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**GENERAL MANDATES TO REPURCHASE SHARES
AND TO ISSUE NEW SHARES**

RE-ELECTION OF RETIRING DIRECTORS

NOTICE OF ANNUAL GENERAL MEETING

A notice convening the Annual General Meeting of Parkson Retail Group Limited to be held at The Executive Centre, Seminar Room 1, Level 3, Three Pacific Place, 1 Queen's Road East, Hong Kong on 17 May 2012, Thursday at 11:00 a.m. is set out on pages 15 to 18 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.

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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 The Executive Centre, Seminar Room 1, Level 3, Three Pacific Place, 1 Queen’s Road East, Hong Kong on 17 May 2012, Thursday, at 11:00 a.m.
“Articles of Association”	the articles of association of the Company
“Board”	the board of Directors
“Companies Law”	the Companies Law, Cap. 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands
“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
“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”	11 April 2012, 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

DEFINITIONS

“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\$0.02 each
“Shareholder(s)”	the holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	the Codes on Takeovers and Mergers issued by the Securities and Futures Commission in Hong Kong

LETTER FROM THE BOARD



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:

Datuk 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 309

Ugland House

South Church Street

George Town

Grand Cayman

Cayman Islands

Principal place of business in Hong Kong:

Level 28, Three Pacific Place

1 Queen's Road East

Hong Kong

17 April 2012

To the Shareholders

Dear Sir or Madam,

GENERAL MANDATES TO REPURCHASE SHARES AND TO ISSUE NEW SHARES

RE-ELECTION OF RETIRING DIRECTORS

NOTICE OF ANNUAL GENERAL MEETING

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 562,098,050 fully paid up new 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 130 of the Articles of Association, Tan Sri Cheng Heng Jem and Mr Ko Tak Fai, Desmond will retire at the Annual General Meeting and, being eligible, will offer themselves for re-election.

Separate resolutions will be put forward at the Annual General Meeting for the re-election of Tan Sri Cheng Heng Jem and Mr Ko Tak Fai, Desmond 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 AND PROXY ARRANGEMENT

The notice of the Annual General Meeting is set out on pages 15 to 18 of this circular.

Pursuant to the Listing Rules, any vote of shareholders at a general meeting must be taken by poll. An announcement on the poll vote results will be published by the Company after the Annual General Meeting in the manner prescribed under Rule 13.39(5) of the Listing Rules.

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) and of the Company (www.parksongroup.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.

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

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\$56,209,805 comprising 2,810,490,250 shares of HK\$0.02 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 281,049,025 fully paid up Shares being repurchased by the Company during the period ending of the earliest 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 meeting prior to the next annual general meeting of the Company.

(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.

(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:

	Share Price (per Share)	
	Highest HK\$	Lowest HK\$
2011		
April	12.36	10.20
May	12.68	10.98
June	12.10	10.28
July	12.14	10.40
August	11.18	8.88
September	10.92	8.20
October	10.76	8.20
November	10.88	8.98
December	10.28	8.80
2012		
January	11.12	8.90
February	10.50	8.99
March	9.80	8.72
From 1 April to the Latest Practicable Date	9.08	8.21

(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.

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, Parkson Holdings Berhad ("PHB"), a substantial shareholder of the Company, is deemed to be interested in a total of 1,448,270,000 Shares representing approximately 51.53% of the total issued share capital of the Company. Such 1,448,270,000 Shares comprised of 1,438,300,000 Shares (representing approximately 51.18% of the total issued share capital of the Company) held by PRG Corporation Limited and 9,970,000 Shares (representing approximately 0.35% of the total issued share capital of the Company) held by East Crest International Limited ("ECIL"). PRG Corporation Limited is a wholly-owned subsidiary of ECIL which in turn is wholly-owned by 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, and accordingly are taken to be interested in the said 1,448,270,000 Shares of the Company.

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 would be increased to approximately 56.86% and for the interests of ECIL, PHB, Tan Sri Cheng Heng Jem and Puan Sri Chan Chau Ha (alias Chan Chow Har) would be increased to approximately 57.25% of the total 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 have no present intention to repurchase the 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) **Tan Sri CHENG Heng Jem**, aged 69, is a Non-executive Director and Chairman of the Company. Tan Sri Cheng has more than 35 years of experience in the business operations of The Lion Group encompassing steel, retail, property development, tyre, computer, motor and plantation. He oversees the operation of The Lion Group and is responsible for the formulation and monitoring of the overall corporate strategic plans and business development of The Lion Group.

Tan Sri Cheng is the President of The Associated Chinese Chambers of Commerce and Industry of Malaysia and The Chinese Chamber of Commerce and Industry of Kuala Lumpur and Selangor.

