



SHENG SIONG GROUP LTD

Financial Statement

PART 1- INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1, Q2, Q3), HALF-YEAR AND FULL YEAR ANNOUNCEMENTS

1(a)(i) An income statement (for the group) together with a comparative statement for the corresponding period of the immediately preceding financial year.

UNAUDITED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	GROUP 3 months ended 31 Dec			GROUP Year ended 31 Dec		
	2019 S\$'000	2018 S\$'000	+/- (-) %	2019 S\$'000	2018 S\$'000	+/- (-) %
Revenue	247,859	221,795	11.8	991,284	890,934	11.3
Cost of sales	(180,478)	(161,610)	11.7	(724,426)	(652,554)	11.0
Gross profit	67,381	60,185	12.0	266,858	238,380	11.9
Other income	1,707	1,768	(3.5)	8,933	7,607	17.4
Distribution expenses	(2,655)	(1,326)	100.2	(7,669)	(5,824)	31.7
Administrative expenses	(44,043)	(39,575)	11.3	(172,787)	(154,044)	12.1
Other expenses	(689)	(538)	28.1	(2,752)	(2,333)	18.0
Results from operating activities	21,701	20,514	5.8	92,583	83,786	10.5
Finance income	280	294	(4.8)	1,338	888	50.7
Finance expense	(560)	-	n.m	(2,014)	-	n.m
Profit before tax	21,421	20,808	2.9	91,907	84,674	8.5
Tax expense	(4,046)	(3,358)	20.5	(16,152)	(14,149)	14.2
Profit for the period/year	17,375	17,450	(0.4)	75,755	70,525	7.4
Other comprehensive income						
Items that may be re-classified subsequently to profit or loss						
Foreign currency translation differences arising on consolidation of foreign entity	(8)	(26)	(69.2)	(137)	(204)	(32.8)
Total comprehensive income for the period/year	17,367	17,424	(0.3)	75,618	70,321	7.5



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	GROUP			GROUP		
	3 months ended			Year ended		
	31 Dec			31 Dec		
	2019	2018	+ / (-)	2019	2018	+ / (-)
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
Profit net of tax for the period/year attributable to :						
Owners of the company	17,383	17,525	(0.8)	75,732	70,797	7.0
Non controlling interest	(8)	(75)	(88.0)	23	(272)	n.m
	<u>17,375</u>	<u>17,450</u>	<u>(0.4)</u>	<u>75,755</u>	<u>70,525</u>	<u>7.4</u>
Total comprehensive income attributable to :						
Owners of the company	17,378	17,510	(0.7)	75,650	70,675	7.0
Non controlling interest	(11)	(86)	(86.0)	(32)	(354)	(90.9)
	<u>17,367</u>	<u>17,424</u>	<u>(0.3)</u>	<u>75,618</u>	<u>70,321</u>	<u>7.5</u>

1(a)(ii) Notes to the income statement

Note	GROUP		GROUP		
	3 months ended		Year ended		
	31 Dec		31 Dec		
	2019	2018	2019	2018	
	S\$'000	S\$'000	S\$'000	S\$'000	
Depreciation of property, plant and equipment	(1)	4,669	4,175	18,055	16,461
Depreciation of right-of-use assets	(2)	7,070	-	23,702	-
Exchange gain		(165)	(30)	(520)	(272)
(Gain)/ Loss on disposal of property, plant and equipment		-	(116)	42	(117)
Interest income		(280)	(294)	(1,338)	(888)
Interest expense	(3)	560	-	2,014	-
Finance expense/(income) net		<u>280</u>	<u>(294)</u>	<u>676</u>	<u>(888)</u>
Other income:					
Rental income	(4)	772	860	3,313	2,882
Sale of scrap materials		222	391	1,249	1,473
Government grants	(5)	208	265	2,109	1,618
Miscellaneous income		504	252	2,262	1,634
		<u>1,706</u>	<u>1,768</u>	<u>8,933</u>	<u>7,607</u>



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Notes:

1. The increase in depreciation was attributable mainly to property, plant and equipment bought in FY2019.
2. Depreciation of right-of-use assets relates to leases where the Group is a lessee and is capitalized as right-of-use assets following the adoption of SFRS (I) 16 Leases.
3. This finance expense relates to interest on lease liabilities which were brought onto the consolidated statements of financial position upon the recognition of the right-of-use assets following the adoption of SFRS (I) 16 Leases on 1 January 2019.
4. Rental income was derived from leasing of excess retail space to external parties and was higher in FY2019 compared with FY2018 mainly because of short term rental of booths to corporations promoting their products in the first half of FY2019.
5. The government grants were from Government agencies under the Wage Credit, and Special Employment Schemes and subsidies for productivity improvement projects. It was higher in FY2019 compared with FY2018 mainly because of subsidies received for productivity enhancing projects but was offset by lower Special Employment Credits.



