

**CIRCULAR DATED 15 AUGUST 2018**

**THIS CIRCULAR REQUIRES YOUR IMMEDIATE ATTENTION AND YOU SHOULD READ IT CAREFULLY.**

**If you are in any doubt in relation to this Circular or as to the action you should take, you should consult your stockbroker, bank manager, solicitor, accountant, tax adviser or other professional adviser immediately.**

If you have sold or transferred all your ordinary shares ("**Shares**") in the capital of Stamford Tyres Corporation Limited (the "**Company**" or "**Stamford Tyres**") held through the Central Depository (Pte) Limited ("**CDP**"), you need not forward this Circular to the purchaser or transferee as arrangements will be made by CDP for a separate Circular to be sent to the purchaser or transferee. If you have sold or transferred all your Shares which are not deposited with the CDP, you should immediately forward this Circular to the purchaser or transferee, or to the bank, stockbroker or agent through whom the sale or transfer was effected for onward delivery to the purchaser or transferee.

**The Singapore Exchange Securities Trading Limited ("**SGX-ST**") takes no responsibility for the accuracy of any statements made, opinions expressed or reports contained in this Circular.**



**STAMFORD TYRES CORPORATION LIMITED**

(Incorporated in the Republic of Singapore)

(Company Registration No.: 198904416M)

**CIRCULAR TO SHAREHOLDERS**

**IN RELATION TO**

- (1) THE PROPOSED RENEWAL OF THE SHARE BUY-BACK MANDATE;**
- (2) THE PROPOSED PARTICIPATION BY CONTROLLING SHAREHOLDERS IN THE STAMFORD TYRES PERFORMANCE SHARE PLAN 2017; AND**
- (3) THE PROPOSED GRANT OF AWARDS UNDER THE STAMFORD TYRES PERFORMANCE SHARE PLAN 2017 TO CONTROLLING SHAREHOLDERS.**

**IMPORTANT DATES AND TIMES**

**Last date and time for lodgement of Proxy Form :** 27 August 2018 at 3.30 p.m.

**Date and time of Extraordinary General Meeting :** 30 August 2018 at 3.30 p.m. (or such time immediately following the conclusion or adjournment of the annual general meeting of the Company to be held at 3.00 p.m. on the same day and at the same place)

**Place of Extraordinary General Meeting :** 19 Lok Yang Way, Singapore 628635

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## DEFINITIONS

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In this Circular, the following definitions apply throughout unless the context otherwise requires or unless otherwise stated:

<b>“2017 EGM”</b>	:	The extraordinary general meeting of the Company held on 28 August 2017
<b>“2018 EGM”</b>	:	The extraordinary general meeting of the Company to be convened at 19 Lok Yang Way, Singapore 628635 on 30 August 2018 at 3.30 p.m. (or such time immediately following the conclusion or adjournment of the annual general meeting of the Company to be held at 3.00 p.m. on the same day and at the same place), notice of which is set out on page 26 of this Circular
<b>“AGM”</b>	:	The forthcoming annual general meeting of the Company to be convened at 19 Lok Yang Way, Singapore 628635 on 30 August 2018 at 3.00 p.m.
<b>“Associate”</b>	:	Has the meaning ascribed to it in the Listing Manual
<b>“Award”</b>	:	A contingent award of Shares granted under the PSP 2017
<b>“Award Date”</b>	:	In relation to an Award, the date on which the Award is granted
<b>“Board”</b>	:	The Board of Directors of the Company
<b>“CDP”</b>	:	The Central Depository (Pte) Limited
<b>“Committee”</b>	:	The remuneration committee of the Board, or such other committee comprising Directors duly authorised and appointed by the Board to administer the PSP 2017
<b>“Company”</b>	:	Stamford Tyres Corporation Limited
<b>“Companies Act”</b>	:	The Companies Act, Chapter 50 of Singapore, as amended, modified or supplemented from time to time
<b>“Constitution”</b>	:	The constitution of the Company as amended, supplemented or modified from time to time.
<b>“Control”</b>	:	The capacity to dominate decision-making, directly or indirectly, in relation to the financial and operating policies of a company
<b>“Controlling Shareholder”</b>	:	A person who holds directly or indirectly 15% or more of the total number of issued Shares excluding Treasury Shares and Subsidiary Holdings (unless otherwise determined by the SGX-ST), or who in fact exercises Control over the Company
<b>“CPF”</b>	:	Central Provident Fund
<b>“Director(s)”</b>	:	The directors of the Company or, where applicable, any of them
<b>“Group”</b>	:	The Company and its subsidiaries

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## DEFINITIONS

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“Executive”	:	A full-time confirmed employee of any company in the Group (including any Executive Director) selected by the Committee to participate in the Plan in accordance with the rules of the PSP 2017
“Latest Practicable Date”	:	24 July 2018, being the latest practicable date prior to the printing of this Circular
“Listing Manual”	:	The Listing Manual of the SGX-ST, as amended, supplemented or modified from time to time
“Participant”	:	An Executive who has been selected by the Committee to participate in the PSP 2017 in accordance with the relevant rules
“PSP 2017”	:	The Stamford Tyres Performance Share Plan 2017, as may be modified or altered from time to time
“SIC”	:	Securities Industry Council
“SFA”	:	Securities and Futures Act, Chapter 289 of Singapore, as amended, modified or supplemented from time to time
“SGX-ST”	:	Singapore Exchange Securities Trading Limited
“Share Buy-Back Mandate”	:	The share buy-back mandate enabling Stamford Tyres to purchase or otherwise acquire its Shares in accordance with the terms set out in this Circular as well as the rules and regulations set out in the Companies Act and Listing Manual
“Shareholders”	:	The registered holders of issued Shares except that where the registered holder is CDP, the term “ <b>Shareholders</b> ” shall, in relation to such Shares, mean the Depositors who have shares entered against their names in the Depository Register, and “ <b>Shareholder</b> ” shall be construed accordingly
“Shares”	:	The issued and paid-up ordinary shares in the capital of the Company
“Subsidiary Holdings”	:	Shares referred to in Sections 21(4), 21(4B), 21(6A) and 21(6C) of the Companies Act
“Take-over Code”	:	The Singapore Code on Take-overs and Mergers
“Treasury Shares”	:	Has the meaning ascribed to it in Section 4 of the Companies Act
“Vest”	:	In relation to an Award which has been released, the absolute entitlement to all or part of the Shares which are the subject of the said Award and “ <b>vesting</b> ” and “ <b>vested</b> ” shall be construed accordingly
“Vesting Period”	:	In relation to an Award, a period or periods of time before vesting occurs, the duration of which is to be determined by the Committee in its absolute discretion on the Award Date

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## DEFINITIONS

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**“S\$” and “cents”** : Singapore dollars and cents respectively, the lawful currency of Singapore

**“%” or “per cent”** : Percentage or per centum

**Depositors.** The terms **“Depositor”**, **“Depository Agent”** and **“Depository Register”** shall have the meanings ascribed to them respectively in Section 81SF of the SFA.

**Headings.** The headings in this Circular are inserted for convenience only and shall be ignored in construing this Circular.

**References.** Words importing the singular shall, where applicable, include the plural and *vice versa* and words importing the masculine gender shall, where applicable, include the feminine and neuter genders and *vice versa*. References to persons shall, where applicable, include corporations.

**Rounding.** Any discrepancies in figures included in this Circular between the amounts listed and their actual values are due to rounding. Accordingly, figures may have been adjusted to ensure that totals or sub-totals shown, as the case may be, reflect an arithmetic aggregation of the figures that precede them.

**Sections.** Any reference in this Circular to a section is a reference to a section of this Circular, unless otherwise stated.

**Shareholders.** References to “you”, “your” and “yours” in this Circular are, as the context so determines, to Shareholders.

**Statutes.** Any reference in this Circular to any enactment is a reference to that enactment as for the time being amended or re-enacted. Any word defined under the Companies Act, the Listing Manual or any statutory or regulatory modification thereof and not otherwise defined in this Circular shall, where applicable, have the meaning ascribed to it under the Companies Act, the Listing Manual or any such regulatory modification thereof, as the case may be, unless the context otherwise requires.

**Subsidiaries and related corporations.** The terms **“subsidiaries”** and **“related corporations”** shall have the meanings ascribed to them respectively in the Companies Act.

**Time and date.** Any reference to a time of day and date in this Circular is made by reference to Singapore time and date, unless otherwise stated.

# STAMFORD TYRES CORPORATION LIMITED

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

## Board of Directors:

Sam Chong Keen (Non-Executive and Independent Chairman)  
Wee Kok Wah (President)  
Dawn Wee Wai Ying (Executive Director)  
Tay Puan Siong (Independent Director)  
Goh Chee Wee (Independent Director)  
Leslie Mah Kim Loong (Independent Director)  
Kazumichi Mandai (Independent Director)  
Dr Wee Li Ann (Non-Executive Director)

## Registered Office:

19 Lok Yang Way  
Singapore 628635

15 August 2018

To: The Shareholders of Stamford Tyres Corporation Limited

Dear Sir/Madam

## 1. INTRODUCTION

**1.1 General.** The Board is convening an extraordinary general meeting to be held at 19 Lok Yang Way, Singapore 628635 on 30 August 2018 at 3.30 p.m. (or such time immediately following the conclusion or adjournment of the AGM of the Company to be held at 3.00 p.m. on the same day and at the same place) to seek Shareholders' approval in relation to:

1.1.1 the proposed renewal of the Share Buy-Back Mandate;

1.1.2 the proposed participation by Controlling Shareholders in the PSP 2017; and

1.1.3 the proposed grant of Awards under the PSP 2017 to Controlling Shareholders

(collectively, the "**Proposals**").

