



Digital China Holdings Limited

神州數碼控股有限公司

(Incorporated in Bermuda with limited liability)

(於百慕達註冊成立之有限公司)

Stock Code 股份代號 : 0861



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Company Profile

公司簡介

Digital China Holdings Limited (the “Company” or “Digital China”) and its subsidiaries (collectively the “Group”) is a leading IT product distributor and IT service provider in China. Leveraging upon close relationships with many international branded IT manufacturers, the Group positions itself at the forefront of the IT market by providing valued-added services, innovative IT solutions and cutting-edge products in the China market. Up to March 2007, the Group’s nationwide network extends to 17 platforms and over 30 representative offices covering second- and third-tier cities throughout China.

The Group’s business is divided into three categories:

Distribution:

Distribution of products that provide seamless match to the needs of consumers and small to medium corporate clients. Products distributed comprise computers (laptop & desktop), printers, PC servers, data projectors, peripherals, consumer electronic products and others.

Systems:

Distribution of IT products and solutions to be employed in the set-up of corporate IT infrastructure. The business is divided into 4 sub-categories comprising Unix servers, networking products, storage products and packaged software.

Services:

Through years of efforts, our IT service capabilities has been extended to IT architectural consultation & planning, application development, application integration & deployment and operation outsourcing. Our industry expertise has been expanded to almost all major industries, including the telecommunications, finance, government, public and manufacturing sectors.

Being a former subsidiary of Legend Group Limited (now known as Lenovo Group Limited), Digital China Holdings Limited was listed in the Stock Exchange of Hong Kong Limited (Stock Code: 0861) on 1 June 2001 and is now an associate of China-based Legend Holdings Limited.

神州數碼控股有限公司(「本公司」或「神州數碼」)及其附屬公司(統稱「本集團」)在中國從事IT產品銷售和提供IT服務，是業內龍頭企業之一。集團與多間國際IT品牌製造商密切合作，穩據在中國IT市場的領導地位，致力提供增值服務、先進IT解決方案及國內尖端科技產品。至2007年3月止，集團全國性網絡已拓展至17個平台，辦事處分佈30多個二、三級城市，業務覆蓋全國。

集團主要從事三大業務：

分銷：

分銷適合中小企業及個人用戶的IT產品，包括電腦(筆記本及臺式機)、打印機、個人電腦服務器、投影機、外設、消費類電子產品

系統：

針對企業用戶，提供IT系統建設有關產品，包括UNIX服務器、網絡產品、存儲產品、套裝軟體

服務：

經過多年來的努力，IT業務的能力已擴大至IT建設諮詢及計劃、應用開發、應用集成和作業外包。業務的專門技術也拓展到各主要的行業，包括電信、金融、政府、公共事業及製造業客戶

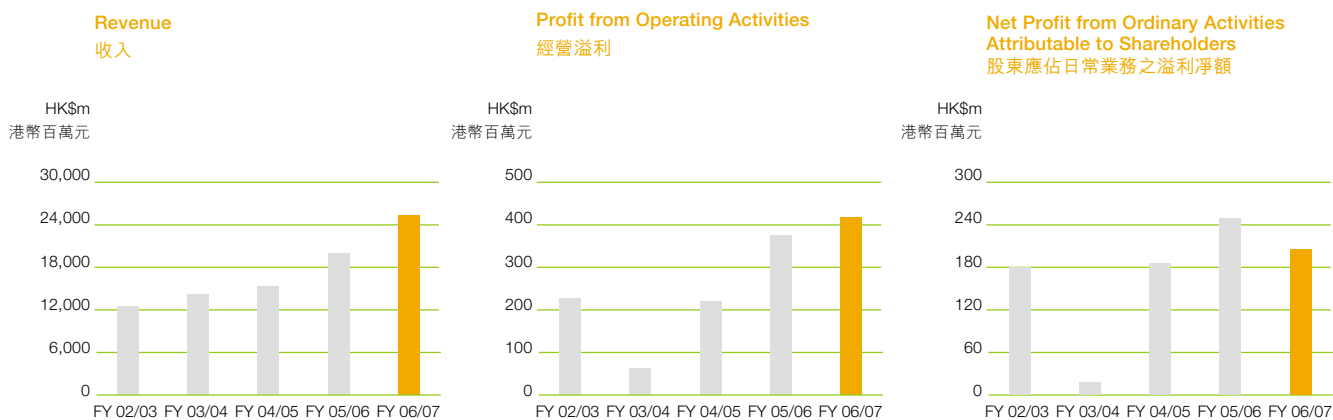
神州數碼控股有限公司原為聯想集團有限公司之附屬公司，於2001年6月1日分拆於香港聯合交易所有限公司獨立上市(股份代號：0861)。現時神州數碼控股有限公司為國內之聯想控股有限公司之聯營公司。

Financial Highlights

財務摘要

		FY2006/2007 二零零六/二零零七 HK\$m 港幣百萬元	FY2005/2006 二零零五/二零零六 HK\$m 港幣百萬元	FY2004/2005 二零零四/二零零五 HK\$m 港幣百萬元	FY2003/2004 二零零三/二零零四 HK\$m 港幣百萬元	FY2002/2003 二零零二/二零零三 HK\$m 港幣百萬元
For the Year	於年度內					
Revenue	收入	25,418	19,865	15,457	14,277	12,511
Profit from Operating Activities	經營溢利	415	375	222*	61*	226
Net profit from Ordinary Activities Attributable to Shareholders	股東應佔日常業務之溢利淨額	208	252	186*	20*	179
Earnings per Share (HK cents)	每股盈利 (港仙)	23.92	29.19	21.64*	2.38*	20.85
Dividends per Share (HK cents)	每股股息 (港仙)	8.28	10.00	8.53	—	7.38
At Year-end	於年度末					
Total Assets	總資產	6,885	5,827	4,887	4,038	3,920
Shareholders' Funds	股東資金	1,961	1,787	1,579	1,365	1,393
Financial Ratio	財務比率					
Return on Equity (%)	股東資金回報率 (百分比)	10.63	14.10	11.80*	1.49*	12.85
Interest Cover (times)	利息覆蓋比率 (倍)	2.83	3.91	4.59*	1.30*	6.40
Current Ratio (times)	流動比率 (倍)	1.44	1.25	1.40	1.68	1.60
Total Interest Bearing Debts to Shareholders' Funds Ratio (times)	付息債項佔股東資金比率 (倍)	0.63	0.68	0.68	0.74	0.55

* figures restated 數字予以重列



Significant Events

大事回顧



At the forefront of the Market

走在市場最前列

As a market leader, we are dedicated to business innovation and continuous improvement of the sophistication level and coverage of our business. Building upon our foundations in the domestic market, we will achieve our next target for profit growth by identifying growth opportunities and striving to enhance brand visibility.

作為市場領導者，我們致力謀求業務創新，持續改善業務的深度廣度，立足國內市場，不斷尋找機會發展壯大，力求提升品牌影響力，邁向下一個利潤高增長之目標。



2006

April

Digital China Innovation Showroom, an establishment that integrated the strengths of the suppliers and the Company, was officially unveiled at our Beijing headquarters. With numerous products and successful projects of Digital China in display, it served as an important showcase gallery of the Group for brand name promotion.

Beijing Si-Tech Information Technology Co., Ltd was officially established and due integration processes were completed smoothly. The joint venture was set to enhance the Group's ability in providing customized solutions for the telecommunications sector.

A Management Trainee Program was launched in collaboration with renowned PRC universities to identify potential candidates for employment among final year students through career seminars, interviews and internships.

June

Digital China (Hefei) Company Limited was established on 8 June 2006 as the 15th business platform of the Group.

On 10 June 2006, a ceremony was held to present a donation of RMB250,000 for the building of the fifth Digital China Hope School. The staff of Digital China are fully committed to rewarding the community by initiating or engaging in social welfare activities, underlining an integral element of Digital China's corporate culture.

4月

融合供應商及公司自身行業實力的神州數碼創新中心於北京總部正式落成。大量展示了神州數碼產品和成功個案，是集團一個重要的品牌宣傳窗口。

北京思特奇信息技術股份有限公司正式成立並順利完成整合，加強集團在電信行業方案定制服務能力。

與國內多間著名大學合作推出「英才計劃」，通過介紹會、面試、實習，揀選應屆大學畢業生，為公司人才作儲備。

6月

2006年6月8日，神州數碼（合肥）有限公司成立，成為集團第15個業務平臺。

2006年6月10日，舉行第五所神州數碼希望小學捐建儀式，此次募捐共捐得款項人民幣25萬元。神州數碼全體員工一直不遺餘力地開展或參加社會公益活動以回饋社會，同時這也成為神州數碼企業文化的重要組成部分之一。

Significant Events

大事回顧

August

Annual Innovation Meeting was convened during 16 - 18 August 2006 at the Digital China headquarters in Shangdi Digital Technology Plaza, Beijing to investigate the latest IT technologies and solutions. Renowned members of domestic and overseas enterprises and research institutes were invited to deliver keynote speeches to about 1,500 participants comprising senior government officers and industry leaders.

The first “Engineers’ Day” of Digital China was held on 17 August 2006 as part of the Group’s initiative to show its appreciation and concern for technical staff.

November

With a view to enhancing the Group’s development in Fujian, our Fuzhou Office was upgraded to platform status on 29 November 2006 and Fuzhou Digital China Company Limited was officially established.

The third “2006 Summit of Digital China Value-added Services Senior Partners” on the Theme of “Innovating Your World - 2006,” organized by our Systems Business Department, was successfully held during 14 - 16 November 2006.

December

Following the earlier success of the “Sales and Marketing Day”, Digital China launched its first “Supporting Staff Day” on 1 December 2006 to show its appreciation and concern for logistics staff as part of a corporate culture building effort underpinned by the management philosophy of “One Company, One Dream”.

The first “2006 Summit of Digital China Channel Partners” on the Theme of “Power of Flying”, organized by our Distribution Business Department, was successfully held during 5-7 December 2006.

8月

2006年8月16至18日，「數字中國•創新年會」在神州數碼總部北京市上地數碼科技廣場圓滿召開，探討了現時IT界最新科技及解決方案，邀請了包括海內外知名企業及科研機構代表擔任嘉賓講員，參與嘉賓包括政府、工企業領導等共1,500人。

2006年8月17日，舉辦首屆神州數碼「技術人員日」，體現集團對技術人員的重視和關懷。

11月

2006年11月29日，為了加強集團在福建的發展，集團將福州辦事處升級為平臺，正式成立福州神州數碼有限公司。

系統業務主辦的第三屆「創新你的世界 - 2006年神州數碼增值服務高級合作夥伴峰會」於2006年11月14日至16日成功召開。

12月

2006年12月1日，繼「銷售人員日」神州數碼首屆「職能人員日」主題文化日活動成功召開，體現集團對後勤職能人員的重視及關懷。全面展現了「同一個神州，同一個夢想」的管理理念。

2006年12月5日至7日，由分銷業務舉辦的首屆「飛翔的力量 - 2006神州數碼渠道夥伴峰會」成功舉辦。

2007

January

Changsha Digital China Company Limited was established on 15 January 2007 as the 17th business platform of the Group.

February

On 10 February 2007, Digital China was voted one of the Best 20 Employers in 2006 out of nearly 1,000 enterprises in a poll by CCTV, confirming its status as one of the most respected enterprises in the industry.

March

On 15 March 2007, Digital China Xi'an Software R&D Centre attained CMMI Level 4 (Quantitative Managed Level) certification.

1月

2007年1月15日·長沙神州數碼有限公司正式成立·成為集團的第17個平臺。

2月

2007年2月10日·經過中國中央電視台多輪調查與評選·神州數碼自近千家企業中脫穎而出·晉身2006年度20家優秀僱主名單·成為業界最受尊敬的企業之一。

3月

2007年3月15日·神州數碼西安軟件開發基地通過能力成熟度整合模式(已量化管理階段)國際級認證。

Significant Events

大事回顧

Industry Awards and Honours Received by DC

- National Informatization Evaluation Center
25th ranking among Top 500 Enterprises in PRC Informatization
- National Informatization Evaluation Center
Best Informatization Strategy Award
- National Informatization Evaluation Center
Best OA Application
- The 10th International Software Expo of the PRC 2006
Most Valuable Software Developer
- The 10th International Software Expo of the PRC 2006
Best Value-added Software Product (Application Software)
- Best 100 PRC Telecom Suppliers 2006 Survey organized by Internet Weekly
Top 100 PRC Telecom Suppliers 2006
- Computer Partner World
Top 200 Distributors in Top 500 PRC Computer Companies 2006
- Computer Partner World
Top 100 Solutions Provider in Top 500 PRC Computer Companies 2006
- China Information Weekly
1st ranking among Top 100 PRC IT Channel Distributors 2006
- China Electronic Chamber of Commerce
Most Promising Brand Name in PRC e-Companies July 2006 – July 2007
- Department of Planning and Statistics under the State Administration of Taxation and the Chinese Taxation Magazine Press
China's Top 100 Taxpayers from 35 Industries 2005
- Sponsor: Department of Electronic Information Product Management under the Ministry of Information Technology
Organizer: China Association of the Software Industry
Top 10 Innovative PRC Software Developers 2006 of the PRC Software Industry
- Channels Committee of China Information Industry Trade Association, Smart Partner
Top 10 Solution Providers of Excellence 2005-2006
- Channels Committee of China Information Industry Trade Association, Smart Partner
Top 10 Distributors of Excellence 2005-2006
- Beijing Municipal Administration of Industry and Commerce
"Trustworthy Enterprise" of Beijing
- Ministry of Science and Technology, Chinese Academy of Sciences and Beijing Municipal Government
Top 100 Innovative Pilot Enterprises of Z-Park
- Sponsors: Ministry of Information Industry, Ministry of Science and Technology, National Development and Reform Commission and Chinese Academy of Social Sciences
Organizer: China Association of the Software Industry
Top 10 Innovative PRC Software Developers

企業獲得獎項

- 國家資訊化測評中心
中國企業資訊化500強第25名
- 國家資訊化測評中心
最佳資訊化戰略獎
- 國家資訊化測評中心
最佳辦公自動化OA應用獎
- 2006第十屆中國國際軟體博覽會
最有價值軟體企業
- 2006第十屆中國國際軟體博覽會
最具增值潛力軟體產品(應用軟體)
- 《互聯網週刊》2006中國電信供應商100佳調查
2006中國電信供應商100佳
- 電腦商報
2006中國電腦商500強之分銷商200強
- 電腦商報
2006中國電腦商500強之方案商100家
- 中國電腦報
2006年中國IT渠道商100強第一名
- 中國電子商會
2006、7-2007、7中國電子企業最具潛力品牌
- 中國稅務總局計畫統計司、中國稅務雜誌社
2005年度中國35行業納稅百強
- 資訊產業部電子資訊產品管理司主辦·中國軟體行業協會承辦
中國軟體行業「2006中國十大創新軟體企業」
- 中國資訊產業商會渠道委員會、電腦產品與流通雜誌社
2005-2006十大卓越方案商
- 中國資訊產業商會渠道委員會、電腦產品與流通雜誌社
2005-2006十大卓越分銷商
- 北京市工商局
北京市「守信企業」
- 科技部、中科院和北京市政府
中關村百家創新性試點企業
- 信產部、科技部、國家發改委、社科院主辦·中國軟體行業協會承辦
中國十大軟體創新企業

Segment Awards

Distribution Business

Asus

Best Channel Partner

Symbol

Best Value-added Distributor - Asia Pacific

AMD

Progress Award

DOPOD

Special Contribution Award

Lingtu

Gold Value-added Distributor

IBM

Best Channel Development for System Technology Group Blue Twister

IBM

IBM Best Channel Development 2006

FORTINET

Best Distributor - Greater China

HP

HP Work Station Best Channel Contribution

Systems Business

Basic network

Cisco

Champions and 1st runners-up in the Contest for Technology Experts of Cisco Asia Pacific Partners 2006 (General Distributor Group Section)
Best Partner (Asia Pacific) and CE500 Product Promotion Award
FY06 Best General Distributorship Award (China)

Application network

Polycom

Polycom: Top Sales - Asia Pacific
Polycom: Best Partner in China

International Laboratory for Brand Names in Security and Protection Products, China Public Security Magazine, China Public Security Research Institute and CPS Net
Top 50 Enterprises in the PRC Industry of Security and Protection Products

HP network

HP

Best Partner for Sales of High-end Servers and Storage Products 2006

General software

Symantec

Best Value-added Distributor for Symantec 05-06

Sybase

Best Value-added Distributor for Sybase 05-06

Microsoft

Microsoft Operations Excellence Award 2005 CHINA
Microsoft FY06 Best Sales for Authorized Dealers

各業務獲得獎項

分銷業務

華碩電腦

最佳渠道合作獎

訊寶

亞太區最佳增值分銷商獎

AMD

最佳進步獎

多普達

特殊貢獻獎

靈圖

金牌增值分銷商

國際商業機器

藍旋風最佳渠道開拓獎

國際商業機器

IBM2006年度最佳渠道開拓獎

飛塔

大中華區最佳分銷獎

惠普

惠普工作站最佳渠道貢獻獎

系統業務

基礎網路事業部

思科系統

思科2006年亞太區合作夥伴技術精英挑戰賽總代理商團隊競賽冠、亞軍
思科亞太最佳合作夥伴獎和CE500產品推廣獎
思科中國2006財年最佳分銷總代理獎

應用網路事業部

寶利通

寶利通亞太總銷量第一
寶利通中國最佳合作夥伴

國際安防品牌實驗室、中國公共安全雜誌社、中國公共安全研究院、CPS網
中國安防產業五十強

惠普事業部

惠普

2006年惠普高端伺服器及存儲產品銷售最佳合作夥伴獎

通用軟體事業部

賽門鐵克

05-06年度賽門鐵克最佳增值分銷商獎

賽貝思

05-06年度賽貝思公司最佳增值分銷商獎

微軟

微軟亞太區最佳運作系統獎
微軟FY06授權總代理最佳業績獎

Significant Events

大事回顧

Value-added network

F5

F5 Best Partner - Asia Pacific

Value-added software

Oracle

Oracle Best Distributor for Technology Products - Asia Pacific

Oracle Best Distributor - Greater China

BEA

Gold and Silver VAD Annual Awards

Gold Annual Award for Technology Solutions

Network security

Juniper

Best Distributor - China 2006

IBM Network

IBM

Best IBM Distributor 2006

Best Distributor (Sales Growth) for STG pSeries 2006

Best Contribution for Storage Products 2006

Best IBM Value-added Software Distributor 2006

Storage

Dostor.com

Best Channel Distributor for Storage Products - China in the "2006 Ranking for Storage Products"

Services Business

National Informatization Evaluation Center

Best IT Management Service Award

China Center for Information Industry Development

Professional Service Award (Financial Sector) 2006

China Center for Information Industry Development

Professional Service Award (Public Sector) 2006

China Center for Information Industry Development

Professional Service Award (Telecommunications Sector) 2006

China Center for Information Industry Development

Professional Service Award (Taxation) 2006

China Center for Information Industry Development

Professional Service Award (Manufacturing Sector) 2006

China Center for Information Industry Development

Customer Satisfaction Award for Switch Service 2006

China Center for Information Industry Development

Most Valuable PRC IT Service Provider 2006

China Center for Information Industry Development

Leaders of PRC IT Services 2006

Carnegie Mellon Software Engineering Institute

CMMI Level 4 (Quantitative Managed Level)

增值網路事業部

F5

F5亞太區最佳合作夥伴獎

增值軟體事業部

甲骨文

甲骨文亞太區最佳技術產品分銷商

甲骨文大中國區最佳分銷商獎

BEA

VAD年度精英金獎·銀獎

年度技術方案金獎

安全網絡事業部

傑科網絡

中國區2006年度最佳分銷商獎

國際商業機器事業部

國際商業機器

2006年度IBM最佳分銷商獎

2006年度 STG pSeries最佳業績增長分銷商獎

2006年度存儲產品最佳貢獻獎

2006年度 IBM軟體最佳增值分銷商獎

存儲事業部

存儲在線

2006存儲風雲榜——中國最佳存儲渠道商

服務業務

國家資訊化測評中心

最佳IT管理服務獎

中國電子資訊產業發展研究院

2006年金融行業專業服務滿意獎

中國電子資訊產業發展研究院

2006年政府行業專業服務滿意獎

中國電子資訊產業發展研究院

2006年電信行業專業服務滿意獎

中國電子資訊產業發展研究院

2006年稅務行業專業服務滿意獎

中國電子資訊產業發展研究院

2006年製造行業專業服務滿意獎

中國電子資訊產業發展研究院

2006年交換機服務用戶滿意獎

中國電子資訊產業發展研究院

2006年中國最具價值 IT 服務企業

中國電子資訊產業發展研究院

2006年度中國IT服務領軍人物

卡內基美隆大學軟件工程學院

獲能力成熟度整合模式(已量化管理階段)國際級認證

Awards Received by Employees

Guo Wei

Beijing Influence Survey Organizing Committee
Top 10 Entrepreneurs Impacting People's Livelihood

Chen Yong

Central Committee of Communist Youth League, Ministry of Information Industry and
All-China Youth Federation
The Third Annual Award for Outstanding Young Practitioners of the PRC Software Industry

Zheng Xiaowei

National Informatization Evaluation Center
Outstanding CIO

Zheng Xiaowei

China CIO Development Institute
Top 500 Best Achievement CIO 2005

員工獲得個人獎項

郭為

北京影響力評選組委會
影響百姓經濟生活的十大企業家

陳勇

共青團中央、資訊產業部、全國青聯
第三屆中國軟體行業傑出青年

鄭小維

國家資訊化測評中心
傑出CIO

鄭小維

中國CIO發展中心
2005年度最佳成就500強CIO獎

Chairman's Statement

主席報告



Provision of comprehensive IT services

提供全方位的 IT 服務

Being at the forefront of the market, we understand the needs and priorities of our customers. We provide IT services on demand and add value to our customers with our solutions.

我們走在市場前端，瞭解客戶所需，想客戶所想，"隨需而動"，為客戶提供最
有價值的解決方案。



Li Qin 李勤
Chairman 主席

Building on sound corporate governance, effective business development strategies, improving execution capabilities as well as a profound understanding of the China market, Digital China has established itself as the most valuable IT service provider in China by identifying market trends and customers' demand ahead of time and daring to improve and innovate.

憑藉良好的公司治理，正確的業務發展戰略，不斷提升的戰略執行能力，對中國市場的深刻理解，準確捕捉市場形勢及顧客需求，通過不斷大膽改進創新，神州數碼已成為中國最有價值的 IT 服務供應商。

The Group maintained stable turnover growth for the 2006/07 financial year thanks to the relentless efforts of the Digital China team. Revenue grew 27.96% year-on-year to HK\$25,418 million. The Group's overall profitability was also improved compared to the previous financial year as gross profit margin grew to 7.27%. Nevertheless, profit attributable to shareholders of the parent for the financial year decreased slightly to HK\$208 million as a result of market investments and other exceptional items. The Group's overall performance in operating cashflow and cash turnover was outstanding thanks to effective internal risk management measures. In terms of market share, the Group has completed full coverage of the China market from retail consumers to large companies in major sectors by providing various IT services, and all business units reported steady growth in market share in their respective segments. According to the IDC report published in April 2007, Digital China was ranked

經過集團上下努力不懈，二零零六/零七財年神州數碼營業額保持穩定增長，集團的收入同比上升約 27.96%；達港幣 25,418 百萬元；集團的整體盈利能力亦於本財年得到改善，整體毛利率達到 7.27%，較上一財年有所提高；但由於市場投入以及其他特殊事項的影響，本財年母公司股東應佔溢利較前一年略微下降，全年總額為港幣 208 百萬元。集團內部風險管理實效顯著，經營性現金流和資金週轉率均取得較好的成績。在市場佔有率上，集團已形成對中國市場從個人消費者到大型行業客戶的全面的 IT 服務覆蓋，各業務單元在各自專注的市場領域的佔有率穩步上升。依據 IDC 於二零零七年四月提供的報告，神州數碼被評為國內第一的 IT 產品分銷商及服務提供商，特別是 IT 服務業，在政府、銀行兩個細分市場中穩佔國內企業第一位。在業務拓展上，神州數碼進一



as the top IT product distributor and service provider in China. In particular, we were the assured leader among local companies, in the government and banking sectors for IT services. In terms of business expansion, Digital China became the most valuable IT service provider in China as it opened up new frontiers in its cooperation with vendors to provide a diverse range of products and value-added services to customers in the fastest possible manner.

We have put in place effective mechanisms for decision-making, supervision and staff incentive following persistent corporate governance efforts since 2001, including a three-tier governance structure comprising shareholders, the Board and the management as required by the Stock Exchange of Hong Kong. By focusing on the process of endorsing business strategies and enhancing supervision over their implementation, we have ensured legal compliance of the Company's business operations, truthfulness of its financial statements and transparency of its management process, as well as procured the timely completion of various financial targets and key tasks. In terms of staff incentives, the Board has worked with the management to formulate the KPI performance appraisal indicators. In terms of management remuneration, we have stressed that the level of remuneration should be performance-related, market competitive, compatible with the progress of the Company's development and it should be consulted and consented with the senior management.

As well as achieving its business and financial targets set at the beginning of the year, Digital China has also successfully completed certain important tasks in its operations during the financial year under review:

- 1) Substantial growth in net software revenue was achieved for all major sectors in the IT service business. With increased markets shares, we have closed up gaps with our competitors and enhanced our market profile.

步加強了與廠商的合作，不斷謀求嶄新的合作模式，最迅速地為客戶提供多元化的產品及增值服務，成為中國最有價值的IT服務供應商。

從二零零一年至今，我們按照香港聯交所的規則，堅持了股東、董事會、管理層的三層治理結構，逐步建立了良好的決策機制、監督機制、激勵機制。重點加強了對戰略的審批，加強了對戰略執行的監督，確保了公司的合法經營、財務報表的真實性，管理的透明度，推進了財務指標和重點工作的按時達成。在激勵方面，董事會與管理層合作，制定了管理層的KPI業績考核指標。在管理層的薪酬激勵方面，強調薪酬激勵要與業績掛鉤、要具備市場競爭力、要與公司的發展階段相適應、要與高管協商的原則。

於本財年度內，神州數碼除成功達到年初預定的各項營業預算指標外，還成功達到年初預訂的集團各項重點工作的指標：

- 1) IT服務軟體業務淨收入在各個主要行業均實現較大增長，在各主要行業服務市場的市場份額也有所提高，縮小了與競爭對手的距離，進一步提高了行業影響力。

- 2) There were solid enhancements in the Group's servicing capabilities as the strategy of implementing fundamental changes in three service areas gained further grounds. With the construction and commissioning of the Xi'an Base, our R&D capabilities for proprietary software were further improved to lay a solid foundation for the future development of Digital China.
 - 3) Business growth plans were effectively implemented with the addition of three new business platforms at Changsha, Fuzhou and Hefei during the financial year under review and expanded the coverage of third- and fourth-tier cities and large-scale corporate customers, resulting in larger market coverage for Digital China and a solid base for further penetration in existing regional markets.
 - 4) Business partners' conferences held during the year were greeted with enthusiastic participation from vendors, core channels and mainstay media, resulting in increased market influence and brand name penetration as well as reinforced domination of Digital China in the IT market of China.
- 2) 服務三大轉型策略得到進一步推進，使集團服務能力的提升得到較好的落實；西安基地的建立和投產，使集團在自有軟體產品的研發能力也獲得進一步提升，為神州數碼未來的發展奠定了基礎。
 - 3) 管理層有效落實了業務增長計畫，本財年內新增長沙、福州、合肥三個業務平臺，同時加大銷售平臺對三、四線城市的覆蓋率，並成功開拓大客戶業務，從而加強了神州數碼的市場覆蓋率，為業務在區域的深度拓展打下較好基礎。
 - 4) 年內展開了多個合作夥伴年會，吸引眾多廠商、核心渠道及主流媒體的熱情參與，成功借助年會擴大了集團對市場的影響，提升了品牌滲透力，進一步鞏固了神州數碼在中國 IT 市場的龍頭地位。

Looking to the forthcoming year, the Group will continue to adopt a pro-active approach to strive for continuous strong growth in shareholders' return. The Group will gear up efforts in strategic management and resource management to help business units achieve growth in business and capabilities. Internally, we will seek to improve return on capital by enhancing fund management and rationalizing fund allocation and control measures. Maintaining gross profit margin growth in the distribution business segment will represent a major challenge owing to limitations in technological innovation for IT products. In terms of market expansion, IT services will remain our focus with increased investments in application development and standardization of the software products, as to strengthen the core competitive strengths of the Group's service business.

We are confident that, on the back of sound corporate governance and the concerted effort of the Digital China team, the Company will continue to generate long-term value growth for shareholders and investors, as the management continues to identify high-growth investment opportunities with their acute and perceptive moves, while introducing innovative business models to meet customers' demand. I would also like to take this opportunity to thank our investors, patrons and staff for their unfailing support of Digital China.



Li Qin 李勤
Chairman 主席

Hong Kong, 12 July 2007
香港，二零零七年七月十二日

未來的一年，集團仍將採取積極進取的措施，持續為股東創造高增長回報。集團將注重加強戰略管理和資源管理工作，以幫助各業務單元實現業務和能力的雙增長，在內部管理上加強資金管理，施行合理的資金分配和調控措施，以提升資金回報率。在分銷領域，由於IT產品技術創新的有限性，毛利率將承受較大的挑戰；在市場拓展上繼續重點發展IT服務業務並加大對產品研發的投入，以便加強集團服務業務的核心競爭能力。

我們深信，憑藉良好的公司治理，憑藉管理層敏銳的市場觸角，獨具慧眼選擇具有高增長性的業務，不斷推進創新業務模式滿足顧客需求，憑藉公司全體幹部員工的共同努力，公司能為股東、投資者帶來長期持續的價值增長。我亦借此機會感謝投資者、客戶及員工一直以來對神州數碼的支持。

Management Discussion and Analysis

管理層研討與分析



Long-term Objectives

長遠目標

Our ceaseless pursuit of business innovation results in the development of competitive and quality software products. We seek to maximise return for shareholders through ongoing optimisation of business processes and effective implementation of risk management.

我們努力不懈，尋求業務上的創新，開發具有競爭力的高質素軟體產品；不斷優化業務流程，有效施行風險管理，為股東實現理想回報。



GUO Wei 郭為
President & CEO 總裁及首席執行官

1. Overall Business Performance

During the year ended 31 March 2007, the Group basically achieved the businesses and management targets set for this financial year. Its principal business grew and its overall profit remained stable. Moreover, the Group's operating cash flow, cash cycle and other aspects also achieved good performance. The Group basically realized a balanced development between business growth and risk control, thereby laying a solid foundation for the Group's development in the second five-year period after its listing.

The growth of the Group's turnover in this financial year surpassed that of the overall domestic market, which reinforced its market position. According to an analysis report provided by IDC in May 2007, the annual growth rate of PRC IT market for 2006 was 15.7%. The Group recorded a turnover of HK\$25,418 million for the year ended 31 March 2007, representing an increase of 27.96% comparing to HK\$19,865 million of last financial year. In order to better implement the Group's business directive of catering to the transformation of IT services, the Group continued to cooperate with suppliers, actively explore new cooperation opportunities, strengthen channel development and deepen the cooperation with channels for the Distribution business and Systems business. The Group made intensive endeavor to focus on the finance, telecommunications and government sectors for the Services business so as to achieve stronger growth. The Group's profitability during this financial year also improved as the overall gross profit margin reached 7.27%, up from 7.07% of the same period of last financial year.

1. 整體經營表現

截至二零零七年三月三十一日之年度，本集團於本財年所設定的各項業務和管理目標基本完成，主營業務取得成長，整體盈利保持穩定，經營性現金流和資金週轉等各項指標表現良好，基本實現了業務成長與風險控制的均衡發展，為本集團在上市後第二個五年的發展奠定了穩固的基礎。

本集團於本財年營業額增長高於國內整體市場的增長水平，市場優勢地位得到鞏固。依據IDC於二零零七年五月提供的分析報告，中國資訊科技（「IT」）市場於二零零六年增長率為15.7%，本集團於截至二零零七年三月三十一日之年度，錄得營業額港幣25,418百萬元，較上財年之港幣19,865百萬元，增長27.96%。為更好的落實本集團面向IT服務轉型的業務指導思想，本集團於分銷業務和系統業務繼續與廠商保持良好的配合，積極探索新的合作發展，加強渠道建設，不斷提升與渠道合作的緊密度和深度；服務業務專著於金融、電信、政府等行業領域精耕細作，使業務取得較好的成長。本集團於本財年業務盈利能力亦得到改善，整體毛利率為7.27%，比上財年同期的7.07%有所上升。



As a leading IT products distributor and service provider in the Mainland, the principal businesses of the Group continued to maintain a superior position during this financial year. According to an analysis report provided by IDC in April 2007, Digital China topped the list of IT product distributors and service providers on the Mainland. According to an analysis report of Sm@rtPartner in May 2007, the Distribution and Systems businesses of the Group continued to occupy approximately 50% of the market share of the top four distributors of the Mainland market during 2006, consolidating its role as a market leader. According to an analysis report of IDC in April 2007, the Group's Services business ranked first among the local service providers in the same industry, and also ranked the first in the two segment markets – government and banking segments, as a local provider.

During this financial year, the Group adopted, following prudence principle, financial treatments on certain special items not arose in this financial year with contingency risks. On the other hand, in order to focus on corporate innovation and the buildup of capabilities to maintain sustainable business development, enhance the brand attractiveness, the Group further increased its input to the software product development and market development, and organized a series of large scale publicity activities. As a result of the above two aspects, the Group's profit attributable to equity holders of the parent (profit attributable to shareholders) during this financial year was affected. Relevant factors were illustrated as follows:

- (1) The Group recorded an exchange gain of approximately HK\$109 million for this financial year, representing an increase of HK\$44 million over HK\$65 million of last financial year;

作為國內領先的IT產品分銷商和服務提供商，本集團於本財年的主營業務繼續保持優勢地位。根據IDC於二零零七年四月提供的分析報告，神州數碼被評為國內第一的IT產品分銷商及服務提供商。依據Sm@rtPartner於二零零七年五月提供的分析報告，本集團於二零零六年在大陸市場排名前四名的分銷商中，分銷與系統業務所佔市場份額保持在50%左右，市場領導地位進一步得到鞏固。在IDC於二零零七年四月提供的分析報告中，本集團服務業務在同領域的國內企業中，市場排名位列第一，其中在政府、銀行兩個細分行業市場中亦穩佔第一位。

本集團於本財年，一方面出於謹慎性的考慮，對存有或有風險之非本財年經營所產生的一些特別事項進行了財務處理，另一方面為強調企業創新及業務的可持續發展的能力建設，為提升品牌拉力，而增加了軟件產品研發投入和市場投入，並舉辦了一系列大型宣傳活動，這兩個方面使本集團於本財年的母公司股東應佔溢利（股東應佔溢利）受到影響。具體的影響因素包括：

- (1) 本集團於本財年，獲得約港幣109百萬元之匯兌收益，較上財年之約港幣65百萬元增加港幣44百萬元；

- (2) After the completion of merger and acquisition of Beijing Si-Tech Information Technology Co., Ltd. ("STQ") by the Group in the last financial year, the new company fully expanded its integration business with telecommunications customers and marketing for software development services. In order to reflect the future profit and loss of this new company in a clearer manner, based on prudence principle, the Group charged in full the goodwill arising from the acquisition of STQ of approximately HK\$29 million as impairment in this financial year. In addition, an investment loss of approximately HK\$12 million was recognized as a result of impairment for the intangible assets contributed into Digital China System Access Holding Limited, a jointly-controlled entity, by both joint venture parties;
- (3) During the third quarter of this financial year, the Group recovered HK\$8 million through a lawsuit, being part of an amount of approximately HK\$12 million trade receivable balance with a systems business customer. Nevertheless, a bad debt loss of approximately HK\$4 million was eventually incurred;
- (4) During this financial year, the Group amortised and impaired an aggregate amount of approximately HK\$21 million in respect of the intangible assets (development costs capitalised) capitalised in previous financial years. No additional development costs were capitalised in this financial year (additional development costs capitalised in the last financial year exceeded the amount amortised and impaired by approximately HK\$7 million);
- (2) 本集團於上財年完成對北京思特奇信息技術股份有限公司(「思特奇」)的併購後,新公司已全面開展針對電信客戶的集成和軟件開發服務的市場工作;為了能夠清晰地反映新公司未來的損益情況,出於審慎原則的考慮,本集團將收購思特奇產生之約港幣29百萬元商譽於本財年予以全額減值處理;另外,還對共同控制企業神州數碼國鋒控股有限公司的雙方投入的無形資產予以減值處理,本集團本財年計提對應的投資虧損約港幣12百萬元。
- (3) 對系統業務客戶之一筆應收帳款約港幣12百萬元,本集團於本財年第三季度通過訴訟追回8百萬元之款項,但最終仍產生了壞賬損失約港幣4百萬元;
- (4) 本集團於本財年對以往財年形成的無形資產(資本化之開發成本)進行的攤銷及減值總額約港幣21百萬元,而於本財年並無新增之資本化開發成本(而上財年新增的資本化之開發成本比攤銷及減值金額高約港幣7百萬元);

(5) The Group launched a series of large scale activities during this financial year, including: “Annual Innovation Meeting” (創新年會) on the Theme of “Digitization. Innovation. China” (數字中國), the “2006 Summit of Digital China Channel Partners” (2006神州數碼渠道夥伴峰會) on the Theme of “Power of Flying” (飛翔的力量), the “2006 Summit of Digital China Value-added Services Senior Partners” (2006年神州數碼增值服務高級合作夥伴峰會) on the Theme of “Innovating Your World” (創新你的世界) and the ceremonies celebrating the establishment of Digital China (Hefei) Company Limited (神州數碼(合肥)有限公司), Fuzhou Digital China Company Limited (福州神州數碼有限公司) and Changsha Digital China Company Limited (長沙神州數碼有限公司). These activities not only upgraded the brand image of the Company in the industry, but also enhanced cooperation with local governments, channels and customers, and promoted the Group’s in-depth business development in different regions. However, the expense of organizing large conferences and channel marketing activities and of the establishment of the subsidiaries had certain impact on the Group’s profit during this financial year.

The Group’s profit attributable to equity holders of the parent during this financial year was approximately HK\$208 million, the return on shareholders’ equity was 10.63%, representing a slight decrease comparing to last financial year. Basic earnings per share and diluted earnings per share were 23.92 HK cents and 23.78 HK cents.

The Group aimed at creating healthy cashflow during this financial year, and insisted on the implementation of healthy business operation strategies, and the Group’s operating cash flow and cash cycle also achieved good performance. Net cash inflow from operating activities of the Group for the year ended 31 March 2007 amounted to approximately HK\$571 million, representing an increase of approximately HK\$441 million comparing to the last financial year. The increase was mainly attributable to the increase of trade and bill payables. For the year ended 31 March 2007, the Group’s cash cycle was 27.44 days, representing a decrease of 7.16 days comparing to the last financial year, while the turnover days of the inventory and the trade receivables decreased by 2.97 days and 3.99 days respectively.

(5) 本集團於本財年內連續推出了包括：以「數字中國」為主題的「創新年會」、以「飛翔的力量」為主題的「2006神州數碼渠道夥伴峰會」、以「創新你的世界」為主題的「2006年神州數碼增值服務高級合作夥伴峰會」、以及神州數碼(合肥)有限公司、福州神州數碼有限公司和長沙神州數碼有限公司的成立慶典等一系列大型活動，不但提升了公司在業內的品牌形象，更加強了與地方政府、渠道及客戶的合作關係，並將推動本集團在區域業務的深度拓展。然而舉辦大型會議和渠道市場活動的費用開支以及分公司成立而發生的費用，對本集團於本財年之盈利帶來一定影響。

本集團於本財年母公司股東應佔溢利約為港幣208百萬元，股東資金回報率為10.63%，比上財年同期略有下降。基本每股盈利及攤薄後每股盈利分別為23.92港仙和23.78港仙。

本集團於本財年以創造健康的現金流入目標，堅持做健康業務的經營策略，經營性現金流和資金週轉均有良好的表現。本集團於截至二零零七年三月三十一日之年度，經營業務所得現金淨額約為港幣571百萬元，比上財年增加約為港幣441百萬元，這主要來自於應付貿易帳款及應付票據的增加。截至二零零七年三月三十一日之年度，本集團現金週轉天數為27.44天，較上財年下降了7.16天。其中存貨及應收貿易帳款週轉天數分別較上財年下降了2.97天及3.99天。

2. Business Review

2.1 Distribution business

The Group's Distribution business experienced robust growth in this financial year. The turnover of the Group's Distribution business for the year ended 31 March 2007 reached HK\$14,728 million, representing an increase of 26.79% from last financial year, far exceeding the growth rate of the PRC IT market. The Distribution business of the Group emphasized the balance between business growth and profitability. The gross profit margin for this financial year increased to 4.79%, comparing to 4.69% of last financial year.

2.1.1 New product operation gradually entered a steady growth stage

During this financial year, the Group's Distribution business recorded rapid growth in the turnover of its various major business sectors. The turnover of notebook computers of the Group for this financial year grew by 41.73% from last financial year. The turnover of consumer IT products increased by 46.74% from last financial year. The turnover of PC servers increased by 41.27% from last financial year. The turnover of accessories increased by 38.16% from last financial year. The ACER notebook and desktop computers business, and the FULFILLMENT business of the HP desktop computers, which was introduced by the Group during last financial year, has brought a turnover of exceeded HK\$3,466 million for the year ended 31 March 2007, representing an increase of HK\$2,054 million from last financial year.

2.1.2 Strengthened channel development and deepened channel cooperation

The Group continued to reinforce its cooperation with channels for the Group's Distribution business. The "2006 Summit of Digital China Channel Partners" (2006神州數碼渠道夥伴峰會) on the Theme of "Power of Flying" (飛翔的力量) held in Zhuhai on 5-7 December 2006 was attended by over 800 excellent channels. The initiation of "Flying Project" (飛翔工程), a project aimed to further enhance the cooperation with the channels, drew tremendous responses. As at 31 March 2007, the number of effective channels for its Distribution business reached 5,956, representing an increase of 31.39% from the end of last financial year.

2. 業務回顧

2.1 分銷業務

本集團分銷業務於本財年呈現快速增長，截至二零零七年三月三十一日之年度，本集團分銷業務營業額達到港幣14,728百萬元，比上財年增長達到26.79%，超越大勢增長，本集團分銷業務注重業務增長和盈利能力穩定的均衡性，全年毛利率為4.79%，較上財年的4.69%有所上升。

2.1.1 新產品運作逐漸進入穩定增長

本集團於本財年分銷業務在各主要業務領域的營業額均快速成長。本集團於本財年之筆記本營業額較上財年增長41.73%，消費IT營業額較上財年增長46.74%，PC伺服器營業額較上財年增長41.27%，套件營業額較上財年增長38.16%。而本集團上財年引入的宏碁(ACER)筆記本及臺式機產品線，惠普(HP)家用臺式機的庫存交單(FULFILLMENT)業務，截至二零零七年三月三十一日之年度，這兩項業務的營業額超過港幣3,466百萬元，比上財年淨增加港幣2,054百萬元。

2.1.2 加強渠道建設，提升渠道合作緊密度

本集團的分銷業務對於渠道的合作緊密度不斷加強，於二零零六年十二月五日至七日，在珠海舉辦以「飛翔的力量」為主題的「2006神州數碼渠道夥伴峰會」，共有超過800家優秀的渠道夥伴到會，同時啟動和渠道夥伴深度合作的「飛翔工程」，反響強烈。於二零零七年三月三十一日止，分銷業務的有效渠道達到5,956家，較上財年末增加31.39%。

2.1.3 Continued optimization of internal operation process and strengthening of operation and management capability

Regarding the Group's Distribution business, the Group further optimized its business processes on the basis of its business process management system. The Group focused on the optimization of order process this financial year: continued the working method of CPI (Continuous Process Innovation) adopted from last financial year and conducted quantitative analysis on the factors affecting order efficiency and continued to improve and optimize so as to improve the efficiency of the Distribution business in handling orders and enhance operating efficiency and customers' satisfaction.

2.2 Systems business

The turnover of the Group's Systems business for the year ended 31 March 2007 reached HK\$7,352 million, representing an increase of 29.44% comparing to last financial year. While expanding the business scale, the Group maintained its profitability through the in-depth cooperation with channels partners. Gross profit margin for this financial year increased to 9.51% comparing to 8.92% of last financial year.

2.2.1 Actively catering to the expansion strategy of suppliers led to remarkable business growth

During this financial year, the Group's Systems business recorded significant growth in the turnover of its various major business sectors comparing to the last financial year. The turnover of network products increased by 28.03% comparing to last financial year. The turnover of packaged software increased by 23.74% comparing to last financial year. The turnover of storage products increased by 14.28% comparing to last financial year. The turnover of UNIX servers increased by 13.98% comparing to last financial year. By adopting the strategy of meeting suppliers' business requirements for expansion into medium and small cities, the Group recorded substantial growth in the turnover of its four major products during this financial year, and further consolidated its advantageous position in the UNIX server, network product and packaged software sectors.

