

The directors submit their report together with the audited accounts of the Company for the year ended 31st March 2003.

### Principal business and geographical analysis of operations

The principal activity of the Company is investment holding. The activities of its principal subsidiaries are set out in the Subsidiaries section on pages 115 to 119.

Details of the analyses of the Group's turnover, revenue and segment information for the year by principal businesses and geographical locations are set out in Note 3 to the accounts.

### Results and appropriations

The results for the year are set out in the consolidated profit and loss account on page 77.

The state of affairs of the Group and the Company as at 31st March 2003 are set out in the balance sheets on pages 78 and 79.

The consolidated cash flows of the Group for the year are set out in the statement on pages 80 and 81.

An interim dividend of 1.8 HK cents per share, amounting to a total of about HK\$135 million, was paid to shareholders during the year (2002: 1.5 HK cents).

董事會謹此呈奉截止二零零三年三月三十一日的年度報告連同本公司的經審計賬目。

### 主要業務及區域性分析

本公司的主要業務為投資控股。主要附屬公司的業務記錄在第115頁至119頁附屬公司附註中。

本集團本年度按主要業務及區域的營業額、收益及分類資料分析記錄在賬目附註3。

### 業績及分派

本年度業績記錄在第77頁的綜合損益表。

本集團及本公司於二零零三年三月三十一日的財務狀況記錄在第78及79頁的資產負債表。

本集團本年度的綜合現金流量記錄在第80及81頁的報表。

年內向股東派發中期股息每股港幣1.8仙(二零零二年：港幣1.5仙)，總金額約為港幣1.35億元。

### Results and appropriations *continued*

The directors recommended a payment of a final dividend of 3 HK cents per share (2002: 3.6 HK cents). Taking into consideration of the Group's cash position and the needs for business development, the directors also recommended a payment of a special dividend of 5.2 HK cents per share (2002: nil). These proposed dividends together with the interim dividend paid amount to a total of about HK\$747 million. Subject to shareholders' approval at the forthcoming Annual General Meeting, the final dividend and special dividend will be payable on or before 13th August 2003 to the shareholders whose names appear on the Register of Members of the Company on 15th July 2003.

The Register of Members will be closed from Thursday, 10th July 2003 to Tuesday, 15th July 2003, both dates inclusive, during which period, no transfer of shares will be registered. In order to qualify for these proposed dividends, all properly completed transfer forms accompanied by the relevant share certificates must be lodged with the Company's share registrar not later than 4:00 p.m. on Wednesday, 9th July 2003.

### Five-year financial summary

A summary of the results for the year and of the assets and liabilities of the Group as at 31st March 2003 and for the last four financial years is set out on page 144.

### Reserves

Movements in the reserves of the Group and the Company are set out in Note 27 to the accounts.

### Distributable reserves

As at 31st March 2003, the distributable reserves of the Company available for dividend distribution amounted to HK\$1,474,240,000 (2002: HK\$863,305,000).

### 業績及分派 *續*

董事會建議派發末期股息每股港幣3仙(二零零二年：港幣3.6仙)。在考慮本集團的現金狀況及業務增長需要後，董事會建議派發特別股息每股港幣5.2仙(二零零二年：無)。上述擬派的股息連同已派發中期股息的總金額約為港幣7.47億元。待股東於應屆股東週年大會批准後，將於二零零三年八月十三日或之前向於二零零三年七月十五日名列本公司股東名冊的股東派付末期股息及特別股息。

本公司將從二零零三年七月十日(星期四)至二零零三年七月十五日(星期二)止(包括首尾兩天)暫停辦理股份過戶登記手續。如欲獲取擬派股息的資格，最遲須於二零零三年七月九日(星期三)下午四時之前將所有填妥的股份過戶文件連同有關股票送達本公司股份過戶登記處。

### 五年財務摘要

本集團於二零零三年三月三十一日及最近四個財政年度的業績、資產及負債摘要記錄在第144頁。

### 儲備

本集團及本公司的儲備變動詳情記錄在賬目附註27。

### 可分派儲備

於二零零三年三月三十一日，本公司可作分派股息用途的可分派儲備為港幣1,474,240,000元(二零零二年：港幣863,305,000元)。

### Bank loans

There was no outstanding bank loan as at 31st March 2003.

### Donations

Charitable and other donations made by the Group during the year amounted to HK\$1,036,000 (2002: HK\$298,019).

### Tangible fixed assets

Details of the movements in tangible fixed assets of the Group and the Company are set out in Note 14 to the accounts.

### Share capital

Details of the movements in share capital of the Company are set out in Note 25 to the accounts.

### Subsidiaries, jointly controlled entities and associated companies

Particulars of the Company's principal subsidiaries, jointly controlled entities and associated companies as at 31st March 2003 are set out in Notes 16, 17 and 18 to the accounts respectively.

### Management contracts

No contracts concerning the management and administration of the whole or any substantial part of the business of the Company were entered into or existed during the year.

### Major customers and suppliers

During the year, the Group sold less than 30% of its goods and services to its five largest customers. The percentages of purchases for the year attributable to the Group's major suppliers are as follows:

The largest supplier	20%
Five largest suppliers combined	43%

None of the directors, their associates or any shareholder (which to the knowledge of the directors owns more than 5% of the Company's share capital) had an interest in the major suppliers.

### 銀行貸款

於二零零三年三月三十一日，沒有尚未償還的銀行貸款。

### 捐款

本集團年內的慈善及其他捐款金額為港幣1,036,000元(二零零二年：港幣298,019元)。

### 有形固定資產

本集團及本公司的有形固定資產變動詳情記錄在賬目附註14。

### 股本

本公司股本變動詳情記錄在賬目附註25。

### 附屬公司、共同控制實體及聯營公司

於二零零三年三月三十一日，本公司旗下主要附屬公司、共同控制實體及聯營公司詳情分別記錄在賬目附註16、17及18。

### 管理合約

本年度內，本公司並無就整體或任何重要業務的管理及行政工作簽訂或存在任何合約。

### 主要客戶及供應商

本年度內，集團向其五位最大客戶出售的貨品及服務少於百分之三十。集團的主要供應商佔集團年內之採購額百分比如下：

最大供應商	20%
五位最大供應商合計	43%

董事、彼等的聯繫人士或(就董事所知擁有本公司股本5%以上)股東概無於主要供應商擁有權益。

## Share options

At the Extraordinary General Meeting of the Company held on 25th March 2002, the shareholders of the Company approved the adoption of a new share option scheme (“New Option Scheme”) and the termination of the old share option scheme (“Old Option Scheme”). Despite the fact that no further options may be granted under the Old Option Scheme, its all other provisions will remain in force to govern the exercise of all the options previously granted.

### 1. Old Option Scheme

The Old Option Scheme was adopted on 18th January 1994 and was terminated on 26th April 2002. The Old Option Scheme was designed to provide qualified employees with appropriate incentives linked to share ownership. Only employees, including directors, of the Group could participate in the Old Option Scheme. Total number of options must not exceed 10% of the issued share capital of the Company. The maximum entitlement of any individual participant thereunder must not exceed 2.5% of the shares in issue. The exercise price for options was determined based on not less than 80% of the average closing price of the shares for the 5 trading days immediately preceding the date of grant. Options granted were exercisable at any time during a period of 10 years.

As at the date of this annual report, the total number of shares which may be issued on the exercise of the outstanding options granted thereunder is 292,336,000 shares, representing approximately 3.9% of the issued share capital of the Company.

### 2. New Option Scheme

#### (a) Purpose

The New Option Scheme was effective on 26th April 2002. It serves as a way of providing incentives to and attracting qualified participants for better performance of the Group by allowing them to share increases in the value of the Company.

