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This announcement, for which the directors of 北京京客隆商業集團股份有限公司 (Beijing Jingkelong Company Limited) collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief: (1) the information contained in this announcement is accurate and complete in all material respects and is not misleading; (2) there are no other matters the omission of which would make any statement in this announcement misleading; and (3) all opinions expressed in this announcement have been arrived at after due and careful consideration and are founded on bases and assumptions that are fair and reasonable.*



北京京客隆商業集團股份有限公司

BEIJING JINGKELONG COMPANY LIMITED*

(a joint stock limited company incorporated in the People's Republic of China)

(Stock Code: 8245)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT an extraordinary general meeting (the “**EGM**”) of 北京京客隆商業集團股份有限公司 (Beijing Jingkelong Company Limited*) (the “**Company**”) will be held at 4th Floor, Block No. 45, Xinyuan Street, Chaoyang District, Beijing, The People's Republic of China on Tuesday, 20 March 2007 at 10:00 a.m. for the purpose of considering and, if thought fit, with or without modification, passing the following special resolutions:

SPECIAL RESOLUTIONS

1. “**THAT** conditional upon (1) the Growth Enterprise Market (“**GEM**”) of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) and/or the listing sub-committee of the board of directors of the Stock Exchange with responsibility for GEM granting a withdrawal of the listing all the H shares of RMB1.00 each in the share capital of the Company (“**H Shares**”) then in issue from GEM (the “**Proposed Withdrawal**”); (2) the listing sub-committee of the board of directors of the Stock Exchange and/or the Stock Exchange granting approval of the listing of, and permission to deal in, all the H Shares then in issue on the main board (the “**Main Board**”) of the Stock Exchange (the “**Proposed Introduction**”); (3) the China Securities Regulatory Commission granting approval of the Proposed Introduction; and (4) the obtaining of all other relevant consents (if any)

* *For identification purpose only*

which are required in connection with the implementation of the Proposed Withdrawal and the Proposed Introduction and the fulfillment of all conditions which may be attached to such consents, the Proposed Withdrawal and the Proposed Introduction be and are hereby approved and confirmed; the listing of the H Shares on GEM shall cease with effect from such date and time as the directors of the Company (the “**Directors**”) may designate; and any Director and/or the company secretary of the Company be and is hereby authorised generally (i) to make any application and submission, do all such acts and things, execute any document and take all such steps for and on behalf of the Company as he/she may deem necessary, desirable or expedient to effect and implement the foregoing and (ii) to attend to and handle all other necessary procedures and registrations relating to or as a result of the Proposed Withdrawal and/or the Proposed Introduction.”

2. “**THAT** conditional upon the listing of the H Shares (as defined in the special resolution numbered 1 set out in the notice containing this resolution) on the main board (the “**Main Board**”) of The Stock Exchange of Hong Kong Limited, the following amendments (the “**Articles Amendments**”) shall be made to the existing articles of association of the Company (the “**Existing Articles**”), with effect from the date on which dealings in the H Shares on the Main Board commences:

(1) the first sentence of clause 6 of the Existing Articles shall be deleted in its entirety and replaced by the following:

“These articles of association have been amended at the extraordinary shareholders’ meetings of the Company held on 20 March 2007 and will become effective after the approval (if necessary) of the relevant authorities of the government have been obtained, the listing status of the Company on the growth enterprise market of the Hong Kong stock exchange has been withdrawn and the listing of the Company on the main board of the Hong Kong stock exchange commences; these articles will also need to be filed with Chinese companies registration authority.”;

(2) the references to “App 3 refers to appendix 3 to the 《listing rules of the growth enterprise market》 of the Hong Kong stock exchange” in the Existing Articles shall be replaced with “App 3 refers to appendix 3 to the 《securities listing rules》 of the Hong Kong stock exchange”; the references to “App 11c refers to section C of appendix 11 to the 《listing rules of the growth enterprise market》 of the Hong Kong stock exchange” in the Existing Articles shall be replaced with “App 13d refers to section D of appendix 13 to the 《securities listing rules》 of the Hong Kong stock exchange”; and all references to “App 11c” in the Existing Articles shall be replaced with “App 13d”; and

(3) the reference to “App 3 para 1(4)” in the note to clause 41 of the Existing Articles shall be deleted,

and the directors of the Company (the “**Directors**”) be and are hereby authorised to do such other acts and things, enter into all such transactions and arrangements, execute such other documents and/or deeds and/or take all such steps, which in their opinion may be necessary, desirable or expedient, to further amend the Existing Articles and/or to amend the Articles Amendments, as the Directors may

deem appropriate and necessary for the purpose of complying with the requirements of or made by the relevant authorities or regulatory bodies of the People's Republic of China and/or Hong Kong in connection with the Proposed Withdrawal (as defined in the special resolution numbered 1 contained in the notice of which this special resolution forms part) or the Proposed Introduction (as defined in the special resolution numbered 1 contained in the notice of which this special resolution forms part).”

