

The Straits Trading Company Limited

16 January 2013

Extraordinary General Meeting



**STRAITS
TRADING**
ESTABLISHED 1887

A MEMBER OF THE TECITY GROUP

Responsibility Statement

The directors of The Straits Trading Company Limited (“STC”) (including any who may have delegated detailed supervision of this investor presentation) have taken all reasonable care to ensure that the facts stated and all opinions expressed in this investor presentation are fair and accurate and that no material facts have been omitted from this investor presentation, and they jointly and severally accept responsibility accordingly. Where any information has been extracted or reproduced from published or publicly available sources (including, without limitation, in relation to WBL Corporation Limited (“WBL”)), the sole responsibility of the directors of STC 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 investor presentation.

Disclaimer

This investor presentation should be read in conjunction with the full text of the possible offer announcement dated 26 November 2012 released by Standard Chartered Bank on behalf of STC, the full text of the announcement dated 26 November 2012 released by STC in relation to the Proposed Transactions and the circular dated 31 December 2012 (“Circular”) issued by STC in relation to the Proposed Transactions. Unless otherwise defined in this investor presentation, capitalised terms used herein shall have the same meanings as ascribed to them in the Circular. Shareholders are advised to read all the announcements and documents relating to the Proposed Transactions that have been or shall be released by STC in connection with the Proposed Transactions, copies of which may be obtained from the SGX-ST website (www.sgx.com).

Section I

Introduction



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Introduction

- On 26 November 2012, The Straits Trading Company Limited (“STC” or the “Company”) announced that it had entered into two separate conditional stock purchase agreements with Aberdeen Asset Management Asia Limited (acting in its capacity as fund manager and agent for its clients) (“Aberdeen”) and certain funds and portfolios managed by Third Avenue Management LLC (“Third Avenue Vendors”) for the purchase of up to approximately 23.58% of the total issued WBL Stock Units¹
- Proposed Transactions subject to STC’s shareholders’ approval
- Upon approval of STC’s shareholders, Standard Chartered Bank on behalf of STC will announce a mandatory conditional general offer for all the remaining stock units of WBL not already owned, controlled or agreed to be acquired by the Company and parties acting in concert with the Company (“Offer”)
- Proposed Acquisitions are in line with STC’s “Transformation Strategy” – Existing minority shareholding in WBL (c.17.0%) to be transformed into a strategic stake in WBL (c.44.5% stake held by STC together with its concert parties)

Summary of the Proposed Transactions

<p>Proposed Acquisitions</p>	<ul style="list-style-type: none"> ■ Proposed acquisition of up to approximately 23.58% stake¹ in WBL from Aberdeen and Third Avenue Vendors ■ 1.07 new STC shares as consideration for each WBL stock unit (up to 68.5m new STC shares to be issued to Aberdeen and Third Avenue Vendors) ■ No cash outlay
<p>Offer</p>	<ul style="list-style-type: none"> ■ The mandatory conditional general offer for all WBL stock units not already owned, controlled or agreed to be acquired by the Company and its concert parties ■ Offer Price: <ul style="list-style-type: none"> ✓ 1.07 new STC shares for each WBL stock unit, as adjusted in accordance with the terms of the Offer (“Share Consideration”); or ✓ S\$3.41 in cash for each WBL stock unit, as adjusted in accordance with the terms of the Offer (“Cash Consideration”)
<p>Potential Maximum Cash Outlay</p>	<ul style="list-style-type: none"> ■ Up to S\$547 million based on the Cash Consideration of S\$3.41 per WBL stock unit and assuming (i) 100% acceptances of the Offer and the Convertible Bonds Offer, and (ii) all WBL Stockholders and WBL Bondholders elect the Cash Consideration and Bonds Offer Cash Consideration respectively
<p>Key Approvals</p>	<ul style="list-style-type: none"> ■ SGX-ST’s approvals on Circular and listing of new STC shares (obtained on 24 December 2012) ■ STC’s shareholders’ approvals for the Proposed Acquisitions, the Offer and the Convertible Bonds Offer and issuance of new STC shares

The Proposed Transactions comprise of (1) the Proposed Acquisitions and (2) the Offer and the Convertible Bonds Offer

