

1 Basis of preparation

The accounts have been prepared in accordance with accounting principles generally accepted in Hong Kong and comply with accounting standards issued by the Hong Kong Society of Accountants (“HKSA”). They have been prepared under the historical cost convention except that, as disclosed in the accounting policies below, investment securities are stated at fair value.

In the current year, the Group adopted the following Statements of Standard Accounting Practice (“SSAP”) issued by the HKSA which are effective for accounting periods commencing on or after 1st January 2002:

SSAP 1 (revised) : Presentation of financial statements
 SSAP 11 (revised) : Foreign currency translation
 SSAP 15 (revised) : Cash flow statements
 SSAP 34 (revised) : Employee benefits

The adoption of the above SSAPs has no material effect on the Group’s accounts.

2 Principal accounting policies

The principal accounting policies adopted in the preparation of these consolidated accounts are set out below:

(a) Basis of consolidation

- (i) The consolidated accounts include the accounts of the Company and its subsidiaries made up to 31st March. A subsidiary is a company in which the Company, directly or indirectly, controls more than half of its voting power; has the power to govern the financial and operating policies; to appoint or remove the majority of the members of the board of directors; or to cast majority of votes at the meetings of the board of directors.

1 編製基準

本賬目乃根據香港公認會計原則及香港會計師公會頒佈之會計準則編製。賬目並根據歷史成本常規法編製，惟如下文會計政策所披露，證券投資乃以公平價值入賬。

本年度，本集團採納以下會計師公會頒佈之會計實務準則，該等會計實務準則於二零零二年一月一日或以後開始之會計期間生效：

會計實務準則第1號(經修訂) : 財務報表之呈報
 會計實務準則第11號(經修訂) : 外幣折算
 會計實務準則第15號(經修訂) : 現金流量表
 會計實務準則第34號(經修訂) : 員工福利

採納上述會計實務準則對本集團之賬目並無重大影響。

2 主要會計政策

在編製綜合賬目時所採用之主要會計政策載列如下：

(a) 綜合基準

- (i) 本綜合賬目包括本公司及各附屬公司於三月三十一日之賬目。附屬公司乃指本公司直接或間接控制其逾半數表決權；有權監管其財政及營運政策；可委任或罷免其董事會之大多數成員；或可在其董事會會議上投大多數票之公司。

2 Principal accounting policies *continued*

(a) Basis of consolidation *continued*

The results of subsidiaries acquired or disposed of during the year are included in the consolidated profit and loss account from the effective date of acquisition or up to the effective date of disposal, as appropriate.

The gain or loss on the disposal of a subsidiary represents the difference between the net sales proceeds and the Group's share of its net assets together with any unamortised goodwill or capital reserve which was not previously charged or recognised in the consolidated profit and loss account and any related accumulated exchange reserve.

- (ii) All significant intercompany transactions and balances within the Group are eliminated on consolidation.
- (iii) Minority interests represent the interests of outside shareholders in the operating results and net assets of subsidiaries.
- (iv) In the Company's balance sheet the investments in subsidiaries are stated at cost less provision for impairment losses. The results of subsidiaries are accounted for by the Company on the basis of dividends received and receivable.

2 主要會計政策 *續*

(a) 綜合基準 *續*

於本年度內購入或售出之附屬公司之業績，由收購生效日期起或迄至出售生效日期止(如適用)計入綜合損益表。

出售附屬公司之盈虧指出售所得款項淨額與本集團所佔其資產淨值連同過往並未計入綜合損益表內或於綜合損益表內確認之未攤銷商譽或資本儲備以及任何相關累計外匯換算儲備兩者間之差額。

- (ii) 本集團內各公司間之所有重大交易及結餘均於綜合賬目時抵銷。
- (iii) 少數股東權益乃指外界股東應佔附屬公司經營業績及資產淨值之權益。
- (iv) 附屬公司投資乃按成本值扣除減值虧損準備後列入本公司資產負債表。附屬公司之業績則按已收及應收股息基準列入本公司賬目。

2 Principal accounting policies *continued*

(b) Joint ventures

- (i) A joint venture is a contractual arrangement whereby the Group and other parties undertake an economic activity which is subject to joint control and none of the participating parties has unilateral control over the economic activity.
- (ii) The consolidated profit and loss account includes the Group's share of the results of jointly controlled entities for the year, and the consolidated balance sheet includes the Group's share of the net assets of the jointly controlled entities and goodwill/negative goodwill (net of accumulated amortisation and accumulated impairment losses) on acquisition.
- (iii) The gain or loss on the disposal of a jointly controlled entity represents the difference between the net sales proceeds and the Group's share of its net assets together with any unamortised goodwill/negative goodwill which was not previously charged or recognised in the consolidated profit and loss account and any related accumulated exchange reserve.
- (iv) In the Company's balance sheet, the investments in jointly controlled entities are stated at cost less provision for impairment losses. The results of jointly controlled entities are accounted for by the Company on the basis of dividends received and receivable.

2 主要會計政策 *續*

(b) 合營企業

- (i) 合營企業乃一項合約協議，據此，本集團及其他訂約方進行經濟活動，而該項經濟活動乃雙方共同控制，概無參與者可單方面控制該項經濟活動。
- (ii) 綜合損益表包括本年度本集團應佔共同控制實體業績，而綜合資產負債表包括本集團應佔共同控制實體之資產淨值及因收購而產生之商譽／負商譽（扣除累計攤銷及累計減值撥備）。
- (iii) 出售共同控制實體之盈虧指出售收入淨額與本集團所佔其資產淨值連同過往未計入綜合損益表內或於綜合損益表內確認之未攤銷商譽／負商譽以及任何相關累計外匯換算儲備兩者之差額。
- (iv) 共同控制實體投資乃按成本扣除減值虧損撥備後列入本公司資產負債表。共同控制實體之業績則按已收及應收股息基準列入本公司賬目。

2 Principal accounting policies *continued*

(c) Associated companies

- (i) An associated company is a company, not being a subsidiary or a joint venture, in which an equity interest is held for the long-term and significant influence is exercised in its management.
- (ii) The consolidated profit and loss account includes the Group's share of the results of associated companies for the year, and the consolidated balance sheet includes the Group's share of the net assets of the associated companies and goodwill/negative goodwill (net of accumulated amortisation and accumulated impairment losses) on acquisition.
- (iii) The gain or loss on the disposal of an associated company represents the difference between the net sales proceeds and the Group's share of its net assets together with any unamortised goodwill/negative goodwill and which was not previously charged or recognised in the consolidated profit and loss account and any related accumulated exchange reserve.
- (iv) In the Company's balance sheet the investments in associated companies are stated at cost less provision for impairment losses. The results of associated companies are accounted for by the Company on the basis of dividends received and receivable.

2 主要會計政策 *續*

(c) 聯營公司

- (i) 聯營公司乃指除附屬公司或合資公司以外，其股權乃長期持有，其管理決策受重大影響之公司。
- (ii) 綜合損益賬包括年度內本集團應佔聯營公司業績之部分，而綜合資產負債表則包括本集團應佔聯營公司資產淨值之部分及因收購而產生之商譽／負商譽（扣除累計攤銷及累計減值撥備）。
- (iii) 出售聯營公司之盈虧指出售所得款項與本集團所佔其資產淨值連同過往未計入綜合損益表內或於綜合損益表內確認之未攤銷商譽／負商譽以及任何相關累計外匯換算儲備兩者之差額。
- (iv) 聯營公司投資乃按成本值扣除減值虧損準備後列入本公司資產負債表。聯營公司之業績則按已收及應收股息基準列入本公司賬目。

2 Principal accounting policies *continued*

(d) Translation of foreign currencies

Foreign currency transactions during the year are translated into Hong Kong dollars at the rates of exchange ruling at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are incorporated into the accounts by translating foreign currencies into Hong Kong dollars at the rates of exchange ruling at the balance sheet date. Exchange differences arising therefrom are dealt with in the profit and loss account.

The balance sheet of subsidiaries, jointly controlled entities and associated companies expressed in foreign currencies are translated at the rates of exchange ruling at the balance sheet date whilst the profit and loss account is translated at an average rate. Exchange differences are dealt with as a movement in reserves.

(e) Tangible fixed assets

(i) *Land use rights, leasehold land and buildings/ improvements*

Land use rights, leasehold land and buildings/ improvements are stated at cost less accumulated amortisation or depreciation and accumulated impairment losses.

Land use rights are amortised on a straight-line basis over the land use rights periods ranging from 20 to 50 years.

Amortisation of leasehold land is calculated to write off its cost to its estimated residual value over the unexpired period of the lease or their expected useful lives to the Group of 50 years whichever is shorter. The principal annual rates used for this purpose are 2% to 5%.

2 主要會計政策 *續*

(d) 外幣換算

本年度之外幣交易乃按交易日之兌換率換算為港元。以外幣定值之資產及負債均按結算日之兌換率換算為港元後納入賬目內。由此產生之匯兌差額已撥入損益表中處理。

以外幣列賬之附屬公司、共同控制實體及聯營公司之資產負債表按結算日之匯率換算，而損益表則以平均匯率換算。產生之匯兌差額則撥入儲備變動處理。

(e) 有形固定資產

(i) 土地使用權、租約土地及樓宇／裝修

土地使用權、租約土地及樓宇／裝修按成本值扣除累計攤銷或折舊及累計減值入賬。

土地使用權按土地使用權年期20至50年期以直線法攤銷。

租約土地攤銷乃按其租約尚餘年期或預計可供本集團使用之50年期(取其較短者)撇銷其成本值至其估計殘餘價值。所採用之主要攤銷年率為2%至5%。

2 Principal accounting policies *continued*

(e) Tangible fixed assets *continued*

(i) Land use rights, leasehold land and buildings/ improvements *continued*

Depreciation on buildings is calculated to write off their cost to their estimated residual value over the unexpired period of the leases or their expected useful lives to the Group of 50 years whichever is shorter. The principal annual rates used for this purpose are 2% to 5%.

Depreciation of leasehold improvements is calculated to write off their cost to their estimated residual value on the straight-line basis over their expected useful lives to the Group of 5 years or unexpired periods of the leases whichever is shorter. The principal annual rate used for this purpose is 20%.

(ii) Other tangible fixed assets

Other tangible fixed assets are stated at cost less accumulated depreciation and accumulated impairment losses. Depreciation on other tangible fixed assets is calculated to write off their cost to their estimated residual value on the straight-line basis over their expected useful lives to the Group. The principal annual rates used for this purpose are 20% to 33%.

2 主要會計政策 *續*

(e) 有形固定資產 *續*

(i) 土地使用權、租約土地及樓宇／裝修 *續*

樓宇折舊乃按其租約尚餘年期或預計可供本集團使用之50年期(取其較短者)撇銷其成本值至其估計殘餘價值。所採用之主要折舊年率為2%至5%。

租約物業裝修之折舊乃採用直線法按其預計可供本集團使用之5年期或租約尚餘年期(取其較短者)撇銷其成本值至其估計殘餘價值。所採用之主要折舊年率為20%。

(ii) 其他有形固定資產

其他有形固定資產乃按成本值扣除累計折舊及累計減值虧損入賬。其他有形固定資產之折舊乃採用直線法按其預計可供本集團使用年期撇銷其成本值至其估計殘餘價值。所採用之主要折舊年率為20%至33%。

2 Principal accounting policies *continued*

(e) Tangible fixed assets *continued*

(iii) Impairment of tangible fixed assets

At each balance sheet date, both internal and external sources of information are considered to assess whether there is any indication that assets included in construction-in-progress and tangible fixed assets are impaired. If any such indication exists, the recoverable amount of the asset is estimated and where relevant, an impairment loss is recognised to reduce the asset to its recoverable amount. Such impairment losses are recognised in the profit and loss account.

(iv) Gain or loss on disposal of tangible fixed assets

Gain or loss on disposal of a tangible fixed asset is the difference between the net sales proceeds and the carrying amount of the relevant asset, and is recognised in the profit and loss account.

(v) Cost of restoring and improving tangible fixed assets

Major costs incurred in restoring tangible fixed assets to their normal working condition are charged to the profit and loss account. Improvements are capitalised and depreciated over their expected useful lives to the Group.

(f) Construction-in-progress

Construction-in-progress is stated at cost. Cost comprises all direct and indirect costs of acquisition or construction of buildings and plant and machinery as well as interest expenses and exchange differences on the related funds borrowed during the construction, installation and testing periods and prior to the commencement date, less any accumulated impairment losses. No depreciation is provided on construction-in-progress. On completion, the building and plant and machinery are transferred to tangible fixed assets at cost less accumulated impairment losses.

