

STAMFORD

TYRES

**Annual General Meeting
31 August 2023**



STAMFORD *tyres*

CONTENTS

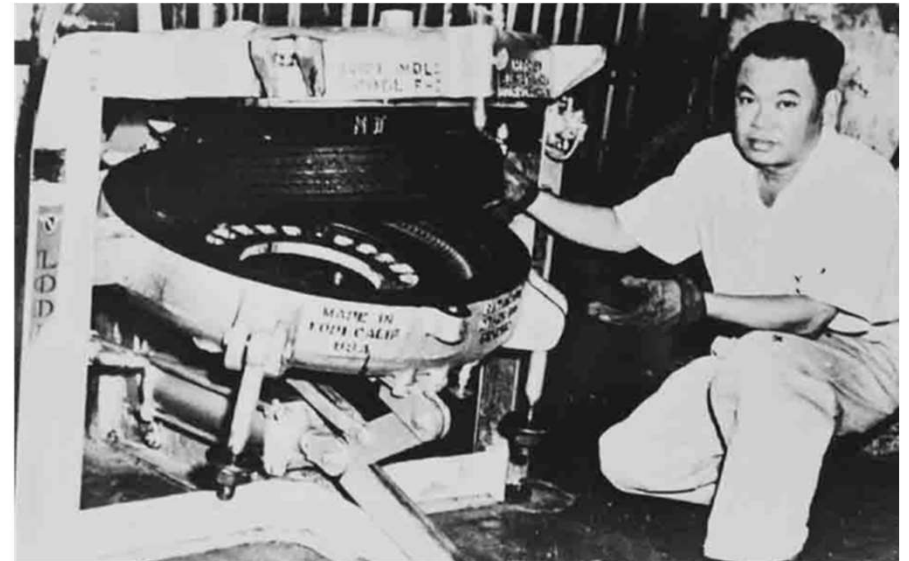
- **Stamford Tyres History / Milestones**
- **Core Activities**
- **Business Operations**
- **Stamford Tyres Regional Activities**
- **Financial Highlights – FY2023**
- **Group Strategy and Outlook in FY2024**

Stamford Tyres History / Milestones

Our Beginnings

1930's – The late Mr Wee Boon Kwee founded Stamford Motor Service – a modest tyre retail and petrol kiosk business located at Stamford Road.

1950's – Introduced tyre retreading in new Seah Street office.



Our Beginnings

1960's – Finance Minister Dr Goh Keng Swee officiated the new and modern Kallang Factory and office opening.



Our Beginnings

1970's – Mr Wee Kok Wah joined the business in 1970 – spearheaded search for tyre agency and diversification to new tyre distribution and value added services

1975 – Obtained rights to distribute FALKEN Tyres

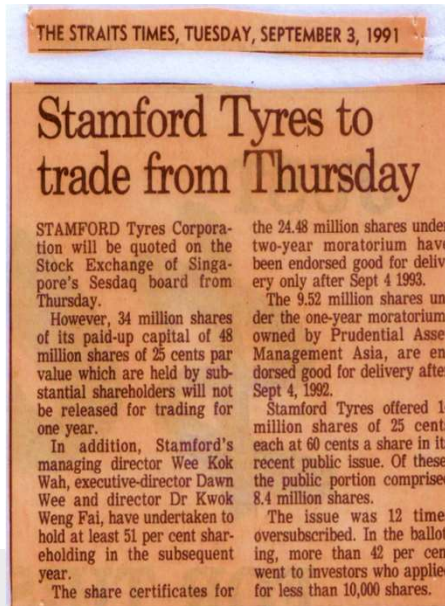
1976 – Obtained rights to distribute Continental Tyres

1976 – Obtained rights to distribute TOYO Tyres



Milestones

- 1990's – Evolved into a corporation. Listed on Second Board of SGX in 1991
- 1991 – Build and expanded Stamford Tyres Malaysia
- 1993 – Established Stamford Tyres South Africa
- 2002 – Established Stamford Tyres Indonesia
 - Launched proprietary made-in-Japan Firenza high performance tyres
- 2003 – Stamford Tyres was upgraded to the Main Board of the Singapore Stock Exchange
- 2004 – Stamford Sport Wheels Company Limited (SSW) commenced operations in Sept
- 2014 – Opened the Stamford Tyres Commercial Centre in Jurong



