



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		
	2016 S\$'000	2015 S\$'000	+/- (-) %	2016 S\$'000	2015 S\$'000	+/- (-) %
Revenue	196,998	187,098	5.3	796,683	764,433	4.2
Cost of sales	(145,171)	(140,385)	3.4	(592,029)	(575,531)	2.9
Gross profit	51,827	46,713	10.9	204,654	188,902	8.3
Other income	2,369	1,950	21.5	10,543	9,262	13.8
Distribution expenses	(1,289)	(1,101)	17.1	(5,114)	(4,431)	15.4
Administrative expenses	(33,604)	(31,087)	8.1	(132,663)	(125,264)	5.9
Other expenses	(386)	(296)	30.6	(1,794)	(1,984)	(9.5)
Results from operating activities	18,917	16,179	16.9	75,626	66,485	13.7
Finance income	6	310	(98.1)	573	1,215	(52.8)
Profit before tax	18,923	16,489	14.8	76,199	67,700	12.6
Tax expense	(3,488)	(1,881)	85.4	(13,499)	(10,914)	23.7
Profit for the period/year	15,435	14,608	5.7	62,700	56,786	10.4
Other comprehensive income						
Items that may be re-classified subsequently to profit or loss						
Foreign currency translation differences for foreign entity	64	-	n.m	151	-	n.m
Total comprehensive income for the period/year	15,499	14,608	6.1	62,851	56,786	10.7



SHENG SIONG GROUP LTD

Financial Statement

	GROUP 3 months ended 31 Dec			GROUP Year ended 31 Dec		
	2016	2015	+ / (-)	2016	2015	+ / (-)
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
Profit net of tax for the period/year attributable to :						
Owners of the company	15,387	14,608	5.3	62,652	56,786	10.3
Non controlling interest	48	-	n.m	48	-	n.m
	<u>15,435</u>	<u>14,608</u>	<u>5.3</u>	<u>62,700</u>	<u>56,786</u>	<u>10.3</u>
Total comprehensive income attributable to :						
Owners of the company	15,426	14,608	5.6	62,743	56,786	10.5
Non controlling interest	73	-	n.m	108	-	n.m
	<u>15,499</u>	<u>14,608</u>	<u>6.1</u>	<u>62,851</u>	<u>56,786</u>	<u>10.7</u>

n.m denotes not meaningful

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

	Note	GROUP 3 months ended 31 Dec		GROUP Year ended 31 Dec	
		2016 S\$'000	2015 S\$'000	2016 S\$'000	2015 S\$'000
Depreciation of property, plant and equipment	(1)	3,656	3,575	14,918	13,411
Exchange gain		(313)	(187)	(671)	(26)
(Gain)/loss on disposal of property, plant and equipment		2	-	(43)	-
Other income:					
Rental received	(2)	836	880	3,445	3,563
Sale of scrap materials		321	296	1,265	1,198
Government grants	(3)	725	493	4,360	2,836
Miscellaneous income		487	281	1,473	1,665
		<u>2,369</u>	<u>1,950</u>	<u>10,543</u>	<u>9,262</u>



SHENG SIONG GROUP LTD

Financial Statement

Notes

1. The increase in depreciation for the quarter and the year was mainly due to additions to property, plant and equipment.
2. Rental income was from the leasing of excess retail space to external parties.
3. The government grants were from various Government agencies in partial support of productivity improvement programs as well as grants under the wage credit, special employment credit and temporary employment schemes.

