

ANNOUNCEMENT

ANNOUNCEMENT PURSUANT TO RULE 1014 OF THE SGX-ST LISTING MANUAL

1. INTRODUCTION

The Board of Directors (the “**Board**”) of The Straits Trading Company Limited (the “**Company**” and together with its subsidiaries, the “**Group**”) wishes to refer to the announcement dated 9 June 2025 released on Singapore Exchange Securities Trading Limited (“**SGX-ST**”) and the joint announcements by the ESR Group Limited (“**ESR**”) and MEGA BidCo on The Stock Exchange of Hong Kong Limited (“**SEHK**”) dated 13 June 2025 and 22 May 2025 in relation to the proposal for privatisation of ESR by way of a scheme of arrangement at the Cancellation Consideration of (a) the Cash Alternative: cash of HK\$13.00 per Scheme Share; or (b) the Share Alternative: one (1) EquityCo Share per Scheme Share (“**Scheme**”)¹.

As the Group holds in aggregate 169,128,420 shares in ESR (“**ESR Shares**”), or approximately 4.0% stake in ESR, the Group is required to vote on the Scheme at the ESR Court Meeting and the EGM (the “**Proposed Transaction**”). The Group wishes to announce that the Scheme has been approved on 13 June 2025.

In connection with the Proposed Transaction, it is currently expected that the completion of the Scheme (“**Completion**”) will take place on 3 July 2025, where the expected withdrawal of the listing of ESR Shares on SEHK becoming effective.

2. RATIONALE AND CONSIDERATION FOR THE PROPOSED TRANSACTION

- 2.1.** Based on the Company’s evaluation of the Proposed Transaction which is a disposal of the Group’s 4.0% stake in ESR Shares via the Scheme, the Company considers the value of the ESR Shares has been maximized and it is in the best interest of the Group to vote in favour of the Scheme given the illiquidity of the EquityCo Share and the interests of the shareholders of EquityCo will not be aligned with the Group. Furthermore, the Company only holds a 4.0% stake in ESR and does not have any board representation, therefore the Company has no control over the outcome of Scheme nor has any power to influence the board or management of ESR.
- 2.2.** In connection with the Proposed Transaction, the cash consideration to be received from the disposal of the Group’s 4.0% stake in ESR Shares, is estimated to be approximately S\$359.7 million (“**Cash Consideration**”), which will be utilised to repay borrowings of the Group.

¹ Capitalised terms used herein shall have the same meanings as defined in the Scheme Document dated 22 May 2025. The Scheme Document can be assessed at www.hkexnews.hk or www.esr.com.

3. FINANCIAL EFFECTS

3.1. For illustrative purposes only, the financial effects of the Proposed Transaction on the Company as set out below are prepared based on the Group's audited consolidated financial statements for the financial year ended 31 December 2024 ("**FY2024**") (being the latest announced consolidated full-year financial statements of the Group) and subject to the following key assumptions:

3.1.1. the effect of the Proposed Transaction on the Group's net tangible asset ("**NTA**") per ordinary share in the capital of the Company ("**STC Share**") is based on the assumption that the Proposed Transaction had been effected at the end of FY2024;

3.1.2. the effect of the Proposed Transaction on the Company's earnings per Share ("**EPS**") for FY2024 is based on the assumption that the Proposed Transaction had been effected at the beginning of FY2024; and

3.1.3. following Completion, the Company will receive a Cash Consideration in an amount equal to approximately S\$359.7 million.

The financial effects as set out below are theoretical in nature and are therefore not necessarily indicative of the future financial position and earnings of the Company or the Group.

3.2. NTA per Share

For illustrative purposes only, the effect of the Proposed Transaction on the NTA per STC Share of the Company as at 31 December 2024 (based on the audited consolidated financial statements of the Group for FY2024), assuming that the Proposed Transaction had been effected at the end of FY2024, is as follows:

	Before the Proposed Transaction	Adjustment	After the Proposed Transaction
NTA (S\$ million)	1,378.2	6.6 ⁽¹⁾	1,384.8
Number of STC Shares (excluding treasury shares) (million)	450.8		450.8
NTA per STC Share (S\$)	3.06		3.07

Notes:

⁽¹⁾ Based on the estimated Cash Consideration of approximately S\$359.7 million (based on 169,128,420 ESR Shares x HK\$13.00 and translated at HKD:SGD exchange rate of 0.1636 as at 13 June 2025), less the carrying value of the ESR Shares held on the Group's balance sheet i.e. S\$353.1 million (based on 169,128,420 ESR Shares x HK\$11.94 and translated at HKD:SGD exchange rate of 0.17487) as at 31 December 2024.

