



Stamford Tyres Corporation Ltd

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UPDATE ON USE OF DIVIDEND RECEIVED FROM TYRE PACIFIC (HK) LTD

The Board of Directors of Stamford Tyres Corporation Limited (the "Company") wishes to announce that the Company has utilized US\$4 million from the USD14.2m dividend received out of the net proceeds from the disposal of 40% interest in the issued share capital of SRITP Limited, a British Virgin Islands Company, by Tyre Pacific (HK) Ltd, ("TPHK") a joint venture company in which the Company owns 50% interest (the "Disposal Proceeds"), for further investment in its wholly-owned subsidiary, Stamford Tyres (Africa) (Proprietary) Limited ("STSA") for purpose of increasing STSA's trade finance facility.

The Group has utilized the dividends received from TPHK from the disposal of SRITP as follow:-

	US\$ 'million
Net dividend received from TPHK	14.2
Less: Capital injection into STSA	4.0
Balance remaining	<u>10.2</u>

The Company will make further announcements via SGXNET when the remaining dividend from TPHK are materially disbursed.

By Order of the Board

Lo Swee Oi
Company Secretary
9 July 2012