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**If you have sold or transferred** all your shares in **New World Department Store China Limited**, you should at once hand this circular and the accompanying proxy form to the purchaser or the transferee or to the bank, licensed securities dealer or registered institution in securities or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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**新世界百貨中國有限公司**

**New World Department Store China Limited**

*(incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 825)**

**RE-ELECTION OF THE RETIRING DIRECTORS,  
GENERAL MANDATE TO ISSUE SHARES AND  
REPURCHASE SHARES  
AND  
NOTICE OF ANNUAL GENERAL MEETING**

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A notice convening the annual general meeting of New World Department Store China Limited to be held at Meeting Room N101A, Level 1, Hong Kong Convention and Exhibition Centre, 1 Expo Drive, Wanchai, Hong Kong (Expo Drive Entrance) on Monday, 18 November 2019 at 12:15 p.m. is set out on pages 13 to 17 of this circular. Whether or not you are able to attend the meeting, please complete the accompanying proxy form in accordance with the instructions printed thereon and return the same to the Hong Kong branch share registrar and transfer agent of the Company in Hong Kong, Tricor Investor Services Limited of Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for the holding of the meeting or any adjournment thereof. Completion and return of the proxy form will not preclude you from attending and voting in person at the meeting or any adjournment thereof should you so wish.

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## DEFINITIONS

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*In this circular, unless the context otherwise requires, the following expressions have the following meanings:*

“AGM”	the annual general meeting of the Company to be convened and held at Meeting Room N101A, Level 1, Hong Kong Convention and Exhibition Centre, 1 Expo Drive, Wanchai, Hong Kong (Expo Drive Entrance) on Monday, 18 November 2019 at 12:15 p.m.
“Articles”	the articles of association of the Company as amended from time to time
“Board”	the board of Directors
“Close Associates”	has the meaning ascribed to it under the Listing Rules
“Company”	New World Department Store China Limited, a company incorporated in the Cayman Islands with limited liability, the Shares of which are listed on the main board of the Stock Exchange
“Director(s)”	the director(s) of the Company
“Group”	the Company and its subsidiaries from time to time
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Issue Mandate”	a general mandate proposed to be granted to the Directors to exercise all the powers of the Company to allot, issue and deal with the Shares in the manner as set out in resolution no. 4.(1) in the notice of the AGM
“Latest Practicable Date”	14 October 2019, being the latest practicable date prior to the bulk-printing of this circular for ascertaining certain information contained herein

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## DEFINITIONS

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“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“PRC”	the People’s Republic of China
“Repurchase Mandate”	a general mandate proposed to be granted to the Directors to exercise all the powers of the Company to repurchase Shares in the manner as set out in resolution no. 4.(2) in the notice of the AGM
“SFO”	Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	share(s) in the share capital of the Company, with a par value of HK\$0.10 each (or such other nominal amount as shall result from a sub-division, consolidation, reclassification or reconstruction of the share capital of the Company from time to time)
“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 and Share Buy-backs
“%”	per cent

*The English text of this circular shall prevail over the Chinese text.*

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LETTER FROM THE CHAIRMAN

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新世界百貨中國有限公司  
New World Department Store China Limited  
*(incorporated in the Cayman Islands with limited liability)*  
(Stock Code: 825)

*Non-executive Directors:*

Dr. Cheng Kar-shun, Henry (*Chairman*)  
Mr. Au Tak-cheong

*Executive Directors:*

Dr. Cheng Chi-kong, Adrian  
Mr. Cheung Fai-yet, Philip (*Chief Executive Officer*)

*Independent non-executive Directors:*

Mr. Cheong Ying-chew, Henry  
Mr. Chan Yiu-tong, Ivan  
Mr. Tong Hang-chan, Peter  
Mr. Yu Chun-fai

*Registered Office:*

Cricket Square  
Hutchins Drive  
P.O. Box 2681  
Grand Cayman, KY1-1111  
Cayman Islands

*Head office and principal place of  
business in Hong Kong:*

7th Floor, 88 Hing Fat Street  
Causeway Bay  
Hong Kong

18 October 2019

*To the Shareholders*

Dear Sir or Madam,

**RE-ELECTION OF THE RETIRING DIRECTORS,  
GENERAL MANDATE TO ISSUE SHARES AND  
REPURCHASE SHARES  
AND  
NOTICE OF ANNUAL GENERAL MEETING**

**1. INTRODUCTION**

The purpose of this circular is to provide you with information regarding the resolutions to be proposed at the forthcoming AGM in relation to (i) the re-election of the retiring Directors; and (ii) granting of the Issue Mandate, the Repurchase Mandate and extension of the Issue Mandate. A notice of the AGM is set out on pages 13 to 17 in this circular.

