



# PARKSON RETAIL ASIA LIMITED

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

## Unaudited Financial Statements for the Fourth Quarter and Twelve Months ended 30 June 2019

### PART I - INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1, Q2, Q3), HALF-YEAR AND FULL YEAR RESULTS

#### 1(a)(i) Consolidated Income Statement

|                                                      | Group            |                  |               |                  |                  |               |
|------------------------------------------------------|------------------|------------------|---------------|------------------|------------------|---------------|
|                                                      | Quarter ended    |                  |               | Year ended       |                  |               |
|                                                      | 30.06.2019       | 30.06.2018       | +/( - )       | 30.06.2019       | 30.06.2018       | +/( - )       |
|                                                      | \$'000           | \$'000           | %             | \$'000           | \$'000           | %             |
| <b>Revenue</b>                                       | 94,063           | 105,867          | (11.1)        | 398,491          | 413,552          | (3.6)         |
| <b>Other items of income</b>                         |                  |                  |               |                  |                  |               |
| - Finance income                                     | 2,763            | 695              | >100.0        | 3,552            | 1,425            | >100.0        |
| - Other income                                       | 2,672            | 2,801            | (4.6)         | 5,154            | 5,842            | (11.8)        |
| <b>Items of expense</b>                              |                  |                  |               |                  |                  |               |
| - Changes in merchandise inventories and consumables | (35,489)         | (43,660)         | (18.7)        | (169,691)        | (177,585)        | (4.4)         |
| - Employee related expenses                          | (15,583)         | (17,051)         | (8.6)         | (63,077)         | (66,872)         | (5.7)         |
| - Depreciation and amortisation expenses             | (6,314)          | (9,165)          | (31.1)        | (24,692)         | (29,621)         | (16.6)        |
| - Promotional and advertising expenses               | (2,081)          | (2,956)          | (29.6)        | (8,169)          | (9,380)          | (12.9)        |
| - Rental expenses                                    | (26,654)         | (29,492)         | (9.6)         | (107,822)        | (117,119)        | (7.9)         |
| - Finance costs                                      | (604)            | (534)            | 13.1          | (1,262)          | (728)            | 73.4          |
| - Other expenses                                     | (29,998)         | (24,372)         | 23.1          | (62,801)         | (59,900)         | 4.8           |
| <b>Total expenses</b>                                | <b>(116,723)</b> | <b>(127,230)</b> | <b>(8.3)</b>  | <b>(437,514)</b> | <b>(461,205)</b> | <b>(5.1)</b>  |
| <b>Loss before taxation</b>                          | <b>(17,225)</b>  | <b>(17,867)</b>  | <b>(3.6)</b>  | <b>(30,317)</b>  | <b>(40,386)</b>  | <b>(24.9)</b> |
| <b>Taxation</b>                                      | <b>(594)</b>     | <b>(1,340)</b>   | <b>(55.7)</b> | <b>(4,296)</b>   | <b>(3,545)</b>   | <b>21.2</b>   |
| <b>Loss for the period</b>                           | <b>(17,819)</b>  | <b>(19,207)</b>  | <b>(7.2)</b>  | <b>(34,613)</b>  | <b>(43,931)</b>  | <b>(21.2)</b> |
| <b>Loss for the period attributable to:</b>          |                  |                  |               |                  |                  |               |
| Owners of the Company                                | (17,816)         | (18,858)         | (5.5)         | (34,600)         | (42,672)         | (18.9)        |
| Non-controlling interests                            | (3)              | (349)            | (99.1)        | (13)             | (1,259)          | (99.0)        |
|                                                      | <b>(17,819)</b>  | <b>(19,207)</b>  | <b>(7.2)</b>  | <b>(34,613)</b>  | <b>(43,931)</b>  | <b>(21.2)</b> |

### 1(a)(ii) Consolidated Statement of Comprehensive Income

|                                                                                            | Group           |                 |              |                 |                 |               |
|--------------------------------------------------------------------------------------------|-----------------|-----------------|--------------|-----------------|-----------------|---------------|
|                                                                                            | Quarter ended   |                 |              | Year ended      |                 |               |
|                                                                                            | 30.06.2019      | 30.06.2018      | +/( -)       | 30.06.2019      | 30.06.2018      | +/( -)        |
|                                                                                            | \$'000          | \$'000          | %            | \$'000          | \$'000          | %             |
| Loss for the period                                                                        | (17,819)        | (19,207)        | (7.2)        | (34,613)        | (43,931)        | (21.2)        |
| Other comprehensive income/(loss):                                                         |                 |                 |              |                 |                 |               |
| Remeasurement of defined benefit plan, net of tax                                          | 76              | 125             | (39.2)       | 76              | 125             | (39.2)        |
| Net fair value loss on equity instruments at fair value through other comprehensive income | (173)           | -               | 100.0        | (173)           | -               | 100.0         |
| Foreign currency translation                                                               | 1,033           | 999             | 3.4          | 299             | (183)           | >100.0        |
| <b>Total comprehensive loss</b>                                                            | <b>(16,883)</b> | <b>(18,083)</b> | <b>(6.6)</b> | <b>(34,411)</b> | <b>(43,989)</b> | <b>(21.8)</b> |
| <b>Total comprehensive loss attributable to:</b>                                           |                 |                 |              |                 |                 |               |
| Owners of the Company                                                                      | (16,882)        | (17,754)        | (4.9)        | (34,468)        | (42,495)        | (18.9)        |
| Non-controlling interests                                                                  | (1)             | (329)           | (99.7)       | 57              | (1,494)         | >100.0        |
|                                                                                            | <b>(16,883)</b> | <b>(18,083)</b> | <b>(6.6)</b> | <b>(34,411)</b> | <b>(43,989)</b> | <b>(21.8)</b> |

### 1(a)(iii) Additional information to the Consolidated Income Statement

|                                                                                      | Group         |            |            |            |
|--------------------------------------------------------------------------------------|---------------|------------|------------|------------|
|                                                                                      | Quarter ended |            | Year ended |            |
|                                                                                      | 30.06.2019    | 30.06.2018 | 30.06.2019 | 30.06.2018 |
|                                                                                      | \$'000        | \$'000     | \$'000     | \$'000     |
| The following items have been included in arriving at profit/(loss) before taxation: |               |            |            |            |
| Allowance for doubtful debts                                                         | 1,546         | 584        | 1,780      | 1,052      |
| Property, plant and equipment written-off                                            | 5,157         | 9,077      | 6,262      | 9,651      |
| Impairment of property, plant and equipment                                          | 12,425        | 12,269     | 12,425     | 12,269     |
| Reversal of impairment of property, plant and equipment for closed stores            | (3,106)       | (9,737)    | (3,106)    | (9,737)    |
| Inventory shrinkages                                                                 | (1,253)       | (402)      | 444        | 1,407      |
| Inventory written down                                                               | 393           | 1,400      | 453        | 1,462      |
| Provision for onerous contracts, net                                                 | 4,392         | 459        | 4,392      | 459        |