Tan Sri Cheng's directorships in public companies are as follows:

- Chairman and Managing Director of Lion Corporation Berhad and Parkson Holdings Berhad
- Chairman of Lion Diversified Holdings Berhad, Lion Forest Industries Berhad, Lion AMB Resources Berhad and ACB Resources Berhad
- Director of Lion Teck Chiang Limited, Lion Asiapac Limited and The Community Chest
- Non-Executive Chairman of Parkson Retail Asia Limited

Save for Lion AMB Resources Berhad, ACB Resources Berhad and The Community Chest, all the above companies are public listed companies in Malaysia whilst Lion Teck Chiang Limited, Lion Asiapac Limited and Parkson Retail Asia Limited are public listed companies in Singapore.

Tan Sri Cheng is the uncle of Datuk Cheng Yoong Choong, the Executive Director and the Managing Director of the Company.

Save as disclosed above, Tan Sri 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, Tan Sri Cheng has a corporate interest of 1,448,270,000 ordinary shares of the Company within the meeting of Part XV of the SFO.

Under a new letter of appointment dated 9 November 2011 with the Company, Tan Sri Cheng agreed to act as Non-executive Director for a period of three years commencing from 9 November 2011. The annual Director's fee for his acting as Non-executive Director is HK\$200,000.

During the period when Tan Sri 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:

Name of Company	Place of Incorporation	Nature of business	Date of commencement of the proceedings	Particulars/ Amount involved
Davids Distribution Sdn Bhd	Malaysia	Distribution of groceries and other food products	15 October 1998	Court winding-up (ongoing)/ RM1,079,123

Moreover, several companies forming part of the Lion Group in which Tan Sri Cheng is a director had, during the period from 2000 to 2004, undertaken and implemented a group-wide debt and/or corporate restructuring exercise to enable, inter alia, the companies to continue their operations as going concerns and to ensure that they are able to meet their commitments to their creditors. The debt and/or 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 these companies within the Lion Group. These companies are:

- (a) ACB Resources Berhad, Lion Corporation Berhad and Lion AMB Resources Berhad which had undertaken a debt and corporate restructuring exercise for themselves and certain of their subsidiaries pursuant to schemes of arrangement with their respective lenders via Malaysian High Court orders applied and obtained by the respective companies ("GWRs"). The GWRs was

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

implemented on 14 March 2003. Subsequently, several revisions and repayment/redemption were made with the consent of the lenders and bond holders. The details of the aforesaid debts and companies are as follows:

Name of Company	Place of Incorporation	Nature of business	Amount Involved	Current Status
ACB Resources Berhad and certain of its subsidiaries	Malaysia	Investment holding The majority of its subsidiaries are engaged in the property development, hotel, provisions of security services and plantation businesses	RM3,326 million net present value as at 14 March 2003	RM1,632 million net present value as at 31 December 2011
Lion Corporation Berhad and certain of its subsidiaries	Malaysia	Investment holding Its subsidiaries are mainly involved in the manufacturing and marketing of steel products such as hot rolled coils, cold rolled coils, bands, plates and sheets; manufacturing, distribution and trading of office equipment and steel related products; share registration and secretarial services; and the assembly, sale and distribution of commercial vehicles	RM1,602 million net present value as at 14 March 2003	RM1,438 million net present value as at 31 December 2011

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

Name of Company	Place of Incorporation	Nature of business	Amount Involved	Current Status
Lion AMB Resources Berhad and certain of its subsidiaries	Malaysia	Investment holding Its subsidiaries are mainly engaged in the business of manufacturing, sale and distribution of tyres, rubber compounds and other related rubber products, retreading tyres as well as the manufacturing of motorcycle parts and accessories, sale and distribution of motor vehicles and provision of training services	RM616 million net present value as at 14 March 2003	Completed

- (b) Megasteel Sdn Bhd and Amsteel Mills Sdn Bhd had also undertaken and implemented their own debt restructuring exercises with their respective lenders. The details of which are as follows:

Name of Company	Place of Incorporation	Nature of Business	Date of Implementation	Amount Involved	Current Status
Megasteel Sdn Bhd	Malaysia	Manufacturing of hot rolled coils and cold rolled coils	15 September 2009	RM985 million	RM623.60 million net present value as at 31 December 2011
Amsteel Mills Sdn Bhd	Malaysia	Manufacture and marketing of steel bars and wire rods	24 December 2009	RM593 million	RM470.57 million net present value as at 31 December 2011

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

- (c) Details of companies which had undertaken and implemented their own debt restructuring exercises with their respective lenders are as follows:

