

Parkson Retail Asia Limited

Financial Results For Q3 FY2017

9 May 2017



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Financial Highlights



Same Store Sales Growth (SSSG)

	Quarter ended		9 months ended	
	31.03.2017	31.03.2016	31.03.2017	31.03.2016
Malaysia	-1.4%	-17.4%	-1.0%	-13.5%
Vietnam	-18.2%	-8.2%	-13.4%	-2.6%
Indonesia	-1.4%	0.1%	-5.8%	3.8%
Myanmar	-11.2%	-7.6%	-26.4%	-2.6%

Malaysia

- Consumer sentiment index reported by MIER¹ remained below the 100-point confidence threshold for the 11th consecutive quarter.

Vietnam

- Discretionary retail environment continued to be difficult amidst a crowded retail scene.

Indonesia

- Performance impacted by uncertainties over Jakarta's gubernatorial election.

Myanmar

- SSSG for Q3FY2017 and 9MFY2017 represents the results of the store at FMI Centre, Yangon which was closed on 31 January 2017.
- New store at Junction Square, Yangon commenced operation on 17 March 2017.

¹ Malaysia Institute of Economic Research

Financial Overview

S\$'000	Quarter ended			9 months ended		
	31.03.2017	31.03.2016	VAR %	31.03.2017	31.03.2016	VAR %
Gross Sales Proceeds ("GSP")	235,388	245,323	(4.0)	719,496	735,599	(2.2)
Revenue	98,649	98,415	0.2	303,125	294,557	2.9
<u>Operational results</u>						
EBITDA*	(2,172)	(2,031)	6.9	3,303	16,518	(80.0)
Pre-tax profit / (loss)*	(8,889)	(7,470)	19.0	(15,789)	2,390	>(100.0)
Net profit / (loss) attributable to owners of the Company*	(9,092)	(7,306)	24.4	(16,509)	(906)	>100.0

- GSP declined in the current financial period as a result of headwinds encountered in each operating country.
- Pre-tax losses recorded in the current financial period due to (i) de-leveraging impact from the overall negative SSSG recorded by the Group operations, and (ii) gestation period of new stores and new ventures.

* Excluded gain on partial disposal of a former subsidiary in Vietnam of S\$46.0 million in the comparative 9MFY2016