**1.2 Circular.** The purpose of this Circular is to provide Shareholders with information relating to and explain the rationale for the Proposals to be tabled at the EGM. **If you are in any doubt as to the contents herein or as to the course of action that you should take, you should consult your stockbroker, bank manager, solicitor, accountant or other professional advisor immediately.**

## 2. THE PROPOSED RENEWAL OF THE SHARE BUY-BACK MANDATE

The Board is seeking Shareholders' approval for the proposed renewal of the Share Buy-Back Mandate (which will expire on the date of the AGM) without any change at the forthcoming AGM to take effect until the next annual general meeting of the Company.

### 2.1 Background

Article 22 of the Company's Constitution authorises the Company to purchase or otherwise acquire its Shares. At the 2017 EGM, the Shareholders had approved the adoption of the proposed Share Buy-Back Mandate to enable the Company to purchase or otherwise acquire Shares in the capital of the Company. The rationale for, the authority and limitations on, and the financial effects of the Share Buy-Back Mandate were set out in the Company's circular to Shareholders dated 4 August 2017.

The Share Buy-Back Mandate was expressed to take effect from the date of the 2017 EGM and will lapse on the date of the next annual general meeting of the Company, or the date on which Share Buy-Backs are carried out to the full extent mandated, whichever is the earlier, unless prior to that, it is varied or revoked by resolution of Shareholders in a general meeting.

As required under the Companies Act and the Listing Manual, a company that desires to purchase or otherwise acquire its own shares has to obtain the approval of its shareholders at a general meeting. Accordingly, the Company is seeking the approval of Shareholders at the 2018 EGM for the renewal of the Share Buy-Back Mandate, which will take effect from the date of the 2018 EGM.

## **2.2 Rationale for the Proposed Share Buy-Back Mandate**

The Share Buy-Back Mandate, when renewed, will give the Company the flexibility to purchase or otherwise acquire Shares of the Company, subject to market conditions, during the period when the Share Buy-Back Mandate is in force, subject to the terms and limits set out below. The rationale for the Company undertaking to purchase or acquire its Shares, conducted at appropriate price levels, is as follows:

- (i) in managing the business of the Group, the management team strives to increase Shareholders' value by improving, *inter alia*, the return on equity of the Group. In addition to growth and expansion of the business, Share Buy-Backs may be considered as one of the ways through which the return on equity of the Group may be enhanced;
- (ii) the Share Buy-Back Mandate would provide the Company with the flexibility to purchase or acquire the Shares if and when circumstances permit, during the period when the Share Buy-Back Mandate is in force. It is an expedient, effective and cost-efficient way for the Company to return surplus cash/funds over and above its ordinary capital requirements, if any, which are in excess of its financial requirements, taking into account its growth and expansion plans, to its Shareholders. In addition, the Share Buy-Back Mandate will allow the Company to have greater flexibility over, *inter alia*, the Company's share capital structure and its dividend policy; and
- (iii) the purchase or acquisition of Shares under the Share Buy-Back Mandate will help mitigate short-term share price volatility (by stabilising the supply and demand of issued Shares) and offset the effects of short-term share price speculation, thereby supporting the fundamental value of the issued Shares and bolstering Shareholders' confidence and employees' morale.

Shareholders should note that a Share Buy-Back will only be made when the Directors consider it to be in the best interests of the Company and in circumstances which they believe will not result in any material adverse effect on the financial position of the Company or the Group, or result in the Company being de-listed from the SGX-ST. The Directors will use their best efforts to ensure that after a purchase or acquisition of Shares pursuant to the Share Buy-Back Mandate, the number of Shares remaining in the hands of the public will not fall to such a level as to cause market illiquidity or adversely affect the orderly trading and listing status of the Shares on the SGX-ST.

## **2.3 Terms and Limits on the Share Buy-Back Mandate**

The terms and limits on the Share Purchase Mandate are summarised below:

### **2.3.1 Maximum Number of Shares**

#### **(a) Share Buy-Back Limit**

Only Shares which are issued and fully paid-up may be purchased or acquired by the Company.

The total number of Shares which may be purchased or acquired pursuant to the Share Buy-Back Mandate is limited to that number of Shares representing not more than 10% of the total number of Shares of the Company (excluding Treasury

Shares and Subsidiary Holdings) as at the date of the 2018 EGM at which the Share Buy-Back Mandate is approved. Treasury Shares and Subsidiary Holdings will be disregarded for the purpose of computing the 10% limit.

**Purely for illustrative purposes**, on the basis that there are 235,586,244 Shares as at the Latest Practicable Date and assuming that no further Shares are issued on or prior to the date of the 2018 EGM, not more than 23,558,624 Shares (representing 10% of the total number of Shares of the Company as at that date) may be purchased or acquired by the Company pursuant to the proposed Share Buy-Back Mandate during the period referred to below.

However, purchases or acquisitions pursuant to the Share Buy-Back Mandate need not be carried out to the full extent mandated, and in any case, will not be carried out to such an extent that would result in the Company losing the minimum public float required to maintain the listing status of the Company's Shares on the SGX-ST.

(b) Listing Status on the SGX-ST

The Listing Manual provides that a listed company shall ensure that at least 10% of a class of its listed securities is at all times held by the public.

As at the Latest Practicable Date, 116,271,840 Shares (or approximately 49.35% of the total number of issued Shares excluding Treasury Shares and Subsidiary Holdings) are held in the hands of the public.

In order to maintain the listing status of the Shares on the SGX-ST, the Company must ensure (pursuant to Rule 723 of the Listing Manual) that there is at all times a public float of not less than 10% of the issued Shares (excluding Treasury Shares and Subsidiary Holdings). The Company will not carry out any Share Buy-Back to such extent that it would result in the number of Shares remaining in the hands of the public to fall below the minimum level required under the Listing Manual thereby adversely affecting the listing status of the Company.

Accordingly, **purely for illustrative purposes** and assuming that 116,271,840 Shares (or approximately 49.35% of the issued Shares (excluding Treasury Shares and Subsidiary Holdings)) are held in public hands as at the Latest Practicable Date, in order to maintain the public float of not less than 10% in the issued Shares (excluding Treasury Shares and Subsidiary Holdings), the Company would not purchase or acquire from public shareholders more than 92,702,400 Shares (or 39.35% of the issued Shares (excluding Treasury Shares and Subsidiary Holdings) as at that date) pursuant to the Share Buy-Back Mandate as at the Latest Practicable Date. **For avoidance of doubt, the above illustration should not in any way bind the Company or be construed to imply that the Company can only buy back up to 92,702,400 Shares.**

The Company is seeking Shareholders' approval to renew the Share Buy-Back Mandate to enable the Company to purchase or acquire Shares up to a maximum of 10% of the total number of Shares of the Company (excluding Treasury Shares and Subsidiary Holdings) for greater flexibility. **If approved, the Company will be able to purchase or acquire up to a maximum of 10% of the total number of Shares of the Company (excluding Treasury Shares and Subsidiary Holdings).** Nevertheless, before deciding to purchase or acquire Shares, the Directors will ensure that, notwithstanding such purchase, a sufficient float in the hands of the public will be maintained to comply with Listing Manual requirements.

As at the Latest Practicable Date, the Company does not hold any Treasury Shares nor does any of its subsidiaries have any Subsidiary Holdings.



### 2.3.2 Duration of Authority

Purchases or acquisitions of Shares may be made, at any time and from time to time, on and from the date of the 2018 EGM at which the Share Buy-Back Mandate is renewed up to:

- (i) the date on which the next annual general meeting of the Company is held or required by law to be held;
- (ii) the date on which the purchases or acquisitions of Shares pursuant to the Share Buy-Back Mandate are carried out to the full extent mandated; or
- (iii) the date on which the authority conferred by the Share Buy-Back Mandate is revoked or varied by the Shareholders in general meeting,

whichever is the earliest.

The authority conferred on the Directors to purchase Shares pursuant to the Share Buy-Back Mandate may be renewed by the Shareholders at each annual general meeting or other general meeting of the Company.

### 2.3.3 Manner of Purchase or Acquisition of Shares

Purchases or acquisitions of Shares may be made by:

- (i) on-market purchases (“**Market Buy-Backs**”) transacted on the SGX-ST through the SGX-ST’s trading system, through one or more duly licensed dealers appointed by the Company for the purpose; and/or
- (ii) off-market purchases (“**Off-Market Buy-Backs**”) (if effected otherwise than on the SGX-ST) pursuant to any equal access scheme, as may be determined or formulated by the Directors as they may consider fit, which scheme(s) shall satisfy all conditions prescribed by the Listing Manual and the Companies Act.

The purchases or acquisitions in connection with or in relation to any equal access scheme or schemes may be subject to such terms and conditions as the Directors may consider fit in the interests of the Company provided that such terms and conditions are consistent with the relevant provisions of the Share Buy-Back Mandate, the Listing Manual and the Companies Act.

Under the Companies Act, Off-Market Buy-Backs on an equal access scheme must satisfy all the following conditions:

- (i) offers under the scheme shall be made to every person who holds Shares to purchase or acquire the same percentage of their Shares;
- (ii) all of those persons shall be given a reasonable opportunity to accept the offers made to them; and
- (iii) the terms of the offers shall be the same, except that there shall be disregarded:
  - (a) differences in consideration attributable to the fact that offers may relate to Shares with different accrued dividend entitlements;
  - (b) differences in consideration attributable to the fact that offers relate to Shares with different amounts remaining unpaid (if applicable); and
  - (c) differences in the offers introduced solely to ensure that each person is left with a whole number of Shares.

If the Company wishes to make an Off-Market Buy-Back in accordance with an equal access scheme, it will issue an offer document containing at least the following information:

- (i) the terms and conditions of the offer;
- (ii) the period and procedures for acceptances; and
- (iii) the information required under Rules 883(2), (3), (4), (5) and (6) of the Listing Manual.

