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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)

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

A notice convening the Annual General Meeting of Parkson Retail Group Limited to be held at Regus Conference Centre, 35/F Central Plaza, 18 Harbour Road, Wanchai, Hong Kong on 18 May 2017, Thursday at 9:00 a.m. is set out on pages 14 to 17 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 Level 22, Hopewell Centre, 183 Queen's Road East, 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.

13 April 2017

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 Regus Conference Centre, 35/F Central Plaza, 18 Harbour Road, Wanchai, Hong Kong on 18 May 2017, Thursday, at 9:00 a.m., to consider and, if appropriate, to approve the resolutions contained in the notice of the meeting which is set out on pages 14 to 17 of this circular, or any adjournment thereof
“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, its subsidiaries, a joint venture and an associate
“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”	5 April 2017, being the latest practicable date prior to the printing of this circular for ascertaining certain information to in this circular
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Memorandum and Articles of Association”	the memorandum and articles of association of the Company
“PRC”	the People’s Republic of China

DEFINITIONS

“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\$0.02 each
“Shareholder(s)”	the holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	The Code on Takeovers and Mergers approved by the Securities and Futures Commission as amended from time to time

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:

Tan Sri Cheng Heng Jem (*Chairman*)

Mr Chong Sui Hiong

Ms Juliana Cheng San San

Non-executive Director:

Dato' Dr. Hou Kok Chung

Independent non-executive Directors:

Dato' Fu Ah Kiow

Mr Ko Tak Fai, Desmond

Mr Yau Ming Kim, Robert

Registered office:

P.O. Box 10008

Willow House

Cricket Square

Grand Cayman KY1-1001

Cayman Islands

Principal place of business in Hong Kong:

Room 609, 6th Floor

Harcourt House

39 Gloucester Road

Wanchai

Hong Kong

13 April 2017

To the Shareholders

Dear Sir or Madam,

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

I. INTRODUCTION

The purpose of this circular is to provide you with information in respect of certain resolutions to be proposed at the Annual General Meeting to be held on 18 May 2017.

LETTER FROM THE BOARD

II. SHARE BUY-BACK 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 total number of issued Shares of the Company as at the date of passing such resolution at the Annual General Meeting (the “Share Buy-back Mandate”);
- (b) the grant of a general mandate to the Directors to allot, issue or deal with additional Shares during the relevant period of an aggregate number not exceeding 20% of the total number of issued Shares 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 Share Buy-back Mandate (the “Extension of the Issuance Mandate”).

The Share Buy-back 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 4 to 6 as set out in the notice of the Annual General Meeting.

Shareholders should refer to the Explanatory Statement contained in Appendix A to this circular which sets out further information in relation to the proposed Share Buy-back Mandate.

As regards the Issuance Mandate, subject to the passing of the ordinary resolution numbered 5 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 529,848,150 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

Re-election of retiring Directors

Pursuant to Article 130 of the Articles of Association, Mr Chong Sui Hiong (“Mr Chong”), Dato’ Fu Ah Kiow (“Dato’ Fu”) and Mr Ko Tak Fai, Desmond (“Mr Ko”) will retire at the Annual General Meeting. All of the above retiring Directors, being eligible, will offer themselves for re-election at the Annual General Meeting.

LETTER FROM THE BOARD

Mr Ko who has been serving as Independent Non-executive Director of the Company for more than 9 years, has confirmed his independence with reference to the factors set out in Rule 3.13 of the Listing Rules. The Company considers Mr Ko is still independent in accordance with the independence guidelines set out in the Listing Rules and will continue to bring valuable business experience, knowledge and professionalism to the Board for its efficient and effective functioning.

Separate resolutions will be put forward at the Annual General Meeting for the re-election of Mr Chong, Dato' Fu and Mr Ko as Directors. Information on the retiring Directors as required to be disclosed under the Listing Rules are set out in Appendix B to this circular.

IV. ANNUAL GENERAL MEETING AND PROXY ARRANGEMENT

The notice of the Annual General Meeting is set out on pages 14 to 17 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 Level 22, Hopewell Centre, 183 Queen's Road East, 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 if you so wish.

V. RECOMMENDATIONS

The Directors are of the opinion that the grant of the proposed Share Buy-back Mandate, the proposed Issuance Mandate, the proposed Extension of the Issuance Mandate and 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 the relevant resolutions to be proposed at the Annual General Meeting.

