



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 Standard Chartered Bank for and on behalf of The Cairns Pte. Ltd. (“**TCPL**”) to acquire all the issued ordinary shares in the capital of the Company other than those already owned, controlled or agreed to be acquired by TCPL.

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. ACCEPTING OR REJECTING THE OFFERS

In paragraph 5.9 of Appendix 1 to the Second Offeree Circular, it was stated that Mr Michael Hwang, a Director of the Company, has not made any decision as to whether to accept or reject the Final TCPL Offer or the Revised KTIPL Offer in respect of the Shares he has an interest in (direct or deemed).

Mr Michael Hwang has informed the Company that he intends to either accept the Final TCPL Offer or sell the Shares in which he has an interest in (direct or deemed) in the open market at a price at about or higher than the offer price of the TCPL Offer of S\$6.70 for each TCPL Offer Share.

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, 4 March 2008

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