## 購股權

於二零零二年三月二十五日舉行的本公司股東特別大會上，本公司股東批准採納新購股權計劃（「新購股權計劃」）及終止舊購股權計劃（「舊購股權計劃」）。除不可根據舊購股權計劃進一步授出購股權外，舊購股權計劃的其他條文繼續有效，以監管先前據此授出的全部購股權的行使。

### 1. 舊購股權計劃

舊購股權計劃於一九九四年一月十八日被採納，二零零二年四月二十六日終止。舊購股權計劃的設計乃讓符合條件的僱員擁有股權作為激勵。僅本集團僱員（包括董事）可參與舊購股權計劃。授出購股權總數不得超過本公司已發行股本的10%。每名符合條件的參與者獲授的購股權上限不得超過已發行股份的2.5%。購股權的行使價按不少於緊接授出日期前五個交易日股份的平均收市價80%的基準釐定。授出的購股權可在十年內任何時間行使。

於本年報日期，如果據舊購股權計劃授出的購股權全部獲行使，將須發行股份292,336,000股，約佔本公司已發行股本的3.9%。

### 2. 新購股權計劃

#### (a) 目的

新購股權計劃於二零零二年四月二十六日生效，為符合條件的參與者提供激勵及吸納人才，讓他們分享本公司的增值，以提升本集團的業績。

## Share options *continued*

### 2. New Option Scheme *continued*

#### (b) *Qualified participants*

1. (i) any employee or officer, executive or non-executive director (or persons proposed to be appointed as such) of the Group;
- (ii) any consultant, professional or other adviser to the Group;
- (iii) any director, executive and senior officer of any associated company of the Company; and
- (iv) the trustee of any trust pre-approved by the directors the beneficiary (or in case of discretionary trust, the discretionary objects) of which include any of the above-mentioned persons; and
2. (i) any customer, supplier, agent, partner, distributor, professional or other advisers of, or consultants or contractors to, the Group; and
- (ii) the trustee of any trust pre-approved by the directors the beneficiary (or in case of discretionary trust, the discretionary objects) of which include any of the above-mentioned persons.

#### (c) *Maximum number of shares*

The maximum number of shares available for issue under the New Option Scheme is 750,803,810, representing approximately 10% of the issued share capital of the Company as at the date of this annual report.

## 購股權 *續*

### 2. 新購股權計劃 *續*

#### (b) *符合條件的參與者*

1. (i) 本集團任何僱員或管理人員、執行董事或非執行董事(或將被委任的人)；
- (ii) 本集團任何專業顧問、專業人士或其他諮詢人；
- (iii) 本公司任何聯營公司的任何董事、行政人員及高級管理人員；及
- (iv) 由董事會預先批准的任何信託受託人，而有關信託的受益人(如屬全權信託，則為全權信託對象)包括上述任何人士；及
2. (i) 本集團任何客戶、供應商、代理、合作伙伴、分銷商、專業人士或其他諮詢人或顧問或承辦商；及
- (ii) 由董事會預先批准的任何信託的受託人，而有關信託的受益人(如屬全權信託，則為全權信託對象)包括上述任何人士。

#### (c) *股份數目上限*

根據新購股權計劃可供發行股份數目上限為750,803,810股，於本年報日期佔本公司已發行股份約10%。

**Share options** *continued***2. New Option Scheme** *continued**(d) Maximum entitlement of each qualified participant*

The maximum number of shares issued and to be issued upon exercise of share options granted to each qualified participant (including both exercised and outstanding options) in any 12-month period up to the date of grant shall not exceed 1% of the shares of the Company in issue. Any further grant of share options in excess of this limit is subject to shareholders' approval in general meeting of the Company.

Share options to be granted to a director or chief executive of the Company or any of their respective associates are subject to approval by the independent non-executive directors of the Company. In addition, any grant of share options to an independent non-executive director of the Company or any of their respective associates, when aggregated with all share options (whether exercised, cancelled or outstanding) already granted to any of them during the 12-month period up to the date of grant, in excess of 0.1% of the shares of the Company in issue and with an aggregate value in excess of HK\$5,000,000, is subject to shareholders' approval in general meeting of the Company.

*(e) Timing for exercise of options*

In respect of any particular option, the directors may in their absolute discretion determine the period within which an option may be exercised provided that such period must expire no later than 10 years from the date upon which the option is deemed to be accepted by the grantee. Option will then lapse to the extent not exercised during the option period.

**購股權** *續***2. 新購股權計劃** *續**(d) 每名符合條件的參與者所獲授的購股權上限*

在授出日期前任何十二個月期間，每名符合條件的參與者獲授的購股權(包括已行使及尚未行使的購股權)予以行使時所發行及將予發行的股份總數，不得超過本公司已發行股份的1%。任何進一步授出超過此上限的購股權，均須待股東於本公司股東大會批准，方可作實。

向本公司董事或行政總裁或任何他們的聯繫人士授出購股權，均須待本公司獨立非執行董事批准，方可作實。此外，如果向本公司獨立非執行董事或他們的聯繫人士授出的任何購股權，連同他們於截止授出日期十二個月期間獲授的所有認股權(不論是否已經行使、註銷或尚未行使)合共超過本公司已發行股份0.1%，且總值超過港幣5,000,000元，則須待股東於本公司股東大會批准，方可作實。

*(e) 行使購股權的期限*

董事會可能就有關任何特定的購股權，按其絕對酌情權釐定行使購股權的期限，惟該等期限不得超過該購股權被視為由承授人接納日期起計十年。於購股權期限屆滿但尚未行使的購股權將告失效。

## Share options *continued*

### 2. New Option Scheme *continued*

(f) *Acceptance of offers*

An option shall be deemed to have been granted and accepted when the duplicate offer letter comprising acceptance of the option duly signed by the grantee shall have been received by the Company on or before the last day for acceptance as set out in the offer letter.

(g) *Basis for determination of exercise price*

The exercise price must be no less than the highest of: (i) the closing price of the shares on the date of grant; (ii) the average of the closing prices of the shares for the 5 trading days immediately preceding the date of grant; or (iii) the nominal value of the shares.

(h) *Life of the scheme*

The New Option Scheme shall be valid and effective for a period of 10 years from 26th April 2002, the date on which it is deemed to take effect in accordance with its terms.

## 購股權 *續*

### 2. 新購股權計劃 *續*

(f) *接納購股權*

如果本公司於接納限期前收訖要約函件的複本(包括由承授人正式簽署接納)，購股權將被視為已授出及被接納。

(g) *行使價的釐定基準*

行使價必須為不少於下列較高者：(i)股份於授出日期的收市價；(ii)緊接授出日期前五個交易日的股份平均收市價；或(iii)股份面值。

(h) *購股權計劃年期*

新購股權計劃由二零零二年四月二十六日(即根據其條款被視為生效的日期)起計十年有效。

Share options *continued*

## 3. Outstanding options

Particulars of the outstanding options are as follows:

購股權 *續*

## 3. 未行使的購股權

未行使的購股權詳情如下：

		Options held at 1st April 2002 於二零零二年 四月一日 持有的購股權	Options granted during year 於年內授出 的購股權	Options exercised during year 於年內行使 的購股權	Options held at 31st March 2003 於二零零三年 三月三十一日 持有的購股權	Exercise price per share 每股行使價 HK\$ 港幣	Grant date 授出日期	Exercise period 行使期間
<i>Old Option Scheme</i>	<i>舊購股權計劃</i>							
<b>Director</b>	<b>董事</b>							
Mr Liu Chuanzhi	柳傳志先生	2,250,000	-	-	2,250,000	2.876	31.8.2001	31.8.2001 – 30.8.2011
Mr Yang Yuanqing	楊元慶先生	6,000,000	-	-	6,000,000	4.072	16.4.2001	16.4.2001 – 15.4.2011
		2,250,000	-	-	2,250,000	2.876	31.8.2001	31.8.2001 – 30.8.2011
Ms Ma Xuezheng	馬雪征女士	2,920,000	-	-	2,920,000	4.072	16.4.2001	16.4.2001 – 15.4.2011
		1,600,000	-	-	1,600,000	2.876	31.8.2001	31.8.2001 – 30.8.2011
<b>Continuous contract employees</b>	<b>持續合約僱員</b>	7,712,000	-	-	7,712,000	4.038	28.1.2000	28.1.2000 – 27.1.2010
		127,162,000	-	-	127,162,000	4.312	15.1.2001	15.1.2001 – 14.1.2011
		26,630,000	-	-	26,630,000	4.072	16.4.2001	16.4.2001 – 15.4.2011
		832,000	-	-	832,000	2.904	29.8.2001	29.8.2001 – 28.8.2011
		115,636,000	-	656,000	114,980,000	2.876	31.8.2001	31.8.2001 – 30.8.2011



Share options *continued*3. Outstanding options *continued*

		Options held at 1st April 2002 於二零零二年 四月一日 持有的購股權	Options granted during year 於年內授出 的購股權	Options exercised during year 於年內行使 的購股權	Options held at 31st March 2003 於二零零三年 三月三十一日 持有的購股權	Exercise price per share 每股行使價 HK\$ 港幣	Grant date 授出日期	Exercise period 行使期間
<i>New Option Scheme</i>	新購股權計劃							
Continuous contract employees	持續合約僱員	-	35,026,000	-	35,026,000	2.435	10.10.2002 – 9.10.2012	
Other participants	其他參與者	-	17,780,000	-	17,780,000	2.435	10.10.2002 – 9.10.2012	

## Notes:

- (i) In respect of share options granted on 10th October 2002, the closing price of the shares immediately before the date on which the options were granted was HK\$2.325.
- (ii) Weighted average closing price of shares immediately before the dates on which the options were exercised by continuous contract employees was HK\$3.281.
- (iii) No share options were cancelled or lapsed during the year.

