



BUSINESS UPDATE

3Q FY2024

(Ended 30 September 2024)

29 October 2024



Group Key Highlights

Income Statement Highlights (excludes Other Income)	3Q FY2024 (S\$ Million)	3Q FY2023 (S\$ Million)	Change (%)	9M FY2024 (S\$ Million)	9M FY2023 (S\$ Million)	Change (%)
Revenue	363.2	345.8	5.0	1,077.4	1,036.3	4.0
Gross profit	113.8	105.0	8.4	328.8	310.1	6.0
Gross profit margin	31.3%	30.3%	1.0 ppts ¹	30.5%	29.9%	0.6 ppts ¹
Operating expenses	(74.4)	(68.7)	8.3	(215.8)	(202.8)	6.4
Net finance income	1.9	1.9	-	6.1	5.4	13.1
Net Profit	39.1	34.8	12.4	109.1	100.3	8.7
Net Profit Margin	10.8%	10.1%	0.7 ppts ¹	10.1%	9.7%	0.4 ppts ¹

1. ppts: Percentage points;

	No. of stores		Breakdown of Revenue Growth (%)	
	30 Sep 2024	30 Sep 2023	3Q FY2024 vs 3Q FY2023	9M FY2024 vs 9M FY2023
New Stores and Comparable New Stores²— Singapore	6	2	3.2	2.1
Comparable same stores³ - Singapore	67	67	1.5	1.8
Stores in China	6	5	0.3	0.1
Total	79	74	5.0	4.0

2. This consists of 4 new stores that opened in 9M FY2024 and 2 comparable new stores that opened in 9M FY2023; 2 new stores opened in 3Q FY2024 are at Blk 465 Fernvale Road and Blk 410A Sin Ming Avenue.

3. 4 stores that opened in FY2022 were classified as new stores a year ago and have been reclassified to comparable same stores in 9M FY2024.



