



PARKSON RETAIL ASIA LIMITED

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

**Unaudited Condensed Interim Financial Statements for the
Second Quarter and Six Months ended 30 June 2025**

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Parkson Retail Asia Limited
Unaudited Condensed Interim Financial Statements
For the second quarter and six months ended 30 June 2025

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

	Note	Group					
		Quarter ended			Period ended		
		30.06.2025	30.06.2024	+/(-)	30.06.2025	30.06.2024	+/(-)
		S\$'000	S\$'000	%	S\$'000	S\$'000	%
Revenue	5	42,258	48,639	(13.1)	109,418	110,629	(1.1)
Other items of income							
- Finance income		1,014	1,024	(1.0)	2,250	2,007	12.1
- Other income		1,270	573	>100	2,214	1,378	60.7
Items of expense							
- Changes in merchandise inventories and consumables		(14,239)	(15,087)	(5.6)	(32,382)	(33,250)	(2.6)
- Employee related expense		(9,984)	(9,802)	1.9	(19,984)	(18,632)	7.3
- Depreciation of right-of-use assets		(9,520)	(8,768)	8.6	(19,131)	(17,506)	9.3
- Depreciation of property, plant and equipment		(1,548)	(1,514)	2.2	(3,216)	(3,004)	7.1
- Promotional and advertising expense		(131)	(223)	(41.3)	(624)	(629)	(0.8)
- Operating lease expenses		(804)	(771)	4.3	(1,920)	(2,298)	(16.4)
- Interest expense on lease liabilities		(2,613)	(2,911)	(10.2)	(5,416)	(5,795)	(6.5)
- Finance costs		(93)	(55)	69.1	(169)	(109)	55.0
- Other expenses		(5,165)	(4,344)	18.9	(10,669)	(9,524)	12.0
Total expenses		(44,097)	(43,475)	1.4	(93,511)	(90,747)	3.0
Profit before tax	7	445	6,761	(93.4)	20,371	23,267	(12.4)
Income tax expense	8	(361)	(2,071)	(82.6)	(5,602)	(6,452)	(13.2)
Profit for the period, net of tax		84	4,690	(98.2)	14,769	16,815	(12.2)
Other comprehensive loss							
- Foreign currency translation		(220)	(2,873)	(92.3)	(976)	(2,667)	(63.4)
Total comprehensive (loss)/income		(136)	1,817	>(100)	13,793	14,148	(2.5)
(Loss)/profit attributable to:							
Owners of the Company		(100)	4,691	>(100)	14,586	16,817	(13.3)
Non-controlling interests		184	(1)	>100	183	(2)	>100
		84	4,690	(98.2)	14,769	16,815	(12.2)
Total comprehensive (loss)/income attributable to:							
Owners of the Company		(319)	1,812	>(100)	13,609	14,146	(3.8)
Non-controlling interests		183	5	>100	184	2	>100
		(136)	1,817	>(100)	13,793	14,148	(2.5)
(Loss)/earnings per share for (loss)/profit attributable to owners of the Company							
Basic and diluted (cent)		(0.01)	0.70	>(100)	2.16	2.50	(13.6)

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B. Condensed Interim Statements of Financial Position