## 附註：

- (i) 有關二零零二年十月十日授出的購股權，股份在緊接其授出日期前的收市價為港幣2.325元。
- (ii) 有關持續合約僱員所行使的購股權，股份在緊接行使日期前的加權平均收市價為港幣3.281元。
- (iii) 本年度內，沒有購股權被註銷或失效。

購股權 *續*3. 未行使的購股權 *續*

**Share options** *continued***4. Valuation of share options**

The share options granted are not recognised in the accounts until they are exercised. The directors consider that it is not appropriate to value the share options on the ground that certain crucial factors for such valuation are variables which cannot be reasonably determined at this stage. Any valuation of the share options based on speculative assumptions in respect of such variables would not be meaningful and the results thereof may be misleading to the shareholders. Thus, it is more appropriate to disclose only the market price and exercise price.

**5. Adoption of new accounting standard**

Due to the adoption of Statement of Standard Accounting Practice No. 34 (revised) "Employee benefits" during the year, disclosures relating to the share option schemes for the employees of the Company are also set out in Note 26 to the accounts.

**Purchase, sale or redemption of the Company's listed securities**

During the year, the Company purchased 31,330,000 shares of HK\$0.025 each in the capital of the Company at prices ranging from HK\$2.225 to HK\$2.875 per share on The Stock Exchange of Hong Kong Limited (the "Stock Exchange of Hong Kong"). Such purchases involved a total cash outlay of approximately HK\$79,399,000 and were for the purpose of enhancing returns on equity.

**購股權** *續***4. 購股權估值**

授出的購股權直至其行使前不會於賬目內確認。董事會認為有關該等估值的一些關鍵因素為未能合理地確定的變項，不適宜在此階段為購股權估值，以推測的假設確定該等變項作為對購股權所作的任何估值並無意義，而其結果可能對股東造成誤導，因此，只適宜披露購股權的市價及行使價。

**5. 採納新會計準則**

因本公司年內採用了會計實務準則第34號(經修訂)「員工福利」，有關本公司員工的購股權計劃的披露資料同時記錄在賬目附註26。

**購買、出售或贖回本公司的上市證券**

本公司年內在香港聯合交易所有限公司(「香港聯合交易所」)購回31,330,000股每股面值港幣0.025元的本公司股份，每股在港幣2.225元至2.875元間，總現金開支約港幣79,399,000元。回購股份旨在提高股本回報。

Purchase, sale or redemption of the Company's listed securities *continued*

購買、出售或贖回本公司的上市證券 續

Month/Year	年份／月份	Number of shares repurchased 購回股數	Highest price per share 每股最高價 HK\$ 港幣	Lowest price per share 每股最低價 HK\$ 港幣	Aggregate consideration paid (including expenses) 總開支 (包括費用) HK\$'000 港幣千元
June 2002	二零零二年六月	2,000,000	2.875	2.875	5,765
October 2002	二零零二年十月	4,810,000	2.325	2.225	10,941
March 2003	二零零三年三月	24,520,000	2.600	2.400	62,693
		31,330,000			79,399

The repurchased shares were cancelled and accordingly, the issued share capital was reduced by the nominal value thereof. The premium payable on repurchase was charged against the retained earnings of the Company.

已回購的股份已經註銷，已發行股本面值因此被削減。購回股份的應付溢價已經在本公司保留溢利中扣除。

Save as disclosed above, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities during the year.

除上文披露外，本公司或其任何附屬公司年內一概沒有購買、出售或贖回本公司的任何上市證券。

## Directors

The directors during the year and up to the date of this report were:

### *Executive directors*

Mr Liu Chuanzhi

Mr Yang Yuanqing

Ms Ma Xuezheng

### *Non-executive director*

Mr Zeng Maochao

### *Independent non-executive directors*

Mr Wong Wai Ming

Professor Woo Chia-Wei

Mr Ting Lee Sen (*appointed on 27th February 2003*)

In accordance with Articles 92 and 101 of the Company's Articles of Association, Mr Yang Yuanqing, Professor Woo Chia-Wei and Mr Ting Lee Sen retire and, being eligible, offer themselves for re-election at the forthcoming Annual General Meeting.

## 董事

於本年度及截止本報告編製日的董事如下：

### 執行董事

柳傳志先生

楊元慶先生

馬雪征女士

### 非執行董事

曾茂朝先生

### 獨立非執行董事

黃偉明先生

吳家璋教授

丁利生先生 (二零零三年二月二十七日獲委任)

根據本公司組織章程細則第92及101條規定，楊元慶先生、吳家璋教授及丁利生先生於即將舉行的股東週年大會上輪值告退，並願參選連任。

## Biography of directors and senior management

### Executive directors

**Mr Liu Chuanzhi**, aged 59, is the Chairman of the Group. He has been responsible for the strategic planning and management of the Group since its establishment and has over 33 years of experience in the computer field. He graduated in 1966 from the Department of Radar Communications, Xian Military Communications Engineering College of China. He received the first prize of the Second National Technology Entrepreneurs Gold Award in 1990. He was awarded Model of National Work Force and Man of Reform in China, both in 1995, and Ten Most Influential Men of the Commercial Sector in China in 1996. He has been re-appointed as Vice Chairman of All-China Federation of Industry & Commerce in 2002 and has been holding the office since 1997. He was appointed as a Representative of the Ninth National People's Congress of the PRC in 1998 and re-appointed as a Representative of the Tenth National People's Congress of the PRC in 2003. Mr Liu was selected by *Fortune* magazine as one of the runners-up of Asia's Businessman of the year in 1999. He was also selected by *Business Week* magazine as one of the Stars of Asia for 2000. In 2001, he was selected by *Time* magazine as one of the Twenty-five Most Influential Global Executives.

**Mr Yang Yuanqing**, aged 38, is the Vice Chairman, President and Chief Executive Officer of the Group with responsibility for the overall business and operation of the Group. He graduated from the Department of Computer Science, University of Science and Technology of China ("USTC") in 1989 with a Master degree. He is also a member of National Youth Committees and a Professor of USTC. He was awarded Ten Most Outstanding Youth of Beijing in 1998 and won the Medal of 5.4 Youth in China in 1999, which is the highest honour given to youth by the Chinese government. He was selected by *Business Week* magazine as one of the Stars of Asia in the years of 1999 and 2001. Mr Yang is a non-executive director of Beijing Ufsoft Co., Ltd, which is engaged in software development and manufacturing.

## 董事及高層管理人員簡介

### 執行董事

**柳傳志先生**，五十九歲，本集團主席。柳先生自本集團成立以來一直負責本集團之整體策略制定與管理，在電腦業擁有超過三十三年經驗。柳先生於一九六六年畢業於中國西安軍事電訊工程學院雷達通訊專業，一九九零年獲頒第二屆全國科技企業家創業獎金獎第一名，一九九五年獲頒全國勞動模範及中國改革風雲人物，一九九六年獲評中國商界十大風雲人物，一九九七年當選並於二零零二年連任為中華全國工商業聯合會副主席，一九九八年當選為中華人民共和國第九屆全國人大代表，於二零零三年連任第十屆全國人大代表，一九九九年被美國財富雜誌評為亞洲最佳商界風雲人物，二零零零年度被美國商業周刊評為亞洲之星，二零零一年度被美國時代雜誌評為全球廿五位最有影響力的商界領袖之一。

**楊元慶先生**，三十八歲，本集團副主席、總裁兼首席執行官，全面負責本集團業務規劃及運作。楊先生於一九八九年畢業於中國科技大學計算機科學系，取得碩士學位，現為中華全國青年聯合會常委及中國科技大學教授。楊先生於一九九八年被評為北京市十大傑出青年，並於一九九九年獲得全國青聯授予青年的最高榮譽—中國五四青年獎章。楊先生於一九九九年及二零零一年被美國商業周刊評為亞洲之星。楊先生現任北京用友軟件股份有限公司的非執行董事，該公司從事軟件開發及生產。

## Biography of directors and senior management *continued*

### Executive directors *continued*

**Ms Ma Xuezheng**, aged 50, is the Senior Vice President and Chief Financial Officer of the Group. She is responsible for strategic investment, finance and treasury management, corporate marketing, listing affairs, overseas business development and motherboard business of the Group. She graduated from Capital Normal University in 1976 with a Bachelor of Arts degree. She has over 26 years of experience in financial and executive management.