2 主要會計政策 *續*

(e) 有形固定資產 *續*

(iii) 有形固定資產減值

於各結算日，內部及外來資料來源被視為用以評估有否任何跡象顯示包括於在建工程及有形固定資產之資產出現減值。倘存在減值跡象，資產之可收回價值將予評估及(如適用)減值虧損將予確認以將資產減至其可收回價值。該減值虧損於損益表確認。

(iv) 出售有形固定資產之盈虧

出售有形固定資產之盈虧乃指出售收入淨額與相關資產賬面價值兩者間之差額，有關數額已於損益賬內確認。

(v) 有形固定資產之整修及改良成本

整修有形固定資產使其達致正常運作狀況所產生之主要費用自損益賬中扣除。改良費用則會資本化，並按預計可供本集團使用之年期計算折舊。

(f) 在建工程

在建工程按成本值入賬。成本包括收購或興建樓宇、廠房及機械之所有直接及間接成本，以及在興建、安裝及測試期間以及投產日期前所借入有關資金之利息費用及匯率差額扣除任何累計減值虧損。賬內並無對在建工程作出折舊準備。樓宇、廠房及機械於落成後將轉撥為有形固定資產，按成本扣除任何累計減值虧損列賬。

2 Principal accounting policies *continued*

(g) Intangible assets

(i) Goodwill

Goodwill represents the excess of the cost of an acquisition over the fair value of the Group's share of the net assets of the acquired subsidiaries, jointly controlled entities and associated companies at the date of acquisition.

Goodwill on acquisition occurring on or after 1st January 2001 is included in intangible assets and is amortised using the straight-line method over its estimated useful life. Goodwill arising on major strategic acquisitions of the Group to expand its product or geographical market coverage is amortised over a maximum period of 20 years. For all other acquisitions goodwill is generally amortised over 3 to 10 years.

SSAP 31 prescribes procedures to be applied to ensure that assets are carried at not more than their recoverable amounts. The recoverable amount of an asset is defined to be the higher of its net selling price and its value in use. The Group determines the value in use of its assets (including fixed assets, goodwill arising on business combinations accounted for using the purchase method and intangible assets) as the present value of estimated future cash flows together with estimated disposal proceeds at the end of its useful life. The Group is required to assess at each balance sheet date whether there are any indications that assets may be impaired, and if there are such indications, the recoverable amount of the assets is to be determined. Any resulting impairment losses identified are charged to the consolidated profit and loss account.

2 主要會計政策 *續*

(g) 無形資產

(i) 商譽

商譽指購入附屬公司、共同控制實體及聯營公司於收購日所付出之成本超過本集團應佔該等公司資產淨值的公平價值之差額。

於二零零一年一月一日或之後因收購產生之商譽載入無形資產內，並按其估計可使用年期以直線法攤銷。因本集團為擴大其產品種類或市場覆蓋範圍而進行之重大策略性收購而產生之商譽乃按最多20年之年期攤銷。就所有其他收購而言，商譽一般按3至10年之年期攤銷。

會計實務準則第31號規定用以確定資產以不超過其可收回價值入賬之應用程序。資產之可收回價值被界定為其售價淨額及其使用價值兩者之較高者。本集團釐定其資產之使用價值（包括固定資產、以購入法處理因企業合併而產生之商譽及無形資產）為估計日後之現金流量現值連同於其可使用年期完結時之估計出售所得款項。本集團須於各結算日評估資產有否出現可能減值之跡象，倘出現減值跡象，則須釐定資產之可收回金額。任何因此而確定之減值虧損於綜合損益表中扣除。

2 Principal accounting policies *continued*

(g) Intangible assets *continued*

(i) Goodwill *continued*

In accordance with the provisions of Interpretation 13 “Goodwill – continuing requirements for goodwill and negative goodwill perviously eliminated against/credited to reserves” issued by HKSA, assessments of impairment of goodwill also apply to goodwill perviously eliminated against reserves which will not be reinstated at the time of adoption of SSAP 30. Any impairment loss identified in respect of goodwill perviously eliminated against reserves is to be recognised as an expense in the consolidated profit and loss account.

(ii) Patents and trademarks

Expenditure on acquired patents, trademarks and licenses is capitalised and amortised using the straight-line method over their useful lives, but not exceeding 20 years. Patents, trademarks and licenses are not revalued as there is no active market for these assets.

(iii) Impairment of intangible assets

Where an indication of impairment exists, the carrying amount of any intangible asset, including goodwill perviously written off against reserves, is assessed and written down immediately to its recoverable amount.

(h) Investment securities

Investments which are held for non-trading purpose are stated at fair value at the balance sheet date. Changes in the fair value of individual securities are credited or debited to the investment revaluation reserve until the security is sold, or is determined to be impaired. Upon disposal, the cumulative gain or loss representing the difference between the net sales proceeds and the carrying amount of the relevant security, together with any surplus/deficit transferred from the investment revaluation reserve, is dealt with in the profit and loss account.

2 主要會計政策 *續*

(g) 無形資產 *續*

(i) 商譽 *續*

根據香港會計師公會頒佈之第13條詮釋「商譽－曾於儲備中撇銷／計入之商譽及負商譽之持續規定」之條文，商譽減值之評估亦應用於之前於儲備中撇銷之商譽，而該商譽不會於採納會計實務準則第30號時重訂。任何就之前於儲備中撇銷之商譽而確認之減值虧損將於綜合損益表中確認為開支。

(ii) 專利權及商標

購入專利權、商標及牌照之開支將予資本化，並以直線法按不超過20年之可使用年期攤銷。由於專利權、商標及牌照並無活躍市場，故其價值不會進行重估。

(iii) 無形資產減值

倘存在減值跡象，則任何無形資產（包括之前於儲備中撇除之商譽）之賬面值須進行評估及即時撇減至其可收回價值。

(h) 證券投資

並非持作買賣用途之投資乃按結算日之公平值列賬。個別證券公平值之變動乃於有關證券出售或確定減值時計入投資重估儲備或自投資重估儲備扣除。出售後，有關證券之累計盈餘或虧損，即出售收入淨額與相關證券賬面值兩者間之差額，連同轉撥自投資重估儲備之任何盈餘／虧損在損益賬中處理。

2 Principal accounting policies *continued***(h) Investment securities** *continued*

Individual investments are reviewed regularly to determine whether they are impaired. When an investment is considered to be impaired the cumulative loss recorded in the revaluation reserve is taken to the profit and loss account.

Transfers from the investment revaluation reserve to the profit and loss account as a result of impairments are written back in the profit and loss account when the circumstances and events leading to the impairment cease to exist.

(i) Inventories

Inventories are valued at the lower of cost and net realisable value. Cost is determined on a weighted average basis, and in the case of work-in-progress and finished goods (except for trading products), cost comprises direct materials, direct labour and an attributable proportion of production overheads. For trading products, cost represents invoiced value on purchases, less purchase returns and discounts. Net realisable value is determined on the basis of anticipated sales proceeds less estimated selling expenses.

(j) Accounts receivable

Provision is made against accounts receivable to the extent that they are considered to be doubtful. Accounts receivable in the balance sheet are stated net of such provision.

2 主要會計政策 *續***(h) 證券投資** *續*

個別投資會作定期檢討，以決定彼等有否減值，倘投資被視作減值，記錄於重估儲備之累計虧損將於損益賬中處理。

當導致減值的情況及事項不再存在，則以前曾從重估儲備轉撥至損益賬的減值金額應予以回撥。

(i) 存貨

存貨按成本值及可變現淨值兩者之較低者計算。成本乃按加權平均基準釐定。在製品及製成品(貿易產品除外)之成本包括直接材料、直接人工及間接生產開支之應佔部分。貿易產品之成本則包括購貨之票面值減退貨及折扣。可變現淨值則按預期銷售所得減估計銷售開支之基準計算。

(j) 應收賬款

應收賬款倘被視作呆賬即作出準備。資產負債表內之應收賬款已扣除該準備。

2 Principal accounting policies *continued*

(k) Cash and cash equivalents

Cash and cash equivalents are carried in the balance sheet at cost. For the purposes of the cash flow statement, cash and cash equivalents comprise cash on hand and deposits held at call with banks.

(l) Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate of the amount can be made. Where the Group expects a provision to be reimbursed, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain.

(m) Contingent liabilities

A contingent liability is a possible obligation that arises from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group. It can also be a present obligation arising from past events that is not recognised because it is not probable that outflow of economic resources will be required or the amount of obligation cannot be measured reliably.

A contingent liability is not recognised but is disclosed in the notes to the accounts. When a change in the probability of an outflow occurs so that outflow is probable, it will then be recognised as a provision.

2 主要會計政策 *續*

(k) 現金及等同現金

現金及等同現金於資產負債表中以成本值入賬。就現金流量表而言，現金及等同現金包括手頭現金及按通知持有之銀行存款。

(l) 撥備

當本集團因過往事件而須承擔現有法律或推定責任，而在承擔責任時有可能令資源流出，同時責任金額能夠可靠地作出估計，則會確認撥備。當本集團預計準備可獲償付且實際上確定時，則將償付確認為一項獨立資產。

(m) 或然負債

或然負債乃一項因過往事件產生之承擔，而該等過往事件之存在僅可由一項或多項並非由本集團全權控制之日後不明朗事件之存在與否確定。或然負債亦可為一項因不大可能需要耗用經濟資源或承擔之金額未能可靠地計算而未有確認之過往事件產生之現有承擔。

或然負債未有予以確認，惟已於賬目附註中披露。倘耗用經濟資源之可能性出現變動致使有可能需耗用經濟資源，則或然負債將確認為撥備。

2 Principal accounting policies *continued***(n) Deferred taxation**

Deferred taxation is accounted for at the current taxation rate in respect of timing differences between profit as computed for taxation purposes and profit as stated in the accounts to the extent that a liability or an asset is expected to be payable or recoverable in foreseeable future.

(o) Operating leases

Leases where substantially all the rewards and risks of ownership of assets remain with the leasing company are accounted for as operating leases. Rental applicable to such operating leases are charged to the profit and loss account on a straight-line basis over the lease term.

(p) Revenue

Revenue from the sale of goods is recognised on the transfer of ownership, which generally coincides with the time of shipment. Revenue from provision of systems integration service is recognised when services are rendered. Revenue from provision of internet service is recognised when services are rendered. Interest income is accrued on a time proportion basis on the principal amounts outstanding and at the rates applicable. Dividend income is recognised when the right to receive payment is established.

(q) Employee benefits*(i) Employee leave entitlements*

Employee entitlements to annual leave, sick leave and maternity leave are not recognised until the time of leave.

2 主要會計政策 *續***(n) 遞延稅項**

為課稅而計算之盈利與賬目所示之盈利兩者間之時差，若預期將於可預見將來導致資產與負債之收付，即按現行稅率計算遞延稅項。

(o) 經營租約

資產擁有權之報酬及風險大部分由租賃公司承擔之租約列為經營租約。經營租約之應付租金按租約年期以直線法自損益賬中扣除。

(p) 收入

銷售貨品所得收入於貨品擁有權轉讓予買方時（即通常於付運時）確認。提供系統集成服務所得收入則於提供服務時確認。提供互聯網服務所得收入則於提供服務時確認。利息收入以未提取之本金金額及適用利率按時間比例基準計算。股息收入在收取股息之權利確定時確認。

(q) 僱員福利*(i) 僱員休假權利*

僱員享有年假、病假及分娩假之權利於休假時方予確認。

2 Principal accounting policies *continued*

(q) Employee benefits *continued*

(ii) Pension obligations

The Group's contributions to the defined contribution retirement scheme for qualified Hong Kong employees are expensed as incurred and are reduced by contributions forfeited by those employees who leave the scheme prior to vesting fully in the contributions. The assets of the scheme are held separately from those of the Group in an independently administered fund.

In addition, the Group's contributions to respective local municipal government retirement schemes in Chinese mainland are expensed as incurred while the local municipal governments in Chinese mainland undertake to assume the retirement benefit obligations of the qualified employees in Chinese mainland.

(iii) Share options

No employee benefits cost is recognised when options are granted. When the options are exercised, equity is increased by the amount of the proceeds received.

(r) Segment reporting

In accordance with the Group's internal financial reporting, the Group has determined that geographical segments be presented as the primary reporting format and business as the secondary reporting format.

Segment assets of geographical segments consist primarily of tangible fixed assets, construction-in-progress, inventories and receivables, and mainly exclude investments in jointly controlled entities, investments in associated companies, investment securities and cash and cash equivalents. Segment liabilities comprise operating liabilities and exclude tax payable and deferred taxation. Capital expenditure comprises additions to tangible fixed assets and construction-in-progress.

2 主要會計政策 *續*

(q) 僱員福利 *續*

(ii) 退休金承擔

本集團為合資格香港僱員向定額供款退休計劃作出之供款乃於產生時列作支出。僱員於全數領取供款利益前退出計劃而被沒收之供款額，可以用作減少集團之供款。該計劃之資產與本集團之資產分開持有，並由一獨立管理基金保管。

本集團亦參加中國大陸各地方政府設立的退休計劃，供款乃於產生時列作支出。中國大陸地方政府承諾負責所有中國大陸合資格之退休僱員的退休福利承擔。

(iii) 購股權

授出購股權時並不確認為員工福利成本。當購股權被行使時，所收款項將增至權益內。

(r) 分類呈報

根據本集團之內部財務呈報方式，本集團議決地域分類乃按基本呈報方式呈報，而業務分類則按輔助呈報方式呈報。

按地域的分類資產主要包括有形固定資產、在建工程、存貨及應收賬款，惟主要不包括共同控制實體投資、聯營公司投資、證券投資及現金及等同現金。分類負債包括經營負債，惟不包括應付稅項及遞延稅項。資本性開支包括添置有形固定資產及在建工程。

2 Principal accounting policies *continued***(r) Segment reporting** *continued*

In presenting on the basis of business segments, tangible fixed assets and construction-in-progress are excluded from segment assets.

