



PARKSON RETAIL ASIA LIMITED

(Co. Reg. No. 201107706H)
(Incorporated in the Republic of Singapore)

**Unaudited Condensed Interim Financial Statements for the
Fourth Quarter and Twelve Months ended 31 December 2025**

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Parkson Retail Asia Limited
Unaudited Condensed Interim Financial Statements
For the fourth quarter and twelve months ended 31 December 2025

A. Condensed Interim Consolidated Statement of Profit or Loss and Other Comprehensive Income

	Note	Group					
		Quarter ended			Year ended		
		31.12.2025	31.12.2024	+ / (-)	31.12.2025	31.12.2024	+ / (-)
		S\$'000	S\$'000	%	S\$'000	S\$'000	%
Revenue	5	55,338	58,454	(5.3)	208,312	214,812	(3.0)
Other items of income							
- Finance income		835	947	(11.8)	3,759	3,784	(0.7)
- Other income		1,449	3,555	(59.2)	4,589	5,497	(16.5)
Items of expense							
- Changes in merchandise inventories and consumables		(17,543)	(18,938)	(7.4)	(65,001)	(68,344)	(4.9)
- Employee related expense		(9,770)	(9,891)	(1.2)	(39,441)	(37,346)	5.6
- Depreciation of right-of-use assets		(10,231)	(10,849)	(5.7)	(39,031)	(37,506)	4.1
- Depreciation of property, plant and equipment		(1,414)	(1,976)	(28.4)	(6,060)	(6,515)	(7.0)
- Promotional and advertising expenses		(426)	(466)	(8.6)	(1,320)	(1,340)	(1.5)
- Operating lease expenses		(2,055)	(2,100)	(2.1)	(5,475)	(5,208)	5.1
- Interest expense on lease liabilities		(2,570)	(2,853)	(9.9)	(10,566)	(11,609)	(9.0)
- Finance costs		(101)	(99)	2.0	(351)	(273)	28.6
- Other expenses		(5,745)	(6,255)	(8.2)	(20,863)	(20,507)	1.7
Total expenses		(49,855)	(53,427)	(6.7)	(188,108)	(188,648)	(0.3)
Profit before tax	7	7,767	9,529	(18.5)	28,552	35,445	(19.4)
Income tax expense	8	(1,473)	(3,749)	(60.7)	(7,494)	(11,327)	(33.8)
Profit for the period/year, net of tax		6,294	5,780	8.9	21,058	24,118	(12.7)
Other comprehensive income							
- Foreign currency translation		1,408	1,090	29.2	752	3,874	(80.6)
Total comprehensive income		7,702	6,870	12.1	21,810	27,992	(22.1)
Profit/(loss) attributable to:							
Owners of the Company		6,294	5,782	8.9	20,876	24,123	(13.5)
Non-controlling interests		-	(2)	>100	182	(5)	>100
		6,294	5,780	8.9	21,058	24,118	(12.7)
Total comprehensive income/(loss) attributable to:							
Owners of the Company		7,642	6,873	11.2	21,568	28,002	(23.0)
Non-controlling interests		60	(3)	>100	242	(10)	>100
		7,702	6,870	12.1	21,810	27,992	(22.1)
Earnings per share for profit							
attributable to owners of the Company							
Basic and diluted (cent)		0.93	0.86	8.1	3.10	3.58	(13.4)

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B. Condensed Interim Statements of Financial Position

	Note	Group		Company	
		31.12.2025	31.12.2024	31.12.2025	31.12.2024
		S\$'000	S\$'000	S\$'000	S\$'000
Non-current assets					
Property, plant and equipment	10	20,037	20,813	-	-
Right-of-use assets	11	111,696	128,567	-	-
Investments in subsidiaries		-	-	122,182	117,580
Deferred tax assets		8,268	6,789	-	-
Other receivables	12	4,015	4,889	-	-
Intangible assets		60	58	-	-
Investment security	13	272	262	-	-
		144,348	161,378	122,182	117,580
Current assets					
Inventories		26,895	29,460	-	-
Trade and other receivables		9,215	8,197	-	4,165
Prepayments		894	457	-	-
Tax recoverable		114	50	-	-
Cash and short-term deposits	14	120,118	124,897	778	22
		157,236	163,061	778	4,187
Total assets		301,584	324,439	122,960	121,767
Current liabilities					
Trade and other payables		100,170	102,647	19,748	22,519
Other liabilities		14,441	14,367	129	247
Contract liabilities		6,360	6,439	-	-
Provisions		2,106	1,691	-	-
Tax payables		2,037	872	-	-
Loans and borrowings	15	1,978	1,854	-	-
Lease liabilities		34,394	36,069	-	-
		161,486	163,939	19,877	22,766
Net current liabilities		(4,250)	(878)	(19,099)	(18,579)
Non-current liabilities					
Other payables		305	348	-	-
Provisions		5,243	5,613	-	-
Lease liabilities		101,055	115,902	-	-
		106,603	121,863	-	-
Total liabilities		268,089	285,802	19,877	22,766
Net assets		33,495	38,637	103,083	99,001
Equity attributable to owners of the Company					
Share capital	16	231,676	231,676	231,676	231,676
Treasury shares	16	(549)	(549)	(549)	(549)
Other reserves		(156,024)	(156,716)	(51,247)	(54,742)
Accumulated losses		(41,749)	(35,673)	(76,797)	(77,384)
		33,354	38,738	103,083	99,001
Non-controlling interests		141	(101)	-	-
Total equity		33,495	38,637	103,083	99,001