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1(b)(i) CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	GROUP		COMPANY	
	31 Dec 2019 S\$'000	31 Dec 2018 S\$'000	31 Dec 2019 S\$'000	31 Dec 2018 S\$'000
Non current assets				
Right-of-use assets	60,903	-	-	-
Property, plant and equipment	295,286	266,219	-	-
Investment in subsidiaries	-	-	82,261	82,261
	356,189	266,219	82,261	82,261
Current assets				
Inventories	82,166	69,897	-	-
Trade and other receivables	17,981	12,989	181,354	180,755
Cash and cash equivalents	76,419	87,234	299	325
	176,566	170,120	181,653	181,080
Total assets	532,755	436,339	263,914	263,341
Equity attributable to equity holders of the Company				
Share capital	235,373	235,373	235,373	235,373
Merger reserve	(68,234)	(68,234)	-	-
Accumulated profits	146,285	123,177	28,094	27,576
Foreign currency translation reserve	(173)	(91)	-	-
Equity attributable to owners of the Company	313,251	290,225	263,467	262,949
Non Controlling interest	2,109	2,141	-	-
Total equity	315,360	292,366	263,467	262,949
Non-current liabilities				
Lease liabilities	30,239	-	-	-
Deferred tax liabilities	3,042	2,919	-	-
	33,281	2,919	-	-
Current liabilities				
Lease liabilities	26,743	-	-	-
Trade and other payables	140,766	125,663	447	392
Current tax payable	16,605	15,391	-	-
	184,114	141,054	447	392
Total liabilities	217,395	143,973	447	392
Total equity and liabilities	532,755	436,339	263,914	263,341

1(b)(ii) Aggregate amount of Group's borrowings and debt securities

The Group had no borrowings as at 31 December 2019 and 31 December 2018 respectively.



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I(c) A cash flow statement (for the Group), together with a comparative statement for the corresponding period of the immediately preceding financial year.

CONSOLIDATED STATEMENT OF CASH FLOW

	Group 3 months ended		Group Year ended	
	31 Dec		31 Dec	
	2019 S\$'000	2018 S\$'000	2019 S\$'000	2018 S\$'000
Operating activities				
Profit for the period/year	17,375	17,450	75,755	70,525
Adjustments for:				
Depreciation of right-of-use assets	7,070	-	23,702	-
Depreciation of property, plant and equipment	4,669	4,175	18,055	16,461
(Gain)/Loss on disposal of property, plant and equipment	-	(116)	42	(117)
Unrealised exchange (gain)/loss	(22)	75	(88)	121
Interest income	(280)	(294)	(1,338)	(888)
Interest expense	560	-	2,014	-
Tax expense	4,046	3,358	16,152	14,149
	33,418	24,648	134,294	100,251
Changes in inventories	(18,322)	(11,983)	(12,269)	(9,131)
Changes in trade and other receivables	(101)	1,418	(4,992)	1,668
Changes in trade and other payables	22,753	13,996	15,103	14,341
Cash generated from operations	37,748	28,079	132,136	107,129
Taxes refund/(paid)	(24)	246	(14,814)	(14,904)
Cash flows from operating activities	37,724	28,325	117,322	92,225
Investing activities				
Proceeds from disposal of property, plant and equipment	3	124	91	296
Purchase of property, plant and equipment	(37,236)	(8,590)	(53,611)	(28,167)
Interest received	280	294	1,338	888
Cash flows used in investing activities	(36,953)	(8,172)	(52,182)	(26,983)
Financing activities				
Dividend paid	-	-	(52,624)	(51,120)
Repayment of lease liabilities	(7,004)	-	(23,282)	-
Cash flows used in financing activities	(7,004)	-	(75,906)	(51,120)
Net (decrease)/increase in cash and cash equivalents	(6,233)	20,153	(10,766)	14,122
Cash and cash equivalents at beginning of the period	82,638	67,182	87,234	73,438
Effect of exchange rate changes on balances held in foreign currencies	14	(101)	(49)	(326)
Cash and cash equivalents at end of the period/year	76,419	87,234	76,419	87,234



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1(d)(i) A statement (for the issuer and group) showing (i) all change in equity or (ii) change in equity other than those arising from capitalization issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial period.

