



**MEDIA RELEASE  
FOR IMMEDIATE RELEASE**

## **STAMFORD TYRES' REPORTS HALF YEAR NET PROFIT OF \$0.7 MILLION**

**SINGAPORE, 10 December 2021** – Mainboard-listed Stamford Tyres Corporation Limited (“Stamford Tyres”)(STC:SP) today announced a net profit of \$0.7 million for 1HFY22 compared to \$1.8 million for 1HFY21.

Gross profit margin increased from 23.1 per cent in 1HFY21 to 27.6 per cent in 1HFY22, mainly attributable to higher margins from both distribution and wheel manufacturing segments.

The Group recorded revenue of \$88.0 million which was 8.0 per cent lower than 1HFY21 at \$95.7 million primarily due to lower sales in South East Asia markets.

Total operating expenses increased by 11.5 per cent to \$25.2 million in 1HFY22 compared to \$22.6 million in 1HFY21. The increase was mainly due to higher labour cost, particularly for tyre fitters, and higher allowance for doubtful receivables arising from the continued assessment of the Covid-19 related impact on foreseeable credit losses in accordance with SFRS(I)9 and additional provision for inventory obsolescence.

Due to the Covid-19 pandemic, the Group received government support through wage-related subsidies for some of its subsidiaries during last year. The Group had recognised S\$1.3 million of government grant income within the “salaries and employees benefits” line item on the income statement in 1HFY21.

As at 31 October 2021, the Group’s cash and cash equivalents stood at S\$27.0 million compared to S\$41.8 million as at 30 April 2021.

On a diluted basis, the Group’s earnings per ordinary share was 0.29 cents for 1HFY22 compared to 0.74 cents for 1HFY21. As at 31 October 2021, the Group’s net asset value per ordinary share stood at 47.91 cents, compared to 49.26 cents as at 30 April 2021.

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 the Covid-19 pandemic and intense market competition, the Group has deployed resources and implemented strategies to diversify its product offerings to adapt to the ongoing market changes. We have also taken more steps to right-size our operations during the year. 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”.

- End -

### **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 90 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.

For more information, please contact:-

Chan Wei Sze / Siti Suriana

Tel: 62632228 / 62632232

Email: [weisze@stamfordtyres.com](mailto:weisze@stamfordtyres.com) / [siti@stamfordtyres.com](mailto:siti@stamfordtyres.com)