



**FOR IMMEDIATE RELEASE**

**STRAITS TRADING SEEKS CLARIFICATION ON REPORT BY BUSINESS TIMES ON  
“BREACH OF LEASE AGREEMENT”**

**SINGAPORE, 23 September 2010** - Referring to a news report in the Business Times today stating that Taragon Capital Malaysia Sdn Bhd (“Taragon”) has served a writ of summons on Rendezvous Hotels International Private Limited (“RHI”) for “*breach of lease agreement*”, The Straits Trading Company Limited wishes to clarify the following:

- (a) There is no repudiatory breach of lease agreement by RHI. RHI was advised that the agreement had lapsed;
- (b) Even if the lease agreement had not lapsed and a breach thereof had occurred (which is denied), the agreed liquidated damages is RM161,342.40 as claimed by Taragon in the writ. The Company is therefore advised that there is no basis for Taragon’s claim for damages of RM168,968,671, which is more than **1,000 times** the liquidated damages claimable.
- (c) There have been delays in the completion of the hotel project from the onset. The intended opening of the hotel was pushed back several times.

RHI has been advised that the allegations made by Taragon are unmeritorious, and that the damages claimed by Taragon are without legal basis.

Straits Trading will release further information in relation to the claim when available.

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## **The Straits Trading Company Limited**

*A Member Of The Tecity Group*

### **About The Straits Trading Company Limited**

Incorporated in 1887, The Straits Trading Company Limited ('STC') is more than 120 years old, and has business interests spanning the Asia Pacific region. STC 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 its stable of hotels are managed under the RENDEZVOUS or MARQUE brands through its subsidiary, Rendezvous Hospitality Group Private Limited. STC's property division, Straits Development Private Limited, has expertise in project development and consultancy, property maintenance and management, leasing, and sales and marketing.

### **For more information, please contact**

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