



China Paradise Electronics Retail Limited
(Incorporated in the Cayman Islands with limited liability) (Stock Code: 0503)

2005 Annual Report



CORPORATE PROFILE

China Paradise Electronics Retail Limited (“**China Paradise**” or the “**Group**”; HKEx stock code: 503) is a leading specialty retailer of household appliances and consumer electronics products and related services in China. Since its establishment in September 1996, the business of the Group has grown rapidly. The Group has achieved a leading position in Shanghai as the largest household appliances and consumer electronics products retail chain operator since 2001 and has maintained its leading position and continued to increase its market share in Shanghai between 2001 and 2005. The Group was listed on the Main Board of The Stock Exchange of Hong Kong Limited on 14 October 2005.

Leveraging on its success in Shanghai, the Group has become the leading specialty retailer of household appliances and consumer electronics products in terms of sales in the Yangtze River Delta region, one of China’s most urbanised and affluent regions. As at 31 March 2006, the Group had 205 stores located across 73 cities in 8 provinces and 3 centrally-administered municipalities in China. According to the statistics published by the Ministry of Commerce of China, the Group was one of China’s top three household appliances retail chain operators in 2005.

In view of new opportunities and challenges, China Paradise will fully embrace its corporate development strategies to strengthen its core competencies and to provide quality products and services to customers, with the view of rewarding shareholders with remarkable results performance.