



THAKRAL CORPORATION LTD

(Incorporated in the Republic of Singapore on 7 October 1993)
(Company Registration No. 199306606E)

PRESS RELEASE

THAKRAL INVESTS IN OSAKA'S KITAHAMA BUILDING TO EXPAND ITS JAPANESE INVESTMENT PORTFOLIO

Singapore, 3 December 2018 – SGX Mainboard-listed Thakral Corporation Ltd (“Thakral” or the “Group”) has invested in another commercial building – the Kitahama Building to add to its property investment portfolio in Japan.

The 10 storey office building is located very close to the central business district in Osaka and is built on freehold land with a gross floor area of 3,415 sqm.

The building which has a current occupancy rate of about 89% was built in March 1990. The Kitahama Building is close to the Osaka Securities Exchange and the financial district and 5 minutes from the Kitahama station on the Sakaisuji Line.

The investment is made in the ordinary course of the Group’s business and will enable Thakral to broaden its asset and earnings base in Japan and capitalise on the country’s strong economic fundamentals and tourism boom.

A strong leasing market underpins the robust demand for property as rents are expected to rise by 6.4 percent this year and 7.5 percent in 2019.¹

Thakral’s Chief Executive Officer, Mr. Inderbethal Singh Thakral said: “The investment is part of our broader strategy to ride on the growing tenant demand in Osaka as the region has the highest occupancy rate owing to strong demand from visitors as well as a limited volume of office supply.¹”

“In line with our objective to boost returns from our capital resources, we will continue to look for more properties especially in the office sector in Osaka. We are optimistic that these investments will deliver positive income returns and yield capital growth over time to enhance shareholder value,” he added.

The investment is funded through bank borrowings and from the Group’s internal resources as well as co-investors. The investment will be made through its pooled investment vehicle, Thakral Japan Properties Pte Ltd, in which the Group holds about 50% interest.



Kitahama Building, Osaka

¹Source: www.theinvestor.jp/news/japan/others/osaka-winning-investment-japan, *The Investor* (26 April 2018)

About Thakral

Listed on the SGX Mainboard since December 1995, Thakral Corporation Ltd has two divisions – Lifestyle Division and Investment Division.

The Group's Investment Division invests directly or with co-investors in real estate and other investment opportunities including property-backed financial instruments. The Group also earns income from the services rendered from originating, packaging and managing the projects. The Investment Division, through a joint venture, has expanded its businesses into development and management of retirement living resorts in Australia under the GemLife brand. Taking advantage of the upward trend in the Japanese property sector and the country's low interest rate, the Group has also expanded its investment footprint to Japan. With the completion of the acquisition of The Riverwalk office property, the Group has extended its property investments to Singapore.

The Group's Lifestyle Division is focused on marketing and distributing brands in the beauty, wellness and lifestyle categories, working with leading ecommerce platforms

as well as traditional retailers. The brands distributed by the Lifestyle Division include at-home beauty device brands MTG Refa, ikoo, Panasonic, PMD, DermaWand, Philips, TriPollar and T3, skin and hair care brands Canvas, Codage, Institut Karite Paris, John Masters Organics and Botanist, wellness brands MTG SIXPAD, Style Seat and Slendertone as well as lifestyle brands Apple and DJI.

Greater China including Hong Kong, Southeast Asia and India are key markets for the Lifestyle Division and Australia and Japan for the Investment Division.

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