Segmental Pre-tax Results

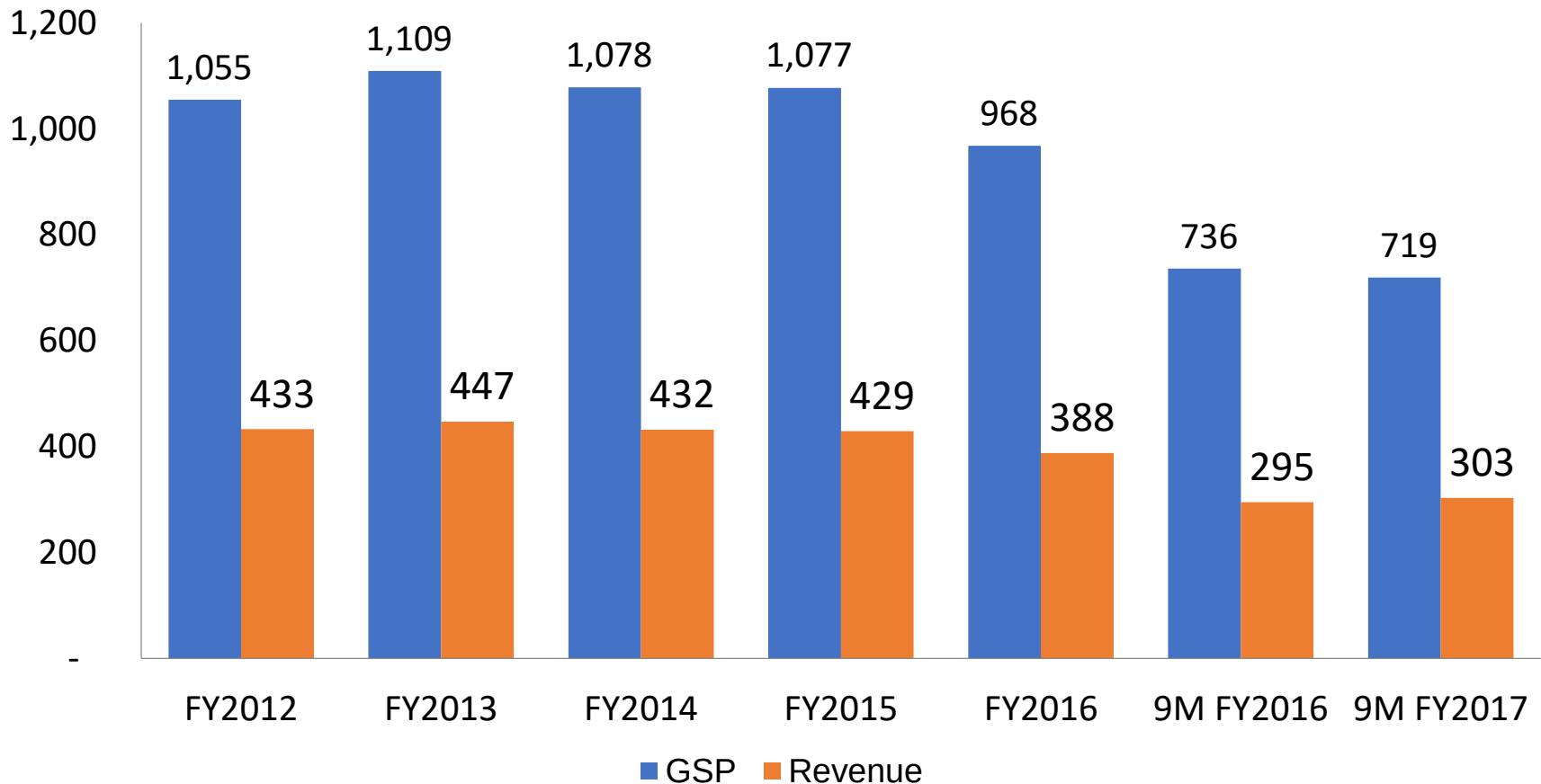
S\$'000	Malaysia	Vietnam	Indonesia	Myanmar	Others	Group
<u>9MFY2017</u>						
Same store	5,982	(3,019)	(6,464)	(356)	-	(3,857)
New/closed stores	(5,061)	-	(2,818)	(61)	-	(7,940)
Retailing	921	(3,019)	(9,282)	(417)	-	(11,797)
Other businesses	-	-	-	-	(3,415)	(3,415)
Investment holding	-	-	-	-	(577)	(577)
As reported	921	(3,019)	(9,282)	(417)	(3,992)	(15,789)

Segmental Pre-tax Results (Cont'd)

S\$'000	Malaysia	Vietnam	Indonesia	Myanmar	Others	Group
<u>9MFY2016</u>						
Same store	15,037	(4,905)	(3,893)	(1,024)	-	5,215
New/closed stores	(781)	(317)	-	110	-	(988)
Retailing	14,256	(5,222)	(3,893)	(914)	-	4,227
Other businesses	-	-	-	-	(940)	(940)
Investment holding	-	-	-	-	(897)	(897)
Operational pre-tax results	14,256	(5,222)	(3,893)	(914)	(1,837)	2,390
Gain on partial disposal of a former subsidiary	-	45,960	-	-	-	45,960
As reported	14,256	40,738	(3,893)	(914)	(1,837)	48,350
VAR %						
Same store	(60.2)	38.5	(66.0)	65.2	-	>(100.0)
As reported	(93.5)	>(100.0)	>(100.0)	54.4	>(100.0)	>(100.0)

