

---

**THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION**

---

**If you are in doubt** as to any aspect of this circular or as to the action to be taken, you should consult your licensed securities dealer, bank manager, solicitor, professional accountant or other professional adviser.

**If you have sold or transferred** all your shares in **PARKSON RETAIL GROUP LIMITED**, you should at once hand this circular to the purchaser or the transferee or to the bank, licensed securities dealer or other agent through whom the sale or transfer was effected, for transmission to the purchaser or transferee.

The Stock Exchange of Hong Kong Limited takes no responsibility for the contents of this circular, makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this circular.

This circular is for information only and does not constitute an invitation or offer to acquire, purchase or subscribe for securities of **PARKSON RETAIL GROUP LIMITED**.

---



**PARKSON RETAIL GROUP LIMITED**

**百盛商業集團有限公司**

*(a company incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 3368)**

**NOTICE OF ANNUAL GENERAL MEETING  
GENERAL MANDATES TO REPURCHASE SHARES  
AND TO ISSUE NEW SHARES  
RE-ELECTION OF RETIRING DIRECTORS**

---

A notice convening the Annual General Meeting of Parkson Retail Group Limited to be held at Harbour View Ballroom I, Level 4, Four Seasons Hotel Hong Kong, 8 Finance Street, Central, Hong Kong on 22 May 2008, Thursday at 4:00 p.m. is set out on pages 13 to 16 of this circular. In the event you are not able to attend the Annual General Meeting, you are requested to complete the accompanying form of proxy in accordance with the instructions printed thereon and return it to the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited, at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong as soon as possible but in any event no later than 48 hours before the time scheduled for the holding of the Annual General Meeting or any adjournment thereof. Completion and return of the form of proxy will not preclude Shareholders from attending and voting in person at the Annual General Meeting or at any adjourned meeting if they so wish.

24 April 2008

---

## CONTENTS

---

	<i>Page</i>
<b>Definitions</b> .....	1
<b>Letter from the Board</b> .....	3
I. Introduction .....	3
II. Repurchase and Issuance Mandates .....	4
III. Re-election of Retiring Directors .....	4
IV. Annual General Meeting .....	5
V. Recommendations .....	5
VI. Responsibility Statement .....	5
<b>Appendix A — Explanatory Statement on the Repurchase Mandate</b> .....	6
<b>Appendix B — Details of Directors Proposed to be Re-elected at Annual General Meeting</b> .....	9
<b>Appendix C — Procedures by which Shareholders may Demand a Poll at General Meeting Pursuant to the Articles of Association</b> .....	12
<b>Notice of Annual General Meeting</b> .....	13

---

## DEFINITIONS

---

*In this circular, unless the context otherwise requires, the following expressions have the following meanings:*

“Annual General Meeting”	the annual general meeting of the Company to be held at Harbour View Ballroom I, Level 4, Four Seasons Hotel Hong Kong, 8 Finance Street, Central, Hong Kong on 22 May 2008, Thursday at 4:00 p.m.
“Articles of Association”	the articles of association of the Company
“Board”	the board of Directors
“Company”	Parkson Retail Group Limited (百盛商業集團有限公司), a company incorporated under the laws of the Cayman Islands with limited liability, the Shares of which are listed on the Stock Exchange
“Companies Law”	the Companies Law, Cap. 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands
“Director(s)”	the director(s) of the Company
“Group”	the Company and its subsidiaries and jointly controlled entities
“HK\$”	Hong Kong dollar(s), the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Latest Practicable Date”	21 April 2008, being the latest practicable date prior to the printing of this circular for ascertaining certain information referred to in this circular
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“Memorandum of Association”	the memorandum of association of the Company
“PRC”	the People’s Republic of China
“RM”	Ringgit Malaysia, lawful currency of Malaysia
“RMB”	Renminbi, the lawful currency of the PRC
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	the ordinary share(s) of the Company with a nominal value of HK\$0.10 each

---

## DEFINITIONS

---

“Shareholder(s)”	the holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	The Hong Kong Code on Takeovers and Mergers

