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 2026

Table of Contents | Page

Parkson Retail Asia Limited
Unaudited Condensed Interim Financial Statements
For the second quarter and six months ended 30 June 2026

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

	Note	Group					
		Quarter ended			Period ended		
		30.06.2026	30.06.2025	+/(-)	30.06.2026	30.06.2025	+/(-)
		S$'000	S$'000	%	S$'000	S$'000	%
Revenue	5	40,142	42,258	(5.0)	109,664	109,418	0.2
Other items of income							
- Finance income		1,115	1,014	10.0	2,347	2,250	4.3
- Other income		786	1,270	(38.1)	1,607	2,214	(27.4)
Items of expense							
- Changes in merchandise inventories and consumables		(12,660)	(14,239)	(11.1)	(30,340)	(32,382)	(6.3)
- Employee related expense		(10,561)	(9,984)	5.8	(21,917)	(19,984)	9.7
- Depreciation of right-of-use assets		(9,702)	(9,520)	1.9	(20,277)	(19,131)	6.0
- Depreciation of property, plant and equipment		(1,373)	(1,548)	(11.3)	(2,796)	(3,216)	(13.1)
- Promotional and advertising expenses		(270)	(131)	>100	(837)	(624)	34.1
- Operating lease expenses		(1,485)	(804)	84.7	(3,395)	(1,920)	76.8
- Interest expense on lease liabilities		(2,687)	(2,613)	2.8	(5,255)	(5,416)	(3.0)
- Finance costs		(17)	(93)	(81.7)	(82)	(169)	(51.5)
- Other expenses		(4,528)	(5,165)	(12.3)	(9,899)	(10,669)	(7.2)
Total expenses		(43,283)	(44,097)	(1.8)	(94,798)	(93,511)	1.4
(Loss)/profit before tax	7	(1,240)	445	>(100)	18,820	20,371	(7.6)
Income tax credit/(expense)	8	160	(361)	>100	(4,852)	(5,602)	(13.4)
(Loss)/profit for the period, net of tax		(1,080)	84	>(100)	13,968	14,769	(5.4)
Other comprehensive loss							
- Foreign currency translation		(1,169)	(220)	>100	(1,468)	(976)	50.4
Total comprehensive (loss)/income		(2,249)	(136)	>100	12,500	13,793	(9.4)
(Loss)/profit attributable to:							
Owners of the Company		(1,080)	(100)	>100	13,968	14,586	(4.2)
Non-controlling interests		-	184	(100)	-	183	(100)
		(1,080)	**84**	>(100)	**13,968**	**14,769**	(5.4)
Total comprehensive (loss)/income attributable to:							
Owners of the Company		(2,109)	(319)	>100	12,640	13,609	(7.1)
Non-controlling interests		(140)	183	>(100)	(140)	184	>(100)
		(2,249)	(136)	>100	12,500	13,793	(9.4)
(Loss)/earnings per share for (loss)/profit attributable to owners of the Company							
Basic and diluted (cent)		(0.16)	(0.01)	>100	2.07	2.16	(4.2)

B. Condensed Interim Statements of Financial Position

	Note	Group		Company	
		30.06.2026	**31.12.2025**	**30.06.2026**	**31.12.2025**
		S$'000	S$'000	S$'000	S$'000
Non-current assets					
Property, plant and equipment	10	18,914	20,037	-	-
Right-of-use assets	11	126,045	111,696	-	-
Investments in subsidiaries		-	-	122,092	122,182
Deferred tax assets		8,262	8,268	-	-
Other receivables	12	4,708	3,888	-	-
Intangible assets		224	60	-	-
Investment security	13	272	272	-	-
		158,425	144,221	122,092	122,182
Current assets					
Inventories		24,975	26,895	-	-
Trade and other receivables		7,063	9,353	198	-
Prepayments		831	892	3	-
Tax recoverable		81	114	-	-
Cash and short-term deposits	14	92,300	120,118	376	778
		125,250	157,372	577	778
Total assets		**283,675**	**301,593**	**122,669**	**122,960**
Current liabilities					
Trade and other payables		71,654	100,253	17,577	19,748
Other liabilities		11,545	14,365	129	129
Contract liabilities		5,400	6,360	-	-
Provisions		1,067	2,106	-	-
Tax payables		3,719	2,037	-	-
Loans and borrowings	15	1,695	1,978	-	-
Lease liabilities		39,920	34,394	-	-
		135,000	161,493	17,706	19,877
Net current liabilities		**(9,750)**	**(4,121)**	**(17,129)**	**(19,099)**
Non-current liabilities					
Other payables		236	305	-	-
Provisions		6,098	5,243	-	-
Lease liabilities		109,820	101,055	-	-
		116,154	106,603	-	-
Total liabilities		**251,154**	**268,096**	**17,706**	**19,877**
Net assets		**32,521**	**33,497**	**104,963**	**103,083**
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		(157,352)	(156,024)	(51,696)	(51,247)
Accumulated losses		(41,255)	(41,747)	(74,468)	(76,797)
		32,520	33,356	104,963	103,083
Non-controlling interests		1	141	-	-
Total equity		**32,521**	**33,497**	**104,963**	**103,083**