**2. RE-ELECTION OF THE RETIRING DIRECTORS**

In accordance with articles 87(1) & 87(2) of the Articles, Dr. Cheng Kar-shun, Henry, Dr. Cheng Chi-kong, Adrian and Mr. Yu Chun-fai will retire by rotation at the AGM and, being

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## LETTER FROM THE CHAIRMAN

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eligible, offer themselves for re-election at the AGM. Information required to be disclosed under the Listing Rules in relation to the retiring Directors is set out in Appendix I to this circular.

Mr. Yu Chun-fai has served as independent non-executive Director for more than 9 years and his re-election will be subject to a separate resolution to be approved by the Shareholders. The Company has received from Mr. Yu Chun-fai a confirmation of independence pursuant to Rule 3.13 of the Listing Rules. As independent non-executive Directors with in-depth understanding of the Company's operations and business, Mr. Yu Chun-fai has expressed objective views and given independent guidance to the Company over the years, and he continues demonstrating a firm commitment to his roles. The Board considers that the long service of Mr. Yu Chun-fai would not affect his exercise of independent judgement and is satisfied that Mr. Yu Chun-fai has the required character, integrity and experience to continue fulfilling the role of independent non-executive Director. The Board considers the re-election of Mr. Yu Chun-fai as independent non-executive Director is in the best interest of the Company and the Shareholders as a whole.

### **3. ISSUE MANDATE AND REPURCHASE MANDATE**

At the annual general meeting of the Company held on 19 November 2018, the Directors were granted general mandates to issue Shares and repurchase Shares. Each of such mandates will expire at the conclusion of the forthcoming AGM and the Directors would like to seek your approval to renew each of the mandates.

An ordinary resolution set out as resolution no. 4.(1) in the notice of the AGM will be proposed at the AGM to grant Issue Mandate to the Directors to allot and issue new Shares up to 20% of the total number of Shares in issue as at the date of the passing of the resolution. Such Issue Mandate will be extended by a separate resolution set out as resolution no. 4.(3) in the notice of the AGM by adding to the total number of Shares to be issued and allotted pursuant to the Issue Mandate the total number of the Shares repurchased by the Company pursuant to the Repurchase Mandate. The granting of the Issue Mandate will provide for flexibility to the Directors to issue Shares when it is in the interest of the Company.

At the AGM, another ordinary resolution set out as resolution no. 4.(2) in the notice of the AGM will be proposed to the Shareholders that the Directors be given a Repurchase Mandate to repurchase Shares up to 10% of the total number of Shares in issue as at the date of the passing of the resolution. An explanatory statement as required by the Listing Rules to be sent to the Shareholders in connection with the Repurchase Mandate is set out in Appendix II to this circular.

### **4. VOTING BY POLL**

Pursuant to Rule 13.39(4) of the Listing Rules, any vote of Shareholders at a general meeting must be taken by poll except where the chairman, in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show

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## LETTER FROM THE CHAIRMAN

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of hands. Accordingly, all the proposed resolutions will be put to vote by way of a poll at the AGM. An announcement on the poll vote results will be made by the Company after the AGM in the manner prescribed under Rule 13.39(5) of the Listing Rules.

Subject to any special rights or restrictions as to voting for the time being attached to any Shares by or in accordance with the Articles, at any general meeting on a poll every Shareholder present in person or in the case of a Shareholder being a corporation by its duly authorised representative or by proxy shall have one vote for every fully paid Share of which he is the holder but so that no amount paid up or credited as paid up on a Share in advance of calls or installments is treated for the foregoing purposes as paid up on the Share.