3. **“THAT:**

(1) the board of directors of the Company (the **“Board”**) be and is hereby authorized and granted an unconditional general mandate (**“General Mandate”**) to separately or concurrently allot, issue and deal with additional Domestic Shares and/or H Shares and to make or grant offers, agreements and/or options in respect thereof, subject to the following conditions:

(a) the General Mandate shall not extend beyond the Relevant Period save that the Board may during the Relevant Period make or grant offers, agreements and/or options which may require the exercise of such power after the end of the Relevant Period;

(b) the aggregate nominal amount of the Domestic Shares and the H Shares allotted and issued or agreed conditionally or unconditionally to be allotted and issued (whether pursuant to an option or otherwise) by the Board (otherwise than pursuant to any scrip dividend scheme (or similar arrangement providing for the allotment and issue of shares in lieu of the whole or part of a dividend), any share option scheme, a Rights Issue or any separate approval of the shareholders of the Company) shall not exceed:

(i) 20 per cent. of the aggregate nominal amount of the Domestic Shares in issue;
and

(ii) 20 per cent. of the aggregate nominal amount of the H Shares in issue,

respectively, in each case as at the date of passing of this resolution; and

(c) the Board will only exercise its power under the General Mandate in accordance with the Company Law of the People's Republic of China (the **“PRC”**) and the Listing Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and/or the Listing Rules Governing the Listing of Securities on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited (as the case may be) (as each of them may be amended from time to time) and only if all necessary approvals from the China Securities Regulatory Commission and/or other relevant PRC government authorities are obtained;

and, for the purposes of this resolution:

“Domestic Share(s)” mean ordinary domestic share(s) in the share capital of the Company which are subscribed and/or paid for in Renminbi;

“**H Share(s)**” mean overseas listed foreign invested shares (being ordinary shares) in the share capital of the Company which are subscribed and/or paid for in Hong Kong dollars or foreign currency other than Renminbi;

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

- (a) the conclusion of the next annual general meeting of the Company following the passing of this resolution, unless, by special resolution passed at that meeting, the mandate is renewed, either unconditionally or subject to conditions; or
- (b) the expiry of the period within which the next annual general meeting is required by the articles of association of the Company or any applicable law to be held; or
- (c) the passing of a special resolution of the Company in a general meeting revoking or varying the authority set out in this resolution;

“**Rights Issue**” means the allotment or issue of shares in the Company or other securities which would or might require shares to be allotted and issued pursuant to an offer made to all the shareholders of the Company (excluding, as the Board may decide, for such purpose any shareholder who is resident in a place where such offer is not permitted under the law or regulation of that place) entitled to such offer, pro rata (apart from fractional entitlements) to their then existing holdings of shares;

(2) contingent on the Board resolving to exercise the General Mandate and/or issue shares pursuant to paragraph (1) of this resolution, the Board be and is hereby authorised:

- (a) to approve, execute and do, or procure to be executed and done all such documents, deeds and matters which it may consider necessary in connection with the exercise of the General Mandate and/or the issue of shares, including but not limited to the time, price, quantity and place for such issue, to make all necessary applications to the relevant authorities, and to enter into underwriting agreement(s) or any other agreement(s);
- (b) to determine the use of proceeds and to make all necessary filings and registration with the relevant authorities in the PRC, Hong Kong and/or any other places and jurisdictions (as appropriate); and
- (c) to increase the registered capital of the Company and make all necessary amendments to the articles of association of the Company to reflect such increase and to register the increased capital with the relevant authorities in the PRC, Hong Kong and/or any other places and jurisdictions (as appropriate) as so to reflect the new capital and/or share capital structure of the Company; and

- (3) the general mandate to issue domestic shares and/or H shares of the Company granted pursuant to a special resolution passed at the general meeting of the Company held on 30 March 2006 be and is hereby revoked.”

By Order of the Board
Beijing Jingkelong Company Limited
Wei Tingzhan
Chairman

Beijing, 1 February 2007
The People’s Republic of China

Notes:

- (A) The Company will not process registration of transfers of the H shares of the Company (“**H Shares**”) from 28 February 2007 to 20 March 2007 (both days inclusive). Holders of H Shares whose names appear on the register of H Shares kept at Computershare Hong Kong Investor Services Limited at the end of 27 February 2007 are entitled to attend and vote at the EGM following completion of the registration procedures.

