

## 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**").

On 28 January 2008, SCB announced, for and on behalf of the Offeror, that the Offeror was revising the Original Offer Price to S\$6.50 for each Offer Share (the "**Revised Offer Price**"). A written notification in respect of the Revised Offer Price was despatched to Shareholders on 2 February 2008.

### 2. Dealings Disclosure

Pursuant to Rule 12.1 of the Singapore Code on Take-overs and Mergers ("**Code**"), SCB wishes to announce, for and on behalf of the Offeror, that the following dealings in the Shares were made on 18 February 2008 (prior to the halt in trading of the Shares) by or on behalf of the Offeror:

(a)	Total number of Shares acquired by the Offeror by way of open market purchases	94,800
(b)	Percentage of issued share capital of STC	0.03%
(c)	Price paid per Share (excluding brokerage commission, clearing fees and Goods and Services Tax)	S\$6.67551
(d)	Resultant total number of Shares directly owned, controlled or agreed to be acquired by the Offeror and parties acting in concert with it	77,053,328

(e)	Resultant total percentage of issued capital of STC directly owned, controlled or agreed to be acquired by the Offeror and parties acting in concert with it	23.64%
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Taking into account the above acquisitions, the Offeror and parties acting in concert with it own, control or have agreed to acquire 77,053,328 shares, representing approximately 23.64% of the issued and paid-up share capital of STC as at the date of this Announcement.

### 3. Final 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 Revised Offer Price as follows:

For each Offer Share: S\$6.70 in cash (the "**Final Offer Price**")

**THE OFFEROR DOES NOT INTEND TO FURTHER REVISE THE FINAL OFFER PRICE.**

Shareholders who have earlier accepted the Offer are entitled to receive the Final 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 Final Offer Price by the amount of such dividend, distribution or return of capital.

In this respect, as announced by STC on 16 February 2008, the directors of STC have declared a second interim dividend of one-tier tax exempt dividend of 5 cents per Share in respect of the financial year ended 31 December 2007 payable on 6 May 2008 to those Shareholders on the share register on 23 April 2008 ("**Second Interim Dividend**"). Accordingly, should the Second Interim Dividend be paid by STC to a Shareholder who accepts the Offer, the Final Offer Price payable to such accepting Shareholder shall be reduced by an amount which is equal to the Second Interim Dividend paid by STC to such accepting Shareholder.

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

#### 4. **Benchmarking the Offer at the Final Offer Price**

The Final Offer Price of S\$6.70 for each Offer Share represents:

	<b>Description</b>	<b>Share Price<sup>1</sup></b>	<b>Final Offer Price premium over Share Price</b>
(a)	Last transacted Share price on 15 February 2008 (being the last full trading day prior to the date of this Announcement)	S\$6.67	0.4%
(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	35.1%
(c)	VWAP for the one (1) month period prior to the Offer Announcement Date	S\$5.16	29.8%
(d)	VWAP for the three (3) month period prior to the Offer Announcement Date	S\$4.97	34.8%
(e)	VWAP for the six (6) month period prior to the Offer Announcement Date	S\$4.73	41.6%

#### 5. **Final 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 6 March 2008 (the "Final Closing Date").**

**THE OFFEROR DOES NOT INTEND TO EXTEND THE OFFER BEYOND 5.30 P.M. ON THE FINAL CLOSING DATE EXCEPT WHERE THE OFFER BECOMES UNCONDITIONAL AS TO ACCEPTANCES OR WHERE THE OFFEROR INCURS A MANDATORY OFFER OBLIGATION UNDER RULE 14 OF THE CODE DURING THE OFFER PERIOD THROUGH THE ACQUISITION OF SHARES (OTHER THAN PURSUANT TO ACCEPTANCES OF THE OFFER).**

#### 6. **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 Final 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.

<sup>1</sup> The figures set out in paragraph 4 of this Announcement are based on data extracted from Bloomberg and the SGX-ST website.

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 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.

## **7. Level of Acceptances**

- (a) **Acceptances of the Offer.** As at 11.30 a.m. on 18 February 2008, to the best knowledge of the Offeror, the Offeror has received 2,956,941 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 11.30 a.m. on 18 February 2008 (other than pursuant to valid acceptances of the Offer).** Between the Offer Announcement Date and 12.00 p.m. on 18 February 2008, the Offeror and parties acting in concert with it have acquired or agreed to acquire in aggregate 3,848,785 Shares, representing approximately 1.18% of the issued and paid-up share capital of STC (other than pursuant to valid acceptances of the Offer).

Accordingly, as at 11.30 a.m. on 18 February 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 80,010,269 Shares, representing approximately 24.55% of the issued share capital of STC.

## **8. 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 Final Offer Price.

## **9. 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.**

18 February 2008