Group	Attributable to owners of the Company					Non-Controlling interest	Total equity
	Share capital	Merger reserve	Accumulated profit	Foreign currency translation reserve	Total		
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
At 1 January 2018	235,373	(68,234)	103,500	31	270,670	2,495	273,165
Total comprehensive income for the year							
Profit for the year	-	-	70,797	-	70,797	(272)	70,525
Other comprehensive income							
Foreign currency translation differences for foreign entity	-	-	-	(122)	(122)	(82)	(204)
Total comprehensive income for the year	-	-	70,797	(122)	70,675	(354)	70,321
Transactions with owners, recorded directly in equity:							
Contribution by and distributions to owners of the Company							
Dividend paid	-	-	(51,120)	-	(51,120)	-	(51,120)
Total transactions with owners	-	-	(51,120)	-	(51,120)	-	(51,120)
As at 31 December 2018	235,373	(68,234)	123,177	(91)	290,225	2,141	292,366
At 1 January 2019	235,373	(68,234)	123,177	(91)	290,225	2,141	292,366
Total comprehensive income for the year							
Profit for the year	-	-	75,732	-	75,732	23	75,755
Other comprehensive income							
Foreign currency translation differences for foreign entity	-	-	-	(82)	(82)	(55)	(137)
Total comprehensive income for the year	-	-	75,732	(82)	75,650	(32)	75,618
Transactions with owners, recorded directly in equity:							
Contribution by and distributions to owners of the Company							
Dividend paid	-	-	(52,624)	-	(52,624)	-	(52,624)
Total transactions with owners	-	-	(52,624)	-	(52,624)	-	(52,624)
As at 31 December 2019	235,373	(68,234)	146,285	(173)	313,251	2,109	315,360



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Company	Share capital S\$'000	Accumulated profits S\$'000	Total Equity S\$'000
As at 1 January 2018	235,373	33,075	268,448
Total comprehensive income for the year			
Profit for the year	-	45,621	45,621
Transactions with owners, recorded directly in equity:			
Distributions to owners			
Dividend paid	-	(51,120)	(51,120)
Total transactions with owners	-	(51,120)	(51,120)
At 31 December 2018	<u>235,373</u>	<u>27,576</u>	<u>262,949</u>
	235,373	27,576	262,949
As at 1 January 2019			
Total comprehensive income for the year			
Profit for the year	-	53,142	53,142
Transactions with owners, recorded directly in equity:			
Distributions to owners			
Dividend paid	-	(52,624)	(52,624)
Total transactions with owners	-	(52,624)	(52,624)
As at 31 December 2019	<u>235,373</u>	<u>28,094</u>	<u>263,467</u>

1(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share option or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles, as well as the number of shares held as treasury shares, if any, against the total number of issued shares excluding treasury shares of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.

There were no changes in the Company's share capital arising from rights issue, bonus issue, share-buybacks, exercise of share option or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purposes since the end of the previous period reported on.

There were no outstanding convertibles which may be converted to shares. There were no treasury shares held.

d)(iii) To show the total number of issued shares as at the end of the current financial period and as at the end of the immediately preceding year.

Company	As at	
	31 Dec 2019 No of shares	31 Dec 2018 No of shares
Total number of issued shares	<u>1,503,537,000</u>	<u>1,503,537,000</u>



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1(d)(iv) A statement showing all sales, transfer, disposal, cancellation and/or use of treasury shares as at the end of the current financial period reported on.

Not applicable.

2. Whether the figures have been audited, or reviewed and in accordance with which auditing standard or practice.

The figures have not been audited or reviewed.

3. Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of matter).

Not applicable.

4. Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.

