

STAMFORD LAND CORPORATION LTD

(Company Registration No. 197701615H)

UNAUDITED SECOND QUARTER FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 SEPTEMBER 2019

PART I – INFORMATION REQUIRED FOR QUARTERLY ANNOUNCEMENTS

1. An income statement (for the group) together with a comparative statement for the corresponding period of the immediately preceding financial year

	Note	The Group					
		Q2	Q2	Change	1H	1H	Change
		FY2020	FY2019		FY2020	FY2019	
		S\$'000	S\$'000	%	S\$'000	S\$'000	%
Revenue		51,339	70,900	(27.6)	94,941	195,388	(51.4)
Interest income		221	504	(56.2)	900	1,423	(36.8)
Dividend income		89	116	(23.3)	254	345	(26.4)
Other gains/(losses) (net)	(ii)	1,747	2,096	(16.7)	1,766	(459)	N.M
Expenses							
Properties sold		(4,025)	(17,139)	(76.5)	(4,653)	(76,540)	(93.9)
Consumables used		(3,326)	(3,916)	(15.1)	(7,050)	(7,659)	(8.0)
Staff costs		(15,001)	(19,053)	(21.3)	(30,988)	(35,167)	(11.9)
Depreciation expense		(2,837)	(2,716)	4.5	(5,713)	(5,426)	5.3
Other operating expenses		(14,314)	(15,727)	(9.0)	(28,279)	(32,243)	(12.3)
Finance costs		(2,653)	(837)	N.M	(4,493)	(1,909)	N.M
Profit before tax		11,240	14,228	(21.0)	16,685	37,753	(55.8)
Income tax expense		(747)	(2,672)	(72.0)	(1,350)	(9,174)	(85.3)
Profit for the period		10,493	11,556	(9.2)	15,335	28,579	(46.3)
Attributable to:							
Owners of the Company		9,724	11,556	(15.9)	14,566	28,579	(49.0)
Non-controlling interests		769	-	100.0	769	-	100.0
		10,493	11,556	(9.2)	15,335	28,579	(46.3)

Q2: Second quarter ended 30 September

1H: Half year ended 30 September

FY2020: Financial year ending 31 March 2020

FY2019: Financial year ended 31 March 2019

N.M: Not meaningful

Notes

- (i) For the income statement, the Australian dollars ("A\$"), New Zealand dollars ("NZ\$") and Sterling pound ("GBP") are translated at average exchange rates as prescribed below:

	The Group					
	Q2	Q2	Change	1H	1H	Change
	FY2020	FY2019		FY2020	FY2019	
A\$	0.9366	0.9964	(6.0%)	0.9452	1.0017	(5.6%)
NZ\$	0.8818	0.9140	(3.5%)	0.8932	0.9227	(3.2%)
GBP	1.6856	1.7858	(5.6%)	1.7122	1.7917	(4.4%)

STAMFORD LAND CORPORATION LTD

(Company Registration No. 197701615H)

1. **An income statement (for the group) together with a comparative statement for the corresponding period of the immediately preceding financial year (continued)**

(ii) Other gains/(losses) (net) comprises:

	The Group					
	Q2	Q2	Change	1H	1H	Change
	FY2020	FY2019	%	FY2020	FY2019	%
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
Foreign exchange gain/(loss) (net) ^(a)	1,787	1,950	(8.4)	1,654	(424)	N.M
Fair value gain/(loss) on investment securities	26	152	(82.9)	178	(29)	N.M
Loss on disposal of investment securities	(66)	-	100.0	(66)	-	100.0
Others	-	(6)	(100.0)	-	(6)	(100.0)
	<u>1,747</u>	<u>2,096</u>	<u>(10.4)</u>	<u>1,766</u>	<u>(459)</u>	<u>N.M</u>

^(a) Foreign exchange difference in Q2 FY2020 and 1H FY2020 relate to realised exchange difference on forward exchange contracts fulfilled and unrealised exchange difference on translation of NZ\$ and A\$ deposits (refer to note 3(a) on exchange rates).