### 5. PROXY

A proxy form for use at the AGM is enclosed herein. Whether or not you are able to attend the AGM, you are requested to complete the accompanying proxy form in accordance with the instructions printed thereon and return the same to the Hong Kong branch share registrar and transfer agent of the Company, Tricor Investor Services Limited of Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for holding the AGM or any adjournment thereof. Completion and return of the proxy form will not preclude you from attending and voting in person at the AGM or any adjournment thereof should you so wish.

### 6. RECOMMENDATION

The Directors believe that the re-election of the retiring Directors, granting of the Issue Mandate and the Repurchase Mandate are all in the best interest of the Company and the Shareholders as a whole. Accordingly, the Directors recommend you to vote in favour of all the relevant resolutions as set out in the notice of the AGM.

Your attention is drawn to the additional information as set out in the Appendices to this circular.

Yours faithfully,  
For and on behalf of  
**New World Department Store China Limited**  
**Cheng Kar-shun, Henry**  
*Chairman*

The particulars of Dr. Cheng Kar-shun, Henry, Dr. Cheng Chi-kong, Adrian and Mr. Yu Chun-fai, the retiring Directors who offer themselves for re-election at the AGM, disclosed pursuant to Rule 13.74 of the Listing Rules are as follows:

**Dr. Cheng Kar-shun, Henry *GBM, GBS***

Aged 72, has been the chairman of the Company and a non-executive Director since June 2007. Dr. Cheng is also a director of a number of the subsidiaries of the Company. He is responsible for the overall planning, strategic development and major policy making of the Group. Dr. Cheng holds offices in various listed public companies, including being the chairman and an executive director of New World Development Company Limited, a substantial Shareholder, the chairman and an executive director of NWS Holdings Limited and Chow Tai Fook Jewellery Group Limited, the chairman and a non-executive director of FSE Services Group Limited, the vice-chairman and non-executive director of i-CABLE Communications Limited and a non-executive director of DTXS Silk Road Investment Holdings Company Limited, all being listed public companies in Hong Kong. He is the chairman and the managing director of New World China Land Limited. He was the chairman and a non-executive director of Newton Resources Ltd until his resignation on 9 April 2018, a non-executive director of SJM Holdings Limited up to his retirement on 11 June 2019, an independent non-executive director of HKR International Limited and Hang Seng Bank Limited until his resignation on 31 March 2018 and retirement on 10 May 2018 respectively, and the chairman and an executive director of International Entertainment Corporation up to his resignation on 10 June 2017, all being listed public companies in Hong Kong. Dr. Cheng is also the chairman of New World Hotels (Holdings) Limited. He is also a director of Cheng Yu Tung Family (Holdings) Limited, Cheng Yu Tung Family (Holdings II) Limited, Chow Tai Fook Capital Limited, Chow Tai Fook (Holding) Limited and Chow Tai Fook Enterprises Limited, all of which are substantial Shareholders. He acts as the chairman of the Advisory Council for The Better Hong Kong Foundation and was a Standing Committee Member of the Twelfth Chinese People's Political Consultative Conference of the People's Republic of China. Dr. Cheng was awarded the Gold Bauhinia Star and Grand Bauhinia Medal by the Government of the Hong Kong Special Administrative Region in 2001 and 2017 respectively.

Except as disclosed above, Dr. Cheng did not hold directorship in other listed public companies in the past three years or any position with the Company or other members of the Group.

Dr. Cheng has renewed a service contract with the Company for a fixed term from 1 July 2019 to 30 June 2022 unless terminated by either party by one month prior written notice or any other period mutually agreed with the Board provided that such mutually agreed period shall not exceed 12 months or automatically terminated immediately upon ceasing to be a Director in accordance with (i) the Articles; (ii) the Companies Ordinance (Cap. 622, the Laws of Hong Kong); or (iii) any law, requirements, rules, regulations, practices and/or directions under the Listing Rules. He is subject to retirement by rotation in accordance with the Articles. Dr. Cheng's emoluments comprise a director's fee to be reviewed and determined by the Board



annually with the authorization granted by the Shareholders at an annual general meeting of the Company annually and with reference to his duties and responsibilities with the Company, the Company's performance and the prevailing market condition. For the year ended 30 June 2019, his emoluments comprised a director's fee of HK\$100,000 from the Company.