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C. Condensed Interim Statements of Changes in Equity

	Attributable to owners of the Company					Non-controlling interests	Equity, total
	Share capital (Note 16)	Treasury shares (Note 16)	Other reserves (Note A)	Accumulated losses	Equity attributable to owners of the Company, total		
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Group							
At 01.01.2025	231,676	(549)	(156,716)	(35,673)	38,738	(101)	38,637
Profit for the year	-	-	-	20,876	20,876	182	21,058
Foreign currency translation	-	-	692	-	692	60	752
Total comprehensive income for the year	-	-	692	20,876	21,568	242	21,810
Dividends	-	-	-	(26,952)	(26,952)	-	(26,952)
At 31.12.2025	231,676	(549)	(156,024)	(41,749)	33,354	141	33,495
At 01.01.2024	231,676	(549)	(160,595)	(59,796)	10,736	(91)	10,645
Profit/(loss) for the year	-	-	-	24,123	24,123	(5)	24,118
Foreign currency translation	-	-	3,879	-	3,879	(5)	3,874
Total comprehensive income/(loss) for the year	-	-	3,879	24,123	28,002	(10)	27,992
At 31.12.2024	231,676	(549)	(156,716)	(35,673)	38,738	(101)	38,637

	Share capital (Note 16)	Treasury shares (Note 16)	Other reserves (Note A)	Accumulated losses	Equity, total
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Company					
At 01.01.2025	231,676	(549)	(54,742)	(77,384)	99,001
Profit for the year	-	-	-	27,539	27,539
Foreign currency translation	-	-	3,495	-	3,495
Total comprehensive income for the year	-	-	3,495	27,539	31,034
Dividends	-	-	-	(26,952)	(26,952)
At 31.12.2025	231,676	(549)	(51,247)	(76,797)	103,083
At 01.01.2024	231,676	(549)	(60,396)	(82,580)	88,151
Profit for the year	-	-	-	5,196	5,196
Foreign currency translation	-	-	5,654	-	5,654
Total comprehensive income for the year	-	-	5,654	5,196	10,850
At 31.12.2024	231,676	(549)	(54,742)	(77,384)	99,001

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C. Condensed Interim Statements of Changes in Equity (cont'd)

Note A: Other reserves

	Group		Company	
	31.12.2025	31.12.2024	31.12.2025	31.12.2024
	S\$'000	S\$'000	S\$'000	S\$'000
Foreign currency translation reserve	(38,540)	(39,233)	(51,247)	(54,742)
Capital contribution from ultimate holding company	8,833	8,833	-	-
Merger reserve	(123,753)	(123,753)	-	-
Others	(2,564)	(2,563)	-	-
	(156,024)	(156,716)	(51,247)	(54,742)

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D. Condensed Interim Consolidated Statement of Cash Flows

