

ANNOUNCEMENT

ACQUISITION OF ASSOCIATED COMPANY

The Board of Directors of The Straits Trading Company Limited (the “**Company**”) wishes to announce that its subsidiary, SRE Luxe 1 Pte. Ltd. (the “**Purchaser**”), has today entered into an agreement (the “**Agreement**”) with ISH Akasaka Investment (the “**Vendor**”) whereby the Purchaser has agreed to purchase, and the Vendor has agreed to sell, one specified share (the “**Sale Share**”) of JHT TMK (“**JHT TMK**”) upon the terms and subject to the conditions of the Agreement (the “**Acquisition**”).

JHT TMK is a Japanese *tokutei mokuteki kaisha* incorporated on 2 September 2015. As at the date hereof, JHT TMK has a capital amount of JPY10,000 divided into four specified shares, all of which have been fully paid-up.

The net tangible asset value of JHT TMK as at 26 May 2016 is approximately JPY10,000.

The aggregate consideration payable by the Purchaser for the Acquisition amounted to JPY45,947. The Consideration, funded by internal resources, was arrived at after arms’ length negotiations on a willing buyer-willing seller basis, taking into account, *inter alia*, the latest available book value of the assets being acquired.

Consequent to the Acquisition, JHT TMK will become an associated company of the Company.

The Acquisition is not expected to have any material impact on the net tangible assets and earnings per share of the Company for the financial year ending 31 December 2016.

None of the Directors or controlling shareholders of the Company have any interest, direct or indirect, in the Acquisition other than through their respective shareholdings in the Company.

A copy of the Agreement is available for inspection by shareholders of the Company during normal business hours at the registered office of the Company at 9 Battery Road #28-01, Straits Trading Building, Singapore 049910 for three months from the date of this Announcement.

By Order of the Board

Aldric Tan Jee Wei
Company Secretary
The Straits Trading Company Limited

27 May 2016
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 an investment company with stakes in real estate, hospitality, resources and investments that span the Asia Pacific region. It owns a 89.5% stake in Straits Real Estate, a co-investment vehicle that seeks out real estate related investments & opportunities. It also owns a 20.1% stake in SGX-listed ARA Asset Management Limited, one of the largest real estate fund managers in the region, and has a 30% interest in Far East Hospitality Holdings, one of the largest hospitality operators in Asia Pacific. Straits Trading also engages in tin mining and smelting through its 54.8% owned subsidiary, Malaysia Smelting Corporation Berhad, that is dual listed on Bursa Malaysia and SGX-ST.