The Group has applied the same accounting policies and computation methods used in the preparation of the financial statements for the current financial year as compared with the audited combined financial statements as at 31 December 2018, except for the adoption of the new SFRS (I) 16 *Leases* which became effective for the financial year beginning on or after 1 January 2019, using the modified retrospective approach.

As at 1 January 2019, the adoption of SFRS(I)16 *Leases* resulted in the following key effects at the Group:

	Group \$'000
Assets	
Right-of-use assets	55,931
Property, plant and equipment	(6,355)
Liabilities	
Lease liabilities-current	19,959
Lease liabilities-long term	29,617

5. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.

Please refer to paragraph 4.

6. Earning per ordinary share of the group for the current period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends.



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	GROUP 3 months ended		GROUP Year ended	
	31 Dec 2019	31 Dec 2018	31 Dec 2019	31 Dec 2018
Earning per ordinary share of the group for the financial period based on net profit attributable to shareholders:				
- based on number of shares in issue at the end of period/year(cents)/weighted average number of shares in issue during the period/year (cents)	1.16	1.17	5.04	4.70
Number of shares in issue as at the end of the period/year	<u>1,503,537,000</u>	<u>1,503,537,000</u>	<u>1,503,537,000</u>	<u>1,503,537,000</u>
Weighted average number of shares in issue during the period/year	<u>1,503,537,000</u>	<u>1,503,537,000</u>	<u>1,503,537,000</u>	<u>1,503,537,000</u>

Note:

There were no potentially dilutive shares during the period/year reported on.

7. *Net asset value (for the issuer and group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the (a) current period reported on and (b) immediately preceding financial year.*

	GROUP		COMPANY	
	31 Dec 2019	31 Dec 2018	31 Dec 2019	31 Dec 2018
	cents	cents	Cents	Cents
Net asset value per ordinary share based on issued share capital at the end of the period reported on	20.83	19.30	17.52	17.49

8. *A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. The review must discuss any significant factors that affected the turnover, costs and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors. It must also discuss any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.*

INCOME STATEMENT

OVERVIEW

The Group's net profit in FY2019 increased by 7.4% mainly because of an increase in gross profit of 11.9% brought about mainly by a 11.3% growth in revenue, higher other income but was offset by higher operating expenses arising from the higher volume and the adoption of SFRS (I) 16: Leases, which lowered net profit by \$1.6m. Comparing on a like for like basis with FY2018 without SFRS(I) 16, the Group's net profit in FY2019 would be \$77.4m or 9.7% higher. Similarly, net profit for 4Q2019 would be \$19.0m or 9.2% higher instead of \$17.4m.



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Revenue

Store count

	FY2019*	FY2018*
Number of outlets	59*	54*
Retail area at end of year	529,480 square feet*	496,200 square feet*
Revenue	\$991.3m*	\$882.1m*

*Singapore's operations only.

The changes to store count and retail area since the beginning of FY2019 were:-

Store #		Opened in	Retail area (sq ft)
	As at 1 January 2019		496,200
55	Anchorvale Block 351	May 2019	5,400
56	Sumang Block 231	May 2019	5,530
57	Bukit Batok Block 292	May 2019	4,850
58	Woodlands Block 182	October 2019	8,500
59	Tampines Block 602A	October 2019	9,000
	Total as at 31 December 2019		529,480

The stores listed in the table above together with the ten stores which opened in 2018 will be considered as new stores and will not be included in computing comparable same store sales.

The changes in revenue were attributable to:

	FY2019 vs FY2018	4Q2019 vs 4Q2018
New stores	10.2%	8.6%
Comparable same store sales	0.1%	1.8%
China	1.0%	1.4%
Total	11.3.%	11.8%

New stores which contributed 10.2% and 8.6% in FY2019 and 4Q2019 respectively (2018: 10.1% and 14.7%) continued to be an important source of revenue growth. Against a backdrop of unexciting, but slowly improving consumer's sentiment in FY2019 as reflected in the sales at supermarkets reported in the retail sales statistics published by the Department of Statistics, Singapore and competition arising from the opening of new stores in HDB estates, comparable same store sales contracted by 1% in 1Q2019 and ended flattish for the whole of FY2019. Comparable same store sales grew at 1.8% in 4Q2019, compared to a decline of 2.7% in 4Q2018.

Revenue continued to grow steadily for both stores in Kunming, China.