#### 2.3.4 Maximum Purchase Price

The purchase price (excluding brokerage, commission, applicable goods and services tax and other related expenses) to be paid for a Share will be determined by the Directors. However, the purchase price to be paid for the Shares as determined by the Directors must not exceed:

- (i) in the case of a Market Buy-Back, 5% above the Average Closing Market Price (as defined below) of the Shares; and
- (ii) in the case of an Off-Market Buy-Back, 20% of the Average Closing Market Price of the Shares,

in either case, and excluding related expenses of the purchase, the “**Maximum Price**”.

For the above purposes:

“**Average Closing Market Price**” means the average of the last dealt prices of the Shares over the five market days on which the Shares were transacted on the SGX-ST immediately preceding the date of the Market Buy-Back by the Company or, as the case may be, the date of the making of the offer pursuant to the Off-Market Buy-Back, and deemed to be adjusted in accordance with the Listing Manual for any corporate action which occurs after the relevant five-day period; and

“**date of the making of the offer**” means the date on which the Company announces its intention to make an offer for an Off-Market Buy-Back, stating the purchase price (which shall not be more than the Maximum Price calculated on the foregoing basis) for each Share, and the relevant terms of the equal access scheme for effecting the Off-Market Buy-Back.

The Listing Manual restricts a listed company from purchasing Shares by way of Market Buy-Backs at a price per Share which is more than 5% above the Average Closing Market Price.

Although the Listing Manual does not prescribe a maximum price in relation to purchases of Shares by way of Off-Market Buy-Backs, the Company has set a cap of 20% above the Average Closing Market Price of a Share as the maximum price for a Share to be purchased or acquired by way of Off-Market Buy-Backs.

## 2.4 **Source of Funds for the Share Buy-Back**

The Company may only apply funds for the purchase or acquisition of Shares pursuant to the Share Buy-Back Mandate as provided in its Constitution and in accordance with the applicable laws in Singapore. The Company may not buy back its Shares on the SGX-ST for settlement otherwise than in accordance with the trading rules of the SGX-ST or the Companies Act.

The Company intends to use its internal funds and/or external borrowings to finance the purchase or acquisition of Shares pursuant to the Share Buy-Back Mandate. In considering the use of external funding, the Company will take into consideration the availability of external financing and the resulting impact on the prevailing gearing ratio of the Company and the Group. The Company will not propose to exercise the Share Buy-Back Mandate to such an extent that it would have a material adverse financial effect on the Company and the Group.

## 2.5 Status of Purchased Shares under the Share Buy-Back Mandate

The Shares purchased or acquired by the Company shall be deemed cancelled immediately upon purchase or acquisition (and all rights and privileges attached to the Shares will expire on cancellation) unless such Shares are held by the Company as Treasury Shares in accordance with Section 76H of the Companies Act.

Depending on the needs of the Company at that time, the Directors will decide whether the Shares purchased will be cancelled or kept as Treasury Shares, or partly cancelled and partly kept as Treasury Shares.

Where Shares have been purchased or acquired by the Company pursuant to the Share Buy-Back Mandate are cancelled, such Shares will be automatically de-listed by the SGX-ST and certificates (if any) in respect thereof will be cancelled and destroyed by the Company as soon as is reasonably practicable following settlement of any such purchase or acquisition, and the total number of issued Shares will be diminished by such number of Shares that are cancelled.

## 2.6 Treasury Shares

The Shares purchased or acquired by the Company may be held or dealt with as Treasury Shares. Some of the provisions on Treasury Shares under the Companies Act are summarised as follows:

### 2.6.1 Maximum holdings

The number of Shares held as Treasury Shares cannot at any time exceed 10% of the total number of Shares of the Company.

### 2.6.2 Voting and other rights

The Company cannot exercise any right in respect of the Treasury Shares, in particular, (a) the right to attend or vote at meetings; and (b) the right to receive dividends or any other distribution (in cash or otherwise) of its assets (including any distribution of assets to Shareholders on a winding up).

In addition, Treasury Shares are not entitled to dividends or other distribution of the Company's assets but fully paid bonus shares may be allotted in respect of Treasury Shares and such bonus shares shall be treated for the purposes of the Companies Act as if they were purchased by the Company at the time they were allotted. Accordingly, such bonus shares may be held as Treasury Shares or dealt with in the manner described in paragraphs 2.6.3(i) to 2.6.3(v) below. A subdivision or consolidation of any Treasury Share is also allowed so long as the total value of the Treasury Shares after the subdivision or consolidation is the same as before.

### 2.6.3 Disposal and cancellation

Where Shares purchased or acquired by the Company are held as Treasury Shares, the Company may at any time but subject always to the Take-over Code:

- (i) sell the Treasury Shares for cash;
- (ii) transfer the Treasury Shares for the purposes of or pursuant to any share scheme, whether for its employees, directors or other persons;
- (iii) transfer the Treasury Shares as consideration for the acquisition of shares in or assets of another company or assets of a person;
- (iv) cancel the Treasury Shares; or

- (v) sell, transfer or otherwise use the Treasury Shares for such other purposes as may be prescribed by the Minister for Finance.

Under Rule 704(28) of the Listing Manual, an immediate announcement containing, *inter alia*, the following details must be made in respect of any sale, transfer, cancellation and/or use of the Treasury Shares (each an “**event**”):

- (i) date and purpose of event;
- (ii) number and value of Treasury Shares involved in the event;
- (iii) number of Treasury Shares involved before and after the event; and
- (iv) percentage of the number of Treasury Shares against the total number of shares (of the same class as the Treasury Shares) before and after the event.

## **2.7 Financial effects of the Proposed Share Buy-Back Mandate**

The financial effects of the acquisition and purchases of Shares that may be made pursuant to the Share Buy-Back Mandate would depend on, *inter alia*, the aggregate number of Shares purchased, the purchase prices at the relevant time of purchase, how the purchase is funded, whether the purchase is made out of capital or profits, whether the Shares purchased or acquired are cancelled or held as Treasury Shares as well as how the Shares held in treasury are subsequently dealt with by the Company in accordance with Section 76K of the Companies Act.

Under the Companies Act, purchases or acquisitions of Shares by the Company may be made out of the Company's capital or profits so long as the Company is solvent.

### 2.7.1 Purchase or acquisition out of capital or profits

Where the consideration paid by the Company for the purchase or acquisition of Shares is made out of capital, the amount available for the distribution of cash dividends by the Company will not be reduced.

Where the consideration paid by the Company for the purchase or acquisition of Shares (excluding brokerage, commission, goods and services tax and other purchase-related expenses) is made out of available profits, this will correspondingly reduce the amount available for the distribution of cash dividends by the Company.

### 2.7.2 Number of Shares acquired or purchased

The maximum number of Shares which can be purchased by the Company will depend on the number of issued Shares, excluding Treasury Shares and Subsidiary Holdings, of the Company as at the date of the 2018 EGM at which the Share Buy-Back Mandate is approved. As at the Latest Practicable Date, the issued share capital of the Company comprises 235,586,244 Shares.

**Purely for illustrative purposes**, on the basis of 235,586,244 Shares in issue, excluding Treasury Shares and Subsidiary Holdings, as at the Latest Practicable Date, not more than 23,558,624 Shares (representing 10% of the issued Shares, excluding Treasury Shares and Subsidiary Holdings, as at that date) may be purchased or acquired by the Company pursuant to the Share Buy-Back Mandate.

### 2.7.3 Maximum price paid for Shares acquired or purchased

Assuming that the Company purchases or acquires the maximum number of Shares at the Maximum Price, the amount of funds required is approximately:

- (i) in the case of Market Buy-Backs, S\$7,774,346 based on S\$0.330 for one Share (being the price equivalent to 5% above the average of the last dealt prices of the Shares over the five market days on which the Shares were transacted on the SGX-ST immediately preceding the Latest Practicable Date); and
- (ii) in the case of Off-Market Buy-Backs, S\$8,952,277 based on S\$0.380 for one Share (being the price equivalent to 20% above the average of the last dealt prices of the Shares over the five market days on which the Shares were transacted on the SGX-ST immediately preceding the Latest Practicable Date).

## 2.8 **Illustrative financial effects**

**For illustrative purposes only**, the financial effects of the purchase or acquisition of Shares by the Company pursuant to the Share Buy-Back Mandate on the audited financial statements of the Group for the financial year ended 30 April 2018 are based on the assumptions set out in paragraphs 2.7.2 and 2.7.3 above, as well as the following:

- (i) such purchase or acquisition of Shares is financed by external sources of funds;
- (ii) the Share Buy-Back Mandate had been effective on 1 May 2018; and
- (iii) the Company had purchased or acquired 23,558,624 Shares (representing 10% of its issued ordinary share capital at the Latest Practicable Date).

