



## STAMFORD TYRES CORPORATION LIMITED

Company Registration No.: 198904416M  
(Incorporated in the Republic of Singapore)

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### SALE OF PROPERTY BY A WHOLLY-OWNED SUBSIDIARY

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The Board of Directors of Stamford Tyres Corporation Limited (the "**Company**") and together with its subsidiaries, the "**Group**") is pleased to announce that its wholly-owned subsidiary, Stamford Tyres International Pte Ltd ("**STIPL**"), had on 3 November 2023 completed the sale of its property located at 10 Admiralty Street #01-85 Singapore 757695 (the "**Property**") to Al-Usman Frozen Food Pte. Ltd. ("**Purchaser**") for a cash consideration of S\$2,200,000 ("**Consideration**") (the "**Sale**").

#### 1) BACKGROUND AND RATIONALE FOR THE SALE

The Property, a leasehold with 56 years from 2003, is tyre retail shop of approximately 689 square metres located in North Link Building at Admiralty Street, Singapore. The Property has been operated as a tyre retail centre and showroom since 2003.

The Purchaser, Al-Usman Frozen Food Pte. Ltd., is a company established in Singapore since 2020, with headquarters in Singapore. Its main business activities include wholesale of livestock, meat, poultry, eggs and seafood (including fresh and frozen). The Purchaser is an independent third party and is not related to the Group, Company's Directors or controlling shareholders and their respective associates.

The Consideration for the Property is S\$2,200,000 (excluding Goods and Services Tax) on an "as is" basis, and was arrived at after arm's length negotiations with the Purchaser on a willing buyer willing seller basis, after taking into account various factors including the location of the Property, recent transacted prices of similar properties in the vicinity of the Property and prevailing market conditions.

Based on the Group's latest announced audited financial statements for the year ended 30 April 2023, the net book value of the Property is S\$702,000 and the Consideration represents an amount of S\$296.65 per square foot or a premium of approximately 3.1 times of the Property's net book value as at 30 April 2023. Upon completion of the Sale, the Company will report a net gain on disposal of S\$1,498,000.

The Board is of the view that the Sale would be beneficial for and in the interest of the Group as the Consideration is attractive and represents a good opportunity for the Group to realise the gain from the appreciation of the Property and the proceeds will strengthen the Group's cash position. The net proceeds from the Sale will be used for the Group's business as well as for working capital purposes.

#### 2) RELATIVE FIGURES UNDER RULE 1006 OF THE LISTING RULES IN RELATION TO THE SALE

The relative figures for the Sale as computed on the bases set out in Rule 1006 of the Listing Manual of the Singapore Exchange Securities Trading Limited ("**SGX-ST**") ("**SGX-ST Listing Manual**") and the audited consolidated financial statements of the Group for the financial year ended 30 April 2023 ("**FY2023**") are as follows:

<b>Rule</b>	<b>Bases</b>	<b>Relative Figures</b>
1006 (a)	The net asset value of the assets to be disposed of, compared with the Group's net asset value	0.6% <sup>(1)</sup>
1006 (b)	The net profits attributable to the assets acquired or disposed of, compared with the group's net profits	Not applicable <sup>(2)</sup>
1006 (c)	The aggregate value of the consideration given or received, compared with the issuer's market capitalisation based on the total number of issued shares excluding treasury shares	5.01% <sup>(3)</sup>
1006 (d)	The number of equity securities issued by the issuer as consideration for an acquisition, compared with the number of equity securities previously in issue	Not applicable <sup>(4)</sup>
1006 (e)	The aggregate volume or amount of proved and probable reserves to be disposed of, compared with the aggregate of the group's proved and probable reserves	Not applicable <sup>(5)</sup>

**Notes:**

- (1) The net asset value of the Property and the Group as at 30 April 2023 was S\$702,000 and S\$112,837,000 respectively.
- (2) For the financial year ended 30 April 2023, the Group's audited net profit before tax and non-controlling interest amounted to S\$5,898,000. There are no net profits attributable to the Property.
- (3) Based on the consideration of S\$2,200,000 and the Company's market capitalisation of approximately S\$43,916,000, being the issued ordinary share capital (excluding treasury shares) of 237,386,244 shares at the volume weighted average price of S\$0.185 per share on 2 November 2023, being the market day preceding this announcement.
- (4) This basis is not applicable as it is not an acquisition.
- (5) This basis is not applicable as the Company is not a mineral, oil and gas company.

Based on the relative figures computed under each of Rule 1006 (a) to Rule 1006 (c) of the SGX-ST Listing Manual, the Sale is a Discloseable transaction as one of the relative figures exceeds 5% but does not exceed 20%, as defined under Rule 1010 of the Listing Manual of the SGX-ST.

### 3) FINANCIAL EFFECTS OF THE SALE

The *pro forma* financial effects of the Sale on the Group set out below are purely for illustrative purposes only and do not reflect the actual results and financial position of the Group after the completion of the Sale. These financial effects have been computed based on the consolidated financial statements of the Group for the financial year ended 30 April 2023.

#### **Effects on net tangible assets (“NTA”) per share**

For illustrative purposes only, had the Sale been completed on 30 April 2023, the financial effect on the Group’s NTA per share is as follows:

	<b>Before the Sale</b>	<b>After the Sale</b>
NTA (S\$’000)	112,837	114,335
Number of issued shares excluding treasury shares	237,386,244	237,386,244
NTA per share (cents)	47.53	48.16

#### **Effects on Profit per share**

For illustrative purposes only, had the Sale been completed on 30 April 2023, the financial effect on the Group’s Profit per share is as follows:

	<b>Before the Sale</b>	<b>After the Sale</b>
Profit after tax attributable to equity holders of the Company (S\$’000)	4,151	5,649
Number of issued shares excluding treasury shares	237,386,244	237,386,244
Profit per share (cents)	1.75	2.38

### 4) INTERESTS OF DIRECTORS AND CONTROLLING SHAREHOLDERS

None of the Directors and their respective associates, and to the best of the Directors’ knowledge, none of the controlling shareholders of the Company, as well as their respective associates, has any interest, whether direct or indirect, in the Sale (other than through their shareholdings in the Company, if any).

### 5) SERVICE CONTRACTS

No person is proposed to be appointed as a director of the Company in connection with the Sale. Accordingly, no service contract is proposed to be entered into between the Company and any such person.

### 6) DOCUMENTS AVAILABLE FOR INSPECTION

A copy of the sale and purchase agreement will be available for inspection during normal business hours at the registered office of the Company at 19 Lok Yang Way, Singapore 628635 for a period of three (3) months from the date of this announcement.

All Shareholders are to register their intention to inspect the said document at least five (5) business days before the date of their appointment, via the Company’s email address [weisze@stamfordtyres.com](mailto:weisze@stamfordtyres.com).

## **7) DIRECTORS' RESPONSIBILITY STATEMENT**

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this announcement and confirm after making all reasonable enquiries, that to the best of their knowledge and belief, this announcement constitutes full and true disclosure of all material facts about the Sale, the Company and its subsidiaries, and the Directors are not aware of any facts the omission of which would make any statement in this announcement misleading.

Where information in this announcement has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in this announcement in its proper form and context.

### **BY ORDER OF THE BOARD**

Dr Wee Li Ann  
Director

3 November 2023