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Maoye International Holdings Limited
茂業國際控股有限公司

Global Offering of 863 Million Shares
To Raise Up To HK\$3,279.4 Million

(Hong Kong, 20 April 2008) Maoye International Holdings Limited ("Maoye" or the "Company", HKSE stock code: 848), a leading department store chain in the affluent regions of southern and south-western China, today announced the details of its Global Offering and proposed listing on the Main Board of the Hong Kong Stock Exchange ("HKSE").

Maoye intends to offer a total of 863,000,000 Shares. The number of Shares to be initially offered for subscription or sale under the International Offering will be 776,700,000 Shares (subject to adjustment and the Over-allotment Option), representing approximately 90% of the Offer Shares under the Global Offering. 86,300,000 Shares will be offered by way of a public offer in Hong Kong, representing 10% of the total number of the Offer Shares. All Offer Shares are 100% primary shares.

In connection with the Global Offering, the International Underwriters, exercisable by the Joint Bookrunners on behalf of the International Underwriters, are granted by the Company an over-allotment option ("Over-allotment Option"). Pursuant to the Over-allotment Option, the Company may be required to allot and issue up to an aggregate of 129,450,000 additional Shares, representing in aggregate approximately 15% of the initial Offer Shares, at the Offer Price to cover over-allocations in the International Offering. The Offer Price will not be more than HK\$3.80 and is currently expected to be not less than HK\$2.90.

The net proceeds to be raised from the Global Offering, after deducting the underwriting fees and expenses payable by the Company in the Global Offering, assuming the Over-allotment Option is not exercised and an offer price of HK\$3.35 per share (being the

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midpoint of the indicative offer price range), will be up to HK\$2.7 billion. The proceeds is intended to be used as follows:

- approximately 35% to 40% for potential acquisitions of department stores and/or premises at prime locations for existing and new department stores;
- approximately 30% to 35% for expansion of its retail network, including setting up of new stores in existing and new cities of operations;
- approximately 15% for renovation and upgrading of its existing department stores;
- approximately 5% for upgrading of its current IT system; and
- the balance in an amount of not more than 10% of the aggregate net proceeds will be used for working capital and general corporate purposes.

Maoye is a leading department store chain in the affluent regions of southern and south-western China, operating 15 stores (including 8 Maoye-branded stores and 7 Chengshang-branded stores) across 8 cities including Shenzhen, Zhuhai, Chengdu and Chongqing. With 6 of its stores each having a gross floor area of over 40,000 sq.m, Maoye secures a leading position by pursuing a strategy to establish multiple large-sized department stores in the cities where it has business operations. Such strategy allows Maoye to build its reputation as a market leader and attract customers.

Maoye has expanded via both organic growth and strategic acquisitions. It is the first foreign-invested enterprise that successfully acquired a controlling interest in a listed department store in China. In June 2005, Maoye acquired a majority stake in Chengshang (stock code: 600828), a listed company on the Shanghai Stock Exchange and an operator of a chain of department store in Sichuan Province. The acquisition doubled the Company's department store network and enabled it to secure market leadership in both southern and south-western China.

Most of Maoye's revenue is derived from commissions on concessionaire sales. Maoye has positioned itself at the mid to high-end segment of the retail market in China and offers a stylish and diversified merchandize mix suitable for a wide range of customers to cater to their preferences. Maoye's department stores carry over 2,800 brands and offer an extensive range of merchandizes including fashion, accessories, jewellery and cosmetics.

"We are one of the most successful department store operators and industry consolidators in China," said Mr. Huang Mao Ru, Chairman and Chief Executive Officer of the Company. "The fact that we successfully turned Chengshang around from a net loss to a net profit after only two years of integration is a testament to the management's exceptional execution capabilities and ability to identify and seize attractive opportunities."

"In addition, Maoye's success is premised on its unique development model. The combination of its in-depth department store experience and its close relationship with MOY International, its controlling shareholder and a leading commercial real estate developer, enables Maoye to secure prime store locations and to develop structures and fixtures to fit its specific needs and optimize the design for department store operations. This complementary relationship also helps Maoye make timely developments at the right market conditions," Mr. Huang added.

Maoye's goals are to become the leading nationwide department store chain in China. Within the next 3 to 5 years, it plans to open 12 new stores in Shenzhen, Wuxi, Changzhou,

Shenyang, Chongqing and Sichuan Province. In addition, Maoye plans to further enhance the revenue growth and profitability of its existing stores as well as to increase the pace of opening new stores and expanding to other economically developed cities. Maoye will also selectively acquire attractive department stores or premises at prime locations and further strengthen access to high-end merchandise by acting as a distributor or sales agent for leading international luxury brands.

"The rapid economic growth and the growing affluence of the people in the PRC present an exciting growth opportunity for the department store sector. Maoye targets to reinforce its leading position in existing areas of operation in Shenzhen, Chongqing and Sichuan Province and eyes further expansion into cities such as Jiangsu, Sichuan and Liaoning Province. Given our leading position, proven track record of managing expansion via organic growth and strategic acquisitions, unique development model as well as innovative and effective marketing promotion, we believe Maoye is well-poised to capture the enormous potential in this lucrative market." Mr. Huang said.

The Hong Kong Public Offering is expected to open at 9:00 am on Monday, 21 April 2008 and is expected to close at 12:00 noon on Thursday, 24 April 2008. Allotment results and the Offer Price are expected to be announced or made available on Friday, 2 May 2008. Dealing of Shares on the Main Board of the HKSE is expected to commence under stock code 848 on Monday, 5 May 2008.

Goldman Sachs (Asia) L.L.C., The Hongkong and Shanghai Banking Corporation Limited and UBS Investment Bank are the Joint Global Coordinators and Joint Sponsors of the Global Offering. Goldman Sachs (Asia) L.L.C., The Hongkong and Shanghai Banking Corporation Limited, UBS Investment Bank and J.P. Morgan Securities Ltd. are the Joint Bookrunners and Joint Lead Managers of the Global Offering.

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Maoye International Holdings Limited Offer Statistics at-a-Glance

Global Offering	:	863,000,000 Shares (Subject to Over-allotment Option)
Offering Structure		
♦ Hong Kong Public Offer	:	86,300,000 Shares (Subject to Adjustment)
♦ International Offering	:	776,700,000 Shares (Subject to Adjustment and Over-allotment Option)
Proposed Offer Price Range	:	HK\$2.90 – HK\$3.80 per share
		<i>Based on Offer Price of HK\$2.90</i> <i>Based on Offer Price of HK\$3.80</i>
Market Capitalization ⁽¹⁾	:	HK\$14,828 million HK\$19,429 million
Profit Estimate for the Six Months ending June 30, 2008		
Consolidated profit attributable to equity holders	:	not less than RMB290.4 million
Expected Listing Date	:	5 May 2008 (Monday)
Stock Code	:	848
No. of Shares per board lot		1,000
Note (1): assuming the Over-allotment Option will not be exercised		

Track Record

The following is a summary of the combined results of the Company.

	Year ended 31 December 2005	Year ended 31 December 2006	Year ended 31 December 2007
	RMB'000	RMB'000	RMB'000
Revenue	918,140	1,352,600	1,567,301
Operating profit	155,241	233,097	643,222
Profit before income tax	126,578	183,896	547,655
Profit for the year (before minority interest)	117,102	177,932	444,088