



AURIC PACIFIC

AURIC PACIFIC GROUP LIMITED

Annual General Meeting

29 April 2015





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Financials Overview

In \$ million	FY 2014	FY 2013	Variance
Revenue	424.4	398.5	25.9
Gross Profit ("GP")	180.2	171.3	8.9
GP Margin	42%	43%	-1%
EBITDA (excluding exceptional items)	20.0	16.4	3.6
Profit/ (Loss) before tax and exceptional items	3.9	(0.3)	4.2
Exceptional items	(3.3)	(21.6)	18.3
Profit/ (Loss) before tax	0.6	(21.9)	22.5
Earnings/ (Loss) per share (in cents)	0.2	(17.5)	17.7
Dividends per share (in cents)	2.0	2.0	-
Net assets value per share (in S\$)	1.7	1.7	-

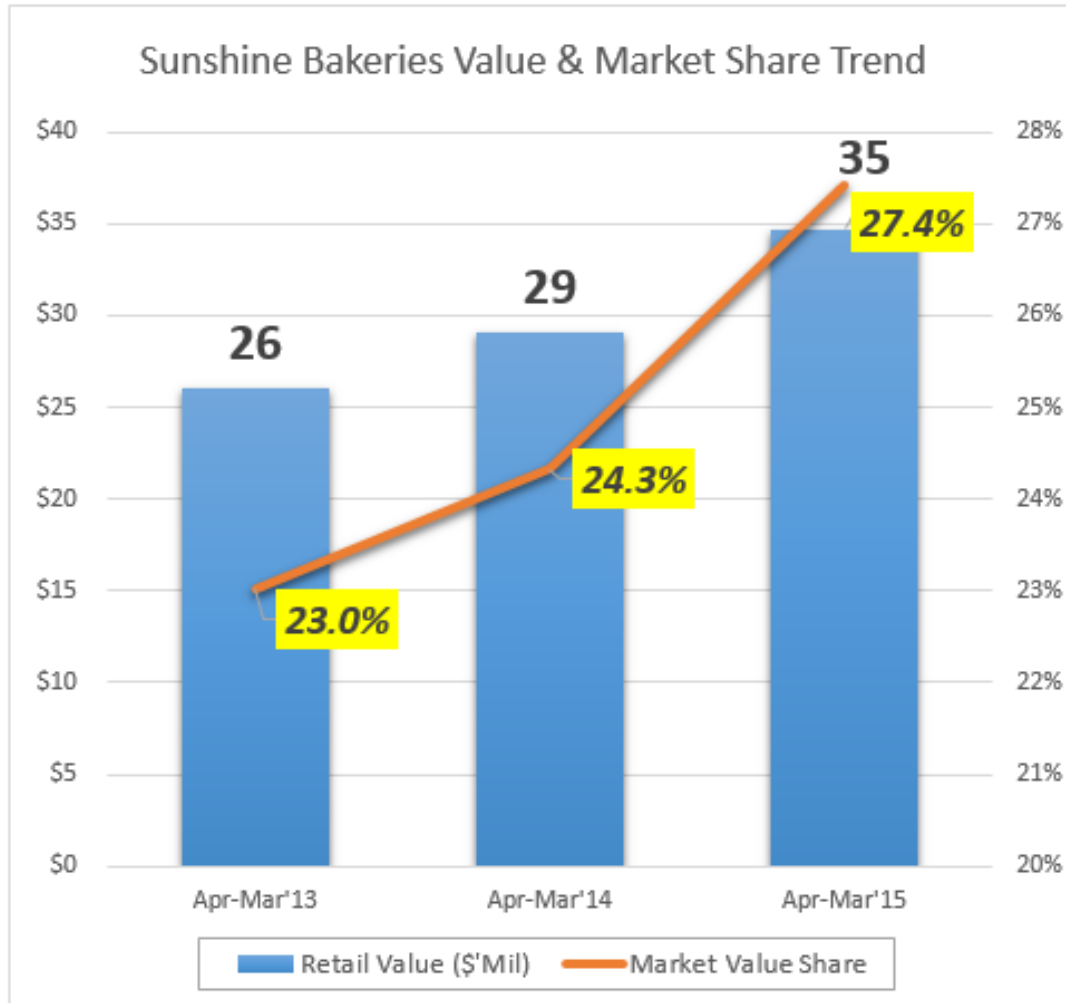


Financials - Exceptional Items

<u>In \$ million</u>		
Profit and Loss Items	FY 2014	FY 2013
Profit/ (Loss) before tax	0.6	(21.9)
Less: Exceptional Items:		
- Accrual for closure costs and allowance for impairment of fixed asset	2.8	6.7
- Adjustment to depreciation of fixed assets	-	1.1
- One-off impairment loss on intangible assets	0.5	10.0
- Allowance for impairment loss on unquoted investment fund	-	3.0
- Provision for a regulatory claim under appeal	-	0.8
Total for exceptional items	3.3	21.6
Profit/ (Loss) before tax and exceptional items	3.9	(0.3)



