

ANNOUNCEMENT

SUBSCRIPTION INTO SAVILLS IM UK VALUE BOXES FUND FCP-RAIF

1. INTRODUCTION

The Board of Directors (the “**Board**”) of The Straits Trading Company Limited (the “**Company**”) wishes to announce that its subsidiary, Straits Real Estate Pte. Ltd. (“**SREPL**”), through its wholly-owned subsidiary, SRE Venture 18 Pte. Ltd. (“**SRE Venture 18**”), has entered into a subscription agreement for the subscription (the “**Subscription**”) into Savills IM UK Value Boxes Fund FCP-RAIF (the “**Fund**”). The Fund will be managed by Savills Investment Management (Luxembourg) S.À R.L. as the Management Company.

2. INFORMATION ON THE SUBSCRIPTION

2.1 Information on the Fund

The Fund is a closed-ended common fund – reserved alternative investment fund established in Luxembourg that focuses on acquiring convenience-led discount retail park assets in the United Kingdom.

2.2 Information on the Management Company

The Management Company is a Luxembourg private limited liability company and has appointed Savills Investment Management LLP as its investment adviser in respect of the Fund.

The Savills Investment Management team has an established track record of investing in and asset managing retail park assets across the United Kingdom.

2.3 Rationale for the Subscription

The Company has previously articulated to shareholders its strategy of redeploying capital from its existing property portfolio of high quality, but low yielding investment properties into potentially higher return real estate opportunities via SREPL. The Subscription is in line with this stated strategy.

2.4 Information on the Consideration

SRE Venture 18, as one of the investors in the Fund, will commit up to GBP60 million (approximately SGD110 million¹).

¹ Conversion of amount from GBP into SGD in this Announcement is based on a rate of exchange of GBP1:SGD1.833 as at 1 October 2021 and is provided for reference purposes only.]

3. FINANCIAL EFFECTS

3.1 No Material Impact

The Subscription is not expected to have a material impact on the earnings per share and net tangible asset per share of the Company and its subsidiaries (the “Group”) for the current financial year ending 31 December 2021.

3.2 Share Capital

The Subscription will not have any impact on the issued share capital of the Company.

4. FURTHER INFORMATION

4.1 Not Material

As the Subscription is in the ordinary course of business of the Group, it is not material for the purposes of the listing manual of the Singapore Exchange Securities Trading Limited.

4.2 Directors’ Service Contracts

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

4.3 Directors’ Interests

None of the directors of the Company has any interest, direct or indirect, in the transactions contemplated by the Subscription.

4.4 Controlling Shareholders’ Interests

None of the controlling shareholders of the Company has any interest, direct or indirect, in the transactions contemplated by the Subscription.

By Order of the Board

Ngiam May Ling
Company Secretary
The Straits Trading Company Limited

5 October 2021
Singapore

This Announcement will be available at the Company’s website at <http://www.stc.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 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.