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CENTURY GINWA RETAIL HOLDINGS LIMITED

世紀金花商業控股有限公司

(Incorporated in Bermuda with limited liability)

(Stock Code: 162)

NOTICE OF SPECIAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the special general meeting (the “SGM”) of CENTURY GINWA RETAIL HOLDINGS LIMITED (the “Company”) will be held at Empire Room 1, 1/F., Empire Hotel Hong Kong, 33 Hennessy Road, Wanchai, Hong Kong on 12 December 2012 (Wednesday at 11:00 a.m. for the purpose of considering and, if thought fit, passing the following resolutions:

AS A SPECIAL RESOLUTION

1. **“THAT** conditional upon (i) the Listing Committee of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) granting the listing of, and permission to deal in, the Adjusted Shares (as defined below); and (ii) the compliance by the Company with the requirements under the Rules governing the Listing of Securities on the Stock Exchange and the requirements of section 46(2) of the Companies Act 1981 of Bermuda to effect the Capital Reorganisation (as defined below), with effect from 9:00 a.m. (Hong Kong time) on the business day (not being a Saturday or Sunday) immediately after the passing of this resolution (the “**Effective Date**”):
 - (a) every four (4) issued shares with a nominal value of HK\$0.10 each in the share capital of the Company be consolidated (the “**Share Consolidation**”) into one new share with a nominal value of HK\$0.40 each (the “**Consolidated Share(s)**”);
 - (b) any fraction of a Consolidated Share in the issued share capital of the Company arising from the Share Consolidation shall not be allocated to the holders of the existing shares of the Company but such fractions shall be aggregated and if possible sold for the benefit of the Company or be dealt with in such other manner as the Company may agree from time to time;
 - (c) the elimination of any fraction of a Consolidated Share in the issued share capital of the Company following the Share Consolidation in order to round down the total number of Consolidated Shares to a whole number;

- (d) the issued share capital of each Consolidated Share be reduced from HK\$0.40 to HK\$0.10 by the reduction of HK\$0.30 on each issued Consolidated Share (the “**Capital Reduction**”), with each such reduced share being treated as one fully paid up new share with a nominal value HK\$0.10 each (the “**Adjusted Share(s)**”);
- (e) the entire amount standing to the credit of the share premium account of the Company in the amount of approximately HK\$1,459,903,000 as at 30 June 2012 be cancelled (the “**Share Premium Cancellation**”, together with Share Consolidation and Capital Reduction, the “**Capital Reorganisation**”);
- (f) the credit arising from the Capital Reduction of approximately HK\$341,302,864.60 and the credit arising from the Share Premium Cancellation of approximately HK\$1,459,903,000 as at 30 June 2012 be transferred to the contributed surplus account of the Company and the Directors be and are hereby authorized to apply the amount in the contributed surplus account of the Company to set off the accumulated losses of the Company as permitted by the laws of Bermuda and the Bye-laws and the balance after such set off will remain in the contributed surplus account of the Company without further authorization from the shareholders of the Company;
- (g) the Directors be and are hereby authorized generally to sign and execute such documents and to take all necessary steps and to do all such acts on behalf of the Company as they consider necessary, expedient or desirable to give effect to the Capital Reorganisation and to aggregate all fractional entitlements of the Consolidated Shares and the Adjusted Shares and if possible sell them for the benefits of the Company.”

AS ORDINARY RESOLUTIONS

- 2. “**THAT** the conditional subscription agreement dated 22 October 2012 (the “**Subscription Agreement**”) (a copy of the Subscription Agreement is marked “**A**” and produced to the SGM and signed by the chairman of the SGM for identification purposes) entered into between the Company as issuer and Glory Keen Holdings Limited (“**Glory Keen**”) as subscriber in relation to the subscription of an aggregate of 4,708,272,727 convertible non-voting preferred shares with a nominal value of HK\$0.10 each (the “**Preferred Shares**”) at a total subscription amount of approximately HK\$1,440 million, upon the terms and subject to the conditions set out in the Subscription Agreement and all the transactions contemplated thereby, be and are hereby approved, ratified and confirmed;”
- 3. “**THAT** subject to and conditional upon passing of resolution no. 2 above and resolution no. 6 below, the terms of the Preferred Shares as set out in the Subscription Agreement be and are hereby approved and the board of directors of the Company (the “**Board**”) be and is hereby authorised to create, allot and issue an aggregate of 4,708,272,727 Preferred Shares to Glory Keen, upon the terms and subject to the terms and conditions of the Subscription Agreement and on such other terms and conditions as may be determined by the Board;”

