

inspur 浪潮

浪潮國際有限公司*

INSPUR INTERNATIONAL LIMITED

(於開曼群島註冊成立的有限公司 Incorporated in the Cayman Islands with limited liability)
(股份代號 Stock Code : 596)

ANNUAL REPORT 年度報告



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EXECUTIVE DIRECTORS

Mr. Sun Pishu
Mr. Zhang Lei
Mr. Wang Miao*
Mr. Leung Chi Ho
Mr. Dong HaiLong*

NON-EXECUTIVE DIRECTORS

Mr. Xin Wei Hua
Mr. Wang Hung, Alex
(Resigned on 29 January 2009)
Mr. William James Fass
(Resigned on 28 June 2008)

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. Meng Xiang Xu
Mr. Liu Ping Yuan
Mr. Wong Lit Chor, Alexis

COMPANY SECRETARY

Mr. Chung Kwok Fai
(Resigned on 9 October 2008)
Ms. Chan Wing
(Appointed on 10 October 2008)

COMPLIANCE OFFICER

Mr. Wang Miao*
Mr. Dong HaiLong*

AUDIT COMMITTEE

Mr. Meng Xiang Xu
Mr. Liu Ping Yuan
Mr. Wong Lit Chor, Alexis

REMUNERATION COMMITTEE

Mr. Meng Xiang Xu
Mr. Xin Wei Hua
Mr. Wong Lit Chor, Alexis

- * Mr. Wang Miao resigned on 31 March 2009 as Executive Director & Compliance officer
王渺先生於二零零九年三月三十一日辭任執行董事和監察主任
- * Mr. Dong Hai Long appointed on 31 March 2009 as Executive Director & Compliance officer
董海龍先生於二零零九年三月三十一日獲委任為執行董事和監察主任

執行董事

孫丕恕先生
張磊先生
王渺先生*
梁智豪先生
董海龍先生*

非執行董事

辛衛華先生
王衡先生
2009年1月29日辭職
William James Fass先生
2008年6月28日辭職

獨立非執行董事

孟祥旭先生
劉平源先生
黃烈初先生

公司秘書

鍾國輝先生
(於二零零八年十月九日辭職)
陳穎女士
(於二零零八年十月十日獲委任)

監察主任

王渺先生*
董海龍先生*

審核委員會

孟祥旭先生
劉平源先生
黃烈初先生

薪酬委員會

孟祥旭先生
辛衛華先生
黃烈初先生

AUTHORIZED REPRESENTATIVES

Mr. Wang Miao*
Mr. Leung Chi Ho
Ms. Chan Wing*

AUDITORS

Deloitte Touche Tohmatsu

PRINCIPAL BANKERS

The Hong Kong and Shanghai Banking Corporation Limited
Bank of China (Hong Kong) Limited
Industrial and Commercial Bank of China Limited
Agriculture Bank of China Limited

PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

Butterfield Fulcrum Group (Cayman) Limited
Butterfield House
68 Fort Street
P.O. Box 609
Grand Cayman KY1-1107
Cayman Islands

HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

Computershare Hong Kong Investor Services Limited
Rooms 1712-1716, 17th Floor
Hopewell Centre
183 Queen's Road East
Hong Kong

授權代表

王渺先生*
梁智豪先生
陳穎女士*

核數師

德勤•關黃陳方會計師行

主要往來銀行

香港上海匯豐銀行有限公司
中國銀行(香港)有限公司
中國工商銀行
中國農業銀行

主要股份過戶及登記處

Butterfield Fulcrum Group (Cayman)
Limited
Butterfield House
68 Fort Street
P.O. Box 609
Grand Cayman KY1-1107
Cayman Islands

香港股份過戶登記分處

香港中央證券登記有限公司
香港
皇后大道東183號
合和中心
17樓1712-1716室

- * Mr. Wang Miao resigned as authorized representatives on 31 March 2009
王渺先生於二零零九年三月三十一日辭任授權代表
- * Mrs. Chan Wing appointed as authorized representatives on 31 March 2009
陳穎女士於二零零九年三月三十一日獲委任為公司授權代表

Corporation Information

公司資料

REGISTERED OFFICE

Cricket Square
Hutchins Drive
P.O. Box 2681
Grand Cayman KY1-1111
Cayman Islands

PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Room 726
Nan Fung Commercial Centre
19 Lam Lok Street
Kowloon Bay
Kowloon
Hong Kong

MAIN BOARD STOCK CODE

596

註冊辦事處

Cricket Square
Hutchins Drive
P.O. Box 2681
Grand Cayman KY1-1111
Cayman Islands

香港主要營業地點

香港
九龍
九龍灣
臨樂街19號
南豐商業中心
726室

主板股份代號

596

For the year ended 31 December

截止十二月三十一日止年度

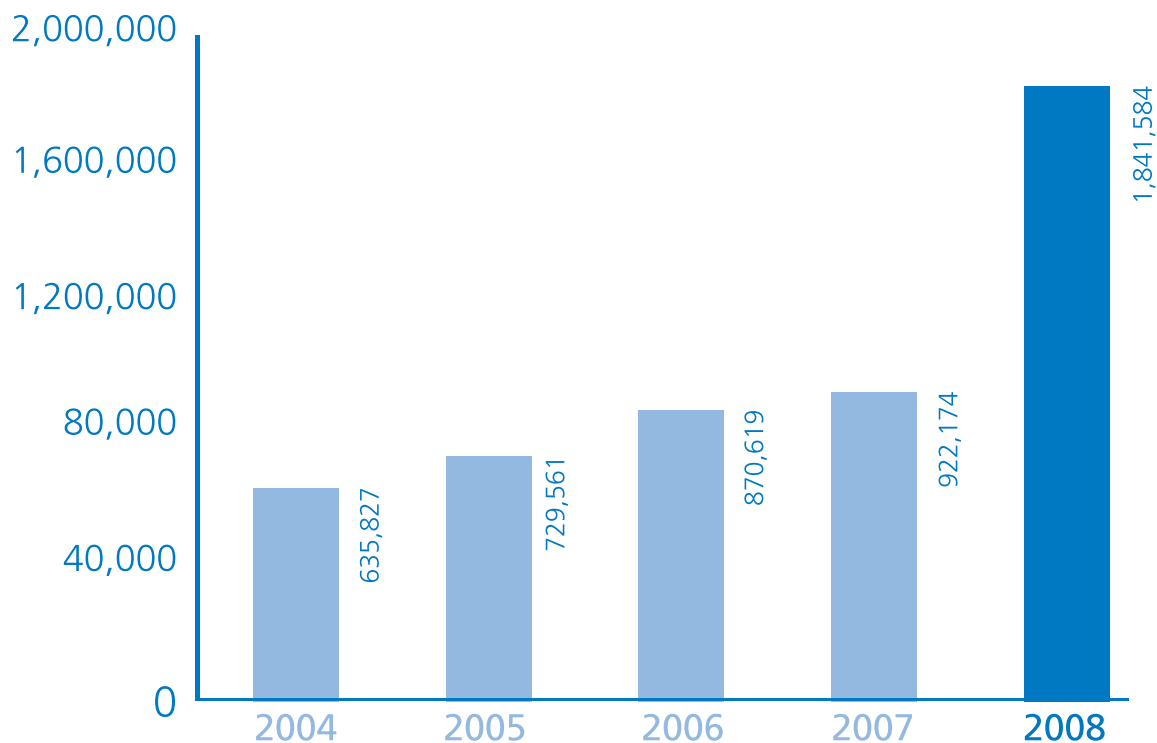
		2004 二零零四年 HK\$'000 千港元	2005 二零零五年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
RESULTS	財務業績					
Revenue	收入	635,827	729,561	870,619	922,174	1,841,584
Profit before taxation	除稅前純利	22,330	29,158	27,917	42,848	373,651
Taxation	稅項	(4,668)	(4,943)	(2,770)	(2,558)	(40,138)
Profit for the year	年度溢利	17,662	24,215	25,147	40,290	333,513
Attributable to:	應占：					
Equity holders of the Company	母公司 股權持有人	17,662	24,215	25,160	38,801	311,633
Minority interests	少數股東權益	—	—	(13)	1,489	21,880
Profit for the year	年度溢利	17,662	24,215	25,147	40,290	333,513

