



## MEDIA RELEASE

### Straits Trading divests South Korea logistics property following value realisation

**SINGAPORE – 23 January 2026** – The Straits Trading Company Limited (the “**Company**”, and together with its subsidiaries, the “**Group**”) today announced that Sky Logis Private Real Estate Investment Company (“**SKY**”), a joint venture company held under the Group’s real estate investment platform, Straits Real Estate Pte. Ltd. (“**SRE**”), has entered into a sale and purchase agreement with a major South Korean financial institution (in its capacity as trustee of a private trust), for the proposed disposal of Arenas Yeongjong Logistics Center, a freehold logistics facility located in Incheon, South Korea, as part of the Group’s strategy of capital recycling.

The Group holds an effective interest of approximately 47.3% in **SKY**. Completion of the proposed disposal is subject to customary conditions and is expected to take place on or around 29 January 2026.

The Transaction will be undertaken at a cash consideration of KRW 432.0 billion (approximately SGD 377.6 million<sup>1</sup>), which is in line with the independent valuation of the property as at 31 December 2025<sup>2</sup>. Following completion of the proposed disposal, and after taking into account transaction-related expenses and the settlement of outstanding loans, the Group expects to receive net proceeds of approximately KRW 95.4 billion (SGD 83.4 million<sup>1</sup>). On a project-level basis, the investment delivered an internal rate of return (IRR) in excess of 20% and an equity multiple (EM) of over 3.0x, in Singapore dollar terms<sup>3</sup>.

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<sup>1</sup> Based on the KRW/SGD exchange rate of 0.0008741 as at 22 January 2026.

<sup>2</sup> The property was independently valued by Jones Lang Laselle Investment Advisory Co., Ltd. Based on the independent valuation, the value of the property is KRW 432.0 billion as at 31 December 2025.

<sup>3</sup> Estimated computation, inclusive of hedging and other associated transaction costs; exclusive of performance fees.

“This transaction underscores our disciplined approach to capital allocation and our commitment to managing investments through the full lifecycle. With this divestment, we are realising the value of a matured asset and reallocating capital towards opportunities that support our long-term portfolio strategy,” said Ms Chew Gek Khim, Executive Chairman of the Company.

Arenas Yeongjong Logistics Center is a Grade A, six-story ramp-up modern logistics facility comprising 57,819 pyeong (approximately 191,000 sqm) of dry warehouse and office lettable space. Located in Incheon, South Korea, the property is situated approximately eight kilometers from the air cargo terminal of Incheon International Airport and is accessible via the Incheon International Airport Expressway. Construction of the facility was completed in January 2021.

Recent industry observations suggest that the Greater Seoul Grade A logistics market is moving toward a more balanced supply–demand position after a period of oversupply. Vacancy in the logistics sector commenced a downward trend in 2025 following peak levels, supported by a sharp decline in new supply, with deliveries in the first half of 2025 at their lowest level since 2019<sup>4</sup>. Commercial real estate investment activity strengthened, with cumulative Korean investment volumes exceeding KRW 25 trillion in the first three quarters of 2025, reflecting continued investor interest in institutional-grade logistics and other core assets<sup>5</sup>. Against this backdrop, the proposed disposal represents an orderly divestment of an institutional-grade logistics asset within a stabilising investment environment.

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<sup>4</sup> <https://www.cbre.com/insights/figures/seoul-figures-q2-2025>

<sup>5</sup> <https://www.cbrekorea.com/en/press-releases/seoul-figures-q3-2025>



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## **About The Straits Trading Company Limited**

Incorporated in 1887, The Straits Trading Company Limited (SGX:S20) 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 and Far East Hospitality Holdings as well as a diversified property portfolio that is wholly owned by the Group.

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