



**PARKSON RETAIL ASIA LIMITED**

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

**Unaudited Financial Statements for the Third Quarter and Nine Months  
ended 31 March 2018**

**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			9 Months ended		
	31.03.2018	31.03.2017	+ / (-)	31.03.2018	31.03.2017	+ / (-)
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
<b>Revenue</b>	104,473	98,649	5.9	307,685	303,125	1.5
Other income	1,346	1,957	(31.2)	3,771	5,783	(34.8)
<b>Items of expense</b>						
- Changes in merchandise inventories and consumables	(45,267)	(40,225)	(12.5)	(133,925)	(122,940)	(8.9)
- Employee related expenses	(17,468)	(16,561)	(5.5)	(49,821)	(47,566)	(4.7)
- Depreciation and amortisation expenses	(7,064)	(7,065)	0.0	(20,456)	(20,117)	(1.7)
- Rental expenses	(29,472)	(28,510)	(3.4)	(87,627)	(85,447)	(2.6)
- Finance costs	(93)	(41)	>(100.0)	(194)	(123)	(57.7)
- Other expenses	(14,234)	(17,093)	16.7	(41,952)	(48,504)	13.5
Total expenses	(113,598)	(109,495)	(3.7)	(333,975)	(324,697)	(2.9)
<b>Loss before taxation</b>	(7,779)	(8,889)	12.5	(22,519)	(15,789)	(42.6)
Taxation	(259)	(511)	49.3	(2,205)	(1,849)	(19.3)
<b>Loss for the period</b>	(8,038)	(9,400)	14.5	(24,724)	(17,638)	(40.2)
<b>Net loss for the period attributable to:</b>						
Owners of the Company	(7,817)	(9,092)	14.0	(23,814)	(16,509)	(44.2)
Non-controlling interests	(221)	(308)	28.2	(910)	(1,129)	19.4
	(8,038)	(9,400)	14.5	(24,724)	(17,638)	(40.2)

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

	Group					
	Quarter ended			9 Months ended		
	31.03.2018	31.03.2017	+/( -)	31.03.2018	31.03.2017	+/( -)
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
Net loss for the period	(8,038)	(9,400)	14.5	(24,724)	(17,638)	(40.2)
Other comprehensive loss: Foreign currency translation	(827)	(3,172)	73.9	(1,182)	(2,555)	53.7
<b>Total comprehensive loss</b>	<b>(8,865)</b>	<b>(12,572)</b>	<b>29.5</b>	<b>(25,906)</b>	<b>(20,193)</b>	<b>(28.3)</b>
<b>Total comprehensive loss attributable to:</b>						
Owners of the Company	(8,495)	(12,297)	30.9	(24,741)	(19,140)	(29.3)
Non-controlling interests	(370)	(275)	(34.5)	(1,165)	(1,053)	(10.6)
	<b>(8,865)</b>	<b>(12,572)</b>	<b>29.5</b>	<b>(25,906)</b>	<b>(20,193)</b>	<b>(28.3)</b>

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

	Group			
	Quarter ended		9 Months ended	
	31.03.2018	31.03.2017	31.03.2018	31.03.2017
	S\$'000	S\$'000	S\$'000	S\$'000
The following items have been included in arriving at loss before tax:				
Finance income	320	389	730	1,148