3.3. EPS

For illustrative purposes only, the effect of the Proposed Transaction on the EPS of the Company (based on the audited consolidated financial statements of the Group for FY2024), assuming that the Proposed Transaction had been effected at the beginning of FY2024, is as follows:

	Before the Proposed Transaction	Adjustment	After the Proposed Transaction
Net Profit after tax attributable to Owners of the Company (S\$ million)	(7.2)	(3.6) ⁽¹⁾	(10.8)
Weighted average number of STC Shares (excluding treasury shares) (million)	449.7		449.7
EPS (S\$ cent)	(1.6)		(2.4)

Notes:

⁽¹⁾ Relating to dividend income recorded in FY2024 from shareholding in ESR Shares.

4. MAJOR TRANSACTION

4.1. Based on the latest audited financial statements of the Group as at 31 December 2024, the relative figures of the Proposed Transaction computed on the bases set out in Rule 1006 of the Listing Manual of the SGX-ST are as follows:

Rule 1006	Bases	Relative Figures (%) ⁽⁵⁾
(a)	The net asset value of the assets to be disposed of, compared with the Group's net asset value ⁽¹⁾ .	22.3
(b)	The net profit / (loss) attributable to the assets disposed of, compared with the Group's net profit / (loss).	N.A. ⁽²⁾
(c)	The aggregate value of the consideration ⁽³⁾ received, compared with the Company's market capitalisation ⁽⁴⁾ based on the total number of issued shares excluding treasury shares.	54.9

Notes:

- (1) Based on the carrying value of the ESR Shares held on the Group's balance sheet i.e. S\$353.1 million (based on 169,128,420 ESR Shares x HK\$11.94 and translated at HKD:SGD exchange rate of 0.17487) as at 31 December 2024.
- (2) Not applicable as revaluation / disposal gains of ESR Shares are recognized in other comprehensive income and does not go through net profit. The estimated gains from the Proposed Transaction to be recognized in other comprehensive income is as illustrated in Section 3.2 NTA per Share.
- (3) Based on the estimated Cash Consideration of approximately S\$359.7 million (based on 169,128,420 ESR Shares x HK\$13.00 and translated at HKD:SGD exchange rate of 0.1636 as at 13 June 2025).
- (4) Market capitalisation has been calculated on the basis of 450,805,281 STC shares in issue at the date of this Announcement multiplied by the volume weighted average price of the STC shares transacted on the full trading day prior to the date of this Announcement, being S\$1.4534.
- (5) Any discrepancies between the figures in the Notes to the table and the Relative Figures set out in the table are due to rounding.

4.2. Based on the above, the Proposed Transaction constitutes a major transaction under Chapter 10 of the Listing Manual and unless otherwise exempted, the approval of the shareholders is required pursuant to Rule 1014 of the Listing Manual. Given the nature of the Proposed Transaction and based on the representations submitted on behalf of the Company in respect thereof to the SGX-ST, the SGX-ST has confirmed that approval of the shareholders of the Company is not required under Chapter 10 of the Listing Manual.

5. FURTHER INFORMATION

5.1. Save as disclosed below and in this announcement, other than through their respective shareholding interests in the Company, none of the Directors or Controlling Shareholders of the Company has any interest, direct or indirect, in the Proposed Transaction:

- (i) The Cairns Pte. Ltd., a Controlling Shareholder of the Company, holds directly 2,875,350 ESR Shares representing 0.068% of the ESR Shares in issue²; and holds indirectly in aggregate 169,128,420 ESR Shares (through Straits Equities Holdings (One) Pte. Ltd.³ and Straits Phoenix Pte. Ltd.³), representing approximately 3.982% of the ESR Shares in issue².
- (ii) Dr. Tan Kheng Lian⁴, an indirect Controlling Shareholder of the Company, holds directly 203,400 ESR Shares representing 0.005% of the ESR Shares in issue²;

² Based on ESR Ordinary Shares of 4,247,728,123 (excluding Treasury Shares) as at 13 June 2025 as publicly available.

³ Straits Equities Holdings (One) Pte. Ltd. and Straits Phoenix Pte. Ltd. are direct wholly-owned subsidiaries of the Company.

⁴ Ms. Chew Gek Khim is the daughter of Dr. Tan Kheng Lian, a Controlling Shareholder of the Company, and the sister of Ms. Chew Gek Hiang.

and holds indirectly, in aggregate 212,797,004 ESR Shares (through Tan Chin Tuan Pte. Ltd. and The Cairns Pte. Ltd.), representing approximately 5.010% of the ESR Shares in issue².

- (iii) Ms. Chew Gek Khim⁴, a director of the Company, holds directly 107,474 ESR Shares, representing approximately 0.003% of the ESR Shares in issue²; and
- (iv) Ms. Chew Gek Hiang⁴, a director of the Company, holds directly 3,335 ESR Shares (percentage not meaningful) of the ESR Shares in issue².

5.2. No person is proposed to be appointed as a director of the Company in connection with the Proposed Transaction. Accordingly, no service contract is proposed to be entered into between the Company and any such person.

By Order of the Board

See-Toh Yuit Mei
Company Secretary

The Straits Trading Company Limited

16 June 2025

This announcement can also be found at the Company's website at www.straitstrading.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.