



PARKSON RETAIL ASIA LIMITED

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

Unaudited Financial Statements for the Second Quarter and Six Months ended 31 December 2017

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			6 Months ended		
	31.12.2017	31.12.2016	+/(-)	31.12.2017	31.12.2016	+/(-)
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
Revenue	112,148	111,139	0.9	203,212	204,476	(0.6)
Other income	1,110	2,091	(46.9)	2,425	3,842	(36.9)
Items of expense						
- Changes in merchandise inventories and consumables	(47,818)	(45,516)	(5.1)	(88,658)	(82,715)	(7.2)
- Employee related expenses	(16,157)	(15,578)	(3.7)	(32,353)	(31,005)	(4.3)
- Depreciation and amortisation expenses	(6,692)	(6,768)	1.1	(13,392)	(13,052)	(2.6)
- Rental expenses	(29,125)	(29,072)	(0.2)	(58,155)	(56,937)	(2.1)
- Finance costs	(62)	(41)	(51.2)	(101)	(82)	(23.2)
- Other expenses	(14,958)	(16,846)	11.2	(27,718)	(31,427)	11.8
Total expenses	(114,812)	(113,821)	(0.9)	(220,377)	(215,218)	(2.4)
Loss before taxation	(1,554)	(591)	>(100.0)	(14,740)	(6,900)	>(100.0)
Taxation	(1,864)	(2,053)	9.2	(1,946)	(1,338)	(45.4)
Loss for the period	(3,418)	(2,644)	(29.3)	(16,686)	(8,238)	>(100.0)
Net loss for the period attributable to:						
Owners of the Company	(3,071)	(2,236)	(37.3)	(15,997)	(7,416)	>(100.0)
Non-controlling interests	(347)	(408)	15.0	(689)	(822)	16.2
	(3,418)	(2,644)	(29.3)	(16,686)	(8,238)	>(100.0)

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

	Group					
	Quarter ended			6 Months ended		
	31.12.2017	31.12.2016	+/(-)	31.12.2017	31.12.2016	+/(-)
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
Net loss for the period	(3,418)	(2,644)	(29.3)	(16,686)	(8,238)	>(100.0)
Other comprehensive income/(loss):						
Foreign currency translation	911	629	44.8	(355)	617	>(100.0)
Total comprehensive loss	(2,507)	(2,015)	(24.4)	(17,041)	(7,621)	>(100.0)
Total comprehensive loss attributable to:						
Owners of the Company	(2,064)	(1,632)	(26.5)	(16,246)	(6,843)	>(100.0)
Non-controlling interests	(443)	(383)	(15.7)	(795)	(778)	(2.2)
	(2,507)	(2,015)	(24.4)	(17,041)	(7,621)	>(100.0)

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

	Group			
	Quarter ended		6 Months ended	
	31.12.2017	31.12.2016	31.12.2017	31.12.2016
	S\$'000	S\$'000	S\$'000	S\$'000
The following items have been included in arriving at loss before tax:				
Finance income	142	237	410	759