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

	Group		Company	
	31.03.2018	30.06.2017	31.03.2018	30.06.2017
	S\$'000	S\$'000	S\$'000	S\$'000
<b>ASSETS</b>				
<b>Non-current assets</b>				
Property, plant and equipment	143,947	145,463	-	-
Land use right	7,303	7,798	-	-
Investments in subsidiaries	-	-	134,429	131,391
Investment in an associate	-	-	-	-
Deferred tax assets	1,920	1,957	-	-
Other receivables	24,751	22,138	-	-
Prepayments	1,972	1,994	-	-
Intangible assets	1,123	1,121	-	-
Derivatives	18	17	-	-
Investment securities	79	75	-	-
	181,113	180,563	134,429	131,391
<b>Current assets</b>				
Inventories	70,773	71,335	-	-
Trade and other receivables	23,820	16,514	17,355	16,847
Prepayments	2,882	5,021	39	13
Tax recoverable	3,890	3,495	-	-
Cash and short-term deposits	33,688	63,387	415	1,355
	135,053	159,752	17,809	18,215
<b>Total assets</b>	<b>316,166</b>	<b>340,315</b>	<b>152,238</b>	<b>149,606</b>
<b>EQUITY AND LIABILITIES</b>				
<b>Current liabilities</b>				
Trade and other payables	183,435	186,554	940	843
Other liabilities	25,834	26,795	-	-
Provisions	1,847	1,775	-	-
Loans and borrowings	4,103	-	-	-
Tax payable	84	84	-	-
	215,303	215,208	940	843
<b>Net current (liabilities)/assets</b>	<b>(80,250)</b>	<b>(55,456)</b>	<b>16,869</b>	<b>17,372</b>
<b>Non-current liabilities</b>				
Other payables	7,288	6,100	-	-
Other liabilities	17,596	17,418	-	-
Provisions	10,767	10,859	-	-
Loans and borrowings	362	-	-	-
Deferred tax liabilities	456	430	456	430
	36,469	34,807	456	430
<b>Total liabilities</b>	<b>251,772</b>	<b>250,015</b>	<b>1,396</b>	<b>1,273</b>
<b>Net assets</b>	<b>64,394</b>	<b>90,300</b>	<b>150,842</b>	<b>148,333</b>
<b>Equity attributable to owners of the Company</b>				
Share capital	231,676	231,676	231,676	231,676
Treasury shares	(549)	(549)	(549)	(549)
Other reserves	(167,096)	(166,169)	(42,220)	(51,046)
Retained earnings/(losses)	5,086	28,900	(38,065)	(31,748)
	69,117	93,858	150,842	148,333
Non-controlling interests	(4,723)	(3,558)	-	-
<b>Total equity</b>	<b>64,394</b>	<b>90,300</b>	<b>150,842</b>	<b>148,333</b>

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

	<b>Group</b>			
	<b>31.03.2018</b>		<b>30.06.2017</b>	
	<b>Secured</b>	<b>Unsecured</b>	<b>Secured</b>	<b>Unsecured</b>
	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>
Amount repayable in one year or less, or on demand				
- Bank overdraft	340	-	-	-
- Bankers' acceptance	3,309	-	-	-
- Hire purchase facility	454	-	-	-
	4,103	-	-	-
Amount repayable after one year				
- Hire purchase facility	362	-	-	-

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		9 Months ended	
	31.03.2018	31.03.2017	31.03.2018	31.03.2017
	S\$'000	S\$'000	S\$'000	S\$'000
<b>Operating activities</b>				
Loss before tax	(7,779)	(8,889)	(22,519)	(15,789)
Adjustments for				
- Depreciation and amortisation	7,064	7,065	20,456	20,117
- Finance costs	93	41	194	123
- Finance income	(320)	(389)	(730)	(1,148)
- Allowance for doubtful debts	245	1,685	468	3,387
- Unrealised currency translation (gain)/ loss	5	1	12	(37)
- Others	882	2,382	2,226	2,834
<b>Operating cash flows before changes in working capital</b>	190	1,896	107	9,487
Changes in working capital				
- Inventories	(833)	2,391	1,971	1,277
- Receivables and prepayments	3,608	(1,292)	(8,300)	(7,996)
- Payables and other liabilities	(9,121)	(27,001)	(4,829)	(1,597)
<b>Cash flows generated from/(used in) operations</b>	(6,156)	(24,006)	(11,051)	1,171
Interest received	358	309	695	912
Interest paid	(56)	-	(80)	-
Income tax paid	(1,200)	(804)	(2,335)	(5,901)
<b>Net cash used in operating activities</b>	(7,054)	(24,501)	(12,771)	(3,818)
<b>Investing activities</b>				
Purchase of property, plant and equipment	(5,741)	(12,591)	(21,952)	(37,526)
Addition of intangible assets	(13)	(19)	(219)	(324)
Dividend income from investment securities	-	-	41	34
<b>Net cash used in investing activities</b>	(5,754)	(12,610)	(22,130)	(37,816)
<b>Financing activities</b>				
Net proceeds from loans and borrowings	1,098	-	4,126	-
Dividends paid	-	-	-	(3,369)
<b>Net cash generated from/(used in) financing activities</b>	1,098	-	4,126	(3,369)
<b>Net decrease in cash and cash equivalents</b>	(11,710)	(37,111)	(30,775)	(45,003)
Cash and cash equivalents at beginning of financial period	44,351	60,654	63,387	69,509
Effects of currency translation on cash and cash equivalents	707	(384)	736	(1,347)
<b>Cash and cash equivalents at end of financial period</b>	33,348	23,159	33,348	23,159

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

	Group	
	31.03.2018	31.03.2017
	S\$'000	S\$'000
Cash at bank	12,400	21,160
Short-term bank deposits	21,288	1,999
Cash and short-term deposits	33,688	23,159
Less: bank overdraft	(340)	-
<b>Cash and cash equivalents</b>	33,348	23,159

