

## JOINT MEDIA RELEASE

### **STRAITS TRADING ACQUIRES JL FAMILY OFFICE'S STAKE IN STRAITS REAL ESTATE FOR \$[105.0] MILLION IN CASH**

- *Straits Trading to acquire JL Family Office's stake in Straits Real Estate, as JL Family Office seeks to divest its stake at end of a successful investment cycle*
- *Post-transaction, Straits Real Estate will become a fully owned subsidiary of Straits Trading*
- *Both parties will continue to collaborate on future projects*

**SINGAPORE – 5 April 2021** – The Straits Trading Company Limited ("**Straits Trading**" or "**the Group**") today announced that its wholly-owned subsidiary, STC Capital Pte Ltd and JL Equity II Limited, a unit of the JL Family Office ("**JLFO**"), has entered into a Share Sale and Purchase Agreement for the proposed acquisition of JLFO's 10.5% stake in Straits Real Estate Pte. Ltd. ("**SRE**") for an aggregate consideration of \$105.0 million. The acquisition comes as JLFO seeks to divest its stake in SRE at the end of its successful investment cycle.

Post-transaction, SRE, will become a fully owned subsidiary of the Group. The completion of the transaction is scheduled on 9 April 2021 and it will be fully funded by the Group's internal cash resources.

The proposed acquisition will enable Straits Trading to deliver enhanced long-term growth and capital returns to its shareholders. On a *pro forma basis* for FY2020, it is also earnings per share ("**EPS**")-accretive for the Group.

Now in its eighth year of business operation since its formation, SRE's well-diversified investment portfolio spans six countries and various property asset classes. Its portfolio comprises mainly income-generating assets with stable and recurring cash flow. SRE has been increasing its exposure to future-ready and resilient sectors, such as modern logistics and business parks, to benefit from the new economy businesses.

Ms Chew Gek Khim, Executive Chairman of Straits Trading said, *“SRE has established a strong track record of delivering superior risk-adjusted returns. The acquisition represents a material investment in one of Straits Trading’s key business units, providing shareholders with enhanced long-term growth prospects and capital returns. We value the deep and long-standing relationship with JLFO and will continue to pursue opportunities with them in the future.”*

Mr Andy Lim, Group CEO of JLFO said, *“We built SRE together with Straits Trading since its inception in 2013 and are pleased that all stakeholders have benefited from SRE’s growth trajectory. Having reached the end of a successful investment cycle, it is time to divest our stake in SRE and rotate our capital into other opportunities. We have enjoyed our working relationship with Straits Trading immensely and look forward to continuing our collaboration on future projects through our real estate unit, The Land Managers.”*

*Note: This Joint Media Release should be read in conjunction with the announcement released by The Straits Trading Company Limited via SGX on 5 April 2021.*

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## **About The Straits Trading Company Limited**

Incorporated in 1887, The Straits Trading Company Limited is a conglomerate-investment company with diversified operations and financial interests internationally in resources, property and hospitality. Its investments comprise majority or strategic stakes in Malaysia Smelting Corporation Berhad, which is dual listed on Bursa Malaysia and SGX-ST; Straits Real Estate; ARA Asset Management Limited and Far East Hospitality Holdings as well as a diversified property portfolio that is wholly-owned by the Group.

## **About JL Family Office**

JL Family Office ("JLFO") is the investment holding group of companies founded by Mr John Lim, and Deputy Chairman of ARA Asset Management Limited. Mr John Lim has more than 30 years of experience in the real estate industry and has received many notable corporate awards and is considered an eminent voice in the Asian Pacific real estate circle. His personal accolades include being listed as one of 100 Most Influential of the Decade – PERE Decade and Ernst & Young Entrepreneur of the Year Singapore 2012. Mr John Lim has also been on Forbes' Asia Singapore's Richest list since 2010. In 2017, he was conferred the Public Service Medal (PBM) by the President of Singapore in recognition of his contributions to the community.

JLFO comprises an investment arm, which oversees a global portfolio based on the investment philosophy of Mr John Lim, as well as a philanthropic arm, Lim Hoon Foundation.

## **For more information, please contact:**

### **The Straits Trading Company Limited**

Ms Evelyn Quah

Corporate Communications

DID: 6422 4265

Email: [evelynquah@stc.com.sg](mailto:evelynquah@stc.com.sg)

Ms Selina Ho

Investors' Relations &

Corporate Communications

DID: 6422 4275

Email: [selinaho@stc.com.sg](mailto:selinaho@stc.com.sg)

### **August Consulting**

Ms Silvia Heng

Tel: 6733 8873 Mobile: 9684 4500

Email: [silviaheng@august.com.sg](mailto:silviaheng@august.com.sg)

Mr Xavier Ong

Tel: 6733 8873 Mobile: 9457 3075

Email: [xavierong@august.com.sg](mailto:xavierong@august.com.sg)

### **JL Family Office**

Ms Lynn Goh

Tel: 6335 6161

Email: [lynngoh@jlih2388.com](mailto:lynngoh@jlih2388.com)