

THE STRAITS TRADING COMPANY LIMITED
(Incorporated in the Republic of Singapore)
(Company Registration Number: 188700008D)

RESPONSES TO RELEVANT AND SUBSTANTIAL QUESTIONS FROM SHAREHOLDERS

The Straits Trading Company Limited (the “**Company**”, and together with its subsidiaries, the “**Group**”) would like to thank shareholders for submitting their questions in advance of the Annual General Meeting to be held at Suntec Singapore Convention & Exhibition Centre, Level 3, Meeting Rooms MR 334 – 336, 1 Raffles Boulevard, Suntec City, Singapore 039593 on 28 April 2026 at 10.30 am.

The Company would like to address the following questions set out below:

Shareholders’ Questions	Company’s Response
<p>Q1) What were the specific factors that led to the loss of control over the Sanlin Mall joint venture, and whether similar risks exist in respect of the Group’s other joint ventures within its China property portfolio?</p>	<p>In 2020, Straits Real Estate (“SRE”), through its wholly owned subsidiary SRE Venture 16 Pte. Ltd. (“SRE V16”), entered into a joint venture (“JV”) with ICBCI and ESR to acquire Sanlin Mall in Shanghai. ICBCI provided a shareholder loan to fund the acquisition, secured against the JV shares, with a maturity date in 2025 based on an anticipated divestment of the mall by that time.</p> <p>Following a series of government measures introduced in 2021 to curb real estate prices, China’s commercial property sector experienced a sustained structural downturn, which in turn weighed on consumer spending. Despite various policy efforts from 2022 onward to support market recovery, it became evident by early 2025 that a timely divestment of Sanlin Mall was unlikely due to persistently weak retail market conditions.</p> <p>The Group engaged with ICBCI to explore potential restructuring or extension options. However, meeting the additional capital requirements to sustain the investment was assessed as uncertain given the lack of clear market recovery indicators. Furthermore, a forced sale was projected to generate proceeds sufficient only to satisfy ICBCI’s secured position, with no residual value for common equity holders.</p> <p>Following an enforcement notice from ICBCI, receivers were appointed in December 2025 over the JV shares held by SRE and ESR, effectively suspending the rights of common shareholders. The Group consequently recognised a loss of control over the JV and the underlying asset.</p> <p>The mall is now under the management of receivers appointed by ICBCI, and the Company has exited its role in the JV, no longer exercising any management or operational rights over the asset. The investment has been fully written off.</p> <p>The Group’s other mall asset in Chongqing is wholly owned</p>

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	and continues to perform well, with a high occupancy rate. No other joint ventures within the Group's China property portfolio face similar risks.
<p>Q2) The Group recorded a significant loss for the financial year, primarily attributed to "Loss from loss of joint control over joint venture" and "Net fair value changes in investment properties."</p> <p>Can the company provide further details on the net fair value changes, including which properties or geographies contributed to these losses?</p>	<p>The net fair value loss on investment properties was mainly driven by assets in China, South Korea and Australia, arising from higher capitalisation rates and weaker market sentiment. This was partially offset by a fair value gain from properties in the United Kingdom.</p> <p>Specifically:</p> <ul style="list-style-type: none"> ▪ China: The Chongqing retail mall experienced valuation pressure despite maintaining occupancy above 95%, reflecting the subdued property market. ▪ South Korea: The fair value loss on Arenas Anseong was not due to changes in market valuation, but rather resulted from capitalised leasing commissions incurred during the year, consistent with increased occupancy at the asset. ▪ Australia: The Group's Melbourne office asset in Docklands saw a valuation decline, consistent with high market vacancy and reduced commercial real estate transaction volumes. <p>The fair value loss was partially offset by gains in the United Kingdom, where Bourne Business Park benefited from strong leasing momentum and high occupancy.</p> <p>The loss from loss of joint control relates solely to the Shanghai Sanlin Mall, following the appointment of receivers in December 2025. Both the fair value adjustments and the loss of joint control are non-cash in nature and do not affect the Group's operating cash flows or liquidity position.</p>
<p>Q3) With the departure of key management from the property arm, is there any shift in the Group's strategic direction? If so, please share the updated strategy.</p>	<p>Real estate remains a core business pillar for the Group. The capital recycling strategy is unchanged: matured assets that have achieved targeted returns will be considered for divestment, with proceeds redeployed into higher-yielding opportunities to support long-term value creation.</p> <p>One such opportunity is in the senior living sector, which is supported by structural fundamentals including ageing demographics, rising affluence, and evolving societal attitudes among a new generation of retirees with a greater focus on lifestyle needs.</p>
<p>Q4) What is the expected internal rate of return ("IRR") for The Silver Movement pilot, and how much more capital is earmarked for this segment over the next 24 months?</p>	<p>The Silver Movement is the Group's integrated senior living initiative, comprising three pillars: Property, Operations, and Services. The initiative is currently in its pilot phase, funded within the Group's existing operational expenditure. Given the exploratory nature of the pilot, the primary objective is to test the integrated model and gather real-world user insights. Accordingly, the Group has not set a specific expected IRR at this stage.</p>