**1(b)(i) Statements of Financial Position**

|                                                         | <b>Group</b>      |                   | <b>Company</b>    |                   |
|---------------------------------------------------------|-------------------|-------------------|-------------------|-------------------|
|                                                         | <b>30.06.2019</b> | <b>30.06.2018</b> | <b>30.06.2019</b> | <b>30.06.2018</b> |
|                                                         | \$'000            | \$'000            | \$'000            | \$'000            |
| <b>Non-current assets</b>                               |                   |                   |                   |                   |
| Property, plant and equipment                           | 94,844            | 120,611           | -                 | -                 |
| Land use right                                          | 7,204             | 7,497             | -                 | -                 |
| Investment in subsidiaries                              | -                 | -                 | 140,553           | 134,289           |
| Deferred tax assets                                     | 3,146             | 2,605             | -                 | -                 |
| Other receivables                                       | 14,717            | 22,092            | 7,499             | -                 |
| Prepayments                                             | 863               | 1,340             | -                 | -                 |
| Intangible assets                                       | 861               | 1,081             | -                 | -                 |
| Investment securities                                   | 916               | 79                | -                 | -                 |
|                                                         | <b>122,551</b>    | <b>155,305</b>    | <b>148,052</b>    | <b>134,289</b>    |
| <b>Current assets</b>                                   |                   |                   |                   |                   |
| Inventories                                             | 53,322            | 58,226            | -                 | -                 |
| Trade and other receivables                             | 23,658            | 25,529            | -                 | 15,674            |
| Prepayments                                             | 2,371             | 3,085             | 12                | 12                |
| Tax recoverable                                         | 1,236             | 2,779             | -                 | -                 |
| Cash and short-term deposits                            | 54,748            | 40,857            | 83                | 287               |
|                                                         | <b>135,335</b>    | <b>130,476</b>    | <b>95</b>         | <b>15,973</b>     |
| <b>Total assets</b>                                     | <b>257,886</b>    | <b>285,781</b>    | <b>148,147</b>    | <b>150,262</b>    |
| <b>Current liabilities</b>                              |                   |                   |                   |                   |
| Trade and other payables                                | 155,408           | 166,441           | 1,195             | 1,168             |
| Other liabilities                                       | 33,438            | 29,251            | 268               | -                 |
| Provisions                                              | 3,648             | 2,041             | -                 | -                 |
| Loan and borrowings                                     | 4,152             | 3,635             | -                 | -                 |
|                                                         | <b>196,646</b>    | <b>201,368</b>    | <b>1,463</b>      | <b>1,168</b>      |
| <b>Net current (liabilities)/assets</b>                 | <b>(61,311)</b>   | <b>(70,892)</b>   | <b>(1,368)</b>    | <b>14,805</b>     |
| <b>Non-current liabilities</b>                          |                   |                   |                   |                   |
| Other payables                                          | 3,993             | 6,116             | -                 | -                 |
| Other liabilities                                       | 19,745            | 21,288            | -                 | -                 |
| Provisions                                              | 9,768             | 7,658             | -                 | -                 |
| Loan and borrowings                                     | 12,039            | 242               | 7,369             | -                 |
| Deferred tax liabilities                                | 439               | 453               | 438               | 453               |
|                                                         | <b>45,984</b>     | <b>35,757</b>     | <b>7,807</b>      | <b>453</b>        |
| <b>Total liabilities</b>                                | <b>242,630</b>    | <b>237,125</b>    | <b>9,270</b>      | <b>1,621</b>      |
| <b>Net Assets</b>                                       | <b>15,256</b>     | <b>48,656</b>     | <b>138,877</b>    | <b>148,641</b>    |
| <b>Equity attributable to the owners of the Company</b> |                   |                   |                   |                   |
| Share capital                                           | 231,676           | 231,676           | 231,676           | 231,676           |
| Treasury shares                                         | (549)             | (549)             | (549)             | (549)             |
| Other reserves                                          | (167,662)         | (165,902)         | (47,891)          | (43,284)          |
| Accumulated losses                                      | (48,171)          | (13,647)          | (44,359)          | (39,202)          |
|                                                         | <b>15,294</b>     | <b>51,578</b>     | <b>138,877</b>    | <b>148,641</b>    |
| Non-controlling interests                               | (38)              | (2,922)           | -                 | -                 |
| <b>Total equity</b>                                     | <b>15,256</b>     | <b>48,656</b>     | <b>138,877</b>    | <b>148,641</b>    |
|                                                         |                   |                   |                   |                   |

### 1(b)(ii) Group's borrowings and debt securities

|                                                    | Group      |           |            |           |
|----------------------------------------------------|------------|-----------|------------|-----------|
|                                                    | 30.06.2019 |           | 30.06.2018 |           |
|                                                    | Secured    | Unsecured | Secured    | Unsecured |
|                                                    | \$'000     | \$'000    | \$'000     | \$'000    |
| Amount repayable in one year or less, or on demand |            |           |            |           |
| - Bank overdraft                                   | 158        | -         | 152        | -         |
| - Banker's acceptance                              | 2,458      | -         | 1,718      | -         |
| - Finance lease                                    | 259        | -         | 459        | -         |
| - Loan from owner of a managed store (Vietnam)     | -          | 1,277     | -          | 1,306     |
|                                                    | 2,875      | 1,277     | 2,329      | 1,306     |
| Amount repayable after one year                    |            |           |            |           |
| - Finance lease                                    | 108        | -         | 242        | -         |
| - Loan from ultimate holding company               | -          | 11,931    | -          | -         |
|                                                    | 108        | 11,931    | 242        | -         |
|                                                    |            |           |            |           |

Bank overdraft and banker's acceptance are secured by short-term deposit of S\$1.6 million and a corporate guarantee from a subsidiary.

Finance lease is secured by a charge over the leased assets and corporate guarantee from the Company.

