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This announcement is for information purposes only and does not constitute an offer or an invitation to induce an offer by any person to acquire, purchase or subscribe for securities. Potential investors should read the prospectus dated 17th November, 2005 (the "Prospectus") issued by Parkson Retail Group Limited (百盛商業集團有限公司) (the "Company") for detailed information about the placing and public offer described below before deciding whether or not to invest in the shares thereby being offered.

The Stock Exchange of Hong Kong Limited (the "Stock Exchange") and Hong Kong Securities Clearing Company Limited ("HKSCC") 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.

Unless defined herein, terms in this announcement shall have the same meanings as those defined in the Prospectus. In connection with the Offering, BNP Paribas Peregrine or any person acting for it, may, but is not obliged to, over-allocate Shares and/or effect transactions with a view to stabilising or maintaining the market price of the Shares at levels higher than that which might otherwise prevail in the market for a limited period after the issue date of the Prospectus. However, there is no obligation on BNP Paribas Peregrine to do this. Such transactions may be effected in all jurisdictions where it is permissible to do so, in each case in compliance with all applicable laws and regulatory requirements, including the Securities and Futures (Price Stabilisation) Rules made under the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong), and, if commenced, may be discontinued at any time and is required to be brought to an end after a limited period. The details of such stabilisation and how it will be regulated under the Securities and Futures Ordinance are contained in the Prospectus. The number of Shares being offered in the International Placing may be increased by up to and not more than an aggregate of 24,840,000 additional Shares through the exercise of the Over-allotment Option to be granted by the Selling Shareholder to and exercisable by BNP Paribas Peregrine to cover over-allocations in the International Placing by requiring the Selling Shareholder to sell up to an additional 24,840,000 Shares within 30 days from the last day for lodging applications under the Hong Kong Public Offering. In the event that the Over-allotment Option is exercised, a corresponding press announcement will be made.



PARKSON RETAIL GROUP LIMITED

百盛商業集團有限公司

(incorporated in the Cayman Islands with limited liability)

HONG KONG PUBLIC OFFERING AND INTERNATIONAL PLACING

Number of Offer Shares	: 165,600,000 Shares comprising 110,400,000 New Shares and 55,200,000 Sale Shares (subject to the Over-allotment Option)
Number of Hong Kong Offer Shares	: 16,560,000 New Shares (subject to adjustment)
Number of International Placing Shares	: 149,040,000 Shares comprising 93,840,000 New Shares and 55,200,000 Sale Shares (subject to adjustment and the Over-allotment Option)
Offer Price	: Not more than HK\$9.80 per Offer Share and expected to be not less than HK\$8.40 per Offer Share (payable in full on application and subject to refund)
Nominal value	: HK\$0.1 per Share
Stock code	: 3368