2.1.3 不斷優化內部運作流程，提升運作管理能力

本集團分銷業務在基於經業務流程管理體系基礎之上，更進一步優化業務流程，於本財年重點著力於訂單流程的優化：延續上財年導入的CPI (Continuous Process Innovation，持續的流程改進)的工作方式，量化分析影響訂單效率的各個方面，持續改善、持續優化，分銷業務的訂單處理效率有所提高，加快了運作效率，提升了客戶滿意度。

2.2 系統業務

截至二零零七年三月三十一日之年度，本集團系統業務營業額達到港幣7,352百萬元，較上財年增長29.44%。在規模增長的同時，本集團通過加強渠道的深度合作，盈利能力保持穩定，全年毛利率為9.51%，較上財年8.92%上升。

2.2.1 積極配合廠商拓展策略，業務增長顯著

本集團於本財年內系統業務在各主要業務領域的營業額較上財年有明顯的增長，網絡產品營業額較上財年增長28.03%，套裝軟件營業額較上財年增長23.74%，存儲設備營業額較上財年增長14.28%，UNIX伺服器營業額較上財年增長13.98%。在配合廠商向中小城市拓展的策略下，本集團於本財年四大領域產品營業額增長顯著，其中，在UNIX伺服器、網絡產品、套裝軟件等領域優勢地位得到進一步穩固。

2.2.2 In-depth development in different regions strengthened through synergistic development with channels

The Group's Systems business reinforced the expansion of regional channels during this financial year. Comparing to 31 March 2006, the total number of channels increased by 16% as at 31 March 2007. During this financial year, the Group's Systems business organized "2006 Conference of Channels in Tier 2 and 3 Cities" (2006夥伴關愛之旅) in 18 provinces and autonomous regions, and the "2006 Summit of Digital China Value-added Services Senior Partners" (2006年神州數碼增值服務高級合作夥伴峰會) on the Theme of "Innovating Your World" (創新你的世界). Meanwhile, persistent efforts were made to promote a series of cooperative programs with the Core Channels, and Core Channels Authorizing Conference (核心渠道峰會以及授牌) was organized to reinforce the support and management to the channels and enhance business values.

2.2.3 Reinforcement in service capability through internal measures

The Group continued to reinforce its service capability during this financial year. The number of technical staff increased from 178 persons as at 31 March 2006 to 208 persons as at 31 March 2007. The Group has adjusted its service and product portfolio and completed the compilation of the service and product manual of the Systems business. Services business of the Group's Systems business achieved remarkable results and the turnover of services business recorded a 114% growth comparing to last financial year.

2.3 Services business

The Group's Services business maintained rapid grow. For the year ended 31 March 2007, the turnover of the Services business of the Group recorded HK\$3,339 million, representing a 29.97% growth comparing to last financial year. While expanding the business scale, the Group maintained its profitability and its overall gross profit margin reached 13.30%.

2.2.2 協同渠道共同發展·加強在區域深度拓展

本集團系統業務於本財年加大區域渠道拓展·於二零零七年三月三十一日渠道總數目比二零零六年三月三十一日之數目增長16%。同時·本集團系統業務於本財年分別舉辦途經十八個省自治區直轄市的「2006夥伴關愛之旅」·以及以「創新你的世界」為主題的「2006年神州數碼增值服務高級合作夥伴峰會」·同時·繼續推進與核心渠道的合作計劃·舉辦核心渠道峰會以及授牌儀式·加強對渠道的支持和管理·提升業務價值。

2.2.3 加強服務內功修煉·提升服務能力

本集團於本財年繼續推進服務能力建設·截至二零零七年三月三十一日·技術人員已由二零零六年三月三十一日的178人增加至208人·梳理服務產品體系·並完成系統業務服務產品手冊·本集團系統業務之服務業務取得良好業績·服務業務營業額較上財年增長114%。

2.3 服務業務

本集團的服務業務繼續保持快速增長。截至二零零七年三月三十一日之年度·本集團服務業務錄得營業額港幣3,339百萬元·較上財年同期增長29.97%。在業務規模增長的同時·保持了穩定的盈利能力·整體毛利率達到13.30%。

2.3.1 Customer-oriented and maintained steady development in various sectors

During this financial year, the Group continued to adhere to its customer-oriented principle in its Services business, which contributed to the steady growth of different sectors. The Group maintained its advantageous position in key sectors such as the finance, telecommunications and government sectors. In the telecommunications sector, the Group continued to cooperate with leading telecommunication operators such as China Mobile and China Network Communications, with whom the Group has entered into a number of billion-worth contracts. After the acquisition of STQ, the Group added four core mobile customers, successfully secured the contract of Anhui Unicom's BSS project and became a system integrator of the mobile agent service (MAS) for the headquarter of China Mobile, and expanded the traditional business support system. Regarding the tax sector, the Group has achieved remarkable results in managing large clients such as the State Administration of Taxation, Shenzhen Municipal office of the State Administration of Taxation, Liaoning Bureau of Local Taxation. In the government sector, the Group has achieved steady progress and secured new major clients such as PetroChina and the Ministry of Science and Technology.

2.3.2 Rapid development in service scale as a result of the improvement in products support and the IT outsourcing and maintenance services

Regarding improvement of the service system, the Group established the products support and IT outsourcing and maintenance service delivery centre in this financial year in order to lay a foundation for service process and cost reduction. The Group also established a technological operation platform to improve utilization efficiency of resources and strengthen process control. Besides, the Group increased its investment in the commercialization and standardization of services. The Group also passed the international certification of IT service management (ITIL/ITSM) system ISO 20000, and became the first enterprise obtaining such certification in the PRC after such international standard was upgraded to ISO20000:2005.

For the year ended 31 March 2007, the products support and IT outsourcing and maintenance services of the Group's Services business concluded contracts valued over HK\$400 million, representing an increase of more than 50% from last financial year. The Group concluded million-worth contracts with all of the four leading telecommunication operators. The Services business of the Group also successfully secured new major clients in the non-telecommunications sectors, such as the banking, insurance and tax sectors.

2.3.1 以客戶為本、各行業發展保持穩定

本集團服務業務於本財年，以客戶為本，帶動行業獲得穩定增長，在金融、電信、政府主力行業繼續保持優勢地位。電信行業與中國移動、中國網通等主要電信運營商繼續合作，實現多個億元級大單的簽約；並在收購思特奇後，增加了四個移動核心客戶，成功簽約安徽聯通BSS項目，成功入圍中國移動總部MAS (mobile agent service)集成商，拓展了傳統的業務支撐系統；稅務行業在國家稅務總局、深圳市國家稅務局、遼寧省地方稅務局等大客戶管理取得不俗成績；政府行業取得穩步發展，新增中石油、科技部等新的大客戶。

2.3.2 完善產品支持與運維外包服務體系建設、服務規模快速增長

在服務體系完善方面，本集團於本財年建立產品支持與運維外包服務交付中心，為實現服務流程和降低成本打下基礎；建設技術運作平臺，提升了資源利用效率，加強了過程控制；對服務產品化及規範化更大投入。並通過IT服務管理(ITIL/ITSM)體系ISO 20000國際認證，是這一國際標準體系升級為ISO20000: 2005後，國內首家通過該認證的企業。

本集團服務業務的產品支持與運維外包服務，截至二零零七年三月三十一日之年度，簽約額超過港幣400百萬元，較上財年增長超過50%。與四大電信運營商的簽約額均超過港幣千萬元，在其他非電信領域，如銀行、保險、稅務等行業也成功進行了大客戶的開拓。

2.3.3 Steady progress in three core transformation strategies

For the year ended 31 March 2007, the Group's Services business devoted additional efforts on transformation by establishing and promoting three core capabilities. Firstly, transforming from customer on-site development to centralized development – the Group's Services business significantly enhanced the infrastructure capabilities of its Xi'an software development base. The construction of infrastructure facilities was basically completed and substantial investment was also made in the expansion and training of workforce. Secondly, transforming from application software development business to IT operation outsourcing business – building up the capability of providing comprehensive operation outsourcing services of labour, equipment and facilities. Thirdly, transforming from customized software development to software product development – the Group's Services business increased its contribution in software product development for its major sectors such as finance, telecommunications and government, leading to enhancement of its software product capabilities and improvement of delivery efficiencies.

3. Management Review

The financial year 2006/07 is the first year of the Group's new five-year plan. The Group's management capabilities will be facing new tests again. Besides promoting business development by stepping up the persistent efforts on the key scopes of R (Risk), D (Development), C (Customer), the Group commenced work in various aspects to improve capabilities in brand, resource and culture management.

- (1) Brand promotion centering around the strategic theme of "IT Services Innovation" began to bear fruit. The success of the innovative conferences and the large scale marketing activities launched by the Distribution and Systems businesses respectively contributed significantly to deepening the Group's brand identity in IT services and promoting the Group's innovative concepts. The effective promotion of brand identity created more favourable conditions for the expansion of the Group's various businesses. Meanwhile, Digital China (Hefei) Company Limited (神州數碼(合肥)有限公司), Fuzhou Digital China Company Limited (福州神州數碼有限公司) and Changsha Digital China Company Limited (長沙神州數碼有限公司) were established during this financial year. This not only effectively enhanced communications with local governments and different sectors, but also upgraded Digital China's brand image and provided impetus for the Group's in-depth business development in these three provinces.

2.3.3 服務三大轉型策略穩步推進

截至二零零七年三月三十一日止的本年度內，本集團服務業務一直致力於建立和推進三個關鍵核心能力的轉型工作。第一，從客戶現場開發方式向基地化開發方式轉型——大力推進西安軟件開發基地的基礎能力建設，基礎設施建設基本完成，人員的擴張和培養也作了大量投入；第二，從應用軟件開發業務向運營外包業務轉型——逐步形成從人員、工具到設施的全面運營外包服務能力；第三，從軟件定制開發向軟件產品化轉型——金融、電信、政府等主要行業針對軟件產品化開發進行了較大的投入，軟件產品化能力的有所提升，交付效率逐步提高。

3. 管理回顧

二零零六／零七財年作為本集團新的五年計劃啟動伊始，管理能力再次面臨新的調整，本集團在深化持續的R(風險)·D(員工發展)·C(客戶發展)重點工作推動業務發展的同時，更在品牌、資源、文化等管理能力的提升上，展開了多方面的工作。

- (1) 圍繞"IT服務·創新"的戰略思想為主題的品牌推廣取得成功。創新大會、分銷和系統業務分別舉辦的大型市場推廣活動的成功舉辦，在深化本集團的IT服務品牌內涵，宣傳本集團的創新理念上取得了很大的成功，品牌內涵的有效的傳播，也為本集團各項業務的開拓創造更為有利的條件。同時，於本財年先後成立了神州數碼(合肥)有限公司、福州神州數碼有限公司、長沙神州數碼有限公司，這不僅能夠有效的加強與地方政府、行業溝通，提升神州數碼的品牌形象，更將推動本集團在這三省內業務的深度拓展。

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- (2) Regarding human resource management, the Group's management stepped up the training of talents with high calibre and potentials and tried to explore a set of proven and effective talent training methods and mechanism, so as to lay the foundation for the Company's talent ladder. The Group reactivated the "talent programme" in the campus again and upgraded its employer's image in all the pivotal colleges and universities.
- (3) The Group continued to strengthen its fund and process management and risk control during this financial year. By raising awareness of fund efficiency and innovating financial tools on an on-going basis, the Group gradually established its core competitiveness centering at the overall risk management system of increasing fund returns.
- (4) The Group has stepped up the development of corporate culture to enhance corporate cohesion, motivate and encourage staff to innovate new ideas. During this financial year, the Group organized a series of corporate culture activities targeting at technical staff, sales personnel and supportive staff and received overwhelming responses from the staff.
- (2) 在人力資源管理上，本集團管理層加大對高績效高潛力人才的培養，嘗試並探索出一套行之有效的優才培養方法和機制，為公司幹部梯隊建設奠定基礎；再次啟動校園“英才計劃”，在國內各重點高校的僱主形象顯著提高。
- (3) 本集團於本財年繼續深化資金、流程管理以及風險控制。從資金效率意識的深入人心，到金融工具的不斷創新，圍繞提升資金回報的整體風險管理體系，逐步成為本集團的核心競爭能力。
- (4) 加強企業文化建設，以提升企業的凝聚力，激發和鼓勵員工的創新意識。本集團於本財年內部舉辦的針對技術人員、銷售人員、職能人員的一系列企業文化日活動，在員工層面獲得了很好的反響。

4. Outlook

The management of the Group are satisfied with the Group's outstanding business and management results achieved in this financial year. In the coming year, the Group will, under the directive of IT service transformation, continue to deepen its customer-oriented business model, innovate and enhance value, and deepen the development of RDC capabilities.

At the same time, the Group will still face huge pressures and challenges internally or externally. Firstly, due to intensified market competition, the Group still faces the risk of decline in gross profit margin for Distribution and Systems businesses; Secondly, increase in the interest rate of RMB and USD borrowings leads to increase in the finance costs of the Group; Thirdly, amortisation of the Group's intangible assets (development costs capitalised) remained; Fourthly, the Group will increase its investment in human resources and research and development capabilities of IT services business so as to further improve the core competitiveness of the Group's Services business; and Fifthly, in order to improve its market influence and competitiveness, the Group will maintain its cordial relationship with the government, suppliers and business partners, and continue its input on brand advertising and promotion.

The management will formulate its annual plan and budget under a pragmatic principle and execute policies under an effective implementation assurance system. The management is confident that the result of the Group will record growth in the financial year of 2007/08, which will lay a more solid foundation for its development in the next five years.

Capital Expenditure, Liquidity and Financial Resources

The Group mainly finances its operations with internally generated cash flows, bank loans and banking facilities.

The Group had total assets of HK\$6,885 million at 31 March 2007 which were financed by total liabilities of HK\$4,912 million, minority interests of HK\$12 million and equity attributable to equity holders of the parent of HK\$1,961 million. The Group's current ratio at 31 March 2007 was 1.44 as compared to 1.25 at 31 March 2006.

During the year ended 31 March 2007, capital expenditure of HK\$81 million was incurred for the acquisition of office equipment and leasehold improvements of buildings in Beijing.

4. 未來展望

本集團管理層對本財年集團業務和管理的各方面所取得的成績表示滿意。在新的一年，本集團將在IT服務轉型的指導思想下，以繼續深化面向客戶的業務模式、創新和提升價值為首要目標，在內部管理上繼續深化RDC能力建設。

同時，在新的一年裏，本集團仍面臨著內部和外部巨大的壓力和挑戰。第一，分銷和系統業務因市場競爭加劇仍面臨毛利率下降的風險；第二，由於人民幣和美元貸款息率上漲，而帶來本集團財務成本的上升；第三，本集團剩餘無形資產（資本化之開發成本）的攤銷；第四，集團將圍繞IT服務業務在人員和研發能力上繼續加大投入，以進一步增強本集團在服務業務領域的核心競爭能力；第五，為提升本集團的市場影響力和競爭能力，促進本集團與政府、廠商以及合作夥伴之間良好的合作關係，還需要進一步在品牌宣傳和推廣上繼續加大投入。

管理層將本著務實的原則制定年度計劃和預算，以有效的執行保障體系進行落實，管理層有信心使本集團於二零零七/零八財年的業績再獲增長，並為實現下一個五年發展目標打下更為堅實的基礎。

資本開支、流動資金及財務資源

本集團主要以內部資源、銀行貸款及銀行信貸應付其營運所需資金。

於二零零七年三月三十一日，本集團擁有總資產港幣6,885百萬元，而資金來源為總負債港幣4,912百萬元，少數股東權益港幣12百萬元及母公司股東應佔權益港幣1,961百萬元。於二零零七年三月三十一日，本集團之流動比率為1.44，而於二零零六年三月三十一日為1.25。

於截至二零零七年三月三十一日止之年度內，用於購置辦公室設備及北京大樓租賃裝修的資本開支為港幣81百萬元。

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管理層研討與分析

The aggregate interest-bearing borrowings as a ratio of equity attributable to equity holders of the parent was 0.63 at 31 March 2007 as compared to 0.68 at 31 March 2006. The computation of the said ratio was based on the total interest-bearing borrowings of HK\$1,237 million (31 March 2006: HK\$1,206 million) and equity attributable to equity holders of the parent of HK\$1,961 million (31 March 2006: HK\$1,787 million).

At 31 March 2007, the denomination of the interest-bearing borrowings of the Group was shown as follows:

有關附息貸款總額佔母公司股東應佔權益之比率於二零零七年三月三十一日為0.63，而於二零零六年三月三十一日為0.68。上述比率按附息貸款總額港幣1,237百萬元（二零零六年三月三十一日：港幣1,206百萬元）及母公司股東應佔權益港幣1,961百萬元（二零零六年三月三十一日：港幣1,787百萬元）計算。

於二零零七年三月三十一日，本集團的附息貸款的借款單位如下：

		Denominated in United States dollar 以美元 為借款單位 HK\$'000 港幣千元	Denominated in Renminbi 以人民幣 為借款單位 HK\$'000 港幣千元	Total 合計 HK\$'000 港幣千元
Current	流動			
Interest-bearing bank borrowings, unsecured	附息銀行貸款·無抵押	599,887	–	599,887
Interest-bearing bank borrowings, secured	附息銀行貸款·有抵押	–	33,649	33,649
		599,887	33,649	633,536
Non-current	非流動			
Interest-bearing bank borrowings, unsecured	附息銀行貸款·無抵押	–	603,697	603,697
Total	合計	599,887	637,346	1,237,233

The Group's current borrowings of approximately HK\$34 million extended by financial institutions to a subsidiary of the Group, Beijing Si-Tech Information Technology Co., Ltd. ("STQ"), were secured by a property situated in the Mainland China with a value of approximately HK\$16 million at 31 March 2007 and 14,061,976 issued shares of STQ in favour of Beijing Zhongguancun Sci-Tech Guaranty Co. Ltd. (the "Pledgee"), an independent third party, for securing a guarantee issued by such Pledgee on behalf of STQ. The Group's non-current bank borrowings of approximately HK\$604 million represented the term loans and are repayable from Year 2008 to 2012.

本集團之流動貸款約港幣34百萬元是由金融機構授予本集團之一間附屬公司北京思特奇信息技術股份有限公司（「思特奇」），並以於二零零七年三月三十一日以其價值約港幣16百萬元位於中國大陸之一項物業及思特奇的14,061,976股已發行股份抵押予一間獨立第三方中關村科技擔保有限公司（「承押人」），以獲取由承押人代表思特奇之貸款作出之擔保。本集團之非流動銀行貸款約港幣604百萬元為有期貨款須於二零零八年至二零一二年償還。

The Group's total available credit facilities at 31 March 2007 amounted to HK\$7,361 million, of which HK\$1,000 million were in term loan facilities, HK\$4,524 million were in trade lines and HK\$1,837 million were in short-term and revolving money market facilities. At 31 March 2007, the facility drawn down was HK\$604 million in term loan facilities, HK\$2,150 million in trade lines and HK\$313 million in short-term and revolving money market facilities.

Under the normal course of business, the Group has issued performance bonds to some customers for potential claims of non-performance in order to satisfy the specific requirements of these customers. As no material claims had been made by the customers under such performance bonds in the past, the management considers that the possibility of realisation of any actual material liabilities arising from such performance bonds is remote.

Human Resources

At 31 March 2007, the Group had approximately 6,700 (31 March 2006: approximately 5,400) full-time employees. The majority of these employees work in the PRC. The Group offers remuneration packages in line with industry practice. Employees' remuneration includes basic salaries and bonuses. With the increase in the total number of staff to cope with its business requirements, the Group has recorded a 37.13% increase in staff costs to approximately HK\$878 million for the year ended 31 March 2007 as compared with an approximate sum of approximately HK\$640 million for the last financial year. In order to attract and retain a high caliber of capable and motivated workforce, the Company offers share options to staff based on the individual performance and the achievements of the Company's targets. The Group is committed to providing its staff with various in-house and external training and development programs.

本集團於二零零七年三月三十一日之可動用總信用額為港幣7,361百萬元，當中包括港幣1,000百萬元之有期貨款額度、港幣4,524百萬元之貿易信用額度及港幣1,837百萬元之短期及循環現金透支。於二零零七年三月三十一日，本集團已動用之有期貨款額度為港幣604百萬元，貿易信用額度為港幣2,150百萬元及短期及循環現金透支為港幣313百萬元。

在一般業務範圍內，本集團為滿足若干客戶之個別要求，會就未能履約之潛在索償向該等客戶提供履約保證。由於過去並無客戶就履約保證作出任何重大索償，故管理層認為因履約保證而產生任何實際重大負債之可能性不大。

人力資源

於二零零七年三月三十一日，本集團約有全職僱員6,700名（二零零六年三月三十一日：約5,400名）。該等僱員大部份均於中國受僱。本集團按照行業慣例提供酬金福利予僱員。僱員酬金包括基本薪金及花紅。為配合業務需求而增聘僱員，導致本集團於截至二零零七年三月三十一日止年度之僱員成本上升37.13%至約港幣878百萬元，上財年同期約港幣640百萬元。為吸納及挽留優秀積極之僱員，本公司按個人表現及所達到之本公司目標，向員工授出購股權。本集團亦同時致力為僱員提供多項內部及外間培訓與發展計劃。

Directors and Senior Management

董事及高層管理人員



Mr. LI Qin
李勤先生

Mr. GUO Wei
郭為先生

Mr. ZENG Maochao
曾茂朝先生

Mr. LIN Yang
林楊先生

Mr. HUA Zhinian
華祉年先生

Biographical Details of Directors

Executive Directors

Mr. LI Qin, aged 66, is the Chairman of the Group, and responsible for overseeing the businesses of the Group and the strategic development and management of the Group's operations in China. He graduated from Xian University of Technology in 1965 and has over 40 years of experience in the computer industry. Being a founder and one of the principal management of the Legend group, Mr. Li managed the daily operation of the Legend group; worked jointly with other principal management to formulate Legend's macro objectives, initiated all-rounded plans and implementation solutions; put forward and upheld innovation and challenging managerial work which all contributed to enhance the group's overall benefits. In 2001, the Legend group carried out a strategic restructuring to spin-off Digital China separately listed on the main board in Hong Kong. Mr. Li serves as the Chairman of the board of directors of Digital China. Mr. Li has made outstanding contributions to the development milestone of the Legend group. In 1992, Mr. Li was awarded "Outstanding Technology Entrepreneur of Civil Enterprise" by the Committee of Science and Technology of China and in the same year, he was also honoured as China's Outstanding Mid-Youth Scientist. In 1994, Mr. Li was awarded "Excellence Entrepreneur in High-Technology Industry" by the Beijing Municipal Science & Technology Commission. In 2000, he was awarded "City Model of Labor of Beijing".

董事之簡歷

執行董事

李勤先生，六十六歲，本集團主席，負責本集團的整體業務及在中國營運的策略發展與管理。彼於一九六五年畢業於西安理工大學，在電腦業擁有逾四十年的經驗。李先生作為聯想集團的創業者 and 主要管理者之一，主持聯想集團的日常工作，與其他主要管理者共同制定聯想的宏觀目標，策劃具有全局性的計劃和實施方案，提出並推動突破性管理工作，促進集團整體效益的提高。二零零一年聯想集團進行了戰略重組，分拆神州數碼單獨在香港主板上市，李先生出任神州數碼董事局主席。李先生在聯想集團的發展歷史上做出了卓越的貢獻。李先生於一九九二年被國家科學技術委員會評為「中國優秀民辦科技企業家」；同年被評為國家有突出貢獻中青年科學家；一九九四年，被北京科學技術委員會評為「優秀科技企業家」；二零零零年，被北京市評為北京市勞動模範。



Mr. William O. GRABE

Mr. HU Zhao Guang
胡昭廣先生

Professor WU Jinglian
吳敬璉教授

Mr. WONG Man Chung, Francis
黃文宗先生

Mr. KWAN Ming Heung, Peter

Mr. GUO Wei, aged 44, is the Vice Chairman, the President and the Chief Executive Officer of the Group, and responsible for the strategic development and management of the Group. Mr. Guo obtained a Master's degree from the Graduate School of the Chinese Academy of Science (formerly known as Graduate School of the University of Science and Technology of China) in 1988. He joined the Legend group in 1988 and was once an Executive Director and Senior Vice President. In 2003, Mr. Guo was awarded China's Economic Leaders by The World Economic Forum. Besides, Mr. Guo was also awarded China's Top Ten Outstanding Youth, 求是傑出青年成果轉化獎 (Practical and Outstanding Youth of Achievement) and Top Ten Most Valuable Manager in China in 2002. He currently is the Vice President of the Chinese Young Entrepreneurs Association and the Vice President of Chinese Young Technology Professional Association. He has over 19 years of experience in business strategy development and business management.

Mr. ZENG Maochao, aged 74, is an Executive Director of the Company and responsible for the review and supervision of the Group's internal controls. Mr. Zeng graduated from the Department of Electrical Engineering of 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 50 years of experience in the computer industry.

郭為先生，四十四歲，本集團副主席兼總裁及首席執行官，負責本集團之策略發展及管理。郭先生於一九八八年獲得中國科學院研究生院（前稱中國科學技術大學研究生院）之管理碩士學位。彼於一九八八年加入聯想集團，並曾任聯想集團執行董事及高級副總裁。郭先生於二零零三年獲世界經濟論壇頒發的中國未來經濟領袖稱號獎。此外，郭先生於二零零二年獲中國十大傑出青年、求是傑出青年成果轉化獎及中國十大最具價值經理人稱號獎。彼現為中國青年企業家協會副會長及中國青年科技者協會副會長。彼在業務策略發展及業務管理方面擁有逾十九年的經驗。

曾茂朝先生，七十四歲，本公司執行董事，負責本集團內部監控方面的檢討及監督工作。曾先生於一九五七年畢業於上海交通大學電力工程系。彼曾任中國科學院計算技術研究所所長及教授。彼在電腦業擁有逾五十年的經驗。

Directors and Senior Management

董事及高層管理人員

Mr. LIN Yang, aged 40, is the Executive Vice President of the Group and responsible for the overall business management of the Group. Mr. Lin graduated in 1988 with a Bachelor's degree in Computing Communications from the Xidian University. He joined the Legend group in 1990 and has over 16 years of management experience in distribution business.

Mr. HUA Zhinian, aged 45, is a Senior Vice President of the Group and responsible for overseeing the software and services businesses of the Group. Mr. Hua graduated in 1984 with a Master's degree in Electronics and Physics from the Twelfth Graduate School of Mechanical and Electrical Department. He joined the Legend group in 1992 and has extensive experience in corporate planning, development of information systems and budget management.

Non-Executive Director

Mr. William O. GRABE, aged 69, is a Non-Executive Director of the Company. Mr. Grabe is a Managing Director with General Atlantic LLC ("General Atlantic"), a worldwide private equity firm, where he has worked since 1992. Mr. Grabe holds a Bachelor's degree in Engineering from New York University and a Master's degree in Business Administration from University of California at Los Angeles, United States of America. With a 30-year career at IBM prior to joining General Atlantic, Mr. Grabe has broad international experience and an extensive sales and marketing background. As a Managing Director with General Atlantic, Mr. Grabe is also a director of Patni Computer Systems Limited, Lenovo Group Limited, LHS GmbH and Liberata Limited. His outside affiliations include being a member of the UCLA Anderson School Board of Visitors, a member of the Cancer Research Institute Board of Trustees, a director of Outward Bound International, a trustee of the Nature Conservancy of Connecticut, and a director of Compuware Corporation and Gartner, Inc..

林楊先生，四十歲，本集團常務副總裁，負責本集團之整體業務管理。林先生於一九八八年畢業於西安電子科技大學，獲得計算機通訊學士學位。彼於一九九零年加入聯想集團，並於分銷業務管理方面擁有逾十六年之經驗。

華祉年先生，四十五歲，本集團高級副總裁，負責監管本集團之軟件及服務業務。華先生於一九八四年畢業於機電十二研究所之電子物理系，獲碩士學位。彼於一九九二年加入聯想集團，在企業策劃、訊息系統建設及預算管理方面擁有多多年之經驗。

非執行董事

William O. GRABE先生，六十九歲，為本公司之非執行董事。Grabe先生從一九九二年開始擔任General Atlantic LLC（「General Atlantic」）的董事總經理，General Atlantic為一家全球性的私人投資公司。Grabe先生擁有紐約大學之工程學學士學位與美國加州大學洛杉磯分校之工商管理碩士學位。彼於加入General Atlantic之前，曾於IBM工作三十年，擁有相當豐富的全球市場銷售及推廣經驗。除作為General Atlantic的董事總經理外，Grabe先生亦有擔任Patni Computer Systems Limited，聯想集團有限公司，LHS GmbH及Liberata Limited的董事。彼其他對外之職務包括出任為美國加州大學洛杉磯分校商學院董事會成員、全美癌症研究學院董事會成員、Outward Bound International之董事、Nature Conservancy of Connecticut之受托人，以及 Compuware Corporation與Gartner Inc. 之董事。

Independent Non-Executive Directors

Mr. HU Zhao Guang, aged 68, is an Independent Non-Executive Director of the Company. Mr. Hu graduated from the Tsinghua University in 1964 and also completed a management course in Sweden. Mr. Hu has over 35 years of experience in economics, finance and corporate management and was wide recognised for his work in these areas. He was previously the chairman of Beijing Enterprises Holdings Limited and its parent company, Beijing Holdings Limited, and an independent non-executive director of China Overseas Land & Investment Limited. From February 1993 to January 1998, Mr. Hu served as a Vice Mayor of the Beijing Municipal Government. From 1988 to 1993, Mr. Hu served as the director of Beijing New Technology Development Zone and chief executive of Beijing Haidian District Government.

Professor WU Jinglian, aged 77, is an Independent Non-Executive Director of the Company. Professor Wu is a senior research fellow at the Development Research Center of the State Council and a professor at the Graduate School of the Chinese Academy of Social Sciences and China Europe International Business School. Professor Wu graduated from Fudan University. He was previously an Executive Director at the Development Research Center of the State Council and a Deputy Director of the Programming Office for Economic Reform of the State Council. Professor Wu was also a visiting fellow at Yale University, a fellow at St. Antony's College of Oxford University, a chair professor at the Stanford University, and a visiting fellow at the Massachusetts Institute of Technology. Professor Wu is also an Independent Non-Executive Director of China Unicom Limited, a company incorporated in Hong Kong whose shares are listed on the Hong Kong Stock Exchange.

獨立非執行董事

胡昭廣先生，六十八歲，為本公司之獨立非執行董事。胡先生於一九六四年畢業於清華大學，及曾於瑞典完成一項管理課程。胡先生在經濟、財務及企業管理方面累積逾三十五年的經驗，並在該等領域內均取得超卓的成績。彼以往曾出任北京控股有限公司及其母公司京泰實業(集團)有限公司之主席，及中國海外發展有限公司之獨立非執行董事。於一九九三年二月至一九九八年一月，胡先生為北京市政府副市長。於一九八八年至一九九三年，胡先生為北京新技術開發區辦公室主任，並為北京海淀區政府的區長。

吳敬璉教授，七十七歲，為本公司之獨立非執行董事。吳教授乃國務院發展研究中心高級研究員，並為中國社會科學院研究生院教授與中歐國際工商學院教授。吳教授畢業於復旦大學，曾任國務院發展研究中心常務幹事及國務院經濟改革方案設計辦公室副主任。吳教授亦曾任耶魯大學客座研究員、牛津大學聖安東尼學院評議會成員、史丹福大學講席教授，以及麻省理工學院客座研究員。吳教授亦為中國聯通股份有限公司，一家於香港註冊成立，其股份於香港聯合交易所上市之公司之獨立非執行董事。

Directors and Senior Management

董事及高層管理人員

Mr. WONG Man Chung, Francis, aged 42, is an Independent Non-Executive Director of the Company. Mr. Wong is a Certified Public Accountant (Practising) and has over 19 years of experience in auditing, taxation, management and financial advisory. Previously, Mr. Wong worked for KPMG, an international accounting firm for 6 years and the Hong Kong Securities Clearing Company Limited for 2 years. Mr. Wong is a fellow member of the Association of Chartered Certified Accountants, the Hong Kong Institute of Certified Public Accountants and the Taxation Institute of Hong Kong, an associate member of the Institute of Chartered Accountants in England and Wales and a member of the Society of Chinese Accountants and Auditors. Mr. Wong holds a master degree in management conferred by Guangzhou Jinan University, the People's Republic of China. Mr. Wong has the appropriate professional qualifications, accounting and related financial management expertise as required under Rule 3.10 of the Rules Governing the Listing of Securities of the Stock Exchange of Hong Kong Limited (the "Stock Exchange").

Mr. Wong is also currently Independent Non-Executive Director and either chairman or member of the Audit/Remuneration Committee of China Oriental Group Company Limited, Wai Kee Holdings Limited and Yardway Group Limited, the shares of these three companies are listed on the main board of the Stock Exchange. He was once an Independent Non-Executive Director of Enviro Energy International Holdings Limited (formerly known as Sys Solutions Holdings Limited), a company listed on the growth enterprise market of the Stock Exchange. Mr. Wong is a Director of Union Alpha C.P.A. Limited (which incorporated Francis Wong C.P.A. Co. Limited).

Mr. KWAN Ming Heung, Peter, aged 50, is an Independent Non-Executive Director of the Company. Mr. Kwan graduated with a Bachelor of Commerce in Accounting Management Information Systems from the University of British Columbia, Canada, 1980. Mr. Kwan is a Chartered Accountant and is a member of the Canadian Institute of Chartered Accountants. In addition to his public practice with Price Waterhouse Coopers in Vancouver, Canada, he has over 16 years of experience in IT related industries. He has held senior finance and management positions in Asia Pacific and has worked in Canada, Hong Kong, Australia and Singapore. He is a Director of MM PowerPlus Busway (HK) Limited, an electrical products manufacturing company owned by himself and his partner. Mr. Kwan was previously a director of Avaya Global Connect Limited (India listed) during the period from January 2004 to April 2005.

黃文宗先生，四十二歲，為本公司之獨立非執行董事。黃先生為一名資深執業會計師，於審計、稅務、管理及財務顧問方面積累逾十九年經驗。在此之前，黃先生曾於畢馬威國際會計師事務所工作逾六年，並於香港中央結算有限公司工作兩年。黃先生為英國特許公認會計師公會資深會員、香港會計師公會資深執業會員、香港稅務學會資深會員、亦為英格蘭及威爾斯特許會計師公會會員及香港華人會計師公會會員。黃先生持有中國廣州暨南大學管理學碩士學位。黃先生具有香港聯合交易所有限公司（「聯交所」）證券上市規則第3.10條所要求具備之適當專業資格、會計及相關財務管理專長。

黃先生現為中國東方集團控股有限公司、惠記集團有限公司及啟帆集團有限公司（三間公司均為聯交所主板上市之公司）之獨立非執行董事及審核／薪酬委員會之主席或成員；黃先生也曾為環能國際控股有限公司（前稱為軟迅科技控股有限公司）（一間於聯交所創業板上市之公司）之獨立非執行董事。黃先生現為才匯會計師事務所有限公司（已併入黃文宗會計師事務所有限公司）之董事。

KWAN Ming Heung, Peter先生，五十歲，為本公司獨立非執行董事。Kwan先生於一九八零年於加拿大大不列顛哥倫比亞大學畢業並取得商務會計資訊管理系統學士學位。Kwan先生為一名特許會計師及加拿大特許會計師公會會員。Kwan先生除了在加拿大溫哥華羅兵咸永道會計師事務所公開執業外，並在IT相關行業積累逾十六年經驗。Kwan先生於亞洲太平洋地區出任高級財務及管理職位，並曾在加拿大、香港、澳洲及新加坡工作。Kwan先生現為MM電匯排廠有限公司（一家由其及其夥伴擁有之電機產品製造公司）之董事。Kwan先生於二零零四年一月至二零零五年四月期間曾出任Avaya Global Connect Limited（印度上市）之董事。

Biographical Details of Senior Management

Mr. MAO Xiangqian, aged 42, is a Senior Vice President of the Group and responsible for the operation management of the general information technology products distribution business of the Group. Mr. Mao graduated in 1988 with a Master's degree in Mechanical Manufacturing Engineering from Tianjin University. He joined the Legend group in 1989 and was mainly responsible for the management of regional headquarters and distribution business. He has over 19 years of operation management experience in distribution business.

Mr. CHEN Yong, aged 40, is a Senior Vice President of the Group and responsible for the operational management of the Group's IT services business. Mr. Chen graduated in 1993 with a Master's degree in Computer Application from Beijing University of Technology. He joined the Legend group in 1993 and was mainly responsible for the management of high-end systems products and IT services business. He has over 14 years of experience in the operational management of high-end systems products business.

Mr. WONG Chi Keung, aged 40, is the Company Secretary of the Company. He is also the Qualified Accountant of the Company. Mr. Wong graduated from the University of Hong Kong with a Bachelor's degree in Social Sciences and is a fellow member of the Association of Chartered Certified Accountants and an associate of the Hong Kong Institute of Certified Public Accountants. Mr. Wong is a qualified accountant and has over 17 years of experience in financial management and corporate administration. He is mainly responsible for the financial reporting and listing issues of the Group.

高層管理人員之簡歷

毛向前先生，四十二歲，本集團高級副總裁，負責本集團之通用訊息產品分銷業務之經營管理工作。毛先生於一九八八年畢業於天津大學之機械製造工程學系，獲碩士學位。彼於一九八九年加入聯想集團，專責各區域總部及分銷代理業務之管理工作。彼在分銷代理業務之經營管理方面擁有逾十九年之經驗。

陳勇先生，四十歲，本集團高級副總裁，負責本集團之IT服務業務之經營管理工作。陳先生於一九九三年畢業於北京工業大學之計算機應用專業，獲碩士學位。彼於一九九三年加入聯想集團，專責高端企業級業務及IT服務業務之管理工作。彼在高端企業級業務之經營管理方面擁有逾十四年之經驗。

王自強先生，四十歲，為本公司之公司秘書。彼亦為本公司之合資格會計師。王先生畢業於香港大學，持有社會科學學士學位，並為英國特許公認會計師公會資深會員及香港會計師公會會員。王先生為合資格會計師，並於財務管理及企業行政方面擁有逾十七年之經驗，彼專責處理本集團之財務申報工作及上市事務。

Corporate Governance Report

企業管治報告

The Group is committed to promote the highest standards of corporate governance throughout the Group and particularly at Board level so as to enhance its transparency and accountability to the shareholders.

Code On Corporate Governance Practices

Subsequent to the publication of the Corporate Governance Report in the 2005/06 annual report, a special resolution was passed at the annual general meeting of the Company held on 23 August 2006 to amend the Company's Bye-Laws to the effect that: (i) any Director or Directors or Chairman of the meeting who, individually or collectively, hold proxies in respect of shares representing 5% or more of the total voting rights at a general meeting may demand a poll; and (ii) the Company in general meeting will have the power by ordinary resolution, instead of special resolution, to remove a Director before the expiration of his period of office.

The Company has complied with the Code on Corporate Governance Practices (the "Code") as set out in Appendix 14 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules") throughout the year ended 31 March 2007, except for the following deviations:

- (1) Code Provision A.4.1 stipulates that non-executive directors should be appointed for a specific term, subject to re-election.

All Directors of the Company (including executive and non-executive Directors) were not appointed for any specific term. However, all Directors (save for Chairman or Managing Director) are subject to retirement by rotation at each annual general meeting in accordance with the Company's Bye-Laws and shall be eligible for re-election. The Board of Directors shall ensure all Directors (including the Chairman and Managing Director) shall be subject to retirement by rotation at least once every three years so as to accomplish the same purpose as a specific term of appointment.

本集團致力在集團上下(特別是董事會)推行最高標準之企業管治,藉此提高本公司對股東之透明度及問責性。

企業管治常規守則

企業管治報告於2005/06年度年報內刊發後,本公司於二零零六年八月二十三日舉行的股東週年大會上通過一項特別決議案修訂本公司之公司細則,使(i)任何董事或多名董事或會議主席,個別或共同持有委任代表投票權,相當於股東大會總投票權百分之五或以上股份有權要求點票;及(ii)本公司將有權於股東大會上以普通決議案代替特別決議案將一名任期未屆滿的董事免任。

本公司於截至二零零七年三月三十一日止整個年度已遵守香港聯合交易所有限公司證券上市規則(「上市規則」)附錄14所載之企業管治常規守則(「守則」),惟以下範疇有所偏離:

- (1) 守則條文第A.4.1條規定,非執行董事之委任應有指定任期,並須接受重新選舉。

本公司所有董事(包括執行及非執行董事)並無任何明確指定任期。然而,所有董事(除主席及董事總經理外)均須按本公司公司細則之規定於每屆股東週年大會上輪值告退及接受重新選舉。董事會將確保所有董事(包括主席及董事總經理)將至少每三年輪值告退一次,達致明確任期之相同目的。

Code On Corporate Governance Practices (cont'd)

- (2) The second part of Code Provision A.4.2 stipulates that every director, including those appointed for a specific term, should be subject to retirement by rotation at least once every three years.

Under the Company's Bye-Laws, at each annual general meeting one-third of the Directors for the time being or, if their number is not three or a multiple of three, the number nearest to one-third shall retire from office provided that notwithstanding anything herein, the Chairman of the Board and the Managing Director shall not, whilst holding such office, be subject to retirement by rotation or be taken into account in determining the number of Directors to retire in each year. In view of good corporate governance practices, the Chairman of the Company voluntarily retires from his office once every three years notwithstanding that he is not required to do so by the Bye-Laws.

The Company publishes quarterly financial results of the Group by way of announcement which exceed the code provisions set out in the Code. However the Company does not publish and distribute report for quarterly results of the Group.

The Board is of the view that publication of quarterly financial reports is a matter of "recommended best practices" in the Code which are for guidance only. Furthermore, as a matter of principle and practice, quarterly reporting does not bring significant benefits to shareholders, but at the cost of their own.

企業管治常規守則(續)

- (2) 守則條文第A.4.2條第二部份規定，每名董事（包括有指定任期之董事）應輪值告退，至少每三年一次。

根據本公司公司細則，於每屆股東週年大會上，當時三分之一之董事（若董事數目並非三或三之倍數，則以最接近三分之一為準）須告退，儘管公司細則有此規定，董事會主席及董事總經理在職期間毋須輪值告退或在釐定每年退任董事的人數時計算在內。為實行良好的企業管治，儘管該細則豁免主席輪值告退，本公司主席將每三年自願輪值告退。

本公司以公告方式刊發本集團之季度財務業績，此舉乃守則條文之要求以外。然而，本公司不會刊發和分發本集團之季度業績報告。

董事會認為，刊發季度財務報告為守則內「建議最佳常規」，純屬指引性質。再者，在原則和實務層面而言，季度報告對股東並無重大裨益，惟股東需承擔當中成本。

Model Code for Securities Transactions by Directors

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers contained in Appendix 10 to the Listing Rules (“Model Code”) as its code of conduct of the Company for directors’ securities transactions. Having made specific enquiry with the Directors, all the Directors confirmed that they have complied with the required standard as set out in the Model Code throughout the year ended 31 March 2007.

Board of Directors

Composition

As at 31 March 2007, the Board comprised ten directors, including five executive directors, one non-executive director and four independent non-executive directors. The Board members have no financial, business, family or other material/relevant relationships with each other.

Biographical details of the directors are set out on pages 30 to 34 of this annual report.

Role and function

The Board is responsible for the formulation of the overall strategy and management of the Group such as the Group’s long term objectives and commercial strategy, the approval of the Group’s corporate and capital structure, financial reporting and controls, internal controls and risk management, material contracts, communication with the shareholders, board membership and other appointments, remuneration of directors and other senior management, delegation of authority to board committees and corporate governance matters.

董事進行證券交易的標準守則

本公司已採納上市規則附錄10所載之上市發行人董事進行證券交易的標準守則（「標準守則」）作為本公司董事進行證券交易之行為守則。經本公司向董事作出具體查詢後，全體董事均確認，彼等於截至二零零七年三月三十一日止整個年度內一直遵守標準守則所規定之標準。

董事會

組成

於二零零七年三月三十一日，董事會由十名董事組成，當中包括五名執行董事、一名非執行董事及四名獨立非執行董事。董事會成員彼此並無任何財務、業務、家族或其他重大／相關之關係。

各董事之簡歷載於本年報第30頁至第34頁。

角色及職能

董事會負責制定本集團之整體策略及管理，例如本集團之長遠目標及商業策略、批准本集團之企業及資本架構、財務申報及監控、內部監控及風險管理、重大合約、與股東聯繫、董事會人事及其他委任事項、董事及其他高層管理人員之薪酬、各董事委員會之授權及企業管治等事務。

Board of Directors (cont'd)

Role and function (cont'd)

The Board held four regular meetings during the year ended 31 March 2007 at approximately quarterly intervals where the Directors attended either in person or by other means of electronic communication. The attendance records of the Board meetings held during the year ended 31 March 2007 are set out below:

董事會 (續)

角色及職能 (續)

截至二零零七年三月三十一日止年度，董事會舉行四次定期會議，大約每季度一次，董事親身或以其他電子通訊方式出席。於截至二零零七年三月三十一日止年度，董事會會議之出席記錄如下：

		Attended 出席次數
<i>Executive Directors</i>		
LI Qin (Chairman)	李勤 (主席)	4/4
GUO Wei (Vice Chairman, President and Chief Executive Officer)	郭為 (副主席兼總裁及首席執行官)	4/4
ZENG Maochao	曾茂朝	4/4
LIN Yang	林楊	4/4
HUA Zhinian	華祉年	4/4
<i>Non-Executive Director</i>		
William O. GRABE	William O. GRABE	3/4
<i>Independent Non-Executive Directors</i>		
HU Zhao Guang	胡昭廣	4/4
WU Jinglian	吳敬璉	4/4
WONG Man Chung, Francis (appointed on 23 August 2006)	黃文宗 (於二零零六年八月二十三日獲委任)	3/4
KWAN Ming Heung, Peter (appointed on 23 August 2006)	KWAN Ming Heung, Peter (於二零零六年八月二十三日獲委任)	3/4
LEUNG Pak To, Francis (resigned on 23 August 2006)	梁伯韜 (於二零零六年八月二十三日辭任)	1/4

The Board is empowered under the Company's Bye-Laws to appoint any person as a director either to fill a casual vacancy or as an addition to the Board. Qualified candidates will be proposed to the Board for consideration and the selection criteria are mainly based on the assessment of their professional qualifications, experience and their possible contribution to the Group. In August 2006, Mr. WONG Man Chung, Francis and Mr. KWAN Ming Heung, Peter were appointed as Independent Non-executive Directors of the Company with unanimous approval by Directors.