### Non-executive director

**Mr Zeng Maochao**, aged 70, is a non-executive director of the Group. He graduated from the Department of Electrical Engineering, Shanghai Jiao Tong University in 1957. He was the Director and Professor of the Institute of Computing Technology of the Chinese Academy of Sciences. He has over 46 years of experience in the computer field. Mr Zeng is an executive director of Digital China Holdings Limited, a former wholly-owned subsidiary of the Company which was spun-off from the Group for separate listing on 1st June 2001.

### Independent non-executive directors

**Mr Wong Wai Ming**, aged 45, is the Chief Executive Officer of Global China Group Holdings Limited. He is a chartered accountant and has extensive knowledge and experience in investment banking.

**Professor Woo Chia-Wei**, aged 65, is Senior Advisor to The Shui On Group. He is President Emeritus and University Professor Emeritus of the Hong Kong University of Science and Technology. He serves on the HKSAR's Commission on Strategic Development and Council of Advisors on Innovation and Technology and also the Chinese People's Political Consultative Conferences.

## 董事及高層管理人員簡介 *續*

### 執行董事 *續*

**馬雪征女士**，五十歲，本集團高級副總裁兼財務總監，負責本集團策略投資、財務及資金管理、企業推廣、上市事務、海外業務拓展及主板業務。馬女士於一九七六年畢業於首都師範大學，獲文學學士學位。馬女士在財務及行政管理方面擁有超過二十六年經驗。

### 非執行董事

**曾茂朝先生**，七十歲，本集團非執行董事。曾先生於一九五七年畢業於上海交通大學電力工程系，曾任中國科學院計算技術研究所所長、教授，在電腦業擁有超過四十六年經驗。曾先生現任神州數碼控股有限公司的執行董事，該公司原為本公司的全資附屬公司，自二零零一年六月一日從本集團分拆上市。

### 獨立非執行董事

**黃偉明先生**，四十五歲，現任泛華集團控股有限公司行政總裁。黃先生為特許會計師，於投資銀行方面有廣泛知識及經驗。

**吳家璋教授**，六十五歲，現任瑞安集團有限公司高級顧問、香港科技大學榮休校長及榮休科大講座教授、香港特別行政區策略發展委員會委員、創新科技顧問委員會委員及中國人民政治協商會議全國委員會委員。

## Biography of directors and senior management *continued*

### Independent non-executive directors *continued*

**Mr Ting Lee Sen**, aged 60, is Advisory Director of W.R. Hambrecht Co. and Board Director of APL Logistics Co. He obtained a Bachelor of Science degree in Electrical Engineering from the Oregon State University in 1965. He attended graduate studies in the same field at Stanford University and is a graduate of the Stanford Executive Program. He was a former corporate vice president of Hewlett-Packard Company where he worked for more than thirty years. He has extensive knowledge and experience in IT industry.

### Senior Vice President

**Mr Liu Jun**, aged 34, is the Senior Vice President of the Group. He is responsible for operation systems (purchasing, manufacturing, quality assurance and business affairs) and consumer IT business. Mr Liu graduated in 1993 from the Department of Automation, Tsinghua University with a Bachelor of Engineering degree, and thereafter joined the Group. Mr Liu has attained outstanding achievement in computer sales and has extensive experience in research, development and marketing of IT products.

**Mr Yu Bing**, aged 37, is the Senior Vice President of the Group. He is responsible for the IT service business. Mr Yu graduated in 1988 with a Bachelor of Science degree from the Department of Automation, University of Science and Technology of Beijing. He joined the Group in 1990 and has engaged in marketing and sales for 5 years from 1996. He has extensive experience in sales and marketing.

**Mr Qiao Song**, aged 35, is the Senior Vice President of the Group. He is responsible for the corporate IT business. Mr Qiao graduated in 1991 with a Bachelor of Engineering degree from the Department of Computer Science and Technology, Tsinghua University. He joined the Group in 1991 and has extensive experience in strategic, product development, sales and marketing, supply chain and procurement logistic management.

## 董事及高層管理人員簡介 *續*

### 獨立非執行董事 *續*

**丁利生先生**，六十歲，現任W.R. Hambrecht Co.顧問及APL Logistics Co.董事。丁先生於一九六五年在奧勒岡州大學獲得電力工程學學士，隨後在史丹福大學深造，並完成Stanford Executive Program。丁先生曾任惠普副總裁，在該公司工作超過三十年。丁先生在資訊科技行業擁有豐富的知識及經驗。

### 高級副總裁

**劉軍先生**，三十四歲，集團高級副總裁，負責運作系統(採購、生產、質量及商務)及消費IT業務。劉先生於一九九三年畢業於清華大學自動化系自動控制專業，獲工學學士學位，隨即加入本集團。劉先生在研發及營銷IT產品方面擁有豐富的行業經驗並屢創佳績。

**俞兵先生**，三十七歲，集團高級副總裁，負責IT服務群組業務。俞先生一九八八年畢業於北京科技大學自動化系，獲工學學士學位。俞先生於一九九零年加入本集團，一九九六年以來的五年期間，一直全面負責市場推廣和銷售，在市場營銷運作及推廣方面具豐富經驗。

**喬松先生**，三十五歲，集團高級副總裁，負責企業IT業務。喬先生於一九九一年畢業於清華大學計算機科學與技術系，獲工學學士學位。喬先生於一九九一年加入本集團，在戰略管理、產品開發、市場營銷、供應鏈管理及採購物控方面具豐富經驗。

## Biography of directors and senior management *continued*

### Senior Vice President *continued*

**Ms Wang Xiaoyan**, aged 41, is the Senior Vice President of the Group. She is responsible for information technology development as well as financial control, administration and logistics functions. Ms Wang graduated in 1988 with a Master degree in Engineering from Beijing Institute of Technology. She joined the Group in 1994 and has extensive experience in finance and administration.

**Mr He Zhiqiang**, aged 40, researcher, is the Senior Vice President of the Group and the Managing Director of Legend Corporate Research and Development. He is responsible for corporate research and development and product-chain management. He graduated with a Master degree in Computer Sciences from the Institute of Computing Technology of the Chinese Academy of Sciences and has 17 years of experience in the research and development of computer products. He joined the Group in 1986.

### Vice President

(The followings are in alphabetical order)

**Mr Chen Shaopeng**, aged 34, is the Vice President of the Group and is responsible for the commercial desktop PC business. He graduated from Beijing Technology and Business University (formerly known as Beijing Institute of Light Industry) with a Bachelor degree in Computer Science and has over 10 years of experience in PC business and management. He joined the Group in 1993.

**Mr Cheung Wing Chung, Anders**, aged 39, is the Vice President of the Group and is responsible for strategic investment project management. He joined the Group in 1988 and holds a MBA degree from Kellogg (Northwestern University) – Hong Kong University of Science and Technology. He has over 14 years of experience in computer marketing.

**Mr Du Jianhua**, aged 39, is the Vice President of the Group. He is responsible for the overall development and management of China regional headquarters and overseas branches. Mr Du obtained a Master degree from Beijing Institute of Technology in 1988. He joined the Group in 1989 and has extensive experience in regional planning and management.

## 董事及高層管理人員簡介 *續*

### 高級副總裁 *續*

**王曉岩女士**，四十一歲，集團高級副總裁，負責信息化建設，財務控制管理和行政後勤管理。王女士於一九八八年獲北京理工大學機械工程系機械工藝設備及自動化專業工學碩士學位。王女士於一九九四年加入本集團，在財務及行政管理方面具豐富經驗。

**賀志強先生**，四十歲，研究員、集團高級副總裁、聯想研究院院長，主管聯想研究院及負責產品鏈(研發體系)管理。賀先生為中國科學院計算技術研究所計算機科學系碩士，有十七年的電腦產品研究開發的工作經驗。賀先生於一九八六年加入本集團。

### 副總裁

(下列按英文字母順序排列)

**陳紹鵬先生**，三十四歲，集團副總裁，負責商用台式電腦事業部。陳先生畢業於北京工商大學(前稱北京輕工業學院)計算機系獲學士學位，有超過十年電腦業務和管理的工作經驗。陳先生於一九九三年加入本集團。

**張榮宗先生**，三十九歲，集團副總裁，負責策略投資項目管理。張先生於一九八八年加入本集團，持有美國西北大學Kellogg管理學院暨香港科技大學的工商管理碩士學位。張先生在電腦行業市場推廣方面擁有超過十四年的工作經驗。

**杜建華先生**，三十九歲，集團副總裁，負責中國區域和海外分支機構的發展和管理。杜先生於一九八八年獲北京理工大學計算機網絡專業碩士學位。杜先生於一九八九年加入本集團，在區域規劃及管理方面具豐富經驗。



## Biography of directors and senior management *continued*

### Vice President *continued*

**Mr Liu Xiaolin**, aged 40, is the Vice President of the Group. He is responsible for the industry standard of collaborating application and Internet service business. Mr Liu obtained a Master degree from the Department of Computer Science and Technology, Tsinghua University in 1992. He joined the Group in 1992 and has extensive experience in business development and management.