---

LETTER FROM THE BOARD

---

 **PARKSON 百盛**  
**PARKSON RETAIL GROUP LIMITED**  
**百盛商業集團有限公司**

*(a company incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 3368)**

*Executive Directors:*

Mr Cheng Yoong Choong

*Managing Director*

Mr Chew Fook Seng

*Chief Executive Officer*

*Non-executive Director:*

Tan Sri Cheng Heng Jem

*Chairman*

*Independent non-executive Directors:*

Mr Werner Josef Studer

Mr Ko Tak Fai, Desmond

Mr Yau Ming Kim, Robert

*Registered office:*

c/o M&C Corporate Services Limited

P.O. Box 309GT

Ugland House

South Church Street

George Town

Grand Cayman

Cayman Islands

*Principal place of business in Hong Kong:*

Suite 1316, Prince's Building

10 Chater Road

Central

Hong Kong

24 April 2008

*To the Shareholders*

Dear Sir or Madam,

**NOTICE OF ANNUAL GENERAL MEETING**  
**GENERAL MANDATES TO REPURCHASE SHARES**  
**AND TO ISSUE NEW SHARES**  
**RE-ELECTION OF RETIRING DIRECTORS**

**I. INTRODUCTION**

The purpose of this circular is to provide you with information regarding the resolutions to be proposed at the Annual General Meeting relating to (i) the grant of the general mandates to the Directors to exercise all the powers of the Company to repurchase fully-paid up Shares and to issue new Shares; and (ii) the proposed re-election of the retiring Directors.

---

## LETTER FROM THE BOARD

---

### II. REPURCHASE AND ISSUANCE MANDATES

The Listing Rules contain provisions to regulate the repurchase by companies with primary listings on the Stock Exchange of their own securities on the Stock Exchange.

Ordinary resolutions will be proposed at the Annual General Meeting to approve:

- (a) the grant of a general mandate to the Directors to repurchase Shares on the Stock Exchange during the relevant period representing up to a maximum number equivalent to 10% of the existing issued share capital of the Company as at the date of passing such resolution at the Annual General Meeting (the “Repurchase Mandate”);
- (b) the grant of a general mandate to the Directors to allot, issue or deal with Shares during the relevant period of an aggregate number not exceeding 20% of the existing issued share capital of the Company as at the date of passing such resolution at the Annual General Meeting (the “Issuance Mandate”); and
- (c) the extension of the Issuance Mandate by an amount representing the number of the Shares repurchased by the Company under the Repurchase Mandate (the “Extension of the Issuance Mandate”).

The Repurchase Mandate, the Issuance Mandate and the Extension of the Issuance Mandate will continue in force until the conclusion of the next annual general meeting of the Company or any earlier date as referred to in ordinary resolution numbered 5 as set out in the notice of the Annual General Meeting.

Shareholders should refer to the Explanatory Statement contained in Appendix A of this circular which sets out further information in relation to the proposed Repurchase Mandate.

As regards the Issuance Mandate, subject to the passing of the ordinary resolution numbered 5(B) as set out in the Notice of Annual General Meeting and on the basis that no further Shares are issued or repurchased by the Company since the Latest Practicable Date and up to the Annual General Meeting, exercise in full of the Issuance Mandate could accordingly result in up to 111,481,120 fully paid up Shares to be allotted, issued and dealt with by the Company during the period in which the Issuance Mandate remains in force.

### III. RE-ELECTION OF RETIRING DIRECTORS

Pursuant to Article 114 of the Articles of Association, Mr Cheng Yoong Choong and Mr Werner Josef Studer will retire at the Annual General Meeting and, being eligible, will offer themselves for re-election in accordance with Article 130 of the Articles of Association.

Separate resolutions will be put forward at the Annual General Meeting for the re-election of Mr Cheng Yoong Choong and Mr Werner Josef Studer as Directors. Information on the retiring Directors as required to be disclosed under the Listing Rules is set out in Appendix B of this circular.

---

## LETTER FROM THE BOARD

---

### IV. ANNUAL GENERAL MEETING

The notice of the Annual General Meeting is set out on pages 13 to 16 of this circular.

A form of proxy for use at the Annual General Meeting is enclosed with this circular. Such form of proxy is also published on the websites of Hong Kong Exchanges and Clearing Limited ([www.hkexnews.hk](http://www.hkexnews.hk)) and of the Company ([www.parkson.com.cn](http://www.parkson.com.cn)). In the event you are not able to attend the meeting, you are requested to complete the form of proxy in accordance with the instructions printed thereon and return it to the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited, at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong as soon as possible but in any event no later than 48 hours before the time scheduled for holding the Annual General Meeting or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the Annual General Meeting or at any adjourned meeting should you so wish.

