



Securities Investors Association (Singapore)
7 Maxwell Road #05-03 MND Building Annexe B Singapore 069111
Tel: (65) 6227 2683 Email: admin@sias.org.sg
www.sias.org.sg
UEN No: S99SS0111B
GST Reg No: M90367530Y0Y

Issuer: The Straits Trading Company Limited

Stock code: S20

Meeting details:

Date: 28 April 2026

Time: 10.30 a.m.

Venue: Suntec Singapore Convention & Exhibition Centre, Level 3, Meeting Rooms MR 334 – 336, 1 Raffles Boulevard, Suntec City, Singapore 039593

Q1. The loss of joint control over Ivory SL Joint Venture Limited resulted in a loss of \$102.27 million recognised in the income statement. This formed a significant component of the group's loss after tax of \$234.0 million for the financial year.

Notwithstanding management's characterisation of this as a non-cash adjustment, the loss of control over a significant joint venture highlights potential issues relating to governance, monitoring and risk management, particularly in respect of overseas investments.

- (i) Can management provide a detailed account of the events leading up to the appointment of receivers on 22 December 2025? When did the group first become aware of financial or operational distress at the joint venture level, and what actions were taken to mitigate or prevent the loss of control?**
- (ii) How does the board assess its oversight of the joint venture, including governance rights, monitoring processes and escalation mechanisms? Were there any gaps in control or early warning indicators that were missed? What is the working relationship with the joint venture partner(s)?**

Following the loss of joint control, the investment has been reclassified as financial assets at fair value through profit or loss and written down to zero.

- (iii) Can management explain the basis for assigning a nil carrying value to this investment, and whether there is any realistic prospect of recovery or re-entry into the asset through restructuring or insolvency proceedings? Separately, does the board have visibility on the operating performance of the underlying asset, Sanlin Mall in Shanghai?**

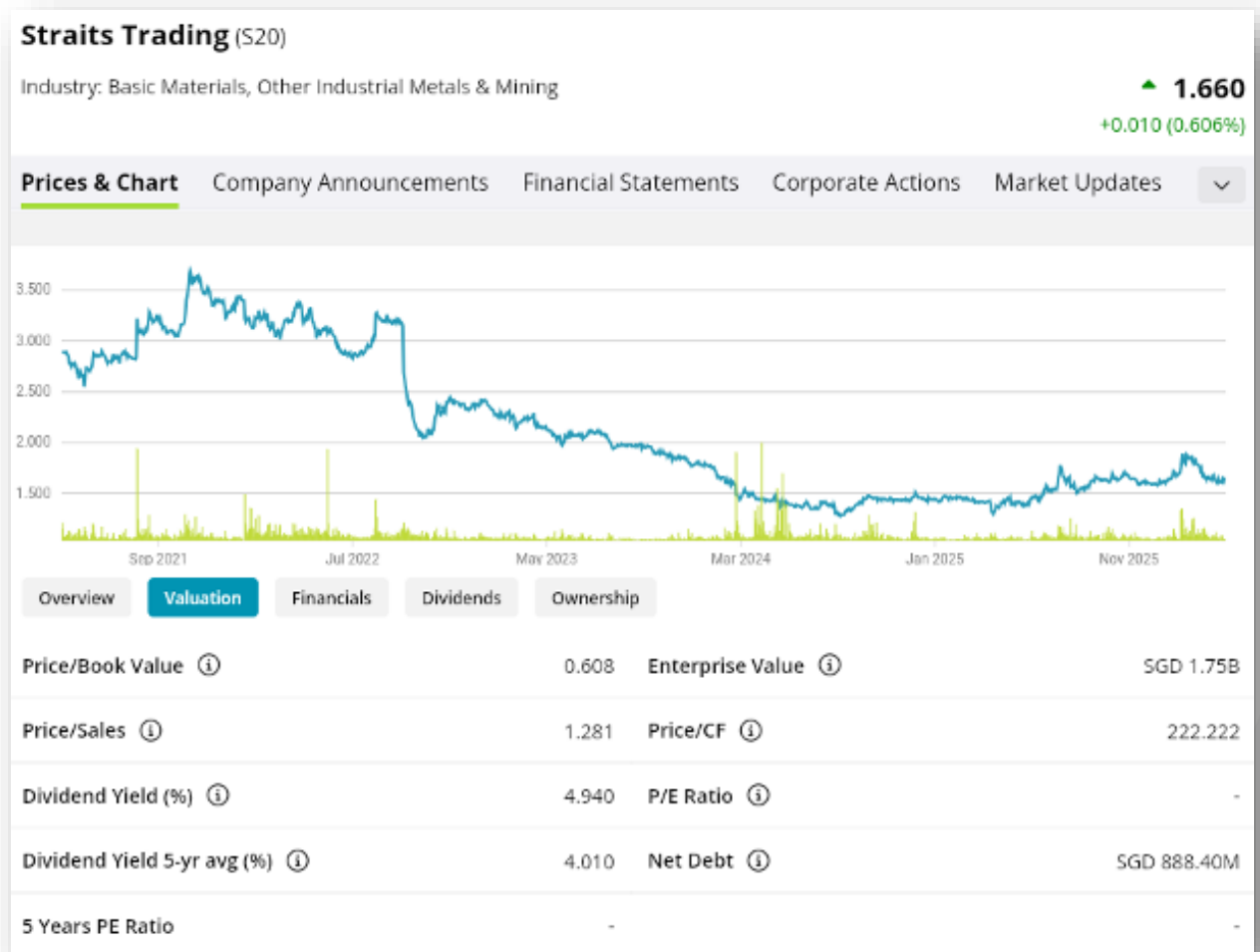
Q2. Would the board/management provide shareholders greater clarity on the following operational and financial matters? Specifically:

