



# SHENG SIONG GROUP LTD.

Business Update for the Third Quarter ended 30 September 2026

## A. Interim Consolidated Statement of Profit or Loss and Other Comprehensive Income

|                                                                     | The Group      |                |             | The Group      |                |              |
|---------------------------------------------------------------------|----------------|----------------|-------------|----------------|----------------|--------------|
|                                                                     | 3 months ended |                |             | 9 months ended |                |              |
|                                                                     | 30 Sep<br>2026 | 30 Sep<br>2025 | Change      | 30 Sep<br>2026 | 30 Sep<br>2025 | Change       |
|                                                                     | S\$'000        | S\$'000        | +/- (-)     | S\$'000        | S\$'000        | +/- (-)      |
| Revenue                                                             | 441,457        | 415,508        | 6.2%        | 1,296,836      | 1,180,187      | 9.9%         |
| Cost of sales                                                       | (299,123)      | (284,448)      | 5.2%        | (882,113)      | (813,548)      | 8.4%         |
| Gross profit                                                        | 142,334        | 131,060        | 8.6%        | 414,723        | 366,639        | 13.1%        |
| Other income                                                        | 6,199          | 5,869          | 5.6%        | 14,960         | 13,709         | 9.1%         |
| Selling and distribution expenses                                   | (77,202)       | (69,316)       | 11.4%       | (226,870)      | (198,625)      | 14.2%        |
| Administrative expenses                                             | (17,951)       | (16,010)       | 12.1%       | (51,392)       | (45,356)       | 13.3%        |
| <b>Results from operating activities</b>                            | <b>53,380</b>  | <b>51,603</b>  | <b>3.4%</b> | <b>151,421</b> | <b>136,367</b> | <b>11.0%</b> |
| Finance income                                                      | 1,551          | 1,987          | (21.9%)     | 4,618          | 7,510          | (38.5%)      |
| Finance expenses                                                    | (1,392)        | (1,293)        | 7.7%        | (4,369)        | (4,051)        | 7.8%         |
| <b>Profit before tax</b>                                            | <b>53,539</b>  | <b>52,297</b>  | <b>2.4%</b> | <b>151,670</b> | <b>139,826</b> | <b>8.5%</b>  |
| Tax expense                                                         | (8,964)        | (8,526)        | 5.1%        | (26,131)       | (23,708)       | 10.2%        |
| <b>Profit for the period</b>                                        | <b>44,575</b>  | <b>43,771</b>  | <b>1.8%</b> | <b>125,539</b> | <b>116,118</b> | <b>8.1%</b>  |
| <b>Other comprehensive income</b>                                   |                |                |             |                |                |              |
| Item that is or may be reclassified subsequently to profit or loss: |                |                |             |                |                |              |
| Foreign currency translation differences – foreign operations       | (11)           | 101            | n.m         | 293            | (307)          | n.m          |
| <b>Total comprehensive income for the period</b>                    | <b>44,564</b>  | <b>43,872</b>  | <b>1.6%</b> | <b>125,832</b> | <b>115,811</b> | <b>8.7%</b>  |

n.m denotes not meaningful.



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|                                                    | The Group      |                |             | The Group      |                |             |
|----------------------------------------------------|----------------|----------------|-------------|----------------|----------------|-------------|
|                                                    | 3 months ended |                |             | 9 months ended |                |             |
|                                                    | 30 Sep<br>2026 | 30 Sep<br>2025 | Change      | 30 Sep<br>2026 | 30 Sep<br>2025 | Change      |
|                                                    | S\$'000        | S\$'000        | +/- (-)     | S\$'000        | S\$'000        | +/- (-)     |
| <b>Profit attributable to:</b>                     |                |                |             |                |                |             |
| Owners of the Company                              | 44,570         | 43,749         | 1.9%        | 125,399        | 116,096        | 8.0%        |
| Non-controlling interest                           | 5              | 22             | (77.3%)     | 140            | 22             | n.m         |
| <b>Profit for the period</b>                       | <b>44,575</b>  | <b>43,771</b>  | <b>1.8%</b> | <b>125,539</b> | <b>116,118</b> | <b>8.1%</b> |
| <b>Total comprehensive income attributable to:</b> |                |                |             |                |                |             |
| Owners of the Company                              | 44,564         | 43,810         | 1.7%        | 125,575        | 115,912        | 8.3%        |
| Non-controlling interest                           | -              | 62             | (100%)      | 257            | (101)          | n.m         |
| <b>Total comprehensive income for the period</b>   | <b>44,564</b>  | <b>43,872</b>  | <b>1.6%</b> | <b>125,832</b> | <b>115,811</b> | <b>8.7%</b> |
| <b>Earnings per share</b>                          |                |                |             |                |                |             |
| Basic and diluted (cents)                          | 2.96           | 2.91           | 1.7%        | 8.34           | 7.72           | 8.0%        |

