

# **Isetan (Singapore) Limited**

**2023 AGM**

**28 April 2023**

**ADDRESS BY CHAIRMAN OF BOARD**

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In this presentation, all \$ dollar amounts are in Singapore dollars unless otherwise specified.

1. OUR RETAIL BUSINESS

2. OUR INVESTMENT PROPERTY BUSINESS

3. MOVING AHEAD



Isetan Scotts (Flagship Store)



Isetan Tampines



Isetan Serangoon Central



Isetan Wisma Atria (Investment Property)

# **OUR RETAIL BUSINESS**

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## **Core Business:**

-Our retail business continues to be one of the Company's core business segments with its 2022 revenue forming about 88% of the Company's total 2022 revenue.

## **Easing of Covid-19 pandemic Safe Management Measures:**

-The Government announced the easing of the Safe Management Measures from late April 2022 and subsequently downgraded its "Disease Outbreak Response System Condition" framework (DORSCON) from orange to yellow in April 2022, then to green in February 2023.

-This had a positive impact on the retail segment as there was stronger instore traffic and we could resume more of our retail sales activities like our mall atrium events.

-Despite the closure of our Isetan Katong store at the end of January 2022, the retail segment still managed to register a 0.09% increase in its revenue in 2022 versus 2021.

-Our Managing Director will elaborate further on the retail segment's performance in his presentation later.

**OUR INVESTMENT PROPERTY  
BUSINESS**

## **OUR INVESTMENT PROPERTIES AT ISETAN WISMA ATRIA AND KALLANG PUDDING WAREHOUSE**

- Our property segment consisting of our Isetan Wisma Atria and Kallang Pudding Warehouse registered a 20.5% increase in its revenue in 2022 versus 2021 mainly due to the new operating lease income derived from the level 4 tenant at Isetan Wisma Atria.**
- In line with the increase in revenue, and with operating expenses increasing at a slower pace, the Segment's results improved by about 58% in 2022 versus 2021.**
- Barring any unforeseen circumstances, we expect the Property segment's revenue to remain stable in 2023 as the existing tenancies are ongoing.**

**MOVING AHEAD**



# **MOVING AHEAD**

## **1. Government's forecast of 2023 GDP growth at 0.5% to 2.5%.**

- The government's latest forecast of the GDP growth of 0.5% to 2.5% represents a slowdown from the growth of 3.6% registered in 2022.
- The retail segment will face challenges such as the increase in GST, high interest rate environment, high energy costs and higher wages, all of which may dampen consumer spending.
- For our property segment, we expect its performance to remain stable in 2023 as mentioned earlier.

## **2. Strategies ahead**

- Under a challenging operating environment, we will remain focused on the operational efficiency of our stores and investment properties.
- At the same time, we will also explore new avenues of growth besides our existing department store and investment property businesses.

# **MOVING AHEAD (continued)**

## **2. Strategies ahead (continued)**

- We will continue to adopt a prudent approach in terms of our financial investments due to the uncertain environment that lies ahead.

**We look forward to all stakeholders' support as we try to improve our performance moving forward.**

**Thank you.**

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