STAMFORD LAND CORPORATION LTD

(Company Registration No. 197701615H)

2. **A statement of comprehensive income (for the group) together with a comparative statement for the corresponding period of the immediately preceding financial year**

	The Group					
	Q2	Q2	Change	1H	1H	Change
	FY2020	FY2019		FY2020	FY2019	
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
Profit for the period	10,493	11,556	(9.2)	15,335	28,579	(46.3)
Other comprehensive income:						
<i>Items that will not be reclassified to profit or loss</i>						
Fair value gain on equity instruments at fair value through other comprehensive income	28	-	100.0	58	-	100.0
<i>Items that may be reclassified subsequently to profit or loss:</i>						
Fair value gain on equity instruments at fair value through other comprehensive income	-	10	(100.0)	-	-	-
Exchange differences on consolidation of foreign subsidiaries	(6,503)	(10,647)	(38.9)	(11,557)	(10,393)	11.2
Exchange differences on foreign currency loans forming part of net investment in foreign operations	(2,081)	(419)	N.M	(2,175)	(53)	N.M
Other comprehensive income for the period, net of tax	(8,584)	(11,056)	(22.4)	(13,732)	(10,446)	31.5
Total comprehensive income for the period	1,937	500	N.M	1,661	18,133	(90.8)
Attributable to:						
Owner of the Company	1,174	500	N.M	898	18,133	(95.0)
Non-controlling interests	763	-	100.0	763	-	100.0
Total comprehensive income for the period	1,937	500	N.M	1,661	18,133	(90.8)

STAMFORD LAND CORPORATION LTD

(Company Registration No. 197701615H)

3(a). A balance sheet (for the issuer and group) together with a comparative statement as at the end of the immediately preceding financial year

	The Group		The Company	
	30.09.2019	31.03.2019	30.09.2019	31.03.2019
	S\$'000	S\$'000	S\$'000	S\$'000
ASSETS				
Non-current assets				
Property, plant and equipment	321,165	333,752	-	-
Right-of-use asset	70,559	-	-	-
Investment properties	568,751	116,056	-	-
Investments in subsidiaries	-	-	232,163	232,163
Investment securities	424	366	424	366
Deferred tax assets	4,467	4,791	-	-
	<u>965,366</u>	<u>454,965</u>	<u>232,587</u>	<u>232,529</u>
Current assets				
Completed properties for sale	19,814	23,589	-	-
Development properties for sale	7,396	7,456	-	-
Inventories	570	1,369	-	-
Trade and other receivables	18,063	12,097	86,769	93,608
Tax recoverable	8,994	3,560	7,616	-
Investment securities	11,052	14,124	-	-
Cash and bank balances	29,666	150,235	1,044	5,023
	<u>95,555</u>	<u>212,430</u>	<u>95,429</u>	<u>98,631</u>
Total assets	<u>1,060,921</u>	<u>667,395</u>	<u>328,016</u>	<u>331,160</u>
LIABILITIES				
Current liabilities				
Trade and other payables	28,404	29,224	446	319
Current income tax liabilities	1,055	8,793	-	8,898
Bank borrowings	377,711	105,710	-	-
Lease liability	342	-	-	-
Derivative financial liabilities	66	292	5	50
	<u>407,578</u>	<u>144,019</u>	<u>451</u>	<u>9,267</u>
Non-current liabilities				
Amounts due to subsidiaries	-	-	47,616	18,786
Amount due to non-controlling interests	79,574	-	-	-
Lease liability	70,787	-	-	-
Deferred tax liabilities	7,127	7,353	-	-
	<u>157,488</u>	<u>7,353</u>	<u>47,616</u>	<u>18,786</u>
Total liabilities	<u>565,066</u>	<u>151,372</u>	<u>48,067</u>	<u>28,053</u>
NET ASSETS	<u>495,855</u>	<u>516,023</u>	<u>279,949</u>	<u>303,107</u>
EQUITY				
Equity attributable to owners of the Company				
Share capital	144,693	144,693	144,693	144,693
Treasury shares	(31,289)	(17,545)	(31,289)	(17,545)
Retained profits	439,844	433,363	166,176	175,648
Other reserves	(58,156)	(44,488)	369	311
	<u>495,092</u>	<u>516,023</u>	<u>279,949</u>	<u>303,107</u>
Non-controlling interests	763	-	-	-
TOTAL EQUITY	<u>495,855</u>	<u>516,023</u>	<u>279,949</u>	<u>303,107</u>