LETTER FROM THE BOARD

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 Heng Jem
Executive Director & Chairman

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 Share Buy-back 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\$52,984,815 comprising 2,649,240,750 shares of HK\$0.02 each. Subject to the passing of ordinary resolution numbered 4 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 Share Buy-back Mandate could accordingly result in up to 264,924,075 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 BUY-BACK

The Directors believe that the proposed Share Buy-back 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 Share Buy-back 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 Share Buy-back Mandate at the relevant time, having regard to the circumstances then prevailing.

(C) FUNDING OF SHARE BUY-BACK

Repurchases must be financed out of funds which are legally available for the purpose in accordance with the Memorandum 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.

(D) IMPACT OF SHARE BUY-BACK

There might be a material impact on the working capital or gearing position of the Company in the event that share repurchases pursuant to the Share Buy-back 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 intend to exercise the Share Buy-back 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.

(E) MARKET PRICES OF SHARES

The highest and lowest market prices for Shares recorded on the Stock Exchange during each of the previous 12 months up to and including the Latest Practicable Date were as follows:

	Share Price (per Share)	
	Highest <i>HK\$</i>	Lowest <i>HK\$</i>
2016		
April	0.91	0.79
May	0.85	0.71
June	0.80	0.64
July	0.72	0.67
August	0.70	0.61
September	1.11	0.62
October	0.87	0.74
November	0.90	0.72
December	0.86	0.78
2017		
January	1.03	0.83
February	1.08	0.86
March	1.07	0.94
From 1 April up to the Latest Practicable Date	1.00	0.97

(F) GENERAL

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

No core 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 Share Buy-back Mandate is granted.

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

(G) TAKEOVERS CODE

If, on the exercise of the power to repurchase Shares pursuant to the Share Buy-back Mandate, a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition of voting rights for the purposes of the Takeovers Code. Accordingly, a Shareholder, or group of Shareholders acting in concert (within the meaning under the Takeovers Code), depending on the level of increase in the Shareholders' interest, could obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rule 26 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 54.66% of the total issued share capital of the Company. Such 1,448,270,000 Shares comprised of 1,438,300,000 Shares (representing approximately 54.29% of the total issued share capital of the Company) held by PRG Corporation Limited and 9,970,000 Shares (representing approximately 0.37% 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, an 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 Share Buy-back Mandate, the attributable interests of PRG Corporation Limited would be increased to approximately 60.32% 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 60.74% of the total issued share capital of the Company.

The Directors are not aware of any consequences which may give rise to an obligation to make a mandatory offer under Rule 26 of the Takeovers Code. The Directors have no present intention to exercise the Share Buy-back Mandate 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.

(H) SHARE BUY-BACK MADE BY THE COMPANY

During the 6 months prior to the Latest Practicable Date, the Company has repurchased a total of 14,708,500 Shares of the Company on the Stock Exchange and the details of the share repurchases are set out below.

Date of Buy-back	No. of Shares	Price Per Share	
		Highest <i>HK\$</i>	Lowest <i>HK\$</i>
01/12/2016	5,000,000	0.81	0.81
15/12/2016	2,000,000	0.80	0.80
20/12/2016	3,000,000	0.80	0.80
21/12/2016	1,267,500	0.80	0.80
29/12/2016	715,000	0.80	0.80
30/12/2016	2,726,000	0.84	0.82

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:

Chong Sui Hiong, aged 49, was appointed as an Executive Director of the Company on 13 November 2014, and he is currently the Chief Executive Officer of the Group. Mr Chong graduated with a Diploma in Civil Engineering from University of Technology Malaysia, Bachelor of Science in Industrial and Systems Engineering from University of Southern California and a Master of Business Administration from Rutgers, the State University of New Jersey. Mr Chong has extensive experience in retail operation. He has 20 years of experience in the PRC retail industry. He joined the Group in 1994.

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

As at the Latest Practicable Date, Mr Chong has a beneficial interest of 20,000 Shares within the meaning of Part XV of the SFO.

Under the current service contract with the Company, Mr Chong agreed to act as an Executive Director for a period of three years (from 13 November 2014). Mr Chong will receive an annual salary with bonus and incentive payment at the discretion of the Board and an annual Director's fee of HK\$240,000.

