

The Straits Trading Company Limited Company Presentation

17 November 2016



A MEMBER OF THE TECITY GROUP

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Financial Highlights

3Q and 9 months ended 30 September 2016

Group Financial Highlights: 3Q and 9M 2016

S\$m	3Q 2016	3Q 2015	% change	9M 2016	9M 2015	% change
EBITDA	27.1	4.3	531%	79.5	11.5	590%
EBIT	25.8	3.3	679%	76.0	8.6	789%
Profit/(Loss) before tax	21.3	(1.1)	n.m.	61.6	(2.7)	n.m.
PATNCI	16.8	(7.0)	n.m.	46.0	(2.8)	n.m.
EPS (cents)	4.1	(1.7)	n.m.	11.3	(0.7)	n.m.
EBITDA / Interest expenses	5.52	1.02	441%	5.52	1.02	441%

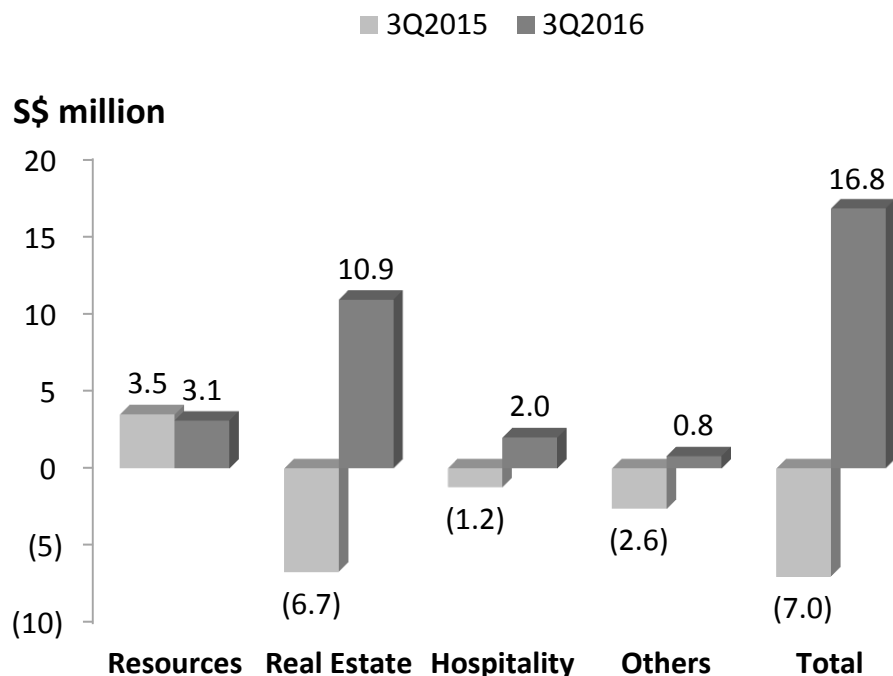
Group Financial Highlights: 3Q and 9M 2016

S\$m	30 Sep 2016	31 Dec 2015
Cash and short-term deposits	265.3	239.3
Total assets	2,214.9	2,085.5
Total borrowings	665.1	551.7
Total liabilities	784.3	715.3
Total equity	1,430.6	1,370.2
NAV per share (S\$)	3.28	3.18
Net debt / Total equity	27.9%	22.8%

***NAV per share increased by approximately S\$0.10
after payment of a dividend of S\$0.04 in 2016***

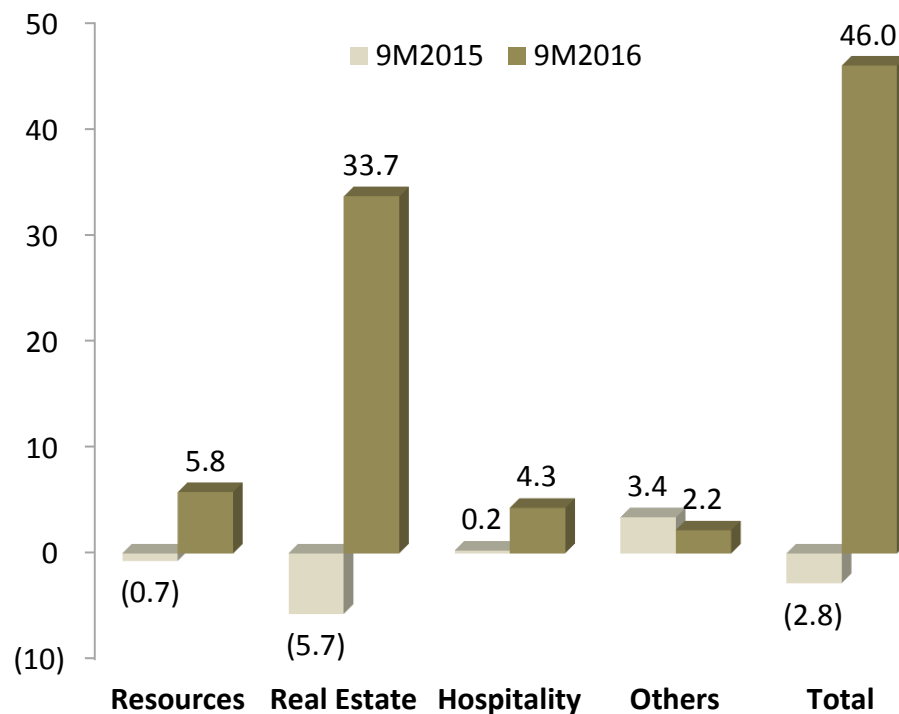
Financial Highlights: Segmental Performance