Upon appointment, Directors receive a board pack of materials such as a brief outline of the role of a director and a summary of responsibilities on ongoing obligations under legislation, regulation and best practice, summary details of the Company's business and other board issues.

本公司之公司細則授權董事會委任任何人士為董事，以填補臨時空缺或作為董事會新成員。合資格之人選將提呈予董事會考慮，而挑選之標準一般按照其專業資格及經驗，以及可能為本集團帶來之貢獻而作出評估。於二零零六年八月，黃文宗先生及 KWAN Ming Heung, Peter 先生經董事一致批准獲委任為本公司獨立非執行董事。

董事獲委任後將收到一份資料，當中包括董事之角色簡介、根據法規及最佳常規履行持續責任之職責摘要、本公司業務及其他董事會事務之資料概覽。

Board of Directors (cont'd)

Independent non-executive directors

Pursuant to Rules 3.10(1) and 3.10(2) of the Listing Rules, the Company has appointed four independent non-executive directors and one of whom has appropriate professional qualifications or accounting or related financial management expertise.

All independent non-executive directors were not appointed for any specific term but are subject to retirement by rotation at each annual general meeting in accordance with the Company's Bye-Laws and shall be eligible for re-election.

Each of the independent non-executive directors has made an annual confirmation of independence pursuant to Rule 3.13 of the Listing Rules. The Company is of the view that all the independent non-executive directors meet the independence guidelines set out in Rule 3.13 of the Listing Rules and considers that they are independent.

Remuneration of directors

A remuneration committee was established on 31 August 2006 with specific written terms of reference. The committee was made up of three members, namely Mr. ZENG Maochao (Chairman), Mr. WONG Man Chung, Francis and Mr. KWAN Ming Heung, Peter, the majority of whom are independent non-executive directors.

The Remuneration Committee is responsible for, among others, determine and agree with the Board the framework and policy, take into account all factors which it deems necessary, for the remuneration of the Chief Executive Officer, Chairman and the executive directors, determine the total individual remuneration package of each executive director (including the Chief Executive Officer and Chairman) and other senior executives including bonuses, incentive payments and share options or other share awards within the terms of the agreed policy and in consultation with the Chairman and/or Chief Executive Officer as appropriate.

董事會 (續)

獨立非執行董事

根據上市規則第3.10(1)條及第3.10(2)條，本公司已委任四名獨立非執行董事，其中一名具備合適之專業資格或會計或相關財務管理專業知識。

所有獨立非執行董事均沒有指定任期，惟根據本公司公司細則須於每屆股東週年大會上輪值告退及接受重新選舉。

各獨立非執行董事已根據上市規則第3.13條之規定各自就其獨立性作出年度確認。本公司認為，全體獨立非執行董事均符合上市規則第3.13條所載之獨立指引，且視彼等為獨立人士。

董事酬金

薪酬委員會已於二零零六年八月三十一日成立，並備有明確書面職權範圍。委員會由三名成員組成，為曾茂朝先生(主席)、黃文宗先生及 KWAN Ming Heung, Peter先生，主要成員為獨立非執行董事。

薪酬委員會負責(其中包括)與董事會在考慮所有被視為必要的因素後，釐定及協議首席執行官、主席及執行董事的薪酬結構或政策。依據議定政策的條件，並經諮詢主席及/或首席執行官(如合適)後，釐定各執行董事(包括首席執行官及主席)及其它高級行政人員的個別薪酬組合總額，包括花紅、獎金及購股權或其它股份獎賞。

Board of Directors (cont'd)

Remuneration of directors (cont'd)

The Remuneration Committee held two regular meetings during the year ended 31 March 2007 at approximately half-yearly intervals where the members attended in person. The attendance records of the Remuneration Committee meetings held during the year ended 31 March 2007 are set out below:

		Attended 出席次數
ZENG Maochao (<i>Chairman</i>)	曾茂朝 (主席)	2/2
WONG Man Chung, Francis	黃文宗	2/2
KWAN Ming Heung, Peter	KWAN Ming Heung, Peter	2/2

For the year ended 31 March 2007, the Remuneration Committee reviewed the remuneration packages of the Chief Executive Officer and each executive director including salaries, bonuses and share options.

Details of Director's emoluments for the year ended 31 March 2007 are set out in note 9 to the financial statements.

Chairman and Chief Executive Officer

The position of the Chairman and the Chief Executive Officer are held by separate individuals. The roles of the Chairman are separate from that of the Chief Executive Officer. The division of responsibilities between the Chairman and the Chief Executive Officer is clearly defined and set out in writing.

The Chairman is responsible for leadership of the Board and creating the conditions for overall board and individual director effectiveness, both inside and outside the boardroom.

The Chief Executive Officer is accountable to the Board and reports to the Chairman directly and is responsible for running the Group's business.

董事會 (續)

董事酬金 (續)

截至二零零七年三月三十一日止年度，薪酬委員會舉行兩次定期會議，大約每半年一次，成員親身出席。於截至二零零七年三月三十一日止年度，薪酬委員會會議之出席記錄如下：

		Attended 出席次數
ZENG Maochao (<i>Chairman</i>)	曾茂朝 (主席)	2/2
WONG Man Chung, Francis	黃文宗	2/2
KWAN Ming Heung, Peter	KWAN Ming Heung, Peter	2/2

於截至二零零七年三月三十一日止年度，薪酬委員會已審議首席執行官及各執行董事的個別薪酬組合，包括工資、花紅及購股權。

截至二零零七年三月三十一日止年度之董事酬金載於財務報表附註9。

主席及首席執行官

主席及首席執行官兩個職位由不同人士出任。主席與首席執行官兩者之角色獨立分開。主席與首席執行官之職責分工已有明確書面界定。

主席負責領導董事會，亦在董事會內外創造有利條件推動整個董事會及個別董事之表現。

首席執行官向董事會負責，同時直接向主席匯報，並且承擔本集團業務運作之責任。

Audit Committee

All members of the Audit Committee are independent non-executive directors and one of whom has the appropriate professional qualifications, accounting or related financial management expertise.

The Audit Committee is responsible for, among others, the integrity of the financial statements of the Group, reviewing the effectiveness of the Group's internal controls and risk management systems, reviewing the effectiveness of the Group's internal audit function in the context of the Group's overall risk management system and oversight of the relationship with external auditors.

The Audit Committee held four regular meetings during the year ended 31 March 2007 at approximately quarterly intervals where the members attended either in person or by other means of electronic communication. The attendance records of the Audit Committee meetings held during the year ended 31 March 2007 are set out below:

		Attended 出席次數
HU Zhao Guang (<i>Chairman</i>)	胡昭廣 (主席)	4/4
WU Jinglian	吳敬璉	4/4
WONG Man Chung, Francis (<i>appointed on 23 August 2006</i>)	黃文宗 (於二零零六年八月二十三日獲委任)	3/4
KWAN Ming Heung, Peter (<i>appointed on 23 August 2006</i>)	KWAN Ming Heung, Peter (於二零零六年八月二十三日獲委任)	3/4
LEUNG Pak To, Francis (<i>resigned on 23 August 2006</i>)	梁伯韜 (於二零零六年八月二十三日辭任)	1/4

For the year ended 31 March 2007, the Audit Committee reviewed with senior management and the Company's auditors their respective audit findings, the accounting principles and practices adopted by the Group, legal and regulatory compliance, and internal control, risk management and financial reporting matters. The Board has, through the Audit Committee, conducted regular reviews of the effectiveness of the system of internal control of the Group during the year ended 31 March 2007.

The Audit Committee has no disagreement with the Board on the selection, appointment, resignation or dismissal of the auditors of the Company.

審核委員會

審核委員會全體成員均為獨立非執行董事，其中一名具備合適之專業資格或會計或相關財務管理專業知識。

審核委員會負責（其中包括）本集團財務報表之完整性、檢討本集團內部監控及風險管理制度之成效、檢討本集團內部審核功能對於整體風險管理制度之成效，並監督與外聘核數師之關係。

截至二零零七年三月三十一日止年度，審核委員會舉行四次定期會議，大約每季度一次，成員親身或以其他電子通訊方式出席。於截至二零零七年三月三十一日止年度，審核委員會會議之出席記錄如下：

於截至二零零七年三月三十一日止年度，審核委員會與高層管理人員及本公司核數師審議彼等各自之審核結果，本集團採用之會計原則及慣例、法律及監管合規事務、內部監控、風險管理及財務申報事宜。董事會已透過審核委員會定期檢討本集團截至二零零七年三月三十一日止年度內部監控制度之成效。

就本公司核數師之甄選、聘任、辭任及解聘方面，審核委員會與董事會並無意見分歧。

Auditors' Remuneration

For the year ended 31 March 2007, the remuneration to the Auditors of the Company were approximately HK\$3,710,000 for audit services and HK\$585,000 for non-audit services (in which agreed-upon procedures on connected transactions was HK\$65,000, taxation planning services was HK\$70,000 and agreed-upon procedures on quarterly/interim results was HK\$450,000).

Internal Control and Risk Management

Internal Control

Principle

The Board of Directors should ensure that the internal control of the issuer is solid, sound, effective, so as to safeguard shareholders' investment and the issuer's assets.

Internal Control and Risk Management

A well-designed internal control system is very important to the protection of the Group's assets, the reliability of its financial statements, and its compliance with legislation and rules. As such, the Group is committed to establishing and maintaining a sound system of internal control system to provide reasonable, though not absolute, assurance against any serious misrepresentation or loss, and to manage, though not eliminate, any risk of serious mistakes regarding the operation system and the objectives of the Group. The Board of Directors also perceives its overall responsibility for the internal control, financial control and risk management of the Company, and will review its effectiveness from time to time.

The Group has an internal audit department, which is responsible for the internal audit of the Group, independent assessment of risks, and internal control procedures and system, and reports its findings, with recommendations, to the Audit Committee on a quarterly basis.

The Internal Audit Department will assess the risks to which the Company is exposed, and formulate an audit plan on that basis annually, so as to ensure that the internal audit covers all areas of high risks. The audit plan will be submitted to the Audit Committee for approval. The scope of audit review is determined based on the risk assessment results. Special reviews will be conducted on matters which are of concern to the management or the Audit Committee.

核數師酬金

截至二零零七年三月三十一日止年度，本公司核數師之核數服務酬金約港幣3,710,000元，非核數服務酬金則為港幣585,000元（當中有關關連交易之商定程序佔港幣65,000元，稅務規劃服務佔港幣70,000元及季度／中期業績之商定程序佔港幣450,000元）。

內部監控及風險管理

內部監控

原則

董事會應確保發行人的內部監控系統穩健妥善而且有效，以保障股東的投資及發行人的資產。

內部監控及風險管理

設計完善之內部監控制度對保障本集團財產、確保財務報告可靠性以及遵守法例及規則甚為重要，所以本集團致力設立並維持一個良好的內部監控系統，以提供合理，惟非絕對之保證，以防出現嚴重誤報或損失的情況，並管理而非杜絕運作系統及導致集團目標出現失誤之風險。董事會亦明白其對本公司內部監控、財務控制及風險管理制度之整體責任，並不時檢查其效能。

本集團設立內部審計部，負責本集團內部審核及獨立檢討風險和內部監控程序及系統，並按季度向審核委員會匯報其發現及建議。

內部審計部會根據面對之風險進行評估從而每年制定審核計劃，以確保年度內部審核工作涵蓋所有高風險範圍，審核計劃需提交審核委員會批准，審核檢討之範圍乃按風險評估而決定，亦會因應管理層或審核委員會所關注之事項進行特別檢討。

Internal Control and Risk Management (cont'd)

Internal Control (cont'd)

Monitoring Procedures

The Board of Directors establishes and maintains a good internal control system through the following principal procedures:

- (1) Establishing a reasonable and effective organization structure with clear functions, responsibilities, and authority;
- (2) Laying down stringent procedures for budget preparation and budget management; formulating business plans and financial budgets annually; rationally adjusting the organization structure based on business planning; ensuring the effective operation of the organization; reviewing the implementation of budgets; and making reasonable adjustment based on the latest conditions;
- (3) The Internal Audit Department – independently assessing the comprehensibility and effectiveness of the monitoring of principal business; reporting its principal findings, with recommendations, to the Audit Committee on a quarterly basis; and
- (4) The Auditor – making a “management proposal” in its audit of annual results; recommending ways to address some internal management areas which are correspondingly weak; the management – making serious reviews, and making and submitting improvement proposals to the Audit Committee.

Assessment of Annual Internal Monitoring

For the year ended 31 March 2007, the Internal Audit Department adopted a risk-based methodology to focus on and monitor principal workflow, and reported the internal audit results to the Audit Committee on a quarterly basis. Through the Audit Committee, the Board of Directors reviewed the effectiveness of the internal monitoring system of the Group. The internal monitoring system covers all important matters to be monitored, including finance, operation and compliance matters, as well as risk management functions. The Board of Directors firmly believes that the Group was in full compliance with the internal control provisions set out in the governance rules in the 2006/07 financial year.

內部監控及風險管理 (續)

內部監控 (續)

監控程序

董事會透過以下主要程序設立及維持良好的內部監控系統：

- (1) 設立合理有效的組織架構，並訂明職責及權限；
- (2) 嚴格的預算制定及預算管理程序，每年度制定業務規劃及財務預算，並根據業務規劃合理調整組織架構，確保組織有效運行。在預算管理方面，按月召開經營分析會，及時按預算分析財務表現，檢討預算執行情況，並根據最新情況進行合理調整；
- (3) 內部審計部獨立評估主要業務的監控之完備性及效能，每季度向審核委員會匯報主要結果及建議；及
- (4) 核數師在每年業績審核中提出“管理建議書”，針對內部管理之相對薄弱環節提出若干管理建議。管理層會認真檢討，提出改進方案，並向審核委員會匯報。

年度內部監控評估

截至二零零七年三月三十一日止年度，內部審計部採納了專注於主要流程及監控的風險基準方法，並每季度向審核委員會匯報內部審計結果，董事會透過審核委員會檢討本集團內部監控系統之效能，內部監控系統涵蓋所有重大監控事項，包括財務、營運及遵守法規事宜以及風險管理功能，並確信本集團於二零零六／零七財年已全面遵守管治規則所載有關內部監控之條文。

Directors' Responsibility for the Financial Statements

The Directors acknowledge their responsibility for preparing the financial statements of the Group which give a true and fair view of the state of affairs of the Company and of the Group on a going concern basis in accordance with the statutory requirements and applicable accounting standards.

The statement of the Auditors of the Company about their reporting responsibilities on the financial statements of the Group is set out in the Independent Auditors' Report on pages 59 to 60 of this annual report.

董事就財務報表承擔之責任

董事確認彼等須負責依照法定要求及適用會計準則，按持續經營基準編制真實公平反映本公司及本集團財務狀況之本集團財務報表。

本公司核數師就本集團財務報表所作之申報責任聲明載於本年報第59頁至第60頁之獨立核數師報告內。

Report of the Directors 董事會報告

The directors of the Company have pleasure in submitting their report together with the audited consolidated financial statements of the Company and its subsidiaries (the "Group") for the year ended 31 March 2007.

Principal Activities and Segment Information

The Company is an investment holding company. Its principal subsidiaries are principally engaged in the distribution of general information technology and systems products and provision of systems integration services.

Details of the principal subsidiaries of the Company at 31 March 2007 are set out in note 20 to the financial statements. There were no significant changes in the nature of the Group's principal activities during the year.

An analysis of the Group's revenue and results for the year by business is set out in note 4 to the financial statements.

Results and Dividends

The results of the Group for the year ended 31 March 2007 and the state of affairs at that date of the Company and the Group are set out in the financial statements on pages 61 to 161 of this annual report.

The directors of the Company recommend the payment of a final dividend of 8.28 HK cents per share (2006: 10 HK cents) in respect of the year ended 31 March 2007 to shareholders whose names appear on the register of members of the Company on 22 August 2007. This recommendation has been incorporated in the financial statements as an allocation of retained profits within the equity section of the consolidated balance sheet and the balance sheet of the Group and the Company respectively.

Five Year Financial Summary

A summary of the results and of the assets, liabilities and minority interests of the Group for the last five financial years is set out on page 162 of this annual report. The five year financial summary does not form part of the audited financial statements.

Property, Plant and Equipment

Details of movements in the property, plant and equipment of the Group and the Company during the year are set out in note 15 to the financial statements.

本公司董事欣然提呈彼等之報告連同本公司及其附屬公司（「本集團」）截至二零零七年三月三十一日止年度之經審核綜合財務報表。

主要業務及分部資料

本公司乃一家投資控股公司。其主要附屬公司主要從事分銷通用資訊科技及系統產品及提供系統集成服務。

本公司各主要附屬公司於二零零七年三月三十一日之詳情載於財務報表附註20。本集團之主要業務性質於本年度內並無任何重大變動。

按業務分部作分析之本集團本年度之收入及業績載於財務報表附註4。

業績及股息

本集團截至二零零七年三月三十一日止年度內之業績以及本公司於該日之具體情況載於本年報第61頁至第161頁之財務報表內。

本公司董事建議向於二零零七年八月二十二日名列本公司股東名冊之股東派發截至二零零七年三月三十一日止年度之末期股息每股8.28港仙（二零零六年：10港仙）。此項建議已列帳於財務報表，分別作為本集團與本公司之綜合資產負債表與資產負債表內權益下保留溢利之分配。

五年財務概要

本集團於過去五個財政年度之業績，及資產、負債與少數股東權益概要載於本年報第162頁。五年財務概要並不構成經審核財務報表的一部份。

物業、廠房及設備

於本年度內本集團及本公司物業、廠房及設備之變動詳情載於財務報表附註15。

Investment Properties

Details of movements in the investment properties of the Group during the year are set out in note 16 to the financial statements.

Share Capital

Details of movements, together with the reasons therefor, in the share capital of the Company during the year are set out in note 33 to the financial statements.

Reserves

Details of movements in the reserves of the Company and the Group during the year are set out in note 35 to the financial statements and in the consolidated statement of changes in equity set out on page 64 of this annual report, respectively.

Distributable Reserves

At 31 March 2007, the Company's reserves available for distribution, calculated in accordance with the Companies Act of Bermuda, amounted to HK\$869,553,000, of which HK\$72,370,000 has been proposed as a final dividend for the year. In addition, the Company's share premium account, in the amount of HK\$319,572,000, may be distributed in the form of fully paid bonus shares.

Pre-emptive Rights

There are no provisions for pre-emptive rights under the Company's Bye-Laws or the laws of Bermuda although there are no restrictions against such rights under the laws of Bermuda.

投資物業

於本年度內本集團投資物業之變動詳情載於財務報表附註16。

股本

於本年度內本公司股本之變動詳情連同有關理由載於財務報表附註33。

儲備

於本年度內本公司及本集團儲備之變動詳情分別載於財務報表附註35及本年報第64頁之綜合權益變動表內。

可分派儲備

於二零零七年三月三十一日，根據百慕達公司法計算，本公司之可分派儲備金額為港幣869,553,000元，其中港幣72,370,000元已建議作為派發本年度之末期股息。此外，本公司之股份溢價帳為港幣319,572,000元，可供以繳足紅利股份之方式分派。

優先購股權

本公司公司細則或百慕達法例並無有關優先購股權之條文，惟百慕達法例並無對該等權利有所限制。

Directors

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

Executive Directors

Mr. LI Qin (*Chairman*)
Mr. GUO Wei (*Vice Chairman, President and Chief Executive Officer*)
Mr. ZENG Maochao
Mr. LIN Yang
Mr. HUA Zhinian

Non-executive Director

Mr. William O. GRABE

Independent Non-executive Directors

Mr. HU Zhao Guang
Professor WU Jinglian
Mr. WONG Man Chung, Francis (appointed on 23 August 2006)
Mr. KWAN Ming Heung, Peter (appointed on 23 August 2006)
Mr. LEUNG Pak To, Francis (resigned on 23 August 2006)

At the forthcoming annual general meeting of the Company, Mr. GUO Wei, Mr. ZENG Maochao and Mr. HU Zhao Guang will retire from office by rotation in accordance with Bye-Law 99 of the Company's Bye-Laws and Mr. WONG Man Chung, Francis and Mr. KWAN Ming Heung, Peter will retire from office in accordance with Bye-Law 102(B). Being eligible, all of them will offer themselves for re-election.

董事

本年度內及截至本報告日期止之本公司董事為：

執行董事

李勤先生 (主席)
郭為先生 (副主席兼總裁及首席執行官)
曾茂朝先生
林楊先生
華祉年先生

非執行董事

William O. GRABE先生

獨立非執行董事

胡昭廣先生
吳敬璉教授
黃文宗先生 (於二零零六年八月二十三日獲委任)
KWAN Ming Heung, Peter (於二零零六年八月二十三日獲委任)
Peter先生
梁伯韜先生 (於二零零六年八月二十三日辭任)

於本公司應屆股東週年大會上，郭為先生、曾茂朝先生及胡昭廣先生將根據本公司之公司細則第99條輪值告退，而黃文宗先生及KWAN Ming Heung, Peter先生將根據公司細則第102(B)條告退，惟彼等均合資格並願意膺選連任。

Directors' Service Agreements

Each of the executive directors of the Company entered into a service agreement with the Company which shall continue in force unless and until terminated by (i) either the Company or the director serving on the other not less than three months' notice, or (ii) his retirement as a director without being re-elected as a director by the shareholders in an annual general meeting in accordance with the Company's Bye-Laws, or (iii) in the event of the director's default under the terms of the service agreement.

Save as disclosed above, none of the directors of the Company proposed for re-election at the forthcoming annual general meeting of the Company has a service agreement with the Company which is not determinable by the Company within one year without payment of compensation (other than the statutory compensation).

Directors' Interests in Contracts

No contracts of significance to which the Company or any of 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.

Share Options

The Company has two share option schemes. The old share option scheme was adopted on 14 May 2001 (the "2001 Share Option Scheme") and terminated on 18 July 2002. Despite termination and no further options can be granted under the 2001 Share Option Scheme, the provisions of the 2001 Share Option Scheme remain in full force and effect in all other respects to govern all outstanding options granted prior to termination. The existing share option scheme was adopted on 18 July 2002 (the "2002 Share Option Scheme"). Details of movements in the share options during the year and the options outstanding at the beginning and end of the year of both the 2001 Share Option Scheme and the 2002 Share Option Scheme are set out in note 34 to the financial statements.

董事之服務協議

本公司每位執行董事均與本公司訂立一份服務協議，並繼續維持有效至(i)任何一方向對方發出不少於三個月之通知；或(ii)根據本公司細則告退其董事職務，而並未在股東週年大會中獲股東重選連任，或(iii)違反服務協議內之條款。

除上文所披露者外，擬於本公司應屆股東週年大會上膺選連任之本公司董事概無與本公司訂立不可於一年內終止而毋須支付賠償（法定賠償除外）之服務協議。

董事於合約之權益

本公司或其任何附屬公司於年終或本年度之任何時間內，概無訂立任何重大合約，致令本公司之董事直接或間接獲得重大利益。

購股權

本公司擁有兩個購股權計劃。舊有之購股權計劃（「二零零一年購股權計劃」）於二零零一年五月十四日獲採納並已於二零零二年七月十八日予以終止。於終止後，雖然在二零零一年購股權計劃下不得再進一步授出購股權，惟二零零一年購股權計劃之條文在所有其他方面仍然具有十足效力及作用，以監管所有在該計劃終止前已授出而尚未獲行使之購股權。新購股權計劃（「二零零二年購股權計劃」）於二零零二年七月十八日獲採納。於二零零一年購股權計劃及二零零二年購股權計劃下之購股權於本年度內之變動詳情及於年初及年終尚未行使之購股權詳情載於財務報表附註34。

Directors' and Chief Executive's Interests and Short Positions in Shares, Underlying Shares and Debentures

At 31 March 2007, the interests and short positions, if any, of each director and chief executive of the Company and their associates in the shares, underlying shares and debentures of the Company and any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO") which were required to be notified to the Company and The Stock Exchange of Hong Kong Limited (the "Stock Exchange") pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which the directors and chief executives were taken or deemed to have taken under such provisions of the SFO), or which were required to be and are recorded in the register required to be kept by the Company pursuant to Section 352 of Part XV of the SFO, or which were required to be notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Companies adopted by the Company (the "Model Code") were as follows:

(1) **Interests and Short Position of Directors and Chief Executive**
Shares of HK\$0.10 each of the Company

Name of directors 董事姓名	Capacity 身份	Interests in shares 於股份擁有之權益 (Note 1) (附註1)	Interests in underlying shares 於相關股份擁有之權益 (Note 1) (附註1)	Percentage of aggregate holding (%) 合共持股量之百分比(%) (Note 3) (附註3)
LI Qin 李勤	Beneficial owner 實益擁有人	1,016,000	2,500,000	0.40
GUO Wei 郭為	Beneficial owner 實益擁有人	904,000	10,600,000	1.32
ZENG Maochao 曾茂朝	Beneficial owner 實益擁有人	808,000	–	0.09
	Interest of spouse 配偶之權益	60,000 (Note 2) (附註2)	–	0.007
LIN Yang 林楊	Beneficial owner 實益擁有人	220,000	5,500,000	0.65
HUA Zhinian 華祉年	Beneficial owner 實益擁有人	–	3,600,000	0.41

董事及行政總裁持有股份、相關股份及債權證之權益及淡倉

於二零零七年三月三十一日，本公司之董事及行政總裁及彼等之聯繫人於本公司及其相聯法團（定義見證券及期貨條例（「證券及期貨條例」第XV部）之股份、相關股份及債權證中擁有根據證券及期貨條例第XV部第7及第8分部須知會本公司及香港聯合交易所有限公司（「聯交所」）之權益及淡倉（如有）（包括於證券及期貨條例下之有關條款下彼等擁有或被視作擁有之權益及淡倉），或須記入及已記入本公司根據證券及期貨條例第XV部第352條存置之登記冊內，或根據本公司採納之上市公司董事進行證券交易的標準守則（「標準守則」）須知會本公司及聯交所之權益及淡倉如下：

(1) **董事及行政總裁之權益及淡倉**
本公司每股面值港幣0.10元之股份

Directors' and Chief Executive's Interests and Short Positions in Shares, Underlying Shares and Debentures (cont'd)

(1) Interests and Short Position of Directors and Chief Executive (cont'd)

Notes:

- All the above interests in the shares and underlying shares of the Company were long positions. None of the directors and chief executive of the Company or their associates held any short positions in the shares or underlying shares of the Company at 31 March 2007. Interests in underlying shares of the Company represented share options granted to such directors and chief executive, further details of which are set out in the sub-section (2) headed "Directors' Rights to Acquire Shares" below.
- The 60,000 Shares were owned by the spouse of Mr. ZENG Maochao.
- The percentage of aggregate holding were calculated on the basis of 874,039,081 shares of the Company in issue at 31 March 2007.

(2) Directors' Rights to Acquire Shares

董事及行政總裁持有股份、相關股份及債權證之權益及淡倉 (續)

(1) 董事及行政總裁之權益及淡倉 (續)

附註:

- 上述於本公司股份及相關股份中擁有之權益均為好倉。於二零零七年三月三十一日，本公司之董事及行政總裁或彼等之聯繫人概無於本公司股份或相關股份中擁有淡倉。於本公司相關股份中擁有之權益乃指授予該等董事及行政總裁之購股權，有關詳情已載列於下文第(2)分節「董事購買股份之權利」。
- 60,000股股份為曾茂朝先生之配偶所擁有。
- 合共持股量之百分比乃按本公司於二零零七年三月三十一日之已發行股份874,039,081股為基準計算。

(2) 董事購買股份之權利

Name of Directors 董事姓名	Date of grant 授出日期	Exercisable period 行使期	Subscription price per Share 每股認購價 HK\$ 港幣	Outstanding as at 31 March 2007 截至二零零七年 三月三十一日 尚未行使
LI Qin 李勤	24/06/2004	24/06/2005-23/06/2012	2.068	2,500,000
GUO Wei 郭為	13/10/2003	13/10/2004-12/10/2011	2.750	5,000,000
	31/08/2001	31/08/2002-30/08/2009	1.976	2,800,000
	12/07/2001	12/07/2002-11/07/2009	3.180	2,800,000
LIN Yang 林楊	13/10/2003	13/10/2004-12/10/2011	2.750	2,500,000
	31/08/2001	31/08/2002-30/08/2009	1.976	1,500,000
	12/07/2001	12/07/2002-11/07/2009	3.180	1,500,000
HUA Zhinian 華祉年	13/10/2003	13/10/2004-12/10/2011	2.750	2,000,000
	31/08/2001	31/08/2002-30/08/2009	1.976	500,000
	12/07/2001	12/07/2002-11/07/2009	3.180	1,100,000

Directors' and Chief Executive's Interests and Short Positions in Shares, Underlying Shares and Debentures (cont'd)

(2) Directors' Rights to Acquire Shares (cont'd)

Save as disclosed above, at 31 March 2007, none of the directors and chief executive of the Company or their associates had any interests or short positions in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which the directors and chief executives were taken or deemed to have taken under such provisions of the SFO), or which were required to be recorded in the register required to be kept by the Company pursuant to Section 352 of Part XV of the SFO or which were required to be notified to the Company and the Stock Exchange pursuant to the Model Code.

Substantial Shareholders' Interests and Short Positions in Shares and Underlying Shares

At 31 March 2007, the following persons, not being a director or chief executive of the Company, had the following interests and short positions in shares and underlying shares of the Company as recorded in the register required to be kept by the Company under Section 336 of Part XV of the SFO:

Name 名稱	Notes 附註	Capacity 身份	Long position	Short position	Percentage
			held in shares 於股份擁有之好倉	held in shares 於股份擁有之淡倉	of aggregate holding of long / short positions in shares (%) 好倉／淡倉合共 持股量之百分比(%) (Note 5) (附註5)
Legend Holdings Limited 聯想控股有限公司	1, 2	Beneficial owner/ Interest of a controlled corporation 實益擁有人／ 受控法團權益	274,633,072/ 141,368,642	–	47.60/–
Employees' Shareholding Society of Legend Holdings Limited 聯想控股有限公司職工持股會	1, 3	Interest of controlled corporations 受控法團權益	416,001,714	–	47.60/–

董事及行政總裁持有股份、相關股份及債權證之權益及淡倉 (續)

(2) 董事購買股份之權利 (續)

除上文所披露者外，於二零零七年三月三十一日，本公司之董事及行政總裁或彼等之聯繫人概無於本公司或其任何相聯法團（定義見證券及期貨條例第XV部）之股份、相關股份或債權證中擁有根據證券及期貨條例第XV部第7及第8分部須知會本公司及聯交所（包括根據證券及期貨條例之有關條款下彼等擁有或被視作擁有之權益或淡倉），或須記入本公司根據證券及期貨條例第XV部第352條存置之登記冊或根據標準守則須知會本公司及聯交所之權益或淡倉。

主要股東持有股份及相關股份之權益及淡倉

於二零零七年三月三十一日，根據本公司在證券及期貨條例第XV部第336條下存置之登記冊所記錄，下列人士（非本公司之董事或行政總裁）於本公司之股份及相關股份中擁有下列之權益及淡倉：

Substantial Shareholders' Interests and Short Positions in
Shares and Underlying Shares (cont'd)

主要股東持有股份及相關股份之權益及淡倉(續)

Name 名稱	Notes 附註	Capacity 身份	Long position held in shares 於股份擁有之好倉	Short position held in shares 於股份擁有之淡倉	Percentage of aggregate holding of long / short positions in shares (%) 好倉/淡倉合共 持股量之百分比(%) (Note 5) (附註5)
General Atlantic Partners (Bermuda), L.P.	4	Beneficial owner/ Interests of persons acting in concert 實益擁有人/ 一致行動人士之權益	96,357,938/ 20,647,062	–	13.39/–
GAP Coinvestment Partners II, L.P.	4	Beneficial owner/ Interests of persons acting in concert 實益擁有人/ 一致行動人士之權益	13,330,702/ 103,674,298	–	13.39/–
GapStar, LLC	4	Beneficial owner/ Interests of persons acting in concert 實益擁有人/ 一致行動人士之權益	7,316,360/ 109,688,640	–	13.39/–
GAP (Bermuda) Limited	4	Interest of a controlled corporation/ Interests of persons acting in concert 受控法團權益/ 一致行動人士之權益	96,357,938/ 20,647,062	–	13.39/–
General Atlantic LLC	4	Interest of a controlled corporation/ Interests of persons acting in concert 受控法團權益/ 一致行動人士之權益	7,316,360/ 109,688,640	–	13.39/–

Substantial Shareholders' Interests and Short Positions in Shares and Underlying Shares (cont'd)

Notes:

1. The English names "Legend Holdings Limited" and "Employees' Shareholding Society of Legend Holdings Limited" are direct transliterations of their Chinese registered names "聯想控股有限公司" and "聯想控股有限公司職工持股會" respectively.
2. 141,368,642 shares were held by Right Lane Limited, a wholly owned subsidiary and a controlled corporation of Legend Holdings Limited, and therefore Legend Holdings Limited was deemed to be interested in such shares by virtue of the SFO.
3. Employees' Shareholding Society of Legend Holdings Limited was the controlling shareholder of Legend Holdings Limited and was therefore deemed to be interested in the 416,001,714 shares in which Legend Holdings Limited was interested.
4. GAP (Bermuda) Limited is the general partner of General Atlantic Partners (Bermuda), L.P., and General Atlantic LLC ("GA LLC") is the sole member of GapStar, LLC. The individuals who are the Managing Directors of GA LLC are also the executive officers and directors of GAP (Bermuda) Limited. In addition, the general partners of GAP Coinvestment Partners II, L.P. are also Managing Directors of GA LLC.
5. The percentage of aggregate holding of long/short positions in shares were calculated on the basis of 874,039,081 shares of the Company in issue at 31 March 2007.

Save as disclosed above, at 31 March 2007, no other interests or short positions in the shares or underlying shares of the Company were recorded in the register required to be kept under Section 336 of Part XV of the SFO.

Connected Transactions

During the year under review, the Group entered into the following connected transactions which are of a regular and continuing nature and in the ordinary and usual course of business of the Group under the Listing Rules of the Stock Exchange:

1. On 27 March 2006, the Company announced (inter alia) that two agreements both dated 27 March 2006 and both with a term of three years commencing on 9 June 2006 were entered into between the Company and Lenovo Group Limited ("Lenovo"), the details of which are described below:
 - (a) a supplemental master sales agreement for the purpose of regulating the *Sales Arrangements*, being the sales of IT products and the provision of services by the Group to Lenovo and/or its subsidiaries ("Lenovo Group"); and

主要股東持有股份及相關股份之權益及淡倉(續)

附註:

1. 英文名稱「Legend Holdings Limited」及「Employees' Shareholding Society of Legend Holdings Limited」乃分別直譯自其註冊登記之中文名稱「聯想控股有限公司」及「聯想控股有限公司職工持股會」。
2. 141,368,642股股份乃由聯想控股有限公司之全資擁有附屬公司及受控法團南明有限公司持有，因此，根據證券及期貨條例，聯想控股有限公司被視作擁有該等股份之權益。
3. 聯想控股有限公司職工持股會乃聯想控股有限公司之控股股東，因此，其被視作擁有416,001,714股股份之權益，該等為聯想控股有限公司擁有權益之股份。
4. GAP (Bermuda) Limited為General Atlantic Partners (Bermuda), L.P.之一般合夥人，及General Atlantic LLC (「GA LLC」)為GapStar, LLC之唯一股東。屬於GA LLC董事總經理之人士亦為GAP (Bermuda) Limited之行政人員及董事。此外，GAP Coinvestment Partners II, L.P.之一般合夥人亦為GA LLC之董事總經理。
5. 好倉／淡倉合共持股量之百分比乃按本公司於二零零七年三月三十一日之已發行股份874,039,081股為基準計算。

除上文所披露者外，於二零零七年三月三十一日，概無於本公司股份或相關股份之其他權益或淡倉須記錄於根據證券及期貨條例第XV部第336條而存置之登記冊內。

關連交易

於本年度內，在聯交所上市規則下本集團進行下列屬本集團日常及一般業務過程中定期及持續性的關連交易：

1. 於二零零六年三月二十七日，本公司宣布（當中包括）本公司與聯想集團有限公司（「聯想」）已簽訂兩份日期為二零零六年三月二十七日，以二零零六年六月九日為起始日為期三年之協議，其詳情載列如下：
 - (a) 補充總銷售協議以監管銷售安排，即本集團銷售予聯想及／或其附屬公司（「聯想集團」）IT產品，並提供服務；及

Connected Transactions (cont'd)

- (b) a supplemental master purchases agreement for the purpose of regulating (i) the *Purchases Arrangements*, being the purchases by the Group from the Lenovo Group of computers and other related IT products of certain Lenovo brands and the provision of services by the Lenovo Group to the Group and (ii) the *IBM Purchases Transactions*, being the purchases of the IBM products together with the warranty and post-warranty services and the provision of services (including upgrade services) by the Group from Lenovo Group.

Legend Holdings Limited ("Legend") is a connected person of the Company by virtue of being a controlling shareholder of the Company. Lenovo is an associate of Legend by virtue of Legend being its controlling shareholder, and therefore Lenovo and any of its associates are regarded as connected persons of the Company under the Listing Rules of the Stock Exchange. A director of the Company is also a director of Lenovo.

For the year ended 31 March 2007, the aggregate amount of the sales by the Group to Lenovo Group was HK\$44,822,000 and the aggregate amount of the purchases by the Group from Lenovo Group was HK\$1,142,083,000.

2. On 10 January 2005, the Company announced that DGT Information Systems Limited ("DGT"), a company owned as to 55% by the Company, 25% by GE Capital Mauritius Equity Investment ("GE") and 20% by TIS Inc. ("TIS"), entered into a master agreement with GE dated 31 December 2004 for the purpose of regulating the transactions relating to the provision of software development, applications outsourcing, IT support and other related professional services by DGT and its subsidiaries to GE and/or its associates ("GE Transactions").

DGT also entered into a master agreement with TIS dated 31 December 2004 for the purpose of regulating the transactions relating to the provision of software development, applications outsourcing, IT support and other related professional services by DGT and its subsidiaries to TIS and/or its associates ("TIS Transactions").

As GE and TIS are each a substantial shareholder of DGT, GE, TIS and their respective associates are regarded as connected persons of the Company under the Listing Rules of the Stock Exchange.

For the year ended 31 March 2007, the aggregate amount of the GE Transactions was HK\$10,723,000 and the aggregate amount of the TIS Transactions was HK\$33,438,000.

關連交易 (續)

- (b) 補充總採購協議以監管(i)採購安排,即本集團向聯想集團採購若干聯想品牌之電腦及相關IT產品及聯想集團向本集團提供服務及(ii)IBM採購交易,即本集團向聯想集團採購IBM產品連同質保期及質保期後服務及提供服務(包括升級服務)。

聯想控股有限公司(「聯想控股」)是本公司之控股股東,因此亦為本公司之關連人士。聯想控股為聯想之控股股東,故聯想為聯想控股之聯繫人,因此根據聯交所上市規則,聯想及其任何聯繫人均被視為本公司之關連人士。本公司之一位董事亦為聯想之董事。

截至二零零七年三月三十一日止年度,本集團銷售予聯想集團之總金額為港幣44,822,000元及本集團向聯想集團採購之總金額為港幣1,142,083,000元。

2. 於二零零五年一月十日,本公司宣佈神州數碼通用軟件有限公司(「神州數碼通用軟件」),一家分別由本公司擁有55%、GE Capital Mauritius Equity Investment(「GE」)擁有25%、及TIS Inc.(「TIS」)擁有20%之公司,與GE簽訂日期為二零零四年十二月三十一日之框架協議,以規管有關神州數碼通用軟件及其附屬公司向GE及/或其聯繫人提供軟件開發、應用軟件外包、IT支援及其他相關專業服務(「GE交易」)。

神州數碼通用軟件亦與TIS簽訂日期為二零零四年十二月三十一日之框架協議,以規管有關神州數碼通用軟件及其附屬公司向TIS及/或其聯繫人士提供軟件開發、應用軟件外包、IT支援及其他相關專業服務(「TIS交易」)。

根據上市規則,由於GE及TIS均為神州數碼通用軟件之主要股東,GE、TIS及彼等各自之聯繫人均被視為本公司之關連人士。

截至二零零七年三月三十一日止年度,GE交易之總金額為港幣10,723,000元,及TIS交易之總金額為港幣33,438,000元。

Connected Transactions (cont'd)

The above continuing connected transactions have been reviewed by the directors of the Company (including the independent non-executive directors). The independent non-executive directors have confirmed that these continuing connected transactions have been entered into:

- (a) in the ordinary and usual course of business of the Group;
- (b) either on normal commercial terms or on terms no less favourable to the Group than terms available to or from independent third parties; and
- (c) in accordance with the relevant agreements governing them on terms that are fair and reasonable and in the interests of the shareholders of the Company as a whole.

The auditors of the Company have also confirmed that these continuing connected transactions:

- (a) have received the approval of the board of directors of the Company;
- (b) are in accordance with the pricing policies of the Group;
- (c) have been entered into in accordance with the relevant agreements governing the transactions; and
- (d) have not exceeded their respective caps disclosed in the announcements dated 10 January 2005 and 27 March 2006.

Significant related party transactions entered into by the Group during the year ended 31 March 2007 are disclosed in note 40 to the financial statements.

The following connected transactions are of a regular and continuing nature and in the ordinary and usual course of business of the Group under the Listing Rules of the Stock Exchange subsequent to the balance sheet date:

1. On 23 January 2007, the Company announced that DGT entered into supplemental agreements with GE and TIS respectively both dated 22 January 2007 and both with a term of three years commencing on 1 April 2007 to 31 March 2010.

關連交易 (續)

上述之關連交易已由董事(包括獨立非執行董事)審閱。獨立非執行董事已確認該等持續關連交易乃按:

- (a) 本集團的日常及一般業務進行;
- (b) 一般商業條款或本集團所取得不遜於給予獨立第三者或由獨立第三者給予之條款進行;及
- (c) 根據規管該等交易之有關協議並按公平合理及符合本公司股東整體利益進行。

本公司之核數師已確認該等持續關連交易:

- (a) 已經由本公司之董事會批准;
- (b) 乃按照本集團的定價政策而進行;
- (c) 乃根據規管該等交易之有關協議條款進行;及
- (d) 並無超逾彼等各自於公告(日期分別為二零零五年一月十日及二零零六年三月二十七日)所述之上限。

本集團截至二零零七年三月三十一日止年度內之重大有關連人士交易於財務報表附註40披露。

於資產負債表後日期,在聯交所上市規則下本集團進行下列屬本集團日常及一般業務過程中定期及持續性的關連交易:

1. 於二零零七年一月二十三日,本公司宣布神州數碼通用軟件已分別與GE及TIS訂立補充協議(日期為二零零七年一月二十二日),以二零零七年四月一日為起始日至二零一零年三月三十一日止,為期三年之協議。

Donations

During the year, no charitable and other donations were made by the Group (2006: Nil).

Major Customers and Suppliers

The aggregate percentage of turnover attributable to the Group's five largest customers was less than 30% (2006: less than 30%) of the Group's total turnover for the year.

The aggregate percentage of purchases attributable to the Group's five largest suppliers was approximately 46% (2006: approximately 43%) of the Group's total purchases and the percentage of purchases attributable to the Group's largest supplier was approximately 14% (2006: approximately 12%) for the year.

None of the directors, any of their associates or shareholders (which, to the best knowledge of the directors, own more than 5% of the Company's issued share capital) had any beneficial interest in the Group's major customers or suppliers noted above.

Purchase, Sale or Redemption of the Company's Listed Securities

During the year ended 31 March 2007, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities.

Auditors

The consolidated financial statements for the year ended 31 March 2007 of the Group were audited by Messrs. Ernst & Young.

At the forthcoming annual general meeting of the Company, Messrs. Ernst & Young will retire but, being eligible, will offer themselves for re-appointment, and accordingly a resolution will be proposed to re-appoint Messrs. Ernst & Young as the auditors of the Company.

捐款

本集團於本年度內並無慈善及其他捐款(二零零六年:無)。

主要客戶及供應商

於本年度內來自本集團五大客戶合共之營業總額佔本集團總營業額之百分比少於30% (二零零六年:少於30%)。

於本年度內來自本集團五大供應商合共之採購額佔本集團採購總額之百分比約為46% (二零零六年:約43%)，及來自本集團最大供應商之採購額所佔百分比約為14% (二零零六年:約12%)。

董事、任何彼等之聯繫人或股東(據董事所知擁有本公司已發行股本超過5%者)概無在上述本集團主要客戶或供應商中擁有任何實益權益。

購買、出售或贖回本公司之上市證券

於截至二零零七年三月三十一日止年度內，本公司及其任何附屬公司概無購買、出售或贖回任何本公司之上市證券。

核數師

本集團截至二零零七年三月三十一日止年度之綜合財務報表已由安永會計師事務所審核。

安永會計師事務所將於本公司應屆股東週年大會上告退，惟其合資格並願意被續聘，因此，一項有關續聘安永會計師事務所為本公司之核數師之決議案將予以提呈。

Sufficiency of Public Float

Based on information that is publicly available to the Company and within the knowledge of the directors, the directors confirm that the Company has maintained the amount of public float as required under the Listing Rules during the year ended 31 March 2007.

ON BEHALF OF THE BOARD

代表董事會



LI Qin 李勤

Chairman 主席

Hong Kong, 12 July 2007

香港·二零零七年七月十二日

最低公眾持股量

本公司根據公開資料·以及在各董事的認知範圍內·董事確認本公司於二零零七年三月三十一日止之年度內仍維持上市規則規定下的最低公眾持股量。

Independent Auditors' Report

獨立核數師報告



To the shareholders of Digital China Holdings Limited
(Incorporated in Bermuda with limited liability)

We have audited the financial statements of Digital China Holdings Limited set out on pages 61 to 161, which comprise the consolidated and company balance sheets as at 31 March 2007, and the consolidated income statement, the consolidated statement of changes in equity and the consolidated cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory notes.

