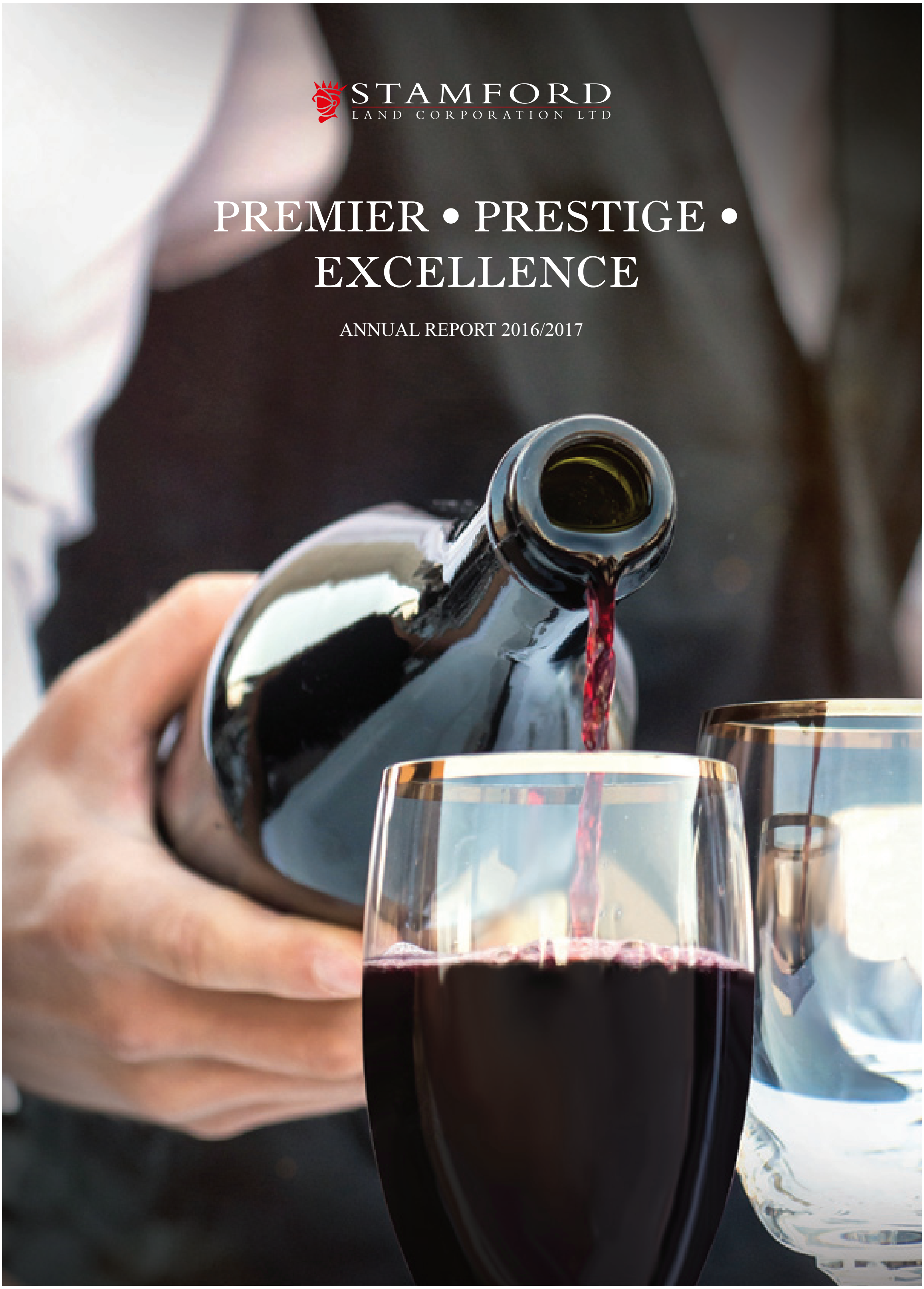
STAMFORD
LAND CORPORATION LTD

PREMIER • PRESTIGE • EXCELLENCE

ANNUAL REPORT 2016/2017



Driveway, Stamford Grand Adelaide

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CHAIRMAN'S MESSAGE

> In recent years, shareholders have consistently sought growth in our business. But some clamour for higher dividend payouts. These are polar opposite demands and clearly it is not possible to please both camps.

C. K. Ow
Executive Chairman

CHAIRMAN'S MESSAGE

Dear Shareholders,

FINANCIAL PERFORMANCE

I am pleased to report a satisfactory profit of S$34.6 million for the financial year ended 31 March 2017. This is an improvement of 54% over the previous year.

The construction of Macquarie Park Village ("MPV") made good progress with 174 units being settled in March 2017, thus booking a first tranche profit of S$14.1 million. This 712-unit project leads the buoyant North Sydney property market in design, price competitiveness, prime location and early delivery. Out of these 712 units, 60 were recently granted development application approval under the Urban Activation Precinct. Located on higher levels in the best tower, they will have enhanced fit-out to command higher market prices.

The Hotel Owning and Management Segment continues with its stable performance. With a newly beefed up professional management team, we are doubling efforts to increase operational efficiencies to enhance earnings. We hope to see better results in the coming year.

Our Property Investment Segment, anchored by Dynon's Plaza in Perth, continues with its recurring income stream. However, owing to a shorter remaining lease, we have provided a further hefty capital impairment loss of S$10.9 million for the year under review. Given its premier location at St Georges Terrace, we are evaluating post-2020 options, which may include alternative commercial tenancies and the possibility of converting it into a hotel.

With the progressive completion and settlement of the remaining MPV units in the coming years, I can report the Group having a positive set of financial results for the coming year, which net of cash will be without gearing upon completion of the project.

In recent years, shareholders have consistently sought growth in our business. But some clamour for higher dividend payouts. These are polar opposite demands and clearly it is not possible to please both camps.

Considering our past years paying out attractive dividend yield on the stock, the Board of Directors ("Board") is recommending a dividend of one cent per share. This will allow us to utilise our free cash to further expand our business.

APPRECIATION

On behalf of the Board, I welcome Independent Director, Lim Teck Chai, Danny, as we farewell Douglas Owen Chester who served four years. Finally, I wish to thank all our staff and stakeholders for their contributions as well as the Board for their wise counsel for the year just ended.

C. K. Ow
Executive Chairman

BOARD OF DIRECTORS

OW CHIO KIAT
Executive Chairman

Fellow of the Institute of Chartered Shipbrokers

Date of Appointment: 25 July 1977
Date of Last Re-election: 28 July 2016

1962	Joined Hai Sun Hup Co.
1966	Managing Partner, Hai Sun Hup Co.
1970	Joined Hai Sun Hup Co. (Pte.) Limited
1971-73	Member, Free Trade Zone Advisory Committee
1977-07	Chairman, Mitsui O.S.K Lines (Singapore) Pte. Ltd.
1977-07	Singapore Representative, Federal State of Bremen
1989-present	Executive Chairman, Stamford Land Corporation Ltd (Formerly known as Hai Sun Hup Group Ltd)
2000	Gran Oficial, Order of Bernardo O'Higgins by the President of Chile
2000-present	Executive Chairman, Singapore Shipping Corporation Limited
2001-07	Honorary Consul-General, Slovak Republic to Singapore
2007-15	Singapore's Ambassador to Argentina
2009-11	Committee Member, National Arts Council
2011	Honorary Officer, Order of Australia by the Prime Minister of Australia
2015-present	Singapore's Ambassador to Italy

OW CHEO GUAN
Deputy Executive Chairman

Fellow of the Institute of Chartered Shipbrokers

Date of Appointment: 1 September 1977
Date of Last Re-election: 29 July 2014

1970	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

BOARD OF DIRECTORS

OW YEW HENG
Executive Director and
Chief Executive Officer

Bachelor of Business, Accounting & Management, University of Technology, Sydney

Date of Appointment: 8 November 2010
Date of Last Re-election: 28 July 2016

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

MARK ANTHONY JAMES VAILE
Independent Non-Executive Director

Diploma in Real Estate Property Management

Date of Appointment: 30 July 2009
Date of Last Re-election: 30 July 2015

1973-93	Consultant, Property Industry
1985-92	Member of 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
2008-present	Chairman, Palisade Investment Partners Limited
2009-present	Independent Director, Stamford Land Corporation Ltd

Significant Concurrent Positions

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

BOARD OF DIRECTORS

STANLEY LAI TZE CHANG
Independent Non-Executive Director

Bachelor of Laws (Hons), University of Leicester, UK

Master of Laws, University of Cambridge, UK

PhD in Law, University of Cambridge, UK

Barrister at Law, Lincoln's Inn

Advocate & Solicitor, Supreme Court of Singapore

Senior Counsel, Singapore Academy of Law/Supreme Court of Singapore

Date of Appointment: 12 November 2015
Date of Last Re-election: 28 July 2016

1999-01	Legal Associate/Partner, Messrs Lee & Lee Singapore
2007-15	Adjunct Associate Professor, National University of Singapore, Faculty of Engineering
2000-16	Adjunct Associate Professor, National University of Singapore, Faculty of Law
2001-present	Partner, Messrs Allen & Gledhill LLP
2006-present	Head of Intellectual Property Practice, Allen & Gledhill LLP
2015-present	Independent Director, Singapore Shipping Corporation Limited
2015-present	Independent Director, Stamford Land Corporation Ltd
2016-present	Adjunct Professor, National University of Singapore, Faculty of Law

Significant Concurrent Positions

Chairman	Intellectual Property Office of Singapore
Director	Singapore Technologies Aerospace Ltd
Director	Singapore Technologies Engineering Ltd
Director	Nanyang Technological University – NTUitive Pte. Ltd.
Director	Haggai Institute for Advanced Leadership Training Limited
Director	Changi Cove Pte. Ltd.
Member	Board of Governors, Raffles Institution

LIM TECK CHAI, DANNY
Independent Non-Executive Director

Bachelor of Laws (Hons), National University of Singapore

Master of Science in Applied Finance, Nanyang Technological University, Singapore

Advocate & Solicitor, Supreme Court of Singapore

Date of Appointment: 31 May 2017
Date of Last Re-election: NA

2006-present	Partner, Capital Markets/Mergers & Acquisition, Rajah & Tann Singapore LLP
2013-present	Director, TEE Land Limited
2014-present	Director, UG Healthcare Corporation Limited
2017-present	Director, Kimly Limited
2017-present	Independent Director, Stamford Land Corporation Ltd

Significant Concurrent Positions

Director	TEE Land Limited
Director	UG Healthcare Corporation Limited
Director	Kimly Limited

SHAREHOLDER CALENDAR

JULY 2017	Annual General Meeting for financial year ended 31 March 2017 ("FY2017")
	Announcement of financial year ending 31 March 2018 ("FY2018") first quarter results
AUGUST 2017	Scheduled payment of final dividend for FY2017
NOVEMBER 2017	Announcement of FY2018 second quarter results
FEBRUARY 2018	Announcement of FY2018 third quarter results
MAY 2018	Announcement of FY2018 full year results

Superior Room, Stamford Plaza Melbourne

CORPORATE INFORMATION

BOARD OF DIRECTORS
Ow Chio Kiat
(Executive Chairman)
Ow Cheo Guan
(Deputy Executive Chairman)
Ow Yew Heng
(Executive Director and Chief Executive Officer)
Mark Anthony James Vaile
(Independent Non-Executive Director)
Stanley Lai Tze Chang
(Independent Non-Executive Director)
Lim Teck Chai, Danny
(Independent Non-Executive Director)

AUDIT AND RISK MANAGEMENT COMMITTEE
Mark Anthony James Vaile *(Chairman)*
Stanley Lai Tze Chang
Lim Teck Chai, Danny

NOMINATING COMMITTEE
Lim Teck Chai, Danny *(Chairman)*
Ow Chio Kiat
Mark Anthony James Vaile

REMUNERATION COMMITTEE
Stanley Lai Tze Chang *(Chairman)*
Mark Anthony James Vaile
Lim Teck Chai, Danny

COMPANY SECRETARIES
Lee Li Huang
Teo Meng Keong
Kong Wei Fung

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
Ernst & Young LLP
Public Accountants and
Chartered Accountants
1 Raffles Quay
North Tower, Level 18
Singapore 048583
Partner-in-charge: Lim Tze Yuen
Year of Appointment: Financial Year Ended
31 March 2017

INTERNAL AUDITORS
Nexia TS Risk Advisory Pte. Ltd.
100 Beach Road
Shaw Tower #30-00
Singapore 189702

PRINCIPAL BANKERS
Oversea-Chinese Banking Corporation Limited
United Overseas Bank Limited
Australia and New Zealand Banking Group Limited

The Bar, Sir Stamford at Circular Quay

CORPORATE STRUCTURE

HOTEL OWNING AND MANAGEMENT

Atrington Trust

Dickensian Holdings Ltd

HSH (Australia) Trust

HSH Contractors Pte Ltd

K.R.M.F.C. Pty Ltd

North Ryde Investments Limited

SGA (1994) Pty Ltd
(previously known as The Grand Hotel (S.A.) Pty Ltd)

SGA (1994) Trust
(previously known as Grand Hotel Unit Trust)

Sir Stamford at Circular Quay (2000) Trust
(previously known as Logan Trust)

Sir Stamford Hotels & Resorts Pte Ltd

SPA (1995) Pty Ltd
(previously known as Terrace Hotel (Operations) Pty Ltd)

SPAK (1996) Ltd
(previously known as Stamford Hotels (NZ) Limited)

SPB (2000) Pty Ltd
(previously known as Stamford Heritage Pty Ltd)

SPM (1994) Pty Ltd
(previously known as Minteyville Lt Collins St Pty Ltd)

SPSA (2000) Pty Ltd
(previously known as Stamford Sydney Airport Pty Ltd)

SSCQ (2000) Pty Ltd
(previously known as Sir Stamford at Circular Quay Pty Ltd)

Stamford Brisbane (2000) Trust
(previously known as Stamford Gold Coast Trust)

Stamford Cairns Trust

Stamford Grand Adelaide (1994) Trust
(previously known as RGA Trust)

Stamford Hotels & Resorts Pte. Ltd

Stamford Hotels and Resorts Pty Limited

Stamford Hotels Pty Ltd

Stamford Melbourne (1994) Trust
(previously known as MLCS Trust)

Stamford Mayfair Limited

Stamford Plaza Adelaide (1995) Trust
(previously known as TIA Trust)

Stamford Plaza Sydney Management Pty Limited

Stamford Raffles Pty Ltd

Goldenlines Investments Limited

Stamford Sydney Airport (2000) Trust
(previously known as Ovenard Trust)

PROPERTY DEVELOPMENT

Macquarie Park Village (2018) Trust
(previously known as SNR Trust)

SLC Campsie Pty Ltd

Stamford Property Services Pty. Limited

Stamford Residences Sydney (2011) Trust
(previously known as Stamford Raffles Trust)

MPV Management Services Pty Ltd
(previously known as Stamford F&B Pty Ltd)

PROPERTY INVESTMENT

Dynons Perth (2010) Trust
(previously known as Knoxville Trust)

Stamford Properties (S) Pte. Ltd.
(previously known as HSH Properties Pte Ltd)

TRADING

Singapore Wallcoverings Centre (Private) Limited

Voyager Travel Pte Ltd

OTHERS

HSH Tanker Inc.

Stamford Land (International) Pte Ltd

Stamford Land Management Pte Ltd

AWARDS & ACCOLADES

TRAVEL

SIR STAMFORD AT CIRCULAR QUAY
TripAdvisor Certificate of Excellence 2017
Winner (7th consecutive year)

STAMFORD PLAZA SYDNEY AIRPORT
Booking.com Guest Review Awards 2016
(8.5 out of 10)

SKYTRAX World Airport Awards 2016
Winner – Best Airport Hotel, Australia/Pacific
(3rd consecutive year)

TripAdvisor Certificate of Excellence 2017
Winner

STAMFORD PLAZA BRISBANE
Booking.com Guest Review Awards 2016
(8.8 out of 10)

TripAdvisor Certificate of Excellence 2017
Winner (5th consecutive year)

STAMFORD PLAZA MELBOURNE
TripAdvisor Certificate of Excellence 2017
Winner (7th consecutive year)

2017 TAA (Vic) Accommodation Awards for Excellence
Finalist – Deluxe Accommodation Hotel of the Year

STAMFORD GRAND ADELAIDE
AHA (South Australia) 2016 Annual Awards for Excellence
Winner – Best Redeveloped Hotel – Accommodation Division
Finalist – Entertainment Venue – The Grand Bar

Agoda.com – 2016 Gold Circle Award
(2nd consecutive year)

Booking.com Guest Review Awards 2016
(8.6 out of 10)

TripAdvisor Certificate of Excellence 2017
Winner

STAMFORD PLAZA ADELAIDE
AHA (South Australia) 2016 Annual Awards for Excellence
Finalist – Deluxe Hotel Accommodation
Finalist – Accommodation Restaurant – La Boca Bar and Grill

Agoda.com – 2016 Gold Circle Award
(2nd consecutive year)

Booking.com Guest Review Awards 2016
(8.6 out of 10)

TripAdvisor Certificate of Excellence 2017
Winner

STAMFORD PLAZA AUCKLAND
Gold Member of New Zealand Tourism Guide
(Since March 2004)

TripAdvisor Certificate of Excellence 2017
Winner (7th consecutive year)

FOOD AND BEVERAGE

SIR STAMFORD AT CIRCULAR QUAY
TAA (NSW) 2016 Awards for Excellence
Winner – The Bar – Bar of the Year Metropolitan Hotels
Finalist – The Dining Room – Metropolitan Restaurant of the Year Deluxe Hotels 2016

STAMFORD PLAZA MELBOURNE
2017 TAA (Vic) Accommodation Awards for Excellence
Finalist – Harry's Restaurant and Bar – Hotel Restaurant of the Year

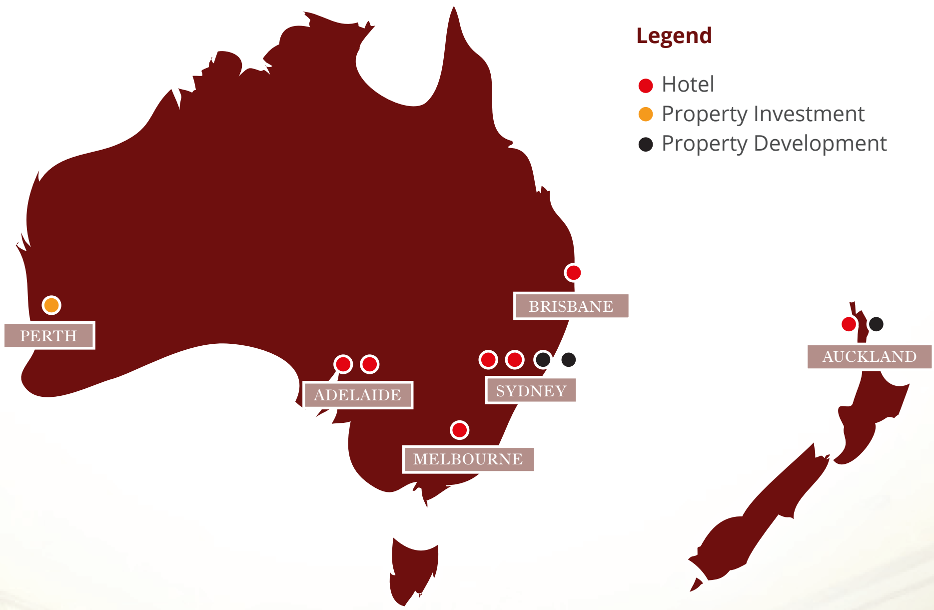
ENVIRONMENTAL AND SOCIAL RESPONSIBILITY

STAMFORD PLAZA MELBOURNE
2017 TAA (Vic) Accommodation Awards for Excellence
Finalist – Outstanding Community Service Achievement

STAMFORD PLAZA AUCKLAND
Qualmark New Zealand Enviro Award 2016
Silver (2nd consecutive year)

TripAdvisor Green Leader (Bronze)

OUR PROPERTIES



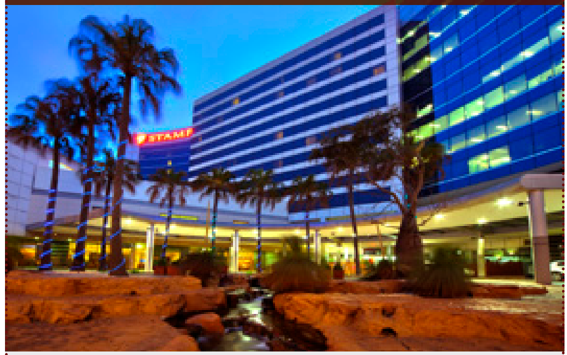
Lobby, Stamford Plaza Melbourne

HOTEL PORTFOLIO

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 PLAZA SYDNEY AIRPORT

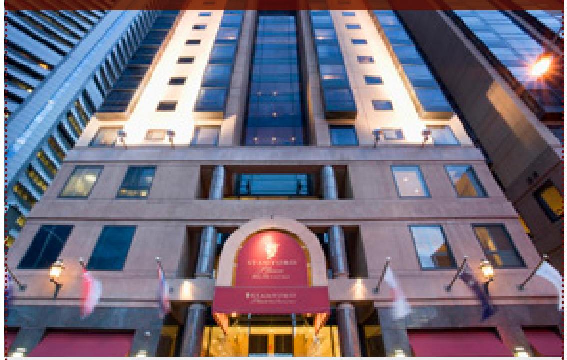


Freehold | 315 rooms
Corner Robey & O'Riordan Streets
Mascot, New South Wales 2020
(61 2) 9317 2200 (61 2) 9317 3855
reservations@spsa.stamford.com.au

STAMFORD PLAZA BRISBANE

Leasehold | 252 rooms
Corner Edward & Margaret Streets
Brisbane, Queensland 4000
(61 7) 3221 1999 (61 7) 3221 6895
reservations@spb.stamford.com.au

STAMFORD PLAZA MELBOURNE



Freehold | 308 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 ADELAIDE

Freehold | 335 rooms
150 North Terrace, Adelaide
South Australia 5000
(61 8) 8461 1111 (61 8) 8231 7572
reservations@spa.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

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

PROPERTY PORTFOLIO

INVESTMENT PROPERTIES

DYNON'S PLAZA (PERTH)

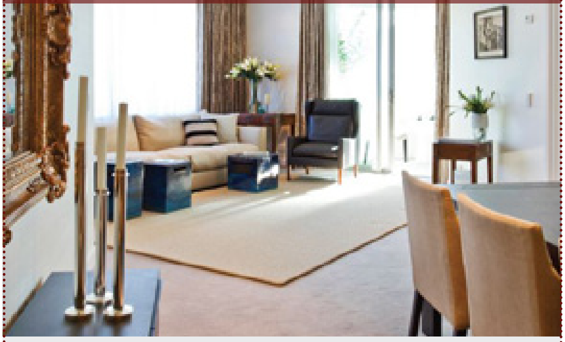
Freehold
14-storey commercial building and
2-storey commercial and retail building
905 Hay Street, Perth, Western Australia

SOUTHPOINT BUILDING (SINGAPORE)

Leasehold
One floor of office building
200 Cantonment Road #09-01 Southpoint
Singapore 089763

COMPLETED DEVELOPMENTS

THE STAMFORD RESIDENCES (AUCKLAND)



Freehold
26 Albert Street
Auckland, New Zealand

THE STAMFORD RESIDENCES & THE REYNELL TERRACES (SYDNEY)

Leasehold
171 Gloucester Street, The Rocks
Sydney, Australia

PROPERTY PORTFOLIO

PROPERTY UNDER DEVELOPMENT

MACQUARIE PARK VILLAGE (SYDNEY)

Construction Progress as of May 2017

Freehold
Total site area 22,000 sqm; Residential development comprising of 700 residential units and 12 commercial units across 7 towers
110-114 Herring Road, Macquarie Park, Sydney, Australia

MILESTONES

1935
Hai Sun Hup & Co. began lighterage business along the Singapore River.

1970
Hai Sun Hup Co. (Pte.) Limited was incorporated and the business expanded into shipping agencies, cargo terminals and bunker barges.

1989
Hai Sun Hup Group Ltd was listed on the Singapore Stock Exchange.

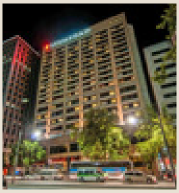
1994

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 (rebranded SGA) and 'Parkroyal' Melbourne (rebranded SPM).

Sir Stamford Double Bay ("SSDB")
The Group managed 'Peppers Retreats and Resorts' Double Bay, Sydney (rebranded SSDB).

1995



Stamford Plaza Adelaide ("SPA")
The Group acquired 'Intercontinental' Adelaide and rebranded SPA.

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

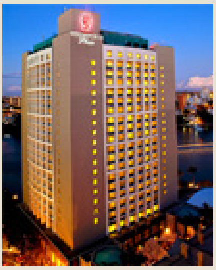
1996

Stamford Plaza Auckland ("SPAK")
The Group acquired 'Regent' Auckland and rebranded SPAK.

