



# THE STRAITS TRADING COMPANY LIMITED

Company Registration No.: 188700008D  
(A Member of The Tecity Group)

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## **PROPOSED ISSUANCE OF NEW ORDINARY SHARES (THE "PROPOSED MSC SHARE ISSUANCE") BY MALAYSIA SMELTING CORPORATION BERHAD ("MSC")**

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The Straits Trading Company Limited (the "**Company**") refers to announcement no. 130 dated 18 October 2010 by the Company relating to the proposed secondary listing of MSC (the "**Proposed MSC Secondary Listing**") on the Main Board of Singapore Exchange Securities Trading Limited (the "**SGX-ST**").

The board of directors of the Company (the "**Board**") wishes to announce that, in connection with the Proposed MSC Share Issuance and the Proposed MSC Secondary Listing, the Company has been granted a waiver (the "**Waiver**") by the SGX-ST of Rule 805(2)(b) of the listing manual of the SGX-ST (the "**Listing Manual**").

Under Rule 805(2)(b) of the Listing Manual, the Company will be required to obtain the prior approval of its shareholders in general meeting if the issue of new shares by MSC, a principal subsidiary of the Company, in connection with the Proposed MSC Secondary Listing, would result in a dilution of the Company's shareholding in MSC by more than 20%.

### **Grant of Waiver by the SGX-ST**

The Company had sought the Waiver for the following reasons:

- (a) The Cairns Pte. Ltd. (the "**Majority Shareholder**"), which as at the date of this announcement holds a substantial majority of the total issued share capital of the Company, had informed the Company of its support for the proposed MSC Share Issuance and its firm commitment to vote in favour of the resolution on the Proposed MSC Share Issuance if an extraordinary general meeting of the Company is convened under Rule 805(2) of the Listing Manual. As such, it follows that the resolution will be passed at a general meeting with the Majority Shareholder's vote on a poll;
- (b) the Board is of the opinion that the Proposed MSC Share Issuance is beneficial to the Company and concurs with the rationale for the Proposed MSC Share Issuance and the Proposed MSC Secondary Listing as set out by the board of directors of MSC in MSC's announcement dated 15 October 2010 (which forms part of the Company's announcement dated 18 October 2010), which the Board believes will be beneficial for MSC and hence also the Company;
- (c) MSC will be holding its own extraordinary general meeting at which MSC's shareholders will be able to air their views and to vote on the Proposed MSC Share Issuance and the Proposed MSC Secondary Listing; and
- (d) the costs of the Company holding an extraordinary general meeting will outweigh the benefits to the Company.

The Waiver granted by the SGX-ST is subject to the following conditions:

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*Announcement to The Singapore Exchange Securities Trading Limited*

*Proposed Issuance of New Ordinary Shares (the "Proposed MSC Share Issuance") by Malaysia Smelting Corporation Berhad ("MSC")*

- (a) disclosure of the confirmation by the Majority Shareholder that it will vote in favour of the Proposed MSC Share Issuance should a shareholders' meeting be required;
- (b) approval of the SGX-ST for the Proposed MSC Secondary Listing;
- (c) a confirmation via SGXNET that the Board is of the view that the Proposed MSC Share Issuance for the purposes of MSC seeking the Proposed MSC Secondary Listing is in the best interests of the shareholders of the Company;
- (d) MSC's shareholders' approval for the Proposed MSC Share Issuance and the Proposed MSC Secondary Listing being granted; and
- (e) an immediate announcement of the Waiver granted by the SGX-ST, the reasons for the Company's application and the conditions attached to the Waiver (as required under Rule 107 of the Listing Manual).

In relation to condition (c) above, the Board confirms that it is of the view that the Proposed MSC Share Issuance for the purposes of MSC seeking the Proposed MSC Secondary Listing is in the best interests of the shareholders of the Company.

The Company will make the necessary announcements to update the shareholders on the outcome of the extraordinary general meeting held by MSC in relation to the Proposed MSC Share Issuance and the Proposed MSC Secondary Listing in due course.

BY ORDER OF THE BOARD

Sng Kiat Huang (Ms)  
Secretary

**The Straits Trading Company Limited**

2 December 2010  
Singapore

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

**About The Straits Trading Company Limited**

One of the oldest listed public companies in Singapore since 1887, The Straits Trading Company Limited has business interests and investments spanning the Asia Pacific region. Through its listed subsidiary on Bursa Malaysia, Malaysia Smelting Corporation Berhad, Straits Trading engages in tin mining and smelting, and resource investments. Its subsidiary Straits Developments Private Limited is in the property business, which includes property investments, development and management primarily in Singapore and Malaysia. Its hotel business is driven by its subsidiary Rendezvous Hospitality Group Private Limited, which owns, operates and manages its stable of hotels in the Asia Pacific region under the Rendezvous and Marque brands. It also holds a significant stake in WBL Corporation, a technology, automotive distribution, property development, and engineering and distribution company listed on the SGX Main Board.