Dr. Cheng is the father of Dr. Cheng Chi-kong, Adrian. Except as disclosed, Dr. Cheng does not have any relationship with any Directors, senior management of the Company or substantial or controlling Shareholders. As at 30 June 2019, Dr. Cheng does not have any interests and short positions in the shares, underlying shares and debentures of the Company as recorded in the register required to be kept by the Company under section 352 of the SFO.

Save as disclosed above, Dr. Cheng is not aware of any other matters or information that need to be brought to the attention of the Shareholders or to be disclosed pursuant to any of the requirements set out in Rules 13.51(2) of the Listing Rules in connection with his re-election.

#### **Dr. Cheng Chi-kong, Adrian *JP***

Aged 39, has been an executive Director since June 2007. He is also the chairman of the executive committee, and a member of the remuneration committee and the nomination committee of the Company. Dr. Cheng joined the Group in 2007 and is responsible for overseeing the corporate affairs of the Group. He is an executive vice-chairman and general manager and executive director of New World Development Company Limited, a substantial Shareholder, an executive director of NWS Holdings Limited and Chow Tai Fook Jewellery Group Limited and a non-executive director of each of Giordano International Limited and New Century Healthcare Holding Co. Limited, all being listed public companies in Hong Kong. He is an executive director of New World China Land Limited. He was an executive director of International Entertainment Corporation up to his resignation on 10 June 2017, a non-executive vice-chairman of Modern Media Holdings Limited up to his resignation on 26 August 2017 and non-executive director of i-CABLE Communications Limited up to his resignation on 2 July 2019. Dr. Cheng is also a director of Chow Tai Fook (Holding) Limited and Chow Tai Fook Enterprises Limited, both of which are substantial Shareholders. He is also the chairman of New World Group Charity Foundation Limited. Dr. Cheng is the vice-chairman of All-China Youth Federation, a member of the Tianjin Municipal Committee of The Chinese People's Political Consultative Conference, the chairman of China Young Leaders Foundation and the honorary chairman of K11 Art Foundation. He was acknowledged by Fortune as one of "40 Under 40" global business stars in 2012, a "Young Global Leader" by the World Economic Forum in 2012. In 2016, he was appointed as the Justice of Peace by the Government of the Hong Kong Special Administrative Region and was made an Officier in the Ordre des Arts et des Lettres by the French Government in 2017. He worked in a major international bank prior to joining New World Development Company Limited and has substantial experience in corporate finance. Dr. Cheng holds a Bachelor of Arts Degree (*Cum Laude*) from Harvard University and was conferred the Honorary Doctorate of Humanities by the Savannah College of Art and Design.

Except as disclosed above, Dr. Cheng did not hold directorship in other listed public companies in the past three years or any position with the Company or other members of the Group.

Dr. Cheng has renewed a service contract with the Company for a fixed term from 1 July 2017 to 30 June 2020 unless terminated by either party by one month prior written notice or any other period mutually agreed with the Board provided that such mutually agreed period shall not exceed 12 months or automatically terminated immediately upon ceasing to be a Director in accordance with (i) the Articles; (ii) the Companies Ordinance (Cap. 622, the Laws of Hong Kong); or (iii) any law, requirements, rules, regulations, practices and/or directions under the Listing Rules. He is subject to retirement by rotation in accordance with the Articles. Dr. Cheng's emoluments comprise a director's fee to be reviewed and determined by the Board annually with the authorization granted by the Shareholders at an annual general meeting of the Company annually and with reference to his duties and responsibilities with the Company, the Company's performance and the prevailing market condition. For the year ended 30 June 2019, his emoluments comprised a director's fee of HK\$150,000 from the Company.

Dr. Cheng is the son of Dr. Cheng Kar-shun, Henry. Except as disclosed, Dr. Cheng does not have any relationship with any Directors, senior management of the Company or substantial or controlling Shareholders. As at 30 June 2019, Dr. Cheng does not have any interests and short positions in the shares, underlying shares and debentures of the Company as recorded in the register required to be kept by the Company under section 352 of the SFO.

