



THE STRAITS TRADING COMPANY LIMITED

Announcement pursuant to Rule 704(16)(d) of Listing Manual of Singapore Exchange Securities Trading Limited

The Board of Directors of The Straits Trading Company Limited ('Company') refers to the previous announcement released on 21 September 2006 relating to the several corporate proposals to facilitate the increase of the public shareholding spread of Malaysia Smelting Corporation Berhad ('MSC'), the Company's subsidiary, in their application for the re quotation of MSC shares on the main board of Bursa Malaysia Securities Berhad ('Bursa Securities').

Following the Group's successful placement of 15,422,000 MSC shares at RM4.95 each, the Group's shareholdings in MSC is now 73.01%. Further details on the said placement are set out below:

- (i) The aggregate consideration for the said placement is RM76,338,900, paid in cash. The placement price of RM4.95 for each MSC share was arrived at on a willing-seller willing-buyer basis.
- (ii) Net asset value per MSC share is RM3.89 as at 30 September 2006.

Following this placement, MSC is now in compliance with the public shareholding spread requirement in Malaysia. MSC is presently awaiting approval from Bursa Securities for the re quotation of MSC shares.

Mr. Michael Wong Pakshong and Mr. Norman Ip Ka Cheung, Directors of the Company, acquired 100,000 MSC shares and 150,000 MSC shares respectively, through the said placement. Y.A. Bhg. Jen (B) Tun Ibrahim Bin Ismail and Mr. Norman Ip Ka Cheung, Directors of the Company, are also directors of MSC and currently hold 10,000 MSC shares and 250,000 MSC shares respectively. Save as aforesaid and as far as the Company is aware, no Director or substantial shareholder of the Company, has any interest, direct or indirect, in the aforesaid placement, other than by virtue of being such a Director or substantial shareholder.

Submitted by
Emily Teo (Ms)
Secretary

The Straits Trading Company Limited
(Registration No. 188700008D) on 1/11/2006 to the SGX