The Group acquired an undeveloped freehold site in Perth.

1997
The Group acquired Caltex House, Sydney.

2000



Stamford Plaza Brisbane ("SPB") & Sir Stamford at Circular Quay ("SSCQ")
The Group acquired 'Beaufort Heritage' Brisbane and 'The Ritz Carlton' Circular Quay. Both 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 Headquarters). The Group strata titled Airport Central for disposal.

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

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

2001
Hai Sun Hup Group Ltd was renamed as Stamford Land Corporation Ltd and demerged from its shipping and logistics businesses to focus on its hotel and property businesses.

MILESTONES

2002

Stamford Plaza Sydney Hotel & Stamford on Kent
The Group converted Caltex House in Sydney to a hotel cum luxury residential apartments.

2004

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.

2006

Stamford Marque
The Group redeveloped the former Mann Judd Building in Sydney.

2010

Dynon's Plaza
The Group developed an A Grade office building in Perth, fully leased to oil major, Chevron.

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

2011

The Stamford Residences & The Reynell Terraces, Sydney
The Group redeveloped the Gloucester Street site as prime residential apartments.

2012

Macquarie Park Village ("MPV")
Approval granted for redevelopment of SGNR into 7 residential towers known as MPV.

2013

The Group acquired the freehold property at Dulwich Hill.

The Group acquired a freehold reversionary interest for SSCQ.

2014

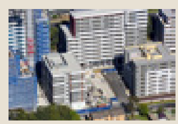
La Boca Bar and Grill Adelaide
The Group opened the first La Boca Bar and Grill in SPA.

Dulwich Hill Site
The Group sold the site after securing development application ("DA") approval.

2015

La Boca Bar and Grill Sydney
The Group opened the second La Boca Bar and Grill in SPSA.

2017



MPV
The Group obtained DA approval for building additional 60 units in Melbourne Tower and completed construction of Adelaide, Darwin and Perth Towers in March 2017.

FINANCIAL HIGHLIGHTS

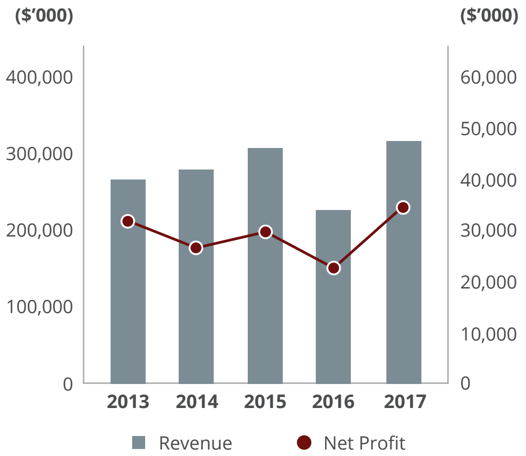
All Figures in $'000	FY2013	FY2014	FY2015	FY2016	FY2017
Revenue	**266,742**	**278,727**	**307,020**	**226,491**	**314,651**
Net Profit	**31,696**	**27,128**	**29,749**	**22,429**	**34,551**
Earnings per Share (cents)	**3.7**	**3.1**	**3.4**	**2.6**	**4.0**
Dividend per Share (cents)	**3.0**	**3.0**	**3.0**	**0.5**	**1.0**

FINANCIAL POSITION

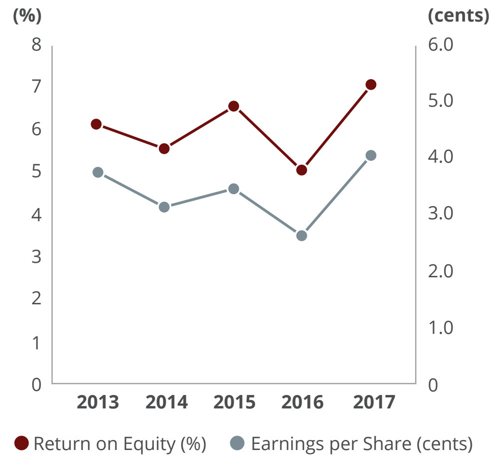
All Figures in $'000	FY2013	FY2014	FY2015	FY2016	FY2017
Property, Plant and Equipment	478,604	465,430	371,191	357,838	375,013
Investment Properties	224,411	203,534	177,127	158,265	146,609
Available-for-Sale Investments	384	347	406	398	385
Deferred Tax Assets	2,108	2,384	1,976	6,975	9,218
Current Assets	225,830	227,130	273,569	337,840	387,321
Total Assets	**931,337**	**898,825**	**824,269**	**861,316**	**918,546**
Current Liabilities	353,176	250,022	231,359	337,852	45,805
Deferred Tax Liabilities	27,501	24,751	19,868	12,071	13,019
Other Non-Current Liabilities	29,924	132,413	113,833	60,897	364,916
Total Liabilities	**410,601**	**407,186**	**365,060**	**410,820**	**423,740**
Equity	**520,736**	**491,639**	**459,209**	**450,496**	**494,806**
Net Asset Value per Share ($)	**0.60**	**0.57**	**0.53**	**0.52**	**0.57**

FINANCIAL HIGHLIGHTS

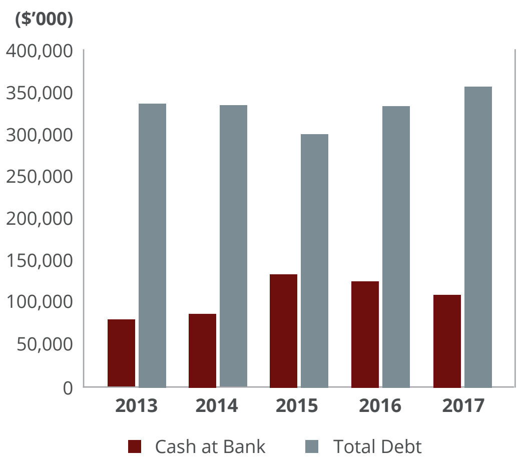
REVENUE VS NET PROFIT



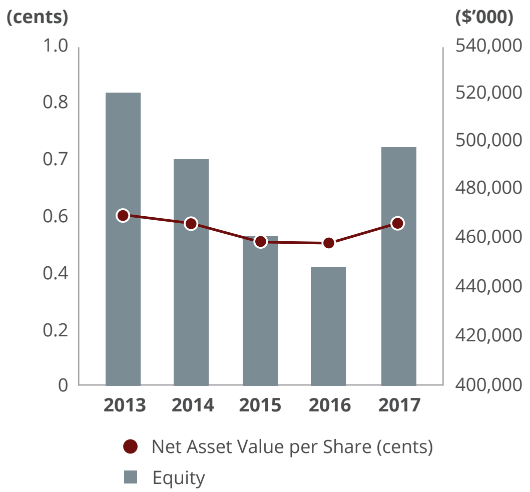
RETURN ON EQUITY VS EARNINGS PER SHARE



CASH AT BANK VS TOTAL DEBT



NET ASSET VALUE PER SHARE VS EQUITY



INTERVIEW WITH CHIEF EXECUTIVE OFFICER

1. **Can you tell us what interesting developments have taken place since the last annual general meeting ("AGM")?**

   The most significant development since the last AGM was the successful completion and settlement of 174 units in Macquarie Park Village ("MPV") in March 2017. The remaining units in this 712-unit project will be progressively completed and settled in the coming months.

   Another significant development was the successful recruitment of key professionals/ talent to join our management team. As subject matter experts in their chosen fields, the new additions will strengthen the management team and provide strong foundation to grow our businesses. With an increased focus on both efficiencies and innovation, the appointments will streamline our operations and thus enhance returns to our shareholders.

2. **Moving into the next financial year, how do you see your focus on the core businesses?**

   Although we are already seeing improvements in our financial results through the operational efficiencies introduced, our direction is to further streamline this area as it is also imperative to our future expansion plans.

   In order to complement our five star offering, we are evaluating the feasibility of establishing a second tier hotel brand to increase our market presence and cater to a different customer segment. This may help to maximise our returns in the longer term due to lower operating costs.

In addition, we are also exploring ways to expand our current expertise in hotel management to potential hotel investors requiring both experienced management services and investment partners. Unlike the vast majority of the hotel management companies, our management services may be accompanied by equity participation which is an essential catalyst to a successful partnership.

We are also sharpening our competencies and introducing new expertise into our food and beverage outlets with the aim of enhancing our current outlets and establishing standalone brands beyond our hotels.

3. Why do you believe that the Group is well equipped to focus on the core businesses mentioned earlier?

We now have better established resources and expertise to drive this in addition to the core competencies in the talent that we are attracting. We are also financially healthy and have the capital available to reinvest in the Group's core businesses going forward.

4. What other exciting plans can you share with the shareholders?

Obviously, there is still a great deal of work to be done to complete the remaining settlements in MPV. Our current focus is to continue efforts in driving efficiency implementation through improved management to achieve maximised profits potential before we activate more ambitious plans.

We may explore fund raising opportunities and/or corporate actions that maximise shareholders' value which may, amongst others, include exploring the viability of forming a real estate investment trust ("REIT"), subject to the Board of Directors' evaluation, financial analysis, regulatory approvals, etc. Before embracing on such plans, the Board of Directors must be certain that there are promising and lucrative assets to invest in with the additional capital raised from the REIT.

5. Where do you envisage your focus on the geographical spread of the new investments?

Even though we have established strong foundation in the Australian market, it is our intention to source for opportunities that expand beyond Australia in order to diverse our geographical risks.

OPERATIONS REVIEW

HOTEL OPERATIONS AND MANAGEMENT

The Group's hotel operations and management business continued to deliver stable results in the financial year ended 31 March 2017 ("FY2017"). The Group reported an increase in total revenue from this segment of 3.4% from the previous financial year which was contributed by a modest increase in revenue per available room ("RevPar") of 0.2% and appreciation of Australian Dollar ("AUD") and New Zealand Dollar ("NZD") of 2.3% and 5.1% respectively.

International visitor arrivals to Australia continued to increase and reached a record high at the end of 2016. This upward trend is set to continue in the financial year ending 31 March 2018 ("FY2018"). Demand for hotel rooms in Sydney and Melbourne is expected to remain strong and this will have a favourable impact of increasing room rates. However, secondary cities such as Adelaide and Brisbane will continue to experience pressure on RevPar as prevailing supply exceeds demand for hotel rooms.

SYDNEY

Stamford Plaza Sydney Airport ("SPSA")

SPSA was recently awarded The Best Airport Hotel in Australia/Pacific Region at the Skytrax World Airport Awards in 2017. As a choice hotel in the competitive Sydney airport precinct, SPSA reported a 3.4% improvement in RevPar in FY2017. Room revenue is expected to remain strong as domestic and international visitors continue to fly into Sydney.

Since its opening in September 2015, La Boca Bar and Grill ("La Boca") in SPSA had been performing well, with an increase in revenue of 21.6% in FY2017. The Group continued its marketing efforts to promote La Boca as its anchor brand of restaurant and La Boca in SPSA as the choice restaurant for Argentinian cuisine within the Mascot vicinity in Sydney.

A refurbishment program on the rooms and lobby area is planned in FY2018 to enhance overall guest experience and to strengthen SPSA's position as the best airport hotel in Australia/Pacific region.

Sir Stamford at Circular Quay ("SSCQ")

SSCQ reported another year of respectable results, with improvements in both rooms and food and beverage ("F&B") revenue. The award winning hotel, recognised for its quality and service, continued to grow its occupancy levels and room rates, resulting in RevPar growth of 3.4% in FY2017.

Known for its popular afternoon tea offerings, SSCQ saw tremendous improvements in its F&B offerings despite operating in a highly competitive

La Boca Bar and Grill, Stamford Plaza Sydney Airport environment. To further strengthen its strong performance, SSCQ will undergo refurbishment of certain of its common areas in FY2018.

MELBOURNE

Stamford Plaza Melbourne ("SPM")

Total revenue for SPM declined by 5.8% as rooms and banquet facilities were progressively taken out of operation during the room refurbishment in FY2017. Occupancy levels and RevPar declined by 3.8% and 8.1% respectively. The refurbishment which comprised of the construction of 26 additional rooms was completed in September 2016, thus increasing SPM's room inventory and enhancing its revenue growth potential thereafter.

BRISBANE

Stamford Plaza Brisbane ("SPB")

Despite a challenging year, SPB maintained its position as the top hotel in Brisbane. An increase in room supply over and above demand resulted in falling occupancy levels and declining room rates in Brisbane as hotels compete for market share. Despite less favourable market conditions, SPB reported a modest RevPar growth of 1.6% in FY2017.

A refurbishment program is planned for SPB as it strives to maintain its leading position in the competitive Brisbane market.

ADELAIDE

Stamford Plaza Adelaide ("SPA")

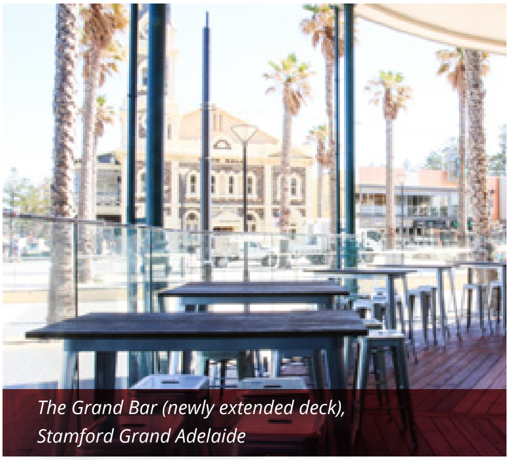
With the outlook for the Adelaide economy remaining weak, SPA reported a decline in RevPar of 3.2% in FY2017. On the F&B front, La Boca in SPA continued to perform well, with an increase in revenue of 4.9% in FY2017.

Cost efficiency management and productivity improvement remain the key focus for SPA in FY2018 as it strives to compete in a weak economy. A refurbishment program is also planned for SPA to maintain its competitiveness and grow its market share in the competitive Adelaide market. When the refurbishment is completed, overall guest experience will be enhanced.

Stamford Grand Adelaide ("SGA")

Despite the weak Adelaide market, SGA reported an increase in total revenue of 4.8% in FY2017 which was contributed by the increase in room and F&B revenue of 7.9% and 5.5% respectively. RevPar saw a modest growth of 1.6% in FY2017.

The extension work on The Grand Bar's outdoor area to increase seating capacity was completed in December 2016. Plans on the refurbishment of the rooms are underway and once completed will augment revenue and reinforce SGA's position as the only five star hotel in Glenelg.



The Grand Bar (newly extended deck), Stamford Grand Adelaide

OPERATIONS REVIEW

AUCKLAND

Stamford Plaza Auckland ("SPAK")

SPAK recorded another year of good results, with an increase in total revenue of 8.0% which was contributed by the increase in room and F&B revenue of 11.2% and 1.1% respectively. With international visitor arrivals continuing to increase, SPAK was well-positioned to maintain its position as a choice hotel in Auckland, thus recording RevPar growth of 3.1% in FY2017.

The construction of the City Rail Link within the vicinity of SPAK may cause disruptions to its operations in FY2018. However, the Group expects this to have minimal impact on the Group's financial results for FY2018.

PROPERTY DEVELOPMENT

The Group's property development segment delivered a strong set of results for FY2017. Revenue increased by S$78.5 million and this was attributed to the settlement of 174 units in Macquarie Park Village ("MPV"). In addition, the Group obtained development application approval under the Urban Activation Precinct to construct an additional 60 units in the Melbourne Tower, bringing the total number of units in MPV to 712. Construction for the MPV is ahead of schedule and the development is scheduled to complete in 2018.

The Group sold two more units at The Stamford Residences (Auckland) and continues its ongoing marketing efforts to sell the remaining five units.

PROPERTY INVESTMENT

The Group made a significant impairment loss of S$10.9 million on Dynon's Plaza, owing to the depressed Perth market and the shorter lease term remaining. There is, however, a three-year tenancy remaining and the property will continue to generate stable rental income.

The Stamford Residences (Auckland)

Stamford Land Corporation Ltd (the "Company") and its subsidiaries (the "Group") are committed to maintaining a high standard of corporate governance in complying with the Code of Corporate Governance (the "Code") which forms part of the continuing obligations of the Singapore Exchange Securities Trading Limited ("SGX-ST")'s listing rules. The Group has complied with the principles and guidelines set out in the Code.

This report describes the Group's corporate governance practices that were in place throughout the financial year ended 31 March 2017 ("FY2017"). Where there are any deviations from the Code, appropriate explanations are also provided in this report.

BOARD MATTERS

Principle 1: The Board's Conduct of Affairs

The primary function of the Board of Directors (the "Board") is to provide effective leadership and direction to enhance the long-term value of the Group to its shareholders and other stakeholders. The Board oversees the business affairs of the Group. Besides carrying out its statutory duties and responsibilities, the Board has the overall responsibility for reviewing the strategic plans and performance objectives, financial plans, key operating initiatives, major funding and investment proposals, financial performance reviews and corporate governance practices.

In addition, the principal duties of the Board include:

- Setting the Group's strategic objectives and ensuring that the necessary financial and human resources are in place for the Group to meet its objectives.

- Overseeing the process for evaluating the adequacy of internal control, risk management, financial reporting and compliance.

- Reviewing the performance of management and overseeing succession planning for management.

- Setting the Group's values and standards (including ethical standards) and ensuring the obligations to shareholders and other stakeholders are understood and met.

- Considering sustainability issues as part of the strategic formulation.

All the Directors exercise due diligence and independent judgement and make decisions objectively in the best interests of the Group.

Delegation by the Board

The Board has delegated certain functions to various board committees, namely the Audit and Risk Management Committee ("ARMC"), Nominating Committee ("NC") and Remuneration Committee ("RC"). Each of the various board committees has its own written terms of reference and whose actions are reported to and monitored by the Board. The Board accepts that while these various board committees have the authority to examine particular issues and will report back to the Board with their decisions and/or recommendations, the ultimate responsibility on all matters lies with the Board.

Key features of board processes

The dates of Board and board committee meetings as well as annual general meeting ("AGM") are scheduled one year in advance. To assist the Directors in planning their attendance, the Company Secretary consults every Director before fixing the dates of these meetings. The Board meets at least four times a year and as warranted by particular circumstances. Ad hoc meetings are also convened to deliberate on urgent substantive matters. Telephonic attendance and conference via audio-visual communication at Board and board committee meetings are allowed under the Company's Constitution. The details of the number of Board and board committee meetings held in the financial year as well as the attendance of each board member at those meetings are disclosed below.

Directors' attendance at Board and board committee meetings in FY2017

	Board		Audit and Risk Management Committee		Nominating Committee		Remuneration Committee	
	No. of Meetings		No. of Meetings		No. of Meetings		No. of Meetings	
Name of Director	**Held [1]**	**Attended**	**Held [1]**	**Attended**	**Held [1]**	**Attended**	**Held [1]**	**Attended**
Ow Chio Kiat	4	4	–	4 [2]	1	1	–	2 [2]
Ow Cheo Guan	4	4	–	4 [2]	–	1 [2]	–	2 [2]
Ow Yew Heng	4	4	–	4 [2]	–	1 [2]	–	2 [2]
Douglas Owen Chester	4	4	4	4	–	1 [2]	2	2
Mark Anthony James Vaile	4	4	4	4	1	1	2	2
Stanley Lai Tze Chang	4	4	4	4	1	1	2	2

(1) Represents the number of meetings held as applicable to each individual Director.

(2) Attendance at meetings on a "By Invitation" basis.

Board's approval

Matters specifically reserved for the Board's approval are listed below:

- Policies, strategies and objectives of the Group;
- Announcement of quarterly and full year financial results and release of annual reports;
- Issuance of shares;
- Declaration of interim dividends and proposal of final dividends;
- Convening of shareholders' meetings;
- Material investments, divestments or capital expenditure;
- Commitments to term loans and lines of credits from banks and financial institutions; and
- Interested person transactions.

Clear directions have been imposed on management that the above matters must be approved by the Board.

Induction and training of Directors

The Board ensures that incoming new Directors are given guidance and orientation (including onsite visits, if necessary) to familiarise the new Directors with the Group's business and corporate governance practices upon their appointment and to facilitate the effective discharge of their duties. Newly appointed Directors will be provided a formal letter setting out their duties and obligations. Directors are encouraged to constantly keep abreast of developments in regulatory, legal and accounting frameworks that are of relevance to the Group through the extension of opportunities for participation in training courses, seminars and workshops as relevant.

Lim Teck Chai, Danny was appointed as a Director of the Company on 31 May 2017. The Company will arrange an orientation programme that include briefings by management on the Group's structure, business operations and policies.

Briefings, updates and trainings provided for Directors in FY2017

The NC reviews and makes recommendations on the training and professional development programs to the Board.

On a quarterly basis, the Board is briefed on recent changes to the accounting standards and regulatory updates. The Chief Executive Officer (the "CEO") updates the Board at each meeting on the business and strategic developments of the Group.

As part of the Company's continuing education for Directors, the Company Secretary circulates to the Board articles, reports and press releases relevant to the Group's business to keep Directors updated on current industry trends and issues. News releases issued by the SGX-ST and the Accounting and Corporate Regulatory Authority which are relevant to the Directors are also circulated to the Board.

Directors may also attend relevant courses, conferences, seminars, workshops or training programs at the Company's expenses to enable them to effectively discharge their duties as a Director, if required, from time to time.

Principle 2: Board Composition and Guidance

Board size and composition

During FY2017, the Board comprised the following members:

Ow Chio Kiat	Executive Chairman and Executive Director
Ow Cheo Guan	Deputy Executive Chairman and Executive Director
Ow Yew Heng	Chief Executive Officer and Executive Director
Douglas Owen Chester	Lead Independent and Non-Executive Director
Mark Anthony James Vaile	Independent and Non-Executive Director
Stanley Lai Tze Chang	Independent and Non-Executive Director

CORPORATE GOVERNANCE REPORT

For the financial year ended 31 March 2017

There were changes to the Board members and their memberships on the board committees subsequently on 31 May 2017. As such, the current Board's composition is as follows:

Ow Chio Kiat	Executive Chairman and Executive Director
Ow Cheo Guan	Deputy Executive Chairman and Executive Director
Ow Yew Heng	Chief Executive Officer and Executive Director
Mark Anthony James Vaile	Lead Independent and Non-Executive Director
Stanley Lai Tze Chang	Independent and Non-Executive Director
Lim Teck Chai, Danny	Independent and Non-Executive Director

The Board comprises six Directors, three Independent Non-Executive Directors (the "Independent Non-Executive Directors" or the "Independent Directors" or each the "Independent Non-Executive Director" or the "Independent Director"), and three Executive Directors.

Each year, the NC reviews the size and composition of the Board and board committees and the skills and core competencies of its members to ensure an appropriate balance of skills, experience and gender. These competencies include accounting and finance, business acumen, management experience, industry knowledge, strategic planning experience, customer-based knowledge, familiarity with regulatory requirements and knowledge of risk management. The Board considers that its Directors possess the necessary competencies and knowledge to lead and govern the Group effectively.

Taking into account the nature and scope of the Group's business and the number of board committees, the Board believes that the current size and composition provide sufficient diversity without interfering with efficient decision making. No individual or group dominates the Board's decision making process. The Directors' academic and professional qualifications are presented in pages 4 to 6 of the Annual Report.

<u>Directors' independence review</u>

Director who has no relationship with the Company, its related corporations, its officers or its 10% shareholders that could interfere, or be reasonably perceived to interfere, with the exercise of the Director's independent business judgement in the best interests of the Group, is considered to be independent. "10% shareholder" refers to a person who has an interest or interests in one or more voting shares in the Company and the total votes attached to that share, or those shares, is not less than 10% of the total votes attached to all the voting shares in the Company. "Voting shares" exclude treasury shares.

The NC is tasked to determine on an annual basis and as and when the circumstances require whether or not a Director is independent, bearing in mind the guidelines set forth in the Code and any other salient factor which would render a Director to be deemed not independent. Each of the Independent Directors has provided a declaration of his independence to the NC. The NC has reviewed, determined and confirmed the independence of the Independent Directors.

None of the Independent Directors has served on the Board for a period exceeding nine years from the date of their first appointments.

The Independent Directors make up half of the Board, which meets the requirements set out in the Code. This provides a strong and independent element on the Board. This is fundamental to good corporate governance as it facilitates the exercise of independent and objective judgement on corporate affairs. It also ensures that key issues and strategies are critically reviewed, constructively challenged, fully discussed and thoroughly examined.

Role of the Non-Executive Directors

The Board and management fully appreciate that an effective and robust Board whose members engage in open and constructive debate and challenge management on its assumptions and proposals, is fundamental to good corporate governance. A Board should also aid in the development of strategic proposals and oversee effective implementation by management to achieve set objectives. For this to happen, the Board and Non-Executive Directors, in particular, must be kept well informed of the Group's business and be knowledgeable about the industry the Group operates in.

To ensure that the Non-Executive Directors are well supported by accurate, complete and timely information, they have unrestricted access to management.

The Group has adopted initiatives to put in place processes to ensure that the Non-Executive Directors have sufficient time and resources to discharge their oversight function effectively. These initiatives include:

- Regular informal meetings are held by management to brief the Non-Executive Directors on prospective deals and potential developments at an early stage before formal Board's approval is sought, when needed.

