



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		
	2018 S\$'000	2017 S\$'000	+/- (-) %	2018 S\$'000	2017 S\$'000	+/- (-) %
Revenue	221,795	200,323	10.7	890,934	829,877	7.4
Cost of sales	(161,610)	(145,213)	11.3	(652,554)	(612,472)	6.5
Gross profit	60,185	55,110	9.2	238,380	217,405	9.6
Other income	1,768	3,990	(55.7)	7,607	10,344	(26.5)
Distribution expenses	(1,326)	(1,280)	3.6	(5,824)	(5,509)	5.7
Administrative expenses	(39,575)	(36,694)	7.9	(154,044)	(137,936)	11.7
Other expenses	(538)	(593)	(9.3)	(2,333)	(2,449)	(4.7)
Results from operating activities	20,514	20,533	(0.1)	83,786	81,855	2.4
Finance income	294	80	267.5	888	237	274.7
Profit before tax	20,808	20,613	1.0	84,674	82,092	3.2
Tax expense	(3,358)	(3,931)	(14.6)	(14,149)	(12,559)	12.7
Profit for the period/year	17,450	16,682	4.6	70,525	69,533	1.4
Other comprehensive income						
Items that may be re-classified subsequently to profit or loss						
Foreign currency translation differences arising on consolidation of foreign entity	(26)	37	(170.3)	(204)	(100)	104.0
Total comprehensive income for the period/year	17,424	16,719	4.2	70,321	69,433	1.3



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	GROUP			GROUP		
	3 months ended			Year ended		
	31 Dec			31 Dec		
	2018	2017	+ / (-)	2018	2017	+ / (-)
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
Profit net of tax for the period/year attributable to :						
Owners of the company	17,525	16,819	4.2	70,797	69,790	1.4
Non-controlling interest	(75)	(137)	(45.3)	(272)	(257)	5.8
	<u>17,450</u>	<u>16,682</u>	<u>4.6</u>	<u>70,525</u>	<u>69,533</u>	<u>1.4</u>
Total comprehensive income attributable to :						
Owners of the company	17,510	16,841	4.0	70,675	69,730	1.4
Non-controlling interest	(86)	(122)	(29.5)	(354)	(297)	19.2
	<u>17,424</u>	<u>16,719</u>	<u>4.2</u>	<u>70,321</u>	<u>69,433</u>	<u>1.3</u>

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

	Note	GROUP		GROUP	
		3 months ended		Year ended	
		31 Dec		31 Dec	
		2018	2017	2018	2017
		S\$'000	S\$'000	S\$'000	S\$'000
Depreciation of property, plant and equipment	(1)	4,175	3,722	16,461	14,807
Exchange gain		(30)	(12)	(272)	(42)
(Gain)/ Loss on disposal of property, plant and equipment		<u>(116)</u>	<u>52</u>	<u>(117)</u>	<u>130</u>
Other income:					
Rental income		860	644	2,882	2,691
Sale of scrap materials		391	449	1,473	1,784
Government grants	(2)	265	2,564	1,618	4,427
Miscellaneous income		<u>252</u>	<u>333</u>	<u>1,634</u>	<u>1,442</u>
		<u>1,768</u>	<u>3,990</u>	<u>7,607</u>	<u>10,344</u>

Notes:

1. The increase in depreciation in 4Q2018 and FY2018 was mainly attributable to additions to property, plant and equipment subsequent to 3Q2017.
2. Government grants were from various Government agencies in partial support of productivity improvement programs as well as grants under the Wage Credit, Special Employment and Temporary Employment Schemes. Government grants were lower in 4Q2018 and FY2018 compared with the corresponding prior periods mainly because of grants relating to productivity improvement projects received in 4Q2017 and higher Special Employment grants received in 2017.



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

	GROUP		COMPANY	
	31 Dec 2018 S\$'000	31 Dec 2017 S\$'000	31 Dec 2018 S\$'000	31 Dec 2017 S\$'000
Non current assets				
Property, plant and equipment	266,219	254,691	-	-
Investment in subsidiaries	-	-	82,261	82,261
	266,219	254,691	82,261	82,261
Current assets				
Inventories	69,897	60,766	-	-
Trade and other receivables	12,989	14,657	180,755	185,733
Cash and cash equivalents	87,234	73,438	325	769
	170,120	148,861	181,080	186,502
Total assets	436,339	403,552	263,341	268,763
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	123,177	103,500	27,576	33,075
Foreign currency translation reserve	(91)	31	-	-
Equity attributable to owners of the Company	290,225	270,670	262,949	268,448
Non-controlling interest	2,141	2,495	-	-
Total equity	292,366	273,165	262,949	268,448
Non-current liabilities				
Deferred tax liabilities	2,919	2,558	-	-
	2,919	2,558	-	-
Current liabilities				
Trade and other payables	125,663	111,322	392	315
Current tax payable	15,391	16,507	-	-
	141,054	127,829	392	315
Total liabilities	143,973	130,387	392	315
Total equity and liabilities	436,339	403,552	263,341	268,763

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

The Group had no borrowings as at 31 December 2018 and 31 December 2017 respectively.