4. “**THAT** subject to and conditional upon passing of resolutions no. 2 and 3 above, a specific mandate be and is hereby unconditionally given to the Board: (i) to issue and allot from time to time such number of new shares in the share capital of the Company (the “**Conversion Shares**”) upon exercise of the conversion rights pursuant to the terms of the Preferred Shares; and (ii) to repurchase from time to time such number of the Preferred Shares in the share capital of the Company so as to implement, give effect to and/or complete the conversion including, without limitation, setting the price for such repurchase;”
5. “**THAT** subject to and conditional upon passing of resolutions no. 2 and 3 above, a share charge (the “**GCX Share Charge**”) (a copy of the GCX Share Charge is marked “B” and produced to the SGM and signed by the chairman of the SGM for identification purposes) to be executed and delivered by the Company in favour of Glory Keen pursuant to which the entire issued share capital of Golden Chance (Xian) Limited is to be made subject to a charge in favour of Glory Keen, upon the terms and subject to the conditions set out in the GCX Share Charge and all the transactions contemplated thereby, be and are hereby approved and confirmed.”
6. “**THAT** subject to and conditional upon passing of resolution no. 2 above and as from the business day immediately after the Effective Date, the authorized share capital of the Company of HK\$2,000,000,000 divided into 20,000,000,000 ordinary shares (each an “**Ordinary Share**”) of HK\$0.10 each be and is hereby re-designated and re-classified as (i) 15,000,000,000 ordinary shares of HK\$0.10 each and (ii) 5,000,000,000 convertible non-voting preferred shares of HK\$0.10 each (each a “**Preferred Share**”). All of the existing issued shares of the Company shall be designated as Ordinary Shares which shall have the same rights and restrictions attached thereto as are attached to the ordinary shares immediately prior to the re-designation and re-classification of the share capital of the Company and the Preferred Shares shall carry equal rights and rank *pari passu* with one another and each Preferred Share shall have the rights and benefits and subject to the restrictions set out in the Subscription Agreement.”
7. “**THAT** any one or more of the directors of the Company (the “**Directors**”) be and are hereby authorized for and on behalf of the Company to execute all such documents, instruments and agreements and to do all such acts and things deemed by him/her/them to be incidental to, ancillary to, or in connection with, the implementation of and giving effect to any of the matters relating to, or incidental to, the Subscription Agreement and the transactions contemplated thereunder, including but not limited to the re-designation and re-classification of shares, the allotment and issue of the Preferred Shares and the Conversion Shares upon exercise of the conversion right attaching to the Preferred Shares and the repurchase of the Preferred Shares as he/she/they may consider necessary, desirable or expedient.”

AS SPECIAL RESOLUTIONS

8. “**THAT** subject to and conditional upon passing of resolutions no. 2 and 3 above, the bye-laws of the Company (the “**Bye-laws**”) be amended in the following manner:

(a) by addition of the following new definitions into the section headed “Interpretation” in Bye-law 1:

“Preferred Shares” the convertible non-voting preferred shares with a nominal value of HK\$0.10 each in the share capital of the Company, entitling the holder to convert into Shares, the terms of which are set out in Bye-law 15A.

“Shares” the ordinary shares with a nominal value of HK\$0.10 each in the share capital of the Company.

“Subscription Agreement” the subscription agreement dated 22 October 2012 entered into between the Company as issuer and Glory Keen Holdings Limited as subscriber in relation to the issue and subscription of the Preferred Shares.

“Traded Day” the trading day on which the Shares were traded on the Designated Stock Exchange.

(b) by inserting the following new Bye-law 15A immediately after the existing Bye-law 15:

“15A. Notwithstanding other provisions of these Bye-laws, the Preferred Shares shall confer on the registered holders thereof the following rights and privileges and be subject to the following rights, restrictions and provisions:

(1) Ranking

The Preferred Shares constitute direct, unconditional, unsecured and unsubordinated obligations of the Company and rank *pari passu* without any preference among themselves.

(2) Negative pledge

So long as any Preferred Share remains unconverted into Shares, the Company will not, and will ensure that none of its subsidiaries will, create, permit to subsist or have outstanding, any encumbrance, upon the whole or part of its present or future undertaking, assets or revenues (including any uncalled capital) to secure any Relevant Indebtedness, or any guarantee or indemnity in respect of any Relevant Indebtedness, unless at the same time or prior thereto the Company's obligations under the Preferred Shares are secured equally and rateably therewith or by such other security, guarantee or indemnity or other arrangement as shall be approved by all holders of Preferred Shares at a class meeting of holders of Preferred Shares.

Any reference to "**Relevant Indebtedness**" is to any future and present indebtedness in the form of, or represented by debentures, loan stock, bonds, notes, bearer participation certificates, depositary receipts, certificates of deposit or other similar securities or instruments or by bills of exchange drawn or accepted for the purpose of raising money, which are, or are capable of being, quoted, listed, ordinarily dealt in or traded on any stock exchange or over the counter or on any other securities market (whether or not initially distributed by way of private placement).