C. Condensed Interim Statements of Changes in Equity

	Attributable to owners of the Company						
	Share capital (Note 16)	Treasury shares (Note 16)	Other reserves (Note A)	Accumulated losses	Equity attributable to owners of the Company, total	Non-controlling interests	Equity, total
	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000
Group							
At 01.01.2026	**231,676**	**(549)**	**(156,024)**	**(41,747)**	**33,356**	**141**	**33,497**
Profit for the period	-	-	-	13,968	13,968	-	13,968
Foreign currency translation	-	-	(1,328)	-	(1,328)	(140)	(1,468)
Total comprehensive (loss)/income for the period	-	-	(1,328)	13,968	12,640	(140)	12,500
Dividends	-	-	-	(13,476)	(13,476)	-	(13,476)
At 30.06.2026	**231,676**	**(549)**	**(157,352)**	**(41,255)**	**32,520**	**1**	**32,521**
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**

	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
Company					
At 01.01.2026	**231,676**	**(549)**	**(51,247)**	**(76,797)**	**103,083**
Profit for the period	-	-	-	15,805	15,805
Foreign currency translation	-	-	(449)	-	(449)
Total comprehensive (loss)/income for the period	-	-	(449)	15,805	15,356
Dividends	-	-	-	(13,476)	(13,476)
At 30.06.2026	**231,676**	**(549)**	**(51,696)**	**(74,468)**	**104,963**
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**

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

Note A: Other reserves

	Group		Company	
	30.06.2026	**30.06.2025**	**30.06.2026**	**30.06.2025**
	S$'000	S$'000	S$'000	S$'000
Foreign currency translation reserve	(39,868)	(40,209)	(51,696)	(55,797)
Capital contribution from ultimate holding company	8,833	8,833	-	-
Merger reserve	(123,753)	(123,753)	-	-
Others	(2,564)	(2,564)	-	-
	(157,352)	(157,693)	(51,696)	(55,797)

