

FOR IMMEDIATE RELEASE

Sheng Siong Group delivers a net profit growth of 2.6% to S\$137.5 million in FY2024 despite rising business costs

- FY2024 revenue rose 4.5% yoy driven by new store sales and higher same-store sales.
- An improved sales mix enabled the Group's gross profit to rise 6.1% to S\$435.5 million
- Strong start to 2025 with the launch of 2 new stores in Singapore. Results of 8 tenders to be released in the coming months.
- Proposed final dividend of 3.20 cents per share, total dividend of 6.40 cents per share for FY2024.

Singapore, 27 February 2025 – Sheng Siong Group Ltd. (“Sheng Siong”, together with its subsidiaries, the “Group” or “昇菘集团”), one of the largest supermarket chains in Singapore, reported its financial results for six months (“2H FY2024”) and twelve months (“FY2024”) ended 31 December 2024.

Financial Highlights

Financial Highlights	2H FY2024 (S\$ 'million)	2H FY2023 (S\$ 'million)	Change (%)	FY2024 (S\$ 'million)	FY2023 (S\$ 'million)	Change (%)
Revenue	714.5	677.2	5.5	1,428.7	1,367.7	4.5
Gross profit	220.4	205.4	7.3	435.5	410.5	6.1
Gross profit margin	30.9%	30.3%	0.6 ppts*	30.5%	30.0%	0.5ppts*
Other Income	11.9	10.9	9.3	19.2	15.9	20.6
Net profit	67.6	68.5	(1.3)	137.5	134.0	2.6
Net profit margin	9.5%	10.1%	(0.6 ppts*)	9.6%	9.8%	(0.2 ppts*)
EPS (S\$ cents)	4.50	4.54	(0.9)	9.15	8.89	2.9

*ppts denote percentage points

Revenue for FY2024 increased by 4.5% year-on-year (“yoy”) to S\$1.43 billion, up from S\$1.37 billion in FY2023. This growth was primarily driven by the opening of 6 new stores in FY2024 and 2 comparable new stores opened in FY2023 in Singapore, as well as the improved performance of the existing stores.

In line with revenue, gross profit grew by 6.1% in FY2024 to S\$435.5 million with a slight increase in the gross margin of 0.5 ppts to 30.5%. This was primarily attributed to the improvement in sales mix that helped offset elevated business costs.

Other income rose by 20.6% to S\$19.2 million in FY2024, mainly due to higher unrealised exchange gains from USD-denominated fixed deposits, increased rental income from expanded leased retail space, and higher proceeds from scrap material sales.

Administrative expenses increased by 17.9% to S\$58.5 million in FY2024, while selling and distribution expenses increased by 6.8% to S\$236.5 million. They are primarily due to higher staff costs from increased variable bonuses, reflected by our stronger financial performance, enhanced employment benefits, and a larger workforce to support new store openings.

In FY2024, cash flow generated from operating activities increased by 23.7% yoy to S\$219.0 million, mainly due to higher vendor payments for working capital requirements in FY2023. The Group ended the year with a strong cash and cash equivalents balance of S\$353.4 million as of 31 December 2024, marking an 8.9% increase from S\$324.4 million at the end of FY2023.

Following the strong financial performance, the Board of Directors has proposed a final dividend of 3.20 cents per share. Combined with the interim dividend of 3.20 cents per share, the total dividend for FY2024 amounts to 6.40 cents per share, up from 6.25 cents in FY2023. The payout ratio remains at 70.0%.

Looking Forward

Although Singapore's overall retail sales index declined by 0.7% and 2.9% year-on-year ("yoy") in November and December 2024, the supermarket and hypermarket sector continued to grow, recording yoy increases of 2.0% and 0.8%¹, respectively. Looking ahead to 2025, the sector is expected to maintain its upward trajectory, driven by broader economic and consumer trends.

Singapore's GDP is projected to grow by 1-3% in 2025, while the MAS Core Inflation is expected to be stabilised around 1.0-2.0%². This economic environment is likely to lead to a moderate increase in real income³, which will support supermarket sales and overall consumer spending on essential goods. Additionally, government support measures, including various vouchers and financial subsidies, will further enhance consumer purchasing power⁴, directly benefiting supermarket sales.

¹ <https://www.singstat.gov.sg/find-data/search-by-theme/industry/services/latest-data>

² <https://www.mas.gov.sg/-/media/mas-media-library/publications/recent-economic-developments/2025/recent-economic-developments-in-singapore-24-jan-2025.pdf>

³ <https://www.businesstimes.com.sg/singapore/singapore-should-still-see-real-wage-growth-2025-probably-less-2024>

⁴ <https://www.theedgesingapore.com/news/brokers-calls/sheng-siong-dfi-retail-and-retail-reits-seen-benefit-budget-2025-vouchers>

Nevertheless, challenges remain, particularly in global trade⁵ and geopolitical tensions⁶ that could disrupt supply chains and drive up costs. Consumers are becoming more value-conscious as the market evolves, seeking greater affordability and quality in their purchases. This trend makes our budget-friendly products, as well as house brands, a more attractive choice for them. To navigate uncertainties, the Group will strengthen its core competencies and diversify its supply chain to mitigate risks. The Group remains committed to delivering sustainable long-term growth by staying agile and resilient.

Mr Lim Hock Chee, the Group's Chief Executive Officer, said, **"2024 marks another year of growth for the Group, driven by our expanding store network in Singapore and strong financial performance. Our commitment to providing quality products at affordable prices and excellent service has continued to resonate with consumers, reinforcing our position in the market.**

Despite challenges in the macroeconomic and trade environment, our diversified supply chain allows us to manage costs effectively while maintaining a wide and reliable product selection for customers. We continue to focus on enhancing our margins by refining the sales mix, improving cost efficiencies, and strategically growing our store footprint to serve communities better and drive sustainable growth.

In line with our expansion strategy, we have opened 8 new stores in Singapore as of today since the beginning of FY2024, along with the launch of our 6th Store in Kunming, China. Additionally, we are awaiting the tender results for 8 stores by HDB. With a stable HDB housing supply pipeline, we remain confident in the future expansion opportunities to strengthen our presence across Singapore."

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About Sheng Siong Group Ltd.

Sheng Siong Group Ltd. is one of the largest supermarket chains in Singapore. Principally engaged in operating the Sheng Siong Groceries Chain, consisting of 77 outlets all across the island, the Group's outlets are primarily located in the heartlands of Singapore. The outlets are designed to provide its customers with both "wet and dry" shopping options, including a wide assortment of live, fresh and chilled produce, such as seafood, meat and vegetables, in addition to processed, packaged and/or preserved food products as well as general merchandise such as toiletries and essential household products.

Sheng Siong has developed a selection of house brands to offer customers quality alternatives to national brands at substantial savings. Sheng Siong offers over 1,750 products under its 25 house brands, ranging from food products to paper goods.

For more information, please refer to: <http://corporate.shengsiong.com.sg>

**Issued for and on behalf of Sheng Siong Group Ltd.
by Financial PR**

⁵ <https://www.scmp.com/week-asia/economics/article/3297629/will-singapore-avoid-trumps-tariffs-face-us-china-trade-war-crossfire>

⁶ <https://www.scmp.com/opinion/world-opinion/article/3295992/crisis-hit-supply-chains-must-become-stronger-greener-and-fairer>



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