PATNCI for 3Q



PATNCI for 9M

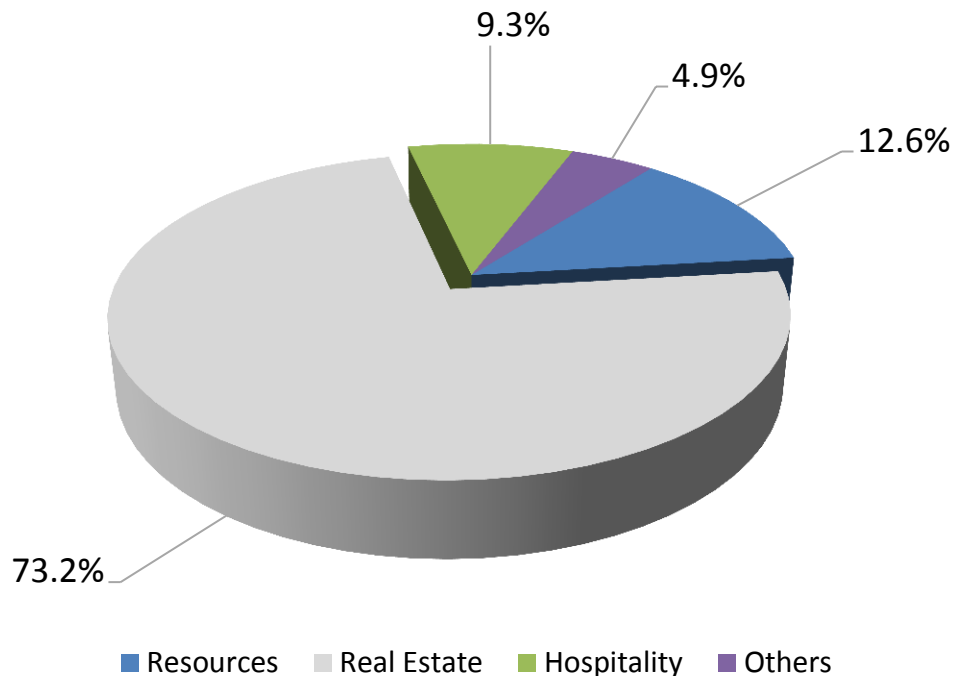
S\$ million



Improved performance across all business segments year to date

Operating Segments Results: 9M2016

9M2016 PATNCI of S\$46.0 million



1 *Real Estate*

- Improved rental income from properties in Australia and Japan;
- Improved profit from mark-to-market gains from trading securities and higher contributions from associates and joint ventures