	Note	Group		Company	
		30.06.2025	31.12.2024	30.06.2025	31.12.2024
		S\$'000	S\$'000	S\$'000	S\$'000
Non-current assets					
Property, plant and equipment	10	19,230	20,813	-	-
Right-of-use assets	11	108,140	128,567	-	-
Investment in subsidiaries		-	-	116,512	117,580
Deferred tax assets		6,728	6,789	-	-
Other receivables	12	3,978	4,889	-	-
Prepayments		6	-	-	-
Intangible assets		57	58	-	-
Investment security	13	259	262	-	-
		138,398	161,378	116,512	117,580
Current assets					
Inventories		25,874	29,460	-	-
Trade and other receivables		8,280	8,197	4,369	4,165
Prepayments		3,123	457	5	-
Tax recoverable		42	50	-	-
Cash and short-term deposits	14	77,294	124,897	1,193	22
		114,613	163,061	5,567	4,187
Total assets		253,011	324,439	122,079	121,767
Current liabilities					
Trade and other payables		70,379	102,647	22,452	22,519
Other liabilities		9,641	14,367	244	247
Contract liabilities		5,626	6,439	-	-
Provisions		2,039	1,691	-	-
Tax payables		1,878	872	-	-
Loans and borrowings	15	1,438	1,854	-	-
Lease liabilities		29,751	36,069	-	-
		120,752	163,939	22,696	22,766
Net current liabilities		(6,139)	(878)	(17,129)	(18,579)
Non-current liabilities					
Other payables		268	348	-	-
Provisions		5,196	5,613	-	-
Lease liabilities		101,317	115,902	-	-
		106,781	121,863	-	-
Total liabilities		227,533	285,802	22,696	22,766
Net assets		25,478	38,637	99,383	99,001
Equity attributable to owners of the Company					
Share capital	16	231,676	231,676	231,676	231,676
Treasury shares	16	(549)	(549)	(549)	(549)
Other reserves		(157,693)	(156,716)	(55,797)	(54,742)
Accumulated losses		(48,039)	(35,673)	(75,947)	(77,384)
		25,395	38,738	99,383	99,001
Non-controlling interests		83	(101)	-	-
Total equity		25,478	38,637	99,383	99,001

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C. Condensed Interim Statements of Changes in Equity

	Attributable to owners of the Company					Non-controlling interests	Equity, total
	Share capital (Note 16)	Treasury shares (Note 16)	Other reserves (Note A)	Accumulated losses	Equity attributable to owners of the Company, total		
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
<u>Group</u>							
At 01.01.2025	231,676	(549)	(156,716)	(35,673)	38,738	(101)	38,637
Profit for the period	-	-	-	14,586	14,586	183	14,769
Foreign currency translation	-	-	(977)	-	(977)	1	(976)
Total comprehensive (loss)/income for the period	-	-	(977)	14,586	13,609	184	13,793
Dividends	-	-	-	(26,952)	(26,952)	-	(26,952)
At 30.06.2025	231,676	(549)	(157,693)	(48,039)	25,395	83	25,478
At 01.01.2024	231,676	(549)	(160,595)	(59,796)	10,736	(91)	10,645
Profit/(loss) for the period	-	-	-	16,817	16,817	(2)	16,815
Foreign currency translation	-	-	(2,952)	281	(2,671)	4	(2,667)
Total comprehensive (loss)/income for the period	-	-	(2,952)	17,098	14,146	2	14,148
At 30.06.2024	231,676	(549)	(163,547)	(42,698)	24,882	(89)	24,793

	Share capital (Note 16)	Treasury shares (Note 16)	Other reserves (Note A)	Accumulated losses	Equity, total
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
<u>Company</u>					
At 01.01.2025	231,676	(549)	(54,742)	(77,384)	99,001
Profit for the period	-	-	-	28,389	28,389
Foreign currency translation	-	-	(1,055)	-	(1,055)
Total comprehensive (loss)/income for the period	-	-	(1,055)	28,389	27,334
Dividends	-	-	-	(26,952)	(26,952)
At 30.06.2025	231,676	(549)	(55,797)	(75,947)	99,383
At 01.01.2024	231,676	(549)	(60,396)	(82,580)	88,151
Loss for the period	-	-	-	(385)	(385)
Foreign currency translation	-	-	65	-	65
Total comprehensive income/(loss) for the period	-	-	65	(385)	(320)
At 30.06.2024	231,676	(549)	(60,331)	(82,965)	87,831

