



SHENGSIONG
... all for you!



FY2020 Results Presentation



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Financial Highlights for FY2020

Revenue

40.6%
yoy

S\$1,394.0 million

Gross profit margin

0.5pp*

27.4%

Operating profit margin

2.6pp*

11.9%

Net profit

83.7%

S\$139.1 million

Retail area

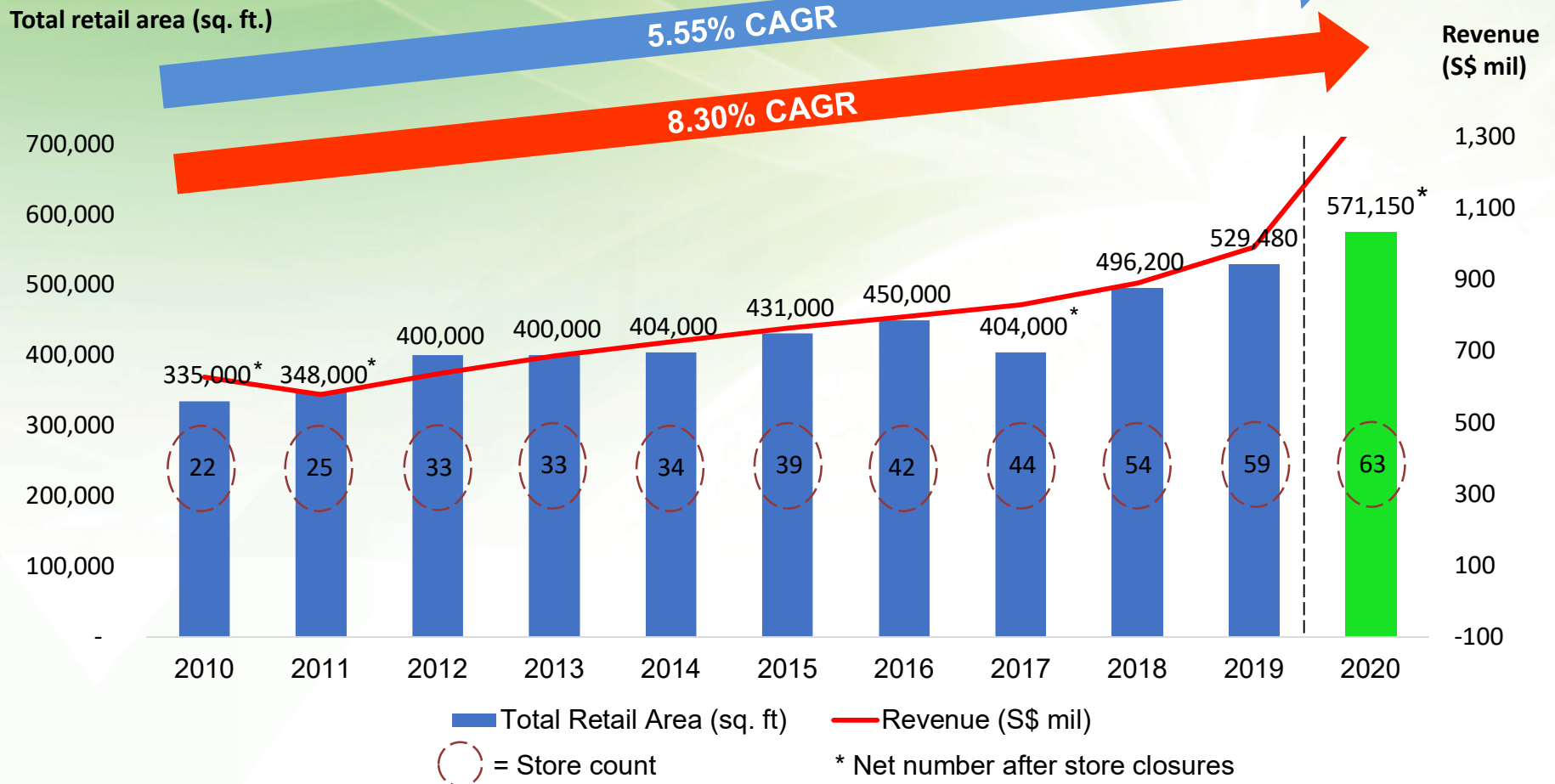
7.9%
yoy

571,150 sq ft***

**pp denotes percentage points*

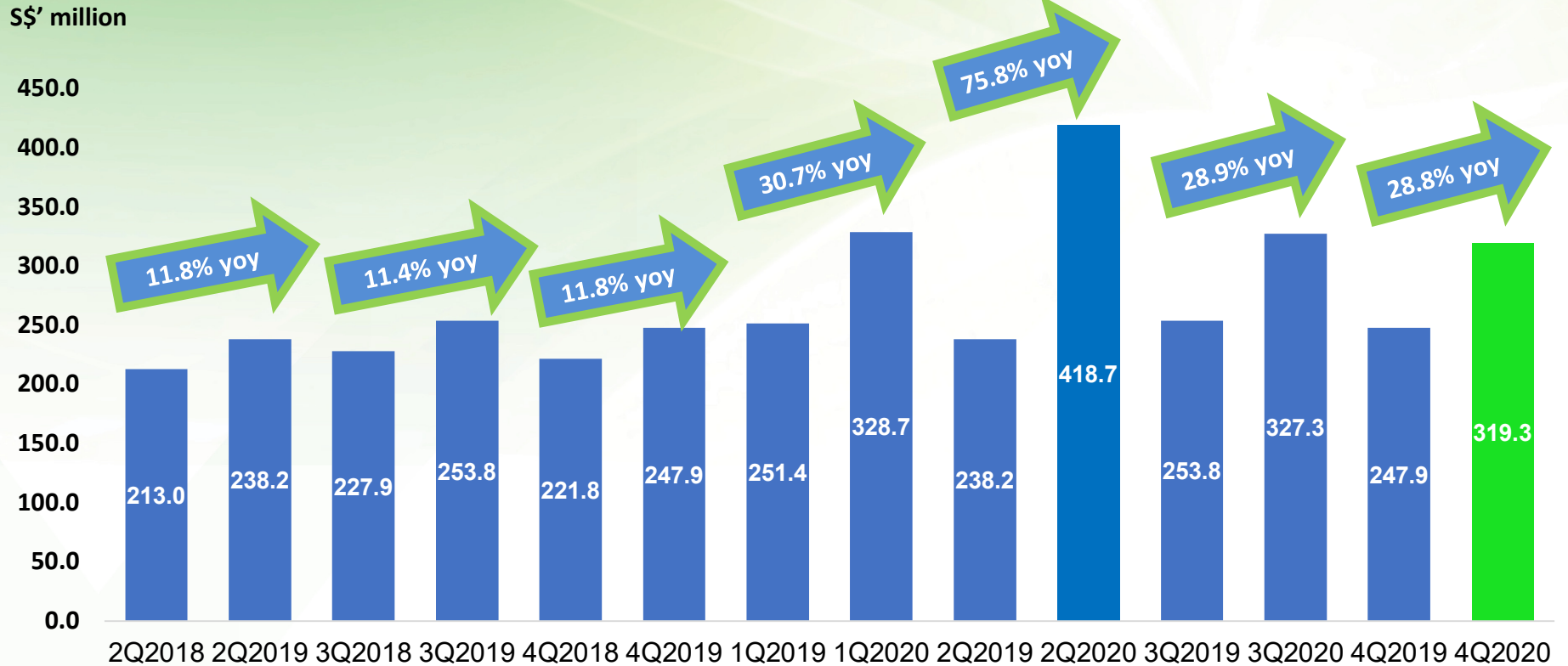
**** Singapore only*

Retail Area – Singapore Operations

