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## **STAMFORD TYRES' REPORTS FULL YEAR NET PROFIT OF \$4.2 MILLION**

**SINGAPORE, 27 June 2023** – Mainboard-listed Stamford Tyres Corporation Limited (“Stamford Tyres”)(STC:SP) today announced a net profit of \$4.2 million for FY23 compared to \$3.9 million for FY22.

Gross profit margin was lower at 26.7 per cent in FY23 compared to 27.4 per cent in FY22, mainly due to higher cost of tyres and wheel production.

The Group recorded revenue of \$188.3 million which was 1.0 per cent lower than FY22 at \$190.3 million, mainly due to lower sales in Australia, offset by higher sales in South East Asia.

Total operating expenses decreased by 0.4 per cent to \$51.4 million in FY23 compared to \$51.6 million in FY22. The decrease was mainly due to net write-back of allowance for doubtful receivables from the recovery of debts previously provided for; offset against higher provision for inventory obsolescence, marketing and distribution cost, finance cost, foreign exchange cost and lease expenses.

As at 30 April 2023, the Group’s cash and cash equivalents stood at S\$30.3 million compared to S\$35.8 million as at 30 April 2022. The Group’s borrowings which comprise trust receipts, revolving credit, hire-purchase liabilities, short-term secured loans as well as long-term secured loans stood at S\$77.1mil as at 30 April 2023 compared to S\$96.8 million as at 30 April 2022. The decrease in cash and cash equivalents and borrowings were mainly due to net repayment of trust receipts and loans during the year.

On a diluted basis, the Group’s earnings per ordinary share was 1.75 cents for FY23 compared to 1.64 cents for FY22. As at 30 April 2023, the Group’s net asset value per ordinary share stood at 47.53 cents, compared to 49.01 cents as at 30 April 2022.

The Directors have recommended a first and final dividend of 1.5 cents per ordinary share, which, if approved at the upcoming Annual General Meeting, will be paid to shareholders on a date to be announced later.

Dr Wee Li Ann, Executive Director of Stamford Tyres Corporation Limited, said: “The global economic outlook remains challenging. To address the challenges arising from the uncertainties due to intense market competition and geo-political and financial events globally, the Group has deployed resources and implemented strategies to diversify its product offerings to adapt to the ongoing market changes. We will continue to focus on growing our sales of car tyres and SSW wheels, as well as truck tyres and mining tyres. We are also focusing on improving our sales productivity and upgrading value-added segments such as Stamford Tyres Mart retail chain and truck centres”.

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### **About Stamford Tyres Corporation Limited (STC:SP)**

Stamford Tyres is one of the largest independent tyre and wheel distributors in Southeast Asia with distribution centres in Singapore, Malaysia, Thailand, Indonesia, Hong Kong, India, Australia, South Africa and Vietnam. It provides many value-added services such as regional retail operations, on-site management services to fleet owners and mining operators. The Group has also set up a state-of-the-art plant in Thailand to manufacture alloy wheels.

Stamford Tyres was established in the 1930s and was listed on the Second Board of Singapore Stock Exchange (then known as SGX-Sesdaq) in 1991, and was upgraded to the Main Board of the Singapore Exchange Securities Trading Limited (SGX-ST) in April 2003. Today, Stamford Tyres has a sales and operations network in more than 50 countries around the world. The Group continues to focus on its core business of tyre distribution of its major brands – Falken, Dunlop, Continental and Maxam. It has also strengthened its development capabilities and introduced innovative products to grow its proprietary brands in international markets – Sumo Firenza, Sumo Tire and SSW Wheels.

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