



NS Document Posted

INTERIM MANAGEMENT STATEMENT

DFI RETAIL GROUP HOLDINGS LIMITED

Released 09:49:41 09 November 2023

RNS Number : 9437S
DFI Retail Group Holdings Ltd
09 November 2023

Announcement

The following announcement was issued today to a Regulatory Information Service approved by the Financial Conduct Authority in the United Kingdom.

DFI RETAIL GROUP HOLDINGS LIMITED Interim Management Statement

9th November 2023 - DFI Retail Group Holdings Limited today issues its Interim Management Statement for the third quarter of 2023.

The Group's underlying profits in the third quarter of 2023 grew by over 80% compared to the third quarter of 2022, with strong improvements from both subsidiaries and associates. The Group's Health and Beauty and Convenience divisions continued to report strong underlying PBIT growth, which more than offset lower results in Grocery Retail and IKEA.

Like-for-like sales and profitability for the Group's North Asian Grocery business were in line with the prior year, despite a reduction in home cooking demand and increased consumer spend on other activities such as travel. Southeast Asia Grocery sales performance continued to be adversely affected by intense competition and weakening consumer sentiment caused by rising cost of living pressures. The overall PBIT for the Grocery Retail division reduced marginally as a result, despite strong cost control initiatives.

The Group's Convenience division reported strong like-for-like sales growth in the quarter. 7-Eleven Hong Kong reported good sales momentum, and Macau, Southern China and Singapore continued to see strong growth. The Convenience division saw a double-digit increase in underlying PBIT compared to the same period last year.

The Health and Beauty division reported strong sales and underlying PBIT growth in the third quarter, compared to the same period last year. In North Asia, Mannings saw double-digit like-for-like sales growth underpinned by recovering tourist numbers and ongoing market share gains. Mannings' underlying PBIT increased substantially due to both strong sales performance and operating leverage. In Southeast Asia, Guardian reported positive like-for-like sales, with strong performance particularly in Indonesia. Guardian also reported good growth in underlying PBIT compared to the same period last year.

Home Furnishings reported a decline in like-for-like sales compared to the prior year as the business continued to be impacted by reduced demand. Performance in Hong Kong and Taiwan was impacted by increased consumer spend on other activities such as travel, a softening in property market sentiment and some extreme weather events. Indonesia, however, reported some sales recovery in the quarter. IKEA's underlying PBIT in the quarter reduced, however, as a result of lower underlying sales, although these were partially offset by disciplined cost control.

Maxim's, the Group's 50%-owned associate, reported double-digit year-on-year revenue growth, driven by rising restaurant patronage and solid mooncake sales. Maxim's also reported double-digit profit growth in the quarter.

Yonghui's sales and underlying PBIT were adversely affected by intense competition. Despite this, reported net underlying losses reduced in the third quarter compared to prior year, supported by higher gross margins and cost control initiatives. Robinsons Retail reported strong like-for-like sales growth in the third quarter compared to the same period last year driven by strong performances from the supermarket, drugstores, department stores, convenience stores and specialty segments.

Further to the Company's announcement on 2nd May 2023, the Group welcomes the assumption by Scott Price of the role of Group Chief Executive with effect from 1st August 2023. Scott is an experienced senior business executive with 25 years' international experience, of which 19 years was spent in Asia, spanning the retail, logistics and consumer packaged goods sectors.

While the Group has been encouraged by the strong recovery in underlying profit in the third quarter, a substantially lower growth rate is anticipated in the final quarter of the year against a strong comparable in the prior year, in particular in the Health and Beauty business which was boosted by robust demand for pandemic related health products in the fourth quarter of 2022.

DFI Retail Group is a leading pan-Asian retailer. The Group, together with its associates and joint ventures, operates over 10,700 outlets, employing some 218,000 people, and had total annual revenue in 2022 exceeding US\$27 billion. The Group (including associates and joint ventures) operates under a number of well-known brands across food, health and beauty, 7-Eleven, IKEA, yuu Rewards, restaurants and other retailing. The Group's parent company, DFI Retail Group Holdings Limited, is incorporated in Bermuda and has a primary listing in the standard segment of the London Stock Exchange, with secondary listings in Bermuda and Singapore. DFI Retail Group is a member of the Jardine Matheson Group.

- end -

For further information, please contact:

DFI Retail Group Management Services Limited
Christine Chung

(852) 2299 1056

Brunswick Group Limited
William Brocklehurst

(852) 5685 9881

This and other Group announcements can be accessed through the Internet at 'www.DFIretailgroup.com'.

This information is provided by RNS, the news service of the London Stock Exchange. RNS is approved by the Financial Conduct Authority to act as a Primary Information Provider in the United Kingdom. Terms and conditions relating to the use and distribution of this information may apply. For further information, please contact rns@lseg.com or visit www.rns.com.

RNS may use your IP address to confirm compliance with the terms and conditions, to analyse how you engage with the information contained in this communication, and to share such analysis on an anonymised basis with others as part of our commercial services. For further information about how RNS and the London Stock Exchange use the personal data you provide us, please see our [Privacy Policy](#).

END

DOCFIFSALDLAIIV

London Stock Exchange plc is not responsible for and does not check content on this Website. Website users are responsible for checking content. Any news item (including any prospectus) which is addressed solely to the persons and countries specified therein should not be relied upon other than by such persons and/or outside the specified countries. [Terms and conditions](#), including restrictions on use and distribution apply.