(3) Conversion

(a) Subject to and upon compliance with this Article 15A, and provided that conversion of the Preferred Shares will not directly result in the Company breaching the requirements set out in the rules of the Designated Stock Exchange from time to time in respect of the minimum prescribed percentage of securities required to be held by the public (as such term is defined in the rules of the Designated Stock Exchange), each holder of the Preferred Shares shall have the right, at any time and at the sole option of such holder, to convert the Preferred Shares held by such holder in whole, or in any part, into fully-paid Shares, obtainable by dividing the subscription price of the Preferred Shares to be converted, by the applicable Conversion Price (as defined below) for the time being, determined as hereinafter provided, in effect on the relevant conversion date. No fractional Shares shall be issued upon conversion of the Preferred Shares, and the number of Shares to be so issued to a holder of the Preferred Shares upon conversion of the Preferred Shares (after aggregating all fractional Shares that would be issued to such holder of Preferred Shares) shall be rounded to the nearest whole number (with one-half or more being rounded upward and less than one-half being rounded down).

For the avoidance of doubt, the subscription price for the additional Preferred Shares means the cash subscription price of HK\$0.40 each and the subscription price for the Preferred Shares (other than the additional Preferred Shares) means the subscription price of HK\$0.275 each.

- (b) Conversion ratio and conversion price:
 - (i) The conversion ratio of the number of conversion shares to be issued on conversion of any Preferred Shares shall be 1.1 ordinary Shares per one Preferred Share or additional Preferred Share.
 - (ii) Subject to sub-paragraph (i) above, the initial conversion price for each additional Preferred Share is HK\$0.364 and the initial conversion price for each Preferred Share is HK\$0.250, both subject to adjustment as mentioned below (the “**Conversion Price**”).
- (c) The conversion rights shall be exercisable subject to hereinafter provided, by completing and serving a conversion notice (the “**Conversion Notice**”) on the Company, in respect of the number of Preferred Shares to be converted and delivering the same, together with the relevant certificate(s), to the principal place of business of the Company in Hong Kong or such agent or office in Hong Kong as shall be notified in writing by the Company to the holder(s) of the Preferred Shares from time to time. The Company shall not be obliged to issue certificates for any conversion shares issuable upon the conversion of any Preferred Shares unless the certificate or certificates evidencing such Preferred Shares is either delivered to the Company or any such agent as mentioned above, or the holder of such Preferred Shares notified the Company or such agent that such certificate has been lost, stolen or destroyed and executes an agreement reasonably satisfactory to the Company to indemnify the Company from any loss incurred by it in connection with such certificate. A Conversion Notice once given may not be withdrawn without the consent of the Company in writing. All taxes, duties, fees and other expenses (if any) payable in respect of the allotment and issue, or the listing of the conversion shares issuable on conversion of the Preferred Shares, shall be borne by the Company. A new certificate or an endorsement on the certificate submitted with the Conversion Notice in respect of the Preferred Shares not so converted will, within 7 business days after the conversion date, be issued or returned to the relevant holder of the Preferred Shares as mentioned in 15A(3)(d)(A) below.

- (d) (A) The conversion shares arising on conversion shall be allotted and issued by the Company, credited as fully paid and free from any encumbrance, in accordance with its memorandum of association and the Bye-laws to the holder(s) of the Preferred Shares or the person or persons designated for the purpose in the Conversion Notice as holder(s) of the relevant number of conversion shares within 7 business days after the conversion date and the Company shall within 7 business days after the conversion date register the holder(s) of the Preferred Shares or such person(s) designated as holder(s) of the relevant number of conversion shares in the Company's share register. Such conversion shall be deemed to have been made at the close of business on the date of which the register of members of the Company is updated, and the person entitled to receive the conversion shares issuable upon such conversion shall be treated, for all purposes, as the record holder of such conversion shares on such date (the "**Entry Date**"). Certificates for the conversion shares to which the holder(s) of the Preferred Shares shall become entitled to in consequence of exercising its conversion rights, shall be issued together with a new certificate or with an endorsement on the certificate by the Secretary of the Company or a Director, submitted with the Conversion Notice (if appropriate) for any balance of its Preferred Shares which are not converted, which shall be endorsed and returned to the relevant holder of the Preferred Shares, not later than 7 business days after the conversion date. If the holder of the Preferred Shares has also requested in the Conversion Notice, and to the extent permitted under the rules and procedures of the Central Clearing and Settlement System of Hong Kong (the "**CCASS**") effective from time to time, all necessary actions should be taken to procure delivery of the conversion shares through the CCASS for so long as the Shares are listed on the Designated Stock Exchange. Such conversion shares shall rank *pari passu* with the Shares in issue on the Entry Date, save that they will not be entitled to receive any dividend, distribution or entitlement declared, paid or made by reference to a record date prior to the relevant Entry Date.
- (B) Effective on the Entry Date and at such time the rights of the holder of the Preferred Shares in respect of which the conversion rights have been exercised, shall cease.

- (e) For so long as any holder of the Preferred Shares or any party acting in concert with such holder of the Preferred Shares holds any Preferred Shares, no such holder of the Preferred Shares or any party acting in concert with such holder of the Preferred Shares, shall be permitted to exercise the conversion rights attaching to the Preferred Shares so held, if such exercise would result in the holder of the Preferred Shares or any party acting in concert with it holding 30 per cent or more of the issued ordinary share capital of the Company at such time (or such other percentage as is defined in the Code on Takeovers and Mergers and Share Repurchases as constituting “control” from time to time), or otherwise being required to make a mandatory general offer for the Shares of the Company under the Code on Takeovers and Mergers and Share Repurchases.