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

	GROUP		COMPANY	
	31 Dec 2016 S\$'000	31 Dec 2015 S\$'000	31 Dec 2016 S\$'000	31 Dec 2015 S\$'000
Non-current assets				
Property, plant and equipment	252,043	177,649	-	-
Investment in subsidiaries	-	-	82,261	78,234
	252,043	177,649	82,261	78,234
Current assets				
Inventories	61,886	52,459	-	-
Trade and other receivables	10,364	11,762	181,852	172,880
Cash and cash equivalents	63,510	125,931	232	11,754
	135,760	190,152	182,084	184,634
Total assets	387,803	367,801	264,345	262,868
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	84,830	77,057	28,643	27,134
Foreign currency translation reserve	91	*	-	-
Equity attributable to owners of the Company	252,060	244,196	264,016	262,507
Non Controlling interest	2,792	-	-	-
Total equity	254,852	244,196	264,016	262,507
Non-current liabilities				
Deferred tax liabilities	2,445	2,241	-	-
	2,445	2,241	-	-
Current liabilities				
Trade and other payables	117,514	108,715	329	361
Current tax payable	12,992	12,649	-	-
	130,506	121,364	329	361
Total liabilities	132,951	123,605	329	361
Total equity and liabilities	387,803	367,801	264,345	262,868

* Amount outstanding is less than \$1000



SHENG SIONG GROUP LTD

Financial Statement

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

The Group had no borrowings as at 31 December 2016 and 31 December 2015 respectively.

1(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	
	2016 S\$'000	2015 S\$'000	2016 S\$'000	2015 S\$'000
Operating activities				
Profit for the period/year	15,435	14,608	62,700	56,786
Adjustments for:				
Depreciation of property, plant and equipment	3,656	3,575	14,918	13,411
(Gain)/loss on disposal of property, plant and equipment	2	-	(43)	-
Unrealised exchange gain	(290)	(68)	(249)	(36)
Interest income	(7)	(310)	(574)	(1,215)
Tax expense	3,488	1,881	13,499	10,914
	<u>22,284</u>	<u>19,686</u>	<u>90,251</u>	<u>79,860</u>
Changes in inventories	(11,741)	(9,354)	(9,427)	(9,317)
Changes in trade and other receivables	(2,317)	(3,317)	1,398	(1,014)
Changes in trade and other payables	15,068	11,456	8,799	12,870
Cash generated from operations	<u>23,294</u>	<u>18,471</u>	<u>91,021</u>	<u>82,399</u>
Taxes (paid)/refund	(1,509)	179	(12,952)	(8,926)
Cash flows from operating activities	<u>21,785</u>	<u>18,650</u>	<u>78,069</u>	<u>73,473</u>
Investing activities				
Proceeds from disposal of property, plant and equipment	33	-	587	3
Purchase of property, plant and equipment	(5,042)	(19,120)	(89,856)	(30,401)
Interest received	7	310	574	1,215
Cash flows used in investing activities	<u>(5,002)</u>	<u>(18,810)</u>	<u>(88,695)</u>	<u>(29,183)</u>
Financing activities				
Capital contribution by non-controlling interest	-	-	2,684	-
Dividend paid	-	-	(54,879)	(48,865)
Cash flows used in in financing activities	<u>-</u>	<u>-</u>	<u>(52,195)</u>	<u>(48,865)</u>
Net (decrease)/increase in cash and cash equivalents	<u>16,783</u>	<u>(160)</u>	<u>(62,281)</u>	<u>(4,575)</u>
Cash and cash equivalents at beginning of the period	46,374	126,023	125,931	130,470
Effect of exchange rate changes on balances held in foreign currencies	353	68	400	36
Cash and cash equivalents at end of the period/year	<u>63,510</u>	<u>125,931</u>	<u>63,510</u>	<u>125,931</u>



SHENG SIONG GROUP LTD

Financial Statement

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.

Attributable to owners of the Company						Non-Controlling interest	Total equity
Group	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
As at 1 January 2015	235,373	(68,234)	69,136	*	236,275	-	236,275
Total comprehensive income for the year							
Profit for the year	-	-	56,786	-	56,786	-	56,786
Transactions with owners, recorded directly in equity:							
Distributions to owners							
Dividend paid	-	-	(48,865)	-	(48,865)	-	(48,865)
Total transactions with owners	-	-	(48,865)	-	(48,865)	-	(48,865)
At 31 December 2015	235,373	(68,234)	77,057	*	244,196	-	244,196
At 1 January 2016	235,373	(68,234)	77,057	*	244,196	-	244,196
Total comprehensive income for the year							
Profit for the year	-	-	62,652	-	62,652	48	62,700
Other comprehensive income							
Foreign currency translation differences for foreign entity	-	-	-	91	91	60	151
Total comprehensive income for the year	-	-	62,652	91	62,743	108	62,851
Transactions with owners, recorded directly in equity:							
Contribution by and distributions to owners of the Company							
Dividend paid	-	-	(54,879)	-	(54,879)	-	(54,879)
Capital contribution by non controlling interest	-	-	-	-	-	2,684	2,684
Total transactions with owners	-	-	(54,879)	-	(54,879)	2,684	(52,195)
As at 31 December 2016	235,373	(68,234)	84,830	91	252,060	2,792	254,852