Save as disclosed above, Dr. Cheng is not aware of any other matters or information that need to be brought to the attention of the Shareholders or to be disclosed pursuant to any of the requirements set out in Rules 13.51(2) of the Listing Rules in connection with his re-election.

#### **Mr. Yu Chun-fai**

Aged 57, has been an independent non-executive Director since June 2007. He is also the chairman of the nomination committee of the Company and a member of the audit committee and the remuneration committee of the Company. He has over 30 years of experience in the financial industry. Mr. Yu was the chairman, chief executive officer and an executive director of Oriental Payment Group Holdings Limited until his retirement on 30 July 2019. Mr. Yu was also an independent non-executive director of Power Financial Group Limited. He is the founder, and was the chairman and an executive director of China Smartpay Group Holdings Limited (formerly known as "Oriental City Group Holdings Limited"), all companies are being listed on the Stock Exchange. Prior to establishing Oriental City Group, Mr. Yu worked for Morgan Stanley, AIG Asset Management (Asia) Ltd., and Allianz Dresdner Asset Management.

Except as disclosed above, Mr. Yu did not hold directorship in other listed public companies in the past three years or any position with the Company or other members of the Group.

Mr. Yu has renewed a service contract with the Company for a fixed term from 1 July 2019 to 30 June 2022 unless terminated by either party by one month prior written notice or any other period mutually agreed with the Board provided that such mutually agreed period shall not exceed 12 months or automatically terminated immediately upon ceasing to be a Director in accordance with (i) the Articles; (ii) the Companies Ordinance (Cap. 622, the Laws of Hong Kong); or (iii) any law, requirements, rules, regulations, practices and/or directions under the Listing Rules. He is subject to retirement by rotation in accordance with the Articles. Mr. Yu's emoluments comprise a director's fee to be reviewed and determined by the Board annually with the authorization granted by the Shareholders at an annual general meeting of the Company annually and with reference to his duties and responsibilities with the Company, the Company's performance and the prevailing market condition. For the year ended 30 June 2019, his emoluments comprised a director's fee of HK\$200,000 from the Company.

Mr. Yu does not have any relationship with any directors, senior management of the Company or substantial or controlling Shareholders. As at 30 June 2019, Mr. Yu does not have any interests and short positions in the shares, underlying shares and debentures of the Company as recorded in the register required to be kept by the Company under section 352 of the SFO.

Save as disclosed above, Mr. Yu is not aware of any other matters or information that need to be brought to the attention of the Shareholders or to be disclosed pursuant to any of the requirements set out in Rules 13.51(2) of the Listing Rules in connection with his re-election.

This Appendix serves as the explanatory statement required under Rule 10.06(1)(b) of the Listing Rules to provide you with the information necessary for your consideration of the Repurchase Mandate to be granted to the Directors.

### **SHARE CAPITAL**

As at the Latest Practicable Date, the issued share capital of the Company comprised 1,686,145,000 Shares.

Subject to the passing of the relevant ordinary resolution and on the basis that no further Shares are issued or repurchased prior to the AGM, the Company will be allowed under the Repurchase Mandate to repurchase a maximum of 168,614,500 Shares.

### **REASONS FOR REPURCHASES**

The Directors believe that it is in the best interests of the Company and the Shareholders that they should have a general authority from the Shareholders to enable the Company to repurchase Shares in the market at any appropriate time. Such repurchases may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net asset value of the Company and/or its earning per Share and will only be made when the Directors believe that such repurchase will benefit the Company and the Shareholders.

### **FUNDING OF REPURCHASES**

In repurchasing Shares, the Company may only apply funds legally available for such purpose in accordance with its memorandum of association and the Articles and the applicable laws of Hong Kong and the Cayman Islands. The laws of Cayman Islands provide that the purchase of Shares may only be paid from the profits of the Company and/or out of the proceeds of a new issue of Shares made for the purpose of the repurchase or out of capital, if the Company can, immediately following such payment, pay its debt as they fall due in the ordinary course of business.