Gross profit

Gross profit increased by 11.9% and 11.8% in FY2019 and 4Q2019 respectively mainly because of the increase in revenue.

Gross Margin

FY2019	FY2018	4Q2019	4Q2018
26.9%	26.8%	27.2%	27.1%

Gross margins improved slightly in FY2019 and 4Q2019 mainly because of higher suppliers' rebates and improvement in sales mix but this was offset by higher input prices of pork brought about by the swine flu.



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Other Income

Please refer to the explanations on page 3 for the changes in other income.

Administrative Expenses

Increases were mainly in the following expenses:-

	4Q2019 vs 4Q2018	FY2019 vs FY2018
	\$'m	\$'m
Staff costs	3.3	9.6
Depreciation of right-of-use assets	7.1	23.7
Rental expenses of outlets	(5.6)	(17.0)
Depreciation*	0.7	2.0
Utilities	0.3	1.5
Repair and maintenance	0.2	0.3
Casual labour	0.1	0.3
Others	(1.7)	(1.7)
Total increase	4.4	18.7

*Excluding property, plant and equipment in the central distribution centre.

Staff cost was higher because of an increase in headcount needed to man the new stores as well as a higher provision for bonus due to the better financial performance. Leases where the Group is a lessee was brought onto the consolidated statement of financial position following the adoption of SFRS(I) 16: Leases, and was depreciated over the period of the lease, instead of being charged as rental expenses, resulting in a net decrease in rental expenses of outlets. Depreciation of property, plant and equipments was higher because of purchases in FY2019. The increase in store count and higher business volume resulted in an increase in utility expenses.

Distribution expenses

The increase in distribution expenses of \$1.8m in FY2019 was mainly because of higher staff cost brought about by the higher volume of business.

Other expenses

Other expenses increased by \$0.5m mainly because of higher financial charges relating to credit cards and digital payments, a consequence of the increased volume and the trend towards cashless payments which was partially offset by exchange differences.

Finance Income

Finance income was higher in FY2019 mainly because more cash was available to be placed in fixed deposit.

Tax

The effective tax rate for and FY2019 was 17.5% and was marginally higher than the statutory rate of 17%.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

Purchase of property, plant and equipment amounting to \$53.6m which was offset by depreciation charges of \$18.1m and the reclassification of the net book value of the leasehold land at Mandai of \$6.4m following the



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adoption of SFRS(I) 16 were the main reasons for the increase in property, plant and equipment of \$29.1m. Purchases of property, plant and equipment consisted of:

Description	\$m
Purchase of Block 118 Aljunied	30.4
Fitting out new stores, renovating old stores, purchase of electronic equipments and upgrading supermarkets' equipments	13.6
Construction of new warehouse	5.1
Upgrading equipment at the central distribution centre and purchase of commercial vehicles	3.0
China	1.5
Total	53.6

Inventories increased by \$12.3m mainly because of stocking up for Chinese New Year sales in January 2020 and the higher store count. The increase in trade and other receivables of \$5.0m was due mainly to an increase in deposits paid for acquisition of properties, plant and equipment. Trade and other payables increased by \$15.1m mainly because of an increase in trade payable arising from higher purchases for stocking up for the coming Chinese New Year's sale.

Current assets at the end of FY2019 were slightly lower than current liabilities by \$7.5m mainly because of the reduction in cash and cash equivalents used in the acquisition of the property at Block 118 Aljunied Avenue 2. Nevertheless, the business is still cash generative, the assets are unencumbered and the Group has in place stand-by borrowing lines to draw on in case of contingencies.

CASH FLOW

Sales were mostly made on a cash basis. There were no major changes to the payment cycle.

The increase in cash generated from operating activities before changes in working capital and payment of tax for 4Q2019 and FY2019 were mainly because of the higher volume of business and the adding back of depreciation charges of right-of-use assets, a non-cash item. Changes in the various component of working capital have been explained in the foregoing paragraph commenting on the changes in the consolidated statement of financial position.

After payment of \$52.6m for dividends, cash and cash equivalent balances stood at \$76.4m at the end of FY2019, a decrease of \$10.8m compared with FY2018.

9. *Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.*

Not applicable.