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

Note A: Other reserves

	Group		Company	
	30.06.2025	30.06.2024	30.06.2025	30.06.2024
	S\$'000	S\$'000	S\$'000	S\$'000
Foreign currency translation reserve	(40,209)	(45,998)	(55,797)	(60,331)
Capital contribution from ultimate holding company	8,833	8,833	-	-
Merger reserve	(123,753)	(123,753)	-	-
Others	(2,564)	(2,629)	-	-
	(157,693)	(163,547)	(55,797)	(60,331)

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D. Condensed Interim Consolidated Statement of Cash Flows

	Group			
	Quarter ended		Period ended	
	30.06.2025	30.06.2024	30.06.2025	30.06.2024
	S\$'000	S\$'000	S\$'000	S\$'000
<u>Operating activities</u>				
Profit before tax	445	6,761	20,371	23,267
Adjustments for:				
- Depreciation of property, plant and equipment ("PPE")	1,548	1,514	3,216	3,004
- Impairment of PPE	18	-	18	-
- PPE written off	-	1	1	9
- Gain on disposal of PPE	-	(13)	-	(14)
- Depreciation of right-of-use assets	9,520	8,768	19,131	17,506
- Write-back of expected credit loss on trade and other receivables	(1)	-	(2)	-
- Amortisation of deferred lease income	(6)	-	(6)	-
- (Write-back of)/allowance for inventory shrinkages	(430)	(385)	79	73
- Gain on deconsolidation of a subsidiary	(685)	-	(685)	-
- Interest expense on lease liabilities	2,613	2,911	5,416	5,795
- Finance costs	93	55	169	109
- Finance income	(1,014)	(1,024)	(2,250)	(2,007)
Operating cash flows before changes in working capital	12,101	18,588	45,458	47,742
Changes in working capital:				
- Inventories	1,762	211	3,244	(528)
- Receivables and prepayments	7,023	6,707	(2,030)	3,531
- Payables and other liabilities	(54,577)	(40,259)	(36,860)	(24,868)
Cash (used in)/generated from operations	(33,691)	(14,753)	9,812	25,877
Interest received	964	986	2,148	1,930
Interest paid	(30)	(10)	(38)	(19)
Income tax paid	(2,217)	(2,313)	(4,581)	(4,988)
Net cash (used in)/generated from operating activities	(34,974)	(16,090)	7,341	22,800
<u>Investing activities</u>				
Proceeds from disposal of PPE	-	23	-	24
Purchase of PPE	(1,028)	(457)	(1,964)	(2,223)
Proceeds from net investments in sublease	87	54	174	107
Net cash used in investing activities	(941)	(380)	(1,790)	(2,092)
<u>Financing activities</u>				
Dividends paid on ordinary shares	(26,952)	-	(26,952)	-
Interest paid	(2,614)	(2,911)	(5,417)	(5,795)
Proceeds from bank borrowings	1,392	438	1,591	788
Repayment of bank borrowings	(1,686)	(376)	(2,216)	(1,866)
Repayment to related companies	-	-	-	(302)
Payment of principal portion of lease liabilities	(9,741)	(8,366)	(19,376)	(16,496)
Increase in bank overdraft	171	101	113	107
Net cash used in financing activities	(39,430)	(11,114)	(52,257)	(23,564)
Net decrease in cash and cash equivalents	(75,345)	(27,584)	(46,706)	(2,856)
Cash and cash equivalents at beginning of the quarter/period	142,735	117,000	115,059	92,585
Effects of currency translation on cash and cash equivalents	(154)	262	(1,117)	(51)
Cash and cash equivalents at end of the quarter/period (Note 14)	67,236	89,678	67,236	89,678

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E. Notes to the Condensed Interim Consolidated Financial Statements

1. Corporate information

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

These condensed interim consolidated financial statements as at and for the six months ended 30 June 2025 comprise the financial statements of the Company and its subsidiaries (collectively, the “**Group**”).

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

- a. Operation of department stores;
- b. Trading of apparels and consumer products; and
- c. Investment holding and others.