* Amount outstanding is less than \$1,000.



SHENG SIONG GROUP LTD

Financial Statement

Company	Share capital S\$'000	Accumulated profits S\$'000	Total Equity S\$'000
As at 1 January 2015	235,373	25,794	261,167
Total comprehensive income for the year			
Profit for the year	-	50,205	50,205
Transactions with owners, recorded directly in equity:			
Distributions to owners			
Dividend paid	-	(48,865)	(48,865)
Total transactions with owners	-	(48,865)	(48,865)
At 31 December 2015	<u>235,373</u>	<u>27,134</u>	<u>262,507</u>
As at 1 January 2016	235,373	27,134	262,507
Total comprehensive income for the year			
Profit for the year	-	56,388	56,388
Transactions with owners, recorded directly in equity:			
Distributions to owners			
Dividend paid	-	(54,879)	(54,879)
Total transactions with owners	-	(54,879)	(54,879)
As at 31 December 2016	<u>235,373</u>	<u>28,643</u>	<u>264,016</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 2016 No of shares	31 December 2015 No of shares
Total number of issued shares	<u>1,503,537,000</u>	<u>1,503,537,000</u>

There were no outstanding convertibles instruments for which shares may be issued. There were no treasury shares held.



SHENG SIONG GROUP LTD

Financial Statement

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 financial statements as at 31 December 2015, except for the adoption of the new and revised Financial Reporting Standards (FRS) which become effective for the financial year beginning on or after 1 January 2016. The adoption of these new and revised accounting standards did not give rise to any material financial impact to the financial statements.

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.

	GROUP 3 months ended		GROUP Year ended	
	31 Dec 2016	31 Dec 2015	31 Dec 2016	31 Dec 2015

Earning per ordinary share of the group for the financial period based on net profit attributable to shareholders:

- based on weighted average number of shares in issue (cents)	1.02	0.97	4.17	3.78
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SHENG SIONG GROUP LTD

Financial Statement

	GROUP		GROUP	
	3 months ended	Year ended	3 months ended	Year ended
	31 Dec 2016	31 Dec 2015	31 Dec 2016	31 Dec 2015
Number of shares as at the end of the period/year	1,503,537,000	1,503,537,000	1,503,537,000	1,503,537,000
Weighted average number of shares in issue during the period/year	1,503,537,000	1,503,537,000	1,503,537,000	1,503,537,000

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 2016	31 Dec 2015	31 Dec 2016	31 Dec 2015
	cents	cents	Cents	cents
Net asset value per ordinary share based on issued share capital at the end of the period reported on	16.76	16.24	17.56	17.46

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.*



SHENG SIONG GROUP LTD

Financial Statement

INCOME STATEMENT

OVERVIEW

Net profit for FY2016 increased by 10.4% to \$62.7m, compared with \$56.8m in FY2015 mainly because of a higher gross profit arising from a 4.2% growth in revenue, improvement in gross margin to 25.7% and higher other income, but was offset by higher operating expenses.

Revenue

	FY2016	FY2015
Number of outlets	42*	39
Retail area at end of year	450,000 square feet	431,000 square feet
Revenue	\$796.7m	\$764.4m

*Excludes the store at Loyang Point which was temporarily closed on 15 April 2016 and has re-opened recently.

The following stores which were opened in 2015 and 2016 will be considered as new stores and will not be included in computing comparable same store sales.