### 1(c) Consolidated Statement of Cash Flows

|                                                                    | Group         |            |            |            |
|--------------------------------------------------------------------|---------------|------------|------------|------------|
|                                                                    | Quarter ended |            | Year ended |            |
|                                                                    | 30.06.2019    | 30.06.2018 | 30.06.2019 | 30.06.2018 |
|                                                                    | \$'000        | \$'000     | \$'000     | \$'000     |
| <b>Operating activities</b>                                        |               |            |            |            |
| Loss before taxation                                               | (17,225)      | (17,867)   | (30,317)   | (40,386)   |
| Adjustments for:                                                   |               |            |            |            |
| - Depreciation of property, plant and equipment                    | 6,201         | 9,063      | 24,335     | 29,234     |
| - Amortisation of intangible assets                                | 81            | 159        | 228        | 257        |
| - Amortisation of land rights                                      | 32            | (57)       | 129        | 130        |
| - Allowance for doubtful debts                                     | 1,546         | 584        | 1,780      | 1,052      |
| - Unrealised currency translation (gain)/loss                      | (189)         | -          | (186)      | 12         |
| - Property, plant and equipment ("PPE") written off                | 5,157         | 9,077      | 6,262      | 9,651      |
| - Impairment of PPE                                                | 12,425        | 12,269     | 12,425     | 12,269     |
| - Reversal of impairment of PPE for closed stores                  | (3,106)       | (9,737)    | (3,106)    | (9,737)    |
| - Amortisation of deferred lease expense                           | 2,531         | 786        | 2,638      | 976        |
| - Inventory written down                                           | 393           | 1,400      | 453        | 1,462      |
| - Inventory shrinkages                                             | (1,253)       | (402)      | 444        | 1,407      |
| - Gain on disposal of subsidiary                                   | -             | (1,112)    | -          | (1,153)    |
| - Finance costs                                                    | 604           | 534        | 1,262      | 728        |
| - Finance income                                                   | (2,763)       | (695)      | (3,552)    | (1,425)    |
| - Provision for onerous contracts, net                             | 4,392         | 459        | 4,392      | 459        |
| - Others                                                           | (211)         | 212        | (36)       | (156)      |
| <b>Operating cash flows before changes in working capital</b>      | 8,615         | 4,673      | 17,151     | 4,780      |
| Changes in working capital                                         |               |            |            |            |
| - Inventories                                                      | 2,522         | 6,779      | 2,334      | 8,750      |
| - Receivables and prepayments                                      | 4,429         | (1,107)    | 4,966      | (9,407)    |
| - Payables and other liabilities                                   | 1,364         | (3,334)    | (2,373)    | (8,163)    |
| <b>Cash flows generated from/(used in) operating activities</b>    | 16,930        | 7,011      | 22,078     | (4,040)    |
| Interest received                                                  | 2,871         | 438        | 3,461      | 1,133      |
| Interest paid                                                      | -             | (43)       | (229)      | (123)      |
| Income tax refunded/(paid)                                         | 372           | (1,066)    | (3,451)    | (3,401)    |
| <b>Net cash generated from/(used in) from operating activities</b> | 20,173        | 6,340      | 21,859     | (6,431)    |
|                                                                    |               |            |            |            |

**1(c) Consolidated Statement of Cash Flows (Cont'd)**

|                                                                       | Group         |                |                 |                 |
|-----------------------------------------------------------------------|---------------|----------------|-----------------|-----------------|
|                                                                       | Quarter ended |                | Year ended      |                 |
|                                                                       | 30.06.2019    | 30.06.2018     | 30.06.2019      | 30.06.2018      |
|                                                                       | \$'000        | \$'000         | \$'000          | \$'000          |
| <b>Investing activities</b>                                           |               |                |                 |                 |
| Proceeds from disposal of property, plant and equipment               | 235           | 344            | 235             | 344             |
| Purchase of property, plant and equipment                             | 380           | 1,976          | (19,424)        | (19,976)        |
| Additions to intangible assets                                        | -             | (47)           | (36)            | (266)           |
| Net cash outflow on acquisition of remaining interest in a subsidiary | -             | (23)           | -               | (23)            |
| Net cash inflow on disposal of a subsidiary                           | -             | 485            | -               | 485             |
| Dividend income from investment securities                            | -             | 1              | 35              | 42              |
| <b>Net cash generated from/(used in) investing activities</b>         | <b>615</b>    | <b>2,736</b>   | <b>(19,190)</b> | <b>(19,394)</b> |
| <b>Financing activities</b>                                           |               |                |                 |                 |
| Proceeds from borrowings from owner of a managed store (Vietnam)      | -             | 1,306          | -               | 1,306           |
| Proceeds from bank borrowings                                         | 1,291         | 2,430          | 6,409           | 5,739           |
| Proceeds of loan from ultimate holding company                        | 1,615         | -              | 11,743          | -               |
| Repayment of obligations under finance lease                          | (109)         | (1,113)        | (458)           | (218)           |
| Repayment of bank borrowings                                          | (955)         | (3,943)        | (5,423)         | (4,021)         |
| Decrease/(increase) in pledged deposit                                | 595           | (676)          | (982)           | (676)           |
| <b>Net cash generated from/(used in) financing activities</b>         | <b>2,437</b>  | <b>(1,996)</b> | <b>11,289</b>   | <b>2,130</b>    |
| <b>Net increase/(decrease) in cash and cash equivalents</b>           | <b>23,225</b> | <b>7,080</b>   | <b>13,958</b>   | <b>(23,695)</b> |
| Cash and cash equivalents at beginning of financial year              | 30,202        | 33,348         | 40,029          | 63,387          |
| Effects of currency translation on cash and cash equivalents          | (474)         | (399)          | (1,034)         | 337             |
| <b>Cash and cash equivalents at end of financial year</b>             | <b>52,953</b> | <b>40,029</b>  | <b>52,953</b>   | <b>40,029</b>   |

|                                                          | 30.06.2019    | 30.06.2018    |
|----------------------------------------------------------|---------------|---------------|
|                                                          | \$'000        | \$'000        |
| <b>Cash and cash equivalents comprise the following:</b> |               |               |
| Cash at bank                                             | 15,888        | 19,085        |
| Short-term bank deposits                                 | 38,860        | 21,772        |
| Cash and short-term bank deposits                        | 54,748        | 40,857        |
| Less: pledged deposit                                    | (1,637)       | (676)         |
| Less: bank overdraft                                     | (158)         | (152)         |
|                                                          | <b>52,953</b> | <b>40,029</b> |