Your attention is also drawn to the additional information contained in Appendix C of this circular which sets out the procedures by which Shareholders may demand a poll at general meeting pursuant to the Articles of Association.

### V. RECOMMENDATIONS

The Directors are of the opinion that (i) the grant of the proposed Repurchase Mandate, the proposed Issuance Mandate, and the proposed Extension of the Issuance Mandate; and (ii) the proposed re-election of retiring Directors are all in the best interests of the Company and the Shareholders. Accordingly, the Directors recommend all Shareholders to vote in favour of all the resolutions to be proposed at the Annual General Meeting.

### VI. RESPONSIBILITY STATEMENT

This circular contains particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors collectively and individually accept full responsibility for the accuracy of the information contained in this circular and confirm, having made all reasonable enquiries, that to the best of their knowledge and belief, there are no other facts the omission of which would make any statement herein misleading.

By Order of the Board  
**Parkson Retail Group Limited**  
**Cheng Yoong Choong**  
*Managing Director*

---

## **APPENDIX A EXPLANATORY STATEMENT ON THE REPURCHASE MANDATE**

---

*The following is the explanatory statement required to be sent to Shareholders under the Listing Rules to enable them to make an informed decision on whether to vote for or against the ordinary resolution in relation to the Repurchase Mandate to be proposed at the Annual General Meeting.*

### **(a) Share Capital**

As at the Latest Practicable Date, the issued share capital of the Company was HK\$55,740,560 comprising 557,405,600 shares of HK\$0.10 each. Subject to the passing of ordinary resolution numbered 5(A) as set out in the notice of the Annual General Meeting and on the basis that no further Shares are issued or repurchased by the Company since the Latest Practicable Date and up to the Annual General Meeting, exercise in full of the Repurchase Mandate could accordingly result in up to 55,740,560 fully paid up Shares being repurchased by the Company during the period in which the Repurchase Mandate remains in force.

### **(b) Reasons for share repurchase**

The Directors believe that the proposed Repurchase Mandate is in the interests of the Company and Shareholders. Such repurchases may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net asset value and/or earnings per Share. The Directors seek the grant of the Repurchase Mandate to give the Company the flexibility to do so if and when appropriate. The number of Shares to be repurchased on any occasion and the price and other terms upon which the same are repurchased will be decided by the Directors and in accordance with the Repurchase Mandate at the relevant time, having regard to the circumstances then prevailing.

### **(c) Funding of Repurchases**

Repurchases must be financed out of funds which are legally available for the purpose in accordance with the Memorandum of Association and Articles of Association, the Listing Rules and the relevant Laws including but not limited to the laws of the jurisdiction in which the Company is incorporated. A company may not repurchase its own securities on the Stock Exchange for a consideration other than cash or for settlement otherwise than in accordance with the trading rules of the Stock Exchange from time to time.

Any repurchases may be made out of profits or the proceeds of fresh issue of shares made for the purpose, or if so authorised by the Articles of Association and subject to the Companies Law, out of capital. Any premium on a purchase may be made out of profits of the Company or the share premium account, if so authorised by the Articles of Association and subject to the Companies Law.

There might be an adverse impact on the working capital or gearing position of the Company in the event that share repurchases pursuant to the Repurchase Mandate were to be carried out in full at any time during the proposed repurchase period as compared with the position disclosed in the Company's most recent published audited accounts. However, the Directors do not propose to exercise the Repurchase Mandate to such an extent as would, in the circumstances, have a material adverse effect on the working capital requirements or the gearing level of the Company unless the Directors consider such repurchases to be in the best interests of the Company.