n.m denotes not meaningful.



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Business Update for the Third Quarter ended 30 September 2026

## B. Interim Statements of Financial Position

|                                                     | The Group        |                  | The Company    |                |
|-----------------------------------------------------|------------------|------------------|----------------|----------------|
|                                                     | 30 Sep<br>2026   | 31 Dec<br>2025   | 30 Sep<br>2026 | 31 Dec<br>2025 |
|                                                     | S\$'000          | S\$'000          | S\$'000        | S\$'000        |
| <b>Assets</b>                                       |                  |                  |                |                |
| Property, plant and equipment                       | 313,979          | 307,945          | -              | -              |
| Right-of-use assets                                 | 159,365          | 175,852          | -              | -              |
| Investment in subsidiaries                          | -                | -                | 82,361         | 82,361         |
| Investment property                                 | 30,000           | 30,000           | -              | -              |
| Deferred tax asset                                  | 462              | 236              | -              | -              |
| <b>Non-current assets</b>                           | <b>503,806</b>   | <b>514,033</b>   | <b>82,361</b>  | <b>82,361</b>  |
| Inventories                                         | 102,014          | 100,525          | -              | -              |
| Trade and other receivables                         | 19,155           | 21,648           | 154,082        | 211,539        |
| Cash and cash equivalents                           | 388,864          | 435,501          | 574            | 390            |
| <b>Current assets</b>                               | <b>510,033</b>   | <b>557,674</b>   | <b>154,656</b> | <b>211,929</b> |
| <b>Total assets</b>                                 | <b>1,013,839</b> | <b>1,071,707</b> | <b>237,017</b> | <b>294,290</b> |
| <b>Equity</b>                                       |                  |                  |                |                |
| Share capital                                       | 235,373          | 235,373          | 235,373        | 235,373        |
| Merger reserve                                      | (68,234)         | (68,234)         | -              | -              |
| Foreign currency translation reserve                | (332)            | (508)            | -              | -              |
| Statutory reserve                                   | 195              | 195              | -              | -              |
| Accumulated profits                                 | 433,078          | 421,196          | 1,316          | 58,480         |
| <b>Equity attributable to owners of the Company</b> | <b>600,080</b>   | <b>588,022</b>   | <b>236,689</b> | <b>293,853</b> |
| Non-controlling interest                            | 3,335            | 3,078            | -              | -              |
| <b>Total equity</b>                                 | <b>603,415</b>   | <b>591,100</b>   | <b>236,689</b> | <b>293,853</b> |
| <b>Liabilities</b>                                  |                  |                  |                |                |
| Lease liabilities                                   | 112,181          | 128,079          | -              | -              |
| Provision for reinstatement costs                   | 9,869            | 9,014            | -              | -              |
| Deferred tax liabilities                            | 146              | 252              | -              | -              |
| <b>Non-current liabilities</b>                      | <b>122,196</b>   | <b>137,345</b>   | <b>-</b>       | <b>-</b>       |
| Trade and other payables                            | 207,417          | 263,782          | 321            | 432            |
| Current tax liabilities                             | 31,534           | 32,395           | 7              | 5              |
| Lease liabilities                                   | 48,579           | 46,368           | -              | -              |
| Provision for reinstatement costs                   | 698              | 717              | -              | -              |
| <b>Current liabilities</b>                          | <b>288,228</b>   | <b>343,262</b>   | <b>328</b>     | <b>437</b>     |
| <b>Total liabilities</b>                            | <b>410,424</b>   | <b>480,607</b>   | <b>328</b>     | <b>437</b>     |
| <b>Total equity and liabilities</b>                 | <b>1,013,839</b> | <b>1,071,707</b> | <b>237,017</b> | <b>294,290</b> |