1(b)(i) Statements of Financial Position

	Group		Company	
	31.12.2017	30.06.2017	31.12.2017	30.06.2017
	S\$'000	S\$'000	S\$'000	S\$'000
ASSETS				
Non-current assets				
Property, plant and equipment	145,232	145,463	-	-
Land use right	7,566	7,798	-	-
Investments in subsidiaries	-	-	134,727	131,391
Investment in an associate	-	-	-	-
Deferred tax assets	1,941	1,957	-	-
Other receivables	24,248	22,138	-	-
Prepayments	2,055	1,994	-	-
Intangible assets	1,179	1,121	-	-
Derivatives	17	17	-	-
Investment securities	77	75	-	-
	182,315	180,563	134,727	131,391
Current assets				
Inventories	69,039	71,335	-	-
Trade and other receivables	27,024	16,514	17,037	16,847
Prepayments	3,701	5,021	3	13
Tax recoverable	3,270	3,495	-	-
Cash and short-term deposits	44,680	63,387	734	1,355
	147,714	159,752	17,774	18,215
Total assets	330,029	340,315	152,501	149,606
EQUITY AND LIABILITIES				
Current liabilities				
Trade and other payables	190,493	186,554	845	843
Other liabilities	26,223	26,795	-	-
Provisions	1,780	1,775	-	-
Loans and borrowings	2,893	-	-	-
Tax payable	234	84	-	-
	221,623	215,208	845	843
Net current (liabilities)/assets	(73,909)	(55,456)	16,929	17,372
Non-current liabilities				
Other payables	5,924	6,100	-	-
Other liabilities	17,512	17,418	-	-
Provisions	10,807	10,859	-	-
Loans and borrowings	463	-	-	-
Deferred tax liabilities	441	430	441	430
	35,147	34,807	441	430
Total liabilities	256,770	250,015	1,286	1,273
Net assets	73,259	90,300	151,215	148,333
Equity attributable to owners of the Company				
Share capital	231,676	231,676	231,676	231,676
Treasury shares	(549)	(549)	(549)	(549)
Other reserves	(166,418)	(166,169)	(47,298)	(51,046)
Retained earnings/(losses)	12,903	28,900	(32,614)	(31,748)
	77,612	93,858	151,215	148,333
Non-controlling interests	(4,353)	(3,558)	-	-
Total equity	73,259	90,300	151,215	148,333

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

	Group			
	31.12.2017		30.06.2017	
	Secured	Unsecured	Secured	Unsecured
	S\$'000	S\$'000	S\$'000	S\$'000
Amount repayable in one year or less, or on demand				
- Bank overdraft	329	-	-	-
- Bankers' acceptance	2,133	-	-	-
- Hire purchase facility	431	-	-	-
	2,893	-	-	-
Amount repayable after one year				
- Hire purchase facility	463	-	-	-

The above loans and borrowings are secured by corporate guarantees from the Company and a subsidiary of the Company.

1(c) Consolidated Statement of Cash Flows

	Group			
	Quarter ended		6 Months ended	
	31.12.2017	31.12.2016	31.12.2017	31.12.2016
	S\$'000	S\$'000	S\$'000	S\$'000
Operating activities				
Loss before tax	(1,554)	(590)	(14,740)	(6,899)
Adjustments for				
- Depreciation and amortisation	6,692	6,768	13,392	13,052
- Finance costs	62	40	101	81
- Finance income	(142)	(237)	(410)	(759)
- Allowance for doubtful debts	146	1,391	223	1,702
- Unrealised currency translation (gain)/ loss	4	(5)	7	(38)
- Others	519	(211)	1,344	448
Operating cash flows before changes in working capital	5,727	7,156	(83)	7,587
Changes in working capital				
- Inventories	1,117	(413)	2,804	(1,114)
- Receivables and prepayments	(3,556)	(3,730)	(11,908)	(6,704)
- Payables and other liabilities	31,543	48,584	4,292	25,407
Cash flows generated from/(used in) operations	34,831	51,597	(4,895)	25,176
Interest received	291	155	337	603
Interest paid	(24)	-	(24)	-
Income tax paid	(1,429)	(2,478)	(1,135)	(5,097)
Net cash generated from/(used in) operating activities	33,669	49,274	(5,717)	20,682
Investing activities				
Purchase of property, plant and equipment	(6,160)	(13,482)	(16,211)	(24,935)
Addition of intangible assets	(13)	(292)	(206)	(305)
Dividend income from investment securities	41	35	41	35
Net cash used in investing activities	(6,132)	(13,739)	(16,376)	(25,205)
Financing activities				
Proceeds from loans and borrowings	3,028	-	3,028	-
Dividends paid	-	(3,369)	-	(3,369)
Net cash generated from/(used in) financing activities	3,028	(3,369)	3,028	(3,369)
Net increase/(decrease) in cash and cash equivalents	30,565	32,166	(19,065)	(7,892)
Cash and cash equivalents at beginning of financial period	13,155	29,156	63,387	69,509
Effects of currency translation on cash and cash equivalents	631	(668)	29	(963)
Cash and cash equivalents at end of financial period	44,351	60,654	44,351	60,654

