



SHENG SIONG

... all for you!



3Q2017 Results Presentation

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Financial Highlights for 3Q2017

Revenue

4.2%
yoy

S\$210.9 million

Gross profit margin

0.1pp*

25.8%

Operating profit margin

0.6pp*

10.0%

Net profit

25.3%
yoy

S\$19.6 million

Retail area

4.2%
yoy

431,000 sqft

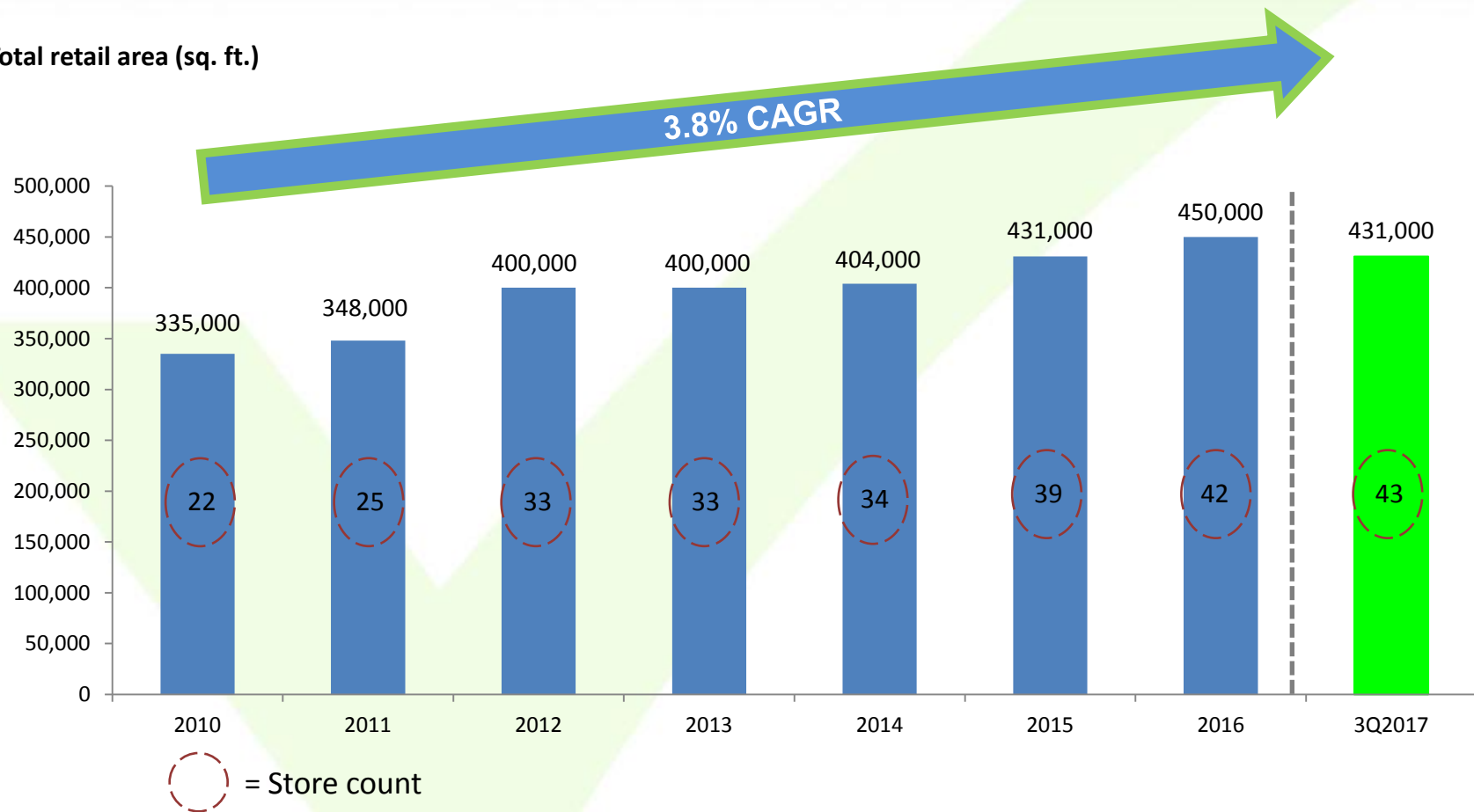
* pp denotes percentage points



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Retail Area

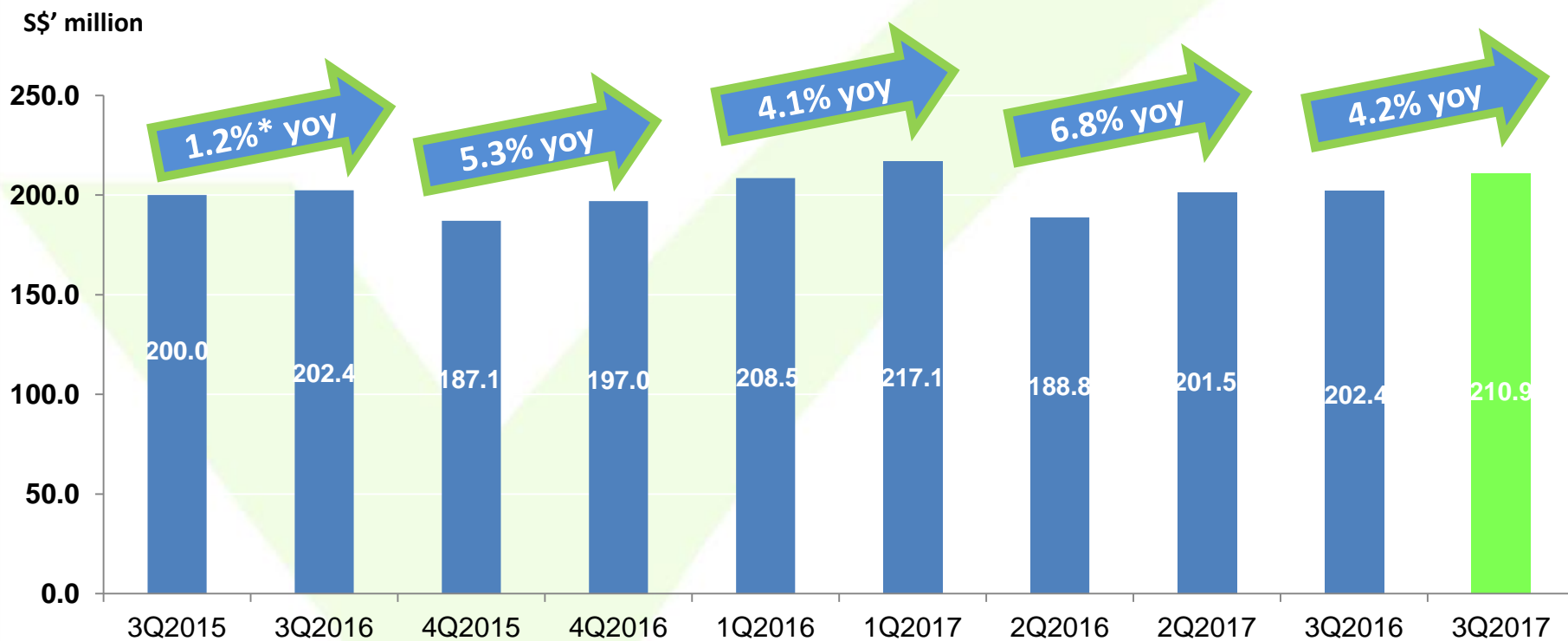
Total retail area (sq. ft.)



- Total outlets increased to 43 as at 30 September 2017 with the opening of Fajar 446 store.
- The key driver of our strategy will be to expand retail space in Singapore, particularly in areas where our potential customers are residing in.



Revenue Trend



*4.2% if the temporary closure of Loyang Point is excluded



Breakdown of Revenue Growth

	3Q2017	3Q2016
New stores	3.9%	5.3%
Comparable same store sales	1.7% ⁽¹⁾	(1.15%)
Loyang Point and The Verge ⁽²⁾	(1.4%)	(2.95%)
Total revenue growth	<u>4.2%</u>	<u>1.2%</u>