	Group			
	Quarter ended		Year ended	
	31.12.2025	31.12.2024	31.12.2025	31.12.2024
	S\$'000	S\$'000	S\$'000	S\$'000
<u>Operating activities</u>				
Profit before tax	7,767	9,529	28,552	35,445
Adjustments for:				
- Depreciation of property, plant and equipment ("PPE")	1,414	1,976	6,060	6,515
- Impairment loss/(Reversal of impairment loss) of PPE	38	(251)	(45)	(251)
- PPE written off	10	31	245	52
- Loss/(Gain) on disposal of PPE	-	-	22	(14)
- Gain on reversal of provision of restoration cost	(85)	-	(85)	-
- Depreciation of right-of-use assets ("ROUA")	10,231	10,849	39,031	37,506
- Impairment loss/(Reversal of impairment loss) of ROUA	685	(870)	685	(870)
- Allowance/(Reversal) for expected credit loss on trade and other receivables, net	10	(16)	7	(19)
- (Reversal of allowance)/Allowance for inventory shrinkages	(286)	(277)	91	96
- Provision/(Write back) of stock obsolescence	194	(528)	194	(528)
- Gift vouchers written back	(382)	(316)	(382)	(316)
- Income from rent concession on lease liabilities	(67)	(243)	(67)	(243)
- Lease derecognition	(516)	-	(516)	-
- Lease modifications	(247)	-	(247)	-
- Gain on deconsolidation of a subsidiary	-	-	(685)	-
- Interest expense on lease liabilities	2,570	2,853	10,566	11,609
- Finance costs	101	99	351	273
- Finance income	(835)	(947)	(3,759)	(3,784)
Operating cash flows before changes in working capital	20,602	21,889	80,018	85,471
Changes in working capital:				
- Inventories	712	(2,793)	3,297	(4,276)
- Receivables and prepayments	(2,023)	(1,496)	(1,212)	2,474
- Payables and other liabilities	24,456	33,800	(5,744)	2,636
Cash generated from operations	43,747	51,400	76,359	86,305
Interest received	786	853	3,558	3,573
Interest paid	(71)	(34)	(122)	(70)
Income tax paid	(556)	(5,248)	(7,637)	(13,388)
Net cash generated from operating activities	43,906	46,971	72,158	76,420
<u>Investing activities</u>				
Proceeds from disposal of PPE	1	(1)	23	25
Purchase of PPE	(2,105)	(3,165)	(5,374)	(7,362)
Proceeds from net investments in sublease	91	87	353	215
Net cash used in investing activities	(2,013)	(3,079)	(4,998)	(7,122)

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D. Condensed Interim Consolidated Statement of Cash Flows (cont'd)

	Group			
	Quarter ended		Year ended	
	31.12.2025	31.12.2024	31.12.2025	31.12.2024
	S\$'000	S\$'000	S\$'000	S\$'000
Financing activities				
Dividends paid on ordinary shares	-	-	(26,952)	-
Interest paid	(2,570)	(2,853)	(10,566)	(11,609)
Proceeds from bank borrowings	1,869	1,085	4,142	3,356
Repayment of bank borrowings	(1,438)	(796)	(4,091)	(3,349)
Repayment to related companies	-	(7,755)	-	(8,057)
Payment of principal portion of lease liabilities	(10,194)	(9,118)	(39,327)	(34,334)
(Increase)/decrease in bank overdraft	(91)	169	60	152
(Increase)/decrease in pledged deposits	(128)	68	(128)	68
Net cash used in financing activities	(12,552)	(19,200)	(76,862)	(53,773)
Net increase/(decrease) in cash and cash equivalents	29,341	24,692	(9,702)	15,525
Cash and cash equivalents at beginning of the quarter/year	76,154	90,551	115,059	92,585
Effects of currency translation on cash and cash equivalents	4,328	(184)	4,466	6,949
Cash and cash equivalents at end of the quarter/year (Note 14)	109,823	115,059	109,823	115,059

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E. Notes to the Condensed Interim Consolidated Financial Statements

1. Corporate information

Parkson Retail Asia Limited (the “**Company**”) is a public listed company incorporated in Singapore and is listed on the Singapore Exchange Securities Trading Limited (“**SGX-ST**”).

These condensed interim consolidated financial statements as at and for the twelve months ended 31 December 2025 comprise the financial statements of the Company and its subsidiaries (collectively, the “**Group**”).

The principal activity of the Company is investment holding. The principal activities of its subsidiaries are:

- a. Operation of retail stores (department stores, trading of apparels and consumer products); and
- b. Investment holding and others.

2. Going concern basis

The management continues to review the appropriateness of the going concern and the Directors of the Company are of the view that it is appropriate to prepare the Group’s financial statements on a going concern on the following bases:

- i. the Group is able to generate sufficient cash flows from its operations to pay its liabilities as and when they fall due;
- ii. the management manages cashflow of the subsidiaries on overall Group basis, where necessary;
- iii. there are no changes in the credit terms granted by suppliers and the Group intends to adhere to the average trade payable turnover days consistent with prior years; and
- iv. the Group has cash and short-term deposits of S\$120,118,000 as at 31 December 2025.

3. Basis of preparation

The condensed interim financial statements for the twelve months ended 31 December 2025 have been prepared in accordance with Singapore Financial Reporting Standards (International) (“**SFRS(I)**”) 1-34 *Interim Financial Reporting* issued by the Accounting Standards Council Singapore. The condensed interim financial statements do not include all the information required for a complete set of financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the last annual financial statements for the year ended 31 December 2024.

The accounting policies adopted are consistent with those of the previous financial year which were prepared in accordance with SFRS(I)s, except for the adoption of new and amended standards as set out in Note 3.1.

