



On behalf of the Board of Directors (the "Board") of Junefield Department Store Group Limited (formerly known as Hudson Holdings Limited hereinafter referred to as the "Company"), I am pleased to announce the annual results of the Company, together with its subsidiaries (hereinafter collectively referred to as the "Group") for the year ended 31 December 2003.

■ RESULTS ■

For the year ended 31 December 2003, the Group suffered a loss of HK\$91,579,000. The Group's turnover dropped to HK\$30,490,000, representing a decrease of 58.6% over last year as a result of a decline in construction revenue.

■ DIVIDENDS ■

The Board does not recommend the payment of dividend in respect of the year.

■ BUSINESS REVIEW AND PROSPECTS ■

2003 remained challenging and difficult to the Group as global and local economic atmosphere was still at the low side and the unfortunate outbreak of Severe Acute Respiratory Syndrome ("SARS") in the People's Republic of China (the "PRC") and Hong Kong had aggravated the investment, construction markets and property sales. The directors of the Group have critically reviewed the Group's operations and business direction. A number of non-performing activities and operations were scaled down or disposed of with a view to contain the Group's resources.

Looking ahead, the Group will seek to continuously raise revenue and improve operating efficiency, while evaluating its existing investment portfolio and consider whether any appropriate action will need to be taken. The Group will actively participate and take advantage of the recent conclusion of Closer Economic Partnership Arrangement ("CEPA") between Hong Kong and the PRC for investment and trade opportunities.

Zhon Chu Jian He

Chairman

Hong Kong, 29 April 2004.