Core Activities

Our Core Competency

Major Brands



Proprietary Brands



Strong financial resources
(incl. financial personnel
to support a sustainable
distribution model)

Distribution Centres



STAMFORD TYRES

89% of revenue
derived from
South East Asia

Value-Added Activities

- 8 Countries - Over 5,000 3rd Party Dealers
- 16 Stamford Retail Outlets
- 7 Truck Centres
- 7 Contract Workshops
- 10 Mobile Fleet Service
- 4 STARVANS 24-H Mobile Vans
- 7 Tyre Biz Shops
- 6 Care Zone Centres



STAMFORD TYRES

Business Operations

Business Model



Distribution

Manufacturing

Overseas Distribution Network (of Major Brands, namely Falken, Dunlop)

Retail Chain Network (for passenger car tyres & wheels, car workshops)

Truck Centres (which includes TTM, contract customers and mobile fleet services)

Off-the-Road "OTR" Tyre Centers (which includes Total Tyre Management ("TTM") services)

Proprietary Brand Tyres (passenger car radial, light truck, truck bus radial)

SSW Alloy Wheel (Manufacturing)

Retread of Truck and OTR Tyres



Central warehousing and distribution in 8 countries

16 Retail Outlets
4 STAR Vans
7 Tyre Biz Shops
6 Care Zone Centres

7 Truck Centers
7 Customer Workshops
10 Mobile Fleet Service Vehicles

In Timika, Balikpapan, Sulawesi and North Maluku Islands

Export to over 50 countries

Export to over 20 countries

In Malaysia, Singapore and Indonesia

Our International Presence (1/2)

Singapore



Malaysia



Indonesia



Timika



South Africa



Australia



Vietnam



Our International Presence (2/2)

Thailand (SSW)



Thailand (STD)