**Mr Liu Zhijun**, aged 38, is the Vice President of the Group. He is responsible for the mobile handset business. He graduated in 1989 with a Master degree in Engineering Mechanics from Dalian University of Technology. He engaged in computer marketing when joined the Group in 1989. Since Mr Liu took charge of handheld device business in 2000, he obtained extensive experience of researching, producing and marketing in this field.

**Mr Lu Yan**, aged 38, is the Vice President of the Group and is responsible for consumer IT business. Mr Lu graduated in 1989 with a Master degree in Engineering from Beijing Institute of Technology and has over 10 years of experience in project R&D and management. He joined the Group in 1992.

**Mr Ma Yue, Alex**, aged 36, is the Vice President of the Group and is responsible for IT service market development department and Han Consulting business. Mr Ma graduated from Beijing University in 1988 with a Bachelor of Science degree. He obtained a MBA degree from China Europe International Business School in 2000. Mr Ma has over 13 years' experience in IT and related industries. Prior to joining the Group, he held various senior management positions in IBM and HP China Region. He joined the Group in 2002.

**Mr Meng Lin**, aged 49, is the Vice President of the Group with responsibility for Legend Chinaweal business. He graduated from the business school of Tsinghua University in 1987 with a Master degree in Engineering. He joined the Group in 2002 and has 10-year demonstrated experience in system integration and services.

## 董事及高層管理人員簡介 *續*

### 副總裁 *續*

**劉曉林先生**，四十歲，集團副總裁，負責關聯應用行業標準的推進及信息運營服務業務。劉先生於一九九二年在清華大學計算機科學與技術系獲得碩士學位。劉先生於一九九二年加入本集團，在業務發展及管理方面具豐富經驗。

**劉志軍先生**，三十八歲，集團副總裁，負責手機業務。劉先生於一九八九年在大连理工大學力學研究所畢業，獲工程力學系碩士學位。劉先生於一九八九年加入本集團，最初負責電腦行業銷售方面業務，自二零零零年接管手持業務後，在手持設備的研發、生產、管銷方面積累了豐富經驗。

**呂岩先生**，三十八歲，集團副總裁，負責消費IT業務群組。呂先生於一九八九年畢業於北京理工大學自動控制系，並獲工程碩士學位，有超過十年的工程研發及管理經驗。呂先生於一九九二年加入本集團。

**馬越先生**，三十六歲，集團副總裁，負責IT服務業務群市場發展部及漢普管理諮詢業務。馬先生於一九八八年獲得北京大學理學士學位，於二零零零年獲得中歐國際工商學院MBA學位。馬先生在IT和有關行業擁有超過十三年的豐富經驗，在加入本集團之前，曾在IBM和惠普駐中國／香港區擔任高級管理職位。馬先生於二零零二年加入本集團。

**孟霖先生**，四十九歲，集團副總裁，負責聯想中望業務。孟先生於一九八七年畢業於清華大學經濟管理學院，獲工學碩士學位。孟先生於二零零二年加入本集團，在系統集成和服務方面有着十年的豐富經驗。

## Biography of directors and senior management *continued*

### Vice President *continued*

**Ms Qiao Jian**, aged 35, is the Vice President of the Group with responsibility for human resources and legal functions. She graduated from Department of Management Science of Fudan University in 1990 with a Bachelor degree. She joined the Group in 1990. She has 9 years of experience in corporate marketing and branding management and has extensive experience in human resources management.

**Ms Wang Xiaochun**, aged 50, is the Vice President of the Group. She is responsible for customer service and information management. She obtained her Master degree in Science at the Graduate School of Chinese Academy of Sciences in 1981. She has over 17 years of experience in management and administration. She joined the Group in 1990.

**Mr Zhang Houqi**, aged 37, is the Vice President of the Group with responsibility for the knowledge management of the Group. He graduated from the Department of Automation, Tsinghua University in 1992 with a Ph.D. degree in Engineering. He later received a Ph.D. in Economics from the Institute of Fiscal and Financial Science in 1994. He is advisor and part-time professor of Sun Yat-Sen University Lingnan (University) College and also a part-time professor of University of Science and Technology of China. He has ten years of experience in business consulting and IT service. He joined the Group in 2002.

### Directors' service contracts

None of the directors who are proposed for re-election at the forthcoming Annual General Meeting has a service contract with the Company which is not determinable within one year without payment of compensation (other than statutory compensation).

### Directors' interests in contracts

No contracts of significance in relation to the Group's business to which the Company or its subsidiaries was a party and in which a director of the Company had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year.

## 董事及高層管理人員簡介 *續*

### 副總裁 *續*

**喬健女士**，三十五歲，集團副總裁，主管人力資源和法務工作。喬女士於一九九零年畢業於上海復旦大學管理科學系，獲得理學學士學位。於一九九零年加入本集團，在市場推廣、品牌管理方面有九年的工作經驗，同時在人力資源管理方面具有豐富的經驗。

**王曉春女士**，五十歲，集團副總裁，負責客戶售後服務以及客戶信息支持。王女士於一九八一年在中國科學院研究生院獲得理學碩士學位，在管理及行政方面有超過十七年經驗。王女士於一九九零年加入本集團。

**張後啓先生**，三十七歲，集團副總裁，負責本集團知識管理工作。張先生於一九九二年畢業於清華大學自動化系，取得工學博士學位，一九九四年畢業於財政科學研究所，取得經濟學博士學位，張先生為中山大學嶺南(大學)學院管理教育顧問、兼職教授及中國科學技術大學兼職教授。張先生在管理諮詢及IT服務領域具有十年工作經驗。張先生於二零零二年加入本集團。

### 董事服務合約

需在即將舉行的股東週年大會上重選連任的董事與本公司一概沒有訂立於一年內須作出賠償(法定賠償除外)方可終止的服務合約。

### 董事於合約的權益

本公司或附屬公司在年內沒有訂立任何與本集團業務有關之任何重大合約，導致本公司任何董事獲得重大利益。

## Directors' interests in securities

As at 31st March 2003, according to the register maintained under section 29 of the Securities (Disclosure of Interests) Ordinance (the "SDI Ordinance"), the interests of each director in shares of the Company and its associated corporations were as follows:

### 1. Interests in shares

#### (a) The Company

Name of director	董事姓名	Number of shares 股份數目		
		Personal interest 個人權益	Family interest 家族權益	Total interests 總權益
Mr Liu Chuanzhi	柳傳志先生	10,010,000	256,000	10,266,000
Mr Zeng Maochao	曾茂朝先生	4,080,000	–	4,080,000
Mr Yang Yuanqing	楊元慶先生	6,200,000	–	6,200,000
Ms Ma Xuezheng	馬雪征女士	16,714,000	2,360,000	19,074,000

#### (b) Associated corporation

– Digital China Holdings Limited

Name of director	董事姓名	Number of shares 股份數目		
		Personal interest 個人權益	Family interest 家族權益	Total interests 總權益
Mr Liu Chuanzhi	柳傳志先生	1,496,000	97,600	1,593,600
Mr Zeng Maochao	曾茂朝先生	808,000	60,000	868,000
Mr Yang Yuanqing	楊元慶先生	520,000	–	520,000
Ms Ma Xuezheng	馬雪征女士	1,646,400	–	1,646,400

## 董事的證券權益

於二零零三年三月三十一日，據證券(披露權益)條例(「披露權益條例」)第29條存置的登記冊紀錄，董事在本公司及相聯法團的股份權益如下：

### 1. 股份權益

#### (a) 本公司

Name of director	董事姓名	Number of shares 股份數目		
		Personal interest 個人權益	Family interest 家族權益	Total interests 總權益
Mr Liu Chuanzhi	柳傳志先生	10,010,000	256,000	10,266,000
Mr Zeng Maochao	曾茂朝先生	4,080,000	–	4,080,000
Mr Yang Yuanqing	楊元慶先生	6,200,000	–	6,200,000
Ms Ma Xuezheng	馬雪征女士	16,714,000	2,360,000	19,074,000

#### (b) 相聯法團

– 神州數碼控股有限公司

Name of director	董事姓名	Number of shares 股份數目		
		Personal interest 個人權益	Family interest 家族權益	Total interests 總權益
Mr Liu Chuanzhi	柳傳志先生	1,496,000	97,600	1,593,600
Mr Zeng Maochao	曾茂朝先生	808,000	60,000	868,000
Mr Yang Yuanqing	楊元慶先生	520,000	–	520,000
Ms Ma Xuezheng	馬雪征女士	1,646,400	–	1,646,400

**Directors' interests in securities** *continued***2. Interests in options relating to shares of the Company**

## (a) Share options granted by the Company

The interests of the directors in the share options of the Company are detailed in the Share Options section stated above.