2. Going concern basis

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

- i. the Group is able to generate sufficient cash flows from its operations to pay its liabilities as and when they fall due;
- ii. the management manages cashflow of the subsidiaries on overall Group basis, where necessary;
- iii. there are no changes in the credit terms granted by suppliers and the Group intends to adhere to the average trade payable turnover days consistent with prior years; and
- iv. the Group has cash and short-term deposits of S\$77,294,000 as at 30 June 2025.

3. Basis of preparation

The condensed interim financial statements for the six months ended 30 June 2025 have been prepared in accordance with Singapore Financial Reporting Standards (International) (“**SFRS(I)**”) 1-34 *Interim Financial Reporting* issued by the Accounting Standards Council Singapore. The condensed interim financial statements do not include all the information required for a complete set of financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the last annual financial statements for the year ended 31 December 2024.

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

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

3.1. New and amended standards adopted by the Group

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

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

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

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3. Basis of preparation (cont'd)

3.2. Use of judgements and estimates

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

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

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

4. Seasonal operations

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

5. Segment and revenue information

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

5.1. Reportable segments

<u>Quarter ended 30 June 2025</u>	Retail stores Malaysia S\$'000	Investment holding and others S\$'000	Total S\$'000
Revenue:			
Sales to external customers	41,579	679	42,258
Segment results:			
Depreciation of:			
- Right-of-use assets	(9,460)	(60)	(9,520)
- Property, plant and equipment	(1,546)	(2)	(1,548)
Impairment losses on:			
- Property, plant and equipment	-	(18)	(18)
Operating lease expenses	(780)	(24)	(804)
Finance income	859	155	1,014
Interest and finance costs	(2,698)	(8)	(2,706)
Gain on deconsolidation of a subsidiary	-	685	685
Income tax expense	(361)	-	(361)
Segment profit/(loss)	433	(349)	84
Other segment information:			
Additions to non-current assets	904	-	904
Segment assets	240,893	4,327	245,220
Segment liabilities	218,413	7,135	225,548

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5. Segment and revenue information (cont'd)

5.1. Reportable segments (cont'd)

<u>Quarter ended 30 June 2024</u>	Retail stores Malaysia S\$'000	Investment holding and others S\$'000	Total S\$'000
Revenue:			
Sales to external customers	47,996	643	48,639
Segment results:			
Depreciation of:			
- Right-of-use assets	(8,722)	(46)	(8,768)
- Property, plant and equipment	(1,513)	(1)	(1,514)
Operating lease expenses	(767)	(4)	(771)
Finance income	1,023	1	1,024
Interest and finance costs	(2,952)	(14)	(2,966)
Income tax expense	(2,071)	-	(2,071)
Segment profit/(loss)	6,519	(1,829)	4,690
Other segment information:			
Additions to non-current assets	872	33	905
Segment assets	273,223	3,560	276,783
Segment liabilities	244,365	10,479	254,844

<u>Period ended 30 June 2025</u>	Retail stores Malaysia S\$'000	Investment holding and others S\$'000	Total S\$'000
Revenue:			
Sales to external customers	108,032	1,386	109,418
Segment results:			
Depreciation of:			
- Right-of-use assets	(19,011)	(120)	(19,131)
- Property, plant and equipment	(3,212)	(4)	(3,216)
Impairment losses on:			
- Property, plant and equipment	-	(18)	(18)
Operating lease expenses	(1,870)	(50)	(1,920)
Finance income	2,095	155	2,250
Interest and finance costs	(5,566)	(19)	(5,585)
Gain on deconsolidation of a subsidiary	-	685	685
Income tax expense	(5,602)	-	(5,602)
Segment profit/(loss)	16,615	(1,846)	14,769
Other segment information:			
Additions to non-current assets	1,854	-	1,854
Segment assets	240,893	4,327	245,220
Segment liabilities	218,413	7,135	225,548

