

AURIC PACIFIC GROUP LIMITED

Annual General Meeting

29 April 2016

Chairman's 2015 message

“Biting the bullet...we took the painful but necessary step of weeding out the non-performers... Auric Pacific has undergone a major restructuring and through that has transformed itself to be more **nimble and versatile**.”

“...We have transformed ourselves into a more **robust** organization re-focusing on our **traditional pillars of strength**, namely Sunshine Bread, SCS Butter and Buttercup margarine.”

Annual Report 2015

Financials Overview

In \$ million	FY 2015	FY 2014	FY 2013
Revenue	432.9	424.4	398.5
Profit/(Loss) before tax and exceptional items	4.5	3.9	(0.4)
EBITDA (excluding exceptional items)	21.0	20.0	17.5
EBITDA (%)	4.9%	4.7%	4.4%
Net cash flows generated from operating activities	13.3	7.0	7.8

Financials Overview

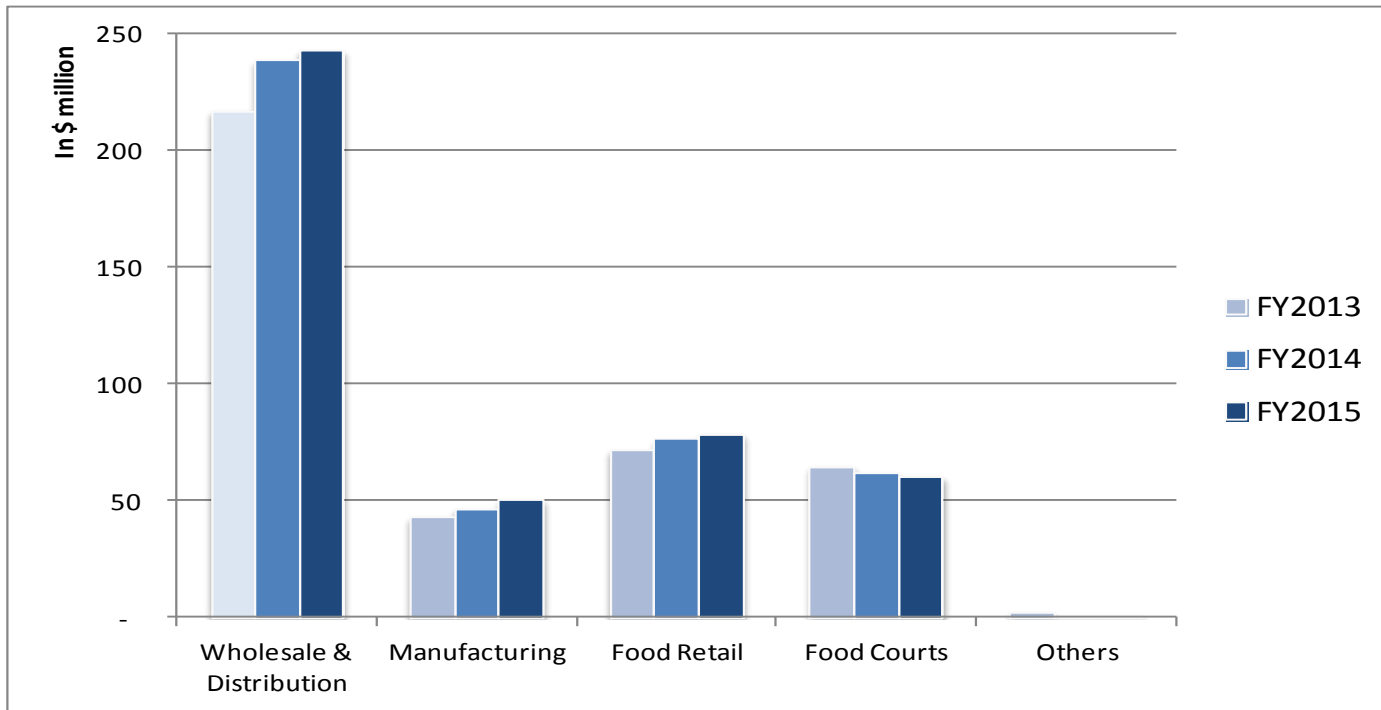
In \$ million	FY 2015	FY 2014	FY 2013
Revenue	432.9	424.4	398.5
Profit/(Loss) before tax and exceptional items	4.5	3.9	(0.4)
Exceptional items	(44.0)	(3.3)	(21.5)
(Loss)/Profit before tax	<u>(39.5)</u>	<u>0.6</u>	<u>(21.9)</u>