The financial statements are presented in Singapore Dollar (“**S\$**”), rounded to the nearest thousand (“**S\$’000**”), unless otherwise stated.

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3. Basis of preparation (cont'd)

3.1. New and amended standards adopted by the Group

The Group has considered the following standard that have been issued and effective for annual periods beginning on or after 1 January 2025, where applicable:

Amendments to SFRS(I):
SFRS(I) 1-21, SFRS(I) 1 *Lack of Exchangeability*

The adoption of the standard above will have no material impact on the financial statements for the current financial year.

3.2. Use of judgements and estimates

In preparing the condensed interim financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

The significant judgements made by management in applying the Group's accounting policies and key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for the financial year ended 31 December 2024.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

4. Seasonal operations

The Group's retail operations generally performed better with higher sales generated during festive and holiday seasons.

5. Segment and revenue information

The Group has two operating segments, (i) operation of retail stores; and (ii) investment holding and others.

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5. Segment and revenue information (cont'd)

5.1. Reportable segments

<u>Quarter ended 31 December 2025</u>	Retail stores Malaysia S\$'000	Investment holding and others S\$'000	Total S\$'000
Revenue:			
Sales to external customers	54,584	754	55,338
Segment results:			
Depreciation of:			
- Right-of-use assets	(10,184)	(47)	(10,231)
- Property, plant and equipment	(1,412)	(2)	(1,414)
Net (impairment losses)/reversal of impairment losses on:			
- Right-of-use assets	(685)	-	(685)
- Property, plant and equipment	61	(99)	(38)
Operating lease expenses	(2,034)	(21)	(2,055)
Lease derecognition	516	-	516
Finance income	804	31	835
Interest and finance costs	(2,666)	(5)	(2,671)
Income tax expense	(1,473)	-	(1,473)
Segment profit/(loss)	7,795	(1,501)	6,294
Other segment information:			
Additions to non-current assets	4,162	20	4,182
Segment assets	288,527	3,877	292,404
Segment liabilities	258,338	7,584	265,922

<u>Quarter ended 31 December 2024</u>	Retail stores Malaysia S\$'000	Investment holding and others S\$'000	Total S\$'000
Revenue:			
Sales to external customers	57,711	743	58,454
Segment results:			
Depreciation of:			
- Right-of-use assets	(10,756)	(93)	(10,849)
- Property, plant and equipment	(1,974)	(2)	(1,976)
Net reversal of impairment losses/(impairment losses) on:			
- Right-of-use assets	956	(86)	870
- Property, plant and equipment	251	-	251
Operating lease expenses	(2,090)	(10)	(2,100)
Finance income	941	6	947
Interest and finance costs	(2,929)	(23)	(2,952)
Income tax expense	(3,749)	-	(3,749)
Segment profit/(loss)	7,195	(1,415)	5,780
Other segment information:			
Additions to non-current assets	9,427	(1)	9,426
Segment assets	313,030	3,461	316,491
Segment liabilities	277,113	7,701	284,814

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5. Segment and revenue information (cont'd)

5.1. Reportable segments (cont'd)

<u>Year ended 31 December 2025</u>	Retail stores Malaysia S\$'000	Investment holding and others S\$'000	Total S\$'000
Revenue:			
Sales to external customers	205,473	2,839	208,312
Segment results:			
Depreciation of:			
- Right-of-use assets	(38,785)	(246)	(39,031)
- Property, plant and equipment	(6,052)	(8)	(6,060)
Net (impairment losses)/reversal of impairment losses on:			
- Right-of-use assets	(685)	-	(685)
- Property, plant and equipment	162	(117)	45
Operating lease expenses	(5,387)	(88)	(5,475)
Lease derecognition	516	-	516
Finance income	3,562	197	3,759
Interest and finance costs	(10,882)	(35)	(10,917)
Gain on deconsolidation of a subsidiary	-	685	685
Income tax expense	(7,494)	-	(7,494)
Segment profit/(loss)	25,428	(4,370)	21,058
Other segment information:			
Additions to non-current assets	7,386	49	7,435
Segment assets	288,527	3,877	292,404
Segment liabilities	258,338	7,584	265,922

<u>Year ended 31 December 2024</u>	Retail stores Malaysia S\$'000	Investment holding and others S\$'000	Total S\$'000
Revenue:			
Sales to external customers	212,107	2,705	214,812
Segment results:			
Depreciation of:			
- Right-of-use assets	(37,275)	(231)	(37,506)
- Property, plant and equipment	(6,508)	(7)	(6,515)
Net reversal of impairment losses/(impairment losses) on:			
- Right-of-use assets	956	(86)	870
- Property, plant and equipment	251	-	251
Operating lease expenses	(5,184)	(24)	(5,208)
Finance income	3,777	7	3,784
Interest and finance costs	(11,824)	(58)	(11,882)
Income tax expense	(11,327)	-	(11,327)
Segment profit/(loss)	30,019	(5,901)	24,118
Other segment information:			
Additions to non-current assets	14,166	41	14,207
Segment assets	313,030	3,461	316,491
Segment liabilities	277,113	7,701	284,814