5-Year Gross Sales Proceeds and Revenue

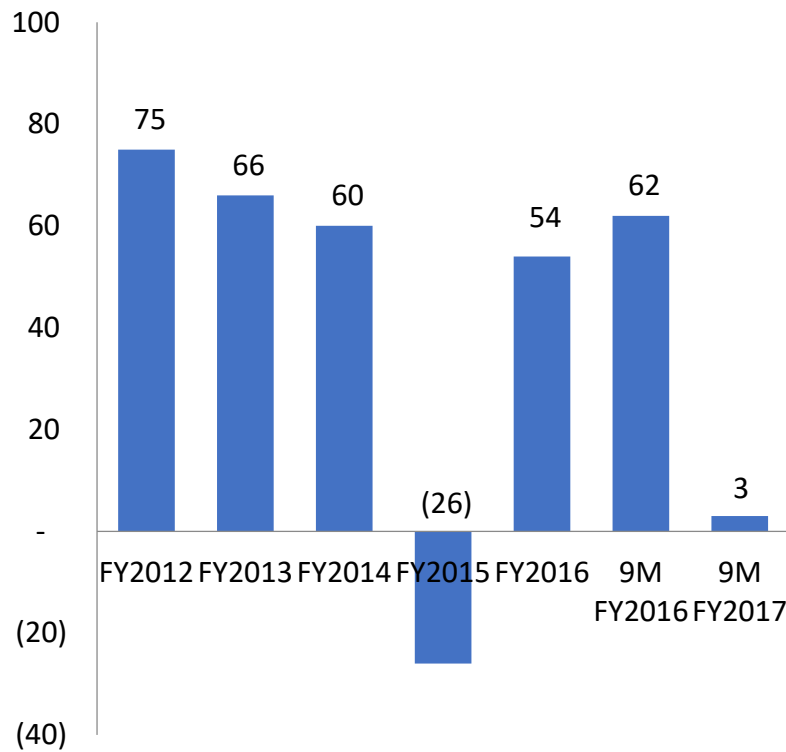
Overall top line growth (\$ million)