1(d)(i) Statements of Changes in Equity

|                                                                                            | Attributable to owners of the Company |                 |                         |                                         |                                                     | Non-controlling Interests | Equity, total |
|--------------------------------------------------------------------------------------------|---------------------------------------|-----------------|-------------------------|-----------------------------------------|-----------------------------------------------------|---------------------------|---------------|
|                                                                                            | Share Capital                         | Treasury shares | Other reserves (Note A) | Retained earnings/ (accumulated losses) | Equity attributable to owners of the Company, total |                           |               |
|                                                                                            | S\$'000                               | S\$'000         | S\$'000                 | S\$'000                                 | S\$'000                                             | S\$'000                   | S\$'000       |
| <b>Group</b>                                                                               |                                       |                 |                         |                                         |                                                     |                           |               |
| <b>At 01.07.2018 (FRS Framework)</b>                                                       | <b>231,676</b>                        | <b>(549)</b>    | <b>(165,902)</b>        | <b>(13,647)</b>                         | <b>51,578</b>                                       | <b>(2,922)</b>            | <b>48,656</b> |
| Cumulative effect of adopting SFRS(I)9                                                     | -                                     | -               | 1,011                   | -                                       | 1,011                                               | -                         | 1,011         |
| <b>At 01.07.2018 (SFRS(I) Framework)</b>                                                   | <b>231,676</b>                        | <b>(549)</b>    | <b>(164,891)</b>        | <b>(13,647)</b>                         | <b>52,589</b>                                       | <b>(2,922)</b>            | <b>49,667</b> |
| Loss for the period                                                                        | -                                     | -               | -                       | (34,600)                                | (34,600)                                            | (13)                      | (34,613)      |
| Net fair value loss on equity instruments at fair value through other comprehensive income | -                                     | -               | (173)                   | -                                       | (173)                                               | -                         | (173)         |
| Foreign currency translation                                                               | -                                     | -               | 229                     | -                                       | 229                                                 | 70                        | 299           |
| Remeasurement of defined benefit plan, net of tax                                          | -                                     | -               | -                       | 76                                      | 76                                                  | -                         | 76            |
| Total comprehensive income/ (loss) for the period                                          | -                                     | -               | 56                      | (34,524)                                | (34,468)                                            | 57                        | (34,411)      |
| Acquisition of non-controlling interests                                                   | -                                     | -               | (2,827)                 | -                                       | (2,827)                                             | 2,827                     | -             |
| <b>At 30.06.2019</b>                                                                       | <b>231,676</b>                        | <b>(549)</b>    | <b>(167,662)</b>        | <b>(48,171)</b>                         | <b>15,294</b>                                       | <b>(38)</b>               | <b>15,256</b> |
| <b>At 01.07.2017</b>                                                                       | <b>231,676</b>                        | <b>(549)</b>    | <b>(166,169)</b>        | <b>28,900</b>                           | <b>93,858</b>                                       | <b>(3,558)</b>            | <b>90,300</b> |
| Loss for the period                                                                        | -                                     | -               | -                       | (42,672)                                | (42,672)                                            | (1,259)                   | (43,931)      |
| Foreign currency translation                                                               | -                                     | -               | 53                      | -                                       | 53                                                  | (235)                     | (182)         |
| Remeasurement of defined benefit plan, net of tax                                          | -                                     | -               | -                       | 125                                     | 125                                                 | -                         | 125           |
| Total comprehensive loss for the period                                                    | -                                     | -               | 53                      | (42,547)                                | (42,494)                                            | (1,494)                   | (43,988)      |
| Acquisition of non-controlling interests                                                   | -                                     | -               | 65                      | -                                       | 65                                                  | (88)                      | (23)          |
| Disposal of subsidiary                                                                     | -                                     | -               | 149                     | -                                       | 149                                                 | 2,218                     | 2,367         |
| Total changes in ownership interests in subsidiaries                                       | -                                     | -               | 214                     | -                                       | 214                                                 | 2,130                     | 2,344         |
| <b>As at 30.06.2018</b>                                                                    | <b>231,676</b>                        | <b>(549)</b>    | <b>(165,902)</b>        | <b>(13,647)</b>                         | <b>51,578</b>                                       | <b>(2,922)</b>            | <b>48,656</b> |
|                                                                                            |                                       |                 |                         |                                         |                                                     |                           |               |

**1(d)(i) Statements of Changes in Equity (Cont'd)**

|                                                  | Share Capital  | Treasury shares | Other reserves (Note A) | Retained earnings/ (accumulated losses) | Equity, total  |
|--------------------------------------------------|----------------|-----------------|-------------------------|-----------------------------------------|----------------|
|                                                  | S\$'000        | S\$'000         | S\$'000                 | S\$'000                                 | S\$'000        |
| <b>Company</b>                                   |                |                 |                         |                                         |                |
| <b>At 01.07.2018</b>                             | <b>231,676</b> | <b>(549)</b>    | <b>(43,284)</b>         | <b>(39,202)</b>                         | <b>148,641</b> |
| Loss for the period                              | -              | -               | -                       | (5,157)                                 | (5,157)        |
| Foreign currency translation                     | -              | -               | (4,607)                 | -                                       | (4,607)        |
| Total comprehensive loss for the period          | -              | -               | (4,607)                 | (5,157)                                 | (9,764)        |
| <b>At 30.06.2019</b>                             | <b>231,676</b> | <b>(549)</b>    | <b>(47,891)</b>         | <b>(44,359)</b>                         | <b>138,877</b> |
| <b>At 01.07.2017</b>                             | <b>231,676</b> | <b>(549)</b>    | <b>(51,046)</b>         | <b>(31,748)</b>                         | <b>148,333</b> |
| Loss for the period                              | -              | -               | -                       | (7,454)                                 | (7,454)        |
| Foreign currency translation                     | -              | -               | 7,762                   | -                                       | 7,762          |
| Total comprehensive income/(loss) for the period | -              | -               | 7,762                   | (7,454)                                 | 308            |
| <b>As at 30.06.2018</b>                          | <b>231,676</b> | <b>(549)</b>    | <b>(43,284)</b>         | <b>(39,202)</b>                         | <b>148,641</b> |

