

Isetan (Singapore) Limited

2020 AGM
19.06.2020

ADDRESS BY MANAGING DIRECTOR

This presentation contains certain statements that are not statements of historical fact, i.e. forward-looking statements. The information is based on certain views and assumptions and would thus involve risks and uncertainties. Actual future performance, outcomes and results may differ materially from those expressed in these forward-looking statements as a result of a number of risks, uncertainties and assumptions. Such statements are not and should not be construed as a representation as to the future of Isetan (Singapore) Limited and should not be regarded as a forecast or projection of future performance.

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In this presentation, all \$ dollar amounts are in Singapore dollars unless otherwise specified.

1. Results for FY 2019
(Year Ended 31 December 2019)

2. COVID -19 Impact & Updates

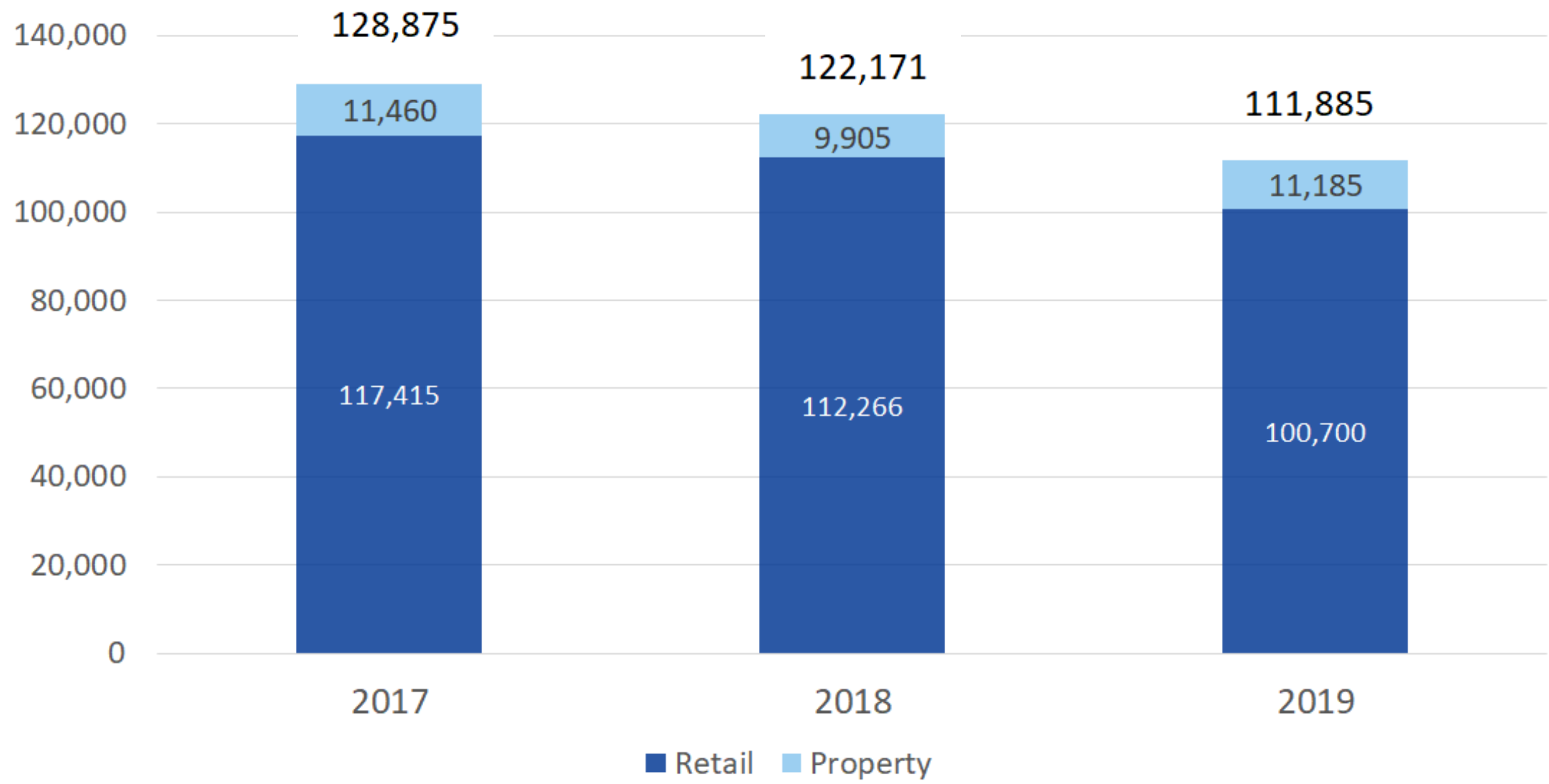
3. Medium Term Management Plan
 - 3.1 Core Retail
 - 3.2 Investment Properties
 - 3.3 Digitalization, I Online & Digital Marketing

