



Super Group Ltd

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For Immediate Release

SUPER DELIVERS 46.7% YOY NET PROFIT GROWTH FOR FY10

Highlights:

- Revenue jumped 18.8% YoY boosted by higher Branded Consumer and Ingredients sales
- Gross profit margin increased by 2.4 percentage points YoY
- Group rewards shareholders with total dividends of 5.4 cents per share for FY10, representing 50.1% of net profit

Singapore and Taiwan, 23 February 2011 – Super Group Ltd, (“Super”, “the Group” or “超级集团有限公司”), the Southeast Asian leading brand-owner of instant beverages and convenience foods announced a 46.7% jump in net profit to S\$59.3 million for the twelve months ended 31 December 2010, driven by its Branded Consumer and Ingredients sales.

Financial Highlights (S\$'000)	4Q10	4Q09	% Change	FY10	FY09	% Change
Revenue	106,662	83,939	27.1%	351,832	296,262	18.8%
Gross Profit	34,447	33,328	3.4%	131,402	103,407	27.1%
Gross Profit Margin (%)	32.3%	39.7%	-7.4 [^]	37.3%	34.9%	2.4 [^]
Other Income	1,372	1,106	24.1%	13,354	3,724	258.6%
Profit from Operating Activities	13,187	15,656	-15.8%	66,299 [*]	41,682	59.1%
Net Profit	11,853	15,987	-25.9%	59,335	40,448	46.7%
Net Profit Margin (%)	11.1%	19.0%	-7.9 [^]	16.9%	13.7%	3.2 [^]
Dividend per share (cents)	NA	NA	NA	5.4	2.6	2.8 [^]
Earnings per share (cents)	NA	NA	NA	10.66	7.48	3.18 [^]
Dividend payout (%)	NA	NA	NA	50.1	34.6	15.5 [^]

[^] Denotes percentage points

^{*} Profit from operating activities include a one-time gain of S\$10.0m on disposal of Care Property Holdings; partially offset by doubtful debts allowance of S\$2.5m and impairment loss of S\$1.5m on fixed assets

The main drivers for net profit growth were improvement in gross profit margins YoY as well as higher revenue from both Branded Consumer and Ingredients sales. The margin improvement was largely achieved through lower production costs and the sales of higher margin products. Other income increased to S\$13.4 million in FY10 from S\$3.7 million in FY09 largely due to the S\$10.0 million gain from the disposal of Care Property Holdings in 2Q10.

“We are pleased to announce that Super has achieved another year of commendable growth in FY10 despite its exposure to increasing raw material prices and currency fluctuations. We continue to see strong demand for our products in key Southeast Asian and East Asian markets and plan to expand our non-dairy creamer production capacity in China. This expansion will provide us with strategic proximity to customers and contribute to our overall growth” commented Mr David Teo (张骥牧) Chairman and Managing Director of Super.

Segmental Review

Sales Revenue (S\$'000)	4Q10	4Q09	Change %	FY10	FY09	Change %
Branded Consumer Sales ¹	78,712	74,828	5.2	293,601	265,088	10.8
Ingredients Sales ²	27,950	9,112	206.7	58,231	31,174	86.8
Total	106,662	83,940	27	351,832	296,262	18.8

Total revenue jumped 18.8% to S\$351.8 million in FY10 from S\$296.3 million in FY09. Ingredients sales, particularly non-dairy creamer in the China market, led the charge by registering a 86.8% surge to S\$58.2 million in FY10 from S\$31.2 million in FY09. The Group was able to leverage on this demand after completion of its new non-dairy creamer production line in its existing Wuxi plant in China during 3Q10. This expanded the Group's annual production capacity from 50,000 metric tons to 75,000 metric tons.

The Group's Branded Consumer sales continued to grow by 10.8% YoY primarily due to higher sales into Thailand, Myanmar, Mongolia and China. Supported by the introduction of higher margin consumer products such as Organic Soy Milk launched in the 3Q10, the Group improved its gross profit margin by 2.4 percentage point YoY.

“Super is a home-grown brand in Singapore and it remains a major market for us. We have since replicated in Southeast Asia our hugely successful marketing strategy. The highlights of 2010's marketing strategy have been our celebrity endorsements like singer Waan Thanakit in Thailand and Lin Junjie in Singapore and Malaysia, as part of our long term brand building efforts.” commented Mr Teo.

The Group will continue to focus on building brand equity and consumer recall for the Super brand without compromising on the quality of its products. This will help the Group to manage the rising raw material costs in the long term.

Dividend Policy

In 2Q10, the Group announced that it will distribute at least 50% of annual net profit as dividends to reward shareholders. The Group is confident that this dividend policy is well within the financial capability of its highly cash generative business. The proposed final dividends of 3.6 cents per share and the interim dividends of 1.8 cents per share total up to 5.4 cents per share for FY10. This represents 50.1% of net profit.

“We wish to thank our shareholders for their continued support in this challenging business environment. In view of our commendable performance, we have decided to reward shareholders with an attractive dividend and look to enhance shareholder value as the Group continues to grow” said Mr David Teo.

¹Sales of coffee products, cereal products, canned drinks, etc.

²Sales of soluble coffee powder, non-dairy creamer, etc. to industrial users

Industry Outlook and Future Plans

The Group expects market conditions to remain competitive in the next twelve months while currency fluctuations and rising raw material costs, such as coffee bean and sugar price, will impact the Group's operating performance. However, management is familiar with these challenges and will continue to take appropriate actions in managing their impact on the Group's businesses.

With increasing raw material costs, the Group will continue to review the retail prices of its products taking into account competitors' actions in the key markets. The Group will continuously focus its efforts on the dual-engine of growth – Branded Consumer and Ingredients sales. In view of the robust demand for the Group's non-dairy creamer, especially in the China market, management is installing an additional production line to expand the Group's annual production capacity to 100,000 metric tons from 75,000 metric tons by 3Q11.

The Group concludes the current financial year with a cash reserve of S\$141.8 million and will continue to grow its core businesses and strengthen its brand. Management will also seek out synergistic business opportunities and ventures to enhance shareholder's value.

--The End--

About Super Group Ltd

Listed on SGX Mainboard, Super Group Ltd (“Super”) manufactures, and distributes leading brands of instant beverages and convenience food products. Some of its proprietary brands include *Super*, *Café Nova*, and *Grandeur*. Super has received numerous accolades and awards for its products, including Grand Gold Medal and Gold Medal awarded by Monde Selection in the 43rd World Selection 2004, the Golden Bull “Top 100 SMEs in Malaysia” and the Brand Laureate “Best Brand in Food & Beverage - Coffee” awards since 2007 and the Brand Laureate “Brand Specialty Awards Best Brand Category, Brand Communication – Coffee” in 2009. The 2009 award is the fifth consecutive time and 4 years running that the Group has won the Brand Laureate Award. Super has also won the “Singapore Top Brands 2010” award conferred by Brand Finance. On 23 July, Super was conferred the Food Safety Gold Award by the Agri-Food Veterinary Authority (“AVA”) to 24 top companies for maintaining “A” grading for food safety and quality for 15 consecutive years. Super is the only brand owner of 3-in-1 instant coffee to win the Food Safety Gold Award among gargantuan global food corporations the likes of Nestle Singapore (Pte) Ltd, Cadbury Enterprise Pte Ltd, Coca-Cola Singapore.

Super is headquartered in Singapore and has manufacturing facilities located in various parts of the world.

For more information, please visit Super’s corporate website at www.super.com.sg

Issued for and on behalf of Super Group Ltd

By Financial PR Pte Ltd

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