Directors' responsibility for the financial statements

The directors of the Company are responsible for the preparation and the true and fair presentation of these financial statements in accordance with Hong Kong Financial Reporting Standards issued by the Hong Kong Institute of Certified Public Accountants and the disclosure requirements of the Hong Kong Companies Ordinance. This responsibility includes designing, implementing and maintaining internal control relevant to the preparation and the true and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditors' responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. Our report is made solely to you, as a body, in accordance with Section 90 of the Bermuda Companies Act 1981, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

We conducted our audit in accordance with Hong Kong Standards on Auditing issued by the Hong Kong Institute of Certified Public Accountants. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance as to whether the financial statements are free from material misstatement.

致神州數碼控股有限公司全體股東
(於百慕達註冊成立之有限公司)

本核數師(以下簡稱「我們」)已審核神州數碼控股有限公司載於第61頁至第161頁的財務報表,此財務報表包括於二零零七年三月三十一日的綜合資產負債表及公司資產負債表與截至該日止年度的綜合收益表、綜合權益變動表及綜合現金流量表,以及主要會計政策概要及其他附註解釋。

董事就財務報表須承擔的責任

貴公司董事須負責根據香港會計師公會頒佈的《香港財務報告準則》及《香港公司條例》之披露規定編制並且真實而公允地列報該等財務報表。這些責任包括設計、實施及維護與財務報表編制及真實而公允地列報相關的內部控制,以使財務報表不存在由於欺詐或錯誤而導致的重大錯誤陳述;選擇和運用恰當的會計政策;以及按情況作出合理的會計估計。

核數師的責任

我們的責任是根據我們的審核對該等財務報表作出意見。我們的報告依據百慕達一九八一年《公司法》第九十條僅為全體股東編制,而並不可作其他目的。我們概不就本報告的內容對其他任何人士負責或承擔責任。

我們已根據香港會計師公會頒佈的《香港審核準則》的規定執行審核。這些準則要求我們遵守職業道德規範,並規劃及執行審核,從而獲得合理確定此等財務報表是否不存有任何重大錯誤陳述。

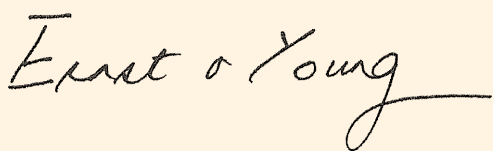
Independent Auditors' Report 獨立核數師報告

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the entity's preparation and true and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements give a true and fair view of the state of affairs of the Company and of the Group as at 31 March 2007 and of the Group's profit and cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards and have been properly prepared in accordance with the disclosure requirements of the Hong Kong Companies Ordinance.



Ernst & Young

安永會計師事務所

Certified Public Accountants

執業會計師

18/F., Two International Finance Centre

8 Finance Street, Central

Hong Kong

香港中環金融街8號國際金融中心二期十八樓

12 July 2007

二零零七年七月十二日

審核涉及執行程序以獲取有關財務報表所載金額和披露資料的審核憑證。所選定的程序取決於核數師的判斷，包括評估由於欺詐或錯誤而導致財務報表存有重大錯誤陳述的風險。在評估該等風險時，核數師考慮與該公司編制及真實而公允地列報財務報表相關的內部控制，以設計適當的審核程序，但並非對公司的內部控制的有效性發表意見。審核亦包括評價董事所採用的會計政策的合適性及作出的會計估計的合理性，以及評價財務報表的整體列報方式。

我們相信，我們所獲得的審核證據充足且適當地為我們的審核意見提供基礎。

意見

我們認為，該等財務報表已根據《香港財務報告準則》真實而公允地反映 貴公司及 貴集團於二零零七年三月三十一日的財務狀況及 貴集團截至該日止年度的溢利和現金流量，並已按《香港公司條例》之披露規定妥善編制。

Consolidated Income Statement

綜合收益表

Year ended 31 March 2007
截至二零零七年三月三十一日止年度

		Notes	2007 二零零七年 HK\$'000 港幣千元	2006 二零零六年 HK\$'000 港幣千元
		附註		
REVENUE	收入	5	25,418,398	19,864,897
Cost of sales	銷售成本		(23,569,405)	(18,459,683)
Gross profit	毛利		1,848,993	1,405,214
Other income and gains	其他收入及收益	5	219,938	122,669
Selling and distribution costs	銷售及分銷成本		(1,105,296)	(810,575)
Administrative expenses	行政費用		(318,635)	(267,471)
Other operating expenses, net	其他營運費用淨額		(230,263)	(74,851)
Total operating expenses	營運費用總額	6	(1,654,194)	(1,152,897)
Finance costs	融資成本	8	(146,406)	(95,851)
Share of profits and losses of:	應佔下列公司之溢利及虧損:			
Jointly-controlled entities	共同控制企業		(20,882)	(5,171)
Associates	聯營公司		(5,505)	(4,383)
PROFIT BEFORE TAX	除稅前溢利	7	241,944	269,581
Tax	稅項	11	(40,631)	(20,970)
PROFIT FOR THE YEAR	本年度溢利		201,313	248,611
Attributable to:	歸屬於:			
Equity holders of the parent	母公司股東權益	12	208,429	251,917
Minority interests	少數股東權益		(7,116)	(3,306)
			201,313	248,611
DIVIDENDS – Proposed final	股息 – 擬派末期	13	72,370	86,693
EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT	母公司普通股股東 應佔每股盈利	14		
Basic	基本		23.92 HK cents港仙	29.19 HK cents港仙
Diluted	攤薄		23.78 HK cents港仙	29.07 HK cents港仙

Consolidated Balance Sheet

綜合資產負債表

31 March 2007

二零零七年三月三十一日

			2007 二零零七年 HK\$'000 港幣千元	2006 二零零六年 HK\$'000 港幣千元
		Notes 附註		
NON-CURRENT ASSETS	非流動資產			
Property, plant and equipment	物業、廠房及設備	15	337,621	420,168
Investment properties	投資物業	16	208,226	184,293
Prepaid land premiums	預付土地租金	17	13,547	13,485
Goodwill	商譽	18	–	28,265
Intangible assets	無形資產	19	19,087	39,324
Interests in jointly-controlled entities	於共同控制企業之權益	22	3,644	24,526
Interests in associates	於聯營公司之權益	23	22,970	36,453
Available-for-sale investments	可供出售之投資	24	31,611	32,944
Deferred tax assets	遞延稅項資產	25	25,038	31,150
Total non-current assets	總非流動資產		661,744	810,608
CURRENT ASSETS	流動資產			
Inventories	存貨	26	1,683,630	1,567,027
Trade and bills receivables	應收貿易帳款及應收票據	28	2,852,404	2,584,673
Prepayments, deposits and other receivables	預付款項、按金及其他應收款項		957,146	567,288
Cash and bank balances	現金及銀行結餘	29	717,455	297,768
			6,210,635	5,016,756
Non-current asset classified as held for sale	持有待售之非流動資產	30	12,681	–
Total current assets	總流動資產		6,223,316	5,016,756
CURRENT LIABILITIES	流動負債			
Trade and bills payables	應付貿易帳款及應付票據	31	2,667,444	2,055,757
Other payables and accruals	其他應付款項及預提費用		975,330	741,563
Tax payable	應繳稅項		31,807	17,991
Interest-bearing bank and other borrowings	付息銀行及其他貸款	32	633,536	1,206,185
Total current liabilities	總流動負債		4,308,117	4,021,496
NET CURRENT ASSETS	流動資產淨值		1,915,199	995,260
TOTAL ASSETS LESS CURRENT LIABILITIES	總資產減流動負債		2,576,943	1,805,868
NON-CURRENT LIABILITIES	非流動負債			
Interest-bearing bank borrowings	付息銀行貸款	32	603,697	–
Total non-current liabilities	總非流動負債		603,697	–
Net assets	資產淨值		1,973,246	1,805,868

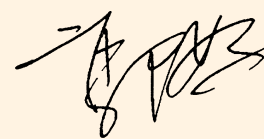
Consolidated Balance Sheet
綜合資產負債表

31 March 2007
二零零七年三月三十一日

			2007 二零零七年	2006 二零零六年
		Notes 附註	HK\$'000 港幣千元	HK\$'000 港幣千元
EQUITY	權益			
Equity attributable to equity holders of the parent	母公司股東應佔權益			
Issued capital	已發行股本	33	87,404	86,693
Reserves	儲備	35(a)	1,801,579	1,613,473
Proposed final dividend	擬派末期股息	13	72,370	86,693
			1,961,353	1,786,859
Minority interests	少數股東權益		11,893	19,009
Total equity	權益總額		1,973,246	1,805,868



LI Qin 李勤
Chairman 主席



GUO Wei 郭為
Director 董事

Consolidated Statement of Changes in Equity

綜合權益變動表

Year ended 31 March 2007

截至二零零七年三月三十一日止年度

		Attributable to equity holders of the parent 母公司股東應佔										
		Issued capital	Share premium account	Capital reserve	Employee share-based compensation reserve	Reserve funds	Exchange fluctuation reserve	Retained profits	Proposed final dividend	Total	Minority interests	Total equity
		已發行股本	股份溢價帳	資本儲備	以股份支付僱員之酬金儲備	儲備基金	匯兌波動儲備	保留溢利	擬派末期股息	總計	股東權益	權益總額
		HK\$'000	HK\$'000	HK\$'000	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	港幣千元	港幣千元	港幣千元
At 1 April 2005	於二零零五年四月一日	86,126	294,683	623,689	37,595	45,668	640	416,666	73,465	1,578,532	9,972	1,588,504
Exchange realignment and net gain recognised directly in equity for the year	本年度匯兌調整及直接於權益確認之收益淨額	-	-	-	-	-	5,794	-	-	5,794	-	5,794
Profit for the year	本年度溢利	-	-	-	-	-	-	251,917	-	251,917	(3,306)	248,611
Total income and expense for the year	本年度總收入及開支	-	-	-	-	-	5,794	251,917	-	257,711	(3,306)	254,405
Exercise of share options	行使購股權	33	567	-	-	-	-	-	-	11,218	-	11,218
Equity-settled share option arrangements	以股份支付之購股權安排	34	-	-	12,863	-	-	-	-	12,863	-	12,863
Capital injection from minority shareholders of a subsidiary	一間附屬公司少數股東之注資資本	-	-	-	-	-	-	-	-	-	1,905	1,905
Acquisition of a subsidiary	收購一間附屬公司	36(a)	-	-	-	-	-	-	-	-	10,438	10,438
Final 2005 dividend	二零零五年末期股息	-	-	-	-	-	-	-	(73,465)	(73,465)	-	(73,465)
Proposed final 2006 dividend	擬派二零零六年末期股息	13	-	-	-	-	-	(86,693)	86,693	-	-	-
Transfer to reserve funds	轉撥至儲備基金	-	-	-	-	8,094	-	(8,094)	-	-	-	-
Transfer to capital reserve	轉撥至資本儲備	-	-	1,645	-	-	-	(1,645)	-	-	-	-
At 31 March 2006	於二零零六年三月三十一日	86,693	305,334*	625,334*	50,458*	53,762*	6,434*	572,151*	86,693	1,786,859	19,009	1,805,868
At 1 April 2006	於二零零六年四月一日	86,693	305,334	625,334	50,458	53,762	6,434	572,151	86,693	1,786,859	19,009	1,805,868
Exchange realignment and net gain recognised directly in equity for the year	本年度匯兌調整及直接於權益確認之收益淨額	-	-	-	-	-	31,998	-	-	31,998	-	31,998
Profit for the year	本年度溢利	-	-	-	-	-	-	208,429	-	208,429	(7,116)	201,313
Total income and expense for the year	本年度總收入及開支	-	-	-	-	-	31,998	208,429	-	240,427	(7,116)	233,311
Exercise of share options	行使購股權	33	711	-	(498)	-	-	-	-	14,451	-	14,451
Equity-settled share option arrangements	以股份支付之購股權安排	34	-	-	6,309	-	-	-	-	6,309	-	6,309
Final 2006 dividend	二零零六年末期股息	-	-	-	-	-	-	-	(86,693)	(86,693)	-	(86,693)
Proposed final 2007 dividend	擬派二零零七年末期股息	13	-	-	-	-	-	(72,370)	72,370	-	-	-
Transfer to reserve funds	轉撥至儲備基金	-	-	-	-	10,240	-	(10,240)	-	-	-	-
At 31 March 2007	於二零零七年三月三十一日	87,404	319,572*	625,334*	56,269*	64,002*	38,432*	697,970*	72,370	1,961,353	11,893	1,973,246

* These reserve accounts comprise the consolidated reserves of approximately HK\$1,801,579,000 (2006: HK\$1,613,473,000) in the consolidated balance sheet.

* 該等儲備帳組成綜合資產負債表中之綜合儲備約港幣1,801,579,000元(二零零六年:港幣1,613,473,000元)。

Consolidated Cash Flow Statement

綜合現金流量表

Year ended 31 March 2007
截至二零零七年三月三十一日止年度

			2007	2006
			二零零七年	二零零六年
		Notes	HK\$'000	HK\$'000
		附註	港幣千元	港幣千元
CASH FLOWS FROM OPERATING ACTIVITIES	經營業務所得現金流量			
Profit before tax	除稅前溢利		241,944	269,581
Adjustments for:	就以下各項所作之調整：			
Finance costs	融資成本	8	146,406	95,851
Share of profits and losses of jointly-controlled entities and associates	應佔共同控制企業及聯營公司之溢利及虧損		26,387	9,554
Bank interest income	銀行利息收入	5	(7,035)	(4,468)
Loss on disposal of items of property, plant and equipment	出售物業、廠房及設備之虧損	7	4,142	2,313
Gain on disposal of non-current asset classified as held for sale	出售持有待售之非流動資產之收益	5	(21,500)	(3,196)
Gain on disposal of intangible assets	處置無形資產收益	5	-	(3,487)
Fair value gains on investment properties, net	投資物業之公平價值收益淨額	5, 16	(1,456)	(7,368)
Depreciation	折舊	7, 15	64,197	56,950
Amortisation of prepaid land premiums	預付土地租金攤銷	7, 17	352	162
Impairment of goodwill	商譽減值	7, 18	28,566	12,894
Amortisation of intangible assets	無形資產攤銷	7, 19	5,019	7,255
Impairment of intangible assets	無形資產減值	7, 19	16,259	19,781
Impairment of available-for-sale investments	可供出售之投資減值	7, 24	2,425	-
Equity-settled share option expenses	以股份支付之購股權開支	7	6,309	12,863
			512,015	468,685
Increase in inventories	存貨增加		(116,603)	(283,354)
Increase in trade and bills receivables	應收貿易帳款及應收票據增加		(267,731)	(467,744)
Increase in prepayments, deposits and other receivables	預付款項、按金及其他應收款項增加		(389,858)	(117,483)
Decrease in an amount due from an associate	應收一間聯營公司款項減少		-	5,110
Decrease in an amount due to an associate	應付一間聯營公司款項減少		-	(1,882)
Increase in trade and bills payables	應付貿易帳款及應付票據增加		611,687	383,124
Increase in other payables and accruals	其他應付款項及預提費用增加		233,767	161,337
Effect of foreign exchange rate changes, net	匯兌變動之影響淨額		557	(13,551)
Cash generated from operations	經營所得之現金		583,834	134,242
Interest received	已收利息		7,035	4,468
The People's Republic of China corporate income tax paid	已繳中華人民共和國企業所得稅		(20,306)	(9,011)
Net cash inflow from operating activities	經營業務所得現金淨額		570,563	129,699

Consolidated Cash Flow Statement

綜合現金流量表

Year ended 31 March 2007

截至二零零七年三月三十一日止年度

			2007 二零零七年 HK\$'000 港幣千元	2006 二零零六年 HK\$'000 港幣千元
		Notes 附註		
Net cash inflow from operating activities	經營活動所得現金淨額		570,563	129,699
CASH FLOWS FROM INVESTING ACTIVITIES	投資活動所得現金流量			
Purchases of items of property, plant and equipment	購入物業、廠房及設備	15	(81,111)	(227,260)
Proceeds from disposal of items of property, plant and equipment	出售物業、廠房及設備之所得款項		440	241
Proceeds from disposal of non-current asset classified as held for sale	出售持有待售之非流動資產之所得款項		112,841	84,249
Additions to intangible assets	增加無形資產	19	-	(50,760)
Acquisition of a subsidiary	收購一間附屬公司	36(a)	-	(33,703)
Investments in jointly-controlled entities	於共同控制企業之投資		-	(8,270)
Investments in associates	於聯營公司之投資		(4,703)	(5,383)
Return of capital from associates	收回於聯營公司之投資		-	1,890
Purchases of available-for-sale investments	購入可供出售之投資		(1,067)	-
Net cash inflow/(outflow) from investing activities	投資活動所得／(所耗) 現金淨額		26,400	(238,996)
CASH FLOWS FROM FINANCING ACTIVITIES	融資活動所得現金流量			
Proceeds from issue of shares	發行股份之所得款項	33	14,451	11,218
Capital injected by minority shareholders	少數股東注資		-	1,905
New bank loans	新增銀行貸款		7,880,917	5,980,393
Repayment of bank and other loans	償還銀行及其他貸款		(7,854,988)	(5,878,139)
Interest paid	已付利息		(146,406)	(95,851)
Dividends paid	已付股息		(86,693)	(73,465)
Net cash outflow from financing activities	融資活動所耗現金淨額		(192,719)	(53,939)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	現金及現金等價物增加／(減少) 淨額		404,244	(163,236)
Cash and cash equivalents at beginning of year	年初之現金及現金等價物		297,768	453,286
Effect of foreign exchange rate changes, net	匯兌變動之影響淨額		15,443	7,718
CASH AND CASH EQUIVALENTS AT END OF YEAR	年末之現金及現金等價物		717,455	297,768
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS	現金及現金等價物之結餘分析			
Cash and bank balances	現金及銀行結餘	29	717,455	297,768

Balance Sheet

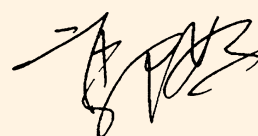
資產負債表

31 March 2007
二零零七年三月三十一日

			2007 二零零七年 HK\$'000 港幣千元	2006 二零零六年 HK\$'000 港幣千元
	Notes 附註			
NON-CURRENT ASSETS		非流動資產		
Property, plant and equipment	15	物業、廠房及設備	479	1,120
Investments in subsidiaries	20	於附屬公司之投資	749,166	743,702
Total non-current assets		總非流動資產	749,645	744,822
CURRENT ASSETS		流動資產		
Prepayments, deposits and other receivables		預付款項、按金及其他應收款項	1,737	1,971
Due from subsidiaries	21	應收附屬公司款項	1,017,794	561,211
Cash and bank balances	29	現金及銀行結餘	913	26,606
Total current assets		總流動資產	1,020,444	589,788
CURRENT LIABILITIES		流動負債		
Other payables and accruals		其他應付款項及預提費用	7,138	5,424
Due to subsidiaries	21	應付附屬公司款項	430,153	18,778
Total current liabilities		總流動負債	437,291	24,202
NET CURRENT ASSETS		流動資產淨值	583,153	565,586
Net assets		資產淨值	1,332,798	1,310,408
EQUITY		權益		
Issued capital	33	已發行股本	87,404	86,693
Reserves	35(b)	儲備	1,173,024	1,137,022
Proposed final dividend	13	擬派末期股息	72,370	86,693
Total equity		權益總額	1,332,798	1,310,408



LI Qin 李勤
Chairman 主席



GUO Wei 郭為
Director 董事

Notes to Financial Statements

財務報表附註

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1. Corporate Information

Digital China Holdings Limited (the “Company”) is a limited liability company incorporated in Bermuda. The head office and principal place of business of the Company is located at Suite 2008, 20/F., Devon House, Taikoo Place, 979 King’s Road, Quarry Bay, Hong Kong.

During the year, the Group was involved in the following principal activities:

- distribution of general information technology (“IT”) products
- distribution of systems products and provision of related value-added services
- provision of systems integration, application software development, consultancy and training, etc..

2.1 Basis of Preparation

These financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards (“HKFRSs”) (which also include Hong Kong Accounting Standards (“HKASs”) and Interpretations) issued by the Hong Kong Institute of Certified Public Accountants, accounting principles generally accepted in Hong Kong and the disclosure requirements of the Hong Kong Companies Ordinance. They have been prepared under the historical cost convention, except for investment properties, which have been measured at fair value and non-current asset held for sale, which is stated at the lower of its carrying amount and fair value less costs to sell as further explained in note 2.4. These financial statements are presented in Hong Kong dollars (“HK\$”) and all values are rounded to the nearest thousand except when otherwise indicated.

1. 公司資料

Digital China Holdings Limited (神州數碼控股有限公司*) (「本公司」) 為於百慕達註冊成立之有限公司。本公司之總辦事處及主要營業地點位於香港鰂魚涌英皇道979號太古坊德宏大廈20樓2008室。

本集團於本年度內從事以下主要業務：

- 分銷資訊科技(「IT」)產品
- 分銷系統產品及提供相關增值服務
- 提供系統集成、開發應用軟件、諮詢及培訓等。

2.1 呈報基準

本財務報表乃按照由香港會計師公會頒佈之香港財務報告準則(「香港財務報告準則」)(當中包括香港會計準則(「香港會計準則」)及註釋)、香港普遍採納之會計原則及香港公司條例之披露規定而編制。本財務報表乃按照歷史成本原則編制，惟投資物業乃按照公平價值計算及持有待售之非流動資產以其帳面值與其公平價值減出售成本值之較低者計算(詳情載於附註2.4)。除另有說明外，本財務報表以港幣元(「港幣元」)列示，所有價值均調整至最接近之千位數。

(* 僅供識別)

2.1 Basis of Preparation (cont'd)

Basis of consolidation

The consolidated financial statements include the financial statements of the Company and its subsidiaries for the year ended 31 March 2007. The results of subsidiaries are consolidated from the date of acquisition, being the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases. All significant intercompany transactions and balances within the Group are eliminated on consolidation.

The acquisition of subsidiaries has been accounted for using the purchase method of accounting. This method involves allocating the cost of the business combinations to the fair value of the identifiable assets acquired, and liabilities and contingent liabilities assumed at the date of acquisition. The cost of the acquisition is measured at the aggregate of the fair value of the assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the acquisition.

Minority interests represent the interests of outside shareholders not held by the Group in the results and net assets of the Company's subsidiaries.

2.2 Impact of New and Revised HKFRSs

The Group has adopted the following new and revised HKFRSs for the first time for the current year's financial statements. Except for in certain cases, giving rise to new and revised accounting policies and additional disclosures, the adoption of these new and revised standards and interpretation has had no material effect on these financial statements.

HKAS 21 Amendment	Net Investment in a Foreign Operation
HKAS 39 & HKFRS 4 Amendments	Financial Guarantee Contracts
HKAS 39 Amendment	Cash Flow Hedge Accounting of Forecast Intragroup Transactions
HKAS 39 Amendment	The Fair Value Option
HK(IFRIC)-Int 4	Determining whether an Arrangement contains a Lease
HK(IFRIC)-Int 7	Applying the Restatement Approach under HKAS 29 Financial Reporting in Hyperinflationary Economies

2.1 呈報基準 (續)

綜合基準

本綜合財務報表包括本公司及其附屬公司截至二零零七年三月三十一日止年度的財務報表。附屬公司之業績由收購日期（即本集團獲得控制權之日）起綜合入帳，直至該控制權終止之日為止。本集團系內各公司之間的所有重大交易及結餘已於綜合時抵銷。

收購附屬公司事項已按會計購買法入帳。此會計法涉及將業務合併成本攤至收購日期所收購可辨別資產及所承擔負債及或然負債之公平價值。收購成本按交換日期指定資產、已發行權益工具及所產生或承擔負債之公平價值加收購直接應佔成本之總額計算。

少數股東權益指非本集團控制的外界股東佔本公司附屬公司業績和資產淨值的權益。

2.2 新頒佈及經修訂之香港財務報告準則之影響

本集團編制本年度財務報表時首次採用以下新頒佈及經修訂之香港財務報告準則。除某些特定情形需要採用新頒佈及經修訂的會計政策和額外披露外，採用這些新頒佈及經修訂的準則及詮釋對這些財務報表並無重大影響。

香港會計準則第21號經修訂	對境外經營的淨投資
香港會計準則第39號及 香港財務報告準則第4號經修訂	財務擔保合約
香港會計準則第39號經修訂	預期集團內部交易的現金流量套期會計
香港會計準則第39號經修訂	公平價值計量選擇權
香港（國際財務報告詮釋委員會） — 詮釋第4號	確定一項安排是否包括租賃
香港（國際財務報告詮釋委員會） — 詮釋第7號	採用香港會計準則第29號惡性通貨膨脹 經濟中的財務報告規定的重報方法

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2.2 Impact of New and Revised HKFRSs (cont'd)

The principal changes in accounting policies are as follows:

(a) HKAS 21 The Effects of Changes in Foreign Exchange Rates

Upon the adoption of the HKAS 21 Amendment regarding a net investment in a foreign operation, all exchange differences arising from a monetary item that forms part of the Group's net investment in a foreign operation are recognised in a separate component of equity in the consolidated financial statements irrespective of the currency in which the monetary item is denominated. This change has had no material impact on these financial statements as at 31 March 2007 or 31 March 2006.

(b) HKAS 39 Financial Instruments: Recognition and Measurement

(i) Amendment for financial guarantee contracts

This amendment has revised the scope of HKAS 39 to require financial guarantee contracts issued that are not considered insurance contracts, to be recognised initially at fair value and to be remeasured at the higher of the amount determined in accordance with HKAS 37 *Provisions, Contingent Liabilities and Contingent Assets* and the amount initially recognised less, when appropriate, cumulative amortisation recognised in accordance with HKAS 18 *Revenue*. The adoption of this amendment has had no material impact on these financial statements.

(ii) Amendment for the fair value option

This amendment has changed the definition of a financial instrument classified as fair value through profit or loss and has restricted the use of the option to designate any financial asset or any financial liability to be measured at fair value through the income statement. The Group had not previously used this option, and hence the amendment has had no effect on the financial statements.

2.2 新頒佈及經修訂之香港財務報告準則之影響 (續)

會計政策的主要變動如下：

(a) 香港會計準則第21號 外幣匯率變動的影響

在採用了香港會計準則第21號經修訂關於對境外經營的淨投資的條款後，作為本集團對境外經營淨投資一部份的貨幣項目產生的所有匯兌差額作為權益的單獨組成部分在綜合財務報表中確認，無論該貨幣項目以何種貨幣列值。這一變化對於截至二零零七年或二零零六年三月三十一日止的財務報表並無重大影響。

(b) 香港會計準則第39號 金融工具：確認和計量

(i) 財務擔保合約的修訂

本修訂條款更改了香港會計準則第39號的適用範圍，要求已出具的非保險合約的財務擔保合約按公平價值作初始計量，並按根據香港會計準則第37號「撥備、或有負債及或有資產」確認的金額和初始確認的金額減根據香港會計準則第18號「收入」確認的累計攤銷額（如適用）後的餘額兩者中較高者重新計量。採用本修訂對這些財務報表並無重大影響。

(ii) 公平價值計量選擇權的修訂

本修訂改變了以公平價值計量且變動計入損益的金融工具的定义，並且對指定任何金融資產或金融負債為按公平價值計量並在收益表中確認公平價值變動的選擇權使用進行了限制。本集團以前未採用過此選擇權，因此，本修改對這些財務報表並無影響。

2.2 Impact of New and Revised HKFRSs (cont'd)**(b) HKAS 39 Financial Instruments: Recognition and Measurement (cont'd)****(iii) Amendment for cash flow hedge accounting of forecast intragroup transactions**

This amendment has revised HKAS 39 to permit the foreign currency risk of a highly probable intragroup forecast transaction to qualify as a hedged item in a cash flow hedge, provided that the transaction is denominated in a currency other than the functional currency of the entity entering into that transaction and that the foreign currency risk will affect the consolidated income statement. As the Group currently has no such transactions, the amendment has had no effect on these financial statements.

(c) HK(IFRIC)-Int 4 Determining whether an Arrangement contains a Lease

The Group has adopted this interpretation as of 1 April 2006, which provides guidance in determining whether arrangements contain a lease to which lease accounting must be applied. This interpretation has had no material impact on these financial statements.

(d) HK(IFRIC)-Int 7 Applying the Restatement Approach under HKAS 29 Financial Reporting in Hyperinflationary Economies

The Group has adopted this interpretation as of 1 April 2006, which provides guidance on how to apply the requirements of HKAS 29 in a reporting period in which an entity identifies the existence of hyperinflation in the economy of its functional currency when that economy was not hyperinflationary in the prior period, causing the entity to restate its financial statements in accordance with HKAS 29. This interpretation has had no material impact on these financial statements.

2.2 新頒佈及經修訂之香港財務報告準則之影響 (續)**(b) 香港會計準則第39號 金融工具：確認和計量 (續)****(iii) 預測集團內部交易的現金流量套期會計的修訂**

本修訂對香港會計準則第39號進行了修改，允許很可能的預期集團內部交易的外幣風險作為現金流量套期的被套期項目，只要該交易採用的貨幣不是該交易企業的功能貨幣，並且外幣風險對綜合收益表會產生影響。鑒於本集團目前未開展此類交易，因此本修訂對這些財務報表並無影響。

(c) 香港 (國際財務報告詮釋委員會) – 詮釋第4號 確定一項安排是否包括租賃

本集團自二零零六年四月一日起採用了本詮釋，詮釋就確定安排是否包含一項必須採用租賃會計核算的租賃提供了指南。本詮釋對這些財務報表並無重大影響。

(d) 香港 (國際財務報告詮釋委員會) – 詮釋第7號 採用香港會計準則第29號惡性通貨膨脹經濟中的財務報告規定的重報方法

本集團自二零零六年四月一日起採用了本詮釋，詮釋就實體在報告期間內確定其功能貨幣處於嚴重通貨膨脹經濟中，而有關經濟體系在上一期間並無出現嚴重通貨膨脹，應如何應用香港會計準則第29號的規定提供了指南，財務報表應根據香港會計準則第29號而重列。本詮釋對這些財務報表並無重大影響。

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2.3 Impact of Issued but not yet Effective HKFRSs

The Group has not applied the following new and revised HKFRSs, that have been issued but are not yet effective, in these financial statements.

HKAS 1 Amendment	Capital Disclosures
HKAS 23 (Revised)	Borrowing Costs
HKFRS 7	Financial Instruments: Disclosures
HKFRS 8	Operating Segments
HK(IFRIC)-Int 8	Scope of HKFRS 2
HK(IFRIC)-Int 9	Reassessment of Embedded Derivatives
HK(IFRIC)-Int 10	Interim Financial Reporting and Impairment
HK(IFRIC)-Int 11	HKFRS 2 – Group and Treasury Share Transactions
HK(IFRIC)-Int 12	Service Concession Arrangements

The HKAS 1 Amendment shall be applied for annual periods beginning on or after 1 January 2007. The revised standard will affect the disclosures about qualitative information about the Group's objectives, policies and processes for managing capital; quantitative data about what the Company regards as capital; and compliance with any capital requirements and the consequences of any non-compliance.

HKFRS 7 shall be applied for annual periods beginning on or after 1 January 2007. This standard requires disclosures that enable users of the financial statements to evaluate the significance of the Group's financial instruments and the nature and extent of risks arising from those financial instruments.

HKFRS 8 shall be applied for annual periods beginning on or after 1 January 2009. This standard requires the disclosure of information about the operating segments of the Group, the products and services provided by the segments, the geographical areas in which the Group operates, and revenues from the Group's major customers. This standard will supersede HKAS 14 *Segment Reporting*.

2.3 已頒佈但尚未生效之香港財務報告準則之影響

本集團在編制這些財務報表時尚未採用下列已發佈但尚未生效的新頒佈及經修訂之香港財務報告準則。

香港會計準則第1號經修訂	資本披露
香港會計準則第23號(經修改)	借款成本
香港財務報告準則第7號	金融工具:披露
香港財務報告準則第8號	業務分類
香港(國際財務報告詮釋委員會) – 詮釋第8號	香港財務報告準則第2號的範圍
香港(國際財務報告詮釋委員會) – 詮釋第9號	嵌入衍生工具的重估
香港(國際財務報告詮釋委員會) – 詮釋第10號	中期財務報告和減值
香港(國際財務報告詮釋委員會) – 詮釋第11號	香港財務報告準則第2號 – 集團及庫存股票交易
香港(國際財務報告詮釋委員會) – 詮釋第12號	服務優惠協定

香港會計準則第1號經修訂適用於二零零七年一月一日或以後開始的年度期間。該修訂後準則將影響以下事項的披露:有關本集團資本管理的目標、政策和程式的定性資訊;本公司視作資本的定量數據;以及遵守所有資本規定的情況以及任何不合規造成的後果。

香港財務報告準則第7號適用於二零零七年一月一日或以後開始的年度期間。本準則要求披露能使財務報表使用者能夠評估集團的金融工具的重要性以及這些金融工具所產生風險的性質和程度,同時本準則包括了很多香港會計準則第32號的披露要求。

香港財務報告準則第8號將由二零零九年一月一日或以後開始之年度應用。本準則要求披露有關集團營運分類、產品及服務分類、營運地域分類及集團收入之主要顧客。此準則將取代香港會計準則第14號「分類報告」。

2.3 Impact of Issued but not yet Effective HKFRSs (cont'd)

HK(IFRIC)-Int 8, HK(IFRIC)-Int 9, HK(IFRIC)-Int 10, HK(IFRIC)-Int 11, HK(IFRIC)-Int 12 and HKAS 23 (Revised) shall be applied for annual periods beginning on or after 1 May 2006, 1 June 2006, 1 November 2006, 1 March 2007, 1 January 2008 and 1 January 2009, respectively.

The Group is in the process of making an assessment of the impact of these new and revised HKFRSs upon initial application. So far, it has concluded that while the adoption of the HKAS 1 Amendment, HKFRS 7 and HKFRS 8 may result in new or amended disclosures, these new and revised HKFRSs are unlikely to have a significant impact on the Group's results of operations and financial position.

2.4 Summary of Significant Accounting Policies

Subsidiaries

A subsidiary is an entity whose financial and operating policies the Company controls, directly or indirectly, so as to obtain benefits from its activities.

The results of subsidiaries are included in the Company's income statement to the extent of dividends received and receivable. The Company's investments in subsidiaries are stated at cost less any impairment losses.

Joint venture

A joint venture is an entity set up by contractual arrangement, whereby the Group and other parties undertake an economic activity. The joint venture company operates as a separate entity in which the Group and the other parties have an interest.

The joint venture agreement between the venturers stipulates the capital contributions of the joint venture parties, the duration of the joint venture and the basis on which the assets are to be realised upon its dissolution. The profits and losses from the joint venture's operations and any distributions of surplus assets are shared by the venturers, either in proportion to their respective capital contributions, or in accordance with the terms of the joint venture agreement.

2.3 已頒佈但尚未生效之香港財務報告準則之影響(續)

香港(國際財務報告詮釋委員會)－詮釋第8號、香港(國際財務報告詮釋委員會)－詮釋第9號、香港(國際財務報告詮釋委員會)－詮釋第10號、香港(國際財務報告詮釋委員會)－詮釋第11號、香港(國際財務報告詮釋委員會)－詮釋第12號及香港會計準則第23號(經修改)分別適用於二零零六年五月一日、二零零六年六月一日、二零零六年十一月一日、二零零七年三月一日、二零零八年一月一日及二零零九年一月一日或以後開始之年度。

本集團正在評估首次採用這些新頒佈及經修訂之香港財務報告準則的影響。到目前為止，本集團得出如下結論：採用香港會計準則第1號經修訂、香港財務報告準則第7號和香港財務報告準則第8號可能需要做出新的披露或修改目前披露，這些新頒佈及經修訂之香港財務報告準則不會對本集團的經營成果和財務狀況產生重大影響。

2.4 主要會計政策概要

附屬公司

附屬公司乃本公司直接或間接控制其財務及經營政策從而令本集團因其活動而受益之公司。

附屬公司之業績按已收及應收之股息於本公司收益表內列帳。本公司於附屬公司之投資乃按成本減任何減值損失列帳。

合營公司

合營公司乃本集團與其他方根據合約安排下經營的經濟活動之公司。合營公司以一間獨立公司形式運作，而本集團及其他方擁有當中利益。

企業間之合營公司協議訂明合營公司夥伴之資本出資、合營公司之年期及於解散時變現資產之基準。合營公司之營運損益及盈餘資產之任何分派由合營公司夥伴分攤，不論按彼等各自之資本出資或根據合營公司協議條款分攤。

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2.4 Summary of Significant Accounting Policies (cont'd)

Joint venture (cont'd)

A joint venture is treated as:

- (a) a subsidiary, if the Group has unilateral control, directly or indirectly, over the joint venture;
- (b) a jointly-controlled entity, if the Group does not have unilateral control, but has joint control, directly or indirectly, over the joint venture;
- (c) an associate, if the Group does not have unilateral or joint control, but holds, directly or indirectly, generally not less than 20% of the joint venture company's registered capital and is in a position to exercise significant influence over the joint venture; or
- (d) an equity investment accounted for in accordance with HKAS 39, if the Group holds, directly or indirectly, less than 20% of the joint venture's registered capital and has neither joint control of, nor is in a position to exercise significant influence over, the joint venture.

Jointly-controlled entities

A jointly-controlled entity is a joint venture that is subject to joint control, resulting in none of the participating parties having unilateral control over the economic activity of the jointly-controlled entity.

The Group's share of the post-acquisition results and reserves of jointly-controlled entities is included in the consolidated income statement and consolidated reserves, respectively. The Group's interests in jointly-controlled entities are stated in the consolidated balance sheet at the Group's share of net assets under the equity method of accounting, less any impairment losses.

2.4 主要會計政策概要(續)

合營公司(續)

合營公司被視為:

- (a) 一間附屬公司·倘本集團直接或間接擁有該合營公司之單方控制權;
- (b) 一間共同控制企業·倘本集團並無單方控制權·但直接或間接擁有合營公司之共同控制權;
- (c) 聯營公司·倘本集團並無單方控制權或共同控制權·但直接或間接持有不少於20%合營公司之註冊股本及對合營公司行使重大影響力;或
- (d) 香港會計準則第39號項下之權益投資·倘本集團直接或間接持有合營公司註冊股本少於20%及對合營公司並無重大影響力。

共同控制企業

共同控制企業指受共同控制之合營公司·而並無任何一方單方面擁有該共同控制企業經濟活動之控制權。

綜合收益表及綜合儲備分別包括本集團應佔共同控制企業之收購後業績及儲備。本集團於共同控制企業之權益乃根據權益會計法按本集團應佔資產淨值減任何減值損失於綜合資產負債表列帳。

2.4 Summary of Significant Accounting Policies (cont'd)

Associates

An associate is an entity, not being a subsidiary or a jointly-controlled entity, in which the Group has a long term interest of generally not less than 20% of the equity voting rights and over which it is in a position to exercise significant influence.

The Group's share of the post-acquisition results and reserves of associates is included in the consolidated income statement and consolidated reserves, respectively. The Group's interests in associates are stated in the consolidated balance sheet at the Group's share of net assets under the equity method of accounting, less any impairment losses.

When an investment in an associate is classified as held for sale it is accounted for in accordance with HKFRS 5 *Non-current Assets Held for Sale and Discontinued Operations*.

Goodwill

Goodwill arising on the acquisition of subsidiaries represents the excess of the cost of the business combination over the Group's interest in the net fair value of the acquirees' identifiable assets acquired, and liabilities and contingent liabilities assumed as at the date of acquisition.

Goodwill arising on acquisition is recognised in the consolidated balance sheet as an asset, initially measured at cost and subsequently at cost less any accumulated impairment losses.

The carrying amount of goodwill is reviewed for impairment annually or more frequently if events or changes in circumstances indicate that the carrying value may be impaired.

2.4 主要會計政策概要 (續)

聯營公司

聯營公司為附屬公司或共同控制企業以外由本集團持有其一般不少於20%附有投票權之股本之長期權益並對其行使重大影響力之公司。

綜合收益表及綜合儲備分別包括本集團應佔聯營公司之收購後業績及儲備。本集團於聯營公司之權益乃根據權益會計法按本集團應佔資產淨值任何減值損失於綜合資產負債表列帳。

倘於一間聯營公司之投資被劃分為持有待售，則根據香港財務報告準則第5號「持作待售之非流動資產及已終止業務」入帳。

商譽

因收購附屬公司而產生之商譽指業務合併成本高於本集團應佔收購人已收購可辨別資產及已承擔負債及或然負債於收購日期之公平價值之淨額。

因收購而產生之商譽乃於綜合資產負債表確認為資產，初步按成本計量，其後按成本減任何累計減值損失計算。

本集團會每年對商譽之帳面值進行減值測試，或倘因事件或情況轉變而顯示帳面值可能出現減值時，會進行頻密的減值測試。

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2.4 Summary of Significant Accounting Policies (cont'd)

Goodwill (cont'd)

For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units, or groups of cash-generating units, that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the Group are assigned to those units or groups of units. Each unit or group of units to which the goodwill is so allocated:

- represents the lowest level within the Group at which the goodwill is monitored for internal management purposes; and
- is not larger than a segment based on either the Group's primary or the Group's secondary reporting format determined in accordance with HKAS 14 *Segment Reporting*.

Impairment is determined by assessing the recoverable amount of the cash-generating unit (group of cash-generating units) to which the goodwill relates. Where the recoverable amount of the cash-generating unit (group of cash-generating units) is less than the carrying amount, an impairment loss is recognised.

Where goodwill forms part of a cash-generating unit (group of cash-generating units) and part of the operation within that unit is disposed of, the goodwill associated with the operation disposed of is included in the carrying amount of the operation when determining the gain or loss on disposal of the operation. Goodwill disposed of in this circumstance is measured based on the relative values of the operation disposed of and the portion of the cash-generating unit retained.

An impairment loss recognised for goodwill is not reversed in a subsequent period.

2.4 主要會計政策概要(續)

商譽(續)

為進行減值測試，業務合併中所收購之商譽將自收購日期分攤至本集團預計能從業務合併之協同效應中受益之每個現金產生單位或現金產生單位組合，而不論本集團之其他資產或負債是否分攤至該等單位或單位組合。分攤商譽之每個單位或單位組合應當：

- 代表本集團內監測商譽作內部管理用途之最小部門；及
- 規模不大於根據本集團按照香港會計準則第14號「分部報告」所釐定之基本或輔助列報方式而設之一個分部。

減值乃透過評估與商譽有關之現金產生單位（現金產生單位組合）之可收回金額釐定。倘若現金產生單位（現金產生單位組合）之可收回金額低於帳面值，則確認減值損失。

倘若商譽構成現金產生單位（現金產生單位組合）之一部份，而單位內之部份業務將出售，則在確定出售業務之盈虧時，與已出售業務部份相關之商譽乃計入該業務之帳面值。在此情況下出售之商譽乃根據已出售業務部份之相關價值及所保留之現金產生單位部份計算。

就商譽確認之減值損失不會於隨後之期間內回撥。

2.4 Summary of Significant Accounting Policies (cont'd)

Impairment of non-financial assets other than goodwill

Where an indication of impairment exists, or when annual impairment testing for an asset is required (other than inventories, deferred tax assets, financial assets, investment properties and goodwill), the asset's recoverable amount is estimated. An asset's recoverable amount is calculated as the higher of the asset's or cash-generating unit's value in use and its fair value less costs to sell, and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets, in which case, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

An impairment loss is recognised only if the carrying amount of an asset exceeds its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. An impairment loss is charged to the income statement in the period in which it arises.

An assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the recoverable amount is estimated. A previously recognised impairment loss of an asset other than goodwill is reversed only if there has been a change in the estimates used to determine the recoverable amount of that asset, however not to an amount higher than the carrying amount that would have been determined (net of any depreciation/amortisation), had no impairment loss been recognised for the asset in prior years. A reversal of such impairment loss is credited to the income statement in the period in which it arises.

2.4 主要會計政策概要(續)

非金融資產(商譽除外)減值

倘若出現任何減值跡象，或當有需要為資產(存貨、遞延稅項資產、金融資產、投資物業及商譽除外)進行每年減值測試，則會估計資產之可收回金額。除非某類資產產生之現金流量不能獨立於其他資產或資產組合所產生之現金流量(在此情況下，可回收金額按資產所屬之現金產生單位釐定)，否則資產之可收回金額按資產或現金產生單位之使用價值與其公平價值減出售成本之較高者計算，並按個別資產釐定。

減值損失僅於資產之帳面值超過其可收回值時方予以確認。評估使用價值時，乃以除稅前貼現率計算預計未來現金流量之現值，而該貼現率反映當時市場對金錢價值之評估及該項資產之特有風險。減值損失乃於產生期間內自收益表扣除。

本集團會於每個報告日期評估是否有任何跡象顯示往年已確認之減值損失是否不再存在或已減少。倘有任何該等跡象，則會估計資產之可收回值。過往已確認之一項資產(商譽除外)減值損失僅於釐定該資產可收回值時使用之估計方法更改時撥回，然而，撥回之金額不得超過倘資產於往年並無確認減值損失時可釐定之帳面值(扣除任何折舊／撇銷)。減值損失之撥回乃於產生期間內記入收益表。

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2.4 Summary of Significant Accounting Policies (cont'd)

Related parties

A party is considered to be related to the Group if:

- (a) the party, directly or indirectly through one or more intermediaries, (i) controls, is controlled by, or is under common control with, the Group; (ii) has an interest in the Group that gives it significant influence over the Group; or (iii) has joint control over the Group;
- (b) the party is an associate;
- (c) the party is a jointly-controlled entity;
- (d) the party is a member of the key management personnel of the Group or its parent;
- (e) the party is a close member of the family of any individual referred to in (a) or (d);
- (f) the party is an entity that is controlled, jointly controlled or significantly influenced by or for which significant voting power in such entity resides with, directly or indirectly, any individual referred to in (d) or (e); or
- (g) the party is a post-employment benefit plan for the benefit of the employees of the Group, or of any entity that is a related party of the Group.

