

MEDIA RELEASE

Straits Trading's FY2025 a Watershed Year

- *Revenue rises 10.4% to \$623.3 million on stronger Resources and Property contributions*
- *Loss after tax of \$234.0 million in FY2025 mainly impacted by non-cash impairment and valuation adjustments in a challenging market environment*
- *Interim dividend maintained at 8 cents per share, supported by strong liquidity and disciplined capital management*
- *2025 lays the foundation for new growth opportunities, including senior living*

SINGAPORE – 27 February 2026 – The Straits Trading Company Limited (“**Straits Trading**” or the “**Group**”) today reported a 10.4% rise in revenue to \$623.3 million on higher revenue contributions from the Resources and Property segments for the financial year ended 31 December 2025 (“**FY2025**”). FY2025 was marked by a challenging macro-economic environment. As a result, the Group recorded a loss after tax of \$234.0 million in FY2025 compared with a profit after tax of \$11.0 million in FY2024, largely driven by non-cash accounting adjustments.

The decline in the bottom-line performance was mainly attributable to three key non-cash factors: (1) impairment loss following the Group’s loss of control over a joint venture; (2) adverse change in fair value of certain investment properties; and (3) the remeasurement of the derivative component of the Group’s Exchangeable Bonds.

These losses are non-cash in nature and do not impact the Group’s operating cash flow. Importantly, they reflect a prudent and deliberate reassessment of asset values in line with current market conditions. The Group’s underlying assets and financial position remain healthy, with sufficient liquidity to meet both operational and financial requirements.

In line with the Group’s continued commitment to deliver shareholder value, the Board of Directors has proposed an interim cash dividend of 8 cents per share, unchanged from FY2024. Shareholders may elect to receive the interim dividend either wholly in cash or partially in scrip shares with the balance paid in cash.

Property segment

Straits Trading's Real Estate segment reported a loss after tax of \$225.8 million in FY2025, compared to profit after tax of \$20.5 million in FY2024. This was mainly due to non-cash impairment loss arising from loss of control over a joint venture and a net fair value loss from investments properties as compared to a net fair value gain recorded in the prior year.

Straits Real Estate

Straits Real Estate ("SRE"), the Group's wholly owned real estate investment vehicle which holds a geographically diversified overseas portfolio, faced challenges during the year that are expected to persist due to the strong Singapore dollar, interest rate uncertainties and ongoing geopolitical and trade related risks. These conditions are likely to impact asset valuations, funding costs and investment sentiment across its key markets. China's property market remained under pressure in 2025. Real estate investment declined by about 15.9% year-on-year in the first eleven months of 2025¹, while retail mall vacancy in major cities remained around the 9% to 11% range and rents continued to soften amid cautious tenant expansion². Consumer confidence also remained weak, contributing to slower retail leasing demand. Conditions in China's retail real estate sector are expected to remain challenging in the near term.

SRE recognised a non-cash impairment loss of approximately \$102.3 million following the loss of control over the Sanlin Mall joint venture in Shanghai. After the appointment of receivers and managers over the mortgaged property under the SRE share mortgage in December 2025, SRE's shareholder powers in respect of the joint venture were suspended. Consequently, the Group discontinued equity accounting and reclassified the investment to other investment securities in accordance with accounting standards.

In FY2025, SRE continued to focus on active asset management across its portfolio, maintaining a committed occupancy rate of 90.9% and a weighted average lease expiry of 3.8 years across the portfolio. Leasing initiatives during the year supported portfolio resilience, with rental reversion of 16.8% achieved across renewed and new leases, while Yuedi My Place in Chongqing continued to deliver stable operating performance. As part of its disciplined capital recycling strategy, SRE divested selected mature investments in Australia and the United Kingdom to optimise portfolio composition and enhance capital efficiency. In South Korea, the divestment of the Arenas Yeongjong Logistics development was completed in January 2026, delivering strong returns. SRE also established a strategic

¹ <https://www.reuters.com/world/asia-pacific/chinas-property-investment-falls-159-yy-january-november-2025-12-15>

² <https://www.joneslanglasalle.com.cn/en-cn/insights/china-retail-market-review>

partnership with Cromwell to grow its Australia logistics platform, enabling SRE to leverage Cromwell's local operating expertise and investment pipeline to source and execute new opportunities.

