

## **MEDIA RELEASE**

# **Straits Trading Enhances Trading Liquidity with Share Placement**

**SINGAPORE – 18 January 2022** – The Straits Trading Company Limited (“**Straits Trading**” or the “**Group**”) today announced its share placement exercise, a strategy by the Group to broaden the institutional and individual investor base.

The placement shares, representing in aggregate approximately 6.39% of the total existing issued shares of Straits Trading, will increase the free float of Straits Trading from approximately 25.33% to 29.82% and is expected to improve trading liquidity.

Mr Eric Teng, Chief Executive Officer of Straits Developments Private Limited, says, “The share placement is an important first step to address the low trading liquidity of Straits Trading shares on the SGX. Our strategy was not only to optimise the number of shares in the market, but to enhance the free float and trading liquidity of Straits Trading with a possible increase in total market capitalisation.”

The issue price of S\$3.11 per placement share will raise gross proceeds of S\$80.86 million via the issuance of 26 million new ordinary shares. The issue price of the share placement represents an approximate 8.9% discount to the volume-weighted average share price of S\$3.4126 of all trades in Straits Trading shares on the SGX on 13 January 2022. Based on the closing price of S\$3.41 on 13 January 2022, Straits Trading’s market capitalisation was approximately S\$1.38 billion.

Straits Trading intends to use the net proceeds from the share placement for potential acquisitions and/or business opportunities available from time to time.

Ms Chew Gek Khim, Executive Chairman of Straits Trading, says, “I am delighted with the investment community’s confidence in the potential of the Group. It is also an endorsement of management and staff to be able to continuously deliver value to our shareholders.”

For the half year reporting period ended 30 June 2021, Straits Trading's profit after tax and profit after tax and non-controlling interests registered approximately S\$141.6 million and S\$122.6 million respectively, on stronger contributions from the Group's real estate and resources segments. Straits Trading's total assets stood at approximately S\$3.06 billion.

CLSA Singapore Pte Ltd, DBS Bank Ltd., Maybank Securities Pte Ltd., Phillip Securities Pte Ltd, RHB Bank Berhad and United Overseas Bank Limited are the joint placement agents for the share placement.

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### **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. Please visit <https://www.stc.com.sg/> for more information.

### **About Straits Trading Shareholders' Club**

Launched on 8 September 2021, the Straits Trading Shareholders' Club is an initiative from a SGX-listed company to strengthen ties with its shareholders as a community that goes beyond an AGM and results briefings. The Shareholders' Club aims to engage active shareholders; enhance the level of knowledge in the Group's businesses and enable co-investment opportunities. Please visit <https://shareholdersclub.sg/> for more information.

**For more information, please contact:**

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