**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		
<b>Group</b>	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
<b>Balance at 01.07.2017</b>	231,676	(549)	(52,376)	1	9,959	(123,753)	28,900	93,858	(3,558)	90,300
Loss for the period	-	-	-	-	-	-	(23,814)	(23,814)	(910)	(24,724)
Foreign currency translation	-	-	(927)	-	-	-	-	(927)	(255)	(1,182)
Total comprehensive loss for the period	-	-	(927)	-	-	-	(23,814)	(24,741)	(1,165)	(25,906)
<b>Balance at 31.03.2018</b>	231,676	(549)	(53,303)	1	9,959	(123,753)	5,086	69,117	(4,723)	64,394
<b>Balance at 01.07.2016</b>	231,676	(549)	(49,724)	1	9,959	(123,753)	90,313	157,923	(597)	157,326
Loss for the period	-	-	-	-	-	-	(16,509)	(16,509)	(1,129)	(17,638)
Foreign currency translation	-	-	(2,631)	-	-	-	-	(2,631)	76	(2,555)
Total comprehensive loss for the period	-	-	(2,631)	-	-	-	(16,509)	(19,140)	(1,053)	(20,193)
Dividends	-	-	-	-	-	-	(3,369)	(3,369)	-	(3,369)
<b>Balance at 31.03.2017</b>	231,676	(549)	(52,355)	1	9,959	(123,753)	70,435	135,414	(1,650)	133,764

	Share capital S\$'000	Treasury shares S\$'000	Foreign currency translation reserve S\$'000	Retained earnings / (losses) S\$'000	Equity, total S\$'000
<b>Company</b>					
<b>Balance at 01.07.2017</b>	231,676	(549)	(51,046)	(31,748)	148,333
Loss for the period	-	-	-	(6,317)	(6,317)
Foreign currency translation	-	-	8,826	-	8,826
Total comprehensive income/(loss) for the period	-	-	8,826	(6,317)	2,509
<b>Balance at 31.03.2018</b>	231,676	(549)	(42,220)	(38,065)	150,842
<b>Balance at 01.07.2016</b>	231,676	(549)	(42,472)	1,458	190,113
Profit for the period	-	-	-	7,369	7,369
Foreign currency translation	-	-	(11,945)	-	(11,945)
Total comprehensive income/(loss) for the period	-	-	(11,945)	7,369	(4,576)
Dividends	-	-	-	(3,369)	(3,369)
<b>Balance at 31.03.2017</b>	231,676	(549)	(54,417)	5,458	182,168

- 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**

<b>No. of shares</b>	<b>31.03.2018</b>	<b>31.03.2017</b>
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.**

	<b>31.03.2018</b>	<b>30.06.2017</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 sales, transfers, disposal, cancellation and/or use of treasury shares during the financial period ended 31 March 2018.

- 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		9 Months ended	
	31.03.2018	31.03.2017	31.03.2018	31.03.2017
Basic and diluted (cents)	(1.16)	(1.35)	(3.53)	(2.45)
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	
	31.03.2018	30.06.2017	31.03.2018	30.06.2017
Net asset value per ordinary share based on total number of issued shares excluding treasury shares (S\$)	0.10	0.13	0.23	0.22

## 8. Review of Group Performance

### Business Environments

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

SSSG	Quarter ended		9 Months ended	
	31.03.2018	31.03.2017	31.03.2018	31.03.2017
Malaysia	4.5%	-1.4%	-1.2%	-1.0%
Vietnam	-9.8%	-18.2%	-6.5%	-13.4%
Indonesia	-0.6%	-1.4%	-5.9%	-5.8%
Myanmar	n/a	-11.2%	n/a	-26.4%

Malaysia operations recorded SSSG of 4.5% for Q3FY2018 amid stronger Lunar New Year festive sales. The quarter ended 31 March 2018 saw the country's Consumer Sentiment Index (as reported by the Malaysian Institute of Economic Research) advanced 8.4 points quarter-on-quarter to 91.0, albeit still below the 100-point optimism threshold for the 15<sup>th</sup> consecutive quarter. On the other hand, the higher Chinese tourist arrivals during the Lunar New Year festive season had benefitted stores at popular tourist destinations. Nevertheless, competition among retailers remains volatile wherein tactical promotional activities had to be carried out to capture sales.

Vietnam operations saw a reduced quarterly negative SSSG of -9.8%, largely on intensive promotional activities carried out and low-base effect arising from the entry of foreign retailers in the comparative period.