---

**APPENDIX A EXPLANATORY STATEMENT ON THE REPURCHASE MANDATE**

---

**(d) Market Price**

The highest and lowest market prices for Shares recorded on the Stock Exchange during each of the twelve months preceding the Latest Practicable Date were as follows:

	<b>Share Price (per Share)</b>	
	<b>Highest</b>	<b>Lowest</b>
	<i>HK\$</i>	<i>HK\$</i>
<b>2007</b>		
April	58.20	50.40
May	57.75	51.50
June	53.95	47.60
July	62.90	51.05
August	64.80	46.00
September	74.00	61.40
October	90.00	63.50
November	90.70	71.00
December	96.00	77.70
<b>2008</b>		
January	94.70	50.10
February	83.60	66.85
March	81.90	50.80
From 1 April to the Latest Practicable Date	74.00	62.45

**(e) General**

To the best of their knowledge and having made all reasonable enquiries, none of the Directors nor their associates (as defined in the Listing Rules), has any present intention to sell any Shares to the Company in the event that the Repurchase Mandate is approved by the Shareholders.

No connected person (as defined in the Listing Rules) has notified the Company that he has a present intention to sell Shares to the Company, or has undertaken not to do so, in the event that the Repurchase Mandate is granted.

The Directors have undertaken to the Stock Exchange to exercise the Repurchase Mandate in accordance with the Listing Rules, the applicable laws of the Cayman Islands and the Articles of Association.

---

## APPENDIX A EXPLANATORY STATEMENT ON THE REPURCHASE MANDATE

---

If, on the exercise of the power to repurchase Shares pursuant to the Repurchase Mandate, a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition for the purposes of the Takeovers Code. Accordingly, a Shareholder, or group of Shareholders acting in concert, could obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rules 26 and 32 of the Takeovers Code.

As at the Latest Practicable Date, PRG Corporation Limited is a substantial shareholder of the Company which is directly interested in 298,360,000 Shares (representing 53.53% of the total issued share capital of the Company). PRG Corporation Limited is a wholly owned subsidiary of East Crest International Limited ("ECIL"), which is in turn wholly-owned by Parkson Holdings Berhad ("PHB"). Tan Sri Cheng Heng Jem, a non-executive Director and the Chairman of the Company, through his direct interest and a series of companies in which he has a substantial interest, together with the interest held by his wife Puan Sri Chan Chau Ha (alias Chan Chow Har), are entitled to exercise or control the exercise of more than one-third of the voting power at general meetings of PHB, which in turn is entitled to exercise or control the exercise of 100% of the voting power at general meetings of PRG Corporation Limited.

On the basis that no further Shares are issued or repurchased since the Latest Practicable Date up to the Annual General Meeting and in the event that the Directors exercise in full the power to repurchase Shares in accordance with the Repurchase Mandate, the attributable interests of PRG Corporation Limited, ECIL, PHB, Tan Sri Cheng Heng Jem and his wife Puan Sri Chan Chau Ha (alias Chan Chow Har) would be increased to approximately 59.47% of the issued share capital of the Company. The Directors are not aware of any consequences which may arise under the Takeovers Code as a consequence of any repurchases to be made pursuant to the Repurchase Mandate. The Directors will not make any repurchase of Shares to such extent that the public shareholding in the Company would be reduced to less than 25% of the issued share capital of the Company.

**(f) Share repurchases made by the Company**

The Company did not repurchase any Shares (whether on the Stock Exchange or otherwise) during the last six months immediately preceding the Latest Practicable Date.

The details of the Directors who will retire and, being eligible, offer themselves for re-election at the Annual General Meeting in accordance with the Articles of Association are set out below:

- (1) **CHENG Yoong Choong**, aged 44, is an Executive Director and the Managing Director of the Company. Mr Cheng is also the chairman of the remuneration committee of the Company and a director of various companies of the Group. He graduated from the University of San Francisco with a Bachelor of Science degree and a Master of Business Administration in 1984. He has been with the Lion Group since 1987 in various capacities in stores operations and merchandising and has been the Chief Operating Officer of the retail division of the Lion Group since 2000. Mr Cheng has been with the Group since its inception. Mr Cheng is actively involved in the Malaysian and PRC retail scenes and was chairman of the Malaysia Retailers Association in 1996. He was a member of the Executive Board of the Intercontinental Group of Department Stores in 1998 and 1999.

Mr Cheng is the nephew of Tan Sri Cheng Heng Jem, the Non-executive Director and Chairman of the Company.

Save as disclosed above, Mr Cheng does not have any relationship with any other Directors, senior management or substantial or controlling Shareholders of the Company.