D. Condensed Interim Consolidated Statement of Cash Flows

	Group			
	Quarter ended		Period ended	
	30.06.2026	30.06.2025	30.06.2026	30.06.2025
	S$'000	S$'000	S$'000	S$'000
Operating activities				
(Loss)/profit before tax	(1,240)	445	18,820	20,371
Adjustments for:				
- Depreciation of property, plant and equipment ("PPE")	1,373	1,548	2,796	3,216
- Impairment loss of PPE	-	18	-	18
- PPE written off	2	-	2	1
- Gain on disposal of PPE	-	-	(14)	-
- Gain on reversal of provision of restoration cost	(233)	-	(233)	-
- Depreciation of right-of-use assets	9,702	9,520	20,277	19,131
- Write-back of expected credit loss on trade and other receivables	(1)	(1)	(2)	(2)
- Amortisation of deferred lease income	-	(6)	-	(6)
- (Write-back of)/allowance for inventory shrinkages	(474)	(430)	64	79
- Provision for stock obsolescence	14	16	14	16
- Gain on deconsolidation of a subsidiary	-	(685)	-	(685)
- Income from rent concession on lease liabilities	(74)	-	(156)	-
- Lease modification	(88)	-	(115)	-
- Interest expense on lease liabilities	2,687	2,613	5,255	5,416
- Finance costs	17	93	82	169
- Finance income	(1,115)	(1,014)	(2,347)	(2,250)
Operating cash flows before changes in working capital	10,570	12,117	44,443	45,474
Changes in working capital:				
- Inventories	(558)	1,746	1,849	3,228
- Receivables and prepayments	1,353	7,023	1,833	(2,030)
- Payables and other liabilities	(61,007)	(54,577)	(34,373)	(36,860)
Cash (used in)/generated from operations	(49,642)	(33,691)	13,752	9,812
Interest received	1,060	964	2,238	2,148
Interest paid	(6)	(30)	(8)	(38)
Income tax paid	(1,545)	(2,217)	(3,111)	(4,581)
Net cash (used in)/generated from operating activities	(50,133)	(34,974)	12,871	7,341
Investing activities				
Proceeds from disposal of PPE	-	-	14	-
Purchase of PPE	(1,454)	(1,028)	(1,684)	(1,964)
Additions to intangible assets	(110)	-	(164)	-
Proceeds from net investments in sublease	133	87	227	174
Net cash used in investing activities	(1,431)	(941)	(1,607)	(1,790)
Financing activities				
Dividends paid on ordinary shares	(13,476)	(26,952)	(13,476)	(26,952)
Interest paid	(2,688)	(2,614)	(5,255)	(5,417)
Proceeds from bank borrowings	971	1,392	1,696	1,591
Repayment of bank borrowings	(265)	(1,686)	(1,976)	(2,216)
Payment of principal portion of lease liabilities	(9,806)	(9,741)	(20,388)	(19,376)
Decrease in bank overdraft	-	171	-	113
Net cash used in financing activities	(25,264)	(39,430)	(39,399)	(52,257)
Net decrease in cash and cash equivalents	(76,828)	(75,345)	(28,135)	(46,706)
Cash and cash equivalents at beginning of the quarter/period	158,768	142,735	109,823	115,059
Effects of currency translation on cash and cash equivalents	53	(154)	305	(1,117)
Cash and cash equivalents at end of the quarter/period (Note 14)	**81,993**	**67,236**	**81,993**	**67,236**

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 Singapore Exchange Securities Trading Limited ("**SGX-ST**").

These condensed interim consolidated financial statements as at and for the six months ended 30 June 2026 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 retail stores (department stores, trading of apparels and consumer products); and
b. 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$92,300,000 as at 30 June 2026.

3. Basis of preparation

The condensed interim financial statements for the six months ended 30 June 2026 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 2025.

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. Basis of preparation (cont'd)

3.1. New and amended standards adopted by the Group

The Group has considered the following standards that have been issued and effective for annual periods beginning on or after 1 January 2026, where applicable:

<u>Amendments to SFRS(I):</u>	
SFRS(I) 9, SFRS(I) 7	*Amendments to the Classification and Measurement of Financial Instruments*
SFRS(I) 9, SFRS(I) 7	*Contracts Referencing Nature-dependent Electricity*
Various	*Annual Improvements to SFRS(I)s – Volume 11*

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

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 2025.

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, (i) operation of retail stores; and (ii) investment holding and others.

5. Segment and revenue information (cont'd)

5.1. Reportable segments

Quarter ended 30 June 2026	**Retail stores Malaysia**	**Investment holding and others**	**Total**
	S$'000	S$'000	S$'000
Revenue:			
Sales to external customers	39,564	578	40,142
Segment results:			
Depreciation and amortisation expenses:			
- Right-of-use assets	(9,629)	(73)	(9,702)
- Property, plant and equipment	(1,370)	(3)	(1,373)
Operating lease expenses	(1,470)	(15)	(1,485)
Finance income	1,076	39	1,115
Interest and finance costs	(2,695)	(9)	(2,704)
Income tax credit	160	-	160
Segment loss	(118)	(962)	(1,080)
Other segment information:			
Additions to non-current assets	4,278	119	4,397
Segment assets	271,571	2,726	274,297
Segment liabilities	239,557	7,846	247,403

Quarter ended 30 June 2025	**Retail stores Malaysia**	**Investment holding and others**	**Total**
	S$'000	S$'000	S$'000
Revenue:			
Sales to external customers	41,579	679	42,258
Segment results:			
Depreciation and amortisation expenses:			
- Right-of-use assets	(9,460)	(60)	(9,520)
- Property, plant and equipment	(1,546)	(2)	(1,548)
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