Results

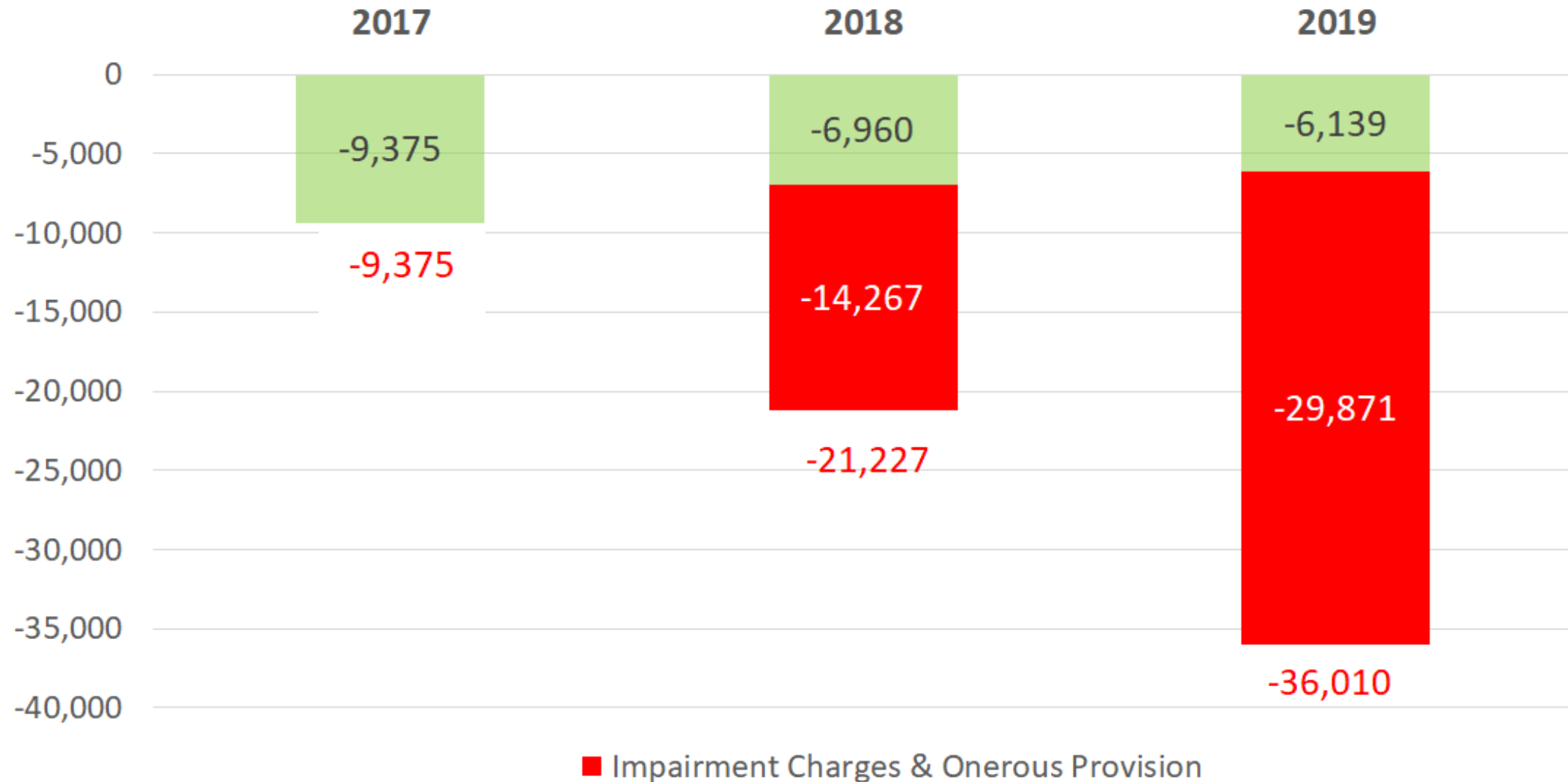
Results

(In thousands)	FY 2019	FY 2018	YoY change	YoY Differences
Revenue	111,885	122,171	(8.4%)	(10,286)
Other income	10,449	8,234	26.9%	2,215
Other losses net	(612)	(1,246)	(50.9%)	(634)
Total expenses	(148,643)	(143,001)	3.9%	5,642
Share of profit of an associate	389	258	50.8%	131
Loss before income tax	(26,532)	(13,584)	95.3%	12,948
Income tax	-	-	-	-
Net loss after tax	(26,532)	(13,584)	95.3%	12,948
Net loss attributable to : Equity holders of the Company	(26,532)	(13,584)	95.3%	12,948
Loss per share (in cents)	(64.32)	(32.93)	95.3%	31.39

2017 ~ 2019 Revenue



2017 ~ 2019 Retail Segment Losses



A solid blue vertical bar runs along the left edge of the slide.

2020 COVID 19 IMPACT & UPDATES

1. Significant decline in revenue & Other income for 1st Half due to Circuit Breaker (CB) & Phase I Measures

- Company's 4 stores are not allowed to operate from 7 Apr till 18 June (except supermarket at Isetan Scotts)
- Revenue from Investment Property (IP) Wisma was impacted through rental rebates as the mall was closed during the same period except for the provision of essential services (hair cut).

2. Post CB with Safe Management Measures in place

- Our retail stores and IPs have complied with all measures required by the Government
- Due to these measures, revenue & other income will remain negatively impacted over the coming months.

3. Isetan Scotts renovation project

- The completion of Isetan Scotts renovation is expected to be delayed till later part of 2nd Half of 2020 instead of in 1st Half 2020.

4. Supermarket

- The remaining Supermarket in Scotts, after the closure of our Jurong East Store, remains open during the CB period and into Phase I having contributed positively to the retail segment.

5. Online Business

- Due to the surge in demand, we have expanded the number of delivery slots in our online platform and re-allocated manpower from the department store to support the increase in activities.
- Online Supermarket sales grew exponentially during the CB period and we anticipate that it will continue throughout the year.
- Efforts will focus on putting in new listings from department store as the online demand increases.

6. Stakeholders interest protected

- Despite the very severe financial impact due to COVID-19, we have through this period provided continuous support thus far to our customers, suppliers, tenants, staff and shareholders.

7. Impact on Company's financials

- 1st half 2020 we are expected to register a loss even with the extensive support provided by government support measures.
- We anticipate that with strict measures still in place and curbs on crowding, events & promotion revenue continue to be impacted throughout 2020.
- In view of the above however, due to the Company's strong financial position, the Company does not foresee any difficulties meeting its near-term obligations.