STAMFORD LAND CORPORATION LTD

(Company Registration No. 197701615H)

3(a). A balance sheet (for the issuer and group) together with a comparative statement as at the end of the immediately preceding financial year (continued)

In the balance sheets, the following closing exchange rates were used to translate the A\$, NZ\$ and GBP:

	30.09.2019	31.03.2019	Change
A\$	0.9333	0.9610	(2.9%)
NZ\$	0.8659	0.9212	(6.0%)
GBP	1.7003	1.7636	(3.6%)

3(b). Aggregate amount of the group's borrowings and debt securities

	As at 30.09.2019		As at 31.03.2019	
	Secured	Unsecured	Secured	Unsecured
	S\$'000	S\$'000	S\$'000	S\$'000
Amount repayable within one year or less, or on demand	377,711	-	105,710	-

Details of any collaterals:

The following properties are charged by way of mortgages and fixed and floating equitable charges for the above borrowings:

Stamford Plaza Melbourne
Stamford Grand Adelaide

The carrying amount of the properties charged as security for the bank borrowings is approximately S\$84.2 million as at 30 September 2019 (31 March 2019: S\$87.1 million).

STAMFORD LAND CORPORATION LTD

(Company Registration No. 197701615H)

4. A statement of cash flows (for the group) together with a comparative statement for the corresponding period of the immediately preceding financial year

	The Group			
	Q2 FY2020	Q2 FY2019	1H FY2020	1H FY2019
	S\$'000	S\$'000	S\$'000	S\$'000
Cash flows from operating activities				
Profit before tax	11,240	14,228	16,685	37,753
Adjustments for:				
Depreciation expense	2,837	2,716	5,713	5,426
Dividend income	(89)	(116)	(254)	(345)
Interest expense	2,653	837	4,493	1,909
Interest income	(221)	(504)	(900)	(1,423)
Loss on disposal of property, plant and equipment	-	5	-	5
Loss on disposal of investment securities	66	-	66	-
Unrealised foreign exchange gain	(3,170)	(7,360)	(5,339)	(5,086)
Fair value (gain)/loss on investment securities	(26)	(152)	(178)	29
Operating cash flows before changes in working capital	13,290	9,654	20,286	38,268
Changes in working capital:				
Trade and other receivables	(6,622)	60	(4,317)	(745)
Inventories	68	(5)	799	229
Completed properties for sale	243	9,763	695	9,763
Development properties for sale	-	6,720	-	65,079
Trade and other payables	3,971	53	(821)	(7,123)
Derivative financial liabilities	(154)	(7)	(226)	(102)
Cash flows from operations	10,796	26,238	16,416	105,369
Income tax paid	(16,832)	(27,998)	(17,338)	(28,602)
Net cash flows (used in)/from operating activities	(6,036)	(1,760)	(922)	76,767
Cash flows from investing activities				
Purchase of property, plant and equipment	(1,843)	(952)	(3,233)	(2,759)
Purchase of investment property	(446,431)	-	(446,431)	-
Proceed from disposal of investment securities	3,185	-	3,185	-
Interest received	(1,439)	562	(748)	1,299
Dividends received	89	116	254	345
Deposits pledged	278	(16)	278	626
Net cash flows used in investing activities	(446,161)	(290)	(446,695)	(489)
Cash flows from financing activities				
Repayment of borrowings	-	-	-	(99,294)
Proceeds from borrowings	275,048	-	275,048	-
Dividends paid	(8,085)	(8,617)	(8,085)	(8,617)
Loan from non-controlling interests	79,574	-	79,574	-
Purchase of treasury shares	(10,072)	(3,969)	(13,744)	(3,969)
Payment of lease liability	(1,120)	-	(2,224)	-
Interest paid	(1,652)	(838)	(2,472)	(1,953)
Net cash flows from/(used in) financing activities	333,693	(13,424)	328,097	(113,833)