At 31 December

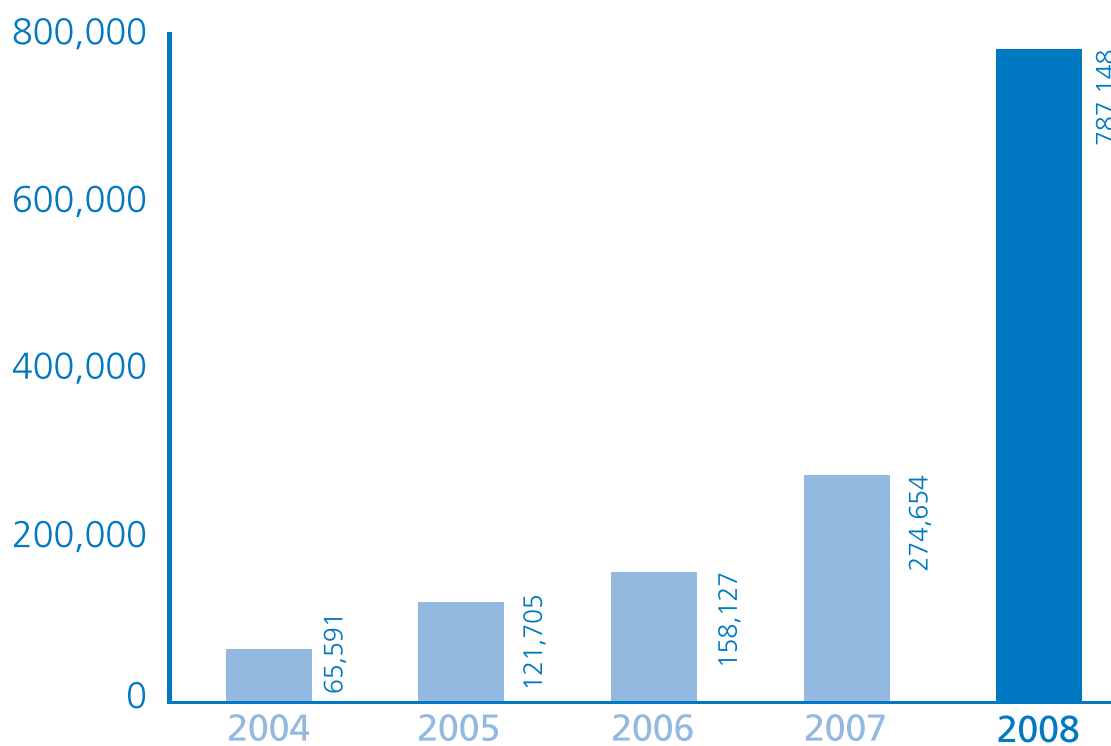
於十二月三十一日

		2004 二零零四年 HK\$'000 千港元	2005 二零零五年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
ASSETS AND LIABILITIES	資產及負債					
Total assets	資產總值	106,422	288,939	433,346	743,654	1,419,306
Total liabilities	負債總值	(40,831)	(167,234)	(268,501)	(460,058)	(619,288)
		65,591	121,705	164,845	283,596	800,018
TOTAL EQUITY	權益總額					
Equity attributable to equity holders of the Company	母公司股權持有人 應佔股權	65,591	121,705	158,127	274,654	787,148
Minority interests	少數股東權益	—	—	6,718	8,942	12,870
		65,591	121,705	164,845	283,596	800,018

Revenue 收入



Equity attributable to equity holders of the Company 母公司股權持有人應佔股權



On behalf of the Board of Directors of Inspur International Limited (the "Company"), I am pleased to announce the financial report of the Company and its subsidiaries (collectively referred to as the "Group") for the year ended 31 December 2008.

During the year under review, the Group recorded a turnover of approximately HK\$1,841,584,000, increased by 99.7% as compared with HK\$922,174,000 last year. Profit attributable to shareholders rose from HK\$38,801,000 to HK\$311,633,000, increased by 703%. Earnings per share rose by 591%, from HK\$1.48 cents to HK\$10.22 cents. The Board recommended the payment of a final dividend of HK\$2 cents per ordinary share for the year ended 31 December 2008.

2008 marked a landmark year to the Group in terms of corporate development. Despite the tremendous change in the international and domestic economies, with the support from shareholders, the leadership of the Board and the concerted efforts of the management and staff, the Group achieved satisfactory performance by adhering to the specialised and customer-oriented operation strategies and acting promptly and precisely in response of market changes.

On 29 August 2008, the Group successfully migrated from GEM Board to the Main Board, upon which the Group restructured its business and achieved synergy effects. All business segments of the Group developed further with significant improvements in operating results. With strong improvement in profitability, the Group has consolidated its leading position in IT service industry.

Pursuing the Group's strategy of providing unique services for high-end customers in its niche market, the Company has been devoted to the high-end market by providing tailor-made integrated IT service solutions for customers in sectors including corporate and taxation, telecom, finance and government based on its thorough understanding of its customers and the industry.

本人謹代表浪潮國際有限公司（「本公司」）董事會，欣然提呈本公司及其附屬公司（統稱「本集團」）截至二零零八年十二月三十一日止年度之業績報告。

於回顧年度，本集團錄得營業額約1,841,584,000港元，較上年度之922,174,000港元增加99.7%。股東應佔溢利由38,801,000港元上升至311,633,000港元，升幅為703%。每股盈利由1.48港仙上升591%至10.22港仙。董事會建議就截至二零零八年十二月三十一日止年度派發末期股息每股普通股2港仙。

二零零八年度，是本集團發展歷程中具有戰略意義的一年。雖然國內外經濟形勢發生了較大的變化，但在股東支持和董事會領導下、管理層和全體員工通力合作，共同努力，堅持「專注化」經營戰略，「以客戶為關注焦點」，推行「快速反應，精準執行」的企業作風，在業績表現上也交出了令股東滿意的答卷。

二零零八年八月二十九日，本集團成功從創業板轉往主板上市。以此為契機，通過對業務的有效整合，集團各業務運營協同效應已然顯現，各項事業進一步發展，經營業績顯著改善，整體盈利能力大幅提升，進一步確立了本集團在IT服務行業的領先地位。

集團堅持「引領高端、專注行業、突破渠道」的發展思路，公司立足於高端市場，專注於為企業及稅務、電信、金融、政府等行業，通過對客戶和其所處行業的長期積累和深入瞭解，為客戶提供量身定做的綜合IT服務解決方案。

During the reporting period, sales of existing products recorded significant growth. The Group has further enriched its product offerings by beefing up its research and development efforts. The Group has also improved its customer service by establishing regional service teams across the nation to provide expeditious services with the support of a centralised platform. While maximising its business growth, the Company has also adopted effective measures to improve its corporate governance structure and maintain a healthy financial position, realising a balanced development with its risk control.

The strategic development goal of the Company is to become a leading integrated IT service provider principally engaged in solution and software outsourcing. In light of the huge growth potential in the IT service industry of the PRC, the Group will capitalise its edges to capture new business opportunities in 2009 by rationalising management, strengthening cost control and proactively expanding the domestic and international markets. To further develop its IT business, the Group will seek opportunities for merger and acquisition as well as strategic partnership in domestic and international markets. The Group will also target small and medium enterprises as new customers to broaden its customer base and increase its market share. By further expanding its core business scale and strengthening its value chain, the Group will consolidate its leading position in the IT solution service industry and maximise its profitability. Looking forward, the Group will further explore business opportunities through research and development of new products. We are confident of our ability to maximise return for the Company and its shareholders.

APPRECIATION

The Group's outstanding performance is attributed to the supports of our business partners, staff, management and shareholders. On behalf of the Board of Directors, I would like to take this opportunity to extend my gratitude and appreciation to our shareholders and staff for their continued supports and valuable contributions during the year.

Sun Pishu
Chairman

Hong Kong, 23 March 2009

報告期內，本集團在原有產品快速增長的基礎上，公司加大研發投入，進一步豐富了各行業的產品線；建立了較為完善客戶服務體系，在全國範圍實現區域化的支撐隊伍，擁有平台集中化，應用本地化服務支持能力。在實現業務增長的同時，公司採取有效措施，通過對企業管治結構的不斷完善，保持健康良好的財務狀況，實現了與風險控制的均衡發展。

作為市場領先的以解決方案和軟件外包為核心的綜合IT服務供應商是公司的戰略，及未來公司的發展方向。中國IT服務業務增長潛力巨大，二零零九年，本集團將繼續立足於優勢業務，抓住歷史機遇，推行精細管理，加強成本控制，積極拓展國內、國際兩個市場。圍繞著IT服務領域，一方面擇機在海內外進行併購和尋找戰略合作夥伴，同時進一步向中小型企業拓展，通過深化行業服務深度；擴升市場佔有率，進一步擴大核心業務規模，完善集團價值鏈，繼續保持在以解決方案為核心的IT服務領域領先地位，不斷提升贏利能力。展望未來，本集團將繼續研發新產品以及會繼續尋求新的商機，我們滿懷信心，期望為本公司及本公司股東帶來理想回報。

致謝

本集團擁有今天的成績，全賴各業務夥伴、員工、管理層及股東的支援。本人謹代表董事會向全體股東致以衷心的謝意，感謝他們一直以來對集團的鼎力支持，並對全體員工於過去一年為集團所作出的寶貴貢獻致意。

孫丕恕
董事會主席

香港，二零零九年三月二十三日

FINANCIAL REVIEW

The domestic and international economy experienced tremendous change in 2008. With the support from the shareholders and the concerted efforts of the Board of Directors, the management and the staff, the Group's overall operating results recorded a significant growth. The Group also maintains a healthy financial position, realizing a perfect balance between business growth and risk management.

1. Strong growth in turnover

During the year, the Group recorded a revenue of approximately HK\$1,841,584,000 (2007: HK\$922,174,000), increased by approximately one fold as compared with last year. Integrated IT services business recorded a turnover of approximately HK\$1,234,000,000, representing 67% of the overall turnover and an increase of approximately 6 folds as compared with the corresponding period of last year.

2. Remarkable improvement in gross profit margin

Gross profit was approximately HK\$514,182,000 (2007: HK\$92,666,000). The Group's gross profit margin saw a remarkable improvement with consolidated gross profit margin of 27.92% (2007: 10.05%) which was mainly due to its successful business transformation, strengthened marketing efforts, enhanced product portfolio and expansion into high valued business sector.

3. Significant increase in profit contribution

Net profit attributable to shareholders for 2008 was approximately HK\$311,633,000 (2007: HK\$38,801,000), increased over 7 times as compared with the corresponding period of last year.