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5. Segment and revenue information (cont'd)

5.1. Reportable segments (cont'd)

<u>Period ended 30 June 2024</u>	Retail stores Malaysia S\$'000	Investment holding and others S\$'000	Total S\$'000
Revenue:			
Sales to external customers	109,400	1,229	110,629
Segment results:			
Depreciation of:			
- Right-of-use assets	(17,415)	(91)	(17,506)
- Property, plant and equipment	(3,002)	(2)	(3,004)
Operating lease expenses	(2,291)	(7)	(2,298)
Finance income	2,006	1	2,007
Interest and finance costs	(5,874)	(30)	(5,904)
Income tax expense	(6,452)	-	(6,452)
Segment profit/(loss)	20,369	(3,554)	16,815
Other segment information:			
Additions to non-current assets	3,200	34	3,234
Segment assets	273,223	3,560	276,783
Segment liabilities	244,365	10,479	254,844

5.2. Disaggregation of revenue

<u>Quarter ended</u>	30.06.2025	30.06.2024
	S\$'000	S\$'000
Sale of goods - direct sales	19,814	21,563
Commissions from concessionaire sales	21,308	25,960
Food and beverage	679	643
Others	88	102
Revenue from contracts with customers	41,889	48,268
Rental income	369	371
Total revenue	42,258	48,639
Timing of transfer of goods or services		
Total revenue from contracts with customers		
- at point in time	41,889	48,268

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5. Segment and revenue information (cont'd)

5.2. Disaggregation of revenue (cont'd)

Period ended	30.06.2025	30.06.2024
	S\$'000	S\$'000
Sale of goods - direct sales	45,110	46,797
Commissions from concessionaire sales	61,965	61,635
Food and beverage	1,386	1,229
Others	242	247
Revenue from contracts with customers	108,703	109,908
Rental income	715	721
Total revenue	109,418	110,629
Timing of transfer of goods or services		
Total revenue from contracts with customers - at point in time	108,703	109,908

6. Financial assets and financial liabilities

Set out below is an overview of the financial assets and financial liabilities of the Group and the Company as at 30 June 2025 and 31 December 2024:

	Group		Company	
	30.06.2025	31.12.2024	30.06.2025	31.12.2024
	S\$'000	S\$'000	S\$'000	S\$'000
Financial assets				
Trade and other receivables	11,127	11,796	4,369	4,165
Cash and short-term deposits	77,294	124,897	1,193	22
Total financial assets carried at amortised cost	88,421	136,693	5,562	4,187
Financial liabilities				
Trade and other payables	70,532	102,868	22,452	22,519
Other liabilities	9,641	14,367	244	247
Provisions	7,235	7,304	-	-
Loans and borrowings	1,438	1,854	-	-
Lease liabilities	131,068	151,971	-	-
Total financial liabilities carried at amortised cost	219,914	278,364	22,696	22,766

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7. Profit before tax

7.1. Significant items

	Group			
	Quarter ended		Period ended	
	30.06.2025	30.06.2024	30.06.2025	30.06.2024
	S\$'000	S\$'000	S\$'000	S\$'000
Income				
Finance income	1,014	1,024	2,250	2,007
Gain on deconsolidation of a subsidiary	685	-	685	-
Expenses				
Depreciation of:				
- right-of-use assets	9,520	8,768	19,131	17,506
- property, plant and equipment	1,548	1,514	3,216	3,004
Operating lease expenses	804	771	1,920	2,298
Finance costs (including interest expense on lease liabilities)	2,706	2,966	5,585	5,904
(Write-back of)/allowance for inventory shrinkages	(430)	(385)	79	73