As at the Latest Practicable Date, Mr Cheng has a personal interest of 455,000 Shares of the Company within the meaning of Part XV of the SFO.

Mr Cheng entered into a service contract with the Company on 9 November 2005 under which he agreed to act as Executive Director for a term of three years commencing from 9 November 2005. The appointment may be terminated before such expiry by not less than three months' written notice.

Under the service contract, Mr Cheng will receive an annual Director's fee of approximately HK\$150,000. The Director's fee shall be subject to review by the remuneration committee of the Company. He will also be entitled to discretionary bonus as may be decided by the remuneration committee.

---

**APPENDIX B****DETAILS OF DIRECTORS PROPOSED TO BE  
RE-ELECTED AT ANNUAL GENERAL MEETING**

---

During the period when Mr Cheng was a director or within 12 months after his ceasing to act as a director of the following companies, such companies were put into liquidation:

<b>Name of Company</b>	<b>Place of Incorporation</b>	<b>Nature of business</b>	<b>Date of commencement of the proceedings</b>	<b>Particulars/ Amount involved</b>
Dauids Distribution Sdn Bhd	Malaysia	Distribution of groceries and other food products	15 October 1998	Court winding-up (ongoing)/ RM1,079,123
Shijiazhuang Parkson Plaza Co Ltd	Hubei Province, PRC	Property management, sale of goods and merchandise within property, restaurant and entertainment business, and the lease of properties	25 December 1997	Court winding-up (completed on 10 May 1999)/None

Moreover, one of the companies forming part of the Lion Group in which Mr Cheng is a director had, in 2000, undertaken and implemented a corporate restructuring exercise to enable, inter alia, that company to continue its operations as a going concern and to ensure that it was able to meet its commitments to its creditors. The corporate restructuring exercise was carried out as a result of the financial crisis in Malaysia which arose in the second half of 1997 and had an adverse impact on the financial performance of that company. Details of which are as follows:

<b>Name of Company</b>	<b>Place of Incorporation</b>	<b>Nature of business</b>	<b>Date of commencement of the proceedings</b>	<b>Particulars/ Amount involved</b>
Parkson Corporation Sdn Bhd	Malaysia	Operation of departmental stores	22 December 2000	RM15.78 million as at 29 February 2008

The corporate restructuring exercise has been implemented and Parkson Corporation Sdn Bhd is complying with the terms of the restructuring exercise.

The Directors are of the opinion that Mr Cheng has demonstrated commitment to his role as Executive Director of the Company and performed proficiently throughout the years, and therefore determine that the re-appointment/continuance of Mr Cheng as Executive Director is in the best interest of the Company and the Shareholders.

Save as disclosed above, there is no information required to be disclosed pursuant to any of the requirements under Rules 13.51(2)(h) to (v) of the Listing Rules.

- (2) **Werner Josef STUDER**, aged 48, was appointed as an Independent Non-executive Director on 9 November 2005, and is a member of the audit committee of the Company. Mr Studer obtained his federal diploma in economics and business administration from SEBA (School for Economics and Business Administration) in Lucerne, Switzerland. Mr Studer is a business economist and holds a Bachelor of Business Administration degree. He serves currently as Executive Director to the Intercontinental Group Department Stores (“The IGDS”). The IGDS is a non-profit association which offers a global business platform for leading department stores all over the world. The IGDS comprises more than 33 members now. Prior to joining The IGDS, Mr Studer was in various management functions and positions at Hero Company (food manufacturing), Switzerland; Feldschloesschen Company (Brewery), Switzerland, and Migros Company (retailer) in Switzerland. Mr Studer has over 20 years of experience in the fast moving consumer goods (“FMCG”) and retail industries.

Mr Studer does not have any relationship with any Directors, senior management or substantial or controlling Shareholders of the Company.

As at the Latest Practicable Date, Mr Studer has a personal interest of 25,000 Shares of the Company within the meaning of Part XV of the SFO.

Under a letter of appointment dated 9 November 2005 with the Company, Mr Studer agreed to act as Independent Non-executive Director for a period of one year and shall continue thereafter subject to a maximum of three years unless terminated in accordance with the terms of the appointment letter. The initial annual Director’s fee for his acting as Independent Non-executive Director is HK\$150,000.