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5. Segment and revenue information (cont'd)

5.2. Disaggregation of revenue

<u>Quarter ended</u>	31.12.2025	31.12.2024
	S\$'000	S\$'000
Sale of goods - direct sales	24,110	26,325
Commissions from concessionaire sales	30,083	30,538
Food and beverage	754	743
Consultancy/management service fees	135	140
Revenue from contracts with customers	55,082	57,746
Rental income	256	708
Total revenue	55,338	58,454
Timing of transfer of goods or services		
Total revenue from contracts with customers - at point in time	55,082	57,746

<u>Year ended</u>	31.12.2025	31.12.2024
	S\$'000	S\$'000
Sale of goods - direct sales	89,190	94,733
Commissions from concessionaire sales	114,539	115,105
Food and beverage	2,839	2,705
Consultancy/management service fees	471	480
Revenue from contracts with customers	207,039	213,023
Rental income	1,273	1,789
Total revenue	208,312	214,812
Timing of transfer of goods or services		
Total revenue from contracts with customers - at point in time	207,039	213,023

6. Financial assets and financial liabilities

Set out below is an overview of the financial assets and financial liabilities of the Group and the Company as at 31 December 2025 and 31 December 2024:

	Group		Company	
	31.12.2025	31.12.2024	31.12.2025	31.12.2024
	S\$'000	S\$'000	S\$'000	S\$'000
Financial assets				
Trade and other receivables	12,140	11,796	-	4,165
Cash and short-term deposits	120,118	124,897	778	22
Total financial assets carried at amortised cost	132,258	136,693	778	4,187
Financial liabilities				
Trade and other payables	100,329	102,856	19,748	22,519
Other liabilities	14,441	14,367	129	247
Loans and borrowings	1,978	1,854	-	-
Lease liabilities	135,449	151,971	-	-
Total financial liabilities carried at amortised cost	252,197	271,048	19,877	22,766

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7. Profit before tax

7.1. Significant items

	Group			
	Quarter ended		Year ended	
	31.12.2025	31.12.2024	31.12.2025	31.12.2024
	S\$'000	S\$'000	S\$'000	S\$'000
Income				
Finance income	835	947	3,759	3,784
Gain on deconsolidation of a subsidiary	-	-	685	-
Expenses				
Depreciation of:				
- right-of-use assets	10,231	10,849	39,031	37,506
- property, plant and equipment	1,414	1,976	6,060	6,515
Net impairment losses/(reversal of impairment losses) on:				
- right-of-use assets	685	(870)	685	(870)
- property, plant and equipment	38	(251)	(45)	(251)
Operating lease expenses	2,055	2,100	5,475	5,208
Property, plant and equipment written off	10	31	245	52
Finance costs (including interest expense on lease liabilities)	2,671	2,952	10,917	11,882
(Reversal of allowance)/Allowance for inventory shrinkages	(286)	(277)	91	96

7.2. Related party transactions

In addition to the related party information disclosed elsewhere in the condensed interim financial statements, the following significant transactions between the Group and related parties took place on terms agreed between the parties during the financial periods:

	Group			
	Quarter ended		Year ended	
	31.12.2025	31.12.2024	31.12.2025	31.12.2024
	S\$'000	S\$'000	S\$'000	S\$'000
Sale of vouchers	36	9	86	50
Sale of goods and services	(136)	14	300	118
Purchase of goods and services	608	790	2,917	3,161
Income from bonus points redemption by cardholders	301	406	1,610	1,630
Marketing fee expense for bonus points issued	459	431	1,535	1,570
Rental of office and commercial space	57	51	232	197
Royalty expense	34	28	116	106
Management fee and other income	145	140	510	480

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8. Income tax expense

The Group calculates the income tax expense using the tax rate that would be applicable to the expected total annual earnings. The major components of income tax expense in the condensed interim consolidated statement of profit or loss are:

	Group			
	Quarter ended		Year ended	
	31.12.2025	31.12.2024	31.12.2025	31.12.2024
	S\$'000	S\$'000	S\$'000	S\$'000
Current and deferred income tax	1,473	3,749	7,494	11,327

9. Net assets value

	Group		Company	
	31.12.2025	31.12.2024	31.12.2025	31.12.2024
Net assets value per ordinary share (S\$)	0.050	0.057	0.153	0.147

10. Property, plant and equipment

During the twelve months ended 31 December 2025, the Group acquired assets amounting to S\$4,983,000 (31 December 2024: S\$8,890,000).