There might be material adverse impact on the working capital or gearing position of the Company (as compared with the position disclosed in the audited financial statements contained in the annual report for the year ended 30 June 2019) in the event that the Repurchase Mandate is to be exercised in full at any time during the proposed repurchase period. However, the Directors do not propose to exercise the Repurchase Mandate to such extent as would, in the circumstances, have a material adverse effect on the working capital requirements of the Company or its gearing levels which, in each case and in the opinion of the Directors, are from time to time appropriate for the Company.

**GENERAL**

The Directors have undertaken to the Stock Exchange that, so far as the same may be applied, they will exercise the Repurchase Mandate in accordance with the Listing Rules and applicable laws of the Cayman Islands.

None of the Directors nor, to the best of their knowledge having made all reasonable enquiries, their Close Associates have any present intention to sell any Shares to the Company in the event that the Repurchase Mandate is approved by the Shareholders.

No core connected persons (as defined in the Listing Rules) have notified the Company that they have a present intention to sell Shares to the Company, or have undertaken not to do so, in the event that the Repurchase Mandate is approved by the Shareholders.

As at the Latest Practicable Date, New World Development Company Limited (“**NWD**”) directly held 1,218,900,000 Shares and one of its wholly owned subsidiaries directly held 45,500,000 Shares. The aggregate 1,264,400,000 Shares held by NWD (directly and indirectly) represents approximately 74.99% interests in the issued share capital of the Company. Chow Tai Fook Enterprises Limited (“**CTF**”) together with its subsidiaries held an aggregate of approximately 44.35% interests in NWD and is accordingly deemed to have interests in the Shares interested by NWD. Chow Tai Fook (Holding) Limited (“**CTFH**”) held 100% direct interest in CTF and is accordingly deemed to have interests in the Shares interested by or deemed to be interested by CTF. Chow Tai Fook Capital Limited (“**CTFC**”) held 81.03% direct interest in CTFH and is accordingly deemed to have interests in the Shares interested by or deemed to be interested by CTFH. Cheng Yu Tung Family (Holding II) Limited (“**CYTFH-II**”) held 46.65% direct interest in CTFC and is accordingly deemed to have interests in the Shares interested by or deemed to be interested by CTFC. Cheng Yu Tung Family (Holdings) Limited (“**CYTFH**”) held 48.98% direct interest in CTFC and is accordingly deemed to have interests in the Shares interested by or deemed to be interested by CTFC. Accordingly, NWD, CTF, CTFH, CTFC, CYTFH-II and CYTFH are deemed to be interested in the said 1,264,400,000 Shares. In the event that the Directors should exercise in full the Repurchase Mandate, the effective interests of NWD, CTF, CTFH, CTFC, CYTFH-II and CYTFH in the issued share capital of the Company would be increased to approximately 83.32%.

The Directors do not intend to repurchase Shares to such an extent that the public float will fall below 25%. The Directors are not aware of any consequences which will arise under the Takeovers Code as a result of any purchases made under the Repurchase Mandate.

**SHARE PRICES**

The highest and lowest traded prices for Shares recorded on the Stock Exchange in each of the previous 12 months prior to the Latest Practicable Date were as follows:

	<b>Highest</b> <i>HK\$</i>	<b>Lowest</b> <i>HK\$</i>
<b>2018</b>		
October	1.79	1.51
November	1.75	1.56
December	1.74	1.62
<b>2019</b>		
January	1.81	1.58
February	1.77	1.66
March	1.73	1.63
April	1.69	1.63
May	1.65	1.55
June	1.62	1.47
July	1.51	1.34
August	1.45	1.22
September	1.34	1.20
October (up to and including the Latest Practicable Date)	1.28	1.15

**SHARE PURCHASES MADE BY THE COMPANY**

No purchase of Shares has been made by the Company in the previous six months preceding the date of this circular (whether on the Stock Exchange or otherwise).