For the purpose of the consolidated statement of cash flows, consolidated cash and cash equivalents comprise the following:

	Group	
	31.12.2017	31.12.2016
	S\$'000	S\$'000
Cash at bank	23,150	28,314
Short-term bank deposits	21,530	32,340
Cash and short-term deposits	44,680	60,654
Less: bank overdraft	(329)	-
Cash and cash equivalents	44,351	60,654

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

	Attributable to owners of the Company								Non-controlling Interests	Equity, total
	Share capital	Treasury shares	Foreign currency translation reserve	Capital redemption reserve	Capital contribution from ultimate holding company	Merger reserve	Retained earnings	Equity attributable to owners of the Company, total		
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Group										
Balance at 01.07.2017	231,676	(549)	(52,376)	1	9,959	(123,753)	28,900	93,858	(3,558)	90,300
Loss for the period	-	-	-	-	-	-	(15,997)	(15,997)	(689)	(16,686)
Foreign currency translation	-	-	(249)	-	-	-	-	(249)	(106)	(355)
Total comprehensive loss for the period	-	-	(249)	-	-	-	(15,997)	(16,246)	(795)	(17,041)
Balance at 31.12.2017	231,676	(549)	(52,625)	1	9,959	(123,753)	12,903	77,612	(4,353)	73,259
Balance at 01.07.2016	231,676	(549)	(49,724)	1	9,959	(123,753)	90,313	157,923	(597)	157,326
Loss for the period	-	-	-	-	-	-	(7,416)	(7,416)	(822)	(8,238)
Foreign currency translation	-	-	573	-	-	-	-	573	44	617
Total comprehensive loss for the period	-	-	573	-	-	-	(7,416)	(6,843)	(778)	(7,621)
Dividends	-	-	-	-	-	-	(3,369)	(3,369)	-	(3,369)
Balance at 31.12.2016	231,676	(549)	(49,151)	1	9,959	(123,753)	79,528	147,711	(1,375)	146,336

	Share capital	Treasury shares	Foreign currency translation reserve	Retained earnings / (losses)	Equity, total
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Company					
Balance at 01.07.2017	231,676	(549)	(51,046)	(31,748)	148,333
Loss for the period	-	-	-	(866)	(866)
Foreign currency translation	-	-	3,748	-	3,748
Total comprehensive income for the period	-	-	3,748	(866)	2,882
Balance at 31.12.2017	231,676	(549)	(47,298)	(32,614)	151,215
Balance at 01.07.2016	231,676	(549)	(42,472)	1,458	190,113
Profit for the period	-	-	-	7,538	7,538
Foreign currency translation	-	-	(8,150)	-	(8,150)
Total comprehensive loss for the period	-	-	(8,150)	7,538	(612)
Dividends	-	-	-	(3,369)	(3,369)
Balance at 31.12.2016	231,676	(549)	(50,622)	5,627	186,132

- 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	31.12.2017	31.12.2016
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 period and as at the end of the immediately preceding year.**

	31.12.2017	30.06.2017
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 sales, transfers, disposal, cancellation and/or use of treasury shares during the financial period ended 31 December 2017.

- 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**

The Group has adopted the same accounting policies and methods of computation in the financial statements for the current financial period as those applied for in the most recent audited financial statements for the financial year ended 30 June 2017, except as mentioned in Note 5 below.

- 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 the applicable new and revised Financial Reporting Standards ("FRSs") that became effective for the financial year beginning on or after 1 July 2017. The adoption of these new and revised FRSs has no material impact to the Group.