3 Turnover, revenue and segment information

The Group is principally engaged in the provision of advanced information technology (“IT”) products and services. Revenues recognised during the year are as follows:

2 主要會計政策 *續***(r) 分類呈報** *續*

按業務分類呈報時，分類資產並不包括有形固定資產及在建工程。

3 營業額、收益及分類資料

本集團主要提供高科技(「IT」)產品及服務。年內確認之收入如下：

		Group 集團	
		2003	2002
		HK\$'000	HK\$'000
		港幣千元	港幣千元
Corporate IT business	企業IT業務	10,803,311	10,077,796
Consumer IT business	消費IT業務	6,822,633	7,400,769
Handheld device business	手持設備業務	1,440,328	216,434
IT service business	IT服務業務	183,800	–
Contract manufacturing business	合同製造業務	983,218	1,533,864
Others	其他	–	1,624,391
		20,233,290	20,853,254

Primary reporting format – geographical segments

The Group operates, through its subsidiaries, jointly controlled entities and associated companies, in four major geographical regions – the People’s Republic of China, including Chinese mainland and Hong Kong (the “PRC”), Asia Pacific (excluding PRC), North America and Europe.

There are no material sales or other transactions among the geographical segments.

基本列報方式 – 地域分類

本集團透過其附屬公司、共同控制實體及聯營公司於四個主要地域—中華人民共和國(包括中國大陸及香港)(「中國」)、亞太區(中國除外)、北美洲及歐洲經營業務。

地域分類間並無任何重大銷售或其他交易。

3 Turnover, revenue and segment information *continued*

Primary reporting format – geographical segments

continued

In presenting information on the basis of geographical segments, segment turnover and segment operating results are based on the geographical location of customers. Segment assets are based on the geographical location of the assets. The segment turnover and segment operating results, if based on geographical location of assets, are all categorised under PRC operations.

Secondary reporting format – business segments

The Group is categorised into 5 main business segments:

- Corporate IT business
- Consumer IT business
- Handheld device business
- IT service business
- Contract manufacturing business

Other operations of the Group last year mainly comprised business operated by Digital China Holdings Limited (“DCHL”) and its subsidiaries (“DCHL Group”), including sales of foreign brand computers and related products and provision of system integration services.

There are no material sales or other transactions among the business segments.

3 營業額、收益及分類資料 *續*

基本列報方式 – 地域分類 *續*

按地域分類呈列資料時，分類營業額及業績乃按客戶所在地域呈列。分類資產則按資產之所在地域呈列。分類營業額及業績如按資產之所在地域呈列，則彼等皆在中國區域。

輔助列報方式 – 業務分類

本集團之業務主要分為五部份：

- 企業IT業務
- 消費IT業務
- 手持設備業務
- IT服務業務
- 合同製造業務

上年度本集團其他業務主要包括神州數碼控股有限公司（「神州數碼」）及其附屬公司（統稱「神州數碼集團」）的業務，包括銷售外國電腦及相關產品和提供系統集成服務。

業務分類間並無重大銷售或其他交易。

3 Turnover, revenue and segment information *continued*

(a) Primary reporting format – geographical segments

3 營業額、收益及分類資料 *續*

(a) 基本列報方式 – 地域分類

		Asia Pacific (excluding PRC)				Group Total 集團 合計
		PRC 中國 2003 HK\$'000 港幣千元	亞太區 (中國除外) 2003 HK\$'000 港幣千元	North America 北美洲 2003 HK\$'000 港幣千元	Europe 歐洲 2003 HK\$'000 港幣千元	
Profit and loss account	損益表					
Turnover	營業額	19,738,075	5,818	14,999	474,398	20,233,290
Segment operating results	分類經營業績	1,011,204	(412)	130	3,494	1,014,416
Losses on disposal of subsidiaries, an associated company and investment securities	出售附屬公司、 聯營公司及 證券投資之虧損	(26,802)	-	-	-	(26,802)
Amortisation of intangible assets	無形資產攤銷	(15,246)	-	-	-	(15,246)
Finance income	財務收入					77,233
Finance costs	財務費用					(20)
Contribution to operating profit	盈利貢獻					1,049,581
Share of losses of jointly controlled entities	應佔共同控制實體虧損	(34,756)	-	-	-	(34,756)
Share of profits of associated companies	應佔聯營公司溢利	13,826	-	-	-	13,826
Profit before taxation	除稅前溢利					1,028,651
Taxation	稅項					(26,018)
Profit after taxation	除稅後溢利					1,002,633
Minority interests	少數股東權益					14,519
Profit attributable to shareholders	股東應佔溢利					1,017,152

3 Turnover, revenue and segment information *continued*

(a) Primary reporting format – geographical segments

continued

3 營業額、收益及分類資料 *續*

(a) 基本列報方式 – 地域分類 *續*

		Asia Pacific (excluding PRC)				North America	Europe	Group Total
		PRC 中國	亞太區 (中國除外)		北美洲	歐洲	集團 合計	
		2003	2003		2003	2003	2003	
		HK\$'000	HK\$'000		HK\$'000	HK\$'000	HK\$'000	
		港幣千元	港幣千元		港幣千元	港幣千元	港幣千元	
Balance sheet	資產負債表							
Segment assets	分類資產	3,184,037	-	1,723	40,333	3,226,093		
Investments in jointly controlled entities	共同控制實體投資	198,549	-	-	-	198,549		
Investments in associated companies	聯營公司投資	101,613	-	-	-	101,613		
Investment securities	證券投資	71,392	2,257	-	-	73,649		
Unallocated assets	未分配資產					3,155,692		
Consolidated total assets	綜合資產總額					6,755,596		
Segment liabilities	分類負債	2,492,220	-	3,104	3,468	2,498,792		
Tax liabilities	稅項負債					8,542		
Consolidated total liabilities	綜合負債總額					2,507,334		
Capital expenditure	資本開支	337,161	-	-	-	337,161		
Depreciation	折舊	158,985	-	405	914	160,304		

3 Turnover, revenue and segment information *continued*

(a) Primary reporting format – geographical segments

continued

3 營業額、收益及分類資料 *續*

(a) 基本列報方式 – 地域分類 *續*

		Asia Pacific (excluding PRC)				Group Total 集團 合計
		PRC 中國	Asia Pacific (excluding PRC) 亞太區 (中國除外)	North America 北美洲	Europe 歐洲	
		2002	2002	2002	2002	2002
		HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元
Profit and loss account	損益表					
Turnover	營業額	19,702,459	282,283	104,872	763,640	20,853,254
Segment operating results	分類經營業績	772,684	30,500	17,833	44,873	865,890
Gains on disposal of subsidiaries, associated companies and investment securities	出售附屬公司、聯營公司及證券投資之收益	164,240	-	-	-	164,240
Finance income	財務收入					67,360
Finance costs	財務費用					(11,785)
Contribution to operating profit	盈利貢獻					1,085,705
Share of profits of jointly controlled entities	應佔共同控制實體溢利	8,468	-	-	-	8,468
Share of losses of associated companies	應佔聯營公司虧損	(12,979)	-	-	-	(12,979)
Profit before taxation	除稅前溢利					1,081,194
Taxation	稅項					(23,092)
Profit after taxation	除稅後溢利					1,058,102
Minority interests	少數股東權益					(13,202)
Profit attributable to shareholders	股東應佔溢利					1,044,900

3 Turnover, revenue and segment information *continued*

(a) Primary reporting format – geographical segments

continued

3 營業額、收益及分類資料 *續*

(a) 基本列報方式 – 地域分類 *續*

		Asia Pacific (excluding PRC)		North America	Europe	Group Total
		PRC 中國	亞太區 (中國除外)	北美洲	歐洲	集團 合計
		2002	2002	2002	2002	2002
		HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元
Balance sheet	資產負債表					
Segment assets	分類資產	2,363,863	–	1,804	55,997	2,421,664
Investments in jointly controlled entities	共同控制實體投資	210,432	–	–	–	210,432
Investments in associated companies	聯營公司投資	204,806	–	–	–	204,806
Investment securities	證券投資	11,491	19,271	–	–	30,762
Unallocated assets	未分配資產					2,824,073
Consolidated total assets	綜合資產總額					5,691,737
Segment liabilities	分類負債	1,980,340	–	3,820	15,932	2,000,092
Tax liabilities	稅項負債					2,561
Consolidated total liabilities	綜合負債 總額					2,002,653
Capital expenditure	資本開支	455,589	–	–	–	455,589
Depreciation	折舊	141,906	–	325	817	143,048

3 Turnover, revenue and segment information *continued*
 (b) Secondary reporting format – business segments

3 營業額、收益及分類資料 *續*
 (b) 輔助列報方式 – 業務分類

		Group 集團		
		Turnover 營業額	Contribution to operating profit 盈利貢獻	Consolidated total assets 綜合 資產總額
		2003 HK\$'000 港幣千元	2003 HK\$'000 港幣千元	2003 HK\$'000 港幣千元
Corporate IT business	企業IT業務	10,803,311	744,153	1,270,124
Consumer IT business	消費IT業務	6,822,633	363,527	384,831
Handheld device business	手持設備業務	1,440,328	29,017	316,471
IT service business	IT服務業務	183,800	(61,405)	78,111
Contract manufacturing business	合同製造業務	983,218	8,554	156,442
Amortisation of goodwill	商譽攤銷	–	(7,463)	–
Losses on disposal of subsidiaries, an associated company and investment securities	出售附屬公司、 聯營公司及 證券投資之虧損	–	(26,802)	–
Investments in jointly controlled entities	共同控制實體投資	–	–	198,549
Investments in associated companies	聯營公司投資	–	–	101,613
Investment securities	證券投資	–	–	73,649
Unallocated assets	未分配資產	–	–	4,175,806
		20,233,290	1,049,581	6,755,596

3 Turnover, revenue and segment information *continued*
 (b) Secondary reporting format – business segments

continued

3 營業額、收益及分類資料 *續*
 (b) 輔助列報方式 – 業務分類 *續*

			Group 集團	
		Turnover 營業額	Contribution to operating profit 盈利貢獻	Consolidated total assets 綜合 資產總額
		2002 HK\$'000 港幣千元	2002 HK\$'000 港幣千元	2002 HK\$'000 港幣千元
Corporate IT business	企業IT業務	10,077,796	573,077	917,799
Consumer IT business	消費IT業務	7,400,769	234,335	394,428
Handheld device business	手持設備業務	216,434	(18,906)	26,393
Contract manufacturing business	合同製造業務	1,533,864	147,901	191,862
Others	其他	1,624,391	(14,942)	–
Gains on disposal of subsidiaries, associated companies and investment securities	出售附屬公司、 聯營公司及 證券投資之收益	–	164,240	–
Investments in jointly controlled entities	共同控制實體投資	–	–	210,432
Investments in associated companies	聯營公司投資	–	–	204,806
Investment securities	證券投資	–	–	30,762
Unallocated assets	未分配資產	–	–	3,715,255
		20,853,254	1,085,705	5,691,737

4 Profit from operations (a)

4 經營溢利 (a)

		2003 HK\$'000 港幣千元	2002 HK\$'000 港幣千元
Turnover	營業額	20,233,290	20,853,254
Cost of sales	銷售成本	(17,234,746)	(18,070,819)
Gross profit	毛利	2,998,544	2,782,435
Other revenue	其他收入	77,233	67,360
(Losses)/gains on disposal of subsidiaries, an associated company and investment securities	出售附屬公司、聯營公司及證券投資之(虧損)/收益	(26,802)	164,240
		3,048,975	3,014,035
Distribution expenses	分銷費用	(1,393,990)	(1,390,571)
Administrative expenses	行政費用	(328,736)	(363,851)
Other operating expenses	其他經營費用	(261,402)	(162,123)
Amortisation of intangible assets	無形資產攤銷	(15,246)	-
Total operating expenses (Note (b))	經營費用總額(附註(b))	(1,999,374)	(1,916,545)
Profit from operations	經營溢利	1,049,601	1,097,490
(b) Analysis of total operating expenses by nature:			
Selling expenses	銷售費用	(379,842)	(382,372)
Promotional and advertising expenses	推廣及廣告費用	(425,143)	(397,352)
Staff costs (including directors' emoluments) (Note 8)	員工成本(包括董事酬金)(附註8)	(688,519)	(674,920)
Other expenses	其他費用	(490,624)	(461,901)
Amortisation of intangible assets	無形資產攤銷	(15,246)	-
Total operating expenses	經營費用總額	(1,999,374)	(1,916,545)

(b) 根據費用性質之經營費用總額分析：

5 Profit before taxation

5 除稅前溢利

		2003 HK\$'000 港幣千元	2002 HK\$'000 港幣千元
Profit before taxation is stated after charging the following:	除稅前溢利已扣除下列項目：		
Charging	扣除		
Auditors' remuneration	核數師酬金	2,698	2,811
Depreciation of owned tangible fixed assets	自置有形固定資產折舊	160,304	143,048
Cost of inventories sold	已售存貨成本	16,965,244	17,870,575
Rental expenses under operating leases	經營租約之租金支出	67,900	88,885
Research and development expenses	研發費用	314,182	118,744
Loss on disposal of tangible fixed assets	出售有形固定資產之虧損	3,110	1,440
Net exchange loss	匯兌虧損淨額	13,346	9,309

6 Finance costs

6 財務費用

		2003 HK\$'000 港幣千元	2002 HK\$'000 港幣千元
Interest payable on bank loans and overdrafts	銀行貸款及透支應付利息	20	10,968
Other interest	其他利息	-	817
Total finance costs	財務費用總額	20	11,785

7 Taxation

- (a) Hong Kong profits tax has been provided for at the rate of 16% (2002: 16%) on the estimated assessable profit for the year.
- (b) Taxation outside Hong Kong represents tax charges on the assessable profits of subsidiaries operating outside Hong Kong including the Chinese mainland, calculated at rates applicable in the respective jurisdictions.
- (c) The amount of taxation charged to the consolidated profit and loss account represents:

		2003 HK\$'000 港幣千元	2002 HK\$'000 港幣千元
Hong Kong profits tax	香港利得稅	-	4,120
Taxation outside Hong Kong	香港以外地區之稅項	23,730	20,985
Overprovision in prior years	上年度超額撥備	(339)	(1,702)
Deferred taxation (<i>Note 24</i>)	遞延稅項 (<i>附註 24</i>)	-	(23)
		23,391	23,380
Share of taxation attributable to:	應佔稅項：		
Jointly controlled entities	共同控制實體	1,416	-
Associated companies	聯營公司	1,211	(288)
		26,018	23,092

- (d) Pursuant to various approval documents issued by the Chinese mainland tax authority, certain Chinese mainland subsidiaries of the Group are entitled to preferential Chinese mainland income tax treatments.