MID-TERM PLAN

- PILLARS

1. CORE RETAIL

2. INVESTMENT PROPERTIES

**3. DIGITALIZATION
& E COMMERCE**

**MID
TERM
PLAN**

CORE RETAIL

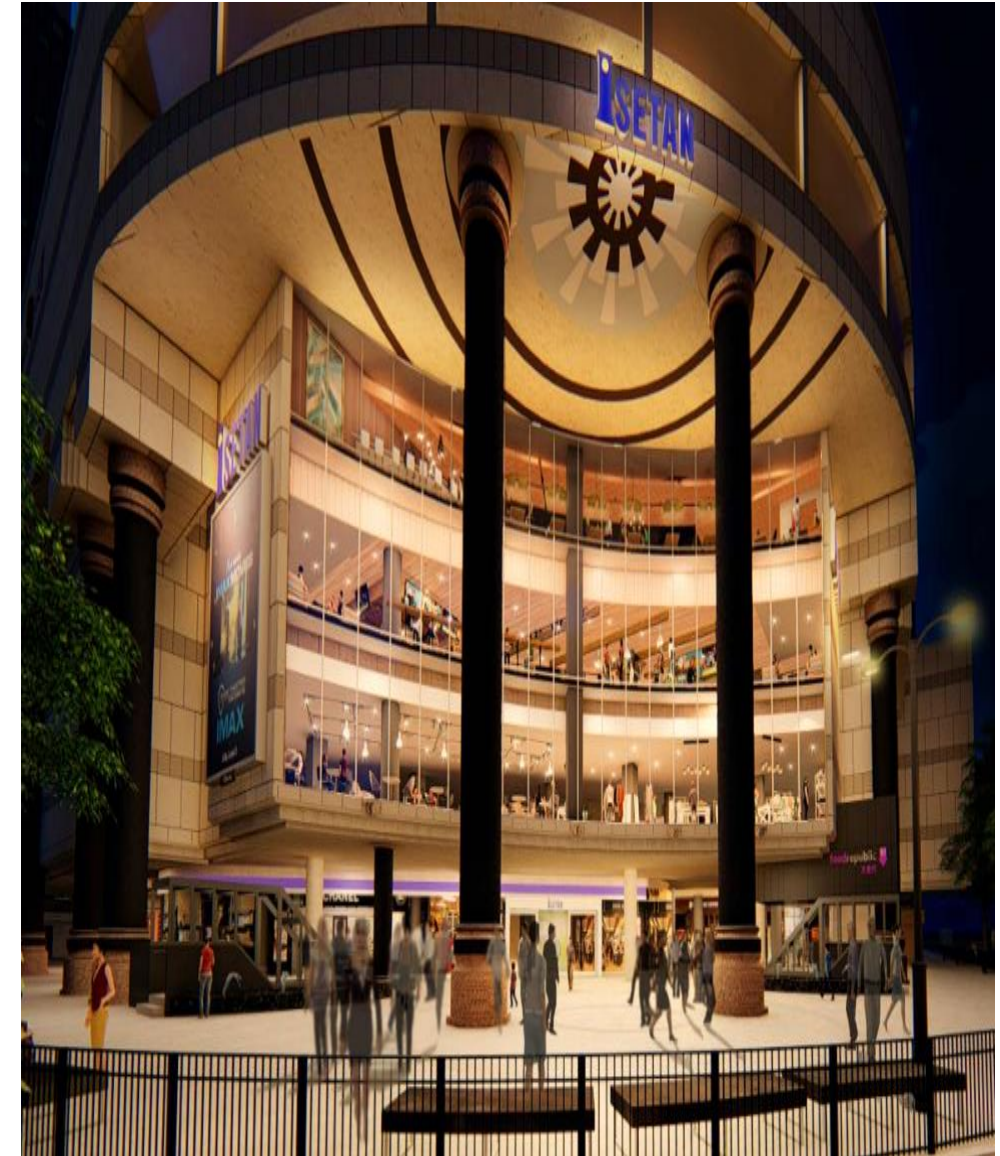
1. No extension of lease of non profitable suburban stores,
Jurong East Store last day of operations was on 8 March 2020
2. Revamp Orchard Road Store
 - 2.1 Successful revamping of Isetan Scotts supermarket in 2015/2016
 - 2.2 Isetan Scotts Renovation (Phase 1 completed)
3. Increase loyalty customer base via a new mobile app
4. Enhancing our E-commerce website with a wider assortment of merchandise
5. More customer convenience through:
 - digitalization of our operations (e.g. E-vouchers)
 - widening our instore payment choices(e.g. new e-wallet payment modes)

**MID
TERM
PLAN**

**ISETAN SCOTTS
RENOVATION**

Isetan Scotts Renovation

5F	「Shaw Theaters」	「Shaw Theaters」				
4F	Children & Living Floor	Living tenant SCANTEAK	Living Home& Electric	Children Toys & Wear	Restaurant Family Restaurant	
3F	Sports & Men's Floor	Travel luggage	Gadget & Sundries Bag, Shoes	Sports & Street Sneakers T shirt bar	Golf Golf Simulation	Restaurant Family Restaurant
2F	Ladies Sundries & Wear Floor	Intimate	Style Zone ReStyle ReStyle Gift Cafe Ladies Shoes Ladies Bag		Street View Cafe Orchard Road View Dessert Cafe	
1F	Total Beauty Floor	Jewelry, eyewear Imayo & Kinpo-Do	Cosme&Beauty Hair salon Natural Cosme Cosme Cabin Japan Beauty International Beauty		CAFÉ & FOOD Orchard Road to go 24h cafe & Bar Dessert Cafe	
B1	Food Style Floor	Isetan Marche Premium SMKT Meat & Fish Fresh Vegetables Fruit & Bar		Liquor & bar Bakery Johan	Japan Food Fair Eat-in Event Hall Seasonal Sweet, Food.	