6. Earnings per ordinary share

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

	Group			
	Quarter ended		6 Months ended	
	31.12.2017	31.12.2016	31.12.2017	31.12.2016
Basic and diluted (cents)	(0.46)	(0.33)	(2.37)	(1.10)
Based on weighted average number of shares ('000)	673,800	673,800	673,800	673,800

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

7. Net Asset Value per ordinary share

	Group		Company	
	31.12.2017	30.06.2017	31.12.2017	30.06.2017
Net asset value per ordinary share based on total number of issued shares excluding treasury shares (S\$)	0.11	0.13	0.22	0.22

8. Review of Group Performance

Business Environments

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

SSSG	Quarter ended		6 Months ended	
	31.12.2017	31.12.2016	31.12.2017	31.12.2016
Malaysia	-1.7%	4.2%	-4.0%	-0.8%
Vietnam	-2.3%	-11.3%	-4.9%	-10.9%
Indonesia	-2.1%	-2.2%	-8.0%	-7.7%
Myanmar	n/a	-29.5%	n/a	-28.9%

Retail scene in Malaysia remains challenging for Q2FY2018. With the country's consumer sentiment (as reported by the Malaysian Institute of Economic Research) continues to be under the 100-point confidence threshold (82.6) for the 14th consecutive quarter, competition among retail players had been intense to capture sales during the year-end school holiday and festive season.

Vietnam operations saw a reduced negative SSSG of -2.3% in Q2FY2018. The improvement is mainly as a result of the intensive promotional activities carried out during the reported quarter, as well as the fading of novelty effects arising from the entry of international players e.g. Takashimaya, Zara and H&M as seen in the comparative Q2FY2017.

In Indonesia, the negative SSSG for Q2FY2018 was primarily due to (i) the Bali volcano eruption in December 2017, and (ii) the downsizing of a store in Jakarta in February 2017. Excluding stores affected by the abovementioned factors, the country's SSSG would have been 0.8% for the reported quarter.

There were changes to Myanmar operations since the previous financial year where our first store at FMI Centre, Yangon was closed in January 2017. The replacement store at Junction Square, Yangon commenced operation in March 2017.

Given the strenuous operating environment, the Group had been monitoring its store performances closely. While the Group continues to expand its department store network at selective locations, we had also taken steps to retire underperforming stores. A total of 3 underperforming stores were closed for the 6-month period ended 31 December 2017 ("6MFY2018").

Operational Results

Gross Sales Proceeds ("GSP") of the Group recorded a yoy decline of (2.3)% for Q2FY2018, and (5.0)% for 6MFY2018. The components of GSP are as follows: -

	Group					
	Quarter ended			6 Months ended		
	31.12.2017	31.12.2016	+/(-)	31.12.2017	31.12.2016	+/(-)
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
GSP						
Sale of goods - direct sales	62,107	59,035	5.2	113,297	106,914	6.0
Sale of goods - concessionaire sales	190,011	199,813	(4.9)	336,874	368,994	(8.7)
Total merchandise sales	252,118	258,848	(2.6)	450,171	475,908	(5.4)
Consultancy and management service fees	153	108	41.7	233	203	14.8
Rental income	4,445	4,192	6.0	8,154	7,708	5.8
Food and beverage	629	89	>100.0	1,181	89	>100.0
Theme park and education centre	9	119	(92.4)	41	200	(79.5)
Total GSP	257,354	263,356	(2.3)	459,780	484,108	(5.0)

The Group generated total merchandise sales of S\$252.1 million for Q2FY2018, and S\$450.2 million for 6MFY2018. For 6MFY2018, the Group's merchandise sales mix remains largely concessionaire at 74.8% (6MFY2017: 77.5%). Contribution from direct sales has increased yoy to 25.2% (6MFY2017: 22.5%) following the Group's investment in private labels and agency lines.

Merchandise gross margins (a combination of the commission from concessionaires and direct sales margin) for 6MFY2018 was lower yoy at 23.5% (6MFY2017: 23.9%), mainly due to intensive promotional activities undertaken.

Income from food and beverage operations was significantly higher during the current financial period, with bakery business being the major contributor. On the other hand, the Group discontinued its theme park and education centre operations during 6MFY2018 to curb further losses.

