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PARKSON 百盛
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)

INSIDE INFORMATION
IN RELATION TO A POSSIBLE SALE OF THE PROPERTY
IN XI'AN CITY, SHAANXI PROVINCE

This announcement is made by Parkson Retail Group Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and the Inside Information Provision (as defined in the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

THE DEPOSIT AGREEMENT AND THE POSSIBLE SALE OF THE PROPERTY

The board (the “**Board**”) of directors (the “**Directors**”) of the Company is pleased to announce that on 28 August 2019, Xi'an Lucky King Parkson Plaza Co., Ltd.* (西安立豐百盛廣場有限公司) (the “**Vendor**”), an indirect wholly-owned subsidiary of the Company, entered into a deposit agreement (the “**Deposit Agreement**”) with Xi'an Xing Zuan Jia Jian Enterprise Management Consulting Co., Ltd* (西安星鑽加簡企業管理諮詢有限公司) (the “**Purchaser**”) in relation to, among others, the payment of the deposit in the sum of RMB4,000,000 (the “**Deposit**”) by the Purchaser to the Vendor on the date of the Deposit Agreement and a possible sale of the property (the “**Property**”) at a consideration of RMB88,777,200 (the “**Possible Disposal**”).

BASIC INFORMATION OF THE POSSIBLE DISPOSAL

Parties : Vendor: Xi'an Lucky King Parkson Plaza Co., Ltd.* (西安立豐百盛廣場有限公司), an indirect wholly-owned subsidiary of the Company, as vendor

Purchaser: Xi'an Xing Zuan Jia Jian Enterprise Management Consulting Co., Ltd * (西安星鑽加簡企業管理諮詢有限公司) as purchaser

To the best of the knowledge, information and belief of the Directors having made all reasonable enquiries, the Purchaser and its ultimate beneficial owners are third parties independent of, and not connected with, the Company and its connected persons (as defined under the Listing Rules).

The Property : Levels 1-4, at No. 233 East Street of Beilin District in Xi'an City, Shaanxi Province, the PRC.

Consideration : RMB88,777,200

Total gross area of the Properties : 17,755.44 sq. m

Pursuant to the Deposit Agreement, the parties agree to enter into a formal agreement (the “**Sale and Purchase Agreement**”) for the sale and purchase of the Property within 15 days after the Vendor has received the Deposit from the Purchaser. If the Vendor fails to enter into the Sale and Purchase Agreement with the Purchaser within 15 days after the Vendor has received the Deposit, the Vendor shall return the Deposit and shall additionally pay to the Purchaser a sum equivalent to the amount of the Deposit. If the Purchaser fails to enter into the Sale and Purchase Agreement with the Vendor within 15 days after the payment of the Deposit, the Purchaser shall have no right to ask for the return of the Deposit. If either of the situations happens, the Deposit Agreement shall be automatically terminated and the Vendor is entitled to sell the Property to any third party without the need to notify the Purchaser.

The parties also agree that after the Vendor has received the Deposit, if it is required by the relevant transaction registration authority that the Vendor needs to remit such Deposit into an escrow account set up by the relevant transaction guarantee authority for transaction settlement fund of second-hand housing, the Purchaser shall provide all necessary assistances to the Vendor in relation to the execution of a custodian agreement between the Vendor and the relevant fund supervisory authority.

REASONS FOR AND BENEFITS OF THE POSSIBLE DISPOSAL

The principal activities of the Group are the operation and management of a network of department stores in the PRC. The Group decides to carry out business restructure and the business operation in the Property has been closed. The Board believes that the Possible Disposal will have a positive impact on the future development of the Company. Having taken into account the above reasons and benefits, the Board is of the view that the Possible Disposal is in the interests of the Company and its shareholders as a whole.

GENERAL

As at the date of this announcement, no formal sale and purchase agreement has been entered into in respect of the Property. Specific terms are subject to the formal agreement. The Possible Disposal, if materialized, may constitute a disclosable transaction of the Company under Chapter 14 of the Listing Rules. The Company will disclose subsequent development of the Possible Disposal in accordance with the Listing Rules and the actual circumstances in due course. Shareholders and potential investors are advised to exercise caution when dealing in the shares of the Company.

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

28 August 2019

As at the date of this announcement, the Executive Directors of the Company are Tan Sri Cheng Heng Jem, Ms. Juliana Cheng San San and Mr. He Dong, the Non-executive Director is Dato' Sri Dr. Hou Kok Chung and the Independent Non-executive Directors are Dato' Fu Ah Kiow, Mr. Ko Desmond and Mr. Yau Ming Kim, Robert.

** 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.*