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# PARKSON 百盛

## **PARKSON RETAIL GROUP LIMITED** **百盛商業集團有限公司**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 3368)**

### **UNAUDITED FIRST QUARTERLY RESULTS ANNOUNCEMENT FOR THE THREE MONTHS ENDED 31 MARCH 2025**

The board of directors (the “Board”) of Parkson Retail Group Limited (the “Company”) is pleased to announce the unaudited consolidated results of the Company and its subsidiaries (hereinafter collectively referred to as the “Group”) for the three months ended 31 March 2025, together with the comparative unaudited figures for the corresponding period in 2024 as follows.

The unaudited quarterly results of the Group are released in conjunction with the announcement of the quarterly results of Parkson Holdings Berhad, the holding company of the Company in Malaysia pursuant to the Bursa Malaysia Main Board Listing Requirements. This announcement is made pursuant to paragraph 13.09 of the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited.

#### **HIGHLIGHTS**

Total operating revenues for the three months ended 31 March 2025 amounted to RMB996.4 million, representing a decrease of RMB56.4 million or 5.4% as compared to the corresponding period of last year.

Same store sales (“SSS”) for the three months ended 31 March 2025 decreased by 19.2% as compared to the corresponding period of last year.

The Group recorded total Gross Sales Proceeds (“GSP”) inclusive of value-added tax of RMB2,254.6 million for the three months ended 31 March 2025, representing a decrease of 15.4% as compared to that of RMB2,666.5 million for the three months ended 31 March 2024.

Profit from operations for the three months ended 31 March 2025 was RMB122.9 million, a decrease of RMB21.0 million or 14.6% as compared to RMB143.9 million for the corresponding period of last year.

Profit attributable to owners of the Company for the three months ended 31 March 2025 was RMB3.4 million, as compared to RMB19.1 million recorded for the three months ended 31 March 2024.

## UNAUDITED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

	For the three months ended 31 March	
	2025	2024
	Unaudited <i>RMB'000</i>	Unaudited <i>RMB'000</i>
<b>Gross Sales Proceeds (inclusive of value-added tax)</b>	<b>2,254,647</b>	2,666,451
Revenue	883,673	942,439
Other operating revenues	112,745	110,350
<b>Total operating revenues</b>	<b>996,418</b>	1,052,789
<b>Operating expenses</b>		
Purchases of goods and changes in inventories	(439,019)	(481,243)
Staff costs	(112,275)	(128,342)
Depreciation and amortisation	(122,073)	(127,373)
Rental expenses	(20,792)	(24,748)
Other operating expenses	(179,404)	(147,230)
<b>Total operating expenses</b>	<b>(873,563)</b>	(908,936)
<b>Profit from operations</b>	<b>122,855</b>	143,853
Finance income	6,612	12,859
Finance costs	(110,083)	(119,601)
Share of profits of associates	4,790	5,039
<b>Profit before tax</b>	<b>24,174</b>	42,150
Income tax expense	(21,579)	(22,201)
<b>Profit for the period</b>	<b>2,595</b>	19,949
<b>Attributable to:</b>		
– Owners of the Company	3,375	19,081
– Non-controlling interests	(780)	868

## UNAUDITED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	As at <b>31 March 2025</b> <b>Unaudited</b> <i>RMB '000</i>	As at 31 December 2024 Audited <i>RMB '000</i>
<b>NON-CURRENT ASSETS</b>		
Property, plant and equipment	2,619,260	2,653,648
Investment properties	521,998	527,292
Right-of-use assets	2,634,697	2,697,334
Goodwill	1,536,408	1,536,408
Investments in associates	57,262	52,472
Trade receivables	709,593	677,133
Time deposits	26,202	26,202
Other assets	37,827	55,369
Deferred tax assets	270,882	274,401
	<b>8,414,129</b>	<b>8,500,259</b>
<b>CURRENT ASSETS</b>		
Inventories	364,785	378,761
Trade receivables	358,878	366,390
Prepayments and other receivables	533,892	530,244
Financial assets at fair value through profit or loss	74,784	66,685
Restricted cash	123,108	63,999
Time deposits	31,267	9,175
Cash and bank balances	1,327,500	1,466,508
	<b>2,814,214</b>	<b>2,881,762</b>
<b>CURRENT LIABILITIES</b>		
Trade payables	503,602	586,181
Other payables and accruals	569,540	605,256
Contract liabilities	565,984	604,308
Interest-bearing bank loans	244,919	220,075
Lease liabilities	523,495	501,555
Tax payable	26,895	21,509
	<b>2,434,435</b>	<b>2,538,884</b>
<b>NET CURRENT ASSETS</b>	<b>379,779</b>	<b>342,878</b>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>	<b>8,793,908</b>	<b>8,843,137</b>