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## NOTICE OF ANNUAL GENERAL MEETING

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新世界百貨中國有限公司

New World Department Store China Limited

*(incorporated in the Cayman Islands with limited liability)*

(Stock Code: 825)

**NOTICE IS HEREBY GIVEN** that an annual general meeting (the “**Meeting**”) of the shareholders of New World Department Store China Limited (the “**Company**”) will be held at Meeting Room N101A, Level 1, Hong Kong Convention and Exhibition Centre, 1 Expo Drive, Wanchai, Hong Kong (Expo Drive Entrance) on Monday, 18 November 2019 at 12:15 p.m. for the following purposes:

1. To receive and consider the audited financial statements for the year ended 30 June 2019 together with the Report of the Directors and the Independent Auditor’s Report thereon.
2. To re-elect the retiring directors of the Company (the “**Directors**”) and authorise the board of Directors to fix the remuneration of Directors.
3. To re-appoint Auditor and authorise the board of Directors to fix their remuneration.
4. To consider and, if thought fit, pass with or without modifications, the following resolutions as ordinary resolutions of the Company:

(1) “**THAT:**

- (a) subject to paragraph (c) below, the exercise by the Directors during the Relevant Period (as hereinafter defined) of all the powers of the Company to allot and issue 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 would or might require the exercise of such power be and is hereby generally and unconditionally approved;
- (b) the approval in paragraph (a) above shall authorise the Directors during the Relevant Period to make or grant offers, agreements and options (including bonds, warrants and debentures convertible into shares of the Company) which would or might require the exercise of such powers after the end of the Relevant Period;
- (c) the total number of shares of the Company allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) by the Directors pursuant to the approval in paragraph (a) above, otherwise than pursuant to (i) a Rights Issue (as hereinafter defined); or (ii) any scrip dividend or similar arrangement providing for the allotment of

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## NOTICE OF ANNUAL GENERAL MEETING

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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; or (iii) the exercise of any options under any share option scheme or similar arrangement for the time being adopted for the grant or issue of shares of the Company or right to acquire shares of the Company; or (iv) the exercise of any rights under the bonds, warrants and debentures convertible into shares of the Company, shall not exceed 20% of the total number of shares of the Company in issue as at the date of the passing of this resolution provided that if any subsequent consolidation or subdivision of shares of the Company is effected, the maximum number of shares of the Company that may be purchased pursuant to the approval in paragraph (a) above as a percentage of the total number of issued shares of the Company immediately before and after such consolidation or subdivision shall be the same and such maximum number of shares of the Company shall be adjusted 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 applicable law or the articles of association of the Company to be held; or
- (iii) the revocation or variation of the authority given under this resolution by an ordinary resolution of the shareholders of the Company in general meeting; and

“Rights Issue” means an offer of shares open for a period fixed by the Directors to holders of shares on the register on a fixed record date in proportion to their then holdings of such shares (subject to such exclusions or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements or having regard to any legal or practical problems or restrictions or obligations under the laws of, or the requirements of any recognised regulatory body or any stock exchange in any territory outside Hong Kong).”



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## NOTICE OF ANNUAL GENERAL MEETING

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(2) “**THAT:**

- (a) subject to paragraph (b) below, the exercise by the Directors during the Relevant Period (as hereinafter defined) of all the powers of the Company to repurchase shares of the Company on The Stock Exchange of Hong Kong Limited (“**Stock Exchange**”) or on any other stock exchange on which the shares of the Company may be listed and which is recognised by the Securities and Futures Commission of Hong Kong and the Stock Exchange for this purpose, subject to and in accordance with Cayman Islands law and all applicable laws and/or the Rules Governing the Listing of Securities on the Stock Exchange or the rules of any other stock exchange as amended from time to time, be and is hereby generally and unconditionally approved;
- (b) the total number of shares of the Company to be repurchased by the Directors pursuant to the approval in paragraph (a) of this resolution during the Relevant Period shall not exceed 10% of the total number of shares of the Company in issue as at the date of the passing of this resolution provided that if any subsequent consolidation or subdivision of shares of the Company is effected, the maximum number of shares of the Company that may be issued pursuant to the approval in paragraph (a) above as a percentage of the total number of issued shares of the Company immediately before and after such consolidation or subdivision shall be the same and such maximum number of shares of the Company shall be adjusted 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 applicable law or the articles of association of the Company to be held; or
- (iii) the revocation or variation of the authority given under this resolution by an ordinary resolution of the shareholders of the Company in general meeting.”