Legend (Beijing) Limited is entitled to preferential Chinese mainland income tax rate of 7.5% for the three years ending 31st December 2003.

Legend Mobile Communication Co. Ltd. is exempted from Chinese mainland income tax for two years commencing 1st January 2002.

Other major Chinese mainland subsidiaries of the Group in Shenzhen, Beijing and Huiyang are exempted from Chinese mainland income tax for two to three years commencing 1st January 2001 and a 50% Chinese mainland income tax reduction for the following three years.

7 稅項

- (a) 香港利得稅已按本年度估計應課稅溢利並按稅率16%(二零零二年：16%)作撥備。
- (b) 香港以外地區之稅項乃按各司法權區適用稅率計算於香港以外地區(包括中國大陸)經營之附屬公司之應課稅溢利之稅項開支。
- (c) 於綜合損益賬內扣除之稅項包括：

- (d) 根據中國大陸稅務機關所發出的批文，本集團於中國大陸的附屬公司享有若干中國大陸所得稅稅務優惠。

聯想(北京)有限公司於截至二零零三年十二月三十一日止三個年度享有中國大陸所得稅優惠稅率7.5%。

聯想移動通信科技有限公司自二零零二年一月一日起獲豁免繳交中國大陸所得稅兩年。

其他於深圳、北京及惠陽之重要中國大陸附屬公司則由二零零一年一月一日起免交中國大陸所得稅兩年至三年及隨後三年獲中國大陸所得稅減半的優惠。

8 Staff costs

8 僱員成本

		2003 HK\$'000 港幣千元	2002 HK\$'000 港幣千元
Wages, salaries and bonuses	薪酬及花紅	581,465	578,581
Social securities costs	社會保障成本	42,858	24,187
Pension costs (Note (b))	退休成本 (附註(b))	41,216	28,664
Others	其他	89,898	88,543
		755,437	719,975

Notes:

- (a) Included in the above balance are the staff costs of HK\$688,519,000 (2002: HK\$674,920,000) which are included in operating expenses (Note 4(b)).
- (b) The Group contributes to a defined contribution retirement scheme and respective local municipal government retirement schemes which are available to all qualified employees in Hong Kong and Chinese mainland respectively. Contributions to these schemes are calculated as a percentage of the employees' salaries, bonuses and allowances.

The retirement benefit scheme cost charged to the profit and loss account represents contributions payable by the Group to the schemes.

The Group's contributions to the defined contribution retirement scheme are reduced by contributions forfeited by those employees who leave the scheme prior to vesting fully in the contributions. Forfeited contributions totalling HK\$352,811 (2002: HK\$247,178) were utilised during the year leaving no amount available at the year end to reduce further contributions. The assets of the defined contribution scheme are held separately from those of the Group in an independently administered fund.

附註：

- (a) 上述結餘包括計入經營費用(附註4(b))內之員工成本港幣688,519,000元(二零零二年：港幣674,920,000元)。
- (b) 集團向定額供款退休金計劃及地方政府退休金計劃均作出供款。所有香港和中國大陸合資格僱員皆可參與。該等計劃之供款乃根據僱員之薪酬、花紅及津貼按百分比計算。

在損益賬扣除之退休金計劃成本指集團於該等計劃應付之供款。

因僱員在取得全數供款前退出定額供款計劃而沒收之供款可用作減少集團之供款。沒收之供款合共港幣352,811元(二零零二年：港幣247,178元)已於年內運用。於年結日並無餘下結存可用作進一步減低供款。定額供款計劃之資產與集團之資產分開持有，由獨立管理之基金保管。

8 Staff costs *continued*

Commencing 1st December 2000, the Group's Hong Kong employees are required to contribute 5% of their basic salary plus cash allowances (subject to the ceiling under the requirements set out in the Mandatory Provident Fund legislation) whereas the employer's contribution is at 7.5% and 10% respectively after completion of five and ten years of service.

9 Emoluments of directors and highest paid individuals

- (a) The aggregate amounts of emoluments payable to directors of the Company during the year are as follows:

8 僱員成本 *續*

自二零零零年十二月一日起，本集團之香港僱員須按彼等之基本工資連同現金津貼之5%作出供款(須受強制性公積金法例之上限要求之規限)，而當僱員之服務期滿五年及十年後，僱主之供款則分別為7.5%及10%。

9 董事及最高薪人士之酬金

- (a) 年內，本公司之董事酬金總額如下：

		Directors 董事		Independent non-executive directors 獨立非執行董事	
		2003 HK\$'000 港幣千元	2002 HK\$'000 港幣千元	2003 HK\$'000 港幣千元	2002 HK\$'000 港幣千元
Fees	袍金	-	-	375	360
Other emoluments:	其他酬金：				
Basic salaries, allowances and benefits-in-kind	底薪、津貼及 實物利益	20,667	33,270	-	-
Retirement benefit costs	退休福利成本	339	386	-	-
		21,006	33,656	375	360

Certain directors of the Company have been granted options to acquire shares of the Company.

The emoluments of the directors disclosed above do not include the benefits derived or to be derived from the options granted under the Company's share option schemes. Details of the share options granted to and/or exercised by the directors are disclosed on page 52.

若干董事曾獲授購股權，以認購本公司之股份。

上文披露之董事酬金並不包括根據本公司購股權計劃授予之購股權之利益。授予董事及／或由董事行使之購股權之詳情記錄在第52頁。

9 Emoluments of directors and highest paid individuals *continued*

(b) The number of directors whose emoluments fall within the following bands are as follows:

HK\$	港幣	Directors 董事		Independent non-executive directors 獨立非執行董事	
		2003	2002	2003	2002
From 0 to 1,000,000	零至1,000,000	-	1	3	2
From 2,000,001 to 2,500,000	2,000,001至2,500,000	1	-	-	-
From 3,500,001 to 4,000,000	3,500,001至4,000,000	-	1	-	-
From 4,000,001 to 4,500,000	4,000,001至4,500,000	1	1	-	-
From 5,500,001 to 6,000,000	5,500,001至6,000,000	1	1	-	-
From 7,500,001 to 8,000,000	7,500,001至8,000,000	-	1	-	-
From 8,000,001 to 8,500,000	8,000,001至8,500,000	1	-	-	-
From 11,500,001 to 12,000,000	11,500,001至12,000,000	-	1	-	-
		4	6	3	2

(c) Among the five highest paid employees, four (2002: all) are directors whose remunerations are included in the directors' emoluments above. The emoluments payable to the remaining one (2002: nil) individual during the year are as follows:

		2003 HK\$'000 港幣千元	2002 HK\$'000 港幣千元
Basic salaries, allowances and benefits-in-kind	底薪、津貼及實物利益	2,079	-
Retirement benefit costs	退休福利成本	158	-
		2,237	-

9 董事及最高薪人士之酬金 續

(b) 各董事酬金幅度及人數如下：

HK\$	港幣	Directors 董事		Independent non-executive directors 獨立非執行董事	
		2003	2002	2003	2002
From 0 to 1,000,000	零至1,000,000	-	1	3	2
From 2,000,001 to 2,500,000	2,000,001至2,500,000	1	-	-	-
From 3,500,001 to 4,000,000	3,500,001至4,000,000	-	1	-	-
From 4,000,001 to 4,500,000	4,000,001至4,500,000	1	1	-	-
From 5,500,001 to 6,000,000	5,500,001至6,000,000	1	1	-	-
From 7,500,001 to 8,000,000	7,500,001至8,000,000	-	1	-	-
From 8,000,001 to 8,500,000	8,000,001至8,500,000	1	-	-	-
From 11,500,001 to 12,000,000	11,500,001至12,000,000	-	1	-	-
		4	6	3	2

(c) 在五位最高薪酬之僱員中，四位（二零零二年：全部）為董事，其酬金詳情載於上述董事酬金中。年內應付予餘下一位人士（二零零二年：無）之酬金如下：

		2003 HK\$'000 港幣千元	2002 HK\$'000 港幣千元
Basic salaries, allowances and benefits-in-kind	底薪、津貼及實物利益	2,079	-
Retirement benefit costs	退休福利成本	158	-
		2,237	-

10 Profit attributable to shareholders

Included in the profit of HK\$1,017,152,000 (2002: HK\$1,044,900,000) attributable to shareholders of the Company is the profit of HK\$1,095,610,000 (2002: HK\$752,933,000), which is dealt with in the Company's own accounts.

11 Dividends**10 股東應佔溢利**

本公司股東之應佔溢利港幣1,017,152,000元(二零零二年：港幣1,044,900,000元)包括列入本公司賬目內之溢利港幣1,095,610,000元(二零零二年：港幣752,933,000元)。

11 股息

		2003 HK\$'000 港幣千元	2002 HK\$'000 港幣千元
Interim dividend	中期股息		
1.8 HK cents per share (2002: 1.5 HK cents)	每股港幣1.8仙 (二零零二年：港幣1.5仙)	135,034	112,846
Proposed final dividend	擬派末期股息		
3.0 HK cents per share (2002: 3.6 HK cents)	每股港幣3.0仙 (二零零二年：港幣3.6仙)	224,040	270,242
Proposed special dividend	擬派特別股息		
5.2 HK cents per share (2002: nil)	每股港幣5.2仙 (二零零二年：無)	388,337	-
		747,411	383,088

At a board meeting held on 28th May 2003, the directors recommended a final dividend of 3.0 HK cents per share and a special dividend of 5.2 HK cents per share. These proposed dividends are not reflected as dividends payable in these accounts, but will be reflected as an appropriation of retained earnings for the year ended 31st March 2003.