- (f) Mechanics of Conversion. The conversion hereunder of each Preferred Share shall be effected in the following manner:
 - (i) The Company shall repurchase the Preferred Share for aggregate consideration (the “**Repurchase Amount**”) equal to the aggregate nominal value of any capital shares of the Company to be issued upon such conversion;

 - (ii) Concurrent with the repurchase of the Preferred Share, the Company shall apply the Repurchase Amount for the benefit of the holder of the Preferred Share to pay for any conversion shares of the Company issuable to such holder in connection with such conversion; and

 - (iii) Upon application of the Repurchase Amount, the Company shall issue to the holder of the Preferred Share all conversion shares issuable upon such conversion in accordance with the terms of this Article 15A,

provided that, for the purposes of this sub-paragraph (f), the Repurchase Amount shall be used to set off against the subscription amount of the conversion shares.

(4) Adjustments to the Conversion Price

(a) Subject to Clause 8.5.4 of the Subscription Agreement and as hereinafter otherwise provided, the Conversion Price shall, from time to time, be adjusted in accordance with the following relevant provisions; and so that if the event giving rise to any such adjustment shall be such as would be capable of falling within more than one of paragraphs (A) to (G) inclusive of this sub-paragraph 15A(4), it shall fall within the first of the applicable paragraphs to the exclusion of the remaining paragraphs:

(A) If and whenever the Shares by reason of any consolidation, subdivision or reclassification become of a different nominal amount, the Conversion Price in force immediately prior thereto shall be adjusted by multiplying it by the following fraction:

$$\frac{A}{B}$$

where:

A = the revised nominal amount; and

B = the former nominal amount.

Each such adjustment shall be effective from the commencement of business in Hong Kong on the business day immediately following the date on which such consolidation or sub-division becomes effective.

(B) Subject to Clause 8.5.4 of the Subscription Agreement, if and whenever the Company shall issue any Shares credited as fully paid by way of capitalization of profits or reserves (including any share premium account or capital redemption reserve fund), the Conversion Price in force immediately prior to such issue (or, if such issue takes place before the issuance of the Preferred Shares, the initial Conversion Price) shall be adjusted by multiplying it by the following fraction:

$$\frac{C}{C + D}$$

where:

C = the aggregate nominal amount of the issued Shares immediately before such issue; and

D = the aggregate nominal amount of the Shares issued in such capitalization

Each such adjustment shall be effective (if appropriate retroactively) from the commencement of the business day next following the record date for such issue.

- (C) Subject to Clause 8.5.4 of the Subscription Agreement, if and whenever the Company shall make any Capital Distribution (as defined in sub-paragraph 15A(4)(b)) (except where, and to the extent that, the Conversion Price is required to be adjusted under paragraph (B) above) to holders (in their capacity as such) of Shares (whether on a reduction of capital or otherwise) or shall grant to such holders rights to acquire for cash assets of the Company or any of its subsidiaries, the Conversion Price in force immediately prior to such distribution or grant (or, if such distribution or grant takes place before the issuance of the Preferred Shares, the initial Conversion Price) shall be adjusted by multiplying it by the following fraction:

$$\frac{E - F}{E}$$

where:

E = the Market Price (as defined in sub-paragraph 15A(4)(b)) on the Traded Day next preceding the date on which the Capital Distribution or, as the case may be, the grant is first publicly announced or (failing any such announcement) the Traded Day next preceding the date of the Capital Distribution, or as the case may be, of the grant; and

F = the fair market value on the day of such announcement, or (as the case may require) the last preceding business day, as determined in good faith by an approved investment bank, of the portion of the Capital Distribution of such rights which is attributable to one Share;

Provided that if in the opinion of the relevant approved investment bank, the use of the fair market value as aforesaid produces a result which is significantly inequitable, it may instead determine that, and in such event the above formula shall be construed as if, F meant the portion of the said Market Price which should properly be attributed to the value of the Capital Distribution or rights.

Each such adjustment shall be effective (if appropriate retroactively) from the commencement of the business day immediately following the record date for the Capital Distribution or grant.

For the avoidance of doubt, when the Capital Distribution is by means of a cash dividend, only such portion of the cash dividend that exceeds the Relevant Percentage (as defined below) shall be regarded as a Capital Distribution and only such excess portion shall be taken into account in determining the fair market value of the portion of the Capital Distribution attributable to one Shares.