## (b) Other

On 5th June 2000, 聯想控股有限公司 (Legend Holdings Limited), the controlling shareholder of the Company, has granted call options to certain persons including the following directors. They are respectively entitled (subject to certain conditions) to acquire, and to require Legend Holdings Limited to sell, shares of the Company, at a price of HK\$0.5325 per share during a period ending 1st August 2007.

**董事的證券權益** *續***2. 與本公司股份有關的期權**

## (a) 本公司授出的認股權

董事在購股權的權益已詳列在上文購股權一欄中。

## (b) 其他

於二零零零年六月五日，本公司的控股股東聯想控股有限公司向一些人(包括下列董事)授出認購期權，他們有權(視乎若干情況而定)購買及要求聯想控股有限公司在二零零七年八月一日前按每股港幣0.5325元出售本公司股份。

Name of director	董事姓名	Number of shares		
		Personal interest	Family interest	Total interests
		個人權益	家族權益	總權益
Mr Liu Chuanzhi	柳傳志先生	6,000,000	720,000	6,720,000
Mr Zeng Maochao	曾茂朝先生	4,000,000	600,000	4,600,000
Mr Yang Yuanqing	楊元慶先生	4,000,000	–	4,000,000
Ms Ma Xuezheng	馬雪征女士	4,000,000	–	4,000,000

Save as disclosed above, as at 31st March 2003, none of the directors or their associates had any interests in any shares of the Company or any of its associated corporations as recorded by the register of the Company pursuant to the SDI Ordinance.

除上文披露外，各董事或其聯繫人士於二零零三年三月三十一日沒有持有本公司或任何相聯法團(記錄於本公司根據披露權益條例保存之登記冊)的任何股份。

### Substantial interests in the share capital of the Company

As at 31st March 2003, according to the register maintained by the Company pursuant to section 16(1) of the SDI Ordinance and so far as is known to the directors, the following corporations had an interest of 10% or more of the issued share capital of the Company:

### 本公司股本中的重大權益

於二零零三年三月三十一日，根據本公司按披露權益條例第16(1)條存置的登記冊記錄，並就董事所知，下列法團持有本公司已發行股本中10%或以上的權益：

Name	名稱	Number of shares 股份數目	Percentage of issued share capital 佔已發行股本 的百分比	Note 附註
Legend Holdings Limited	聯想控股有限公司	4,322,485,971	57.8%	1
Employees' Shareholding Society of Legend Holdings Limited	聯想控股有限公司 職工持股會	4,322,485,971	57.8%	2
Right Lane Limited	南明有限公司	1,469,311,247	19.7%	3

#### Notes:

1. Direct transliteration of its Chinese company name in English is Legend Holdings Limited.
2. Employees' Shareholding Society of Legend Holdings Limited is an equity holder of Legend Holdings Limited which in turn wholly owns Right Lane Limited and is therefore taken to be interested in the shares held by those two companies respectively.
3. Right Lane Limited is a wholly owned subsidiary of Legend Holdings Limited. Therefore, number of shares in which Right Lane Limited is shown as being interested is part of the shares in which Legend Holdings Limited is shown to be interested.

#### 附註：

1. 公司中文名稱的英文直譯是Legend Holdings Limited。
2. 聯想控股有限公司職工持股會持有聯想控股有限公司部份權益，而聯想控股有限公司全資擁有南明有限公司，因此聯想控股有限公司職工持股會被視為分別持有該兩家公司持有的股份權益。
3. 南明有限公司為聯想控股有限公司全資附屬公司，因此，南明有限公司所持的股份，實際為聯想控股有限公司持有股份的其中一部分。

### Retirement scheme arrangements

For the period from 1st April 1998 to 30th November 2000, the Group provided all qualified Hong Kong employees with a defined contribution scheme, which was established under the Occupational Retirement Schemes Ordinance. Under the rules of the scheme, all participating employees were required to contribute 5% of their basic monthly salary, whereas the employer's contribution is at 5%, 7.5% and 10% in pursuance of each participating employee's continuous years of service and as specified in accordance with the rules of the scheme. The assets of the scheme are continuously held under a provident fund managed by an independent trustee. Also, with the implementation of the Mandatory Provident Fund (the "MPF") by the Government of the Hong Kong Special Administrative Region effective on 1st December 2000, the Group and employees discontinued contributions to the scheme. Although the scheme was frozen, the employees are entitled to 100% of the employer's contribution with investment return after ten complete years of service, or at an increasing scale of between 30% to 90% after completion of three to nine years' service. Where there are employees who leave the Group prior to vesting fully in such contributions, the forfeited contributions will be refunded to the Group.

Under the MPF scheme established by the Group, all qualified employees are required to contribute 5% of their basic salary plus commission, bonus, gratuity expensed in monetary terms (subject to the ceiling under the requirements set out in the MPF legislation) whereas the employer's contribution is at 7.5% and 10% respectively after completion of five and ten years of service.

The Group also participates in respective local municipal government retirement schemes in the Chinese mainland whereby it is required to make an annual contribution of no more than 20% of three times the monthly average salaries as set out by the local municipal government each year. The local municipal governments undertake to assume the retirement benefit obligations of all retirees of the qualified employees in Chinese mainland.

### 退休計劃安排

一九九八年四月一日至二零零零年十一月三十日期間，本集團為所有符合條件的香港僱員提供一項根據職業退休計劃條例設定之定額供款退休計劃。根據該計劃的規定，所有參與計劃的僱員均須支付每月基本工資的5%作為供款，而僱主的供款則按個別參與計劃僱員的連續服務年期及該計劃的規定支付5%、7.5%及10%不等。該計劃的資產由獨立受託人所管理的公積金持有。此外，香港特別行政區在二零零零年十二月一日實行強制性公積金（「強積金」）後，集團及僱員再無為該計劃供款。儘管該計劃已經凍結，僱員在服務滿十年後，有權取得全部僱主供款包括其投資回報，或於服務滿三年至九年後按遞增方式取得僱主供款的30%至90%不等。如果僱員在供款的權益獲全面授出前離開本集團，沒收的供款將退還予本集團。

根據本集團的強積金計劃，所有符合條件的僱員須支付每月基本工資連同其他以金錢支付的酬勞包括佣金、花紅、獎金（受強積金法例規定的最高額限制）的5%作為供款，而服務滿五年及十年僱主則分別支付7.5%及10%的供款。

本集團亦參加國家規定的社會養老及失業保險基金，按規定每年應繳的養老保險費不超過地方政府規定的每月社會平均工資總額三倍的20%計算。地方政府承諾支付所有符合條件的退休僱員的退休福利支出。

## Connected transactions

The following transactions constitute connected transactions of the Company and require disclosure in the annual report pursuant to Chapter 14 of the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong (the "Listing Rules").

1. Pursuant to a tenancy agreement dated 16th January 2002, a subsidiary of the Company has leased from Shenzhen Legend Science Park Company Limited, a subsidiary of the Company's controlling shareholder, certain office premises and car parking spaces situated at Legend Research and Development Building, Hi-Tech Industrial Park, Shenzhen, China. The tenancy is for a term of 46 months expiring on 15th November 2005 at a monthly rental of RMB1,309,300, exclusive of management fees and other outgoings. The rental was determined based on confirmation of an independent firm of professional property valuers of their assessment of its market rental when the tenancy agreement was entered into.
2. Upon the setting up of a joint venture FM365.com Limited with AOL China Holdings LLC, Beijing Legend FM Science and Technology Company Limited ("Legend FM"), a subsidiary of the Company's controlling shareholder, has agreed to provide certain interactive services to the Group:
  - (a) Pursuant to a marketing agreement dated 20th November 2001, Legend FM has agreed to provide certain users of Legend PCs with access to its online account for distribution of interactive services provided by Legend FM in return for account access fees determined under the account access contract (see below).
  - (b) Pursuant to an account access contract dated 20th November 2001, Legend FM has agreed to provide account access to users of Legend PCs which have been bundled with software licensed for use of the interactive services provided by Legend FM. The account access fee paid by Legend (Beijing) Limited to Legend FM for the year ended 31st March 2003 was HK\$43,879,000.