財務回顧

二零零八年國內外經濟形勢出現了巨大轉變。在股東支持下，在董事會、管理層以及員工的通力合作共同努力下，集團的整體經營業績顯著提升，財務狀況穩健，實現了業務增長和風險控制的均衡發展。

1. 營業額高速增長

本集團於年內錄得收入額約1,841,584,000港元（二零零七年：922,174,000港元），較去年增加約1倍，其中綜合IT服務業務的營業額約為1,234,000,000港元，佔總體的比重達67%，較去年同期大幅增長約6倍。

2. 毛利率大幅提升

集團錄得約514,182,000港元的毛利（二零零七年：92,666,000港元），集團的毛利率大幅上升，綜合毛利率為：27.92%（二零零七年：10.05%）得益於成功的轉型，加強市場規劃，改善企業產品結構，拓展高增值的行業領域。

3. 盈利貢獻顯著增加

二零零八年股東應佔溢利淨額約為311,633,000港元（二零零七年：38,801,000港元），較去年同期增長逾7倍。

4. Healthy liquidity and financial position

As at 31 December 2008, shareholders' funds of the Group amounted to approximately HK\$787,148,000 (2007: HK\$274,654,000). Current assets amounted to approximately HK\$1,116,583,000 (2007: HK\$625,899,000) of which approximately HK\$606,929,000 (2007: HK\$167,236,000) was cash and bank balances. Current liabilities amounted to approximately HK\$347,902,000 (2007: HK\$275,146,000). The Group's current assets were approximately 3.21 times (2007: 2.27 times) over its current liabilities. Gearing ratio of the Group, calculated as total interest-bearing borrowings divided by shareholders' equity, was 0.31 (2007: 0.64).

The final dividend of HK\$0.02 (2007: nil) per share has been proposed by the directors and is subject to approval by the shareholders in the forthcoming annual general meeting

CAPITAL STRUCTURE

The Group finances its operations mainly from shareholder equity, internal generated funds and the 6% redeemable convertible preferred shares held by Microsoft Corporation. During the year, the Group conducted fund raising through issue and placing of ordinary shares in order to enhance its capital base.

On 22 January 2008, the Company completed the issue of 100,000,000 ordinary shares at HK\$1.25 per share, and received net proceeds of HK\$121,000,000. On 3 July 2008, pursuant to an acquisition agreement, as a part of consideration for acquiring Langchao Worldwide Services Limited (浪潮世科有限責任公司), the Company issued to Accord Star Limited (和星有限責任公司) 51,471,029 subdivided ordinary shares at HK\$1.36272 per share and 2008 and 2009 Convertible Notes of aggregate principal amount of HK\$58,450,000, which are convertible to 42,892,524 ordinary shares at a conversion price of HK\$1.36272 per Share.

4. 資金運轉良好，財務狀況穩健

截止二零零八年十二月三十一日，本集團之股東資金約為787,148,000港元(二零零七年：274,654,000港元)，流動資產約為1,116,583,000港元(二零零七年：625,899,000港元)其中：現金及銀行存款約為：606,929,000港元(二零零七年：167,236,000港元)；流動負債約為：347,902,000港元(二零零七年：275,146,000港元)。本集團流動資產約為流動負債的3.21倍(二零零七年：2.27倍)。權益負債(以總計息負債除以股東權益計算)為0.31(二零零七年：0.64)。

董事已建議派發每股末期股息0.02港元(二零零七年：無)，惟須待股東於即將召開的股東周年大會批准方可作實。

資本架構

本集團主要以股東資金、內部產生資金及微軟公司持有之6%可贖回可換股優先股作為其經營業務的資金。年內，本集團透過發行及配售普通股進行募集資金，以增強其資本基礎。

於二零零八年一月二十二日，本公司完成按每股1.25港元發行100,000,000股普通股，並獲得所得款項淨額121,000,000港元。於二零零八年七月三日，根據收購協議，作為收購浪潮世科代價的一部分，本公司以每股1.36272港元向和星有限責任公司完成配售51,471,029股拆分後普通股，及發行2008年及2009年可換股票據本金合計58,450,000港元，相當於每股1.36272港元兌換價格基準的42,892,524股普通股。

FINANCIAL RESOURCES

Although the Group has maintained a liquid position, banking facilities have nevertheless been put in place for contingency purposes. As at 31 December 2008, the Group's total available banking facilities amounted to RMB220,000,000 (2007: USD3,500,000).

The Directors believe that the Group has sound financial position with sufficient resources to satisfy its capital expenditure and working capital requirements.

FOREIGN EXCHANGE EXPOSURE

All of the Group's purchase and sales are mainly denominated in Renminbi and United States Dollars. The Group has not used any derivative instrument to hedge against its currency exposures. The Directors believe that with its sound financial position, the Group is able to meet its foreign exchange liabilities as and when they become due.

CHARGES ON ASSETS

As at 31 December 2008, none of the Group's assets was pledged (2007: Nil).

CONTINGENT LIABILITIES

As at 31 December 2008, the Group had no material contingent liabilities (2007: Nil).

財務資源

儘管本集團資金維持充裕，惟亦存置銀行融資以應付或然狀況。於二零零八年十二月三十一日，本集團之可動用銀行融資總額為2.2億人民幣（二零零七年：3,500,000美元）。

董事相信，本集團的財務狀況穩健，並有足夠資金應付其資本開支及營運資金需求。

外匯風險

本集團之所有採購及銷售主要以人民幣及美元之計值。本集團並無使用任何衍生工具以對沖其貨幣風險。董事相信，在本集團財務狀況穩健之情況下，本集團將可應付其到期外匯負債。

資產抵押

於二零零八年十二月三十一日，本集團之資產並無被質押（二零零七年：無）。

或然負債

於二零零八年十二月三十一日，本集團並無重大或然負債（二零零七年：無）。

BUSINESS REVIEW AND PROSPECTS

2008 was a year of strategic development of the Group. The Group focused on its “specialization” strategy to satisfy customers’ need by acting promptly and precisely. Through a series of strategic acquisitions, the Group successfully transformed into an integrated IT services provider with solution and software outsourcing as its core businesses.

On 29 August 2008, the Group successfully migrated from GEM Board to the Main Board. The success of the Company is increasingly recognized by the community and investors.

Currently, the Group’s businesses include the following three sections:

(I) Integrated IT services

In 2008, the Group acquired premiere software outsourcing business and system solution business through a series of strategic acquisitions. The converge of businesses and operations generated synergies and both gross profit and net margin improved significantly. The Group has established its leading position in the IT service sector. The Group’s integrated IT services contributed RMB1.23 billion to the Group’s sale revenue in 2008.

業務回顧及前景

二零零八年度，是本集團發展歷程中具有戰略意義的一年。集團堅持「專注化」經營戰略，「以客戶為關注焦點」，推行「快速反應，精準執行」的企業作風，通過一系列戰略收購，成功實現了向以解決方案和軟體外包為核心內容的綜合IT服務供應商的轉型。

二零零八年八月二十九日，集團成功從創業板轉往主板上市。公司的發展越來越受到社會各界和投資者的關注。

目前集團的業務主要分為以下三大類：

(一) 綜合IT服務

二零零八年，本集團透過一系列戰略性收購，將優質軟體外包業務和系統解決方案業務收至麾下。通過對業務和運營的整合，協同效應已顯現，毛利和淨利潤率有大幅提升，確立了本集團在IT服務業界的領先地位。集團的綜合IT服務業務在二零零八年為集團帶來了近12.3億的銷售收入。

1. Enterprises IT services - ERP

As an experienced management software provider, the Company is awarded the fastest growth enterprise in management software sector of China for the sixth consecutive years and has established its leading market position. In 2008, through full-scale technical collaboration with our strategic shareholder Microsoft, the Company successfully launched upgraded ERP-GS5.0 products which are advanced ERPs in PRC and leads the trend for informationisation of China. The Company's products have been applied and acclaimed by customers of various fields, such as corporations directly under the SASAC and companies in broad industries such as pharmaceuticals, petroleum chemicals, manufacturing and construction etc. The Company entered into agreements of software development and services with a number of major enterprises directly under the SASAC, such as Sinopec, Sinograin, CRECCL, FAW, . CCGRP and CSCEC in 2008 and secured a certain volume of sale. The Company will take effective measures to expand business to small-to-medium enterprises in coming years, aiming to further increase its market share in its niche market.

1. 企業IT服務－ERP

作為中國資深管理軟體廠商，公司連續6年獲中國管理軟體增長最快企業，把握在高端領域的領先地位。二零零八年，通過與策略股東微軟在技術層面的全面合作，成功推出升級後的ERP-GS5.0產品，該產品是目前國內先進的ERP產品之一，引領國內高端信息化潮流。產品在國資委直屬央企、醫藥、石化、製造、建築等多個領域的客戶中得到應用和讚譽。二零零八年與中石化、中儲糧、中國鐵工、一汽、中交建、中建等諸多大型中央企業簽署了軟件開發與服務協議，為穩定集團銷售提供了有力保障。今後幾年，公司亦將採取有力舉措向中小企業擴張，進一步提升在細分市場的佔有率。

2. IT services for tax management

During the reporting period, the Group acquired the entire interest in Shandong Inspur Business System Company Limited* (山東浪潮商用系統有限公司) and the full control of the IT services for tax management. The Company provides tax-collection cashier machines, tax management software and integrated tax-control solutions for taxation authorities and commercial customers. The Company's self-developed products such as taxation information management and taxation management supporting systems have been launched and applied in 10 provinces, including Beijing, Zhejiang, Henan, Shandong and Jiangsu. The sale of tax-collection cashier machines has ranked first for consecutive six years and successfully penetrated into 8 provinces and cities, including Beijing, Guangdong, Shanghai and Liaoning, and outperformed its rivals. The Company successfully developed its proprietary automatic ratepaying machines (ARM) with approved self-developed patents in 2008 and commenced trial application in Shandong and some other places. It is expected that commercial launch will commence in the second half this year. We expect that IT services for tax management will make long-term contributions to the Group's future development.