2 *Hospitality*

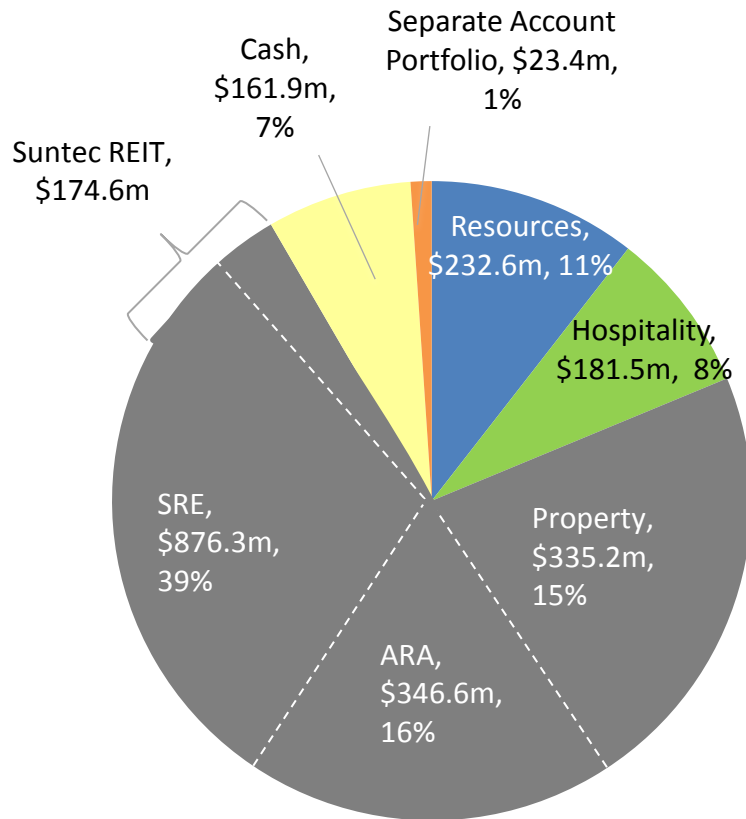
- Gain on sale of a hotel in Australia in 1Q

3 *Resources*

- Improved profit mainly due to higher tin prices, favourable valuation adjustment of tin inventory and positive forex translations

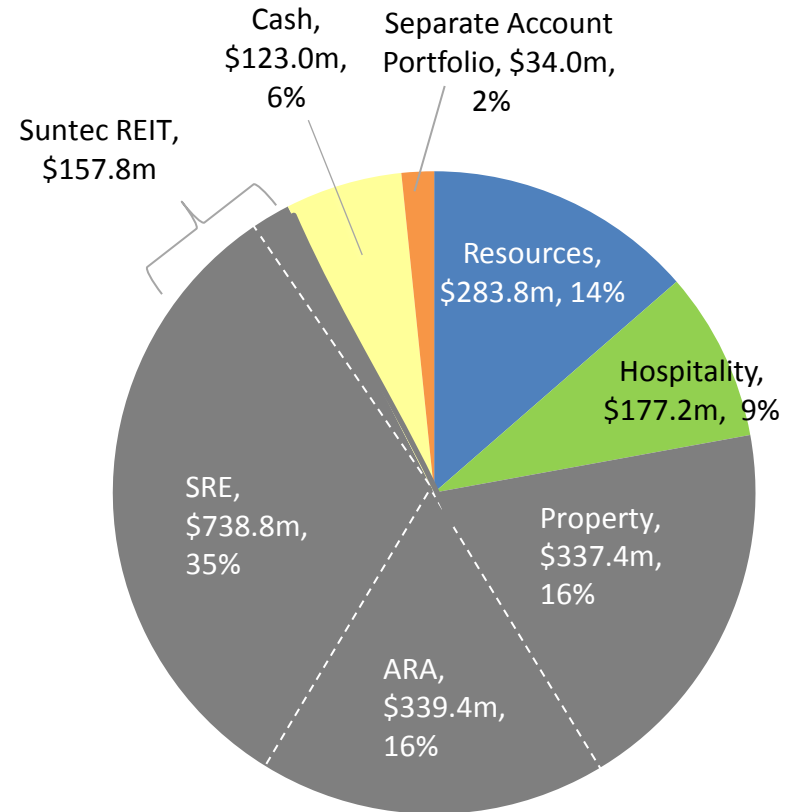
Group Assets

September 2016



Total assets: \$2,215M

December 2015



Total assets: \$2,086M

Business Highlights

Real Estate Ecosystem
Key Business Units

Straits Trading Group – A Diversified Investment Company



Since Tecity Group's takeover of The Straits Trading Company Limited in 2008, Straits Trading has been transformed into a major player in real estate, hospitality and resources, with investments that span the Asia-Pacific region.

Our Real Estate Ecosystem

89.5%

Real Estate



89.5% owned co-investment vehicle that seeks out real estate related investments & opportunities globally

20.1%

Asset / Fund Management



One of the largest real estate fund managers in the region

*11.3%

Real Estate Investment Trust



One of the largest REITs in Singapore with ownership interests in prime commercial and retail properties

30.0%

Hospitality



One of the largest hospitality operators in the region with 90 properties and over 13,000 rooms under management