於二零零三年五月二十八日召開之董事會議上，董事建議宣派每股港幣3.0仙之末期股息及每股港幣5.2仙之特別股息。上述擬派股息並無反映於此等賬項之應付股息內，惟將反映於截至二零零三年三月三十一日止年度之保留盈利分派。

12 Earnings per share

The calculation of basic and diluted earnings per share is based on the following:

		2003	2002
Earnings for the purposes of basic and diluted earnings per share (HK\$'000)	用以計算每股基本及攤薄盈利之溢利 (港幣千元)	1,017,152	1,044,900
Weighted average number of shares for the purposes of basic earnings per share	用以計算每股基本盈利之加權平均股數	7,504,340,579	7,539,152,694
Effect of potential dilutive shares	潛在攤薄股份	9,827,387	36,580,910
Weighted average number of shares for the purposes of diluted earnings per share	用以計算每股攤薄盈利之加權平均股數	7,514,167,966	7,575,733,604

12 每股盈利

每股基本及攤薄後盈利根據下列數據計算：

13 Intangible assets

13 無形資產

		Group 集團		
		Goodwill 商譽	Patent 專利權	Total 合計
		HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元
Acquisition of subsidiaries	收購附屬公司	93,414	42,453	135,867
Amortisation charge	攤銷費用	(7,463)	(7,783)	(15,246)
As at 31st March 2003	於二零零三年三月三十一日	85,951	34,670	120,621

14 Tangible fixed assets

14 有形固定資產

		Group 集團						
		Land use rights, leasehold land and buildings (Note (a)) 土地使 用權、租約 土地及樓宇 (附註(a)) HK\$'000 港幣千元	Leasehold improve- ments 租約物業 裝修 HK\$'000 港幣千元	Plant and machinery 廠房 及機械 HK\$'000 港幣千元	Furniture and fixtures 傢俬及 裝置 HK\$'000 港幣千元	Office equipment 辦公室 設備 HK\$'000 港幣千元	Motor vehicles 汽車 HK\$'000 港幣千元	Total 合計 HK\$'000 港幣千元
Costs	成本							
At 1st April 2002	於二零零二年四月一日	473,123	129,106	91,918	9,929	342,703	22,274	1,069,053
Exchange adjustment	外匯調整	-	3	-	292	259	96	650
Additions	添置	1,244	5,304	2,373	6,848	107,068	2,871	125,708
Acquisition of subsidiaries	收購附屬公司	-	-	10,803	594	19,692	326	31,415
Transfer from construction-in-progress	從在建工程 轉撥	-	20,991	6,106	954	10,677	-	38,728
Disposals	出售	(4,810)	(17,339)	(20,524)	(1,508)	(6,279)	(743)	(51,203)
At 31st March 2003	於二零零三年 三月三十一日	469,557	138,065	90,676	17,109	474,120	24,824	1,214,351
Accumulated depreciation	累計折舊							
At 1st April 2002	於二零零二年四月一日	37,948	21,397	16,716	4,414	128,832	12,430	221,737
Exchange adjustment	外匯調整	-	-	-	155	125	32	312
Charge for the year	本年度折舊	31,406	29,400	12,692	4,830	79,259	2,717	160,304
Acquisition of subsidiaries	收購附屬公司	-	-	1,984	80	2,275	49	4,388
Disposals	出售	(957)	(9,645)	(1,524)	(1,034)	(4,520)	(686)	(18,366)
At 31st March 2003	於二零零三年 三月三十一日	68,397	41,152	29,868	8,445	205,971	14,542	368,375
Net book value	賬面淨值							
At 31st March 2003	於二零零三年 三月三十一日	401,160	96,913	60,808	8,664	268,149	10,282	845,976
At 31st March 2002	於二零零二年 三月三十一日	435,175	107,709	75,202	5,515	213,871	9,844	847,316

14 Tangible fixed assets *continued*

14 有形固定資產 續

		Company 公司				Total 合計
		Leasehold improve- ments 租約物業 裝修 HK\$'000 港幣千元	Furniture and fixtures 傢俬及 裝置 HK\$'000 港幣千元	Office equipment 辦公室 設備 HK\$'000 港幣千元	Motor vehicles 汽車 HK\$'000 港幣千元	
Costs	成本					
At 1st April 2002	於二零零二年四月一日	4,890	680	3,483	330	9,383
Additions	添置	2,325	213	36,569	1,232	40,339
Disposals	出售	(4,890)	(235)	(274)	-	(5,399)
At 31st March 2003	於二零零三年三月三十一日	2,325	658	39,778	1,562	44,323
Accumulated depreciation	累計折舊					
At 1st April 2002	於二零零二年四月一日	3,658	332	2,110	114	6,214
Charge for the year	本年度折舊	1,332	124	537	172	2,165
Disposals	出售	(4,671)	(141)	(244)	-	(5,056)
At 31st March 2003	於二零零三年三月三十一日	319	315	2,403	286	3,323
Net book value	賬面淨值					
At 31st March 2003	於二零零三年三月三十一日	2,006	343	37,375	1,276	41,000
At 31st March 2002	於二零零二年三月三十一日	1,232	348	1,373	216	3,169

14 Tangible fixed assets *continued*

(a) The net book value of land use rights, leasehold land and buildings comprises:

14 有形固定資產 *續*

(a) 土地使用權、租約土地及樓宇之賬面淨值包括：

		Group 集團					
		Hong Kong 香港		Chinese mainland 中國大陸		Total 合計	
		2003	2002	2003	2002	2003	2002
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元
Long leases (not less than 50 years)	長期租約物業 (不少於五十年)	-	3,916	-	-	-	3,916
Medium leases (less than 50 years but not less than 10 years)	中期租約物業 (少於五十年 但不少於十年)	-	-	401,160	431,259	401,160	431,259
		-	3,916	401,160	431,259	401,160	435,175

15 Construction-in-progress

Construction-in-progress comprises:

15 在建工程

在建工程包括：

		Group 集團					
		Properties under development 發展中物業		Others 其他		Total 合計	
		2003	2002	2003	2002	2003	2002
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元
At the beginning of the year	年初	24,453	149,115	19,413	50,869	43,866	199,984
Exchange adjustment	外匯調整	-	1,406	-	507	-	1,913
Additions	添置	123,226	143,532	45,774	43,521	169,000	187,053
Transfer to tangible fixed assets	撥往有形 固定資產	(17,572)	(269,600)	(21,156)	(67,451)	(38,728)	(337,051)
Disposal of a subsidiary	出售附屬公司	-	-	-	(8,033)	-	(8,033)
At the end of the year	年終	130,107	24,453	44,031	19,413	174,138	43,866

No interest expenses were capitalised in construction-in-progress at the balance sheet date.

於年結日並無在建工程之利息支出予以資本化。

16 Subsidiaries

(a) Investments in subsidiaries

16 附屬公司

(a) 於附屬公司之投資

		Company 公司	
		2003 HK\$'000 港幣千元	2002 HK\$'000 港幣千元
Unlisted shares, at cost	非上市股份、成本值	2,327,875	2,327,875

The following includes the principal subsidiaries of the Company which were directly and indirectly held by the Company and, in the opinion of the directors, significant to the results of the year or form a substantial portion of the net assets of the Group. The directors considered that giving details of other subsidiaries would result in particulars of excessive length.

下列包括由本公司直接及間接持有之主要附屬公司，董事認為該等附屬公司對本年度業績有重大貢獻，或組成本集團資產淨值之其中一個重要部分。董事認為詳列其他附屬公司之資料會引致篇幅冗長。

Company name 公司名稱	Place of incorporation/ establishment 成立/ 註冊地點	Issued and fully paid up capital 已發行及 繳足股份	Effective percentage holding 應佔股份權益		Principal activities 主要業務
			2003	2002	
<i>Held directly:</i> 直接持有：					
Legend (Beijing) Limited 聯想(北京)有限公司	Chinese mainland 中國大陸	HK\$78,000,000 港幣	100%	100%	Manufacturing and distribution of computer products and provision of IT services 製造及分銷電腦產品及提供IT服務
Legend (Shanghai) Co., Ltd. 聯想(上海)有限公司	Chinese mainland 中國大陸	HK\$10,000,000 港幣	100%	100%	Distribution of computer products and provision of IT services 分銷電腦產品及提供IT服務

16 Subsidiaries *continued*(a) Investments in subsidiaries *continued*16 附屬公司 *續*(a) 於附屬公司之投資 *續*

Company name 公司名稱	Place of incorporation/ establishment 成立/ 註冊地點	Issued and fully paid up capital 已發行及 繳足股份	Effective percentage holding		Principal activities 主要業務
			2003	2002	
<i>Held indirectly:</i> 間接持有：					
Beijing Legend Software Limited* 北京聯想軟件有限公司	Chinese mainland 中國大陸	HK\$5,000,000 港幣	100%	100%	Provision of IT services and distribution of IT products 提供IT服務及分銷IT產品
Han Consulting (China) Ltd.* 漢普管理諮詢(中國) 有限公司	Chinese mainland 中國大陸	US\$6,000,000 美元	51%	–	Provision of IT services and distribution of IT products 提供IT服務及分銷IT產品
Huiyang Legend Industry Property Limited* 惠陽聯想工業物業有限公司	Chinese mainland 中國大陸	US\$2,045,500 美元	100%	100%	Property holding and property management 持有及管理物業
Legend AI Computer Technology Co., Ltd.* 廣州聯想智軟計算機 科技有限公司	Chinese mainland 中國大陸	RMB10,000,000 人民幣	70%	–	Provision of IT services 提供IT服務
Legend (Chengdu) Limited 聯想(成都)有限公司	Chinese mainland 中國大陸	RMB12,000,000 人民幣	100%	100%	Distribution of computer products and provision of IT services 分銷電腦產品及提供 IT服務

16 Subsidiaries *continued*(a) Investments in subsidiaries *continued*

16 附屬公司 續

(a) 於附屬公司之投資 續

Company name 公司名稱	Place of incorporation/ establishment 成立/ 註冊地點	Issued and fully paid up capital 已發行及 繳足股份	Effective percentage holding		Principal activities 主要業務
			2003	2002	
Legend Chinaweal System & Service Co., Ltd. 聯想中望系統服務有限公司	Chinese mainland 中國大陸	US\$2,500,000 美元	95.1%	–	Provision of IT services and distribution of IT products 提供IT服務及分銷IT產品
Legend Computer System and Technology Service Co., Ltd.* 聯想計算機系統技術服務有限公司	Chinese mainland 中國大陸	RMB7,500,000 人民幣	100%	–	Provision of IT services and distribution of IT products 提供IT服務及分銷IT產品
Legend Computer Systems Limited 聯想電腦系統有限公司	Hong Kong 香港	HK\$2 港幣	100%	100%	Procurement agent and distribution of computer products 採購代理及分銷電腦產品
Legend (Huiyang) Electronic Industrial Co., Ltd. 惠陽聯想電子工業有限公司	Chinese mainland 中國大陸	HK\$16,000,000 港幣	100%	100%	Manufacturing of computer products 製造電腦產品
Legend Industrial Development Co., (Daya Bay) Ltd.* 聯想工業實業發展(大亞灣)有限公司	Chinese mainland 中國大陸	US\$10,000,000 美元	100%	100%	Property holding and property management 持有及管理物業

16 Subsidiaries *continued*(a) Investments in subsidiaries *continued*16 附屬公司 *續*(a) 於附屬公司之投資 *續*

Company name 公司名稱	Place of incorporation/ establishment 成立/ 註冊地點	Issued and fully paid up capital 已發行及 繳足股份	Effective percentage holding		Principal activities 主要業務
			應佔股份權益 2003	2002	
Legend Mobile Communication Co., Ltd.* (formerly known as Legend Xococo (Xiamen) Mobile Communication Technology Co., Ltd.)* 聯想移動通信科技有限公司 (前稱聯想廈華(廈門)移動通訊科技有限公司)	Chinese mainland 中國大陸	RMB187,500,000 人民幣	80.8%	–	Manufacturing and distribution of mobile handsets 製造及分銷移動手機
Legend (Shenyang) Limited 聯想(瀋陽)有限公司	Chinese mainland 中國大陸	RMB10,000,000 人民幣	100%	100%	Distribution of computer products and provision of IT services 分銷電腦產品及提供IT服務
Legend (Shenzhen) Electronic Co., Ltd.* 聯想(深圳)電子有限公司	Chinese mainland 中國大陸	RMB10,000,000 人民幣	100%	100%	Distribution of computer products 分銷電腦產品
Legend (Wuhan) Limited 聯想(武漢)有限公司	Chinese mainland 中國大陸	RMB10,000,000 人民幣	100%	100%	Distribution of computer products and provision of IT services 分銷電腦產品及提供IT服務
Legend (Xi An) Limited* 聯想(西安)有限公司	Chinese mainland 中國大陸	RMB10,000,000 人民幣	100%	100%	Distribution of computer products and provision of IT services 分銷電腦產品及提供IT服務
Shanghai Legend Electronic Co., Ltd.* 上海聯想電子有限公司	Chinese mainland 中國大陸	RMB20,000,000 人民幣	100%	100%	Manufacturing of computer products 製造電腦產品

16 Subsidiaries *continued*(a) Investments in subsidiaries *continued*

Company name 公司名稱	Place of incorporation/ establishment 成立/ 註冊地點	Issued and fully paid up capital 已發行及 繳足股份	Effective percentage holding		Principal activities 主要業務
			2003	2002	
QDI Europe B.V.	The Netherlands 荷蘭	EUR18,151 歐元	100%	100%	Distribution of computer products 分銷電腦產品
Quantum Designs (H.K.) Limited	Hong Kong 香港	HK\$2 ordinary and HK\$1,000,000 non-voting deferred 港幣2元之普通股及 港幣1,000,000元 之無投票權遞延股	100%	100%	Procurement agent and distribution of computer products 採購代理及分銷 電腦產品
Yang Guang Yu Lu Information Technology Service (Beijing) Co., Ltd.* 陽光雨露信息技術 服務(北京)有限公司	Chinese mainland 中國大陸	RMB20,000,000 人民幣	100%	–	Provision of repair services for computer hardware and software systems 維修電腦硬件及 軟件系統

Notes:

- (i) All of the above subsidiaries operate principally in their respective places of incorporation or establishment.
- (ii) All Chinese mainland subsidiaries are limited liability companies. They have adopted 31st December as their financial year end date for statutory reporting purposes. For preparation of the consolidated accounts, accounts of these subsidiaries for the 12 months ended 31st March 2002 and 2003 have been used.
- (iii) The company whose name with a "*" is a direct transliteration of its Chinese registered name.

(b) Amounts due from/(to) subsidiaries

The amounts are unsecured, interest-free and have no fixed terms of repayment.