## 關連交易

下列交易構成本公司關連交易，並根據香港聯合交易所證券上市規則（「上市規則」）第十四章須於年報內作出披露。

1. 根據二零零二年一月十六日之租賃協議，本公司的附屬公司向控股股東的附屬公司深圳市聯想科技園有限公司租用位於中國深圳高新科技產業園區聯想研發中心大廈之部份寫字樓及停車位。租約為期四十六個月至二零零五年十一月十五日止，月租人民幣1,309,300元（未計管理費及其他開支）。該租金乃根據訂立租約時獨立專業物業估值師行對其市場租金評估所作出之確認予以釐定。
2. 與AOL China Holdings LLC組成合資公司FM365.com Limited後，本公司控股股東之附屬公司北京聯想調頻科技有限公司（「Legend FM」）已同意提供互動服務予本集團：
  - (a) 根據於二零零一年十一月二十日訂立的一項市場推廣協議，Legend FM已同意向聯想電腦的用戶提供網上賬戶以登入Legend FM的互動服務，並根據賬戶登入合約（見下文）收取賬戶登入費。
  - (b) 根據於二零零一年十一月二十日訂立的賬戶登入合約，Legend FM已同意向預裝Legend FM互動服務軟件的聯想品牌個人電腦用戶提供登入服務。截止二零零三年三月三十一日年度，聯想（北京）有限公司付給Legend FM之賬戶登入費用為港幣43,879,000元。

**Connected transactions** *continued*

The Company has been granted a waiver by the Stock Exchange of Hong Kong from the strict compliance of the requirements of Chapter 14 of the Listing Rules in respect of the transactions stated in paragraphs 2(a) and 2(b) above. These transactions have been reviewed by independent non-executive directors of the Company who have confirmed that these transactions were:

- (i) conducted in the ordinary and usual course of the Group's business;
  - (ii) on normal commercial terms and on terms that are fair and reasonable so far as the shareholders of the Company are concerned;
  - (iii) entered into in accordance with the terms of the agreement governing these transactions; and
  - (iv) not exceed 3% of the audited consolidated net tangible assets of the Group in the financial year.
3. Subsequent to the spin off of Digital China Holdings Limited ("DCHL") and its subsidiaries (collectively, "DCHL Group") from the Group for separate listing in June 2001, DCHL became an associate (as defined in the Listing Rules) of the Company's controlling shareholder. DCHL is deemed as a connected person in relation to the Company for the purpose of the Listing Rules.

**關連交易** *續*

就上文2(a)及2(b)段所述之交易而言，本公司已獲香港聯合交易所授予豁免嚴格遵守上市規則第十四章規定。本公司獨立非執行董事已審閱這些交易並確認此等交易是：

- (i) 於本集團的一般及日常業務中進行；
  - (ii) 按一般商務條款達成並對本公司股東公平合理；
  - (iii) 遵照這些交易的協議條款進行；及
  - (iv) 不超過本集團於財政年度內的經審核綜合有形資產淨值的3%。
3. 神州數碼控股有限公司及其附屬公司（「神州數碼集團」）於二零零一年六月從本集團分拆獨立上市後，神州數碼成為本公司控股股東的聯繫人士（定義見上市規則），並就上市規則而言，被視為本公司的關連人士。



### Connected transactions *continued*

- (a) Pursuant to a management agreement dated 8th May 2001 between the Company's subsidiary and DCHL, the Group has agreed to share with DCHL Group certain office space situated at 20/F., Devon House, Taikoo Place, 979 King's Road, Quarry Bay, Hong Kong for the period from 16th May 2001 to 30th November 2002 in return for a monthly management fee of HK\$186,270 exclusive of rates, estate management fees and other related expenses. The monthly fee was determined with reference to the rental that the Group paid to the landlord for leasing of the office and the actual floor area occupied by DCHL Group.
- (b) Pursuant to a tenancy agreement dated 27th March 2000 between a subsidiary of the Company and a subsidiary of DCHL, the Group has sub-leased to DCHL Group certain office space situated at Lian Xiang Building, Southeastern Corner of 1 Tai Yi Road, Belin District, Xian, China at a monthly rental of RMB72,400. The tenancy is for a term of 5 years commencing from 1st October 1999. The rental was agreed upon based on the market value for premises of similar type as certified by an independent firm of professional property valuers when the tenancy agreement was entered into.
- (c) The Group purchased information technology products from DCHL Group. For the year ended 31st March 2003, such purchases amounted to HK\$5,414,000.
- (d) The Group sold Legend brand computers and related products to DCHL Group. For the year ended 31st March 2003, such sales amounted to HK\$1,132,000.

### 關連交易 續

- (a) 根據本公司之附屬公司與神州數碼於二零零一年五月八日訂立的管理協議，本集團同意於二零零一年五月十六日至二零零二年十一月三十日期間，與神州數碼集團共用於香港鰂魚涌英皇道979號太古坊德宏大廈20樓的寫字樓，每月管理費用為港幣186,270元，不包括差餉、管理費及其他有關開支。每月費用參照本集團就所租寫字樓付予業主的租金及神州數碼集團實際佔用的樓面面積予以釐定。
- (b) 根據本公司附屬公司與神州數碼的附屬公司於二零零零年三月二十七日訂立的租賃協議，本集團向神州數碼集團分租位於中國西安碑林區太乙路一號東南角聯想大廈的寫字樓。每月租金為人民幣72,400元，租約由一九九九年十月一日開始，為期五年。該租金根據訂立租約時獨立的專業物業估值師行所核證同類物業的市值而議定。
- (c) 本集團向神州數碼集團購買資訊科技產品，截止二零零三年三月三十一日年度，總購買額為港幣5,414,000元。
- (d) 本集團向神州數碼集團銷售聯想品牌電腦及有關產品，截止二零零三年三月三十一日年度，總銷售額為港幣1,132,000元。

**Connected transactions** *continued*

The Company has been granted a waiver by the Stock Exchange of Hong Kong from the strict compliance of the requirements of Chapter 14 of the Listing Rules in respect of the transactions stated in paragraphs 3(c) and 3(d) above. These transactions have been reviewed by independent non-executive directors of the Company who have confirmed that these transactions were:

- (i) conducted in the ordinary and usual course of the Group's business;
- (ii) on normal commercial terms or on terms that are fair and reasonable so far as the shareholders of the Company are concerned;
- (iii) entered into in accordance with the terms of the agreements governing such transactions, or (where there are no such agreements) on terms no less favourable than those available to or from independent third parties;
- (iv) in respect of transaction stated in paragraph 3(c) above, not exceed the higher of: (1) 1% of the audited consolidated turnover of the Group; and (2) HK\$46.3 million, in the financial year; and
- (v) in respect of transaction stated in paragraph 3(d) above, not exceed the higher of: (1) 1% of the audited consolidated turnover of the Group; and (2) HK\$14.2 million, in the financial year.

The Company has received from the auditors a letter stating that the connected transactions stated in paragraphs 3(c) and 3(d) above:

- (i) have been approved by the board of directors of the Company;
- (ii) were conducted in accordance with the pricing policy of the Company;

**關連交易** *續*

就上文第3(c)及3(d)段所述之交易而言，本公司已獲香港聯合交易所授予豁免嚴格遵守上市規則第十四章的規定。本公司獨立非執行董事已審閱此交易並確認此交易是：

- (i) 於本集團的一般及日常業務中進行；
- (ii) 按一般商務條款達成並對本公司股東公平合理；
- (iii) 遵照這些交易的協議條款進行，或(倘沒有該等協議)按不遜於給予或源自獨立第三者的條款；
- (iv) 就上文第3(c)段所述之交易而言，不超過於財政年度內以下兩者之較高者：(1)本集團之經審核綜合營業額之1%；及(2)港幣46,300,000元；及
- (v) 就上文第3(d)段所述之交易而言，不超過於財政年度內以下兩者之較高者：(1)本集團之經審核綜合營業額之1%；及(2)港幣14,200,000元。