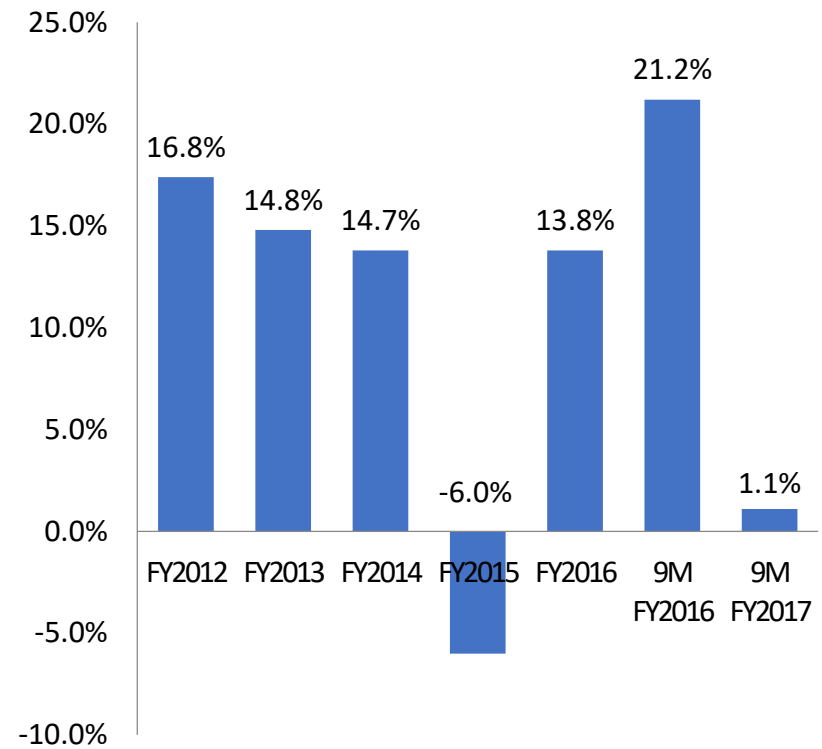
5-Year Profit Margins

- EBITDA

EBITDA



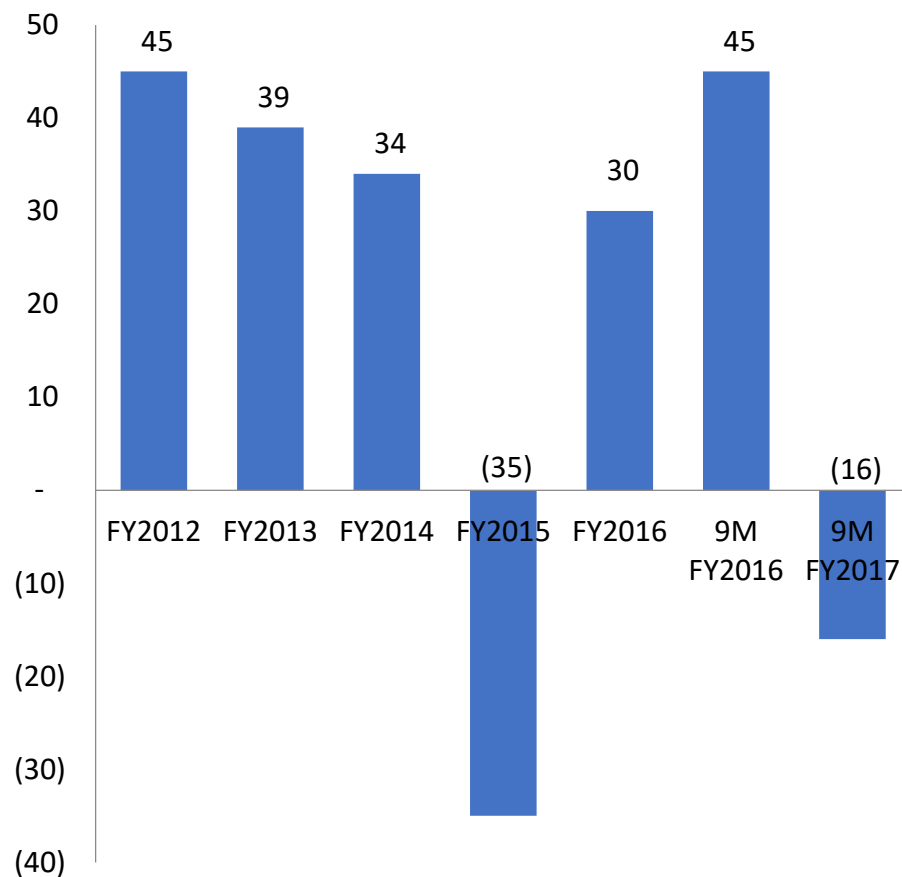
EBITDA margin



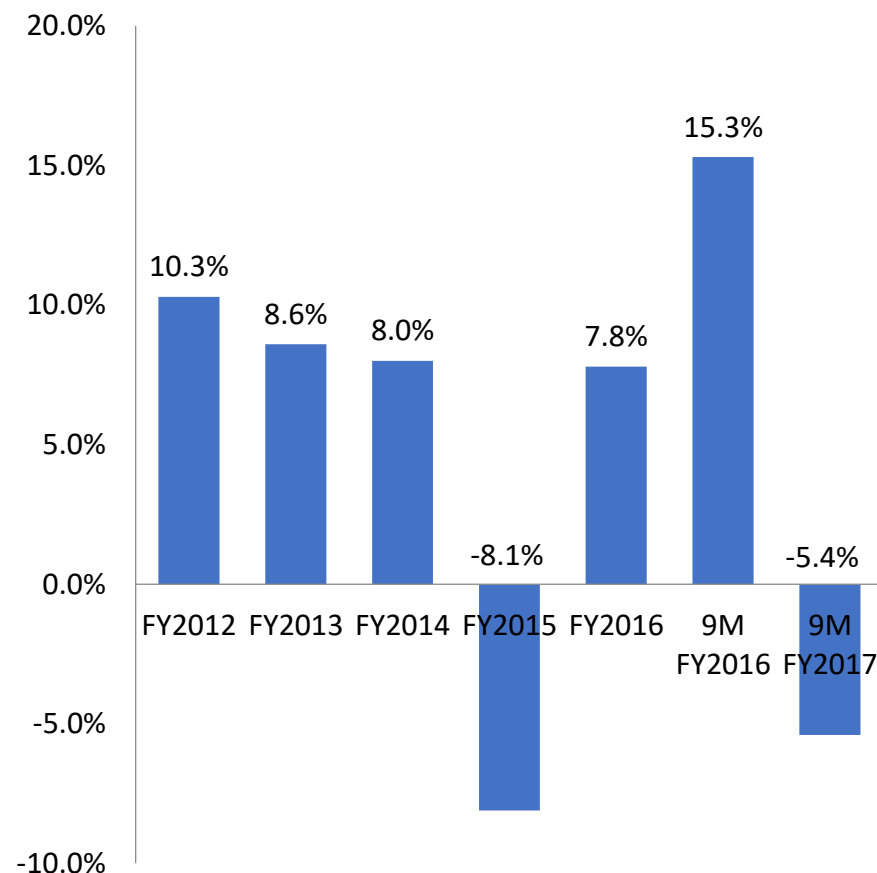
5-Year Profit Margins

- Net profit/(loss) attributable to owners of the Company

