



THE STRAITS TRADING COMPANY LIMITED

(A member of The Tecity Group)

ANNOUNCEMENT PURSUANT TO RULE 704(15)(d) OF THE LISTING MANUAL OF SGX

Pursuant to Rule 704(15)(d) of the Listing Manual of the Singapore Exchange Securities Trading Limited, the Board of Directors of The Straits Trading Company Limited ('Company') wishes to announce that the Company has on 17 August 2009 entered into a share purchase agreement with each of the two minority shareholders of Rendezvous Hotels International Private Limited ('RHI'), the hotel investment arm of the Company, to acquire an aggregate of 20 per cent. of the issued shares ('Balance Stake') in RHI ('Transaction'). The Company currently holds 80 per cent. of the issued shares of RHI and RHI shall, upon completion of the Transaction, become a wholly-owned subsidiary of the Company.

The aggregate purchase consideration for the Balance Stake is the cash sum of S\$4,800,000 ('Cash Consideration'), which shall be paid to the minority shareholders in the following manner:

- (i) S\$4,000,000 of the Cash Consideration shall be paid within seven days from completion of the Transaction;
- (ii) S\$800,000 of the Cash Consideration shall be paid on 31 December 2009 (or such other date as may be agreed between the parties),

subject to the terms and conditions of the said share purchase agreements.

The Cash Consideration was arrived at on a willing-seller-willing-buyer basis, after taking into account the present and expected performance of the business of RHI, as well as by using comparables of valuations from hotel groups. The Cash Consideration will be funded through internal resources.

The negative net tangible value of the Balance Stake is S\$832,554, based on the consolidated audited accounts of RHI as at 31 December 2008.

Mr. Norman Ip Ka Cheung, a Director of the Company, is also a director of RHI. Save as disclosed, none of the Directors or controlling shareholders of the Company has any interest, direct or indirect, in the Transaction.

Submitted by
Emily Teo (Ms)
Secretary

The Straits Trading Company Limited
(Registration No. 188700008D) on 18/8/2009 to the SGX

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

About The Straits Trading Company Limited

The Company is more than 120 years old with its business interests spanning the Asia Pacific region. The Group engages in tin mining and smelting, investments in other metals and mineral resources, hotel investment and management and property operations. Its mining and smelting operations are carried out through its 73% listed subsidiary in Malaysia, Malaysia Smelting Corporation Berhad, whilst the hotels are managed under the RENDEZVOUS or MARQUE brandings through its 80% subsidiary, Rendezvous Hotels International Private Limited group of companies.