



THE STRAITS TRADING COMPANY LIMITED

(Incorporated in Singapore)

(Company Registration No.: 188700008D)

ANNOUNCEMENT

**MANDATORY CONDITIONAL CASH OFFER
TO ACQUIRE ALL THE ISSUED ORDINARY SHARES IN THE CAPITAL OF
THE STRAITS TRADING COMPANY LIMITED**

1. INTRODUCTION

The Board of Directors (the "**Board**") of The Straits Trading Company Limited (the "**Company**") refers to the mandatory conditional cash offer by Credit Suisse (Singapore) Limited and Oversea-Chinese Banking Corporation Limited (collectively, the "**FAs**") for and on behalf of Knowledge Two Investment Pte Ltd ("**KTIPL**") to acquire all the issued ordinary shares in the capital of the Company other than those already owned or agreed to be acquired by KTIPL and the Lee Family Companies (as defined in the Second Offeree Circular).

All capitalised terms and references used in this Announcement shall, unless otherwise defined herein, have the same meaning and construction as defined in the Company's circular to shareholders dated 23 February 2008 (the "**Second Offeree Circular**").

2. WITHDRAWAL OF OFFER

The Board wishes to draw Shareholders attention to the announcement made by the FAs dated 2 March 2008, for and on behalf of KTIPL, that KTIPL is withdrawing the Revised KTIPL Offer with immediate effect (the "**KTIPL Withdrawal Announcement**"). Further details relating to the withdrawal of the Revised KTIPL Offer can be found in the KTIPL Withdrawal Announcement, a copy of which is available on the website of the SGX-ST at www.sgx.com.

Shareholders should consult their stockbroker, bank manager, solicitor, accountant or other professional adviser immediately if they are in any doubt as to the action that they should take.

3. RESPONSIBILITY STATEMENT

The Directors of the Company (including any 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. Where any information has been extracted or reproduced from published or publicly available sources, the sole responsibility of the Directors of the Company has been to ensure through reasonable enquiries that such information is accurately extracted from such sources or, as the case may be, reflected or reproduced in this Announcement.

BY ORDER OF THE BOARD

Emily Teo
Company Secretary

Singapore, 3 March 2008

This Announcement will be available at the Company's website at <http://www.stc.com.sg/>