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	<p>As for capital allocation, no additional capital has been earmarked for this segment over the next 24 months beyond the existing pilot funding. Further capital commitment will be considered only after a thorough assessment of the pilot's outcomes. The Company will provide updates on the initiative as material developments occur.</p>
<p>Q5) What is the company's view on the interest rate outlook in its key markets of Australia, Singapore, Malaysia and the United Kingdom, given that some central banks (e.g., the Reserve Bank of Australia raising rates to 4.1% in March 2026) have begun hiking again despite a prevailing narrative of lower rates?</p>	<p>The Group does not provide forward-looking interest rate forecasts. However, management considers the Group to be well-positioned for a prolonged elevated rate environment through three measures:</p> <ul style="list-style-type: none"> ▪ Hedging an appropriate proportion of interest rate exposure; ▪ Actively seeking cost-efficient financing tools; and ▪ Leveraging a diversified portfolio across asset classes, industries and geographies to buffer against localised rate pressures. <p>Capital allocation discipline remains paramount, with the Group targeting superior risk-adjusted returns. Management also recognises that economic uncertainty can present attractive acquisition opportunities at below-market valuations. Interest rate developments across all key markets will continue to be monitored closely.</p>
<p>Q6) The company owns and manages several properties and has a subsidiary involved in tin-mining, which is energy-intensive. How is the company managing the rise in energy costs arising from the Iran War? What specific steps have been taken or are being taken?</p>	<p>Straits Trading manages energy cost pressures through energy efficiency and renewable energy measures across its portfolio.</p> <p>Key measures include:</p> <ul style="list-style-type: none"> ▪ Developing Energy Usage Intensity targets for operational assets, benchmarked against international and local standards. ▪ Increasing renewable energy purchase to 2.7 GWh in FY2025, representing 16% of total purchased electricity (up from 7% in FY2024), with a target of 19% in FY2026. ▪ Progressing decarbonisation efforts through feasibility studies and on-site renewable energy generation where feasible. ▪ Pursuing recognised green building certifications for new developments and existing buildings under operational control to improve efficiency and price resilience. <p>For the Group's subsidiary, Malaysia Smelting Corporation Berhad ("MSC"), specific measures include:</p> <ul style="list-style-type: none"> ▪ Relocation of smelting operations to the Pulau Indah facility, enabling a switch from LPG and fuel oils to more cost-efficient natural gas. ▪ Installation of 1.26 MWp of solar photovoltaic panels on-site, with additional solar deployment under consideration at its RHT Tin Mine. ▪ Real-time digital energy monitoring, LED lighting

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	<p>upgrades, and process optimisation to reduce energy intensity.</p> <ul style="list-style-type: none"> ▪ Active evaluation of waste-heat recovery systems. <p>These measures, together with the efficiencies from consolidating to a single modernised facility at Pulau Indah, strengthen MSC's cost resilience.</p> <p>Additionally, the Group's diversified business model across resources, real estate and hospitality in multiple geographies provides a buffer against energy price volatility in any single market.</p>										
<p>Q7) Private credit markets experienced an unwinding in early 2026, driven by rising defaults, retail investor redemption pressures, and the impact of AI disruption on software borrowers. What is the impact of this unwinding on the company? Is the company experiencing similar stresses? Please detail the company's exposure to private credit.</p>	<p>The Group's exposure to private credit is not material. Its investment portfolio is primarily oriented towards real assets, including income-generating investment properties and its resources segment anchored by MSC. The Group does not operate as a private credit lender and does not have significant direct lending exposures of the type currently facing redemption pressures.</p> <p>Broader credit market stress could indirectly affect asset valuations, refinancing conditions and investor sentiment across the Group's key markets. The Group maintains a strong balance sheet with sufficient liquidity, has proactively reduced borrowings through bond redemptions, and continues to actively manage its financing mix to mitigate refinancing risk in a tighter credit environment.</p>										
<p>Q8) What has been the total shareholder return over the past 3, 5, 10, 15 years, and how does this compare with relevant benchmarks and peers?</p>	<p>The Company sets out below the Total Shareholder Return ⁽¹⁾ ("TSR") figures (including cumulative dividends) for the relevant periods, calculated as at the latest practicable date of 15 April 2026.</p> <table border="1" data-bbox="660 1391 1385 1581"> <thead> <tr> <th data-bbox="660 1391 1002 1451">Period</th> <th data-bbox="1002 1391 1385 1451">Total shareholder returns (including dividends)</th> </tr> </thead> <tbody> <tr> <td data-bbox="660 1451 1002 1485">3 years</td> <td data-bbox="1002 1451 1385 1485">+25.7%</td> </tr> <tr> <td data-bbox="660 1485 1002 1518">5 years</td> <td data-bbox="1002 1485 1385 1518">+68.3%</td> </tr> <tr> <td data-bbox="660 1518 1002 1552">10 years</td> <td data-bbox="1002 1518 1385 1552">+66.9%</td> </tr> <tr> <td data-bbox="660 1552 1002 1581">15 years</td> <td data-bbox="1002 1552 1385 1581">+108.1%</td> </tr> </tbody> </table> <p>For internal benchmarking, the Company compares its TSR against the Straits Times Index ("STI") and an equal-weighted basket of Singapore developers (excluding S-REITs).</p> <p>Relative to the STI, Straits Trading's TSR was lower across all periods except the 3-year period, reflecting the significant weighting of local banks in the STI and their strong performance.</p> <p>Relative to the Singapore developers (excluding S-REITs) benchmark, Straits Trading outperformed across all periods shown.</p> <p>⁽¹⁾ The TSR figures and benchmark comparisons above were derived from third-party external sources.</p>	Period	Total shareholder returns (including dividends)	3 years	+25.7%	5 years	+68.3%	10 years	+66.9%	15 years	+108.1%
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By Order of the Board

Lun Chee Leong
Company Secretary

The Straits Trading Company Limited
23 April 2026
Singapore

This announcement can also be found at the Company's website at www.straitstrading.com.sg

About The Straits Trading Company Limited

Incorporated in 1887, The Straits Trading Company Limited is a conglomerate-investment company with operation 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 Singapore Exchange Securities Trading Limited and Far East Hospitality Holdings as well as a diversified property portfolio that is wholly owned by the Group.