Securities Investors Association (Singapore)
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UEN No: S99SS0111B
GST Reg No: M90367530Y0Y

Issuer: Stamford Tyres Corporation Limited

Stock code: S29

Meeting details:
Date: 25 August 2025
Time: 3.00 p.m.
Venue: 19 Lok Yang Way, Singapore 628635

Q1. Would the board/management provide shareholders greater clarity on the following operational and financial matters? Specifically:

(i) **Gross profit margin:** Management attributed the decline in gross profit margin from 26.3% in FY2024 to 24.4% in FY2025 to higher cost of tyres. **Could management elaborate on its pricing strategy and the specific measures being taken to restore and enhance margins, including how cost pressures are being mitigated? Have selling prices been revised up due to higher input costs?**

(ii) **Competitive landscape:** Management also noted that many consumers have shifted towards more affordable options from Chinese tyre manufacturers. **How is the company positioning itself in this evolving competitive landscape? What strategic levers, such as product differentiation, distribution partnerships, brand positioning, or after-sales services, are being prioritised to sustain pricing power and defend market share in a price-sensitive market?**

(iii) **Kapar integrated facility: What is the planned investment amount for the integrated Kapar facility? What new markets, customer segments, or service capabilities will this facility enable?**

(iv) **Makassar retread plant: What is the projected market size and growth trajectory for the Makassar retread plant once operational?**

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Q2. Despite reporting a profit, the group recorded a net cash outflow from operating activities of $(6.5) million in 2025 (2024: $19.9 million inflow). The largest uses of cash in working capital were inventories, which rose by $12.6 million, and trade receivables, which increased by $2.9 million.

CONSOLIDATED STATEMENT OF CASH FLOW

For the financial year ended 30 April 2025
(In Singapore Dollar)

	Note	2025 $'000	2024 $'000
Cash flows from operating activities:			
Profit before taxation		1,939	7,825
Adjustments for:			
Depreciation of property, plant and equipment	12	5,004	4,854
Depreciation of right-of-use assets	13	2,039	1,819
Gain on disposal of property, plant and equipment	9	(706)	(1,945)
Property, plant and equipment written off	9	311	2
Fair value (gain)/loss on derivatives	9	(185)	345
Bad debts (recovered)/written off	18	(111)	1
Unrealised foreign exchange adjustment		1,706	(2,890)
Interest income	5	(533)	(528)
Provision for/(write-back of) product warranties	27	110	(77)
Interest expense	8	4,899	4,827
Share of results of joint ventures	15	(933)	(831)
Operating cash flows before changes in working capital		13,540	13,402
(Increase)/decrease in inventories		(12,623)	16,736
Increase in receivables		(2,891)	(2,006)
Increase/(decrease) in payables		1,731	(2,076)
Cash flows (used in)/generated from operations		(243)	26,056
Interest received	5	533	528
Interest paid	8	(4,899)	(4,827)
Income tax paid		(1,926)	(1,886)
Net cash flows (used in)/generated from operating activities		(6,535)	19,871

(Source: company annual report; emphasis added)

(i) **Inventories:** Inventories rose from $68.5 million to $81.2 million (Note 17 Inventories; page 101). **How much of this increase is due to higher volumes of tyres held versus higher unit costs? What is the current average age of inventory? How is the company using data analytics or supplier collaboration to align inventory with demand volatility?**

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In addition, the credit risk exposure on trade receivables is shown in the provision matrix below.

	Current $'000	Less than 30 days past due $'000	Less than 60 days past due $'000	More than 60 days past due $'000	Total $'000
2025					
Gross carrying amount	21,708	6,255	2,733	7,782	38,478
Loss allowance provision	(106)	(90)	(73)	(4,494)	(4,763)
2024					
Gross carrying amount	18,999	6,228	2,400	7,121	34,748
Loss allowance provision	(26)	(14)	(12)	(4,299)	(4,351)
2023					
Gross carrying amount	26,047	4,367	1,453	5,569	37,436
Loss allowance provision	(1,849)	(603)	(279)	(3,820)	(6,551)
2022					
Gross carrying amount	27,628	5,564	2,143	12,973	48,308
Loss allowance provision	(210)	(159)	(7)	(11,729)	(12,105)

(Compiled from company annual reports)

(ii) **Could management provide further clarification on the long-outstanding trade receivables that are significantly past due? Specifically, what are the profiles of the debtors with material trade receivables past due? Can management also provide more detailed aging analysis of the trade receivables past due, categorised into relevant time buckets (e.g., 60-180 days, 180-365 days, 1-2 years, 2-3 years, and beyond 3 years)? Are there any trade receivables that are past due by more than three years, and if so, what are the collection efforts by management?**

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Q3. Mr Christopher Tan Bian Thye was appointed to the board on 1 December 2024. The director will be retiring at the coming annual general meeting on 29 August 2025 pursuant to regulation 115 of the company's constitution and will be seeking his re-election.

Below is a snapshot of the director's announcement of appointment::

The Board's comments on this appointment (including rationale, selection criteria, board diversity considerations, and the search and nomination process)

Having reviewed and considered his qualifications, credentials and knowledge of the transport industry, the Board of Directors, on the recommendation of the Nominating Committee, has approved the appointment of Mr Christopher Tan Bian Thye ("Mr Tan") as a director of the Company. The Board is of the view that Mr Tan will contribute to the core competencies of the Board as well as provide a different perspective on Board discussions. His appointment will also enhance the independent element of the Board.

(Source: https://links.sgx.com/1.0.0/corporate-announcements/RAIL0N0W6WU8BUB0/401d2fc5311737f02b5340287504f53b86cd24ee1265ed0361ea2cfa84770db9)

(i) **Can the board provide greater clarity on the rationale, selection criteria and the search and nomination process that led to the appointment of the new independent director, as required under the SGX appointment announcement template?**

(ii) **Has the nominating committee reviewed the current competency matrix of the board and identified any gaps in skills or competencies that need to be addressed in future director appointments?**

(iii) **How has the board evaluated its collective ability to provide effective oversight of the company's sustainability objectives, transition planning and ESG-related disclosures, and what targeted enhancements in expertise or training are being considered to strengthen this capability?**

Shareholders are welcome to use and/or adapt the questions prepared by SIAS and to forward them to the company.

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