

**PARKSON RETAIL ASIA LIMITED**  
(Company registration number: 201107706H)  
Incorporated in the Republic of Singapore

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**APPLICATION BY AN INDIRECT WHOLLY-OWNED SUBSIDIARY  
FOR VOLUNTARY BANKRUPTCY**

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The Board of Directors (“**Board**”) of Parkson Retail Asia Limited (“**Company**”, and together with its subsidiaries, the “**Group**”) hereby announces that Parkson Vietnam Co Ltd (“**Parkson Vietnam**”), an indirect wholly-owned subsidiary of the Company, will on 28 April 2023, file an application to the People’s Court of Ho Chi Minh City, Vietnam for the commencement of voluntary bankruptcy proceedings (“**Application**”).

Parkson Vietnam operates the Group’s remaining store in the Socialist Republic of Vietnam. Parkson Vietnam has historically been operating at a loss, with such losses being compounded in recent years due to the challenging business environment as a result of the Covid-19 pandemic. In particular, the lack of support from Parkson Vietnam’s landlord (such as the negligible rental rebate or rental reduction) during the Covid-19 lockdown when the operation of Parkson Vietnam’s stores was restricted, had adversely impacted Parkson Vietnam’s financials. The high land tax imposed by the local government had also added to Parkson Vietnam’s financial difficulties.

As such, the Group has assessed and determined that it is not commercially feasible to continue its operations in Vietnam and the board of directors of Parkson Vietnam has determined that it will be in the best interests of Parkson Vietnam to file the Application. This is in line with the Group’s focus on its operations in Malaysia, where the Group remains optimistic about the overall market prospects with improving consumer sentiments and the increasing numbers of foreign tourists. The Application is, however, subject to the approval from the relevant authorities in Vietnam.

The Company will only be able to determine the exact financial impact of the voluntary bankruptcy of Parkson Vietnam on the consolidated net tangible assets per share and earnings per share of the Group for the current financial year ending 31 December 2023 upon the grant of the Application. Under the Vietnam law, the liabilities of Parkson Vietnam shall remain with and be limited to Parkson Vietnam and do not extend to the Company, the Company’s other subsidiaries or its holding companies. The Group’s maximum potential exposure resulting from the voluntary bankruptcy of Parkson Vietnam will therefore be limited to its capital contribution in Parkson Vietnam. Notwithstanding the foregoing, the Company had recognised full impairment loss on its capital contribution in Parkson Vietnam in its audited financial statements.

Going forward, the Group will continue to enhance its operating efficiencies and cost improvement strategies, as well as identifying new sites with potential for opening new outlets in Malaysia.

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The Company will make further announcements as and when there are any material developments, or as required under relevant laws and regulations.

For and on behalf of the Board

**PARKSON RETAIL ASIA LIMITED**

Tan Sri William Cheng Heng Jem  
Executive Chairman

27 April 2023