- (i) ESR Group:** The group accepted the offer for its ESR Group stake and received proceeds of approximately \$400 million. The investment generated an equity exit multiple of 2.2x over a duration of under 12 years, translating to an ungeared IRR of 10% per annum. **Will the board declare a special dividend to reward long-standing shareholders?**
- (ii) Crowne Plaza Penang Straits City hotel:** Following its opening in February 2025, what occupancy and average room rate has the hotel achieved to date? **When does management expect the asset to reach stabilised performance?**
- (iii) Straits Investment Management Pte Ltd (SIM):** The wholly owned fund management subsidiary reported assets under management and advisory exceeding \$794 million as at 31 December 2025, up from approximately \$500 million four years ago. **Given the supportive market environment over this**

period, how does the board assess SIM’s growth and competitiveness? What are the medium-term targets for AUM growth and profitability?

- (iv) The Silver Movement: The group has introduced “The Silver Movement” as a strategic initiative¹ targeting the 55 to 75 age segment across its key markets. Details of the initiative are set out on page 25 of the annual report. What level of capital has the board approved for the pilot phase, and what specific milestones, performance metrics and timelines have been set to evaluate its success before further capital is committed?**

Q3. According to SGX StockFacts, the company trades at a 40% discount to book value, despite the group’s long operating history and quality asset base.



(Source: <https://investors.sg.com/market/securities?code=S20&type=stocks&lang=en>)

¹ <https://links.sg.com/1.0.0/corporate-announcements/7T4FK4HNNOK6QGOL/7c5fe1ee457ff0572b6894e43197a5a13b73ca4c0fb951da2897422a4e4dc4>

As the company approaches its 140th anniversary, the sustained gap between market valuation and reported net asset value raises questions on long-term value creation, capital allocation and market perception.

- (i) What has been the total shareholder return over the past 5, 10, 15 and 20 years, and how does this compare with relevant benchmarks and peers? Is the board satisfied with the performance?**

Stock exchanges and regulators worldwide, including Tokyo Stock Exchange (TSE) and Korea's Financial Services Commission (FSC), have been pushing for improved corporate valuations. The Review Group formed by the Monetary Authority of Singapore (MAS) has introduced measures to strengthen the equity market, focusing on improving liquidity and fair valuation for listed companies.

- (ii) What specific discussions has the board held regarding the persistent valuation discount, and what conclusions has it reached on the key drivers of this disconnect between market value and balance sheet value?**
- (iii) How is the board, particularly the independent directors, going to address the valuation gap? Have capital management options such as share buybacks, special dividends or a broader strategic review been formally evaluated, and what are the timelines for implementation?**
- (iv) Has the board considered distributing the group's holding in Malaysia Smelting Corporation Berhad as one of the ways to remove the conglomerate discount?**

Shareholders are welcome to use and/or adapt the questions prepared by SIAS and to forward them to the company.

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