5. Segment and revenue information (cont'd)

5.1. Reportable segments (cont'd)

Period ended 30 June 2026	**Retail stores Malaysia**	**Investment holding and others**	**Total**
	S$'000	S$'000	S$'000
Revenue:			
Sales to external customers	108,395	1,269	109,664
Segment results:			
Depreciation and amortisation expenses:			
- Right-of-use assets	(20,136)	(141)	(20,277)
- Property, plant and equipment	(2,791)	(5)	(2,796)
Operating lease expenses	(3,362)	(33)	(3,395)
Finance income	2,304	43	2,347
Interest and finance costs	(5,321)	(16)	(5,337)
Income tax expense	(4,852)	-	(4,852)
Segment profit/(loss)	16,575	(2,607)	13,968
Other segment information:			
Additions to non-current assets	4,474	214	4,688
Segment assets	271,571	2,726	274,297
Segment liabilities	239,557	7,846	247,403

Period ended 30 June 2025	**Retail stores Malaysia**	**Investment holding and others**	**Total**
	S$'000	S$'000	S$'000
Revenue:			
Sales to external customers	108,032	1,386	109,418
Segment results:			
Depreciation and amortisation expenses:			
- Right-of-use assets	(19,011)	(120)	(19,131)
- Property, plant and equipment	(3,212)	(4)	(3,216)
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

5. Segment and revenue information (cont'd)

5.2. Disaggregation of revenue

	Group			
	Quarter ended		Period ended	
	30.06.2026	30.06.2025	30.06.2026	30.06.2025
	S$'000	S$'000	S$'000	S$'000
Sale of goods - direct sales	17,424	19,814	41,846	45,110
Commissions from concessionaire sales	21,685	21,308	65,531	61,965
Food and beverage	578	679	1,269	1,386
Others	90	88	264	242
Revenue from contracts with customers	39,777	41,889	108,910	108,703
Rental income	365	369	754	715
Total revenue	40,142	42,258	109,664	109,418
Timing of transfer of goods or services				
Total revenue from contracts with customers				
- at point in time	39,777	41,889	108,910	108,703

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 2026 and 31 December 2025:

	Group		Company	
	30.06.2026	31.12.2025	30.06.2026	31.12.2025
	S$'000	S$'000	S$'000	S$'000
Financial assets				
Trade and other receivables	10,675	12,035	198	-
Cash and short-term deposits	92,300	120,118	376	778
Total financial assets carried at amortised cost	102,975	132,153	574	778
Financial liabilities				
Trade and other payables	71,793	100,498	17,577	19,748
Other liabilities	11,545	14,365	129	129
Loans and borrowings	1,695	1,978	-	-
Lease liabilities	149,740	135,449	-	-
Total financial liabilities carried at amortised cost	234,773	252,290	17,706	19,877

7. (Loss)/profit before tax

7.1. Significant items

	Group			
	Quarter ended		Period ended	
	30.06.2026	30.06.2025	30.06.2026	30.06.2025
	S$'000	S$'000	S$'000	S$'000
Income				
Finance income	1,115	1,014	2,347	2,250
Gain on deconsolidation of a subsidiary	-	685	-	685
Expenses				
Depreciation and amortisation expenses:				
- right-of-use assets	9,702	9,520	20,277	19,131
- property, plant and equipment	1,373	1,548	2,796	3,216
Operating lease expenses	1,485	804	3,395	1,920
Finance costs (including interest expense on lease liabilities)	2,704	2,706	5,337	5,585
(Write-back of)/allowance for inventory shrinkages	(474)	(430)	64	79

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	
	30.06.2026	30.06.2025	30.06.2026	30.06.2025
	S$'000	S$'000	S$'000	S$'000
Sale of vouchers	13	7	49	43
Sale of goods and services	124	32	492	74
Purchase of goods and services	582	557	1,735	1,694
Income from bonus points redemption by cardholders	255	256	973	1,073
Marketing fee expense for bonus points issued	269	290	767	787
Rental of office and commercial space	66	91	136	143
Royalty expense	31	27	71	54
Management fee and other income	99	88	284	242

8. Income tax credit/(expense)

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

	Group			
	Quarter ended		Period ended	
	30.06.2026	30.06.2025	30.06.2026	30.06.2025
	S$'000	S$'000	S$'000	S$'000
Current and deferred income tax credit/(expense)	160	(361)	(4,852)	(5,602)

9. Net assets value

	Group		Company	
	30.06.2026	**31.12.2025**	**30.06.2026**	**31.12.2025**
Net assets value per ordinary share (S$)	0.048	0.050	0.156	0.153

10. Property, plant and equipment

During the six months ended 30 June 2026, the Group acquired assets amounting to S$1,667,000 (30 June 2025: S$1,836,000).