- The Company has also made available on the Company's premises an office for use by the Non-Executive Directors at any time for them to meet regularly without the presence of management.

Principle 3: Chairman and CEO

The Code advocates that there should be a clear division of responsibilities between the leadership of the Board and the executives responsible for managing the Group's business and no one individual should represent a considerable concentration of power.

Ow Chio Kiat is the Executive Chairman ("Chairman") of the Board and is assisted by Ow Cheo Guan who is the Deputy Executive Chairman ("Deputy Chairman") of the Company. Ow Yew Heng is the CEO of the Company.

The Chairman:

- Is responsible for leadership of the Board and is pivotal in creating the conditions for overall effectiveness of the Board, board committees and individual Director.

- Takes a leading role in the Company's drive to achieve and maintain a high standard of corporate governance with the full support of the Directors, Company Secretary and management.

- Approves the agendas for Board meetings and ensures sufficient allocation of time for thorough discussions of agenda items.

- Promotes an open environment for debates and ensures the Non-Executive Directors are able to speak freely and contribute effectively.

- Exercises control over the quality, quantity and timeliness of information flow between the Board and management.

- Provides close oversight, guidance, advice and leadership to the CEO and management.

- Plays a pivotal role in fostering constructive dialogue between shareholders, the Board and management at AGMs and other shareholder meetings.

The CEO is responsible for:

- Running the day-to-day business of the Group within the authorities delegated to him by the Board.
- Ensuring implementation of policies and strategy across the Group as set by the Board.
- Day-to-day management of the management team.
- Leading the development of management within the Group with the aim of assisting the training and development of suitable individuals for future roles.
- Ensuring that the Chairman is kept appraised in a timely manner of issues faced by the Group and of any important events and developments.
- Leading the development of the Group's future strategy including identifying and assessing risks and opportunities for the growth of its business and reviewing the performance of its existing business.

The Chairman and the Deputy Chairman are brothers and the CEO is the son of the Chairman and the nephew of the Deputy Chairman. The Board is of the view that there is a sufficiently strong independent element on the Board to enable independent exercise of objective judgement on affairs and operations of the Group by members of the Board, taking into account factors such as the number of Independent Directors on the Board as well as the contributions made by each member at meetings which relate to the affairs and operations of the Group.

The Board has appointed Mark Anthony James Vaile as the Lead Independent Director immediately upon resignation of Douglas Owen Chester on 31 May 2017. As a Lead Independent Director, he serves in a lead capacity to co-ordinate the activities of the Independent Directors when necessary and appropriate, to provide a non-executive perspective and contribute to a balance of viewpoints on the Board. He is the principal liaison on board issues between the Independent Directors and the Chairman. He is available to shareholders with concerns, when contact through the normal channels via the Chairman and CEO, and/or Chief Financial Officer (the "CFO") has failed to provide satisfactory resolution, or when such contact is inappropriate.

All the board committees are chaired by Independent Directors and half of the Board consists of Independent Directors.

Principle 4: Board Membership

<u>NC composition</u>

The NC consists of two Independent Non-Executive Directors and one Executive Director, the majority of whom, including the NC Chairman, are independent.

During FY2017, the NC comprised the following members:

Stanley Lai Tze Chang	Chairman
Ow Chio Kiat	Member
Mark Anthony James Vaile	Member

The current NC members with effect from 31 May 2017 are as follows:

Lim Teck Chai, Danny	Chairman
Ow Chio Kiat	Member
Mark Anthony James Vaile	Member

The NC, guided by written terms of reference, is responsible for making recommendations to the Board on all board appointments and re-appointments. The key terms of reference of the NC include the following:

- Review and recommend to the Board on the appointment of Directors (including alternate Directors, if applicable) and board committee members.
- Review regularly the Board structure, size and composition of the Board in compliance with the principles and guidelines set out in the Code and to make recommendation to the Board with regard to any adjustments that are deemed necessary.
- Determine the process for the search, selection, appointment and re-appointment of the Directors.
- Review the Board's succession plans for Directors.
- Develop a process for evaluating the performance of the Board, its board committees and Directors and implementing such process for assessing the effectiveness of the Board as a whole and the contribution of the Chairman and each individual Director.
- Evaluate whether or not a Director is able to and has been adequately carrying out his duties and responsibilities as a Director of the Company when he has multiple board representations.
- Review the training and professional development programs for the Board.

<u>Directors' independence review</u>

The task of assessing the independence of the Directors is delegated to the NC. The NC reviews the independence of each Independent Director annually, and as and when circumstances require.

Annually, each Independent Director is required to complete a Director's Independence Confirmation (the "Confirmation") to confirm his independence. The Confirmation is drawn up based on the guidelines provided in the Code. Thereafter, the NC reviews the Confirmation completed by each Independent Director, assess the independence of the Independent Directors and recommends its assessment to the Board. There are no Directors who are deemed independent by the Board, notwithstanding the existence of a relationship as stated in the Code that would otherwise deem him not to be independent.

The Board, after taking into account the views of the NC, determined that Douglas Owen Chester, Mark Anthony James Vaile and Stanley Lai Tze Chang are independent.

Appointment of Alternate Director

The Company does not have any Alternate Directors currently. If an Alternate Director is appointed, such Alternate Director should be familiar with the Group's affairs, and be appropriately qualified. For appointment of Alternate Director to an Independent Director, the NC and Directors will review and confirm the independence of that person before approving his appointment as an Alternate Director.

Directors' time commitments and multiple directorships

The NC determines annually whether a Director with multiple board representations and/or other principal commitments is able to and has been adequately carrying out his duties as a Director of the Company. The NC takes into account, amongst others (i) the contributions by the Directors during meetings of the Board and board committees; (ii) the results of the Board evaluation of its performance; and (iii) the directorships and/or principal commitments of the individual Directors.

The NC has reviewed and is of the view that a cap on the number of listed company board representation on each of the Director is not required as despite the current directorships and principal commitments of the individual Directors, their time commitment, deliberations and decisions are not hindered by such directorships and commitments. In addition, the NC has also reviewed and is satisfied that notwithstanding their multiple listed company board representations, such Directors have been able to devote sufficient time and attention to the affairs of the Group to adequately discharge their duties as Directors of the Company.

Succession planning for the Board and management

Succession planning is an important part of the corporate governance process. The NC seeks to refresh the Board membership progressively and in an orderly manner, to avoid losing institutional memory.

Currently, there is an informal succession plan for management put in place by the Chairman. Going forward and at the relevant time, the NC will look into such plan in close consultation with the Chairman.

Process for selection and appointment of new Directors

The NC has put in place formal and written procedures for making recommendations to the Board on the selection and appointment of Directors. Such procedures would be activated when a vacancy on the Board arises or when the Board is considering making a new Board appointment either to enhance the core competency of the Board or for purpose of progressive renewal of the Board. Notwithstanding that the Chairman of the Board is an Executive Director, the Company maintains a very strong and independent element on the Board with Independent Directors making up half of the Board.

In identifying suitable candidates, the NC may:

1. Advertise or use services of external advisers to facilitate a search.

2. Approach alternative sources such as the Singapore Institute of Directors.

3. Consider candidates from a wide range of backgrounds from internal or external sources.

4. After short listing the candidates, the NC shall:

    (a) consider and interview the candidates to assess their suitability taking into consideration the existing composition of the Board and strives to ensure that the Board has an appropriate balance of Independent Directors as well as qualification and experience of each candidate, his/her ability to increase the effectiveness of the Board and to add value to the Group's business in line with its strategic objectives and to ensure that the candidates are aware of the expectations and level of commitment required of them; and

    (b) evaluate and agree to a preferred candidate for recommendation to and appointment by the Board.

<u>Process for re-appointment of Directors</u>

The NC is responsible for re-appointment of Directors. In its deliberations on the re-appointment of existing Directors, the NC takes into consideration the Director's contribution and performance such as his attendance, preparedness, participation and candour.

Article 91 of the Company's Constitution provides that at least one-third of the Directors (or, if their number is not a multiple of three, the number nearest to but not lesser than one-third) shall retire from office by rotation and be subject to re-election at every AGM of the Company. All Directors are required to retire from office at least once every three years. In addition, any newly appointed Director by the Board during the year (whether as an additional Director or to fill a casual vacancy) shall hold office only until the next AGM and shall then be eligible for re-election, but shall not be taken into account in determining the number of Directors who are to retire by rotation at the AGM.

Pursuant to the one-third rotation rule, Ow Cheo Guan and Mark Anthony James Vaile are retiring by rotation at the forthcoming AGM and they being eligible, have consented to seek for re-election as Directors. The NC is satisfied that Ow Cheo Guan and Mark Anthony James Vaile are properly qualified for re-election by virtue of their skills, experience and contribution of guidance and time to the Board's deliberations.

Pursuant to Article 97 of the Company's Constitution, Lim Teck Chai, Danny, who was appointed by the Board on 31 May 2017, will have to retire at the forthcoming AGM. He being eligible has consented to seek for re-election as Director. In the NC's review for the recommendation of re-election of Lim Teck Chai, Danny, the NC took into consideration his independence, professional experience and time commitment.

The Board recommends to the shareholders to approve the re-election of Ow Cheo Guan, Mark Anthony James Vaile and Lim Teck Chai, Danny. The details of the proposed resolution are stipulated in the Notice of AGM set out in this annual report.

The NC members are abstained from voting on any resolutions and making any recommendation and/or participating in any deliberations in respect of matters in which he has an interest in.

Principle 5: Board Performance

The Board has implemented a process carried out by the NC for assessing the effectiveness of the Board as a whole and the contribution by each individual Director to the effectiveness of the Board on an annual basis.

Evaluation process

The Company Secretary sends out the Board Performance Evaluation Questionnaire (the "Questionnaire") and the Individual Director Assessment Checklist (the "Checklist") to each Director for completion. The Questionnaire is customised to seek the views of the Directors on the various aspects of the Board performance so as to assess the overall effectiveness of the Board. The Board performance criteria includes board size and composition, board information, board process, board risk management and internal controls, board accountability, standards of conduct and board committees' performance in relation to discharging their responsibilities set out in their respective terms of reference. The Checklist is a self-assessment evaluation to assess the contribution by each individual Director to the effectiveness of the Board. The individual Director's performance criteria includes independence and integrity, preparedness, participation and commitment, and responsibility and accountability.

The completed Questionnaires and Checklists are submitted to the Company Secretary for collation and the consolidated responses are presented to the NC for review before submitting to the Board for discussion and determining areas for improving and enhancing the effectiveness of the Board. For the financial year under review, the Board has performed the evaluation and is of the view that the Board as a whole operates effectively and the contribution by each individual Director is satisfactory.

The Board has not engaged any external consultant to conduct an assessment of the effectiveness of the Board and the contribution by each individual Director to the effectiveness of the Board. Where relevant, the NC will consider such an engagement.

Principle 6: Access to Information

Complete, adequate and timely information

Management recognises the importance of ensuring the flow of complete, adequate and timely information to the Directors on an ongoing basis to enable them to make informed decisions to discharge their duties and responsibilities. To allow the Directors sufficient time to prepare for the meetings, all Board and board committee papers are distributed to the Directors a week in advance of the meetings. Any additional material or information requested by the Directors is promptly furnished.

Management's proposals to the Board for approval provide background and explanatory information such as facts, resources needed, risk analysis and mitigation strategies, financial impact, regulatory implications, expected outcomes, conclusions and recommendations. Employees who can provide additional insight into matters to be discussed will be present at the relevant time during the Board and board committee meetings. In order to keep the Directors abreast of the Group's operations, the Directors are also updated on initiatives and developments on the Group's business as soon as practicable and/or possible and on an on-going basis.

To facilitate direct access to management, the Directors are also provided with the names and contact details of the management team.

Company Secretary

The Directors have separate and independent access to the Company Secretary. The Company Secretary is responsible for, among other things, ensuring that the Board's procedures are observed and the Company's Constitution, relevant rules and regulations, including requirements of the Securities and Futures Act, Companies Act (Chapter 50) and SGX-ST Listing Manual (the "Listing Manual"), are complied with. She also assists the Chairman and the Board in implementing and strengthening corporate governance practices and processes, with a view to enhancing long-term shareholder value.

The Company Secretary assists the Chairman in ensuring good information flows within the Board and its board committees and between management and the Non-Executive Directors.

As primary compliance officer for the Group's compliance with the listing rules, the Company Secretary is responsible for designing and implementing a framework for management's compliance with the listing rules, including advising management to ensure that material information is disclosed promptly.

The Company Secretary attends and prepares minutes for all Board meetings. As secretary for all board committees, the Company Secretary assists in ensuring coordination and liaison between the Board, the board committees and management. The Company Secretary assists the Chairman of the Board, the Chairman of board committees and management in the development of the agendas for the various Board and board committee meetings.

The appointment and the removal of the Company Secretary are subject to the Board's approval.

Independent professional advice

The Board has a process for Directors, either individually or as a group, in the furtherance of their duties, to take independent professional advice, if necessary, at the Group's expense.

REMUNERATION MATTERS

Principle 7: Procedures for Developing Remuneration Policies

RC composition

The RC consists of three members, all of whom are Independent Non-Executive Directors.

During FY2017, the RC comprised the following members:

Mark Anthony James Vaile	Chairman
Douglas Owen Chester	Member
Stanley Lai Tze Chang	Member

The current RC members with effect from 31 May 2017 are as follows:

Stanley Lai Tze Chang	Chairman
Mark Anthony James Vaile	Member
Lim Teck Chai, Danny	Member

The RC is responsible for ensuring a formal and transparent procedure for developing policies on executive remuneration, and for fixing the remuneration packages of individual Directors and key management personnel.

The members of the RC carried out their duties in accordance with the terms of reference approved by the RC and the Board. The principal functions of the RC include:

- Review and recommend to the Board for endorsement, a framework of remuneration for the Board and key management personnel. The framework covers all aspect of remuneration, including but not limited to Director's fees, salaries, allowances, bonuses, options, share-based incentives and awards and benefits in kind.

- Review and recommend to the Board the specific remuneration packages and terms of employment for each Director, key management personnel and employees related to Directors, CEO or substantial shareholders of the Company.

- Review the level and structure of remuneration to align with the long-term interest of the Company in order to attract, retain and motivate the Directors and key management personnel.

- Review the Group's obligations arising in the event of termination of the Executive Director's and key management personnel's contracts of service to ensure that such contracts of service contain fair and reasonable termination clauses which are not overly generous.

- Administer the Stamford Land Corporation Ltd Share Option Plan 2015 and Stamford Land Corporation Ltd Performance Share Plan 2015 and any other option scheme or share plan established from time to time by the Company.

The RC from time to time and where necessary seeks advice from external remuneration consultant in framing the remuneration policy and determining the level and mix of remuneration for Directors and key management personnel. Aon Hewitt, an external consultant, was appointed to undertake an executive compensation review in FY2017. Aon Hewitt does not have any connection with the Group or any of its directors which could affect their independence and objectivity.

None of the members of the RC or any Director is involved in deliberations in respect of any remuneration, compensation or any form of benefits to be granted to him or someone related to him.

Principle 8: Level and Mix of Remuneration
Principle 9: Disclosure on Remuneration

In reviewing the level and mix of remuneration, the RC seeks to establish a framework for attracting, retaining and motivating employees. The Group subscribes to linking executive remuneration to corporate and individual performance, based on an annual appraisal of employees. The level and structure of remuneration of the Directors and key management personnel are aligned with the long-term interest and risk policies of the Company.

<u>Remuneration of the Executive Directors and key management personnel</u>

The remuneration structure for the Executive Directors and key management personnel consists of the following components:

1. Fixed remuneration which comprises basis salary, statutory employer's contributions to the Central Provident Fund and fixed allowances. In setting remuneration packages, the Group takes into account employment and pay conditions within the same industry and in comparable companies, as well as the Group's relative performance and the performance of the individual Directors and key management personnel.

2. Variable bonus which is an annual remuneration component that varies according to the Group's and the individual's performance objectives. The performance objective of the Group is profit before tax as the RC believes that this best reflects the financial health and performance of the Group's business and is also a key performance measure used by other companies in similar industry.

3. Other benefits which include car and housing allowances, medical benefits, club memberships etc. Eligibility for these benefits will depend on the individual salary grade.

4. Share-based compensation under the Stamford Land Corporation Ltd Share Option Plan 2015 and the Stamford Land Corporation Ltd Performance Share Plan 2015 ("SLC PSP"), both of which were approved by the shareholders at the AGM held on 30 July 2015.

The Executive Directors also receive Directors' fees which are subject to the approval of the shareholders at the AGM.

Use of contractual provisions for the Executive Directors and key management personnel

Having reviewed and considered the variable components of the remuneration packages for the Executive Directors and key management personnel, the RC is of the view that there is no need to institute contractual provisions to allow the Company to reclaim incentive components in exceptional circumstances of misstatement of financial results, or misconduct resulting in financial loss or fraud by the Executive Directors and key management personnel.

Remuneration of the Non-Executive Directors

The RC ensures that the remuneration of the Non-Executive Directors is appropriate to their level of contribution taking into account factors such as efforts and time spent, and their responsibilities. The RC also ensures that the Non-Executive Directors should not be over-compensated to the extent that their independence may be compromised.

The Non-Executive Directors receive a basic retainer fee and additional fees for serving on board committees. The Chairman of each board committee is also paid a higher fee compared with the members of the respective board committees in view of the greater responsibility carried by that office. The Directors' fees are subject to the approval of the shareholders at the AGM.

Remuneration of the Directors

Although Guideline 9.2 of the Code recommends companies to fully disclose the name and remuneration of each director and the CEO, the Board is of the opinion that it is not in the best interest of the Company to disclose the exact details of their remuneration due to the competitiveness of the industry for key talent. As such, the Board has deviated from complying with the above recommendation and has provided below a breakdown showing the level and mix of remuneration of each Director in bands of S$250,000 for FY2017:

Remuneration Bands and Name of Director	Salary	Bonus	Fees [1]	Other Benefits [2]	Total
	%	%	%	%	%
S$2,750,000 to below S$3,000,000					
Ow Chio Kiat [3]	36	61	2	1	100
S$750,000 to below S$1,000,000					
Ow Yew Heng [4]	32	63	3	2	100
S$250,000 to below S$500,000					
Ow Cheo Guan [5]	71	19	7	3	100
Below S$250,000					
Douglas Owen Chester	–	–	100	–	100
Mark Anthony James Vaile	–	–	100	–	100
Stanley Lai Tze Chang	–	–	100	–	100

(1) Directors' fees are subject to shareholders' approval at the AGM.

(2) Other benefits refer to benefits-in-kind such as car allowance, club memberships, etc made available to Directors as appropriate.

(3) Ow Chio Kiat is the brother of the Deputy Chairman, Ow Cheo Guan, and the father of the CEO, Ow Yew Heng.

(4) Ow Yew Heng is the son of the Chairman, Ow Chio Kiat, and the nephew of the Deputy Chairman, Ow Cheo Guan.

(5) Ow Cheo Guan is the brother of the Chairman, Ow Chio Kiat, and the uncle of the CEO, Ow Yew Heng.

Remuneration of the top five key management personnel

Guideline 9.3 of the Code recommends companies to disclose the name and remuneration of at least the top five key management personnel (who are not Directors or the CEO) in bands of S$250,000. As best practice, companies are encouraged to fully disclose the remuneration of the said top five key management personnel. In addition, companies should also disclose the aggregate of the total remuneration paid or payable to the top five key management personnel (who are not Directors or the CEO).

The Board is of the opinion that it is not in the best interest of the Company to disclose the exact details of their remuneration due to the competitiveness of the industry for key talent. As such, the Board has deviated from complying with the above recommendation. The Board only partially complies with the above recommendation by providing below a breakdown showing the level and mix of remuneration of each of the top five key management personnel (who are not Directors or the CEO) in bands of S$250,000 for FY2017:

Remuneration Bands and Name of Executive	Salary	Bonus	Award under SLC PSP	Other Benefits [1]	Total
	%	%	%	%	%
S$250,000 to below S$500,000					
Thomas Ong	96	–	–	4	100
Lee Li Huang	73	27	–	–	100
Helen Miao	73	22	4	1	100
Below S$250,000					
Patrene Yap	89	–	–	11	100
Ooi Siew Meng	80	20	–	–	100

Aggregate of the total remuneration paid or payable to the top five key management personnel (who are not Directors or the CEO)	S$1,300,000

[1] Other benefits refer to benefits-in-kind such as car allowance, etc made available to key management personnel as appropriate.

Remuneration of employees who are immediate family members of a Director or the CEO

Kiersten Ow Yiling, the daughter of the Chairman, Ow Chio Kiat, the sister of the CEO, Ow Yew Heng, and the niece of the Deputy Chairman, Ow Cheo Guan, draws a remuneration between S$100,000 to S$150,000.

Saved as disclosed above, there is no other employee who is an immediate family member of a Director or the CEO and whose remuneration exceeded S$50,000 in FY2017.

Aggregate amount of termination, retirement and post-employment benefits granted to the Directors, the CEO and the top five key management personnel (who are not Directors or the CEO)

There are no termination, retirement and post-employment benefits granted or paid to the Directors, the CEO and the top five key management personnel (who are not Directors or the CEO) in FY2017.

ACCOUNTABILITY AND AUDIT

Principle 10: Accountability

The Group recognises the importance of providing the Board with accurate and relevant information on a timely basis. Hence, management provides appropriately detailed management accounts of the Group's performance on a quarterly basis to the Board to enable the Board to make a balanced and informed assessment of the Group's performance, financial position and prospects. As and when circumstances arise, the Board can request management to provide any necessary explanation and/or information on the management accounts of the Group.

The Board reviews and approves the financial results as well as any announcements before its release. The Board provides shareholders with quarterly and annual financial statements. Results for the first three quarters are released to shareholders within 45 days from the end of the quarter. Annual results are released within 60 days from the financial year-end. In presenting the quarterly and annual financial statements to shareholders, the Board strives to provide its shareholders with a balanced and understandable assessment of the Group's performance, financial position and prospects. The Board also ensures timely and full disclosure of material corporate developments to shareholders.

The Board takes steps to ensure compliance with legislative and regulatory requirements, including requirements under the Listing Manual, where appropriate. The Independent Directors in consultation with management will request for management's consideration for the establishment of written policies for any particular matter that is deemed to be essential to form part of management control.

For the financial year under review, the CEO and the CFO have provided assurance to the Board on the integrity of the financial statements of the Company and the Group.

Principle 11: Risk Management and Internal Controls

The Board, with the assistance from the ARMC, is responsible for the governance of risk by ensuring that management maintains a sound system of risk management and internal controls to safeguard shareholders' interests and the Group's assets and determines the nature and extent of the significant risks which the Board is willing to take in achieving its strategic objectives.

The ARMC is responsible for making the necessary recommendations to the Board such that an opinion regarding the adequacy and effectiveness of the risk management and internal control systems of the Group can be made by the Board in the Annual Report of the Company according to the requirements in the Listing Manual and the Code.

The Company has engaged an independent accounting firm, Nexia TS Risk Advisory Pte. Ltd. ("Nexia"), as its internal auditors who have presented their Enterprise Risk Management ("ERM") proposal to the ARMC and the Board to assist the ARMC and the Board in their review of the Group's risk management and internal control systems focusing on financial, operational, compliance and information technology controls.

Management regularly reviews the Group's business and operational activities in respect of the key risk control areas including financial, operational, compliance and information technology controls and continues to apply appropriate measures to control and mitigate these risks. All significant matters are highlighted to the ARMC and the Board for further discussion. The ARMC and the Board also work with the internal auditors, external auditors and management on their recommendations to institute and execute relevant controls with a view to managing such risks.

With assistance from the internal auditors, key risk areas which have been identified are analysed, monitored and reported. In this connection, the Group has conducted the enterprise risk assessment and has established the risk reporting dashboard with a view to develop a detailed risk register and to develop a structured ERM to ensure that the Group's risk management and internal control systems are adequate and effective.

Assurance from the CEO and the CFO

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

a) the financial records of the Group have been properly maintained and the financial statements for the financial year ended 31 March 2017 give a true and fair view of the Group's operations and finances; and

b) the system of risk management and internal controls in place within the Group is adequate and effective in addressing the material risks in the Group in its current business environment including material financial, operational, compliance and information technology risks.

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

Opinion on the adequacy and effectiveness of the risk management and internal control systems

The ARMC sought the views of the external auditors in making assessment of the internal controls over financial reporting matters. In addition, based on the internal controls established and maintained by the Group, the work performed by the internal auditors and external auditors as well as the assurance received from the CEO and the CFO, the Board with the concurrence of the ARMC, is of the opinion that the Group's risk management and internal control systems, addressing financial, operational, compliance and information technology risks were adequate and effective as at 31 March 2017.

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 adversely affected by any event that can be reasonably foreseen. Furthermore, the Board also acknowledges that no system of risk management and internal controls can provide absolute assurance in this regard, or absolute assurance against the occurrence of material errors, poor judgement in decision making, human errors, losses, fraud or other irregularities.