Our Joint Ventures

Tyre Pacific Hong Kong (50%)
Countries: HK, Macau, Cambodia, Laos



Tyre Pacific Vietnam (50%)
Country: Vietnam

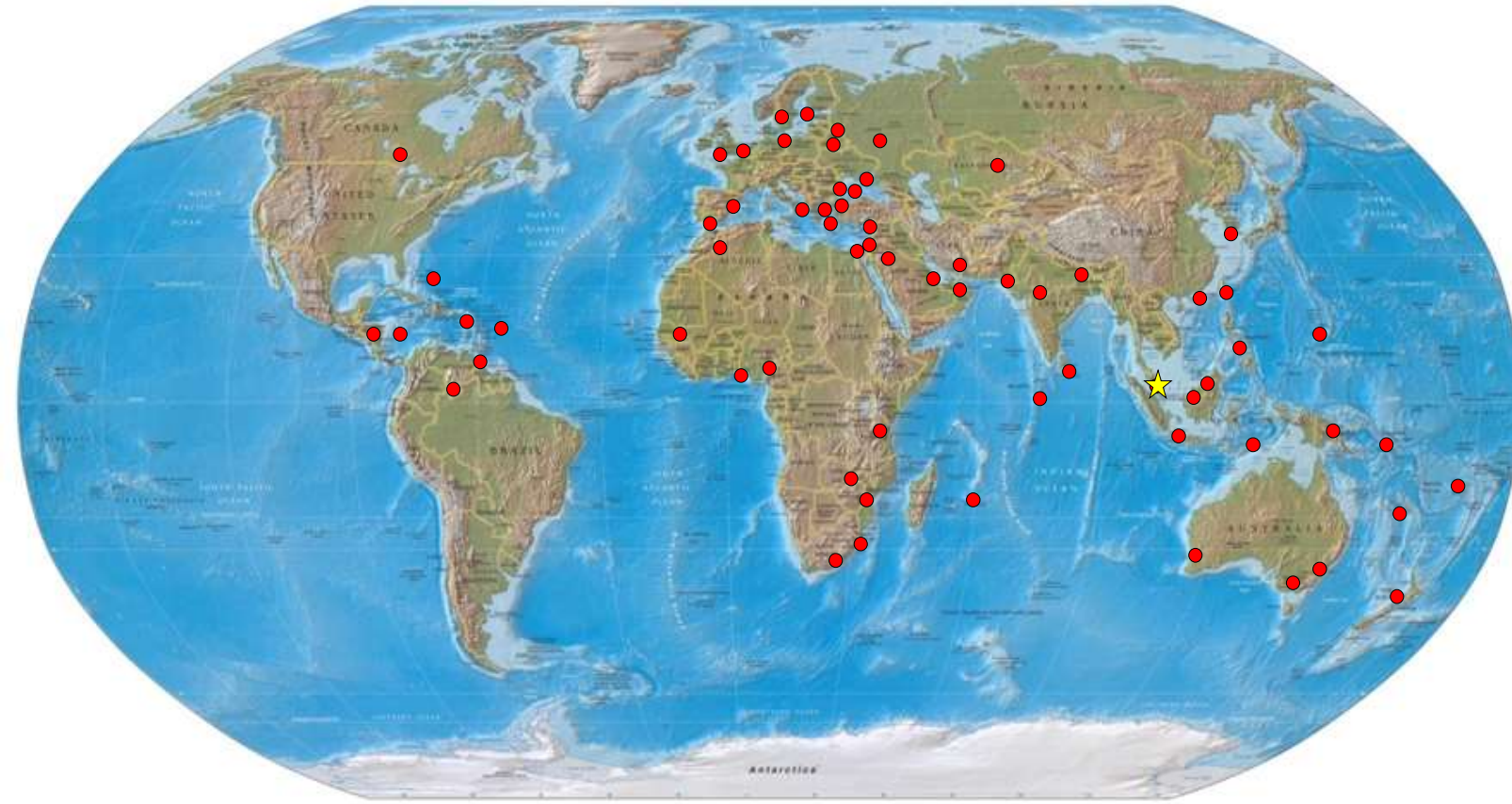


Falken Tyre India (40%)
Country: India



Export – International Proprietary Brand Coverage

Currently, the Stamford Tyres distribution network spans 8 countries worldwide mainly in South East Asia, Australia, India and Africa. Its export network spans more than 50 countries including Eastern Europe, Western Europe, Africa, Latin America and the Middle East.



Proprietary Brands



Stamford Tyres Regional Activities

Stamford Tyres Regional Activities

Malaysia

Malaysia



Glenmarie warehouse, 6,500sqm



Truck centre, Klang

- Network: 500 dealers nationwide.
- Warehouses: Glenmarie and centralized container warehousing in Kapar, Selangor.
- Value-added activities: Wholesaling and retailing of tyres and wheels, truck centres and tyre retreading.



Tyre retreading plant, Senawang



Malaysia Warehouse visit in Kapar, Selangor

Stamford Tyres Regional Activities

Thailand

Thailand



SSW wheels manufacturing factory, Nonthaburi

- Comprise of:
 - Stamford Tires Distributors Co Ltd
 - Stamford Sport Wheels Co Ltd (“SSW”).
- Network: 700 dealers nationwide.
- Provincial branches at Chiang Mai, Khonkaen and Hat Yai.



Honda Jazz GK & GE Drag Party event in Pathumthani province, Thailand



Sooksawad warehouse, 7,500sqm



Grand opening of Bquik at Bang Chan, Bangkok

Stamford Tyres Regional Activities

Indonesia

Indonesia



Mine site at PT Freeport, Irian Jaya

- Comprise of:
 - PT Stamford Tyres Distributors
 - PT Stamford Tyres Indonesia (Timika).
- Network and distribution points: Jakarta, Surabaya, Semarang, Medan, Balikpapan, Banjarmasin, Manado and Timika.
- Tyre technical centres in Central Sulawesi, Morowali and Halmahera.
- Value-added activities: Wholesaling, retail network, OTR** sales and aftersales services, retreading and repair and light vehicle services.