11. Right-of-use assets

The Group has lease contracts for retail and office premises, furniture and equipment, and motor vehicles.

During the twelve months ended 31 December 2025, the Group recognised addition of right-of-use assets amounting to S\$2,452,000 (31 December 2024: S\$5,317,000).

12. Other receivables (non-current)

	Group	
	31.12.2025	31.12.2024
	S\$'000	S\$'000
Rental deposits	3,641	3,944
Other deposits	145	85
Deferred lease expenses	48	93
Net investments in sublease	181	767
Total other receivables (non-current)	4,015	4,889

Rental deposits, other deposits and deferred lease expenses are of long term in nature and are not bound by any credit terms.

The Group recognises net investments in sublease as a result of sublease contracts classified as finance lease.

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13. Investment security

	Group	
	31.12.2025	31.12.2024
	S\$'000	S\$'000
Financial asset at fair value through other comprehensive income ("FVOCI")		
Equity security (unquoted)		
- Lion Insurance Company Limited	272	262

The Group has elected to measure this equity security at FVOCI due to the Group's intention to hold this equity instrument for long-term appreciation.

Fair value measurement

Financial assets measured at fair value in the interim statements of financial position are grouped into three Levels of a fair value hierarchy. The three Levels are defined based on the observability of significant inputs to the measurement, as follows:

- Level 1 – quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2 – inputs other than quoted prices included within Level 1 that are observable for the assets or liabilities, either directly or indirectly; and
- Level 3 – unobservable inputs for the assets or liabilities.

The following table presented the asset measured at fair value:

	Group			
	Level 1	Level 2	Level 3	Total
	S\$'000	S\$'000	S\$'000	S\$'000
At 31 December 2025				
Financial asset - FVOCI	-	-	272	272
At 31 December 2024				
Financial asset - FVOCI	-	-	262	262

14. Cash and short-term deposits

	Group		Company	
	31.12.2025	31.12.2024	31.12.2025	31.12.2024
	S\$'000	S\$'000	S\$'000	S\$'000
Cash at banks	5,276	3,836	778	22
Short-term bank deposits	114,842	121,061	-	-
Total cash and short-term deposits	120,118	124,897	778	22

	Group	
	31.12.2025	31.12.2024
	S\$'000	S\$'000
Cash and short-term deposits as above	120,118	124,897
Less:		
- pledged deposits	(10,295)	(9,780)
- bank overdraft	-	(58)
Cash and cash equivalents	109,823	115,059

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15. Loans and borrowings

	Group	
	31.12.2025	31.12.2024
	S\$'000	S\$'000
<u>Amount repayable within one year or on demand</u>		
Secured:		
- Bank overdraft	-	58
- Banker's acceptance	1,978	1,796
	<u>1,978</u>	<u>1,854</u>

Bank overdraft and banking facilities (including bank guarantee) are secured by short-term deposit of S\$10.3 million (31 December 2024: S\$9.8 million) and a corporate guarantee from a subsidiary.

16. Share capital and treasury shares

	Group and Company	
	No. of shares	
	'000	S\$'000
Balances as at 31.12.2024 and 31.12.2025		
Issued and fully paid with no par value	677,300	231,676
Treasury shares	(3,500)	(549)
Total excluding treasury shares	<u>673,800</u>	<u>231,127</u>

There was no movement in the issued, paid-up capital and treasury shares of the Group and the Company since the end of the previous year.

17. Subsequent events

There are no known subsequent events which have led to adjustments to this set of interim financial statements.

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F. Other Information Required by Listing Rule Appendix 7.2

1. Whether the figures have been audited or reviewed, and in accordance with which auditing standard or practice

The condensed interim statements of financial position of Parkson Retail Asia Limited and its subsidiaries as at 31 December 2025 and the related condensed interim consolidated statement of profit or loss and other comprehensive income, condensed interim statements of changes in equity and condensed interim consolidated statement of cash flows for the period then ended and certain explanatory notes have not been audited or reviewed.

2. Review of performance of the Group

Group Store Count

As at 31 December 2025, the Group's department store network comprised 39 (31 December 2024 : 37) stores spanning approximately 417,000 sqm of Gross Floor Area.