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 2026, the Group recognised addition of right-of-use assets amounting to S$2,857,000 (30 June 2025: S$18,000).

12. Other receivables (non-current)

	Group	
	30.06.2026	**31.12.2025**
	S$'000	S$'000
Rental deposits	4,156	3,560
Other deposits	145	99
Deferred lease expenses	48	48
Net investments in sublease	359	181
Total other receivables (non-current)	4,708	3,888

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	
	30.06.2026	**31.12.2025**
Financial asset at fair value through other comprehensive income ("FVOCI")	S$'000	S$'000
Equity security (unquoted)		
- Lion Insurance Company Limited	272	272

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)

Fair value measurement

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:

- Level 1 – quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2 – inputs other than quoted prices included within Level 1 that are observable for the assets or liabilities, either directly or indirectly; and
- Level 3 – unobservable inputs for the assets or liabilities.

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 2026				
Financial asset - FVOCI	-	-	272	272
At 31 December 2025				
Financial asset - FVOCI	-	-	272	272

14. Cash and short-term deposits

	Group		Company	
	30.06.2026	**31.12.2025**	**30.06.2026**	**31.12.2025**
	S$'000	S$'000	S$'000	S$'000
Cash at banks	15,829	5,276	376	778
Short-term bank deposits	76,471	114,842	-	-
Total cash and short-term deposits	92,300	120,118	376	778

	Group	
	30.06.2026	**31.12.2025**
	S$'000	S$'000
Cash and short-term deposits as above	92,300	120,118
Less:		
- pledged deposits	(10,307)	(10,295)
Cash and cash equivalents	81,993	109,823

15. Loans and borrowings

	Group	
	30.06.2026	**31.12.2025**
	S$'000	S$'000
Amount repayable within one year or on demand		
Secured:		
- Banker's acceptance	1,695	1,978

Banking facilities (including bank guarantee) are secured by short-term deposit of S$10.3 million (31 December 2025: S$10.3 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 30.06.2025, 31.12.2025 and 30.06.2026		
Issued and fully paid with no par value	677,300	231,676
Treasury shares	(3,500)	(549)
Total excluding treasury shares	673,800	231,127

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.

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 2026 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 2026, the Group's department store network comprised 39 (30 June 2025 : 37) stores spanning approximately 411,000 sqm of Gross Floor Area.

Operating Results

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

	Group					
	Quarter ended			Period ended		
	30.06.2026	30.06.2025	+/(-)	30.06.2026	30.06.2025	+/(-)
	S$'000	S$'000	%	S$'000	S$'000	%
GSP						
Sale of goods - direct sales	17,424	19,814	(12.1)	41,846	45,110	(7.2)
Sale of goods - concessionaire sales	76,390	76,797	(0.5)	235,953	225,909	4.4
Total merchandise sales	93,814	96,611	(2.9)	277,799	271,019	2.5
Consultancy/management service fees	90	88	2.3	264	242	9.1
Rental income	365	369	(1.1)	754	715	5.5
Food and beverage	578	679	(14.9)	1,269	1,386	(8.4)
	94,847	97,747	(3.0)	280,086	273,362	2.5

The y-o-y total merchandise sales remains relatively consistent with the previous year, with the improvement mainly attributable to the favourable exchange rate. Merchandise sales mix remained largely concessionaire at 84.9% (2025: 83.4%) while contribution from direct sales was 15.1% (2025: 16.6%).

Merchandise gross profit margin stood at 28.1% (2025: 27.9%).

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

Financial Results

Revenue

The components of revenue are as follows:

	Group					
	Quarter ended			Period ended		
	30.06.2026	**30.06.2025**	**+/(-)**	**30.06.2026**	**30.06.2025**	**+/(-)**
	S$'000	S$'000	%	S$'000	S$'000	%
Revenue						
Sale of goods - direct sales	17,424	19,814	(12.1)	41,846	45,110	(7.2)
Commissions from concessionaire sales	21,685	21,308	1.8	65,531	61,965	5.8
Consultancy/management service fees	90	88	2.3	264	242	9.1
Rental income	365	369	(1.1)	754	715	5.5
Food and beverage	578	679	(14.9)	1,269	1,386	(8.4)
	40,142	42,258	(5.0)	109,664	109,418	0.2

Other Items of Income

Other income decreased y-o-y by 27.4% mainly due to gain from deconsolidation of a subsidiary included in the previous year.

