



On behalf of the Board of Directors (the "Board") of Junefield Department Stores Group Limited (hereinafter referred to as the "Company"), I am pleased to announce the annual results of the Company together with its subsidiaries (collectively referred to as the "Group") for the year ended 31 December 2006.

## ■ RESULTS ■

For the year ended 31 December 2006, the Group reported a profit of HK\$7,745,000. The Group's turnover decreased to HK\$27,578,000, representing an decrease of 24% over last year as a result of lower construction contract revenue.

## ■ DIVIDENDS ■

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

## ■ BUSINESS REVIEW AND PROSPECTS ■

2006 remained challenging and difficult to the Group as the effects of macro economics measures prolonged during the year. The directors of the Group have critically reviewed the Group's operations and business direction with a view to contain the Group's resources as well as to sustain growth in earnings.

Looking ahead, the Group will seek to continuously focus on department store and related business, while evaluating its existing investment portfolio and consider whether any appropriate action will need to be taken. The Group will continue to identify other suitable investment target. The Group will actively improve its working capital at appropriate time, consider raising funds by suitable means for investment and trade opportunities.

**Zhou Chu Jian He**

*Chairman*

Hong Kong, 24 April 2007