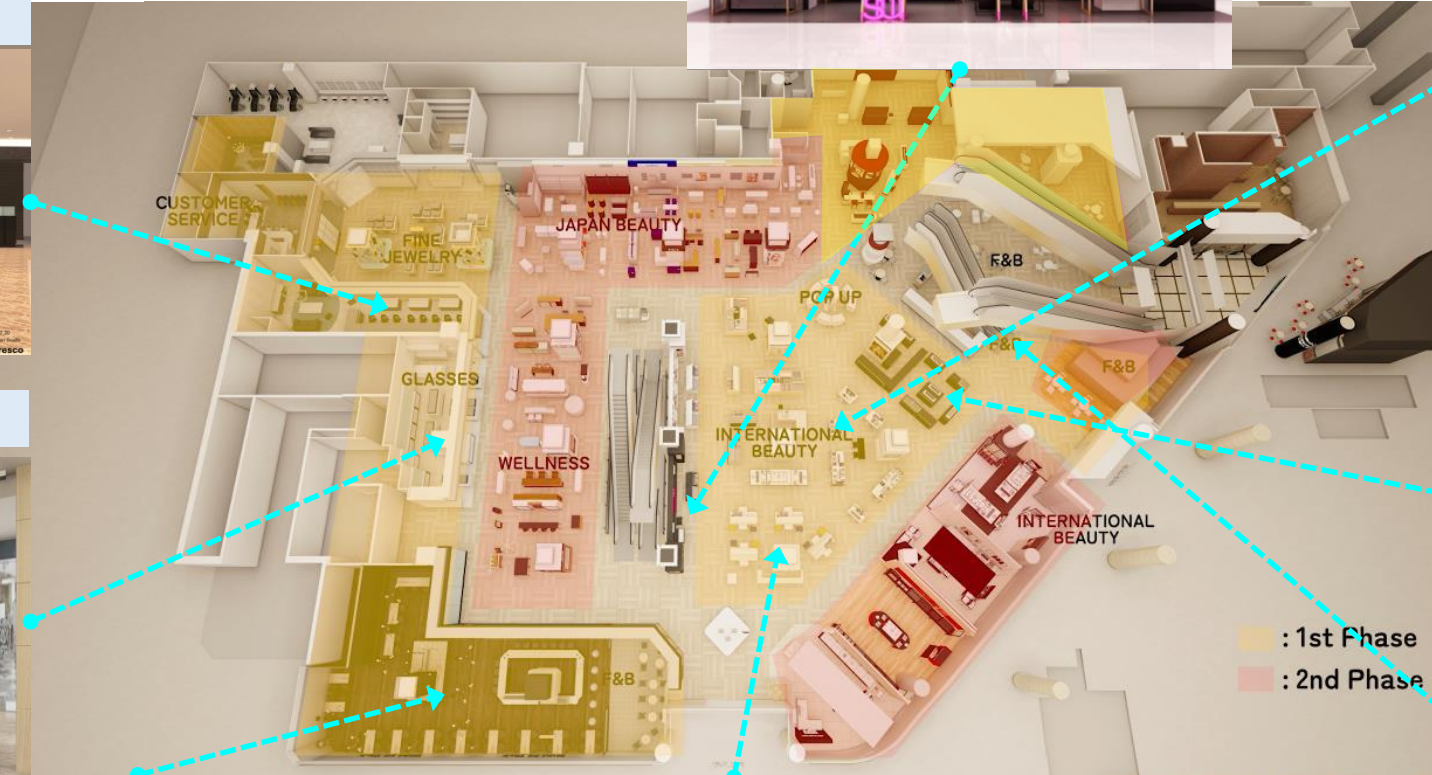
Progress update and New Shops

1F 60% completed

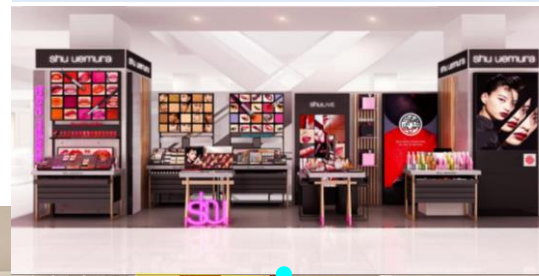
Imayo (Fine Jewelry)