- (D) Subject to Clause 8.5.4 of the Subscription Agreement, if and whenever the Company shall, after the date hereof, offer to holders (in their capacity as such) of Shares as a class of new Shares for subscription by way of rights, or shall grant to holders of Shares as a class any options, warrants or other rights to subscribe for or purchase any Shares by way of rights at a price which is less than the Market Price at the Traded Day next preceding the date of the first announcement of the terms of the offer or grant (such price for the purpose of this sub-paragraph (D) being the “**Applicable Price**”, the Conversion Price shall be adjusted by multiplying the Conversion Price in force immediately before the date of the first announcement of such offer (or, if such announcement is published before the issuance of the Preferred Shares, the initial Conversion Price) by the following fraction:

$$\frac{G + I}{G + H}$$

where:

- G = the number of Shares in issue immediately before the date of such announcement;
- H = the aggregate number of Shares offered to be issued or, as the case may be, comprised in the grant; and
- I = the number of Shares which the aggregate amount (if any) payable for the Shares issued by way of rights or for the rights, options or warrants or other rights issued and for the total number of Shares comprised therein would purchase at the Applicable Price.

Such adjustment shall become effective (if appropriate retroactively) from the commencement of the next business day following the record date for the offer.

- (E) (1) Subject to Clause 8.5.4 of the Subscription Agreement, if and whenever the Company (or any of its subsidiaries) shall issue wholly for cash any securities which by their terms are convertible into or exchangeable for or carry rights of subscription for new Shares, and the Total Effective Consideration per Share initially receivable for such securities (as defined below in this paragraph (E)) is less than the Market Price on the Traded Day next preceding the date of the first announcement of the terms of issue of such securities (such price for the purpose of this sub-paragraph (E)(1) being the “**Applicable Price**”), the Conversion Price shall be adjusted by multiplying the Conversion Price in force immediately prior to the issue (or, if such issue takes place before the issuance of the Preferred Shares, the initial Conversion Price) by the following fraction:

$$\frac{J + K}{J + L}$$

where:

- J = the number of Shares in issue immediately before the date of the issue;
- K = the number of Shares which the Total Effective Consideration receivable for the securities issued (as defined below in this paragraph (E)) would purchase at the Applicable Price; and
- L = the number of Shares to be issued upon conversion or exchange of, or the exercise in full of the subscription rights conferred by, such securities, at the initial conversion or exchange rate or subscription price.

Such adjustment shall become effective (if appropriate retrospectively) from the commencement of business in Hong Kong on the next business day following whichever is the earlier of the date on which the issue is announced and the date on which the Company determines the conversion or exchange rate or subscription price.

- (2) If and whenever the rights of conversion or exchange or subscription attached to any such securities, as mentioned in sub-paragraph (1) of this paragraph (E), are modified so that the conversion or exchange rate or subscription price in respect of such securities is in effect immediately following such modification (for the purpose of this sub-paragraph (2), the “**Modified Price**”) shall be more favorable to the holders of such securities or less than the conversion or exchange rate or subscription price in effect immediately preceding such modification (for the purpose of this sub-paragraph (2), the “**Pre-Modification Price**”), the Conversion Price shall be adjusted by multiplying the Conversion Price in force immediately prior to such modification by the following fraction:

$$\frac{M + N}{M + O}$$

where:

M = the number of Shares in issue immediately before the date of such modification;

N = the number of Shares which the Total Effective Consideration receivable for the securities issued (as defined in this paragraph (E)) would purchase at the Pre-Modification Price; and

O = the number of Shares to be issued upon conversion or exchange of or the exercise of the subscription rights conferred by such securities at the Modified Price.

Such adjustment shall take effect as at the date upon which such modification takes effect. For the avoidance of doubt, a right of conversion or subscription or exchange shall also be treated as modified for the foregoing purposes where the relevant conversion or exchange rate or subscription price is adjusted to take account of rights or capitalization issues and other events normally giving rise to adjustment of conversion or exchange terms save to the extent the adjustments are no more favorable to the holders of the relevant securities than to the holder(s) of the Preferred Shares under this sub-paragraph (E).

For the purposes of this paragraph (E), the “**Total Effective Consideration receivable for the securities issued**” shall be deemed to be the consideration receivable by the Company for the issue of such securities plus the additional minimum consideration (if any) to be received by the Company upon (and assuming) the full conversion or exchange thereof or the exercise in full of such subscription rights, and for the purposes of sub-paragraph (1) of this paragraph (E), the “**Total Effective Consideration per Share initially receivable for such securities**” shall be such Total Effective Consideration receivable for the

securities issued divided by the number of Shares to be issued upon (and assuming) such full conversion or exchange at the initial conversion or exchange rate or the exercise in full of such subscription rights at the initial subscription price, in each case without any deduction for any commissions, discounts or expenses paid, allowed or incurred in connection with the issue.

- (F) Subject to Clause 8.5.4 of the Subscription Agreement, if and whenever the Company shall issue wholly for cash any Shares at a price per Share which is less than the Market Price at the Traded Day next preceding the date of the first announcement of the proposed issue (such price for the purpose of this subparagraph (F) being the “**Applicable Price**”), the Conversion Price shall be adjusted by multiplying the Conversion Price in force immediately before the date of such announcement (or, if such an announcement is released before the issuance of the Preferred Shares, the initial Conversion Price) by the following fraction:

$$\frac{R + S}{R + T}$$

where:

R = the number of Shares in issue immediately before the date of such announcement;

S = the number of Shares which the aggregate amount payable for the issue would purchase at the Applicable Price; and

T = the number of Shares to issued.