7.2. Related party transactions

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

	Group			
	Quarter ended		Period ended	
	30.06.2025	30.06.2024	30.06.2025	30.06.2024
	S\$'000	S\$'000	S\$'000	S\$'000
Sale of vouchers	7	6	43	25
Sale of goods and services	32	40	74	87
Purchase of goods and services	557	650	1,694	1,744
Income from bonus points redemption by cardholders	256	298	1,073	1,024
Marketing fee expense for bonus points issued	290	337	787	821
Rental of office and commercial space	91	48	143	96
Royalty expense	27	25	54	51
Management fee income	88	101	242	247

8. Income tax expense

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

	Group			
	Quarter ended		Period ended	
	30.06.2025	30.06.2024	30.06.2025	30.06.2024
	S\$'000	S\$'000	S\$'000	S\$'000
Current and deferred income tax	361	2,071	5,602	6,452

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9. Net assets value

	Group		Company	
	30.06.2025	31.12.2024	30.06.2025	31.12.2024
Net assets value per ordinary share (S\$)	0.038	0.057	0.147	0.147

10. Property, plant and equipment

During the six months ended 30 June 2025, the Group acquired assets amounting to S\$1,836,000 (30 June 2024: S\$2,200,000).

11. Right-of-use assets

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

During the six months ended 30 June 2025, the Group recognised addition of right-of-use assets amounting to S\$18,000 (30 June 2024: S\$1,034,000).

12. Other receivables (non-current)

	Group	
	30.06.2025	31.12.2024
	S\$'000	S\$'000
Rental deposits	3,179	3,944
Other deposits	151	85
Deferred lease expenses	45	93
Net investments in sublease	603	767
Total other receivables (non-current)	3,978	4,889

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

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

13. Investment security

	Group	
	30.06.2025	31.12.2024
	S\$'000	S\$'000
Financial asset at fair value through other comprehensive income ("FVOCI")		
Equity security (unquoted)		
- Lion Insurance Company Limited	259	262

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

13. Investment security (cont'd)

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

- The following table presented the asset measured at fair value:

	Group			
	Level 1	Level 2	Level 3	Total
	S\$'000	S\$'000	S\$'000	S\$'000
At 30 June 2025				
Financial asset - FVOCI	-	-	259	259
At 31 December 2024				
Financial asset - FVOCI	-	-	262	262

	Group		Company	
	30.06.2025	31.12.2024	30.06.2025	31.12.2024
	S\$'000	S\$'000	S\$'000	S\$'000
Cash at banks	11,515	3,836	1,193	22
Short-term bank deposits	65,779	121,061	-	-
Total cash and short-term deposits	77,294	124,897	1,193	22

	Group	
	30.06.2025	31.12.2024
	S\$'000	S\$'000
Cash and short-term deposits as above	77,294	124,897
Less:		
- pledged deposits	(9,889)	(9,780)
- bank overdraft	(169)	(58)
Cash and cash equivalents	67,236	115,059

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15. Loans and borrowings

	Group	
	30.06.2025	31.12.2024
	S\$'000	S\$'000
<u>Amount repayable within one year or on demand</u>		
Secured:		
- Bank overdraft	169	58
- Banker's acceptance	1,269	1,796
	<u>1,438</u>	<u>1,854</u>

Bank overdraft and banking facilities (including bank guarantee) are secured by short-term deposit of S\$9.9 million (31 December 2024: S\$9.8 million) and a corporate guarantee from a subsidiary.

16. Share capital and treasury shares

	Group and Company	
	No. of shares	
	'000	S\$'000
Balances as at 30.06.2024, 31.12.2024 and 30.06.2025		
Issued and fully paid with no par value	677,300	231,676
Treasury shares	3,500	549
Total excluding treasury shares	<u>673,800</u>	<u>231,127</u>

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

17. Subsequent events

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

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F. Other Information Required by Listing Rule Appendix 7.2

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

The condensed interim statements of financial position of Parkson Retail Asia Limited and its subsidiaries as at 30 June 2025 and the related condensed interim consolidated statement of profit or loss and other comprehensive income, condensed interim statements of changes in equity and condensed interim consolidated statement of cash flows for the period then ended and certain explanatory notes have not been audited or reviewed.