54.8%

Resources

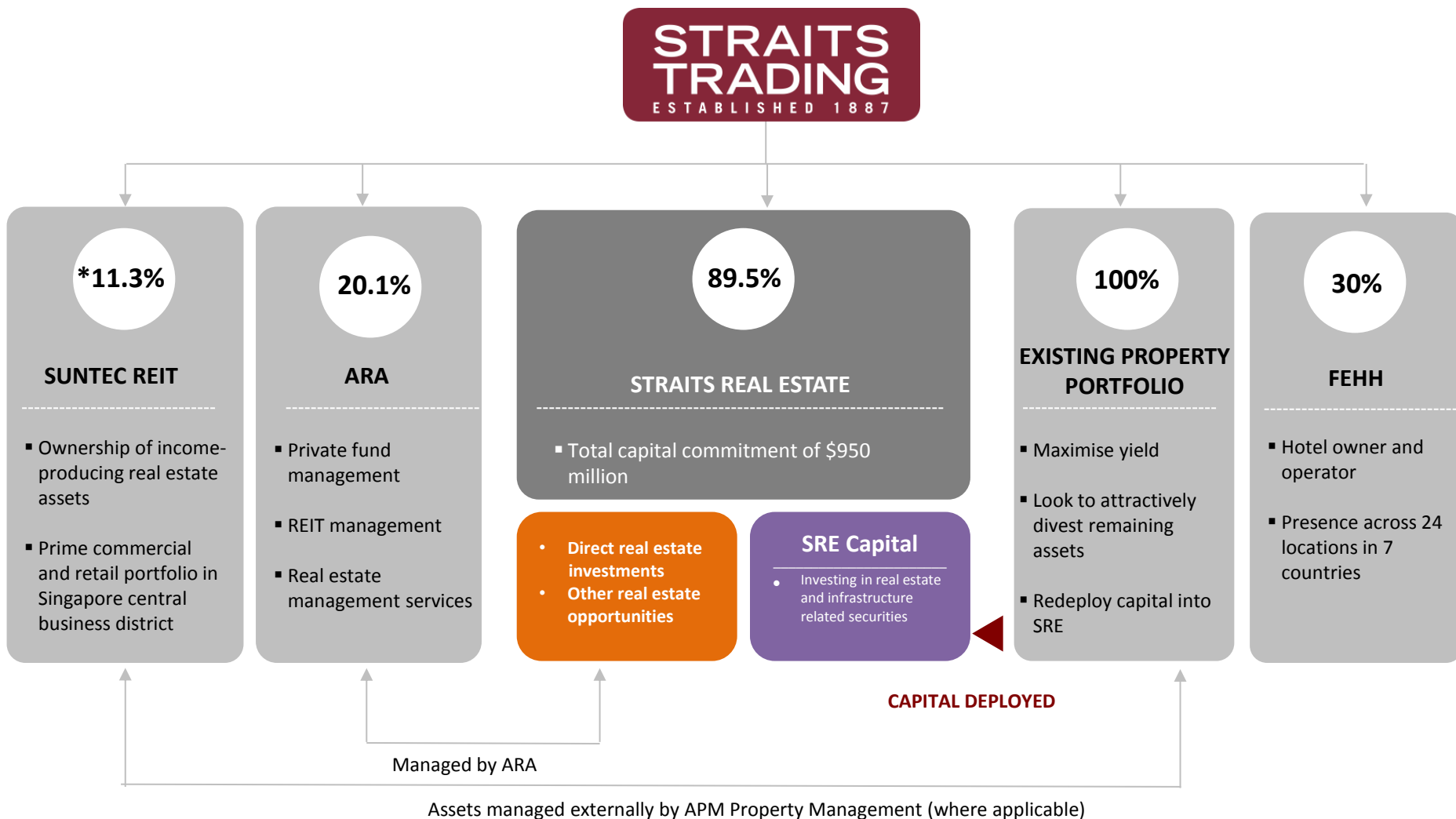


The second largest producer of refined tin in the world

- New investments that complement these platforms
- Leverage on these platforms and make appropriate future investments to develop engines of growth

** Aggregate interest at Tecity Group of companies*

Straits Trading's Real Estate Ecosystem



Harnessing Straits Trading's Real Estate Ecosystem

1 SOURCE

- Leveraging on extensive business network for deals and for exit opportunities

2 INVEST

- Allocating capital to investments that present the best risk-return profile

3 NURTURE

- Nurturing our real estate investments and related platforms to grow and increase recurring revenue streams

4 RECYCLE

- Recycling capital when investments are ripe for harvest

5 SYNERGISE

- Creating value across the value chain through the interaction between the various real estate platforms and by strengthening core activities

Straits Real Estate Pte. Ltd.



A real estate investment company that seeks out real estate related investments and opportunities globally.