Expenses

Total expenses of the Group increased y-o-y by 1.4% and analysis of major expenses are as follows:

Employee related expense

Employee related expense increased y-o-y by 9.7% mainly due to the increase of minimum wage and opening of new stores in November and December of the previous year.

Depreciation of right-of-use assets

Depreciation of right-of-use assets increased y-o-y by 6.0% mainly due to the opening of new stores in the previous year.

Depreciation of property, plant and equipment

Depreciation of property, plant and equipment decreased y-o-y by 13.1% mainly due to some of the plant and equipment being fully depreciated during the period.

Operating lease expenses

Operating lease expenses increased y-o-y by 76.8% mainly due to the recognition of short-term leases and the expanded scope of sales and service tax ("SST") in Malaysia.

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

Other expenses

Other expenses for the current period comprised mainly (a) selling and distribution expenses amounting to S$2.5 million; (b) general and administrative expenses amounting to S$2.8 million; and (c) other operating expenses amounting to S$4.6 million. The decrease in other expenses was mainly due to cost management.

Profit before tax

The Group recorded a lower profit before tax for the current period of S$18.8 million compared with S$20.4 million of the corresponding period, mainly due to higher expenses during the period.

Group Statement of Financial Position

The Group was in a net current liabilities ("NCL") position of S$9.8 million as at 30 June 2026 due to dividends paid to shareholders on 12 June 2026 which reduced its cash and short-term deposits.

Property, plant and equipment decreased to S$18.9 million due to depreciation during the period.

Right-of-use assets increased to S$126.0 million mainly due to new store and renewal of existing leases.

Inventories decreased to S$25.0 million due to inventory management.

Trade and other receivables (current) decreased to S$7.1 million due to repayment from receivables.

Cash and short-term deposits decreased to S$92.3 million mainly due to dividends paid and repayment to creditors during the period.

Trade and other payables (current) decreased to S$71.7 million mainly due to repayment.

Other liabilities decreased to S$11.5 million due to repayment.

Lease liabilities (current and non-current) increased to S$39.9 million and S$109.8 million respectively due to new store and renewal of leases.

Group Cash Flows

For the current period, the Group recorded net cash inflow from operating activities of S$12.9 million, net cash used in investing activities of S$1.6 million and net cash used in financing activities of S$39.4 million, resulting in a net decrease in cash and cash equivalents of S$28.1 million (2025 : S$46.7 million). The net decrease in cash and cash equivalents was mainly due to dividends paid and repayment to creditors during the period.

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 2026.

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 2026 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

Ongoing geopolitical conflict, coupled with persistent inflationary pressures, elevated living costs, and a cautious shift in consumer spending patterns, continue to weigh on the Group's operations and financial performance.

The Group remains committed to navigating these challenges by maintaining its focus on operational excellence and sustainable performance, while actively pursuing opportunities to grow and expand its store network 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.

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 2026

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$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920)	Aggregate value of all interested person transactions conducted under the shareholders' mandate pursuant to Rule 920
		S$'000	S$'000
Lion Corporation Berhad [1]	Associate of Tan Sri Cheng Heng Jem, a director and controlling shareholder of the Company ("Tan Sri Cheng")	-	1,855
Parkson Holdings Berhad Group [2]	Associate of Tan Sri Cheng	71[(i)]*	2,350[(ii)]
Lion Posim Berhad [3]	Associate of Tan Sri Cheng	-	95
Visionwell Sdn Bhd [4]	Associate of Tan Sri Cheng	-	136

Notes:
(1) (a) Marketing fee payable for bonus points issued and amount received/receivable for point redemption made by cardholders totalling S$1.740 million; and
(b) Purchase of goods and security equipment, and procurement of security service totalling S$0.115 million.
(2) (i) Royalty expense totalling S$0.071 million.
(ii) (a) Management fee income totalling S$0.284 million; and
(b) Net purchase of merchandise, concessionaire sales and sale of gift vouchers totalling S$2.066 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 2026 to be false or misleading in any material aspects.

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
14 August 2026