2. Review of performance of the Group

Group Store Count

As at 30 June 2025, the Group's department store network comprised 37 (30 June 2024 : 37) stores spanning approximately 407,000 sqm of Gross Floor Area.

Operating Results

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

	Group					
	Quarter ended			Period ended		
	30.06.2025	30.06.2024	+/(-)	30.06.2025	30.06.2024	+/(-)
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
GSP						
Sale of goods - direct sales	19,814	21,563	(8.1)	45,110	46,797	(3.6)
Sale of goods - concessionaire sales	76,797	93,372	(17.8)	225,909	224,484	0.6
Total merchandise sales	96,611	114,935	(15.9)	271,019	271,281	(0.1)
Consultancy/management service fees	88	102	(13.7)	242	247	(2.0)
Rental income	369	371	(0.5)	715	721	(0.8)
Food and beverage	679	643	5.6	1,386	1,229	12.8
	97,747	116,051	(15.8)	273,362	273,478	(0.0)

The y-o-y total merchandise sales remains relatively consistent with the corresponding period. Merchandise sales mix remained largely concessionaire at 83.4% (2024: 82.7%) while contribution from direct sales was 16.6% (2024: 17.3%).

Food and beverage operations registered a y-o-y increase in sales by 12.8% mainly due to the halal certification obtained last year which enabled higher supply of breads to other retail outlets.

Merchandise gross profit margin stood at 27.9% (2024: 28.0%).

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

Financial Results

Revenue

The components of revenue are as follows:

	Group					
	Quarter ended			Period ended		
	30.06.2025	30.06.2024	+/(−)	30.06.2025	30.06.2024	+/(−)
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
Revenue						
Sale of goods - direct sales	19,814	21,563	(8.1)	45,110	46,797	(3.6)
Commissions from concessionaire sales	21,308	25,960	(17.9)	61,965	61,635	0.5
Consultancy/management service fees	88	102	(13.7)	242	247	(2.0)
Rental income	369	371	(0.5)	715	721	(0.8)
Food and beverage	679	643	5.6	1,386	1,229	12.8
	42,258	48,639	(13.1)	109,418	110,629	(1.1)

Other Items of Income

Finance income increased y-o-y by 12.1% mainly due to increase in interest income from bank deposits.

Other income increased y-o-y by 60.7% mainly due to gain from deconsolidation of a subsidiary.

Expenses

Total expenses of the Group increased y-o-y by 3.0% and analysis of major expenses are as follows:

Employee related expense

Employee related expense increased y-o-y by 7.3% mainly due to the increase of minimum wage and the expansion of the private label business.

Depreciation of right-of-use assets

Depreciation of right-of-use assets increased y-o-y by 9.3% mainly due the expansion of the private label business.

Depreciation of property, plant and equipment

Depreciation of property, plant and equipment increased y-o-y by 7.1% mainly due the expansion of the private label business.

Operating lease expenses

Operating lease expenses decreased y-o-y by 16.4% mainly due to the conversion of some short term leases to right-of-use assets.

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

Other expenses

Other expenses for the current year comprised mainly (a) selling and distribution expenses amounted to S\$2.5 million; (b) general and administrative expenses amounted to S\$3.3 million; and (c) other operating expenses amounted to S\$4.9 million. The increase in other expenses was mainly due to the expansion of the private label business.

Profit before tax

The Group recorded a lower profit before tax for the current period of S\$20.4 million compared with S\$23.3 million of the corresponding period, mainly due to lower sales and higher expenses during the period.

Group Statement of Financial Position

The Group was in a net current liabilities ("NCL") position of S\$6.1 million as at 30 June 2025 due to dividends paid to shareholders on 12 June 2025 which reduced its cash and short-term deposits. As a result, total equity of the Group decreased to S\$25.5 million as at 30 June 2025 from S\$38.6 million as at 31 December 2024.