10. *A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.*

Singapore

Singapore 2020's economic growth is forecast to be between -0.5% to 1.5% because of the impact of coronavirus. Retail sales, in particular sales at supermarkets have not been exciting in FY2019 and could be negatively affected in FY2020 by the outbreak of coronavirus. Competition in the supermarket industry



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is expected to remain keen. The Group will also continue to look for retail space in new and existing HDB housing estates, particularly in HDB estates where the Group has no presence.

A store on the first floor of Block 118 Aljunied Avenue 2, with an area of approximately 18,000 square feet was opened on 1 January 2020 and another store at Block 202 Marsiling Drive (5,540 square feet) on 11 January 2020. The total store count is now 61 in Singapore and 2 in China. Since the beginning of 2020 another four HDB shops were released by HDB for tender.

Food inflation has been generally benign in FY2019 except for pork prices and occasional spikes in vegetable, fish and fruit prices caused by inclement weather. There appears to be some disruption to the supply chain, because of the outbreak of coronavirus and this will raise input prices and may affect the Group's gross margin if these increases cannot be passed on to the customers. However the stabilization and support package in the 2020 Budget will provide some relief. The group is increasing its inventory holding in view of the uncertainties in the supply chain.

The Group will continue to nurture the growth of the new stores and will continue to enhance gross margin by seeking for more efficiency gains in the supply chain and driving for a higher mix of fresh produce.

11. Dividend

(a) Current Financial Period Reported On

Yes

Name of Dividend	Final
Dividend Type	Cash
Dividend Rate	1.80 cent per share
Tax rate	Tax exempt (one-tier)

(b) Corresponding Period of the immediately Preceding Financial Year

Name of Dividend	Final
Dividend Type	Cash
Dividend Rate	1.75 cent per share
Tax rate	Tax exempt (one-tier)

(c) Whether the dividend is before tax, net of tax or tax exempt. If before tax or net of tax, state the tax rate and the country where the dividend is derived. (If the dividend is not taxable in the hands of shareholders, this must be stated).

This is a tax exempt (one-tier) dividend.

(d) The date the dividend is payable.

The Directors propose, subject to shareholders' approval at the Annual General Meeting to be convened on 28 April 2020, a final dividend, tax exempt (one-tier) of 1.80 cents per share to be paid on 27 May 2020.

(e) The date on which Registrable Transfers received by the company (up to 5.00 pm) will be registered before entitlements to the dividend are determined

Notice is hereby given that the Share Transfer Books and Register of Members of the Company will be closed at 5.00 pm on 14 May 2020 for the preparation of dividend warrants. Duly completed registrable



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transfers in respect of ordinary shares in the capital of the Company (“Shares”) received by the Company’s Share Registrar, Boardroom Corporate & Advisory Services Pte. Ltd. at 50 Raffles Place, #32-00, Singapore 048623 by 5.00 p.m. on 14 May 2020 will be registered to determine shareholders’ entitlement to the proposed final dividend. Shareholders whose securities accounts with The Central Depository (Pte) Limited (“CDP”) are credited with Shares at 5.00 pm on 14 May 2020 will be entitled to the proposed final dividend.

12. *If no dividend has been declared (recommended), a statement to that effect.*

Not applicable.

13. Breakdown of results in the first and second half year.

	FY 2019	FY 2018	Increase/(decrease)
	GROUP	GROUP	GROUP
	S\$’000	S\$’000	
Sales reported for the first half year	489,592	441,265	11.0%
Operating profit after tax for the first half year	37,791	35,390	6.8%
Sales reported for the second half year	501,692	449,669	11.6%
Operating profit after tax for the second half year	37,964	35,135	8.1%

14 Segment reporting

In FY2019, the Group operated in one segment only, which is the retailing of supermarket supplies and supermarket operations. The Group’s operates in Singapore and China, but will not be reporting China as a separate geographical segment as in FY2019, the revenue, net loss and net assets employed were not significant. The Group’s subsidiary in Malaysia remained inactive.