Sunshine Bakeries Market Share



As of Mar'15,
Sunshine market value
hit a high of \$35M
(27.4% market share)

** Nielsen retail audit for period ending March 2015 for modern trade channel.*



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Bread Launches in 2014

Sunshine Extra Fine Sprouted Wholemeal Bread 360g (Apr'14)

Sunshine Extra Fine Sprouted Wholemeal Bread 550g (Dec'14)

Sunshine Toastie Thick Slice 300g (Jul'14)

Sunshine Classic Wholemeal Bread 550g (Sep'14)





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Bun Launches in 2014

- Sunshine Mocha Choc Wholemeal Cream Roll 60g
- Sunshine Caramel Choc Wholemeal Cream Roll 60g
- Sunshine Cocoa Choc Wholemeal Cream Roll 60g
- Sunshine Extra Fine Hamburger Bun
- Sunshine Extra Fine Hot Dog Roll





Challenges in Manufacturing

- Maintaining our growth momentum after a stellar performance in 2014 with successful launch of new wholemeal bread products
- Increase in consumer recognition of Sunshine brand as a preferred choice
- Rising material and labour costs



Strategies by Manufacturing

- Sourcing for suitable and reliable partners for overseas expansions, including acquisition and/or collaborations
- Continued investments in R&D for development of new products, enhancement of taste and bread texture
- Effective procurement in delivering the best value and profitability to the bottom-line



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Key Achievements

- Number 1 market position for our house brands – SCS & Buttercup
- New global principals secured – Pringles, Kellogg's, UCC & Tabasco
- Successful launch of new products – Spreadable butter & blended spreads under SCS

SCS Butter: Singapore

–Market Share **38%** → **No.1**

SCS Butter: Malaysia

–Market Share **31%** → **No.1**

Buttercup: Malaysia

– Market Share **73%** → **No.1**



* Nielsen retail audit for period ending March 2015 for modern trade channel.



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Award & Accolades 2015

SCS & Sunshine

- Award published in Singapore Woman Weekly Magazine (February 2015)
 - ❖ SCS - 2nd year to be voted by public as best unsalted butter block
 - ❖ Sunshine Hawaiian Pizza
- Award published in Malaysia Woman Weekly Magazine (January 2015)
 - ❖ SCS Unsalted Butter





Challenges in Wholesale & Distribution

- Price war from competing products and parallel imports
- Higher A&P to fend off competing promotional activities
- Squeeze on margins from distributors and retailers
- Competition from supermarket house brands
- Bringing in new agencies and retention of existing ones

Singapore

- Consolidation of traditional retail business, phased out by expansion of supermarkets into suburban areas

Malaysia

- Consumer purchasing behaviour, post GST implementation
- Impact of weak RM on inflationary cost pressures



Strategies by Wholesale & Distribution

- Sourcing of new principals and new brands
- New house brands to improve product mix
- Increase in market penetration of principals' brands and own private labels
- Geographical expansion beyond Singapore & Malaysia
- Continuous review on our business model to keep ahead of consumer tastes and competition

New openings of Food Courts in 2014

Singapore

- East Point
- OneKM

Malaysia (KL)

- IOI Mall
- Quill City





Challenges in Food Junction

Food Court Business

- Rising rental and labour costs
- Creating exciting concepts and design to entice customers

Restaurant Business

- Turnaround remains slow for existing brands
- Maintaining and retain a talented kitchen and service staffs
- Rising costs in rental, materials and labour



Challenges in Delifrance

- Operations in Malaysia remains challenging; options under evaluation
- Recovery slow but gaining momentum in Hong Kong & Singapore
- High rental rates
- Profit pressures from rising material and labour costs
- Proliferation of boutique cafés and artisan bakery shops



Strategies by Food Junction

Food Court Business

- Geared for expansion in Singapore & Malaysia
- Continual review to introduce new food offerings
- Bringing in new themes to refresh existing and new outlets

Restaurant Business

- Closure of loss-making restaurants
- Selective expansion for good brands



Strategies by Delifrance

- Consolidation exercise to close distressed outlets
- Highly selective on new sites
- Launch of signature products such as the Heritage Croissant in January 2015 with variants
- Change to refresh and rejuvenate the product offerings, brand and look
- Aggressive marketing and promotion efforts



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THANK YOU