Straits City

STC Property Management (“**STCPM**”) continued to drive asset performance at Straits City in Penang, Malaysia. This has led to improved operating results for the Crowne Plaza Penang Straits City hotel and Straits Galleria retail podium, supported by a rise in business travel, MICE activity and increasing brand awareness. Planning and design for Straits City Phase 2 featuring residential and retail components have commenced, including an assessment of a senior living component to meet demographic trends and growing healthcare-related demand.

Concurrently, the Group plans to further integrate its real estate platform to enhance efficiency, strengthen strategic alignment and optimise capital management.

Resources segment

The Resources segment, through the Group's 52%-owned Malaysia Smelting Corporation Berhad (“**MSC**”), reported a profit after tax of \$30.7 million in FY2025, up from \$27.7 million in FY2024. This was largely from the improved performance in tin smelting resulting from higher average tin prices. MSC continues to enhance business competitiveness and operation efficiencies in its smelting and mining operations while positioning itself for growth by capitalising on the demand for tin in clean energy, electronics and AI-related applications. At the same time, it is also looking into potential new mining joint ventures.

Hospitality segment

The Hospitality segment, through the Group's 30%-owned Far East Hospitality Holdings Pte Ltd (“**FEHH**”), reported a lower profit after tax of \$0.9 million (FY2024: \$5.6 million) primarily due to refurbishment works in its Australia-owned hotel, Rendezvous Hotel Perth Scarborough, the absence of contribution from a hotel disposed of in December 2024, lower share of results from its associates and joint ventures due to softer market demand, and the absence of a reversal of impairment cost recognised in the previous year.

While travel demand across FEHH's core markets is expected to remain broadly resilient going into 2026, operating conditions are increasingly competitive amidst rising costs, increasing room supply in key cities and ongoing macroeconomic uncertainties. This may temper near term outlook and potentially delay the pace of demand recovery. FEHH is concentrating on scaling of its asset-light management platform while implementing renewed cost discipline and operational efficiency to

navigate ongoing market volatility.

Ms. Chew Gek Khim, Executive Chairman of Straits Trading said, “FY2025 represents a watershed year for Straits Trading, marked by a disciplined reassessment of our portfolio and a continued focus on prudent capital recycling amidst a challenging operating environment. While non-cash impairment and valuation adjustments affected near-term results, our underlying operations remained resilient, with the intrinsic value and cash-generating capability of our core assets intact. Supported by a strong balance sheet built on long-standing investment discipline, the Group is well positioned to navigate current headwinds and advance growth initiatives, including the senior living sector.”

The Group concluded FY2025 with a robust balance sheet, providing added flexibility to pursue growth opportunities and navigate global macroeconomic uncertainties. As at the end of 2025, the Group’s operating cash flows before changes in working capital totalled \$81.3 million, up from \$77.5 million in FY2024, while cash and bank balances grew to \$488.4 million from \$448.8 million a year ago. Net gearing decreased from 82.0% as at 31 December 2024 to 61.8% as at 31 December 2025.

The Group has announced its plans for The Silver Movement in December 2025 which is part of its broader strategy to expand its presence in the growing senior living sector. This initiative reflects the Group’s commitment to supporting seniors’ lifestyles through an integrated independent living value chain.

SUMMARY OF RESULTS:

S\$ million	FY2025	FY2024	% Chg	2H2025	2H2024	% Chg
EBITDA	(60.8)	124.4	N.M.	(116.2)	58.1	N.M.
(Loss)/Profit before tax	(184.6)	25.1	N.M.	(157.0)	6.0	N.M.
(Loss)/Profit after tax	(234.0)	11.0	N.M.	(198.2)	(3.2)	>100
Total comprehensive (loss)/income	(163.8)	39.0	N.M.	(143.4)	37.9	N.M.
EPS (Singapore ¢)	(54.1)	(1.6)	>100	(44.4)	(2.8)	>100

For the full STC Financial Statements, please visit our website: www.straitstrading.com.sg

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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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