Principle 12: Audit and Risk Management Committee

ARMC composition

The ARMC consists of three members, all of whom are Independent Non-Executive Directors.

During FY2017, the ARMC comprised the following members:

Douglas Owen Chester	Chairman
Mark Anthony James Vaile	Member
Stanley Lai Tze Chang	Member

The current ARMC members with effect from 31 May 2017 are as follows:

Mark Anthony James Vaile	Chairman
Stanley Lai Tze Chang	Member
Lim Teck Chai, Danny	Member

The main responsibilities of the ARMC are to assist the Board in discharging its statutory and other responsibilities relating to four main areas:

- Overseeing financial reporting;
- Overseeing internal control and risk management systems;
- Overseeing internal and external audit processes; and
- Overseeing interested person transactions.

The members of the ARMC carried out their duties in accordance with the terms of reference approved by the ARMC and the Board. The principal functions of the ARMC include:

a) Review the significant financial reporting issues and judgments so as to ensure the integrity of the financial statements of the Group and any announcements relating to the Group's financial performance before submission to the Board.

b) Review and report to the Board at least annually the adequacy and effectiveness of the Company's internal controls, including financial, operational, compliance and information technology controls.

c) Review the adequacy and effectiveness of the Group's internal audit function at least annually, including the adequacy of internal audit resources and its appropriate standing within the Group, as well as the scope and the results of the internal audit procedures.

d) Review the scope and results of the external audit, independence and objectivity of the external auditors.

e) Recommend to the Board on the proposals to the shareholders relating to the appointment, re-appointment and removal of the external auditors, and approve the remuneration and terms of engagement of the external auditors.

f) Review and approve processes to regulate interested person transactions to ensure compliance with the requirements of the Listing Manual.

The ARMC has explicit authority to investigate any matter within its terms of reference and is authorised to obtain independent professional advice. It has full access to and co-operation of management and reasonable resources to enable it to discharge its duties properly. It also has full discretion to invite any Director, executive officer or external consultants whom it believes can provide information it needs for the purpose of the meeting to attend its meetings.

Summary of the ARMC's activities

The ARMC met four times during the financial year under review. Details of members and their attendance at meetings are provided in page 26. The CFO, Company Secretary, internal auditors and external auditors are invited to these meetings. Other members of management are also invited to attend as appropriate to present reports.

During FY2017, the AMRC had one meeting with internal auditors and external auditors separately, without the presence of management. These meetings enable the internal auditors and external auditors to raise issues encountered in the course of their work directly to the ARMC.

The principal activities of the ARMC during FY2017 are summarised below:

Financial reporting

The ARMC met on a quarterly basis and reviewed the quarterly and full year financial results announcements, material announcements and all related disclosures to the shareholders before submission to the Board for approval. In the process, the ARMC reviewed the audit plan and audit committee report presented by the external auditors.

The ARMC reviewed the annual financial statements and also discussed with management, the CFO and the external auditors the significant accounting policies, judgements and estimates applied by management in preparing the annual financial statements. The ARMC focused particularly on:

- Significant adjustments resulting from the audit;
- The appropriateness of the going concern assumption in the preparation of the financial statements; and
- Significant deficiencies in internal controls over financial reporting matters that came to the external auditor's attention during their audit together with their recommendations.

Following the review and discussions, the ARMC then recommend to the Board for approval of the audited annual financial statements.

External audit processes

The ARMC manages the relationship with the Group's external auditors on behalf of the Board. The ARMC is of the view that the external auditors demonstrated appropriate qualifications and expertise. It is also satisfied with the adequacy of the scope and quality of the external audits being conducted by Ernst & Young LLP. Therefore, the ARMC recommended to the Board the re-appointment of Ernst & Young LLP as the external auditors. The Board accepted this recommendation and has proposed a resolution to shareholders for the re-appointment of Ernst & Young LLP at the forthcoming AGM.

Pursuant to the requirement in the Listing Manual, an audit partner must only be in charge of a maximum of five consecutive annual audits and may then return after two years. The current Ernst & Young LLP's audit engagement partner for the Company was appointed on 28 July 2016. In appointing auditors for the Company and its subsidiaries, the Group has complied with Rules 712 and 715 of the Listing Manual.

Auditors' independence

In order to maintain the independence of the external auditors, the Group has specific policy which governs the conduct of non-audit work performed by the external auditors. This policy prohibits the external auditors from:

- Performing services which would result in the auditing of their own work;
- Participating in activities normally undertaken by management;
- Acting as advocate for the Group; or
- Creating a mutuality of interest between the external auditors and the Group, for example being remunerated through a success fee structure.

The ARMC undertook a review of the independence and objectivity of the external auditors through discussions with the external auditors as well as reviewing the non-audit fees awarded to them. There were no non-audit services provided by Ernst & Young LLP in FY2017. The aggregate amount of audit fees paid or payable to the external auditors for FY2017 is S$150,000.

Having undertaken a review of the services provided during the financial year, the ARMC is satisfied that the objectivity and independence of the external auditors are not in any way impaired.

Internal audit

During the financial year, the ARMC has reviewed and assessed the adequacy of the Group's system of internal controls and regulatory compliance through discussion with management, internal auditors and external auditors.

The ARMC considered and reviewed with management and internal auditors on the following:

- Annual internal audit plans to ensure that the plans covered sufficiently a review of the internal controls of the Group; and
- Significant internal audit observations and management's response thereto.

The ARMC has reviewed the adequacy and effectiveness of the internal audit function.

Interested person transactions

The ARMC reviewed the Group's interested person transactions to ensure that the transactions were carried out on normal commercial terms and were not prejudicial to the interests of the Company or its non-controlling shareholders. On a quarterly basis, management reports to the ARMC the interested person transactions.

The ARMC is satisfied that the internal controls over the identification, evaluation, review, approval and reporting of interested person transactions were effective.

Whistle blowing

The Company has adopted a Whistle-Blowing Policy (the “Policy”) to provide an independent channel through which matters of concern regarding improprieties in matters of financial reporting or other matters may be raised by employees and external parties in confidence. Upon the receipt of any feedback, independent investigations are carried out by a panel which comprises of one or more of the CEO, the CFO, the General Counsel and the Human Resource Director, who reports to the ARMC. The salient terms of the Policy and the contact details under the Policy can be found on the Company’s website. The Policy does not disregard anonymous complaints and all complaints are investigated in accordance with the terms of the Policy.

Principle 13: Internal Audit

The ARMC approves the appointment, removal, evaluation and compensation of internal auditors. The internal audit function of the Group is outsourced to Nexia. The internal auditors’ primary line of reporting is the ARMC Chairman. Administratively, the internal auditors report to the CEO. The selection of Nexia as the internal auditors, its fee proposal and the internal audit proposal was reviewed and approved by the ARMC. The internal auditors carry out their function in accordance to the standards set by the International Standards for the Professional Practice of Internal Auditing set by the Institute of Internal Auditors.

The primary purpose of the internal audit function is to assist the Board and management to meet the strategic and operational objectives of the Group, by providing an independent and objective evaluation of the adequacy and effectiveness of risk management, controls and governance processes. The internal audit approach focuses on key financial, operational, compliance and information technology risks. The annual internal audit plan is established in consultation with, but independent of, management. The internal audit plan is reviewed and approved by the ARMC. All internal audit findings, recommendations and status of remediation, are circulated to the ARMC, the CEO, the external auditors and relevant management.

The ARMC ensures that management provides good support to the internal auditors and provides them with access to documents, records, properties and personnel when requested in order for the internal auditors to carry out their function accordingly. The ARMC meets with the internal auditors once a year, without the presence of management.

SHAREHOLDER RIGHTS AND RESPONSIBILITIES

Principle 14: Shareholder Rights

The Group recognises the importance of maintaining transparency and accountability to its shareholders. The Board ensures that all the Company’s shareholders are treated equitably and the rights of all investors, including non-controlling shareholders are protected.

The Group is committed to providing shareholders with adequate, timely and sufficient information pertaining to changes in the Group’s business which could have a material impact on the Company’s share price.

The Group strongly encourages shareholders’ participation during the AGM which will be held in a central location in Singapore. Shareholders will be well informed of the meetings and voting procedures and they are able to proactively engage the Board and management on the Group’s business activities, financial performance and other business related matters.

Principle 15: Communication with Shareholders

Disclosure of information on a timely basis

The Group is committed to maintaining high standards of corporate disclosure and transparency. The Group values dialogue sessions with its shareholders. The Group believes in regular, effective and fair communication with shareholders and is committed to hearing shareholders' views and addressing their concerns.

Material information is disclosed in a comprehensive, accurate and timely manner via SGXNET, press release and corporate website. To ensure a level playing field and provide confidence to shareholders, unpublished price sensitive information is not selectively disclosed. In the event that unpublished material information is inadvertently disclosed to any selected group in the course of the Group's interactions with the investing community, a media release or announcement will be released to the public via SGXNET.

The Group's corporate website is the key resource of information for shareholders. In addition to the quarterly financial results materials, it contains a wealth of investor related information on the Group, including annual reports, shares and dividend information and factsheets.

Interaction with shareholders

The Company has an internal investor relations function which focuses on facilitating communications with shareholders and analysts on a regular basis, attending to their queries or concerns and keeping them apprised of the Group's corporate developments and finance performance.

Dividend policy

The Company does not have a fixed dividend policy. In considering the form, frequency and amount of dividends that the Board may recommend or declare in respect of any particular year or period, the Board takes into account various factors outlined below as well as other factors deemed necessary by the Board:

- The level of available cash for the Group's working capital;
- The return on equity and retained earnings; and
- The Group's projected levels of capital expenditure and other investment plans.

Principle 16: Conduct of Shareholder Meetings

The Group supports and encourages active shareholders' participation at general meetings. The Board believes that general meetings serve as an opportune forum for shareholders to meet the Board and key management personnel, and to interact with them. Information on general meetings is disseminated through notices in the annual reports or circulars sent to all shareholders. The notices are also released via SGXNET and published in local newspapers, as well as posted on the Company's website.

The Company's Constitution allows all shareholders to appoint proxies to attend general meetings and vote on their behalf. As the authentication of shareholder identity information and other related security issues still remain a concern, the Group has decided, for the time being, not to implement voting in absentia by mail, email or fax.

Separate resolutions on each distinct issue are tabled at general meetings and explanatory notes are set out in the notices of general meetings where appropriate. All Directors including the Chairman of the Board and the respective Chairman of the ARMC, NC and RC, management, and the external auditors are intended to be in attendance at general meetings to address any queries of the shareholders.

The Company intends to record the minutes of general meetings that include relevant and substantial comments or queries from shareholders relating to the agenda of the meetings and responses from the Board and management. Such minutes, subsequently approved by the Board, will be available to shareholders upon their request.

The Company will continue to put all resolutions to vote by poll in the presence of independent scrutineers. Explanation on polling procedures will be provided to shareholders before the poll voting is conducted. The total numbers and percentage of valid votes cast for or against each resolution will be announced at the general meetings and also released via SGXNET after the general meetings.

DEALING IN THE COMPANY'S SECURITIES

The Group has adopted an internal compliance code to provide guidance to its Directors and all employees of the Group with regard to dealings in the Company's securities. The code prohibits dealing in the Company's securities by the Directors and employees of the Group while in possession of unpublished price sensitive information. Directors and employees are not allowed to deal in the Company's securities on short-term considerations and during the two weeks before the release of the Company's first three quarters' financial results and during the one month before the release of the full year financial results. The Directors and employees are also required to adhere to the provisions of the Securities and Futures Act, Companies Act (Chapter 50), the Listing Manual and any other relevant regulations with regard to their securities transactions. They are also expected to observe insider trading laws at all times even when dealing in securities within the permitted trading period.

MATERIAL CONTRACTS

There were no material contracts entered into by the Company or its subsidiaries involving the interests of the CEO, Directors or controlling shareholders 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.

INTERESTED PERSON TRANSACTIONS ("IPTs")

The Company has established procedures to ensure that IPTs are undertaken on an arm's length basis, on normal commercial terms consistent with the Group's usual business practices and policies and on terms which are generally no more favourable to those extended to unrelated third parties.

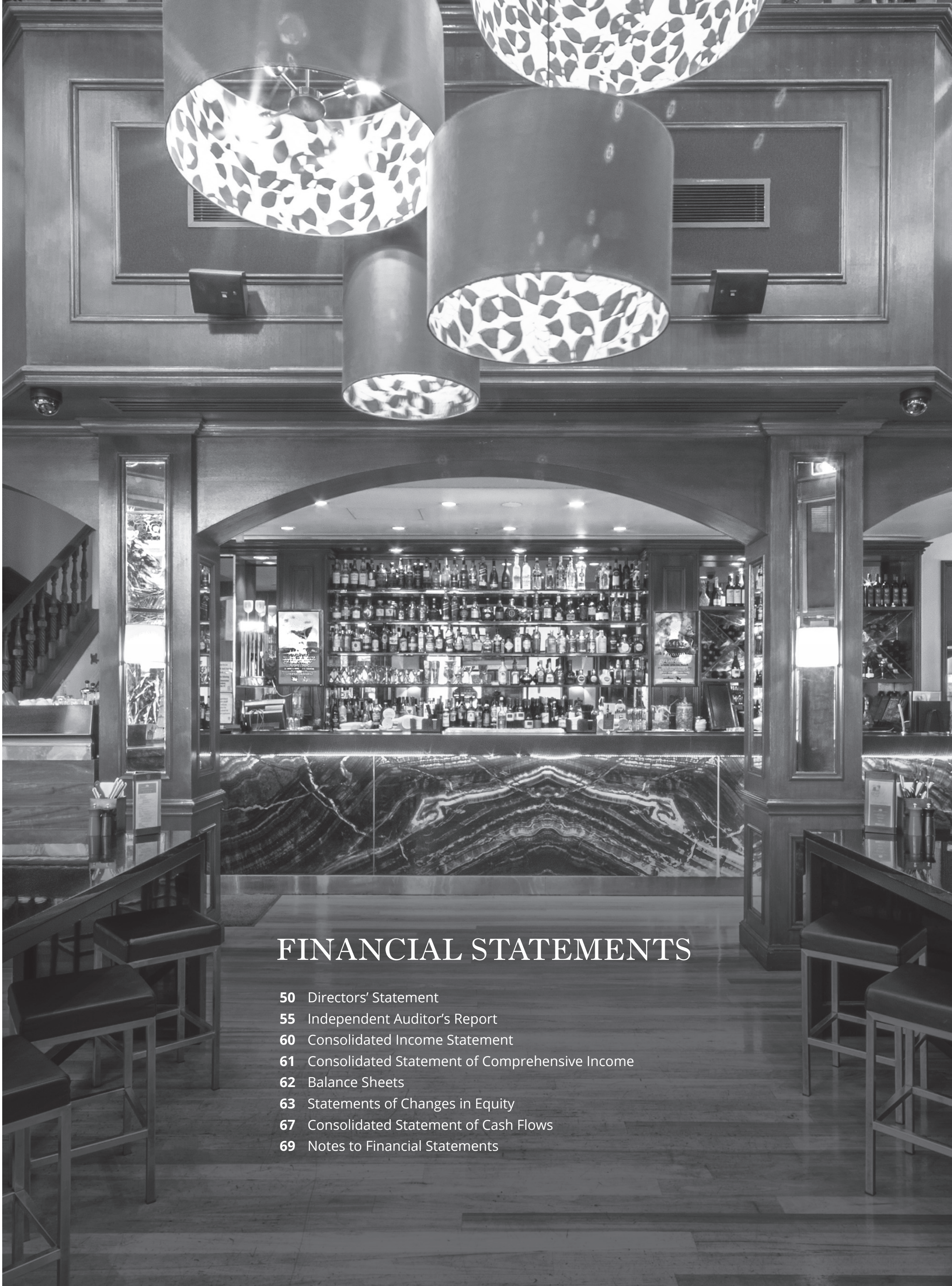
The Company maintains a register of all IPTs and details of significant IPTs in FY2017 are set out below:

Name of Interested Person	Aggregate value of all IPTs (excluding transactions less than S$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920)	Aggregate value of all IPTs conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than S$100,000)
Received from related parties:		
- Rental income	S$846,000	–
- Services rendered	S$847,000	–

The above IPTs are undertaken on an arm's length basis, on normal commercial terms consistent with the Group's usual business practices and policies and on terms which are generally no more favourable to those extended to unrelated third parties.

KEY MANAGEMENT EXECUTIVES

Name and Designation	Academic/Professional Qualifications	No. of Years with the Group	Prior Working Experience
Ciaran Handy *Senior Director, Operations*	• Diploma in Hotel & Catering Management, RTC Galway	1	Director of Operations of TFE Hotels
Lee Li Huang *Chief Financial Officer*	• Bachelor of Accountancy (Hons), Nanyang Technological University, Singapore • Chartered Accountant, Institute of Singapore Chartered Accountants	1	Chief Financial Officer of GDS Global Limited
Thomas Ong *Chief Operating Officer, Hotel Division*	• Advanced Certificate in Business Administration, University of Hong Kong, Hong Kong • Member, Association of International Accountants (UK) • Certified Hotel Administrator, American Hotel & Motel Association	16	Director of Operations of Bass Hotels and Resorts



FINANCIAL STATEMENTS

DIRECTORS' STATEMENT

For the financial year ended 31 March 2017

The directors are pleased to present their statement to the members together with the audited consolidated financial statements of Stamford Land Corporation Ltd (the "Company") and its subsidiaries (collectively, the "Group"), and the balance sheet and statement of changes in equity of the Company for the financial year ended 31 March 2017.

Opinion of the directors

In the opinion of the directors,

(i) the consolidated financial statements of the Group and the balance sheet and statement of changes in equity of the Company are drawn up so as to give a true and fair view of the financial position of the Group and of the Company as at 31 March 2017 and the financial performance, changes in equity and cash flows of the Group and the changes in equity of the Company for the financial year ended on that date; and

(ii) 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.

Directors

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

Mr Ow Chio Kiat	(Executive Chairman)
Mr Ow Cheo Guan	(Deputy Executive Chairman)
Mr Ow Yew Heng	(Executive Director and Chief Executive Officer)
Mr Mark Anthony James Vaile	
Dr Stanley Lai Tze Chang	
Mr Lim Teck Chai, Danny	(Appointed on 31 May 2017)

Arrangements to enable directors to acquire shares and debentures

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

Directors' interests in shares and debentures

The following directors, who held office at the end of the financial year had, according to the register of directors' shareholdings, required to be kept under Section 164 of the Singapore Companies Act, Chapter 50 (the "Act"), an interest in shares and share options of the Company and related corporations (other than wholly-owned subsidiaries) as stated below:

	Direct interest		Deemed interest	
Name of director	**At the beginning of financial year**	**At the end of financial year**	**At the beginning of financial year**	**At the end of financial year**
Ordinary shares of the Company				
Ow Chio Kiat	300,216,000	300,216,000	22,342,000	22,342,000
Ow Cheo Guan	3,730,000	3,730,000	26,400,000	26,400,000
Ow Yew Heng	10,000,000	10,000,000	–	–

There were no changes in any of the above-mentioned interests in the Company between the end of the financial year and 21 April 2017.

By virtue of Section 7 of the Act, Mr Ow Chio Kiat is deemed to have an interest in the ordinary shares of all the subsidiaries of the Company at the beginning and at the end of the financial year.

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

Stamford Land Corporation Ltd Share Option Plan and Performance Share Plan

The Company has in place the Stamford Land Corporation Ltd Share Option Plan 2015 ("SLC SOP") and the Stamford Land Corporation Ltd Performance Share Plan 2015 ("SLC PSP").

The SLC SOP and the SLC PSP were approved by the shareholders of the Company at the annual general meeting held on 30 July 2015. The SLC SOP and the SLC PSP are administered by the Remuneration Committee ("RC") which comprises the following three independent and non-executive directors at the date of this statement, who do not participate in either the SLC SOP or the SLC PSP:

Dr Stanley Lai Tze Chang (Chairman)
Mr Mark Anthony James Vaile
Mr Lim Teck Chai, Danny

Stamford Land Corporation Ltd Share Option Plan and Performance Share Plan (cont'd)

SLC SOP

- The persons eligible to participate in the SLC SOP are selected employees (which may include executive directors) of the Group of such rank as the RC may determine, and other participants selected by the RC, but shall exclude non-executive directors of the Group, independent directors of the Company and controlling shareholders. As at the date of this statement, no associate of any controlling shareholder is a participant in the SLC SOP.

- SLC SOP shall continue in force at the absolute discretion of the RC, subject to a maximum period of 10 years from 30 July 2015 (unless extended with the approval of the shareholders and any relevant authorities).

- The RC has the full discretion to grant options at an exercise price of either market price or at a discount to market price (provided that such discount shall not exceed 20% of the market price). Market price shall be determined based on an average of the last dealt prices for the shares on the Singapore Exchange Securities Trading Limited ("SGX-ST") for the three consecutive market days immediately preceding the date of the grant of the relevant option.

- Options granted at market price may be exercised after the expiry of one year from the date of the grant, whereas options granted at a discount to market price may only be exercised after the expiry of two years from the date of the grant.

- At the end of the financial year, there were no outstanding options granted under the SLC SOP.

SLC PSP

- The persons eligible to participate in the SLC PSP are either selected employees of the Group of such rank as the RC may determine, or other participants as selected by the RC at its discretion, but shall exclude the independent directors of the Company, controlling shareholders and the associates of such controlling shareholders.

- SLC PSP shall continue in force at the absolute discretion of the RC, subject to a maximum period of 10 years from 30 July 2015 (unless extended with the approval of the shareholders and any relevant authorities).

- An award granted under the SLC PSP represents the right to receive fully paid shares, free of charge, provided that certain pre-determined performance conditions (if applicable) are satisfied within the performance period (if applicable) during which such performance conditions are to be satisfied.

- At the end of the financial year, no awards under the SLC PSP have been granted to controlling shareholders or their associates, and directors, and no employee has received 5% or more of the total number of shares available/delivered pursuant to the grants under the SLC PSP.

Stamford Land Corporation Ltd Share Option Plan and Performance Share Plan (cont'd)

SLC PSP (cont'd)

During the financial year, two employees of the Group have been granted awards in relation to an aggregate number of 32,500 shares under the SLC PSP. Details of such share awards granted under the SLC PSP are as follows:

Date of grant	Market price on date of grant $	Number of share awards granted	Number of share award holders	Vesting period
1 August 2016	0.480	32,500	2	No vesting period imposed, shares were released and issued to the grantees on 1 August 2016

Size of SLC SOP and the SLC PSP

The aggregate number of shares which may be issued or delivered pursuant to options granted under the SLC SOP and awards granted under the SLC PSP, together with shares, options or awards granted under any other share scheme of the Company then in force (if any), shall not exceed 15% of the issued share capital of the Company, excluding treasury shares.

Audit and Risk Management Committee ("ARMC")

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

Mr Mark Anthony James Vaile (Chairman)
Dr Stanley Lai Tze Chang
Mr Lim Teck Chai, Danny

All members of the ARMC are non-executive and independent directors.

The ARMC held four meetings since the date of last directors' statement. In performing its functions, the ARMC met with the Group's external and internal auditors to discuss the scope of their work, the results of their examination and evaluation of the Group's internal accounting control system.

The ARMC carried out its functions in accordance with Section 201B of the Act and the Listing Manual of the SGX-ST ("Listing Manual"), and is guided by the Code of Corporate Governance. The ARMC's functions include (but not limited to) reviewing the following:

- assistance provided by the Group's officers to the internal and external auditors;
- quarterly financial information and annual financial statements of the Group and the Company prior to their submission to the directors of the Company for adoption;
- interested person transactions (as defined in Chapter 9 of the Listing Manual); and
- the amount of audit and non-audit fees paid to the external auditors of the Group.

Further details on the ARMC are disclosed in the Corporate Governance Report.

Auditor

Ernst & Young LLP has expressed their willingness to accept re-appointment as auditor.

On behalf of the board of directors,

Mr Ow Chio Kiat
Director

Mr Ow Yew Heng
Director

Singapore
16 June 2017

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Stamford Land Corporation Ltd (the "Company") and its subsidiaries (collectively, the "Group"), which comprise the balance sheets of the Group and the Company as at 31 March 2017, the statements of changes in equity of the Group and the Company, and the consolidated income statement, consolidated statement of comprehensive income and consolidated statement of cash flows of the Group for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements of the Group, the balance sheet and the statement of changes in equity of the Company are properly drawn up in accordance with the provisions of the Companies Act, Chapter 50 (the "Act") and Financial Reporting Standards in Singapore ("FRSs") so as to give a true and fair view of the consolidated financial position of the Group and the financial position of the Company as at 31 March 2017 and of the consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group and changes in equity of the Company for the year ended on that date.

Basis for opinion

We conducted our audit in accordance with Singapore Standards on Auditing ("SSAs"). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Group in accordance with the Accounting and Corporate Regulatory Authority ("ACRA") Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities ("ACRA Code") together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled our responsibilities described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying financial statements.