In Indonesia, the negative SSSG for Q3FY2018 was caused by the downsizing of a store in Jakarta, as well as the aftermath of volcano eruption in Bali. Excluding the effect of store downsizing and volcano eruption, Indonesia would have recorded a SSSG of 2.4% for the reported quarter, driven mainly by efforts to stimulate topline growth which includes, inter alia, targeted promotions and increasing house brands' contribution.



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.

Against the backdrop of the competitive operating environments, the Group had been vigilant over its store performances. While the Group added 3 new stores (including 1 managed store) to its department store network, we had also taken steps to exit 6 underperforming stores for the 9-month period ended 31 March 2018 ("9MFY2018").

### Operational Results

Gross Sales Proceeds ("GSP") of the Group recorded a yoy increase of 2.5% for Q3FY2018, but declined (2.6)% for 9MFY2018. The components of GSP are as follows: -

	Group					
	Quarter ended			9 Months ended		
	31.03.2018	31.03.2017	+/( -)	31.03.2018	31.03.2017	+/( -)
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
<b>GSP</b>						
Sale of goods - direct sales	57,902	53,572	8.1	171,199	160,486	6.7
Sale of goods - concessionaire sales	178,624	177,627	0.6	515,498	546,621	(5.7)
Total merchandise sales	236,526	231,199	2.3	686,697	707,107	(2.9)
Consultancy and management service fees	210	96	>100.0	443	299	48.2
Rental income	3,717	3,854	(3.6)	11,871	11,562	2.7
Food and beverage	713	215	>100.0	1,894	304	>100.0
Theme park and education centre	4	24	(83.3)	45	224	(79.9)
Total GSP	241,170	235,388	2.5	700,950	719,496	(2.6)

The Group generated total merchandise sales of S\$236.5 million for Q3FY2018, and S\$686.7 million for 9MFY2018. Merchandise sales mix remains largely concessionaire at 75.1% for 9MFY2018 (9MFY2017: 77.3%), though contribution from direct sales has increased yoy to 24.9% (9MFY2017: 22.7%) following the Group's investment in house brands and agency lines.

Merchandise gross margins (a combination of the commission from concessionaires and direct sales margin) for 9MFY2018 was lower yoy at 23.4% (9MFY2017: 23.8%), largely on intensive promotional activities carried out across the Group's operating countries.

The Group earned additional consultancy and management service fees from managing a new department store in Malaysia during the current financial period. Food and beverage operations registered exponential income growth, mainly as a result of the expansion of its bakery business. On the other hand, the Group discontinued its theme park and education centre operations during 9MFY2018 to curb further losses.

## Financial Results

### Revenue

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

	Group					
	Quarter ended			9 Months ended		
	31.03.2018	31.03.2017	+/( -)	31.03.2018	31.03.2017	+/( -)
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
<b>Revenue</b>						
Sale of goods - direct sales	57,902	53,572	8.1	171,199	160,486	6.7
Commission from concessionaire sales	41,927	40,888	2.5	122,233	130,250	(6.2)
Consultancy and management service fees	210	96	>100.0	443	299	48.2
Rental income	3,717	3,854	(3.6)	11,871	11,562	2.7
Food and beverage	713	215	>100.0	1,894	304	>100.0
Theme park and education centre	4	24	(83.3)	45	224	(79.9)
Total revenue	104,473	98,649	5.9	307,685	303,125	1.5

### Other Income

Other income declined yoy by (31.2)% for Q3FY2018, and by (34.8)% for 9MFY2018. The decline was mainly due to lesser finance income and foreign exchange gain.

### Expenses

Total expenses of the Group increased yoy by 3.7% at S\$113.6 million for Q3FY2018, and by 2.9% to S\$334.0 million for 9MFY2018. Analysis of major expense items as follows: -

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

Changes in merchandise inventories and consumables increased yoy by 12.5% to S\$45.3 million for Q3FY2018, and by 8.9% to S\$133.9 million for 9MFY2018. These increases are consistent with the trajectory of the Group's investment in private labels, agency lines, and food and beverage operations.

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

Staff costs increased yoy by 5.5% to S\$17.5 million for Q3FY2018, and by 4.7% to S\$49.8 million for 9MFY2018. 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 remained flat yoy at S\$7.1 million for Q3FY2018, but increased yoy by 1.7% to S\$20.5 million for 9MFY2018. The 9-month increase is mainly due to additional depreciation costs arising from new stores and outlets.