STAMFORD LAND CORPORATION LTD

(Company Registration No. 197701615H)

4. A statement of cash flows (for the group) together with a comparative statement for the corresponding period of the immediately preceding financial year (continued)

Note	The Group			
	Q2 FY2020 S\$'000	Q2 FY2019 S\$'000	1H FY2020 S\$'000	1H FY2019 S\$'000
Net decrease in cash and cash equivalents	(118,504)	(15,474)	(119,520)	(37,555)
Cash and cash equivalents at beginning of the period	145,751	132,462	146,366	154,534
Effect of exchange rate changes on cash and cash equivalents	(1,123)	1,586	(722)	1,595
Cash and cash equivalents at end of the period	(i) 26,124	118,574	26,124	118,574

Note

	The Group	
	30.09.2019 S\$'000	30.09.2018 S\$'000
(i) Cash and bank balances in the balance sheet	29,666	124,981
Less: Deposits pledged	(3,542)	(6,407)
Cash and cash equivalents in the statement of cash flows	26,124	118,574

STAMFORD LAND CORPORATION LTD

(Company Registration No. 197701615H)

5(a). A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year

THE GROUP

	Attributable to owners of the Company							Total equity S\$'000
	Share capital S\$'000	Treasury shares S\$'000	Asset revaluation reserve S\$'000	Fair value reserve S\$'000	Foreign currency translation reserve S\$'000	Retained profits S\$'000	Non-controlling interests S\$'000	
1H FY2020								
Balance at 1 April 2019	144,693	(17,545)	3,300	311	(48,099)	433,363	-	516,023
Profit for the period	-	-	-	-	-	14,566	769	15,335
Other comprehensive income for the period	-	-	-	58	(13,726)	-	(6)	(13,674)
Total comprehensive income for the period	-	-	-	58	(13,726)	14,566	763	1,661
<u>Contributions by and distributions to owners</u>								
Purchase of treasury shares	-	(13,744)	-	-	-	-	-	(13,744)
Dividends on ordinary shares	-	-	-	-	-	(8,085)	-	(8,085)
Total contributions by and distributions to owners, representing total transactions with owners in their capacity as owners	-	(13,744)	-	-	-	(8,085)	-	(21,829)
Balance at 30 September 2019	144,693	(31,289)	3,300	369	(61,825)	439,844	763	495,855

STAMFORD LAND CORPORATION LTD

(Company Registration No. 197701615H)

- 5(a). A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year (continued)

THE GROUP

	Attributable to owners of the Company						
	Share capital S\$'000	Treasury shares S\$'000	Asset revaluation reserve S\$'000	Fair value reserve S\$'000	Foreign currency translation reserve S\$'000	Retained profits S\$'000	Total equity S\$'000
1H FY2019							
Balance at 1 April 2018	144,693	-	3,300	314	(23,733)	394,295	518,869
Profit for the period						28,579	28,579
Other comprehensive income for the period	-	-	-	-	(10,446)	-	(10,446)
Total comprehensive income for the period	-	-	-	-	(10,446)	28,579	18,133
<u>Contributions by and distributions to owners</u>							
Purchase of treasury shares	-	(3,969)	-	-	-	-	(3,969)
Dividends on ordinary shares	-	-	-	-	-	(8,617)	(8,617)
Total contributions by and distributions to owners, representing total transactions with owners in their capacity as owners	-	(3,969)	-	-	-	(8,617)	(12,586)
Balance at 30 September 2018	144,693	(3,969)	3,300	314	(34,179)	414,257	524,416

