

## VOLUNTARY CONDITIONAL CASH OFFER

By

### STANDARD CHARTERED BANK

for and on behalf of

#### THE CAIRNS PTE. LTD.

(Company Registration No. 200502854M)  
(Incorporated in the Republic of Singapore)

for

#### THE STRAITS TRADING COMPANY LIMITED

(Company Registration No. 188700008D)  
(Incorporated in the Republic of Singapore)

### 1. Introduction

Unless otherwise defined herein, all terms and references used in this Announcement are defined or construed in the offer document dated 25 January 2008 ("**Offer Document**") in connection with the voluntary conditional cash offer ("**Offer**") by Standard Chartered Bank ("**SCB**") for and on behalf of The Cairns Pte. Ltd. (the "**Offeror**") for all the issued and paid-up ordinary shares ("**Shares**") in the capital of The Straits Trading Company Limited ("**STC**") other than those already owned, controlled or agreed to be acquired by the Offeror ("**Offer Shares**") at a price of S\$5.70 in cash per Offer Share (the "**Original Offer Price**").

### 2. Revised Offer Price

Pursuant to Rule 21.1 of the Code, SCB wishes to announce, for and on behalf of the Offeror, that the Offeror is revising the Original Offer Price as follows:

For each Offer Share: S\$6.50 in cash (the "**Revised Offer Price**")

Shareholders who have earlier accepted the Offer are entitled to receive the Revised Offer Price.

**Accordingly, no further action in respect of the Offer is required to be taken by Shareholders who have already accepted the Offer.**

The Offer Shares will be acquired (a) fully-paid, (b) free from all liens, equities, mortgages, charges, encumbrances, rights of pre-emption and other third party rights and interests of any nature whatsoever, and (c) together with all rights, benefits and entitlements attached thereto as at 6 January 2008 (being the Offer Announcement Date) and thereafter attaching thereto (including the right to receive and retain all dividends, rights and other distributions (if any) announced, declared, paid or made thereon by STC on or after the Offer Announcement Date together with all interest accrued thereon). **If any dividend, other distribution or return of capital is declared, made or paid on or after the Offer Announcement Date, the Offeror reserves the right to reduce the Revised Offer Price by the amount of such dividend, distribution or return of capital.**

Save as disclosed in this Announcement, all the other terms and conditions of the Offer as set out in the Offer Document remain unchanged.

**3. Benchmarking the Offer at the Revised Offer Price**

The Revised Offer Price of S\$6.50 for each Offer Share represents:

	Description	Share Price <sup>1</sup>	Revised Offer Price premium over Share Price
(a)	Last transacted Share price on 25 January 2008 (being the last day on which the Shares were traded prior to the date of this Announcement)	S\$5.89	10.4%
(b)	Last transacted Share price on 4 January 2008 (being the last day on which the Shares were traded prior to the Offer Announcement Date)	S\$4.96	31.0%
(c)	VWAP for the one (1) month period prior to the Offer Announcement Date	S\$5.16	26.0%
(d)	VWAP for the three (3) month period prior to the Offer Announcement Date	S\$4.97	30.8%
(e)	VWAP for the six (6) month period prior to the Offer Announcement Date	S\$4.73	37.4%

**4. Closing Date of the Offer**

SCB wishes to announce, for and on behalf of the Offeror, that the Offeror will shortly despatch a written notification to Shareholders relating to the revised Offer.

**The Offer will remain open for acceptance until 5.30 p.m. on 22 February 2008, or such later date(s) as may be announced from time to time by or on behalf of the Offeror.**

**5. Procedures for Acceptance**

Shareholders who wish to accept the Offer but have not done so should complete, sign and forward their FAT or FAA (as the case may be) and all other relevant documents as soon as possible so as to reach the Offeror not later than 5.30 p.m. on the Closing Date. All FATs, FAAs and other relevant documents received after 5.30 p.m. on such date will not be accepted and will be returned by post to the relevant Shareholders at their own risk, in accordance with the terms of the Offer.

Shareholders who are in any doubt about the Offer should consult their stockbroker, bank manager, solicitor or other professional adviser immediately.

Depositors and Shareholders who have not received or who have misplaced the Offer Document and/or the relevant acceptance forms should contact CDP or Tricor Barbinder

<sup>1</sup> The figures set out in paragraph 3 of this Announcement are based on data extracted from Bloomberg and the SGX-ST website.

Share Registration Services, as the case may be, without delay at the following respective addresses:

The Central Depository (Pte) Limited 4 Shenton Way #02-01 SGX Centre 2 Singapore 068807 Tel: (65) 6535 7511	Tricor Barbinder Share Registration Services (a division of Tricor Singapore Pte. Ltd.) 8 Cross Street #11-00 PWC Building Singapore 048424
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Copies of the FAA may be obtained by Depositors from CDP upon production of satisfactory evidence that their securities accounts with CDP are or will be credited with the Shares.

Copies of the FAT may be obtained by Shareholders from Tricor Barbinder Share Registration Services upon production of satisfactory evidence of title to the Shares.

## 6. Level of Acceptances

- (a) **Acceptances of the Offer.** As at 9.00 a.m. on 28 January 2008, to the best knowledge of the Offeror, the Offeror has not received any valid acceptances in respect of the Offer.
- (b) **Shares held before the Offer Announcement Date.** Prior to the Offer Announcement Date, the Offeror and parties acting in concert with it owned or controlled in aggregate 73,204,543 Shares, representing approximately 22.46% of the issued and paid-up share capital of STC.
- (c) **Shares acquired or agreed to be acquired after the Offer Announcement Date and up to 9.00 a.m. on 28 January 2008 (other than pursuant to valid acceptances of the Offer).** Between the Offer Announcement Date and 9.00 a.m. on 28 January 2008, the Offeror and parties acting in concert with it have acquired or agreed to acquire in aggregate 3,701,734 Shares, representing approximately 1.14% of the issued and paid-up share capital of STC (other than pursuant to valid acceptances of the Offer).

Accordingly, as at 9.00 a.m. on 28 January 2008, the total number of (a) Shares owned, controlled or agreed to be acquired by the Offeror and parties acting in concert with it, and (b) valid acceptances of the Offer, amount to an aggregate of 76,906,277 Shares, representing approximately 23.60% of the issued share capital of STC.

## 7. Confirmation of Financial Resources

SCB, as financial adviser to the Offeror, confirms that sufficient financial resources are available to the Offeror to satisfy full acceptance of the Offer by holders of the Offer Shares at the Revised Offer Price.

## 8. Responsibility Statement

The directors of the Offeror (including those who may have delegated detailed supervision of this Announcement) have taken all reasonable care to ensure that the facts stated and opinions expressed in this Announcement are fair and accurate and that no material facts have been omitted from this Announcement.

Where any information has been extracted from published or otherwise publicly available sources or obtained from STC, the sole responsibility of the directors of the Offeror has been to ensure that such information has been accurately and correctly extracted from such sources or, as the case may be, accurately reflected or reproduced in this Announcement.

The directors of the Offeror jointly and severally accept responsibility accordingly.

Issued by  
**STANDARD CHARTERED BANK**  
for and on behalf of  
**THE CAIRNS PTE. LTD.**

28 January 2008