3. Telecom IT services

Being one of major IT service providers of telecom operators, such as China Mobile, China Unicom and China Telecom, the Group's outstanding business - OSS (Telecom Operation Support System) has presence in the market of China Mobile in 14 provinces, the market of China Unicom in 5 provinces and the market of China Telecom in a number of provinces. The Group has an overall market coverage of approximately 25%. Furthermore, the Company made major breakthroughs in overseas internet and telecom management markets by entering into agreements with the telecom companies of Pakistan, United Arab Emirates, etc.

The rollout of 3G network by the PRC's government has brought not only technology innovation and service upgrades, but also the change of the landscape of the industry and market. The Group will share a lot more opportunities.

2. 稅務行業IT服務

報告期內，本集團完成了山東浪潮商用系統有限公司全面收購，從而全面進入稅務IT服務行業。公司向稅務機關及商業用戶提供稅控收款機、稅控管理軟體和稅控一體化解決方案。公司開發的稅務資料應用和決策支援系統等產品在北京、浙江、河南、山東、江蘇等10省進行推廣和應用。稅控收款機的銷售已連續六年穩居市場第一。截至目前已成功入圍北京、廣東、上海、遼寧等8個省、市，持續領先於業內同行。二零零八年，公司成功研製了具有自主知識產權的自助辦稅終端(ARM)，該產品擁有多項專利，已在山東等地試點應用，有望在今年下半年開始推開。預計未來，稅務行業IT服務將會給本集團未來的發展提供長期穩定的支撐。

3. 通信行業IT服務

公司作為中國移動、中國聯通、中國電信等電信運營商的重要IT服務供應商之一，本集團目前優勢業務——OSS(電信運營支撐系統)業務已佔據中國移動14個省的市場份額，中國聯通5個省的市場份額以及電信多個省市的市場，整體市場覆蓋率約25%。同時，公司在海外網管市場取得重大突破，連續簽約巴基斯坦、阿聯酋等國電信公司。

中國政府正在推進電信3G，帶來的不僅是技術革新和服務升級，更重要的是產業格局和市場的發展，這必為集團創造更多市場機會。

4. Financial IT services

During the reporting period, China Construction Bank Corporation, Agricultural Bank of China, China Merchants Bank, Bank of China and Bank of Communications as the long term customers of the Group's IT services for financial sectors, continued to support our business. Financial management software, including banking management and analysis software, wealth management software, developed during the year was all certified and applied in the state level. The company improved its customer service system by setting up local supporting teams across China. The local teams are supported by the centralised back office. IT services for financial sector is a traditional business of the Company and will enjoy a sustainable and stable growth in the future.

5. Governmental IT service - E-government

By leveraging our technology and market advantages of our strategic partner, Microsoft, we launched a ECGAP (浪潮政務審批平台), which is currently applied by about 40 out of 340 prefecture-level cities in China. The Group intends to extend to 100 prefecture-level cities in the next 3 years. In 2008, the Group launched a series of software products including integrated monitoring system, urban emergence system, efficiency supervision system and public service system. These new products have enriched our product offering and met government departments' demands of their differentiated back office management. Our governmental products were recognized as 2008 Self-innovative New Products by Science & Technology Department of Shandong. In 2009, the Group also intends to explore to the markets of Golden Quality Supervision, Golden Agriculture and environmental protection as a new profit source of our governmental IT business.

4. 金融行業IT服務

報告期內，金融行業IT服務長期服務於客戶建行、農行、招行、中行、交行等金融機構，同時保持增長態勢。開發了銀行管理分析軟體、財富管理軟體等多項金融管理軟體產品都取得國家認證和應用。公司建立了較為完善客戶服務體系，在全國範圍實現區域化的支撐隊伍，擁有平台集中化，應用本地化服務的強大的運維支持。金融行業IT服務是公司傳統業務，未來亦將保持穩定增長。

5. 政府行業IT服務-電子政務

本集團憑藉在與微軟合作的技術和市場優勢，推出浪潮政務審批平台(ECGAP)，在全國340餘個地級市政府中的40多個地級市政府獲得應用，本集團計劃在未來3年內，將市場份額拓展至100個。二零零八年，公司又開發出綜合監察開發系統、城市應急系統、績效考核系統，公共服務系統等系列產品，進一步豐富了產品線，以滿足政府部門後台管理差異化的需求。公司政務系列產品被山東省科技廳列入二零零八自主創新產品。二零零九年，集團亦計劃在金質、金農、環保等領域進行拓展，為公司的政府IT業務提供新的利潤增長點。

6. Software outsourcing business

During the reporting period, the Group acquired Inspur Worldwide Services Limited and started to engage in the provision of software outsourcing services. Our software outsourcing business comprises of testing, BPO, software development consultation, embedded systems, server hosting, IT outsourcing business, ranging from low to high end comprehensive technological services. Due to the contribution of our shareholders on technology and marketing expertise, we had been awarded “Global Outsourcing 100” by Fortune Magazine for consecutive 3 years. Our global ranking had advanced from 60 to 38 in 2008. In 2008, in order to build up closer relationship with strategic customers and better understand their needs, we established local R&D Offices in the US, Japan and Hong Kong. This enables us to upgrade our capability and quality of service to high-end substantial clients comprehensively, actively expand our domestic market, continue to consolidate our competitiveness in enterprise application system and embedded software and develop our business in discrete manufacturing and communications.

Looking forward, we intend to consolidate our peers in the industry by joint venture, alliance and acquisition. The Company will attract talent professionals and provide training to staff. The Company will provide outsourcing services such as ODC and BOT to enhance its flexibility and overall capability. According to our analysis of the future trend present development of the market, we believe that the further growth of IT market will depend on the application of IT systems by companies in China. The Group will seek to maintain the growth of its outsourcing business by improving its competitiveness, vertical and horizontal integration, acquisition and restructuring.

6. 軟體外包業務

報告期內，集團通過收購浪潮世科有限公司，進入軟體外包業務領域。本集團軟體外包業務涵蓋測試、BPO、軟體發展諮詢、嵌入式系統開發、伺服器託管IT外包服務等，提供從低端到高端的全線技術服務。通過公司股東層面及技術和市場方面的全力合作，公司連續三年入選財富雜誌(Fortune Magazine)「全球外包100強」，其中二零零八年的綜合排名已由全球第60名躍升至第38位。二零零八年，公司為了縮短與戰略大客戶的距離，加深對用戶需求的理解，在美國、日本、香港等地設立前端研發機構，全方位提升了對高端大客戶服務能力和服務質量；同時積極拓展國內市場，在企業應用系統、嵌入式軟體等優勢業務領域，以及在離散製造、通信等重點行業鞏固擴大。

未來，公司亦將採取合資、合作、並購等方式整合同行業公司，通過吸引優秀團隊加盟，加強員工業務能力培訓，通過建設ODC、BOT等多種形式靈活拓展外包合作，進一步提升整體規模和綜合實力。根據對未來市場發展趨勢和形勢的分析，公司認為，中國企業的資訊化將形成新的業界增長動力，希望通過挖掘潛力、雙向開拓，及適當的並購重組、使集團外包業務保持良好的增長勢頭。

(II) Manufacturing and sales of IT products

During the reporting period, the Group introduced its IT products to Latin American market as scheduled. Amid to the fluctuation of crude oil prices and unfavorable global economic environment, the Group realized an annual revenue of approximately HK\$171,000,000, representing a decline of 32% as compared with last year. Through overseas sales of IT products, the Company seeks to explore the overseas market for its IT services. Overseas IT business will generate growth momentum with new customers and sales channels.

(III) IT components trading

During the reporting period, IT components trading remained stable. Following the shift in focus of the Group's business, the contributing proportion of computer components distribution business in our principle business decreased. The Group recorded a revenue of approximately HK\$436,349,000 for the year, accounting for 23.7% of total revenue of the Group, representing a decrease of 10.96% as compared with last year.

Last year, the Group successfully completed its business transformation and made significant achievements in building up customer base, market share and R&D. During the year, our main businesses brought us strong earning contribution and results Revenue and net profit significantly increased by one fold.

OUTLOOK

Looking forward to 2009, the Group will continue to focus on our major businesses. The Group will capitalise suitable opportunities and refine our management system, strengthen cost control, as well as actively expand our domestic and international markets. Regarding IT service business, we will seek M&A opportunities and strategic cooperation partners to further expand, improve our value chain, maintain our leading position in IT service sector and improve profitability, which accordingly create larger value for our shareholders and society.

(二) 製造和銷售IT產品

報告期內，集團按照既定規劃向拉美市場提供IT產品，由於原油價格和國際經濟環境的波動，全年實現收入約1.71億港元，較去年下降約32%。公司希望通過IT產品國際銷售，帶動本集團IT服務海外市場的拓展，能夠開拓新的客戶和管道，為海外IT業務的增長提供契機。

(三) IT元件貿易

報告期內，IT元器件貿易仍然穩定發展，隨著本集團業務的全面轉型，IT元器件貿易所佔的比重呈下降趨勢，年內實現收入約4.36億港元，佔本集團總收入的比重為23.7%，比去年下降10.96%。

回顧過去一年的工作，本集團在業務轉型、客戶、市場、產品研發等方面均獲得拓展和突破，主要業務進入盈利貢獻期，年內業績理想，在收入及純利方面均錄得成倍的大幅增長。

前景展望

二零零九年，本集團將繼續立足於優勢業務，抓住歷史機遇，推行精細管理，加強成本控制，積極拓展國內、國際兩個市場。圍繞著IT服務業務，擇機在海內外進行並購和尋找戰略合作夥伴，進一步做大主業規模，完善集團價值鏈，繼續保持在IT服務領域的領先地位，不斷提升贏利能力，為股東和社會創造更多的財富。

MATERIAL ACQUISITION, DISPOSALS AND SIGNIFICANT INVESTMENT

During the year, the Group had the following acquisitions:

Acquisition – 60% in equity interest in Shandong Inspur Business System Company Limited

Pursuant to an acquisition agreement dated 19 February 2008, the Group has acquired 60% equity interests in Shandong Inspur Business System Company LTD, a company principally engaged in the development, production and sale of computer software and computer peripherals particularly in respect of computerized cashier machines and point-of-sale terminals, and the provision of relevant information technology solution services in the PRC, at a consideration of RMB36,000,000. The Group's shareholding in Inspur Business was increased from 40% to 100% upon completion of the acquisition.