The financial effects of purchase or acquisition of the 23,558,624 Shares by the Company on the audited financial accounts of the Company for the financial year ended 30 April 2018 pursuant to the Share Buy-Back Mandate:

- (i) by way of purchase made entirely out of capital and held as Treasury Shares; and
- (ii) by way of purchase made entirely out of capital and cancelled are set out below:

### 2.8.1 Market Buy-Back

As at 30 April 2018	Group		
	Before Share Buy-Back	After Share Buy-Back	
		Shares Cancelled	Shares held as Treasury Shares
Total Equity <sup>1</sup>	126,779	119,005	126,779
Treasury Shares	-	-	(7,774)
Net Assets <sup>2</sup>	126,779	119,005	119,005
Current Assets	177,102	169,328	169,328
Current Liabilities	104,302	104,302	104,302
Net Borrowings <sup>3</sup>	67,579	75,353	75,353
No. of issued and paid up Shares (excluding Treasury Shares and Subsidiary Holdings) ('000)	235,586	212,027	212,027
<b>Financial Ratios</b>			
Net Assets per Share (S\$)	0.54	0.56	0.56
Net Borrowings to Total Equity (times)	0.53	0.63	0.63
Earnings per Share (cents) <sup>4</sup>	2.20	2.45	2.45

### 2.8.2 Off-Market Buy-Back

As at 30 April 2018	Group		
	Before Share Buy-Back	After Share Buy-Back	
		Shares Cancelled	Shares held as Treasury Shares
Total Equity <sup>1</sup>	126,779	117,827	126,779
Treasury Shares	-	-	(8,952)
Net Assets <sup>2</sup>	126,779	117,827	117,827
Current Assets	177,102	168,150	168,150
Current Liabilities	104,302	104,302	104,302
Net Borrowings <sup>3</sup>	67,579	76,531	76,531
No. of issued and paid up Shares (excluding Treasury Shares and Subsidiary Holdings) ('000)	235,586	212,027	212,027
<b>Financial Ratios</b>			
Net Assets per Share (S\$)	0.54	0.56	0.56
Net Borrowings to Total Equity (times)	0.53	0.65	0.65
Earnings per Share (cents) <sup>4</sup>	2.20	2.45	2.45

Notes:

- (1) "Total Equity" means the aggregate amount of issued share capital, other reserves, retained profits attributable to Shareholders, perpetual capital securities and non-controlling interests.
- (2) "Net Assets" as disclosed above excludes perpetual capital securities and non-controlling interests.
- (3) "Net Borrowings" mean the aggregate of short-term and long-term borrowings net of cash and bank balances of the Group.
- (4) The borrowing cost arising from the Share Buy-Back will depend on the timing of such Share Buy-Back and cannot be ascertained as at the date of this Circular. It is therefore not included in the calculation of Earnings per Share after Share Buy-Back.

Shareholders should note that the financial effects illustrated above are purely for illustrative purposes and based only on the abovementioned assumptions. In particular, it is important to note that the above analysis is based on the latest audited accounts of the Group as at 30 April 2018, and is not necessarily representative of the future financial performance of the Group. Although the Share Buy-Back Mandate would authorise the Company to buy back up to 10% of the Company's issued Shares (excluding Treasury Shares and Subsidiary Holdings) as at the date that the Share Buy-Back Mandate is obtained, the Company may not necessarily buy back or be able to buy back 10% of the entire total number of its Shares in full. The Company will, in any case, not carry out any Share Buy-Back that would result in the number of Shares remaining in the hands of the public falling below the minimum public float required without adversely affecting the listing status of the Company.

## **2.9 Taxation**

Shareholders who are in doubt as to their respective tax positions or any tax implications should consult their own professional tax advisors to take into account the tax law applicable, whether in or outside Singapore, to their particular situations.

## **2.10 Reporting requirements**

The Listing Manual specifies that a listed company shall notify the SGX-ST of all purchases or acquisitions of its shares:

- (i) in the case of a Market Buy-Back, by 9.00 a.m. on the market day following the day on which the Market Buy-Back was made; and
- (ii) in the case of an Off-Market Buy-Back under an equal access scheme, by 9.00 a.m. on the second market day after the close of acceptance of the offer.

The notification of such purchases or acquisitions of Shares to the SGX-ST shall be in such form and shall include such details that the SGX-ST may prescribe. The Company shall make arrangements with its stockbrokers to ensure that they provide the Company in a timely fashion the necessary information which will enable the Company to make the notifications to the SGX-ST.

The Company, upon undertaking any sale, transfer, cancellation and/or use of Treasury Shares, will comply with Rule 704(28) of the Listing Manual, which provides that an issuer must make an immediate announcement thereof, stating the following:

- (a) date of the sale, transfer, cancellation and/or use;
- (b) purpose of such sale, transfer, cancellation and/or use;
- (c) number of Treasury Shares sold, transferred, cancelled and/or used;
- (d) number of Treasury Shares before and after such sale, transfer, cancellation and/or use;
- (e) percentage of the number of Treasury Shares against the total number of shares outstanding in a class that is listed before and after such sale, transfer, cancellation and/or use; and
- (f) value of the Treasury Shares if they are used for a sale or transfer, or cancelled.

## **2.11 Suspension of buy-back of Shares**

The Company will not purchase or acquire Shares during the period commencing two (2) weeks before the announcement of the interim financial statements for each of the first three quarters of the Company's financial year and one (1) month before the announcement of the Company's annual (full-year) results respectively.



## 2.12 Takeover implications under the Take-over Code

### 2.12.1 Obligation to make take-over offer

**If, as a result of any purchase or acquisition by the Company of the Shares, the proportionate interest in the voting capital of the Company of a Shareholder and persons acting in concert with him increases, such increase will be treated as an acquisition for the purposes of Rule 14 of the Take-over Code.**

Under Rule 14 of the Take-over Code, a Shareholder and persons acting in concert with the Shareholder will incur an obligation to make a mandatory take-over offer if, *inter alia*, he and persons acting in concert with him increase their voting rights in the Company to 30% or more or, if they, together holding between 30% and 50% of the Company's voting rights, increase their voting rights in the Company by more than 1% in any 6-month period.

Consequently, depending on the number of Shares purchased or acquired by the Company and the number of Shares at that time, a Shareholder or group of Shareholders acting in concert with each other could obtain or consolidate effective control of the Company and could become obliged to make a take-over offer under Rule 14 of the Take-over Code.

### 2.12.2 Persons acting in concert

Under the Take-over Code, persons acting in concert comprise individuals or companies who, pursuant to an agreement or understanding (whether formal or informal), co-operate, through the acquisition by any of them of shares in a company, to obtain or consolidate effective control of that company.

Unless the contrary is established, the following persons, *inter alia*, will be presumed to be acting in concert, namely:

- (i) a company with its parent company, subsidiaries, its fellow subsidiaries, any associated companies of the foregoing companies, any company whose associated companies include any of the foregoing companies, and any person who has provided financial assistance (other than a bank in the ordinary course of business) to any of the foregoing companies for the purchase of voting rights;
- (ii) a company with any of its directors, together with their close relatives, related trusts and companies controlled by any of the directors, their close relatives and related trusts;
- (iii) a company with any of its pension funds and employee share schemes;
- (iv) a person with any investment company, unit trust or other fund whose investment such person manages on a discretionary basis, but only in respect of the investment account which such person manages;
- (v) a financial or other professional adviser, including a stockbroker, with its clients in respect of the shareholdings of the adviser and the persons controlling, controlled by or under the same control as the adviser and all the funds which the adviser manages on a discretionary basis, where the shareholdings of the adviser and any of those funds in the client total 10% or more of the client's equity share capital;
- (vi) directors of a company, together with their close relatives, related trusts and companies controlled by any of them, which is subject to an offer or where the directors have reason to believe a *bona fide* offer for their company may be imminent;
- (vii) partners; and



- (viii) an individual, his close relatives, his related trusts, any person who is accustomed to act according to his instructions, companies controlled by any of the foregoing persons and any person who has provided financial assistance (other than a bank in the ordinary course of business) to any of the foregoing persons for the purchase of voting rights.

For this purpose, ownership or control of at least 20% but not more than 50% of the voting rights of a company will be regarded as the test of associated company status.

The circumstances under which Shareholders, including Directors, and persons acting in concert with them respectively will incur an obligation to make a take-over offer under Rule 14 after a purchase or acquisition of Shares by the Company are set out in Appendix 2 of the Take-over Code.

#### 2.12.3 Effect of Rule 14 and Appendix 2 of the Take-over Code

In general terms, the effect of Appendix 2 of the Take-over Code is that:

- (i) unless exempted, Directors and persons acting in concert with them will incur an obligation to make a take-over offer under Rule 14 of the Take-over Code if, as a result of the Company purchasing or acquiring its Shares, the voting rights of such Directors and their concert parties would increase to 30% or more, or if the voting rights of such Directors and their concert parties fall between 30% and 50% of the Company's voting rights, the voting rights of such Directors and their concert parties would increase by more than 1% in any 6-month period; and
- (ii) a Shareholder who is not acting in concert with the Directors will not be required to make a take-over offer under Rule 14 of the Take-over Code if, as a result of the Company purchasing or acquiring its Shares, the voting rights of such Shareholder in the Company would increase to 30% or more, or if such Shareholder holds between 30% and 50% of the Company's voting rights, the voting rights of such Shareholder would increase by more than 1% in any 6-month period. Such Shareholder need not abstain from voting in respect of the resolution authorising the Share Buy-Back Mandate unless so required under the Companies Act.

**Shareholders who are in doubt as to whether they would incur any obligation to make a take-over offer as a result of any purchase of Shares by the Company pursuant to the Share Buy-Back Mandate are advised to consult their professional advisers and/or the SIC before they acquire any Shares in the Company during the period when the Share Buy-Back Mandate is in force.**

#### 2.12.4 Application of the Take-over Code

As at the Latest Practicable Date, the details of the shareholdings of the Substantial Shareholders and Directors of the Company are set out in paragraph 6 below.

As at the Latest Practicable Date, Wah Holdings Pte Ltd holds 35,913,752 Shares in the Company representing 15.24% of the total number of issued Shares (excluding Treasury Shares) of the Company. Mr Wee Kok Wah, Mrs Dawn Wee Wai Ying and Dr Wee Li Ann are all directors of Wah Holdings Pte Ltd. As such, Mr Wee Kok Wah, Mrs Dawn Wee Wai Ying and Dr Wee Li Ann are presumed to be acting in concert with Wah Holdings Pte Ltd pursuant to Appendix 2 of the Take-over Code.

Assuming that there is no change in the number of Shares held or deemed to be held by Wah Holdings Pte Ltd, Mr Wee Kok Wah, Mrs Dawn Wee Wai Ying, Dr Wee Li Ann and their concert parties (collectively the "**Relevant Parties**"), the purchase by the Company of the maximum limit of 10% of its issued Shares as at the Latest Practicable Date will result in an increase in the aggregate shareholding interest of the Relevant Parties by more than 1% in any 6-month period from approximately 38.85% to approximately 43.16%.

Accordingly, the Relevant Parties will be required to make a general offer under Rule 14 of the Take-over Code.