16 附屬公司 *續*(a) 於附屬公司之投資 *續*

附註：

- (i) 所有上述附屬公司均主要在其註冊或成立地點營業。
- (ii) 所有中國大陸的附屬公司均為有限責任公司。依據中國大陸法律，中國大陸公司以每年十二月三十一日為結算日期。但在編製二零零二年及二零零三年綜合賬目時，該等附屬公司賬目結算日已調整為截至三月三十一日止十二個月的數據。
- (iii) 公司名稱有 "*" 號者，乃直譯自註冊登記之中文名稱。

(b) 應收/(付)附屬公司欠款

此結餘為無抵押、免利息及無固定還款條約。

17 Investments in jointly controlled entities

17 於共同控制實體之投資

		Group 集團	
		2003	2002
		HK\$'000	HK\$'000
		港幣千元	港幣千元
Share of net assets	所佔資產淨值	198,549	210,432

The following is a list of the principal jointly controlled entities at 31st March 2003:

以下為於二零零三年三月三十一日之主要共同控制實體名單：

Company name 公司名稱	Place of incorporation/ establishment 成立/ 註冊地點	Interest held indirectly 間接持有權益		Principal activities 主要業務
		2003	2002	
FM365.com Limited (Note 附註 (i))	British Virgin Islands 英屬維爾京群島	51%	51%	Investment holding company of Internet services business 從事信息運營業務 之投資控股公司
Leby Technology Company Limited (Note (ii)) 樂彼科技有限公司* (附註(ii))	British Virgin Islands 英屬維爾京群島	50%	50%	Investment holding company of contract manufacturing business 從事合同製造業務 之投資控股公司

Notes:

- (i) Although the Group holds 51% issued share capital of FM365.com Limited, its board is jointly controlled by the Group and a joint venturer such that it is regarded as a jointly controlled entity. This company holds 100% equity interests in AOL-Legend (Beijing) Technology Co., Ltd. (formerly known as Beijing Legend FM 365 Technology Limited) which provides internet services in Chinese mainland.
- (ii) This jointly controlled entity holds 100% equity interests in Hui Yang Legend Computer Co., Ltd. which manufactures computer products in Chinese mainland.
- (iii) The company whose name with a "*" is a direct transliteration of its English registered name.

附註：

- (i) 雖然本集團持有FM365.com Limited之51%已發行股本，但其董事會是由本集團及另一合資者所共同控制，因此被視為一家共同控制實體。此公司持有聯想翱龍(北京)科技有限公司(前稱北京聯想三五科技有限公司)的100%股權，其主要業務為在中國大陸提供信息運營服務。
- (ii) 此共同控制實體持有惠陽聯想電腦有限公司的100%股權，其主要業務為在中國大陸製造電腦產品。
- (iii) 公司名稱有 "*" 號者，乃直譯自註冊登記之英文名稱。

18 Investments in associated companies

18 於聯營公司之投資

		Group 集團	
		2003	2002
		HK\$'000	HK\$'000
		港幣千元	港幣千元
Share of net assets	所佔資產淨值	99,813	152,972
Unsecured loan repayable on demand	無抵押貸款，按要求時償還	1,800	51,834
		101,613	204,806

As at 31st March 2003, the loan to an associated company is interest-free (2002: a loan of HK\$50,034,000 was bearing interest at prime rate minus 0.5% per annum while the remaining loans were interest-free).

於二零零三年三月三十一日，貸款予聯營公司是免息的（二零零二年：一項港幣50,034,000元之貸款，其年利率為最優惠利率減0.5%，其餘貸款是免利息的）。

The following is a list of the principal associated companies at 31st March 2003:

於二零零三年三月三十一日之主要聯營公司如下：

Company name 公司名稱	Place of incorporation/ establishment 成立／註冊地點	Interest held indirectly 間接持有權益		Principal activities 主要業務
		2003	2002	
Beijing CA – Legend Software Co., Ltd* 北京冠群聯想軟件有限公司	Chinese mainland 中國大陸	20%	20%	Software development 軟件開發
Legend Kingsoft Holdings Limited 聯想金山控股有限公司*	British Virgin Islands 英屬維爾京群島	30%	30%	Distribution and development of software 分銷及開發軟件
Techwise Circuits Company Limited 科惠線路有限公司	Hong Kong 香港	30.5%	30.5%	Procurement agent and distribution of printed circuit boards 採購代理及分銷線路板
The Affiliated High School of Peking University & Legend Remote Education Co., Ltd.* 北京北大附中聯想遠程教育有限公司	Chinese mainland 中國大陸	49%	49%	Operation of education portal 經營教育網站

18 Investment in associated companies *continued*

Notes:

- (i) The associated companies operate principally in their respective places of incorporation or establishment, except for Legend Kingsoft Holdings Limited which operates principally in Chinese mainland.
- (ii) The company whose name with a “*” is a direct transliteration of its Chinese/English registered name.

18 於聯營公司之投資 *續*

附註：

- (i) 除聯想金山控股有限公司主要於中國大陸經營外，聯營公司主要於彼等各自之註冊或成立地點經營。
- (ii) 公司名稱有 “*” 號者，乃直譯自註冊登記之中／英文名稱。

19 Investment securities**19 證券投資**

		Group 集團		Company 公司	
		2003 HK\$'000 港幣千元	2002 HK\$'000 港幣千元	2003 HK\$'000 港幣千元	2002 HK\$'000 港幣千元
Equity securities, at fair value	股本證券，公平值				
Listed in Hong Kong	於香港上市	52,172	238	37,890	–
Listed outside Hong Kong	於香港境外上市	2,257	19,271	–	–
		54,429	19,509	37,890	–
Unlisted	非上市	19,220	11,253	–	–
		73,649	30,762	37,890	–

20 Inventories

20 存貨

		Group 集團	
		2003	2002
		HK\$'000	HK\$'000
		港幣千元	港幣千元
Raw materials	原材料	873,090	395,518
Work-in-progress	在製品	26,975	18,175
Finished goods	製成品	368,986	441,826
		1,269,051	855,519

At 31st March 2003, the carrying amount of inventories that are carried at net realisable value amounted to HK\$79,785,000 (2002: HK\$43,094,000).

於二零零三年三月三十一日以可變現淨值列賬之存貨之賬面值合共港幣79,785,000元(二零零二年：港幣43,094,000元)。

21 Accounts receivable

21 應收賬款

(a) Trade receivables

(a) 應收貿易賬款

At 31st March 2003, the ageing analysis of the trade receivables was as follows:

於二零零三年三月三十一日，應收貿易賬款之賬齡分析如下：

		Group 集團	
		2003	2002
		HK\$'000	HK\$'000
		港幣千元	港幣千元
0 – 30 days	零至三十日	490,851	593,457
31 – 60 days	三十一日至六十日	27,213	58,914
61 – 90 days	六十一日至九十日	10,680	5,715
Over 90 days	九十日以上	24,772	2,651
		553,516	660,737

21 Accounts receivable *continued***(a) Trade receivables** *continued*

Customers are generally granted credit terms of 30 days. Credit terms for customers of system integration business normally range from 30 days to 180 days.

- (b) Notes receivable of trading in nature are bills of exchange with maturity dates of within six months.

22 Cash and bank balances – Group

Included in the cash and bank balances of the Group are Renminbi cash and bank deposits in Chinese mainland of approximately HK\$802,124,000 (2002: HK\$746,392,000).

23 Accounts payable**(a) Trade payables**

At 31st March 2003, the ageing analysis of the trade payables was as follows:

		Group 集團	
		2003	2002
		HK\$'000	HK\$'000
		港幣千元	港幣千元
0 – 30 days	零至三十日	1,339,852	916,319
31 – 60 days	三十一至六十日	149,535	177,413
61 – 90 days	六十一至九十日	20,870	27,433
Over 90 days	九十日以上	78,375	30,785
		1,588,632	1,151,950

- (b) Notes payable of trading in nature are repayable within three months.

21 應收賬款 *續***(a) 應收貿易賬款** *續*

與集團有業務往來的客戶，除系統集成客戶享有30至180天的商業信用期外，其餘客戶一般享有30天信用期。

- (b) 貿易性質的應收票據乃於六個月內到期之滙票

22 現金及銀行結餘 – 集團

本集團之現金及銀行結餘中，包括在中國大陸之人民幣現金及銀行存款約為港幣802,124,000元(二零零二年：港幣746,392,000元)。

23 應付賬款**(a) 應付貿易賬款**

於二零零三年三月三十一日，應付貿易賬款之賬齡分析如下：

- (b) 貿易性質的應付票據須於三個月內償還。

24 Deferred taxation

24 遞延稅項

		Group 集團		Company 公司	
		2003 HK\$'000 港幣千元	2002 HK\$'000 港幣千元	2003 HK\$'000 港幣千元	2002 HK\$'000 港幣千元
Balance at the beginning of the year	年初結餘	330	353	304	304
Transferred from profit and loss account (Note 7)	轉自損益表 (附註 7)	-	(23)	-	-
Balance at the end of the year	年終結餘	330	330	304	304

25 Share capital

25 股本

		Ordinary shares of HK\$0.025 each 普通股每股港幣0.025元			
		2003		2002	
		Number of shares 股份數目	HK\$'000 港幣千元	Number of shares 股份數目	HK\$'000 港幣千元
Authorised:	法定股本：				
At the beginning and the end of the year	年初及年終	20,000,000,000	500,000	20,000,000,000	500,000
Issued and fully paid:	已發行及繳足股本：				
At the beginning of the year	年初	7,508,038,108	187,701	7,513,962,108	187,849
Exercise of share options (Note (a))	行使購股權 (附註(a))	656,000	16	66,302,000	1,658
Repurchase of shares (Note (b))	購回股份 (附註(b))	(31,330,000)	(783)	(72,226,000)	(1,806)
At the end of the year	年終	7,477,364,108	186,934	7,508,038,108	187,701

25 Share capital *continued**Notes:*

- (a) During the year, 656,000 shares were issued at HK\$2.876 each as a result of the exercise of share options of the Company.
- (b) During the year, the Company repurchased 31,330,000 ordinary shares of HK\$0.025 each on The Stock Exchange of Hong Kong Limited at an aggregate consideration of HK\$79,399,000.

26 Share options

Under the Company's employee share option scheme adopted on 18th January 1994 ("Old Option Scheme"), the Company granted options to employees (including directors) of the Company or its subsidiaries to subscribe for shares in the Company, subject to a maximum of 10% of the issued share capital of the Company from time to time. Options granted are exercisable at any time during a period of ten years from the date upon which the option is accepted. The subscription price of the option shares is the higher of the nominal value of the shares and an amount which is 80% of the average of the closing prices of the shares on the five trading days immediately preceding the date on which the offer is made. The Old Option Scheme was terminated on 26th April 2002. Despite the fact that no further options may be granted thereunder, all other provisions of the Old Option Scheme will remain in force to govern the exercise of all the options previously granted.

On 25th March 2002, an ordinary resolution approving the adoption of a new share option scheme ("New Option Scheme") was passed by shareholders at an extraordinary general meeting of the Company.

25 股本 *續**附註：*

- (a) 年內，因本公司之購股權獲行使而須按每股港幣2.876元之價格發行656,000股股份。
- (b) 年內，本公司以總代價港幣79,399,000元於香港聯合交易所有限公司購回31,330,000股每股面值港幣0.025元之普通股。

26 購股權

根據本公司於一九九四年一月十八日採納之購股權計劃(「舊購股權計劃」)，本公司已授予本公司或其附屬公司之僱員(包括董事)購股權。購股權最多不得超過本公司已發行股本之10%，授出之購股權可由接納購股權當日起計十年內隨時行使，購股權股份之認購價，按股份面值及緊接購股權授出日期前五個交易日股份之平均收市價80%兩者中之較高者計算。舊認購股權計劃於二零零二年四月二十六日終止。除不可根據舊購股權計劃進一步授出購股權外，舊購股權計劃之所有其他條文將繼續有效，以監管先前據此授出之全部購股權的行使。

於二零零二年三月二十五日，股東於本公司股東週年大會上通過一項批准採納新購股權計劃(「新購股權計劃」)之普通決議案。

26 Share options *continued*

Under the New Option Scheme, the Company may grant options to qualified participants as defined in the Report of the Directors to subscribe for shares in the Company, subject to a maximum of 10% of the issued share capital of the Company as at the date of adoption of the New Option Scheme. Options granted are exercisable at any time during a period of ten years from the date upon which the option is accepted. The subscription price of the option shares is the highest of the closing price of the shares on the date of grant; the average of the closing prices of the shares for the five trading days immediately preceding the date of grant; and the nominal value of the shares.