Global Coordinator, Sponsor, Bookrunner and Lead Manager

BNP PARIBAS PEREGRINE

Co-Lead Managers

China International Capital Corporation (Hong Kong) Limited

DBS Asia Capital Limited

Co-Managers

**Dao Heng Securities Limited
Shenyin Wanguo Capital (H.K.) Limited**

**KGI Capital Asia Limited
UOB Asia (Hong Kong) Limited**

The Company is initially offering 16,560,000 Hong Kong Offer Shares for subscription, representing 10% of the total number of Shares initially being offered in the Offering, by way of a public offer in Hong Kong. Application has been made to the Listing Committee of the Stock Exchange for the granting of the listing of, and permission to deal in, the Shares in issue and to be issued as described in the Prospectus and the new Shares to be issued upon the exercise of options which may be granted under the Share Option Scheme. Dealings in the Shares on the Stock Exchange are expected to commence at 9:30 a.m. on 30th November, 2005. Applications for the Hong Kong Offer Shares will only be considered on the basis of the Prospectus and the prescribed **WHITE**, **YELLOW** or **PINK** application forms in accordance with the relevant provisions of the Prospectus. It should be noted that multiple applications or suspected multiple applications or any application for more than 7,530,000 Hong Kong Offer Shares, being 50% of the balance of the Hong Kong Offer Shares after deducting the 1,500,000 Hong Kong Offer Shares initially made available for subscription by eligible employees using **PINK** application forms, will be rejected. Only one application on a **WHITE** or **YELLOW** application form or by giving **electronic application instructions** to HKSCC, together with any one application on a **PINK** application form for eligible employees, may be made for the benefit of any person. Applicants are required to undertake and confirm that they or the relevant beneficial owner(s) have not applied for, indicated an interest or taken up and will not apply for, indicate an interest in or take up Shares under the International Placing. Subject to the granting of the listing of, and permission to deal in, the Shares on the Stock Exchange as well as compliance with the stock admission requirements of HKSCC, the Shares will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the commencement date of dealings in the Shares on the Stock Exchange or such other date as determined by HKSCC. All activities under CCASS are subject to the General Rules of CCASS and CCASS Operational Procedures in effect from time to time.

The Offering is subject to the conditions set out in the paragraph headed “Conditions” in the section headed “Structure of the Offering” in the Prospectus.

The Offer Price is expected to be determined by agreement between the Company, the Selling Shareholder and BNP Paribas Peregrine (on behalf of the Underwriters) at or around 9:00 a.m. on 23rd November, 2005 (Hong Kong time) and in any event no later than 12:00 noon on 23rd November, 2005 (Hong Kong time).

The Offer Price will be not more than HK\$9.80 per Offer Share and is expected to be not less than HK\$8.40 per Offer Share. BNP Paribas Peregrine (on behalf of the Underwriters) may reduce the indicative Offer Price range below that stated in the Prospectus at any time prior to the morning of the last day for lodging applications under the Hong Kong Public Offering. In such a case, an announcement of the reduction of the indicative Offer Price range will be published by the Company in the South China Morning Post (in English) and the Hong Kong Economic Times (in Chinese), as soon as practicable following the decision to make such reduction, and in any event not later than the morning of the last day for lodging applications under the Hong Kong Public Offering. If applications for Hong Kong Offer Shares have been submitted prior to the day which is the last day for lodging applications under the Hong

Kong Public Offering, then even if the Offer Price is so reduced, such applications cannot be subsequently withdrawn. If, for any reasons, BNP Paribas Peregrine (on behalf of the Underwriters), the Selling Shareholder and the Company are unable to reach an agreement on the Offer Price at or before 12:00 noon on 23rd November, 2005 (Hong Kong time), the Offering will not become unconditional and will lapse.

The Selling Shareholder intends to grant BNP Paribas Peregrine the Over-allotment Option which is exercisable by BNP Paribas Peregrine to cover over-allocations in the International Placing by requiring the Selling Shareholder to sell up to an additional 24,840,000 Shares within 30 days from the last day for lodging applications under the Hong Kong Public Offering. In the event that the Over-allotment Option is exercised, a corresponding press announcement will be made.

Application for the Hong Kong Offer Shares must be paid on the basis of the maximum Offer Price of HK\$9.80 per Offer Share, plus brokerage fee of 1%, the SFC transaction levy of 0.005%, the investor compensation levy of 0.002% and the Stock Exchange trading fee of 0.005%. If the Offering does not become unconditional, all application monies received from applicants under the Hong Kong Public Offering will be refunded, and in the event that the Offer Price is less than the price per Share initially paid upon application, the appropriate portion of affected applicants' application monies will be refunded to wholly or partially successful applicants, in each case without interest and on the terms set out under the paragraph headed "Refund of your money — additional information" in the section headed "Terms and conditions of the Hong Kong Public Offering" in the Prospectus. Refund cheques will also be issued, in accordance with such terms and conditions, in respect of wholly or partially unsuccessful applications. Applicants who have indicated in their application forms that they wish to collect refund cheque(s) (where applicable) and Share certificate(s) (where applicable) personally, may collect refund cheque(s) (where applicable) and Share certificate(s) (where applicable) from the Company's Hong Kong share registrar, Tricor Investor Services Limited at Ground Floor, Bank of East Asia Harbour View Centre, 56 Gloucester Road, Wanchai, Hong Kong from 9:00 a.m.-1:00 p.m. on 29th November, 2005 or any other date notified by the Company by way of a newspaper announcement as the date of despatch of Share certificates and/or refund cheques. Uncollected Share certificates and refund cheques will be despatched by ordinary post at the applicants' own risk to the addresses specified in the relevant application forms. Share certificates will only become valid certificates of title provided that the Offering has become unconditional in all respects and neither of the Underwriting Agreements has been terminated in accordance with its terms, which is expected to be at around 8:00 a.m. on 30th November, 2005 (Hong Kong time).