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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	
	2018 S\$'000	2017 S\$'000	2018 S\$'000	2017 S\$'000
Operating activities				
Profit for the period/year	17,450	16,682	70,525	69,533
Adjustments for:				
Depreciation of property, plant and equipment	4,175	3,722	16,461	14,807
(Gain)/Loss on disposal of property, plant and equipment	(116)	52	(117)	130
Unrealised exchange (gain)/loss	75	(148)	121	38
Interest income	(294)	(80)	(888)	(237)
Tax expense	3,358	3,931	14,149	12,559
	24,648	24,159	100,251	96,830
Changes in inventories	(11,983)	(8,767)	(9,131)	1,120
Changes in trade and other receivables	1,418	(4,441)	1,668	(4,293)
Changes in trade and other payables	13,996	8,738	14,341	(6,192)
Cash generated from operations	28,079	19,689	107,129	87,465
Taxes refund/(paid)	246	(1,407)	(14,904)	(8,931)
Cash flows from operating activities	28,325	18,282	92,225	78,534
Investing activities				
Proceeds from disposal of property, plant and equipment	124	13	296	134
Purchase of property, plant and equipment	(8,590)	(9,586)	(28,167)	(17,719)
Interest received	294	80	888	237
Cash flows used in investing activities	(8,172)	(9,493)	(26,983)	(17,348)
Financing activities				
Dividend paid	-	-	(51,120)	(51,120)
Cash flows used in financing activities	-	-	(51,120)	(51,120)
Net increase in cash and cash equivalents	20,153	8,789	14,122	10,066
Cash and cash equivalents at beginning of the period	67,182	64,464	73,438	63,510
Effect of exchange rate changes on balances held in foreign currencies	(101)	185	(326)	(138)
Cash and cash equivalents at end of the period/year	87,234	73,438	87,234	73,438



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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
As at 1 January 2017	235,373	(68,234)	84,830	91	252,060	2,792	254,852
Total comprehensive income for the year							
Profit for the year	-	-	69,790	-	69,790	(257)	69,533
Other comprehensive income							
Foreign currency translation differences for foreign entity	-	-	-	(60)	(60)	(40)	(100)
Total comprehensive income for the year	-	-	69,790	(60)	69,730	(297)	69,433
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)
At 31 December 2017	235,373	(68,234)	103,500	31	270,670	2,495	273,165
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



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Company	Share capital S\$'000	Accumulate d profits S\$'000	Total Equity S\$'000
As at 1 January 2017	235,373	28,643	264,016
Total comprehensive income for the year			
Profit for the year	-	55,552	55,552
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 2017	<u>235,373</u>	<u>33,075</u>	<u>268,448</u>
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)
As at 31 December 2018	<u>235,373</u>	<u>27,576</u>	<u>262,949</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 2018 No of shares	31 Dec 2017 No of shares
Total number of issued shares	<u>1,503,537,000</u>	<u>1,503,537,000</u>

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.



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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 adopted Singapore Financial Reporting Standards (International) (SFRS(I)) on 1 January 2018. In adopting SFRS(I), the Group has applied the specific transition requirements in SFRS(I) 1 First-time adoption of Singapore Financial Reporting Standards (International) in preparing the financial information included in this announcement.

The adoption of SFRS(I) did not result in any significant impact to the financial information of the Group and Company.

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		GROUP	
	3 months ended		Year ended	
	31 Dec 2018	31 Dec 2017	31 Dec 2018	31 Dec 2017
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)	1.17	1.12	4.71	4.64
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.



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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 2018	31 Dec 2017	31 Dec 2018	31 Dec 2017
	cents	cents	Cents	Cents
Net asset value per ordinary share based on issued share capital at the end of the period reported on	19.30	18.00	17.49	17.85

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

Included in FY2017 was a refund of prior years' taxes amounting to \$2.2m and excluding this refund, the Group's net profit for FY2018 would have increased by 4.6% instead of 1.4%. Revenue, gross profit and gross margin improved in both 4Q2018 and FY2018 but were offset by lower other income and higher operating expenses. The subsidiary in Kunming, China commenced operation in November 2017 and recorded a loss of \$0.7m in FY2018.

Revenue

Store count

	FY2018*	FY2017*
Number of outlets	54	44
Retail area at end of year	496,200 square feet	404,000 square feet
Revenue	\$882.1m	\$828.9m

*Singapore's operations only.

