

PARKSON RETAIL ASIA LIMITED

(the "Company")

(Company registration number: 201107706H)

Incorporated in the Republic of Singapore

INTERESTED PERSON TRANSACTIONS – USE OF MARKET CAPITALISATION AS BASIS FOR COMPUTING MATERIALITY THRESHOLDS IN RESPECT OF RULES 905(1), 905(2) AND 906(1) OF THE LISTING MANUAL

The Board of Directors of Parkson Retail Asia Limited (the "**Company**", and together with its subsidiaries, the "**Group**") refers to its announcement dated 15 May 2020 relating to the Group's unaudited consolidated financial statements for the nine months ended 31 March 2020 ("**9M2020 Financial Statements**"). As shown in the 9M2020 Financial Statements, the Group's net tangible asset ("**NTA**") as at 31 March 2020 was approximately negative S\$12.008 million.

Rules 905(4) and 906(3) of the Listing Manual (the "**Listing Manual**") of Singapore Exchange Securities Trading Limited (the "**SGX-ST**") provide that if the group's latest audited NTA is negative, the issuer should consult the SGX-ST on the appropriate benchmark to calculate the relevant thresholds in Rules 905 and 906 of the Listing Manual. In connection therewith, notwithstanding that the financial year ending 30 June 2020 ("**FY2020**") has not completed and therefore the audited consolidated NTA of the Group as at 30 June 2020 has yet to be determined, and in view of the likelihood that the audited consolidated NTA of the Group for FY2020 may be negative, the Company has consulted the SGX-ST pursuant to Rules 905(4) and 906(3) of the Listing Manual on the appropriate benchmark to calculate the relevant thresholds in Rules 905 and 906 of the Listing Manual in the event that the audited consolidated NTA of the Group for FY2020 is subsequently determined to be negative.

The SGX-ST has, on 26 June 2020, confirmed that, in the event that the Group's latest audited NTA based on its upcoming audited consolidated financial statements of the Group for FY2020 is negative, it has no objection to the Company using the average of its daily market capitalisation for the last month of the immediately preceding financial year as the reference point for computing the relevant thresholds in Rules 905(1), 905(2) and 906(1) of the Listing Manual, commencing from the upcoming financial year ending 30 June 2021 onwards, and until such time as the Group's audited NTA position turns positive. The daily market capitalisation will be computed based on the total number of issued shares multiplied by the volume weighted average price of the Company's shares on the SGX-ST, on each trading day of the last month of the immediately preceding financial year.

For and on behalf of the Board

Tan Sri William Cheng Heng Jem
Executive Chairman

28 June 2020