# SHENG SIONG GROUP LTD.

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## C. Interim Consolidated Statement of Cash Flows

|                                                                        | The Group      |                | The Group      |                |
|------------------------------------------------------------------------|----------------|----------------|----------------|----------------|
|                                                                        | 3 months ended |                | 9 months ended |                |
|                                                                        | 30 Sep         | 30 Sep         | 30 Sep         | 30 Sep         |
|                                                                        | 2026           | 2025           | 2026           | 2025           |
|                                                                        | S\$'000        | S\$'000        | S\$'000        | S\$'000        |
| <b>Cash flows from operating activities</b>                            |                |                |                |                |
| Profit for the period                                                  | 44,575         | 43,771         | 125,539        | 116,118        |
| Adjustments for:                                                       |                |                |                |                |
| Depreciation of:                                                       |                |                |                |                |
| – property, plant and equipment                                        | 4,675          | 4,180          | 13,596         | 12,735         |
| – right-of-use assets                                                  | 13,627         | 11,429         | 38,690         | 33,156         |
| Loss/(gain) on disposal of property, plant and equipment               | 5              | 10             | 5              | (27)           |
| Gain on lease modification                                             | -              | (2,201)        | (13)           | (2,209)        |
| Gain on reversal of provision for reinstatement costs                  | -              | -              | (80)           | -              |
| Unrealised exchange gain                                               | (82)           | (432)          | (24)           | (20)           |
| Interest income                                                        | (1,551)        | (1,987)        | (4,618)        | (7,510)        |
| Interest expense                                                       | 1,392          | 1,293          | 4,369          | 4,051          |
| Tax expense                                                            | 8,964          | 8,526          | 26,131         | 23,708         |
|                                                                        | 71,605         | 64,589         | 203,595        | 180,002        |
| Changes in:                                                            |                |                |                |                |
| – inventories                                                          | (5,870)        | 169            | (1,489)        | 12,127         |
| – trade and other receivables                                          | (982)          | 2,530          | 2,493          | 1,243          |
| – trade and other payables                                             | 11,994         | 33,235         | (56,365)       | 9,958          |
| – provision for reinstatement costs                                    | -              | -              | (103)          | -              |
| <b>Cash generated from operations</b>                                  | 76,747         | 100,523        | 148,131        | 203,330        |
| Taxes paid                                                             | (10,766)       | (11,522)       | (27,324)       | (27,941)       |
| <b>Net cash flows from operating activities</b>                        | 65,981         | 89,001         | 120,807        | 175,389        |
| <b>Cash flows from investing activities</b>                            |                |                |                |                |
| Proceeds from disposal of property, plant and equipment                | 47             | 27             | 88             | 105            |
| Purchase of property, plant and equipment                              | (11,130)       | (5,496)        | (19,508)       | (13,023)       |
| Interest received                                                      | 1,551          | 1,987          | 4,618          | 7,510          |
| <b>Net cash flows used in investing activities</b>                     | (9,532)        | (3,482)        | (14,802)       | (5,408)        |
| <b>Cash flows from financing activities</b>                            |                |                |                |                |
| Dividends paid                                                         | (56,383)       | (48,113)       | (113,517)      | (96,226)       |
| Payment of lease liabilities                                           | (12,239)       | (10,142)       | (35,030)       | (29,521)       |
| Interest paid on lease liabilities                                     | (1,363)        | (1,258)        | (4,273)        | (3,804)        |
| <b>Net cash flows used in financing activities</b>                     | (69,985)       | (59,513)       | (152,820)      | (129,551)      |
| <b>Net (decrease)/increase in cash and cash equivalents</b>            | (13,536)       | 26,006         | (46,815)       | 40,430         |
| Cash and cash equivalents at beginning of the period                   | 402,325        | 367,202        | 435,501        | 353,363        |
| Effect of exchange rate changes on balances held in foreign currencies | 75             | 464            | 178            | (121)          |
| <b>Cash and cash equivalents at end of the period</b>                  | <b>388,864</b> | <b>393,672</b> | <b>388,864</b> | <b>393,672</b> |