Acquisition-100% equity interest in Langchao Worldwide Services Limited

Pursuant to an acquisition agreement dated 5 May 2008, the Group has agreed to acquire 100% equity interest in Langchao Worldwide Services Limited, a company principally engaged in the outsourcing of software in Hong Kong, the PRC, Japan, USA and other overseas markets, at an aggregated consideration of HK\$194,835,000, which was settled in cash payment of HK\$66,243,900, allotment of 51,471,029 shares at an issue price of HK\$1.36272 per share and HK\$58,450,500 by issue of Convertible Notes.

重大收購、出售及重大投資

年內，本集團曾進行下列收購：

收購山東浪潮商用系統有限公司60%權益

根據日期為二零零八年二月十九日之收購協議，本集團同意以代價人民幣36,000,000元收購山東浪潮商用系統有限公司60%之股本權益，該公司主要從事開發、生產及銷售電腦軟件及電腦週邊商品，特別是電腦化收款機及銷售點終端機，以及提供相關資訊科技解決方案服務。收購完成後，本集團於浪潮商用之股權由40%增加到100%。

收購浪潮世科有限公司100%權益

根據日期為二零零八年五月五日之收購協議，本集團同意以總代價194,835,000港元(其中現金支付66,243,900港元，按每股發行價1.36272港元配發51,471,029股及58,450,500港元發行可換股票據)收購浪潮世科有限公司100%股本權益。浪潮世科有限公司主要從事在香港、中國、日本、美國及其他海外市場軟件外包業務。

Acquisition – 21.26% and an additional 48.69% equity interest in Inspur Group Shandong Genersoft Incorporation

Pursuant to the acquisition agreements dated 18 December 2007 and 23 October 2008, the Group has agreed to acquire 21.26% and an additional 48.69% equity interests in Inspur Group Shandong Genersoft Incorporation (“Inspur Genersoft”), a company principally engaged in the development and distribution of enterprise resources planning products, and offering all-round services for enterprise informationization, at a consideration of RMB35,079,000, for the acquisition of 21.26% equity interests and RMB87,382,000 for the acquisition of 48.69% equity interests, subject to valuation adjustment. Upon completion of the above equity acquisitions, the Group’s shareholding in Inspur Genersoft was increased from 30.05% to 100%.

Save as disclosed above, the Group did not have any material acquisitions, disposals or change in its investments during the year ended 31 December 2008.

EMPLOYEES

For the year ended 31 December 2008, the Group had a total of 3,072 (2007: 605) employees. Increase in number of employees was mainly attributable to the acquisitions during the year. The Group implements comprehensive remuneration policy which is regularly reviewed by the management. Total remuneration, including directors’ remuneration and mandatory provident fund contributions, amounted to approximately HK\$145,233,000 (2007: HK\$16,357,000).

Employees are remunerated according to their performance and experience. On top of basic salaries, the Group also provides mandatory provident fund, medical and insurance schemes for employees. In addition, discretionary bonus and share options may be granted to eligible employees with reference to the Group’s as well as individual employee’s performance.

收購浪潮集團山東通用軟件有限公司21.16%及進一步收購48.69%額外權益

根據日期為二零零七年十二月十八日及二零零八年十月二十三日之收購協議，本集團同意收購浪潮集團山東通用軟件有限公司（「浪潮通軟」）21.16%及進一步收購其48.69%額外權益，該公司主要從事開發及分銷企業資源規劃產品，及提供全方位企業資訊化服務，根據估值調整，以代價人民幣35,079,000元收購21.26%的股權及以代價人民幣87,382,000元收購額外48.69%之股本權益。上述收購完成後，本集團於浪潮通軟之股權由30.05%增加到100%。

除上文披露者外，於截至二零零八年十二月三十一日止年度，本集團並無任何重大收購、出售或投資變動。

僱員

於二零零八年十二月三十一日止年度本集團的僱員總人數約3,072（二零零七年：605）。員工增加主要來自年內收購。本集團提供了經管理層定期檢討的全面的薪酬政策。薪酬總額（包括董事及強制性公積金供款）約為145,233,000港元（二零零七年：16,357,000港元）。

本集團根據僱員之表現及工作經驗釐定僱員薪酬。於基本薪酬以外，本集團亦向員工提供強制性公積金、醫療及保險計劃。此外本集團可參考其業績及個別員工之表現向合資格員工授予酌情花紅及購股權。

Directors and Senior Management Profile

董事及高級管理層簡歷

DIRECTORS

Mr. Sun Pishu (孫丕恕), aged 46, is the chairman of the Board. He joined the Group in August 1998. Mr. Sun is currently a delegate of the People's Congress of the PRC. He graduated from Shandong University with a Bachelor of Science degree in wireless electronics in 1983. He has attained over 25 years' experience in the IT industry particularly with its service in the Inspur Group. He was awarded the title of Key Award Technological Personnel (重獎科技人員) by the Shandong provincial government and also awarded as The 13th Top Ten Outstanding Youth Award in the PRC in 2002. He is a director of a number of members of the Inspur Group as well as Inspur Corporation and is the chairman of Inspur Corporation and Inspur Electronic Information Industry Co. Ltd., a company listed on the Shenzhen Stock Exchange. Mr. Sun is responsible for and devotes a substantial part of his time and effort for the overall planning and development of the Group.

Mr. Zhang Lei (張磊), aged 45, is the executive director and Chief executive officer of the Group. He has overall responsibility and devotes a substantial part of his time and effort for the finance, general administration and technology departments. He joined the Group in February 2003. Mr. Zhang graduated from Shandong University with a Bachelor of Science degree in Wireless Electronics and a Master degree in Economics in 1983 and 1992 respectively. Mr. Zhang has over 15 years' experience in financial and corporate management. Mr. Zhang was responsible for the Business Department in Shenyang People's Bank Shenyang Securities Exchange (瀋陽市人民銀行瀋陽證券交易中心). Before joining the Inspur Group in 2000, Mr. Zhang was the vice-president of Shenyang Wanzhong Group (瀋陽萬眾集團). He is a director of a number of subsidiaries of the Inspur Group but has not undertaken any active role in the day-to-day management of such companies.

Mr. Wang Miao (王渺), aged 46, is the deputy general manager and compliance officer of the Group, an executive Director and an Initial Management Shareholder. He has overall responsibility for the overall management planning, business development, sales and marketing and purchasing. Mr. Wang graduated from

董事

孫丕恕先生，46歲，董事會主席。孫先生於一九九八年八月加入本集團，孫先生目前為中國人大代表。他於一九八三年畢業於山東大學，持有無線電理學士。他於IT業(特別是於浪潮集團服務)擁有超過25年經驗，更獲山東省政府授予重獎科技人員。孫先生於二零零二年亦獲頒發中國第十三屆十大傑出青年。他亦為浪潮集團多間成員公司及浪潮公司的董事、浪潮公司及浪潮電子信息產業股份有限公司(一間於深圳證券交易所上市的公司)的主席。孫先生為公司投入大量時間和精力，負責本集團整體規劃及發展。

張磊先生，45歲，執行董事兼本集團首席執行官。張先生全權負責，並投入其大部分時間及精力於財務及一般行政及技術支援部。張先生於二零零三年二月加入本集團。張先生畢業於山東大學，分別於一九八三年及一九九二年取得無線電理學士學位及經濟碩士學位，擁有超過15年財務及企業管理經驗。張先生掌管瀋陽市人民銀行瀋陽證券交易中心商務部，在二零零零年加入浪潮集團前，張先生為瀋陽萬眾集團副總裁。張先生亦為浪潮集團多間附屬公司的董事，但並無於該等公司的日常管理方面扮演任何積極角色。

王渺先生，46歲，本集團執行董事兼副總經理及監察主任及上市時管理層股東。王先生全權負責管理規劃、業務發展、銷售與市場推廣及採購。王先生於一九八四年七月畢業於山東大學，持有

Directors and Senior Management Profile

董事及高級管理層簡歷

Shandong University in July 1984 with a Bachelor degree in Computer Science. Mr. Wang is one of the founders of the Group. Before joining the Group in August 1998, Mr. Wang worked in the Inspur Group since 1991 and assumed a senior management role in the business of the Inspur Group. Through its services in the Inspur Group and the Group, Mr. Wang has accumulated over 10 years of experience in trading and management in IT industry. Mr. Wang was resigned as an executive director and compliance officer with effect from 31 March 2009.

Mr. Leung Chi Ho (梁智豪), aged 49, is the executive director and chief technology officer of the Group responsible for the overall planning and development of IT advisory services. Mr. Leung graduated from the University of Hong Kong with a degree in Bachelor of Science (Engineering) majoring in electrical engineering in 1982. Before joining the Group in September 2002, Mr. Leung has worked for a number of companies in Hong Kong engaged in IT industry, focusing on the research and development of computer products and assuming senior engineer role, through which he has accumulated over 20 years of experience in IT industry.