#### 2.12.5 Conditions for Exemption from making a General Offer under Rule 14 of the Take-over Code

Pursuant to Section 3(a) of Appendix 2 of the Take-over Code, the Relevant Parties will be exempted from the requirement to make a general offer under Rule 14 of the Take-over Code as a result of any share buy-back carried out by the Company pursuant to the Share Buy-Back Mandate, subject to the following conditions:

- (a) the circular to Shareholders seeking their approval for the Share Buy-Back Mandate will contain:
  - (i) advice to the effect that by voting in favour of the resolution to approve the Share Buy-Back Mandate, Shareholders are waiving their rights to a general offer at the required price from the Relevant Parties; and
  - (ii) the names and voting rights of the Relevant Parties as at the date of the resolution and after the Company exercises the power under the Share Buy-Back Mandate in full and purchases 10% of the issued Shares;
- (b) the resolution to authorise the Share Buy-Back Mandate is approved by a majority of Shareholders who are present and voting at the 2018 EGM on a poll who could not become obliged to make an offer as a result of the share buy-back by the Company pursuant to the Share Buy-Back Mandate;
- (c) the Relevant Parties will abstain from voting for and/or recommending Shareholders to vote in favour of the resolution to approve the Share Buy-Back Mandate;
- (d) within seven (7) days after the passing of the resolution to approve the Share Buy-Back Mandate, Mr Wee Kok Wah, Mrs Dawn Wee Wai Ying and Dr Wee Li Ann submits to the SIC a duly signed form as prescribed by the SIC;
- (e) the Relevant Parties have not acquired and will not acquire any Shares between the date on which they know that the announcement of the Share Buy-Back Mandate is imminent and the earlier of:
  - (i) the date on which the authority of the Share Buy-Back Mandate expires; and
  - (ii) the date on which the Company announces it has bought back such number of Shares as authorised by the Share Buy-Back Mandate or it has decided to cease buying back its Shares, as the case may be,

if any such acquisitions, taken together with the Shares purchased or acquired under the Share Buy-Back Mandate, would cause their aggregate voting rights to increase by more than 1% in the preceding 6-month period.

As such, if the aggregate voting rights held by the Relevant Parties increase by more than 1% solely as a result of the Company's buy back of Shares under the Share Buy-Back Mandate, and none of them has acquired any Shares during the relevant 6-month period, then the Relevant Parties would be eligible for SIC's exemption from the requirement to make a general offer under Rule 14 of the Take-over Code, or where such exemption had been granted, would continue to enjoy the exemption.

If the Company ceases to buy-back Shares pursuant to the Share Buy-Back Mandate and the increase in the aggregate voting rights held by the Relevant Parties as a result of the relevant buy-back of Shares at such time is less than 1% in any 6-month period, the Relevant Parties acting in concert with it (if any) may acquire further voting rights in the Company. However, any increase in their percentage voting rights as a result of the buy-back of Shares

pursuant to the Share Buy-Back Mandate will be taken into account together with any voting rights acquired by the Relevant Parties by whatever means in determining whether they have increased their aggregate voting rights by more than 1% in any 6-month period.

In respect of the existing Share Buy-Back Mandate (which expires on the date of the AGM) and paragraph 3.12.3 of the Company's circular to Shareholders dated 4 August 2017, the Company wishes to clarify that the Controlling Shareholders would have become obliged to make a take-over offer for the Company under Rule 14 of the Take-over Code if the Company had purchased the maximum limit of 10% of its issued Shares. However, the Controlling Shareholders would have been eligible for SIC's exemption pursuant to Section 3(a) of Appendix 2 of the Take-over Code provided the Controlling Shareholders complied with the conditions including abstention from voting on the resolution to approve the Share Buy-Back Mandate. In any event, the Company has not purchased or acquired any Shares under the existing Share Buy-Back Mandate.

As at the Latest Practicable Date, Mr Wee Kok Wah, Mrs Dawn Wee Wai Ying and Dr Wee Li Ann have informed the Company that they will each be submitting the Form 2 to the SIC within seven (7) days after the passing of the resolution relating to the renewal of the Share Buy-Back Mandate.

#### 2.12.6 Advice to Shareholders

**Shareholders should note that by voting for the Share Buy-Back Mandate, they are waiving their rights to a general offer at the required price from the Relevant Parties in the circumstances set out above. Such a general offer, if required to be made and had not been exempted by the SIC, would have to be made in cash or be accompanied by a cash alternative at the required price.**

Save as disclosed, the Directors are not aware of any facts or factors which suggest or imply that any particular person(s) and/or Shareholder(s) are, or may be regarded as, parties acting in concert such that their respective interests in voting shares in the capital of the Company should or ought to be consolidated, and consequences under the Take-over Code would ensue as a result of a purchase of shares by the Company pursuant to the Share Buy-Back Mandate.

Appendix 2 of the Take-over Code requires that the resolution to authorise the Share Buy-Back Mandate to be approved by a majority of those Shareholders present and voting at the meeting on a poll who could not become obliged to make an offer under the Take-over Code as a result of the share buy-back. Accordingly, the said resolution is proposed to be taken on a poll and the Relevant Parties shall abstain from voting on such resolution.

### 2.13 **Shares purchased by the Company in the past 12 months**

No purchases or acquisitions of Shares have been made by the Company in the 12 months preceding the Latest Practicable Date.

## 3. **THE PROPOSED PARTICIPATION BY CONTROLLING SHAREHOLDERS IN THE STAMFORD TYRES PERFORMANCE SHARE PLAN 2017**

### 3.1 **Background**

The PSP 2017 was approved by Shareholders at the 2017 EGM. At the 2017 EGM, Shareholders had given authority to the Directors to offer and grant Awards in accordance with the rules of the PSP 2017 and to allot and issue, transfer and/or deliver from time to time such number of Shares required pursuant to the vesting of the Awards under the PSP 2017, provided that the aggregate number of Shares issued and issuable pursuant to the PSP 2017 and any other share-based incentive schemes of the Company shall not exceed 15% of the issued Shares of the Company from time to time (excluding Treasury Shares and Subsidiary Holdings).

The PSP 2017 shall continue to be in force, at the absolute discretion of the Committee, subject to a maximum period of ten years commencing on the date the PSP 2017 was adopted by the Company at the 2017 EGM, provided always that the PSP 2017 may continue beyond such stipulated period with the approval of Shareholders by ordinary resolution in general meeting and, to the extent necessary, of any relevant authorities which may then be required.

The Company is now proposing to seek independent Shareholders' approval for the proposed participation and grant of Awards under the PSP 2017 to Mr Wee Kok Wah, the President and an Executive Director of the Group, and Mrs Dawn Wee Wai Ying, an Executive Director of the Group. As at the Latest Practicable Date, Mr Wee Kok Wah and Mrs Dawn Wee Wai Ying are both Controlling Shareholders of the Company, each of whom has an aggregate interest (both direct and deemed) in 91,505,873 Shares representing 38.84% of the total number of issued Shares (excluding Treasury Shares) of the Company, and further details are set out in paragraph 6 below.

In accordance with Rule 853 of the Listing Manual, the participation in the PSP 2017 by a Controlling Shareholder and/or his Associates will be subject to the approval of independent Shareholders in general meeting in separate resolutions for each such Executive. As such, the participation in the PSP 2017 by Mr Wee Kok Wah and/or Mrs Dawn Wee Wai Ying is subject to the approval of independent Shareholders in a general meeting in separate resolutions for each of them.

### **3.2 Rationale for participation by Controlling Shareholders in the PSP 2017**

One of the main objectives of the PSP 2017 is to motivate, incentivise and/or reward Executives to optimise their performance and efficiency and to maintain a high level of contribution to the Group. To this end, Executives who are Controlling Shareholders or their Associates must be treated fairly and equally, as such Executives are important to the development and success of the Group.

As such, regardless whether they are Controlling Shareholders or their Associates, the Company is of the view that all deserving and eligible Executives should be equally entitled to take part and benefit from this compensation scheme. To deny participation by the Controlling Shareholders and their Associates may serve to disincentivise them and undermine the objectives of the PSP 2017. Therefore, under the rules of the PSP 2017, Executives who are also Controlling Shareholders or their Associates will be eligible to participate.

### **3.3 Rationale for participation by Mr Wee Kok Wah**

Mr Wee Kok Wah is the President and an Executive Director of the Group. Mr Wee's acute business acumen and relentless passion have been instrumental in envisioning and spearheading the strategic growth of the Company since he took over the helm of the Company from his father in the 1970s. Mr Wee is responsible for setting and executing the Group's values, mission and goals, monitoring the development and performance of the Group's business, evaluating the operational efficiency of the Group's work processes, and identifying new opportunities for the Group's continual expansion domestically and internationally.

In line with the Group's objective of motivating, incentivising and/or rewarding its employees to optimise their performance and efficiency and to maintain a high level of contribution to the Group, the Group believes that the extension of the PSP 2017 to Mr Wee will enhance Mr Wee's long-term commitment to the Group and in turn promote the Group's long-term growth and development. By increasing his equity interests of the Company through the PSP 2017, Mr Wee will be incentivised to help the Group achieve better performance as the value of any Award granted to Mr Wee will only be maximised when the results and prospects of the Group's long term performances and growth translate directly into higher profits and share prices thereby enhancing shareholder value.

Although the Group's results for FY2017 reported a decrease in net profit to \$5.2 million, there was a significant 2.8% increase in revenue to \$242.4 million amidst very challenging economic conditions. The Group's commendable results were due in a large part to the efforts of Mr Wee in inspiring the team to drive sales.

In view of the foregoing reasons, the Company proposes to grant Mr Wee an Award comprising 900,000 Shares (the “**WKW Award**”) to reward him for his invaluable contributions to the Group, and to incentivise him to generate greater long-term shareholder value.