**Note A: Other reserves**

|                                                    | Group      |            | Company    |            |
|----------------------------------------------------|------------|------------|------------|------------|
|                                                    | Year ended |            | Year ended |            |
|                                                    | 30.06.2019 | 30.06.2018 | 30.06.2019 | 30.06.2018 |
|                                                    | \$'000     | \$'000     | \$'000     | \$'000     |
| Foreign currency translation reserve               | (51,945)   | (52,173)   | (47,891)   | (43,284)   |
| Fair value of financial assets at FVOCI            | 838        | -          | -          | -          |
| Capital redemption reserve                         | 1          | 1          | -          | -          |
| Acquisition reserve                                | (2,762)    | 65         | -          | -          |
| Capital contribution from ultimate holding company | 9,959      | 9,959      | -          | -          |
| Merger reserve                                     | (123,753)  | (123,753)  | -          | -          |
|                                                    | (167,662)  | (165,901)  | (47,891)   | (43,284)   |

**1(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles, as well as the number of shares held as treasury shares, if any, against the total number of issued shares excluding treasury shares of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year**

| No. of shares                                                                     | 30.06.2019  | 30.06.2018  |
|-----------------------------------------------------------------------------------|-------------|-------------|
| Issued share capital                                                              | 677,300,000 | 677,300,000 |
| Treasury shares held                                                              | 3,500,000   | 3,500,000   |
| Shares to be issued pursuant to the exercise of all the outstanding share options | -           | -           |

**1(d)(iii) The total number of issued shares excluding treasury shares as at the end of the current financial year and as at the end of the immediately preceding year.**

|                                                         | <b>30.06.2019</b> | <b>30.06.2018</b> |
|---------------------------------------------------------|-------------------|-------------------|
| Total number of issued shares excluding treasury shares | 673,800,000       | 673,800,000       |

**1(d)(iv) A statement showing all sales, transfers, disposal, cancellation and/or use of treasury shares as at the end of the current financial period reported on.**

There were no sale, transfer, disposal, cancellation and/or use of treasury shares during the financial year ended 30 June 2019.

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

The figures have not been audited nor reviewed.

**3. Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of matter)**

Not applicable.

**4. Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied**

Saved as disclosed in Note 5 below, the Group has applied the same accounting policies and methods of computation to the financial statements for the current financial year as in the most recent audited financial statements for the financial year ended 30 June 2018.

**5. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of the change**

The Group has adopted a new financial reporting framework, Singapore Financial Reporting Standards ("SFRS") (International) (SFRS(I)), SFRS(I) 9 Financial Instruments and SFRS(I) 15 Revenue from Contracts with Customers commencing 1 July 2018.

SFRS(I) 9 requires all equity instruments to be carried at fair value. Upon adoption of SFRS(I) 9, the Group measures the unquoted equity instrument at fair value through other comprehensive income. The impact arising from this change is an increase in carrying value of S\$1.0 million with a corresponding adjustment to fair value adjustment reserve as at 1 July 2018.

SFRS(I) 9 requires the Group to record expected credit losses on all financial assets not measured at fair value through profit or loss. The impairment calculated using the expected credit loss model does not have a significant impact on the financial statements.

## 6. Loss per ordinary share

Loss per ordinary share attributable to owners of the Company: -

|                                                   | Group         |            |            |            |
|---------------------------------------------------|---------------|------------|------------|------------|
|                                                   | Quarter ended |            | Year ended |            |
|                                                   | 30.06.2019    | 30.06.2018 | 30.06.2019 | 30.06.2018 |
| Basic and diluted (cent)                          | (2.64)        | (2.80)     | (5.14)     | (6.33)     |
| Based on weighted average number of shares ('000) | 673,800       | 673,800    | 673,800    | 673,800    |

There was no potential dilution effects on the ordinary shares of the Company. Accordingly, the basic and diluted loss per share for the reported periods were the same.

## 7. Net asset value per ordinary share

|                                                                                                          | Group      |            | Company    |            |
|----------------------------------------------------------------------------------------------------------|------------|------------|------------|------------|
|                                                                                                          | 30.06.2019 | 30.06.2018 | 30.06.2019 | 30.06.2018 |
| Net asset value per ordinary share based on total number of issued shares excluding treasury shares (\$) | 0.02       | 0.07       | 0.21       | 0.22       |

## 8. Review of Group performance

### Business Environment

The Group recorded the following Same Store Sales Growth ("SSSG") by countries: -

|           | Quarter ended |            | Year ended |            |
|-----------|---------------|------------|------------|------------|
|           | 30.06.2019    | 30.06.2018 | 30.06.2019 | 30.06.2018 |
|           | \$'000        | \$'000     | \$'000     | \$'000     |
| Malaysia  | 5.2%          | -2.4%      | 5.1%       | -1.5%      |
| Vietnam   | -21.4%        | -14.6%     | -19.3%     | -8.3%      |
| Indonesia | -4.1%         | 1.3%       | -2.2%      | -3.8%      |

Malaysia operations recorded SSSG of +5.2% in Q4FY2019 mainly due to optimisation of operational efficiency across the stores.

Vietnam operations recorded negative SSSG of -21.4% in Q4FY2019 as the retail scene in the country has become increasingly competitive coupled with a major store undertaking a renovation since last quarter of FY2019 which has in turn impacted its revenue.

Indonesia operations recorded negative SSSG of -4.1% in Q4FY2019 mainly due to numerous earthquake occurrences in Lombok and Bali resulting in loss of tourist confidence to travel to Indonesia. In addition, one of the malls where a store operated, underwent a renovation which has also affected the traffic flow.

The Group continues to exercise caution in managing its overall business given various uncertainties at the macro level. While the Group added 3 new stores to its department store network, there was also exit of 8 underperforming stores.

As at 30 June 2019, the Group's department store network comprises 61 stores spanning approximately 700,000 sqm of Gross Floor Area; 42 in Malaysia (483,000 sqm), 4 in Vietnam (75,000 sqm) and 15 in Indonesia (142,000 sqm).