#### *Rental expenses*

Rental expenses increased yoy by 3.4% to S\$29.5 million for Q3FY2018, and by 2.6% to S\$87.6 million for 9MFY2018. The 9-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 (16.7)% to S\$14.2 million for Q3FY2018, and by (13.5)% to S\$42.0 million for 9MFY2018. The quarterly decline was mainly as a result of lesser allowance for doubtful debt on advances to managed stores in Vietnam of S\$0.3 million (Q3FY2017: S\$1.0 million), and lower Indonesia's store closure / downsizing costs of S\$0.2 million (Q3FY2017: S\$2.1 million). For 9MFY2018, total allowances for doubtful debt on advances to managed stores in Vietnam was S\$0.5 million (9MFY2017: S\$2.7 million), whereas store closure / downsizing costs in Indonesia was S\$0.6 million (9MFY2017: S\$2.1 million).

### Pre-tax losses

The Group recorded pre-tax loss of S\$(7.8) million for Q3FY2018, and S\$(22.5) million for 9MFY2018. 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\$2.2 million in 9MFY2018 mainly on non-deductible expenses. Furthermore, deferred tax benefits had not been recognised in respect of tax losses incurred during the current financial period.

### Net loss attributable to owners of the Company

The Group recorded attributable net loss of S\$(7.8) million for Q3FY2018, and S\$(23.8) million for 9MFY2018.

### Review of Group Balance Sheet

The Group is in a net current liabilities ("NCL") position of S\$(80.3) million as at 31 March 2018. 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 44.7% from its 30 June 2017 position mainly due to operating loss recorded for 9MFY2018, 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 (46.9)% to S\$33.7 million as at 31 March 2018. The lower balance is mainly due to net operating cash outflow and capital expenditure for new stores, and is partly mitigated by the net drawdown of S\$4.5 million loans and borrowings comprising bank overdraft, bankers' acceptance and hire purchase facility in 9MFY2018.

Trade and other receivables increased 44.2% to S\$23.8 million, owing primarily to higher credit card receivables from quarter-end promotional sales which took place on a weekend. Prepayments (current) dipped to S\$2.9 million mainly due to amortisation of prepaid rentals for stores.

Non-controlling interests increased to S\$4.7 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 8 February 2018 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 performance in the final quarter especially for Malaysia and Indonesia operations is expected to benefit from Hari Raya / Lebaran festive shopping in June 2018.

Nevertheless, in view of the headwinds encountered in each operating country, the Group is expected to end FY2018 with reduced losses as compared with FY2017. We will continue to drive topline growth proactively whilst exercising prudence on operating costs and new investments.

**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/recommendeded, a statement to that effect**

No dividend has been declared for the financial period ended 31 March 2018.

## 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
<b>9 months ended 31.03.2018</b>						
<b>Gross Sales Proceeds</b>	508,590	77,844	110,363	2,020	2,133	700,950
<b>Revenue</b>	245,694	20,379	38,465	1,014	2,133	307,685
<b>Pre-tax results</b>						
Retailing	(7,831)	(2,852)	(6,491)	(1,092)	-	(18,266)
Other businesses*	-	-	-	-	(3,029)	(3,029)
Investment holding	-	-	-	-	(1,224)	(1,224)
Reported pre-tax results	(7,831)	(2,852)	(6,491)	(1,092)	(4,253)	(22,519)
<b>9 months ended 31.03.2017</b>						
<b>Gross Sales Proceeds</b>	500,865	85,792	130,033	2,260	546	719,496
<b>Revenue</b>	230,760	23,252	47,615	952	546	303,125
<b>Pre-tax results</b>						
Retailing	921	(3,019)	(9,282)	(417)	-	(11,797)
Other businesses*	-	-	-	-	(3,415)	(3,415)
Investment holding	-	-	-	-	(577)	(577)
Reported pre-tax results	921	(3,019)	(9,282)	(417)	(3,992)	(15,789)

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

### 14. Interested person transactions for the financial period ended 31 March 2018

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>	-	524
Parkson Holdings Berhad Group <sup>(2)</sup>	740	3,180
Secom (M) Sdn Bhd <sup>(3)</sup>	-	223
Bonuskad Loyalty Sdn Bhd <sup>(4)</sup>	-	5,140
PT Monica Hijaulestari <sup>(5)</sup>	-	1,712
WatchMart (M) Sdn Bhd <sup>(5)</sup>	-	169

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 sale of fixed assets totaling S\$0.74 million;  
(ii) Net purchase of merchandises and concessionaire sales totaling S\$3.18 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 third quarter and nine months ended 31 March 2018, 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  
1 May 2018