Location	Month/ Year opened
Block 506, Tampines Central	January 2015
Block 312A, Sumang, Punggol	May 2015
Block 547, Segar, Bukit Panjang	May 2015
Block 527D, Pasir Ris	June 2015
Block 85 Dawson Road	December 2015
Block 18B Circuit Road	April 2016
Block 11 Upper Boon Keng Road	April 2016
Block 473 Fernvale Street	June 2016
Yishun Junction 9	Sep 2016

Revenue increased by 4.2% in FY2016 of which 6.2% was contributed by the new stores, 0.2% by comparable same store sales from the old stores, but was offset by a reduction of 2.2% arising from the temporary closure of the Loyang store. Comparable same store sales were affected by the tepid demand caused by the prevailing weak economic conditions.

Comparing 4Q2016 with 4Q2015, revenue increased by 5.3%, with the new stores contributing 8%, comparable same store sales 0.2% and the closure of Loyang, a shrinkage of 2.9%. The new stores grew at a higher rate of 8% in 4Q 2016 compared with 6.2% for FY2016 because of the Yishun Junction 9 store which was opened in mid September 2016.



SHENG SIONG GROUP LTD

Financial Statement

Gross profit

The increase in gross profit for the quarter and the year as a whole in % term was higher than the growth in revenue because of better gross margin.

Gross margin-year on year comparison

4Q2016	4Q2015	FY2016	FY2015
26.3%	25.0%	25.7%	24.7 %

Selling prices were mostly stable throughout the year, but input costs were lower mainly because of higher rebates from suppliers for special promotions, volume, display and bulk handling services, resulting in improvement to gross margin both for 4Q2016 and FY2016.

Gross margin-quarter on quarter comparison

4Q2016	3Q2016	4Q2015	3Q2015
26.3%	25.9%	25.0%	24.3 %

Although gross margin improved in 4Q2016 compared with 4Q2015, the sequential growth from 3Q to the 4Q was slightly lower in FY2016 compared with FY2015 mainly because gross margin in 3Q2015 was negatively affected by the haze, but recovered in 4Q2015 and gross margin easing slightly towards the end of 4Q2016. This easing was caused by the launching of 2017's Chinese New Year sales by the industry and increase in input costs of some fresh produce brought about by adverse weather.

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:-

	4Q2016 vs 4Q2015	FY2016 vs FY2015
	\$'m	\$'m
Staff costs	1.7	3.5
Rental of outlets	(0.3)	0.2
Depreciation	0.8	2.9
Utilities	(0.2)	(0.8)
Repair and maintenance	0.2	0.7
Others	0.3	0.9
Total increase	2.5	7.4

Administrative expenses increased by \$7.4m in FY2016 compared with FY2015 mainly because of increases in staff cost as more headcounts were needed to operate the new stores and a higher bonus provision because of the better financial performance in FY2016. Depreciation increased in FY2016 mainly because of the purchase of the Bedok 209 store in 2Q2016 and the receipt of the temporary occupation permit for the Yishun Junction 9 store in February 2016, whereupon depreciation commenced. Rental expenses increased by only \$0.2m in FY2016 mainly because of benign rental reversions and rent saved from the Bedok 209 store. The increase in repair and maintenance was attributable mainly to repair and restoration works done at the store and the purchase of low value equipment which were not capitalized as property, plant and equipment. Administrative expenses as a % of revenue edged up slightly to 16.7% in FY2016 from 16.4% in FY2015. However, for



SHENG SIONG GROUP LTD

Financial Statement

4Q2016, it was higher at 17.1%, compared with 16.6% in 4Q2015's mainly because of higher headcounts attributable to the opening of the Yishun Junction 9 store.

Distribution expenses

The increase in distribution expenses of \$0.7m for FY2016 was attributable mainly to increases in staff costs and delivery charges relating to the ecommerce business.