Tyre retreading plant, Timika



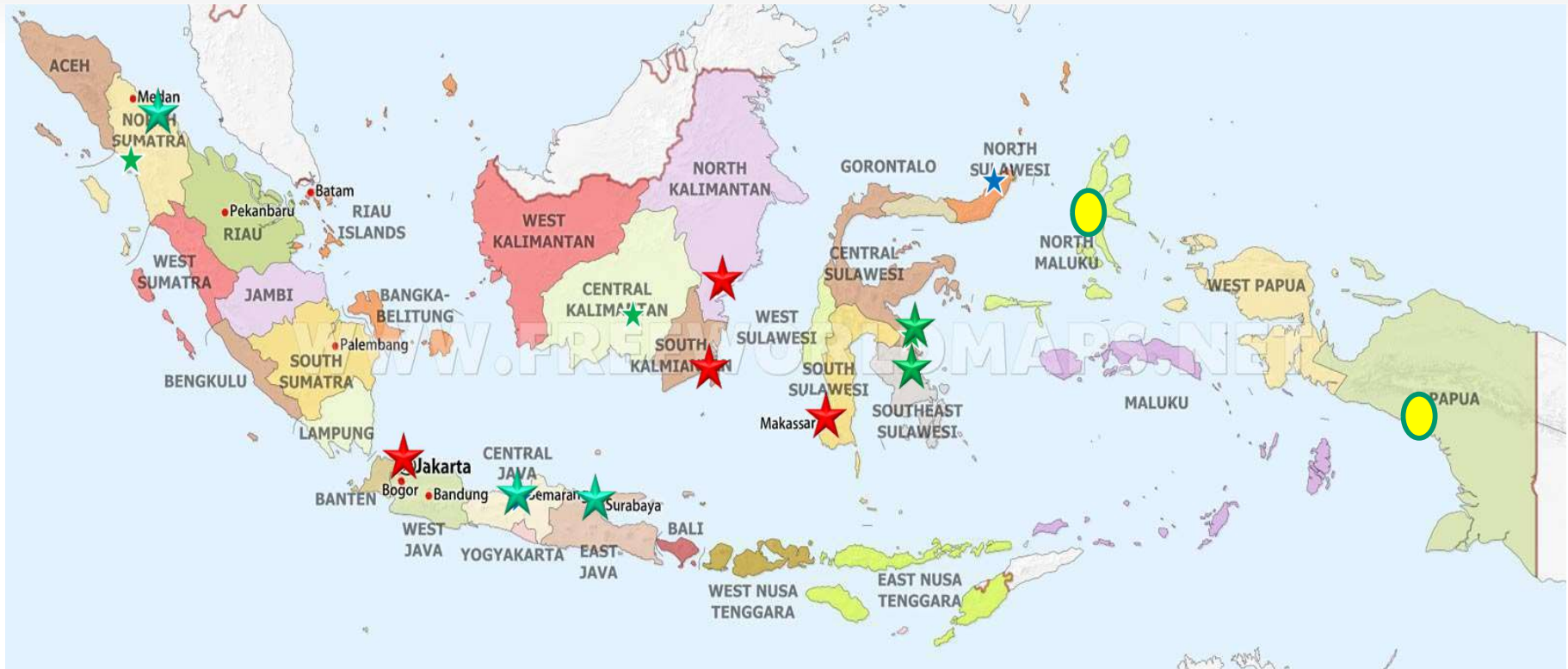
An earthmover tyre inspection on-site in Kalimantan, Indonesia



Earthmover tyre repair works at Timika, Indonesia

**OTR = Off-the-road tyres

STDI and STI Distribution Networks



- | | | | |
|--|--|--|---|
| ★ Main and Branch Warehouse | ★ Satellite Warehouse | ★ Consignment Warehouse | ● Main and Branch Warehouse |
| <ul style="list-style-type: none"> - STDI Jakarta - STDI Balikpapan - STDI Banjarmasin - STDI Makassar | <ul style="list-style-type: none"> - STDI Surabaya - STDI Semarang - STDI Medan | <ul style="list-style-type: none"> - STDI Morowali - STDI Konawe (3 custs) | <ul style="list-style-type: none"> - STI Timika - STI Halmahera |

Office and Distribution Warehouses



Balikpapan



Jakarta



Makassar (ready by 3Q 2023)

Stamford Tyres Regional Activities

Singapore

Singapore



Warehouse at 19 Lok Yang Way



Car servicing at Stamford Tyres Mart retail workshop

- Comprises:

- 14 Stamford Tyres Mart retail centres and workshops
- 3 Stamford Tyres truck centres
- 10 units of 24/7 Mobile Tyre Recovery Services
- 4 STARVANS 24-H mobile vans

- Value-added activities: Wholesaling, international distribution, retail of tyres, wheels and accessories, workshop services, tyre related services, commercial tyres services, retreading and 3PL services.

- Customers include: PSA, Go-Ahead, SBS, SMRT and Samwoh.



