

MANDATORY CONDITIONAL CASH OFFER

by

CREDIT SUISSE (SINGAPORE) LIMITED

(Company Registration No. 197702363D)
(Incorporated in the Republic of Singapore)

and

OVERSEA-CHINESE BANKING CORPORATION LIMITED

(Company Registration No. 193200032W)
(Incorporated in the Republic of Singapore)

for and on behalf of

KNOWLEDGE TWO INVESTMENT PTE LTD

(Company Registration No. 200008798M)
(Incorporated in the Republic of Singapore)

a wholly-owned subsidiary of

LEE LATEX (PTE) LIMITED

(Company Registration No. 194700088K)
(Incorporated in the Republic of Singapore)

to acquire all the issued ordinary shares in the capital of

THE STRAITS TRADING COMPANY LIMITED

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

other than those already owned or agreed to be acquired by
the Offeror and the Lee Family Companies

WITHDRAWAL OF OFFER

1. INTRODUCTION

Unless otherwise defined herein, all terms and references used in this announcement are defined or construed in the offer document dated 12 February 2008 (the "**Offer Document**") in connection with the mandatory conditional cash offer by Credit Suisse (Singapore) Limited and Oversea-Chinese Banking Corporation Limited ("**OCBC Bank**") (collectively, the "**FAs**"), for and on behalf of Knowledge Two Investment Pte Ltd (the "**Offeror**"), a wholly-owned subsidiary of Lee Latex (Pte) Limited ("**Lee Latex**"), to acquire all the issued ordinary shares ("**Shares**") in the capital of The Straits Trading Company Limited ("**STC**") other than those already owned or agreed to be acquired by the Offeror and the Lee Family Companies (as defined in the Offer Document) (the "**Offer Shares**"), at the price of S\$5.76 in cash for each Offer Share (the "**Original Offer Price**").

The FAs had, for and on behalf of the Offeror, announced on 14 February 2008 that the Offeror was revising the Original Offer Price to S\$6.55 in cash for each Offer Share (the "**Revised Offer Price**"). A written notification in respect of the Revised Offer Price was despatched to Shareholders on 27 February 2008.

2. WITHDRAWAL OF THE OFFER

- 2.1 On 18 February 2008, Standard Chartered Bank had announced, for and on behalf of The Cairns Pte. Ltd. ("**The Cairns**"), that The Cairns was further revising its offer price from S\$6.50 per Share to S\$6.70 per Share and that The Cairns did not intend to further revise its offer price.
- 2.2 **Withdrawal of Offer.** The FAs wish to announce, for and on behalf of the Offeror, that the Offeror is withdrawing its Offer with immediate effect. Any acceptances of the Offer prior to or after the date of this announcement will be deemed not to have been made.
- 2.3 **Reasons for Withdrawal of Offer.** The Offeror notes that in response to its offers of S\$5.76 and S\$6.55 per Share on 24 January 2008 and 14 February 2008 respectively, The Cairns has increased its offer price by S\$1 per Share or 17.5% from its original offer price of S\$5.70 per Share. This has increased total STC shareholder value by approximately S\$326 million.

Taking into account the foregoing as well as the current volatile market conditions, the Offeror and the Lee Family Companies holding in aggregate approximately 7.1% of the total number of issued Shares, have decided to realise their investments in STC and accept the Cairns Offer at S\$6.70 per Share.

- 2.4 **Return of acceptances.** Depositors who have earlier accepted the Offer should note that their Form(s) of Acceptance and Authorisation will be deemed null and void with effect from the date of this announcement. The relevant number of Offer Shares in respect of which Depositors have accepted the Offer will be transferred to the "Free Balance" of their Securities Account as soon as possible. The Offeror has made arrangements with CDP for such transfer to be made not later than two (2) Market Days from the date of this announcement.

Shareholders who hold Shares represented by share certificate(s) in their own names and who have accepted the Offer will have their Form(s) of Acceptance and Transfer and other documents (including share certificate(s)) returned at the risk of such Shareholders by ordinary post to their address as it appears in the Register of Members of STC as soon as possible but in any event not later than 7 days from the date of this announcement.

3. RESPONSIBILITY STATEMENT

The directors of the Offeror and the directors of Lee Latex (including those who may have delegated detailed supervision of this announcement) have taken all reasonable care to ensure that the facts stated and all opinions expressed in this announcement are fair and accurate and that no material facts have been omitted from this announcement, and they jointly and severally accept responsibility accordingly.

Issued by
CREDIT SUISSE (SINGAPORE) LIMITED and
OVERSEA-CHINESE BANKING CORPORATION LIMITED

For and on behalf of
KNOWLEDGE TWO INVESTMENT PTE LTD
 2 March 2008