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## NOTICE OF ANNUAL GENERAL MEETING

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(3) “**THAT:**

conditional upon the passing of ordinary resolutions nos. 4.(1) and 4.(2) as set out in the notice convening the Meeting, the general unconditional mandate granted to the Directors pursuant to ordinary resolution no. 4.(1) as set out in the notice convening the Meeting be extended by the addition to the total number of shares of the Company which may be allotted or agreed to be allotted by the Directors pursuant to such general mandate of the total number of shares of the Company repurchased by the Company pursuant to the authority to repurchase shares granted pursuant to ordinary resolution no. 4.(2) as set out in the notice convening the Meeting, provided that such number of shares of the Company shall not exceed 10% of the total number of shares of the Company in issue as at the date of the passing of this resolution (subject to adjustment in case of consolidation or subdivision of shares of the Company).”

By order of the board of  
**New World Department Store China Limited**  
**Wu Yuk-kwai, Catherine**  
*Company Secretary*

Hong Kong, 18 October 2019

*Notes:*

1. The register of members of the Company will be closed from Wednesday, 13 November 2019 to Monday, 18 November 2019, both days inclusive, during which period no transfer of share of the Company will be registered. In order to establish entitlements to attend and voting at the Meeting, all transfers of shares of the Company accompanied by the relevant share certificates and properly completed transfer forms must be lodged with the branch share registrar and transfer agent of the Company in Hong Kong, Tricor Investor Services Limited of Level 54, Hopewell Centre, 183 Queen’s Road East, Hong Kong for registration no later than 4:30 p.m. on Tuesday, 12 November 2019.
2. Any member entitled to attend and vote at the Meeting is entitled to appoint one or more proxies to attend and vote instead of him. A proxy does not need to be a member of the Company.
3. Where there are joint registered holders of any share, any one of such persons may vote at the Meeting, either personally or by proxy, in respect of such share(s) as if he were solely entitled thereto, but if more than one of such joint holders be present at the Meeting personally or by proxy, that one of the said persons so present whose name stands first on the register in respect of such share, shall alone be entitled to vote in respect thereof.
4. A proxy form for use at the Meeting is enclosed.
5. To be valid, the proxy form, together with the power of attorney or other authority, if any, under which it is signed or a certified copy of such power or authority, must be deposited at the Hong Kong branch share registrar and transfer agent of the Company, Tricor Investor Services Limited of Level 54, Hopewell Centre, 183 Queen’s Road East, Hong Kong not less than 48 hours before the time appointed for holding the Meeting or any adjournment thereof. Completion and return of the proxy form will not preclude members from attending and voting in person at the Meeting or any adjournment thereof.

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## NOTICE OF ANNUAL GENERAL MEETING

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6. In accordance with articles 87(1) & 87(2) of the articles of association of the Company, Dr. Cheng Kar-shun, Henry, Dr. Cheng Chi-kong, Adrian and Mr. Yu Chun-fai will retire as Directors at the Meeting and being eligible, all the retiring Directors will offer themselves for re-election. Particulars of the said retiring Directors are set out in Appendix I to the circular to the shareholders of the Company dated 18 October 2019.
7. The resolutions as set out above will be determined by way of a poll.
8. The translation into Chinese language of this notice is for reference only. In case of any inconsistency, the English version shall prevail.
9. If a tropical cyclone warning signal number 8 or above is in force in Hong Kong at any time between 7:00 a.m. and 12:15 p.m. on the date of the Meeting, the Meeting will not be held on that day but will be automatically postponed to a later date. The Company will post an announcement on its website at [www.nwds.com.hk](http://www.nwds.com.hk) and the website of the Stock Exchange at [www.hkexnews.hk](http://www.hkexnews.hk) to notify Shareholders of the date, time and location of the rescheduled meeting.
10. As at the date of this notice, the non-executive Directors are Dr. Cheng Kar-shun, Henry and Mr. Au Tak-cheong; the executive Directors are Dr. Cheng Chi-kong, Adrian and Mr. Cheung Fai-yet, Philip; and the independent non-executive Directors are Mr. Cheong Ying-chew, Henry, Mr. Chan Yiu-tong, Ivan, Mr. Tong Hang-chan, Peter and Mr. Yu Chun-fai.