Financial Results

Revenue

Revenue of the Group has, by and large, remained flat for Q2FY2018 and 6MFY2018. The components of revenue are as follows: -

	Group					
	Quarter ended			6 Months ended		
	31.12.2017	31.12.2016	+/(-)	31.12.2017	31.12.2016	+/(-)
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
Revenue						
Sale of goods - direct sales	62,107	59,035	5.2	113,297	106,914	6.0
Commission from concessionaire sales	44,805	47,596	(5.9)	80,306	89,362	(10.1)
Consultancy and management service fees	153	108	41.7	233	203	14.8
Rental income	4,445	4,192	6.0	8,154	7,708	5.8
Food and beverage	629	89	>100.0	1,181	89	>100.0
Theme park and education centre	9	119	(92.4)	41	200	(79.5)
Total revenue	112,148	111,139	0.9	203,212	204,476	(0.6)

Other Income

Other income declined yoy by (46.9)% for Q2FY2018, and by (36.9)% for 6MFY2018. The decline was mainly due to lesser finance income and foreign exchange gain.

Expenses

Total expenses of the Group largely remained flat yoy at S\$114.8 million for Q2FY2018, but increased yoy by 2.4% to S\$220.4 million for 6MFY2018. Analysis of major expense items as follows: -

Changes in merchandise inventories and consumables (cost of direct sales)

In line with the increase in direct sales, cost of direct sales increased yoy by 5.1% to S\$47.8 million for Q2FY2018, and by 7.2% to S\$88.7 million for 6MFY2018.

Employee related expenses (staff costs)

Staff costs increased yoy by 3.7% to S\$16.2 million for Q2FY2018, and by 4.3% to S\$32.4 million for 6MFY2018. These increases are mainly due to the inclusion of staff costs for new stores and new ventures, and annual salary adjustments.

Depreciation and amortisation expenses

Depreciation and amortisation expenses declined yoy by (1.1)% to S\$6.7 million for Q2FY2018, but increased yoy by 2.6% to S\$13.4 million for 6MFY2018. The 6-month increase is mainly due to additional depreciation costs arising from new stores and outlets.

Rental expenses

Rental expenses remained flat yoy at S\$29.1 million for Q3FY2018, but increased yoy by 2.1% to S\$58.2 million for 6MFY2018. The 6-month increase is mainly attributable to additional rental costs arising from new stores and new ventures, and annual rate adjustments.

Other expenses

Other expenses comprise mainly (a) promotional and advertising expenses, (b) selling and distribution expenses; and (c) general and administrative expenses.

Other expenses declined yoy by (11.2)% to S\$15.0 million for Q2FY2018, and by (11.8)% to S\$27.7 million for 6MFY2018. The 6-month decline is driven mainly by lesser promotional and advertising costs following the shift of Hari Raya / Lebaran festivity to June 2017, lower utility expenses over energy-saving initiatives, and lesser allowance for doubtful debt on advances to managed stores in Vietnam (6MFY2018: S\$0.2 million; 6MFY2017: S\$1.7 million).

Pre-tax losses

The Group recorded pre-tax loss of S\$(1.6) million for Q2FY2018, and S\$(14.7) million for 6MFY2018. These pre-tax losses are mainly owing to (i) impact from the overall negative SSSG recorded by the Group's operations; and (ii) gestation period of new stores and new ventures.

Taxation

Despite recording pre-tax losses, the Group incurred tax expenses of S\$2.0 million in 6MFY2018 as some of its subsidiaries are in taxable position. Deferred tax benefits had not been recognised in respect of tax losses incurred during the current financial period.

Net losses attributable to owners of the Company

The Group recorded attributable net losses of S\$(3.1) million for Q2FY2018, and S\$(16.0) million for 6MFY2018.

Review of Group Balance Sheet

The Group is in a net current liabilities ("NCL") position of S\$(73.9) million as at 31 December 2017. The NCL is as a result of the Group's investments in new stores and new ventures, whilst contribution from these investments have yet to achieve optimal level due to gestation period.