Key audit matters (cont'd)

Change of auditor and first year audit

The financial year ended 31 March 2017 is the first year that Ernst & Young LLP audited the financial statements of the Group. As a result, there were additional planning activities and considerations in addition to audit procedures performed for recurring audits necessary to establish an appropriate audit strategy and audit plan. We are also required to obtain sufficient appropriate audit evidence regarding the opening balances including the selection and application of accounting principles.

Our audit procedures included, among others, meeting with the board of directors and management team to gain an initial understanding of the Group's business, including its control environment and information systems, to make group-wide audit risk assessment and develop the audit strategy and audit plan. We have also inquired with and performed a file review with the predecessor auditor to obtain sufficient appropriate audit evidence in respect of the opening balances as of 1 April 2016, including evidence with respect to the appropriate selection and application of accounting policies.

Valuation of investment properties

The valuation of the investment properties is significant to our audit due to the magnitude of the carrying value as of 31 March 2017. As at 31 March 2017, the carrying value of investment properties is S$146.6 million. The valuation of the investment properties is highly dependent on a range of assumptions (including rental rates, rental growth rates, discount rates and terminal yield rates) made by external appraisers. These estimates are based on local market conditions existing at the end of each reporting date. The management uses external appraisers to support its determination of the fair value of the investment properties.

We considered the competence, capabilities and objectivity of the external appraisers. We assessed the appropriateness of the valuation model, data and assumptions (including rental rates, rental growth rates, discount rates and terminal yield rates) used by the external appraisers. Furthermore, we discussed with the external appraisers on the valuation techniques used in valuing the investment properties. We also assessed the adequacy of the disclosures related to investment properties in Note 14.

Valuation of completed properties for sale

The Group has residential properties held for sale in Sydney, Australia and Auckland, New Zealand. Completed properties for sale are stated at the lower of their cost and net realisable values. The determination of the estimated net realisable value of these completed properties is dependent upon the Group's expectations of future selling prices, which are estimated based on recent sales transactions, open market valuation of the unsold units or discounted cash flows on rental of the properties.

We assessed management's forecasted selling prices by comparing the forecasted selling prices to, where available, recently transacted prices and prices of comparable properties located in the same vicinity. Where such information are not available and cash flow projections based on rental are used, we evaluate the assumptions used (such as rental rates, duration of rental) by comparing the data to rental agreements. We also evaluated the discount rates used to determine the present value by comparing to external comparable data. For units which are expected to be sold below cost, we checked the computations of the write-down to net realisable value. We also considered the adequacy of the disclosures in Note 17 of the financial statements for these completed properties for sale.

Key audit matters (cont'd)

Appropriateness of the carrying value of the development properties

The Group constructs properties for sale in the ordinary course of business. As at 31 March 2017, the Group has capitalised S$219.4 million as development properties for sale, relating to costs incurred on Macquarie Park Village ("MPV") project in Sydney, Australia. Capitalised development costs are deemed significant to our audit, given it represents approximately 44% of the Group's net assets.

We have performed audit procedures over the accuracy, valuation and completeness of the costs recognised. We assessed the recognition criteria for the development costs and tested the costs on a sample basis to ensure costs are properly capitalised as development costs.

We also considered the adequacy of the disclosures in Note 18 of the financial statements for these development properties for sale.

Other matter

The financial statements for the year ended 31 March 2016 were audited by another auditor who expressed an unmodified opinion on those statements on 27 May 2016.

Other information

Management is responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of management and directors 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 Act and FRSs, 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 financial statements and to maintain accountability of assets.

In preparing the financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The directors' responsibilities include overseeing the Group's financial reporting process.

INDEPENDENT AUDITOR'S REPORT

to the Members of Stamford Land Corporation Ltd

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit 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 Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Auditor's responsibilities for the audit of the financial statements (cont'd)

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

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 subsidiary corporations incorporated in Singapore of which we are the auditors have been properly kept in accordance with the provisions of the Act.

The engagement partner on the audit resulting in this independent auditor's report is Lim Tze Yuen.

Ernst & Young LLP
Public Accountants and
Chartered Accountants
Singapore
16 June 2017

CONSOLIDATED INCOME STATEMENT

For the financial year ended 31 March 2017

		Group	
	Note	2017	2016
		$'000	$'000
Revenue	4	314,651	226,491
Interest income	5	1,936	2,218
Dividend income	6	147	148
Other losses (net)	7	(8,306)	(27,173)
Expenses			
Properties sold	17, 18	(97,523)	(18,253)
Consumables used		(16,608)	(16,803)
Staff costs	8	(68,845)	(65,624)
Depreciation expense	13	(11,893)	(11,745)
Other operating expenses	9	(65,390)	(56,817)
Finance costs on bank borrowings		(9,218)	(11,715)
Profit before tax		38,951	20,727
Income tax expense/(credit)	10	(4,400)	1,702
Profit for the financial year		34,551	22,429
Attributable to:			
Owners of the Company		34,551	22,429
Earnings per share (cents per share)			
Basic	12	4.00	2.60
Diluted	12	4.00	2.60

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the financial year ended 31 March 2017

	Group	
	2017	**2016**
	$'000	**$'000**
Profit for the year	34,551	22,429
Other comprehensive income:		
Items that will not be reclassified subsequently to profit or loss:		
Fair value gain on property, plant and equipment arising from change of use from property, plant and equipment to investment properties	–	3,300
Items that may be reclassified subsequently to profit or loss:		
Fair value loss on available-for-sale investments	(13)	(8)
Exchange differences on consolidation of foreign subsidiaries	18,084	(1,610)
Exchange differences on foreign currency loans forming part of net investment in foreign operations	(4,008)	(6,965)
Other comprehensive income for the year, net of tax	14,063	(5,283)
Total comprehensive income for the year	48,614	17,146
Attributable to:		
Owners of the Company	48,614	17,146

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

BALANCE SHEETS

As at 31 March 2017

	Note	Group 2017 $'000	Group 2016 $'000	Company 2017 $'000	Company 2016 $'000
ASSETS					
Non-current assets					
Property, plant and equipment	13	375,013	357,838	–	–
Investment properties	14	146,609	158,265	–	–
Investments in subsidiaries	15	–	–	367,170	299,725
Available-for-sale investments	16	385	398	385	398
Deferred tax assets	11	9,218	6,975	–	–
		531,225	523,476	367,555	300,123
Current assets					
Completed properties for sale	17	18,352	23,652	–	–
Development properties for sale	18	219,366	157,161	–	–
Inventories	19	1,375	1,240	–	–
Trade and other receivables	20	15,981	13,238	27,270	30,314
Tax recoverable		9,853	1,406	–	–
Investments held-for-trading	21	3,546	3,636	–	–
Cash and bank balances	23	118,848	137,507	3,004	33,010
		387,321	337,840	30,274	63,324
Total assets		918,546	861,316	397,829	363,447
LIABILITIES					
Current liabilities					
Trade and other payables	24	42,603	48,571	430	774
Current income tax liabilities		3,202	7,840	10,879	7,743
Derivative financial liabilities	22	–	1,986	–	337
Bank borrowings	25	–	279,455	–	–
		45,805	337,852	11,309	8,854
Non-current liabilities					
Amounts due to subsidiaries	26	–	–	209,476	199,699
Bank borrowings	25	364,916	60,897	–	–
Deferred tax liabilities	11	13,019	12,071	–	–
		377,935	72,968	209,476	199,699
Total liabilities		423,740	410,820	220,785	208,553
NET ASSETS		494,806	450,496	177,044	154,894
EQUITY					
Equity attributable to owners of the Company					
Share capital	27	144,632	144,616	144,632	144,616
Retained profits		357,450	327,219	32,082	9,935
Other reserves	28	(7,276)	(21,339)	330	343
TOTAL EQUITY		494,806	450,496	177,044	154,894

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

STATEMENTS OF CHANGES IN EQUITY

For the financial year ended 31 March 2017

Group	Note	Attributable to owners of the Company						
		Share capital	Share option reserve	Asset revaluation reserve	Fair value reserve	Foreign currency translation reserve	Retained profits	Total equity
		$'000	$'000	$'000	$'000	$'000	$'000	$'000
Balance at 1 April 2016		144,616	–	3,300	343	(24,982)	327,219	450,496
Profit for the year		–	–	–	–	–	34,551	34,551
Other comprehensive income for the year		–	–	–	(13)	14,076	–	14,063
Total comprehensive income for the year		–	–	–	(13)	14,076	34,551	48,614
Contributions by and distributions to owners								
Employee performance share scheme								
- value of employee services		–	16	–	–	–	–	16
Issue of new shares		16	(16)	–	–	–	–	–
Dividends on ordinary shares	29	–	–	–	–	–	(4,320)	(4,320)
Total contributions by and distributions to owners, representing total transactions with owners in their capacity as owners		16	–	–	–	–	(4,320)	(4,304)
Balance at 31 March 2017		144,632	–	3,300	330	(10,906)	357,450	494,806

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

STATEMENTS OF CHANGES IN EQUITY

For the financial year ended 31 March 2017

		Attributable to owners of the Company						
Group	**Note**	**Share capital**	**Share option reserve**	**Asset revaluation reserve**	**Fair value reserve**	**Foreign currency translation reserve**	**Retained profits**	**Total equity**
		$'000	**$'000**	**$'000**	**$'000**	**$'000**	**$'000**	**$'000**
Balance at 1 April 2015		144,556	–	–	351	(16,407)	330,709	459,209
Profit for the year		–	–	–	–	–	22,429	22,429
Other comprehensive income for the year		–	–	3,300	(8)	(8,575)	–	(5,283)
Total comprehensive income for the year		–	–	3,300	(8)	(8,575)	22,429	17,146
<u>Contributions by and distributions to owners</u>								
Employee performance share scheme								
- value of employee services		–	60	–	–	–	–	60
Issue of new shares		60	(60)	–	–	–	–	–
Dividends on ordinary shares	29	–	–	–	–	–	(25,919)	(25,919)
Total contributions by and distributions to owners, representing total transactions with owners in their capacity as owners		60	–	–	–	–	(25,919)	(25,859)
Balance at 31 March 2016		144,616	–	3,300	343	(24,982)	327,219	450,496

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

STATEMENTS OF CHANGES IN EQUITY

For the financial year ended 31 March 2017

Company	Note	Share capital $'000	Share option reserve $'000	Fair value reserve $'000	Retained profits $'000	Total equity $'000
Balance at 1 April 2016		144,616	–	343	9,935	154,894
Profit for the year		–	–	–	26,467	26,467
Other comprehensive income for the year		–	–	(13)	–	(13)
Total comprehensive income for the year		–	–	(13)	26,467	26,454
Contributions by and distributions to owners						
Employee performance share scheme						
- value of employee services		–	16	–	–	16
Issue of new shares		16	(16)	–	–	–
Dividends on ordinary shares	29	–	–	–	(4,320)	(4,320)
Total contributions by and distributions to owners, representing total transactions with owners in their capacity as owners		16	–	–	(4,320)	(4,304)
Balance at 31 March 2017		144,632	–	330	32,082	177,044

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

STATEMENTS OF CHANGES IN EQUITY

For the financial year ended 31 March 2017

Company	Note	Share capital $'000	Share option reserve $'000	Fair value reserve $'000	Retained profits $'000	Total equity $'000
Balance at 1 April 2015		144,556	–	351	38,651	183,558
Loss for the year		–	–	–	(2,797)	(2,797)
Other comprehensive income for the year		–	–	(8)	–	(8)
Total comprehensive income for the year		–	–	(8)	(2,797)	(2,805)
Contributions by and distributions to owners						
Employee performance share scheme						
- value of employee services		–	60	–	–	60
Issue of new shares		60	(60)	–	–	–
Dividends on ordinary shares	29	–	–	–	(25,919)	(25,919)
Total contributions by and distributions to owners, representing total transactions with owners in their capacity as owners		60	–	–	(25,919)	(25,859)
Balance at 31 March 2016		144,616	–	343	9,935	154,894

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

For the financial year ended 31 March 2017

	Note	Group 2017 $'000	Group 2016 $'000
Cash flows from operating activities			
Profit before tax		38,951	20,727
Adjustments for:			
Share-based compensation		16	60
Depreciation expense	13	11,893	11,745
Dividend income	6	(147)	(148)
Unrealised foreign exchange loss		5,137	2,546
Fair value loss on investment properties	7	11,489	21,945
Interest expense		9,218	11,715
Interest income	5	(1,936)	(2,218)
Loss on disposal of property, plant and equipment	7	2	11
Fair value loss on investments held-for-trading	7	91	88
Impairment loss on other receivables	7	255	–
Reversal of impairment loss on completed properties for sale	7	–	(392)
Operating cash flows before changes in working capital		74,969	66,079
Changes in working capital:			
Trade and other receivables		(3,014)	3,540
Inventories		(135)	282
Completed properties for sale		5,628	20,355
Development properties for sale		(53,922)	(95,657)
Trade and other payables		(4,902)	19,555
Derivative financial (assets)/liabilities		(1,986)	2,030
Cash flows from operations		16,638	16,184
Income tax paid		(19,393)	(14,463)
Net cash flows (used in)/from operating activities		(2,755)	1,721

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

For the financial year ended 31 March 2017

	Note	Group 2017 $'000	Group 2016 $'000
Cash flows from investing activities			
Purchase of property, plant and equipment	13	(10,533)	(11,696)
Interest received		1,956	2,252
Dividends received		147	148
Deposits pledged		852	(658)
Net cash flows used in investing activities		(7,578)	(9,954)
Cash flows from financing activities			
Proceeds from borrowings		168,199	43,218
Repayment of borrowings		(160,617)	(5,150)
Interest paid		(10,586)	(11,298)
Dividends paid		(4,320)	(25,919)
Net cash flows (used in)/from financing activities		(7,324)	851
Net decrease in cash and cash equivalents		(17,657)	(7,382)
Cash and cash equivalents at beginning of financial year		133,711	141,771
Effect of exchange rate changes on cash and cash equivalents		(1,539)	(678)
Cash and cash equivalents at end of financial year	23	114,515	133,711

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

1. Corporate Information

Stamford Land Corporation Ltd (the "Company") is a limited liability company incorporated and domiciled in Singapore and is listed on the Singapore Exchange Securities Trading Limited ("SGX-ST").

The registered office and principal place of business of the Company is located at 200 Cantonment Road, #09-01 Southpoint, Singapore 089763.

The principal activity of the Company is investment holding. The principal activities of the subsidiaries are disclosed in Note 15 to the financial statements.

2. Summary of significant accounting policies

2.1 Basis of preparation

The consolidated financial statements of the Group and the balance sheet and statement of changes in equity of the Company have been prepared in accordance with Singapore Financial Reporting Standards ("FRS").

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

The financial statements are presented in Singapore Dollars ("$") and all values in the tables are rounded to the nearest thousand ($'000), except when otherwise indicated.

2.2 Changes in accounting policies

The accounting policies adopted are consistent with those of the previous financial year except in the current financial year, the Group has adopted all the new and revised standards which are effective for annual financial periods beginning on or after 1 April 2016. The adoption of these standards did not have any effect on the financial performance or position of the Group and the Company.

2. Summary of significant accounting policies (cont'd)

2.3 Standards issued but not yet effective

The Group has not adopted the following standards applicable to the Group that have been issued but not yet effective:

Description	Effective for annual periods beginning on or after
Amendments to FRS 7: *Disclosure Initiative*	1 January 2017
Amendments to FRS 12: *Recognition of Deferred Tax Assets for Unrealised Losses*	1 January 2017
Improvements to FRSs (December 2016)	
- Amendments to FRS 112 *Disclosure of Interests in Other Entities*	1 January 2017
- Amendments to FRS 28 *Investments in Associates and Joint Ventures*	1 January 2018
Amendments to FRS 40 *Transfer of Investment Property*	1 January 2018
FRS 115 *Revenue from Contracts with Customers*	1 January 2018
FRS 109 *Financial Instruments*	1 January 2018
Amendments to FRS 102: *Classification and Measurement of Share-based Payment Transactions*	1 January 2018
INT FRS 122 *Foreign Currency Transactions and Advance Consideration*	1 January 2018
FRS 116 *Leases*	1 January 2019
Amendments to FRS 110 and FRS 28: *Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*	Date to be determined

Except for FRS 115, FRS 109 and FRS 116, the directors expect that the adoption of the standards above will have no material impact on the financial statements in the period of initial application. The nature of the impending changes in accounting policy on adoption of FRS 115, FRS 109 and FRS 116 are described below.

<u>FRS 115 *Revenue from Contracts with Customers*</u>

FRS 115 establishes a five-step model to account for revenue arising from contracts with customers. Under FRS 115, revenue is recognised at an amount that reflects the consideration which an entity expects to be entitled in exchange for transferring goods or services to a customer.

The new revenue standard will supersede all current revenue recognition requirements under FRS. Either a full or modified retrospective application is required for annual periods beginning on or after 1 January 2018 with early adoption permitted. The Group is currently assessing the impact of FRS 115 and plans to adopt the new standard on the required effective date.

2. Summary of significant accounting policies (cont'd)

2.3 Standards issued but not yet effective (cont'd)

FRS 109 *Financial Instruments*

FRS 109 introduces new requirements for classification and measurement of financial assets, impairment of financial assets and hedge accounting. Financial assets are classified according to their contractual cash flow characteristics and the business model under which they are held. The impairment requirements in FRS 109 are based on an expected credit loss model and replace the FRS 39 incurred loss model.

FRS 109 is effective for annual periods beginning on or after 1 January 2018 with early adoption permitted. The Group is currently assessing the impact of FRS 109 and plans to adopt the new standard on the required effective date.

FRS 116 *Leases*

FRS 116 requires lessees to recognise most leases on balance sheets to reflect the rights to use the leased assets and the associated obligations for lease payments as well as the corresponding interest expense and depreciation charges. The standard includes two recognition exemption for lessees, leases of 'low value' assets and short-term leases. The new standard is effective for annual periods beginning on or after 1 January 2019.

The Group is currently assessing the impact of FRS 116 and plans to adopt the new standard on the required effective date.

IFRS Convergence in 2018

Singapore incorporated companies listed on the SGX-ST will be required to apply a new financial reporting framework that is identical to the International Financial Reporting Standards ("SG-IFRS") for annual periods beginning on or after 1 January 2018. The Group will be adopting the new framework for the first time for the financial year ending 31 March 2019.

Based on a preliminary assessment of the potential impact arising from SG-IFRS 1 *First-time Adoption of International Financial Reporting Standards*, management does not expect any changes to the Group's current accounting policies or material adjustments on transition to the new framework.

Management is currently performing a detailed analysis of the available policy choices, transitional optional exemptions and transitional mandatory exceptions under SG-IFRS 1, and the preliminary assessment above may be subject to change arising from the detailed analysis.

2. Summary of significant accounting policies (cont'd)

2.4 Basis of consolidation and business combinations

a) Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at the end of the reporting period. The financial statements of the subsidiaries used in the preparation of the consolidated financial statements are prepared for the same reporting date as the Company. Consistent accounting policies are applied to like transactions and events in similar circumstances.

All intra-group balances, income and expenses and unrealised gains and losses resulting from intra-group transactions and dividends are eliminated in full.

Subsidiaries are consolidated from the date of acquisition, being the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases.

Losses within a subsidiary are attributed to the non-controlling interest even if that results in a deficit balance.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it:

- de-recognises the assets (including goodwill) and liabilities of the subsidiary at their carrying amounts at the date when control is lost;
- de-recognises the carrying amount of any non-controlling interest;
- de-recognises the cumulative translation differences recorded in equity;
- recognises the fair value of the consideration received;
- recognises the fair value of any investment retained;
- recognises any surplus or deficit in profit or loss; and
- re-classifies the Group's share of components previously recognised in other comprehensive income to profit or loss or retained earnings, as appropriate.

b) Business combinations

Business combinations are accounted for by applying the acquisition method. Identifiable assets acquired and liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. Acquisition-related costs are recognised as expenses in the periods in which the costs are incurred and the services are received.

2. Summary of significant accounting policies (cont'd)

2.4 Basis of consolidation and business combinations (cont'd)

b) Business combinations (cont'd)

Any contingent consideration to be transferred by the acquirer will be recognised at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration which is deemed to be an asset or liability, will be recognised in profit or loss.

The Group elects for each individual business combination, whether non-controlling interest in the acquiree (if any), that are present ownership interests and entitle their holders to a proportionate share of net assets in the event of liquidation, is recognised on the acquisition date at fair value, or at the non-controlling interest's proportionate share of the acquiree's identifiable net assets. Other components of non-controlling interests are measured at their acquisition date fair value, unless another measurement basis is required by another FRS.

Any excess of the sum of the fair value of the consideration transferred in the business combination, the amount of non-controlling interest in the acquiree (if any), and the fair value of the Group's previously held equity interest in the acquiree (if any), over the net fair value of the acquiree's identifiable assets and liabilities is recorded as goodwill. In instances where the latter amount exceeds the former, the excess is recognised as gain on bargain purchase in profit or loss on the acquisition date.

c) Subsidiaries

A subsidiary is an investee that is controlled by the Group. The Group controls an investee when it is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

In the Company's separate financial statements, investments in subsidiaries are accounted for at cost less impairment losses.

2.5 Foreign currency

The financial statements are presented in Singapore Dollars, which is also the Company's functional currency. Each entity in the Group determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency.

a) Transactions and balances

Transactions in foreign currencies are measured in the respective functional currencies of the Company and its subsidiaries and are recorded on initial recognition in the functional currencies at exchange rates approximating those ruling at the transaction dates.

Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the end of the reporting period.

2. Summary of significant accounting policies (cont'd)

2.5 Foreign currency (cont'd)

a) Transactions and balances (cont'd)

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was measured.

Exchange differences arising on the settlement of monetary items or on translating monetary items at the end of the reporting period are recognised in profit or loss. Exchange differences arising on monetary items that form part of the Group's net investment in foreign operations are recognised initially in other comprehensive income and accumulated under foreign currency translation reserve in equity. The foreign currency translation reserve is reclassified from equity to profit or loss of the Group on disposal of the foreign operation.

b) Consolidated financial statements

For consolidation purpose, the assets and liabilities of foreign operations are translated into Singapore Dollars at the rate of exchange ruling at the end of the reporting period and their profit or loss are translated at the exchange rates prevailing at the date of the transactions. The exchange differences arising on the translation are recognised in other comprehensive income. On disposal of a foreign operation, the component of other comprehensive income relating to that particular foreign operation is recognised in profit or loss.

2.6 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured, regardless of when the payment is made. Revenue is measured at the fair value of consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duty.

a) Revenue from sale of goods

Revenue from 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.

b) Revenue from rendering of services

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

2. Summary of significant accounting policies (cont'd)

2.6 Revenue (cont'd)

c) Rental income

Rental income arising from operating leases on investment properties is accounted for on a straight-line basis over the lease terms. The aggregate costs of incentives provided to lessees are recognised as a reduction of rental income over the lease term on a straight-line basis.

d) Dividend income

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

e) Interest income

Interest income is recognised using the effective interest method.

2.7 Employee benefits

a) Defined contribution plans

The Group participates in the national pension schemes as defined by the laws of the countries in which it has operations. In particular, the Singapore companies in the Group make contributions to the Central Provident Fund scheme in Singapore, a defined contribution pension scheme. Contributions to defined contribution pension schemes are recognised as an expense in the period in which the related service is performed.

b) Employee leaves entitlement

Employee entitlements to annual leave are recognised as a liability when they are accrued to the employees. The undiscounted liability for leave expected to be settled wholly before twelve months after the end of the reporting period is recognised for services rendered by employees up to the end of the reporting period.

c) Share-based compensation

Employees of the Group receive remuneration in the form of share awards as consideration for services rendered.

The cost of these equity-settled transactions with employees is measured by reference to the fair value of the awards at the date on which the awards are granted. In valuing the share awards, no account is taken of any performance conditions, other than conditions linked to the price of the shares of the Company.

This cost is recognised in the profit and loss account as share-based compensation expense, with a corresponding increase in the share option reserve. When the new shares are issued to the employees, the proceeds received (net of transaction costs) and the related balance previously recognised in the share option reserve are credited to share capital.

2. Summary of significant accounting policies (cont'd)

2.8 Taxes

a) Current income tax

Current income tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the end of the reporting period, in the countries where the Group operates and generates taxable income.

Current income taxes are recognised in profit or loss except to the extent that the tax relates to items recognised outside profit or loss, either in other comprehensive income or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

b) Deferred tax

Deferred tax is provided using the liability method on temporary differences at the end of the reporting period between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognised for all temporary differences, except:

- Where the deferred tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and

- In respect of taxable temporary differences associated with investments in subsidiaries, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised except:

- Where the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and

- In respect of deductible temporary differences associated with investments in subsidiaries, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

2. Summary of significant accounting policies (cont'd)

2.8 Taxes (cont'd)

b) Deferred tax (cont'd)

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at the end of each reporting period and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the end of each reporting period.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity and deferred tax arising from a business combination is adjusted against goodwill on acquisition.

c) Sales Tax

Revenues, expenses and assets are recognised net of the amount of sales tax except:

- Where the sales tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case the sales tax is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and

- Receivables and payables that are stated with the amount of sales tax included.