- Seek to deploy capital into medium-to-high returning real estate investment opportunities across global markets
- High degree of flexibility to invest in direct real estate and real estate backed instruments and securities
- Strong commitment and support from shareholders and strategic partners to carry out investment strategy

Straits Real Estate Pte. Ltd. - Investment Portfolio



ARA Harmony Fund III
SGD 72.8 mm*



Suntec REIT
SGD 120.0 mm



114 William Street Office
SGD 57.8 mm

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Greater Tokyo Office Fund
SGD 80.0 mm*



Chongqing Retail Mall
SGD 103.0 mm



Japan Residential Portfolio
SGD 80.0 mm*



Summit Development Fund
SGD 100.0 mm*

* Committed equity in SGD equivalent

REAL ESTATE • HOSPITALITY • RESOURCES

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Well-diversified Investment Portfolio

DIRECT INVESTMENTS

Chongqing Retail Mall

- **82,000 sqm development** directly linked to the subway station; part of a large mixed-use development with residential buildings, offices and a hotel
- Target for soft-opening by end of 2016

Japan Residential Portfolio

- **3 newly-completed freehold residential** properties with 396 units in Central Osaka; close to full occupancies driven by continuing urbanization trend
- Plan to acquire additional residential assets to aggregate into a larger portfolio

FUND INVESTMENTS AND REIT HOLDINGS

ARA Harmony Fund III

- Portfolio of high quality, well-located 5 retail malls across Malaysia with total NLA of 2.8 mil sq ft; supported by strong catchment areas
- High committed occupancy of 95% with steady income stream

Greater Tokyo Office Fund

- Speciality in identifying and acquiring distressed office properties
- Has invested in 3 office assets in the Greater Tokyo Area

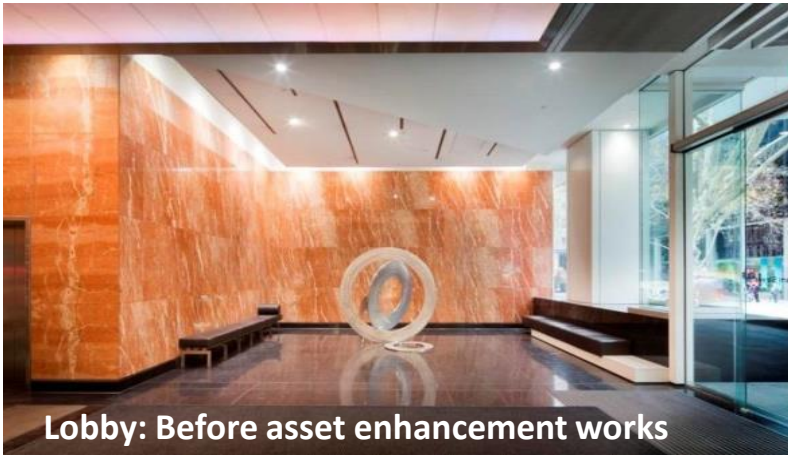
Summit Development Fund

- Initial investment in mezzanine financing for 2 residential development projects in Sydney and Melbourne
- Development progress is on track

Suntec REIT

- Third largest SGX-listed REIT by asset value with prime office and retail properties;
- Stable dividend yield of c.6%*