Such adjustment shall become effective on the date of the issue.

- (G) Subject to Clause 8.5.4 of the Subscription Agreement, if and whenever the Company shall issue Shares for the acquisition of assets and the aggregate consideration credited by the Company as being paid for such Shares on the acquisition of the relevant asset without deduction of any commissions, discounts or expenses paid, allowed or incurred in connection with the issue

of such Shares (the “**Total Effective Consideration**”) divided by the number of Shares issued for such acquisition (the “**Total Effective Consideration per Share**”) is less than the Market Price as at the Traded Day next preceding the date of the announcement of the terms of such issue (such price for the purpose of this sub-paragraph (G) being the “**Applicable Price**”), the Conversion Price shall, subject to the proviso set out below in this sub-paragraph (H), be adjusted by multiplying the Conversion Price in force immediately before the date of such announcement (or, if such announcement is published before the issuance of the Preferred Shares, the initial Conversion Price) by the following fraction:

$$\frac{U + V}{U + W}$$

where:

U = the number of Shares in issue immediately before the date of such announcement;

V = the number of Shares which the Total Effective Consideration would purchase at the Applicable Price; and

W = the number of Shares so issued,

and such adjustment shall become effective on the date of the issue, PROVIDED however that if such acquisition of the relevant asset is a connected transaction for the purposes of the rules of the Designated Stock Exchange, then the Conversion Price shall be adjusted by such ratio as may be determined by an approved investment bank unless:

- (1) the transaction is required by the rules of the Designated Stock Exchange to be the subject of an opinion of an independent financial adviser;
- (2) the independent financial adviser to be appointed for this purpose has been consented to, in writing, by the holder(s) of the Preferred Shares;

- (3) the independent financial adviser to be appointed for this purpose gives an opinion that the terms of the transaction are fair and reasonable, so far as the Members are concerned, and are in the interest of the Company and its Members as a whole; and
- (4) the Total Effective Consideration per Share is not less than the Applicable Price.

Provided that if in any case where the conditions referred to in paragraphs (1), (2) and (3) above are fulfilled but not the condition in paragraph (4) above, then the Conversion Price shall instead be adjusted by multiplying the fraction set out earlier in this sub-paragraph (G).

- (H) If the Company determines that an adjustment should be made to the Conversion Price as a result of one or more events or circumstances (whether or not referred to in sub-paragraphs (A) to (G) above) (even if the relevant event or circumstance is specifically excluded in this Article from the operation of sub-paragraphs (A) to (G) above), or that an adjustment should not be made (even if the relevant event or circumstance is specifically provided for in sub-paragraphs (A) to (G) above), or that the effective date for the relevant adjustment should be a date other than that mentioned in sub-paragraphs (A) to (G) above, the Company may, at its own expense, request the approved investment bank, acting as expert, to determine as soon as practicable (i) what adjustment (if any) to the Conversion Price is fair and reasonable to take account thereof and is appropriate to give the result, which an approved investment bank considers in good faith, to reflect the intentions of the provisions of this Clause 15A(4)(a); and (ii) the date on which such adjustment should take effect; and upon such determination, such adjustment, (if any) shall be made and shall take effect in accordance with such determination.
- (b) For the purposes of this sub-paragraph 15A(4)(b):

“**announcement**” shall include the release of an announcement to the press or the delivery or transmission of an announcement by telephone, facsimile or otherwise to the Designated Stock Exchange and “**date of announcement**” shall mean the date on which the announcement is initially so released, delivered or transmitted;

“approved investment bank” means an investment bank or financial advisory company of repute in Hong Kong selected by the Company (including the details of the execution teams) out of four investment banks or financial advisory companies nominated by the holder(s) of the Preferred Shares, on each individual occasion where in accordance with the provisions, an opinion or calculation or determination is required to be obtained from an approved investment bank (acting as expert), for the purpose of providing such specific opinion or calculation or determination hereunder, or failing the selection by the holder(s) of the Preferred Shares out of the candidates nominated by the Company, such investment bank or financial advisory company as may be appointed by the President for the time being of The Law Society of Hong Kong upon the request of either the Company or the holder(s) of the Preferred Shares;

“Capital Distribution” shall (without prejudice to the generality of that phrase) include distributions in cash or specie (including, for the avoidance of doubt, any issue of Shares pursuant to a scrip dividend scheme in lieu of a cash dividend). Any dividend charged or provided for in the accounts for any financial period shall, (whenever paid and however described) be deemed to be a Capital Distribution; provided that any such dividend shall not automatically be so deemed:

- (A) if it is a cash dividend (including where holders of Shares may elect to receive Shares in lieu of cash) and it does not, when taken together with any other dividend or distribution previously paid or made in respect of the same financial year, exceed 20% of the Company’s consolidated net profits attributable to Members after deducting minority interests and tax for the financial year in relation to which the cash dividend or other distribution is made (the **“Relevant Percentage”**); or
- (B) if it is a cash dividend and is the subject of a scrip dividend scheme whereby Shares may be issued in lieu of a cash dividend where an amount not less than the nominal amount of the Shares so issued is capitalized and the market value of such Shares is not more than 102.5% of the amount of dividend which holders of the Shares could elect to or would otherwise receive in cash, for which purpose the market value of a Share shall mean the volume-weighted average of the prices on such Traded Days (being not less than thirty (30) such days) as are selected by

the Board in connection with determining the basis of allotment in respect of the relevant scrip dividend and which fall within the period of one calendar month ending on the last business day on which holders of Shares may elect to receive or (as the case may be) not to receive the relevant dividend in cash;

“**issue**” shall include allot;

“**Market Price**” means the average of the closing prices per Share at which the Shares were traded in transactions effected on the Designated Stock Exchange (as quoted on the Designated Stock Exchange) for the 30 consecutive Traded Days ending on the Traded Day preceding the day on or as of which the Market Price is so to be ascertained; provided that if at any time during the said 30 Traded Days period, the Shares shall have been quoted ex-dividend and during some other part of that period the Shares shall have been quoted cum-dividend then: (A) if the Shares to be issued in such circumstances do not rank for the dividend in question, the quotations on the dates on which the Shares shall have been quoted cum-dividend shall, for the purpose of this definition, be deemed to be the amount thereof reduced by an amount equal to the amount of that dividend per Share; or (B) if the Shares to be issued in such circumstances rank for the dividend in question, the quotations on the dates on which the Shares shall have been quoted ex-dividend shall, for the purpose of this definition, be deemed to be the amount thereof increased by such similar amount;

and provided further, if the Shares on each of the 30 Traded Days have been quoted cum-dividend in respect of a dividend which has been declared or announced but the Shares to be issued do not rank for that dividend, the quotations on each of such dates shall, for the purpose of this definition, be deemed to be the amount thereof reduced by an amount equal to the amount of that dividend per Share;

“**reserves**” includes unappropriated profits; and

“**rights**” includes rights in whatsoever form issued.

- (c) Subject to Clause 8.5.4 of the Subscription Agreement, the provisions of paragraphs (B), (C), (D), (E) and (G) of Clause 15A(4)(a) shall not apply to:
 - (A) as issue of fully paid Shares upon the exercise of any conversion rights attached to securities convertible into Shares or upon exercise of any rights (including any conversion of the Preferred Shares) to acquire Shares (except a rights issue) provided that an adjustment (if required) has been made under Clause 15A(4) in respect of the issue of such securities or granting of such rights or options (as the case may be); or
 - (B) the granting of options from time to time which carry rights to acquire, or the issue upon exercise of such options of, Shares to eligible participants pursuant to the share option scheme.
- (d) On any adjustment, the resultant Conversion Price, if not an integral multiple of one-tenth (1/10) of a Hong Kong cent, shall be rounded down to the nearest one-tenth (1/10) of a Hong Kong cent.
- (e) Notwithstanding anything contained herein, no adjustment shall be made to the Conversion Price in any case in which the amount by which the same would be reduced in accordance with the foregoing provisions of this Clause would be less than one-tenth (1/10) of a Hong Kong cent and any adjustment that would otherwise be required then to be made and any amount by which the Conversion Price has not been rounded down as referred to in Clause 15A(4)(d) above shall not be carried forward in determining any subsequent adjustment.
- (f) Subject to Clause 8.5.4 of the Subscription Agreement, if the Company or any subsidiary shall, in any way modify the rights attached to any share or loan capital, so as to wholly or partly convert or make convertible such share or loan capital into, or attach thereto any rights to acquire Shares, the Company shall appoint an approved investment bank to consider whether any adjustment to the Conversion Price is appropriate (and if such approved investment bank (as defined in Clause 15A4(b)) shall certify that any such adjustment is appropriate, the Conversion Price shall be adjusted accordingly and the provisions of Clauses 15A(4)(d), 15A(4)(e), 15A(4)(g) to 15A(4)(j) shall apply).

- (g) Whenever the Conversion Price is adjusted as herein provided, the Company shall, as soon as possible, but not later than two (2) business days after the relevant adjustment has been determined, give notice of the same to the holder(s) of the Preferred Shares (setting forth the event giving rise to the adjustment, the Conversion Price in effect prior to such adjustment, the adjusted Conversion Price and the effective date thereof). For the avoidance of doubt and subject to Clause 8.3 of the Subscription Agreement, nothing here should oblige the Company to disclose any information which is not public information to the holder(s) of the Preferred Shares or where it is not legally permissible to disclose such information.
- (h) Any adjustment to the Conversion Price shall not in any event result in an increase in the Conversion Price (except upon any consolidation of the Shares pursuant to Clause 15A(4)(a)(A) or that the Conversion Price being adjusted to an amount which is less than the nominal value of the conversion shares and in such event, the Conversion Price shall be the nominal value of the conversion shares.
- (i) Every adjustment to the Conversion Price shall be certified in writing by an approved investment bank unless otherwise agreed by the holder(s) of the Preferred Shares.
- (j) The Company shall make available for inspection at its principal place of business in Hong Kong at all times after the effective date of the adjustment in the Conversion Price and so long as any Preferred Shares remain outstanding, a signed copy of the certificate of the approved investment bank and a certificate signed by a Director setting forth brief particulars of the event giving rise to the adjustment, the Conversion Price in effect prior to the adjustment, the adjusted Conversion Price and the effective date thereof and shall, on request of a holder of the Preferred Shares, send a copy thereof to such holder of the Preferred Shares.
- (k) Nomination Right

Holders of the Preferred Shares shall have the right to nominate three Directors to the Board, comprising two non-executive Directors and one executive Director, and such non-executive Directors nominated by the holders of the Preferred Shares shall be appointed to the remuneration committee and audit committee of the Company at the same time.