Net profit



Net profit margin

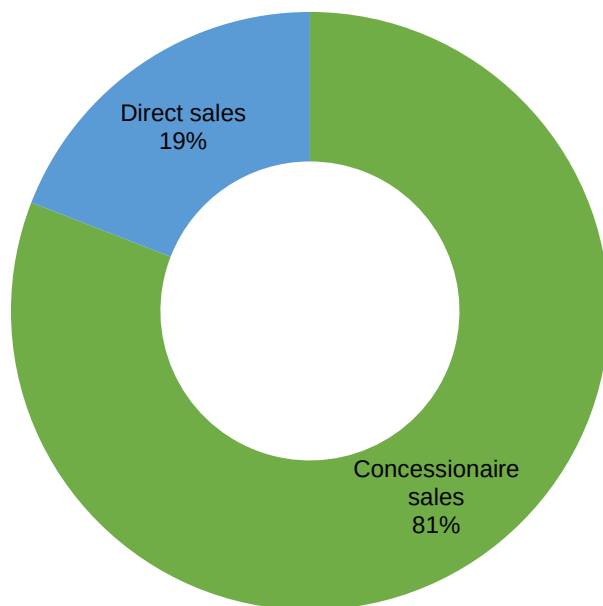


Operational highlights

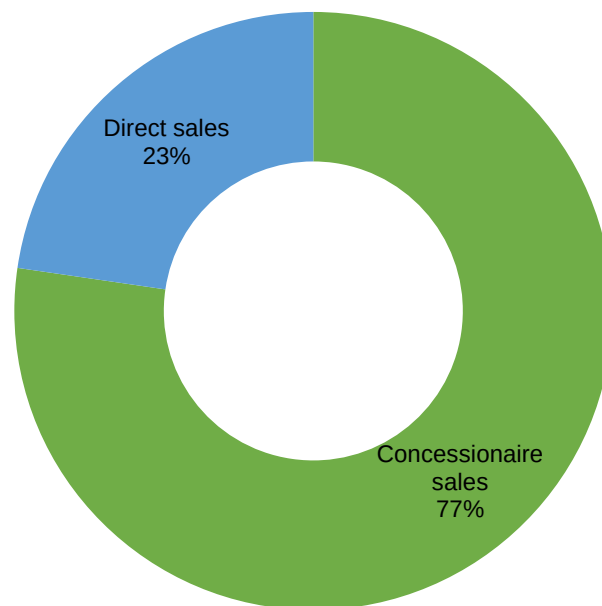


Merchandise sales mix

9MFY2016

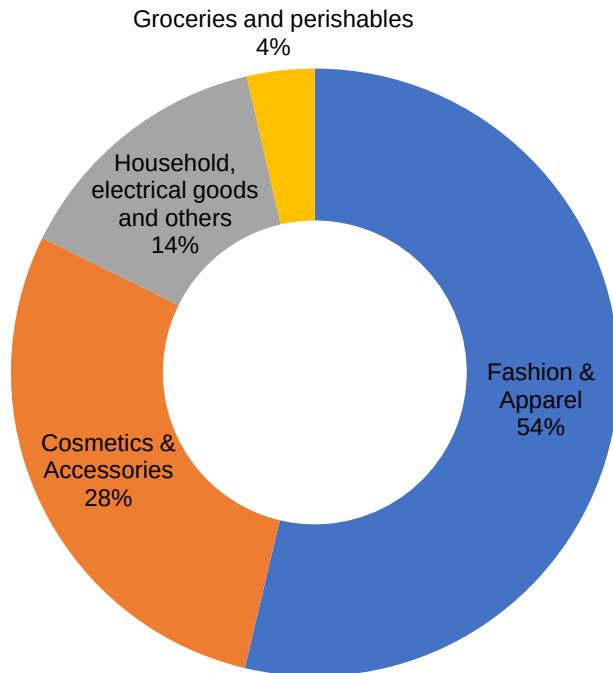


9MFY2017