Operating Results

The components of Gross Sales Proceeds ("GSP") are as follows:

	Group					
	Quarter ended			Year ended		
	31.12.2025	31.12.2024	+/(-) %	31.12.2025	31.12.2024	+/(-) %
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
GSP						
Sale of goods - direct sales	24,110	26,325	(8.4)	89,190	94,733	(5.9)
Sale of goods - concessionaire sales	109,585	112,486	(2.6)	416,683	420,739	(1.0)
Total merchandise sales	133,695	138,811	(3.7)	505,873	515,472	(1.9)
Consultancy/management service fees	135	140	(3.6)	471	480	(1.9)
Rental income	256	708	(63.8)	1,273	1,789	(28.8)
Food and beverage	754	743	1.5	2,839	2,705	5.0
	134,840	140,402	(4.0)	510,456	520,446	(1.9)

The y-o-y total merchandise sales remains relatively consistent with the previous year. Merchandise sales mix remained largely concessionaire at 82.4% (2024: 81.6%) while contribution from direct sales was 17.6% (2024: 18.4%).

Rental income decreased y-o-y by 28.8% mainly due to the higher recognition of lease receivables in the previous year. Food and beverage operations registered a y-o-y increase in sales by 5.0% mainly due to the halal certification obtained in the previous year which enabled higher supply of breads to other retail outlets.

Merchandise gross profit margin stood at 27.8% (2024: 27.8%).

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2. Review of performance of the Group (cont'd)

Financial Results

Revenue

The components of revenue are as follows:

	Group					
	Quarter ended			Year ended		
	31.12.2025	31.12.2024	+ / (-)	31.12.2025	31.12.2024	+ / (-)
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
Revenue						
Sale of goods - direct sales	24,110	26,325	(8.4)	89,190	94,733	(5.9)
Commissions from concessionaire sales	30,083	30,538	(1.5)	114,539	115,105	(0.5)
Consultancy/management service fees	135	140	(3.6)	471	480	(1.9)
Rental income	256	708	(63.8)	1,273	1,789	(28.8)
Food and beverage	754	743	1.5	2,839	2,705	5.0
	55,338	58,454	(5.3)	208,312	214,812	(3.0)

Other Items of Income

Other income decreased y-o-y by 16.5% as previous year included reversal of impairment of right-of-use assets and property, plant and equipment.

Expenses

Total expenses of the Group decreased y-o-y by 0.3% and analysis of major expenses are as follows:

Employee related expense

Employee related expense increased y-o-y by 5.6% mainly due to the increase of minimum wage and the expansion of the private label business.

Depreciation of property, plant and equipment

Depreciation of property, plant and equipment decreased y-o-y by 7.0% mainly due to some of the plant and equipment being fully depreciated and written-off during the year.

Interest expense on lease liabilities

Interest expense on lease liabilities decreased y-o-y by 9.0% due to the reduction in lease liabilities as a result of repayment.

Other expenses

Other expenses for the current year comprised mainly (a) selling and distribution expenses amounted to S\$4.7 million; (b) general and administrative expenses amounted to S\$7.7 million; and (c) other operating expenses amounted to S\$8.5 million. The increase in other expenses was mainly due to impairment of right-of-use assets.

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2. Review of performance of the Group (cont'd)

Profit before tax

The Group recorded a lower profit before tax for the current year of S\$28.6 million compared with S\$35.4 million of the corresponding year, mainly due to lower sales during the year.

Income tax expense

Income tax expense decreased y-o-y by 33.8% mainly due to lower profit before tax resulting from reduced sales as well as recognition of deferred tax income.

Group Statement of Financial Position

The Group was in a net current liabilities ("NCL") position of S\$4.3 million as at 31 December 2025 due to dividends paid to shareholders on 12 June 2025 which reduced its cash and short-term deposits. As a result, total equity of the Group decreased to S\$33.5 million.

Right-of-use assets decreased to S\$111.7 million due to amortisation.

Inventories decreased to S\$26.9 million due to inventory management.

Cash and short-term deposits decreased to S\$120.1 million mainly due to dividends paid and repayment to creditors during the year.

Lease liabilities (current and non-current) decreased to S\$34.4 million and S\$101.1 million respectively due to repayment.

Accumulated losses increased to S\$41.7 million, after taking into account dividends paid during the year.

Company Statement of Financial Position

Investments in subsidiaries increased to S\$122.2 million due to fluctuation in the foreign exchange.

Trade and other receivables (current) recorded nil balance as at 31 December 2025 as a result of impairment of advances to subsidiaries.

Cash and short-term deposits increased to S\$0.8 million due to dividend received from a subsidiary.

Trade and other payables decreased to S\$19.7 million due to dividend received from a subsidiary.

Group Cash Flows

For the current year, the Group recorded net cash inflow from operating activities of S\$72.2 million, net cash used in investing activities of S\$5.0 million and net cash used in financing activities of S\$76.9 million, resulting in a net decrease in cash and cash equivalents of S\$9.7 million (2024 : net increase of S\$15.5 million). The net decrease in cash and cash equivalents was mainly due to dividends paid and repayment to creditors during the year.

