

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

PROPOSED RENOUNCEABLE NON-UNDERWRITTEN RIGHTS ISSUE
RESPONSE TO SGX REQUEST FOR CLARIFICATION

The board of directors (the “**Board**” or “**Directors**”) of Stamford Land Corporation Ltd (the “**Company**” and together with its subsidiaries, the “**Group**”) refers to the Company’s announcement dated 7 December 2021 (“**7 December Announcement**”) and the announcement dated 29 December 2021 on the approval-in-principle for the proposed Rights Issue (the “**29 December Announcement**”, and together with the 7 December Announcement, the “**Announcements**”).

Capitalised terms not otherwise defined herein shall have the meanings respectively ascribed to them in the Announcements.

In this regard, the Company would like to respond to the following further queries raised by the Singapore Exchange Securities Trading Limited on 30 December 2021 (the “**SGX Queries**” and each an “**SGX Query**”) as follows:

SGX Query 1.

The Company has not disclosed the estimates and breakdown for the use of proceeds by specific projects to justify why it has to use the enhanced share issue mandate and why the normal share issue limit and the Company’s cash balance of S\$139 million is insufficient for the Company’s purposes, as required by condition (iv). Please make the necessary disclosure of the estimated costs and breakdown of the use of proceeds in the specific projects mentioned by the Company to justify why the Company has to rely on the enhanced share issue mandate.

Company’s Response to SGX Query 1.

The Company will not be able to provide further disclosures save for the disclosures herein and in the Announcements. Any further disclosures will most likely prejudice the ongoing negotiations and discussions with third parties relating to the Ongoing Projects, and possibly affect the Company’s chances of achieving its objectives relating to each of the Ongoing Projects, and thereby the success of the Ongoing Projects.

As mentioned in the 29 December Announcement, the Company will make future announcements on the Ongoing Projects, where appropriate. Any further disclosures, other than the disclosures herein and in the Announcements, will be against the interest of the Company.

The total cost of the Ongoing Projects as a whole is expected to be more than the Rights Proceeds, and the available cash and reserves of the Company combined.

Financing of the Ongoing Projects is intended to be by way of (i) the Rights Proceeds, (ii) debt financing, and (iii) the use of part of the Company’s cash and reserves. The Company has, in the 29 December Announcement, explained in detail the reason why the Company does not intend to utilise all of its cash and bank balances in connection with the Ongoing Projects. Please refer to the 29 December Announcement.

The Company has also, in paragraph 2.3 of the 7 December Announcement, disclosed the proportion whereby the Company intends to allocate all of the Rights Proceeds. In addition to that, the Company hereby provides the following breakdown:

- a. about \$68 to \$73 million of the Rights Proceeds are proposed to be utilised in the redevelopment of Stamford Plaza Brisbane and Sir Stamford at Circular Quay;

- b. about \$68 to \$73 million of the Rights Proceeds are proposed to be utilised in the asset enhancements for Stamford Grand Adelaide and Stamford Plaza Melbourne; and
- c. about \$95 million of the Rights Proceeds are proposed to be utilised in other opportunistic real estate acquisitions.

Details of the above Ongoing Projects have already been disclosed in the 29 December Announcement. Please refer to the 29 December Announcement. The utilisation of the Rights Proceeds will take place over the course of the next 24 months, with an estimated 80% of the same to be utilised within the first 12 months.

SGX Query 2.

The Company has not disclosed whether any proceeds from the Rights Issue will be used for the hospitality assets that the Company is exploring to divest, as required by condition (v). Please disclose the information as required by condition (v). Please also disclose why the Company is using the Rights proceeds for these hospitality assets that the Company is intending to divest, if any, and the Company's plans for such hotels moving forward. If the Company is no longer intending to divest these hotels, please disclose in detail the rationale for such changes in its plans.

Company's Response to SGX Query 2.

As mentioned in the 29 December Announcement, the indicative interests received to-date have not met the Company's expectations. The Company is therefore pushing ahead with the Ongoing Projects, which will be the Company's primary focus moving forward, for the reasons disclosed in the 29 December Announcement. The Rights Proceeds will be utilised for properties that form part of the Company's announcement on 27 March 2021, when the Company announced that it was exploring an asset light strategy.

The Company has, even prior to its announcement on 27 March 2021, always received indicative interests for one or more of its properties, including those properties involved in the Ongoing Projects. The Company is expected to continue to receive indicative interests for those properties. The Company reiterates that none of the indicative interests received to-date have met the Company's expectations.

There is therefore no assurance that the divestments of one or more of the properties, including those properties involved in the Ongoing Projects, will occur, and therefore, the Company is pushing ahead with the Ongoing Projects, and hence not factoring any potential proceeds from such divestments into its business plans and budgets.

The in-principle approval granted by the SGX-ST on 28 December 2021 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
3 January 2022