2.4 主要會計政策概要(續)

有關連人士

在下列情況下，有關人士將被視為本集團之有關連人士：

- (a) 有關人士直接或透過一名或多名仲介人間接 (i) 控制本集團，或受到本集團控制，或與本集團受到共同控制；(ii) 擁有本集團之權益，從而可對本集團實施重大影響力；或 (iii) 與其他人士共同擁有本集團之控制權；
- (b) 有關人士為一間聯營公司；
- (c) 有關人士為一間共同控制企業；
- (d) 有關人士為本集團或其母公司之主要管理人員；
- (e) 有關人士為(a)或(d)項所述任何人士之直系親屬；
- (f) 有關人士乃(d)或(e)項所述任何人士直接或間接控制，與他人共同控制或發揮重大影響力，或擁有重大投票權之實體；或
- (g) 有關人士為本集團或為其關連人士的任何實體的僱員終止受僱後福利計劃受益人。

2.4 Summary of Significant Accounting Policies (cont'd)

Property, plant and equipment and depreciation

Property, plant and equipment, other than construction in progress, are stated at cost less accumulated depreciation and any impairment losses. When an item of property, plant and machinery is classified as held for sale or when it is part of a disposal group classified as held for sale, it is not depreciated and is accounted for in accordance with HKFRS 5, as further explained in the accounting policy for "Non-current assets and disposal groups held for sale". The cost of an item of property, plant and equipment comprises its purchase price and any directly attributable costs of bringing the asset to its working condition and location for its intended use. Expenditure incurred after items of property, plant and equipment have been put into operation, such as repairs and maintenance, is normally charged to the income statement in the period in which it is incurred. In situations where it can be clearly demonstrated that the expenditure has resulted in an increase in the future economic benefits expected to be obtained from the use of an item of property, plant and equipment, and where the cost of the item can be measured reliably, the expenditure is capitalised as an additional cost of that asset or as a replacement.

Depreciation is calculated on the straight-line basis to write off the cost of each item of property, plant and equipment to its residual value over its estimated useful life. The principal annual rates used for this purpose are as follows:

Leasehold land and buildings	Over the lease terms or 2% to 5%, whichever is shorter
Leasehold improvements	Over the lease terms or 20% to 33%, whichever is shorter
Office equipment	10% to 20%
Motor vehicles	10% to 20%

Where parts of an item of property, plant and equipment have different useful lives, the cost of that item is allocated on a reasonable basis among the parts and each part is depreciated separately.

2.4 主要會計政策概要 (續)

物業、廠房及設備及折舊

在建工程以外之物業、廠房及設備乃按成本值減累計折舊及任何減值損失列帳。倘物業、廠房及設備分類為持有待售或屬於分類為持有待售之出售組別之一部份，則不予折舊，並根據香港財務報告準則第5號進行會計處理，詳情載於有關「持有待售的非流動資產及出售組別」之會計政策。物業、廠房及設備之成本值包括其購買價及使其達致運作狀態及地點作擬定用途所付出之任何直接成本。物業、廠房及設備投入運作後所產生之費用（例如維修費及保養費）一般會於產生期間內自收益表扣除。倘能清楚顯示有關費用已導致預計使用有關物業、廠房及設備可得之未來經濟效益增加，且物業、廠房及設備之成本能可靠計算，則有關費用會資本化作為該資產之額外成本。

折舊乃以直線法按每項物業、廠房及設備之預計可使用年期撇銷其成本值至其剩餘價值計算。所採用之主要折舊年率如下：

自用租賃土地及樓宇	按租約期間或2%至5%（以較短者為準）
租賃裝修	按租約期間或20%至33%（以較短者為準）
辦公室設備	10%至20%
汽車	10%至20%

倘物業、廠房及設備項目各部份之可使用年期有所不同，有關項目之成本會於各部份間作合理分配，而各部份會分開折舊。

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2.4 Summary of Significant Accounting Policies (cont'd)

Property, plant and equipment and depreciation (cont'd)

Residual values, useful lives and the depreciation method are reviewed, and adjusted if appropriate, at each balance sheet date.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on disposal or retirement recognised in the income statement in the year the asset is derecognised is the difference between the net sales proceeds and the carrying amount of the relevant asset.

Construction in progress represents buildings and other fixed assets under construction or installation, which is stated at cost less any impairment losses, and is not depreciated. Cost comprises the direct costs of construction and testing during the period of construction. Construction in progress is reclassified to the appropriate category of property, plant and equipment or investment properties when completed and ready for use.

Investment properties

Investment properties are interests in land and buildings (including the leasehold interest under an operating lease for property which would otherwise meet the definition of an investment property) held to earn rental income and/or for capital appreciation, rather than for use in the production or supply of goods or services or for administrative purposes; or for sale in the ordinary course of business. Such properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at fair value, which reflects market conditions at the balance sheet date.

Gains or losses arising from changes in the fair values of investment properties are included in the income statement in the year in which they arise.

Any gains or losses on the retirement or disposal of an investment property are recognised in the income statement in the year of the retirement or disposal.

When the Group completes the construction or development of a self-constructed investment property, any difference between the fair value of the property at the completion date and its previous carrying amount is recognised in the income statement.

2.4 主要會計政策概要(續)

物業、廠房及設備及折舊(續)

剩餘價值、可使用年期及折舊方式會作出檢討，並在各資產負債表結算日進行調整(倘適合)。

物業、廠房及設備於出售時或於預計使用或出售不再產生未來經濟利益時終止確認。於終止確認資產當年於收益表內確認出售或棄置之任何盈虧乃出售所得款項淨額與有關資產帳面值之差額。

在建工程指興建中或安裝中之樓宇及其他固定資產，乃按成本減任何減值損失列帳，惟不計提折舊。成本包括直接建築成本及於興建期間內之測試成本。在建工程於竣工及投用時重新分類為適當之物業、廠房及設備或投資物業類別。

投資物業

投資物業是指以獲得租賃收入及／或資本增值為目的，而非以生產、提供產品或服務、管理或一般業務過程之銷售為目的而持有之於土地及樓宇之權益(包括於符合投資物業定義之物業經營租賃項下之租賃權益)。投資物業初時以包括交易成本之成本計量。在初次確認後，投資物業以反映於資產負債表結算日之市況之公平價值列示。

投資物業之公平價值變動所產生之盈虧計入於產生年度之收益表中。

投資物業報廢或出售所產生之盈虧於報廢或出售年度之收益表中確認。

本集團完成自建投資物業之建築工程或開發後，該物業於竣工當日之公平價值與其先前帳面值之任何差額於收益表內確認。

2.4 Summary of Significant Accounting Policies (cont'd)

Non-current assets and disposal groups held for sale

Non-current assets and disposal groups are classified as held for sale if their carrying amounts will be recovered principally through a sale transaction rather than through continuing use. For this to be the case, the asset or disposal group must be available for immediate sale in its present condition subject only to terms that are usual and customary for the sale of such assets or disposal groups and its sale must be highly probable.

Non-current assets and disposal groups (other than investment properties, deferred tax assets and financial assets) classified as held for sale are measured at the lower of their carrying amounts and fair values less costs to sell.

Intangible assets (other than goodwill)

The useful lives of intangible assets are assessed to be either finite or indefinite. Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at each balance sheet date.

Research and development costs

All research costs are charged to the income statement as incurred.

Expenditure incurred on projects to develop new products is capitalised and deferred only when the Group can demonstrate the technical feasibility of completing the intangible asset so that it will be available for use or sale, its intention to complete and its ability to use or sell the asset, how the asset will generate future economic benefits, the availability of resources to complete the project and the ability to measure reliably the expenditure during the development. Product development expenditure which does not meet these criteria is expensed when incurred.

Deferred development costs are stated at cost less any impairment losses and are amortised using the unit-of-sale method, commencing from the date when the products are put into commercial production, with an amortisation period limited to two years.

2.4 主要會計政策概要(續)

持有待售的非流動資產及出售組別

倘非流動資產及出售組別之帳面值將重要藉一項出售交易而非透過持續使用收回時，則分類為持有待售。在此情況下，該資產或出售組別可按當前狀況即時出售，惟僅須受出售該等資產或出售組別之一般及慣用條款所規限，且實現其出售之概率必須極高。

分類為持有待售非流動資產及出售組別（投資物業、遞延稅項資產及金融資產除外），按其帳面值與其公平價值減出售成本之較低金額計算。

無形資產(商譽除外)

無形資產之可使用年期可評估為有限或無限。年期有限之無形資產於可使用經濟年期內攤銷，並於有跡象顯示無形資產可能出現減值時評估是否減值。可使用年期有限之無形資產之攤銷年期及攤銷方法至少於各資產負債表結算日檢討一次。

研究及開發成本

所有研究成本於產生時自收益表中扣除。

進行開發新產品之項目時產生之費用僅於下列情況下予以資本化及遞延：本集團可確定完成該項無形資產以作使用或出售用途在技術上為可行；本集團有意完成該項資產，並能夠使用或出售該項資產；該項資產日後將如何產生經濟利益；完成該項目之可用資源量；及是否有能力在開發過程中可靠地計量所需開支。並不符合該等準則之產品開發費用乃於產生期間列作支出。

遞延開發成本乃按成本減任何減值損失列帳，並自有關產品投入商業生產之日起按銷售單位法攤銷，以及限制攤銷年期為2年。

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2.4 Summary of Significant Accounting Policies (cont'd)

Intangible assets (other than goodwill) (cont'd)

Licences

Licences are stated at cost less any impairment losses and are amortised on the straight-line basis over their estimated useful lives.

Operating leases

Leases where substantially all the rewards and risks of ownership of assets remain with the lessor are accounted for as operating leases. When the Group is the lessor, assets leased by the Group under operating leases are included in non-current assets, and rentals receivable under the operating leases are credited to the income statement on the straight-line basis over the lease terms. Where the Group is the lessee, rentals payable under the operating leases are charged to the income statement on the straight-line basis over the lease terms.

Prepaid land premiums under operating leases are initially stated at cost and subsequently recognised on the straight-line basis over the lease terms. When the lease payments cannot be allocated reliably between the land and buildings elements, the entire lease payments are included in the cost of the land and buildings as a finance lease in property, plant and equipment.

Investments and other financial assets

Financial assets in the scope of HKAS 39 are classified as loans and receivables and available-for-sale financial assets, as appropriate. When financial assets are recognised initially, they are measured at fair value, plus, in the case of investments not at fair value through profit or loss, directly attributable transaction costs. The Group considers whether a contract contains an embedded derivative when the Group first becomes a party to it. The embedded derivatives are separated from the host contract which is not measured at fair value through profit or loss when the analysis shows that the economic characteristics and risks of embedded derivatives are not closely related to those of the host contract.

The Group determines the classification of its financial assets after initial recognition and, where allowed and appropriate, re-evaluates this designation at the balance sheet date.

2.4 主要會計政策概要(續)

無形資產(商譽除外)(續)

許可證權

許可證權乃按成本減任何減值損失列帳，並按預計可使用年期以直線法攤銷。

經營租賃

資產擁有權之大部份回報及風險仍歸於出租人之租賃列為經營租賃。倘本集團為出租人，由本集團按經營租賃租出之資產包括在非流動資產內，而根據經營租賃應收之租金以直線法於租約期間計入收益表。倘本集團為承租人，根據經營租賃應付之租金以直線法於租約期間自收益表中扣除。

經營租賃項下之預付土地租金初時按成本列帳，其後於租約期間以直線法確認。倘租賃支出未能於土地及樓宇部份間可靠分配，租賃支出則於物業、廠房及設備作為融資租約悉數計入土地及樓宇成本。

投資及其他金融資產

根據香港會計準則第39號所界定之金融資產分類為貸款及應收款項，以及可供出售之金融資產(倘適合)。金融資產於首次確認時以公平價值計算，而非按公平價值計入損益之投資則按直接應佔交易成本計算。本集團於首次訂立合約時會考慮其是否包括嵌入衍生工具。若分析結果顯示嵌入衍生工具的經濟特徵及風險並非與該主合約密切相關，則會將嵌入衍生工具與主合約(其並非按損益釐定公平價值計量)分開列示。

本集團於首次確認後釐定其金融資產之分類，並在容許及適當之情況下於資產負債表結算日重新評估有關分類。

2.4 Summary of Significant Accounting Policies (cont'd)

Investments and other financial assets (cont'd)

All regular way purchases and sales of financial assets are recognised on the trade date, that is, the date that the Group commits to purchase or sell the asset. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the period generally established by regulation or convention in the marketplace.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are subsequently carried at amortised cost using the effective interest method. Amortised cost is calculated taking into account any discount or premium on acquisition and includes fees that are an integral part of the effective interest rate and transaction costs. Gains and losses are recognised in the income statement when the loans and receivables are derecognised or impaired, as well as through the amortisation process.

Available-for-sale financial assets

Available-for-sale financial assets are non-derivative financial assets in unlisted equity securities that are designated as available for sale or are not classified as loans and receivables. After initial recognition, available-for-sale financial assets are measured at fair value, with gains or losses recognised as a separate component of equity until the investment is derecognised or until the investment is determined to be impaired, at which time the cumulative gain or loss previously reported in equity is included in the income statement.

When the fair value of unlisted equity securities cannot be reliably measured because (a) the variability in the range of reasonable fair value estimates is significant for that investment or (b) the probabilities of the various estimates within the range cannot be reasonably assessed and used in estimating fair value, such securities are stated at cost less any impairment losses.

Fair value

For investments where there is no active market, fair value is determined using valuation techniques. Such techniques include using recent arm's length market transactions; reference to the current market value of another instrument which is substantially the same; a discounted cash flow analysis; and option pricing models.

2.4 主要會計政策概要(續)

投資及其他金融資產(續)

所有一般買賣之金融資產概於交易日(即本集團承諾購買該資產之日期)予以確認。一般買賣乃指按照一般市場規定或慣例在一定期間內交付資產之金融資產買賣。

貸款及應收款項

貸款及應收款項為具有固定或可確定付款,但在活躍市場中無報價之非衍生金融資產。該等資產後續採用實際利率法按攤銷成本列帳。攤銷成本按考慮收購時產生的任何折扣或溢價後計算,並包括屬於實際利率及交易成本組成部分的費用。該等貸款及應收款項遭終止確認、出現減值或進行攤銷時產生之盈虧於收益表中確認。

可供出售之金融資產

可供出售之金融資產指於非上市權益性證券之非衍生性金融資產,乃可供出售或並非分類為貸款及應收款項之金融資產。初步確認後,可供出售之金融資產乃按公平價值計算,盈虧則作為權益之一個單獨的組成部份來確認,直至該投資已被終止確認,或直至該投資已被釐定為出現減值為止,屆時以往於權益中所累計之盈虧將納入收益表內。

由於(a)對該投資而言,合理公平價值之估計範圍存在重大的可變性,或(b)在評估公平價值時未能合理地評估及使用有關範圍內可能出現之多項估計,以致無法可靠地計量非上市權益性證券之公平價值時,此等證券乃按成本減任何減值損失列帳。

公平價值

至於沒有活躍市場之投資,其公平價值則以估值方法釐定。此等方法包括以最近按公平原則進行之市場交易,以另外大致相同之工具之現行市值作參考,及以現金流量折現分析及期權定價模型。

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2.4 Summary of Significant Accounting Policies (cont'd)

Impairment of financial assets

The Group assesses at each balance sheet date whether there is any objective evidence that a financial asset or a group of financial assets is impaired.

Assets carried at amortised cost

If there is objective evidence that an impairment loss on loans and receivables carried at amortised cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate (i.e., the effective interest rate computed at initial recognition). The carrying amount of the asset is reduced either directly or through the use of an allowance account. The amount of the impairment loss is recognised in the income statement.

The Group first assesses whether objective evidence of impairment exists individually for financial assets that are individually significant, and individually or collectively for financial assets that are not individually significant. If it is determined that no objective evidence of impairment exists for an individually assessed financial asset, whether significant or not, the asset is included in a group of financial assets with similar credit risk characteristics and that group is collectively assessed for impairment. Assets that are individually assessed for impairment and for which an impairment loss is or continues to be recognised are not included in a collective assessment of impairment.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed. Any subsequent reversal of an impairment loss is recognised in the income statement, to the extent that the carrying value of the asset does not exceed its amortised cost at the reversal date.

In relation to trade receivables, a provision for impairment is made when there is objective evidence (such as the probability of insolvency or significant financial difficulties of the debtor) that the Group will not be able to collect all of the amounts due under the original terms of an invoice. The carrying amount of the receivables is reduced through the use of an allowance account. Impaired debts are derecognised when they are assessed as uncollectible.

2.4 主要會計政策概要(續)

金融資產減值

於各資產負債表結算日，本集團評估有否任何客觀證據顯示一項金融資產或一組金融資產出現減值損失。

以攤銷成本列帳之資產

如果有客觀跡象表明以攤銷成本列帳之貸款及應收貿易款項已產生減值損失，則損失金額為資產帳面值與估計未來現金流量（不包括尚未產生之未來信貸損失）以原實際利率（即初步確認時之實際利率）貼現之現值兩者之差額。有關資產之帳面值可直接沖減或透過備抵帳目作出抵減。有關減值損失在收益表中確認。

本集團首先對具個別重要性之金融資產進行評估，評估是否有客觀證據顯示出現個別減值，並對非具個別重要性之金融資產進行評估，評估是否有客觀證據顯示出現個別或共同減值。倘若經個別評估之金融資產（無論具重要性與否）確定並無客觀證據顯示出現減值，則該項資產會歸入一組具有相類信貸風險特徵之金融資產內，並對該組金融資產是否出現減值共同作出評估。經個別評估出現減值且其減值損失會或將繼續確認入帳之資產不會納入共同減值評估之內。

於隨後期間，倘若減值損失之數額減少，而減少之原因客觀上與減值損失確認後所發生之事件相關聯，則先前確認之減值損失可予以回撥。於回撥當日，倘若資產之帳面值並無超出其攤銷成本，則任何減值損失之其後回撥將於收益表內確認入帳。

就應收貿易帳款而言，倘有客觀證據（如債務人可能資不抵債或者出現嚴重財務困難）顯示本集團將無法按發票的原定條款收回所有到期款項，本集團會作出減值撥備。應收款項的帳面值會通過使用撥備帳扣除。減值債權一經評估為無法收回，即會終止確認。

2.4 Summary of Significant Accounting Policies (cont'd)

Impairment of financial assets (cont'd)

Assets carried at cost

If there is objective evidence that an impairment loss on an unquoted equity instrument that is not carried at fair value because its fair value cannot be reliably measured has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the current market rate of return for a similar financial asset. Impairment losses on these assets are not reversed.

Available-for-sale financial assets

If an available-for-sale asset is impaired, an amount comprising the difference between its cost (net of any principal payment and amortisation) and its current fair value, less any impairment loss previously recognised in the income statement, is transferred from equity to the income statement. Impairment losses on equity instruments classified as available for sale are not reversed through the income statement.

Derecognition of financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised where:

- the rights to receive cash flows from the asset have expired;
- the Group retains the rights to receive cash flows from the asset, but has assumed an obligation to pay them in full without material delay to a third party under a "pass-through" arrangement; or
- the Group has transferred its rights to receive cash flows from the asset and either (a) has transferred substantially all the risks and rewards of the asset, or (b) has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

2.4 主要會計政策概要 (續)

金融資產減值 (續)

以成本值列帳之資產

倘有客觀證據顯示，因公平價值未能可靠計量而不以公平價值列帳之無市場報價權益工具出現減值損失，該損失金額為資產帳面值與估計未來現金流量（按當時市場類似金融資產之回報率貼現）現值兩者之差額。該等資產之減值損失不會回撥。

可供出售金融資產

倘可供出售金融資產出現減值，計及成本（扣除任何本金付款及攤銷）與現時公平價值差異之數額，在扣減先於收益表確認之任何減值損失後，由權益轉入收益表。分類為可供出售之權益工具之減值損失不得在收益表內撥回。

終止確認金融資產

金融資產（或（倘適用）一項金融資產之一部份或一組同類金融資產之一部份）在下列情況下將終止確認：

- 收取該項資產所得現金流量之權利經已屆滿；
- 本集團保留收取該項資產所得現金流量之權利，惟須根據一項「轉付」安排，在未有嚴重延緩第三方之情況下，已就有關權利全數承擔付款之責任；或
- 本集團已轉讓其收取該項資產所得現金流量之權利，並(a)已轉讓該項資產之絕大部份風險及回報；或(b)並無轉讓或保留該項資產絕大部份風險及回報，但已轉讓該項資產之控制權。

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2.4 Summary of Significant Accounting Policies (cont'd)

Derecognition of financial assets (cont'd)

Where the Group has transferred its rights to receive cash flows from an asset and has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control of the asset, the asset is recognised to the extent of the Group's continuing involvement in the asset. Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

Where continuing involvement takes the form of a written and/or purchased option (including a cash-settled option or similar provision) on the transferred asset, the extent of the Group's continuing involvement is the amount of the transferred asset that the Group may repurchase, except in the case of a written put option (including a cash-settled option or similar provision) on an asset measured at fair value, where the extent of the Group's continuing involvement is limited to the lower of the fair value of the transferred asset and the option exercise price.

Financial liabilities at amortised cost (including interest-bearing loans and borrowings)

Financial liabilities including trade and other payables and interest-bearing loans and borrowings are initially stated at fair value less directly attributable transaction costs and are subsequently measured at amortised cost, using the effective interest method unless the effect of discounting would be immaterial, in which case they are stated at cost.

Gains and losses are recognised in the income statement when the liabilities are derecognised as well as through the amortisation process.

2.4 主要會計政策概要(續)

終止確認金融資產(續)

倘本集團已轉讓其收取該項資產所得現金流量之權利，但並無轉讓或保留該項資產之絕大部份風險及回報，亦並無轉讓該項資產之控制權，則該項資產將確認入帳，條件為本集團須持續參與該項資產。持續參與指本集團就已轉讓資產作出之保證，已轉讓資產乃以該項資產之原帳面值與本集團或須償還之代價數額上限孰低者計算。

對以沽出及／或購入期權(包括現金結算期權或類似期權)之方式持續參與之已轉讓資產，本集團持續參與之程度將為本集團可購回轉讓資產之款額，惟就以公平價值計量之資產之沽出認沽期權(包括現金結算期權或類似期權)而言，本集團持續參與之程度將以轉讓資產之公平價值與期權行使價兩者中之較低者為限。

以攤銷成本列帳之金融負債(包括付息貸款及借貸)

金融負債包括應付貿易帳款及其他應付款項及付息貸款及借貸，首次以公平價值減直接應佔交易成本列示，其後則以實際利率法按攤銷成本計量，惟貼現的影響並不重大者除外，於此情況下，則按成本列示。

有關收益及虧損於負債終止確認時透過攤銷過程在收益表內確認入帳。

2.4 Summary of Significant Accounting Policies (cont'd)

Financial guarantee contracts

Financial guarantee contracts in the scope of HKAS 39 are accounted for as financial liabilities. A financial guarantee contract is recognised initially at its fair value plus transaction costs that are directly attributable to the acquisition or issue of the financial guarantee contract, except when such contract is recognised at fair value through the income statement. Subsequent to initial recognition, the Group measures the financial guarantee contract at the higher of: (i) the amount determined in accordance with HKAS 37 *Provisions, Contingent Liabilities and Contingent Assets*; and (ii) the amount initially recognised less, when appropriate, cumulative amortisation recognised in accordance with HKAS 18 *Revenue*.

Derecognition of financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and a recognition of a new liability, and the difference between the respective carrying amounts is recognised in the income statement.

Derivative financial instruments

The Group uses derivative financial instruments such as forward currency contracts to manage its risks associated with foreign currency fluctuations. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value. Derivatives are carried as assets when the fair value is positive and as liabilities when the fair value is negative.

Any gain or losses arising from changes in fair value on derivatives that do not qualify for hedge accounting are taken directly to the income statement.

2.4 主要會計政策概要 (續)

財務擔保合約

香港會計準則第39號範圍內之財務擔保合約入帳列為金融負債。一份財務擔保合約初次計量按其公平價值加直接歸屬購買或發行該等財務擔保合約的交易費用確認，惟倘有關合約乃透過收益表按公平價值確認則作別論。在初次確認後，本集團按以下兩者中之較高者計量財務擔保合約：(i)根據香港會計準則第37號「撥備、或然負債及或然資產」釐定之金額；及(ii)初次確認之金額減（如適用）根據香港會計準則第18號「收入」確認之累計攤銷後的餘額。

終止確認金融負債

當負債項下之責任被解除或取消或屆滿時，金融負債將終止確認。

如現有金融負債由同一放債人以條款大致上相異之負債所取代，或現有負債之條款作出重大修訂，此類交換或修訂將被視為終止確認原負債及確認新負債處理，有關帳面值之差額於收益表中確認。

衍生金融工具

本集團利用遠期貨幣合約等衍生金融工具管理其與外幣波動有關之風險。該等衍生金融工具初步按訂立衍生工具合約當日之公平價值確認，其後則按公平價值重新計量。倘衍生工具之公平價值為正數，則以資產列帳，而倘公平價值為負數，則以負債列帳。

不可作對沖會計用途之衍生金融工具公平價值發生變動所產生之盈虧乃直接計入收益表中。

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2.4 Summary of Significant Accounting Policies (cont'd)

Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined on the weighted average basis. Net realisable value is based on estimated selling prices less any estimated costs to be incurred to completion and disposal.

Contract accounting

Contract revenue comprises the agreed contract amounts and appropriate amounts from variation orders, claims and incentive payments. Contract costs incurred comprise equipment and material costs, subcontracting costs, direct labour and an appropriate proportion of variable and fixed overheads.

Revenue from fixed price contracts is recognised on the percentage of completion method, measured by reference to the proportion of work completed to date to the estimated total work of the relevant contract.

Provision is made for foreseeable losses as soon as they are anticipated by management.

Where contract costs incurred to date plus recognised profits less recognised losses exceed progress billings, the surplus is treated as an amount due from contract customers.

Where progress billings exceed contract costs incurred to date plus recognised profits less recognised losses, the surplus is treated as an amount due to contract customers.

Cash and cash equivalents

For the purpose of the consolidated cash flow statement, cash and cash equivalents comprise cash on hand and demand deposits, and short term highly liquid investments which are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value, and have a short maturity of generally within three months when acquired and form an integral part of the Group's cash management.

For the purpose of the balance sheets, cash and bank balances comprise cash on hand and at banks, including term deposits, which are not restricted as to use.

2.4 主要會計政策概要(續)

存貨

存貨乃按成本值及可變現淨值兩者中之較低者列帳。成本值乃以加權平均基準釐定。可變現淨值按預算售價扣減於完成及出售時將產生之任何預算成本計算。

合約會計

合約收入包括已訂約之合約價值及適當之更改訂單款、賠償款及獎金。合約成本包括設備及物料成本、分包成本、直接勞工成本及適當比例之非固定和固定費用。

來自固定價值合約之收入按完工百分比方法確認入帳，而完工百分比則按個別合約計至資產負債表結算日之完工部份佔有關合約之估計整項工作之比例計算。

管理層一旦預期有任何虧損時，將對該等虧損即時作出撥備。

當計至資產負債表結算日之合約成本加已確認溢利減已確認虧損超出進度款額，超出部份列為應收合約客戶款。

當進度款額超出計至資產負債表結算日之合約成本加已確認溢利減已確認虧損數額時，超出部份列為應付合約客戶款。

現金及現金等價物

就綜合現金流量表而言，現金及現金等價物包括手頭上現金及活期存款，以及可隨時兌換為已知數額現金、價值變動風險並不重大及一般於收購後三個月內到期之短期高流動性投資，減按通知償還之銀行透支，並為本集團現金管理之主要部份。

就資產負債表而言，現金及銀行結餘包括手頭現金及銀行結存，包括並無限制用途之定期存款。

2.4 Summary of Significant Accounting Policies (cont'd)

Income tax

Income tax comprises current and deferred tax. Income tax is recognised in the income statement, or in equity if it relates to items that are recognised in the same or a different period directly in equity.

Current tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities.

Deferred tax is provided, using the liability method, on all temporary differences at the balance sheet date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- where the deferred tax liability arises from goodwill or the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- in respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

2.4 主要會計政策概要 (續)

所得稅

所得稅包括現時稅項及遞延稅項。所得稅乃於收益表中確認，惟其與在同一期間或不同期間直接確認於權益之項目有關者則於權益中確認。

本期及過往期間之即期稅項資產及負債，乃按預計可自稅務機構收回或須支付予稅務機構之金額計算。

遞延稅項乃以負債法就於資產負債表結算日之資產及負債之稅項基礎及其用作財務申報之帳面值之間之所有暫時差額作撥備。

遞延稅項負債乃就所有應課稅暫時差額予以確認：

- 除非遞延稅項負債源於商譽或初次確認於一項交易（並非一項業務組合）之資產及負債，且於該項交易進行時不影響會計溢利或應課稅溢利或虧損；及
- 對源於附屬公司及聯營公司投資及合營公司權益之應課稅暫時差額予以確認，惟可予控制撥回時間之暫時差額及暫時差額不可能於可見之未來撥回者除外。

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2.4 Summary of Significant Accounting Policies (cont'd)

Income tax (cont'd)

Deferred tax assets are recognised for all deductible temporary differences, carryforward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carryforward of unused tax credits and unused tax losses can be utilised except:

- where the deferred tax asset relating to the deductible temporary differences arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- in respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are only recognised to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Conversely, previously unrecognised deferred tax assets are reassessed at each balance sheet date and are recognised to the extent that it is probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the balance sheet date.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

2.4 主要會計政策概要(續)

所得稅(續)

遞延稅項資產就所有可扣減暫時差額、承前未使用稅項資產及未使用稅項虧損予以確認，惟僅限於可能有應課稅溢利以對可扣減暫時差額、承前未使用稅益及未使用稅項虧損時才予確認：

- 除非有關可扣減暫時差額之遞延稅項資產源於初次確認於一項交易(並非一項業務組合)之其他資產及負債，且於該項交易進行時不影響會計溢利或應課稅溢利或虧損；及
- 遞延稅項資產對源於附屬公司及聯營公司之投資及合營公司權益之可扣減暫時差額予以確認，惟僅限於在可見之未來可撥回暫時差額及將可能有應課稅溢利以對銷暫時差額時才予確認。

遞延稅項資產之帳面值乃於各個資產負債表結算日進行檢討，並作扣減直至並無足夠應課稅溢利可供全部或部份遞延稅項資產可予應用為止。反之，之前未予確認之遞延稅項資產於每個資產負債表結算日重估並以可能有足夠應課稅溢利可供全部或部份遞延稅項資產可予應用之部份為限而予以確認。

遞延稅項資產及負債依據於資產負債表結算日已頒佈或實質上已頒佈之稅率(及稅務法例)，以預期適用於資產變現及負債清償期間之稅率計算。

倘存在可依法執行之權利，可將即期稅項資產與即期稅項負債相互對銷，且遞延稅項涉及同一應課稅實體及稅收機構，遞延稅項資產與遞延稅項負債可予以抵銷。

2.4 Summary of Significant Accounting Policies (cont'd)

Government grants

Government grants are recognised at their fair value when there is reasonable assurance that the grant will be received and all attaching conditions will be complied with. When the grant relates to an expense item, it is recognised as income over the periods necessary to match the grant on a systematic basis to the costs that it is intended to compensate.

Revenue recognition

Revenue is recognised when it is probable that the economic benefits will flow to the Group and when the revenue can be measured reliably, on the following bases:

- (a) from the sale of goods, when the significant risks and rewards of ownership have been transferred to the buyer, provided that the Group maintains neither managerial involvement to the degree usually associated with ownership, nor effective control over the goods sold;
- (b) contract revenue, on the percentage of completion basis, as further explained in the accounting policy for "Contract accounting" above;
- (c) rental income, on a time proportion basis over the lease terms; and
- (d) interest income, on an accrual basis using the effective interest method by applying the rate that discounts the estimated future cash receipts through the expected life of the financial instrument to the net carrying amount of the financial asset.

Employee benefits

Share-based payment transactions

The Company operates a share option scheme for the purpose of providing incentives and rewards to eligible participants who contribute to the success of the Group's operations. Employees (including directors) of the Group receive remuneration in the form of share-based payment transactions, whereby employees render services as consideration for equity instruments ("equity-settled transactions").

2.4 主要會計政策概要 (續)

政府補貼

政府補貼於有理由相信能予以收取以及符合所有附帶條件後，按公平價值確認。當補貼涉及開支項目，則以有系統方式，將補貼在有關期間內確認為收入，以抵銷擬作補償之成本。

收入確認

收入於經濟效益將可能流入本集團及能可靠地計算收入時方按以下基準確認：

- (a) 銷售貨物所得收入乃於所有權之重大風險及回報已轉讓予買方時確認，惟本集團並無參與一般與擁有權有關之管理，亦無售出貨物之有效控制權；
- (b) 合約收入按完工百分比之基準確認，詳情見上文「合約會計」之會計政策；
- (c) 租金收入按以租約年期之時間比例入帳；及
- (d) 利息收入按應計基準採用實際利率法，以將金融工具年期內預期取得之未來現金收入貼現至金融工具帳面淨值之貼現率確認。

員工福利

基於股權的支付交易

本公司為了向對本集團業務之成功作出貢獻之合資格參與者提供獎勵及回報而營辦購股權計劃。本集團僱員（包括董事）以基於股權的支付交易之方式收取薪酬，而僱員則提供服務作為權益工具之代價（「權益結算交易」）。

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2.4 Summary of Significant Accounting Policies (cont'd)

Employee benefits (cont'd)

Share-based payment transactions (cont'd)

The cost of equity-settled transactions with employees is measured by reference to the fair value at the date at which they are granted. The fair value is determined by an external valuer using a binomial model, further details of which are given in note 34 to the financial statements. In valuing equity-settled transactions, no account is taken of any performance conditions, other than conditions linked to the price of the shares of the Company ("market conditions"), if applicable.

The cost of equity-settled transactions is recognised, together with a corresponding increase in equity, over the period in which the performance and/or service conditions are fulfilled, ending on the date on which the relevant employees become fully entitled to the award (the "vesting date"). The cumulative expense recognised for equity-settled transactions at each balance sheet date until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of equity instruments that will ultimately vest. The charge or credit to the income statement for a period represents the movement in the cumulative expense recognised as at the beginning and end of that period.

No expense is recognised for awards that do not ultimately vest, except for awards where vesting is conditional upon a market condition, which are treated as vesting irrespective of whether or not the market condition is satisfied, provided that all other performance conditions are satisfied.

Where the terms of an equity-settled award are modified, as a minimum an expense is recognised as if the terms had not been modified. In addition, an expense is recognised for any modification, which increases the total fair value of the share-based payment arrangement, or is otherwise beneficial to the employee as measured at the date of modification.

Where an equity-settled award is cancelled, it is treated as if it had vested on the date of cancellation, and any expense not yet recognised for the award is recognised immediately. However, if a new award is substituted for the cancelled award, and is designated as a replacement award on the date that it is granted, the cancelled and new awards are treated as if they were a modification of the original award, as described in the previous paragraph.

2.4 主要會計政策概要(續)

員工福利(續)

基於股權的支付交易(續)

與僱員進行權益結算交易之成本乃參照授出相關工具當日之公平價值計算。該公平價值乃由外聘估值師採用二項式模型釐定，有關進一步詳情載於財務報表附註34。在評估權益結算交易時，不會計及任何表現條件，惟與本公司股份價格相關之條件（「市場條件」）（如適用）除外。

權益結算交易之成本值連同股本之相應增長於達到表現及／或服務條件之期間內確認，直至相關僱員完全享有該報酬之日（「歸屬日」）為止。由各結算日直至歸屬日就權益結算交易確認之累計開支反映歸屬期屆滿時之程度，以及本集團最佳估計最終將會歸屬之權益工具數目。期內於收益表扣除或計入收益表之項目指於期初及期末確認之累計開支之變動。

尚未能最終歸屬之報酬不會確認為開支，除非報酬須待某個市況達到後方可歸屬。在此情況下，不論是否達到該市況均會被視作歸屬處理，惟其他所有表現條件必須達成。

倘修改權益結算獎勵之條款，所確認開支最少須達到猶如並無修改條款之水準。此外，按修改日期計量，任何有關修改如導致基於股權的支付安排之公平價值總值增加，或以其他方式對僱員有利，則就任何有關修改確認開支。

倘權益結算獎勵被註銷，則被視為已於註銷當日歸屬，並立即確認該獎勵尚未確認之任何開支。然而，若授出新獎勵已取代已註銷之獎勵，並於授出當日指定為替代獎勵，則如前段所述，已註銷及新授出之獎勵被視為原有獎勵之修改。

2.4 Summary of Significant Accounting Policies (cont'd)

Employee benefits (cont'd)

Share-based payment transactions (cont'd)

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of earnings per share.

The Group has adopted the transitional provisions of HKFRS 2 in respect of equity-settled awards and has applied HKFRS 2 only to equity-settled awards granted after 7 November 2002 that had not vested by 1 April 2005 and to those granted on or after 1 April 2005.

Pension schemes

The Group operates a defined contribution Mandatory Provident Fund retirement benefits scheme (the "MPF Scheme") under the Mandatory Provident Fund Schemes Ordinance, for those employees who are eligible to participate in the MPF Scheme. Contributions are made based on a percentage of the employees' salaries and are charged to the income statement as they become payable in accordance with the rules of the MPF Scheme. The assets of the MPF Scheme are held separately from those of the Group in an independently administered fund. The Group's employer contributions vest fully with the employees when contributed into the MPF Scheme, except for the Group's employer voluntary contributions, which are partially refunded to the Group when the employee leaves employment prior to the contributions vesting fully.

The employees of the Group's subsidiaries which operate in the Mainland of the People's Republic of China ("Mainland China") are required to participate in a central pension scheme operated by the local municipal government. Contributions are made based on a percentage of the participating employees' salaries and are charged to the income statement as they become payable in accordance with the rules of the central pension scheme.

Dividends

Final dividends proposed by the directors are classified as a separate allocation of retained profits within the equity section of the balance sheet, until they have been approved by the shareholders in a general meeting. When these dividends have been approved by the shareholders and declared, they are recognised as a liability.

2.4 主要會計政策概要 (續)

員工福利 (續)

基於股權的支付交易 (續)

未行使購股權之攤薄影響將反映為計算每股盈利時之額外股份攤薄效應。

本集團已採納香港財務報告準則第2號有關權益結算獎勵之過渡條文，且香港財務報告準則第2號僅適用於二零零二年十一月七日之後授出但於二零零五年四月一日尚未歸屬及於二零零五年四月一日或之後授出之權益結算獎勵。

退休金計劃

本集團根據強制性公積金計劃條例，為合資格參與定額供款強制性公積金退休福利計劃（「強積金計劃」）之僱員營辦該計劃。供款乃按僱員薪金之某一百分比計算，並於根據強積金計劃之規則規定應付時自收益表中扣除。強積金計劃之資產以獨立管理基金形式持有，與本集團其他資金分開管理。本集團之僱主供款於向強積金計劃供款時，即全數撥歸僱員，惟本集團之僱主自願性供款部份，倘僱員於合資格取得全數供款前離職，則部份僱主自願性供款會退還予本集團。

本集團於中華人民共和國內地（「中國大陸」）經營業務之附屬公司之僱員須參與由中國地方政府營辦之中央退休金計劃。供款乃根據參與僱員之薪金的一定百分比計算，並於根據中央退休金計劃之規則規定應付時自收益表中扣除。

股息

董事建議派發之末期股息另行於資產負債表分類為權益項下之保留溢利分配，直至於股東大會上獲得股東批准為止。股息於獲得股東批准及宣派後即會確認為負債。

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2.4 Summary of Significant Accounting Policies (cont'd)

Foreign currencies

These financial statements are presented in Hong Kong dollars, which is the Company's functional and presentation currency. Each entity in the Group determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency. Foreign currency transactions are initially recorded using the functional currency rates ruling at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are retranslated at the functional currency rates of exchange ruling at the balance sheet date. All differences are taken to the income statement. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined.

The functional currencies of certain overseas subsidiaries, jointly-controlled entities and associates are currencies other than the Hong Kong dollar. As at the balance sheet date, the assets and liabilities of these entities are translated into the presentation currency of the Company at exchange rates ruling at the balance sheet date and, their income statements are translated into Hong Kong dollars at the weighted average exchange rates for the year. The resulting exchange differences are included in the exchange fluctuation reserve. On disposal of a foreign entity, the deferred cumulative amount recognised in equity relating to that particular foreign operation is recognised in the income statement.

For the purpose of the consolidated cash flow statement, the cash flows of overseas subsidiaries are translated into Hong Kong dollars at the exchange rates ruling at the dates of the cash flows. Frequently recurring cash flows of overseas subsidiaries which arise throughout the year are translated into Hong Kong dollars at the weighted average exchange rates for the year.

2.4 主要會計政策概要(續)

外幣

該等財務報表乃以港幣呈列，港幣為本公司之功能及呈報貨幣。本集團旗下各實體自行釐定其功能貨幣，而各實體財務報表所計入之項目均以該功能貨幣計量。外幣交易最初按交易日之適用功能貨幣匯率記錄。以外幣定值之貨幣資產及負債均按資產負債表結算日之適用功能貨幣匯率重新換算。所有差額計入收益表。按歷史成本以外幣列值之非貨幣項目按首次交易日之匯率換算。按公平價值以外幣列值之非貨幣項目按釐定公平價值當日之匯率換算。

若干海外附屬公司、共同控制企業及聯營公司之功能貨幣並非港幣。於資產負債表結算日，該等實體之資產及負債均按資產負債表結算日之匯率換算為本公司呈報貨幣，而該等公司之收益表則按年內之加權平均匯率折算為港幣。由此產生之匯兌差額計入股本之獨立組成部份匯兌波動儲備。於出售外國公司時，就該指定海外業務於權益確認之遞延累計金額將於收益表確認。

就綜合現金流量表而言，海外附屬公司之現金流量按現金流量日期之匯率折算為港幣。海外附屬公司於整個年度內經常產生之現金流量按年內之加權平均匯率折算為港幣。

3. Significant Accounting Judgements and Estimates

Judgements

In the process of applying the Group's accounting policies, management has made the following judgements, apart from those involving estimations, which have the most significant effect on the amounts recognised in the financial statements:

Operating lease commitments – Group as lessor

The Group has entered into commercial property leases on its investment property portfolio. The Group has determined that it retains all the significant risks and rewards of ownership of these properties which are leased out on operating leases.

Classification between investment properties and owner-occupied properties

The Group determined whether a property qualifies as an investment property and has developed criteria in making that judgement. Investment property is a property held to earn rentals or for capital appreciation or both. Therefore, the Group considers whether a property generates cash flows largely independently of the other assets held by the Group.

Some properties comprise a portion that is held to earn rentals or for capital appreciation and another portion that is held for use in the production or supply of goods or services or for administrative purposes. If these portions could be sold separately (or leased out separately under a finance lease), the Group accounts for the portions separately. If the portions could not be sold separately, the property is an investment property only if an insignificant portion is held for use in the production or supply of goods or services or for administrative purposes.

Judgement is made on an individual property basis to determine whether ancillary services are so significant that a property does not qualify as an investment property.

3. 主要會計判斷及估算

判斷

於應用本集團之會計政策過程中，除涉及估計者外，管理層已作出以下對財務報表所確認金額構成最重大影響之判斷：

經營租賃承擔 – 本集團作為出租人

本集團已就其投資物業組合訂立商用物業租約。本集團已決定保留該等以經營租賃租出物業所有權之所有重大風險及回報。

投資物業與自用物業之劃分

本集團釐定一項物業是否符合投資物業之條件，並於作出有關判斷過程中制訂有關標準。投資物業乃指持有以賺取租金或資本增值或兼具上述兩者之物業。因此，本集團會考慮物業能否獨立於本集團持有之其他物業而帶來現金流入。

部份物業包括持有以賺取租金或資本增值之部份及持作生產或供應貨物或服務或行政用途之部份。倘該等部份可獨立出售（或以融資租賃獨立出租），本集團會將該等部份獨立入帳。倘該等部份無法獨立出售，則該物業僅在持作生產或供應貨物或服務或行政用途之部份微不足道之情況下，方會列作投資物業。

作出判斷時會個別考量各項物業，以釐定配套設施是否足以令物業未能符合投資物業之條件。

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3. Significant Accounting Judgements and Estimates

(cont'd)

Estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the balance sheet date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are discussed below.

Impairment assessment for trade receivables

The policy for impairment assessment for trade receivables of the Group is based on the evaluation of collectability and aging analysis of trade receivables and on the judgement of management. A considerable amount of judgement is required in assessing the ultimate realisation of these receivables, including the current creditworthiness and the past collection history of each customer. If the financial conditions of customers of the Group were to deteriorate, resulting in an impairment of their ability to make payments, additional impairment may be required.

Provision for obsolete inventories

Management reviews the aging analysis of inventories of the Group at each balance sheet date, and makes provision for obsolete and slow-moving inventory items identified that are no longer suitable for sale. Management estimates the net realisable value for such inventories based primarily on the latest invoice prices and current market conditions. The Group carries out an inventory review at each balance sheet date and makes provision for obsolete items.

Fair value of investment properties

As disclosed in note 16 to the financial statements, investment properties are revalued at the balance sheet date on an open market, existing use basis by independent professional valuers. Such valuations were based on certain assumptions, which are subject to uncertainty and might materially differ from the actual results. In making the judgement, information from current prices in an active market for similar properties is considered and assumptions that are mainly based on market conditions existing at the balance sheet date are used.