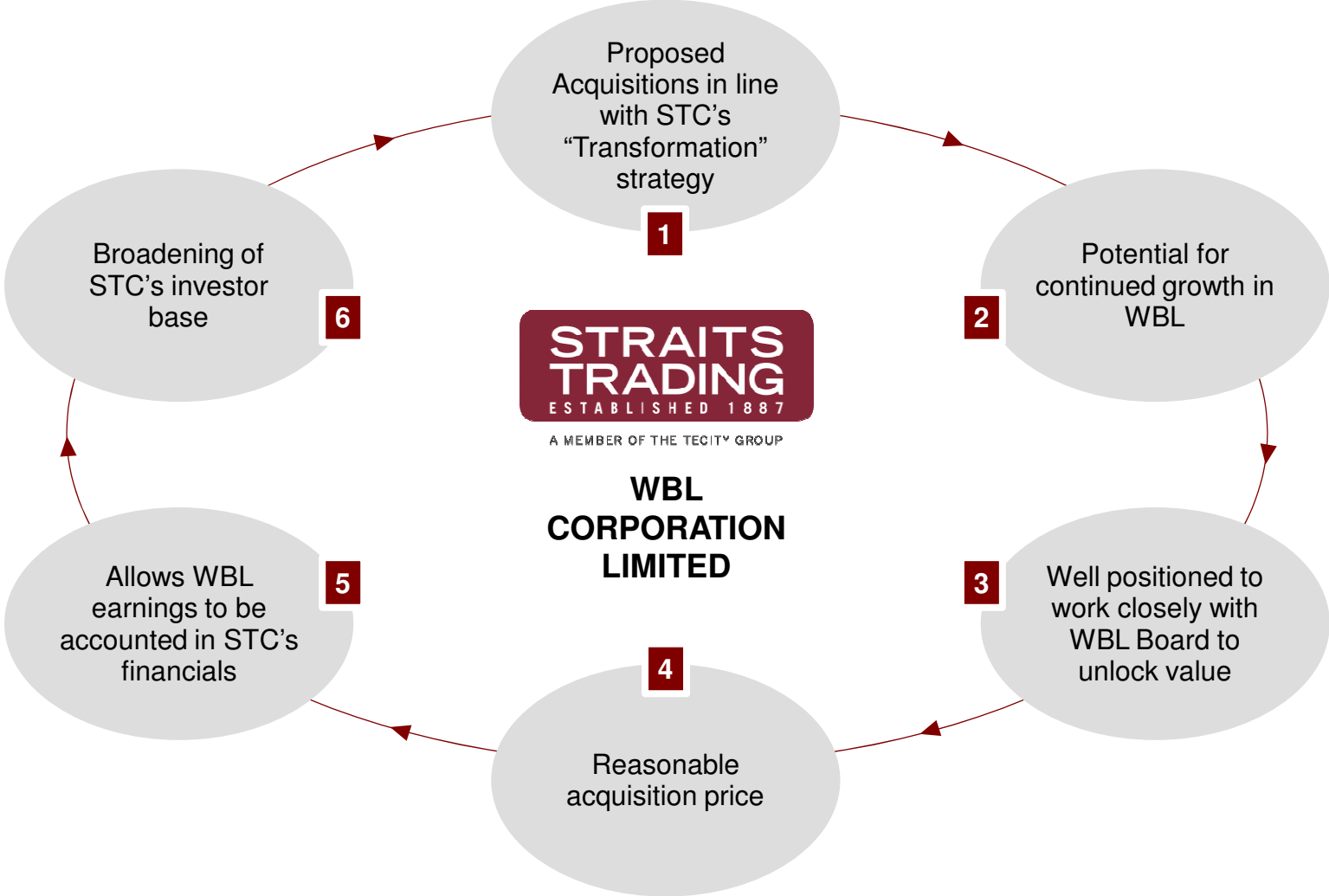
Section II

Rationale for the Proposed Transactions



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Rationale for the Proposed Transactions



2 Potential for Continued Growth in WBL

WBL CORPORATION LIMITED

- Market capitalization: S\$1,086m¹
- Gross debt: S\$558m²
- Revenue: S\$2,464m²
- Net profit to stockholders: S\$75m²
- Stockholders' equity: S\$944m²