(l) Voting Rights

Holders of the Preferred Shares shall not be entitled to attend or vote at any general meeting of the Company by reason only of his/her/its being the holder(s) of the Preferred Shares, save for voting rights at a class meeting of the holders of the Preferred Shares for matters which may require their consent either under the Bye-laws or the Statutes.

(m) Dividend Rights

Holders of the Preferred Shares shall rank *pari passu* with other Members in respect of its entitlement to dividends or other distributions of the Company, save and except for as provided below in relation to any Liquidation Event (as defined below).

(n) Transferability

Subject to any restrictions in the rules of the Designated Stock Exchange and the Bye-laws, the Preferred Shares are freely transferable by following the procedure in the Bye-laws.

(o) Liquidation Preference

(i) In the event of any Liquidation Event (as defined below), holders of the Preferred Shares may serve a notice (the “**Redemption Notice**”) to the Company to demand for, and the Company shall pay, within 30 days from the date of the Redemption Notice, in preference to the holders of Shares or other class of shares (other than Preferred Shares) an amount equal to the HK\$0.40 per Preferred Share plus all accrued but unpaid dividends (the “**Preference Amount**”).

(ii) After the payment of the Preference Amount to the holders of the Preferred Shares, the remaining assets of the Company shall be distributed to the holders of Shares and the holders of the Preferred Shares within 30 days, whereby holders of the Preferred Shares would be entitled to receive, in preference to the holders of Shares, such amount which represents its pro rata portion had it converted the then outstanding Preferred Shares into Shares immediately prior to the Liquidation Event (as defined below).

A “**Liquidation Event**” shall include a liquidation, winding-up or dissolution of the Company.

9. “**THAT** subject to and conditional upon passing of resolutions no. 2, 3 and 8 above, the amended and restated bye-laws of the Company (in the form of the document produced to the SGM and marked “C” and signed by the chairman of the SGM for identification purposes), which consolidates all of the proposed amendments referred to in Resolution no. 8 above and all previous amendments be approved and adopted as the amended and restated bye-laws of the Company in substitution for and to the exclusion of the existing Bye-laws with immediate effect, and that any director or the company secretary of the Company be authorized to do all things and acts to effect the adoption of the amended and restated bye-laws of the Company and to make relevant registrations and filings in accordance with the applicable laws, regulations and requirements.”

By Order of the Board of
Century Ginwa Retail Holdings Limited
Choon Hoi Kit, Edwin
Chief Executive Officer

Hong Kong, 19 November 2012

Registered office:
Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

Principal place of business
in Hong Kong:
Suites 1701-1703,
17/F., Dah Sing Financial Centre,
108 Gloucester Road,
Wanchai, Hong Kong

Notes:

1. A member entitled to attend and vote at the SGM convened by the above notice (or any adjournment thereof) is entitled to appoint one or if he is the holder of two or more shares, more than one proxy to attend and, subject to the provisions of the articles of association of the Company, vote in his stead. A proxy need not be a member of the Company.
2. A form of proxy for use at the SGM (or any adjournment thereof) is enclosed.
3. Where there are joint registered holders of any shares, any one of such persons may vote at the SGM, either personally or by proxy, in respect of such Shares as if he were solely entitled thereto; but if more than one of such joint holders be present at the SGM personally or by proxy, that one of the said person at present whose name stands first on the register in respect of such Share shall alone be entitled to vote in respect thereof.

4. In order to be valid, the form of proxy must be duly completed and signed in accordance with the instructions printed thereon and deposited together with a power of attorney or other authority (if any) under which it is signed or a certified copy of that power or authority, at the office of the Company's Hong Kong branch registrar, Tricor Abacus Limited, at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong no later than 48 hours before the time for holding the SGM or adjourned meeting. Completion and return of a form of proxy will not preclude a member from attending in person and voting at the above meeting or any adjournment thereof, should he so wish.

As at the date of this notice, the Board comprises four executive directors, being Mr. Qiu Zhongwei, Mr. Choon Hoi Kit, Edwin, Mr. Qu Jiaqi and Mr. Sha Yingjie; two non-executive directors, being Mr. Wu Yijian and Mr. Chen Shuai; and three independent non-executive directors, being Mr. Chan Wai Kwong, Peter, Mr. Tsang Kwok Wai and Ms. Li Ling.