Mr. Xin Wei Hua (辛衛華), aged 53, is a non-executive Director. He joined the Group in September 1999. Mr. Xin graduated from Shandong University with an Adult Higher Education Professional Certificate in Micro-computer Applications in 1990. Mr. Xin has assumed research supervisor and manager roles in the Inspur Group during its service in the Inspur Group since 1989, through which he has accumulated over 15 years experience in management and research and development for electronics and computer products. Mr. Xin has engaged extensively in technological research in Hong Kong and Singapore, and has been granted the several Advancement Award of Ministerial and provincial level (多項部、省級科技進步獎). He is a director of a number of companies of the Inspur Group. He is also the vice president of Inspur Electronic Information Industry Co., Ltd., a company listed on the Shenzhen Stock Exchange and a member of the Inspur Group.

電腦科學學士學位。王先生為本集團其中一名創辦人。在本集團於一九九八年八月加入本集團前，王先生自一九九一年以來於浪潮集團工作，於浪潮集團的業務上擔任高級管理層的角色。透過其於浪潮集團及本集團工作，王先生於IT行業的買賣及管理方面累積了超過十年經驗。並於二零零九年三月三十一日辭去執行董事及監察主任職務。

梁智豪先生，49歲，本集團執行董事兼技術總監，負責IT顧問服務的整體規劃及開發工作。梁先生於一九八二年畢業於香港大學，持有理學士(工程)學位，主修電子工程。於二零零二年九月加入本集團前，梁先生曾任職香港多間從事IT行業的公司，致力研究及開發電腦產品，並擔任高級工程師，梁先生於IT行業累積超過20年經驗。

辛衛華先生，53歲，非執行董事。辛先生於一九九九年九月加入本集團。辛先生於一九九零畢業於山東大學，取得微電腦應用程式成人高級教育專業證書。辛先生自一九七六年起於浪潮集團服務，曾擔任浪潮集團的研發部主任及經理等職位，辛先生於電子及電腦產品的管理及研發方面擁有超過15年經驗。辛先生在香港及新加坡廣泛從事技術研究，獲授多項部、省級科技進步獎。辛先生為浪潮集團多間公司的董事，亦為浪潮電子信息產業股份有限公司的副董事長，該公司於深圳證券交易所上市，並為浪潮集團的成員公司。

Directors and Senior Management Profile

董事及高級管理層簡歷

Mr. Wang Hung, Alex (王衡), aged 46, is a non-executive Director and an Initial Management Shareholder. He joined the Group in August 1998. Mr. Wang graduated in 1991 from Louisiana Tech University in the US with a Master of Science degree in Electrical Engineering and has over 15 years experience in the IT industry. Mr. Wang has been a design expert and an experienced engineer in Synchronous Group Inc., deputy general manager of the engineering department of Pacific Information Inc., technical deputy general manager of Mighty Micro Inc., general manager of Pacific Information Inc. and the technical controller of Inspur Electronic Information Industry Co., Ltd., a company listed on the Shenzhen Stock Exchange and a member of the Inspur Group. He was resigned as non-executive director with effective from 29.Jan.2009

Mr. Dong Hailong (董海龍), aged 31, is the manager of the purchasing department responsible for maintaining and improving the relationship between the Group and its suppliers. Mr. Dong was graduated from Southwest Jiaotong University with a Bachelor degree in Telecommunication Engineering in 1999. Mr. Dong joined the Group in 2002. Mr. Dong was appointed as an executive director and compliance officer with effect from 31 March 2009.

Mr. Meng Xiang Xu, aged 46, is an independent non-executive Director and joined the Group in March 2003. Mr. Meng graduated from Computing Technology Institute of Academy of Science (中國科學院計算所), majoring in computer application, and has obtained a Doctorate degree in 1998. He currently holds a senior position in a number of universities and committees including the dean of Computer Science and Technology College of Shandong University (山東大學計算機科學與技術學院), dean, professor and PhD tutor of Shandong University Qilu Software College (山東大學齊魯軟件學院), head of the expert group for the digitalisation of Shandong province (山東省信息化工作領導小組專家組) and supervisor of Shandong Province Manufacturing Information Technical Engineering Technology Research Center (山東省製造業信息化工工程技術研究中心). He is mainly engaged in the research and development of computer-aided design and graphics, and human interaction with computers.

王衡先生，46歲，非執行董事及上市時管理層股東。王先生於一九九八年八月加入本集團，王先生於一九九一年畢業於美國Louisiana Tech University，取得電機工程理碩士學位，並於IT業擁有超過15年經驗。王先生是一名設計專家及曾擔任Synchronous Group Inc.富經驗的工程師、Pacific Information Inc.工程副總經理、Mighty Micro Inc.技術副經理Pacific Information Inc.經理及浪潮電子信息產業股份有限公司的技術總監，該公司於深圳證券交易所上市，並為浪潮集團的成員公司。他於二零零九年一月二十九日起辭任非執行董事。

董海龍先生，31歲，採購部經理，負責維持及改善本集團與其供應商的關係。董先生於一九九九年畢業於西南交通大學，持有電訊工程學士學位。董先生於二零零二年加入本集團。董先生於二零零九年三月三十一日獲集團聘為執行董事兼監察主任。

孟祥旭先生，46歲，獨立非執行董事，於二零零三年三月加入本集團，於一九九八年畢業於中國科學院計算所，主修電腦應用並取得博士學位，目前擔任多間大學及委員會的高級職位，包括山東大學計算機科學與技術學院院長、山東大學齊魯軟件學院院長、教授及博士生導師、山東省信息化工作領導小組專家組組長及山東省製造業信息化工工程技術研究中心主任。孟先生主要從事電腦輔助設計、圖形學及電腦人機交互研發。

Directors and Senior Management Profile

董事及高級管理層簡歷

Mr. Liu Ping Yuan, aged 73, is an independent non-executive Director and joined the Group in March 2003. Mr. Liu has been in the IT related industry for over 40 years detailed as follows. He has undertaken a number of important positions in the PRC (人華人民共和國郵電部), deputy chairman and secretary general of the Chinese Committee of the 22nd Meeting of the International Postal Association (萬國郵政聯盟大會中國組委會) and member of the Ninth National Political Consultative Committee (中國人民共和國政治協商會議). He is currently chairman of Chinese Postal Association (中華全國集郵聯合會).

Mr. Wong Lit Chor, Alexis, aged 50, graduated from University of Toronto, Canada in 1981 with bachelor's degree in arts majoring in economics and commerce and has obtained a master of business administration degree from The Chinese University of Hong Kong in 1987. He has over 20 years of banking, investment, corporate finance and securities dealing experience gained by working as a senior executive in a number of listed local and PRC financial services companies. Mr. Wong is also an independent non-executive director of a company listed on the Main Board and a company listed on the GEM Board of the Stock Exchange of Hong Kong.

劉平源先生，73歲，獨立非執行董事，於二零零三年三月加入本集團，於IT相關行業擁有超過40年經驗。劉先生曾擔任多個中國政府主要職位，包括中華人民共和國郵電部副部長、第二十二屆萬國郵政聯盟大會中國組委會副主席及秘書長，及第九屆中華人民共和國政治協商會議委員。彼現時為中華全國集郵聯合會會長。

黃烈初先生，50歲，於一九八一年修畢加拿大多倫多大學學士學位，主修經濟及商務，並於一九八七年修畢香港中文大學工商管理碩士學位。彼曾於多家香港及中國資本的上市金融公司出任高層行政人員，於銀行業務、投資、企業融資及證券交易等方面擁有逾二十年經驗。黃先生現亦為於香港證券交易所掛牌之一家主板公司和一家創業板公司之獨立非執行董事。

Directors and Senior Management Profile

董事及高級管理層簡歷

SENIOR MANAGEMENT

Ms. Chan, aged 38, is chief financial officer, authorised representative (appointed on 31 March 2009) and company secretary of the company, is a member of The Hong Kong Institute of Certified Public Accountants and the Chinese Institute of Certified Public Accountants respectively. Prior to joining our company, Ms. Chan served as a company secretary, authorized representative, qualified accountant, chief financial officer and director of a company listing on the main board of The Stock Exchange of Hong Kong Limited

Mr. Zoubo (鄒波), aged 30, is the manager of marketing department responsible for sales and marketing activities of the Group, in particular in maintaining relationship with existing customers, and identifying and soliciting new customers. Mr. Zou was graduated from Huazhong University of Science and Technology with a bachelor degree in management and law in 2001. Mr. Zou joined the Group in 2006.

高級管理層

陳穎女士，38歲，公司首席財務官，授權代表(二零零九年三月三十一日獲委任)及公司秘書，她為香港會計師公會及中國註冊會計師協會會員。加入本集團前，陳女士曾擔任一間其股份於香港聯合交易所有限公司主板上市的公司之合資格會計師、公司秘書、財務總監及董事。

鄒波先生，30歲，市場推廣部經理，負責本集團的銷售及市場推廣活動，特別是維持與現有客戶之關係，以及物色及招徠新客戶。鄒先生於二零零一年畢業於華中科技大學，持有管理學和法學學士學位。鄒先生於二零零六年加入本集團。

The Board is pleased to present this Corporate Governance Report for the year ended 31 December 2008.

The Board believes that good corporate governance practices are essential for effective management and enhancement of shareholders' value and investors' confidence.

The Company has taken a proactive approach in strengthening corporate governance practices, increasing transparency and sustaining accountability to shareholders through effective internal control.

The Company has adopted and complied with the principles set out in the Code of Corporate Governance Practices (the "CG Code") contained in Appendix 15 (for GEM) and 14 (for Main Board) of the Listing Rules.

In the opinion of the Board, the Company has complied with all the code provision set out in the CG Code throughout the year ended 31 December 2008 with the exception of (i) a notice of at least 14 days, as required under Code A 1.3, was not adequately given for some regular board meeting which were scheduled on date such that most directors were able to attend, (ii) the chairman of the Board, as required under Code E.1.2, was not able to attend the annual general meeting because of other conference committed.