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## D. Notes to the Consolidated Financial Statements

### 1. Significant items

|                                                                     | Note | The Group      |                | The Group      |                |
|---------------------------------------------------------------------|------|----------------|----------------|----------------|----------------|
|                                                                     |      | 3 months ended |                | 9 months ended |                |
|                                                                     |      | 30 Sep<br>2026 | 30 Sep<br>2025 | 30 Sep<br>2026 | 30 Sep<br>2025 |
|                                                                     |      | S\$'000        | S\$'000        | S\$'000        | S\$'000        |
| Depreciation of property, plant and equipment                       |      | (4,675)        | (4,180)        | (13,596)       | (12,735)       |
| Depreciation of right-of-use assets                                 | (a)  | (13,627)       | (11,429)       | (38,690)       | (33,156)       |
| (Loss)/gain on disposal of property, plant and equipment            |      | (5)            | (10)           | (5)            | 27             |
| Staff costs                                                         | (b)  | (71,608)       | (65,496)       | (213,880)      | (186,971)      |
| Contribution to defined contribution plans, included in staff costs |      | (5,378)        | (4,701)        | (16,072)       | (13,459)       |
| Interest income                                                     | (c)  | 1,551          | 1,987          | 4,618          | 7,510          |
| Interest expense                                                    | (d)  | (1,392)        | (1,293)        | (4,369)        | (4,051)        |
| Finance income, net                                                 |      | 159            | 694            | 249            | 3,459          |
| <b>Other income:</b>                                                |      |                |                |                |                |
| Operating lease income                                              | (e)  | 1,353          | 1,270          | 3,943          | 3,844          |
| Sale of scrap materials                                             |      | 574            | 574            | 1,621          | 1,653          |
| Government grants                                                   | (f)  | 459            | 635            | 3,828          | 3,151          |
| Gain on lease modification                                          | (g)  | -              | 2,201          | 13             | 2,209          |
| Exchange gain                                                       |      | 25             | 489            | 32             | 307            |
| Miscellaneous income                                                | (h)  | 3,788          | 700            | 5,523          | 2,545          |
|                                                                     |      | 6,199          | 5,869          | 14,960         | 13,709         |

### Notes

- (a) Depreciation of right-of-use assets increased due to new leases entered during 9M FY2026 and FY2025.
- (b) Staff costs increased mainly due to higher headcount from more stores and higher variable bonuses driven by better financial performance. The Group also raised retail workers' salaries in September 2025 to meet the Progressive Wage Model ("PWM") requirements for retail sector employees.
- (c) Lower interest income resulted from a lower fixed-deposit interest rate during 9M FY2026.
- (d) Interest expense pertained to interest on lease liabilities and unwinding of discount on provision for reinstatement costs
- (e) Operating lease income derived from retail space rented out during 9M FY2026.
- (f) Government grant increased due to higher amount of grants received from the enhanced Progressive Wage Credit Scheme ("PWCS") during 9M FY2026.
- (g) The variance was mainly due to a S\$2,196,000 gain recognised in 3Q FY2025 from a lease modification. In September 2025, the Group accepted an offer from JTC Corporation ("JTC") to lease the land at Sungei Kadut Street 1 ("Sungei Kadut Property"). As part of the condition, the Group must sell or assign the land at 6 Mandai Link ("Mandai Link Property") to a JTC-approved buyer within two years from the date of the temporary occupation permit of the Sungei Kadut Property or by 17 December 2031, whichever is earlier. The original Mandai Link Property lease has an original lease term up to 2039 and a renewal option for



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another 30 years up to 2069. With the contractual lease term shortened, the company recorded the lease modification.

- (h) Miscellaneous income grew from S\$2.5 million to S\$5.5 million in 9M FY2026. This was mainly due to a one-off recognition of rebates received from suppliers.

