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FOR IMMEDIATE RELEASE

Sheng Siong Group's 1H FY2026 net profit increases 11.9% to S$81.0 million

- Revenue rises 11.9% to S$855.4 million, driven by 16 new stores added since January 2025 and higher comparable same store sales.
- Gross profit margin improves to 31.8% from 30.8% a year earlier attributable to a better sales mix.
- Expects to open three more stores in the third quarter.
- Interim dividend increased to 3.75 from 3.20 Singapore cents per share a year ago.

Singapore, 29 July 2026 – 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 a net profit of S$81.0 million for the six months ended 30 June 2026 ("1H FY2026"), an increase of 11.9% year-on-year ("yoy").

Financial Highlights

Financial Highlights	1H FY2026 (S$ 'million)	1H FY2025 (S$ 'million)	Change (%)
Revenue	855.4	764.7	11.9
Gross profit	272.4	235.6	15.6
Gross profit margin	*31.8%*	*30.8%*	*1.0 ppts*
Other Income	8.8	7.8	11.7
Net profit	81.0	72.3	11.9
EPS (S$ cents)	5.38	4.81	11.9

**ppts denote percentage points*

Revenue for 1H FY2026 increased by 11.9% yoy to S$855.4 million, up from S$764.7 million in the same period last year. The increase was mainly driven by contributions from the 16 new and comparable new stores opened in FY2025 and 1H FY2026, as well as a 3.3% improvement in comparable same store sales supported by CDC vouchers and promotional discounts. The Group currently operates 90 stores in Singapore, and 6 stores in Kunming, China.

Gross profit grew by 15.6% yoy to S$272.4 million, while gross profit margin improved to 31.8% from 30.8%. This was mainly attributable to improvements in the sales mix while addressing rising business operation costs.

In 1H FY2026, selling and distribution expenses increased by 15.7% yoy to S$149.6 million, and administrative expenses increased by 14.0% yoy to S$33.4 million. These were mainly due to higher staff costs from higher headcount to support more stores, higher variable bonuses driven by better financial performance, and the raising of retail workers' salaries in September 2025 to meet the Progressive Wage Model ("PWM") requirements. Higher depreciation from additional right-of-use assets for new supermarket leases and the Sungei Kadut Property also contributed to the increase.

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The Group's cash and cash equivalents balance stood at S$402.3 million as at 30 June 2026. Net asset value per share stood at 40.70 Singapore cents, compared with 39.11 Singapore cents as at 31 December 2025.

The Board has declared an interim dividend of 3.75 Singapore cents per share for 1H FY2026, up from 3.20 Singapore cents in 1H FY2025. The dividend will be payable on 28 August 2026.

Looking Forward

Singapore's GDP growth for 2026 is forecasted at 2.0%–4.0%[1], while its core inflation for the year is projected at 1.5%–2.5%, up from the Monetary Authority of Singapore ("MAS")'s earlier forecast of 1.0%–2.0%[2]. Amid broader geopolitical tensions and supply chain disruptions, Singapore's import prices of crude oil, natural gas and fuel remain elevated, and continue to inflate electricity, gas, and transport-related costs[2].

Against this backdrop, Sheng Siong's value-for-money proposition and competitive pricing remain attractive, as consumer preference for affordable daily necessities remains strong amid an elevated cost of living. In this vein, the Group continues to focus on optimising its sales mix, improving efficiency and productivity through technology enhancements, automation, and supply chain diversification. These core capabilities help the Group remain competitive and profitable despite rising costs.

In line with this strategy, the Group also broke ground on its new distribution centre in Sungei Kadut, which is designed to optimise storage and transportation through automated storage and retrieval systems, robotics, intelligent warehouse management systems, and multi-temperature storage zones. The new distribution centre is designed to support more than 120 supermarket stores and is expected to be completed by 2029.

In 1H FY2026, 4 new stores were opened at Blk 120 Canberra Crescent #01-10, Blk 336, Smith Street, #B1- 300 & #01-304 New Bridge Centre, Blk 361 Sembawang Crescent #01-10, Blk 115A Alkaff Crescent #01-12.The Group expects another 3 stores in Hougang, Rivervale (Sengkang) and Woodlands to open in 3Q FY2026. In addition, the Group is awaiting HDB tender results for another store. 2 tenders are expected in the next 6 to 12 months. This healthy pipeline of new stores and tenders underpins Sheng Siong's long-term expansion strategy, especially in areas where the Group has limited presence. The Group also commenced its partnership with Foodpanda in June to strengthen its online retail presence, expand customer reach and provide greater convenience to online shoppers, while supporting incremental sales growth. The Johor Bahru–Singapore Rapid Transit System Link, scheduled to commence operations in January 2027, may intensify price competition, particularly for selected packaged groceries and household products. However, the actual impact remains uncertain and will depend on factors such as fares, travel time, exchange rates, relative pricing, and consumer behaviour after operations commence.

[1] Source: https://www.mti.gov.sg/newsroom/mti-maintains-2026-gdp-growth-forecast-at--2-0-to-4-0-per-cent-/
[2] Source: https://www.mas.gov.sg/news/monetary-policy-statements/2026/mas-monetary-policy-statement-14apr26

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Mr Lim Hock Chee, the Group's Chief Executive Officer, said, **"The Group delivered steady growth in the first half, supported by our expanding store network and continued improvements in our sales mix, even as business costs rise. The retail grocery industry remains competitive, and with the Johor Bahru-Singapore Rapid Transit System ("RTS") Link set to open in 2027, we stand ready to adapt our pricing, promotions and product mix necessary to remain competitive.**

In the near term, we continue to expand, with three new stores expected to open in the third quarter. In the long term, we should see greater optimisation of operating systems and costs from our Sungei Kadut distribution centre, positioning us well to strengthen our presence and deliver sustainable value to our shareholders for years to come. "

– End –

About Sheng Siong Group Ltd.

Sheng Siong Group Ltd. is one of Singapore's leading supermarket retailers, operating 90 stores across the island. Since the Group's inception in 1985, Sheng Siong has remained committed to its offering of quality products, good service, and a value-for-money proposition to the local community. Supported by a wide assortment of live, fresh and chilled produce, alongside packaged, frozen and household essentials, Sheng Siong's supermarkets offer customers a comprehensive range of necessities and provide a "wet and dry market" shopping experience.

In addition, the Group's portfolio of house brands comprises more than 2,035 products across 28 house brands, offering customers quality alternatives to national brands with substantial savings.

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

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