The Company will improve its meeting scheduling and arrangement in order to ensure full compliance with Code A.1.3 and E.1.2 in future.

The Board will continue to enhance the corporate governance standards and practices of the Company as benefiting the conduct and growth of its business and to regularly review such standards and practices to ensure that they comply with statutory and professional standards and align with the latest developments. The key corporate governance principles and practices are as follows:

董事會欣然公佈本公司截至二零零八年十二月三十一日止年度的企業管治報告。

董事會相信良好的企業管治敘規對有效管理及提升股東價值與投資者信心十分重要。

本公司已積極透過有效的內部監控，加強企業管治常規，增加透明度及維持對股東的問責性。

本公司已採用及遵守上市規則附錄15(創業板)及附錄14(主板)企業管治常規守則(「守則」)所載的原則。

董事會認為，本公司截至二零零八年十二月三十一日止的期間一直遵守守則的所有守則條文，惟以下除外：(i) 若干常規會議未能按守則A.1.3要求給予不少於14天的通知期以致能令大部分董事均能出席該常規會議；(ii) 董事會主席因出席其他會議未能按守則E.1.2要求出席股東周年大會。

本公司將會在會議議程和安排上作出改善，以確保日後完全遵從守則第A.1.3及E.1.2項條文。

董事會將繼續加強執行有利於本公司業務操守及發展的企業管治標準及常規，並定期檢討該等標準，以確保本公司符合法定及專業標準，以及參照標準的最新發展。主要的企業管治原則和做法如下：

THE BOARD

The Board is responsible for establishing policies, strategies and plans, providing leadership in creating value and overseeing the Company's financial performance, evaluating the performance of management on behalf of the shareholders. Directors are charged with the task of promoting the success of the Company and making the best interest of the Company. The day-to-day management, administration and operation of the Company are in charge by the executive directors and senior management under the leadership of the Chief Executive Officer. The Board has also delegated various responsibilities to the Board Committees. Further details of these committees are set out in this report.

The Board meets and discusses on regular basis when required on the activities and development in the business of the Group. During the financial year ended 31 December 2008, the Board held nine meetings. The attendance of the directors at the board meetings are as follows:

Directors' attendance at Board meetings

Directors	Number of attendance
Mr. Sun Pishu	6/9
Mr. Zhang Lei	9/9
Mr. Wang Miao*	9/9
Mr. Leung Chi Ho	8/9
Mr. Xin Wei Hua	7/9
Mr. Wang, Alex Hung*	9/9
Mr. William James Fass*	5/5
Mr. Meng Xiang Xu	8/9
Mr. Liu Ping Yuan	9/9
Mr. Wong Lit Chor, Alexis	9/9

* Mr. Wang, Alex Hung was resigned on 29 January 2009.

* Mr. Wang Miao was resigned on 31 March 2009.

* Mr. William James Fass was resigned on 28 June 2008. Five Board meetings of the Company were held during the period prior to his resignation.

Board Minutes are kept by the Company Secretary of the Company and are sent to the Directors for records and are open for inspection by the Directors.

董事會

董事會負責制訂政策、策略與計劃，並領導創造價值及代表股東監督本公司的財務表現及評價管理層業績。董事承擔着為公司的成功提升及創造最大利益的任務。公司的日常管理、行政及營運由公司的執行董事與高級管理層在首席執行官的領導下進行運作。此外，董事會亦已將各種職責分派至董事會各附屬委員會。該等委員會之詳情載於本報告內。

董事會定期及在本集團的業務發展需要時舉行會議討論相關事宜。於截至二零零八年十二月三十一日止財政年度內，董事會共召開九次會議。董事出席董事會會議之情況如下：

董事出席董事會會議之情況：

董事	出席次數
孫丕恕先生	6/9
張磊先生	9/9
王渺先生*	9/9
梁智豪先生	8/9
辛衛華先生	7/9
王衡先生*	9/9
William James Fass先生*	5/5
孟祥旭先生	8/9
劉平源先生	9/9
黃烈初先生	9/9

* 王衡先生於二零零九年一月二十九日辭任。

* 王渺先生於二零零九年三月三十一日辭職。

* William James Fass先生於二零零八年六月二十八日辭任。於其辭任前，本公司曾舉行五次董事會會議。

董事會會議記錄乃由公司秘書保存，並會送呈各董事作為記錄及會公開讓董事查閱。

Directors have timely access to all relevant information as well as the advice and services of the Company Secretary and senior management, with a view to ensuring compliance with Board procedures and all applicable laws and regulations. Any director may request independent professional advice in appropriate circumstances at the Company's expense, upon reasonable request made to the Board.

CHAIRMAN AND CHIEF EXECUTIVE OFFICER ("CEO")

In the Board, the Chairman and CEO are separate persons in order to preserve independence and have a balanced judgment of views. Mr. Sun Pishu, the Chairman of the Board, has executive responsibilities and provides leadership to the Board so that the Board works effectively and discharges its responsibilities and that all key and appropriate issues are discussed by the Board in a timely manner. The CEO, Mr. Zhang Lei is an Executive Director and has executive responsibilities over the business directions, daily operational decisions and performance of management of the Group. The Board also comprises Independent Non-Executive Directors who bring strong independent judgment, knowledge and experience to the Board. As noted below, all the Audit Committee members are Independent Non-Executive Directors. This structure is to ensure a sufficient balance of power and authority in place within the Group.

BOARD COMPOSITION

The Board comprises four Executive Directors, being Mr. Sun Pishu, Zhang Lei, Wang Miao (resigned on 31 May 2009) and Mr. Leung Chi Ho, two Non-Executive Directors, being Mr. Xin Wei Hua, Mr. Wang Alex Hung (resigned on 29 Jan. 2009) and three Independent Non-Executive Directors, being Mr. Meng Xiang Xu, Mr. Liu Ping Yuan and Mr. Wong Lit Chor, Alexis.

The Board members have no financial, business, family or other material/relevant relationships with each other. Such balanced board composition is formed to ensure strong independence exists across the Board. The biographies of the Directors are set out in Directors and Senior Management Profile section to the annual report, which demonstrates a diversity of skills, expertise, experience and qualifications.

董事可如期取得所有相關資料，以及獲得公司秘書與高級管理層的意見及服務，以確保符合董事會程序及所有適用法例及規例。任何董事均可於適當情況下，向董事會作出合理要求以尋求獨立專業意見，費用由本公司支付。

主席及首席執行官

董事會主席及首席執行官由不同人士擔任，可維持獨立性及有均衡之判斷觀點。董事會主席孫丕恕先生，彼負有執行責任並領導董事會，使董事會有效運作及履行其職責，並使董事會及時處理所有重要及適當之問題。首席執行官張磊先生乃執行董事，對本集團之業務方向，日常管理營運決策及集團管理層表現負有執行責任。此外，董事會設有獨立非執行董事職位，向董事會提供明智之獨立判斷，豐富之知識及經驗。誠如下文所述，全體審核委員會成員均為獨立非執行董事。此架構可確保本集團內部權力及授權維持充分平衡。

董事會之組成

董事會由以下人士組成四名執行董事：孫丕恕先生、張磊先生、王渺先生(二零零九年三月三十一日辭職)及梁智豪先生、兩名非執行董事：辛衛華先生、王衡先生(於二零零九年一月二十九日辭職)及三名獨立非執行董事：孟祥旭先生、劉平源先生及黃烈初先生。

董事會成員間並無任何財務、業務、家族或其他重大／相關關係。董事會以如此均衡之架構組成，目的在確保整個董事會擁有穩固之獨立性。各董事履歷載於年報的董事及高級管理層簡歷內，當中載列各董事之多樣化技能、專業知識、經驗及資格。

The Company has received annual confirmation of independence from the three Independent Non-Executive Directors in accordance with Rule 3.13 of the Main Board Listing Rules. The Board has assessed their independence and concluded that all the Independent Non-Executive Directors are independent within the definition of the Listing Rules.

APPOINTMENTS, RE-ELECTION AND REMOVAL

The Board has established a Nomination Committee (the “NC”) in 2005. The committee consists of one Non-Executive Director, Mr. Xin Wei Hua, with two Independent Non-Executive Directors, Mr. Meng Xiang Xu and Mr. Wong Lit Chor, Alexis. The primary purpose of the NC is to review the structure, size and composition (including the skills, knowledge and experiences) of the Board on a regular basis and make recommendations to the Board regarding any proposed changes. The Committee identified suitable individual qualified to become board members and makes recommendation to the Board on relevant matters relating to the appointment or reappointment of directors if necessary, in particular, candidates who can add value to the management through their contributions in the relevant strategic business areas and which appointments will result on the constitution of strong and diverse Board.

The procedure and process of appointment, re-election and removal of director are laid down in the Company’s Articles of Association (the “Articles of Association”). According to the Articles of Association, all directors of the Company are subject to retirement by rotation at least once every three years. Besides, any new director appointed by the Board to fill a casual vacancy or as an addition to the existing Board shall submit himself/herself for re-election by shareholders at the next following annual general meeting.

The meetings of the NC shall be held when necessary.