Name of Company	Place of Incorporation	Nature of Business	Date of Implementation	Amount Involved	Current Status
Lion Diversified Holdings Berhad	Malaysia	Investment holding	21 December 2000	RM170 million net present value as at 21 December 2000	Completed
Lion Forest Industries Berhad	Malaysia	Investment holding, trading and distribution of building and trading of materials, steel products	21 December 2000	RM38.27 million net present value as at 21 December 2000	Completed
Sabah Forest Industries Sdn Bhd	Malaysia	Integrated wood-based activities and pulp & paper mill operations	21 December 2000	RM52.9 million net present value as at 21 December 2000	Sold off
Parkson Corporation Sdn Bhd	Malaysia	Operations of departmental stores	22 December 2000	RM52.89 million net present value as at 22 December 2000	Completed
Silverstone Berhad	Malaysia	Manufacture and sale of tyres, rubber compounds and other related rubber products	22 December 2000	RM148.1 million net present value as at 22 December 2000	Sold off
Tirta Enterprise Sdn Bhd	Malaysia	Investment holding	31 December 2002	RM64,066,290.41	Completed
Lion Holdings Sdn Bhd	Malaysia	Investment holding and property investment	31 December 2002	RM44,245,065.21	Completed
William Cheng Sdn Bhd	Malaysia	Investment Holding	31 December 2002	RM1,974,861.21	Completed

The respective restructuring exercises have been implemented and the companies are complying with the terms of their respective restructuring exercise.

The Directors are of the opinion that Tan Sri Cheng has demonstrated commitment to his roles as the Chairman and Non-executive Director of the Company and performed effectively throughout the years. The Directors are also of the view that the above debt and corporate restructuring exercises involving the companies within the Lion Group are unlikely to affect Tan Sri Cheng in discharging his duties or in any circumstances, could appear to do so. Accordingly, the Directors conclude that the re-appointment/continuance of Tan Sri Cheng as Non-executive Director is in the best interests 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) **KO Tak Fai, Desmond**, aged 44, was appointed as an Independent Non-executive Director on 9 November 2005, and is the Chairman of the Audit Committee and a member of the Remuneration Committee of the Company. Mr Ko became a member of the Institute of Chartered Accountants in England and Wales in 1994. Mr Ko is a businessman.

Mr Ko 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 Ko has a beneficial interest of 75,000 ordinary shares of the Company within the meaning of Part XV of the SFO.

Under a new letter of appointment dated 9 November 2011 with the Company, Mr Ko agreed to act as Independent Non-executive Director for a period of one year and may only be renewed twice subject to the article of association. The annual Director's fee for his acting as Independent Non-executive Director is HK\$200,000.

The Directors are of the opinion that Mr Ko 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 Ko 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 2011 have been disclosed in the Company's Annual Report 2011.

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.

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 (“**Company**”) will be held at The Executive Centre, Seminar Room 1, Level 3, Three Pacific Place, 1 Queen’s Road East, Hong Kong on 17 May 2012, Thursday, at 11:00 a.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 2011.
- (2) To consider and approve a final dividend of RMB0.110 per share for the year ended 31 December 2011.
- (3) To re-elect Tan Sri Cheng Heng Jem and Mr Ko Tak Fai, Desmond 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\$0.02 each (“**Share(s)**”) on The Stock Exchange of Hong Kong Limited (“**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 authorization 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

17 April 2012

NOTICE OF ANNUAL GENERAL MEETING

Notes:

- (a) All resolutions at the meeting will be taken by poll pursuant to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and the results of the poll will be published on the websites of Hong Kong Exchanges and Clearing Limited (www.hkexnews.hk) and of the Company (www.parksongroup.com.cn).
- (b) For determining the entitlement to attend and vote at the Annual General Meeting, the Register of Members of the Company will be closed from Tuesday, 15 May 2012 to Thursday, 17 May 2012, both dates inclusive, during which period no transfer of shares will be registered. In order to be eligible to attend and vote at the Annual General Meeting, all transfer documents accompanied by the relevant share certificates 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, Hong Kong for registration not later than 4:30 p.m. on Monday, 14 May 2012.
- (c) For determining the entitlement to the proposed final dividend, the Register of Members of the Company will be closed from Thursday, 24 May 2012 to Friday, 25 May 2012, both dates inclusive, during which period no transfer of shares will be registered. In order to qualify for the proposed final dividend, all transfer documents accompanied by the relevant share certificates must be lodged with the Company’s branch share registrar in Hong Kong, Tricor Investor Services Limited, at the above address for registration not later than 4:30 p.m. on Wednesday, 23 May 2012.
- (d) 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 25 May 2012.
- (e) A member entitled to attend, speak and vote at the Annual General Meeting is entitled to appoint a proxy (who must be an individual) to exercise all or any of his right to attend, speak and vote in his stead. A proxy need not be a member of the Company.
- (f) 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).
- (g) 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) and of the Company (www.parksongroup.com.cn).