

MEDIA RELEASE

Straits Trading Enhances Trading Liquidity with Share Placement

SINGAPORE – 18 January 2022 – The Straits Trading Company Limited (“**Straits Trading**” or the “**Group**”) today announced the launch of its share placement exercise, a strategy by the Group to encourage both institutional and individual share ownership.

The share placement, representing in aggregate approximately 6.39% of the total issued shares of Straits Trading, will increase the free float of Straits Trading from 25.33% to 29.82% and is expected to provide a corresponding increase to trading liquidity.

Mr Eric Teng, Chief Executive Officer of Straits Developments Private Limited, says, “The share placement is an important first step taken to address the low trading liquidity of Straits Trading shares on the SGX. Our strategy was not only to optimise the number of shares in the market, but to enhance the free float and trading liquidity of Straits Trading with a possible increase in total market capitalisation.”

The share placement closed at S\$3.11 per share for gross proceeds of S\$80.86 million via the issuance of 26 million new ordinary shares. The issue price of the share placement represents an approximately 8.9% discount to the volume-weighted average share price of S\$3.41 as of market close on 13 January 2022. At the last done price of S\$3.41 on 13 January 2022, Straits Trading market capitalisation was S\$1.38 billion.

Straits Trading intends to use the net proceeds from the share placement for acquisitions and fund future anticipated growth for the Group’s businesses – real estate, resources and hospitality, as well as for general working capital and administrative purposes.

Ms Chew Gek Khim, Executive Chairman of Straits Trading, says, “I am delighted with the investment community’s confidence in the potential of the Group. It is also an endorsement of Management and staff to be able to continuously deliver value to our shareholders.”

For the half year reporting period ended 30 June 2021, Straits Trading's profit after tax and profit after tax and non-controlling interested registered S\$141.6 million and S\$122.6 million respectively, on stronger contributions from the Group's real estate and resources segments. Straits Trading's total assets stood at S\$3.06 billion.

CLSA Singapore Pte Ltd, DBS Bank Ltd., United Overseas Bank Limited and UOB Kay Hian Private Limited, Philip Securities Pte Ltd, Maybank Kim Eng Securities Pte Ltd and RHB Bank Berhad are the joint placement agents for the share placement.

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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 majority or strategic stakes in the world's third-largest tin producer, Malaysia Smelting Corporation Berhad, which is dual listed on Bursa Malaysia and SGX-ST; ARA Asset Management Limited and Far East Hospitality Holdings as well as a diversified property portfolio and real estate investment that are wholly-owned by the Group. Please visit <https://www.stc.com.sg/> for more information.

About Straits Trading Shareholders' Club

Launched on 8 September 2021, the Straits Trading Shareholders' Club is an initiative from a SGX-listed company to strengthen ties with its shareholders as a community that goes beyond an AGM and results briefings. The Shareholders' Club aims to engage active shareholders; enhance the level of knowledge in the Group's businesses and enable co-investment opportunities. Please visit <https://shareholdersclub.sg/> for more information.

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