### Operational Results

Gross Sales Proceeds ("GSP") of the Group recorded a yoy decline of 7.5% for Q4FY2019 and 4.5% for 12MFY2019. The components of GSP are as follows: -

|                                       | Group         |            |         |            |            |         |
|---------------------------------------|---------------|------------|---------|------------|------------|---------|
|                                       | Quarter ended |            |         | Year ended |            |         |
|                                       | 30.06.2019    | 30.06.2018 | +/( - ) | 30.06.2019 | 30.06.2018 | +/( - ) |
|                                       | S\$'000       | S\$'000    | %       | S\$'000    | S\$'000    | %       |
| <b>GSP</b>                            |               |            |         |            |            |         |
| Sales of goods - direct sales         | 47,603        | 55,394     | (14.1)  | 222,199    | 226,593    | (1.9)   |
| Sales of goods - concessionaire sales | 181,107       | 191,673    | (5.5)   | 669,487    | 707,171    | (5.3)   |
| Total merchandise sales               | 228,710       | 247,067    | (7.4)   | 891,686    | 933,764    | (4.5)   |
| Consultancy / management service fees | 163           | 204        | (20.1)  | 788        | 647        | 21.8    |
| Rental income                         | 3,448         | 4,209      | (18.1)  | 13,541     | 16,080     | (15.8)  |
| Food and beverage                     | 797           | 526        | 51.5    | 3,802      | 2,420      | 57.1    |
| Theme park and education centre       | -             | (3)        | (100.0) | -          | 42         | (100.0) |
| Total GSP                             | 233,118       | 252,003    | (7.5)   | 909,817    | 952,953    | (4.5)   |
|                                       |               |            |         |            |            |         |

The Group generated total merchandise sales of S\$228.7 million for Q4FY2019 and S\$891.7 million for 12MFY2019. The decline in concessionaire sales by 5.3% for 12MFY2019 was largely due to lower contribution from Vietnam and Indonesia operations. Merchandise sales mix remains largely concessionaire at 75.1% (12MFY2018: 75.7%) while contribution from direct sales has increased yoy to 24.9% (12MFY2018: 24.3%) following the Group's investment in house brands and agency lines.

The Group earned additional consultancy and management service fees from managing a department store in Malaysia with effect from FY2018. Rental income reduced as a result of closure of stores. Food and beverage operations registered strong sales growth, mainly as a result of the expansion of its bakery outlets. On the other hand, the Group discontinued its theme park and education centre operations in FY2018 to curb further losses.

Merchandise gross profit margin for 12MFY2019 stood at 23.8% (12MFY2018: 23.4%).

### Financial Results

#### Revenue

The components of the Group's revenue are as follows: -

|                                       | Group         |            |         |            |            |         |
|---------------------------------------|---------------|------------|---------|------------|------------|---------|
|                                       | Quarter ended |            |         | Year ended |            |         |
|                                       | 30.06.2019    | 30.06.2018 | +/( - ) | 30.06.2019 | 30.06.2018 | +/( - ) |
|                                       | S\$'000       | S\$'000    | %       | S\$'000    | S\$'000    | %       |
| <b>Revenue</b>                        |               |            |         |            |            |         |
| Sales of goods - direct sales         | 47,603        | 55,394     | (14.1)  | 222,199    | 226,593    | (1.9)   |
| Commission from concessionaire sales  | 42,052        | 45,537     | (7.7)   | 158,161    | 167,770    | (5.7)   |
| Consultancy / management service fees | 163           | 204        | (20.1)  | 788        | 647        | 21.8    |
| Rental income                         | 3,448         | 4,209      | (18.1)  | 13,541     | 16,080     | (15.8)  |
| Food and beverage                     | 797           | 526        | 51.5    | 3,802      | 2,420      | 57.1    |
| Theme park and education centre       | -             | (3)        | (100.0) | -          | 42         | (100.0) |
| Total Revenue                         | 94,063        | 105,867    | (11.1)  | 398,491    | 413,552    | (3.6)   |
|                                       |               |            |         |            |            |         |

### Other items of Income

Other income declined yoy by 11.8% for 12MFY2019 to S\$5.2 million mainly as a result of lesser foreign exchange gain. However, finance income increased yoy by >100% to S\$3.6 million for 12MFY2019 as evidenced by higher fixed deposit placement with banks.

### Expenses

Total expenses of the Group declined yoy by 5.1% to S\$437.5 million for 12MFY2019. Analysis of major expense items is as follows: -

#### *Changes in merchandise inventories and consumables*

Changes in merchandise inventories and consumables decreased yoy by 4.4% to S\$169.7 million for 12MFY2019. The decrease was largely in line with prudent inventory management to optimize productivity.

#### *Employee related expenses (staff costs)*

Staff costs declined yoy by 5.7% to S\$63.1 million for 12MFY2019. The decline was in line with lesser headcount following the net reduction in the Group's store count as well as the disposal of the Group's investment in a loss making subsidiary in FY2018.

#### *Depreciation and amortisation expenses*

Depreciation and amortisation expenses decreased yoy by 16.6% to S\$24.7 million for 12MFY2019. The decline was mainly as a result of store closure, impairment charges and disposal of the Group's investment in a loss making subsidiary in FY2018.

#### *Promotional and advertising expenses*

Promotional and advertising expenses declined yoy by 12.9% to S\$8.2 million for 12MFY2019. The decline was mainly attributed to savings arising from store closure and disposal of the Group's investment in a loss making subsidiary in FY2018.

#### *Rental expenses*

Rental expenses declined yoy by 7.9% to S\$107.8 million for 12MFY2019. The decline was mainly attributed to savings arising from store closures and disposal of the Group's investment in a loss making subsidiary in FY2018.

#### *Finance costs*

Finance costs increased yoy by 73.4% to S\$1.3 million for 12MFY2019. The increase was attributed to the Group's drawdown of loan from the ultimate holding company.

#### *Other expenses*

Other expenses comprise mainly (a) selling and distribution expenses amounted to S\$10.0 million, (b) general and administrative expenses amounted to \$31.8 million and (c) other operating expenses amounted to \$21.0 million. Other expenses at S\$62.8 million for 12MFY2019 was yoy marginally higher by 4.8%. Included in other operating expenses were property, plant and equipment ("PPE") written-off of S\$6.3 million (12MFY2018 : S\$9.7 million), impairment of PPE of S\$12.4 million (12MFY2018 : S\$12.3 million), provision for onerous contracts of S\$4.4 million (12MFY2018 : S\$0.5 million) and additional land tax incurred by a subsidiary in Vietnam of S\$2.1 million (12MFY2018 : nil).

### Pre-tax Loss

The Group recorded pre-tax loss of S\$17.2 million for Q4FY2019 (Q4FY2018: S\$17.9 million) and S\$30.3 million for 12MFY2019 (12MFY2018: S\$40.4 million). The lower pre-tax loss for 12MFY2019 was largely contributed by the improved performance in Malaysia operations (including department store, branding as well as food and beverage), an effect of closure of loss making stores, reduction in operating expenses as well as disposal of the Group's investment in a loss making subsidiary in FY2018.

### Taxation

Despite recording pre-tax loss, the Group recorded tax expense of S\$4.3 million for 12MFY2019 as certain subsidiaries were in taxable position.