What was done in 2015

- Delifrance
 - Ceased Delifrance Business in Malaysia
 - Recognised impairment of intangible assets of \$37.2 million
- Food Junction
 - Ceased restaurant business in China and Singapore
 - Closed non-performing self-operating stalls (TJ) in Indonesia
- Wholesales & Distribution
 - Rationalized and strengthened team
 - Malaysia showed significant improvement
- Food Manufacturing
 - Widened distribution network and launching healthy products



Financials – Revenue by Segments

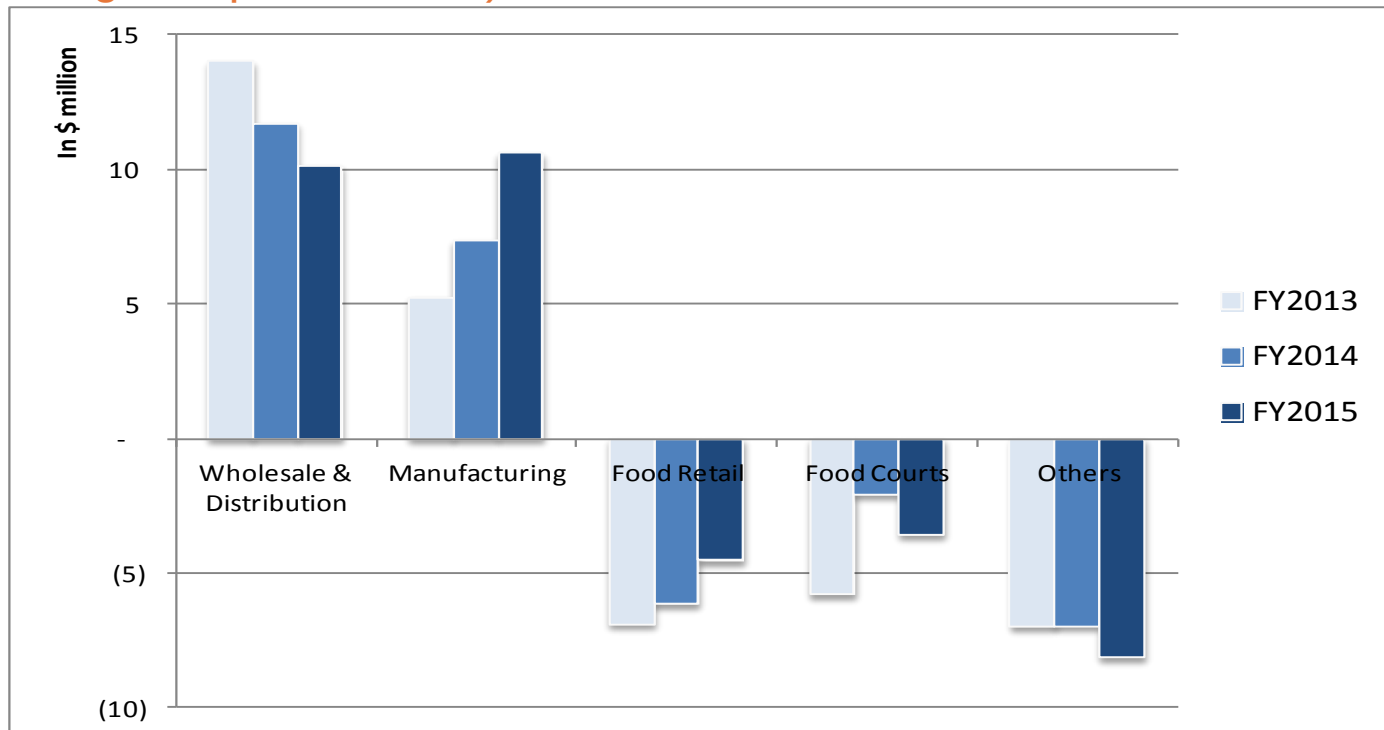


In \$ million	FY 2013	FY 2014	FY 2015
Wholesale & Distribution	217.0	238.8	242.9
Manufacturing	43.0	46.8	50.6
Food Retail	71.7	76.4	78.7
Food Courts	64.5	62.1	60.4
Others	2.3	0.3	0.3
Total	398.5	424.4	432.9