Applicants who apply on **WHITE** application forms and have indicated in their application forms that they wish to collect refund cheques and (where applicable) share certificates in person from the Company's Hong Kong Share Registrar may collect refund cheques and (where applicable) share certificates in person from the Company's Hong Kong Share Registrar, Tricor Investor Services Limited, from 9:00 a.m. to 1:00 p.m. on 29th November, 2005. Identification and (where applicable) authorisation documents acceptable to Tricor Investor Services Limited must be produced at the time of collection.

Applicants who apply on **YELLOW** application forms and have indicated in their application forms that they wish to collect refund cheques in person may collect their refund cheques (if any) but may not elect to collect their share certificates, which will be deposited into CCASS for credit to their designated CCASS Participants' stock accounts or CCASS Investor Participant stock accounts, as appropriate. The procedure for collection of refund cheques for applicants who apply on **YELLOW** application forms for Shares is the same as that for **WHITE** application form applicants. Instead of using **YELLOW** application forms, applicants may electronically instruct HKSCC to cause HKSCC Nominees to apply for the Hong Kong Offer Shares on their behalf via CCASS. Any Hong Kong Offer Shares allocated to such applicants will be registered in the name of HKSCC Nominees and deposited directly into CCASS for credit to their CCASS Investor Participant stock account or their designated CCASS Participant's stock account. Applicants applying as a CCASS Investor Participant should check the results made available by the Company and report any discrepancies to HKSCC before 5:00 p.m. on 29th November, 2005 or such other date as shall be determined by HKSCC or HKSCC Nominees. Immediately after the credit of the Hong Kong Offer Shares to their stock account, applicants can check their new account balance via the CCASS Phone System or CCASS Internet System (under the procedures contained in HKSCC's "An Operating Guide for Investor Participants" in effect from time to time). HKSCC will also make available to applicants an activity statement showing the number of Hong Kong Offer Shares credited to their stock account.

PINK application forms can be collected from the Company Secretary, SENG SZE Ka Mee, Natalia at 28th Floor, Bank of East Asia Harbour View Centre, 56 Gloucester Road, Wanchai, Hong Kong. Completed **PINK** application forms, with a cheque or banker's cashier order attached, must be returned to the Company Secretary, SENG SZE Ka Mee, Natalia at 28th Floor, Bank of East Asia Harbour View Centre, 56 Gloucester Road, Wanchai, Hong Kong by 5:00 p.m. on 21st November, 2005. The Share certificate(s) and/or refund cheque(s) for applicants who apply on **PINK** application forms will be sent to the addresses indicated in their application forms on the date of despatch (which is expected to be 29th November, 2005) by ordinary post and at their own risk.

Applicants who would like allotted Hong Kong Offer Shares registered in their own names should complete and sign the **WHITE** application forms. Applicants who would like to have allotted Hong Kong Offer Shares registered in the name of HKSCC Nominees Limited and deposited directly into CCASS for credit to their investor participant stock account or the stock account of their designated CCASS participants maintained in CCASS should either (i) complete and sign the **YELLOW** application forms, copies of which, together with the Prospectus, may be obtained during normal business hours from 9:00 a.m. on 17th November, 2005 until 12:00 noon on 22nd November, 2005 at the Depository Counter of HKSCC, at 2nd Floor, Vicwood Plaza, 199 Des Voeux Road Central, Hong Kong or the Customer Service Centre of HKSCC at Upper Ground Floor, V-Heun Building, 128-140 Queen's Road Central, Hong Kong, or (ii) arrange to give **electronic application instructions** to HKSCC. Copies of the Prospectus, together with **WHITE** application forms, may be obtained during normal business hours in the same period from:

1. Any participant of the Stock Exchange; or
2. **BNP Paribas Peregrine Capital Limited**, 61st Floor, Two International Finance Centre, 8 Finance Street, Central, Hong Kong; or
3. **China International Capital Corporation (Hong Kong) Limited**, Suite 2307, 23rd Floor, One International Finance Centre, 1 Harbour View Street, Central, Hong Kong;
DBS Asia Capital Limited, 22nd Floor, The Center, 99 Queen's Road Central, Hong Kong;
Dao Heng Securities Limited, 12th Floor, The Center, 99 Queen's Road Central, Hong Kong;
KGI Capital Asia Limited, 27th Floor, ICBC Tower, Citibank Plaza, 3 Garden Road, Central, Hong Kong;
Shenyin Wanguo Capital (H.K.) Limited, 28th Floor, Citibank Tower, Citibank Plaza, 3 Garden Road, Central, Hong Kong;
UOB Asia (Hong Kong) Limited, Suite 601, 6th Floor, Aon China Building, 29 Queen's Road Central, Hong Kong; or
4. any of the following branches of **Standard Chartered Bank (Hong Kong) Limited**:

Branches	Address
<i>Hong Kong Island</i>	
Des Voeux Road	4-4A, Des Voeux Road Central, Central, Hong Kong
88 Des Voeux Road	88 Des Voeux Road Central, Central, Hong Kong
Central	Shop no. 16, G/F and Lower G/F, New World Tower, 16-18 Queen's Road Central, Hong Kong
Hennessy Road	399 Hennessy Road, Wanchai, Hong Kong
Leighton Centre	Shop 12-16, UG/F, Leighton Centre, 77 Leighton Road, Causeway Bay, Hong Kong
Quarry Bay	G/F, Westlands Gardens, 1027 King's Road, Quarry Bay, Hong Kong
<i>Kowloon</i>	
Mongkok	Shop B, G/F, 1/F & 2/F, 617-623 Nathan Road, Mongkok, Kowloon
Tsimshatsui	G/F, 10 Granville Road, Tsimshatsui, Kowloon
Cheung Sha Wan	828 Cheung Sha Wan Road, Cheung Sha Wan, Kowloon

Branches	Address
Kwun Tong	88-90 Fu Yan Street, Kwun Tong, Kowloon
<i>New Territories</i>	
Tsuen Wan	Shop C, G/F & 1/F, Jade Plaza, no. 298 Sha Tsui Road, Tsuen Wan, New Territories

Both **WHITE** and **YELLOW** application forms completed in all respects (to which cheques or banker's cashier orders should be securely stapled) should be deposited in the special collection boxes provided at any of the branches referred to above at the following times on the following dates:

Thursday, 17th November, 2005 — 9:00 a.m. to 4:00 p.m.
Friday, 18th November, 2005 — 9:00 a.m. to 4:00 p.m.
Saturday, 19th November, 2005 — 9:00 a.m. to 12:00 noon
Monday, 21st November, 2005 — 9:00 a.m. to 4:00 p.m.
Tuesday, 22nd November, 2005 — 9:00 a.m. to 12:00 noon

Time for inputting electronic application instructions via CCASS terminals or CCASS Phone System/CCASS Internet System

CCASS Broker/Custodian Participants can input electronic application instructions at the following times:

Thursday, 17th November, 2005 — 9:00 a.m. to 8:30 p.m.⁽¹⁾
Friday, 18th November, 2005 — 9:00 a.m. to 8:30 p.m.⁽¹⁾
Saturday, 19th November, 2005 — 9:00 a.m. to 3:00 p.m.⁽¹⁾
Monday, 21st November, 2005 — 9:00 a.m. to 8:30 p.m.⁽¹⁾
Tuesday, 22nd November, 2005 — 9:00 a.m.⁽¹⁾ to 12:00 noon

(1) These times are subject to change as HKSCC may determine from time to time with prior notification to CCASS Participants.

