

ANNOUNCEMENT

PROPOSED SALE OF AN INDUSTRIAL PROPERTY IN AUSTRALIA

1. INTRODUCTION

The Board of Directors (the “**Board**”) of The Straits Trading Company Limited (the “**Company**” and its subsidiaries, collectively the “**Group**”) wishes to announce that its subsidiary, Straits Real Estate Pte. Ltd. (“**SREPL**”), has through Evolution MIT Services Pty Ltd as trustee for the Kilkenny Trust, (the “**Vendor**”), entered into a sale and purchase agreement (“**SPA**”) for the sale of an industrial property at 34 Share Street, Kilkenny in South Australia (the “**Property**”) for a total cash consideration of AUD52.7 million (approximately SGD46.3 million¹) (the “**Consideration**”) (the “**Proposed Sale**”).

2. INFORMATION ON THE PROPOSED SALE

2.1 Information on the Property

The Property is a purpose-built modern distribution facility located in Adelaide, South Australia and has a net lettable area of 37,809 square meters.

2.2 Rationale for the Proposed Sale

The Company has consistently articulated to its shareholders its strategy of redeploying capital from its existing property portfolio of high quality but low yielding investment properties into potentially higher return real estate opportunities via SREPL. The Proposed Sale is in line with this stated strategy.

2.3 Information on the Consideration

The Consideration is AUD52.7 million (approximately SGD 46.3¹ million). It was arrived at after arm’s length negotiations, on a willing-buyer and willing-seller basis, taking into account, *inter alia*, the valuation of the Property. The Consideration will be satisfied on a cash basis on completion of the Proposed Sale.

3. VALUE OF THE PROPERTY

Based on the independent valuation, the value of the Property is AUD64.3 million (approximately SGD56.5¹ million). The valuation for the Property, commissioned by the Vendor, was conducted by CBRE Valuations Pty Ltd as at 31 December 2023. The valuation is based on the capitalisation and discounted cashflow methods.

¹ Unless otherwise stated, all conversions of amounts in AUD into amounts in SGD in this Announcement are based on a rate of exchange of SGD0.8793 : AUD1 as at 3 April 2024 and is provided for reference purposes only.

4. FINANCIAL EFFECTS

- 4.1** The Proposed Sale is not expected to have a material impact on the EPS and NTA per share of the Group for the financial year ended 31 December 2023.
- 4.2** The Proposed Sale will not have any impact on the issued share capital of the Company.

5. FURTHER INFORMATION

- 5.1** As the Proposed Sale is in the ordinary course of business of the Company, it does not fall under Chapter 10 of the SGX-ST Listing Manual.
- 5.2** Save for any interest from their respective shareholdings in the Company, none of the Directors or controlling shareholders of the Company has any interest, direct or indirect, in the Proposed Sale.

6. DOCUMENTS AVAILABLE FOR INSPECTION

- 6.1** Copies of the SPA and the valuation report are available for inspection by shareholders of the Company during normal business hours at the registered office of the Company at 1 Wallich Street #15-01, Guoco Tower, Singapore 078881 for three months from the date of this Announcement.

By Order of the Board

Ngiam May Ling
Company Secretary
The Straits Trading Company Limited

5 April 2024
Singapore

This Announcement will be available at the Company's website at <http://www.stc.com.sg>

About The Straits Trading Company Limited

Incorporated in 1887, The Straits Trading Company Limited is a conglomerate-investment company with operations and financial interests in resources, property, and hospitality. These include strategic stakes in one of the world's leading tin producer, Malaysia Smelting Corporation Berhad, which is dual listed on Bursa Malaysia and the Singapore Exchange Securities Trading Limited, ESR Group Limited and Far East Hospitality Holdings as well as a diversified property portfolio that is wholly owned by the Group.