3. 主要會計判斷及估算(續)

估計之不確定性

下文闡述資產負債表結算日有關未來之主要假設及估計不確定性之其他主要來源，該等因素極有可能導致於未來財政年度須對資產及負債之帳面值作出重大調整。

應收貿易帳款減值評估

本集團之應收貿易帳款減值評估政策乃以應收貿易帳款可收回性評估及帳齡分析以及管理層之判斷為依據。在評估該等應收帳款能否最終變現之過程中須作大量判斷，包括每位客戶之現時信譽及過往收款記錄。倘本集團客戶之財務狀況會惡化，導致其付款能力受損，則可能須作出額外減值。

陳舊存貨撥備

管理層會於各資產負債表結算日審閱本集團存貨之帳齡分析，並就確定不再適合用作出售之陳舊及滯銷存貨項目計提撥備。管理層主要依據最近期之發票價格及現行市況，估計該等存貨之可變現淨值。本集團會於各資產負債表結算日對存貨進行檢討，並就陳舊項目計提撥備。

投資物業之公平價值

誠如財務報表附註16所披露，投資物業由獨立專業估值師於資產負債表結算日按公開市場及現行用途基準重估。估值師乃根據若干假設進行有關估值，而該等假設存在不確定因素，並可能大幅異於實際結果。於作出判斷時會考慮類似物業在活躍市場中之現行價格資料，並會使用主要建基於資產負債表結算日當日現行市況之假設。

3. Significant Accounting Judgements and Estimates (cont'd)

Estimation uncertainty (cont'd)

Impairment of goodwill

The Group determines whether goodwill is impaired at least on an annual basis. This requires an estimation of the value in use of the cash-generating units to which the goodwill is allocated. Estimating the value in use requires the Group to make an estimate of the expected future cash flows from the cash-generating unit and also to choose a suitable discount rate in order to calculate the present value of those cash flows. More details are given in note 18 to the financial statements.

Impairment of intangible assets – Deferred development costs

The Group determines whether an intangible asset is impaired where an indication of impairment exists. This requires an estimation of the value in use of the intangible asset. Estimating the value in use requires the Group to make an estimate of the expected future cash flows from the intangible assets and also to choose a suitable discount rate in order to calculate the present value of those cash flows.

Deferred tax

Deferred tax is determined using tax rates (and tax laws) that have been enacted or substantially enacted by the balance sheet date and are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled. Deferred tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

The Group's management determines the deferred tax assets based on the enacted or substantially enacted tax rates and laws and its best knowledge of profit projections of the Group for the coming years during which the deferred tax assets are expected to be utilised. Management reviews the assumptions and profit projections at each balance sheet date.

3. 主要會計判斷及估算(續)

估計之不確定性(續)

商譽減值

本集團至少每年一次釐定商譽是否出現減值，就此須對獲分配商譽之現金產生單位之使用價值作出估計。在估計使用價值時，本集團須估計預期現金產生單位未來產生之現金流入，以及選擇合適之貼現率以計算該等現金流入之現值。更多詳情載於附財務報告註18。

無形資產減值－遞延開發成本

本集團出現減值跡象時釐定無形資產是否作出減值，就此須對無形資產之使用價值作出估計。在估計使用價值時，本集團須估計無形資產之未來產生之現金流入，以及選擇合適之貼現率以計算該等現金流入之現值。

遞延稅項

遞延稅項以資產負債表結算日已頒佈或實質上已頒佈之稅率（及稅務法例）計算。該等稅率（及稅務法例）預期適用於有關遞延稅項資產變現或遞延稅項負債清還之期間。遞延稅項資產僅限於可能有應課稅溢利時才予確認。

本集團管理層根據已頒佈或制定或實質上已頒佈之稅率及法例，以及本集團就預期動用遞延稅項資產之未來年度之最佳溢利預測而釐定遞延稅項資產。管理層於各資產負債表結算日審閱假設及溢利預測。

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3. Significant Accounting Judgements and Estimates

(cont'd)

Estimation uncertainty (cont'd)

Income tax

The Group is subject to income taxes in various regions. As a result of the fact that certain matters relating to the income taxes have not been confirmed by the local tax bureau, objective estimates and judgements based on currently enacted tax laws, regulations and other related polices are required in determining the provision of income taxes to be made. Where the final tax outcome of these matters are different from the amounts originally recorded, the differences will impact the income tax and tax provisions in the period in which the differences realise.

4. Segment Information

Segment information is presented by way of the Group's primary segment reporting basis, by business segment. In determining the Group's geographical segments, revenues are attributed to the segments based on the location of the customers, and assets are attributed to the segments based on the location of the assets. No geographical segment information is presented as over 90% of the Group's customers and operations are located in Mainland China.

The Group's operating businesses are structured and managed separately according to the nature of their operations and the products and services they provide. Each of the Group's business segments represents a strategic business unit that offers products and services which are subject to risks and returns that are different from those of the other business segments. Summary details of the business segments are as follows:

- (a) the "Distribution" segment engages in the distribution of general IT products which consist of notebook computers, desktop computers, PC servers, data projectors, peripherals, accessories and consumer IT products;
- (b) the "Systems" segment engages in the distribution of systems products which consist of Unix servers, networking products, storage products and packaged software, as well as the provision of related value-added services; and
- (c) the "Services" segment engages in the provision of systems integration, application software development, consultancy and training, etc..

3. 主要會計判斷及估算(續)

估計之不確定性(續)

所得稅

本集團在多個區域需繳納所得稅。由於有關所得稅的若干事項未被當地稅務局確認，因此須根據現時已頒佈稅務法例、法規及其他相關政策作出客觀估計和判斷，以確定需為所得稅做出的準備。如果該等事項的最終稅結果不同於原來所記錄的金額，差額將影響差額實現期間的所得稅及稅項準備。

4. 分部資料

分部資料乃以本集團基本分部列報基準，即業務分部之方式呈報。於釐定本集團之地域分部時，收入乃按客戶所在地計入分部，而資產則按資產所在地計入分部。本集團超過90%之客戶及業務均位於中國大陸，故並無列報地域分部資料。

本集團之經營業務乃根據經營性質及所提供之產品及服務來分開組織及管理。每個本集團業務分部指所提供產品及服務面對之風險及回報與其他業務分部有所不同之策略性業務單位。下列為業務分部之扼要說明：

- (a) 「分銷」分部從事分銷通用 IT 產品，包括筆記本電腦、臺式機、PC 伺服器、投影機、外設、套件及消費類 IT 產品；
- (b) 「系統」分部從事分銷系統產品，包括 Unix 伺服器、網絡產品、存儲設備及套裝軟件，以及提供相關的增值服務；及
- (c) 「服務」分部從事提供系統集成、開發應用軟件、諮詢及培訓等。

4. Segment Information (cont'd)

Business segments

The following tables present revenue, profit and certain asset, liability and expenditure information for the Group's business segments for the years ended 31 March 2007 and 2006.

4. 分部資料(續)

業務分部

下表呈列本集團截至二零零七年及二零零六年三月三十一日止年度業務分部之收入、溢利及若干資產、負債及費用資料。

Group

本集團

		Distribution		Systems		Services		Consolidated	
		分銷		系統		服務		綜合	
		2007	2006	2007	2006	2007	2006	2007	2006
		二零零七年	二零零六年	二零零七年	二零零六年	二零零七年	二零零六年	二零零七年	二零零六年
		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
Segment revenue:	分部收入:								
Sales to external customers	銷售予對外客戶	14,727,993	11,616,453	7,351,562	5,679,594	3,338,843	2,568,850	25,418,398	19,864,897
Segment gross profit	分部毛利	705,974	544,729	698,968	506,770	444,051	353,715	1,848,993	1,405,214
Segment results	分部業績	267,785	234,155	207,614	181,192	(24,415)	50,344	450,984	465,691
Interest income, unallocated revenue and gains	利息收入、未分類收入及收益							187,358	92,300
Unallocated expenses	未分類開支							(223,605)	(183,005)
Finance costs	融資成本							(146,406)	(95,851)
Share of profits and losses of:	應佔下列公司之溢利及虧損:								
Jointly-controlled entities	共同控制企業	-	-	-	-	(20,882)	(5,171)	(20,882)	(5,171)
Associates	聯營公司	-	-	-	-	(5,505)	(4,383)	(5,505)	(4,383)
Profit before tax	除稅前溢利							241,944	269,581
Tax	稅項							(40,631)	(20,970)
Profit for the year	本年度溢利							201,313	248,611

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4. Segment Information (cont'd)

Business segments (cont'd)

Group

4. 分部資料(續)

業務分部(續)

本集團

		Distribution		Systems		Services		Consolidated	
		分銷		系統		服務		綜合	
		2007	2006	2007	2006	2007	2006	2007	2006
		二零零七年	二零零六年	二零零七年	二零零六年	二零零七年	二零零六年	二零零七年	二零零六年
		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
Assets and liabilities	資產及負債								
Segment assets	分部資產	2,163,771	1,889,565	1,717,675	1,587,625	1,394,486	1,221,270	5,275,932	4,698,460
Interests in jointly-controlled entities	於共同控制企業之權益	-	-	-	-	3,644	24,526	3,644	24,526
Interests in associates	於聯營公司之權益	-	-	-	-	22,970	36,453	22,970	36,453
Non-current asset classified as held for sale	持有待售之非流動資產	-	-	-	-	12,681	-	12,681	-
Unallocated assets	未分類資產							1,569,833	1,067,925
Total assets	總資產							6,885,060	5,827,364
Segment liabilities	分部負債	1,672,058	1,189,546	1,006,394	826,899	798,247	663,320	3,476,699	2,679,765
Unallocated liabilities	未分類負債							1,435,115	1,341,731
Total liabilities	總負債							4,911,814	4,021,496
Other segment information:	其他分部資料:								
Depreciation of property, plant and equipment	物業、廠房及設備之折舊	7,293	7,176	8,114	7,694	14,504	11,002	29,911	25,872
Unallocated amounts	未分類金額							34,286	31,078
								64,197	56,950
Capital expenditure	資本開支	11,985	6,888	6,602	19,148	43,640	50,662	62,227	76,698
Unallocated amounts	未分類金額							18,884	201,322
								81,111	278,020
Amortisation of intangible assets	無形資產攤銷	-	-	4,481	4,893	538	2,362	5,019	7,255
Amortisation of prepaid land premiums – Unallocated	預付土地租金攤銷 – 未分類							352	162
Impairment and write off of doubtful trade receivables	應收貿易帳款呆帳減值及撇銷	10,492	1,548	26,802	23,858	27,316	13,258	64,610	38,664
Provisions/(reversal of provisions) and write-off of obsolete inventories	陳舊存貨撥備/(撥備撥回)及撇銷	2,310	876	16,848	(25,203)	9,072	1,335	28,230	(22,992)
Impairment of intangible assets	無形資產減值	-	-	3,510	12,475	12,749	7,306	16,259	19,781
Impairment of goodwill	商譽減值	-	-	-	-	28,566	12,894	28,566	12,894
Impairment of available-for-sale investments	可供出售之投資減值	-	-	-	-	2,425	-	2,425	-

5. Revenue, Other Income and Gains

Revenue, which is also the Group's turnover, represents the invoiced value of goods sold and services rendered to customers, net of business tax, value-added tax and government surcharges, and after allowances for goods returned and trade discounts.

An analysis of revenue, other income and gains is as follows:

5. 收入、其他收入及收益

收入亦為本集團之營業額，指向客戶出售貨品及提供服務之發票值（扣除營業稅、增值稅及政府徵費，以及退貨與貿易折扣）。

收入、其他收入及收益分析如下：

		Group 本集團	
		2007 二零零七年	2006 二零零六年
		Notes 附註	Notes 附註
		HK\$'000 港幣千元	HK\$'000 港幣千元
Revenue	收入	25,418,398	19,864,897
Other income	其他收入		
Government grants (note)	政府補貼 (附註)	36,830	26,084
Bank interest income	銀行利息收入	7,035	4,468
Gross rental income	總租金收入	34,431	1,246
Others	其他	9,205	9,045
		87,501	40,843
Gains	收益		
Fair value gains on investment properties, net	投資物業之公平價值收益淨額	16	7,368
Gain on disposal of non-current asset classified as held for sale	出售持有待售之非流動資產之收益	15	3,196
Gain on forward foreign exchange contracts	遠期外匯合約之收益	-	2,979
Foreign exchange differences, net	外匯淨差額	7	64,796
Gain on disposal of intangible assets	處置無形資產收益	-	3,487
		132,437	81,826
		219,938	122,669

Note: Various government grants have been received for the sale of self-developed software approved by the People's Republic of China (the "PRC") tax authority, the development of software in Mainland China, and the investment in specific provinces in Mainland China. The government grants received for the investment in specific provinces in Mainland China were recognised upon the receipt of the grants, whereas those received for the sale of self-developed software approved by the PRC tax authority and the development of software in Mainland China were recognised upon the sale of the approved self-developed software and the completion of the development of the related software, respectively. There are no unfulfilled conditions or contingencies relating to these grants.

附註: 本集團已就銷售中華人民共和國（「中國」）稅務部門認可之自行開發軟件、於中國大陸開發軟件及於中國大陸特定省份進行投資而收取若干政府補貼。已收取用作於中國大陸特定省份進行投資之政府補貼已於收取該等補貼時確認；至於就銷售中國稅務部門認可之自行開發軟件及於中國大陸開發軟件而收取之補貼，則分別於銷售獲認可之自行開發軟件及完成開發相關軟件後確認。該等補貼概無未達成之條件或或然事項。

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6. Total Operating Expenses

An analysis of total operating expenses by nature is as follows:

6. 營運費用總額

根據費用性質之營運費用總額分析如下:

		Group	
		本集團	
		2007	2006
		二零零七年	二零零六年
		HK\$'000	HK\$'000
		港幣千元	港幣千元
Selling expenses	銷售費用	140,205	106,787
Promotion and advertising expenses	推廣及宣傳費用	149,810	97,241
Staff costs included in operating expenses (including directors' remuneration)	列於營運費用之員工成本 (包括董事酬金)	742,162	559,136
Other expenses	其他費用	622,017	389,733
		1,654,194	1,152,897

7. Profit Before Tax

The Group's profit before tax is arrived at after charging/(crediting):

7. 除稅前溢利

本集團之除稅前溢利已經扣除／(計入)：

			2007	2006
			二零零七年	二零零六年
		Notes	HK\$'000	HK\$'000
		附註	港幣千元	港幣千元
Cost of inventories sold	售出存貨成本		23,058,332	18,105,956
Depreciation	折舊	15	64,197	56,950
Amortisation of prepaid land premiums	預付土地租金攤銷	17	352	162
Impairment of goodwill*	商譽減值*	18	28,566	12,894
Research and development cost	研究及開發成本		74,135	28,257
Amortisation of intangible assets**	無形資產攤銷**	19	5,019	7,255
Impairment of intangible assets*	無形資產減值*	19	16,259	19,781
Impairment of available-for-sale investments*	可供出售之投資減值*	24	2,425	-
Minimum lease payments under operating leases in respect of land and buildings	土地及樓宇之 最低經營租賃租金		60,131	45,060
Auditors' remuneration	核數師酬金		3,710	3,150
Employee benefits expense (including directors' remuneration (note 9)):	僱員福利開支(包括 董事酬金(附註9)):			
Wages and salaries	工資及薪金		719,730	522,576
Equity-settled share option expenses	以股份支付之購股權開支		6,309	12,863
Pension scheme contributions***	退休金計劃供款***		44,136	31,961
Other benefits	其他福利		107,882	72,933
			878,057	640,333
Provisions/(reversal of provisions) and write-off of obsolete inventories*	陳舊存貨撥備／(撥備撥回) 及撇銷*		28,230	(22,992)
Write-off of other receivables*	其他應收款項撇銷*		4,667	6,828
Impairment and write-off of doubtful trade receivables*	應收貿易帳款呆帳減值及撇銷*		64,610	38,664
Loss on disposal of items of property, plant and equipment	出售物業、廠房及設備之虧損		4,142	2,313
Direct operating expenses (including repairs and maintenance) arising on rental-earning investment properties	為賺取租金的投資物業的 直接經營費用(包括維修和保養)		6,749	-
Net rental income	租金淨收入		(27,682)	(1,246)
Foreign exchange differences, net	外匯淨差額	5	(109,481)	(64,796)

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7. Profit Before Tax (cont'd)

* The impairment of goodwill, the impairment of intangible assets, the impairment of available-for-sale investments, the provisions/(reversal of provisions) and write-off of obsolete inventories, the write-off of other receivables and the impairment and write-off of doubtful trade receivables are included in "Other operating expenses, net" on the face of the consolidated income statement.

** The amortisation of intangible assets is included in "Cost of sales" on the face of the consolidated income statement.

*** At 31 March 2007, the Group had no material forfeited contributions available to reduce its contributions to the pension schemes in future years (2006: Nil).

8. Finance Costs

7. 除稅前溢利(續)

* 商譽減值、無形資產減值、可供出售之投資減值、陳舊存貨撥備/(撥備撥回)及撇銷、其他應收款項撇銷及應收貿易帳款呆帳減值及撇銷已計入綜合收益表中之「其他營運費用淨額」內。

** 無形資產攤銷已計入綜合收益表中之「銷售成本」內。

*** 於二零零七年三月三十一日，本集團並無重大可供扣減未來年度之退休金計劃供款之被沒收供款(二零零六年：無)。

8. 融資成本

		Group 本集團	
		2007 二零零七年 HK\$'000 港幣千元	2006 二零零六年 HK\$'000 港幣千元
Interest on bank and other borrowings	銀行及其他貸款利息	100,819	62,312
Interest on discounted bills	已貼現票據利息	45,587	33,539
		<u>146,406</u>	<u>95,851</u>

9. Directors' Remuneration

Directors' remuneration for the year, disclosed pursuant to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules") and Section 161 of the Hong Kong Companies Ordinance, is as follows:

		Group 本集團	
		2007 二零零七年 HK\$'000 港幣千元	2006 二零零六年 HK\$'000 港幣千元
Fees	袍金	508	450
Other emoluments:	其他酬金:		
Salaries, allowances and benefits in kind	薪金、津貼及實物福利	10,493	9,987
Performance related bonuses	與表現掛鈎之花紅	9,166	8,200
Employee share option benefits (note)	僱員購股權福利 (附註)	1,424	2,744
Pension scheme contributions	退休金計劃供款	57	48
		21,140	20,979
		21,648	21,429

(a) Independent non-executive directors

The fees paid to independent non-executive directors during the year were as follows:

		2007 二零零七年 HK\$'000 港幣千元	2006 二零零六年 HK\$'000 港幣千元
Mr. Leung Pak To, Francis	梁伯韜先生	63	150
Professor Wu Jinglian	吳敬璉教授	150	150
Mr. Hu Zhao Guang	胡昭廣先生	150	150
Mr. Wong Man Chung, Francis	黃文宗先生	91	-
Mr. Kwan Ming Heung, Peter	Kwan Ming Heung, Peter先生	54	-
		508	450

9. 董事酬金

根據香港聯合交易所有限公司證券上市規則(「上市規則」)及香港公司條例第161條披露之本年度董事酬金如下:

(a) 獨立非執行董事

本年度內,已支付予獨立非執行董事之袍金載列如下:

		2007 二零零七年 HK\$'000 港幣千元	2006 二零零六年 HK\$'000 港幣千元
Mr. Leung Pak To, Francis	梁伯韜先生	63	150
Professor Wu Jinglian	吳敬璉教授	150	150
Mr. Hu Zhao Guang	胡昭廣先生	150	150
Mr. Wong Man Chung, Francis	黃文宗先生	91	-
Mr. Kwan Ming Heung, Peter	Kwan Ming Heung, Peter先生	54	-
		508	450

There were no other emoluments payable to the independent non-executive directors during the year (2006: Nil).

本集團於本年度內並無支付予獨立非執行董事任何其他酬金(二零零六年:無)。

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9. Directors' Remuneration (cont'd)

(b) Executive directors and a non-executive director

9. 董事酬金(續)

(b) 執行董事及非執行董事

		Fees	Salaries, allowances and benefits in kind 薪金、津貼及實物福利 HK\$'000 港幣千元	Performance related bonuses 與表現掛鉤之花紅 HK\$'000 港幣千元	Employee share option benefits 僱員購股權福利 HK\$'000 港幣千元 (Note) (附註)	Pension scheme contributions 退休金計劃供款 HK\$'000 港幣千元	Total remuneration 酬金總額 HK\$'000 港幣千元
2007	二零零七年						
Executive directors:	執行董事:						
Mr. Li Qin	李勤先生	-	2,992	2,870	360	-	6,222
Mr. Guo Wei	郭為先生	-	3,873	4,319	560	19	8,771
Mr. Zeng Maochao	曾茂朝先生	-	697	300	-	-	997
Mr. Lin Yang	林楊先生	-	1,890	1,555	280	19	3,744
Mr. Hua Zhinian	華祉年先生	-	1,041	122	224	19	1,406
		-	10,493	9,166	1,424	57	21,140
Non-executive director:	非執行董事:						
Mr. William O. Grabe	William O. Grabe先生	-	-	-	-	-	-
		-	10,493	9,166	1,424	57	21,140
2006	二零零六年						
Executive directors:	執行董事:						
Mr. Li Qin	李勤先生	-	2,775	2,870	670	-	6,315
Mr. Guo Wei	郭為先生	-	3,638	3,000	1,091	16	7,745
Mr. Zeng Maochao	曾茂朝先生	-	817	300	-	-	1,117
Mr. Lin Yang	林楊先生	-	1,783	1,627	546	16	3,972
Mr. Hua Zhinian	華祉年先生	-	974	403	437	16	1,830
		-	9,987	8,200	2,744	48	20,979
Non-executive director:	非執行董事:						
Mr. William O. Grabe	William O. Grabe先生	-	-	-	-	-	-
		-	9,987	8,200	2,744	48	20,979

There was no arrangement under which a director waived or agreed to waive any remuneration during the year.

董事並無於本年度內訂立放棄或同意放棄任何酬金之安排。

Note: No share options were granted to the directors during the year in respect of their services to the Group under the share option schemes of the Company, further details of which are set out in note 34 to the financial statements. The employee share option benefits represent the fair value at the grant date of the share options in previous years amortised to the income statement during the year, disregarding if there is a grant of share options during the year.

附註：本年度內，未有董事因向本集團提供服務而獲授本公司購股權計劃項下之購股權，進一步詳情載於此財務報表附註34。僱員購股權福利是按以往年度購股權於授出當日的公平價值於本年度的收益表內攤銷，不論有關購股權是否於本年度內已授予。

10. Five Highest Paid Employees

The five highest paid employees during the year included three (2006: four) directors, details of whose remuneration are set out in note 9 above. Details of the remuneration of the remaining two (2006: one) non-director, highest paid employees for the year are as follows:

10. 最高薪五位僱員

本年度之最高薪五位僱員包括三名(二零零六年:四名)董事·彼等之酬金詳情載於上文附註9內·餘下二名(二零零六年:一名)非董事之最高薪僱員於本年度之酬金詳情載述如下:

		Group 本集團	
		2007 二零零七年 HK\$'000 港幣千元	2006 二零零六年 HK\$'000 港幣千元
Salaries, allowances and benefits in kind	薪金·津貼及實物福利	1,740	279
Performance related bonuses	與表現掛鈎之花紅	2,530	336
Employee share option benefits (note)	僱員購股權福利(附註)	242	1,128
Pension scheme contributions	退休金計劃供款	38	16
		4,550	1,759

The number of non-director, highest paid employees whose remuneration fell within the following bands is as follows:

酬金介乎以下範圍之最高薪非董事僱員人數如下:

		Number of employees 僱員人數	
		2007 二零零七年	2006 二零零六年
HK\$1,500,001 to HK\$2,000,000	港幣1,500,001元至港幣2,000,000元	1	1
HK\$2,000,001 to HK\$2,500,000	港幣2,000,001元至港幣2,500,000元	-	-
HK\$2,500,001 to HK\$3,000,000	港幣2,500,001元至港幣3,000,000元	1	-
		2	1

Note: The employee share option benefits represent the fair value at the grant date of the share options in previous years amortised to the income statement during the year, disregarding if there is a grant of share options during the year.

附註: 僱員購股權福利是按以往年度所授出的購股權於授出當日的公平價值·於本年度內的收益表內攤銷·不論有關購股權是否於本年度內已授予。

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11. Tax

11. 稅項

		2007 二零零七年 HK\$'000 港幣千元	2006 二零零六年 HK\$'000 港幣千元
Group:	本集團:		
Current – Hong Kong	本年度－香港	1,447	–
Current – PRC	本年度－中國	32,119	23,757
Deferred (note 25)	遞延(附註25)	7,065	(2,787)
Total tax charge for the year	本年度稅項支出合計	40,631	20,970

(a) PRC corporate income tax represents tax charged on the estimated assessable profits arising in the PRC. In general, the subsidiaries of the Group are subject to the PRC corporate income tax rate of 33% except for certain subsidiaries which are entitled to tax holidays and preferential tax rates.

(b) During the year, Hong Kong profits tax has been provided at the rate of 17.5% on the estimated assessable profits arising in Hong Kong. No provision for Hong Kong profits tax had been made in the prior year as the Hong Kong subsidiaries of the Group had no estimated assessable profits arising in Hong Kong or had tax losses brought forward from prior years to set off assessable profits for the year ended 31 March 2006.

(c) No provision for Hong Kong profits tax has been made for the jointly-controlled entities and associates as the jointly-controlled entities and associates had no estimated assessable profits arising in Hong Kong for the years ended 31 March 2006 and 2007. PRC corporate income tax has been provided at the rate of 33% on the estimated assessable profits of the jointly-controlled entities and associates for the years ended 31 March 2006 and 2007. The share of tax credit attributable to the jointly-controlled entities of approximately HK\$32,000 (2006: Nil) and the share of tax credit attributable to the associates of approximately HK\$317,000 (2006: share of tax charge of approximately HK\$377,000) are included in “Share of profits and losses of jointly-controlled entities” and “Share of profits and losses of associates” respectively on the face of the consolidated income statement.

(a) 中國企業所得稅指於中國產生之估計應課稅溢利所徵收之稅項。除若干附屬公司享有免稅期及稅務優惠外，本集團之附屬公司一般須繳納稅率為33%之中國企業所得稅。

(b) 本年度內，香港利得稅乃按在香港產生估計應課稅溢利按17.5%之稅率計算。由於本集團之香港附屬公司在上年度並無在香港產生估計應課稅溢利，或有承自過往年度可抵銷於截至二零零六年三月三十一日止年度應課稅溢利之稅務虧損，是以並無就香港利得稅作出撥備。

(c) 由於香港共同控制企業及聯營公司於截至二零零六年及二零零七年三月三十一日止年度均無在香港產生估計應課稅溢利，是以並無為共同控制企業及聯營公司就香港利得稅作出撥備。中國企業所得稅乃根據在截至二零零六年及二零零七年三月三十一日止年度於中國共同控制企業及聯營公司之估計應課稅溢利按33%稅率作出撥備。應佔共同控制企業之稅項稅益約港幣32,000元(二零零六年：無)及聯營公司之稅項稅益約港幣317,000元(二零零六年：稅項支出約港幣377,000元)，已分別計入於綜合收益表中之「應佔共同控制企業之溢利及虧損」及「應佔聯營公司之溢利及虧損」內。

11. Tax (cont'd)

On 16 March 2007, the National Peoples' Congress approved the Corporate Income Tax Law of the People's Republic of China (the "New CIT Law"), which will become effective on 1 January 2008. The New CIT Law introduces a wide range of changes which include, but are not limited to, the unification of the income tax rate for domestic-invested and foreign-invested enterprises at 25%. At the date of approval of these financial statements, detailed implementation and administrative requirements relating to the New CIT Law have yet to be announced. These detailed requirements include regulations concerning the computation of taxable income, as well as specific preferential tax treatments and their transitional provisions. The Group will further evaluate the impact of the New CIT Law on its operating results and financial positions of future periods as more detailed requirements are issued.

A reconciliation of the tax expense applicable to the profit before tax using the statutory rates for the jurisdictions in which the Company, and the majority of its subsidiaries are domiciled to the tax expense at the effective tax rates, and a reconciliation of the applicable rates (i.e., the statutory tax rates) to the effective tax rates, are as follows:

11. 稅項 (續)

於二零零七年三月十六日閉幕的第十屆全國人民代表大會第五次會議通過了《中華人民共和國企業所得稅法》(「新企業所得稅法」)，並將於二零零八年一月一日起施行。新企業所得稅法引入了一系列變化包括但不限於將內、外資企業所得稅稅率統一為25%。截至此財務報表之核准日，新企業所得稅法具體的實施和管理細則規定尚未公佈。此細則規定包括應徵稅收入之計算、特殊優先稅務處理及其相關過渡性條文之規則。當更多細則規定出俱後，本集團將再評估此新企業所得稅法帶來的未來營運業績及財務影響。

根據本公司及大部份其附屬公司所在司法權區之法定稅率計算除稅前溢利之稅項支出，與按實際稅率計算之稅項支出對帳，以及適用稅率(即法定稅率)與實際稅率對帳如下：

		2007 二零零七年		2006 二零零六年 (Restated) (重列)	
		HK\$'000 港幣千元	% 百分比	HK\$'000 港幣千元	% 百分比
Profit before tax	除稅前溢利	241,944		269,581	
Tax at applicable tax rate	按適用稅率計算之稅項	79,841	33.0	88,962	33.0
Lower tax rate for specific provinces or local authority	特定省份或地方機關較低稅率	(140,435)	(58.1)	(80,503)	(29.9)
Profits and losses attributable to jointly-controlled entities and associates	共同控制企業及聯營公司應佔溢利及虧損	9,660	4.0	3,153	1.2
Tax effect of unused tax losses not recognised	未確認之未動用稅項虧損之稅務影響	14,768	6.1	9,373	3.5
Income not subject to tax	無須課稅之收入	(5,815)	(2.4)	(690)	(0.2)
Expenses not deductible for tax	不可扣稅之開支	90,431	37.4	13,529	5.0
Profit not subject to tax	無須課稅之溢利	(7,249)	(3.0)	(10,549)	(3.9)
Tax losses utilised from previous periods	利用過往期間之稅項虧損	(570)	(0.2)	(2,305)	(0.9)
Tax charge at the Group's effective rate	按本集團實際稅率計算之稅項支出	40,631	16.8	20,970	7.8

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12. Profit Attributable to Equity Holders of the Parent

The consolidated profit attributable to equity holders of the parent for the year ended 31 March 2007 includes a profit of HK\$88,323,000 (2006: HK\$91,840,000) which has been dealt with in the financial statements of the Company (note 35(b)).

13. Dividends

Proposed final dividend – 8.28 HK cents
(2006: 10.00 HK cents) per ordinary share

擬派末期股息—每股普通股8.28港仙
(二零零六年:10.00港仙)

2007 二零零七年 HK\$'000 港幣千元	2006 二零零六年 HK\$'000 港幣千元
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72,370

86,693

The proposed final dividend for the year is subject to the approval of the Company's shareholders at the forthcoming annual general meeting.

年內擬派末期股息須經本公司股東在即將舉行之股東週年大會上批准。

14. Earnings Per Share Attributable to Ordinary Equity Holders of the Parent

The calculation of basic earnings per share amounts is based on the profit for the year attributable to ordinary equity holders of the parent of approximately HK\$208,429,000 (2006: HK\$251,917,000), and the weighted average of 871,479,182 (2006: 862,916,065) ordinary shares in issue during the year.

The calculation of diluted earnings per share amounts is based on the profit for the year attributable to ordinary equity holders of the parent of approximately HK\$208,429,000 (2006: HK\$251,917,000) and 876,317,035 (2006: 866,515,404) ordinary shares, which was the weighted average of 871,479,182 (2006: 862,916,065) ordinary shares in issue during the year, and the weighted average of 4,837,853 (2006: 3,599,339) ordinary shares deemed to have been issued at no consideration on the deemed exercise of all the outstanding share options during the year.

14. 母公司普通股股東應佔每股盈利

基本每股盈利乃按本年度之母公司普通股股東應佔溢利約港幣208,429,000元(二零零六年:港幣251,917,000元)以及於本年度內之已發行普通股之加權平均數871,479,182股(二零零六年:862,916,065股)計算。

攤薄後每股盈利乃按本年度之母公司普通股股東應佔溢利約港幣208,429,000元(二零零六年:港幣251,917,000元)及876,317,035股普通股(二零零六年:866,515,404股)計算。此股份數目為於本年度內之已發行普通股之加權平均數871,479,182股(二零零六年:862,916,065股)以及假設於本年度內之所有尚未行使之購股權被視為獲行使並被視為已無償發行普通股之加權平均數4,837,853股(二零零六年:3,599,339股)之總和。

15. Property, Plant and Equipment Group

15. 物業、廠房及設備 本集團

		Leasehold land and buildings 租賃土地 及樓宇 HK\$'000 港幣千元	Leasehold improvements 租賃 裝修 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	Construction in progress 在建 工程 HK\$'000 港幣千元	Total 總計 HK\$'000 港幣千元
31 March 2007	二零零七年三月三十一日						
At 31 March 2006 and 1 April 2006:	於二零零六年 三月三十一日 及二零零六年四月一日:						
Cost	成本值	258,162	64,741	294,167	24,927	126	642,123
Accumulated depreciation	累計折舊	(12,266)	(26,348)	(164,529)	(18,812)	-	(221,955)
Net carrying amount	帳面淨值	245,896	38,393	129,638	6,115	126	420,168
At 1 April 2006, net of accumulated depreciation	於二零零六年四月一日， 扣除累計折舊	245,896	38,393	129,638	6,115	126	420,168
Additions	添置	-	6,965	56,913	2,269	14,964	81,111
Disposals	出售	(753)	-	(3,646)	(183)	-	(4,582)
Disposal of non-current assets classified as held for sale	出售持有待售之 非流動資產	(85,631)	(3,293)	(2,417)	-	-	(91,341)
Transfers from construction in progress	轉撥自在建工程	-	10,630	4,592	-	(15,222)	-
Transfer to investment properties (note 16)	轉撥至投資物業 (附註16)	(16,754)	-	-	-	-	(16,754)
Depreciation provided during the year	本年度折舊	(5,061)	(12,129)	(44,805)	(2,202)	-	(64,197)
Exchange realignment	匯兌調整	7,545	1,084	4,212	185	190	13,216
At 31 March 2007, net of accumulated depreciation	於二零零七年 三月三十一日， 扣除累計折舊	145,242	41,650	144,487	6,184	58	337,621
At 31 March 2007:	於二零零七年 三月三十一日:						
Cost	成本值	151,097	66,403	330,386	26,370	58	574,314
Accumulated depreciation	累計折舊	(5,855)	(24,753)	(185,899)	(20,186)	-	(236,693)
Net carrying amount	帳面淨值	145,242	41,650	144,487	6,184	58	337,621

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15. Property, Plant and Equipment (cont'd)

Group

		Leasehold land and buildings 租賃土地 及樓宇 HK\$'000 港幣千元	Leasehold improvements 租賃 裝修 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	Construction in progress 在建 工程 HK\$'000 港幣千元	Total 總計 HK\$'000 港幣千元
31 March 2006	二零零六年三月三十一日						
At 1 April 2005:	於二零零五年四月一日:						
Cost	成本值	159,462	42,865	259,505	24,577	172,423	658,832
Accumulated depreciation	累計折舊	(9,168)	(24,081)	(129,282)	(17,016)	-	(179,547)
Net carrying amount	帳面淨值	150,294	18,784	130,223	7,561	172,423	479,285
At 1 April 2005, net of accumulated depreciation	於二零零五年四月一日· 扣除累計折舊	150,294	18,784	130,223	7,561	172,423	479,285
Additions	添置	-	1,467	31,971	916	192,906	227,260
Acquisition of a subsidiary (note 36(a))	收購一間附屬公司 (附註36(a))	17,251	-	1,649	76	-	18,976
Disposals	出售	-	(6)	(2,344)	(204)	-	(2,554)
Disposal of non-current assets classified as held for sale	出售持有待售 之非流動資產	(65,213)	-	-	-	-	(65,213)
Transfers from construction in progress	轉撥自在建工程	143,612	25,924	8,874	-	(178,410)	-
Transfer to investment properties (note 16)	轉撥至投資物業 (附註16)	-	-	-	-	(176,925)	(176,925)
Transfer to prepaid land premiums (note 17)	轉撥至預付土地租金 (附註17)	-	-	-	-	(13,890)	(13,890)
Depreciation provided during the year	本年度折舊	(3,376)	(8,092)	(43,116)	(2,366)	-	(56,950)
Exchange realignment	匯兌調整	3,328	316	2,381	132	4,022	10,179
At 31 March 2006, net of accumulated depreciation	於二零零六年 三月三十一日· 扣除累計折舊	245,896	38,393	129,638	6,115	126	420,168
At 31 March 2006:	於二零零六年 三月三十一日:						
Cost	成本值	258,162	64,741	294,167	24,927	126	642,123
Accumulated depreciation	累計折舊	(12,266)	(26,348)	(164,529)	(18,812)	-	(221,955)
Net carrying amount	帳面淨值	245,896	38,393	129,638	6,115	126	420,168

The Group's leasehold land and buildings included above are held under medium term leases in Mainland China.

15. 物業、廠房及設備(續)

本集團

載於上文之本集團租賃土地及樓宇均位於中國大陸，以中期租約持有。

During the year, one of the Group's leasehold land and buildings and prepaid land premiums situated in Mainland China with an aggregate net carrying amount of approximately HK\$91,341,000, was transferred to non-current asset classified as held for sale and then disposed of resulting in a net gain on disposal of approximately HK\$21,500,000 (note 5).

於本年度內，本集團將其中一項位於中國大陸、帳面淨值總額約港幣91,341,000元之租賃土地及樓宇以及預付土地租金，轉撥至持有待售之非流動資產，且其後將之出售，並產生出售淨收益約港幣21,500,000元(附註5)。

15. Property, Plant and Equipment (cont'd)

At the balance sheet date, certificates of ownership with respect to certain of the Group's leasehold land and buildings situated in Mainland China with an aggregate net carrying amount of approximately HK\$140,432,000 (2006: HK\$226,529,000) had not been issued by the relevant government authorities. The Group has obtained the relevant certificates subsequent to the balance sheet date.

At 31 March 2006, the Group's buildings situated in Mainland China with a net carrying amount of approximately HK\$16,725,000 were pledged to secure certain bank and other loans granted to the Group (note 32).

15. 物業、廠房及設備(續)

於資產負債表結算日，有關政府機關尚未就本集團若干位於中國大陸、帳面淨值總額約為港幣140,432,000元（二零零六年：港幣226,529,000元）之租賃土地及樓宇發出擁有權證。本集團已於資產負債表結算日後取得相關證明。

於二零零六年三月三十一日，本集團若干位於中國大陸帳面淨值約港幣16,725,000元之樓宇已予以抵押，作為本集團獲得若干銀行及其他貸款之擔保（附註32）。

Company**本公司**

		Leasehold improvements 租賃裝修 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 總計 HK\$'000 港幣千元
31 March 2007	二零零七年三月三十一日				
At 31 March 2006 and 1 April 2006:	於二零零六年三月三十一日 及二零零六年四月一日：				
Cost	成本值	2,831	1,606	985	5,422
Accumulated depreciation	累計折舊	(2,344)	(1,170)	(788)	(4,302)
Net carrying amount	帳面淨值	487	436	197	1,120
At 1 April 2006, net of accumulated depreciation	於二零零六年四月一日， 扣除累計折舊	487	436	197	1,120
Additions	添置	16	88	-	104
Disposals	出售	-	(1)	-	(1)
Depreciation provided during the year	本年度折舊	(352)	(195)	(197)	(744)
At 31 March 2007, net of accumulated depreciation	於二零零七年三月三十一日， 扣除累計折舊	151	328	-	479
At 31 March 2007:	於二零零七年三月三十一日：				
Cost	成本值	2,847	1,666	985	5,498
Accumulated depreciation	累計折舊	(2,696)	(1,338)	(985)	(5,019)
Net carrying amount	帳面淨值	151	328	-	479

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15. Property, Plant and Equipment (cont'd)

Company

15. 物業、廠房及設備(續)

本公司

		Leasehold improvements 租賃裝修 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 總計 HK\$'000 港幣千元
31 March 2006	二零零六年三月三十一日				
At 1 April 2005:	於二零零五年四月一日:				
Cost	成本值	2,831	1,699	985	5,515
Accumulated depreciation	累計折舊	(1,769)	(1,025)	(591)	(3,385)
Net carrying amount	帳面淨值	1,062	674	394	2,130
At 1 April 2005, net of accumulated depreciation	於二零零五年四月一日· 扣除累計折舊	1,062	674	394	2,130
Additions	添置	-	116	-	116
Disposals	出售	-	(15)	-	(15)
Depreciation provided during the year	本年度折舊	(575)	(339)	(197)	(1,111)
At 31 March 2006, net of accumulated depreciation	於二零零六年三月三十一日· 扣除累計折舊	487	436	197	1,120
At 31 March 2006:	於二零零六年三月三十一日:				
Cost	成本值	2,831	1,606	985	5,422
Accumulated depreciation	累計折舊	(2,344)	(1,170)	(788)	(4,302)
Net carrying amount	帳面淨值	487	436	197	1,120

16. Investment Properties

16. 投資物業

		Group 本集團	
		2007 二零零七年 HK\$'000 港幣千元	2006 二零零六年 HK\$'000 港幣千元
Carrying amount at 1 April	於四月一日之帳面值	184,293	–
Transfer from construction in progress (note 15)	轉撥自在建工程(附註15)	–	176,925
Transfer from leasehold land and buildings (note 15)	轉撥自租賃土地及樓宇(附註15)	16,754	–
Net profit from a fair value adjustment	按公平價值調整之淨溢利	1,456	7,368
Exchange realignment	匯兌調整	5,723	–
Carrying amount at 31 March	於三月三十一日之帳面值	208,226	184,293

The Group's investment properties are situated in Mainland China and are held under medium term leases.

本集團之投資物業均位於中國大陸，並以中期租約持有。

At the balance sheet date, the certificates of ownership with respect to certain of the Group's investment properties with an aggregate carrying amount of approximately HK\$191,996,000 (2006: HK\$184,293,000) have not been issued by the relevant government authorities. The Group has obtained the relevant certificates subsequent to the balance sheet date.

於資產負債表結算日，有關政府機關尚未就本集團帳面值總額約為港幣191,996,000元（二零零六年：港幣184,293,000元）之投資物業發出擁有權證。本集團已於資產負債表結算日後取得相關證明。

The Group's investment properties were revalued on 31 March 2007 by Vigers Appraisal & Consulting Limited, independent professionally qualified valuers, at approximately HK\$208,226,000 on an open market, existing use basis. The investment properties are leased to third parties under operating leases, further summary details of which are included in note 38(a) to the financial statements.

於二零零七年三月三十一日，本集團投資物業由獨立專業合資格估值師威格斯資產評估顧問有限公司按公開市場及現行用途基準重估約港幣208,226,000元。該等投資物業根據經營租約出租予第三方，進一步詳情概要載於財務報表附註38(a)。

At 31 March 2007, one of the Group's investment properties situated in Mainland China with a value of approximately HK\$16,231,000 (2006: Nil) was pledged to secure certain bank loans granted to the Group (note 32).

於二零零七年三月三十一日，本集團一個位於中國大陸其價值約港幣16,231,000元（二零零六年：無）之投資物業已予以抵押，作為本集團獲得若干銀行貸款之擔保（附註32）。

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16. Investment Properties (cont'd)

Further particulars of the Group's investment properties are as follows:

16. 投資物業(續)

本集團投資物業之進一步詳情載列如下:

Location 地點	Use 用途	Tenure 年期	Attributable interest of the Group 本集團應佔權益
Digital Technology Plaza, No.9 Shangdijiu Street, Haidian District, Beijing City, The PRC 中國北京市海澱區 上地東路9街9號 數碼科技廣場	Office building 辦公大樓	Medium term lease 中期租約	100%
No.6 Zhongguancun, Nandai Street, Haidian District, Beijing City, The PRC 中國北京市海澱區 中關村南大街6號	Office building 辦公大樓	Medium term lease 中期租約	100%

17. Prepaid Land Premiums

17. 預付土地租金

		Group 本集團	
		2007 二零零七年 HK\$'000 港幣千元	2006 二零零六年 HK\$'000 港幣千元
Carrying amount at 1 April	於四月一日之帳面值	13,832	15,944
Transfer from construction in progress (note 15)	轉撥自在建工程(附註15)	-	13,890
Disposal of non-current assets classified as held for sale	出售持有待售之非流動資產	-	(15,840)
Amortisation recognised during the year	本年度確認之攤銷	(352)	(162)
Exchange realignment	匯兌調整	424	-
Carrying amount at 31 March	於三月三十一日之帳面值	13,904	13,832
Current portion included in prepayments, deposits and other receivables	流動部分包括在預付款項、按金及其他應收款項	(357)	(347)
Non-current portion	非流動部分	13,547	13,485

The Group's leasehold land is held under a medium term lease and is situated in Mainland China.

本集團之租賃土地均位於中國大陸，並以中期租約持有。

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18. Goodwill

The amount of goodwill capitalised as an asset in the consolidated balance sheet, arising from the acquisition of subsidiaries, is as follows:

18. 商譽

因收購附屬公司產生而於綜合資產負債表內資本化為資產之商譽金額如下：

		Group 本集團	
		2007 二零零七年 HK\$'000 港幣千元	2006 二零零六年 HK\$'000 港幣千元
At 1 April:	於四月一日：		
Cost	成本值	45,671	17,244
Accumulated impairment	累計減值	(17,406)	(4,512)
Net carrying amount	帳面淨值	<u>28,265</u>	<u>12,732</u>
Cost at 1 April, net of accumulated impairment	於四月一日之成本值·扣除累計減值	28,265	12,732
Acquisition of a subsidiary (note 36(a))	收購一間附屬公司(附註36(a))	-	28,265
Impairment during the year	本年度減值	(28,566)	(12,894)
Exchange realignment	匯兌調整	301	162
Net carrying amount at 31 March	於三月三十一日之帳面淨值	<u>-</u>	<u>28,265</u>
At 31 March:	於三月三十一日：		
Cost	成本值	46,158	45,671
Accumulated impairment	累計減值	(46,158)	(17,406)
Net carrying amount	帳面淨值	<u>-</u>	<u>28,265</u>

18. Goodwill (cont'd)**Impairment testing of goodwill**

Goodwill acquired through the business combination has been allocated to the telecommunications sector software development cash-generating units, which is under the Services segment, for impairment testing.