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

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

Dato' Fu Ah Kiow, aged 68, was appointed as an Independent Non-executive Director on 13 November 2014. Dato' Fu was appointed as Chairman of the Audit Committee on 29 February 2016 and is a member of the Nomination Committee of the Company. Dato' Fu has 13 years of distinguished service since 1995 in the Parliament and Malaysian Government as member of the Parliament, Parliamentary Secretary and Deputy Minister. Before joining the Government, Dato' Fu has worked in multinational companies such as Intel Malaysia and Singer Industries in the capacities of Quality Control engineer, Production Section Head and Departmental Manager. Later he founded his own companies in construction and Mechanical & Electrical Engineering Services. After retirement from politics in Year 2008, Dato' Fu was appointed as independent director cum chairman in several listed companies namely, Tiong Nam Logistics Holdings Berhad, Hirotako Holdings Berhad (privatized and voluntarily delisted in 2012) and NV Multi Corporation Berhad (privatized in 2012), and as non-executive director and chairman of Nirvana Asia Ltd. (privatized and delisted in 2016). He was also

appointed as Chairman of Future NRG Sdn Bhd since 2008, a wholly owned subsidiary company of listed entity Fitters Diversified Berhad. Dato' Fu holds a Master Degree in Industrial Engineering specializing in Management Science, Post Graduate Diploma in Education and a B.Sc. (Hons) degree in Physics.

Dato' Fu is currently an independent non-executive chairman of Tiong Nam Logistics Holding Berhad, STAR Media Group Berhad (formerly known as "STAR Publications (Malaysia) Berhad") and Fitters Diversified Berhad respectively, all public listed companies in Bursa Malaysia Berhad. He was appointed as a non-executive chairman of Cityneon Holdings Limited on 7 February 2017, a public listed company in Singapore Exchange, which is also a subsidiary of listed entity STAR Media Group Berhad.

Dato' Fu does not have any relationship with any Directors or senior management or substantial Shareholders or controlling Shareholders of the Company.

As at the Latest Practicable Date, Dato' Fu does not hold any interest in Shares or underlying Shares within the meaning of Part XV of the SFO.

Under the current letter of appointment with the Company, Dato' Fu agreed to act as an Independent Non-executive Director for a period of one year (from 13 November 2014) and can be renewed twice subject to the Articles of Association. The annual Director's fee for his acting as Independent Non-executive Director is HK\$240,000.

The Directors are of the opinion that Dato' Fu 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 reappointment/continuance of Dato' Fu as Independent Non-executive Director is in the best interests of the Company and the Shareholders.

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

Ko Tak Fai, Desmond, aged 48, was appointed as an Independent Non-executive Director, member of the Audit Committee and member of the Remuneration Committee of the Company on 9 November 2005. Mr Ko has been the Audit Committee Chairman of the Company since 22 November 2006 and had stepped down as the Chairman of the Audit Committee on 29 February 2016. He remains as a member of the Audit 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 or senior management or substantial Shareholders or controlling Shareholders of the Company.

As at the Latest Practicable Date, Mr Ko does not hold any interest in Shares or underlying Shares within the meaning of Part XV of the SFO.

Under the current letter of appointment with the Company, Mr Ko agreed to act as an Independent Non-executive Director for a period of one year (from 9 November 2014) and shall continue thereafter subject to a maximum of three years unless terminated in accordance with the terms of the appointment letter. The annual Director's fee for his acting as Independent Non-executive Director is HK\$240,000.

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 reappointment/continuance of Mr Ko as Independent Non-executive Director is in the best interests of the Company and the Shareholders.

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

The emoluments received by each of the Directors for the year ended 31 December 2016 have been disclosed in the Company's Annual Report 2016.

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

NOTICE OF ANNUAL GENERAL MEETING

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)

NOTICE IS HEREBY GIVEN that the Annual General Meeting of Parkson Retail Group Limited (“**Company**”) will be held at Regus Conference Centre, 35/F Central Plaza, 18 Harbour Road, Wanchai, Hong Kong on 18 May 2017, Thursday, at 9:00 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 2016.
- (2)
 - (i) To re-elect Mr Chong Sui Hiong as an executive director of the Company.
 - (ii) To re-elect Dato’ Fu Ah Kiow as an independent non-executive director of the Company.
 - (iii) To re-elect Mr Ko Tak Fai, Desmond as an independent non-executive director of the Company.
 - (iv) To authorise the board of directors to fix the directors’ remuneration.
- (3) To re-appoint Messrs Ernst & Young as auditors and to authorise the board of directors to fix their remuneration.
- (4) To consider and, if thought fit, pass with or without amendments, the following resolution as an ordinary resolution:

“THAT:

- (a) subject to paragraph (b) below, a general mandate be and is hereby generally and unconditionally given to the directors of the Company to exercise during the Relevant Period (as defined below) all the powers of the Company to repurchase its shares in accordance with all applicable laws, rules and regulations;
- (b) the total number of shares of the Company to be repurchased pursuant to the mandate in paragraph (a) above shall not exceed 10% of the total number of issued shares of the Company as at the date of passing of this resolution, and if any subsequent consolidation or subdivision of shares is conducted, the maximum number of shares that may be repurchased under the mandate in paragraph (a) above as a percentage of the total number of issued shares at the date immediately before and after such consolidation or subdivision shall be the same; and

NOTICE OF ANNUAL GENERAL MEETING

(c) for the purpose of this resolution:

“**Relevant Period**” means the period from 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 the articles of association of the Company or any applicable laws to be held; and
- (iii) the date on which the authority set out in this resolution is revoked or varied by an ordinary resolution of the shareholders in general meetings.”

(5) To consider and, if thought fit, pass with or without amendments, the following resolution as an ordinary resolution:

“**THAT:**

- (a) subject to paragraph (c) below, a general mandate be and is hereby generally and unconditionally given to the directors of the Company during the Relevant Period (as defined below) to allot, issue and deal with additional shares in the capital of the Company and to make or grant offers, agreements and options which might require the exercise of such powers;
- (b) the mandate in paragraph (a) above shall authorize the directors of the Company to make or grant offers, agreements and options during the Relevant Period which would or might require the exercise of such powers after the end of the Relevant Period;
- (c) the aggregate number of shares allotted or agreed conditionally or unconditionally to be allotted by the directors pursuant to the mandate in paragraph (a) above, otherwise than pursuant to:
 - (i) a Rights Issue (as defined below);
 - (ii) the exercise of options under a share option scheme of the Company; and
 - (iii) any scrip dividend scheme or similar arrangement providing for the allotment of shares in lieu of the whole or part of a dividend on shares of the Company in accordance with the articles of association of the Company,

shall not exceed 20% of the total number of issued shares of the Company as at the date of passing of this resolution, and if any subsequent consolidation or subdivision of shares is conducted, the maximum number of shares that may be

NOTICE OF ANNUAL GENERAL MEETING

issued under the mandate in paragraph (a) above as a percentage of the total number of issued shares at the date immediately before and after such consolidation or subdivision shall be the same; and

(d) for the purposes of this resolution:

“**Relevant Period**” means the period from the passing of this resolution until whichever is 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 the articles of association of the Company or any applicable laws to be held; and
- (iii) the date on which the authority set out in this resolution is revoked or varied by an ordinary resolution of the shareholders in general meeting.

“**Right Issue**” means an offer of shares open for a period fixed by the directors to holders of shares of the Company or any class thereof on the register on a fixed record date in proportion to their then holdings of such shares or class thereof (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 recognized regulatory body or any stock exchange).”

(6) To consider and, if thought fit, pass with or without amendments, the following resolution as an ordinary resolution:

“**THAT** conditional upon the passing of the resolutions set out in items 4 and 5 of the notice convening this meeting (the “Notice”), the general mandate referred to in the resolution set out in item 5 of the Notice be and is hereby extended by the addition to the aggregate number of shares which may be allotted and issued or agreed conditionally or unconditionally to be allotted and issued by the directors pursuant to such general mandate of the number of shares repurchased by the Company pursuant to the mandate referred to in resolution set out in item 4 of the Notice, provided that such amount shall not exceed 10% of the total number of issued shares of the Company as at the date of passing of this resolution.”

By Order of the Board
Cheng Heng Jem
Executive Director & Chairman

13 April 2017

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 Friday, 12 May 2017 to Thursday, 18 May 2017, 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 Level 22, Hopewell Centre, 183 Queen’s Road East, Hong Kong for registration not later than 4:30 p.m. on Thursday, 11 May 2017.
- (c) 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.
- (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 Level 22, Hopewell Centre, 183 Queen’s Road East, 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).