Movements in the number of share options outstanding during the year are as follows:

26 購股權 *續*

根據新購股權計劃，本公司可向合資格人士（定義見董事會報告書）授予購股權以認購本公司股份，惟涉及之股份數目不得超過採納新購股權計劃日期本公司已發行股本之10%。授出的購股權可在自接納購股權當日起計十年內任何時間行使。購股權之行使價乃按於授出日期股份之收市價、緊接授出日期前五個交易日之股份平均收市價及股份之面值之較高者釐定。

年內尚未行使之購股權數目變動如下：

		2003 Number of shares 股份數目	2002 Number of shares 股份數目
At the beginning of the year	年初	292,992,000	196,436,000
Granted during the year (Note (a))	年內授出 (附註(a))	52,806,000	167,800,000
Exercised during the year (Note (b))	年內行使 (附註(b))	(656,000)	(66,302,000)
Lapsed during the year (Note (c))	年內失效 (附註(c))	-	(4,942,000)
At the end of the year	年終	345,142,000	292,992,000

26 Share Options *continued*

(a) Details of share options granted during the year were as follows:

Exercise period 行使期間	Exercise price 行使價 HK\$ 港幣元	2003 Number of shares 股份數目	2002 Number of shares 股份數目
16.4.2001 – 15.4.2011	4.072	–	35,550,000
29.8.2001 – 28.8.2011	2.904	–	1,006,000
31.8.2001 – 30.8.2011	2.876	–	131,244,000
10.10.2002 – 09.10.2012	2.435	52,806,000	–
		52,806,000	167,800,000

(b) Details of share options exercised during the year were as follows:

(i) Year 2003

Exercise date 行使日期	Exercise price 行使價 HK\$ 港幣元	Market value per share at exercise date 行使日期之 每股市值 HK\$ 港幣元	Number of shares 股份數目	Proceeds received 已收所得款項 HK\$ 港幣元
2.4.2002	2.876	3.33	88,000	253,088
8.5.2002	2.876	3.35	270,000	776,520
10.6.2002	2.876	3.20	298,000	857,048
			656,000	1,886,656

26 購股權 *續*

(a) 年內授出之購股權詳情如下：

(b) 年內行使之購股權詳情如下：

(i) 2003年內

26 Share Options *continued*

(b) Details of share options exercised during the year were as follow: *continued*

(ii) Year 2002

Exercise date	Exercise price	Market value per share at exercise date	Number of shares	Proceeds received
行使日期	行使價 HK\$ 港幣元	行使日期之 每股市價 HK\$ 港幣元	股份數目	已收所得款項 HK\$ 港幣元
18.4.2001	0.459	5.25	32,000,000	14,688,000
9.10.2001 – 31.10.2001	2.876	3.10 – 3.22	124,000	356,624
1.11.2001 – 30.11.2001	2.876	2.92 – 3.47	2,486,000	7,149,736
3.12.2001 – 30.12.2001	2.876	3.38 – 3.95	2,094,000	6,022,344
7.1.2002 – 31.1.2002	2.876	3.58 – 4.22	1,932,000	5,556,432
1.2.2002 – 11.2.2002	2.876	3.22 – 3.60	1,274,000	3,664,024
31.1.2002	2.904	3.60	174,000	505,296
9.4.2001 – 17.4.2001	4.038	5.35 – 5.45	25,616,000	103,437,408
3.7.2001	4.038	5.05	96,000	387,648
12.4.2001 – 25.4.2001	4.312	5.25 – 5.85	256,000	1,103,872
7.5.2001 – 24.5.2001	4.312	5.50 – 6.35	246,000	1,060,752
20.6.2001	4.312	4.95	4,000	17,248
			66,302,000	143,949,384

26 購股權 *續*

(b) 年內行使之購股權詳情如下：*續*

(ii) 2002年內

26 Share Options *continued*

(c) Details of share options lapsed during the year were as follows:

Exercise period 行使期間	Exercise price 行使價 HK\$ 港幣元	2003 Number of shares 股份數目	2002 Number of shares 股份數目
28.1.2000 – 27.1.2010	4.038	–	928,000
15.1.2001 – 14.1.2011	4.312	–	2,416,000
31.8.2001 – 30.8.2011	2.876	–	1,598,000
		–	4,942,000

(d) Details of share options at the balance sheet date were as follows:

Exercise period 行使期間	Exercise price 行使價 HK\$ 港幣元	2003 Number of shares 股份數目	2002 Number of shares 股份數目
Old Option Scheme 舊購股權計劃			
28.1.2000 – 27.1.2010	4.038	7,712,000	7,712,000
15.1.2001 – 14.1.2011	4.312	127,162,000	127,162,000
16.4.2001 – 15.4.2011	4.072	35,550,000	35,550,000
29.8.2001 – 28.8.2011	2.904	832,000	832,000
31.8.2001 – 30.8.2011	2.876	121,080,000	121,736,000
		292,336,000	292,992,000
New Option Scheme 新購股權計劃			
10.10.2002 – 9.10.2012	2.435	52,806,000	–
		345,142,000	292,992,000

26 購股權 *續*

(c) 年內失效購股權詳情如下：

(d) 於結算日之購股權詳情如下：

27 Share capital and reserves

27 股本及儲備

		Group 集團							Total
		Share capital	Share premium	Surplus arising on consolidation	Exchange reserve	Investment revaluation reserve	Share redemption reserve	Share Accumulated losses	
		股本	股份溢價	產生之盈餘	匯兌儲備	投資重估儲備	股份回購儲備	累計虧損	合計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元
As at 1st April 2002	於二零零二年四月一日	187,701	4,732,184	27,893	4,155	13,515	1,806	(1,285,220)	3,682,034
Deficit in fair market value of investment securities	投資證券公平市價虧損	-	-	-	-	(20,891)	-	-	(20,891)
Exchange differences	匯兌差額	-	-	-	156	-	-	-	156
Reserves realised upon disposal of investment securities	出售證券投資之變現儲備	-	-	-	-	(7,120)	-	-	(7,120)
Goodwill written off arising from disposal of subsidiaries	清理附屬公司時所撇除之商譽	-	-	(22)	-	-	-	-	(22)
Profit for the year	年內溢利	-	-	-	-	-	-	1,017,152	1,017,152
Exercise of share options	行使購股權	16	1,871	-	-	-	-	-	1,887
Repurchase of shares	購回股份	(783)	-	-	-	-	783	(79,399)	(79,399)
Dividends paid	已付股息	-	-	-	-	-	-	(405,276)	(405,276)
As at 31st March 2003	於二零零三年三月三十一日	186,934	4,734,055	27,871	4,311	(14,496)	2,589	(752,743)	4,188,521
Representing:	代表:								
2003 final dividend proposed	擬派二零零三年末期股息							224,040	
2003 special dividend proposed	擬派二零零三年特別股息							388,337	
Others	其他							(1,365,120)	
Accumulated losses as at 31st March 2003	於二零零三年三月三十一日之累計虧損							(752,743)	
Company and subsidiaries	本公司及附屬公司	186,934	4,734,055	27,871	4,311	(14,496)	2,589	(719,921)	4,221,343
Jointly controlled entities	共同控制實體	-	-	-	-	-	-	(27,704)	(27,704)
Associated companies	聯營公司	-	-	-	-	-	-	(5,118)	(5,118)
As at 31st March 2003	於二零零三年三月三十一日	186,934	4,734,055	27,871	4,311	(14,496)	2,589	(752,743)	4,188,521

27 Share capital and reserves *continued*27 股本及儲備 *續*

		Group 集團							
		Share capital	Share premium	Surplus arising on consolidation	Exchange reserve	Investment revaluation reserve	Share redemption reserve	Accumulated losses	Total
		股本	股份溢價	產生之盈餘	匯兌儲備	投資重估儲備	股份回購儲備	累計虧損	合計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元
As at 1st April 2001	於二零零一年四月一日	187,849	4,589,893	171,715	336	-	-	(1,066,871)	3,882,922
Reserves transfers	儲備轉撥	-	-	(166,719)	-	63,091	-	103,628	-
Deficit in fair market value of investment securities	投資證券公平市價 虧損	-	-	-	-	(36,058)	-	-	(36,058)
Exchange differences	滙兌差額	-	-	-	3,819	-	-	-	3,819
Reserves realised upon disposal of investment securities	出售證券投資之 變現儲備	-	-	-	-	(13,518)	-	-	(13,518)
Goodwill written back arising from disposal of an associated company	出售聯營公司時 沖回之 商譽	-	-	22,897	-	-	-	-	22,897
Profit for the year	年內溢利	-	-	-	-	-	-	1,044,900	1,044,900
Exercise of share options	行使購股權	1,658	142,291	-	-	-	-	-	143,949
Repurchase of shares	購回股份	(1,806)	-	-	-	-	1,806	(263,761)	(263,761)
Dividends paid	已付股息	-	-	-	-	-	-	(1,103,116)	(1,103,116)
As at 31st March 2002	於二零零二年三月三十一日	187,701	4,732,184	27,893	4,155	13,515	1,806	(1,285,220)	3,682,034
Representing:	代表:								
2002 final dividend proposed	擬派二零零二年末期股息							271,051	
Others	其他							(1,556,271)	
Accumulated losses as at 31st March 2002	於二零零二年三月三十一日 之累計虧損							(1,285,220)	
Company and subsidiaries	本公司及附屬公司	187,701	4,732,184	27,893	4,155	13,515	1,806	(1,275,955)	3,691,299
Jointly controlled entities	共同控制實體	-	-	-	-	-	-	8,468	8,468
Associated companies	聯營公司	-	-	-	-	-	-	(17,733)	(17,733)
As at 31st March 2002	於二零零二年三月三十一日	187,701	4,732,184	27,893	4,155	13,515	1,806	(1,285,220)	3,682,034

27 Share capital and reserves *continued*

27 股本及儲備 續

		Company 公司					Total 合計
		Share capital 股本 HK\$'000 港幣千元	Share premium 股份溢價 HK\$'000 港幣千元	Investment revaluation reserve 投資重估儲備 HK\$'000 港幣千元	Share redemption reserve 股份回購儲備 HK\$'000 港幣千元	Retained profits 保留溢利 HK\$'000 港幣千元	
As at 1st April 2002	於二零零二年四月一日	187,701	4,732,184	-	1,806	863,305	5,784,996
Deficit in fair market value of investment securities	投資證券公平 市值虧損	-	-	(2,183)	-	-	(2,183)
Profit for the year	年內溢利	-	-	-	-	1,095,610	1,095,610
Exercise of share options	行使購股權	16	1,871	-	-	-	1,887
Repurchase of shares	購回股份	(783)	-	-	783	(79,399)	(79,399)
Dividends paid	已付股息	-	-	-	-	(405,276)	(405,276)
As at 31st March 2003	於二零零三年三月三十一日	186,934	4,734,055	(2,183)	2,589	1,474,240	6,395,635
Representing:	代表:						
2003 final dividend proposed	擬派二零零三年末期股息					224,040	
2003 special dividend proposed	擬派二零零三年特別股息					388,337	
Others	其他					861,863	
Retained profits as at 31st March 2003	於二零零三年三月三十一日 之保留溢利					1,474,240	
As at 1st April 2001	於二零零一年四月一日	187,849	4,589,893	-	-	1,368,118	6,145,860
Revaluation surplus on spin-off of DCHL Group	因分拆神州數碼集團而產生 之重估盈餘	-	-	109,131	-	-	109,131
Reserves transfers	儲備轉撥	-	-	(109,131)	-	109,131	-
Profit for the year	年內溢利	-	-	-	-	752,933	752,933
Exercise of share options	行使購股權	1,658	142,291	-	-	-	143,949
Repurchase of shares	購回股份	(1,806)	-	-	1,806	(263,761)	(263,761)
Dividends paid	已付股息	-	-	-	-	(1,103,116)	(1,103,116)
As at 31st March 2002	於二零零二年三月三十一日	187,701	4,732,184	-	1,806	863,305	5,784,996
Representing:	代表:						
2002 final dividend proposed	擬派二零零二年末期股息					271,051	
Others	其他					592,254	
Retained profits as at 31st March 2002	於二零零二年三月三十一日 之保留溢利					863,305	

28 Related party transactions

Saved as disclosed elsewhere in this set of accounts, the Group had the following material related party transactions:

28 有關人士交易

除在本賬目其餘部份披露外，本集團有下列重大有關人士交易：

		Group 集團	
		2003 HK\$'000 港幣千元	2002 HK\$'000 港幣千元
AOL-Legend (Beijing) Technology Co., Ltd. (formerly known as Beijing Legend FM365 Technology Limited) (a jointly controlled entity):	聯想翱龍(北京)科技有限公司 (前稱北京聯想三六五科技有限公司) (一家共同控制實體)：		
Technical consultancy fees	技術顧問費	2,260	176
Beijing Legend FM Science and Technology Company Limited (a fellow subsidiary):	北京聯想調頻科技有限公司 (一家同系附屬公司)：		
Account access fees	賬戶登入費	43,879	50,330
DCHL Group (associated companies of the ultimate holding company):	神州數碼集團(最終控股公司的聯營公司)：		
Rental and management fees	租金及管理費用	2,163	2,813
Purchase of goods	採購貨物	5,414	13,519
Sales of goods	銷售貨物	1,132	-
Hui Yang Legend Computer Co., Ltd. (a subsidiary of a jointly controlled entity):	惠陽聯想電腦有限公司 (一家共同控制實體的附屬公司)：		
Rental and management fee	租金及管理費用	8,239	-

28 Related party transactions *continued*

28 有關人士交易 續

		Group 集團	
		2003	2002
		HK\$'000	HK\$'000
		港幣千元	港幣千元
Leby Technology Company Limited (a jointly controlled entity):	樂彼科技有限公司 (一家共同控制實體) :		
Purchase of goods	採購貨物	134,262	-
Manufacturing fee	加工費	58,284	-
Sale of computer products	銷售電腦產品	31,094	-
Right Lane Limited (a substantial shareholder):	南明有限公司 (主要股東) :		
Rental and management fee	租金及管理費用	960	1,020
Shenzhen Legend Science Park Company Limited (a fellow subsidiary):	深圳市聯想科技園有限公司 (一家同系附屬公司) :		
Rental	租金	14,822	3,088
Techwise Circuits Company Limited and its subsidiaries (associated companies):	科惠線路有限公司及 其附屬公司(聯營公司) :		
Purchase of goods	採購貨物	51,232	15,255
Rental and management fee	租金及管理費用	21,903	-
Xiamen Overseas Chinese Electronics Limited (a minority shareholder of a subsidiary):	廈門華僑電子有限公司 (一間附屬公司的少數股東) :		
Rental	租金	1,144	-
Purchase of goods	採購貨物	32,368	-

The directors are of the opinion that the above transactions were conducted on normal commercial terms in the ordinary course of business.