### Net Loss attributable to Owners of the Company

The Group recorded attributable net loss to owners of the Company of S\$17.8 million for Q4FY2019 and S\$34.6 million for 12MFY2019.

### Group Balance Sheet

The Group was in a net current liabilities ("NCL") position of S\$61.3 million as at 30 June 2019. NCL of the Group declined by 13.5% from its 30 June 2018 position mainly as a result of payment of trade payables, other payables as well as other liabilities with loan obtained from the ultimate holding company (classified as long term borrowing). As previously announced on 5 October 2018, the Group has received undertaking from Parkson Holdings Berhad to provide financial support for a period of twelve months from the date of the Board's approval of the FY2018 audited financial statements.

Property, plant and equipment ("PPE") declined to S\$94.8 million due to store closure, depreciation as well as PPE write-off and impairment.

Other receivables (non-current) declined to S\$14.7 million mainly due to conversion of cash rental deposits to bank guarantee.

Cash and short term deposits increased to S\$54.7 million mainly due to high collection from Hari Raya / Lebaran festivals from the last 2 months of FY2019.

Trade and other payables (current) declined to S\$155.4 million due to repayments made to creditors on due dates.

Total loan and borrowings increased to S\$16.2 million as a result of drawdown of loan from the ultimate holding company.

Non-controlling interests declined to S\$0.04 million from its 30 June 2018 position following the Group's acquisition of the remaining 30% equity interest in Parkson Edutainment World Sdn Bhd on 30 August 2018.

### Company Balance Sheet

On 28 September 2018, the Company subscribed for 32.0 million new shares issued by its wholly-owned subsidiary, Parkson Corporation Sdn Bhd ("PCSB") through capitalisation of amount due from PCSB of S\$10.6 million. This has thus resulted in increase in the carrying amount of the Company's investment in subsidiaries and the corresponding decrease in other receivables.

## Group Cash Flow

The Group recorded net cash inflow of S\$21.9 million in operating activities for 12MFY2019 primarily as a result of reduced operating loss and improved working capital management. Net cash used in investing activities stood at S\$19.2 million for 12MFY2019 mainly due to spending on capital expenditure for new stores. The Group recorded net cash generated from financing activities of S\$11.3 million for 12MFY2019 mainly on the drawdown of loan from the ultimate holding company to finance its working capital and capital expenditure requirement.

## **9. Material litigations**

### Parkson (Cambodia) Co. Ltd. ("PCCO")

The announcement of the Company dated 15 November 2018 (the "Previous Announcement") in relation to the issuance of Notice of Arbitration to Hassan (Cambodia) Development Co., Ltd (the "Lessor") refers. All capitalised terms used herein shall have the same meanings ascribed to them in the Previous Announcement, unless otherwise provided or unless the context otherwise requires. The disputes between PCCO and the Lessor is currently pending arbitration in Singapore as well as in court proceedings in the Phnom Penh Municipal Court of First Instance and the Cambodian Appellate Court.

On 15 November 2018, PCCO commenced arbitration proceedings under Singapore International Arbitration Centre in Singapore, inter alia claiming, USD2,025,000 ("Advance Rental"), USD2,463,500 ("Security Deposit") and USD340,602 ("Costs and Expenses") from the Lessor. In response, on 12 December 2018, the Lessor claimed against PCCO in the Phnom Penh Municipal Court of First Instance ("Case No. 2577") inter alia claiming USD12,440,000 in damages from PCCO. PCCO is currently applying to the Cambodian Appellate Court to challenge the jurisdiction of the Phnom Penh Court of First Instance to hear Case No. 2577.

The Company has been advised that PCCO has a better than even chance to recover the Advance Rental and Security Deposit. The Company has also been advised that it has a good defence to the Lessor's claims in Case No. 2577.

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

### Parkson Corporation Sdn Bhd ("PCSB")

On 17 July 2019, PCSB, a wholly-owned subsidiary of the Company, received a Statutory Notice pursuant to Section 466(1)(a) of the Companies Act 2016 of Malaysia ("the Notice") from the solicitors of Millenium Mall Sdn Bhd ("MMSB"), the relevant Lessor of PCSB'S M Square Mall store, claiming for an amount of approximately RM1.5 million (approximately S\$0.5 million) in alleged outstanding rental and late payment charges. No judgment has been obtained by MMSB prior to issuing the Notice and MMSB has also not issued any Notice of Arbitration despite the arbitration clause in the Lease Agreement.

PCSB had previously served a notice of lease termination to MMSB on 8 May 2019 and had ceased operations at the M Square Mall store on 30 June 2019. PCSB's position is that the rental can be set off from amounts owing by MMSB to PCSB due to MMSB's non-compliance of 2 settlement letters in relation to the same premises.

In response to the Notice, PCSB instructed its lawyer to file a Fortuna injunction on 29 July 2019, to restrain any filing of a winding up petition, which effectively suspends the legal effect of the Notice. The hearing date of the injunction has been fixed on 19 September 2019. MMSB's solicitors had also given an undertaking to the Court that it will not file any winding up petition against PCSB until after a decision has been made by the Court on the application.

Subsequently, PCSB has received a legal letter of demand from MMSB alleging wrongful termination of the said lease and claiming an aggregate amount of approximately RM77.9 million (approximately S\$25.5 million) in respect of primarily reinstatement charges, as well as rental charges for the entire lease period, double rental and ancillary charges. PCSB has sought legal advice on the merits of this claim and is of the view that the claimed amount (in particular, the reinstatement charges) is grossly inflated. PCSB intends to vigorously defend its legal position, and accordingly, on 1 August 2019, PCSB has instructed its lawyer to reply to the solicitor of MMSB disputing all the claims. The Company will make a further announcement in the event that MMSB commences legal proceedings against PCSB.

**10. 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 10 in the preceding quarterly results announcement dated 15 May 2019 was generally in line with the operating environment encountered in this reported quarter.

**11. 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.**

The Group's operating environment for FY2020 is expected to remain challenging amid severe competition. Nevertheless, much emphasis will be placed on cost containment, improving productivity and increasing revenue by carrying out tactical advertising & promotional activities. The Group will continue to focus on enhancing product offerings as well as optimising operational efficiency to further improve the results.

**12. 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.

**13. If no dividend has been declared/recommendeded, a statement to that effect**

No dividend has been declared/recommendeded for the financial year ended 30 June 2019.