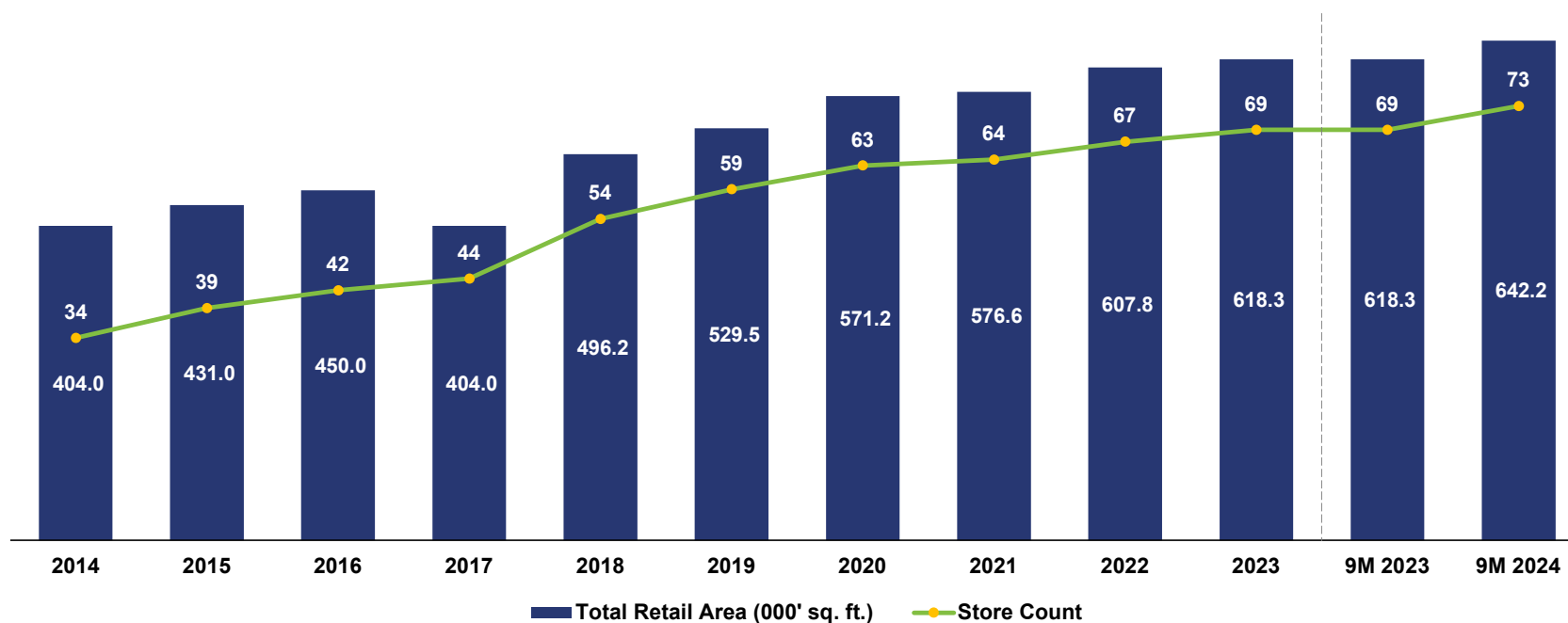
OPERATIONAL HIGHLIGHTS

Going the Extra Mile

We pride ourselves on our service and quality, adding a personal touch to the way we deliver value to our stakeholders.

Retail Area and Number of Stores in Singapore

The Group continues to be on the lookout for viable retail space in housing estates in Singapore

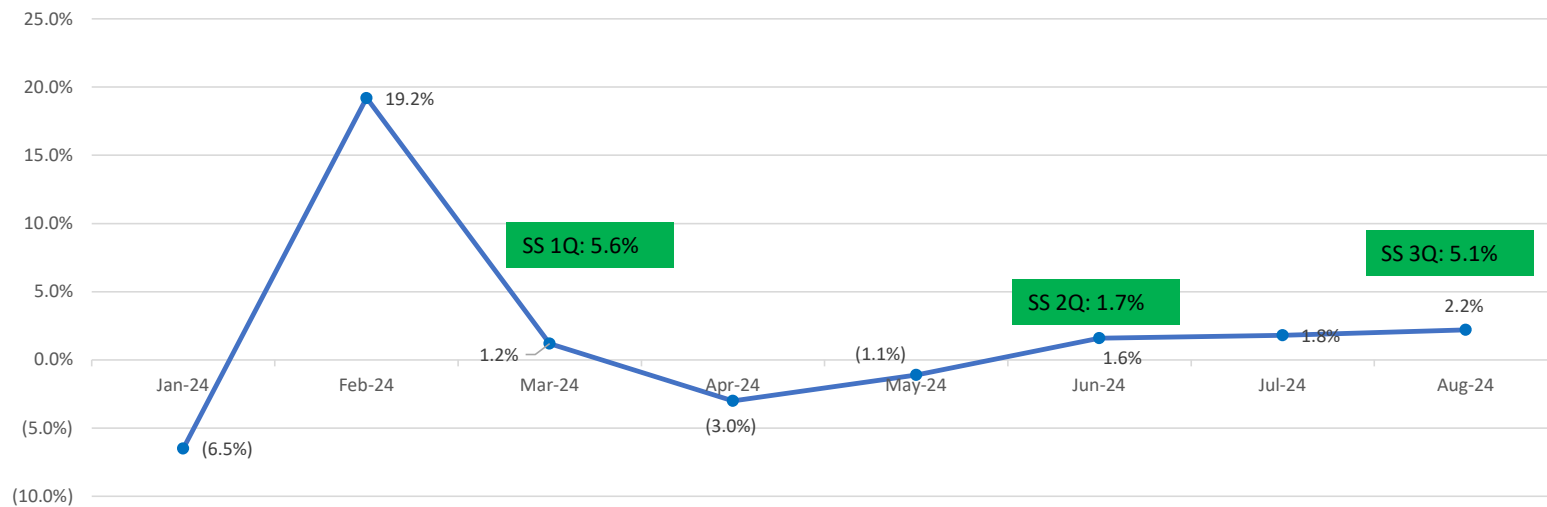


- The Group aims to open at least 3 new stores per year.
- The Group opened 4 new stores in 9M FY2024 and 2 comparable new stores in FY2023.

9M 2024 Revenue Growth: Sheng Siong (SS) vs National

Sheng Siong's growth in 1Q, 2Q and 3Q beat National Supermarket/Hypermarket Growth

Revenue Growth YOY: Sheng Siong vs National



- Source: Department of Statistics, Singapore.
- National data for September 24 is not available yet.
- SS growth is for the Singapore market only.