CCASS Investor Participants can input electronic application instructions from 9:00 a.m. on 17th November, 2005 until 12:00 noon on 22nd November, 2005 (24 hours daily, except the last application date).

A CCASS Investor Participant may give electronic application instructions through the CCASS Phone System by calling 2979 7888 or through the CCASS Internet System at <https://ip.ccass.com> (using the procedures contained in HKSCC's "An Operating Guide for Investor Participants" in effect from time to time) or go to HKSCC's Customer Service Centre at Upper Ground Floor, V-Heun Building, 128-140 Queen's Road Central, Hong Kong and complete an input request form. Prospectuses are also available for collection at the Customer Services Centre of HKSCC.

A non-CCASS Investor Participant may instruct a broker or custodian who is a CCASS Broker Participant or a CCASS Custodian Participant to give electronic application instructions to HKSCC via CCASS terminals to apply for Hong Kong Offer Shares on his behalf.

The application lists will open from 11:45 a.m. to 12:00 noon on 22nd November, 2005 (or such later date as may apply in case of certain bad weather conditions as described under the paragraph headed “When to apply for the Hong Kong Offer Shares” in the section headed “How to apply for the Hong Kong Offer Shares” in the Prospectus).

Subject to the terms and conditions set out in the Prospectus and the application forms relating thereto, applications made on **WHITE** or **YELLOW** application forms, or by giving electronic application instruction to HKSCC, must be received no later than 12:00 noon on 22nd November, 2005 (or if the application lists are not open on that day, then by 12:00 noon on the next business day the lists are open). Please see the section headed “How to apply for the Hong Kong Offer Shares” in the Prospectus for further details.

For allocation purposes only, the Hong Kong Offer Shares (after taking into account any adjustment in the number of Offer Shares allocated between the Hong Kong Public Offering and the International Placing and after deducting the number of Hong Kong Offer Shares validly applied for under the employee preferential offering using PINK application forms) will be divided equally into two pools of 7,530,000 Shares each: Pool A and Pool B, both of which are available on an equitable basis to successful applicants. The Hong Kong Offer Shares in Pool A will be allocated on an equitable basis to applicants who have applied for Offer Shares with a total subscription amount of HK\$5 million or below (excluding the brokerage, SFC transaction levy, investor compensation levy and Hong Kong Stock Exchange trading fee payable). The Hong Kong Offer Shares in Pool B will be allocated on an equitable basis to applicants who have applied for Hong Kong Offer Shares with a total subscription amount of more than HK\$5 million (excluding the brokerage, SFC transaction levy, investor compensation levy and Hong Kong Stock Exchange trading fee payable). Applicants should be aware that applications in different pools may receive different allocation ratios. Where one but not both of the pools is undersubscribed, the surplus Offer Shares will be transferred to the other pool to satisfy demand in that pool and be allocated accordingly. Applicants can only receive an allocation of Hong Kong Offer Shares from either Pool A or Pool B but not from both pools.

It is expected that the level of indication of interest in the International Placing, the Offer Price, the result of applications and the basis of allotment under the Hong Kong Public Offering will be published on or before 29th November, 2005 in the South China Morning Post (in English) and the Hong Kong Economic Times (in Chinese).

As at the date of this announcement, the directors of the Company are Tan Sri Cheng Heng Jem*, Cheng Yoong Choong, Chew Fook Seng, Fong Ching, Eddy**, Studer Werner Josef** and Ko Tak Fai, Desmond**.

By order of the Board of Directors
Cheng Yoong Choong
Managing Director

* *Non-executive director*

** *Independent non-executive directors*

Hong Kong, 17th November, 2005

Please also refer to the published version of this announcement in South China Morning Post.