Financials – Profitability by Segments

(excluding exceptional items)



In \$ million	FY 2013	FY 2014	FY 2015
Wholesale & Distribution	14.0	11.7	10.1
Manufacturing	5.3	7.4	10.6
Food Retail	(6.9)	(6.1)	(4.5)
Food Courts	(5.8)	(2.1)	(3.6)
Others	(7.0)	(7.0)	(8.1)
Total	(0.4)	3.9	4.5

Manufacturing

Revenue

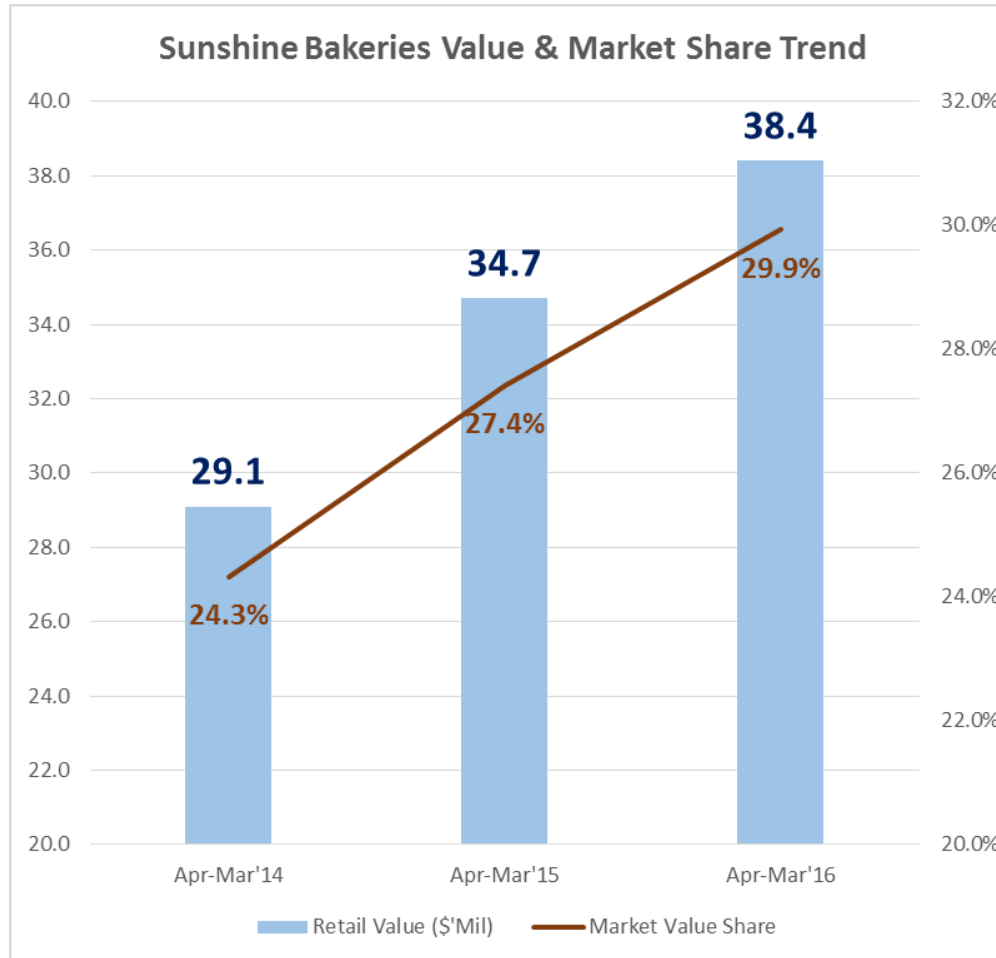
- Increase in sales of key Sunshine products
- Successful launch of new products

Segment Profit

- Higher gross profit with better cost management
- Improvement in production productivity



Sunshine Bakeries Market Share



As of Mar'16, Sunshine market value hits a high of \$38.4M (29.9% market share)

** Nielsen retail audit for period ending March 2016 for modern trade & GT channel.*



New Bread Launch in 2015

Sunshine Sprouted White Bread

In Oct 2015, Sunshine launched the only Healthier Choice White Bread in Singapore, in a collaborative effort with the Health Promotion Board.

new

Healthier Choice White Bread!