	Automotive	Property	Technology	Engineering & Distribution	Others
Description	<ul style="list-style-type: none"> ▪ Automotive distributor in Singapore, Malaysia, Hong Kong, Indonesia and Thailand representing 11 premium brands ▪ "Prestige Division" comprises super luxury marqueses of Bentley, Bugatti and McLaren 	<ul style="list-style-type: none"> ▪ More than 20 years in property development in China ▪ Strong track record of 28 developments totaling 2,320,000 sq m ▪ More than 95% of launched residential units sold and commercial spaces fully leased as at the end of FY2011 	<ul style="list-style-type: none"> ▪ NASDAQ-listed MFLEX (57% owned) and SGX-listed MFS Technology (77% owned) are major players in the FPC and PCB industries ▪ MFLEX is among the top 3 providers of flexible circuit boards for top selling smartphone models³ 	<ul style="list-style-type: none"> ▪ Systems integrator for broadcasting and multimedia, communications and IT, security and surveillance industries ▪ Supplier and distributor of construction materials; sand mining, commercial laundry and industrial equipment, etc 	<ul style="list-style-type: none"> ▪ Property management ▪ Production and distribution of agro-technology and bio-electronic products ▪ Investments in financial services and IT companies ▪ Provision of management and financial services to related companies
FY12 Revenues	S\$892m	S\$143m	S\$1,246m	S\$136m	S\$47m
FY12 Segment Results	S\$29m	S\$11m	S\$61m	S\$11m	S\$(0)m

Portfolio of leading businesses – automotive distribution, property development and MFLEX

3 Well Positioned To Work Closely With WBL Board To Unlock Value



STC to emerge as largest WBL stockholder post the Proposed Acquisitions and will be well positioned to work closely with the WBL board to pursue initiatives to unlock stockholder value

STC has a track record of transforming and repositioning businesses

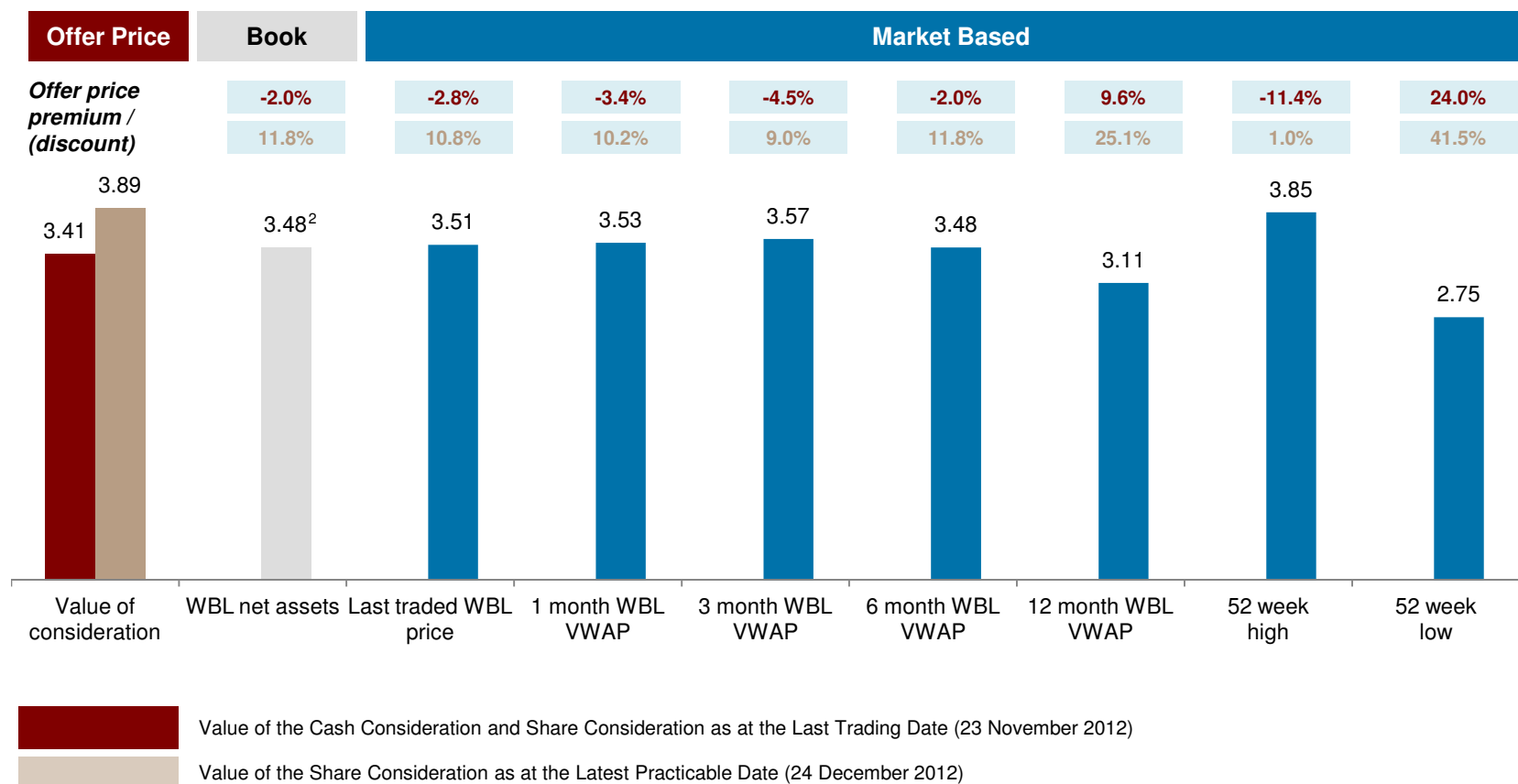
% Stockholding	Before the Proposed Acquisitions ²	After the Proposed Acquisitions ³
STC	17%	41%
Tecity	4%	4%
Third Avenue Vendors	16%	0%
Aberdeen	7%	0%
Others	55%	55%
Total	100%	100%