STAMFORD LAND CORPORATION LTD

(Company Registration No. 197701615H)

- 5(a). A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year (continued)

THE COMPANY

	Share capital S\$'000	Treasury shares S\$'000	Fair value reserve S\$'000	Retained profits S\$'000	Total equity S\$'000
1H FY2020					
Balance at 1 April 2019	144,693	(17,545)	311	175,648	303,107
Loss for the period	-	-	-	(1,387)	(1,387)
Other comprehensive income for the period	-	-	58	-	58
Total comprehensive income for the period	-	-	58	(1,387)	(1,329)
<u>Contributions by and distributions to owners</u>					
Purchase of treasury shares	-	(13,744)	-	-	(13,744)
Dividends on ordinary shares	-	-	-	(8,085)	(8,085)
Total contributions by and distributions to owners, representing total transactions with owners in their capacity as owners	-	(13,744)	-	(8,085)	(21,829)
Balance at 30 September 2019	144,693	(31,289)	369	166,176	279,949

	Share capital S\$'000	Treasury shares S\$'000	Fair value reserve S\$'000	Retained profits S\$'000	Total equity S\$'000
1H FY2019					
Balance at 1 April 2018	144,693	-	314	73,722	218,729
Profit for the period	-	-	-	302	302
Total comprehensive income for the period	-	-	-	302	302
<u>Contributions by and distributions to owners</u>					
Purchase of treasury shares	-	(3,969)	-	-	(3,969)
Dividends on ordinary shares	-	-	-	(8,617)	(8,617)
Total contributions by and distributions to owners, representing total transactions with owners in their capacity as owners	-	(3,969)	-	(8,617)	(12,586)
Balance at 30 September 2018	144,693	(3,969)	314	65,407	206,445

STAMFORD LAND CORPORATION LTD

(Company Registration No. 197701615H)

- 5(b). Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State the number of shares that may be issued on conversion of all the outstanding convertibles, if any, against the total number of issued shares excluding treasury shares and subsidiary holdings of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year. State also the number of shares held as treasury shares and the number of subsidiary holdings, if any, and the percentage of the aggregate number of treasury shares and subsidiary holdings held against the total number of shares outstanding in a class that is listed as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year

Issued and fully paid ordinary shares

	Number of ordinary shares	
	Issued Share Capital	Treasury Shares
As at 1 July 2019	864,087,982	43,346,700
Treasury shares purchased	-	20,780,800
As at 30 September 2019	864,087,982	64,127,500

Treasury shares

During Q2 FY2020, the Company purchased 20,780,800 treasury shares (Q2 FY2019: 8,126,100 treasury shares). As at 30 September 2019, the number of treasury shares held by the Company represented 8.02% (30 September 2018: 0.95%) of the total number of issued ordinary shares (excluding treasury shares).

Share options and subsidiary holdings

There were no outstanding share options and subsidiary holdings as at 30 September 2019 and 30 September 2018.

- 5(c). To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year

	As at 30.09.2019	As at 31.03.2019
Total number of issued shares (excluding treasury shares)	799,960,482	828,348,582

- 5(d). A statement showing all sales, transfers, cancellation and/or use of treasury shares as at the end of the current financial period reported on

There was no sale, transfer, cancellation and/or use of treasury shares during the financial period ended 30 September 2019.

- 5(e). A statement showing all sales, transfers, cancellation and/or use of subsidiary holdings as at the end of the current financial period reported on

Not applicable.

STAMFORD LAND CORPORATION LTD

(Company Registration No. 197701615H)

6. Whether the figures have been audited, or reviewed, and in accordance with which auditing standard or practice

The figures have not been audited or reviewed by the auditors of the Company.

7. Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of a matter)

Not applicable.

8. Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied

Except as disclosed in note 9 below, the Group has applied the same accounting policies and methods of computation in the preparation of the financial statements for the current financial period ended 30 September 2019 as compared to the most recently audited financial statements for the financial year ended 31 March 2019.

9. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change

The Group has adopted Singapore Financial Reporting Standards (International) ("SFRS(I)") 16 *Leases* which is effective for annual periods beginning on or after 1 January 2019. The Group has adopted SFRS(I) 16 on a modified retrospective basis with no adjustment to the opening retained earnings at the date of initial application, 1 April 2019.

As Lessee

The Group has committed to lease a land for a period of 65 years commencing on 17 October 2000.

On adoption of SFRS(I) 16, the Group has measured the right-of-use asset at an amount equal to the lease liability, adjusted by the amount of prepaid or accrued lease payments related to that lease recognised in the balance sheet immediately before 1 April 2019. The Group has also elected the following practical expedients:

- not to reassess whether a contract is, or contains a lease at the date of initial application and to apply SFRS(I) 16 to all contracts that were previously identified as leases;
- to apply the exemption not to recognise right-of-use asset and lease liabilities to leases for which the lease term ends within 12 months as of 1 April 2019; and
- to apply a single discount rate to a portfolio of leases with reasonably similar characteristics.

On adoption of SFRS(I) 16, the Group recognised a right-of-use asset and a lease liability of \$72,513,000 for its lease previously classified as operating lease as at 1 April 2019.

STAMFORD LAND CORPORATION LTD

(Company Registration No. 197701615H)

10. Earnings per ordinary share of the group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends

	The Group			
	Q2 FY2020	Q2 FY2019	1H FY2020	1H FY2019
Profit for the period attributable to owners of the Company (S\$'000)	9,724	11,556	14,566	28,579
Weighted average number of ordinary shares for basic and diluted earnings per share computation ('000)	809,611	861,476	817,699	862,775
Earnings per share				
(i) Basic (cents)	1.20	1.34	1.78	3.31
(ii) Diluted (cents)	1.20	1.34	1.78	3.31

11. Net asset value (for the issuer and group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the:
- (a) current financial period reported on; and
- (b) immediately preceding financial year.

	The Group		The Company	
	30.09.2019	31.03.2019	30.09.2019	31.03.2019
	S\$	S\$	S\$	S\$
Net asset value per ordinary share based on the total number of issued shares excluding treasury shares as at the end of the financial period/year	0.62	0.62	0.35	0.37

STAMFORD LAND CORPORATION LTD

(Company Registration No. 197701615H)

12. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. The review must discuss any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors. It must also discuss any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on

Consolidated income statement

	The Group							
	Q2	Q2	Change		1H	1H	Change	
	FY2020	FY2019	S\$'000	%	FY2020	FY2019	S\$'000	%
	S\$'000	S\$'000	S\$'000	%	S\$'000	S\$'000	S\$'000	%
<u>REVENUE</u>								
Hotel owning & management	39,216	42,520	(3,304)	(7.8)	77,292	83,956	(6,664)	(7.9)
Property development	5,349	23,933	(18,584)	(77.7)	6,730	102,500	(95,770)	(93.4)
Property investment	6,478	3,960	2,518	63.6	10,271	7,957	2,314	29.1
Trading	127	330	(203)	(61.5)	310	659	(349)	(53.0)
	51,170	70,743	(19,573)	(27.7)	94,603	195,072	(100,469)	(51.5)
Others	169	157	12	7.6	338	316	22	7.0
	51,339	70,900	(19,561)	(27.6)	94,941	195,388	(100,447)	(51.4)
<u>OPERATING PROFIT</u>								
Hotel owning & management	7,546	8,948	(1,402)	(15.7)	12,803	15,955	(3,152)	(19.8)
Property development	984	4,654	(3,670)	(78.9)	1,541	22,425	(20,884)	(93.1)
Property investment	5,757	3,228	2,529	78.3	8,741	6,452	2,289	35.5
Trading	(2)	(24)	22	91.7	54	74	(20)	(27.0)
	14,285	16,806	(2,521)	(15.0)	23,139	44,906	(21,767)	(48.5)
Others	(2,449)	(4,457)	2,008	45.1	(4,881)	(6,553)	1,672	25.5
	11,836	12,349	(513)	(4.2)	18,258	38,353	(20,095)	(52.4)

Hotel owning & management

- Revenue decline of 7.8% in Q2 FY2020 and 7.9% in 1H FY2020 was mainly due to a weaker A\$. Consequently, operating profit decreased in line with revenue.