Other expenses

Exchange differences amounting to \$0.6m and a net gain of \$0.2m from Sheng Siong (China) Supermarket Co., Ltd which was offset by higher service charges for credit card usage and electronic payments and higher miscellaneous expenses totaling \$0.6m were the main reasons for the net decrease of \$0.2m in other expenses for FY2016. The net gain of \$0.2m from Sheng Siong (China) Supermarket Co., Ltd arose from an exchange gain of \$0.3m when cash balances held in US\$ were re-valued, offset by pre-operating expenses of \$0.1m

Finance Income

Finance income was lower by \$0.6m mainly because of the lower amount of cash available to be placed in fixed deposit.

Tax

The effective tax rates for 4Q2016 and FY2016 were 18.4% and 17.7% respectively, were higher than the statutory rate of 17%. mainly because of expenses which were not deductible for tax.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

The purchase of property, plant and equipment amounting to \$89.9m which was offset by depreciation charges of \$14.9m were the main reasons for the increase in property, plant and equipment of \$74.4m. Purchases of property, plant and equipment consisted of:-

	\$m
Purchase of Block 209, New Upper Changi Road	55.1
Progress payments for Yishun Junction 9	19.2
Fitting out new stores, renovating old stores and upgrading supermarkets' equipments	10.3
Upgrading equipment at Warehouse, including purchase of trucks etc	5.2
Software purchased by Sheng Siong (China) Supermarket Co., Ltd	0.1
Total	89.9

Inventories increased by \$9.4m mainly because of the higher store count and the stocking up in December 2016 for 2017's Chinese New Year sales.

The decrease in trade and other receivables of \$1.4m was due mainly to the net reduction in prepayments and other receivables of \$2.1m and offset by an increase in trade receivables of \$0.7m. Trade and other payables increased by \$8.8m largely because of an increase in trade payables of \$9.4m as goods were bought and stocked up in preparation for Chinese New Year in 2017, which was offset by a reduction in other payables and accruals of \$0.6m.



CASH FLOW

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

Cash generated from operating activities before working capital changes and payment of tax amounted to \$22.3m and \$90.3m for 4Q2016 and FY2016 respectively, were in line with the improved operating performance. Cash used or generated from changes in inventory and trade payables were driven mainly by the number of stores and the timing of Chinese New Year.

Payment for property plant and equipment of \$89.9m was higher than the \$30.4m in FY2015 mainly because of the payment of \$74.3m in FY2016 for the purchase of Bedok 209 and progress payments for Yishun Junction 9. After the payment of dividends amounting to \$54.9m, cash and cash equivalents decreased by \$62.7m, leaving the Group with a healthy cash and cash equivalents of \$63.5m at the year.

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

Growth in the Singapore economy is expected to be between 1% to 2% in 2017 and retail sales which had been generally weak in the FY2016 are not expected to improve spectacularly. Likewise, sales at supermarkets had not been exciting and going forward the Group anticipates continuing lackluster demand. Competition in the supermarket industry is expected to remain keen as consumers are expected to be more cost conscious, which may affect the Group's ability to pass on any increases in input cost in full to the customers.

Food inflation was generally benign in FY2016, but prices of vegetables and seafood increased towards the end of FY2016 because of weather. Disruption to the supply chain will raise input prices and may affect the Group's gross margin if these increases cannot be passed on to the customers.

The Group is still looking for suitable retail space particularly in areas where the Group does not have a presence. However, competition for retail space has not abated and looking for suitable retail outlets may be challenging. In addition some smaller supermarket operators have been aggressively bidding up rent of new HDB shops in the last six months. The Group will remain prudent in bidding for shops and will continue to control operating expenses tightly.

The Group has commenced improvement works to Block 506, Tampines Central but the supermarket which is located in the building will continue to operate while work is in progress, and will have its retail area expanded by approximately 15,000 sq. ft when work is completed by the end of 2Q2017.

As announced previously, the Verge and Woodlands Checkpoint supermarkets which were to close on 30 April and 30 June 2017 respectively as the landlords will be re-developing the sites have now been extended to 31 May and 31 August 2017. These supermarkets contributed 8.6% to FY2016's revenue.