2.9 Borrowing costs

Borrowing costs are capitalised as part of the cost of a qualifying asset if they are directly attributable to the acquisition, construction or production of that asset. Capitalisation of borrowing costs commences when the activities to prepare the asset for its intended use or sale are in progress and the expenditures and borrowing costs are incurred. Borrowing costs are capitalised until the assets are substantially completed for their intended use or sale. All other borrowing costs are expensed in the period they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

2. Summary of significant accounting policies (cont'd)

2.10 Property, plant and equipment

All items of property, plant and equipment are initially recorded at cost. Subsequent to recognition, property, plant and equipment other than freehold land are measured at cost less accumulated depreciation and any accumulated impairment losses.

Freehold land is stated at cost as it has an unlimited useful life and therefore is not depreciated.

Depreciation is computed on a straight-line basis over the estimated useful lives of the assets 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

Assets under construction are not depreciated as these assets are not yet available for use.

The carrying values of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable.

The residual value, useful life and depreciation method are reviewed at each financial year-end and adjusted prospectively, if appropriate.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on de-recognition of the asset is included in profit or loss in the year the asset is derecognised.

When there is a change of use from an owner-occupied property to an investment property, the property is remeasured to fair value at the date of the change in use. Any gain arising on remeasurement is recognised in profit or loss to the extent that it reverses any previous impairment allowance with the remaining gain recognised in equity under asset revaluation reserve. The asset revaluation reserve is transferred to retained profits upon disposal of the property. Any loss is recognised directly to the profit or loss.

2.11 Investment properties

Investment properties are properties that are either owned by the Group or leased under a finance lease that are held to earn rentals or for capital appreciation, or both, rather than for use in the production or supply of goods or services, or for administrative purposes, or in the ordinary course of business. Investment properties comprise completed investment properties and properties that are being constructed or developed for future use as investment properties. Properties held under operating leases are classified as investment properties when the definition of an investment property is met.

Investment properties are initially measured at cost, including transaction costs.

2. Summary of significant accounting policies (cont'd)

2.11 Investment properties (cont'd)

Subsequent to initial recognition, investment properties are measured at fair value. Gains or losses arising from changes in the fair values of investment properties are included in profit or loss in the year in which they arise.

Investment properties are derecognised when either they have been disposed of or when the investment property is permanently withdrawn from use and no future economic benefit is expected from its disposal. Any gains or losses on the retirement or disposal of an investment property are recognised in profit or loss in the year of retirement or disposal.

2.12 Impairment of non-financial assets

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when an annual impairment testing for an asset is required, the Group makes an estimate of the asset's recoverable amount.

An asset's recoverable amount is the higher of an asset's or cash-generating unit's fair value less costs of disposal and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. Where the carrying amount of an asset or cash-generating unit exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

Impairment losses of continuing operations are recognised in profit or loss, except for assets that are previously revalued where the revaluation was taken to other comprehensive income. In this case, the impairment is also recognised in other comprehensive income up to the amount of any previous revaluation.

A previously recognised impairment loss 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. If that is the case, the carrying amount of the asset is increased to its recoverable amount. That increase cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised previously. Such reversal is recognised in profit or loss unless the asset is measured at revalued amount, in which case the reversal is treated as a revaluation increase.

2.13 Development properties

Development properties are properties being constructed for sale in the ordinary course of business, rather than to be held for the Group's own use, rental or capital appreciation. Upon completion of the construction, any unsold completed properties are transferred and accounted as completed properties for sale.

Development properties are held as inventories and are measured at the lower of cost and net realisable value.

Net realisable value of development properties is the estimated selling price in the ordinary course of business, based on market prices at the reporting date and discounted for the time value of money if material, less the estimated costs of completion and the estimated costs necessary to make the ale.

2. Summary of significant accounting policies (cont'd)

2.13 Development properties (cont'd)

The costs of development properties recognised in profit or loss on disposal are determined with reference to the specific costs incurred on the property sold and an allocation of any non-specific costs based on the relative size of the property sold.

2.14 Financial instruments

a) Financial assets

Initial recognition and measurement

Financial assets are recognised when, and only when, the Group becomes a party to the contractual provisions of the financial instrument. The Group determines the classification of its financial assets at initial recognition.

When financial assets are recognised initially, they are measured at fair value, plus, in the case of financial assets not at fair value through profit or loss, directly attributable transaction costs.

Subsequent measurement

The subsequent measurement of financial assets depends on their classification as follows:

i. Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss include financial assets held for trading. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. This category includes derivative financial instruments entered into by the Group. Derivatives, including separated embedded derivatives are also classified as held for trading.

Subsequent to initial recognition, financial assets at fair value through profit or loss are measured at fair value. Any gains or losses arising from changes in fair value of the financial assets are recognised in profit or loss. Net gains or net losses on financial assets at fair value through profit or loss include exchange differences, interest and dividend income.

Derivatives embedded in host contracts are accounted for as separate derivatives and recorded at fair value if their economic characteristics and risks are not closely related to those of the host contracts and the host contracts are not measured at fair value with changes in fair value recognised in profit or loss. These embedded derivatives are measured at fair value with changes in fair value recognised in profit or loss. Reassessment only occurs if there is a change in the terms of the contract that significantly modifies the cash flows that would otherwise be required.

2. Summary of significant accounting policies (cont'd)

2.14 Financial instruments (cont'd)

a) Financial assets (cont'd)

Subsequent measurement (cont'd)

ii. Loans and receivables

Non-derivative financial assets with fixed or determinable payments that are not quoted in an active market are classified as loans and receivables. Subsequent to initial recognition, loans and receivables are measured at amortised cost using the effective interest method, less impairment. Gains and losses are recognised in profit or loss when the loans and receivables are derecognised or impaired, and through the amortisation process.

iii. Available-for-sale financial assets

Available-for-sale financial assets include equity and debt securities. Equity investments classified as available-for-sale are those, which are neither classified as held for trading nor designated at fair value through profit or loss. Debt securities in this category are those which are intended to be held for an indefinite period of time and which may be sold in response to needs for liquidity or in response to changes in the market conditions.

After initial recognition, available-for-sale financial assets are subsequently measured at fair value. Any gains or losses from changes in fair value of the financial assets are recognised in other comprehensive income, except that impairment losses, foreign exchange gains and losses on monetary instruments and interest calculated using the effective interest method are recognised in profit and loss. The cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to profit and loss as a reclassification adjustment when the financial asset is de-recognised.

Investment in equity instruments whose fair value cannot be reliably measured are measured at cost less impairment loss.

De-recognition

A financial asset is derecognised where the contractual right to receive cash flows from the asset has expired. On de-recognition of a financial asset in its entirety, the difference between the carrying amount and the sum of the consideration received and any cumulative gain or loss that had been recognised in other comprehensive income is recognised in profit or loss.

2. Summary of significant accounting policies (cont'd)

2.14 Financial instruments (cont'd)

b) Financial liabilities

Initial recognition and measurement

Financial liabilities are recognised when, and only when, the Group becomes a party to the contractual provisions of the financial instrument. The Group determines the classification of its financial liabilities at initial recognition.

All financial liabilities are recognised initially at fair value plus in the case of financial liabilities not at fair value through profit or loss, directly attributable transaction costs.

Subsequent measurement

Subsequent to initial recognition, financial liabilities that are not carried at fair value through profit or loss are subsequently measured at amortised cost using the effective interest method. Gains and losses are recognised in profit or loss when the liabilities are derecognised, and through the amortisation process.

Financial liabilities at fair value through profit or loss are measured at fair value. Any gains or losses arising from changes in fair value of the financial liabilities are recognised in profit or loss.

De-recognition

A financial liability is de-recognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a de-recognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in profit or loss.

2.15 Impairment of financial assets

The Group assesses at each reporting date whether there is any objective evidence that a financial asset is impaired.

a) Financial assets carried at amortised cost

For financial assets carried at amortised cost, the Group first assesses whether objective evidence of impairment exists individually for financial assets that are individually significant, or collectively for financial assets that are not individually significant. If the Group determines that no objective evidence of impairment exists for an individually assessed financial asset, whether significant or not, it includes the asset in a group of financial assets with similar credit risk characteristics and collectively assesses them for impairment. Assets that are individually assessed for impairment and for which an impairment loss is, or continues to be recognised are not included in a collective assessment of impairment.

2. Summary of significant accounting policies (cont'd)

2.15 Impairment of financial assets (cont'd)

a) Financial assets carried at amortised cost (cont'd)

If there is objective evidence that an impairment loss on financial assets carried at amortised cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate. If a loan has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate. The carrying amount of the asset is reduced through the use of an allowance account. The impairment loss is recognised in profit or loss.

When the asset becomes uncollectible, the carrying amount of impaired financial asset is reduced directly or if an amount was charged to the allowance account, the amounts charged to the allowance account are written off against the carrying value of the financial asset.

To determine whether there is objective evidence that an impairment loss on financial assets has been incurred, the Group considers factors such as the probability of insolvency or significant financial difficulties of the debtor and default or significant delay in payments.

If in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed to the extent that the carrying amount of the asset does not exceed its amortised cost at the reversal date. The amount of reversal is recognised in profit or loss.

b) Financial assets carried at cost

If there is objective evidence (such as significant adverse changes in the business environment where the issuer operates, probability of insolvency or significant financial difficulties of the issuer) that an impairment loss on financial assets carried at cost had been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the current market rate of return for a similar financial asset. Such impairment losses are not reversed in subsequent periods.

c) Available-for-sale financial assets

In the case of equity investments classified as available-for-sale, objective evidence of impairment include (i) significant financial difficulty of the issuer or obligor, (ii) information about significant changes with an adverse effect that have taken place in the technological, market, economic or legal environment in which the issuer operates, and indicates that the cost of the investment in equity instrument may not be recovered; and (iii) a significant or prolonged decline in the fair value of the investment below its costs.

2. Summary of significant accounting policies (cont'd)

2.15 Impairment of financial assets (cont'd)

c) Available-for-sale financial assets (cont'd)

If an available-for-sale financial asset is impaired, an amount comprising the difference between its acquisition cost (net of any principal repayment and amortisation) and its current fair value, less any impairment loss previously recognised in profit or loss, is transferred from other comprehensive income and recognised in profit or loss. Reversals of impairment losses in respect of equity instruments are not recognised in profit or loss; increase in their fair value after impairment are recognised directly in other comprehensive income.

2.16 Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand, demand deposits, and short-term, highly liquid investments that are readily convertible to known amount of cash and which are subject to an insignificant risk of changes in value.

2.17 Financial guarantee

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with the terms of a debt instrument.

Financial guarantees are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequent to initial recognition, financial guarantees are recognised as income in profit or loss over the period of the guarantee. If it is probable that the liability will be higher than the amount initially recognised less amortisation, the liability is recorded at the higher amount with the difference charged to profit or loss.

2.18 Inventories

Inventories are stated 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.

Where necessary, allowance is provided for damaged, obsolete and slow moving items to adjust the carrying value of inventories to the lower of cost and net realisable value.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

2. Summary of significant accounting policies (cont'd)

2.19 Provisions

Provisions are 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 the amount of the obligation can be estimated reliably.

Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of economic resources will be required to settle the obligation, the provision is reversed. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

2.20 Leases

a) As lessee

Operating lease payments are recognised as an expense in profit or loss on a straight-line basis over the lease term. The aggregate benefit of incentives provided by the lessor is recognised as a reduction of rental expense over the lease term on a straight-line basis.

b) As lessor

Leases in which the Group does not transfer substantially all the risks and rewards of ownership of the asset are classified as operating leases. Initial direct costs incurred in negotiating an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same bases as rental income.

Contingent rents are recognised as revenue in the period in which they are earned.

2.21 Completed properties for sale

Completed properties for sale are those which are intended for sale in the ordinary course of business.

Completed properties are held as inventories and are measured at the lower of cost and net realisable value.

Net realisable value of completed properties is the estimated selling price in the ordinary course of business, based on market prices at the reporting date and discounted for the time value of money if material, less the costs necessary to make the sale.

2.22 Share capital and share issuance expenses

Proceeds from issuance of ordinary shares are recognised as share capital in equity. Incremental costs directly attributable to the issuance of ordinary shares are deducted against share capital.

2. Summary of significant accounting policies (cont'd)

2.23 Contingencies

A contingent liability is:

a) a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group; or

b) a present obligation that arises from past events but is not recognised because:

  (i) It is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or

  (ii) The amount of the obligation cannot be measured with sufficient reliability.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group.

Contingent liabilities and assets are not recognised on the balance sheet of the Group, except for contingent liabilities assumed in a business combination that are present obligations and which the fair values can be reliably determined.

3. Significant accounting judgements and estimates

The preparation of the Group's consolidated financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities at the end of each reporting period. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in the future periods.

3.1 Judgments made in applying accounting policies

Management is of the view that there is no significant judgement made in applying accounting policies that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial period.

3.2 Key sources of estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the end of the reporting period are discussed below. The Group based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

3. Significant accounting judgements and estimates (cont'd)

3.2 Key sources of estimation uncertainty (cont'd)

(a) Valuation of completed properties for sale and development properties for sale

Completed properties and development properties are measured at the lower of cost and net realisable value.

The determination of the estimated net realisable value of these properties is dependent upon the Group's expectations of future selling prices, which are estimated based on recent sales transactions and open market valuation of the unsold units. Market conditions may, however, change which may affect the future selling prices on the remaining unsold units and accordingly, further impairment loss may be required or reversed in future periods.

The carrying amounts of the Group's completed properties for sale and development properties for sale are set out in Notes 17 and 18 respectively.

(b) Valuation of investment properties

The Group carries its investment properties at fair value, with changes in fair value being recognised in profit or loss. The Group engaged external appraisers to assess fair value as at 31 March 2017. The fair values of the investment properties are determined by the independent external appraisers using recognised valuation techniques. These techniques comprise of direct sales comparison method, discounted cash flow method and capitalisation method. The key assumptions used to determine the fair value of the investment properties are provided in Note 33.

The carrying amount of the Group's investment properties as at 31 March 2017 are set out in Note 14.

4. Revenue

	Group	
	2017	**2016**
	$'000	**$'000**
Rendering of services from hotel operations	178,753	172,806
Rental income	18,156	13,896
Sale of properties	115,066	36,585
Others	2,676	3,204
	314,651	226,491

5. Interest income

	Group	
	2017	2016
	$'000	$'000
Interest income from bank deposits	1,936	2,218

6. Dividend income

	Group	
	2017	2016
	$'000	$'000
Dividend income from quoted equity securities	147	148

7. Other losses (net)

	Group	
	2017	2016
	$'000	$'000
Fair value loss on investments held-for-trading	(91)	(88)
Fair value loss on investment properties (Note 14)	(11,489)	(21,945)
Loss on disposal of property, plant and equipment	(2)	(11)
Foreign exchange gain/(loss)	3,533	(5,497)
Inventories written off	(2)	(24)
Reversal of impairment loss on completed properties for sale	–	392
Impairment loss on other receivables	(255)	–
	(8,306)	(27,173)

8. Staff costs

	Group	
	2017	2016
	$'000	$'000
Staff costs including directors' remuneration	68,845	65,624
Share-based compensation	16	60
Contributions to defined contribution plans included in staff costs	4,775	4,307

9. Other operating expenses

Other operating expenses include the following:

	Group	
	2017	2016
	$'000	$'000
Audit fees paid to auditors of the Company	150	155
Audit fees paid to other auditors	163	210
Commission and reservation expenses	8,287	7,972
Land lease	5,286	4,176
Utilities and telecommunication	6,351	6,103
Repairs and maintenance	7,089	4,846
Advertising and promotion	4,411	2,549
Property taxes and rates	5,639	5,566
Hotel supplies and services	3,095	2,895
Consultancy, legal and professional fees	2,070	1,477
Insurance	685	633

10. Income tax

Major components of income tax expense/(credit)

The major components of income tax expense/(credit) for the years ended 31 March 2017 and 2016 are:

	Group	
	2017	2016
	$'000	$'000
Current income tax	5,726	10,939
Deferred income tax	(1,316)	(12,462)
	4,410	(1,523)
Over provision in respect of previous years	(10)	(179)
Income tax expense/(credit) recognised in profit and loss	4,400	(1,702)

10. Income tax (cont'd)

Relationship between income tax expense/(credit) and accounting profit

A reconciliation between income tax expense/(credit) and the product of accounting profit multiplied by the applicable corporate tax rate for the years ended 31 March 2017 and 2016 is as follows:

	Group	
	2017	**2016**
	$'000	**$'000**
Profit before tax	38,951	20,727
Taxation at statutory tax rate of 17% (2016: 17%)	6,622	3,524
Adjustments:		
Non-deductible expenses	1,564	394
Income not subject to taxation	(72)	(388)
Utilisation of deferred tax assets previously not recognised	–	(1,768)
Recognition of previously unrecognised tax losses	–	(5,114)
Effect of different tax rates of overseas operations	(3,704)	1,829
Over provision in respect of previous years	(10)	(179)
Income tax expense/(credit) recognised in profit and loss	4,400	(1,702)

11. Deferred tax

Deferred tax as at 31 March relates to the following:

	Group			
	Consolidated Balance Sheet		Consolidated Income Statement	
	2017	**2016**	**2017**	**2016**
	$'000	**$'000**	**$'000**	**$'000**
Deferred tax liabilities:				
Differences in depreciation for tax purposes	(6,170)	(8,947)	(511)	8,947
Fair value on investment properties	(9,563)	(12,465)	(3,279)	(7,023)
	(15,733)	(21,412)		
Deferred tax assets:				
Provisions	2,890	3,121	(229)	(1,191)
Unutilised tax losses	9,042	13,195	2,703	(13,195)
	11,932	16,316		
Deferred income tax			(1,316)	(12,462)

11. Deferred tax (cont'd)

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset and when the deferred taxes relate to the same fiscal authority. The amounts determined after appropriate offsetting, are shown on the balance sheet as follows:

	Group	
	2017	**2016**
	$'000	**$'000**
Deferred tax assets	9,218	6,975
Deferred tax liabilities	(13,019)	(12,071)
	(3,801)	(5,096)

As at 31 March 2017, certain subsidiaries of the Group have unutilised tax losses of $22,131,000 (2016: $20,468,000). The unutilised tax losses are available for carry forward and set off against future taxable profits subject to agreement by the Comptroller of Income Tax and compliance with the relevant provisions of the Singapore Income Tax Act. Deferred tax assets amounting to $3,762,000 (2016: $3,480,000) have not been recognised in the financial statements because it is uncertain whether future taxable profits will be available against which the aforementioned subsidiaries can utilise the benefits arising therefrom.

12. Earnings per share

The following tables reflect the profit and share data used in the computation of basic and diluted earnings per share for the financial years ended 31 March:

	Group	
	2017	**2016**
	$'000	**$'000**
Profit for the year attributable to owners of the Company	34,551	22,429

	Group	
	2017	**2016**
	No. of shares	**No. of shares**
	'000	**'000**
Weighted average number of ordinary shares for basic and diluted earnings per share computation	863,971	863,903

The basic and diluted earnings per share are calculated by dividing the profit for the year attributable to owners of the Company by the weighted average number of ordinary shares. There are no dilutive potential ordinary shares outstanding during the financial year.

13. Property, plant and equipment

Group	Freehold land $'000	Freehold buildings $'000	Leasehold land and buildings $'000	Renovations, furniture and fittings $'000	Motor vehicles $'000	Equipment and computers $'000	Assets under construction $'000	Total $'000
Cost:								
At 1 April 2015	62,353	236,265	103,091	66,639	585	86,244	1,214	556,391
Additions	–	312	2	3,890	–	3,030	4,462	11,696
Transfer to investment properties (Note 14)	–	–	(6,451)	–	–	–	–	(6,451)
Disposals	–	–	–	(2,292)	–	(209)	–	(2,501)
Reclassifications	–	4,526	–	–	–	–	(4,526)	–
Revaluation adjustment	–	–	3,300	–	–	–	–	3,300
Exchange differences	(2,237)	(8,882)	(1,401)	(1,742)	(8)	(1,577)	(18)	(15,865)
At 31 March 2016 and 1 April 2016	60,116	232,221	98,541	66,495	577	87,488	1,132	546,570
Additions	–	1,257	–	7,250	–	1,884	142	10,533
Transfer from investment properties (Note 14)	–	–	4,986	–	–	–	–	4,986
Disposals	–	–	–	(31)	–	(30)	–	(61)
Exchange differences	2,432	9,435	3,571	2,683	21	3,306	43	21,491
At 31 March 2017	62,548	242,913	107,098	76,397	598	92,648	1,317	583,519
Accumulated depreciation:								
At 1 April 2015	–	54,346	20,771	56,429	534	53,120	–	185,200
Depreciation for the financial year	–	2,038	1,945	3,150	24	4,588	–	11,745
Transfer to investment properties (Note 14)	–	–	(722)	–	–	–	–	(722)
Disposals	–	–	–	(2,320)	–	(170)	–	(2,490)
Exchange differences	–	(2,410)	(253)	(1,294)	(7)	(1,037)	–	(5,001)
At 31 March 2016 and 1 April 2016	–	53,974	21,741	55,965	551	56,501	–	188,732
Depreciation for the financial year	–	2,764	1,568	3,099	6	4,456	–	11,893
Disposals	–	–	–	(27)	–	(24)	–	(51)
Exchange differences	–	2,279	1,210	2,273	19	2,151	–	7,932
At 31 March 2017	–	59,017	24,519	61,310	576	63,084	–	208,506
Net book value:								
At 31 March 2017	62,548	183,896	82,579	15,087	22	29,564	1,317	375,013
At 31 March 2016	60,116	178,247	76,800	10,530	26	30,987	1,132	357,838

13. Property, plant and equipment (cont'd)

During the financial year, the Group transferred a portion of a leasehold building with carrying amount of $4,986,000 from investment property to owner-occupied property due to a change in use (Note 14).

In financial year ended 31 March 2016, the Group transferred a portion of a leasehold building with a net book value of $5,729,000 from owner-occupied property to investment property due to change in use (Note 14). The fair value relating to the change in use of $3,300,000 was recognised in equity under asset revaluation reserve.

As at 31 March 2017, freehold land and buildings with a carrying value of $230,748,000 (2016: $315,163,000) are mortgaged to secure bank borrowings (Note 25).

14. Investment properties

Group	**Freehold land and buildings**	**Leasehold property**	**Total**
	$'000	**$'000**	**$'000**
At 1 April 2015	162,161	14,966	177,127
Exchange differences	(2,646)	–	(2,646)
Transfer from property, plant and equipment (Note 13)	–	5,729	5,729
Fair value (loss)/gain (Note 7)	(23,410)	1,465	(21,945)
At 31 March 2016 and 1 April 2016	136,105	22,160	158,265
Exchange differences	4,819	–	4,819
Transfer to property, plant and equipment (Note 13)	–	(4,986)	(4,986)
Fair value loss (Note 7)	(10,931)	(558)	(11,489)
At 31 March 2017	129,993	16,616	146,609

	Group	
	2017	**2016**
	$'000	**$'000**
Rental and service income from investment properties	17,161	12,865
Direct operating expenses (arising from rental generating properties)	3,508	1,245

All investment properties are leased out under operating lease arrangements.

14. Investment properties (cont'd)

The Group has no restrictions on the realisability on its investment properties and no contractual obligations to purchase, construct or develop investment property or for repair, maintenance or enhancements.

Valuation of investment properties

Investment properties are stated at fair value which has been determined based on valuations performed as at 31 March 2017. The valuations were performed by independent external appraisers with recognised and relevant professional qualification and with recent experience in the location and category of the properties being valued. Details of valuation techniques and inputs used are disclosed in Note 33.

Transfer to/from property, plant and equipment

During the financial year, the Group transferred a portion of a leasehold building from investment property to owner-occupied property due to a change in use (Note 13).

In financial year ended 31 March 2016, the Group transferred a portion of a leasehold building from owner-occupied property to investment property due to a change in use (Note 13).

The investment properties held by the Group as at 31 March 2017 and 2016 are as follows:

Description and Location	Existing Use	Tenure	Unexpired lease term (years)
Commercial building in Perth, Australia	Shops and offices	Freehold	–
One floor of office building on Cantonment Road in Singapore	Offices	Leasehold	70

As at 31 March 2017, investment property with a carrying value of $129,993,000 (2016: $136,105,000) is mortgaged to secure bank borrowings (Note 25).