The changes to store count and retail area since the beginning of FY2018 were:-

Store #		Opened in	Retail area (sq ft)
	As at 1 January 2018		404,000
45	Anchorvale Block 338	January 2018	5,100
46	Fernvale Block 473	January 2018	5,600
47	Canberra Block 105	February 2018	11,300
48	ITE Ang Mo Kio	March 2018	11,000
49	Bukit Batok Block 440	July 2018	5,900
50	Yishun Block 675	July 2018	5,300
51	Woodlands Block 785	September 2018	10,000
52	Woodlands Block 573	October 2018	10,730
53	Junction 10, 1 Woodlands Rd	October 2018	20,370
54	Bukit Batok Block 450	November 2018	6,900
	Total as at 31 December 2018		496,200



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The stores listed in the table above together with the three stores which opened in 2017 will be considered as new stores and will not be included in computing comparable same store sales.

The changes in revenue were attributable to:

	FY2018 vs FY2017	4Q2018 vs 4Q2017
New stores	10.1%	14.7%
Comparable same store sales	1.7%	(2.7)%
Verge and Woodlands Block 6A	(5.4%)	(2.1)%
China	1.0%	0.8%
Total	7.4%	10.7%

New stores which contributed 10.1% and 14.7% in FY2018 and 4Q2018 respectively continued to be an important source of revenue growth. Against a backdrop of softening consumer's sentiment as reflected in the shrinking sales at supermarkets as 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 grew by 1.7% in FY2018 but declined by 2.7% in 4Q2018 compared to the corresponding prior periods.

If the store at Tampines Block 506, which was expanded by approximately 15,000 square feet in the second half of FY2017 is excluded, comparable same store sales would have contracted by 0.4% in FY2018 and 3.3% in 4Q2018.

The Verge and Woodlands Block 6A stores ceased operations in FY2017 as the buildings where these stores were situated were re-developed by the owners. The effect of the loss in revenue is separately disclosed for better comparability.

Gross profit

4Q2018	4Q2017	FY2018	FY2017
27.1%	26.5%*	26.8%	26.2%

*After an adjustment re-classifying from cost of sales to administrative expenses.

Selling prices were mostly stable throughout the year, but input costs were lower mainly because of better buying prices, higher rebates from suppliers for special promotions and volume discounts, improvement in efficiency in the central distribution centre and a higher mix of fresh versus non-fresh offerings.

Other Income

Please refer to the explanations on page 2 for the changes in other income.

Administrative Expenses

Increases were mainly in the following expenses:-

	4Q2018 vs 4Q2017	FY2018 vs FY2017
	\$'m	\$'m
Staff costs	1.4	6.7
Rental expenses of outlets	1.8	4.4
Depreciation**	0.6	2.4
Utilities	0.4	0.8
Repair and maintenance	0.1	0.9
Others	0.1	0.9
Total increase	4.4*	16.1



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*Included an amount of \$1.5m which was reclassified from cost of sales.

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

Administrative expenses increased by \$16.1m in FY2018 and \$4.4m in 4Q2018 compared with the corresponding prior periods mainly because of higher staff cost, rent, depreciation and utilities arising from the opening of new stores and higher provision for bonus because of better financial performance. Administrative expenses as a % of revenue for FY2018 of 17.3% was higher than the 16.6% in FY2017 as sales at the new store require time to reach the normal level. In both 4Q2018 and 4Q2017, three new stores were added and administrative expenses as a % of revenue were at 17.8% and 17.6% respectively.

Distribution expenses

The increase in distribution expenses of \$0.3m in FY2018 was because of higher operating expenses for the fleet trucks, brought about by the higher volume of business but was offset by lower depreciation as some of these trucks became fully depreciated during the year.

Other expenses

Other expenses decreased by \$0.1m 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 offset by exchange differences.

Finance Income

Finance income was higher in FY2018 and 4Q2018 mainly because more cash was placed in fixed deposit.

Tax

The effective tax rates for and FY2018 and 4Q2018 were 16.7% and 16.1% respectively which were marginally lower than the statutory rate of 17% mainly because of higher tax allowances and write-back of prior years' tax.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

Purchase of property, plant and equipment amounting to \$28.2m which was offset by depreciation charges of \$16.5m were the main reasons for the increase in property, plant and equipment of \$11.5m. Purchases of property, plant and equipment consisted of:

Description	\$m
Fitting out new stores, renovating old stores and upgrading supermarkets' equipment	15.9
Construction of new warehouse	10.2
Upgrading equipment at the central distribution centre	0.9
China	1.2
Total	28.2

Inventories increased by \$9.1m because of the higher store count and stocking up for Chinese New Year sales in 2019. The decrease in trade and other receivables of \$1.7m was due to a reduction in trade receivable of \$1.4m mainly attributable to lower amount due from financial institutions for credit cards and e-payment. Trade and other payables increased by \$14.3m because of an increase in trade payables of \$13.0m, a consequence of the higher stocking and a net increase in accruals and other payables of \$1.3m.



