PARKSON RETAIL ASIA LIMITED

(Incorporated in the Republic of Singapore)
(Company Registration Number: 201107706H)

THE PROPOSED CHANGE OF AUDITOR OF THE COMPANY FROM MESSRS ERNST & YOUNG LLP TO MESSRS FOO KON TAN LLP

The Board of Directors ("**Board**") of Parkson Retail Asia Limited ("**Company**", and together with its subsidiaries, the "**Group**") wishes to announce the Company's intention to change the auditor of the Company from Messrs Ernst & Young LLP ("**EY**") to Messrs Foo Kon Tan LLP ("**FKT**") ("**Proposed Change of Auditor**").

EY, the Company's outgoing auditor, has served as the auditor of the Company for more than 9 years, since the Company's listing on the Main Board of the Singapore Exchange Securities Trading Limited (**"SGX-ST"**) in 2011. The Board views that the Proposed Change of Auditor would accord with good corporate governance practice and will enable the Company to benefit from fresh perspectives. Additionally, as part of the Group's cost cutting measures and efforts to manage its overall business costs and expenses amidst the current COVID-19 situation, the Board is of the view that it would be timely to propose a change of auditor, subject to the approval of the shareholders of the Company ("**Shareholders**") being obtained at an extraordinary general meeting of the Company ("**EGM**") to be convened.

After reviewing and deliberating on the suitability of FKT and taking into consideration, amongst others, the audit quality indicators introduced by the Accounting and Corporate Regulatory Authority (**"ACRA"**) on selection of auditors, the Board had, in consultation with the Audit Committee, agreed that the services proposals made by FKT will suit the needs of the Company. In addition, the Audit Committee and the Board are of the opinion that, with respect to FKT's proposed appointment, Rules 712, 715 and 716 of the Listing Manual of the SGX-ST ("**Listing Manual**") have been complied with. The Board is thus recommending that FKT be appointed as the new auditor of the Company.

In connection with the above, EY had on 19 April 2021 applied to the ACRA to seek ACRA's consent for its resignation as auditor of the Company. Subsequently, EY received ACRA's consent dated 25 May 2021 to its resignation as auditor of the Company. Further, the Company received an official notice of resignation dated 25 May 2021 from EY ("**Written Statement**"). A copy of the Written Statement is annexed to this announcement.

FKT had, on 11 May 2021, given their consent to act as auditor of the Company, subject to the approval of the Shareholders at the EGM. Pursuant to Rule 712(3) of the Listing Manual, the appointment of FKT must be specifically approved by the Shareholders at a general meeting. Accordingly, the appointment of FKT will only take effect upon approval of the Shareholders being obtained at the EGM to be convened for the Proposed Change of Auditor, and, if appointed, FKT will hold office until the conclusion of the next annual general meeting of the Company.

In accordance with the requirements of Rule 1203(5) of the Listing Manual:

(a) EY has confirmed to FKT that it is not aware of any professional reasons why FKT should not accept the appointment as auditor of the Company;

(b) the Company confirms that there were no disagreements with EY on accounting treatments within the last 12 months up to the date of this announcement;

(c) the Company confirms that, other than as set out above, the Company is not aware of any circumstances connected with the Proposed Change of Auditor that should be brought to the attention of the Shareholders;

(d) the Company confirms that the specific reasons for the Proposed Change of Auditor have been disclosed in this announcement; and

(e) the Company confirms that it is or will be in compliance with Rule 712, Rule 715 and Rule 716 of the Listing Manual in relation to the appointment of FKT as auditor of the Company.

The Board wishes to express its appreciation for the past audit services rendered by EY.

The Company will convene an EGM to seek the approval of the Shareholders for the Proposed Change of Auditor. A circular to the Shareholders setting out, amongst others, further information on the Proposed Change of Auditor, together with the notice of EGM to be convened, will be despatched to the Shareholders in due course.

BY ORDER OF THE BOARD

Tan Sri William Cheng Heng Jem
Executive Chairman

31 May 2021

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Our Ref: CPR/0012151497/TPY

25 May 2021

The Board of Directors
Parkson Retail Asia Limited
80 Robinson Road #02-00
Singapore 068898

Attention : Mr Chua Tian Pang

PARKSON RETAIL ASIA LIMITED
PARKSON MYANMAR ASIA PTE LTD
PARKSON MYANMAR INVESTMENT COMPANY PTE LTD
CENTRO RETAIL PTE LTD
PARKSON MYANMAR CO PTE LTD

Dear Sirs:

We should be grateful if you would accept this letter as a formal notice of our desire to resign as auditors of the abovenamed companies in accordance with Companies Act, Cap. 50.

We have obtained consent from the Registrar for our resignation. We therefore withdraw our consent to act in this capacity.

We take this opportunity to thank you for your co-operation and kind support accorded to us during the course of our appointment as auditors of the Company. We wish you the very best in all your future endeavours.

Yours faithfully,

Ernst & Young LLP

TPY/VT/WLF

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