Kimpo-do



Shu Uemura



Lancome



Estee Lauder



[F&B] Café de Muse



Bobbi Brown



1F PERSPECTIVE

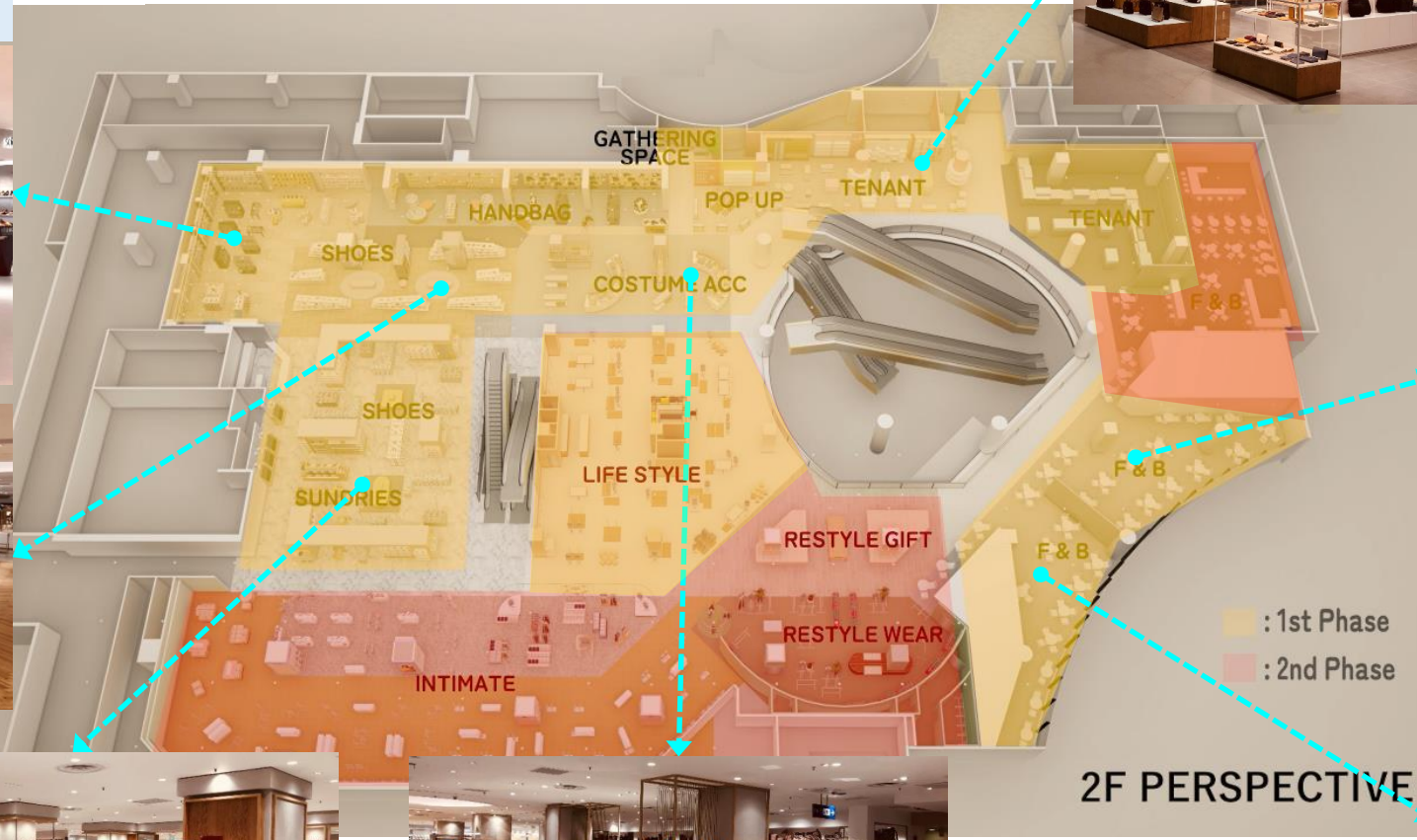
■ : 1st Phase
■ : 2nd Phase

[F&B] Leckerbaer (in progress)



Progress update and New Shops

2F 70% completed



Agnes b



[F&B] TCC



[F&B] Desert Bar



Ladies Shoes



Ladies Shoes



Accesorries



Progress update and New Shops

3F 100% completed

Men's Sundries



Men's Shoes



Golf Wear



Golf Shoes



Golf Gear



Street



[F&B] Sushiro



PERSPECTIVE

SHAW THEATRES
www.shaw.sg

IMAX

ISETAN



Level 5
SHAW THEATRES
1100

A	0.00	0.00
B	0.00	0.00
C	0.00	0.00
D	0.00	0.00
E	0.00	0.00
F	0.00	0.00
G	0.00	0.00
H	0.00	0.00









**MID
TERM
PLAN**

**INVESTMENT PROPERTIES
& OTHER PROPERTIES**

1. Isetan Wisma Atria
2. Isetan Warehouse Building @ Kallang Pudding
3. Isetan Office Building @ Havelock

Isetan Wisma Atria , Tenure : Leasehold, Valuation 291.0m (2018, 290.7m)

- B1-L4 : Subdivided and leased out as Investment Property
- Potential : New Thomson-East Coast Line (TEL) interchange @ Orchard Station
- Future Possibilities : Pending TEL completion around 2021
 - a. After 2021-2024
 - Possible improvement in valuation
 - Improvement in leasing opportunities
- Reviewing how the property can contribute towards the Company's long-term strategy.

Isetan Warehouse Building , Tenure : Freehold, Valuation 30.2m (2018, 28.0m)

- 2019 change in use of certain portions of the building from PPE to investment property.
- Remaining area usage : Continue to support retail operations
- Moving forward, management will continue to evaluate how the usage will be optimized

Isetan Office Building , Tenure : Freehold, Valuation 28.5m (2018, 25.8m)

- Existing usage : L1 fully lease (F&B)
- L2-L4 : Own use
- Potential : New Havelock MRT station along New Thomson-East Coast Line (TEL)