Revenue Per Square Feet (Singapore Operations)

Growth in retail space is expected to drive sales in the long term

Year	Weighted Average Area (square feet)	Revenue (S\$'000)	Revenue per square feet (S\$)	Remarks
2019	508,250	974,008	1,916	New stores (mainly stores opened in 2018)
2020	564,943	1,365,051	2,416	Comparable same store sales – elevated demand for COVID-19
2021	571,180	1,337,941	2,342	New stores (1 new store in 2021 and 5 new stores in 2020. with PJ store closed in 2020)
2022	593,240	1,300,623	2,192	New stores (4 new stores in 2022, and 1 new store in 2021, with YC store closed in 2022)
2023	613,714	1,331,316	2,169	New stores (2 new stores in 2023, and 4 new stores in 2022)
9M 2023	612,152	1,007,703	1,646	Increase in revenue driven by both new stores and comparable same stores
9M 2024	629,159	1,049,523	1,668	Revenue supported by new stores opening and improvements in comparable same store sales



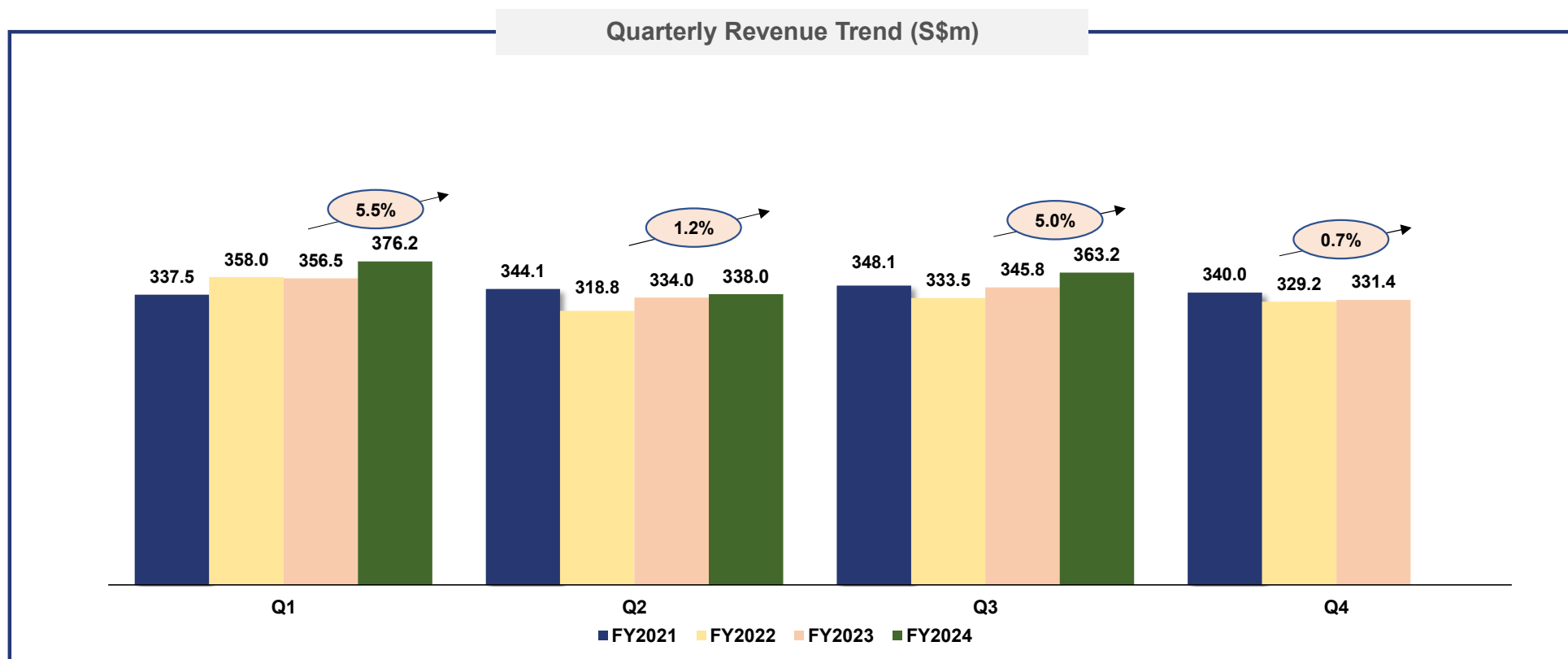
FINANCIAL HIGHLIGHTS

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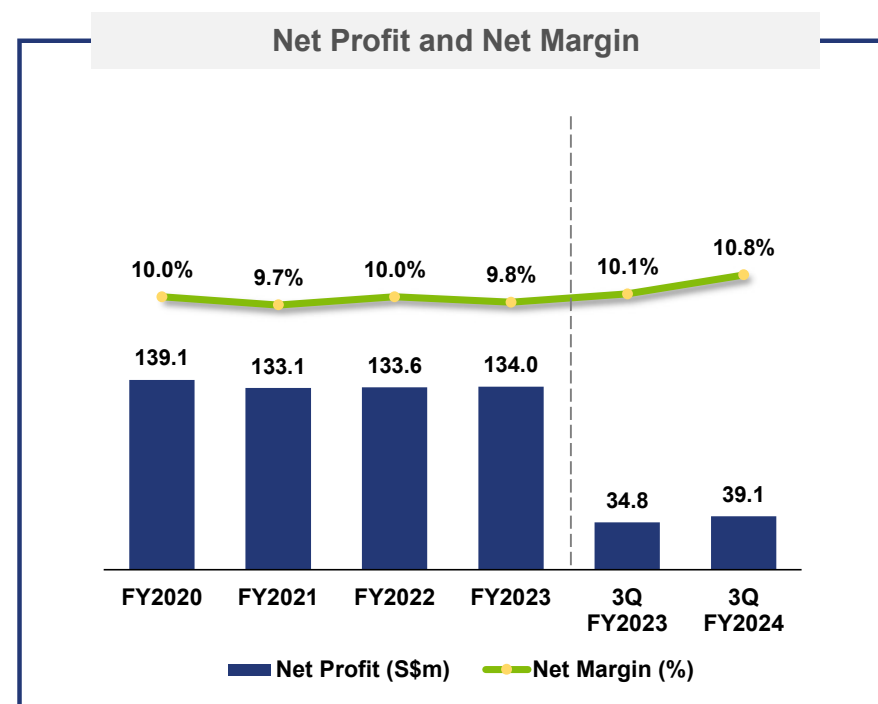
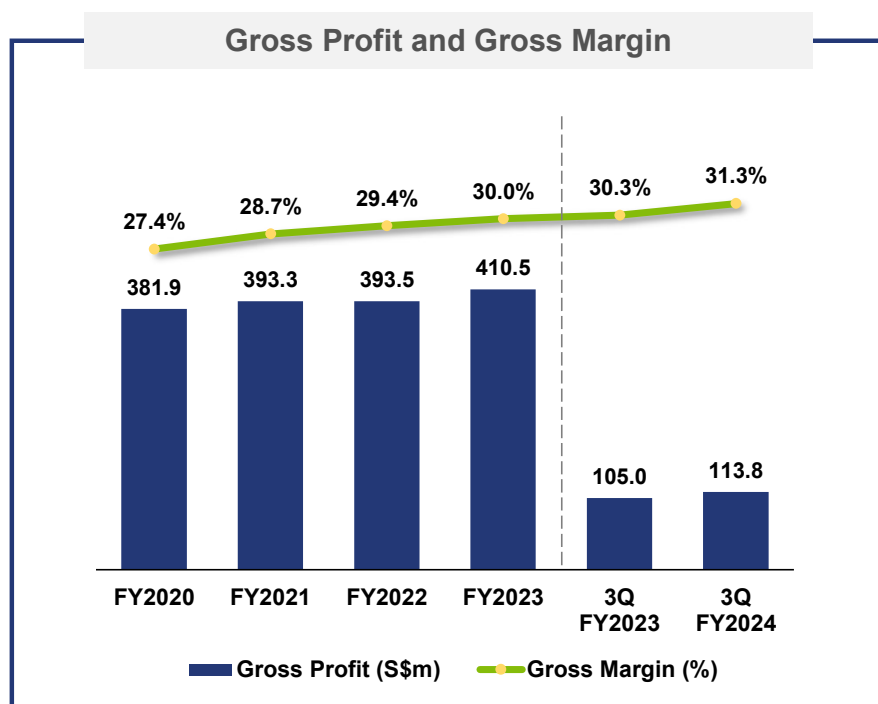
Revenue Trend

