

本人欣然向股東提呈卓能(集團)有限公司(「本公司」, 連同其附屬公司, 統稱「本集團」)截至二零零四年六月三十日止年度之年報。

業績

本集團截至二零零四年六月三十日止年度錄得之綜合除稅後盈利為港幣28,816,000元(二零零三年: 虧損港幣20,442,000元)。業績已詳列於綜合收益表中。

董事會現建議派發末期股息每股港幣2.5仙(二零零三年: 無)予於二零零四年十一月十九日在股東名冊內登記之股東, 連同已派發之中期股息每股港幣1.5仙(二零零三年: 無), 本年度合共派發股息每股港幣4仙(二零零三年: 無)。

待股東於週年大會上批准後, 末期股息將於二零零四年十二月十七日派發。

業務回顧

香港物業

一、寶豐台, 荃灣汀九寶豐台8號

地盤平整工程已經完成而地基工程現已進行中, 基於適合市場所需, 各住宅單位已修改為豪華住宅單位, 面積增大由926平方呎至2,102平方呎, 至於別墅, 面積由2,090平方呎至2,777平方呎。

二、趙苑一期, 薄扶林域多利道200號
基本上, 除了別墅A1之外, 所有別墅已售出, 別墅A1之租約已完結, 翻新工程並經已完成, 將於二零零四年十月推出市場。

I have pleasure to present to shareholders the annual report of Cheuk Nang (Holdings) Limited (the "Company", together with its subsidiaries, the "Group") for the year ended 30 June 2004.

RESULTS

The consolidated profit after taxation of our Group for the year ended 30 June 2004 is HK\$28,816,000 (2003: loss of HK\$20,442,000). Details are set out in the consolidated income statement.

The Directors resolved to recommend the payment of a final dividend of HK2.5 cents per share (2003: Nil) payable to shareholders whose names appear on the register of members at the close of business on 19 November 2004, which together with the interim dividend of HK1.5 cents per share (2003: Nil), makes a total distribution of HK4 cents per share (2003: Nil) this year.

After approval by the shareholders at the Annual General Meeting, the final dividend will be paid on 17 December 2004.

REVIEW OF OPERATIONS

Hong Kong Properties

1. Blossom Terrace, No. 8 Po Fung Terrace, Ting Kau, Tsuen Wan

Site formation work was completed and the foundation work are under construction. In view of the market demand, the size of the apartments are revised to those of luxurious apartments ranging from 926 s.f to 2,102 s.f. The size of the houses will range from 2,090 s.f. to 2,777 s.f.

2. Villa Cecil Phase I, 200 Victoria Road, Pokfulam
Basically, all Villas have been sold except Villa A1. The tenancy agreement of Villa A1 has now expired. Renovation work has been completed and will be marketed in October, 2004.

- 三、趙苑二期，薄扶林域多利道192號 3. *Villa Cecil Phase II, 192 Victoria Road, Pokfulam*
- 第一座及第三座已完成，均已獲滿意租用率及租金收入
 - Block 1 and Block 3 are completed and occupancy and rental price are generally satisfactory.
 - 第二座之建築工程已接近完成階段，預期將於二零零五年初完成
 - The construction work of Block 2 is now at final stage and it is expected that the construction will be completed in January 2005.
- 四、趙苑三期，薄扶林域多利道216號 4. *Villa Cecil Phase III, 216 Victoria Road, Pokfulam*
- 地盤平整工程及部份路面工程已告完成，地基工程現正展開，而上蓋工程將隨後動工，第一座工程將於兩年內完成。
- The site formation work and part of the access road was completed. The foundation was under construction and superstructure works will be followed thereafter. The stage 1 of the development work will be completed in about two years.
- 五、卓能廿一世紀廣場，軒尼詩道250號 5. *Cheuk Nang 21st Century Plaza, 250 Hennessy Road*
- 本大廈之出租率長期維持滿意水平。
- The occupancy rate of the building remains satisfactory.
- 六、卓能山莊，山頂施勳道30號 6. *Cheuk Nang Lookout, 30 Severn Road, The Peak*
- 紫苑居已出售，紫棠居已租出，紫薇居之租約已完結而翻新工程已完成，將於二零零四年十月推出市場。
- Villa Aster has been sold and Villa Begonia was rented. The tenancy of Villa Crocus has expired and renovation of the villa is completed and marketing activities will start in October 2004.
- 七、其他物業 7. *Other properties*
- 南景花園除卻停車場以外整幢大廈已出售，而出租停車場也帶來滿意之租金收入，至於卓濤軒，除商舖以外，整項發展已完全出售。
- The whole block of South View Garden was sold, except the carpark which is rented with satisfactorily rental. Regarding Scenic Crest, except shops units, the whole development was completely sold.

