

NEWS RELEASE

SLB ACQUIRES A 20% EQUITY STAKE IN A UK FUND MANAGEMENT BUSINESS

Singapore, 16 June 2020 – Diversified property developer, **SLB Development Ltd.** (“**SLB**”, and together with its subsidiaries, the “**Group**”), wishes to announce that it has exercised its option to subscribe to a 20% equity stake for £90,000 on a willing buyer-willing seller basis in Pinnacle Investment Management Limited (“**PIML**”), a fund management subsidiary of UK-based Pinnacle Investments (Holdings) Limited (“**Pinnacle Investments**”) and Pinnacle Group Limited, which aims to build a series of funds focused on the Private Rented Sector (“**PRS**”) across the UK.

Following shareholders’ approval at an extraordinary general meeting held on 26 September 2019 to diversify its business into fund management, the Group made a maiden investment of £2.0 million into a UK residential fund, Pinnacle Residential Fund (the “**Fund**”), managed by PIML, through its subsidiary, SLB Starcap Pte. Ltd. The Fund aims to provide new and alternative ways for capital to access, support and help grow the “Living Sectors” – properties that provide people with homes of different types and tenures for various needs and stages of life.

The Pinnacle Residential Fund is acquiring assets across the UK in areas where supply and demand is most dislocated and that exhibit good prospects for economic growth. The Fund’s investment strategy is focused on an under-represented niche and aims to provide investors with secure stable income and capital growth.

Mr Matthew Ong (王榮強), Executive Director and CEO of SLB, said, “The diversification of our business into fund management has proven to be a winning strategy through the creation of new and recurring income streams for sustained growth. We are pleased to be able to leverage on our partnership with Pinnacle Investments, because of their strong expertise and specialised knowledge of the UK property development market. We believe that our continued investments into the UK’s Private Rented Sector is aligned with our objective of seeking out prudent investment opportunities which will provide a steady source of recurrent income in the years to come.”

Christopher Turnbull, Director of Pinnacle Investments, said: “We are delighted to welcome SLB as a shareholder of PIML. They have been a great supporter of the Pinnacle Residential Fund and share our vision for building a leading, professionally managed residential portfolio. SLB is an experienced, award winning development and investment company with projects across Asia. We will benefit greatly from this shared experience and knowledge, and look forward to building further on what has already proven to be a successful partnership.”

The UK PRS is projected to reach £75.0 billion by 2025. It is expected that tenant demand will continue to exert upward pressure on rental values in the UK PRS from 2020 – 2024, with cumulative UK rental growth forecasted at 10% over the same period.¹ Amidst the COVID-19 pandemic, the UK PRS has proven resilient, as research firm Savills predicts that there will likely be no significant impact on rental values in the short-term for the UK PRS.²

¹ Source: Knight Frank, April 2020 – UK Residential Market Forecast 2020 – 2024

² Source: Savills, 26 March 2020 – Coronavirus and the UK Housing Market

“Despite uncertainties from the ongoing COVID-19 pandemic and outcome of Brexit, we remain optimistic about the housing market and investment demand in the UK, especially in the long-term. The UK PRS, backed by strong fundamentals underpinned by demographic growth and favorable supply-demand dynamics, has been a steady source of income even in tough times,” said Mr Ong.

ABOUT SLB DEVELOPMENT LTD.

SLB Development Ltd. is a diversified property developer with extensive experience and track record across the residential, mixed-use as well as industrial and commercial sectors, and property development projects ranging from small to large scale. The diversified nature of its quality portfolio allows effective management of exposure to the fluctuations in demand and/or changes in regulations for each type of property development.

In 2019, SLB established a fund management business in partnership with experienced industry veterans, which aims to actively pursue investment opportunities in real estate funds and various segments of the real estate value chain.

Led by an experienced management team, SLB has built strong networks of business relationships with other property developers and contractors, and has expanded its presence beyond Singapore to the PRC.

For more information, please visit www.slbdevelopment.com.sg.

ABOUT PINNACLE INVESTMENT MANAGEMENT LIMITED

Pinnacle Investment Management Limited (“Pinnacle Investments”) is an investment management business focused on thematic investments within the Living Sectors, underpinned by demographic and societal trends. Pinnacle Investments is the Manager to the Pinnacle Residential Fund, an open-ended fund providing investors with an alternative route to residential investment; investing in middle income, private rented housing across the UK on a granular basis.

Pinnacle Investments is an affiliate of Pinnacle Group Limited, a leading housing and facilities management company providing people-first integrated services across a range of community facing assets and infrastructure in the UK, and with that benefits from a deep understand of the operational complexities of residential assets and the wider management infrastructure of Pinnacle Group.

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*This news release has been reviewed by the Company's sponsor, SAC Capital Private Limited (the "**Sponsor**").*

*This news release has not been examined or approved by the Singapore Exchange Securities Trading Limited ("**SGX-ST**") and the SGX-ST assumes no responsibility for the contents of this news release, including the correctness of any of the statements or opinions made, or reports contained in this news release.*

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