Latest Development: Divestment of 114 William Street



Lobby: Before asset enhancement works



Lobby: After asset enhancement works

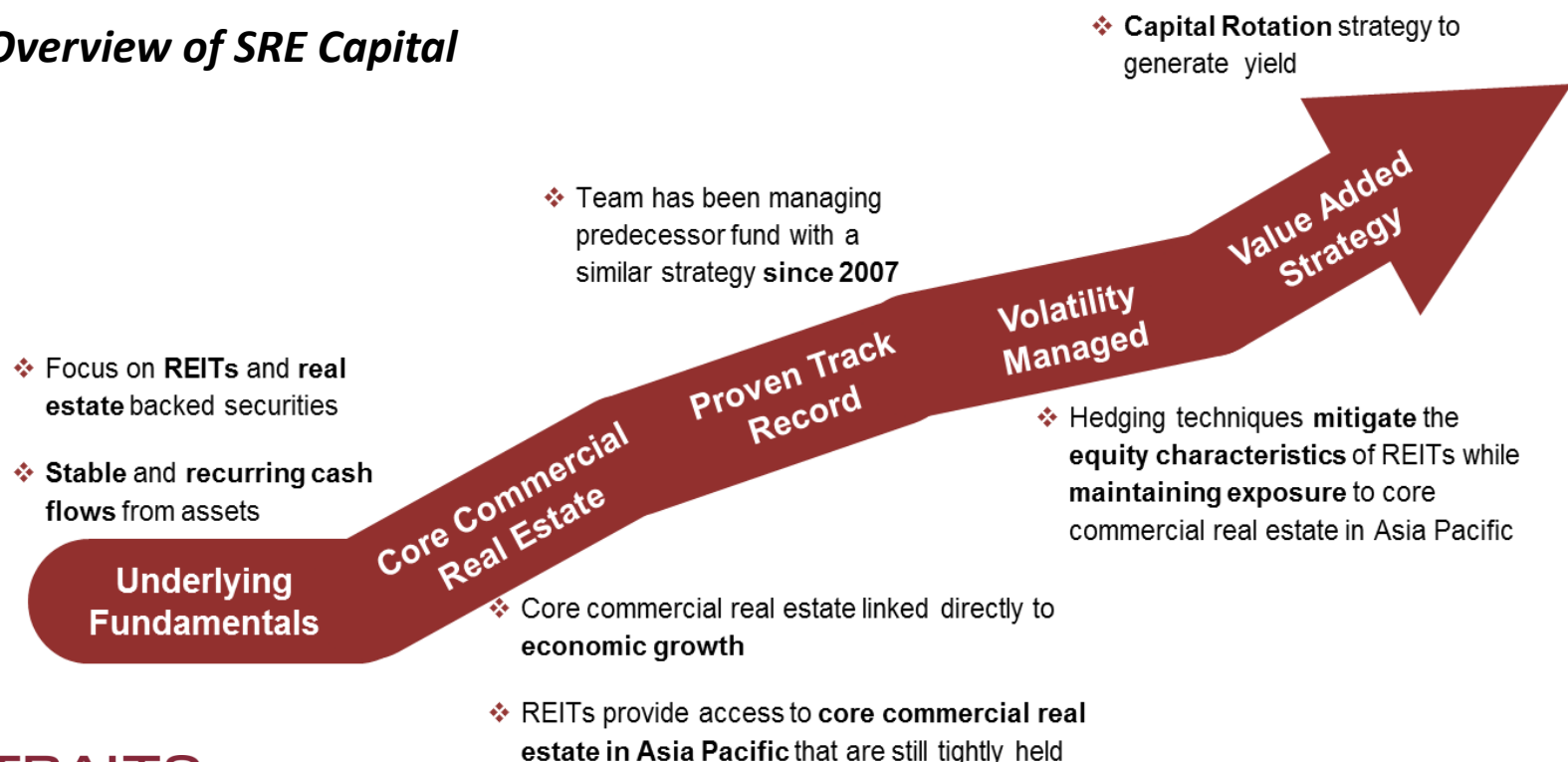
- 26-storey office building situated in the Melbourne CBD was acquired in Aug 2015 for approximately **S\$125.1 m (A\$125.0 m)**
- Asset enhancement works, together with active leasing strategy, resulted in significant improvements in occupancies, WALE and yield
- Entered into sale and purchase agreement to divest the property for approximately **S\$171.8m (A\$161.5m)** in October 2016

SRE Capital Pte. Ltd.

A Singapore-based asset management company that specialises in investing in public-listed real estate and infrastructure related securities within the Asia Pacific region

FUND • Launched maiden fund, SRE Asian Asset Income Fund (SAAIF), in April 2015 that invests mainly in REITs across Asia Pacific

Overview of SRE Capital



Latest Development: ARA Asset Management

Snapshot of Proposed Privatisation

- Proposed privatisation through a scheme of arrangement with scheme offer price of \$1.78 per share
- Straits Trading, the single largest shareholder of ARA, to swap its 20.1% stake in ARA for a 20.95% stake in the company that indirectly owns ARA and receive approximately \$48.2 million in cash proceeds

“ Straits Trading welcomes Warburg Pincus and AVIC Trust as partners in ARA. Given their deep experience and wide network of business relationships in the China region, we believe they will create value and opportunities to support ARA’s future growth.