本公司已收到核數師的函件，聲明上文第3(c)及3(d)段之交易：

- (i) 已獲本公司董事會批准；
- (ii) 乃按照本公司之定價策略進行；

### Connected transactions *continued*

- (iii) were entered into on terms no less favorable than terms available to/from independent third parties; and
  - (iv) have not exceeded the caps agreed with the Stock Exchange of Hong Kong.
4. Subsequent to the setting up of Legend Mobile Communication Co. Ltd. (the "JV"), a joint venture company between a wholly-owned subsidiary of the Company Legend (Beijing) Limited and Xiamen Overseas Chinese Electronic Co., Ltd. ("Xoceco"), Xoceco being a substantial shareholder of the JV became a connected person in relation to the Company for the purpose of the Listing Rules. During the year, the Group entered into the following transactions with Xoceco and/or its associates (as defined in the Listing Rules):
- (a) On 19th June 2002, Legend (Beijing) Limited entered into an agreement with Xoceco pursuant to which Legend (Beijing) Limited acquired from Xoceco 16% of the equity interest in the JV at a consideration of RMB24 million and to invest RMB37.5 million as capital for acquisition of further equity interest in the JV. The consideration for the acquisition was arrived at after arm's length negotiation between the parties and was based on the face value of the registered capital of the JV. The acquisition was completed. The JV is currently owned as to 80.8% by Legend (Beijing) Limited and 19.2% by Xoceco.
  - (b) Pursuant to a tenancy agreement dated 19th June 2002 between the JV and Xoceco, the JV has leased from Xoceco certain factory and office space situated at Xiamen Overseas Chinese Electronics Science Park, Huoju High Technology Development Zone, Xiamen, China at a monthly rental of RMB101,091.66, exclusive of management fees and other outgoing expenses for the period of 5 years expiring on 5th April 2007. The rental was determined with reference to the prevailing market rents when the tenancy agreement was entered into.

### 關連交易 續

- (iii) 按不遜於給予或源自獨立第三者的條款進行；及
  - (iv) 並沒有超過與香港聯合交易所協議的上限。
4. 本公司全資附屬公司聯想(北京)有限公司與廈門華僑電子股份有限公司(「廈華電子」)於成立聯想移動通信科技有限公司(「合營公司」)後，廈華電子作為合營公司主要股東，就上市規則而言成為本公司關連人士。本年度內，本集團與廈華電子及／或其聯繫人士(定義見上市規則)訂立交易如下：
- (a) 聯想(北京)有限公司與廈華電子於二零零二年六月十九日訂立一項協議，據此，聯想(北京)有限公司以人民幣24,000,000元收購廈華電子在合營公司中的16%股本權益，並投資人民幣37,500,000元作為資本，進一步收購合營公司股本權益。收購代價由訂約雙方按公平原則磋商，並以合營公司的註冊資本面值為基準釐定。該收購已完成。合營公司現由聯想(北京)有限公司擁有80.8%，廈華電子擁有19.2%。
  - (b) 根據合營公司與廈華電子於二零零二年六月十九日訂立的租賃協議，合營公司向廈華電子租賃位於中國廈門湖里區火炬高科技產業開發區廈華電子工業城的廠房及辦公室。每月租金為人民幣101,091.66元(不包括管理費及其他支出)，為期五年，於二零零七年四月五日期滿。租金參考訂立租約時的市場價予以釐訂。

**Connected transactions** *continued*

- (c) The JV made purchases from Xoceco and/or its associates (as defined in the Listing Rules) such as raw materials, semi-finished products, moulds and module for production and business operations of mobile handsets. For the year ended 31st March 2003, such purchases amounted to RMB34,310,000.

The Company has been granted a waiver by the Stock Exchange of Hong Kong from the strict compliance of the requirements of Chapter 14 of the Listing Rules in respect of the transaction stated in paragraph 4(c) above. This transaction has been reviewed by independent non-executive directors of the Company who have confirmed that this transaction was:

- (i) entered into in the ordinary and usual course of the Group's business;
- (ii) conducted either on normal commercial terms or on terms no less favourable than terms available to (or from, as appropriate) independent third party;
- (iii) on terms that are fair and reasonable so far as the shareholders of the Company are concerned; and
- (iv) the aggregate amount of the transactions not exceed RMB38 million.

Related party transactions for the year are also set out in Note 28 to the accounts.

**關連交易** *續*

- (c) 合營公司向廈華電子及／或其聯繫人士(定義見上市規則)採購原料、半製成品、模具及模塊等，用作移動電話生產及業務運營。截止二零零三年三月三十一日年度，採購額為人民幣34,310,000元。

就上文第4(c)段所述之交易而言，本公司已獲香港聯合交易所授予豁免嚴格遵守上市規則第十四章的規定。本公司獨立非執行董事已審閱此交易並確認此交易是：

- (i) 於本集團的一般及日常業務中訂立；
- (ii) 按一般商業條款或按不較給予獨立第三者的條款(或獲授自(如適用))遜色的條款而進行；
- (iii) 對本公司股東公平合理的條款；及
- (iv) 這些交易之總金額不超過人民幣38,000,000元；

年內有關人士交易的詳情記錄在賬目附註28。

### Audit Committee

The Audit Committee has been established since 1999 with responsibility of assisting the Board in providing an independent review of the financial statements and internal control system. It acts in accordance with its Terms of Reference which clearly deal with its membership, authority, duties and frequency of meetings. The current Committee members are Mr Wong Wai Ming (chairman), Professor Woo Chia-Wei, Mr Ting Lee Sen and Mr Zeng Maochao. The majority of the Committee members are independent non-executive directors.

The Audit Committee meets four times a year to review accounting principles and practices adopted by the Group, discuss internal control and financial reporting matters including the quarterly, interim and annual financial statements before recommending them to the Board for approval. The external auditors, CFO and the management of Finance Department and Internal Audit Department attend to answer questions on the reports or their work.

### Remuneration Committee

The Remuneration Committee was established in May 2003 with responsibility of assisting the Board in determining the framework or broad policies for the remuneration of executive directors of the Company and the allocation of share options, overseeing any major changes in employee benefit structures and considering other topics as defined by the Board. The objective of such policies shall be to ensure that the members of executive management of the Company are provided with appropriate incentives to encourage enhanced performance and are, in a fair and responsible manner, rewarded for their individual contributions to the success of the Company.

The initial Committee members are Mr Wong Wai Ming (chairman), Professor Woo Chia-Wei and Mr Zeng Maochao. The majority of the Committee members are independent non-executive directors.

### 審核委員會

審核委員會成立於一九九九年，主要職責是對財務賬目及內部監控制度進行獨立檢討的方式為董事會提供協助，委員會遵照職權範圍書履行職責，職權範圍書列明委員會的成員、職權、職責及會議次數。現任委員會成員是黃偉明先生(主席)、吳家瑋教授、丁利生先生及曾茂朝先生。大部份成員是獨立非執行董事。

審核委員會每年舉行四次會議，檢討本集團採納的會計原則及準則、討論內部監控及財務申報事宜，包括在提交董事會通過前，先審閱季度、中期及年度業績報表。外聘核數師、財務總監及財務部與審計部的管理人員出席委員會會議，確保委員就有關報告或工作的提問得到回應。

### 薪酬委員會

薪酬委員會成立於二零零三年五月，主要職責是協助董事會審議執行董事的薪酬框架和主要原則及審批購股權發放的原則、監督僱員薪酬福利結構的任何主要變化及董事會所指派的其它工作。薪酬原則確保本公司管理層得到恰當、有效的激勵以保證績效，以一個公平而負責的方式來回報他們個人對公司成功所做的貢獻。

首屆委員會成員是黃偉明先生(主席)、吳家瑋教授及曾茂朝先生。大部份成員是獨立非執行董事。

### Code of best practice

Apart from the fact that the non-executive directors are not appointed for a specific term as they are subject to retirement by rotation at annual general meeting in accordance with the Company's Articles of Association, the Company has complied with the Code of Best Practice as set out in Appendix 14 of the Listing Rules throughout the year.

### Auditors

The accounts have been audited by PricewaterhouseCoopers who retire and, being eligible, offer themselves for re-appointment.

On behalf of the Board



**Liu Chuanzhi**  
Chairman

Hong Kong, 28th May 2003

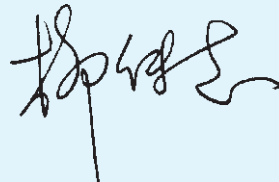
### 最佳應用守則

惟非執行董事的任期乃依據本公司組織章程細則的規定須於股東週年大會上輪值告退而無訂明指定任期外，本公司於年度內一直遵守上市規則附錄十四所載的最佳應用守則。

### 核數師

賬目已經羅兵咸永道會計師事務所審核。羅兵咸永道會計師事務所膺選連任。

承董事會命



主席  
柳傳志

香港，二零零三年五月二十八日