## UNAUDITED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONTINUED)

	As at <b>31 March 2025</b> <b>Unaudited</b> <i>RMB'000</i>	As at 31 December 2024 Audited <i>RMB'000</i>
<b>NON-CURRENT LIABILITIES</b>		
Interest-bearing bank loans	2,638,972	2,590,421
Lease liabilities	2,885,297	2,988,839
Deferred tax liabilities	178,870	176,783
	<b>5,703,139</b>	5,756,043
<b>NET ASSETS</b>	<b>3,090,769</b>	3,087,094
<b>EQUITY</b>		
Issued capital	55,477	55,477
Reserves	2,964,352	2,959,897
	<b>3,019,829</b>	3,015,374
<b>Non-controlling interests</b>	<b>70,940</b>	71,720
<b>TOTAL EQUITY</b>	<b>3,090,769</b>	3,087,094

## UNAUDITED CONSOLIDATED CASH FLOW STATEMENTS

	<b>For the three months ended 31 March 2025 Unaudited RMB'000</b>
Net cash flows from operating activities	66,986
Net cash flows from investing activities	(15,149)
Net cash flows used in financing activities	(131,736)
<b>Net decrease in cash and cash equivalents</b>	<b>(79,899)</b>
Cash and cash equivalents at beginning of the period	1,530,507
<b>Cash and cash equivalents at end of the period</b>	<b>1,450,608</b>
<b>Analysis of balances of cash and cash equivalents</b>	
Cash and bank balances	1,159,656
Non-pledged time deposits with original maturity of less than three months when acquired	167,844
Restricted cash	123,108
<b>Cash and cash equivalents</b>	<b>1,450,608</b>
Cash and cash equivalents	1,450,608
Time deposits	57,469
Financial assets at fair value through profit or loss	74,784
<b>Cash and cash equivalents, deposits and financial assets at fair value through profit or loss at end of the period</b>	<b>1,582,861</b>

## Operation and Financial Review

### *GSP and total operating revenues*

The Group recorded total GSP inclusive of value-added tax of RMB2,254.6 million for the three months ended 31 March 2025, representing a decrease of 15.4% as compared to the same period of last year. The decline in GSP was mainly attributable to heightened external environmental uncertainty, subdued income growth expectations, and increasingly cautious consumer spending behavior, which collectively contributed to softer sales performance. SSS decreased by 19.2% during the three months ended 31 March 2025 as compared to the same period of last year.

The following table sets out a breakdown of our total merchandise sales through different channels for the periods indicated:

	<b>For the three months ended 31 March</b>				<b>Year-on-year change (%)</b>
	<b>2025</b>		<b>2024</b>		
	<b>RMB'000</b>	<b>% of total</b>	<b>RMB'000</b>	<b>% of total</b>	
Concessionaire sales	<b>1,202,088</b>	<b>70.6%</b>	1,539,450	73.5%	(21.9%)
Direct sales	<b>500,638</b>	<b>29.4%</b>	555,238	26.5%	(9.8%)
	<b>1,702,726</b>	<b>100.0%</b>	<b>2,094,688</b>	<b>100.0%</b>	(18.7%)

Total operating revenues of the Group decreased by RMB56.4 million or 5.4% to RMB996.4 million for the three months ended 31 March 2025 as compared to RMB1,052.8 million for the three months ended 31 March 2024. The decrease in total operating revenues was mainly due to the decrease in the revenue from contracts with customers. The revenue from contracts with customers consists of sale of goods from direct sales, commissions from concessionaire sales and consultancy and management service fees. For the three months ended 31 March 2025, revenue from contracts with customers, which constituted 67.0% of the total operating revenues for the three months ended 31 March 2025 decreased by 11.8% compared to the same period of last year.

### *Operating expenses*

Total operating expenses excluding purchases of goods and changes in inventories increased by RMB6.9 million or 1.6% to RMB434.5 million for the three months ended 31 March 2025 as compared to RMB427.7 million for the three months ended 31 March 2024. On a same store basis, total operating expenses excluding purchases of goods and changes in inventories decreased by 4.6%.

### *Profit from operations*

Profit from operations of the Group was RMB122.9 million for the three months ended 31 March 2025, a decrease of RMB21.0 million or 14.6% as compared to RMB143.9 million for the three months ended 31 March 2024.

*Profit attributable to owners of the Company*

The Group recorded profit attributable to owners of the Company of RMB3.4 million for the three months ended 31 March 2025 as compared to RMB19.1 million recorded for the three months ended 31 March 2024.

As at 31 March 2025, the Group and its associates operated and managed 43 stores (including department stores, shopping malls, city outlets, the “Parkson Beauty” concept store and supermarkets) and 2 Parkson Newcore City Malls, in 27 major cities across China and Laos.

**Acknowledgement**

I would like to take this opportunity to thank the Board, management and all our staff for their hard work and dedication. I would also like to thank the shareholders and our loyal customers for their strong support to the Group.

On behalf of the Board  
**Parkson Retail Group Limited**  
**Tan Sri Cheng Heng Jem**  
*Executive Director & Chairman*

26 May 2025

*As at the date of this announcement, the Executive Directors of the Company are Tan Sri Cheng Heng Jem and Ms. Juliana Cheng San San, the Non-executive Director is Dato’ Sri Dr. Hou Kok Chung and the Independent Non-executive Directors are Dato’ Fu Ah Kiow, Mr. Yau Ming Kim, Robert and Datuk Koong Lin Loong.*