## PART II - ADDITIONAL DISCLOSURE

### 14. Group Performance by Geographical Segment

| Group                           | Retailing      |                |                |                |              | Others         | Total           |
|---------------------------------|----------------|----------------|----------------|----------------|--------------|----------------|-----------------|
|                                 | Malaysia       | Vietnam        | Indonesia      | Myanmar        | Cambodia     |                |                 |
|                                 | S\$'000        | S\$'000        | S\$'000        | S\$'000        | S\$'000      | S\$'000        | S\$'000         |
| <b>Year ended 30.06.2019</b>    |                |                |                |                |              |                |                 |
| <b>Gross Sales Proceeds</b>     | 696,204        | 69,377         | 138,758        | 1,457          | -            | 4,021          | 909,817         |
| <b>Revenue</b>                  | 326,237        | 19,764         | 47,758         | 711            | -            | 4,021          | 398,491         |
| <b>Pre-tax Results</b>          |                |                |                |                |              |                |                 |
| Department stores               | 9,170          | (8,714)        | (8,614)        | (1,460)        | (271)        | -              | (9,889)         |
| Other retail stores             | (12,142)       | -              | -              | -              | -            | -              | (12,142)        |
| Retailing                       | (2,972)        | (8,714)        | (8,614)        | (1,460)        | (271)        | -              | (22,031)        |
| Other business                  |                |                |                |                |              |                |                 |
| - food and beverage             | -              | -              | -              | -              | -            | (2,971)        | (2,971)         |
| Corporate expenses              | -              | -              | -              | -              | -            | (5,315)        | (5,315)         |
| <b>Reported pre-tax results</b> | <b>(2,972)</b> | <b>(8,714)</b> | <b>(8,614)</b> | <b>(1,460)</b> | <b>(271)</b> | <b>(8,286)</b> | <b>(30,317)</b> |
|                                 |                |                |                |                |              |                |                 |

| Group                           | Retailing       |                |                |                |              | Others          | Total           |
|---------------------------------|-----------------|----------------|----------------|----------------|--------------|-----------------|-----------------|
|                                 | Malaysia        | Vietnam        | Indonesia      | Myanmar        | Cambodia     |                 |                 |
|                                 | S\$'000         | S\$'000        | S\$'000        | S\$'000        | S\$'000      | S\$'000         | S\$'000         |
| <b>Year ended 30.06.2018</b>    |                 |                |                |                |              |                 |                 |
| <b>Gross Sales Proceeds</b>     | 694,679         | 98,376         | 154,598        | 2,568          | -            | 2,732           | 952,953         |
| <b>Revenue</b>                  | 330,076         | 26,473         | 53,038         | 1,233          | -            | 2,732           | 413,552         |
| <b>Pre-tax Results</b>          |                 |                |                |                |              |                 |                 |
| Department stores               | 4,491           | (4,930)        | (9,819)        | (2,540)        | (293)        | -               | (13,091)        |
| Other retail stores             | (15,200)        | -              | -              | -              | -            | -               | (15,200)        |
| Retailing                       | (10,709)        | (4,930)        | (9,819)        | (2,540)        | (293)        | -               | (28,291)        |
| Other business                  |                 |                |                |                |              |                 |                 |
| - food and beverage             | -               | -              | -              | -              | -            | (5,883)         | (5,883)         |
| Corporate expenses              | -               | -              | -              | -              | -            | (6,212)         | (6,212)         |
| <b>Reported pre-tax results</b> | <b>(10,709)</b> | <b>(4,930)</b> | <b>(9,819)</b> | <b>(2,540)</b> | <b>(293)</b> | <b>(12,095)</b> | <b>(40,386)</b> |
|                                 |                 |                |                |                |              |                 |                 |

**15. Interested person transactions for the financial period ended 30 June 2019**

| Name of interested person                          | 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) | Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than S\$100,000) |
|----------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                                                    | S\$'000                                                                                                                                                                                                                  | S\$'000                                                                                                                                                        |
| Lion Forest Industries Berhad Group <sup>(1)</sup> | -                                                                                                                                                                                                                        | 615                                                                                                                                                            |
| Parkson Holdings Berhad Group <sup>(2)</sup>       | 772 <sup>(i)</sup>                                                                                                                                                                                                       | 6,300 <sup>(ii)</sup>                                                                                                                                          |
| Secom (M) Sdn Bhd <sup>(3)</sup>                   | -                                                                                                                                                                                                                        | 367                                                                                                                                                            |
| Visionwell Sdn Bhd <sup>(4)</sup>                  | -                                                                                                                                                                                                                        | 201                                                                                                                                                            |
| Bonuskad Loyalty Sdn Bhd <sup>(5)</sup>            | -                                                                                                                                                                                                                        | 6,813                                                                                                                                                          |
| PT Monica Hijaulestari <sup>(6)</sup>              | -                                                                                                                                                                                                                        | 648                                                                                                                                                            |
| WatchMart (M) Sdn Bhd <sup>(6)</sup>               | -                                                                                                                                                                                                                        | 166                                                                                                                                                            |

Notes:

- (1) Purchase of building materials and merchandise, and sale of gift voucher.
- (2) (i) (a) Royalty expense, service charge income, rental expense, rental income, and store management fee totaling S\$0.31 million from 1 July 2018 to 31 October 2018;  
(b) Interest expense of S\$0.46 million in relation to loan from ultimate holding company.
- (ii) (a) Royalty expense, service charge income, rental expense, rental income, and store management fee totaling S\$0.64 million from 1 November 2018 to 30 June 2019;  
(b) Net purchase of merchandise and concessionaire sales, and sale of gift voucher totaling S\$5.66 million.
- (3) Purchase of security equipment and procurement of security service.
- (4) Rental of office space.
- (5) Marketing fee payable for bonus points issued and amount received/receivable for point redemption made by cardholders.
- (6) Purchase of merchandise.

**16. 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 | 35  | - Daughter of Tan Sri Cheng Heng Jem (Executive Chairman and Substantial Shareholder)<br>- Sister of Ms Cheng Hui Yuen, Vivien (Executive Director) | Director of Merchandising (since June 2015)                           | -                                                                       |

**17. 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 interim financial results of Parkson Retail Asia Limited for the Fourth Quarter ended and Twelve Months ended 30 June 2019 to be false or misleading.

**18. 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.

For and on behalf of the Board  
**PARKSON RETAIL ASIA LIMITED**

Tan Sri William Cheng Heng Jem  
Executive Chairman

Singapore  
27 August 2019