

**STAMFORD LAND CORPORATION LTD**  
(Company Registration No.: 197701615H)  
(Incorporated in Singapore)

---

**PROPOSED RENOUNCEABLE NON-UNDERWRITTEN RIGHTS ISSUE**

**RECEIPT OF APPROVAL IN PRINCIPLE FROM THE SINGAPORE EXCHANGE SECURITIES  
TRADING LIMITED**

---

**1. INTRODUCTION**

The board of directors (the "**Board**" or the "**Directors**") of Stamford Land Corporation Ltd (the "**Company**", and together with its subsidiaries, the "**Group**") refers to the announcement made by the Company on 7 December 2021 (the "**Rights Issue Announcement**") in relation to, *inter alia*, the proposed renounceable non-underwritten rights issue (the "**Rights Issue**") of 703,735,903 new ordinary shares in the capital of the Company (the "**Rights Shares**") on the basis of nine (9) Rights Shares for every ten (10) existing ordinary shares in the capital of the Company.

**2. RECEIPT OF IN-PRINCIPLE APPROVAL**

Further to the Rights Issue Announcement, the Board wishes to announce that the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") has on 28 December 2021 granted its in-principle approval for the listing of and quotation for up to 703,735,903 Rights Shares on the SGX-ST pursuant to the Rights Issue, subject to the following:

*Compliance with the Exchange's listing requirement*

- i. Submission of a written undertaking from the Company that it will comply with Listing Rules 704(30) and 1207(20) in relation to the use of the proceeds from the Rights Issue and where proceeds are to be used for working capital purposes, the Company will disclose a breakdown with specific details on the use of proceeds for working capital in the Company's announcements on use of proceeds and in the annual report;
- ii. Submission of a written undertaking from the Company that it will comply with Listing Rule 877(10) with regards to the allotment of any excess Rights Shares and that controlling shareholders and directors and their respective associates will rank last;
- iii. Submission of a written confirmation from financial institution(s) as required under Listing Rule 877(9) that the undertaking shareholders who have given the irrevocable undertakings have sufficient financial resources to fulfil their obligations under its undertakings;
- iv. Disclosure via SGXNet of the Company's estimates and breakdown for the use of proceeds by specific projects to justify why the Company has to use the enhanced mandate and why the normal 50% share issue limits and the Company's \$139 million cash on hand as at 30 September 2021 is insufficient for the Company's purposes;
- v. Disclosure via SGXNet of an update and the status of divestment plans for its hospitality assets and whether any proceeds from the Rights Issue will be used for the hospitality assets that Company is exploring to divest of, as earlier announced on 27 March 2021 and 15 June 2021, in light of the Company's proposed use of the Rights proceed to redevelop Stamford Plaza Brisbane and Sir Stamford at Circular Quay and to conduct asset enhancements for Stamford Grand Adelaide. The Company to also disclose in detail the rationale for any changes in the divestment plans and strategy;

- vi. Disclosure via SGXNET whether and how the Board had taken into consideration shareholders' interest when undertaking the 9-for-10 Rights Issue and other sources of fund raising and to provide a confirmation that in their view the Rights Issue is in the best interest of the Company and its minority shareholders; and
- vii. In relation to the Company's prior disclosure that the Irrevocable Undertaking is "subject to him/her/it not being placed in a position of incurring a mandatory general offer obligation under the Code", the Company to disclose via SGXNet a clarification on the threshold at which the Undertaking Shareholders would be placed in a position to incur a mandatory General Offer and if this would prevent them from taking up 100% of the Rights Issue in the event none of the other shareholders subscribe for their Rights allotment.

#### Response to Sub-Paragraphs (i), (ii) and (iii)

The Company has submitted the written undertakings and confirmations referred to in sub-paragraphs (i), (ii) and (iii) above to the SGX-ST.

#### Response to Sub-Paragraphs (iv) and (vi)

With respect to sub-paragraphs (iv) and (vi), and in addition to paragraph 2.3 of the Rights Issue Announcement, the proceeds of the Rights Issue ("**Rights Proceeds**") shall be utilised to finance the following:

- a. (i) the acquisition of the freehold title in connection with the proposed development of Stamford Plaza Brisbane ("**SPB**"), (ii) any cost associated with the acquisition, and (iii) any professional and consultant cost connected with the proposed development;
- b. all professional and consultant cost, together with the initial stages of construction, in connection with the development of Sir Stamford at Circular Quay, Sydney. The Company had on 12 March 2020 obtained the Phase 1 approval and is currently undertaking the Phase 2 approval process;
- c. the refurbishment of all 220 rooms, lobby, lifts and the food and beverage components of Stamford Grand Adelaide. The refurbishments are expected to commence in the first half of financial year 2022;
- d. the refurbishment of all 280 rooms, lobby and amenities of Stamford Plaza Melbourne ("**SPM**"). The refurbishments are to commence in the first half of financial year 2022; and
- e. together with the Company's cash and bank loans, to pay for the sale price of real estate investments that the Company is currently exploring,