The recoverable amount of the telecommunications sector software development cash-generating unit is determined based on a value in use calculation using cash flow projections based on financial budgets covering a five-year period approved by senior management. The discount rate applied to cash flow projections is 6%.

During the year, due to the continuous losses incurred by the subsidiary principally engaged in telecommunications sector software development, the directors, by discounting the future cash flow generated from the subsidiary at the discount rate applied to cash flow projections of 6%, considered the goodwill of approximately HK\$28,566,000 was fully impaired.

Key assumptions were used in the value in use calculation of the telecommunications sector software development cash-generating units. The following describes each key assumption on which management has based its cash flow projections to undertake impairment testing of goodwill:

Budgeted gross margins – The basis used to determine the value assigned to the budgeted gross margins is the average gross margins achieved in the year immediately before the budgeted year, increased for expected efficiency improvements, and expected market development.

Discount rate – The discount rate used is before tax and reflects specific risks relating to the cash generating units.

18. 商譽 (續)**商譽減值測試**

透過業務合併收購之商譽已分配電訊行業軟件開發現金產生單位，此為服務分部，以進行減值測試。

電訊行業軟件開發現金產生單位之可收回值乃根據使用價值釐定，而使用價值乃採用根據高級管理層批准之五年期財務預算預測之現金流量計算。預測現金流量所使用之貼現率為6%。

於本年度內，由於主力從事電訊行業軟件開發之附屬公司持續錄得虧損，董事按照現金流量預測之貼現率6%計算該附屬公司產生之未來現金流量後，認為約港幣28,566,000元的商譽已全數減值。

計算電訊行業軟件開發現金產生單位之使用價值時曾作出重要假設。下文載述管理層就進行商譽減值測試預測現金流量所依據之各項主要假設：

預算毛利率 – 預算毛利率價值之釐定基準為緊接預算年度前一個年度所取得之平均毛利率，並就預期效率提升及預期市場發展作出上調。

貼現率 – 所採用之貼現率為除稅前貼現率，且反映有關現金產生單位所涉及之特定風險。

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19. Intangible Assets

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19. 無形資產

本集團

		Licences	Deferred development costs	Total
		許可證權	遞延 開發成本	總計
		HK\$'000	HK\$'000	HK\$'000
		港幣千元	港幣千元	港幣千元
31 March 2007	二零零七年三月三十一日			
Cost at 1 April 2006, net of accumulated amortisation and impairment	於二零零六年四月一日之成本值· 扣減累計攤銷及減值	-	39,324	39,324
Amortisation provided during the year	本年度攤銷	-	(5,019)	(5,019)
Impairment during the year	本年度減值	-	(16,259)	(16,259)
Exchange realignment	匯兌調整	-	1,041	1,041
At 31 March 2007	於二零零七年三月三十一日	-	19,087	19,087
At 31 March 2007:	於二零零七年三月三十一日:			
Cost	成本值	-	80,072	80,072
Accumulated amortisation and impairment	累計攤銷及減值	-	(60,985)	(60,985)
Net carrying amount	帳面淨值	-	19,087	19,087
31 March 2006	二零零六年三月三十一日			
Cost at 1 April 2005, net of accumulated amortisation and impairment	於二零零五年四月一日之成本值· 扣減累計攤銷及減值	-	32,828	32,828
Additions	添置	17,940	32,820	50,760
Disposals	出售	(17,940)	-	(17,940)
Amortisation provided during the year	本年度攤銷	-	(7,255)	(7,255)
Impairment during the year	本年度減值	-	(19,781)	(19,781)
Exchange realignment	匯兌調整	-	712	712
At 31 March 2006	於二零零六年三月三十一日	-	39,324	39,324
At 31 March and 1 April 2006:	於二零零六年三月三十一日 及四月一日:			
Cost	成本值	-	77,616	77,616
Accumulated amortisation and impairment	累計攤銷及減值	-	(38,292)	(38,292)
Net carrying amount	帳面淨值	-	39,324	39,324

19. Intangible Assets (cont'd)

During the year, in view of the change in market demand, the directors considered the carrying values of certain deferred development costs are irrecoverable after taking into consideration the estimated future revenue. Impairment losses of approximately HK\$16,259,000 (2006: HK\$19,781,000) are recognised accordingly.

19. 無形資產 (續)

於本年度內，由於市場要求有所改變，董事經考慮估計未來利益後，認為無法收回若干遞延開發成本之帳面值，因此確認約港幣16,259,000元（二零零六年：港幣19,781,000元）之減值虧損。

20. Investments in Subsidiaries**20. 於附屬公司之投資**

		Company 本公司	
		2007 二零零七年	2006 二零零六年
		HK\$'000 港幣千元	HK\$'000 港幣千元
Unlisted shares, at cost	非上市股份·按成本	699,407	699,407
Capital contribution in respect of employee share-based compensation	以股份支付僱員之酬金資本出資	49,759	44,295
		749,166	743,702

Particulars of the principal subsidiaries are as follows:

主要附屬公司詳情如下：

Name 名稱	Place of incorporation/ registration and operations 註冊成立/ 登記及營運地點	Nominal value of issued and fully paid share capital/ paid registered capital 已發行及繳足 股本之面值 /已繳註冊資本	Percentage of equity attributable to the Company		Principal activities 主要業務
			Direct 本公司 應佔權益百分比 直接	Indirect 間接	
Digital China (BVI) Limited	British Virgin Islands 英屬維爾京群島	Ordinary shares US\$5,125 普通股 5,125美元	100	-	Investment holding 投資控股
Alternate Agents Limited	British Virgin Islands/ Mainland China 英屬維爾京群島 /中國大陸	Ordinary share US\$1 普通股 1美元	-	100	Provision of supporting services 提供後勤支援服務

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20. Investments in Subsidiaries (cont'd)

Particulars of the principal subsidiaries are as follows: (cont'd)

20. 於附屬公司之投資(續)

主要附屬公司詳情如下:(續)

Name 名稱	Place of incorporation/ registration and operations 註冊成立/ 登記及營運地點	Nominal value of issued and fully paid share capital/ paid registered capital 已發行及繳足 股本之面值 /已繳註冊資本	Percentage of equity attributable to the Company		Principal activities 主要業務
			Direct 本公司 應佔權益百分比 直接	Indirect 間接	
Digital China Limited 神州數碼有限公司	Hong Kong 香港	Ordinary shares HK\$2 普通股 港幣2元	–	100	Investment holding 投資控股
Digital China (China) Limited** 神州數碼(中國)有限公司#	Mainland China 中國大陸	Registered capital HK\$1,000,000,000 註冊資本 港幣1,000,000,000元	–	100	Systems integration and distribution of IT products 系統集成及分銷IT產品
Chengdu Digital China Limited** 成都神州數碼有限公司#	Mainland China 中國大陸	Registered capital HK\$5,000,000 註冊資本 港幣5,000,000元	–	100	Systems integration and distribution of IT products 系統集成及分銷IT產品
Shenyang Digital China Limited** 瀋陽神州數碼有限公司#	Mainland China 中國大陸	Registered capital HK\$5,000,000 註冊資本 港幣5,000,000元	–	100	Systems integration and distribution of IT products 系統集成及分銷IT產品
Shanghai Digital China Limited** 上海神州數碼有限公司#	Mainland China 中國大陸	Registered capital HK\$10,000,000 註冊資本 港幣10,000,000元	–	100	Systems integration and distribution of IT products 系統集成及分銷IT產品

20. Investments in Subsidiaries (cont'd)

Particulars of the principal subsidiaries are as follows: (cont'd)

20. 於附屬公司之投資(續)

主要附屬公司詳情如下:(續)

Name 名稱	Place of incorporation/ registration and operations 註冊成立/ 登記及營運地點	Nominal value of issued and fully paid share capital/ paid registered capital 已發行及繳足 股本之面值 /已繳註冊資本	Percentage of equity attributable to the Company		Principal activities 主要業務
			Direct 本公司 應佔權益百分比 直接	Indirect 間接	
Digital China (Shenzhen) Limited*# 神州數碼(深圳)有限公司#	Mainland China 中國大陸	Registered capital HK\$12,000,000 註冊資本 港幣12,000,000元	-	100	Systems integration and distribution of IT products 系統集成及分銷IT產品
Xian Digital China Limited*# 西安神州數碼有限公司#	Mainland China 中國大陸	Registered capital HK\$5,000,000 註冊資本 港幣5,000,000元	-	100	Systems integration and distribution of IT products 系統集成及分銷IT產品
Wuhan Digital China Limited*# 武漢神州數碼有限公司#	Mainland China 中國大陸	Registered capital HK\$5,000,000 註冊資本 港幣5,000,000元	-	100	Systems integration and distribution of IT products 系統集成及分銷IT產品
Nanjing Digital China Limited*# 南京神州數碼有限公司#	Mainland China 中國大陸	Registered capital HK\$3,000,000 註冊資本 港幣3,000,000元	-	100	Systems integration and distribution of IT products 系統集成及分銷IT產品
Guangzhou Digital China Limited*# 廣州神州數碼有限公司#	Mainland China 中國大陸	Registered capital HK\$12,000,000 註冊資本 港幣12,000,000元	-	100	Systems integration and distribution of IT products 系統集成及分銷IT產品

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20. Investments in Subsidiaries (cont'd)

Particulars of the principal subsidiaries are as follows: (cont'd)

20. 於附屬公司之投資(續)

主要附屬公司詳情如下:(續)

Name 名稱	Place of incorporation/ registration and operations 註冊成立/ 登記及營運地點	Nominal value of issued and fully paid share capital/ paid registered capital 已發行及繳足 股本之面值 /已繳註冊資本	Percentage of equity attributable to the Company		Principal activities 主要業務
			Direct 本公司 應佔權益百分比 直接	Indirect 間接	
Jinan Digital China Limited** 濟南神州數碼有限公司#	Mainland China 中國大陸	Registered capital HK\$2,000,000 註冊資本 港幣2,000,000元	–	100	Systems integration and distribution of IT products 系統集成及分銷IT產品
Digital China Marketing & Services Ltd.	British Virgin Islands 英屬維爾京群島	Ordinary share US\$1 普通股 1美元	–	100	Investment holding 投資控股
Digital China Technology Limited 神州數碼科技發展有限公司	Hong Kong/ Mainland China 香港/ 中國大陸	Ordinary shares HK\$1,000,000 普通股 港幣1,000,000元	–	100	Distribution of IT products 分銷IT產品
Digital China Advanced Systems Limited 神州數碼集成系統有限公司	Hong Kong/ Mainland China 香港/ 中國大陸	Ordinary shares HK\$50,000,000 普通股 港幣50,000,000元	–	100	Systems integration and distribution of IT products 系統集成及分銷IT產品
Digital China (HK) Limited 神州數碼(香港)有限公司	Hong Kong 香港	Ordinary shares HK\$10,000 普通股 港幣10,000元	–	100	Distribution of IT products 分銷IT產品
E-Olympic International Limited	British Virgin Islands 英屬維爾京群島	Ordinary share US\$1 普通股 1美元	–	100	Holding trademarks 持有商標
Digital China Networks, Ltd. 神州數碼網絡有限公司^	British Virgin Islands 英屬維爾京群島	Ordinary shares US\$10,000,000 普通股 10,000,000美元	–	99.1	Investment holding 投資控股

20. Investments in Subsidiaries (cont'd)

Particulars of the principal subsidiaries are as follows: (cont'd)

20. 於附屬公司之投資(續)

主要附屬公司詳情如下:(續)

Name 名稱	Place of incorporation/ registration and operations 註冊成立/ 登記及營運地點	Nominal value of issued and fully paid share capital/ paid registered capital 已發行及繳足 股本之面值 /已繳註冊資本	Percentage of equity attributable to the Company		Principal activities 主要業務
			Direct 本公司 應佔權益百分比 直接	Indirect 間接	
Digital China Networks (HK) Limited 神州數碼網絡(香港)有限公司	Hong Kong/ Mainland China 香港/ 中國大陸	Ordinary shares HK\$2 普通股 港幣2元	-	99.1	Distribution of networking products 分銷網絡產品
Digital China (Shanghai) Networks Limited*# 神州數碼(上海)網絡有限公司*	Mainland China 中國大陸	Registered capital HK\$3,000,000 註冊資本 港幣3,000,000元	-	99.1	Development and distribution of networking products 開發及分銷網絡產品
Grace Glory Enterprises Limited	British Virgin Islands 英屬維爾京群島	Ordinary share US\$1 普通股 1美元	-	100	Investment holding 投資控股
Digital China Software (BVI) Limited 神州數碼軟件(BVI)有限公司^	British Virgin Islands 英屬維爾京群島	Ordinary share US\$1 普通股 1美元	-	100	Investment holding 投資控股
Digital China Sinoray Technology Limited** 神州數碼新龍科技有限公司-	Mainland China 中國大陸	Registered capital US\$5,000,000 註冊資本 5,000,000美元	-	100	Consultancy, design, development, integration, application and maintenance of electronic financial systems 金融電子化系統的諮詢、 設計、開發、集成、 應用及保養

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20. Investments in Subsidiaries (cont'd)

Particulars of the principal subsidiaries are as follows: (cont'd)

20. 於附屬公司之投資(續)

主要附屬公司詳情如下:(續)

Name 名稱	Place of incorporation/ registration and operations 註冊成立/ 登記及營運地點	Nominal value of issued and fully paid share capital/ paid registered capital 已發行及繳足 股本之面值 /已繳註冊資本	Percentage of equity attributable to the Company		Principal activities 主要業務
			Direct 本公司 應佔權益百分比 直接	Indirect 間接	
Beijing Digital China Limited* 北京神州數碼有限公司	Mainland China 中國大陸	Registered capital RMB1,500,000,000 註冊資本 人民幣1,500,000,000元	–	100	Systems integration and distribution of IT products 系統集成及分銷IT產品
Beijing Digital China SicTech Co., Ltd.* 北京神州數碼國信信息技術有限公司	Mainland China 中國大陸	Registered capital RMB20,965,000 註冊資本 人民幣20,965,000元	–	82	Application software development, systems integration and IT consultancy services 應用軟件開發、系統集成、 IT諮詢服務
Beijing Instant Technology Logistics Co., Ltd.* 北京科捷物流科技有限公司	Mainland China 中國大陸	Registered capital RMB10,000,000 註冊資本 人民幣10,000,000元	–	100	Provision of logistic services 提供物流服務
Digital China (Zhengzhou) Limited* 神州數碼(鄭州)有限公司	Mainland China 中國大陸	Registered capital RMB5,100,000 註冊資本 人民幣5,100,000元	–	90	Systems integration and distribution of IT products 系統集成及分銷IT產品
Talent Gain Developments Limited	British Virgin Islands 英屬維爾京群島	Ordinary share US\$1 普通股 1美元	–	100	Investment holding 投資控股

20. Investments in Subsidiaries (cont'd)

Particulars of the principal subsidiaries are as follows: (cont'd)

20. 於附屬公司之投資(續)

主要附屬公司詳情如下:(續)

Name 名稱	Place of incorporation/ registration and operations 註冊成立/ 登記及營運地點	Nominal value of issued and fully paid share capital/ paid registered capital 已發行及繳足 股本之面值 /已繳註冊資本	Percentage of equity attributable to the Company		Principal activities 主要業務
			Direct 本公司 應佔權益百分比 直接	Indirect 間接	
DGT Information Systems Limited ("DGT") 神州數碼通用軟件有限公司 (「神州數碼通用軟件」)	Hong Kong 香港	Ordinary shares US\$3,000,000 Preference shares US\$1,000,000 普通股 3,000,000美元 優先股 1,000,000美元	-	55	Investment holding 投資控股
DGT Information Systems (Shanghai) Limited** 神州數碼通用軟件(上海)有限公司#	Mainland China 中國大陸	Registered capital US\$1,500,000 註冊資本 1,500,000美元	-	55	Software development and maintenance services 軟件開發及保養服務
DGT Information Systems (Beijing) Limited** 神州數碼通用軟件(北京)有限公司#	Mainland China 中國大陸	Registered capital US\$1,100,000 註冊資本 1,100,000美元	-	55	Software development and maintenance services 軟件開發及保養服務
Power Gateway Limited	British Virgin Islands 英屬維爾京群島	Ordinary shares US\$100 普通股 100美元	-	100	Investment holding 投資控股

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20. Investments in Subsidiaries (cont'd)

Particulars of the principal subsidiaries are as follows: (cont'd)

Name 名稱	Place of incorporation/ registration and operations 註冊成立/ 登記及營運地點	Nominal value of issued and fully paid share capital/ paid registered capital 已發行及繳足 股本之面值 /已繳註冊資本	Percentage of equity attributable to the Company		Principal activities 主要業務
			Direct 本公司 應佔權益百分比 直接	Indirect 間接	
Beijing Si-Tech Information Technology Co., Ltd. ("STQ") ⁺ 北京思特奇信息技術股份 有限公司(「思特奇」)	Mainland China 中國大陸	Registered capital RMB43,715,000 註冊資本 人民幣43,715,000元	-	81.18	Research and development, application and maintenance of software products 軟件產品之研究及開發, 以及提供應用及保養服務

+ The English names of these companies are direct transliterations of their Chinese registered names.

Registered as wholly-foreign-owned enterprises under PRC law.

~ Registered as Sino-foreign joint ventures under PRC law.

^ The Chinese names are the trade names but not the official names of these companies.

The above table lists the subsidiaries of the Company which, in the opinion of the directors, principally affected the results for the year or formed a substantial portion of the net assets of the Group. To give details of other subsidiaries would, in the opinion of the directors, result in particulars of excessive length.

20. 於附屬公司之投資(續)

主要附屬公司詳情如下:(續)

+ 該等公司之英文名稱乃直譯自註冊登記之中文名稱。

根據中國法律註冊成立為全外資企業。

~ 根據中國法律註冊成立為中外合資企業。

^ 該等公司之中文名稱乃貿易名稱,並非其正式名稱。

董事認為上表所載之本公司附屬公司對本集團本年度之業績有重大影響或佔本集團資產淨值之重大部份。董事認為倘列出其他附屬公司資料,將使篇幅過於冗長。

21. Due from/(to) Subsidiaries

The amounts due from/(to) the subsidiaries are unsecured, interest-bearing and have no fixed terms of repayment. The carrying amounts of these amounts due from/(to) the subsidiaries approximate to their fair values.

21. 應收／(應付) 附屬公司款項

應收／(應付) 附屬公司款項乃無抵押、付息及無固定償還期。該等應收／(應付) 附屬公司款項之帳面值與其公平價值相若。

22. Interests in Jointly-controlled Entities**22. 於共同控制企業之權益**

		Group 本集團	
		2007 二零零七年 HK\$'000 港幣千元	2006 二零零六年 HK\$'000 港幣千元
Share of net assets	應佔資產淨值	3,644	24,526

The Group's trade receivable balance due from a jointly-controlled entity is disclosed in note 28 to the financial statements.

本集團應收一間共同控制企業之應收貿易帳款結餘披露於財務報表附註28。

Particulars of the principal jointly-controlled entities are as follows:

主要共同控制企業之詳情如下：

Name 名稱	Place of incorporation/ registration and operations 註冊成立/ 登記及營運地點	Percentage of ownership interest attributable to the Group 本集團應佔 擁有權益百分比	Principal activities 主要業務
Digital China System Access Holding Limited 神州數碼國鋒控股有限公司	Hong Kong 香港	55	Investment holding 投資控股
Beijing Digital China System Access Software Limited ⁺ 北京神州數碼國鋒軟件有限公司	Mainland China 中國大陸	55	Provision of core banking systems 提供核心銀行 業務系統

+ The English name of this company is a direct transliteration of its Chinese registered name.

+ 該等公司之英文名稱乃直譯自註冊登記之中文名稱。

The Group's shareholdings in the jointly-controlled entities are held through the subsidiaries of the Company.

本集團於共同控制企業之股權乃透過本公司之附屬公司持有。

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22. Interests in Jointly-controlled Entities (cont'd)

The above table lists the jointly-controlled entities of the Group which, in the opinion of the directors, principally affected the results for the year or formed a substantial portion of the net assets of the Group. To give details of other jointly-controlled entities would, in the opinion of the directors, result in particulars of excessive length.

Both of the above jointly-controlled entities have been accounted for using the equity method in these financial statements.

The following table illustrates the summarised financial information of the Group's jointly-controlled entities:

22. 於共同控制企業之權益(續)

董事認為上述所載之本集團共同控制企業對本集團本年度之業績有重大影響或佔本集團資產淨值之重大部份。董事認為倘列出其他共同控制企業資料，將使篇幅過於冗長。

上述兩間共同控制企業均已按權益法於本財務報表列帳。

下表列示本集團共同控制企業之財務資料概要：

		2007 二零零七年 HK\$'000 港幣千元	2006 二零零六年 HK\$'000 港幣千元
Share of the jointly-controlled entities' assets and liabilities:	應佔共同控制企業資產及負債：		
Current assets	流動資產	5,617	9,066
Non-current assets	非流動資產	1,397	15,662
Current liabilities	流動負債	(3,370)	(202)
Net assets	資產淨值	3,644	24,526
Share of the jointly-controlled entities' results:	應佔共同控制企業業績：		
Total revenues	總收入	8,304	530
Total expenses	總開支	(29,186)	(5,701)
Loss	虧損	(20,882)	(5,171)

23. Interests in Associates

23. 於聯營公司之權益

		Group 本集團	
		2007 二零零七年 HK\$'000 港幣千元	2006 二零零六年 HK\$'000 港幣千元
Share of net assets	應佔資產淨值	22,970	36,453

The Group's trade receivable and payable balances due from/(to) the associates are disclosed in notes 28 and 31 to the financial statements.

本集團應收／(應付)多間聯營公司之應收貿易帳款及應付貿易帳款結餘披露於財務報表附註28及31。

At 31 March 2007, the amounts due from the associates included in the Group's prepayments, deposits and other receivables was approximately HK\$7,523,000 (2006: HK\$8,551,000).

於二零零七年三月三十一日，應收聯營公司包括在預付款項、按金及其他應收款項，金額約港幣7,523,000元（二零零六年：港幣8,551,000元）。

The amounts due from the associates are unsecured, interest-free and have no fixed terms of repayment. The carrying amounts of these amounts due from the associates approximate to their fair values.

應收聯營公司款項乃無抵押、免息及無固定償還期。應收聯營公司款項之帳面值與其公平價值相若。

Particulars of the principal associates are as follows:

主要聯營公司之詳情如下：

Name 名稱	Place of incorporation/ registration and operations 註冊成立／ 登記及營運地點	Percentage of ownership interest attributable to the Group 本集團應佔 擁有權益百分比	Principal activities 主要業務
Digital China Management Systems (BVI) Limited	British Virgin Islands 英屬維爾京群島	40	Investment holding 投資控股
Digital China Management Systems Limited [†] 神州數碼管理系統有限公司	Mainland China 中國大陸	40	Provision of enterprise resources planning software and related services 提供企業資源系統軟件及有關服務

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23. Interests in Associates (cont'd)

Particulars of the principal associates are as follows: (cont'd)

Name 名稱	Place of incorporation/ registration and operations 註冊成立/ 登記及營運地點	Percentage of ownership interest attributable to the Group 本集團應佔 擁有權益百分比	Principal activities 主要業務
Beijing Digital China Management Systems Limited ⁺ 北京神州數碼管理系統有限公司	Mainland China 中國大陸	40	Provision of enterprise resources planning software and related services 提供企業資源系統軟件及有關服務
Guangzhou Digital China Management Systems Limited ⁺ 廣州神州數碼管理系統有限公司	Mainland China 中國大陸	40	Provision of enterprise resources planning software and related services 提供企業資源系統軟件及有關服務
Nanjing Mercuries DC Financial Systems Ltd. ("Nanjing Mercuries") ⁺ 南京神州數碼三商信息系統 設備有限公司(「南京三商」)	Mainland China 中國大陸	30	Development and sale of automatic teller machines and related financial services 自助櫃員機及金融相關 產品之開發及銷售

+ The English names of these companies are direct transliterations of their Chinese registered names.

During the year, the Group's directors have decided to dispose of Nanjing Mercuries and transferred it to non-current asset classified as held for sale. Further details of this asset are included in note 30 to the financial statements.

The Group's shareholdings in the associates are held through the subsidiaries of the Company.

The above table lists the associates of the Group which, in the opinion of the directors, principally affected the results for the year or formed a substantial portion of the net assets of the Group. To give details of other associates would, in the opinion of the directors, result in particulars of excessive length.

All the above associates have been accounted for using the equity method in these financial statements.

23. 於聯營公司之權益(續)

主要聯營公司之詳情如下:(續)

+ 該等公司之英文名稱乃直譯自註冊登記之中文名稱。

本年度內,本集團董事打算出售南京三商及撥為持有待售之非流動資產。有關此資產之進一步詳情於本財務報表附註30內披露。

本集團於聯營公司之股權乃透過本公司之附屬公司持有。

董事認為上表所載之本集團聯營公司對本集團本年度業績有重大影響或佔本集團資產淨值之重大部份。董事認為倘列出其他聯營公司資料,將使篇幅過於冗長。

所有上述聯營公司均已按權益法於本財務報表列帳。

23. Interests in Associates (cont'd)

The following table illustrates the summarised financial information of the Group's associates extracted from their financial statements:

		2007 二零零七年 HK\$'000 港幣千元	2006 二零零六年 HK\$'000 港幣千元
Assets	資產	161,850	167,020
Liabilities	負債	(42,654)	(68,154)
Revenues	收入	270,345	243,231
Loss	虧損	(14,475)	(11,177)

24. Available-for-sale Investments

Unlisted equity investments, at cost
Less: impairment during the year

The above investments consist of investments in equity securities which were designated as available-for-sale financial assets and have no fixed maturity date or coupon rate.

The Group's unlisted equity investments are measured at cost less accumulated impairment losses. Their fair values cannot be measured reliably because the probabilities of various estimates within the range cannot be reasonably assessed and used in estimating fair values.

23. 於聯營公司之權益 (續)

下表列示本集團聯營公司之財務資料概要(摘錄自其財務報表):

		2007 二零零七年 HK\$'000 港幣千元	2006 二零零六年 HK\$'000 港幣千元
Assets	資產	161,850	167,020
Liabilities	負債	(42,654)	(68,154)
Revenues	收入	270,345	243,231
Loss	虧損	(14,475)	(11,177)

24. 可供出售之投資

		Group 本集團	
		2007 二零零七年 HK\$'000 港幣千元	2006 二零零六年 HK\$'000 港幣千元
Unlisted equity investments, at cost	非上市權益投資·按成本	34,036	32,944
Less: impairment during the year	減: 本年度減值	(2,425)	-
		31,611	32,944

上述投資包括權益證券投資·該等投資被指定為可供出售金融資產·且並無固定到期日或息票利率。

本集團之非上市權益投資按成本減累計減值虧損列帳。由於有關範圍內各項估計之概率無法合理評估及用以估算公平價值·故無法可靠計算其公平價值。

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25. Deferred Tax

The movements in deferred tax assets and liabilities during the year are as follows:

Group

Deferred tax assets

25. 遞延稅項

遞延稅項資產及負債年內變動如下：

本集團

遞延稅項資產

		2007 二零零七年			
		Losses available for offset against future taxable profit 可用於抵銷 未來應課稅 溢利之虧損 HK\$'000 港幣千元	Asset provisions 資產撥備 HK\$'000 港幣千元	Others 其他 HK\$'000 港幣千元	Total 總計 HK\$'000 港幣千元
At 1 April 2006	於二零零六年四月一日	10,523	15,270	15,914	41,707
Deferred tax credited/ (charged) to the income statement during the year	年內在收益表中 計入／(扣除) 之遞延稅項	10,590	(5,565)	(5,666)	(641)
Exchange realignment	匯兌調整	452	350	394	1,196
Gross deferred tax assets at 31 March 2007	於二零零七年 三月三十一日之 遞延稅項資產總額	<u>21,565</u>	<u>10,055</u>	<u>10,642</u>	<u>42,262</u>

25. Deferred Tax (cont'd)

Group

Deferred tax liabilities

25. 遞延稅項(續)

本集團

遞延稅項負債

		2007 二零零七年			
		Unrealised losses from intragroup transactions 集團內交易 產生之未 實現虧損 HK\$'000 港幣千元	Revaluation of properties 物業重估 HK\$'000 港幣千元	Others 其他 HK\$'000 港幣千元	Total 總計 HK\$'000 港幣千元
At 1 April 2006	於二零零六年四月一日	5,411	1,105	4,041	10,557
Deferred tax charged to the income statement during the year	年內在收益表中 計入之遞延稅項	4,479	297	1,648	6,424
Exchange realignment	匯兌調整	56	34	153	243
Gross deferred tax liabilities at 31 March 2007	於二零零七年 三月三十一日之 遞延稅項負債總額	9,946	1,436	5,842	17,224
Net deferred tax charged to the income statement during the year (note 11)	年內在收益表中扣除之 遞延稅項淨額 (附註11)				7,065
Net deferred tax assets at 31 March 2007	於二零零七年三月三十一日 之遞延稅項資產淨額				25,038

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25. Deferred Tax (cont'd)

Group

Deferred tax assets

25. 遞延稅項(續)

本集團

遞延稅項資產

		2006 二零零六年			
		Losses available for offset against future taxable profit 可用於抵銷 未來應課稅 溢利之虧損 HK\$'000 港幣千元	Asset provisions 資產撥備 HK\$'000 港幣千元	Others 其他 HK\$'000 港幣千元	Total 總計 HK\$'000 港幣千元
At 1 April 2005	於二零零五年四月一日	11,031	15,314	2,198	28,543
Deferred tax credited/(charged) to the income statement during the year	年內在收益表中 計入/(扣除) 之遞延稅項	(739)	(395)	13,644	12,510
Exchange realignment	匯兌調整	231	351	72	654
Gross deferred tax assets at 31 March 2006	於二零零六年 三月三十一日之 遞延稅項資產總額	<u>10,523</u>	<u>15,270</u>	<u>15,914</u>	<u>41,707</u>

25. Deferred Tax (cont'd)

Group

Deferred tax liabilities

25. 遞延稅項 (續)

本集團

遞延稅項負債

		2006 二零零六年			
		Unrealised losses from intragroup transactions 集團內交易 產生之未 實現虧損 HK\$'000 港幣千元	Revaluation of properties 物業重估 HK\$'000 港幣千元	Others 其他 HK\$'000 港幣千元	Total 總計 HK\$'000 港幣千元
At 1 April 2005	於二零零五年四月一日	-	-	797	797
Deferred tax charged to the income statement during the year	年內在收益表中 計入之遞延稅項	5,411	1,105	3,207	9,723
Exchange realignment	匯兌調整	-	-	37	37
Gross deferred tax liabilities at 31 March 2006	於二零零六年 三月三十一日之 遞延稅項負債總額	5,411	1,105	4,041	10,557
Net deferred tax credited to the income statement during the year (note 11)	年內在收益表中計入之 遞延稅項淨額 (附註11)				2,787
Net deferred tax assets at 31 March 2006	於二零零六年三月三十一日 之遞延稅項資產淨額				31,150

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25. Deferred Tax (cont'd)

The Group has tax losses arising in Mainland China of approximately HK\$170,521,000 (2006: HK\$93,921,000) which are due to expire within five years for offsetting against future taxable profits of the subsidiaries in which the losses arose. These tax losses and certain deductible temporary differences of approximately HK\$46,790,000 (2006: HK\$28,958,000) have not been recognised as deferred tax assets since they have arisen in subsidiaries that have incurred losses for some time.

At 31 March 2007, there was no significant unrecognised deferred tax liability (2006: Nil) for taxes that would be payable on the unremitted earnings of certain of the Group's subsidiaries, jointly-controlled entities or associates as the Group has no liability to additional tax should such amounts be remitted.

There are no income tax consequences attaching to the payment of dividends by the Company to its shareholders.

26. Inventories

25. 遞延稅項(續)

本集團來自中國大陸之稅項虧損約港幣170,521,000元(二零零六年:港幣93,921,000元),可用於抵銷產生虧損之附屬公司之未來應課稅溢利,惟將於五年內屆滿。由於此等稅項虧損及若干可扣減暫時性差額約港幣46,790,000元(二零零六年:港幣28,958,000元)乃來自產生虧損一段時間之附屬公司,故並未確認為遞延稅項資產。

於二零零七年三月三十一日,就若干本集團附屬公司、共同控制企業或聯營公司之未匯出盈利,由於該等款項匯出時,本集團並無責任承擔額外稅項,故並無相關之重大未確認遞延稅項負債(二零零六年:無)。

本公司向股東支付之股息,不會附有所得稅後果。

26. 存貨

		Group 本集團	
		2007 二零零七年	2006 二零零六年
		HK\$'000 港幣千元	HK\$'000 港幣千元
Trading stock	貿易存貨	<u>1,683,630</u>	<u>1,567,027</u>

27. Due from/(to) Contract Customers

27. 應收／(應付)合約客戶之款項

		Group 本集團	
		2007	2006
		二零零七年	二零零六年
		HK\$'000	HK\$'000
		港幣千元	港幣千元
Gross amount due from contract customers included in other receivables	已計入其他應收款項之 應收合約客戶之款項總額	32,313	31,772
Gross amount due to contract customers included in other payables	已計入其他應付款項之 應付合約客戶之款項總額	(14,391)	(14,204)
		<u>17,922</u>	<u>17,568</u>
Contract costs incurred plus recognised profits less recognised losses to date	資產負債表結算日前產生之合約成本 加已確認溢利減已確認虧損	264,027	312,683
Less: Progress billings	減: 進度款額	(246,105)	(295,115)
		<u>17,922</u>	<u>17,568</u>

28. Trade and Bills Receivables

The Group's trading terms with its customers are mainly on credit, except for new customers, where payment in advance is normally required. The credit period is generally for a period of 30 days to 180 days. The Group seeks to maintain strict control over its outstanding receivables and has a credit control department to minimise credit risk. Overdue balances are reviewed regularly by management. In view of the aforementioned, there is no significant concentration of credit risk. Trade receivables are non-interest-bearing.

28. 應收貿易帳款及應收票據

本集團主要以信貸方式與其客戶訂定貿易條款，惟一般會要求新客戶預付款項。信貸期一般為30天至180天。本集團對其未收回應收款項實施嚴謹之監控，並設有信貸監控部門，務求將信貸風險減至最低。管理層會定期檢討過期餘額。就上述所言，並無重大信貸集中風險。應收貿易帳款並無附息。

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28. Trade and Bills Receivables (cont'd)

An aged analysis of the trade and bills receivables as at the balance sheet date and net of impairment is as follows:

		Group 本集團	
		2007 二零零七年 HK\$'000 港幣千元	2006 二零零六年 HK\$'000 港幣千元
Within 30 days	30天內	1,445,863	1,444,990
31 to 60 days	31天至60天	327,043	339,584
61 to 90 days	61天至90天	277,791	250,167
91 to 180 days	91天至180天	447,396	324,812
Over 180 days	超過180天	354,311	225,120
		2,852,404	2,584,673

The carrying amounts of the trade and bills receivables approximate to their fair values.

Included in the Group's trade and bills receivables are amounts due from the associates of the Company's controlling shareholder of approximately HK\$543,000 (2006: HK\$520,000).

Included in the Group's trade and bills receivables are amounts due from the related companies of a subsidiary of the Group, namely DGT, a jointly-controlled entity of the Group and the associates of the Group of approximately HK\$5,040,000 (2006: HK\$7,293,000), Nil (2006: HK\$246,000) and HK\$200,000 (2006: HK\$617,000), respectively.

The above balances are repayable on similar credit terms to those offered to the major customers of the Group.

28. 應收貿易帳款及應收票據(續)

於資產負債表結算日·扣除減值後之應收貿易帳款及應收票據之帳齡分析詳情如下:

		Group 本集團	
		2007 二零零七年 HK\$'000 港幣千元	2006 二零零六年 HK\$'000 港幣千元
Within 30 days	30天內	1,445,863	1,444,990
31 to 60 days	31天至60天	327,043	339,584
61 to 90 days	61天至90天	277,791	250,167
91 to 180 days	91天至180天	447,396	324,812
Over 180 days	超過180天	354,311	225,120
		2,852,404	2,584,673

應收貿易帳款及應收票據之帳面值與其公平價值相若。

本集團應收貿易帳款及應收票據金額包括應收本公司控股股東之聯營公司款項約港幣543,000元(二零零六年:港幣520,000元)。

本集團之應收貿易帳款及應收票據金額包括應收本集團之附屬公司·神州數碼通用軟件之多間有關連公司·一間共同控制企業及多間聯營公司之款項分別約港幣5,040,000元(二零零六年:港幣7,293,000元)·無(二零零六年:港幣246,000元)及港幣200,000元(二零零六年:港幣617,000元)。

上述結餘乃根據提供予本集團主要客戶之類似信貸條款償還。

29. Cash and Bank Balances

29. 現金及銀行結餘

		Group 本集團		Company 本公司	
		2007 二零零七年 HK\$'000 港幣千元	2006 二零零六年 HK\$'000 港幣千元	2007 二零零七年 HK\$'000 港幣千元	2006 二零零六年 HK\$'000 港幣千元
Cash and bank balances	現金及銀行結餘	717,455	297,768	913	26,606

At the balance sheet date, the cash and bank balances of the Group denominated in Renminbi ("RMB") amounted to approximately HK\$652,150,000 (2006: HK\$231,907,000). The RMB is not freely convertible into other currencies, however, under Mainland China's Foreign Exchange Control Regulations and Administration of Settlement, Sale and Payment of Foreign Exchange Regulations, the Group is permitted to exchange RMB for other currencies through banks authorised to conduct foreign exchange business.

於資產負債表結算日，本集團以人民幣（「人民幣」）定值之現金及銀行結餘合共約港幣652,150,000元（二零零六年：港幣231,907,000元）。人民幣不得自由兌換為其他貨幣，然而，根據中國大陸之外匯管理條例及結匯、付匯及售匯管理規定，本集團獲准透過獲授權進行外匯業務之銀行將人民幣兌換為其他貨幣。

Cash at banks earns interest at floating rates based on daily bank deposit rates. The carrying amounts of the cash and bank balances approximate to their fair values.

銀行存款乃按每日銀行存款利率以浮動利率計息。現金及銀行結餘之帳面值與其公平價值相若。

30. Non-current Asset Classified as Held for Sale

30. 持有待售之非流動資產

During the year, the Group has entered into a share transfer agreement with a third party to dispose of its entire interest in an associate, Nanjing Mercuries DC Financial Systems Ltd. The disposal has not yet been completed as at 31 March 2007 and the directors anticipate that the disposal will be completed by the end of July 2007.

於年度內，本集團與第三方簽訂了股份轉讓協議，出售一間聯營公司南京神州數碼三商信息系統設備有限公司之整體權益。於二零零七年三月三十一日，此出售仍未完成及董事預計於二零零七年七月完成出售。

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31. Trade and Bills Payables

An aged analysis of the trade and bills payables as at the balance sheet date is as follows:

		Group 本集團	
		2007 二零零七年	2006 二零零六年
		HK\$'000 港幣千元	HK\$'000 港幣千元
Within 30 days	30天內	1,400,964	778,527
31 to 60 days	31天至60天	876,647	765,235
61 to 90 days	61天至90天	212,180	267,857
Over 90 days	超過90天	177,653	244,138
		2,667,444	2,055,757

The trade payables are non-interest-bearing and are generally settled for a period of 30 days to 180 days.

Included in the Group's trade and bills payables are amounts due to the associates of the Company's controlling shareholder and an associate of the Group of approximately HK\$112,398,000 (2006: Nil) and HK\$4,039,000 (2006: HK\$2,011,000), respectively.

The above balances are repayable on similar credit terms to those obtained from the major suppliers of the Group.

31. 應付貿易帳款及應付票據

於資產負債表結算日，應付貿易帳款及應付票據之帳齡分析詳情如下：

		Group 本集團	
		2007 二零零七年	2006 二零零六年
		HK\$'000 港幣千元	HK\$'000 港幣千元
Within 30 days	30天內	1,400,964	778,527
31 to 60 days	31天至60天	876,647	765,235
61 to 90 days	61天至90天	212,180	267,857
Over 90 days	超過90天	177,653	244,138
		2,667,444	2,055,757

應付貿易帳款為不附息，並一般於30天至180天期間內清償。

本集團應付貿易帳款及應付票據金額包括應付本公司控股股東之聯營公司及本集團之一間聯營公司之款項分別約港幣112,398,000元（二零零六年：無）及港幣4,039,000元（二零零六年：港幣2,011,000元）。

上述結餘乃根據本集團主要供應商所給予之類似信貸條款償還。

32. Interest-bearing Bank and Other Borrowings

32. 附息銀行及其他貸款

		2007 二零零七年			2006 二零零六年		
		Effective interest rate (%) 實際利率 (百分比)	Maturity 到期日	HK\$'000 港幣千元	Effective interest rate (%) 實際利率 (百分比)	Maturity 到期日	HK\$'000 港幣千元
Group	本集團						
Current	流動						
Bank loans, unsecured	銀行貸款·無抵押	4.37-6.08	2007	599,887	4.72-7.81	2006	1,182,189
Bank loans, secured	銀行貸款·有抵押	5.85-6.12	2007-2008	33,649	5.58	2006	4,799
Other loan, secured	其他貸款·有抵押			-	5.60	2007	19,197
				633,536			1,206,185
Non-current	非流動						
Bank loans, unsecured	銀行貸款·無抵押	6.39	2008-2012	603,697			-
				1,237,233			1,206,185

		Group 本集團	
		2007 二零零七年 HK\$'000 港幣千元	2006 二零零六年 HK\$'000 港幣千元
Analysed into:	分析如下:		
Bank loans repayable:	應償還銀行貸款:		
Within one year or on demand	一年內或按通知	633,536	1,186,988
In the second year	於第二年內	247,417	-
In the third to fifth years, inclusive	第三年至第五年(包括首尾兩年)	148,450	-
Beyond five years	五年後	207,830	-
		1,237,233	1,186,988
Other borrowing repayable:	其他應償還貸款:		
Within one year or on demand	一年內或按通知	-	19,197
		1,237,233	1,206,185

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32. Interest-bearing Bank and Other Borrowings (cont'd)

Notes:

- (a) The Company guaranteed certain of the Group's bank loans of approximately HK\$1,164,684,000 (2006: HK\$1,173,550,000) at the balance sheet date.
- (b) Certain of the Group's bank loans of approximately HK\$33,649,000 (2006: bank loan of approximately HK\$4,799,000 and other loan of approximately HK\$19,197,000) extended by financial institutions to a subsidiary of the Group, STQ, were secured by a property situated in Mainland China with a value of approximately HK\$16,231,000 (2006: HK\$16,725,000) and 14,061,976 issued shares of STQ in favour of Beijing Zhongguancun Sci-Tech Guaranty Co. Ltd. (the "Pledgee"), an independent third party, for securing a guarantee issued by such Pledgee on behalf of STQ at the balance sheet date.
- (c) Except for bank borrowings of approximately HK\$599,887,000 (2006: HK\$981,578,000) which are denominated in United States dollars ("US\$"), all bank and other borrowings are denominated in RMB.

Other interest rate information:

32. 附息銀行及其他貸款(續)

附註:

- (a) 於資產負債表結算日·本公司已就若干本集團銀行貸款約港幣1,164,684,000元(二零零六年:港幣1,173,550,000元)作出擔保。
- (b) 於資產負債表結算日·本集團若干銀行貸款分別為約港幣33,649,000元(二零零六年:銀行貸款約港幣4,799,000元及其他貸款約港幣19,197,000元)·是由金融機構授予本集團之一間附屬公司思特奇·並以其價值約港幣16,231,000元(二零零六年:港幣16,725,000元)位於中國大陸之一項物業及思特奇的14,061,976股已發行股份抵押予一間獨立第三方中關村科技擔保有限公司(「承押人」)以獲取承押人代表思特奇之貸款作出之擔保。
- (c) 除為數約港幣599,887,000元(二零零六年:港幣981,578,000元)之銀行貸款以美元(「美元」)列值外·所有銀行及其他貸款均以人民幣列值。

其他利率資料:

		Group 本集團			
		2007 二零零七年		2006 二零零六年	
		Fixed rate 固定利率	Floating rate 浮動利率	Fixed rate 固定利率	Floating rate 浮動利率
		HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元
Bank loans – unsecured	銀行貸款 – 無抵押	603,697	599,887	200,611	981,578
Bank loans – secured	銀行貸款 – 有抵押	33,649	–	4,799	–
Other loan – secured	其他貸款 – 有抵押	–	–	19,197	–

The carrying amounts of the Group's borrowings approximate to their fair values which are calculated by discounting the expected future cash flows at prevailing interest rates.

本集團貸款之帳面值與其公平價值相若·公平價值乃以現行利率貼現預期未來現金流量計算。

33. Share Capital

33. 股本

		2007 二零零七年 HK\$'000 港幣千元	2006 二零零六年 HK\$'000 港幣千元
Authorised:	法定:		
2,000,000,000 (2006: 2,000,000,000) ordinary shares of HK\$0.1 each	2,000,000,000股 (二零零六年:2,000,000,000股) 每股面值港幣0.1元之普通股	200,000	200,000
Issued and fully paid:	已發行及繳足股款:		
874,039,081 (2006: 866,934,081) ordinary shares of HK\$0.1 each	874,039,081股 (二零零六年:866,934,081股) 每股面值港幣0.1元之普通股	87,404	86,693

During the year, the subscription rights attaching to 6,573,000 (2006: 5,677,750) and 532,000 (2006: Nil) share options were exercised at the subscription price of HK\$1.976 per share and HK\$2.75 per share, respectively (note 34), resulting in the issue of 7,105,000 (2006: 5,677,750) ordinary shares of HK\$0.1 each for a total cash consideration, before expenses, of approximately HK\$14,451,000 (2006: HK\$11,218,000).