馬來西亞物業

馬來西亞吉隆坡霹靂路第57段第690、849、851及1280段

吉隆坡之經濟及地產市道普遍頗為興旺。

第一期

整幢物業已興建至第三十一層，本公司之合營公司出售上層部份(即第十二至第四十層)獲得良好的銷售成績，而下層部份仍有本公司持有(即第一至第十一層)之裝飾工程即將展開，並將於本年年底開始進行銷售。

第二期

第二期工程之建築發展許可證申請將於年底提交，根據現有之市場情況，吉隆坡之物業將為極佳投資。

中國物業

本集團計劃擴展業務至中國大陸，現有之宏觀調控政策為投資中國開創致業機會，本集團將會密切留意發展中國房地產業務之良機，現已向深圳有關當局註冊成立一新中國公司「敦文實業(深圳)有限公司」，其辦事處將於本年底開幕。

Malaysia Properties

Lot 690, 849, 851 and 1280, Section 57, Lorong Perak, Kuala Lumpur, Malaysia

The property market of Kuala Lumpur is generally bullish.

Phase I

The building is completed upto level 31. The JV partner has achieved a good sales result for their Upper Portion (Level 12 to Level 40) and we will start decoration of our lower portion (Level 1 to Level 11) and will start marketing by the end of this year.

Phase II

Architectural application for the Development Order for Phase II will be submitted by the end of this year. With the present market situation, the Kuala Lumpur investment will prove to be a good investment.

China Properties

The Group plans to expand our property business to Mainland China. The current China's Central Controlling Financial Policy has created opportunities for investment in China. We are closely monitoring and looking into the business of real estate in the mainland. A new office under the name "Dun Man (Shenzhen) Company Limited 敦文實業(深圳)有限公司" was registered with the Shenzhen authority and the office will be opened this year.

業務展望及管理

隨著通縮週期完結，香港之失業率已連續數月下降，證明香港之經濟已全面復甦，最近之數據已顯示出地產市道已迅速上升。

二零零四年上半年推出市場之地產物業都獲得滿意之銷售成績，此情況特別反映在豪華住宅之價格上，與一年前相比部份物業上升高達一倍。雖然香港之利率在可見之未來會跟隨美國增加，但歷史上與以往相比，毫無疑問，仍屬較低。對業務發展頗為有利。

由於本集團大部份物業將於未來兩、三年內落成，我們期待到時將獲良好的收成。

於本公佈日期，本公司執行董事為趙世曾博士(主席)、鄧永康先生及何秀芬小姐；獨立非執行董事為洪承禧先生及林家威先生。

承董事會命
執行主席
趙世曾

香港，二零零四年九月二十七日

BUSINESS PROSPECTS & MANAGEMENT

The unemployment rate of Hong Kong has continually decreased for many months, in addition to the end of the deflation cycle. It is evident that the Hong Kong economy has clearly turned around. Recent data has shown that the property market is rapidly on up trend.

Various properties were introduced to the market in the first half of 2004 and have achieved satisfactory sale result. This was particularly reflected in the deluxe residential properties and the price has increased as high as 100% when compared with some of those of one year ago. Although the Hong Kong interest rate will continue to follow the US and be on the increase in the foreseeable future, undoubtedly, the interest rate is still attractively low for business.

Most of our buildings will be completed within the next two to three years, therefore we are looking forward to a good harvest then.

As at the date of this announcement, the Executive Directors are Dr. Cecil CHAO Sze Tsung (Chairman), Mr. TANG Wing Hong and Ms. HO Sau Fun Connie; the Independent Non-executive Director are Mr. John Terence Hung and Mr. Lam Ka Wai, Graham.

By order of the Board
CECIL CHAO
Executive Chairman

Hong Kong, 27 September 2004