Revenue for 3Q FY2024 grew by 5.0% year-on-year



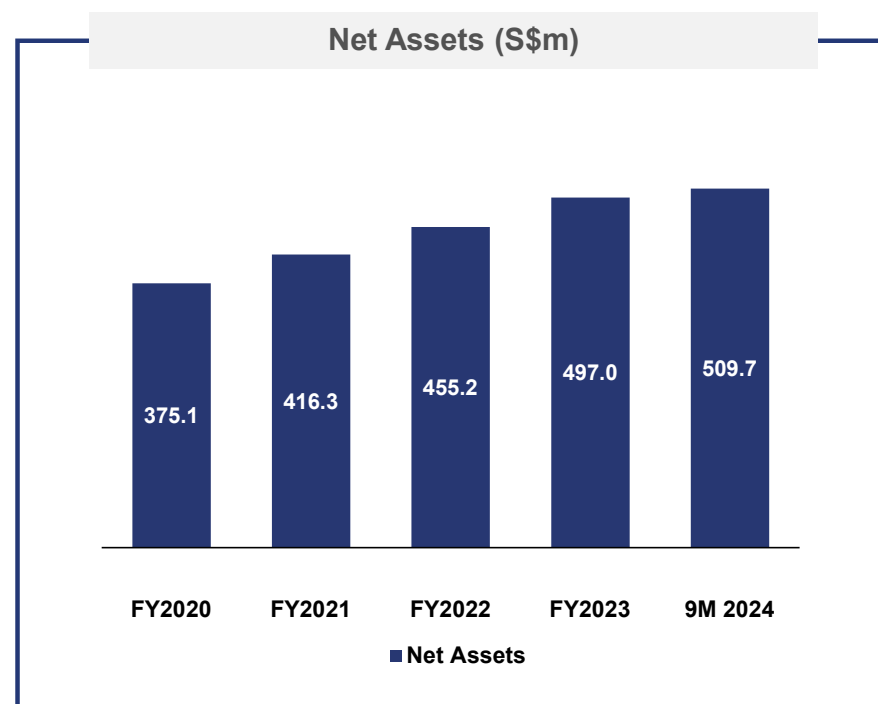
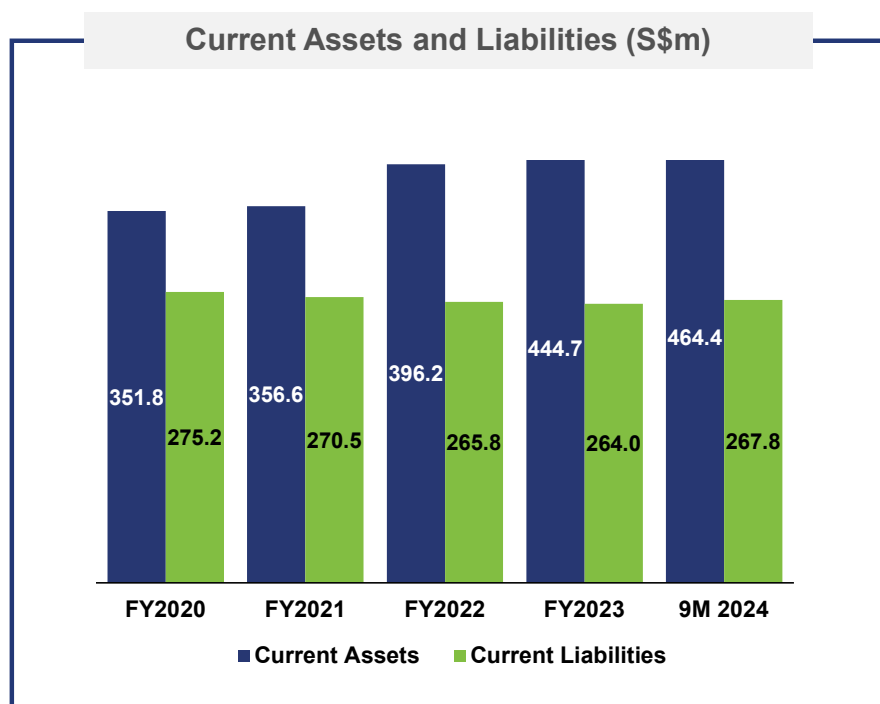
Profitability Trend