Right-of-use assets decreased to S\$108.1 million due to amortisation.

Inventories decreased to S\$25.9 million due to inventory management for the low sale season.

Prepayments (current) increased to S\$3.1 million due to rental payments made to landlords.

Cash and short-term deposits decreased to S\$77.3 million mainly due to dividends paid and repayment to creditors during the period.

Trade and other payables (current) decreased to S\$70.4 million mainly due to repayment.

Other liabilities (current) decreased to S\$9.6 million mainly due to repayment.

Lease liabilities (current and non-current) decreased to S\$29.8 million and S\$101.3 million respectively due to repayment.

Accumulated losses increased to S\$48.0 million, taking into account dividends paid during the period.

Company Statement of Financial Position

Cash and short-term deposits increased to S\$1.2 million due to dividend received from a subsidiary.

Group Cash Flows

For the current period, the Group recorded net cash inflow from operating activities of S\$7.3 million, net cash used in investing activities of S\$1.8 million and net cash used in financing activities of S\$52.2 million, resulting in a net decrease in cash and cash equivalents of S\$46.7 million (2024 : S\$2.9 million). The net decrease in cash and cash equivalents was mainly due to dividends paid and repayment to creditors during the period.

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3. Material litigations

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

Parkson (Cambodia) Co Ltd

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

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

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

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

5. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months

In addition to the ongoing trade war and uncertainty surrounding the U.S. tariff which have dampened consumer sentiment, the inflationary pressures, rising cost of living and shifting consumer spending habits continue to pose challenges to the Group's operations and financial performance.

The Group will continue to navigate these challenges cautiously, focusing on improving and sustaining its performance in this dynamic environment.

6. Dividend

(a) Current Financial Period Reported On

None

(b) Corresponding Period of the Immediately Preceding Financial Year

None.

(c) Date payable

Not applicable.

(d) Books closure date

Not applicable.

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

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

8. Interested person transactions for the financial period ended 30 June 2025

Name of interested person	Nature of Relationship	Aggregate value of all interested person transactions during the financial period under review (excluding transactions less than S\$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920) S\$'000	Aggregate value of all interested person transactions conducted under the shareholders' mandate pursuant to Rule 920 S\$'000
Lion Corporation Berhad ⁽¹⁾	Associate of Tan Sri Cheng Heng Jem, a director and controlling shareholder of the Company ("Tan Sri Cheng")	-	1,964
Parkson Holdings Berhad Group ⁽²⁾	Associate of Tan Sri Cheng	54 ^{(i)*}	1,757 ⁽ⁱⁱ⁾
Lion Posim Berhad ⁽³⁾	Associate of Tan Sri Cheng	-	192
Visionwell Sdn Bhd ⁽⁴⁾	Associate of Tan Sri Cheng	-	143

Notes:

- (1) (a) Marketing fee payable for bonus points issued and amount received/receivable for point redemption made by cardholders totalling S\$1.860 million; and
(b) Purchase of goods and security equipment, and procurement of security service totalling S\$0.104 million.
- (2) (i) Royalty expense totalling S\$0.054 million.
(ii) (a) Management fee income totalling S\$0.242 million; and
(b) Net purchase of merchandise, concessionaire sales and sale of gift vouchers totalling S\$1.515 million.
- (3) Purchase of building materials and merchandise and sale of gift vouchers.
- (4) Rental of office space.

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

9. Confirmation by Directors

The Directors confirm that, to the best of their knowledge, nothing has come to the attention of the Board of Directors which may render the financial results of Parkson Retail Asia Limited for the second quarter and six months ended 30 June 2025 to be false or misleading in any material aspects.

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

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

For and on behalf of the Board
PARKSON RETAIL ASIA LIMITED

Tan Sri Cheng Heng Jem
Executive Chairman

Singapore
12 August 2025