### **3.4 Rationale for participation by Mrs Dawn Wee Wai Ying**

Mrs Dawn Wee Wai Ying is an Executive Director of the Group, and has played a key role as director in the Group since 1982. Mrs Wee is also the wife and supportive business partner of Mr Wee Kok Wah. Widely recognised within the Group as a thought leader, Mrs Wee is responsible for overseeing the Group’s support functions and leading the Group’s functional teams. Mrs Wee’s leadership and dynamic insights have been indispensable to the Group’s development and business performance over the years.

The Company believes that the extension of the PSP 2017 to Mrs Wee will encourage greater dedication to the Group, and is consistent with the Group’s objective of motivating, incentivising and/or rewarding its employees to optimise their performance and efficiency and to maintain a high level of contribution to the Group. The proposed Award to Mrs Wee will be beneficial for the Group as it will encourage her to take a long-term view of the Group and further align her interest with the Group’s performance. Further, the value of any Award granted to Mrs Wee will only be maximised when the results and prospects of the Group’s long term performances and growth translate directly into higher share prices.

Similarly, the Company also proposes to grant Mrs Wee an Award comprising 900,000 Shares (the “**DW Award**”) to reward her for her significant contributions to the Group’s success and growth. The Company is of the view that granting the DW Award to Mrs Wee will provide her with an increased sense of ownership in the Company, and motivate her to continue spearheading change for the long-term growth and profitability of the Company.

### **3.5 Safeguards**

As a safeguard against abuse, only members of the Committee who are not Controlling Shareholders or their Associates will be involved in deliberations in respect of Award(s) to be granted to Controlling Shareholders and their Associates, and the terms and conditions attached to such Award(s). In accordance with the rules of the PSP 2017 and subject to independent Shareholders’ approval, the aggregate number of Shares available to PSP 2017 Participants who are Controlling Shareholders and their Associates shall not exceed 25% of the Shares available under the PSP 2017, and the number of Shares available to each Controlling Shareholder or his Associate must not exceed 10% of the Shares available under the PSP 2017. As at the Latest Practicable Date, no Award has been granted to the Controlling Shareholders or their Associates under the PSP 2017.

Specific approval of the independent Shareholders is required for the grant of Award(s) to Controlling Shareholders and their Associates as well as the actual number and terms of such Award(s). In seeking such independent Shareholders’ approval, clear justification as to the number and terms of the Award(s) to be granted to the Controlling Shareholders and their Associates will need to be provided.

The Company is of the view that there are sufficient safeguards against abuse resulting from the grant of Award(s) to Controlling Shareholders and their Associates in the PSP 2017.

### **3.6 Interests of Directors and Controlling Shareholders**

Save for Mr Wee Kok Wah and Mrs Dawn Wee Wai Ying, who are interested in the proposed participation by and grant of Awards to the Controlling Shareholders in the PSP 2017, none of the other Directors and to the best of the Directors’ knowledge, none of the other Controlling Shareholders or their Associates has any interest, direct or indirect, in the proposed participation by Controlling Shareholders in the PSP 2017.

Mr Wee Kok Wah and Mrs Dawn Wee Wai Ying will abstain, and will procure their Associates to abstain, from voting on the ordinary resolutions relating to the proposed participation by Controlling Shareholders in the PSP 2017.



#### **4. THE PROPOSED GRANT OF AWARDS UNDER THE STAMFORD TYRES PERFORMANCE SHARE PLAN 2017 TO CONTROLLING SHAREHOLDERS**

##### **4.1 Terms of the Award granted to Mr Wee Kok Wah**

For the reasons set out in paragraphs 3.2 and 3.3 above, subject to the approval by independent Shareholders for the proposed grant of Award, the Company proposes to grant the WKW Award to Mr Wee Kok Wah on the following terms:

- (a) Proposed date of grant of WKW Award : Any time within three (3) months from the date of the 2018 EGM
- (b) Number of Shares comprised in the WKW Award : 900,000 Shares, which shall be divided into three equal tranches of 300,000 each, representing approximately 2.55% of the Shares available under the PSP 2017
- (c) Vesting Period of the WKW Award :
  - (i) The first tranche shall vest on the date of grant of the WKW Award;
  - (ii) The second tranche shall vest on the first anniversary of the date of grant of the WKW Award; and
  - (iii) The third tranche shall vest on the second anniversary of the date of grant of the WKW Award.

##### **4.2 Terms of the Award granted to Mrs Dawn Wee Wai Ying**

For the reasons set out in paragraphs 3.2 and 3.4 above, subject to the approval by independent Shareholders for the proposed grant of Award, the Company proposes to grant the DW Award to Mrs Dawn Wee Wai Ying on the following terms:

- (a) Proposed date of grant of DW Award : Any time within three (3) months from the date of the 2018 EGM
- (b) Number of Shares comprised in the DW Award : 900,000 Shares, which shall be divided into three equal tranches of 300,000 each, representing approximately 2.55% of the Shares available under the PSP 2017
- (c) Vesting Period of the DW Award :
  - (i) The first tranche shall vest on the date of grant of the DW Award;
  - (ii) The second tranche shall vest on the first anniversary of the date of grant of the DW Award; and
  - (iii) The third tranche shall vest on the second anniversary of the date of grant of the DW Award.

#### **5. DIRECTORS' RECOMMENDATIONS**

##### **5.1 Proposed Renewal of the Share Buy-Back Mandate**

The Directors (save for Mr Wee Kok Wah, Mrs Dawn Wee Wai Ying and Dr Wee Li Ann) are of the opinion that the renewal of the Share Buy-Back Mandate is in the best interest of the Company and accordingly recommend that Shareholders vote in favour of resolution 1 relating to the renewal of the Share Buy-Back Mandate as set out in the Notice of EGM.

## 5.2 Proposed Participation by Controlling Shareholders in the PSP 2017

The Directors (save for Mr Wee Kok Wah and Mrs Dawn Wee Wai Ying) are of the opinion that the participation by Controlling Shareholders Mr Wee Kok Wah and Mrs Dawn Wee Wai Ying in the PSP 2017 is in the best interest of the Company and accordingly recommend that Shareholders vote in favour of resolutions 2 and 3 relating to the participation by Mr Wee Kok Wah and Mrs Dawn Wee Wai Ying in the PSP 2017 as set out in the Notice of EGM.

## 5.3 Proposed Grant of Awards under the PSP 2017 to Controlling Shareholders

The Directors (save for Mr Wee Kok Wah and Mrs Dawn Wee Wai Ying) are of the opinion that the grant of Awards under the PSP 2017 to Controlling Shareholders Mr Wee Kok Wah and Mrs Dawn Wee Wai Ying is in the best interest of the Company and accordingly recommend that Shareholders vote in favour of resolutions 4 and 5 relating to the grant of Awards under the PSP 2017 to Mr Wee Kok Wah and Mrs Dawn Wee Wai Ying as set out in the Notice of EGM.

## 6. INTERESTS OF SUBSTANTIAL SHAREHOLDERS AND DIRECTORS

The interests of the Substantial Shareholders and the Directors in the capital of the Company as at the Latest Practicable Date are as follows:

Name	Direct Interest		Deemed Interest	
	No. of Shares	%	No. of Shares	%
<b>Substantial Shareholders/Directors</b>				
Wee Kok Wah	41,954,554	17.81	49,551,319	21.03
Mrs Dawn Wee Wai Ying	13,637,567	5.79	77,868,306	33.05
Wah Holdings Pte Ltd	35,913,752	15.24	-	-
Lim & Tan Securities Pte Ltd	25,516,000	10.83	-	-
Dr Wee Li Ann	10,000	0.004	10,000	0.004
Leslie Mah Kim Loong	-	-	1,150,000	0.49
Tay Puan Siong	2,500	0.001	2,500	0.001

**Note:** Mr Wee Kok Wah is deemed interested in the Shares held by Mrs Dawn Wee Wai Ying and *vice versa* by virtue of Section 4 of the SFA due to their relationship as husband and wife. In addition, Mr Wee Kok Wah and Mrs Dawn Wee Wai Ying are deemed interested in the Shares held by Wah Holdings Pte Ltd by virtue of Section 4 of the SFA.

The aggregate number of Shares comprised in the WKW Award and the DW Award is 1,800,000 Shares which shall vest in three (3) equal annual tranches of 600,000 Shares (or approximately 0.25% of the total number of issued Shares as at the Latest Practicable Date). Accordingly, Mr Wee Kok Wah and Mrs Dawn Wee Wai Ying would not become obliged to make a take-over offer for the Company as a result of any share buy-back carried out by the Company pursuant to the Share Buy-Back Mandate and/or the proposed participation by and grant of awards to them pursuant to the proposed resolutions unless the Relevant Parties do not comply with the conditions for the exemption from making a general offer under Rule 14 of the Take-over Code explained at paragraph 2.12 and acquires Shares which, when taken together with the Shares purchased or acquired under the Share Buy-Back Mandate, would cause their aggregate voting rights to increase by more than 1% in the preceding 6-month period.

## **7. ABSTENTION FROM VOTING**

Appendix 2 of the Take-over Code requires that the resolution to authorise the Share Buy-Back Mandate to be approved by a majority of those Shareholders present and voting at the meeting on a poll who could not become obliged to make an offer under the Take-over Code as a result of the share buy-back. Accordingly, the said resolution is proposed to be taken on a poll and the Relevant Parties, namely Wah Holdings Pte Ltd, Mr Wee Kok Wah, Mrs Dawn Wee Wai Ying, Dr Wee Li Ann, shall abstain from voting on such resolution.

Any Shareholder who is eligible to participate in the PSP 2017, as well as Associates of Mr Wee Kok Wah and Mrs Dawn Wee Wai Ying, shall abstain from voting in respect of the proposed participation by Controlling Shareholders in and grant of Awards to Controlling Shareholders under the PSP 2017, and shall also decline to accept any appointment as proxy for any Shareholder to vote in respect of the said resolutions unless the Shareholder concerned has given instructions in his proxy form as to the manner in which his votes are to be cast in respect of the said ordinary resolutions as set out in the Notice of EGM.

