

MEDIA RELEASE

STRAITS REAL ESTATE EXPANDS ITS INDUSTRIAL & LOGISTICS STRATEGY IN AUSTRALIA

- *Completes its acquisition of Canoga Industrial Investment Trust's 20% stake in ILP Trust No. 1 consolidating its interest to 100%*
- *Takes a major shareholding in Terre Property Partners to further its industrial and logistics development management capabilities and commits fresh capital to the sector*
- *Further SRE's recent ongoing multi-market strategy to allocate more capital into the industrial and logistics sectors across key gateway markets*



Mawson Lakes facility in Adelaide, South Australia.

SINGAPORE & AUSTRALIA – 30 September 2022 – Singapore-based Straits Real Estate Pte. Ltd. (“SRE”), through its wholly owned subsidiary, has completed its recently announced acquisition of Canoga Industrial Investment Trust’s 20% stake in ILP Trust No. 1 (the “Trust”) consolidating its holdings in the Trust to 100%. The Trust’s holdings comprise eight properties across Victoria and South Australia with a mix of built-to-suit facilities and multi-tenanted estates (the “Portfolio”). The Portfolio affords long term cash flow stability with occupancy currently standing at 97% with a healthy weighted average lease term of 7.4 years backed by strong blue-chip tenants such as Coca Cola Europacific, Raytheon, Siemens, Incitec Pivot and Visy Glass.

Concurrent with the acquisition, SRE has, through one of its wholly owned subsidiaries, taken a major stake in a newly formed development management company, Terre Property Partners (“TPP”) to manage the Portfolio and deploy fresh capital to further SRE’s strategy of expanding its logistics

footprint in key markets across Australia. With current assets under management (“AUM”) of close to A\$500 million, SRE targets to double its AUM to over A\$1.0 billion. TPP reunites SRE with industry veterans Mark Brammy and Mark Pettman who together have over 40 years in experience, most recently having been instrumental in growing the Trust’s portfolio.

Said Mr. Desmond Tang, CEO of SRE, "The buyout signals the compelling growth we see in Australia's industrial and logistics sector where longer-term macro trends such as continuing acceleration in e-commerce adoption, rationalisation of supply chains and population growth have supported strong demand for quality space and rental growth, not just in the traditional eastern seaboard markets, but also in other regional hubs. Establishing Terre Property Partners positions SRE well on the ground to capture new opportunities in this sector and add value to our investments through asset enhancement and leasing strategies."

This comes on top of SRE’s continuing activity in other key gateway logistics markets such as the United Kingdom (“UK”) and South Korea. In the UK, it plans to deliver over 30,000 square metres of prime logistics space along the M5 corridor over the next few years while in Korea, construction continues for a new 125,000 square metres dry and cold facility, its second project in Korea, that is scheduled to be completed in the second half of 2023.

Added Mr. Tang, “Notwithstanding current market volatility, broader long-term fundamentals for the logistics sector remain strong. While the current environment warrants prudence and investment discipline, we will continue to seek attractive opportunities for new acquisitions across our existing footprint, especially as pricing levels are being rationalised.”

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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 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.

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