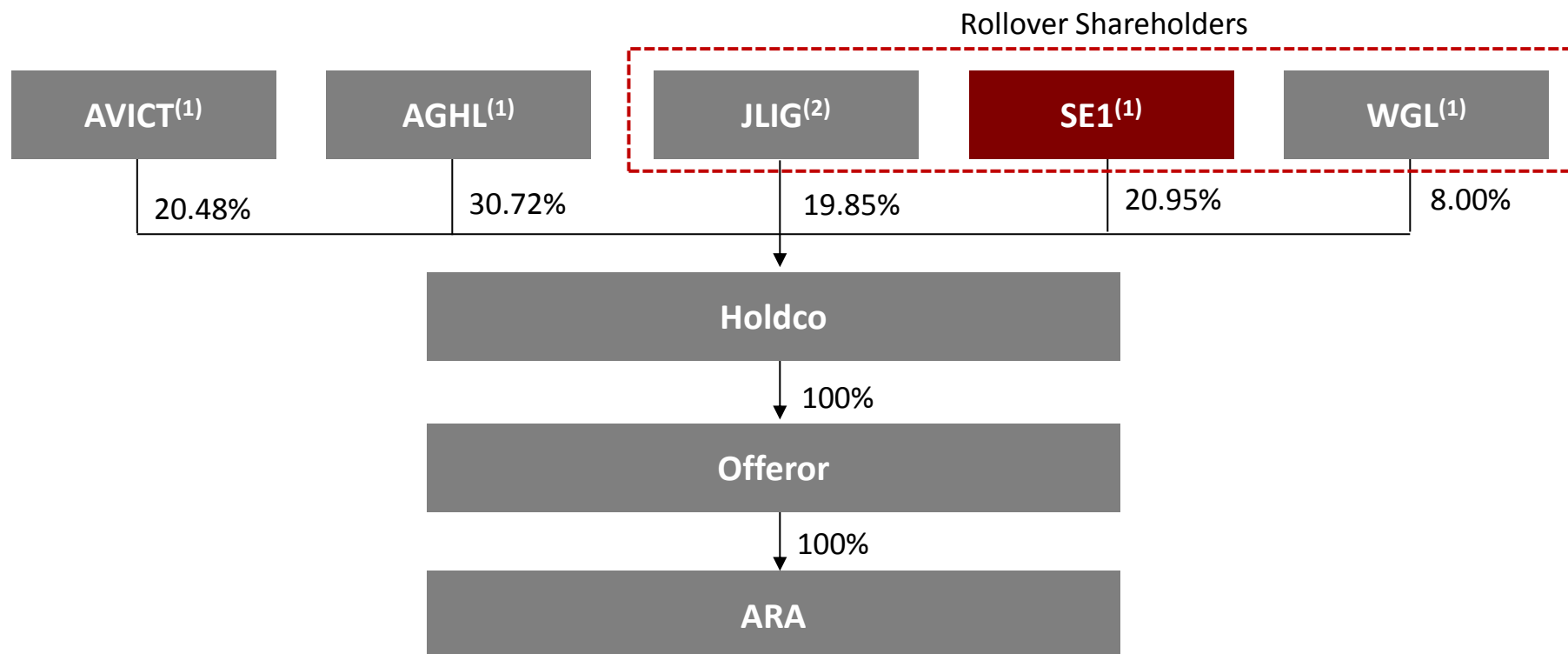
Ms. Chew Gek Khim, Executive Chairman of Straits Trading

”

Source: ARA Press Release dated 8 November 2016

Latest Development: ARA Asset Management

Shareholding Structure Post-Transaction



Note(s):

(1) Affiliates of AVIC Trust, Warburg Pincus, STC and Cheung Kong Property

(2) JLIG is an entity wholly-owned by Mr Lim Hwee Chiang, John

ARA remains an associated company of STC

Latest Development: ARA Asset Management

Benefits to Straits Trading

Strong partners in new shareholders

- Warburg Pincus offers its global network of investor relationships and deep experience that complements the strengths of existing shareholders
- AVIC Trust also offers a unique distribution capability and access to capital markets and business opportunities in China

Value-add and opportunities

- A more nimble and efficient ARA will **continue to reinforce STC's real estate ecosystem** giving us access to its:
 - business network
 - expertise in real estate funds and property management
 - REIT and private funds platforms

Strategic Investment

- Straits Trading continues to **participate in ARA's unique growth proposition** as a leading independent fund manager in Asia Pacific and create value as a shareholder
- Potential opportunity for STC to free up capital to re-deploy into investments

Far East Hospitality Holdings (“FEHH”)

STC’s Hospitality Joint Venture

FEHH, a premier hospitality assets owner and operator, is a 70-30 JV formed in 2013 between Far East Orchard Limited (a listed company under Far East Organization) and Straits Trading.