To qualify for attendance and voting at the EGM, documents on transfers of H Shares, accompanied by the relevant share certificates, must be lodged with the Company’s H-Share Registrar and Transfer Office not later than 4:00 p.m. on 27 February 2007. The address of the Company’s H-Share Registrar and Transfer Office is as follows:

Computershare Hong Kong Investor Services Limited
Shops 1712-16, 17th Floor, Hopewell Centre
183 Queen’s Road East
Hong Kong

The Company will not process registration of transfers of domestic shares of the Company (“**Domestic Shares**”) from 28 February 2007 to 20 March 2007 (both days inclusive). Holders of Domestic Shares whose names appear on the register of Shares of the Company at the end of 27 February 2007 are entitled to attend and vote at the EGM. Holders of Domestic Shares should contact the secretary to the board (“**Secretary to the Board**”) of directors of the Company (whose contact details are set out in note (B) below) for details concerning registration of transfers of Domestic Shares.

- (B) Holders of H Shares and Domestic Shares who intend to attend the EGM should complete and return the reply slip for attending the EGM in person.

Holders of H Shares should complete and return the reply slip to the Company’s H-Share Registrar and Transfer Office by facsimile at (852) 2865 0990 or by post to (or by depositing it at) its address set out in note (A) above such that the reply slip shall be received by the Company’s H-Share Registrar and Transfer Office 20 days before the EGM (i.e. on or before 28 February 2007).

Holders of Domestic Shares should complete and return the reply slip, by personal delivery, by facsimile or by post, to the Secretary to the Board such that the reply slip shall be received by the Secretary to the Board 20 days before the EGM (i.e. on or before 28 February 2007).

The contact details of the Secretary to the Board are as follows:

4th Floor
Block No.45, Xinyuan Street
Chaoyang District, Beijing
The People’s Republic of China
Telephone No.: 86(10) 64603046
Facsimile No.: 86(10) 64611370

- (C) Each holder of H Shares entitled to attend and vote at the EGM may, by completing the form of proxy of the Company, appoint one or more proxies to attend and vote at the EGM on its behalf. A proxy need not be a shareholder of the Company (“**Shareholder**”). With respect to any Shareholder who has appointed more than one proxy, the proxy holders may only vote on a poll.
- (D) Holders of H Shares must use the form of proxy of the Company for appointing a proxy and the appointment must be in writing. The form of proxy must be signed by the relevant Shareholder or by a person duly authorised by the relevant Shareholder in writing (a “**power of attorney**”). If the form of proxy is signed by the person authorised by the relevant Shareholder as aforesaid, the relevant power of attorney and other relevant documents of authorisation (if any) must be notarised. If a corporate Shareholder appoints a person other than its legal representative to attend the EGM on its behalf, the relevant form of proxy must be affixed with the company seal/chop of the corporate Shareholder or duly signed by its director or any other person duly authorised by that corporate shareholder as required by the articles of association of the Company.
- (E) To be valid, the form of proxy and the relevant notarised power of attorney (if any) and other relevant documents of authorisation (if any) as mentioned in note (D) above must be delivered to the Company’s H-Share Registrar and Transfer Office, Computershare Hong Kong Investor Services Limited (address: Shops 1712-16, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Hong Kong), not less than 24 hours before the time appointed for the EGM.
- (F) Each holder of Domestic Shares who is entitled to attend and vote at the EGM may also, by completing the form of proxy of the Company, appoint one or more proxies to attend and vote at the EGM on his behalf. A proxy need not be a Shareholder. Notes (C) and (D) above also apply to the holders of Domestic Shares, except that, to be valid, the form of proxy and the relevant power of attorney (if any) and other relevant documents of authorisation (if any) must be delivered to the Secretary to the Board not less than 24 hours before the time appointed for the EGM. The address of the Secretary to the Board is stated in note (B) above.
- (G) A Shareholder or his proxy should produce proof of identity when attending the EGM. If a corporate Shareholder’s legal representative or any other person authorised by the board of directors or other governing body of such corporate Shareholder attends the EGM, such legal representative or other person shall produce his proof of identity, and proof of designation as legal representative and the valid resolution or authorisation document of the board of directors or other governing body of such corporate Shareholder (as the case may be) to prove the identity and authorisation of that legal representative or other person.
- (H) The EGM is expected to last for not more than half a day. Shareholders who attend the EGM shall bear their own travelling and accommodation expenses.
- (I) As the Company is a PRC incorporated company and its official articles of association are in the Chinese language, the proposed amendments to the Company’s articles of association set out in the English version of this notice are an unofficial English language translation (the “**English Translation**”) of the official proposed amendments in the Chinese language as set out in the Chinese version of this notice (the “**Official Amendments**”). Accordingly, in the event of any inconsistency between the English Translation and the Official Amendments, the Official Amendments shall prevail.

As at the date of this announcement, the executive Directors are Wei Tingzhan, Li Jianwen, Li Chunyan and Liu Yuejin; non-executive Directors are Gu Hanlin and Li Shunxiang; and independent non-executive Directors are Fan Faming, Huang Jiangming and Chung Chi Kong.

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