本年度內，6,573,000份（二零零六年：5,677,750份）及532,000份（二零零六年：無）附有認購權之購股權分別以每股港幣1.976元及港幣2.75元之認購價獲行使（附註34），因此，7,105,000股（二零零六年：5,677,750股）每股面值港幣0.1元之普通股以總現金代價（未扣除開支）約港幣14,451,000元（二零零六年：港幣11,218,000元）予以發行。

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34. Share Option Schemes

2001 Share Option Scheme

The old share option scheme of the Company was adopted on 14 May 2001 (the "2001 Share Option Scheme") pursuant to which the board of directors of the Company may, at its discretion, grant options to full-time employees (including executive directors) of the Company or any of its subsidiaries (the "Employee(s)") to subscribe for shares of the Company. The purpose of the 2001 Share Option Scheme is to provide the Employees with an opportunity to obtain equity interests in the Company and to reward them for contributing to the long term success of the Group.

The maximum number of shares issued and to be issued upon exercise of options granted under the 2001 Share Option Scheme had not exceeded 10% of the issued share capital of the Company from time to time. The maximum entitlement of any Employee thereunder had not exceeded 25% of the aggregate number of shares subject to the 2001 Share Option Scheme. A consideration of HK\$1.00 was received on acceptance of each grant. A detailed summary of the 2001 Share Option Scheme had been disclosed in the 2001/02 annual report of the Company.

Due to the amendment of the requirements for share option schemes under Chapter 17 of the Listing Rules, some of the provisions of the 2001 Share Option Scheme are no longer applicable.

At the annual general meeting of the Company held on 18 July 2002, the shareholders of the Company approved the adoption of a new share option scheme (the "2002 Share Option Scheme") (details of which are set out below) and the termination of the operation of the 2001 Share Option Scheme. Despite the fact that no further options shall be granted under the 2001 Share Option Scheme, the provisions of the 2001 Share Option Scheme shall remain in full force and effect in all other respects to govern all outstanding options granted prior to termination.

34. 購股權計劃

二零零一年購股權計劃

本公司之舊有購股權計劃於二零零一年五月十四日採納（「二零零一年購股權計劃」），據此，本公司董事會可酌情授予本公司或其任何附屬公司之全職僱員（包括執行董事）（「僱員」）可認購本公司股份之購股權。二零零一年購股權計劃旨在讓僱員有機會可獲得本公司之股本權益，以獎勵彼等對本集團之長期成功發展所作出之貢獻。

根據二零零一年購股權計劃授出之購股權獲行使時已發行及將予發行之最高股份數目，並無超過本公司不時已發行股本之10%。在二零零一年購股權計劃下，任何僱員有權認購之最高股份數目並無超過該計劃下股份總數之25%。每項授出之購股權獲接納時已收取代價港幣1.00元。二零零一年購股權計劃之詳盡概要已於本公司之二零零一／零二年度年報內披露。

由於上市規則第17章有關購股權計劃之規定已作修訂，致使二零零一年購股權計劃之若干條文不再適用。

於二零零二年七月十八日舉行之本公司股東週年大會上，本公司股東批准採納一項新購股權計劃（「二零零二年購股權計劃」）（詳情載於下文）及終止實施二零零一年購股權計劃。雖然本公司不得再根據二零零一年購股權計劃進一步授出購股權，惟二零零一年購股權計劃之條文在其他所有方面仍然具有十足效力及作用，以監管所有在終止前已授出而尚未行使之購股權。

34. Share Option Schemes (cont'd)**2001 Share Option Scheme (cont'd)**

The following table shows the movements in the share options under the 2001 Share Option Scheme during the year and the options outstanding at the beginning and end of the year:

Grantee	Number of share options 購股權數目				Outstanding as at 31/03/2007 於二零零七年 三月三十一日 尚未行使	Subscription price per share 每股 認購價 (HK\$) (港幣元) (note ii) (附註ii)	Date of grant 授出日期	Exercisable period 行使期 (note i) (附註i)
	Outstanding as at 01/04/2006 於二零零六年 四月一日 尚未行使	Granted during the year 本年度 內獲授	Exercised during the year 本年度 內行使 (note iii) (附註iii)	Lapsed during the year 本年度 內失效				
Directors								
董事								
GUO Wei 郭為	2,800,000	-	-	-	2,800,000	3.180	12/07/2001	12/07/2002-11/07/2009
LIN Yang 林揚	1,500,000	-	-	-	1,500,000	3.180	12/07/2001	12/07/2002-11/07/2009
HUA Zhinian 華祉年	1,100,000	-	-	-	1,100,000	3.180	12/07/2001	12/07/2002-11/07/2009
			(600,000)	-	500,000	1.976	31/08/2001	31/08/2002-30/08/2009
Other employees 其他僱員	25,117,000	-	-	(2,842,000)	22,275,000	3.604	08/06/2001	08/06/2002-19/06/2009
	10,620,500	-	(5,973,000)	(48,000)	4,599,500	1.976	31/08/2001	31/08/2002-30/08/2009
In aggregate 合計	46,537,500	-	(6,573,000)	(2,890,000)	37,074,500			

Notes:

- (i) All options granted are subject to a vesting period of four years with 25% becoming exercisable on the first anniversary, 25% on the second anniversary, 25% on the third anniversary and 25% on the fourth anniversary of the respective dates of grant.
- (ii) The subscription price of the options is subject to adjustment in the case of rights or bonus issues, or other similar changes in the Company's share capital.
- (iii) The weighted average of the closing prices of the Company's shares immediately preceding and at the dates of the exercise of options were approximately HK\$2.93 per share and HK\$2.90 per share, respectively.

附註:

- (i) 所有授出之購股權均受制於為期四年的歸屬期，其中25%可於各授出日期起計滿一週年之日開始行使，25%可於滿兩週年之日開始行使，25%可於滿三週年之日開始行使，及25%可於滿四週年之日開始行使。
- (ii) 購股權的認購價於本公司配股或派發紅股或在股本中有其他類似轉變時可予調整。
- (iii) 本公司股份於緊接購股權於獲行使前及行使日之加權平均收市價分別約為每股港幣2.93元及港幣2.90元。

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34. Share Option Schemes (cont'd)

2001 Share Option Scheme (cont'd)

- (iv) No options were cancelled under the 2001 Share Option Scheme during the year.
- (v) At the balance sheet date, the Company had 37,074,500 share options outstanding under the 2001 Share Option Scheme. The exercise in full of these outstanding share options would, under the present capital structure of the Company, result in the issue of 37,074,500 additional ordinary shares of the Company and additional share capital of approximately HK\$3,707,400 and share premium of approximately HK\$112,317,000 (before issue expenses).

2002 Share Option Scheme

The 2002 Share Option Scheme was adopted on 18 July 2002 and its principal terms are as follows:

(a) Purpose

The 2002 Share Option Scheme seeks to recognise and acknowledge the contributions or potential contributions made or to be made by the qualified persons (as defined below) to the Group, to motivate the qualified persons to optimise their performance and efficiency for the benefit of the Group, and to maintain or attract business relationship with the qualified persons whose contributions are or may be beneficial to the growth of the Group.

(b) Qualified persons

Any part-time or full-time employee or officer or director (including executive, non-executive or independent non-executive) of any member of the Group or of any associated company, or any supplier, agent, customer, joint venture partner, strategic alliance partner, distributor, professional adviser of, or consultant or contractor to, any member of the Group, or the trustee of any trust pre-approved by the board of directors of the Company, 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

At 31 March 2007, the maximum number of shares available for issue under the 2002 Share Option Scheme was 86,303,308, which represents approximately 9.9% of share capital of the Company in issue as at the date of these financial statements.

34. 購股權計劃(續)

二零零一年購股權計劃(續)

- (iv) 於本年度內概無購股權根據二零零一年購股權計劃被取消。
- (v) 於資產負債表結算日，本公司於二零零一年購股權計劃下尚有37,074,500份購股權未獲行使。根據本公司之現有資本架構，全面行使該等尚未行使之購股權將導致額外發行37,074,500股本公司之普通股，並額外產生股本約港幣3,707,400元及股份溢價約港幣112,317,000元（未計發行開支）。

二零零二年購股權計劃

二零零二年購股權計劃乃於二零零二年七月十八日採納，其主要條款如下：

(a) 目的

二零零二年購股權計劃旨在確認及答謝合資格人士（定義見下文）對本集團所作出或將作出之貢獻或可能之貢獻，藉以激勵合資格人士為本集團之利益精益求精及提高彼等之效率，並維持或招徠與合資格人士的業務關係，合資格人士的貢獻著實或會有助於本集團的發展。

(b) 合資格人士

本集團任何成員公司或任何聯營公司之任何全職或兼職僱員或高級人員或董事（包括執行、非執行或獨立非執行董事），或本集團任何成員公司之任何供應商、代理、客戶、合營夥伴、策略性聯盟夥伴、分銷商、專業諮詢人、顧問或承包商，或本公司董事會預先批准之任何信託（其受益人（或倘為全權信託，則為全權託管的對象）包括任何上述人士）之受託人。

(c) 最高股份數目

於二零零七年三月三十一日，在二零零二年購股權計劃下可供發行之股份最高數目為86,303,308股，佔於本財務報表日期本公司已發行股本約9.9%。

34. Share Option Schemes (cont'd)**2002 Share Option Scheme (cont'd)***(d) Maximum entitlement of each qualified person*

The maximum number of shares issued and to be issued upon exercise of the options granted under the 2002 Share Option Scheme and any other share option schemes of the Company to each qualified person (including both exercised and outstanding options) in any 12-month period shall not exceed 1% of the shares of the Company then in issue. Any further grant of share options in excess of this limit is subject to shareholders' approval in a general meeting of the Company.

Any grant of options to a director, chief executive or substantial shareholder of the Company or any of their respective associates must be approved by the independent non-executive directors of the Company (excluding the independent non-executive director who is the grantee of such options).

Any grant of options to a substantial shareholder or an independent non-executive director of the Company or any of their respective associates must, in addition to obtaining the approval of the independent non-executive directors of the Company, be approved by the shareholders of the Company in a general meeting if such proposed grant of share options, when aggregated with all options (whether exercised, cancelled or outstanding) already granted to such substantial shareholder or independent non-executive director during the 12-month period up to and including the date of such grant of options, would (i) entitle that relevant person to receive more than 0.1% of the total issued share capital of the Company for the time being; and (ii) represent an aggregate value in excess of HK\$5,000,000 based on the closing price of the shares of the Company on The Stock Exchange of Hong Kong Limited (the "Stock Exchange") at the date of such grant.

(e) Timing for exercise of options

The period during which an option may be exercised in accordance with the terms of the 2002 Share Option Scheme shall be the period set out in the relevant offer letter provided that such period must expire on the date falling on the tenth anniversary of the offer date.

(f) Acceptance of offers

An offer of the grant of an option shall be accepted by the grantee on or before the last date for acceptance of such offer as set out in the offer letter, which must not be more than 28 business days from the relevant offer date. A consideration of HK\$1.00 shall be received by the Company on acceptance of each offer.

34. 購股權計劃 (續)**二零零二年購股權計劃 (續)***(d) 每名合資格人士可獲授之最高數目*

每名合資格人士在任何十二個月期間根據二零零二年購股權計劃及本公司任何其他購股權計劃可獲授之購股權 (包括已行使及尚未行使) 在行使後予以發行及將予發行之最高股份數目不得超過本公司當時已發行股份之1%。任何進一步授出超過此上限之購股權, 均須待股東於本公司股東大會上批准後, 方可作實。

任何向本公司董事、行政總裁或主要股東或彼等各自之聯繫人授出購股權, 必須獲本公司之獨立非執行董事 (不包括身為該等購股權承授人之獨立非執行董事) 批准。

任何向本公司之主要股東或獨立非執行董事或彼等各自之聯繫人授出購股權時, 倘建議授出之購股權加上在直至該次授出購股權當日止 (包括該日在內) 十二個月期間內已授予該主要股東或獨立非執行董事之所有購股權 (不論是否已行使、註銷或尚未行使) 將會: (i) 使該有關人士有權收取的股數超過本公司當時已發行股本總數的0.1%; 及(ii) 按本公司股份於該授出日期在香港聯合交易所有限公司 (「聯交所」) 之收市價計算, 其總值超過港幣5,000,000元, 則除了須取得本公司獨立非執行董事之批准外, 亦必須在股東大會上經由本公司股東批准。

(e) 行使購股權之期限

根據二零零二年購股權計劃之條款, 購股權可供行使之期限為有關購股權要約函件所載之期限, 惟該期限須於要約日期之第十週年當日屆滿。

(f) 接納要約

購股權之要約須於要約函件所載就接納該要約之最後限期或之前獲承授人接納, 而該限期不得超過有關要約日期起計之28個營業日。每項要約獲接納時本公司須收取代價港幣1.00元。

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34. Share Option Schemes (cont'd)

2002 Share Option Scheme (cont'd)

(g) Basis for determination of the subscription price

The subscription price shall be the highest of (a) the closing price of the shares on the offer date; (b) the average of the closing prices of the shares for the five business days immediately preceding the offer date; or (c) the nominal value of a share.

(h) Life of the 2002 Share Option Scheme

The 2002 Share Option Scheme shall remain valid and effective for a period of ten years commencing from 18 July 2002, the date on which such scheme is deemed to take effect in accordance with its terms.

The following table shows the movements in the share options under the 2002 Share Option Scheme during the year and the options outstanding at the beginning and end of the year:

34. 購股權計劃(續)

二零零二年購股權計劃(續)

(g) 認購價之釐定基準

認購價將為下列中之最高者：(a)股份於要約日期之收市價；(b)股份於緊接要約日期前的五個營業日之平均收市價；或(c)股份之面值。

(h) 二零零二年購股權計劃之有效期

二零零二年購股權計劃於二零零二年七月十八日(即該計劃根據其條款被視為已生效之日)起計之十年期間內維持有效及有作用。

下表載列在二零零二年購股權計劃下購股權於本年度內之變動，以及於年初及年末尚未行使之購股權：

Grantee 承授人	Number of share options 購股權數目				Outstanding as at 31/03/2007 於二零零七年 三月三十一日 尚未行使	Subscription price per share 每股 認購價 (HK\$) (港幣元) (note ii) (附註ii)	Date of grant 授出日期	Exercisable period 行使期 (note i) (附註i)
	Outstanding as at 01/04/2006 於二零零六年 四月一日 尚未行使	Granted during the year 本年度 內獲授	Exercised during the year 本年度 內行使 (note iii) (附註iii)	Lapsed during the year 本年度 內失效				
Directors								
董事								
LI Qin 李勤	2,500,000	-	-	-	2,500,000	2.068	24/06/2004	24/06/2005-23/06/2012
GUO Wei 郭為	5,000,000	-	-	-	5,000,000	2.750	13/10/2003	13/10/2004-12/10/2011
LIN Yang 林楊	2,500,000	-	-	-	2,500,000	2.750	13/10/2003	13/10/2004-12/10/2011
HUA Zhinian 華祉年	2,000,000	-	-	-	2,000,000	2.750	13/10/2003	13/10/2004-12/10/2011
Other employees 其他僱員	45,998,000	-	(532,000)	(2,593,000)	42,873,000	2.750	13/10/2003	13/10/2004-12/10/2011
In aggregate 合計	57,998,000	-	(532,000)	(2,593,000)	54,873,000			

34. Share Option Schemes (cont'd)**2002 Share Option Scheme (cont'd)**

Notes:

- (i) All options granted are subject to a vesting period of four years with 25% becoming exercisable on the first anniversary, 25% on the second anniversary, 25% on the third anniversary and 25% on the fourth anniversary of the respective date of grant.
- (ii) The subscription price of the options is subject to adjustment in the case of rights or bonus issues, or other similar changes in the Company's share capital.
- (iii) The weighted average of the closing prices of the Company's shares immediately preceding and at the dates of the exercise of options were approximately HK\$3.49 per share and HK\$3.44 per share.
- (iv) No options were cancelled under the 2002 Share Option Scheme during the year.
- (v) At the balance sheet date, the Company had 54,873,000 share options outstanding under the 2002 Share Option Scheme. The exercise in full of these outstanding share options would, under the present capital structure of the Company, result in the issue of 54,873,000 additional ordinary shares of the Company and additional share capital of approximately HK\$5,487,300 and share premium of approximately HK\$143,708,000 (before issue expenses).

Share options do not confer rights on the holders to dividends or to vote at general meetings.

The fair values of equity-settled share options granted were estimated as at the respective dates of grant, using a binomial model, taking into account the terms and conditions upon which the options were granted. The following table lists the inputs to the model used:

Dividend yield (%)	2.75 per annum
Expected volatility (%)	45 per annum
Historical volatility (%)	48 per annum
Risk-free interest rate (%)	3.53 and 4.11 per annum
Expected life of option (year)	8
Weighted average share price (HK\$)	2.72

The expected life of the options is based on the historical data over the past three years and is not necessarily indicative of the exercise patterns that may occur. The expected volatility reflects the assumption that the historical volatility is indicative of future trends, which may also not necessarily be the actual outcome.

34. 購股權計劃 (續)**二零零二年購股權計劃 (續)**

附註:

- (i) 所有授出之購股權均受制於為期四年的歸屬期，其中25%可於各授出日期起計滿一週年之日開始行使，25%可於滿兩週年之日開始行使，25%可於滿三週年之日開始行使，及25%可於滿四週年之日開始行使。
- (ii) 購股權的認購價於本公司配股或派發紅股或在股本中有其他類似轉變時可予調整。
- (iii) 本公司股份於緊接購股權於獲行使前及行使日之加權平均收市價分別約為每股港幣3.49元及港幣3.44元。
- (iv) 於本年度內概無購股權根據二零零二年購股權計劃被取消。
- (v) 於資產負債表結算日，本公司於二零零二年購股權計劃下尚有54,873,000份購股權未獲行使。根據本公司之現有資本架構，全面行使該等尚未行使之購股權將導致額外發行54,873,000股本公司之普通股，並額外產生股本約港幣5,487,300元及股份溢價約港幣143,708,000元（未計發行開支）。

購股權並無賦予持有人享有股息或於股東大會上投票的權利。

所授出權益結算購股權之公平價值乃於個別授出當日採用二項式模型估算，當中已計及購股權之授出條款及條件。下表載列採用模型之數據資料：

股息率	每年2.75厘
預期波幅	每年45厘
過往波幅	每年48厘
無風險利率	每年3.53厘及4.11厘
購股權之預計年期	8年
加權平均股價	港幣2.72元

購股權之預計年期乃根據過去三年之過往資料計算，未必反映可能出現之行使情況。預期波幅反映該模型乃假設過往波幅可指示未來走勢，此假設亦未必與實際結果相符。

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35. Reserves

(a) Group

The amounts of the Group's reserves and the movements therein for the current and prior years are presented in the consolidated statement of changes in equity on page 64 of the financial statements.

Reserve funds

Reserve funds are reserves set aside in accordance with the relevant PRC regulations applicable to the Group's subsidiaries in Mainland China. These reserve funds can be used to offset accumulated losses but not be distributable in the form of cash dividends.

(b) Company

35. 儲備

(a) 本集團

本集團於本年度及以往年度之儲備及有關變動金額呈列於此財務報表第64頁之綜合權益變動表內。

儲備基金

儲備基金為本集團於中國大陸之附屬公司按中國有關法規撥出之儲備。該等儲備基金可用以抵銷累計虧損，但不能以現金股息之方式分派。

(b) 本公司

		Share premium account	Contributed surplus	Employee share-based compensation reserve	Retained profits	Total
	Note 附註	股份 溢價帳 HK\$'000 港幣千元	繳入盈餘 HK\$'000 港幣千元	以股份支付 僱員之 酬金儲備 HK\$'000 港幣千元	保留 溢利 HK\$'000 港幣千元	總計 HK\$'000 港幣千元
At 1 April 2005	於二零零五年四月一日	294,683	623,689	37,595	152,394	1,108,361
Exercise of share options	行使購股權	10,651	-	-	-	10,651
Equity-settled share option arrangements	以股份支付之購股權安排	-	-	12,863	-	12,863
Profit for the year	本年度溢利	-	-	-	91,840	91,840
Proposed final 2006 dividend	擬派二零零六年末期股息	-	-	-	(86,693)	(86,693)
At 31 March 2006	於二零零六年三月三十一日	305,334	623,689	50,458	157,541	1,137,022
Exercise of share options	行使購股權	14,238	-	(498)	-	13,740
Equity-settled share option arrangements	以股份支付之購股權安排	-	-	6,309	-	6,309
Profit for the year	本年度溢利	-	-	-	88,323	88,323
Proposed final 2007 dividend	擬派二零零七年末期股息	-	-	-	(72,370)	(72,370)
At 31 March 2007	於二零零七年三月三十一日	319,572	623,689	56,269	173,494	1,173,024

The contributed surplus of the Company represents the excess of the fair value of the shares of the subsidiaries acquired pursuant to a corporate reorganisation in preparation for the listing of the Company's shares on the Main Board of the Stock Exchange, over the nominal value of the Company's shares issued in exchange therefor. Under the Companies Act of Bermuda (as amended) and the Bye-Laws of the Company, the contributed surplus can be distributed to the shareholders, provided that the Company will be able to pay its liabilities as they fall due and subsequent to the distribution, the aggregate amount of its total liabilities as well as the issued share capital and premium is less than the realisable value of its assets.

本公司之繳入盈餘指根據為籌備本公司股份在聯交所主板上上市而進行之一項公司重組而收購附屬公司之股份其公平價值高於本公司作為交換而發行之股份面值之金額。根據百慕達公司法（經修訂）及本公司之公司細則，繳入盈餘可分派予股東，惟本公司必須有能力償還到期之債務，而在該項分派後，本公司之總債項以及已發行股本及溢價乃低於其資產的可變現值。

35. Reserves (cont'd)**(b) Company (cont'd)**

The employee share-based compensation reserve comprises the fair value of share options granted which are yet to be exercised, as further explained in the accounting policy for share-based payment transactions in note 2.4 to the financial statements. The amount will either be transferred to the share premium account when the related options are exercised, or be transferred to retained profits should the related options expire or be forfeited.

36. Notes to the Consolidated Cash Flow Statement**(a) Acquisition of a subsidiary**

The fair values of the identifiable assets and liabilities of a subsidiary acquired as at the date of acquisition were as follows:

35. 儲備(續)**(b) 本公司(續)**

以股份支付僱員之酬金儲備由已授予、尚未行權的購股權之公平價值構成。詳情載於本財務報表附註2.4對基於股權的支付交易會計政策的解釋。相關購股權行權後，該儲備中相應金額轉入股本溢價帳，或者相關購股權到期或被棄權後，轉入保留溢利。

36. 綜合現金流量表附註**(a) 收購一間附屬公司**

於收購日期，所收購一間附屬公司之可辨別資產及負債之公平價值載列如下：

			2007 二零零七年	2006 二零零六年
		Notes 附註	HK\$'000 港幣千元	HK\$'000 港幣千元
Fair value recognised on acquisition:	因收購事項確認之公平價值：			
Property, plant and equipment	物業、廠房及設備	15	-	18,976
Interests in associates	於聯營公司之權益		-	1,183
Available-for-sale investments	可供出售之投資		-	2,399
Trade receivables	應收貿易帳款		-	12,862
Prepayments, deposits and other receivables	預付款項、按金及其他應收款項		-	41,564
Cash and bank balances	現金及銀行結餘		-	15,518
Trade payables	應付貿易帳款		-	(11,678)
Other payables and accruals	其他應付款項及預提費用		-	(16,742)
Tax payable	應繳稅項		-	(204)
Short term bank borrowings	短期銀行貸款		-	(8,639)
Long term other borrowings	長期其他貸款		-	(19,197)
Minority interests	少數股東權益		-	(10,438)
			-	25,604
Goodwill on acquisition	收購產生之商譽	18	-	28,265
			-	53,869
Satisfied by:	支付方式：			
Cash	現金		-	53,869

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36. Notes to the Consolidated Cash Flow Statement (cont'd)

(a) Acquisition of a subsidiary (cont'd)

The carrying amounts of the identifiable assets and liabilities of a subsidiary immediately before the acquisition approximate to their respective fair values as stated above.

An analysis of the net outflow of cash and cash equivalents in respect of the acquisition of a subsidiary is as follows:

		2007 二零零七年 HK\$'000 港幣千元	2006 二零零六年 HK\$'000 港幣千元
Cash paid	已付現金	-	(49,221)
Cash and bank balances acquired	收購之現金及銀行結餘	-	15,518
Net outflow of cash and cash equivalents in respect of the acquisition of a subsidiary	收購一間附屬公司所產生之現金及 現金等價物流出淨額	-	(33,703)

In November 2005, the Group acquired a 71.04% equity interest in STQ at a consideration of approximately HK\$53,869,000.

During the year ended 31 March 2006, the purchase consideration for the acquisition was in the form of cash, with approximately HK\$49,221,000 paid and the remaining unpaid balance of approximately HK\$4,648,000 was included in other payables at 31 March 2006. The Group further injected cash of approximately HK\$40.8 million into STQ subsequent to its acquisition, whereby the Group's equity interest in STQ was increased to 81.18% after such capital injection.

Since its acquisition, STQ contributed approximately HK\$27,411,000 to the Group's revenue and reduced the consolidated profit attributable to equity holders of the parent for the year ended 31 March 2006 by approximately HK\$34,000. There would be no material changes in the Group's consolidated revenue and consolidated profit attributable to equity holders of the parent for the year ended 31 March 2006 should the above acquisition has been taken place on 1 April 2005.

(b) Major non-cash transaction

During the year ended 31 March 2006, the non-cash capital contribution made by the Group into a jointly-controlled entity was in the form of an intangible asset valued at approximately HK\$21.4 million.

36. 綜合現金流量表附註(續)

(a) 收購一間附屬公司(續)

緊接收購事項前一間附屬公司之可辨別資產及負債之帳面值與其公平價值相若。

就收購一間附屬公司所產生之現金及現金等價物流出淨額分析如下：

		2007 二零零七年 HK\$'000 港幣千元	2006 二零零六年 HK\$'000 港幣千元
Cash paid	已付現金	-	(49,221)
Cash and bank balances acquired	收購之現金及銀行結餘	-	15,518
Net outflow of cash and cash equivalents in respect of the acquisition of a subsidiary	收購一間附屬公司所產生之現金及 現金等價物流出淨額	-	(33,703)

於二零零五年十一月，本集團以代價約港幣53,869,000元收購思特奇之71.04%股本權益。

於截至二零零六年三月三十一日止年度，收購事項之購買代價約港幣49,221,000元以現金方式支付，未付餘額約港幣4,648,000元於二零零六年三月三十一日計入其他應付款項。於收購事項後，本集團再向思特奇注資現金約港幣40,800,000元，注資後本集團於思特奇之股本權益增加至81.18%。

自收購事項以來，於截至二零零六年三月三十一日止年度，思特奇為本集團貢獻之綜合收入及減少母公司股東應佔綜合溢利分別約港幣27,411,000元及港幣34,000元。假設上述收購事項於二零零五年四月一日進行，本集團於截至二零零六年三月三十一日止年度之綜合收入及母公司股東應佔綜合溢利將不會有重大變動。

(b) 主要非現金交易

截至二零零六年三月三十一日止年度，本集團以作價約港幣21,400,000元的無形資產作為共同控制企業之非現金資本出資。

37. Contingent Liabilities

At the balance sheet date, contingent liabilities not provided for in the financial statements were as follows:

		Group 本集團		Company 本公司	
		2007 二零零七年 HK\$'000 港幣千元	2006 二零零六年 HK\$'000 港幣千元	2007 二零零七年 HK\$'000 港幣千元	2006 二零零六年 HK\$'000 港幣千元
Guarantees given for banking facilities utilised by subsidiaries	為附屬公司 已使用之銀行額度 提供之擔保	-	-	2,225,645	2,389,977
Guarantees given to suppliers for subsidiaries	為附屬公司提供 予供應商之擔保	-	-	419,088	143,637
		-	-	2,644,733	2,533,614

38. Operating Lease Arrangements**(a) As lessor**

The Group leases its investment properties (note 16 to the financial statements) under operating lease arrangements, with lease negotiated for terms ranging from one to three years. The terms of the leases generally also require the tenant to pay security deposits and provide for periodic rent adjustments according to the then prevailing market conditions.

At 31 March 2007, the Group had total future minimum lease receivables under a non-cancellable operating leases with its tenant falling due as follows:

		Group 本集團	
		2007 二零零七年 HK\$'000 港幣千元	2006 二零零六年 HK\$'000 港幣千元
Within one year	一年內	21,030	15,987
In the second to fifth years, inclusive	第二年至第五年(包括首尾兩年)	3,289	14,742
		24,319	30,729

37. 或然負債

於資產負債表結算日，並未於財務報表撥備之或然負債如下：

38. 經營租賃安排**(a) 作為出租人**

本集團根據經營租賃安排出租其投資物業(財務報表附註16)，所議定租約期間界乎一年至三年不等。租約條款通常會要求租戶支付保證金，並列明會根據屆時市況定期調整租金。

於二零零七年三月三十一日，根據本集團與其租戶簽訂之不可撤銷之經營租約，本集團到期應收取之未來最低租賃付款如下：

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38. Operating Lease Arrangements (cont'd)

(b) As lessee

The Group leases certain of its office properties and warehouses under operating lease arrangements. Leases for properties are negotiated for terms ranging from six months to ten years.

At 31 March 2007, the Group and the Company had total future minimum lease payments under non-cancellable operating leases falling due as follows:

		Group 本集團		Company 本公司	
		2007 二零零七年 HK\$'000 港幣千元	2006 二零零六年 HK\$'000 港幣千元	2007 二零零七年 HK\$'000 港幣千元	2006 二零零六年 HK\$'000 港幣千元
Within one year	一年內	40,238	50,628	1,712	1,711
In the second to fifth years, inclusive	第二年至第五年 (包括首尾兩年)	47,035	44,281	1,141	2,853
After five years	五年後	8,595	10,511	-	-
		95,868	105,420	2,853	4,564

38. 經營租賃安排 (續)

(b) 作為承租人

本集團根據經營租賃安排租賃其若干辦公室物業及貨倉。所議定物業租約期間界乎六個月至十年。

於二零零七年三月三十一日，根據簽訂不可撤銷之經營租約，本集團及本公司到期須支付之未來最低租賃付款如下：

39. Commitments

In addition to the operating lease commitments detailed in note 38(b) above, the Group and the Company had the following capital commitments at the balance sheet date:

39. 承擔

除上文附註38(b)詳述的經營租賃安排外，於資產負債表日，本集團及本公司作出以下資本承諾。

		Group 本集團		Company 本公司	
		2007 二零零七年 HK\$'000 港幣千元	2006 二零零六年 HK\$'000 港幣千元	2007 二零零七年 HK\$'000 港幣千元	2006 二零零六年 HK\$'000 港幣千元
Contracted, but not provided for:	已訂約但未撥備：				
Capital contributions in:	應向以下公司出資：				
Associates	聯營公司	990	-	-	-
Jointly-controlled entities	共同控制企業	5,130	-	-	-
		6,120	-	-	-

40. Related Party Transactions**(l) Transactions with related parties:**

In addition to those transactions and balances presented elsewhere in the financial statements, the Group had the following material transactions with related parties during the year:

40. 有關連人士交易**(1) 與有關連人士之交易**

除財務報表其他部份所呈列之該等交易及結餘外，本集團於本年度有以下重大之有關連人士交易：

		Group 本集團	
		2007 二零零七年	2006 二零零六年
		HK\$'000 港幣千元	HK\$'000 港幣千元
		<i>Notes 附註</i>	
Lenovo Group Limited and its subsidiaries, the associates of the Company's controlling shareholder:	本公司控股股東之聯營公司， 聯想集團有限公司 及其附屬公司：		
Sale of goods by the Group	本集團銷售之貨物	<i>(i)</i>	14,065
Purchases of goods by the Group	本集團購買之貨物	<i>(ii)</i>	1,054,982
Right Lane Limited, a wholly-owned subsidiary of the Company's controlling shareholder:	本公司控股股東之全資擁有 附屬公司，南明有限公司：		
Rental expenses paid by the Group	本集團支付之租金	<i>(iii)</i>	360
GE Capital Mauritius Equity Investment, a shareholder of DGT, and its subsidiaries:	神州數碼通用軟件之股東， GE Capital Mauritius Equity Investment及其附屬公司：		
Provision of IT services by the Group	本集團提供IT服務	<i>(iv)</i>	10,559
TIS Inc., a shareholder of DGT, and its subsidiaries:	神州數碼通用軟件之股東， TIS Inc.及其附屬公司：		
Provision of IT services by the Group	本集團提供IT服務	<i>(iv)</i>	31,221
Digital China Management Systems (BVI) Limited and its subsidiaries, associates of the Group:	本集團之聯營公司，Digital China Management Systems (BVI) Limited及其附屬公司：		
Sale of goods and provision of IT services by the Group	本集團銷售之貨物及 提供IT服務	<i>(i), (iv)</i>	2,631
Purchases of goods by the Group and provision of IT services to the Group	本集團購買之貨物及 向本集團提供IT服務	<i>(ii), (iv)</i>	4,512
Nanjing Mercuries DC Financial Systems Ltd., an associate of the Group:	本集團之聯營公司，南京神州數碼 三商信息系統設備有限公司：		
Purchases of goods by the Group	本集團購買之貨物	<i>(ii)</i>	39,568

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40. Related Party Transactions (cont'd)

(i) Transactions with related parties: (cont'd)

40. 有關連人士交易 (續)

(1) 與有關連人士之交易 (續)

		Group 本集團	
		2007 二零零七年	2006 二零零六年
		Notes 附註	Notes 附註
		HK\$'000 港幣千元	HK\$'000 港幣千元
Beijing Digital China System Access Software Limited, a jointly-controlled entity of the Group:	本集團之共同控制企業· 北京神州數碼國鋒 軟件有限公司:		
Sale of goods by the Group	本集團銷售之貨物	(i) -	636
Provision of IT services to the Group	向本集團提供IT服務	(iv) 4,740	-
Suzhou Digital China JieTong Technology Co., Ltd., a jointly-controlled entity of the Group:	本集團之共同控制企業· 蘇州神州數碼捷通 科技有限公司:		
Sale of goods by the Group	本集團銷售之貨物	(i) 657	-

Notes:

- (i) The sales were made with reference to the listed prices and conditions offered to the major customers of the Group.
- (ii) The purchases were made at prices mutually agreed between the Group and the corresponding related parties with reference to the pricing policies of the Group.
- (iii) The rental expenses were determined at rates mutually agreed between the Group and the corresponding related party with reference to the prevailing market reference.
- (iv) The prices for the provision of IT services were determined at rates mutually agreed between the Group and the corresponding related parties.

附註:

- (i) 該等銷售乃根據本集團向其主要客戶提供之訂價及條件而進行。
- (ii) 該等購買乃根據本集團之定價政策·以本集團與相關有關連人士雙方協定之價格進行。
- (iii) 租金乃根據本集團與相關有關連人士按當時市價為基準而由雙方協定之租值。
- (iv) 提供IT服務之價格乃根據本集團與相關有關連人士雙方協定而釐定。

40. Related Party Transactions (cont'd)**(II) Outstanding balances with related parties:**

- (a) Details of the Group's trade balances with the associates of the Company's controlling shareholder, a jointly-controlled entity, associates and related companies of a subsidiary as at the balance sheet are included in notes 28 and 31 to the financial statements.
- (b) At 31 March 2007, the amounts due from the associates of the Company's controlling shareholder included in the Group's prepayments, deposits and other receivables were approximately HK\$28,278,000 (2006: HK\$26,265,000).
- (c) Details of the Group's amounts due from the associates as at the balance sheet date are included in note 23 to the financial statements.

(III) Compensation of key management personnel of the Group:**40. 有關連人士交易 (續)****(II) 與關聯方之往來金額**

- (a) 於資產負債表結算日，本集團與本公司控股股東之聯營公司、共同控制企業、聯營公司及附屬公司之有關連公司之貿易結餘之詳情載於本財務報表附註28及31。
- (b) 於二零零七年三月三十一日，應收本公司控股股東之聯營公司之款項包括在預付款項、按金及其他應收款項，金額分別約港幣28,278,000元（二零零六年：港幣26,265,000元）。
- (c) 於資產負債表結算日，本集團應收聯營公司款項之詳情載於本財務報表附註23。

(III) 本集團關鍵管理人員之報酬：

		2007 二零零七年 HK\$'000 港幣千元	2006 二零零六年 HK\$'000 港幣千元
Short term employee benefits	短期僱員福利	22,171	20,481
Post-employment benefits	僱傭後福利	96	82
Share-based payments	基於股權的支付	1,815	3,508
Total compensation paid to key management personnel	支付給關鍵管理人員之報酬總計	<u>24,082</u>	<u>24,071</u>

Further details of directors' emoluments are included in note 9 to the financial statements.

有關董事酬金之進一步詳情載於本財務報表附註9。

Notes to Financial Statements

財務報表附註

31 March 2007

二零零七年三月三十一日

41. Financial Risk Management Objectives and Policies

The Group's principal financial instruments, comprise interest-bearing bank and other borrowings and cash and cash equivalents. The main purpose of these financial instruments is to raise finance for the Group's capital expenditure and operations. The Group has various other financial assets and liabilities such as trade and bills receivables and trade and bills payables, which arise directly from its operations.

The main risks arising from the Group's financial instruments are cash flow interest rate risk, foreign currency risk, credit risk and liquidity risk. The board reviews and agrees policies for managing each of these risks and they are summarised below.

Cash flow interest rate risk

The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's borrowings with floating interest rates. The Group does not use derivative financial instruments to hedge its interest rate risk.

At 31 March 2007, approximately HK\$599,887,000 (2006: HK\$981,578,000) of the Group's interest-bearing borrowings bore interest at floating rates.

Foreign currency risk

The Group has transactional currency exposures. Such exposures arise from sales or purchases by operating units in currencies other than the units' functional currency, where the revenue and interest-bearing borrowings are predominately in RMB and US\$.

41. 財務風險管理目標及政策

集團之主要金融工具包括附息銀行及其他貸款及現金及現金等價物。該等金融工具的主要用途是為本集團之資本開支及營運籌集資金。本集團還有各種其他金融資產及負債，例如營運過程中直接產生之應收貿易帳款及應收票據以及應付貿易帳款及應付票據。

本集團金融工具所產生之主要風險為現金流量利率風險、外幣風險、信貸風險及流動性風險。董事會檢討及商議管理各類風險之政策，有關政策概述如下。

現金流量利率風險

本集團所面臨之市場利率變動風險主要與本集團按浮動利率計息之貸款有關。本集團並無利用衍生金融工具以對沖其利率風險。

於二零零七年三月三十一日，本集團之附息貸款約港幣599,887,000元（二零零六年：港幣981,578,000元）乃按浮動利率計息。

外幣風險

本集團面臨交易貨幣風險。當收入及附息貸款主要以人民幣及美元列值時，上述風險源於營運單位以單位功能貨幣以外貨幣進行之買賣。

41. Financial Risk Management Objectives and Policies (cont'd)

Credit risk

The Group trades only with recognised and creditworthy third parties. It is the Group's policy that all customers who wish to trade on credit terms are subject to credit verification procedures. In addition, receivable balances are monitored on an ongoing basis and the Group's exposure to bad debts is not significant.

The credit risk of the Group's other financial assets, which comprise cash and cash equivalents and available-for-sale financial assets, arises from default of the counterparty, with a maximum exposure equal to the carrying amounts of these instruments.

Since the Group trades only with recognised and creditworthy third parties, there is no requirement for collateral.

Liquidity risk

The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of interest-bearing bank and other borrowings, and other available sources of finances. In addition, banking facilities have been put in place for contingency purposes.

42. Comparative Amounts

Certain comparative amounts have been restated to conform with the current year's presentation.

43. Approval of the Financial Statements

The financial statements were approved and authorised for issue by the board of directors on 12 July 2007.

41. 財務風險管理目標及政策 (續)

信貸風險

本集團僅與獲認可及信譽超著之第三方進行交易。本集團之政策是須對所有有意賒帳交易之客戶進行信用核實程序。此外，本集團會持續監管應收帳款結餘，故本集團所承擔之壞帳風險不大。

本集團其他金融資產（包括現金及現金等價物及可供出售之金融資產）之信貸風險乃由於交易對手違約所致，而所承擔之最高風險金額相等於該等工具之帳面值。

由於本集團僅與獲認可及信譽良好之第三方進行交易，故無需提供抵押。

流動性風險

本集團之目標為透過使用附息銀行及其他貸款以及其他可取得之資金來源，維持資金延續性與靈活性之平衡。此外，本集團還取得銀行額度以供應急之用。

42. 比較數字

若干比較數字已予以重列，以符合本年度之呈報。

43. 財務報表之核准

本財務報表已於二零零七年七月十二日經董事會批准及授權刊發。

Five Year Financial Summary

五年財務摘要

31 March 2007

二零零七年三月三十一日

A summary of the results and of the assets, liabilities and minority interests of the Group for the last five financial years, as extracted from the published audited financial information and restated/reclassified as appropriate, is set out below.

本集團過往五個財政年度摘錄自己公佈經審核財務資料，以及重新分類或重列之業績、資產、負債及少數股東權益概要如下。

Results

業績

		Year ended 31 March 截至三月三十一日				
		2007 二零零七年 HK\$'000 港幣千元	2006 二零零六年 HK\$'000 港幣千元	2005 二零零五年 HK\$'000 港幣千元	2004 二零零四年 HK\$'000 港幣千元	2003 二零零三年 HK\$'000 港幣千元
REVENUE	收入	25,418,398	19,864,897	15,456,902	14,277,308	12,510,753
PROFIT BEFORE TAX	除稅前溢利	241,944	269,581	175,904	10,575	185,772
Tax	稅項	(40,631)	(20,970)	6,062	2,441	(6,517)
PROFIT FOR THE YEAR	本年度溢利	201,313	248,611	181,966	13,016	179,255
Attributable to:	歸屬於:					
Equity holders of the parent	母公司股東	208,429	251,917	186,236	20,404	179,043
Minority interests	少數股東權益	(7,116)	(3,306)	(4,270)	(7,388)	212
		201,313	248,611	181,966	13,016	179,255

Assets, Liabilities and Minority Interests

資產、負債與少數股東權益

		As at 31 March 於三月三十一日				
		2007 二零零七年 HK\$'000 港幣千元	2006 二零零六年 HK\$'000 港幣千元	2005 二零零五年 HK\$'000 港幣千元	2004 二零零四年 HK\$'000 港幣千元	2003 二零零三年 HK\$'000 港幣千元
TOTAL ASSETS	總資產	6,885,060	5,827,364	4,887,373	4,038,216	3,919,660
TOTAL LIABILITIES	總負債	(4,911,814)	(4,021,496)	(3,298,869)	(2,662,576)	(2,519,581)
MINORITY INTERESTS	少數股東權益	(11,893)	(19,009)	(9,972)	(10,459)	(7,091)
		1,961,353	1,786,859	1,578,532	1,365,181	1,392,988

Company Information

公司資料

Board of Directors

Executive Directors

Mr. LI Qin (*Chairman*)
Mr. GUO Wei (*Vice Chairman, President and Chief Executive Officer*)
Mr. ZENG Maochao
Mr. LIN Yang
Mr. HUA Zhinian

Non-Executive Director

Mr. William O. GRABE

Independent Non-Executive Directors

Mr. HU Zhao Guang
Professor WU Jinglian
Mr. WONG Man Chung, Francis
Mr. KWAN Ming Heung, Peter

Company Secretary

Mr. WONG Chi Keung

Qualified Accountant

Mr. WONG Chi Keung

Registered Office

Canon's Court
22 Victoria Street
Hamilton HM 12
Bermuda

Head Office and Principal Place of Business in Hong Kong

Suite 2008, 20/F., Devon House, Taikoo Place, 979 King's Road,
Quarry Bay, Hong Kong

Principal Bankers

Bank of China (Hong Kong) Limited
The Hongkong and Shanghai Banking Corporation Limited
Standard Chartered Bank

董事會

執行董事

李勤先生 (主席)
郭為先生 (副主席兼總裁及首席執行官)
曾茂朝先生
林楊先生
華祉年先生

非執行董事

William O. GRABE 先生

獨立非執行董事

胡昭廣先生
吳敬璉教授
黃文宗先生
KWAN Ming Heung, Peter先生

公司秘書

王自強先生

合資格會計師

王自強先生

註冊辦事處

Canon's Court
22 Victoria Street
Hamilton HM 12
Bermuda

香港總辦事處及主要營業地點

香港鰂魚涌英皇道979號
太古坊德宏大廈20樓2008室

主要往來銀行

中國銀行(香港)有限公司
香港上海滙豐銀行有限公司
渣打銀行

Company Information 公司資料

Legal Advisors

As to Hong Kong law:

Norton Rose

As to Bermuda law:

Appleby

Auditors

Ernst & Young (Certified Public Accountants)

Bermuda Principal Share Registrar and Transfer Office

Reid Management Limited

Argyle House

41A, Cedar Avenue

Hamilton HM 12

Bermuda

Hong Kong Branch Share Registrar and Transfer Office

Abacus Share Registrars Limited

(to be renamed as Tricor Abacus Limited with effect from 1 August 2007)

26/F., Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong

Stock Code

0861

Website

www.digitalchina.com.hk

法律顧問

香港法律:

諾頓羅氏

百慕達法律:

Appleby

核數師

安永會計師事務所(執業會計師)

百慕達主要股份過戶登記處

Reid Management Limited

Argyle House

41A, Cedar Avenue

Hamilton HM 12

Bermuda

香港股份過戶登記分處

雅柏勤證券登記有限公司

(將於二零零七年八月一日更改名稱為卓佳雅柏勤有限公司)

香港灣仔皇后大道東28號金鐘匯中心26樓

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