15. Investments in subsidiaries

	Company	
	2017	2016
	$'000	$'000
Cost of investments	165,955	79,174
Loans forming part of net investment in subsidiaries	180,357	199,493
Financial guarantees to subsidiaries	22,129	22,129
	368,441	300,796
Impairment losses	(1,271)	(1,071)
	367,170	299,725

15. Investments in subsidiaries (cont'd)

	Company 2017 $'000	Company 2016 $'000
Movements in allowance for impairment is as follows:		
At beginning of the year	1,071	1,071
Impairment during the year	200	–
At end of the year	1,271	1,071

Details of the subsidiaries are as follows:

Name	Place of incorporation	Principal activities	Group's effective interest 2017 %	Group's effective interest 2016 %
Hotel owning and management				
Atrington Trust	British Virgin Islands	Investment holding	100	100
Dickensian Holdings Ltd	British Virgin Islands	Investment holding	100	100
Goldenlines Investments Limited (2)	British Virgin Islands	Investment holding	100	100
SGA (1994) Pty Ltd (1) (formerly known as The Grand Hotel (S.A.) Pty Ltd)	Australia	Trustee	100	100
SGA (1994) Trust (1) (formerly known as The Grand Hotel Unit Trust)	Australia	Hotel owning & operations	100	100
HSH (Australia) Trust	British Virgin Islands	Investment holding	100	100
HSH Contractors Pte Ltd	Singapore	Dormant	100	100
K.R.M.F.C. Pty Ltd +	Australia	Dormant	100	100
Sir Stamford at Circular Quay (2000) Trust (formerly known as Logan Trust)	British Virgin Islands	Investment holding	100	100

15. Investments in subsidiaries (cont'd)

Name	Place of incorporation	Principal activities	Group's effective interest 2017 %	Group's effective interest 2016 %
Hotel owning and management (cont'd)				
SPM (1994) Pty Ltd [(1)] (formerly known as Minteyville Lt Collins St Pty Ltd)	Australia	Hotel owning & operations	100	100
Stamford Melbourne (1994) Trust (formerly known as MLCS Trust)	British Virgin Islands	Investment holding	100	100
North Ryde Investments Limited	British Virgin Islands	Investment holding	100	100
Stamford Sydney Airport (2000) Trust (formerly known as Ovenard Trust)	British Virgin Islands	Investment holding	100	100
Stamford Grand Adelaide (1994) Trust (formerly known as RGA Trust)	British Virgin Islands	Investment holding	100	100
SSCQ (2000) Pty Ltd [(1)] (formerly known as Sir Stamford at Circular Quay Pty Ltd)	Australia	Hotel operator	100	100
Sir Stamford Hotels & Resorts Pte Ltd	Singapore	Dormant	100	100
Stamford Cairns Trust [+]	Australia	Dormant	100	100
Stamford Brisbane (2000) Trust (formerly known as Stamford Gold Coast Trust)	British Virgin Islands	Investment holding	100	100
SPB (2000) Pty Ltd [(1)] (formerly known as Stamford Heritage Pty Ltd)	Australia	Hotel operator	100	100
Stamford Hotels & Resorts Pte. Ltd	Singapore	Dormant	100	100
SPAK (1996) Ltd [(2)] (formerly known as Stamford Hotels (NZ) Limited)	New Zealand	Hotel operator	100	100
Stamford Hotels Pty Ltd [(1)]	Australia	Dormant	100	100

15. Investments in subsidiaries (cont'd)

Name	Place of incorporation	Principal activities	Group's effective interest 2017 %	Group's effective interest 2016 %
Hotel owning and management (cont'd)				
Stamford Hotels and Resorts Pty Limited (1)	Australia	Hotel management	100	100
Stamford Mayfair Limited +	British Virgin Islands	Dormant	100	100
Stamford Plaza Sydney Management Pty Limited (1)	Australia	Dormant	100	100
Stamford Raffles Pty Ltd +	Australia	Dormant	100	100
SPSA (2000) Pty Ltd (1) (formerly known as Stamford Sydney Airport Pty Ltd)	Australia	Hotel operator	100	100
SPA (1995) Pty Ltd (1) (formerly known as Terrace Hotel (Operations) Pty Ltd)	Australia	Hotel operator	100	100
Stamford Plaza Adelaide (1995) Trust (formerly known as TIA Trust)	British Virgin Islands	Investment holding	100	100
Property development				
SLC Campsie Pty Ltd (1)	Australia	Property developer	100	100
Stamford Property Services Pty. Limited (1)	Australia	Property management	100	100
Macquarie Park Village (2018) Trust (formerly known as SNR Trust)	British Virgin Islands	Property developer	100	100
MPV Management Services Pty Ltd + (formerly known as Stamford F&B Pty Ltd)	Australia	Dormant	100	100
Stamford Residences Sydney (2011) Trust (1) (formerly known as Stamford Raffles Trust)	British Virgin Islands	Property developer	100	100

15. Investments in subsidiaries (cont'd)

Name	Place of incorporation	Principal activities	Group's effective interest	
			2017	2016
			%	%
Property investment				
Dynons Perth (2010) Trust (formerly known as Knoxville Trust)	British Virgin Islands	Property investment	100	100
Stamford Properties (S) Pte. Ltd. (formerly known as HSH Properties Pte Ltd)	Singapore	Property investment	100	100
Trading				
Singapore Wallcoverings Centre (Private) Limited	Singapore	Wallcoverings and interior design	100	100
Voyager Travel Pte Ltd	Singapore	Travel agency	100	100
Others				
HSH Tanker Inc.	Panama	Dormant	100	100
Stamford Land Management Pte Ltd	Singapore	Management services	100	100
Stamford Land (International) Pte Ltd	Singapore	Dormant	100	100

All subsidiaries are audited by Ernst & Young LLP, Singapore except as indicated.

(1) Audited by Ernst & Young, Sydney
(2) Audited by Ernst & Young, Auckland
+ Not required to be audited

16. Available-for-sale investments

	Group and Company	
	2017	2016
	$'000	$'000
Quoted equity securities	398	406
Fair value loss recognised in other comprehensive income	(13)	(8)
	385	398

17. Completed properties for sale

	Group 2017 $'000	Group 2016 $'000
At beginning of the year	27,213	47,902
Exchange differences	(560)	(2,436)
Transfer to profit or loss upon sale	(6,371)	(18,253)
	20,282	27,213
Impairment losses	(1,930)	(3,561)
At end of the year	18,352	23,652

18. Development properties for sale

Group	Freehold Land $'000	Development expenditure $'000	Total $'000
At 1 April 2015	41,278	21,331	62,609
Exchange differences	(596)	(291)	(887)
Additions	–	95,439	95,439
At 31 March 2016 and 1 April 2016	40,682	116,479	157,161
Exchange differences	924	2,459	3,383
Additions	–	149,974	149,974
Transfer to profit or loss upon sale	(21,876)	(69,276)	(91,152)
As at 31 March 2017	19,730	199,636	219,366

During the financial year, borrowing costs of $5,653,000 (2016: $1,355,000) arising from borrowings obtained specifically for the development properties were capitalised under development expenditure. The rate used to determine the amount of borrowing costs eligible for capitalisation was 3.1% (2016: 3.4%), which is the effective interest rate of the specific borrowing.

The freehold land under development has been pledged as security for bank borrowings (Note 25).

19. Inventories

	Group	
	2017	2016
	$'000	$'000
Finished goods	396	376
Consumables	979	864
	1,375	1,240

20. Trade and other receivables

	Group		Company	
	2017	2016	2017	2016
	$'000	$'000	$'000	$'000
Financial assets:				
Trade receivables				
- Third parties	6,143	4,949	–	–
- Related parties	756	408	–	–
Lease receivable	752	1,207	–	–
Less: Allowance for impairment	(2)	(16)	–	–
	7,649	6,548	–	–
Amounts due from subsidiaries	–	–	27,207	30,270
Accrued interest receivable	151	170	5	22
Deposits	149	115	10	10
Other receivables	5,244	3,574	48	12
	13,193	10,407	27,270	30,314
Non-financial assets:				
Prepayments	2,788	2,831	–	–
Total trade and other receivables	15,981	13,238	27,270	30,314

Trade receivables are non-interest bearing and are generally on 30 days term (2016: 30 days). They are recognised at their original invoice amounts which represent their fair values on initial recognition.

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

20. Trade and other receivables (cont'd)

Receivables that are past due but not impaired

The Group has trade receivables amounting to $646,000 (2016: $1,010,000) that are past due at the end of the reporting period but not impaired. These receivables are unsecured and the analysis of their aging at the end of the reporting period is as follows:

	Group	
	2017	**2016**
	$'000	**$'000**
Trade receivables past due but not impaired:		
Less than 30 days	596	845
30 – 60 days	43	159
More than 60 days	7	6
	646	1,010

Receivables that are impaired

The Group's trade receivables that are impaired at the end of the reporting period and the movements of the allowance for impairment are as follows:

	Group	
	Individually impaired	
	2017	**2016**
	$'000	**$'000**
Trade receivables – nominal amounts	2	16
Less: Allowance for impairment	(2)	(16)
	–	–
Movements in allowance for impairment:		
At beginning of the year	16	86
Written off	(15)	(69)
Exchange differences	1	(1)
At end of the year	2	16

Trade receivables that are individually determined to be impaired at the end of the reporting period relate to debtors that are in significant financial difficulties and have defaulted on payments. These receivables are not secured by any collaterals or credit enhancements.

21. Investments held-for-trading

	Group 2017 $'000	Group 2016 $'000
Quoted equity securities	3,259	3,347
Debt securities	287	289
	3,546	3,636

22. Derivative financial liabilities

	Group 2017 $'000	Group 2016 $'000	Company 2017 $'000	Company 2016 $'000
Derivative financial liabilities	–	1,986	–	337

Derivative financial instruments comprise forward exchange contracts which have expired in 2017.

23. Cash and bank balances

	Group 2017 $'000	Group 2016 $'000	Company 2017 $'000	Company 2016 $'000
Cash at banks and on hand	17,474	26,971	1,071	1,990
Short-term deposits	101,374	110,536	1,933	31,020
Cash and bank balances	118,848	137,507	3,004	33,010
Deposits pledged	(4,333)	(3,796)		
Cash and cash equivalents in the consolidated statement of cash flows	114,515	133,711		

Cash at banks earns interest at floating rates based on daily bank deposit rates. Short-term deposits are made for varying periods of less than 3 months. The interest rates for the short-term deposits range between 1.1% to 1.9% (2016: 1.1% to 2.6%) per annum.

24 Trade and other payables

	Group		Company	
	2017	2016	2017	2016
	$'000	$'000	$'000	$'000
Financial liabilities:				
Trade payables				
- Third parties	3,056	16,669	–	–
Related parties	183	8	–	–
Accrued loan interest payable	257	1,318	–	–
Accrued liabilities	14,275	13,726	361	–
Other payables	24,832	16,850	69	774
	42,603	48,571	430	774

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

25 Bank borrowings

	Group	
	2017	2016
	$'000	$'000
Current bank borrowings	–	279,455
Non-current bank borrowings	364,916	60,897
	364,916	340,352

Non-current bank borrowings are repayable within 2 to 3 years from the end of the reporting period.

25 Bank borrowings (cont'd)

Details of the bank borrowings are as follows:

	Currency	2017 Nominal interest rate %	2016 Nominal interest rate %	2017 Source currency $'000	2017 Local currency $'000	2016 Source currency $'000	2016 Local currency $'000
Term loan	AUD	2.8% to 3.3%	3.3% to 4.5%	80,000	85,592	80,000	82,488
Term loan	AUD	3.0% to 3.5%	3.4% to 4.1%	101,273	108,139	59,060	60,897
Term loan	NZD	3.9% to 4.3%	4.1% to 5.3%	–	–	24,620	22,911
Term loan	AUD	2.8% to 3.9%	4.1% to 4.3%	100,000	106,991	85,706	88,371
Term loan	AUD	3.0% to 3.6%	3.5% to 3.7%	60,000	64,194	60,000	61,866
Term loan	AUD	4.1%	4.0% to 4.2%	–	–	23,100	23,819
Total interest-bearing borrowings					364,916		340,352

The term loans are secured by legal mortgages on freehold land and buildings of $230,748,000 (2016: $315,163,000) (Note 13), investment properties of $129,993,000 (2016: $136,105,000) (Note 14) and development properties of $19,730,000 (2016: $40,682,000) (Note 18).

26. Amounts due to subsidiaries

	Company 2017 $'000	Company 2016 $'000
Non-current portion	209,476	199,699
Non-current portion that is interest-free		
At beginning of the year	199,699	241,962
Advances/(repayments) during the year	36,764	(5,039)
	236,463	236,923
Less: Unamortised interest expense	(26,987)	(37,224)
At end of the year	209,476	199,699
Unamortised interest expense		
At beginning of the year	37,224	46,973
Amortised interest expense during the year	(10,237)	(9,749)
At end of the year	26,987	37,224

Amounts due to subsidiaries are unsecured and non-trade.

27. Share capital

	Group and Company			
	2017		2016	
	No. of shares '000	$'000	No. of shares '000	$'000
Issued and fully paid ordinary shares				
At beginning of the year	863,938,482	144,616	863,833,482	144,556
Issued during the year	32,500	16	105,000	60
At end of the year	863,970,982	144,632	863,938,482	144,616

The holders of ordinary shares are entitled to receive dividends as and when declared by the Company. All ordinary shares carry one vote per share without restrictions. The ordinary shares have no par value.

On 1 August 2016, the Company issued 32,500 ordinary shares for fulfilling the grant of performance shares that were fully vested during the financial year.

On 30 July 2015, the Company issued 105,000 ordinary shares for fulfilling the grant of performance shares that were fully vested during the financial year ended 31 March 2016.

Stamford Land Corporation Ltd Performance Share Plan 2015 ("SLC PSP")

Under the SLC PSP, an award granted represents the right to receive fully paid shares, free of charge, provided that certain pre-determined performance conditions (if applicable) are satisfied within the performance period (if applicable) during which such performance conditions are to be satisfied. Performance conditions are intended to be based on short to medium term corporate critical targets based on criteria such as total shareholders' returns, market share, market ranking, return on sales and gross operating profits being met over a short period of one to three years.

The persons eligible to participate in the SLC PSP are either selected employees of the Group of such rank as the Remuneration Committee may determine, or other participants as selected by the Remuneration Committee at its discretion, but shall exclude the independent directors of the Company, controlling shareholders and the associates of such controlling shareholders.

32,500 (2016: 105,000) ordinary shares were granted during the financial year.

28. Other reserves

	Group		Company	
	2017	2016	2017	2016
	$'000	$'000	$'000	$'000
Fair value reserve	330	343	330	343
Foreign currency translation reserve	(10,906)	(24,982)	–	–
Asset revaluation reserve	3,300	3,300	–	–
	(7,276)	(21,339)	330	343

29. Dividends

	Group and Company	
	2017	2016
	$'000	$'000
Declared and paid during the financial year:		
Dividends on ordinary shares:		
- Final tax exempt (one-tier) dividend paid for 2016 of 0.5 cent (2015: 2 cents) per share	4,320	17,279
Special tax exempt (one-tier) dividend for 2015 of 1 cent per share	–	8,640
	4,320	25,919
Proposed but not recognised as a liability as at 31 March:		
Dividends on ordinary shares, subject to shareholders' approval at the Annual General Meeting:		
- Final tax exempt (one-tier) dividend for 2017 of 1 cent (2016: 0.5 cent) per share	8,640	4,320

30. Segment information

For management purposes, the Group is organised into strategic business units based on their products and services. 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: Corporate services for the Group, treasury functions and investments in securities.

Management monitors the results of each of the above operating segments for the purpose of making decisions on resource allocation and performance assessment.

Inter-segment revenues are eliminated on consolidation.

30. Segment information (cont'd)

	Hotel Owning & Management $'000	Property Development $'000	Property Investment $'000	Trading $'000	Others $'000	Inter-segment Elimination $'000	Total $'000
2017							
REVENUE							
External revenue	178,753	116,200	17,161	1,913	624	–	314,651
Inter-segment revenue	–	–	442	46	7,584	(8,072)	–
	178,753	116,200	17,603	1,959	8,208	(8,072)	314,651
RESULTS							
Profit/(loss) from operations	45,246	15,724	13,654	175	(8,514)	–	66,285
Depreciation	(11,699)	–	–	(12)	(182)	–	(11,893)
Interest income	822	347	78	–	689	–	1,936
Dividend income	–	–	–	–	147	–	147
Finance costs	(6,052)	(1,152)	(2,014)	–	–	–	(9,218)
Other losses (net)	(257)	–	(11,831)	(2)	3,784	–	(8,306)
Profit/(loss) before tax	28,060	14,919	(113)	161	(4,076)	–	38,951
Income tax expense							(4,400)
Profit after tax							34,551
Other material non-cash items:							
Fair value losses on investment properties	–	–	(11,489)	–	–	–	(11,489)
Loss on disposal of property, plant and equipment	(2)	–	–	–	–	–	(2)
Impairment loss on other receivables	–	(255)	–	–	–	–	(255)
Fair value loss on investments held-for-trading	–	–	–	–	(91)	–	(91)
ASSETS							
Segment assets	369,624	312,105	166,327	3,678	47,741	–	899,475
Additions to non-current assets	10,398	–	–	9	126	–	10,533
LIABILITIES							
Segment liabilities	209,450	125,175	68,971	575	3,348	–	407,519

30. Segment information (cont'd)

	Hotel Owning & Management $'000	Property Development $'000	Property Investment $'000	Trading $'000	Others $'000	Inter-segment Elimination $'000	Total $'000
2016							
REVENUE							
External revenue	172,806	37,695	12,865	3,029	96	–	226,491
Inter-segment revenue	–	112	605	120	4,637	(5,474)	–
	172,806	37,807	13,470	3,149	4,733	(5,474)	226,491
RESULTS							
Profit/(loss) from operations	44,527	17,257	13,545	357	(6,692)	–	68,994
Depreciation	(11,676)	–	–	(16)	(53)	–	(11,745)
Interest income	854	19	133	–	1,212	–	2,218
Dividend income	–	–	–	–	148	–	148
Finance costs	(7,844)	(1,677)	(2,194)	–	–	–	(11,715)
Other losses (net)	(11)	392	(21,710)	(24)	(5,820)	–	(27,173)
Profit/(loss) before tax	25,850	15,991	(10,226)	317	(11,205)	–	20,727
Income tax credit							1,702
Profit after tax							22,429
Other material non-cash items:							
Fair value losses on investment properties	–	–	(21,945)	–	–	–	(21,945)
Loss on disposal of property, plant and equipment	–	–	–	–	(11)	–	(11)
Reversal of impairment loss on completed properties for sale	–	392	–	–	–	–	392
Fair value loss on investments held-for-trading	–	–	–	–	(88)	–	(88)
ASSETS							
Segment assets	493,700	119,251	163,900	3,649	72,435	–	852,935
Additions to non-current assets	11,653	–	–	–	43	–	11,696
LIABILITIES							
Segment liabilities	296,404	25,891	63,208	751	4,655	–	390,909

30. Segment information (cont'd)

(a) The following items are added to segment assets to arrive at total assets reported in the consolidated balance sheet:

	Group	
	2017	**2016**
	$'000	**$'000**
Deferred tax assets	9,218	6,975
Tax recoverable	9,853	1,406
	19,071	8,381

(b) The following items are added to segment liabilities to arrive at total liabilities reported in the consolidated balance sheet:

	Group	
	2017	**2016**
	$'000	**$'000**
Current income tax liabilities	3,202	7,840
Deferred tax liabilities	13,019	12,071
	16,221	19,911

Geographical information

Revenue information based on geographical location of customers is as follows:

	Group	
	2017	**2016**
	$'000	**$'000**
Australia	278,717	192,026
New Zealand	32,502	30,829
Singapore	3,432	3,636
	314,651	226,491

30. Segment information (cont'd)

Geographical information (cont'd)

Non-current assets information based on geographical location of assets is as follows:

	Group	
	2017	2016
	$'000	$'000
Australia	430,661	427,915
New Zealand	67,123	63,738
Singapore	23,838	24,450
	521,622	516,103

Non-current assets information presented above consist of property, plant and equipment and investment properties as presented in the consolidated balance sheet.

31. Financial risk management objectives and policies

The Group and the Company are exposed to financial risks arising from its operations and the use of financial instruments. The key financial risks include credit risk, liquidity risk, foreign currency risk and interest rate risk. The board of directors reviews and agrees on policies and procedures for the management of these risks. The Audit and Risk Management Committee provides independent oversight to the effectiveness of the risk management process.

The following sections provide details regarding the Group's and Company's exposure to the above-mentioned financial risks and the objectives, policies and processes for the management of these risks

(a) Credit risk

Credit risk is the risk of loss that may arise on outstanding financial instruments should a counterparty default on its obligations. The Group's and the Company's exposure to credit risk arises primarily from trade and other receivables. For other financial assets (including cash and short-term deposits and investment securities), the Group and the Company minimise credit risk by dealing exclusively with high credit rating counterparties.

The Group's objective is to seek continual revenue growth while minimising losses incurred due to increased credit risk exposure. The Group trades only with recognised and creditworthy third parties. It is the Group's policy that all customers who wish to trade on credit terms are subject to credit verification procedures. In addition, receivable balances are monitored on an ongoing basis with the result that the Group's exposure to bad debts is not significant.

The Group does not have concentration of credit risk as the exposure is spread over a large number of counterparties and customers.

31. Financial risk management objectives and policies (cont'd)

(a) Credit risk (cont'd)

Exposure to credit risk

At the end of the reporting period, the Group's and the Company's maximum exposure to credit risk is represented by the carrying amount of each class of financial assets recognised in the balance sheets.

Financial assets that are neither past due nor impaired

Trade and other receivables that are neither past due nor impaired are with creditworthy debtors with good payment record with the Group. Cash and short-term deposits and investment securities that are neither past due nor impaired are placed with or entered into with reputable financial institutions or companies with high credit ratings and no history of default.

Financial assets that are either past due or impaired

Information regarding financial assets that are either past due or impaired is disclosed in Note 20 (Trade and other receivables).

(b) Liquidity risk

Liquidity risk is the risk that the Group or the Company will encounter difficulty in meeting financial obligations due to shortage of funds. The Group's and the Company's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities.

The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under normal and stressed conditions, without incurring unacceptable losses or risk damage to the Group's reputation. This is achieved through monitoring the cash flow requirements closely and optimising the cash return on investments.

31. Financial risk management objectives and policies (cont'd)

(b) Liquidity risk (cont'd)

<u>Analysis of financial instruments by remaining contractual maturities</u>

The table below summarises the maturity profile of the Group's and the Company's financial liabilities at the end of the reporting period based on contractual undiscounted repayment obligations.

Group	Carrying amount	← Contractual cash flows Total	Not later than 1 year	Between 1 and 5 years →
	$'000	$'000	$'000	$'000
2017				
Bank borrowings	364,916	412,005	10,845	401,160
Trade and other payables	42,603	42,603	42,603	–
	407,519	454,608	53,448	401,160
2016				
Bank borrowings	340,352	359,831	290,350	69,481
Trade and other payables	48,571	48,571	48,571	–
Derivatives	1,986	1,986	1,986	–
	390,909	410,388	340,907	69,481

Company	Carrying amount	← Contractual cash flows Total	Not later than 1 year	Between 1 and 5 years	More than 5 years →
	$'000	$'000	$'000	$'000	$'000
2017					
Trade and other payables	430	430	430	–	–
Amounts due to subsidiaries	209,476	236,463	–	–	236,463
	209,906	236,893	430	–	236,463
2016					
Trade and other payables	774	774	774	–	–
Amounts due to subsidiaries	199,699	236,923	–	–	236,923
Derivatives	337	337	337	–	–
	200,810	238,034	1,111	–	236,923

31. Financial risk management objectives and policies (cont'd)

(c) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of the Group's and the Company's financial instruments will fluctuate because of changes in market interest rates. The Group's exposure to interest rate risk arises primarily from its bank borrowings.

The Group's policy is to obtain the most favourable interest rates available.

<u>Sensitivity analysis for interest rate risk</u>

At the end of the reporting period, if Australian Dollar and New Zealand Dollar interest rates had been 50 (2016: 50) basis points lower/higher with all other variables held constant, the Group's profit before tax would have been $951,000 (2016: $1,700,000) higher/lower, arising mainly as a result of lower/higher interest expense on floating rate bank borrowings.

(d) Foreign currency risk

The Group has transactional currency exposures arising from sales or purchases that are denominated in a currency other than the respective functional currencies of Group entities, primarily Australian Dollar and New Zealand Dollar.

The Group seeks to manage its foreign currency risk exposure by constructing natural hedges when it matches sales and purchases in any single currency. In addition, the Group regularly reviews its exposure to foreign currency risk and manages it by entering into foreign exchange options and/or forward exchange contracts where applicable.

The Group's and Company's exposures to the Australian Dollar and New Zealand Dollar are as follows:

Group	**Australian Dollar**	**New Zealand Dollar**	**Total**
	$'000	**$'000**	**$'000**
2017			
Cash and bank balances	5,801	24,695	30,496
2016			
Cash and bank balances	31,746	31,308	63,054

31. Financial risk management objectives and policies (cont'd)

(d) Foreign currency risk (cont'd)

Company	**Australian Dollar**	**Total**
	$'000	**$'000**
2017		
Cash and bank balances	2,596	2,596
2016		
Cash and bank balances	31,746	31,746

Sensitivity analysis for foreign currency risk

A 5% strengthening of the functional currency against the Australian Dollar and New Zealand Dollar at the end of the reporting period would (decrease)/increase the profit before tax by the amounts shown below.