NCL of the Group increased 33.3% from its 30 June 2017 position mainly due to operating loss recorded for 6MFY2018, as well as additional investments in property, plant and equipment. As previously announced on 6 October 2017, 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 FY2017 Audited Financial Statements.

Cash balance of the Group dipped (29.5)% to S\$44.7 million as at 31 December 2017. The lower balance is mainly due to net operating cash outflow. This is partly mitigated by the drawdown of S\$3.0 million loans and borrowings comprising bank overdraft, bankers' acceptance and hire purchase facility in 6MFY2018.

Trade and other receivables increased 63.6% to S\$27.0 million, owing primarily to higher receivables from credit card companies arising from year-end holiday and festive sales. Prepayments (current) dipped to S\$3.7 million mainly due to amortisation of prepaid rentals for stores.

Trade and other payables recorded a higher balance at S\$190.5 million as at 31 December 2017 following year-end holiday and festive sales. Non-controlling interests increased to S\$4.4 million on account of additional losses shared by the minority shareholders.

9. 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 paragraph 10 in the preceding quarterly results announcement dated 14 November 2017 is generally in line with the operating environment encountered in this reported quarter.

10. 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 environments for the second half ending 30 June 2018 is expected to remain challenging over subdued consumer sentiment and stiff competition, though festive buying e.g. Lunar New Year in February 2018 and Hari Raya / Lebaran in June 2018 may provide some support to the Group's performance.

There are also uncertainties arising from Malaysia's General Election and Indonesia's local election, both expected to be held in 2018.

11. 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.

12. If no dividend has been declared/recommended, a statement to that effect

No dividend has been declared for the financial period ended 31 December 2017.

PART II - ADDITIONAL DISCLOSURE

13. Group Performance by Geographical Segment

Group	Retailing					Total
	Malaysia	Vietnam	Indonesia	Myanmar	Others	
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
6 months ended 31.12.2017						
Gross Sales Proceeds	325,639	53,420	78,015	1,357	1,349	459,780
Revenue	159,546	14,010	27,627	680	1,349	203,212
Pre-tax results						
Retailing	(5,105)	(1,469)	(4,334)	(862)	-	(11,770)
Other businesses*	-	-	-	-	(2,172)	(2,172)
Investment holding	-	-	-	-	(798)	(798)
Reported pre-tax results	(5,105)	(1,469)	(4,334)	(862)	(2,970)	(14,740)
6 months ended 31.12.2016						
Gross Sales Proceeds	335,062	57,111	89,895	1,750	290	484,108
Revenue	155,676	15,626	32,164	720	290	204,476
Pre-tax results						
Retailing	1,517	(1,826)	(3,949)	(241)	-	(4,499)
Other businesses*	-	-	-	-	(2,174)	(2,174)
Investment holding	-	-	-	-	(227)	(227)
Reported pre-tax results	1,517	(1,826)	(3,949)	(241)	(2,401)	(6,900)

* Other businesses consist of edutainment, nursery, food and beverages

14. Interested person transactions for the financial period ended 31 December 2017

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 ⁽¹⁾	-	315
Parkson Holdings Berhad Group ⁽²⁾	534	1,358
Secom (M) Sdn Bhd ⁽³⁾	-	151
Bonuskad Loyalty Sdn Bhd ⁽⁴⁾	-	3,166
PT Monica Hijaulestari ⁽⁵⁾	-	1,197
WatchMart (M) Sdn Bhd ⁽⁵⁾	-	101

Notes:

- (1) Purchase of building materials and merchandise, and sale of gift vouchers.
- (2) (i) Royalty expenses, service charge income, rental income, store management fee and disposal of fixed assets totaling S\$0.534 million;
(ii) Net purchase of merchandises and concessionaire sales totaling S\$1.358 million.
- (3) Purchase of security equipment and procurement of security services.
- (4) Marketing fees payable for bonus points issued and amounts receivable for points redemption made by cardholders.
- (5) Purchase of merchandise.

15. 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 second quarter and six months ended 31 December 2017, to be false or misleading.

16. 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
8 February 2018