STC would have a stockholding of 46% to 96% if the Offer is successful

Note: (2) Stockholding percentage based on total WBL stock units outstanding of 271,499,751 as at 24 December 2012; (3) Assumes that the Proposed Acquisitions have been completed

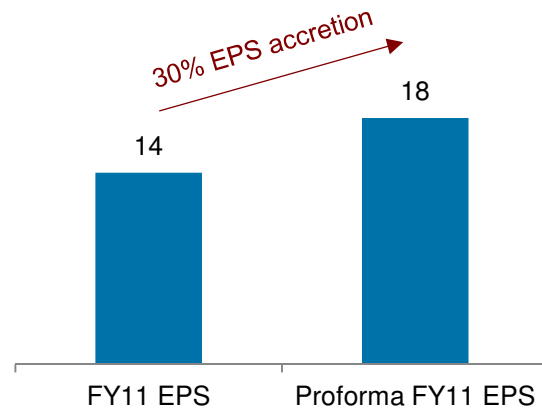
4 Reasonable Acquisition Price

Value Comparisons – Consideration vs. Historical WBL Stock Prices¹ (\$)

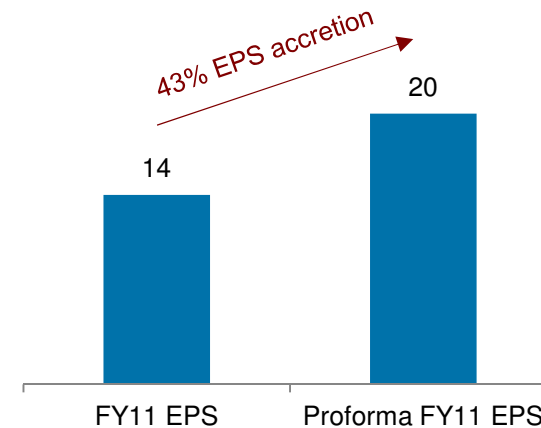


5 Allows WBL Earnings To be Accounted In STC's Financials

STC's EPS After the Proposed Acquisitions^{1,3}
(S\$ cents)



STC's EPS After the Proposed Transactions^{2,3}
(S\$ cents)



- ✔ STC would be able to account for WBL as an associate upon completion of the Proposed Acquisitions
- ✔ STC would be able to account for WBL as a subsidiary in the event STC holds >50% stake in WBL at the close of the Offer
- ✔ The resultant financial effects are expected to be positive on a historical pro forma basis

WBL would be accounted for as either a subsidiary or an associate in STC's financials

6 Broadening of STC's Investor Base

STC Shareholder Base

% Shareholding	Before the Proposed Transactions ¹	After the Proposed Acquisitions ²	After the Proposed Transactions ³
Tecity	89%	73%	51%
Others	11%	9%	37%
Third Avenue Vendors	0%	12%	8%
Aberdeen	0%	6%	4%
Total	100%	100%	100%



- ✓ Set up in 1992
- ✓ Manages a total of US\$112.2 billion⁴
- ✓ Singapore-based Asia Pacific headquarters of the Aberdeen Group, a specialist asset management company listed on the LSE



- ✓ Founded in 1986
- ✓ c.US\$12 billion of funds under management⁵
- ✓ U.S.-registered investment adviser based in New York

- *Aberdeen and Third Avenue Vendors will be substantial shareholders of STC upon completion of the Proposed Acquisitions*
- *In-line with STC's long term strategy to increase investor base and increase liquidity in STC shares*

Proposed Acquisitions allows addition of two well respected, long term institutional investors into STC shareholder base with no cash outlay and enables STC to maintain prudent gearing level even with Offer

Thank You