### 2. Earnings per share

Basic earnings per share is computed by dividing the profit attributable to ordinary shareholders by the weighted average number of ordinary shares in issue during the period.

|                                                                 | <b>The Group</b>      |                    | <b>The Group</b>      |                    |
|-----------------------------------------------------------------|-----------------------|--------------------|-----------------------|--------------------|
|                                                                 | <b>3 months ended</b> |                    | <b>9 months ended</b> |                    |
|                                                                 | <b>30 Sep 2026</b>    | <b>30 Sep 2025</b> | <b>30 Sep 2026</b>    | <b>30 Sep 2025</b> |
| Basic earnings per share (Singapore cents)                      | 2.96                  | 2.91               | 8.34                  | 7.72               |
| Total number of shares in issue at the end of the period ('000) | 1,503,537             | 1,503,537          | 1,503,537             | 1,503,537          |
| Weighted average number of shares during the period ('000)      | 1,503,537             | 1,503,537          | 1,503,537             | 1,503,537          |

No potential dilutive shares were reported during the period.

### 3. Net asset value

|                                                      | <b>The Group</b>         |                          | <b>The Company</b>       |                          |
|------------------------------------------------------|--------------------------|--------------------------|--------------------------|--------------------------|
|                                                      | <b>As at 30 Sep 2026</b> | <b>As at 31 Dec 2025</b> | <b>As at 30 Sep 2026</b> | <b>As at 31 Dec 2025</b> |
| Net asset value per ordinary share (Singapore cents) | 39.91                    | 39.11                    | 15.74                    | 19.54                    |
| Number of shares as at end of period/year ('000)     | 1,503,537                | 1,503,537                | 1,503,537                | 1,503,537                |



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## E. Performance Review of the Group

### Consolidated Statement of Profit or Loss and Other Comprehensive Income

#### Revenue

For the third quarter ended 30 September 2026, revenue increased by 6.2% year-on-year to S\$441.5 million on the back of new stores opening and improvements in comparable same store sales. Revenue growth moderated in 3Q FY2026 against a high base in 3Q FY2025, when sales were lifted by the distribution of SG60 vouchers in July 2025.

For the nine-month period, revenue increased by S\$116.6 million or 9.9% to S\$1.3 billion this period.

|                                       | Number of stores |             | Breakdown of Revenue Growth % |                        |
|---------------------------------------|------------------|-------------|-------------------------------|------------------------|
|                                       | 30 Sep 2026      | 30 Sep 2025 | 3Q FY2026 vs 3Q FY2025        | 9M FY2026 vs 9M FY2025 |
| New stores and Comparable new stores* | 19               | 9           | 9.1%                          | 9.5%                   |
| Comparable same stores #              | 73               | 73          | (0.5%)                        | 1.9%                   |
| Stores closed ##                      | (2)              | 2           | (2.1%)                        | (1.2%)                 |
| China                                 | 6                | 6           | (0.2%)                        | (0.3%)                 |
| Total                                 | 98               | 90          | 6.2%                          | 9.9%                   |

\* This consists of 7 new stores that opened in 9M FY2026 and 12 comparable new stores that opened in FY2025. In 9M FY2025, 9 stores were opened and classified as comparable new stores.

# 6 stores that opened in FY2024 were classified as new stores a year ago and have been reclassified to comparable same stores.

## 2 stores located at Elias Mall and Thomson Imperial Court were closed during the period.

|                        | 30 Sep 2026                | 30 Sep 2025                |
|------------------------|----------------------------|----------------------------|
| Number of stores       | 92 (Singapore) + 6 (China) | 84 (Singapore) + 6 (China) |
| Retail area (sq ft) ** | 799,775                    | 723,648                    |
| Revenue for the period | S\$1.3 billion             | S\$1.2 billion             |

\*\* Retail area of Singapore stores only.

