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## **STAMFORD TYRES REPORTS HALF YEAR NET PROFIT OF \$1.6 MILLION**

**SINGAPORE, 14 December 2023** – Mainboard-listed Stamford Tyres Corporation Limited (“Stamford Tyres”)(STC:SP) today announced a net profit of \$1.6 million for 1HFY24 compared to \$2.1 million for 1HFY23.

Gross profit margin was lower at 25.6 per cent in 1HFY24 compared to 26.3 per cent in 1HFY23, mainly due to higher cost of tyres and wheel production.

The Group recorded revenue of \$95.6 million which was 1.4 per cent lower than S\$97.0 million in 1HFY23, mainly due to lower sales in the South East Asia and export markets.

Total operating expenses decreased by 4.1 per cent to \$25.1 million in 1HFY24 compared to \$26.1 million in 1HFY23. The decrease was mainly due to lower staff cost, foreign exchange costs as well as net write-back of provision for inventory obsolescence from the sale of slow moving stocks previously provided for; offset against higher finance cost, utilities, repair and maintenance cost and marketing and distribution cost.

As at 31 October 2023, the Group’s cash and cash equivalents stood at S\$34.8 million compared to S\$30.3 million as at 30 April 2023. 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\$72.4mil as at 31 October 2023 compared to S\$77.1 million as at 30 April 2023. The decrease in borrowings was mainly due to net repayment of term loans during the period.

On a diluted basis, the Group’s earnings per ordinary share was 0.68 cents for 1HFY24 compared to 0.90 cents for 1HFY23. As at 31 October 2023, the Group’s net asset value per ordinary share stood at 45.85 cents, compared to 47.53 cents as at 30 April 2023.

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 macroeconomic 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, 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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