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3. Material litigations

(the abbreviations used in this section shall have the same meaning ascribed to them in the previous announcements)

Parkson (Cambodia) Co Ltd

There has been no further update since the previous quarterly announcement made on 14 November 2025.

The Group will make further announcements as and when there are material developments to the above matters.

4. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results

The Group's commentary on its core business as outlined in Note F5 in the preceding quarterly results announcement dated 14 November 2025 was generally in line with the operating environment encountered in the current quarter.

5. 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

Ongoing trade tensions coupled with persistent inflationary pressures, high living costs and evolving consumer spending patterns have continued to affect the Group's operations and financial performance.

The Group continues to adopt prudent approach in addressing these challenges, prioritising operational resilience and sustaining performance in this dynamic environment, while actively seeking opportunities to expand its store network.

6. Dividend

(a) Current Financial Period Reported On

None

(b) Corresponding Period of the Immediately Preceding Financial Year

None.

(c) Date payable

Not applicable.

(d) Books closure date

Not applicable.

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7. If no dividend has been declared (recommended), a statement to that effect and the reason(s) for the decision.

No dividend has been declared by the Company for the current quarter as the Group is conserving cash for working capital and future expansion.

8. Interested person transactions for the financial period ended 31 December 2025

Name of interested person	Nature of Relationship	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) S\$'000	Aggregate value of all interested person transactions conducted under the shareholders' mandate pursuant to Rule 920 S\$'000
Lion Corporation Berhad ⁽¹⁾	Associate of Tan Sri Cheng Heng Jem, a director and controlling shareholder of the Company ("Tan Sri Cheng")	-	3,368
Parkson Holdings Berhad Group ⁽²⁾	Associate of Tan Sri Cheng	116 ^{(i)*}	3,235 ⁽ⁱⁱ⁾
Lion Posim Berhad ⁽³⁾	Associate of Tan Sri Cheng	-	355
Visionwell Sdn Bhd ⁽⁴⁾	Associate of Tan Sri Cheng	-	232

Notes:

- (1) (a) Marketing fee payable for bonus points issued and amount received/receivable for point redemption made by cardholders totalling S\$3.145 million; and
(b) Purchase of goods and security equipment, and procurement of security service totalling S\$0.223 million.
- (2) (i) Royalty expense totalling S\$0.116 million.
(ii) (a) Management fee income totalling S\$0.510 million; and
(b) Net purchase of merchandise, concessionaire sales and sale of gift vouchers totalling S\$2.725 million.
- (3) Purchase of building materials and merchandise and sale of gift vouchers.
- (4) Rental of office space.

* Royalty expense payable to Parkson Holdings Berhad Group had at the extraordinary general meeting held on 29 April 2022 been approved by shareholders as specific interested person transactions ("IPTs").

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9. Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer pursuant to Rule 704(13)

Name	Age	Family relationship with any director and/or substantial shareholder	Current position and duties, and the year the position was first held	Details of changes in duties and position held, if any, during the year
Ms. Cheng Hui Yen, Natalie	42	- Daughter of Tan Sri Cheng Heng Jem (Executive Chairman and Substantial Shareholder) - Sister of Ms Cheng Hui Yuen, Vivien (Executive Director)	Director of Merchandising (since June 2015) Group Director of the Lion Group (since 17 November 2025)	Promoted as Group Director of the Lion Group, while continuing to serve in her existing roles in the Group

10. A breakdown of revenue and profit

	Group		
	Latest financial year 31.12.2025	Previous financial year 31.12.2024	+ / (-)
	S\$'000	S\$'000	%
(a) Sales reported for first half year	109,418	110,629	(1.1)
(b) Operating profit after tax before deducting non-controlling interests reported for the first half year	14,769	16,815	(12.2)
(c) Sales reported for second half year	98,894	104,183	(5.1)
(d) Operating profit after tax before deducting non-controlling interests reported for second half year	6,289	7,303	(13.9)

11. Confirmation by Directors

The Directors confirm that, to the best of their knowledge, nothing has come to the attention of the Board of Directors which may render the financial results of Parkson Retail Asia Limited for the fourth quarter and twelve months ended 31 December 2025 to be false or misleading in any material aspects.

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12. Confirmation that the issuer has procured undertakings from all its Directors and Executive Officers

The Company confirms that it has procured undertakings from all its Directors and executive officers in the format set out in Appendix 7.7 under Rule 720(1) of the Listing Manual of SGX-ST.

For and on behalf of the Board
PARKSON RETAIL ASIA LIMITED

Tan Sri Cheng Heng Jem
Executive Chairman

Singapore
23 February 2026