Property development

- Revenue and operating profit were lower due to decreased number of units settled in Macquarie Park Village in Q2 FY2020 (Q2 FY2020: 2 units; Q2 FY2019: 15 units) and 1H FY2020 (1H FY2020: 4 units; 1H FY2019: 126 units).
- In Q2 FY2019, there were sales of 2 commercial units (Q2 FY2020: Nil) in The Stamford Residences & The Reynell Terraces and 1 unit (Q2 FY2020: 1 unit) in The Stamford Residences Auckland.

Property investment

- Revenue and operating profit were higher due to rental income earned from the newly acquired investment property, 8 Finsbury Circus, in London.

STAMFORD LAND CORPORATION LTD

(Company Registration No. 197701615H)

12. **A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. The review must discuss any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors. It must also discuss any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on (continued)**

Consolidated balance sheet

- On 26 July 2019, the Company and Ow Global Pte Ltd, through their respective subsidiaries, completed the acquisition of the property located at 8 Finsbury Circus, London, United Kingdom (the "Property"), through a special purpose vehicle incorporated in the British Virgin Islands.

The acquisition resulted in an increase in investment properties, bank borrowings and amount due to non-controlling interests as at 30 September 2019.

Consolidated statement of cash flows

- The Group registered a net decrease in cash and cash equivalents of S\$118.5 million and S\$119.5 million in Q2 FY2020 and 1H FY2020 respectively, details as follows:
 - Cash outflow from operating activities;
 - Cash outflow from investing activities was mainly due to acquisition of the Property and ongoing refurbishment projects; and
 - Cash inflow from financing activities was mainly due to proceeds from bank borrowings, partially offset by payment of dividends and purchase of treasury shares.

13. **Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results**

No forecast was previously provided.

14. **A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months**

- As at 30 September 2019, 674 units out of a total 712 units at Macquarie Park Village were settled. We continue to work on the sale or lease of the remaining units.
- The hotel segment continues to be stable.
- The acquisition of the Property will contribute stable recurring income for the property investment segment.
- Barring any unforeseen circumstances, the Group expects to be profitable in FY2020, albeit the profitability will be a downward trend.

STAMFORD LAND CORPORATION LTD

(Company Registration No. 197701615H)

15. Dividend

(a) Current financial period reported on

No.

(b) Corresponding period of the immediately preceding financial year

No.

(c) Date payable

Not applicable.

(d) Books closure date

Not applicable.

16. If no dividend has been declared/recommended, a statement to that effect

No interim dividend has been declared/recommended in the current reporting period.

17. Interested Person Transactions ("IPTs")

The Company has not obtained a general mandate from shareholders for any IPTs.

18. Confirmation that the issuer has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7.7) under Rule 720(1)

The Company confirmed that it has procured undertakings from all its directors and executive officers in the format set out in Appendix 7.7 under Rule 720(1) of the Listing Manual.

19. Negative confirmation pursuant to Rule 705(5) of the Listing Manual

We confirm that, to the best of our knowledge, nothing has come to the attention of the Board of Directors of the Company which may render the unaudited financial results for the financial period ended 30 September 2019 to be false or misleading in any material aspect.

On behalf of the Board of Directors

Ow Chio Kiat
Executive Chairman

Ow Yew Heng
Chief Executive Officer

BY ORDER OF THE BOARD

Lee Li Huang
Company Secretary

7 November 2019