董事認為上述交易乃在一般業務中按照一般商業條款進行。

29 Banking facilities

At 31st March 2003, total banking facilities granted to the Group amounted to approximately HK\$2,620,000,000 which were secured by one or more of the following:

- (a) Cross guarantees provided by certain subsidiaries; and
- (b) Guarantees provided by the Company.

At 31st March 2003, the amount of facilities utilised by the Group amounted to approximately HK\$460,000,000.

30 Commitments**(a) Capital commitments**

Contracted but not provided for property, plant and equipment	已訂約但未撥備物業、機器及設備		
Investments	投資		

Group	
集團	
2003	2002
HK\$'000	HK\$'000
港幣千元	港幣千元

		120,156	28,850
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		-	183,082
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		120,156	211,932
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Capital commitments for property, plant and equipment of associated companies not included in the above is as follows:	除上述以外之聯營公司之物業、機器及設備之資本承擔如下：		
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Contracted but not provided for	已訂約但未撥備		
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		-	1,060
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29 銀行信貸

於二零零三年三月三十一日，本集團之可動用銀行信貸總額約為港幣2,620,000,000元，並以下列其中一項或多項方式作抵押擔保：

- (a) 由若干附屬公司提供之互相擔保；及
- (b) 由本公司提供之擔保。

於二零零三年三月三十一日，本集團已動用之銀行信貸總額約為港幣460,000,000元。

30 承擔**(a) 資本承擔**

30 Commitments *continued*

(b) Commitments under operating leases

At 31st March 2003, the Group had future aggregate minimum lease payments in respect of land and buildings under non-cancellable operating leases as follows:

		Group 集團	
		2003 HK\$'000 港幣千元	2002 HK\$'000 港幣千元
Not later than one year	不超過一年	58,255	65,792
Later than one year but not later than five years	一年至五年	78,281	75,620
Later than five years	超過五年	52,058	-
		188,594	141,412

(c) Other commitments

- (i) On 17th December 2002, two subsidiaries of the Company, China Weal Technology Holdings Limited ("CWT") and the shareholders of CWT entered into an agreement in which the Company's subsidiaries have committed to acquire certain business and assets from CWT and its subsidiaries (the "CWT Group"). The business and assets acquired were injected into a newly incorporated Chinese mainland subsidiary of the Company.

Pursuant to the agreement, the Group is required to pay an initial consideration of approximately HK\$61 million, and an additional consideration which is dependent on, among other things, proper completion of certain reorganisation procedures, and the operating results of the above-mentioned new subsidiary of the Company up to 31st March 2008. The maximum amount of additional consideration, if required, amounted to approximately HK\$156 million which will be settled by phases before 31st October 2008.

30 承擔 *續*

(b) 經營租約承擔

於二零零三年三月三十一日，本集團於不能取消之土地及樓宇之經營租約下之未來最低租金總額如下：

		Group 集團	
		2003 HK\$'000 港幣千元	2002 HK\$'000 港幣千元
Not later than one year	不超過一年	58,255	65,792
Later than one year but not later than five years	一年至五年	78,281	75,620
Later than five years	超過五年	52,058	-
		188,594	141,412

(c) 其他承擔

- (i) 於二零零二年十二月十七日，本公司兩間附屬公司、中望科技控股有限公司（「CWT」）及CWT之股東訂立一項協議，據此，本公司附屬公司承諾收購CWT及其附屬公司（「CWT集團」）部份業務及資產。所收購之業務及資產已注入本公司新註冊成立之中國大陸附屬公司。

根據協議，本公司支付首期代價約港幣61,000,000元，額外代價須視（其中包括）若干重組程序順利完成，以及本公司上述新附屬公司截至二零零八年三月三十一日之營運業績情況。額外代價之最高金額約為港幣156,000,000元。額外代價（如需支付）將於二零零八年十月三十一日前分期支付。

30 Commitments *continued***(c) Other commitments** *continued*

- (ii) As at 31st March 2003, the Group had outstanding foreign currency contracts amounted to approximately HK\$46,000,000 (2002: HK\$56,000,000).

31 Contingent liabilities

- (a) The Company has executed guarantees with respect to banking facilities made available to its subsidiaries. As at 31st March 2003, such facilities granted and utilised amounted to approximately HK\$2,620,000,000 and HK\$460,000,000 respectively (2002: HK\$2,485,000,000 and HK\$419,000,000).
- (b) The Company has issued letters of guarantee to the suppliers and vendors of its subsidiaries. As at 31st March 2003, the guarantee granted and utilised amounted to approximately HK\$941,460,000 and HK\$570,000,000 respectively (2002: HK\$854,000,000 and HK\$272,000,000).

30 承擔 *續***(c) 其他承擔** *續*

- (ii) 於二零零三年三月三十一日，本集團擁有之外匯合約承擔約達港幣46,000,000元（二零零二年：港幣56,000,000元）。

31 或然負債

- (a) 本公司已就授予其附屬公司之銀行融資作出擔保。於二零零三年三月三十一日已授予及動用之擔保分別約為港幣2,620,000,000元和港幣460,000,000元（二零零二年：港幣2,485,000,000元和港幣419,000,000元）。
- (b) 本公司已發出擔保書予其附屬公司的供應商。於二零零三年三月三十一日已授予及動用之擔保分別約為港幣941,460,000元和港幣570,000,000元（二零零二年：港幣854,000,000元和港幣272,000,000元）。

32 Reconciliation of operating profit before taxation to net cash inflow from operations

32 除稅前經營溢利與經營業務所得現金淨額對賬表

		2003 HK\$'000 港幣千元	2002 HK\$'000 港幣千元
Operating profit before taxation	除稅前經營溢利	1,028,651	1,081,194
Share of (profits)/losses of associated companies	應佔聯營公司之(溢利)/虧損	(13,826)	12,979
Share of losses/(profits) of jointly controlled entities	應佔共同控制實體之虧損/(溢利)	34,756	(8,468)
Interest income	利息收入	(77,233)	(67,360)
Interest expenses	利息支出	20	11,785
Depreciation of tangible fixed assets	有形固定資產折舊	160,304	143,048
Amortisation of intangible assets	無形資產攤銷	15,246	-
Loss on disposal of tangible fixed assets	出售有形固定資產之虧損	3,110	1,440
Losses/(gains) on disposal of subsidiaries, an associated company and investment securities	出售附屬公司、聯營公司及證券投資之虧損/(收益)	26,802	(164,240)
Operating profit before working capital changes	營運資本變動前之經營溢利	1,177,830	1,010,378
(Increase)/decrease in inventories	存貨(增加)/減少	(411,997)	261,620
Decrease/(increase) in amounts due from jointly controlled entities	應收共同控制實體欠款減少/(增加)	194,132	(194,132)
Increase in trade receivables, notes receivable, deposits, prepayments and other receivables	應收貿易賬款、應收票據、按金、預付款項及其他應收賬款增加	(287,263)	(21,776)
Increase/(decrease) in trade payables, notes payable, accruals and other payables	應付貿易賬款、應付票據、應計費用及其他應付款增加/(減少)	477,373	(246,600)
Net cash inflow from operations	經營所得現金淨額	1,150,075	809,490

33 Analysis of changes in financing

33 融資變動分析

		2003			2002		
	Share capital (including premium) 股本 (包括溢價)	Minority interests 少數股東權益	Loans and finance lease obligations 貸款及財務租約債務	Share capital (including premium) 股本 (包括溢價)	Minority interests 少數股東權益	Loans and finance lease obligations 貸款及財務租約債務	
	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	
Balance at the beginning of the year	年初結存	4,919,885	7,050	-	4,777,742	74,458	832,469
Minority interests' share of profits and exchange reserve	少數股東權益應佔溢利及外匯儲備	-	(14,519)	-	-	13,202	-
Increase in minority interests	少數股東權益增加	-	-	-	-	4,364	(4,364)
Increase in bank loans	銀行貸款增加	-	-	-	-	-	121,495
Disposal of subsidiaries	出售附屬公司	-	-	-	-	(84,974)	(944,760)
Decrease in loans from minority shareholders	少數股東借款減少	-	-	-	-	-	(4,840)
Acquisition of subsidiaries	收購附屬公司	-	67,210	-	-	-	-
Issue of new shares	發行新股份	1,887	-	-	143,949	-	-
Consideration for the repurchase of shares	股份回購之代價	(79,399)	-	-	(263,761)	-	-
Repurchase of shares out of retained profits	從保留溢利中購回股份	78,616	-	-	261,955	-	-
Balance at the end of the year	年終結存	4,920,989	59,741	-	4,919,885	7,050	-

34 Analysis of the balances of cash and cash equivalents

34 現金及等同現金結存分析

		2003 HK\$'000 港幣千元	2002 HK\$'000 港幣千元
Cash and bank balances	現金及銀行結餘	2,808,323	2,441,169

35 Disposal of subsidiaries

35 出售附屬公司

		2003 HK\$'000 港幣千元	2002 HK\$'000 港幣千元
Net assets disposed of	出售之淨資產		
Tangible fixed assets	固定有形資產	-	305,678
Construction-in-progress	在建工程	-	8,033
Trade receivables	應收貿易賬款	-	1,311,570
Inventories	存貨	-	983,973
Deposits, prepayments and other receivables	按金、預付款項及 其他應收款	-	205,692
Cash and bank balances	現金及銀行結餘	-	356,261
Trade and notes payable	應付貿易賬款及應付票據	-	(794,216)
Accruals and other payables	應計費用及其他應付款	-	(449,398)
Bank loans	銀行貸款	-	(944,760)
Minority interests	少數股東權益	-	(84,974)
		-	897,859
Gains on disposal	出售之收益	-	155,538
		-	1,053,397
Satisfied by:	支付方式：		
Cash and cash equivalents	現金及等同現金	-	229,021
Dividends payable	應付股息	-	808,538
Investments	投資	-	70,899
Accruals	應計費用	-	(55,061)
		-	1,053,397

36 Analysis of the net outflow of cash and cash equivalents in respect of the disposal of subsidiaries

36 出售附屬公司所耗之現金及等同現金淨額分析

		2003 HK\$'000 港幣千元	2002 HK\$'000 港幣千元
Cash consideration	現金代價	-	229,021
Cash and bank balances disposed of	出售之現金及銀行結餘	-	(356,261)
Net outflow of cash and cash equivalent in respect of the disposal of subsidiaries	出售附屬公司 所耗之現金及 等同現金淨額	-	(127,240)

37 Acquisition of subsidiaries**37 收購附屬公司**

		2003 HK\$'000 港幣千元	2002 HK\$'000 港幣千元
Net assets acquired	已收購淨資產		
Tangible fixed assets	有形固定資產	27,027	-
Inventories	存貨	1,535	-
Investment in an associated company	於聯營公司之投資	3,649	-
Trade and notes receivable	應收貿易賬款及應收票據	7,788	-
Deposits, prepayments and other receivables	按金、預付款項及其他應收賬款	25,730	-
Cash and bank balances	現金及銀行結餘	204,788	-
Trade and notes payable	應付貿易賬款及應付票據	(789)	-
Accruals and other payables	應計費用及其他應付賬款	(20,538)	-
Minority interests	少數股東權益	(67,210)	-
		181,980	-
Goodwill arising from acquisition	收購時產生之商譽	38,801	-
		220,781	-
Satisfied by:	支付方式：		
Cash and cash equivalents	現金	199,941	-
Other payables	其他應付款	20,840	-
		220,781	-

38 Analysis of the net inflow of cash and cash equivalents in respect of the acquisition of subsidiaries**38 收購附屬公司所得現金及等同現金淨額分析**

		2003 HK\$'000 港幣千元	2002 HK\$'000 港幣千元
Cash consideration	現金代價	(199,941)	-
Cash and bank balances acquired	收購之現金及銀行結餘	204,788	-
Net inflow of cash and cash equivalents in respect of acquisition of subsidiaries	收購附屬公司所得現金及等同現金淨額	4,847	-

39 Ultimate holding company

The directors regard 聯想控股有限公司 (Legend Holdings Limited), a company established in Chinese mainland, as being the ultimate holding company.

39 最終控股公司

董事認為聯想控股有限公司乃最終控股公司，該公司於中國大陸成立。

40 Approval of accounts

The accounts were approved by the board of directors on 28th May 2003.

40 賬目之核准

本賬目已由董事會於二零零三年五月二十八日核准。