## **8. EXTRAORDINARY GENERAL MEETING**

The 2018 EGM, notice of which is set out in this Circular, will be convened at the time and place as stipulated in the Notice of EGM for the purpose of considering and, if thought fit, passing with or without any modification, the resolutions set out in the Notice of EGM.

## **9. ACTION TO BE TAKEN BY SHAREHOLDERS**

Shareholders who are unable to attend the 2018 EGM and who wish to appoint a proxy to attend and vote at the 2018 EGM on their behalf are requested to complete and sign the proxy form which is attached together to this Circular in accordance with the instructions printed thereon and, in any event, so as to arrive at the registered office of the Company not less than 72 hours before the time fixed for the 2018 EGM. The appointment of a proxy by a Shareholder does not preclude him from attending and voting in person at the 2018 EGM should he subsequently wish to do so. In such an event, the relevant proxy form will be deemed to be revoked. A Depositor will not be regarded as a member of the Company entitled to attend the 2018 EGM and to speak and vote thereat unless his name appears on the Depository Register 72 hours before the 2018 EGM.

## **10. DOCUMENTS FOR INSPECTION**

The following documents may be inspected at the registered office of the Company during normal business hours on any weekday (public holidays excepted) from the date of Notice of EGM up to and including the date of the 2018 EGM:

- (a) the Constitution of the Company;
- (b) the audited financial statements of the Company and the Group for the financial year ended 30 April 2018; and
- (c) the rules of the PSP 2017.



## 11. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this Circular and confirm after making all reasonable enquiries that, to the best of their knowledge and belief, this Circular constitutes full and true disclosure of all material facts about the Proposals and the Group which are relevant to the Proposals, and the Directors are not aware of any facts the omission of which would make any statement in this Circular misleading. Where information in this Circular 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 Circular in its proper form and context.

Yours faithfully

For and on behalf of the Board of Directors of  
**STAMFORD TYRES CORPORATION LIMITED**

Sam Chong Keen  
Non-Executive and Independent Chairman

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## NOTICE OF EXTRAORDINARY GENERAL MEETING

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### STAMFORD TYRES CORPORATION LIMITED

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

*All capitalised terms in this Notice of Extraordinary General Meeting and defined in the circular dated 15 August 2018 (the “Circular”) shall, unless otherwise defined herein, bear the respective meanings ascribed thereto in the Circular.*

Notice is hereby given that an Extraordinary General Meeting of Stamford Tyres Corporation Limited (the “Company”) will be convened at 19 Lok Yang Way, Singapore 628635 on 30 August 2018 at 3.30 p.m. (or such time immediately following the conclusion or adjournment of the annual general meeting of the Company to be held at 3.00 p.m. on the same day and at the same place) for the purpose of considering and, if thought fit, passing, with or without amendments, the following resolutions as ordinary resolutions:

#### **ORDINARY RESOLUTION 1: THE PROPOSED RENEWAL OF THE SHARE BUY-BACK MANDATE**

That:

- (a) for the purposes of the Companies Act (Chapter 50 of Singapore) (the “Companies Act”), the exercise by the Directors of all the powers of the Company to purchase or otherwise acquire issued ordinary shares (“Share Buy-Backs”) in the capital of the Company (“Shares”) not exceeding in aggregate the Prescribed Limit (as hereinafter defined), at such price(s) as may be determined by the Directors from time to time up to the Maximum Price (as hereinafter defined), whether by way of:
- (i) on-market purchases (“Market Buy-Backs”) transacted on the SGX-ST through the SGX-ST’s trading system, through one or more duly licensed dealers appointed by the Company for the purpose; and/or
  - (ii) off-market purchases (“Off-Market Buy-Backs”), otherwise than on a securities exchange, effected pursuant to an equal access scheme, as may be determined or formulated by the Directors as they may consider fit, which scheme(s) shall satisfy all conditions prescribed by the Listing Manual and the Companies Act,
- and otherwise in accordance with the applicable provisions of the Companies Act and the Listing Manual, be and is hereby authorised and approved generally and unconditionally (the “Share Buy-Back Mandate”);
- (b) unless varied or revoked by the Company in general meeting, the authority conferred on the Directors pursuant to the Share Buy-Back Mandate may be exercised by the Directors at any time and from time to time during the period commencing from the date of the passing of this resolution and expiring on:
- (i) the date on which the next annual general meeting of the Company (“AGM”) is held or required by law to be held;
  - (ii) the date on which the purchases or acquisitions of Shares pursuant to the Share Buy-Back Mandate are carried out to the full extent mandated; or
  - (iii) the date on which the authority conferred by the Share Buy-Back Mandate is revoked or varied by the Shareholders in general meeting,

whichever is the earliest; and

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## NOTICE OF EXTRAORDINARY GENERAL MEETING

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(c) in this resolution:

**“Average Closing Market Price”** means the average of the last dealt prices of the Shares over the five market days on which the Shares were transacted on the SGX-ST immediately preceding the date of the Market Buy-Back by the Company or, as the case may be, the date of the making of the offer pursuant to the Off-Market Buy-Back, and deemed to be adjusted in accordance with the Listing Manual for any corporate action which occurs after the relevant five-day period;

**“date of the making of the offer”** means the date on which the Company announces its intention to make an offer for an Off-Market Buy-Back, stating the purchase price (which shall not be more than the Maximum Price calculated on the foregoing basis) for each Share, and the relevant terms of the equal access scheme for effecting the Off-Market Buy-Back;

**“Prescribed Limit”** means 10% of the total number of Shares of the Company (excluding Treasury Shares and Subsidiary Holdings) as at the date of passing of this resolution unless the Company has effected a reduction of the share capital of the Company in accordance with the applicable provisions of the Companies Act, at any time during the Relevant Period, in which event the issued ordinary share capital of the Company shall be taken to be the amount of the issued ordinary share capital of the Company as altered (excluding Treasury Shares and Subsidiary Holdings);

**“Relevant Period”** means the period commencing from the date on which the last AGM was held and expiring on the date the next AGM is held or is required by law to be held, whichever is the earlier, after the date of this resolution; and

**“Maximum Price”** in relation to a Share to be purchased or acquired, means the purchase price (excluding brokerage, commission, applicable goods and services tax and other related expenses) to be paid for a Share, which shall not exceed:

- (i) in the case of a Market Buy-Back, 5% above the Average Closing Market Price (as defined below) of the Shares; and
  - (ii) in the case of Off-Market Buy-Back, 20% of the Average Closing Market Price of the Shares; and
- (d) the Directors be and are hereby authorised to complete and do all such acts and things (including executing such documents as may be required) as they may consider necessary, desirable, or expedient to give effect to the transactions contemplated by this resolution.

### **ORDINARY RESOLUTION 2: THE PROPOSED PARTICIPATION BY MR WEE KOK WAH IN THE STAMFORD TYRES PERFORMANCE SHARE PLAN 2017**

That participation in the PSP 2017 by Mr Wee Kok Wah, the President and an Executive Director of the Group and a Controlling Shareholder of the Company, pursuant to Rule 853 of the Listing Manual, be and is hereby approved.

### **ORDINARY RESOLUTION 3: THE PROPOSED PARTICIPATION BY MRS DAWN WEE WAI YING IN THE STAMFORD TYRES PERFORMANCE SHARE PLAN 2017**

That participation in the PSP 2017 by Mrs Dawn Wee Wai Ying, an Executive Director of the Group and a Controlling Shareholder of the Company, pursuant to Rule 853 of the Listing Manual, be and is hereby approved.

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## NOTICE OF EXTRAORDINARY GENERAL MEETING

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### **ORDINARY RESOLUTION 4: THE PROPOSED GRANT OF AN AWARD UNDER THE STAMFORD TYRES PERFORMANCE SHARE PLAN 2017 TO MR WEE KOK WAH**

That, subject to and contingent upon passing of Ordinary Resolution 2, the proposed grant to Mr Wee Kok Wah, who is the President and an Executive Director of the Group and a Controlling Shareholder of the Company, of the WKW Award pursuant to and in accordance with the rules of the PSP 2017 on the following terms, be and is hereby approved:-

- Proposed date of grant of WKW Award : Any time within three (3) months from the date of the 2018 EGM
- Number of Shares comprised in the WKW Award : 900,000 Shares, which shall be divided into three equal tranches of 300,000 each, representing approximately 2.55% of the Shares available under the PSP 2017
- Vesting Period of the WKW Award :
- (i) The first tranche shall vest on the date of grant of the WKW Award;
  - (ii) The second tranche shall vest on the first anniversary of the date of grant of the WKW Award; and
  - (iii) The third tranche shall vest on the second anniversary of the date of grant of the WKW Award.

### **ORDINARY RESOLUTION 5: THE PROPOSED GRANT OF AN AWARD UNDER THE STAMFORD TYRES PERFORMANCE SHARE PLAN 2017 TO MRS DAWN WEE WAI YING**

That, subject to and contingent upon passing of Ordinary Resolution 3, the proposed grant to Ms Dawn Wee Wai Ying, who is an Executive Director of the Group and a Controlling Shareholder of the Company, of the DW Award pursuant to and in accordance with the rules of the PSP 2017 on the following terms, be and is hereby approved:-

- Proposed date of grant of DW Award : Any time within three (3) months from the date of the 2018 EGM
- Number of Shares comprised in the DW Award : 900,000 Shares, which shall be divided into three equal tranches of 300,000 each, representing approximately 2.55% of the Shares available under the PSP 2017
- Vesting Period of the DW Award :
- (i) The first tranche shall vest on the date of grant of the DW Award;
  - (ii) The second tranche shall vest on the first anniversary of the date of grant of the DW Award; and
  - (iii) The third tranche shall vest on the second anniversary of the date of grant of the DW Award.

