

Isetan (Singapore) Limited

2022 AGM

28 April 2022

ADDRESS BY CHAIRMAN OF BOARD

Disclaimer

This presentation contains certain statements that are not statements of historical fact, i.e. forward-looking statements. The information is based on certain views and assumptions and would thus involve risks and uncertainties. Actual future performance, outcomes and results may differ materially from those expressed in these forward-looking statements as a result of a number of risks, uncertainties and assumptions. Such statements are not and should not be construed as a representation as to the future of Isetan (Singapore) Limited and should not be regarded as a forecast or projection of future performance.

No reliance should therefore be placed on these forward-looking statements, which are based on the current view of the management of on future events. The presentation is also not to be relied upon as advice to investors or potential investors and does not take into account the investment objectives, financial situation or needs of any particular investor. Isetan (Singapore) Ltd accepts no responsibility whatsoever with respect to the use of this document or any part thereof.

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

OUR RETAIL BUSINESS

Core Business -

-Our retail business continues to be the Company's core business segment with its 2021 revenue forming 90.05% of the Company's total 2021 revenue.

Impact of Covid-19 pandemic

-Being a consumer-facing business, the retail segment continued to be impacted by the pandemic as Safe Management Measures were put in place in response to the spike in Covid-19 cases during 2021.

-However, there were some respite as the Singapore economy managed to grow 7.6% in 2021 as compared to a contraction of 4.1% in 2020. The high vaccination rate of the population also helped as people were more confident of venturing out to the shops.

- Together with the lower comparatives due to the "Circuit-Breaker" measures and impact from our renovations at Isetan Scotts both occurring last year, our retail segment managed to perform better in 2021 as compared to 2020.

- Our Managing Director will elaborate further on the retail segment's performance.

**OUR INVESTMENT PROPERTY
BUSINESS**

OUR INVESTMENT PROPERTY AT ISETAN WISMA ATRIA

Similar to our retail business, our investment property at Isetan Wisma Atria was able to operate on a full 12-month basis as there was no re-occurrence of another nation-wide lock-down like the “Circuit Breaker” measures seen in 2020. Net rental revenue therefore increased in 2021 as compared to 2020 where higher rental rebates were given to SME tenants in accordance with the Government measures stipulated in 2020. We also managed to secure new operating lease income from the property in 2021.

Exploration of options regarding Isetan Wisma Atria –

As announced by the Company, the exercise to gather expressions of interest from potential purchasers did not yield a positive outcome. We will continue to explore all other possible options that may extract a better yield from the Property, or any possible future sale. We will continue to update shareholders via the SGXnet if there are any material developments in the future.

MOVING AHEAD

MOVING AHEAD

1. Government's forecast of 2022 GDP growth at 3% to 5%.

Although a growing economy bodes well for retail businesses, we must continue to monitor new consumer behaviour that will impact our physical store business (such as lesser office workers due to “Work-from-Home” practices, increasing popularity of E-Commerce sales, and lesser dining-in during the weekdays).

2. Strategies ahead

We will continue to prioritize health and safety for our customers, staff and rest of Isetan community. Due to the changing shopping habits of consumers, we will continue to put in more resources on E-commerce to compliment our brick-and-mortar stores, and to offer more touchpoints for our customers. We will emphasize operational performance of our existing stores ; with the gradual easing of SMMs, we should quickly leverage on any available opportunities to increase our revenue (e.g., sales outside of our stores).

MOVING AHEAD (continued)

2. Strategies ahead (continued)

- explore new avenues of growth besides our existing department store and investment property businesses.
- adopt prudent approach in terms of our financial investments due to the current pandemic situation.

We look forward to all stakeholders' support as we try to improve our performance during the pandemic.

Thank you.

Thank you.