#### Gross Profit and Gross Profit Margin

Gross profit margin recorded 32.2% for 3Q FY2026 as compared to 31.5% for 3Q FY2025. The gross profit margin for 9M FY2026 increased to 32.0% as compared to 31.1% a year ago which is primarily attributable to continual improvements in the sales mix but also to address the rising business costs.

|                     | 3Q FY2026        | 3Q FY2025        | 9M FY2026        | 9M FY2025        |
|---------------------|------------------|------------------|------------------|------------------|
| Gross profit        | S\$142.3 million | S\$131.1 million | S\$414.7 million | S\$366.6 million |
| Gross profit margin | 32.2%            | 31.5%            | 32.0%            | 31.1%            |



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### Selling and Distribution Expenses

For 9M FY2026, selling and distribution expenses increased by S\$28.3 million to S\$226.9 million from S\$198.6 million in 9M FY2025. The fluctuation in expenses is tabled below:

|                                         | 3Q FY2026 vs<br>3Q FY2025 | 9M FY2026 vs<br>9M FY2025 | Remarks                                                                                                                                                                                                                                                                                      |
|-----------------------------------------|---------------------------|---------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                                         | S\$'million               | S\$'million               |                                                                                                                                                                                                                                                                                              |
| Supermarket and operational staff costs | 5.3                       | 21.8                      | Staff costs increased due to higher headcounts from opening new stores. Additionally, variable bonuses increased due to better financial performance. The Group also raised retail worker's salaries in September 2025 to meet the Progressive Wage Model requirements in the retail sector. |
| Depreciation                            | 2.3                       | 5.3                       | The increase was mainly due to the depreciation of the right-of-use assets recognised from the new supermarket leases entered in 9M FY2026 and FY2025.                                                                                                                                       |
| Others                                  | 0.3                       | 1.2                       | This is mainly due to higher service and conservancy charges arising from the expansion of the Group's retail network.                                                                                                                                                                       |
| Total                                   | 7.9                       | 28.3                      |                                                                                                                                                                                                                                                                                              |

### Administrative expenses

Administrative expenses increased by S\$6.0 million to record S\$51.4 million in 9M FY2026 mainly due to higher staff costs. The fluctuation in expenses is tabled below:

|               | 3Q FY2026 vs<br>3Q FY2025 | 9M FY2026 vs<br>9M FY2025 | Remarks                                                                                                                                                                                   |
|---------------|---------------------------|---------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|               | S\$'million               | S\$'million               |                                                                                                                                                                                           |
| Staff costs   | 0.6                       | 3.6                       | Staff costs increased mainly due to higher headcount and higher variable bonuses driven by better financial performance.                                                                  |
| Depreciation  | 0.4                       | 1.1                       | Depreciation increased mainly due to the recognition of additional right-of-use assets for the lease of Sungei Kadut Property.                                                            |
| Merchant fees | 0.9                       | 1.1                       | The increase is mainly due to more sales settled through fee-incurring digital payment channels. The Group's quick commerce business also incurred additional platform commission charge. |
| Others        | -                         | 0.2                       |                                                                                                                                                                                           |
| Total         | 1.9                       | 6.0                       |                                                                                                                                                                                           |



### **Tax Expense**

The effective tax rate for 9M FY2026 was 17.2 per cent, higher than the statutory tax rate of 17.0 per cent, mainly due to certain non-deductible expenses.

### **Foreign Operations - China**

China operations accounted for 2.0% of the total revenue in 9M FY2026. It broke even during the period.

### **Net Profit**

Net profit after tax for 3Q FY2026 was S\$44.6 million, a increase of 1.8% or S\$0.8 million from S\$43.8 million reported a year ago. Net profit after tax for 9M FY2026 recorded S\$125.5 million, an increase of 8.1% or S\$9.4 million from S\$116.1 million reported a year ago.

### **Consolidated Statement of Financial Position**

As at 30 September 2026, current assets amounted to S\$510.0 million, a reduction of S\$47.6 million from last year. The inventories balance increased slightly by S\$1.5 million to S\$102.0 million as at 30 September 2026. Trade and other receivables were reduced by S\$2.5 million, mainly due to lower amounts due from banks and payment service providers, compared with the higher outstanding settlement balances for credit and debit card transactions and CDC/SG60 voucher redemptions during last year's holiday season. Cash and cash equivalents balance decreased by S\$46.6 million.

Non-current assets decreased by S\$10.2 million. Net book value of property, plant and equipment increased by S\$6.0 million mainly due to the additions of S\$19.5 million, offset by depreciation of S\$13.6 million. Right-of-use assets decreased by S\$16.5 million, largely due to depreciation of S\$38.7 million, a reduction of S\$2.9 million arising from lease modification, partially compensated by the additions of S\$25.7 million.