RTG Tyre inspection on site
At PSA Port, Singapore



Tyre retreading

Stamford Tyres Regional Activities

South Africa

South Africa



Durban warehouse, 3,157 sqm



Container warehouse in Johannesburg, South Africa

- Network: 850 dealers nationwide.
- Warehouses: Cape Town, Durban and Johannesburg.
- Value-added activities: Wholesaling of passenger car tyres as well as commercial truck and earthmover tyres.



Roadshow and brand building event



Delivery vehicles

Stamford Tyres Regional Activities

Vietnam/ HK

Other markets

- Comprise of:
 - Vietnam
 - Hong Kong



FK520L launch dinner event in Ho Chi Minh, Vietnam, for our esteemed Falken tyre dealers in July 2023



Tyre Pacific (HK) Limited and Dunlop Tires join hands to celebrate a remarkable 30- year partnership, joyously commemorating this milestone in HK in Dec 2022

CONTENTS

- **Financial Highlights – FY2023**
- **Group Strategy and Outlook in FY2024**

Financial Highlights – FY2023

Key Financial Indicators (Comparative)

	FY23	FY22
	S\$'000	S\$'000
Revenue	188,349	190,328
Gross profit	50,353	52,074
GP %	27%	27%
Operating costs	(51,375)	(51,583)
Share of results of JVs	1,409	2,042
Profit before tax	5,898	7,131
Net profit after MI	4,151	3,886
EPS (cents)	1.75	1.64
NAV (cents)	47.53	49.01

Financial Ratios


No	Ratio	FY23	FY22
1	Inventory turnover	226 days	250 days
2	Receivables turnover	60 days	69 days
3	Payables** turnover	133 days	169 days
4	Cash conversion cycle	153 days	150 days
5	Current ratio	1.61	1.51
6	Quick ratio	0.72	0.69
7	Net gearing	0.31	0.52

****Note : Payables consist of trade payables and trust receipts borrowings.**

Cash Flows

		FY23 S\$'000	FY22 S\$'000
Net cash flows from/ (used in) operating activities	[A]	18,510	(1,504)
<i>Decrease/ (increase) in inventories</i>		9,502	(13,435)
<i>Decrease in receivables</i>		5,082	5,043
Net cash flows from/ (used in) investing activities	[B]	962	(5,293)
<i>Additions of property, plant and equipment (PPE)</i>		(1,626)	(7,272)
<i>Dividend income from joint venture company</i>		2,444	1,906
<i>Proceeds from disposal of PPE</i>		144	73
Net cash flows (used in)/ from financing activities	[C]	(23,211)	1,485
<i>Net (repayment of)/ proceeds from trust receipts</i>		(11,982)	9,816
<i>Repayment of long term loans</i>		(6,659)	(6,592)
<i>Proceeds from long-term loans</i>		-	840
<i>Dividends paid to shareholders</i>		(3,561)	(2,967)
Net cash decrease during the year	[D]=[A]+[B]+[C]	(3,739)	(5,312)
Cash and cash equivalents at beginning of the year	[E]	35,836	41,834
Effect of exchange differences	[F]	(1,803)	(686)
Cash and cash equivalents at end of the year	[D]+[E]+[F]	30,294	35,836

Dividends History



	FY19 S\$'000	FY20 S\$'000	FY21 S\$'000	FY22 S\$'000	FY23 S\$'000
Profit/(loss) after tax	474	(4,013)	2,484	3,886	4,151
Dividend	2,362	1,184	2,967	3,561	3,561
Payout ratio	498%	-	119%	92%	86%
Dividend per share (cents)	1.0	0.5	1.25	1.50	1.50
Share price (30 Apr) (S\$)	0.27	0.27	0.21	0.18	0.19
Dividend yield (%)	3.7%	1.9%	6.0%	8.4%	8.1%
EPS (cents)	0.20	(1.70)	1.05	1.64	1.75

Group Strategy And Outlook

Group Strategy And Outlook

Drive topline growth via brands and products diversification (South East Asia)

- Deliver timely response to market needs and trends.
- Defend GP margin above 20%.
- Expand our sales and retailer network for tyres and wheels.
- Continue to focus on value-adding segments such as mining-related services, Stamford Tyres Mart retail chain and truck commercial centres.
- Continue to work closely with our Principals to improve communication, profitability and product mix.

Contain operating costs and rationalise current assets

“Thank You!”



From the Management Team