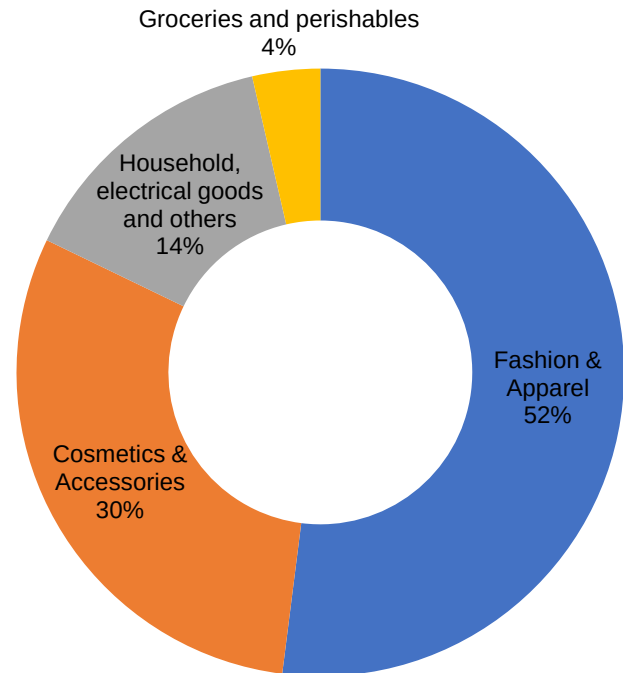


Merchandise sales by segment

9MFY2016

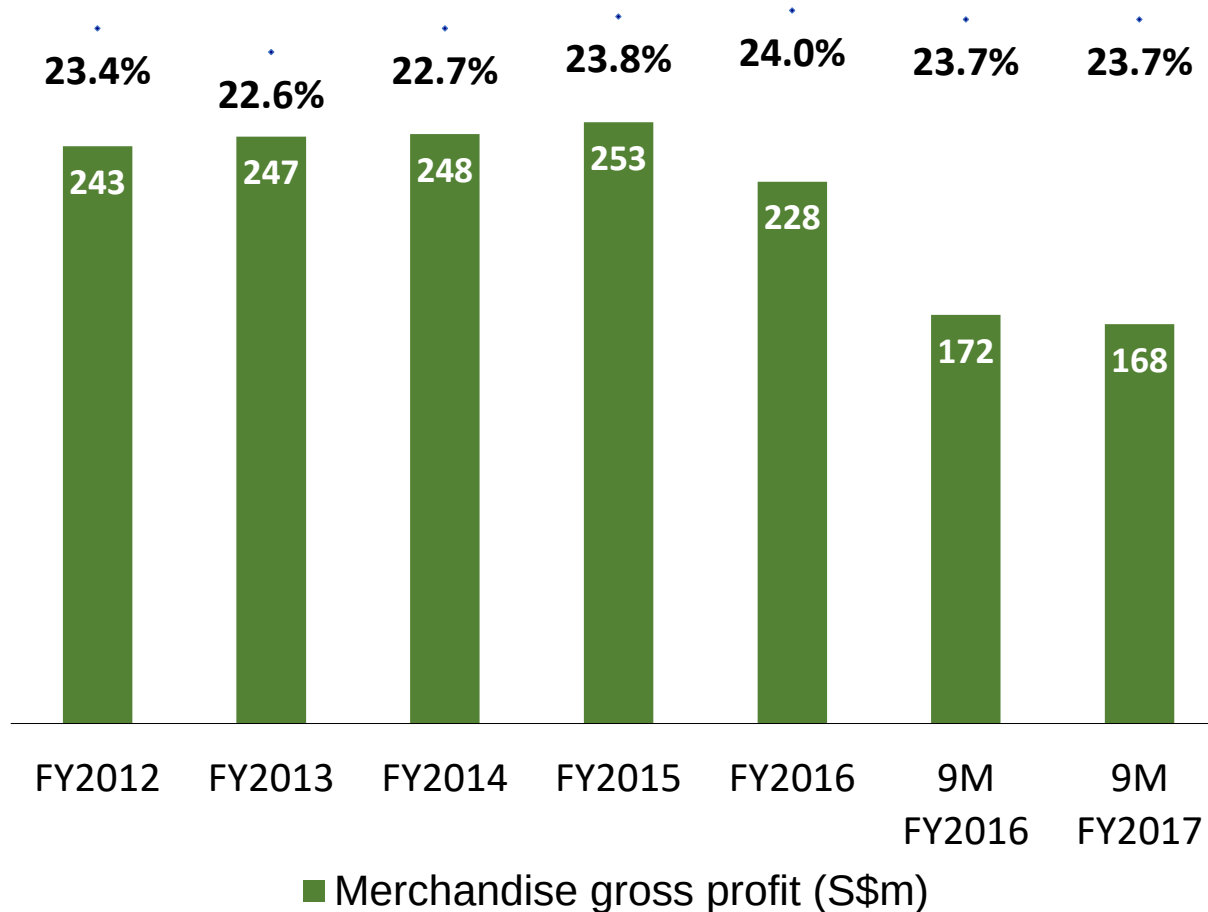


9MFY2017



5-Year Merchandise Gross Margin

Merchandise gross margin (including both direct sales and concessionaire sales)