SHENG SIONG GROUP LTD

Financial Statement

Some of the old stores in matured housing estates have seen declining same store sales and the Group may be earmarking some of these stores for major re-fitting, which could mean a month or so of lost sales for each of the affected stores. The Group will continue to nurture the growth of the new stores and to enhance gross margin by seeking for more efficiency gains in the supply chain and driving for a higher mix of fresh produce.

China

The handover of the retail space by the developer has been delayed. The Group envisaged that the supermarket in Kunming, China may be operational from 3Q2017.

11. Dividend

(a) Current Financial Period Reported On

Yes

Name of Dividend	Final
Dividend Type	Cash
Dividend Rate	1.85 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 2017, a final dividend, tax exempt (one-tier) of 1.85 cents per share to be paid on 26 May 2017.

(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 on 16 May 2017 for the preparation of dividend warrants. Duly completed transfers in respect of ordinary shares in the capital of the Company ('Shares') received by the Company's Registrar, Boardroom Corporate & Advisory Services Pte Ltd at 50 Raffles Place, #32-00, Singapore 048623 at 5.00 p.m. on 16 May 2017 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 16 May 2017 will be entitled to the proposed final dividend.



SHENG SIONG GROUP LTD

Financial Statement

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 2016	FY 2015	% increase/(decrease)
	GROUP	GROUP	GROUP
	S\$'000	S\$'000	
Sales reported for the first half year	397,304	377,355	5.3
Operating profit after tax for the first half year	31,596	27,697	14.1
Sales reported for the second half year	399,379	387,078	3.2
Operating profit after tax for the second half year	31,104	29,089	6.9

14 Segment reporting

In FY2016, the Group operated in one segment only, which relates to the provision of supermarket supplies and supermarket operations. The Group's operates geographically in Singapore only as the operation in China has not commenced and the Malaysian subsidiary 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 2016 to 31 December 2016

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' mandate pursuant to Rule 920) (\$'000)	Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than \$100,000)
F M Food Court Pte Ltd/ Lim Hock Eng	Sale of goods and services by Sheng Siong Group Ltd to F M Food Court Pte Ltd ⁽¹⁾	223	-



SHENG SIONG GROUP LTD

Financial Statement

Lim Hock Chee Lim Hock Leng	Lease of operation space by FM Food Court Pte Ltd ⁽¹⁾ from Sheng Siong Group Ltd	554	-
E Land Properties Pte Ltd/ 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	1,636	-
Lim Hock Chee	Purchase of motor vehicle from Sheng Siong Group Ltd	150	-
Lim Hock Eng	Sale of motor vehicle to Sheng Siong Group Ltd	260	-
Proper Design Pte Ltd ² Lim Hock Eng Lin Ruiwen	Purchase of long service gold medallions to be awarded to employees	297	-

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 Mr Lim Hock Eng and Ms Lin Ruiwen.

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	FY2016 (\$'000)	FY2015 (\$'000)
Ordinary-Interim	\$28,567	\$26,312
Ordinary-Final	\$27,815*	\$26,312
Total	\$56,382	\$52,624
Total per share (cents)	3.75	3.5

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

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

Name	Age (in 2016)	Family relationship with any director, CEO and/or substantial shareholder	Current position (in 2016) and duties, and the year the position was first held	Details of changes in duties and position held, if any, during the year 2016
Tan Bee Loo	56	Wife of Lim Hock Eng	1985: Head, Fruits and Vegetables	N.A.



SHENG SIONG GROUP LTD

Financial Statement

			2007: Director of Sheng Siong Supermarket Pte Ltd 2008: Director of C M M Marketing Management Pte Ltd	
Lee Moi Hong	56	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	63	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	50	Sister of Lim Hock Eng, Lim Hock Chee and Lim Hock Leng	2008: Manager, Sheng Siong Supermarket Pte Ltd	N.A.
Lin Ruiwen	33	Daughter of Lim Hock Eng	2009: Manager, International Business Development 2014: Senior Manager, International Business Development 2016: Appointed as Director of Sheng Group Ltd	N.A.
Lin Zi Kai	24	Son of Lim Hock Chee	2016: Assistant Manager, Housebrands	N.A.

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
23 February 2017