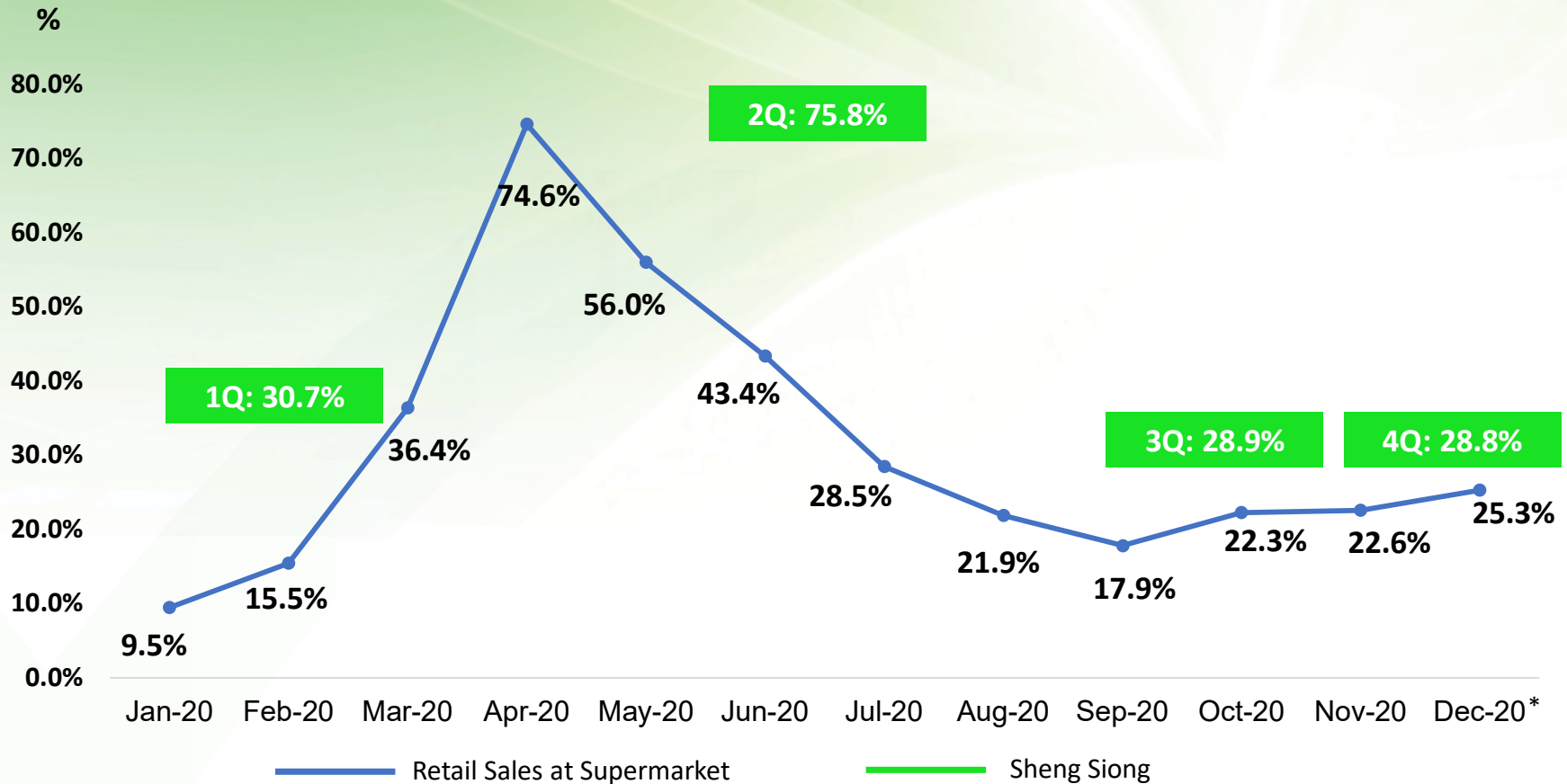


- 63 outlets as at 31 December 2020
- The key driver of our strategy will be to expand retail space in Singapore, particularly in areas where our potential customers are residing in.