The Directors are of the opinion that Mr Studer has demonstrated commitment to his role as Independent Non-executive Director of the Company and performed proficiently throughout the years, and therefore determine that the re-appointment/continuance of Mr Studer as Independent Non-executive Director is in the best interest of the Company and the Shareholders.

Save as disclosed above, there is no information required to be disclosed pursuant to any of the requirements under Rules 13.51(2)(h) to (v) of the Listing Rules.

The emoluments received by each of the Directors for the year ended 31 December 2007 have been disclosed in the Company’s Annual Report 2007.

Save as disclosed above, there are no other matters that need to be brought to the attention of the Shareholders relating to the re-election of the above Directors.

---

**APPENDIX C      PROCEDURES BY WHICH SHAREHOLDERS MAY DEMAND A POLL AT  
GENERAL MEETING PURSUANT TO THE ARTICLES OF ASSOCIATION**

---

According to the Articles of Association, at any general meeting a resolution put to the vote at the meeting shall be decided on a show of hands unless (before or on the declaration of the result of the show of hands or on the withdrawal of any other demand for a poll) a poll is duly demanded or otherwise required under the Listing Rules. A poll may be demanded by:

- (a) the chairman of the meeting; or
- (b) at least five members present in person (or in the case of a corporation, by its duly authorised representative) or by proxy and who are entitled to vote; or
- (c) any member or members present in person (or in the case of a corporation, by its duly authorised representative) or by proxy and representing in aggregate not less than one-tenth of the total voting rights of all members having the right to attend and vote at the meeting;  
or
- (d) any member or members present in person (or in the case of a corporation, by its duly authorised representative) or by proxy and holding shares conferring a right to attend and vote at the meeting on which there have been paid up sums in aggregate equal to not less than one-tenth of the total sum paid up on all shares conferring that right.

---

## NOTICE OF ANNUAL GENERAL MEETING

---



**PARKSON RETAIL GROUP LIMITED**

**百盛商業集團有限公司**

*(a company incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 3368)**

**NOTICE IS HEREBY GIVEN** that the Annual General Meeting of Parkson Retail Group Limited (the “Company”) will be held at Harbour View Ballroom I, Level 4, Four Seasons Hotel Hong Kong, 8 Finance Street, Central, Hong Kong on 22 May 2008, Thursday at 4:00 p.m. for the following purposes:

- (1) To receive and consider the audited consolidated financial statements and the reports of the directors and auditors for the year ended 31 December 2007.
- (2) To consider and approve a final dividend of RMB0.38 per share for the year ended 31 December 2007.
- (3) To re-elect Mr Cheng Yoong Choong and Mr Werner Josef Studer as directors of the Company and to authorise the board of Directors to fix the Directors’ remuneration.
- (4) To re-appoint Messrs Ernst & Young as auditors and to authorise the board of Directors to fix their remuneration.
- (5) To consider as special business and, if thought fit, pass the following resolutions as ordinary resolutions:

(A) **“THAT:**

- (a) Subject to paragraphs (b) and (c) of this resolution, the exercise by the Directors during the Relevant Period (as defined in paragraph (d) of this resolution) of all the powers of the Company to repurchase the ordinary shares of the Company with a nominal value of HK\$0.10 each (the “Shares”) on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) or on any other stock exchange on which the Shares of the Company may be listed and recognised by the Securities and Futures Commission and the Stock Exchange for this purpose, subject to and in accordance with all applicable laws and/or requirements of the Stock Exchange or any other stock exchange as may be amended from time to time, be and the same is hereby generally and unconditionally approved;

---

## NOTICE OF ANNUAL GENERAL MEETING

---

- (b) the approval in paragraph (a) of this resolution shall, in addition to any other authorisation given to the Directors, authorise the Directors on behalf of the Company during the Relevant Period to procure the Company to purchase its own Shares at a price to be determined by the Directors;
- (c) the maximum number of Shares to be repurchased or agreed conditionally or unconditionally to be repurchased by the Company pursuant to the approval in paragraph (a) of this resolution during the Relevant Period shall not exceed 10% of the existing issued share capital of the Company as at the date of passing of this resolution and the said approval shall be limited accordingly; and
- (d) for the purpose of this resolution:

“Relevant Period” means the period from the date of the passing of this resolution until whichever is the earlier of:

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by law or its articles of association to be held; and
- (iii) the revocation or variation of the authority granted under this resolution by an ordinary resolution of the shareholders of the Company in general meetings.”