Rendezvous Hotel Singapore



- Regional hotel owner and operator with a sizeable overseas network
- FEHH’s joint venture with the Toga Group, Toga Far East Hotels, is a leading hotel operator across Australia, New Zealand and Europe

Adina Apartment Hotel Berlin, Germany



- Manages a combined hospitality portfolio of **90 hotels and serviced apartments** with **more than 13,000 rooms** under management **across 24 locations** in **seven countries**
- Owns a stable of **nine unique and complementary hospitality brands**

Malaysia Smelting Corporation

A Leading Producer of Refined Tin

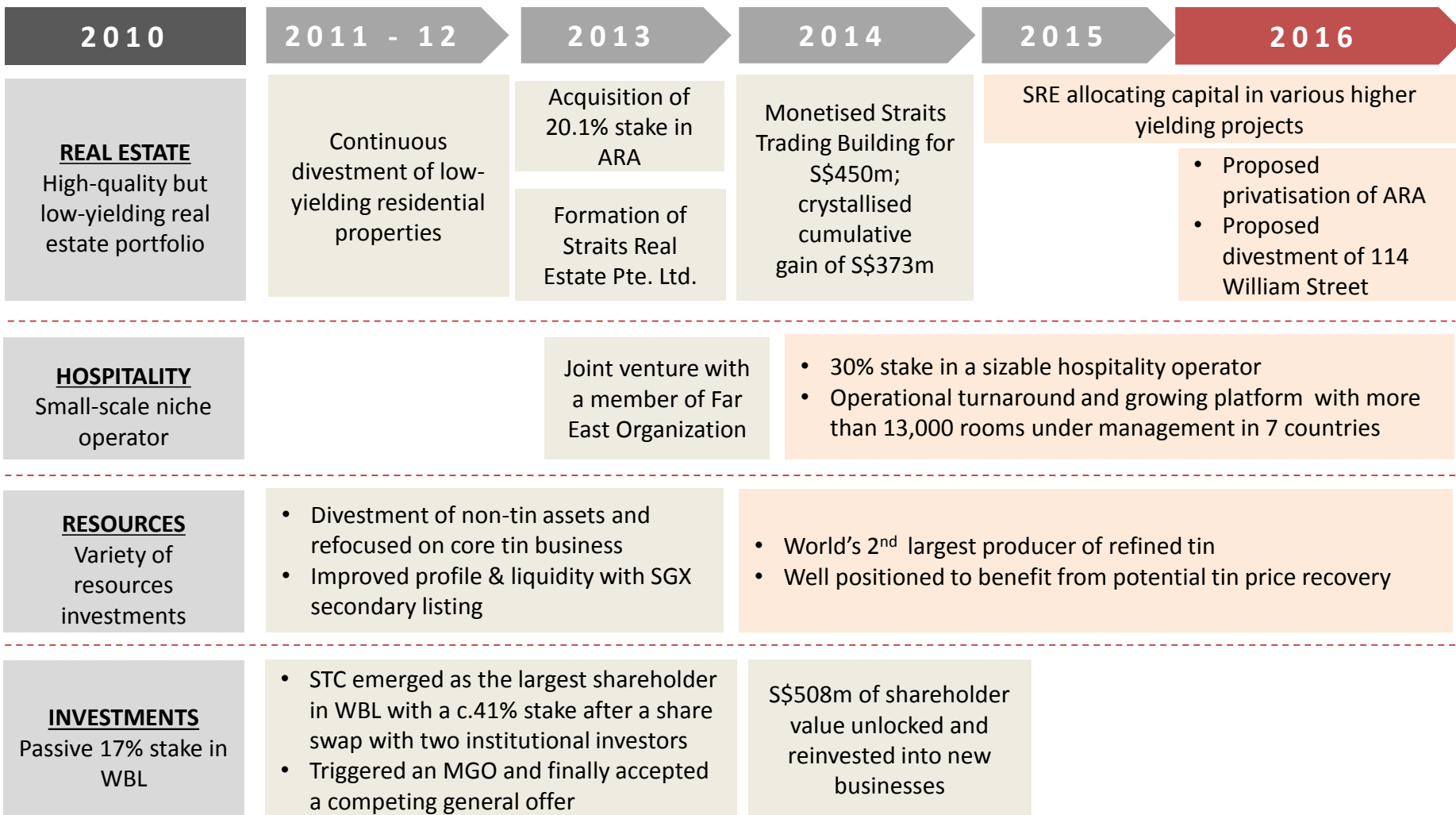
Largest independent custom tin smelter in the world



- Listed on the Main Market of Bursa Malaysia since 1994, with a secondary listing on SGX-ST in 2011
- Custom tin smelting facility in Butterworth Penang, Malaysia and open pit mining of tin in Perak, Malaysia
- Producer of premium high-purity refined tin



Recent History Demonstrates Straits Trading's Ability to Rotate Capital Efficiently into Higher Yielding Investments



CONCLUSION

- 1 Significant transformation made by the Group in the last three years
- 2 Various business platforms starting to show results
- 3 Continue to harness synergies across our real estate ecosystem

Thank you

Q&A



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