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 payment of tax for 4Q2018 and FY2018 were in line with the increase in the level of, and cyclical nature of the business.

Payment for property plant and equipment of \$8.6m and \$28.2m in 4Q2018 and FY2018 respectively was higher than corresponding prior periods mainly because of the fitting out of the stores and the payment for the construction of the warehouse extension. After payment of \$51.1m for dividends, cash balance stood at \$87.2m at the end of FY2018, an increase of \$13.8m compared with FY2017.

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's economy is expected to grow at a lower rate in 2019 compared with 2018. Retail sales, in particular sales at supermarkets have deteriorated in the second half of FY2018. Competition in the supermarket industry is expected to remain keen among the traditional brick and mortar, exacerbated by the proliferation of new supermarkets in HDB residential areas, as well as the push by new and existing e-commerce players for market share. The Group will also continue to look for retail space in new and existing HDB housing estates, particularly in estates where there is no presence. Since the beginning of 2019, six HDB shops which were won by the competitors via online bidding in 2017 and 2018 are now vacant and have been released for re-tender.

Food inflation has been generally benign in FY2018 although there was occasional weather driven increases in prices. Disruption to the supply chain, because of weather or other reasons will raise input prices and may affect the Group's gross margin if these increases cannot be passed on to the customers.

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. In view of the unfavourable consumers' sentiments, the Group is also looking into improving comparable same store sales. Control of costs, which has always been prudent, will continue

The expansion to the warehouse is delayed and is likely to be completed before the end of 2Q2019.

China

The new supermarket in Kunming opened in November 2017 and recorded a loss of \$0.7m in FY2018. A new lease for a second supermarket, also in Kunming has been signed and should be operational in 3Q2019.



11. Dividend

(a) Current Financial Period Reported On

Yes

Name of Dividend	Final
Dividend Type	Cash
Dividend Rate	1.75 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 26 April 2019, a final dividend, tax exempt (one-tier) of 1.75 cents per share to be paid on 17 May 2019.

(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 7 May 2019 for the preparation of dividend warrants. Duly completed registrable 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 7 May 2019 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 7 May 2019 will be entitled to the proposed final dividend.

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

Not applicable.



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

	FY 2018	FY 2017	Increase/(decrease)
	GROUP	GROUP	GROUP
	S\$'000	S\$'000	
Sales reported for the first half year	441,265	418,638	5.4%
Operating profit after tax for the first half year	35,390	33,224	6.5%
Sales reported for the second half year	449,669	411,239	9.3%
Operating profit after tax for the second half year	35,135	36,309	(3.2%)*

*There was a refund of prior year's taxes of \$2.2m in FY2017

14 Segment reporting

In FY2018, 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 FY2018, 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 2018 to 31 December 2018

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 Lim Hock Chee Lim Hock Leng	Sale of goods and services by Sheng Siong Group Ltd to F M Food Court Pte Ltd ⁽¹⁾	130	-
	Lease of operation space by FM Food Court Pte Ltd ⁽¹⁾ from Sheng Siong Group	582	-



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	Ltd		
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	2,228	-
Sheng Siong Holdings Pte Ltd Lim Hock Eng Lim Hock Chee Lim Hock Leng Lin Ruiwen	Re-billing at cost by Sheng Siong Holdings Pte Ltd ⁽¹⁾⁽²⁾ of purchases and manufacturing costs of long service gold medallions to be awarded to employees	315	-
Lim Hock Eng	Sale of a Company's vehicle to Mr. Lim Hock Eng by Sheng Siong Group Ltd	176	-
Lim Hock Chee	Sale of a Company's vehicle to Mr. Lim Hock Chee by Sheng Siong Group Ltd	120	-

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	FY2018 (\$'000)	FY2017 (\$'000)
Ordinary-Interim	\$24,808	\$23,305
Ordinary-Final	\$26,312*	\$26,312
Total	\$51,120	\$49,617
Total per share (cents)	3.40	3.30

*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 2018)	Family relationship with any director, CEO and/or substantial shareholder	Current position (in 2018) and duties, and the year the position was first held	Details of changes in duties and position held, if any, during the year 2018
Tan Bee Loo	58	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	58	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	65	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	52	Sister of Lim Hock Eng, Lim Hock Chee and Lim Hock Leng	2008: Manager, Sheng Siong Supermarket Pte Ltd	N.A.
Lin Ruiwen	35	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 Jun Lin, Nigel	30	Son of Lim Hock Leng	2018: Senior Manager Seafood Department	N.A.
Lin ZiKai	26	Son of Lim Hock Chee	2016: Assistant Manager, Housebrands (Currently on no pay leave)	

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
25 February 2019