**MID
TERM
PLAN**

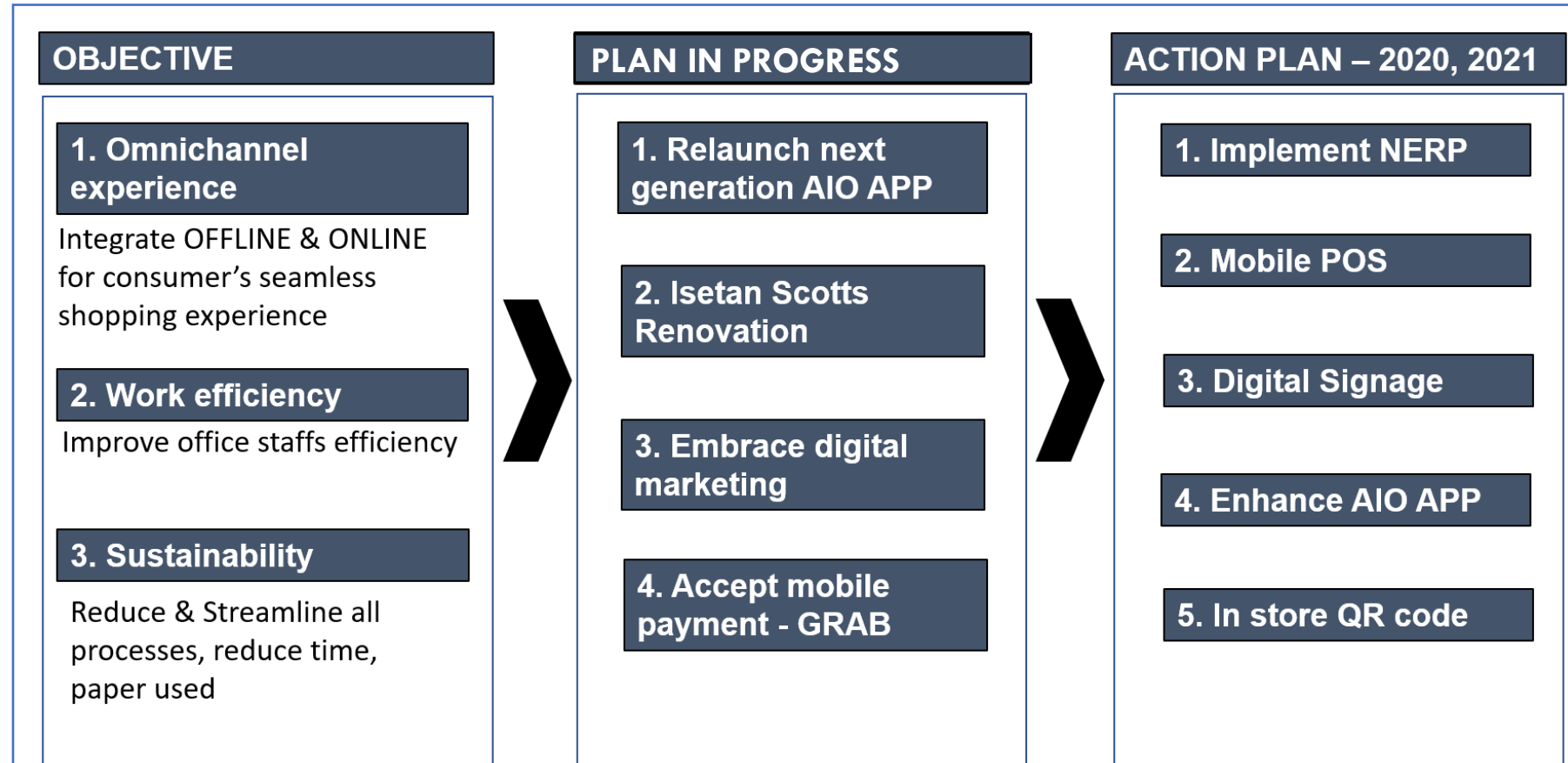
**DIGITALIZATION,
E ONLINE & DIGITAL
MARKETING
(Q1 2020)**

1. DIGITALIZATION STRATEGIES
2. I-ONLINE & DIGITAL MARKETING

DIGITALISATION

Digitalisation Strategies

based on consumer digital experience roadmap



DIGITALIZATION

ISETAN GROUP - GLOBAL ONLINE (XPLAN)

- Positioning the physical store as a customer contact point, while setting out three values (ETC value)
- MD selection, purchase/payment, and receipt are all converted to new retail models that meet the needs of customers.

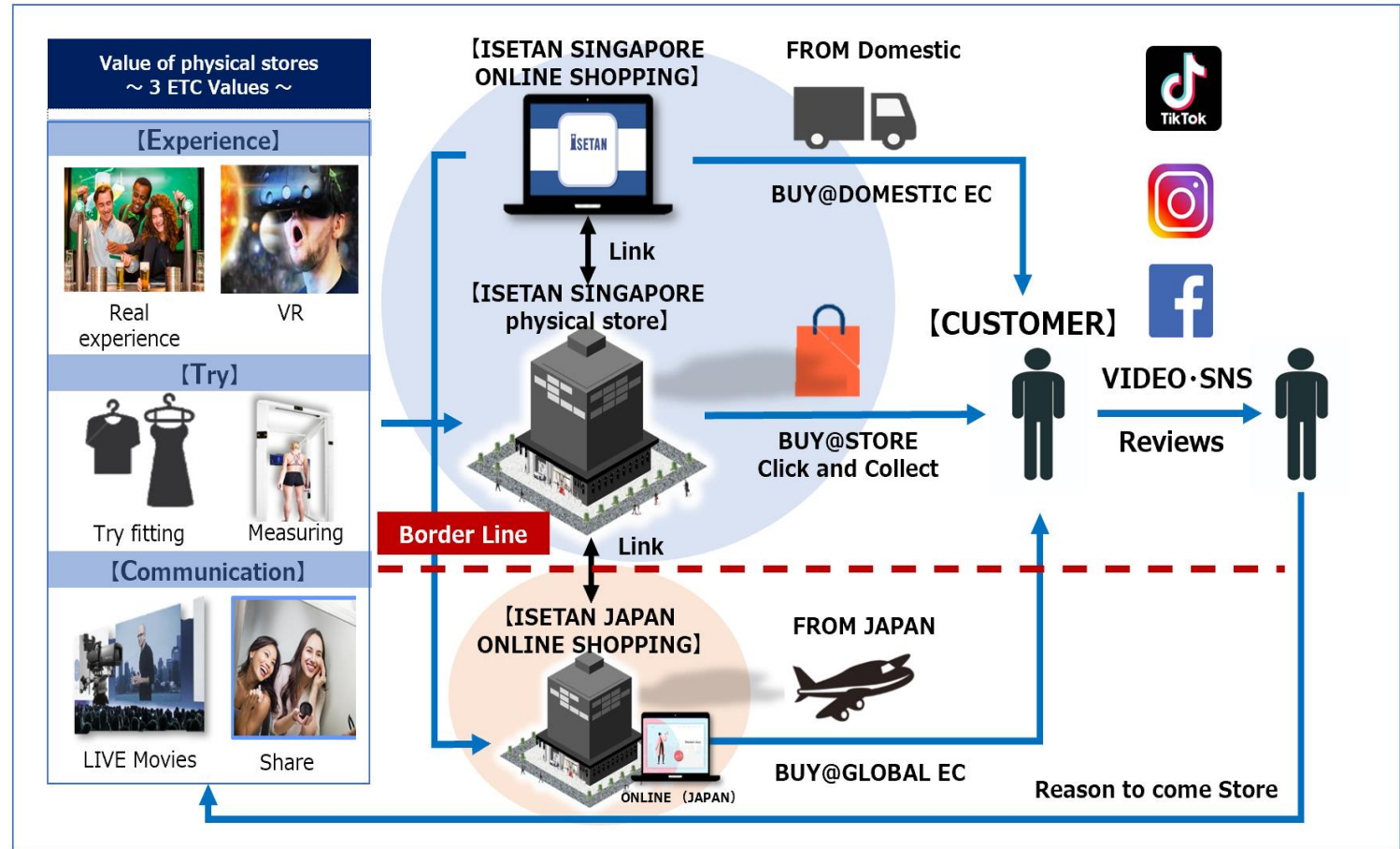
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<When you want>