**(B) “THAT:**

- (a) subject to paragraphs (b) and (c) below and without prejudice to the resolution numbered 5(C) set out below, the exercise by the Directors during the Relevant Period (as defined in resolution numbered 5(A)(d) set out in the notice of this Meeting) of all the powers of the Company to allot, issue and deal with Shares or securities convertible into Shares or options, warrants or similar rights to subscribe for any Shares and to make or grant offers, agreements and options which might require the exercise of such power, be and is hereby generally and unconditionally approved;
- (b) the approval in paragraph (a) above shall, in addition to any other authorisation given to the Directors, authorise the Directors during the Relevant Period to make or grant offers, agreements or options (including warrants or similar rights to subscribe for any Shares which might require the exercise of such power after the end of the Relevant Period);

---

## NOTICE OF ANNUAL GENERAL MEETING

---

- (c) the aggregate number of Shares allotted, issued or dealt with or agreed conditionally or unconditionally to be allotted, issued or dealt with by the Directors pursuant to the approval given in paragraph (a) above, otherwise than pursuant to (i) a Rights Issue (as defined below); (ii) the exercise of the rights of subscription or conversion under the terms of any securities or bonds which are convertible into any Shares; (iii) any options granted or issue of Shares under any share option scheme or similar arrangement for the time being adopted by the Company, or (iv) any scrip dividend schemes or similar arrangements providing for the allotment of Shares in lieu of the whole or part of a dividend on shares in accordance with the articles of association of the Company, shall not exceed 20% of the existing issued share capital of the Company as at the date of passing of this resolution and the said approval shall be limited accordingly; and
- (d) for the purpose of this resolution: “Rights Issue” means an offer of Shares open for a period fixed by the Directors to holders of Shares on the register on a fixed record date in proportion to their then holdings of such Shares (subject to such exclusions or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of any relevant jurisdiction, or the requirements of any recognised regulatory body or any stock exchange in any territory outside Hong Kong).”
- (C) “**THAT** conditional upon the passing of the resolutions numbered 5(A) and 5(B) set out above, the number of Shares which are repurchased by the Company pursuant to and in accordance with the resolution numbered 5(A) shall be added to the aggregate number of the Shares that may be allotted, issued or dealt with or agreed conditionally or unconditionally by the Directors pursuant to and in accordance with resolution numbered 5(B)”.

By Order of the Board  
**Cheng Yoong Choong**  
*Managing Director*

Hong Kong, 24 April 2008

**Notes:**

- (a) The Register of Members of the Company will be closed from 19 May 2008 to 22 May 2008 (both days inclusive), during which period no transfer of shares can be registered. In order to qualify for the proposed final dividend and to attend and vote at the Annual General Meeting, all transfers accompanied by the relevant share certificates and transfer forms must be lodged with the Company’s branch share registrar in Hong Kong, Tricor Investor Services Limited at 26th Floor, Tesbury Centre, 28 Queen’s Road East, Wanchai, Hong Kong for registration not later than 4:00 p.m. on 16 May 2008.
- (b) The proposed final dividends will be paid in Hong Kong dollars, such amount to be calculated by reference to the middle rate published by the People’s Bank of China for the conversion of Renminbi to Hong Kong dollars as at 19 May 2008.
- (c) A member entitled to attend and vote at the Annual General Meeting is entitled to appoint a proxy (who must be an individual) to attend and, on a poll, to vote in his stead. A proxy need not be a member of the Company.

---

## NOTICE OF ANNUAL GENERAL MEETING

---

- (d) In order to be valid, a form of proxy, together with any power of attorney or other authority, if any, under which it is signed, or a notarially certified copy thereof, must be deposited at the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong not less than 48 hours before the time appointed for holding the Annual General Meeting or any adjourned meeting (as the case may be).
  
- (e) A form of proxy for use in connection with the Annual General Meeting is enclosed and such form is also published on the websites of Hong Kong Exchanges and Clearing Limited ([www.hkexnews.hk](http://www.hkexnews.hk)) and of the Company ([www.parkson.com.cn](http://www.parkson.com.cn)).