Revenue Trend



Revenue Growth: Sheng Siong vs National



*Figures for retails sales in September is not available

Source: Department of Statistics, Singapore

Breakdown of Revenue Growth

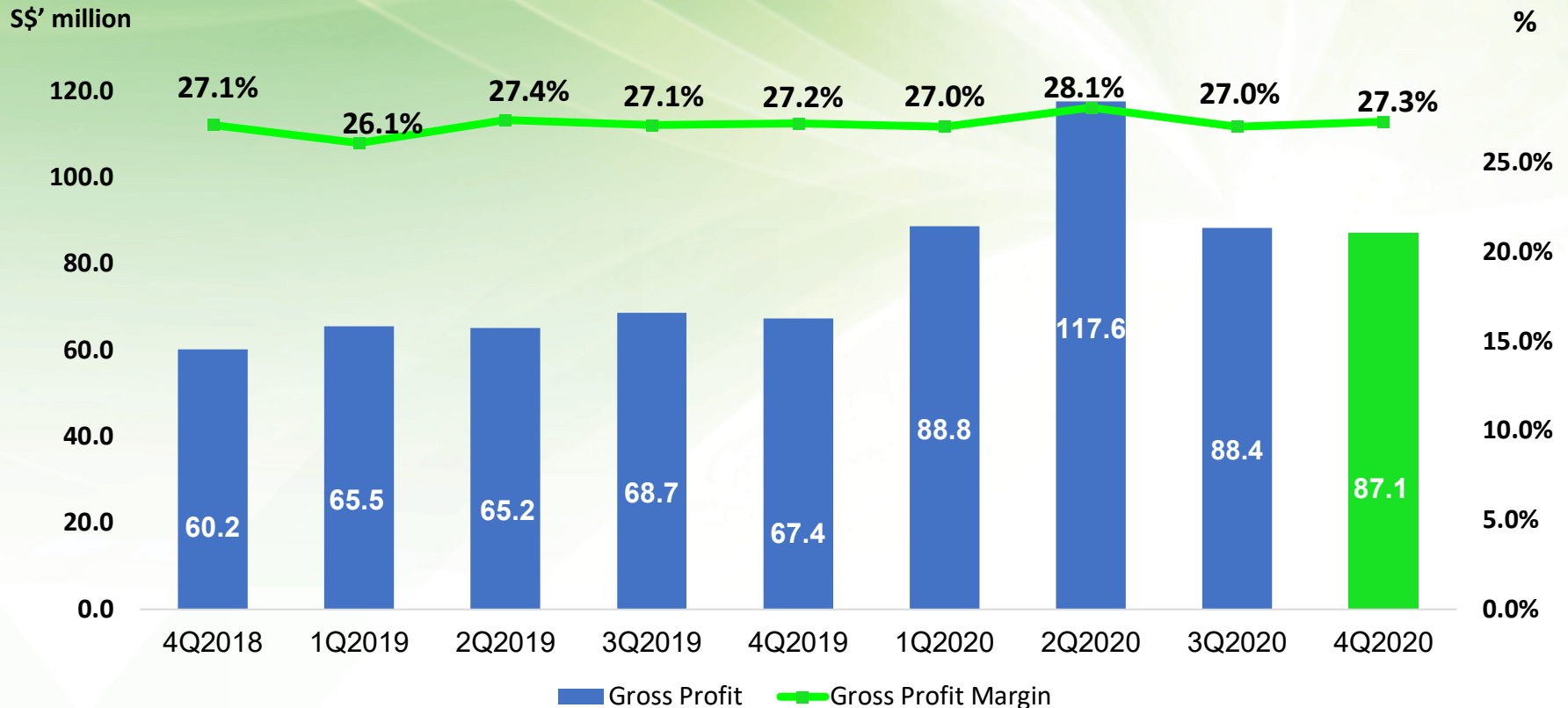
	4Q2020	4Q2019	FY2020	FY2019
New stores	10.6%	8.6%	10.5%	10.2%
Comparable same store sales	18.2%	1.8%	29.1%	0.1%
Supermarkets in China	0%	1.4%	1.0%	1.0%
Total revenue growth	<u>28.8%</u>	<u>11.8%</u>	<u>40.6%</u>	<u>11.3%</u>

Revenue Per Sq Ft (Singapore Operation)

Year	Area (square feet)	Revenue (S\$'000)	Revenue per square feet (S\$)	Remarks
2013	400,000	687,390	1,718	New store sales offset by renovation works affecting Bedok Central and Verge stores
2014	400,000	725,987	1,815	Positive same store sales
2015	422,000 ⁽¹⁾	764,433	1,810	Turnover at new stores require time to reach optimum
2016	436,000 ⁽¹⁾	796,683	1,826	More smaller stores
2017	435,700 ⁽¹⁾	829,827	1,905	Closure of the Verge and Woodlands Block 6A – partial effect
2018	450,960 ⁽¹⁾	882,200	1,956	Closure of the Verge and Woodlands Block 6A – full effect and new stores
2019	508,250 ⁽¹⁾	974,008	1,916	New stores (mainly stores opened in 2018)
2020	557,882 ⁽¹⁾	1,367,769	2,423	Comparable same store sales – elevated demand from COVID-19

⁽¹⁾ Weighted average area

Gross Profit Trend



- Gross margin improved slightly in FY2020 to 27.4% compared with 26.9% in FY2019 because of higher gross margin in the first half of FY2020 as selling prices were firmly underpinned by the strong demand.
- In addition, a higher sales mix of fresh to non-fresh and a higher volume of house brands sold in 1Q2020 contributed to the improvement in gross margin. Both fresh and house brands command better gross margin than non-fresh and national brands.

Balance Sheet Highlights

S\$' Million	As at 31 Dec 2020	As at 31 Dec 2019	Remarks
Inventories	77.9	82.2	Improvement in inventory turnover
Trade and other payables	208.1	140.8	Higher level of purchases and increase in accruals for bonuses
Property, plant and equipment (PPE)	291.6	295.3	Purchase of property, plant and equipment, new leases capitalised offset by depreciation
Cash and cash equivalents	253.9	76.4	Strong operating cash flow

Outlook

Business Outlook

- Demand may be affected post COVID-19
- Competition remains keen

Growth strategy

- Continue expanding network of outlets in Singapore, especially in areas with no presence
- Nurture growth of new stores
- Improve comparable same store sales post COVID 19
- Nurture growth of Kunming supermarket (China) and build Sheng Siong's brand in China

Continue margin enhancement initiatives

- Improve sales mix of higher margin products
- Derive more efficiency gains in supply chain

Operational efficiencies

- Remain vigilant on operating costs
- Continue to digitalize work processes



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Questions & Answers



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