

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.

SUN ART

Retail Group Limited

SUN ART RETAIL GROUP LIMITED

高鑫零售有限公司

(Incorporated in Hong Kong with limited liability)

(Stock code: 06808)

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that an annual general meeting (the “**Annual General Meeting**”) of Sun Art Retail Group Limited (the “**Company**”) will be held at Jade Room, 6th Floor, Marco Polo Hongkong Hotel, Harbour City, 3 Canton Road, Tsim Sha Tsui, Kowloon, Hong Kong on Wednesday, 16 May 2012 at 9:00 a.m. for the following purposes:

As ordinary business, to consider and, if thought fit, pass with or without amendments, the following resolutions as ordinary resolutions:

1. To receive the audited consolidated financial statements of the Company and the reports of the directors (the “**Directors**”) and auditors for the year ended 31 December 2011.
2. To declare a final dividend HK\$0.10 per share for the year ended 31 December 2011.
3. (a) To re-elect Mr. HUANG Ming-Tuan as executive Director;
(b) To re-elect Mr. CHENG Chuan-Tai as non-executive Director;
(c) To re-elect Mr. Christophe Maurice Paule Marie Joseph DUBRULLE as non-executive Director; and
(d) To authorize the board of Directors (the “**Board**”) to fix the respective Directors’ remuneration.
4. To re-appoint KPMG as auditors and to authorize the Board to fix their remuneration.

As special business, to consider and, if thought fit, pass with or without amendments, the following resolutions as ordinary resolutions:

5. “**THAT:**
 - (a) subject to paragraph 5(b) below, a general mandate be and is hereby generally and unconditionally given to the Directors to exercise during the Relevant Period (as defined below) all the powers of the Company to purchase its shares

on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) or on any other stock exchange on which the shares of the Company may be listed and recognized by the Stock Exchange and the Hong Kong Securities and Future Commission for this purpose subject to and in accordance with all applicable laws, rules and regulations;

- (b) the aggregate nominal amount of shares of the Company to be purchased pursuant to the mandate in paragraph (a) above shall not exceed 10% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing of this resolution and the said mandate shall be limited accordingly; and
- (c) 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; or
- (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.”

6. “**THAT:**

- (a) subject to paragraph 6(c) below, a general mandate be and is hereby generally and unconditionally given to the Directors 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 (including bonds, warrants and debentures convertible into shares of the Company) which might require the exercise of such powers;
- (b) the mandate in paragraph 6(a) above shall authorize the Directors of the Company to make or grant offers, agreements and options (including bonds, warrants and debentures convertible into shares of the Company) during the Relevant Period which would or might require the exercise of such powers after the end of the Relevant Period;

(c) the aggregate nominal amount of share capital allotted or agreed conditionally or unconditionally to be allotted by the Directors pursuant to the mandate in paragraph 6(a) above, otherwise than pursuant to:

- (i) a Rights Issue (as defined below);
- (ii) an issue of shares pursuant to the exercise of options under a share option scheme of the Company; or
- (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 aggregate nominal amount of the issued share capital of the Company on the date of the passing of this resolution and the said mandate shall be limited accordingly; 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; or
- (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.

“Rights 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 of members of the Company 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 in any territory outside Hong Kong applicable to the Company).”

7. “**THAT** conditional upon the passing of resolutions set out in paragraphs 5 and 6 of the notice convening this meeting (the “**Notice**”), the general mandate referred to in the resolution set out in paragraph 6 of the Notice be and is hereby extended by the addition to it of an amount representing the aggregate nominal amount of shares purchased by the Company pursuant to the mandate referred to in resolution set out in paragraph 5 of the Notice, provided that such amount shall not exceed 10% of the aggregate nominal amount of the issued share capital of the Company on the date of the passing of this resolution.”

By Order of the Board
Sun Art Retail Group Limited
Bruno Robert MERCIER
Chief Executive Officer

Shanghai, 16 April 2012

Notes:

1. All resolutions (except for procedural and administrative matters) at the Annual General Meeting will be taken by poll pursuant to the Rules Governing the Listing of Securities on the Stock Exchange (the “**Listing Rules**”) and the results of the poll will be published on the websites of Hong Kong Exchanges and Clearing Limited and the Company in accordance with the Listing Rules.
2. Any member of the Company entitled to attend and vote at the above meeting is entitled to appoint another person as his proxy to attend and vote instead of him. A member who is the holder of two or more shares may appoint more than one proxy to represent him and vote on his behalf at the above meeting. A proxy need not be a member of the Company. If more than one proxy is so appointed, the appointment shall specify the number and class of shares in respect of which each such proxy is so appointed.
3. In order to be valid, the form of proxy must be deposited at the Company’s share registrar, Computershare Hong Kong Investors Services Limited, at 17M Floor, 17th Floor Hopewell Centre, 13 Queen’s Road East, Wanchai, Hong Kong not less than 48 hours before the time appointed for the holding of the meeting or any adjournment thereof. Delivery of the form of proxy shall not preclude a shareholder of the Company from attending and voting in person at the meeting or any adjournment thereof if the shareholder so wishes and, in such event, the instrument appointing a proxy shall be deemed to be revoked.
4. For determining the entitlement to attend and vote at the above meeting, the Register of Members of the Company will be closed from Friday, 11 May 2012 to Wednesday, 16 May 2012, both dates inclusive, during which period no transfer of shares will be registered. In order to be eligible to attend and vote at the Annual General Meeting, all transfer documents accompanied by the relevant share certificates must be lodged with the Company’s share registrar, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong for registration not later than 4:30 p.m. on Thursday, 10 May 2011.
5. For determining the entitlement to the proposed final dividend, the record date is fixed on Tuesday, 22 May 2012. All transfer documents accompanied by the relevant share certificates must be lodged with the Company’s share registrar, Computershare Hong Kong Investors Services Limited, at Shops 1712 – 1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong for registration not later than 4:30 p.m. on Tuesday, 22 May 2012.

As at the date of this announcement, the directors of the Company are:

Executive Directors:

Bruno Robert MERCIER (*Chief Executive Officer*)

HUANG Ming-Tuan

Non-executive Directors:

CHENG Chuan-Tai (*Chairman*)

Christophe Maurice Paule Marie Joseph DUBRULLE

Philippe David BAROUKH

Xavier Marie Alain DELOM DE MEZERAC

Independent Non-executive Directors:

Karen Yifen CHANG

Desmond MURRAY

HE Yi