Nourish yourself with the goodness of whole grains and enjoy the delicious softness of white bread.

Wrapper Exchange!*

Bring any White Bread wrapper to the Healthy Lifestyle Festival SG and exchange it for a loaf of Sunshine Extra Fine Sprouted White Bread!

Date: 7 & 8 Nov 2015
Exchange Time: 10am – 5pm
Venue: Singapore Sports Hub (Opposite Kallang Wave Mall)

Trans Fat Free
Higher in Whole-Grains

*Limited to 5,000 loaves per day on a first come, first served basis.

Scan to find out how we achieved a Healthier Choice White Bread.

Like us on Facebook
SunshineBakeries

Find out more at
www.sunshine.com.sg

Wholesale & Distribution

Revenue

- Inception of new agencies
- Introduction of new agency products and deepened house brand sales
- Intensification of penetration into Food Service segment

Segment Profit

- Higher operating cost in Singapore and Malaysia
- Impact of a weaker ringgit in Malaysia



New Agencies in 2015

- Successful launch of new products – Biscuits, Cheese, Chocolate & Confectionery



Key Achievements

- **Number 1** market position for our house brands – SCS & Buttercup in Singapore and Malaysia

	FY 2015	FY 2016
Singapore - Market Share		
- SCS Butter	38%	38%
Malaysia - Market Share		
- SCS Butter	31%	40%
- Buttercup	73%	78%



* Nielsen retail audit for periods ending March 2015 and Feb 2016 for modern trade & GT channel.



AURIC PACIFIC

Award & Accolades 2016

SCS & Sunshine

Award published in Singapore Woman Weekly Magazine (February 2016)

- ❖ *SCS – 3rd year to be voted by public as best unsalted butter block*
- ❖ *Sunshine Family Size Pizzas*



This certificate is awarded to
SCS
BUTTER: UNSALTED



This certificate is awarded to
SUNSHINE
FAMILY SIZE PIZZAS

Food Retail

Revenue

- Increase in retail sales generated by outlets in Hong Kong offset by lower sales in Singapore and closure of under-performing outlets in Malaysia

Segment Loss

- Reduction in losses due to higher sales arising from intensive promotional activities
- Lower operating cost attributed to the closed stores

New Store in 2015 – Hong Kong



Food Courts / Food Junction Group

Revenue

- Decline in sales due to the closure of under-performing restaurants and outlets during the year

Segment Loss

- Rationalization of restaurant division
- Performance of foodcourt division in 2015 impact by initial gestation period with opening of 3 new food courts in Singapore and Malaysia

Food Courts

In 2015, we revamped two key food courts, The Food Place at Raffles City and Food Junction at Junction 8, to enhance customers' dining experience.



Raffles City



Junction 8



Quill City Mall



IOI Mall

Food Courts

We have launched RSVP card during the year, the first pre-paid loyalty programme in food courts, introducing Retailer Store Valued Programme, which allows patrons to enjoy cashless dining at Food Junction outlets at a discount.



Looking Ahead

“Reinforcing our capabilities, our direction in the next 12 months will be to refocus our energies, time and resources on our core strengths to build up our brands and strengthen our performing businesses...”

“...This transformation will equip us for further growth in the future, creating value for our consumers and clients.”

*Operations Review by Executive Director
Annual Report 2015*



Q1 FY2016 vs Q1 FY2015

The Group's rationalization exercise in 2015, especially for its food retail segment which saw the closure of non-performing outlets is yielding positive results

In \$ million	Q1 2016	Q1 2015
Revenue	103.2	107.2
Profit before tax	4.9	0.2
EBITDA	8.1	4.6
EBITDA (%)	7.8%	4.3%
Net cash flows generated from/(used in) operating activities	12.5	(4.8)

THANK YOU