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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)

TERMINATION OF TENANCY AGREEMENT

References are made to the announcement of Parkson Retail Group Limited (the "**Company**", together with its subsidiaries, the "**Group**") dated 29 March 2024 (the "**Announcement**") in relation to the Tenancy Agreement in respect of the Property located in Guiyang City, Guizhou Province, the PRC. Unless the context otherwise requires, capitalised terms used herein shall have the same meaning as those defined in the Announcement.

INTRODUCTION

On 31 October 2025, the Sub-Tenant (an indirect non-wholly-owned subsidiary of the Company), Tenant A and Tenant B entered into the Tenancy Termination Agreement (the "**Tenancy Termination Agreement**") in respect of the Property to terminate the Tenancy Agreement dated 29 March 2024 with effect from 30 November 2025.

Pursuant to IFRS 16, the entering into of the Tenancy Termination Agreement as a sub-tenant will require the Group to derecognise the Property as a right-of-use asset for which the amount is approximately RMB51.2 million. Thus, the entering into of the Tenancy Termination Agreement and the transactions contemplated thereunder will be regarded as a disposal of assets by the Group under the Listing Rules.

TENANCY TERMINATION AGREEMENT

The principal terms of the Tenancy Termination Agreement are as follows:

Date	:	31 October 2025
Parties	:	Sub-Tenant: Guizhou Shenqi Parkson Retail Development Co., Ltd.*(貴州神奇百盛商業發展有限公司), a company incorporated in the PRC and an indirect non-wholly-owned subsidiary of the Company Tenant A: Guizhou Longgang Commercial Operation Management Co., Ltd.*(貴州龍港商業運營管理有限公司) Tenant B: Guizhou Yuncui Property Management Co., Ltd.*(貴州雲翠物業管理有限公司)
Relevant premises	:	Basement Level 1, and Level 1 to Level 4 in Longgang International Center, 117 Zhonghua Middle Road, Guiyang City, Guizhou Province, the PRC
Termination Date	:	30 November 2025

INFORMATION ON THE PARTIES

The principal activities of the Group are the operation and management of a network of department stores, shopping malls, outlets and supermarkets mainly in the PRC.

The Sub-Tenant is an indirect non-wholly-owned subsidiary of the Company principally engaged in the business of operation of department stores. The Sub-Tenant is indirectly held as to 60% by the Company and is directly held as to 40% by Guizhou Shenqi Enterprise, a company incorporated in the PRC.

Tenant A is a company established in the PRC and is principally engaged in the management of commercial construction projects. To the best knowledge and belief of the Directors, and having made all reasonable enquiries, Tenant A is wholly owned by Guiyang Youkangyuan Trading Co., Ltd.*(貴陽優康元商貿有限公司), which is in turn wholly owned by Guizhou Shenqi Enterprise, which is owned as to 40%, 30% and 30% by three individuals, Zhang Zhijun（張之君), Zhang Pei（張沛）and Zhang Ya（張婭）respectively. Guizhou Shenqi Enterprise is connected to the Company by virtue of its connection to the Company's insignificant subsidiary, and is therefore not regarded as a connected person of the Company under the Listing Rules. Please refer to the section headed "IMPLICATIONS UNDER THE LISTING RULES" for further information.

Tenant B is a company established in the PRC and is principally engaged in the business of property management. To the best knowledge and belief of the Directors, and having made all reasonable enquiries, Tenant B is held as to 51% and 49% by two individuals, Shang Lihuan（尚麗歡）and Wang Jiajia（王佳佳）respectively.

Save as disclosed herein, to the best knowledge and belief of the Directors, the Tenants and their respective ultimate beneficial owners are third parties independent of, and not connected with the Company and its connected persons.

REASONS AND BENEFITS FOR ENTERING INTO THE TENANCY TERMINATION AGREEMENT

Pursuant to the Tenancy Agreement in respect of the Property dated 29 March 2024, the term of the Tenancy Agreement shall commence from the date of commencement of the renovation of the Property. Due to objective reasons, renovation works on the Property could not be carried out. Accordingly, the term of the Tenancy Agreement has not commenced. The Board is of the opinion that the Tenancy Agreement should be terminated as renovation works on the Property could not be carried out and as a result, the Sub-Tenant is unable to operate its department store at the Property. Therefore, the Board considers that (i) the terms of the Tenancy Termination Agreement are fair and reasonable and in the interests of the Company and the Shareholders as a whole; and (ii) the termination of the Tenancy Agreement will not have any material adverse impact on the financial position and operation of the Group.

IMPLICATIONS UNDER THE LISTING RULES

As all applicable percentage ratios under Rule 14.07 of the Listing Rules in respect of the transactions contemplated under the Tenancy Termination Agreement based on the value of the right-of-use asset to be derecognised by the Group pursuant to IFRS 16 are less than 5%, the entering into of the Tenancy Termination Agreement does not constitute a notifiable transaction of the Company under Chapter 14 of the Listing Rules.

As all applicable percentage ratios under Rule 14A.09(1) of the Listing Rules in respect of the Sub-Tenant compared to that of the Group for the financial year ended 31 December 2024 are less than 5%, the Sub-Tenant is an insignificant subsidiary of the Company for the purpose of Rule 14A.09(1) of the Listing Rules. As at the date of this announcement, Tenant A is indirectly wholly-owned by Guizhou Shenqi Enterprise, which is a substantial shareholder holding 40% equity interest in the Sub-Tenant. Notwithstanding, Guizhou Shenqi Enterprise and Tenant A, its associate, are not regarded as connected persons of the Company pursuant to Rule 14A.09 of the Listing Rules as the Sub-Tenant is an insignificant subsidiary of the Company. Therefore, the entering into of the Tenancy Termination Agreement does not constitute a connected transaction of the Company under Chapter 14A of the Listing Rules.

This announcement is made pursuant to Rule 14.36 of the Listing Rules.

On behalf of the Board
PARKSON RETAIL GROUP LIMITED
Tan Sri Cheng Heng Jem
Executive Director & Chairman

31 October 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.

* *For ease of reference, the names of the PRC established companies or entities have generally been included in this announcement in both Chinese and English languages and in the event of inconsistency, the Chinese language shall prevail.*