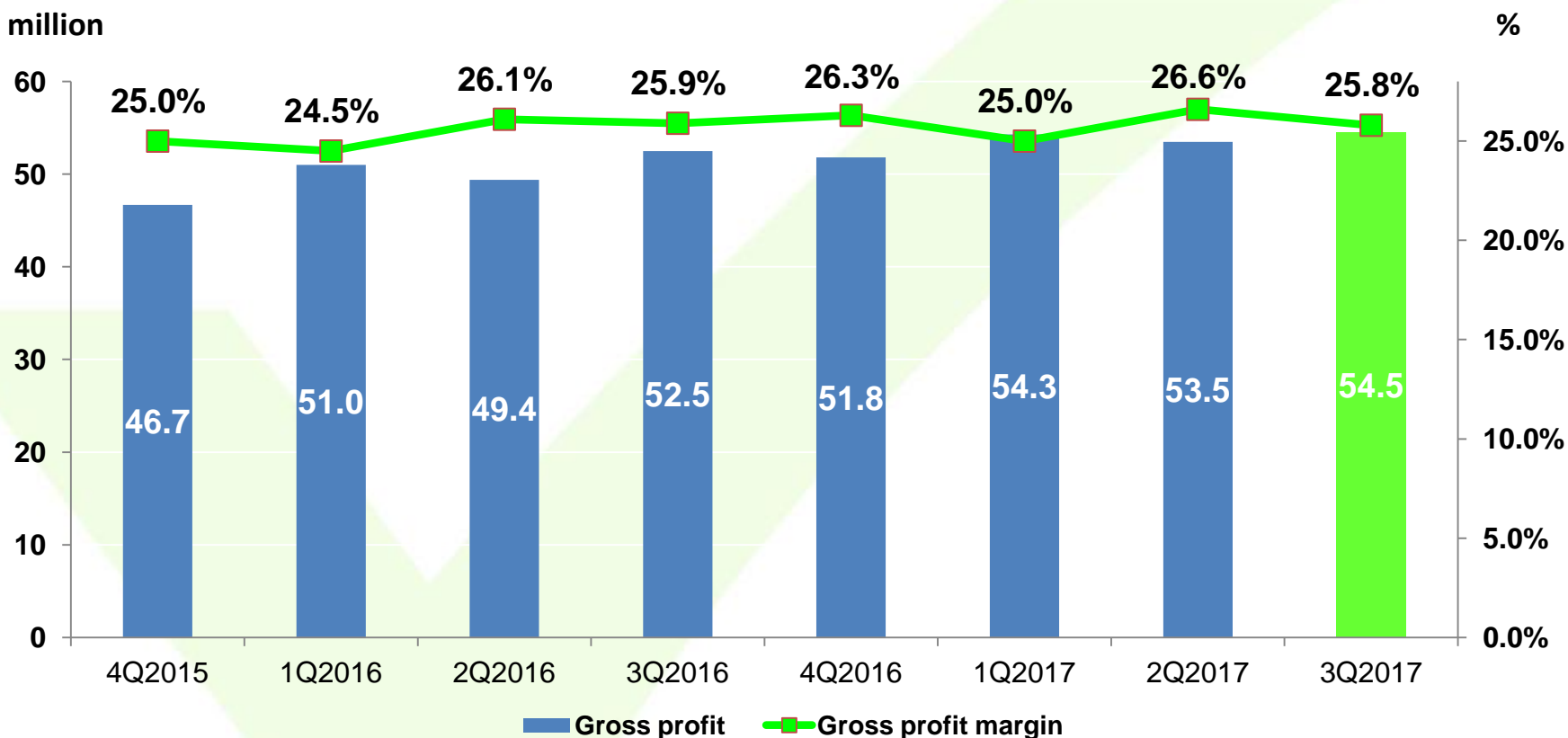
⁽¹⁾ 2.7% if Woodlands store which is closing in November is excluded

⁽²⁾ Loyang Point closed in April 2016 and reopened in February 2017 while The Verge closed in June 2017



Gross Profit Trend

S\$' million



- Gross margin remained stable in 3Q2017 compared with 3Q2016. Consistent with trend, 3Q2017 margin was lower than 2Q2017 because of festive sales during the Chinese seventh month.



Balance Sheet Highlights

S\$' Million	As at 30 Sep 2017	As at 31 Dec 2016	Remarks
Inventories	52.0	61.9	Goods which were purchased for Chinese New Year sales in 2017 were sold
Trade and other payables	102.6	117.5	Lower level of inventory purchases, payment in FY2017 for the automated self payment machines bought towards the end of FY2016 and partial accrued bonus were paid
Property, plant and equipment (PPE)	248.9	252.0	The purchase of property, plant and equipment amounting to \$8.1million which was offset by depreciation charges of \$11.1 million and disposal of \$0.2 million
Cash and cash equivalents	64.5	63.5	



Outlook

Business Outlook

- Competition in the supermarket industry is likely to remain keen.

- Retail space:

Nov 2017	Woodlands (closed)	- 41,500 square feet
Dec 2017*	Woodlands	+11,800 square feet
Dec 2017*	Anchorvale Crescent Blk 338	+5,100 square feet
Dec 2017*	Edgedale Plains Blk 660A	+3,100 square feet

* Estimated subject to signing of tenancy agreement with HDB

Growth strategy

- Continue expanding network of outlets in Singapore, especially in areas with no presence
- Nurture growth of new stores

Continue margin enhancement initiatives

- Increase direct sourcing and bulk handling
- Improve sales mix of higher margin products
- Increase selection and types of house brand products
- Remain vigilant on operating costs



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Questions & Answers