<The Price you want >

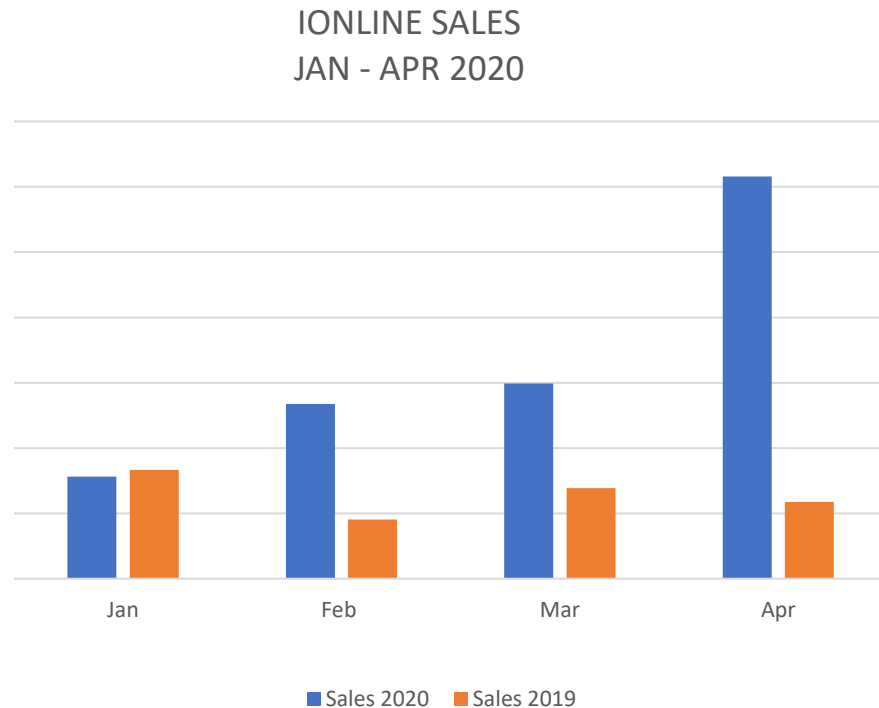
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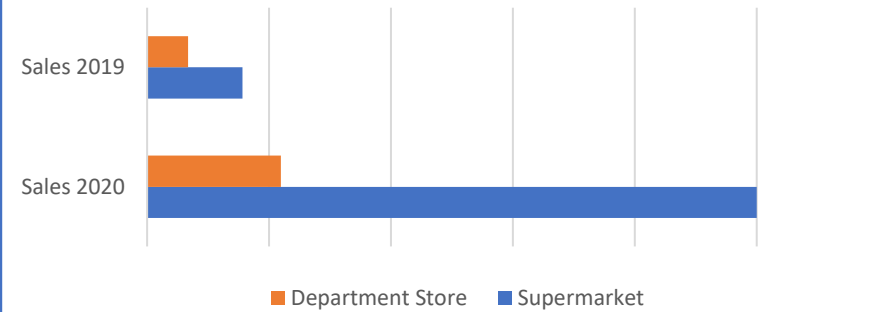


IONLINE & DIGITAL MARKETING

Sales overview – 2020, Jan - Apr



IONLINE SALES (in 1,000) APR 2020 - By Categories



REMARKS

- April IONLINE Sales > 5X
- Supermarket share: 81%
- Departmental share: 19%

IONLINE & DIGITAL MARKETING

Digital Marketing

During Circuit Breaker, with safety and well being within Isetan community in mind,

We adapted swiftly to make sure our customers still able to enjoy top-class services with 2 strong beliefs in mind.

- Leverage on Brands loved by customers
- Care for our community's needs

Leverage on brands loved by customers

Make sure brands loved by our community stay available!

We go extra miles to make some non-online items (Johan Paris Bakery) available online. So customers still can feel happiness while eating Johan Bakery bread at home. Safely.



IONLINE & DIGITAL MARKETING

Digital Marketing

Care for our community's needs

We love our community, we want to make sure their needs are filled while they are safe at home.

Therefore Isetan has planned and executed a few steps within short period of times. Hope that our customers can feel cares and efforts from us.

1. Enhance online shopping
2. Plan special occasion
3. Curate essential items selection

Shop Online Or At Our Supermarket
View In Browser

Extended Closure of All Isetan Departmental Stores.

Dear Isetan Community, we hope you are keeping well.

In accordance with the latest extended Circuit Breaker measures announced on 21 April, All Isetan departmental stores will remain closed until 1 June 2020.