Geographic Footprint

- department stores



Malaysia

Number of stores¹: 45
GFA: 527,000 sqm



Vietnam

Number of stores¹: 7
GFA: 128,000 sqm



Indonesia

Number of stores¹: 17
GFA: 150,000 sqm



Myanmar

Number of store¹: 1
GFA: 4,000 sqm



¹ Number of stores as at 31 March 2017

Expansion plan



Expansion Plan

- department store openings in FY2017/2018

Location	FY2017 Approx. GFA	Location	FY2018 Approx. GFA
<u>Malaysia</u>	(sq.m)	<u>Malaysia</u>	(sq.m)
1. MyTown, Kuala Lumpur*	13,952	1. Kuantan City Mall, Kuantan (Q1FY2018)^	12,261
2. Sunway Velocity, Kuala Lumpur*	12,441	2. Evo Shopping Mall, Bangi (Q2FY2018)^	7,726
		3. M Square, Puchong +	35,316
Sub-total	26,393	Sub-total	55,303
<u>Indonesia</u>		<u>Indonesia</u>	
3. Resinda Park Mall, Karawang*	8,266	4. Gresik Icon Mall, Gresik (Q3FY2018)^	6,682
<u>Myanmar</u>		<u>Cambodia</u>	
4. Junction Square, Yangon*	3,667	5. Parkson Cambodia, Phnom Penh +	36,500
Total	38,326	Total	98,485

* opened

^ opening dates shown are indicative only based on dates provided by mall owners

+ opening dates to be advised by mall owners

Appendix: Store count and Gross Floor Area

Store Count and Gross Floor Area (“GFA”)

- department stores

	31.03.2017	30.06.2016	Openings	Closures	Change
Malaysia ¹	45	44	2	(1)	1
GFA (sqm)	527,000	518,000			
Vietnam ²	7	8	-	(1)	(1)
GFA (sqm)	128,000	141,000			
Indonesia ³	17	16	2	(1)	1
GFA (sqm)	150,000	158,000			
Myanmar	1	1	1	(1)	-
GFA (sqm)	4,000	4,000			
GROUP	70	69	5	(4)	1
GFA (sqm)	809,000	821,000			

¹ Includes 1 supermarket inside Parkson department store as at 31 March 2017

² Includes 2 managed stores as at 31 March 2017

³ Includes 2 supermarkets as at 31 March 2017

Store Count and Gross Floor Area (“GFA”)

- department stores (cont’d)

Summary of department store openings / closures	Country	Commenced / ceased operation
Openings		
- Sunway Velocity, Kuala Lumpur	Malaysia	Dec 2016
- MyTown, Kuala Lumpur	Malaysia	Mar 2017
- Parkson Gourmet Mart, Jakarta	Indonesia	Oct 2016
- Centro Resinda Park Mall, Karawang	Indonesia	Mar 2017
- Junction Square, Yangon	Myanmar	Mar 2017
Closures		
- Perda City Mall, Butterworth	Malaysia	Aug 2016
- Viet Tower, Hanoi (managed store)	Vietnam	Dec 2016
- Centro Grage Mall, Cirebon	Indonesia	Mar 2017
- FMI Centre, Yangon	Myanmar	Jan 2017

Store Count and Gross Floor Area (“GFA”)

- other retail outlets

Malaysia	31.03.2017	30.06.2016	Openings	Closures	Change
Shoes Gallery / Homes	3	2	1	-	1
GFA (sqm)	15,000	12,000			
LOL outlets ¹	11	5	6	-	6
GFA (sqm)	7,100	4,400			
Korean brands outlets ²	2	-	2	-	2
GFA (sqm)	3,200	-			
MDS outlet	1	-	1	-	1
GFA (sqm)	100	-			
TOTAL	17	7	10	-	10
GFA (sqm)	25,400	16,400			

¹ Includes 4 outlets inside Parkson department store

² Comprises SPAO, MIXXO, WHO.A.U, SHOOPEN

THANK YOU