15. *If the Group has obtained a general mandate from shareholders for IPTs, the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.*

The Group did not obtain a mandate under Rule 920(1)(a)(ii). The interested person transactions during the year were:-

INTERESTED PERSON TRANSACTIONS

From 1 January 2019 to 31 December 2019

Name of Interested Person(s)	Description of Interested Person Transactions	Aggregate value of all interested person transactions during the financial period under review (excluding transactions less than S\$100,000 and transactions conducted under shareholders’	Aggregate value of all interested person transactions conducted under shareholders’ mandate pursuant to Rule 920 (excluding transactions less than \$100,000)



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		mandate pursuant to Rule 920) (\$'000)	
F M Food Court Pte Ltd/ ¹ Lim Hock Eng Lim Hock Chee Lim Hock Leng	Sale of goods and services by Sheng Siong Group Ltd to F M Food Court Pte Ltd ⁽¹⁾	42	-
	Lease of operation space by FM Food Court Pte Ltd ⁽¹⁾ from Sheng Siong Group Ltd	446	-
E Land Properties Pte Ltd/ ¹ Lim Hock Eng Lim Hock Chee Lim Hock Leng	Rent and utilities paid by Sheng Siong Group Ltd. to E Land Properties Pte Ltd ⁽¹⁾ for lease and license of operations space	2,286	-
Sheng Siong Holdings Pte Ltd ² Lim Hock Eng Lim Hock Chee Lim Hock Leng Lin Ruiwen	Re-billing at cost of purchases of gold to manufacture long service medallions to be awarded to employees	164	-

Note:

- (1) These entities are associates of Messrs Lim Hock Eng, Lim Hock Chee and Lim Hock Leng, the executive directors and controlling shareholders of Sheng Siong Group Ltd.
- (2) This entity is an associate of Messrs Lim Hock Eng, Lim Hock Chee, Lim Hock Leng, the executive directors and controlling shareholders of Sheng Siong Group Ltd, and Ms Lin Ruiwen an executive director of Sheng Siong Group Ltd.

16. A breakdown of the total dividend (in dollar value) for the issuer's latest full year and its previous full year as follows:-

Type	FY2019 (\$'000)	FY2018 (\$'000)
Ordinary-Interim	\$26,312	\$24,808
Ordinary-Final	\$27,064	\$26,312
Total	\$53,376	\$51,120
Total per share (cents)	3.55	3.40

*Estimated based on 1,503,537,000 shares at the end of the financial year.



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17. Disclosure relating pursuant to Rule 704(13).

Name	Age (in 2019)	Family relationship with any director, CEO and/or substantial shareholder	Current position (in 2019) and duties, and the year the position was first held	Details of changes in duties and position held, if any, during the year 2019
Tan Bee Loo	59	Wife of Lim Hock Eng	1985: Head, Fruits and Vegetables 2007: Director of Sheng Siong Supermarket Pte Ltd 2008: Director of C M M Marketing Management Pte Ltd	N.A.
Lee Moi Hong	59	Wife of Lim Hock Chee	1985: Head, Dry Goods 2007: Director of Sheng Siong Supermarket Pte Ltd 2008: Director of C M M Marketing Management Pte Ltd	N.A.
Lim Huek Hun	66	Sister of Lim Hock Eng, Lim Hock Chee and Lim Hock Leng	2010: Manager, Eggs Department of CMM Marketing Management Pte Ltd	N.A.
Lim Guek Li	53	Sister of Lim Hock Eng, Lim Hock Chee and Lim Hock Leng	2008: Manager, Sheng Siong Supermarket Pte Ltd 2018: Senior Manager, Sheng Siong Supermarket Pte Ltd	N.A.
Lin Ruiwen	37	Daughter of Lim Hock Eng	2009: Manager, International Business Development 2014: Senior Manager, International Business Development 2016: Appointed as Director of Sheng Siong Group Ltd	N.A.
Lin Junlin, Nigel	31	Son of Lim Hock Leng	2018: Senior Manager, Seafood Department 2020: Executive Assistant to CEO	Promoted
Lin Zi Kai	27	Son of Lim Hock Chee	2015: Assistant Manager, Marketing Department 2020: Executive Assistant to CEO	Promoted
Lin Yuansheng	31	Son of Lim Hock Chee	2020: Executive Assistant to CEO	Joined Jan 2020

CONFIRMATION OF DIRECTORS AND EXECUTIVE OFFICERS' UNDERTAKINGS PURSUANT TO LISTING RULE 720(1)

The Company has procured undertakings from all its directors and executive officers in compliance with Listing Rule 720(1).

BY ORDER OF THE BOARD

LIM HOCK CHEE

CEO

20 February 2020