Current liabilities declined by S\$55.0 million to record S\$288.2 million as at 30 September 2026, mainly due to a decrease in trade payables by S\$ 56.4 million, resulting from earlier settlement of amounts due to vendors.

### **Consolidated Statement of Cash Flows**

For the 9M FY2026, cash generated from operating activities decreased to S\$120.8 million from S\$175.4 million a year ago, mainly due to earlier settlements to vendors. Cash used in investing activities amounted to S\$14.8 million, after accounting for S\$19.5 million used to purchase property, plant and equipment (PPE), offset by interest income received of S\$4.6 million. Payments for PPE increased by S\$6.5 million to S\$19.5 million, mainly due to payments for the Sungei Kadut Property. The Group distributed a dividend of S\$113.5 million and settled lease liabilities of S\$39.3 million, for a net cash outflow of S\$152.8 million in its financing activities.

As at 30 September 2026, the cash and cash equivalents stood at S\$388.9 million, a decrease of S\$46.6 million from S\$435.5 million as at 31 December 2025.



### Looking Forward

Singapore's economy grew 5.4% year-on-year in 3Q FY2026 <sup>1</sup>. Retail sales increased by 1.3% and 0.7% year-on-year in July and August respectively, while the Supermarkets and Hypermarkets segment recorded declines of 2.6% and growth of 1.6% <sup>2</sup> in the respective month. Core inflation rose to 2.2% in August, from 2.0% in July. Singapore's economic outlook remains subject to external developments, including geopolitical uncertainties, global trade conditions and supply chain disruptions.

Extreme weather events and volatility in energy prices may affect food supplies and procurement costs. Against a backdrop of elevated living costs, the Group expects consumers to remain value-conscious, supporting demand for competitively priced groceries and house brand products. Government support measures, including CDC vouchers, are expected to continue helping households manage cost pressures and support consumer spending.

The grocery retail landscape remains competitive, and sustained promotions may pressure revenue and margins. The Johor Bahru–Singapore RTS Link, expected to open in February 2027, may increase cross-border shopping and price competition for selected packaged groceries and household products, though its impact will depend on travel costs, exchange rates, relative pricing and consumer behaviour. The Group believes convenience, proximity and fresh produce will continue to drive everyday grocery purchases, supported by its extensive neighbourhood store network, and will adapt its strategies as developments unfold.

The Group continues to face cost pressures from wage increases under the Progressive Wage Model, and the recent National Wage Council Guidelines for 2026-2027<sup>3</sup>, employee training and higher transport costs due to higher diesel prices, and potential increases in electricity costs upon renewal of its energy supply contracts. Investments in AI capabilities to improve productivity, together with evolving sustainability and regulatory requirements, may also contribute to higher costs. The Group will continue to manage costs through operational efficiencies and process improvements.

To navigate this environment, the Group will continue to strengthen its supply chain, optimise its sales mix, and enhance operational resilience and productivity through investments in automation and technology.

During 3Q FY2026, the Group opened three new stores at Blk 181 Hougang Street 13 #02-01, 11 Rivervale Crescent #03-01, and Blk 905 Woodlands Avenue 5 #02-01, bringing the total number of new stores opened in the first nine months of FY2026 to seven. The Group continues to pursue expansion opportunities, particularly in areas where it has limited presence.

The Group closed its stores at Elias Mall and Thomson Imperial Court during the period. The lease renewal for store at 19 Serangoon North Avenue 5 is under discussion with JTC.

Four public tenders are awaiting results, and the Group is actively exploring potential private leases.

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<sup>1</sup> <https://www.channelnewsasia.com/singapore/gdp-forecast-q3-growth-meti-6455581>

<sup>2</sup> Singapore Department of Statistics

<sup>3</sup> <https://www.straitstimes.com/business/national-wages-council-recommends-6-to-8-pay-rise-for-lower-wage-workers>



# SHENG SIONG GROUP LTD.

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## Business Update for the Third Quarter ended 30 September 2026

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Competition in China's supermarket sector remains keen. The Group will remain prudent in opening new stores and focus on improving the performance of its existing stores.

**Lim Hock Chee**  
Chief Executive Officer

29 October 2026