

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

UPDATE ON LEGAL PROCEEDINGS INVOLVING PARKSON VIETNAM CO., LTD.

The Board of Directors ("**Board**") of Parkson Retail Asia Limited ("**Company**") refers to the Company's announcements made on 11 December 2020, 16 January 2021, 28 January 2021, 4 February 2021, 11 May 2021, 13 August 2021 and 12 November 2021 ("**Previous Announcements**") relating to the ongoing legal proceedings involving Parkson Vietnam Co., Ltd ("**PVC**") and the Landlord in respect of PVC's leased premises in Da Nang, Vietnam which had ceased operation in January 2021. All capitalised terms used in this announcement shall have the same meanings ascribed to them in the Previous Announcements.

The Board wishes to update that the Company has been informed that PVC had on 19 November 2021 received a letter from the VIAC notifying PVC on the second revised claim amount submitted by the Landlord to the VIAC mainly to include an additional compensation claim amount for rent (calculated from 15 January 2021 to 23 November 2021) in relation to PVC's alleged failure to return the possession of the premises to the Landlord by 14 January 2021, which has brought the total claim amount to VND85.7 billion (approximately S\$5.2 million based on an illustrative exchange rate of VND16,605: S\$1)("Final Claim Amount").

Following consultation with its legal counsel in Vietnam, PVC is of the view that the Landlord should not be entitled to the said additional compensation claim amount, and PVC had disputed the Final Claim Amount vigorously at the hearing before the VIAC on 23 November 2021. The decision of the VIAC is currently expected to be delivered in December 2021.

The Company is presently unable to determine the exact financial impact of the ongoing dispute with the Landlord on the financial position of the Group for the current financial period ending 31 December 2021 ("**FPE2021**") as it will be dependent on the outcome of the VIAC's final decision. As mentioned, PVC has instructed the legal counsel in Vietnam to aggressively defend the position of PVC in the VIAC proceedings. Notwithstanding that a portion of the Final Claim Amount has been accrued in the financial statements of PVC for the FPE2021, in the event PVC is required to settle the Final Claim Amount in full, it will likely result in an adverse impact on the financial position of the Group for the FPE2021.

The Company will make further announcements as and when there are any material developments.

For and on behalf of the Board

Tan Sri William Cheng Heng Jem
Executive Chairman

25 November 2021