(collectively, the "**Ongoing Projects**"). The Company will make further announcements in accordance with the usual process and the guidelines in Practice Note 7.1 and Appendix 7.1

The Company does not intend to utilise all of its cash and bank balances in connection with the Ongoing Projects, taking into consideration the following:

- a. the cessation of its isolation appointments for some of its hotels for the financial year ending 31 March 2022;
- b. with the expected cessation of the isolation appointments of the rest of the hotels for the financial year ending 31 March 2023, the Company is expected to return to normal hotel operations within the next 18 months which means lower occupancy and higher operational cost; and

- c. analyst forecast in reductions in RevPAR in the near future, the expected slow recovery within the hospitality industry and the uncertain market conditions.

The Company will require the necessary reserves to weather the market conditions until the hospitality industry recovers.

The Company has considered debt and other alternative forms of financing, in connection with the Ongoing Projects. Taking into consideration the above, the Board is of the view that (i) the Rights Issue, (ii) the 9-for-10 basis for the Rights Issue, and (iii) the utilisation of the enhanced mandate, are all in the best interests of the Company.

Response to Sub-Paragraph (v)

With respect to sub-paragraph (v), the Company had earlier announced on 27 March 2021 and 15 June 2021 the possibility of the divestment of part of its portfolio of properties which was exploratory in nature. The indicative interests received to-date have not met the Company's expectations. As of today, no definitive agreements or arrangements have been entered into. The Company will continue to consider any interest with respect to its hotels.

Response to Sub-Paragraph (vii)

With respect to sub-paragraph (vii), and with reference to paragraph 4.3 of the Rights Issue Announcement, as the Undertaking Shareholders and the Non-Undertaking Shareholders, being concert parties, hold more than 50% of the total number of shares, by the Undertaking Shareholders subscribing to their allotted rights, and taking up all the excess rights in the event that none of the other shareholders take up their allotment, the Undertaking Shareholders will not need to make a mandatory general offer obligation under the Code and the Undertaking Shareholders are not prevented from taking up 100% of the Rights Issue in the event none of the other shareholders subscribe for their Rights allotment.

The in-principle approval granted by the SGX-ST for the admission of, listing of and quotation for the Rights Shares is not to be taken as an indication of the merits of the Rights Issue, the Rights Shares, the Company and/or its subsidiaries.

Shareholders and potential investors of Company are advised to refrain from taking any action in respect of their shares in Company which may be prejudicial to their interests and to exercise caution when dealing in the shares of the Company.

**BY ORDER OF THE BOARD**

Lee Li Huang  
Chief Financial Officer and Company Secretary  
29 December 2021

## **IMPORTANT NOTICE**

This announcement is for information only and does not constitute or form part of any offer or invitation to sell or issue or subscribe for, or any solicitation of any offer to acquire, any Rights Shares or to take up any entitlements to Rights Shares in any jurisdiction in which such an offer or solicitation is unlawful. No person should acquire any Rights Shares except on the basis of the information contained in the Offer Information Statement. The information contained in this announcement is not for release, publication or distribution to persons in the United States and should not be distributed, forwarded to or transmitted in or into any jurisdiction where to do so might constitute a violation of applicable securities laws or regulations. The issue, exercise or sale of Rights Shares and the acquisition or purchase of the Rights Shares are subject to specific legal or regulatory restrictions in certain jurisdictions. The Company assumes no responsibility in the event there is a violation by any person of such restrictions. The distribution of this announcement into jurisdictions other than Singapore may be restricted by law. Persons into whose possession this announcement and such other documents come should inform themselves about and observe any such restrictions. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction. Neither the content of the Company's website nor any website accessible by hyperlinks on the Company's website is incorporated in, or forms part of, this announcement.

This announcement may contain forward-looking statements that involve risks and uncertainties. Actual future performance, outcomes and results may differ materially from those expressed in forward-looking statements as a result of a number of risks, uncertainties and assumptions. Representative examples of these factors include (without limitation) general industry and economic conditions, interest rate trends, cost of capital and capital availability, competition from similar developments, shifts in expected levels of property rental income, changes in operating expenses (including employee wages, benefits and training costs), property expenses and governmental and public policy changes and the continued availability of financing in the amounts and the terms necessary to support future business. Investors are cautioned not to place undue reliance on these forward-looking statements, which are based on the Company's current view on future events.

**This announcement is not an offer for sale of securities in the United States or elsewhere. The provisional allotments of Rights Shares, the Rights Shares, the provisional allotment letters and/or the application forms for the Rights Shares and excess Rights Shares have not been and will not be registered under the United States Securities Act of 1933 (the "Securities Act"), and may not be offered or sold in the United States unless registered under the Securities Act or pursuant to an exemption from, or in a transaction not subject to, registration under the Securities Act. There will be no public offering of securities in the United States.**