GET YOUR ESSENTIALS FROM THE ISETAN SUPERMARKET
The supermarket will continue to remain open to serve the community. Customers and staff will still be required to observe the strict safety measures in line with MCH's advisory to keep our community safe.
(Refer below for the opening hours)

SKIP THE QUEUE. SHOP ONLINE
Alternatively, you may shop online at www.isetan.com.sg
We will continue to improve our service and add in more delivery slots to accommodate even more orders.

Shop Online

Isetan Singapore
1 min · 📍

Mother's Day is just around the corner 🌸
Select the best gift for your mum by checking out our selection at ISETAN Online Store: <https://bit.ly/IsetanMothersDay>
#isetansg #MothersDay #ecommerce #stayin #onlineshopping

1 - 10 MAY
MOTHER'S DAY
母の日

+4

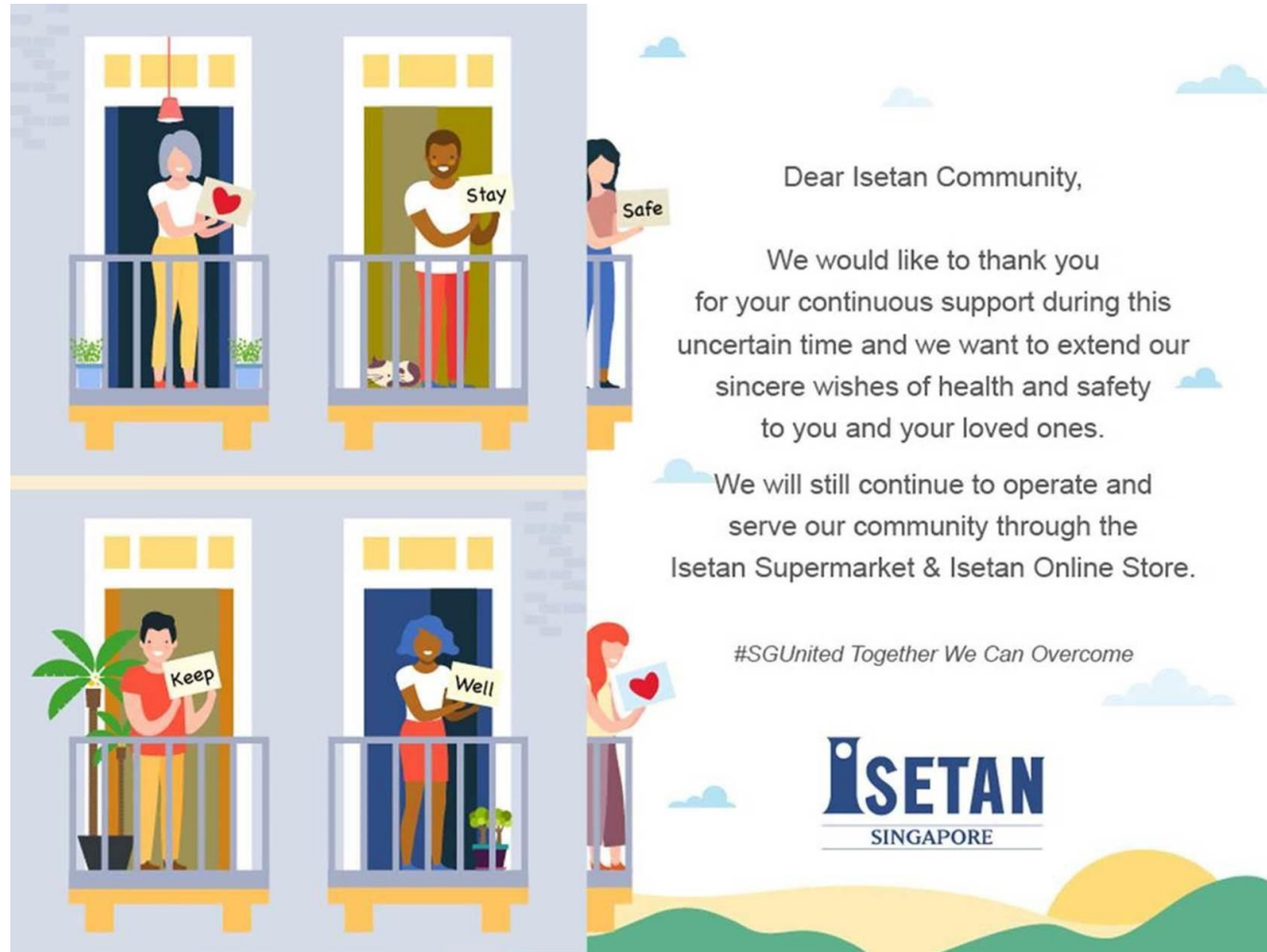
Special Occasion

Renew your kitchenware 🌟
Spending time exploring new recipes during this time? Make your cooking easier and add some new tools to your kitchen!
Shop online and check out our selection here: bit.ly/IsetanHome
#isetansg #stayhomekitchen #homecooking

<p>SPRUCE UP YOUR KITCHEN</p> <p>PHILIPS Daily Collection Air Fryer \$299 \$139 Free Bake Tray worth \$29</p>	<p>SPRUCE UP YOUR KITCHEN</p> <p>PANASONIC Bread Maker (Capacity: Approx 1 Pound) \$459 \$259</p>
<p>SPRUCE UP YOUR KITCHEN</p> <p>ASD BL 3-ply 18/10 Stainless Steel Ultra Fast Pressure Cooker \$399 \$119</p> <p>PHILIPS 650M 1.5L Daily Collection Blender \$59 \$39</p>	<p>SPRUCE UP YOUR KITCHEN</p> <p>PHILIPS 3 Tier Stackable Food Steamer \$99 \$69</p>

Well-Being at Home

IONLINE & DIGITAL MARKETING



Thank You