

*I certify that this is  
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SARAH DRENNAN (SOLICITOR) 13.11.9*

**MERCHANT RETAIL GROUP PLC**

Minutes of a reconvened General Meeting of MERCHANT RETAIL GROUP PLC held at 22nd Floor, Hutchison House, 10 Harcourt Road, Hong Kong on 11 NOVEMBER 2009 at 10 AM.

**PRESENT:** Mr. Dominic Lai  
(duly authorised representative of  
A.S. Watson (P&C UK) Ltd)

Ms. Edith Shih  
(duly authorised representative of  
Colonial Nominees (BVI) Limited)

TUESDAY



**CHAIRPERSON**

Mr. Dominic Lai was appointed chairperson of the meeting.

**NOTICE AND QUORUM**

IT WAS NOTED that a quorum of five Members as required by Article 58 of the Company's Articles of Association was not present. However, pursuant to Article 60 of the Company's Articles of Association the Members present and entitled to vote, whatever their number, were sufficient for the purposes of the reconvened meeting and the meeting would accordingly proceed to business.

There was produced to the meeting a notice ("Notice") convening the meeting and, with the consent of all members present, the Notice was taken as read.

The chairperson produced to the meeting the following appointments of proxies:

- (i) a form of appointment of authorised representative duly signed on behalf of A.S. Watson (P&C UK) Ltd appointing Mr. Dominic Lai as its duly authorised representative; and
- (ii) a form of appointment of authorised representative duly signed on behalf of Colonial Nominees (BVI) Limited appointing Ms. Edith Shih as its duly authorised representative.

## RESOLUTIONS

The resolutions set out in the Notice were duly proposed and voted upon and the chairperson declared:

1. THAT the alteration of the Company's Articles of Association by the substitution of the following Article 58 in place of the existing Article 58 be resolved as a special resolution:

"Two Members present in person or by proxy and entitled to vote shall be a quorum at a General Meeting."

2. THAT the alteration of the Company's Articles of Association by the deletion of Article 119 in its entirety be resolved as a special resolution.

3. THAT the Company has:


(i) held Annual General Meetings which have not been quorate which is in contravention of Article 58 of the Articles of Association of the Company; and

(ii) that there has not been the rotation of Directors as required by Article 119 of the Articles of Association of the Company.

Under the powers conferred by s.239 of the Companies Act 2006, the Members of the Company hereby ratify any and all decisions taken by the Directors which have been made in contravention of the Articles of Association and the Directors' duties under s.171(a) of the Companies Act 2006.

## OTHER BUSINESS

There being no further business, the chairperson declared the meeting closed.

  
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Chairperson

11 NOVEMBER 2009  
.....  
(Date)