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

Heng Michelle Fiona  
Company Secretary

15 August 2018  
Singapore

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## NOTICE OF EXTRAORDINARY GENERAL MEETING

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### Notes:

- (1) A member who is not a relevant intermediary is entitled to appoint one or two proxies to attend, speak, and vote at the Meeting.
- (2) Where such member appoints more than one proxy, the appointment shall be invalid unless he specifies the proportion of his holding (expressed as a percentage of the whole) to be represented by each proxy.
- (3) A member who is a relevant intermediary is entitled to appoint more than two proxies to attend, speak, and vote at the Meeting, but each proxy must be appointed to exercise the rights attached to different Share(s) held by such member. Where such member appoints more than two proxies, the appointments shall be invalid unless the member specifies the number of Shares in relation to which each proxy has been appointed.

**“relevant intermediary” means:**

a banking corporation licensed under the Banking Act (Cap 19) of Singapore or a wholly-owned subsidiary of such a banking corporation, whose business includes the provision of nominee services and who holds shares in that capacity;

a person holding a capital markets services licence to provide custodial services to securities under the Securities and Futures Act (Cap 289) of Singapore and who holds shares in that capacity; or

the Central Provident Fund Board established by the Central Provident Fund Act (Cap 36) of Singapore, in respect of shares purchased under the subsidiary legislation made under that Act providing for the making of investments from the contributions and interest standing to the credit of members of the Central Provident Fund, if the Board holds those shares in the capacity of an intermediary pursuant or in accordance with that subsidiary legislation.

- (4) A proxy need not be a member of the Company.
- (5) The instrument appointing a proxy or proxies must be deposited at the registered office of the Company located at 19 Lok Yang Way, Singapore 628635 not less than 72 hours before the time appointed for holding the Meeting or any adjournment thereof.
- (6) Shareholders of the Company who are full-time employees of the Company or any of its subsidiaries or who are eligible to participate in the PSP 2017 must abstain from voting on Resolution 1 and decline to accept any appointment as proxy for any Shareholder to vote in respect of Resolution 1 unless the Shareholder concerned has given instructions in his proxy form as to the manner in which his votes are to be cast.

### Personal Data Privacy:

By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the Meeting and/or any adjournment thereof, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of proxies and representatives appointed for the Meeting (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the Meeting (including any adjournment thereof), and in order for the Company (or its agents) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the **“Purposes”**), (ii) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.

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# STAMFORD TYRES CORPORATION LIMITED

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

## EXTRAORDINARY GENERAL MEETING PROXY FORM

### Important

1. A relevant intermediary may appoint more than two proxies to attend, speak, and vote at the Extraordinary General Meeting. Please see Note 3 overleaf for the definition of "relevant intermediary".
2. For investors who have used their CPF monies to buy Stamford Tyres Corporation Limited shares, this proxy form is not valid for use and shall be ineffective for all intents and purposes if used or purported to be used by them.
3. CPF investors are requested to contact their respective Agent Banks if they have any queries regarding their appointment as proxies or the appointment of their Agent Banks as proxies for the Extraordinary General Meeting.

I/We (Name) \_\_\_\_\_, NRIC/ Passport No/ Co. Reg. No.: \_\_\_\_\_,

of (Address) \_\_\_\_\_,

being a member/members of Stamford Tyres Corporation Limited (the "**Company**") hereby appoint:

Name	Address	NRIC / Passport Number	Proportion of Shareholding (%)

and/or (delete as appropriate)

Name	Address	NRIC / Passport Number	Proportion of Shareholding (%)

or failing the person, or either or both of the persons, referred to above, the Chairman of the Extraordinary General Meeting (the "**Meeting**"), as my/our proxy/proxies to attend and to vote for me/us on my/our behalf at the Meeting of the Company to be convened at 19 Lok Yang Way, Singapore 628635 on 30 August 2018 at 3.30 p.m. (or such time immediately following the conclusion or adjournment of the annual general meeting of the Company to be held at 3.00 p.m. on the same day and at the same place) and at any adjournment thereof. I/We direct my/our proxy/proxies to vote for or against the resolutions to be proposed at the Meeting as indicated hereunder. If no specific direction as to voting is given, the proxy/proxies will vote or abstain from voting at his/their discretion, as he/they will on any other matter arising at the Meeting.

No.	Resolutions	For	Against
1.	<b>Proposed Renewal of the Share Buy-Back Mandate</b> Ordinary resolution to renew the Share Buy-Back Mandate		
2.	<b>Proposed Participation by Mr Wee Kok Wah in the Stamford Tyres Performance Share Plan 2017</b> Ordinary resolution to approve the participation by Mr Wee Kok Wah in the Stamford Tyres Performance Share Plan 2017		
3.	<b>Proposed Participation by Mrs Dawn Wee Wai Ying in the Stamford Tyres Performance Share Plan 2017</b> Ordinary resolution to approve the participation by Mrs Dawn Wee Wai Ying in the Stamford Tyres Performance Share Plan 2017		
4.	<b>Proposed Grant of an Award under the Stamford Tyres Performance Share Plan 2017 to Mr Wee Kok Wah</b> Ordinary resolution to approve the grant of an award under the Stamford Tyres Performance Share Plan 2017 to Mr Wee Kok Wah		
5.	<b>Proposed Grant of an Award under the Stamford Tyres Performance Share Plan 2017 to Mrs Dawn Wee Wai Ying</b> Ordinary resolution to approve the grant of an award under the Stamford Tyres Performance Share Plan 2017 to Mrs Dawn Wee Wai Ying		

(If you wish to exercise all your votes "For" or "Against", please indicate your vote with a tick "√". Alternatively, please indicate the number of votes "For" or "Against".)

Dated this \_\_\_\_\_ date of \_\_\_\_\_ 2018

<b>Total number of Shares held:</b>

\_\_\_\_\_  
Signature(s) of Member(s)



## NOTES:

1. A member who is not a relevant intermediary is entitled to appoint one or two proxies to attend, speak, and vote at the Meeting.
2. Where such member appoints more than one proxy, the appointment shall be invalid unless he specifies the proportion of his holding (expressed as a percentage of the whole) to be represented by each proxy.
3. A member who is a relevant intermediary is entitled to appoint more than two proxies to attend, speak, and vote at the Meeting, but each proxy must be appointed to exercise the rights attached to different Share(s) held by such member. Where such member appoints more than two proxies, the appointments shall be invalid unless the member specifies the number of Shares in relation to which each proxy has been appointed.

“relevant intermediary” means:

- (a) a banking corporation licensed under the Banking Act (Cap 19) of Singapore or a wholly-owned subsidiary of such a banking corporation, whose business includes the provision of nominee services and who holds shares in that capacity;
  - (b) a person holding a capital markets services licence to provide custodial services to securities under the Securities and Futures Act (Cap 289) of Singapore and who holds shares in that capacity; or
  - (c) the Central Provident Fund Board established by the Central Provident Fund Act (Cap 36) of Singapore, in respect of shares purchased under the subsidiary legislation made under that Act providing for the making of investments from the contributions and interest standing to the credit of members of the Central Provident Fund, if the Board holds those shares in the capacity of an intermediary pursuant or in accordance with that subsidiary legislation.
4. A proxy need not be a member of the Company.
  5. If no name is inserted in the space for the name of your proxy on the form of proxy, the Chairman of the Meeting will act as your proxy.
  6. Completion and return of this instrument appointing a proxy shall not preclude a member from attending and voting at the Meeting. Any appointment of a proxy or proxies shall be deemed to be revoked if a member attends the Meeting in person, and in such event, the Company reserves the right to refuse to admit any person or persons appointed under the instrument of proxy, to the Meeting.
  7. A member should insert the total number of shares held. If the member has shares entered against his name in the Depository Register as defined in Section 81SF of the Securities and Futures Act (Cap 289) of Singapore, he should insert that number of shares. If the member has shares registered in his name in the Register of Members of the Company, he should insert that number of shares. If the member has shares entered against his name in the Depository Register and registered in his name in the Register of Members, he should insert the aggregate number of shares.
  8. If no number is inserted, this instrument of proxy will be deemed to relate to all shares held by the member.
  9. The instrument appointing a proxy or proxies must be deposited at the registered office of the Company located at 19 Lok Yang Way, Singapore 628635 not less than 48 hours before the time appointed for holding the Meeting or any adjournment thereof.
  10. The instrument appointing a proxy or proxies must be under the hand of the appointor or of his attorney duly authorised in writing. Where the instrument appointing a proxy or proxies is executed by a corporation, it must be executed either under its common seal or under the hand of its attorney or a duly authorised officer.
  11. Where an instrument appointing a proxy or proxies is signed on behalf of the appointor by an attorney, the letter or power of attorney or a duly certified copy thereof must (failing previous registration with the Company) be lodged with the instrument of proxy, failing which the instrument may be treated as invalid.
  12. A corporation which is a member may authorise by resolution of its directors or other governing body such person as it thinks fit to act as its representative at the Meeting, in accordance with Section 179 of the Companies Act (Cap 50) of Singapore.
  13. CPF Investors who buy Shares in the Company may attend and cast their votes at the Meeting in person. CPF Investors who are unable to attend the Meeting but would like to vote may inform their respective Agent Banks to appoint the Chairman of the Meeting to act as their proxy, in which case, the CPF Investor shall be precluded from attending the Meeting.
  14. The Company shall be entitled to reject an instrument of proxy which is incomplete, improperly completed, illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified on the instrument of proxy. In addition, in the case of shares entered in the Depository Register, the Company may reject an instrument of proxy if the member, being the appointor, is not shown to have shares entered against his name in the Depository Register as at 72 hours before the time appointed for holding the Meeting, as certified by The Central Depository (Pte) Limited to the Company.

## Personal Data Privacy:

By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the Meeting and/or any adjournment thereof, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of proxies and representatives appointed for the Meeting (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the Meeting (including any adjournment thereof), and in order for the Company (or its agents) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the “Purposes”), (ii) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.