Margins have remained relatively stable across the period under review



Balance Sheet Highlights

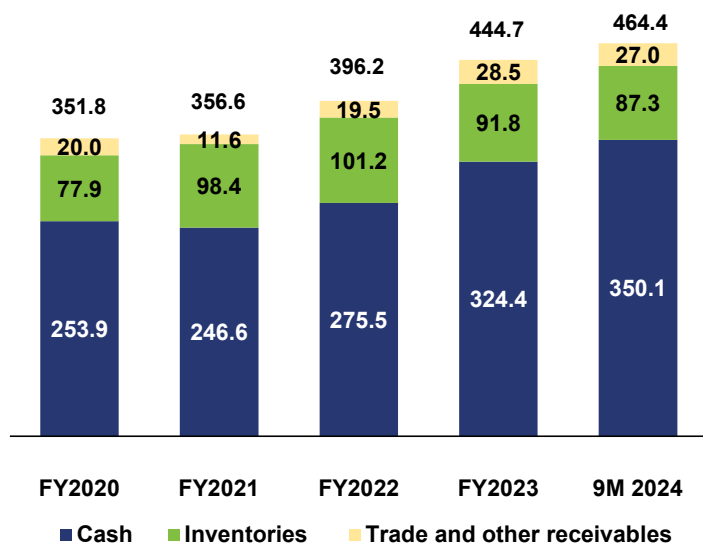
Strong financial position supported by a high cash balance and no borrowings



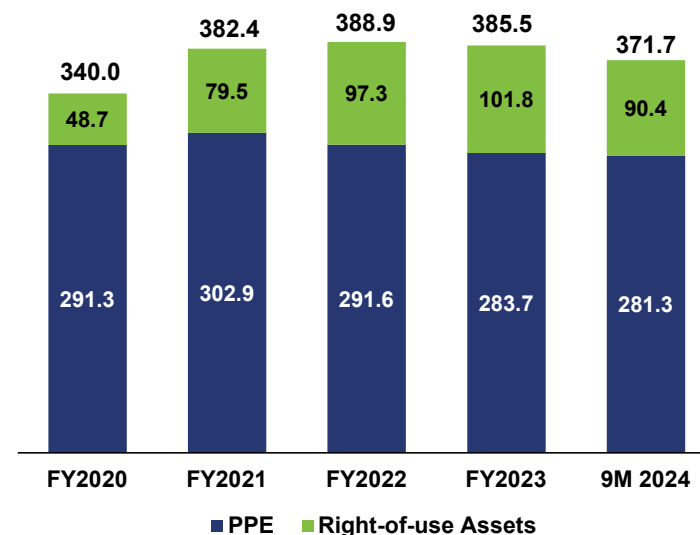
Balance Sheet Highlights

Strong financial position supported by a high cash balance and no borrowings

Breakdown of Current Assets (S\$m)



Breakdown of Fixed Assets (S\$m)





LOOKING AHEAD

Going the Extra Mile

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Outlook

The Group remains focused on bringing value-for-money offerings to its consumers

Business Outlook

- As the risk to the inflation outlook persists, consumers are expected to reduce non-essential spending to save costs. Consequently, they are expected to increase their spending on groceries and fresh food.
- Competition remains keen in the supermarket industry. Aggressive promotions coupled with higher input costs such as labour costs and energy expenses put pressure on margins.
- Focus on building core capabilities to navigate through this environment of macroeconomic and geo-political uncertainty.
- Seek growth through continuous expansion of network of stores in Singapore, especially in areas without presence, supported by the ramp in supply of HDB projects.
 - In 9M FY2024, HDB released 17 shops for tender.
 - 4 awarded, 4 awaiting for tender results.
 - Upon completing the acquisition of Jelita Property Pte Ltd, we intend to open a new store at Toa Payoh in Q4 FY2024.
 - Outlook: 1 more tender to be put up in 4Q FY2024.

China Operations

- The China subsidiary made a loss in 3Q FY2024 due to additional costs incurred for the new store opened in June 2024. It remains profitable for 9M FY2024.
- Nurture growth of supermarket operations in Kunming, China and build Sheng Siong's brand.

Operational Efficiency and Margin Enhancement

- Ensure diversified sources of supply to mitigate potential disruptions
- Remain vigilant on performance of existing stores and operating costs
- On-going initiatives to automate work processes to improve operational efficiency
- Improve sales mix of higher margin products
- Increase selection and types of house brand products
- Derive efficiency gains from the supply chain

The image shows the entrance to a Sheng Siong supermarket. The store's name is displayed in large, illuminated purple letters on a green background above the entrance. The interior is visible, showing aisles with shelves of goods, a produce section with crates of fruit, and several customers. A sign above the entrance lists the steps: 1. FIND & PICK UP, 2. SCAN & CHECK OUT, 3. BAG & PACK, 4. EXIT. The store is decorated with red floral garlands hanging from the ceiling. The entire scene is framed by a green and purple geometric border.

 **SHENG SIONG**

THANK YOU!

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