	Group		**Company**	
	2017	**2016**	**2017**	**2016**
	$'000	**$'000**	**$'000**	**$'000**
Profit before tax	1,525	3,153	130	1,587

A 5% weakening of the functional currency against the Australian Dollar and New Zealand Dollar at the end of the reporting period would have equal but opposite effect to the amounts shown above.

The above analysis assumes all other variables remain constant.

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

31. Financial risk management objectives and policies (cont'd)

(e) Financial assets and liabilities by category

Group	Fair value through profit or loss	Loans and receivables	Available -for-sale	Other financial liabilities
	$'000	$'000	$'000	$'000
2017				
Cash and bank balances	–	118,848	–	–
Trade and other receivables	–	13,193	–	–
Available-for-sale investments	–	–	385	–
Investments held-for-trading	3,546	–	–	–
	3,546	132,041	385	–
Bank borrowings	–	–	–	364,916
Trade and other payables	–	–	–	42,603
	–	–	–	407,519
2016				
Cash and bank balances	–	137,507	–	–
Trade and other receivables	–	10,407	–	–
Available-for-sale investments	–	–	398	–
Investments held-for-trading	3,636	–	–	–
	3,636	147,914	398	–
Bank borrowings	–	–	–	340,352
Trade and other payables	–	–	–	48,571
Derivative financial liabilities	1,986	–	–	–
	1,986	–	–	388,923

31. Financial risk management objectives and policies (cont'd)

(e) Financial assets and liabilities by category (cont'd)

Company	**Fair value through profit or loss $'000**	**Loans and receivables $'000**	**Available -for-sale $'000**	**Other financial liabilities $'000**
2017				
Cash and bank balances	–	3,004	–	–
Trade and other receivables	–	27,270	–	–
Available-for-sale investments	–	–	385	–
	–	30,274	385	–
Trade and other payables	–	–	–	430
Amounts due to subsidiaries	–	–	–	209,476
	–	–	–	209,906
2016				
Cash and bank balances	–	33,010	–	–
Trade and other receivables	–	30,314	–	–
Available-for-sale investments	–	–	398	–
	–	63,324	398	–
Trade and other payables	–	–	–	774
Amounts due to subsidiaries	–	–	–	199,699
Derivative financial liabilities	337	–	–	–
	337	–	–	200,473

32. Capital management

The Board's policy is to have a strong capital base to maintain investor, creditor and market confidence and to sustain future development of the business.

The Group defines capital to include funds raised through the issuance of ordinary share capital and all components of equity. The Group manages its capital to ensure entities in the Group will be able to continue as a going concern 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. As at 31 March 2017, the Group had an outstanding debt exposure of S$364,916,000 (2016: S$340,352,000). The Group balances its overall capital structure through the payment of dividends, return of capital to shareholders, new share issues as well as the issue of new debt or the redemption of existing debt.

There were no changes in the Group's approach to capital management during the financial year.

33. Fair value of assets and liabilities

(a) Fair value hierarchy

The Group categorises fair value measurements using a fair value hierarchy that is dependent on the valuation inputs used as follows:

- Level 1 – Quoted prices (unadjusted) in active market for identical assets or liabilities that the Group can access at the measurement date,
- Level 2 – Inputs other that quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly, and
- Level 3 – Unobservable inputs for the asset or liability.

Fair value measurements that use inputs of different hierarchy levels are categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

(b) Assets and liabilities measured at fair value

The following table shows an analysis of each class of assets and liabilities measured at fair value at the end of the reporting period:

	2017			
Group	Quoted prices in active markets for identical instruments (Level 1)	Significant observable inputs other than quoted prices (Level 2)	Significant unobservable inputs (Level 3)	Total
	$'000	$'000	$'000	$'000
Non-financial assets:				
Investment properties	–	–	146,609	146,609
Financial assets:				
Available-for-sale investments	385	–	–	385
Investments held-for- trading				
- Quoted equity securities	3,259	–	–	3,259
- Debt securities	–	287	–	287

33. Fair value of assets and liabilities (cont'd)

(b) Assets and liabilities measured at fair value (cont'd)

	2016			
Group	**Quoted prices in active markets for identical instruments (Level 1)**	**Significant observable inputs other than quoted prices (Level 2)**	**Significant unobservable inputs (Level 3)**	**Total**
	$'000	**$'000**	**$'000**	**$'000**
Non-financial assets:				
Investment properties	–	–	158,265	158,265
Financial assets:				
Available-for-sale investments	398	–	–	398
Investments held-for-trading				
- Quoted equity securities	3,347	–	–	3,347
- Debt securities	–	289	–	289
Financial liabilities:				
Derivative financial liabilities	–	1,986	–	1,986

	2017			
Company	**Quoted prices in active markets for identical instruments (Level 1)**	**Significant observable inputs other than quoted prices (Level 2)**	**Significant unobservable inputs (Level 3)**	**Total**
	$'000	**$'000**	**$'000**	**$'000**
Financial assets:				
Available-for-sale investments	385	–	–	385

33. Fair value of assets and liabilities (cont'd)

(b) Assets and liabilities measured at fair value (cont'd)

Company	2016 Quoted prices in active markets for identical instruments (Level 1) $'000	Significant observable inputs other than quoted prices (Level 2) $'000	Significant unobservable inputs (Level 3) $'000	Total $'000
Financial assets:				
Available-for-sale investments	398	–	–	398
Financial liabilities:				
Derivative financial liabilities	–	337	–	337

(c) Level 2 fair value measurements

The following is a description of the valuation techniques and inputs used in the fair value measurement for assets and liabilities that are categorised within Level 2 of the fair value hierarchy:

Investments held-for-trading

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.

(d) Level 3 fair value measurements

Information about significant unobservable inputs used in Level 3 fair value measurements

The following table shows the information about fair value measurements using significant unobservable inputs (Level 3):

Description	Fair value as at 31 March 2017 $'000	Valuation techniques	Key unobservable inputs	Relationship of key unobservable inputs to fair value
Commercial building in Perth, Australia	129,993	Capitalisation method	Capitalisation rate: 7.0% (2016: 7.8%)	The estimated fair value varies inversely against the capitalisation rate.

33. Fair value of assets and liabilities (cont'd)

(d) Level 3 fair value measurements (cont'd)

Information about significant unobservable inputs used in Level 3 fair value measurements (cont'd)

Description	Fair value as at 31 March 2017 $'000	Valuation techniques	Key unobservable inputs	Relationship of key unobservable inputs to fair value
One floor of office building on Cantonment Road in Singapore	16,616	Direct sales comparison	Price per square foot: (2017: $1,600 to $1,700) (2016: $1,700 to $1,800)	The estimated fair value increases in proportion with the price per square foot.

34. Related party transactions

(a) Significant related party transactions:

In addition to the related party information disclosed elsewhere in the financial statements, the following significant transactions between the Group and related parties took place at terms agreed between the parties during the financial year:

	Group	
	2017 $'000	2016 $'000
Companies related to a director:		
Services rendered/(received)	847	(617)
Rental income	846	511

34. Related party transactions (cont'd)

(b) Compensation to key management personnel:

	Group	
	2017	**2016**
	$'000	**$'000**
Directors of the Company		
Directors' fees	280	280
Short-term employee benefits	4,239	2,676
Contributions to defined contribution plans	39	38
	4,558	2,994
Other key management personnel		
Short-term employee benefits	1,085	1,250
Contributions to defined contribution plans	59	80
Share-based compensation	11	47
	1,155	1,377
	5,713	4,371

35. Commitments

(a) Capital commitments

Capital expenditure contracted for as at the end of the reporting period but not recognised in the financial statements are as follows:

	Group	
	2017	**2016**
	$'000	**$'000**
Capital commitments in respect of property, plant and equipment	926	7,889

35. Commitments (cont'd)

(b) Operating lease commitments

As lessor

The Group has entered into commercial property leases on its investment properties. These non-cancellable leases have remaining terms of between one and five years. All leases include a clause to enable revision of rental charge on an annual basis based on the prevailing market conditions. The future minimum lease payments to be received are as follows:

	Group	
	2017	**2016**
	$'000	**$'000**
Within one year	12,582	13,338
Between one and five years	27,026	42,277
	39,608	55,615

36. Comparative figures

The financial statements for the financial year ended 31 March 2016 were audited by another auditor whose report dated 27 May 2016 expressed an unmodified opinion on those financial statements.

37. Authorisation of financial statements for issue

The financial statements for the financial year ended 31 March 2017 were authorised for issue in accordance with a resolution of the directors on 16 June 2017.

SHAREHOLDING STATISTICS

As at 15 June 2017

Number of Issued and Paid-up Share Capital	:	S$144,632,118.18
Number of Issued and Paid-up Shares	:	863,970,982
Class of Shares	:	Ordinary Shares
Voting Rights	:	One Vote per Ordinary Share
Number and Percentage of Treasury Shares	:	Nil
Number and Percentage of Subsidiary Holdings Held	:	Nil

BREAKDOWN OF SHAREHOLDINGS BY RANGE

Size of Shareholdings	No. of Shareholders	% of Shareholders	No. of Shares	% of Issued Share Capital
1 - 99	9	0.11	190	0.00
100 - 1,000	165	2.03	121,535	0.01
1,001 - 10,000	4,049	49.75	25,992,850	3.01
10,001 - 1,000,000	3,867	47.51	221,530,869	25.64
1,000,001 and Above	49	0.60	616,325,538	71.34
TOTAL	**8,139**	**100.00**	**863,970,982**	**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	CITIBANK NOMINEES SINGAPORE PTE LTD	30,541,943	3.53
3	DBS NOMINEES PTE LTD	28,687,500	3.32
4	TAN GIM TEE HOLDINGS PTE LTD	26,400,000	3.06
5	UNITED OVERSEAS BANK NOMINEES PTE LTD	21,960,300	2.54
6	MORPH INVESTMENTS LTD	21,162,000	2.45
7	KIERSTEN OW YILING (OU YILING)	16,789,200	1.94
8	RAFFLES NOMINEES (PTE) LTD	15,773,900	1.82
9	CHU SIEW HOONG CHRISTOPHER	14,300,000	1.66
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	8,833,600	1.02
14	MAYBANK KIM ENG SECURITIES PTE LTD	7,547,400	0.87
15	PHILLIP SECURITIES PTE LTD	7,443,800	0.86
16	TAN HUA TOCK	7,406,000	0.86
17	CIMB SECURITIES (SINGAPORE) PTE LTD	7,332,395	0.85
18	HONG LEONG FINANCE NOMINEES PTE LTD	7,139,000	0.83
19	HT OFFSHORE PTE. LTD.	6,500,000	0.75
20	LIM TOW PAU	3,873,700	0.45
	TOTAL	**564,082,738**	**65.29**

SHAREHOLDING STATISTICS

As at 15 June 2017

SUBSTANTIAL SHAREHOLDERS
(As recorded in the Register of Substantial Shareholders as at 15 June 2017)

	Direct Interest		Deemed Interest		Total	
Name	**No. of Shares**	**%**	**No. of Shares**	**%**	**No. of Shares**	**%**
Ow Chio Kiat	300,216,000	34.75	22,342,000	2.59	322,558,000	37.33

Notes:

Mr Ow Chio Kiat is deemed interested in the following shares:

(1) 166,000 shares held by his spouse, Madam Lim Siew Feng;

(2) 12,400,000 shares held by Hai Sun Hup Group Pte Ltd by virtue of his controlling interests in Hai Sun Hup Group Pte Ltd; and

(3) 9,776,000 shares held by Maritime Properties Pte Ltd by virtue of his controlling interests in Maritime Properties Pte Ltd.

SHAREHOLDING HELD IN THE HANDS OF PUBLIC

To the best knowledge of the Company and based on information provided to the Company as at 15 June 2017, approximately 55.73% of the issued and paid-up shares of the Company are held in the hands of the public. Accordingly, the Company has complied with Rule 723 of the Listing Manual of the Singapore Exchange Securities Trading Limited.

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 39th Annual General Meeting of Stamford Land Corporation Ltd (the "Company") will be held at Singapore Chinese Cultural Centre, Multi-purpose Hall (Level 7), 1 Straits Boulevard, Singapore 018906, on Friday, 28 July 2017 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 2017 and the Directors' Statement and Auditor's Report thereon. **(Resolution 1)**

2. To declare a final tax exempt (one-tier) dividend of 1.0 Singapore cent per ordinary share for the financial year ended 31 March 2017. **(Resolution 2)**

3. To approve the payment of Directors' Fees of S$280,000 for the financial year ended 31 March 2017 (2016: S$280,000). **(Resolution 3)**

4. To approve Directors' Fees of up to S$280,000 payable by the Company quarterly in arrears for the financial year ending 31 March 2018.

   Note: This Resolution, if passed, will facilitate the payment of Directors' Fees during the financial year in which the fees are incurred on a quarterly basis, that is, during the financial year from 1 April 2017 to 31 March 2018. **(Resolution 4)**

5. To re-elect Ow Cheo Guan, a Director who is retiring by rotation in accordance with Article 91 of the Company's Constitution, and being eligible, offers himself for re-election.

   Note: Ow Cheo Guan will, upon his re-election as Director, remain as Deputy Executive Chairman. He is the brother of the Executive Chairman, Ow Chio Kiat, who is also a substantial shareholder of the Company, and the uncle of the Executive Director and Chief Executive Officer, Ow Yew Heng. **(Resolution 5)**

6. To re-elect Mark Anthony James Vaile, a Director who is retiring by rotation in accordance with Article 91 of the Company's Constitution, and being eligible, offers himself for re-election.

   Note: Mark Anthony James Vaile will, upon his re-election as Director, remain as Chairman of the Audit and Risk Management Committee and member of the Nominating 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"). He has no relationship (including immediate family relationships) with the other Directors, the Company or its 10% shareholders. **(Resolution 6)**

7. To re-elect Lim Teck Chai, Danny, a Director who will cease to hold office in accordance with Article 97 of the Company's Constitution, and who, being eligible, offers himself for re-election.

   Note: Lim Teck Chai, Danny will, upon his re-election as Director, remain as Chairman of the Nominating Committee and member of the Remuneration and Audit and Risk Management Committees. He is considered independent for the purposes of Rule 704(8) of the Listing Manual of the SGX-ST. He has no relationship (including immediate family relationships) with the other Directors, the Company or its 10% shareholders. **(Resolution 7)**

8. To re-appoint Ernst & Young LLP as auditors of the Company and to authorise the Directors to fix their remuneration. **(Resolution 8)**

SPECIAL BUSINESS

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

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

(a) (i) allot and issue 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 that 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), shall not exceed 50% of the total number of issued Shares (excluding treasury shares and subsidiary holdings, if any) (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) shall not exceed 20% of the total number of issued Shares (excluding treasury shares and subsidiary holdings, if any) (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 (including Shares to be issued in pursuance of Instruments made or granted pursuant to this Resolution) that may be issued under sub-paragraph (i) above, the total number of issued Shares (excluding treasury shares and subsidiary holdings, if any) shall be based on the total number of issued Shares (excluding treasury shares and subsidiary holdings, if any) at the time this Resolution is passed, after 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 sub-division 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), all applicable requirements under the Companies Act (Chapter 50) and the Constitution of the Company for the time being; and

(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 earlier."

Note: This Resolution, if passed, will authorise the Directors, from the date of this Annual General Meeting until the next Annual General Meeting, or the date by which the next Annual General Meeting is required by law to be held or when varied or revoked by the Company in a general meeting, whichever is earlier, to allot and issue Shares, to make or grant Instruments convertible into Shares, and to allot and issue Shares in pursuance of such Instruments, up to a number not exceeding, in total, 50% of the total number of issued Shares (excluding treasury shares and subsidiary holdings, if any), with a sub-limit of 20% for issues other than on a pro rata basis to shareholders. **(Resolution 9)**

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

(a) offer and grant options in accordance with the provisions of the Stamford Land Corporation Ltd Share Option Plan 2015 and/or grant awards in accordance with the provisions of the Stamford Land Corporation Ltd Performance Share Plan 2015 (together the "Share Plans"); and

(b) allot and issue from time to time such number of Shares as may be required to be issued pursuant to the exercise of options under the Stamford Land Corporation Ltd Share Option Plan 2015 and/or such number of fully paid Shares as may be required to be issued pursuant to the vesting of awards under the Stamford Land Corporation Ltd Performance Share Plan 2015,

provided always that the aggregate number of Shares to be issued pursuant to the Share Plans shall not exceed 15% of the total number of issued Shares (excluding treasury shares and subsidiary holdings, if any) from time to time and that such authority shall, unless revoked or varied by the Company in a general meeting, continue in force until the conclusion of the Company's next Annual General Meeting or the date by which the next Annual General Meeting of the Company is required by law to be held, whichever is earlier."

Note: This Resolution, if passed, will empower the Directors, from the date of this Annual General Meeting until the next Annual General Meeting, or the date by which the next Annual General Meeting is required by law to be held or when varied or revoked by the Company in a general meeting, whichever is earlier, to offer and grant options and/or awards, and to allot and issue new Shares, pursuant to the Share Plans, provided that the aggregate number of Shares to be issued pursuant to the Share Plans shall not exceed 15% of the total number of issued Shares (excluding treasury shares and subsidiary holdings, if any) from time to time. **(Resolution 10)**

NOTICE OF ANNUAL GENERAL MEETING AND BOOKS CLOSURE

STAMFORD LAND CORPORATION LTD
Company registration No. 197701615H
(Incorporated in the Republic of Singapore)

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 and Register of Members of the Company will be closed on 10 August 2017 for the preparation of dividend warrants. Duly completed registrable transfers received by the Company's Registrar, M & C Services Private Limited, at 112 Robinson Road, #05-01, Singapore 068902, up to the close of business at 5:00 p.m. on 10 August 2017 will be registered to determine shareholders' entitlement to the proposed final dividend. In respect of Shares in securities accounts with The Central Depository (Pte) Limited ("CDP"), the proposed final dividend 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 final dividend will be paid on 23 August 2017.

BY ORDER OF THE BOARD

LEE LI HUANG
COMPANY SECRETARY

Singapore
6 July 2017

Notes:

1. A member who is not a Relevant Intermediary is entitled to appoint not more than two proxies to attend, speak and vote at the meeting of the Company. Where such member's form of proxy appoints more than one proxy, the proportion of the shareholding concerned to be represented by each proxy shall be specified in the form of proxy. "Relevant Intermediary" has the meaning ascribed to it in Section 181 of the Companies Act (Chapter 50).

2. A member who is a Relevant Intermediary is entitled to appoint more than two proxies to attend, speak and vote at the meeting of the Company, but each proxy must be appointed to exercise the rights attached to a different Share or Shares held by such member. Where more than one proxy is appointed, the number and class of Shares in relation to which each proxy has been appointed shall be specified in the form of proxy.

3. A proxy need not be a member of the Company.

4. If a member is a corporation, the form of proxy must be executed either under its common seal or under the hand of an attorney or a duly authorised officer of the corporation.

5. A depositor's name must appear in the Depository Register maintained by The Central Depository (Pte) Limited as at 72 hours before the time appointed for holding the Annual General Meeting in order for the depositor to be entitled to attend, speak and vote at the Annual General Meeting.

6. The instrument appointing a proxy or proxies must be deposited at the office of the Company's Share Registrar, M & C Services Private Limited at 112 Robinson Road, #05-01, Singapore 068902, not less than 48 hours before the time appointed for the Annual General Meeting. Completion and return of the form of proxy by a member will not prevent him from attending and voting at the Annual General Meeting if he so wishes. In such event, the relevant proxy form will be deemed to be revoked.

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 Annual General Meeting (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the Annual General 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.

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PROXY FORM

STAMFORD LAND CORPORATION LTD

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

IMPORTANT:

1. Relevant Intermediaries (as defined in Section 181 of the Companies Act (Chapter 50)) (the "Act") may appoint more than two proxies to attend, speak and vote at the Annual General Meeting.
2. For CPF/SRS investors who have used their CPF/SRS monies to buy Stamford Land Corporation Ltd shares, this proxy form is not valid for use and shall be ineffective for all intents and purposes if used or purported to be used by them. CPF/SRS investors should contact their respective Agent Banks/SRS Operators if they have any queries regarding their appointment as proxies.

PERSONAL DATA PRIVACY

By submitting an instrument appointing a proxy(ies) or representative(s), the member accepts and agrees to the personal data privacy terms set out in the Notice of Annual General Meeting dated 6 July 2017.

I/We ______________________ (Name) ______________ (NRIC/Passport/Company Registration No.)

of ____ (Address)

being a member/members of Stamford Land Corporation Ltd (the "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	%

or failing him/them, the Chairman of the Annual General Meeting ("AGM"), as my/our proxy/proxies, to attend, speak and vote for me/us and on my/our behalf at the AGM of the Company to be held at Singapore Chinese Cultural Centre, Multi-purpose Hall (Level 7), 1 Straits Boulevard, Singapore 018906, on Friday, 28 July 2017 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 AGM as indicated hereunder. In the absence of specific directions as to voting is given, the proxy/proxies may vote or abstain from voting at his/their discretion.

No.	Resolutions relating to:	For*	Against*
Ordinary Business			
1.	Adoption of the Audited Financial Statements and the Directors' Statement and Auditor's Report thereon		
2.	Declaration of Final Tax Exempt (One-Tier) Dividend		
3.	Approval of Directors' Fees for financial year ended 31 March 2017		
4.	Approval of Directors' Fees for financial year ending 31 March 2018		
5.	Re-election of Ow Cheo Guan as Director		
6.	Re-election of Mark Anthony James Vaile as Director		
7.	Re-election of Lim Teck Chai, Danny as Director		
8.	Re-appointment of Auditors		
Special Business			
9.	Authority to allot and issue Shares		
10.	Authority to offer and grant options and/or awards, and to issue new Shares in accordance with the provisions of the Share Plans		

* *Voting will be conducted by poll. If you wish to exercise all your votes "For" or "Against", please indicate so with a [√] within the box provided. Alternatively, please indicate the number of votes as appropriate.*

Dated this ________ day of ______________ 2017

Total Number of Shares Held (Note 1)	

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

Important: Please read the notes on the overleaf.

NOTES

1. Please insert the total number of shares in the share capital of the Company ("Shares") held by you. If you have Shares entered against your name in the Depository Register (maintained by The Central Depository (Pte) Limited), you should insert that number of Shares. If you have Shares registered in your name in the Register of Members (maintained by or on behalf of the Company), 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. "Relevant Intermediary" has the meaning ascribed to it in Section 181 of the Act.

3. A member who is not a Relevant Intermediary is entitled to appoint not more than two proxies to attend, speak and vote at the meeting of the Company. Where such member appoints more than one proxy, the proportion of the shareholding concerned to be represented by each proxy shall be specified in the instrument appointing a proxy or proxies. If no proportion of shareholdings is specified, the proxy whose name appears first shall be deemed to carry 100 per cent of the shareholdings of his/its appointor and the proxy whose name appears after shall be deemed to be appointed in the alternate.

4. A member who is a Relevant Intermediary is entitled to appoint more than two proxies to attend, speak and vote at the meeting of the Company, but each proxy must be appointed to exercise the rights attached to a different Share or Shares held by such member. Where more than one proxy is appointed, the number and class of Shares in relation to which each proxy has been appointed shall be specified in the instrument appointing a proxy or proxies. In relation to a Relevant Intermediary who wishes to appoint more than two proxies, it should annex to the instrument appointing a proxy or proxies the list of proxies, setting out, in respect of each proxy, the name, address, NRIC/Passport Number and proportion of shareholding (number of shares and percentage) in relation to which the proxy has been appointed. For the avoidance of doubt, a CPF Agent Bank who intends to appoint CPF investors as its proxies shall comply with this Note.

5. A proxy need not be a member of the Company.

6. To be effective, the instrument appointing a proxy or proxies must be deposited at the office of the Company's Share Registrar, M & C Services Private Limited at 112 Robinson Road, #05-01, Singapore 068902, not less than 48 hours before the time appointed for the meeting.

7. Completion and return of the instrument appointing a proxy or proxies shall not preclude a member from attending and voting at the meeting. Any appointment of a proxy or proxies shall be deemed to be revoked if a member attends the meeting in person, and in such event, the Company reserves the right to refuse to admit any person or persons appointed under the instrument appointing a proxy or proxies to the meeting.

8. 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 attorney or a duly authorised officer of the corporation.

9. Where an instrument appointing a proxy or proxies is signed on behalf of the appointor by an attorney, the letter or power of attorney or a duly certified copy thereof must (failing previous registration with the Company) be lodged with the instrument appointing a proxy or proxies, failing which the instrument may be treated as invalid.

10. 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 Act.

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 appointer are not ascertainable from the instructions of the appointer specified in the instrument appointing a proxy or proxies. In addition, in the case of members whose Shares are entered against their names in the Depository Register, the Company may reject any instrument appointing a proxy or proxies lodged if such members are not shown to have Shares entered against their names in the Depository Register as at 72 hours before the time appointed for holding the meeting, as certified by The Central Depository (Pte) Limited to the Company.

STAMFORD
LAND CORPORATION LTD

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Company Registration No.: 197701615H