本公司已接獲該三名獨立非執行董事根據主板上市規則第3.13條發出之年度獨立性確認書。董事會已評估彼等之獨立性，並確認全體獨立非執行董事均屬上市規則所界定之獨立人士。

委任、重選及罷免

董事會已於二零零五年成立提名委員會，該委員會成員為一名非執行董事辛衛華先生和兩名獨立非執行董事孟祥旭先生及黃烈初先生。提名委員會之主要目的為定期檢討董事會之架構、人數及組成（包括技術、知識及經驗），並就任何擬作出之變動向董事會提出建議。該委員會物色合資格成為董事會成員之適當人選，並會就委任或重新委任董事之有關事宜向董事會提出推薦建議（如必要），尤其是通過在有關策略性業務領域之貢獻為本集團管理增值之候選人，且彼等之委任將可產生一個強大及多元化之董事會。

委任、重選及罷免董事的程序及過程載於本公司的組織章程細則（「組織章程」）。根據組織章程，本公司全體董事須最少每三年輪值退任一次。此外，由董事會委任以填補臨時空缺或新增的新董事，須於隨後的股東周年大會上由股東重選。

提名委員會會議有需要時召開。

RESPONSIBILITIES OF DIRECTORS

Every newly appointed director is ensured to have a proper understanding of the operations and business of the Group and that he is fully aware of his responsibilities under statute and common law, the Listing Rules, applicable legal requirements and other regulatory requirements and the business and governance policies of the issuer. The Directors are continually updated with legal and regulatory developments, business and market changes and the strategic development of the Group to facilitate the discharge of their responsibilities.

The Independent Non-Executive Directors take an active role in board meetings, contribute to the development of strategies and policies and make sound judgment on issues of strategy, policy, performance, accountability, resources, key appointments and standard of conduct. They will take lead where potential conflicts of interests arise. They are also members of various board committees and scrutinize the overall performance of the Group in achieving agreed corporate goals and objectives, and monitoring the reporting of performance.

DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed issuers (the "Model Code") set out in Rules 5.48 to 5.67 of GEM listing Rule and Appendix 10 of Main Board Listing Rule as its own code of conduct regarding Directors' securities transactions. Having made specific enquiries to all Directors, all Directors confirmed that they have complied with the requirement set out under the Model Code throughout the period ended 31. December 2008.

SUPPLY OF AND ACCESS TO INFORMATION

In respect of regular board meetings, an agenda and the accompanying board papers are sent in full to all Directors at least 3 days before the intended date of a meeting. Board papers are circulated to the Directors to ensure they have adequate information before the meeting for the ad hoc projects.

董事之責任

須確保每位新受聘董事對本集團之營運及業務有適當理解，以及完全知悉彼在法規及普通法、上市規則、適用之法律規定及其他監管規定以及發行人之業務及管治政策下之職責。董事須持續提升其在法律及規管的發展、業務和市場變動及本集團之策略發展的知識，以便履行彼等之職責。

獨立非執行董事在董事會會議上擔當活躍角色，可為制訂策略及政策作出貢獻，並就策略、政策、表現、問責、資源、重大委任及行為準則事宜作出可靠之判斷。彼等會於潛在利益衝突出現時發揮牽頭引導作用。彼等亦出任多個董事委員會之成員，監察本集團在實現議定企業目標及指標時之整體表現，並監督表現之呈報。

董事進行之證券交易

本公司已採納創業板上市規則第5.48條至5.67條及主板上市規則附錄10所載之證券交易標準守則（通稱「標準守則」），作為自身規管董事買賣本公司證券之行為守則。經本公司向全體董事作出特定查詢後，全體董事已確認至2008年12月31日始終遵守標準守則所訂之規定。

資料之提供及獲取

就董事會敘規會議而言，議程及相關會議檔會在擬定召開會議日期前至少三天呈交全體董事。董事會文件供董事傳閱，以保證彼等於召開特別事項會議之前獲得充足資料。

The Management has the obligation to supply the Board and its committees with adequate information in a timely manner to enable it to make informed decisions. Where any director requires more information than is volunteered by the Management, each director has separate and independent access to the issuer's senior management to make further enquires if necessary.

All Directors are entitled to have unlimited access to the board papers and relevant materials. Such information is prepared to enable the Board to make an informed decision on matters placed before it.

REMUNERATION OF DIRECTORS AND SENIOR MANAGEMENT

The Company established a remuneration committee in 2005.

The committee consists of one Non-Executive Director, Mr. Xin Wei Hua, with two Independent Non-Executive Directors, Mr. Meng Xiang Xu and Mr. Wong Lit Chor, Alexis.

The principal duties of the remuneration committee are to make recommendations to the Board on the policy and structure for the remuneration of the Directors and senior management, and to review remuneration for the directors and senior management by reference to corporate goals and objectives. The committee shall meet at least once a year if necessary. During the year, no share or option was granted under the Share Option Scheme and no meeting of remuneration committee was held.

管理層有責任向董事會及其附屬委員會及時提供充足之資料，以供董事會作出知情決定。倘有任何董事要求獲得除管理層自願提供之資料以外之其他資料，董事可透過不同及獨立途徑接觸高級管理層，以作出進一步諮詢(如必要)。

全體董事均有權無限制地取得董事會會議檔及有關材料。編製該等資料旨在使董事會可對提呈事項作出知情決定。

董事及高級管理層酬金

本公司於二零零五年設立薪酬委員會。

薪酬委員會由一名非執行董事辛衛華先生和兩名獨立非執行董事孟祥旭先生及黃烈初先生組成。

薪酬委員會的主要職責為就董事及高級管理人員的薪酬政策及架構向董事會提供推薦意見，以及參照企業目標及目的考慮及審批董事及高級管理人員的薪酬。如有需要，委員會將最少每年舉行一次會議。於年內，並無根據購股權計劃授出股份或購股權，並無舉行薪酬委員會會議。

ACCOUNTABILITY AND AUDIT

The Management provides such explanation and information to the Board so as to enable the Board to make an informed assessment of the financial and other information put before the approval by the Board.

The Directors acknowledge their responsibility to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Group and in presenting the quarterly results, interim and annual financial statements and announcements to shareholders. The Directors aim to present a balanced and understandable assessment of the Group's, position and prospects. The Board is not aware of any material uncertainties relating to events or conditions that may cast significant doubt upon the Group's ability to continue as a going concern, the Board therefore continues to adopt the going concern approach in preparing the accounts.

The Board acknowledges its responsibility to present a balanced, clear and understandable assessment in the Company's annual and interim reports, other price-sensitive announcement and other financial disclosures required under the Listing Rules, and reports to the regulators.

The Company applied the principles and complied with all the code provisions set out in the CG Code throughout the year ended 31 December 2008, During the year 2008, the Board, through performed by the external firm, has conducted a review of the effectiveness of the Group's internal control system covering all material financial, operational and risk management functions. These reports are reviewed and appropriate actions are taken.

問責及審核

管理層向董事會提供有關解釋及資料，令董事會可對提呈董事會批准之財務及其他資料作出知情評估。

董事確認須負責為每一財政年度編製能真實及公平地反映本集團業務狀況之財務報告，向股東提呈季度業績、中期及年度財務報表及公告時，董事須努力提呈一項平衡及容易理解之本集團現況及前景之評估。董事會並不知悉任何與一些事件或情況有關之重大不確定因素，而該等事件或情況會對本集團的持續經營能力投下重大疑惑，因此，董事會仍然採用持續經營基準編製賬目。

董事會確認，其有責任在本公司年報及中期報告、其他價格敏感公佈及上市規則規定之其他財務披露中，提供平衡、清晰及易於理解之評估，並向監管機構申報。

本公司於截至二零零八年十二月三十一日止之整個年度已應用企業管治守則所載原則，並遵守守則內之所有守則條文。在二零零八年度，董事會通過由外部公司審查本集團的包含所有財務、業務及風險管理功能等內部控制制度的效力。這些報告被復查並採取了適當的行動。

AUDIT COMMITTEE

The Audit Committee currently comprises all three Independent Non-Executive Directors of the Company, Mr. Meng Xiang Xu, Mr. Liu Ping Yuan and Mr. Wong Lit Chor, Alexis as the members, who among themselves possess a wealth of management experience in the financial profession and commercial sectors.

Directors' attendance at Audit Committee meetings

Directors	Number of attendance
Mr. Wong Lit Chor, Alexis (Chairman of the Audit Committee)	3/3
Mr. Meng Xiang Xu	3/3
Mr. Liu Ping Yuan	3/3

The Audit Committee meets the external auditors at least once a year to discuss any areas of concerns during the audits without the presence of the management. The Audit Committee reviews the quarterly results, interim and annual reports before submission to the Board. The Committee focuses not only on the impact of the changes in accounting policies and practices but also on the compliance with accounting standards, the Listing Rules and the legal requirements in the review of the Company's quarterly results, interim and annual reports.

AUDITORS' REMUNERATION

During the year, the remuneration paid to the Company's auditors, Messrs Deloitte Touche Tohmatsu, is set out as follows:

	Fee paid/payable HK\$'000
Services rendered	
Audit services	2,100
Other consultancy fee	568

審核委員會

審核委員會目前由本公司全部三名獨立非執行董事組成，黃烈初先生出任主席，孟祥旭先生及劉平源先生為委員會成員，彼等於財務專業及商業具有豐富之管理經驗。

董事出席審核委員會會議之情況

董事	出席次數
黃烈初先生 (審核委員會主席)	3/3
孟祥旭先生	3/3
劉平源先生	3/3

審核委員會每年最少一次與外聘核數師舉行會議，討論審核過程中之任何問題，管理層不得與會。審核委員會於遞交業績予董事會前先行審閱季度業績、中期及全年報告。該委員會於審閱本公司之季度業績、中期及全年報告時，不僅注意會計政策及慣例變動之影響，亦兼顧須遵守會計政策、上市規則及法律之規定。

核數師酬金

年內，向本公司核數師德勤·關黃陳方會計師行支付之酬金載列如下：

	已付／應付費用 千港元
已提供服務	
審計服務	2,100
其他顧問費	568

COMMUNICATIONS WITH SHAREHOLDERS

The Company's annual general meeting provides a good opportunity for communication between the Board and the Company's shareholders. Chairman of the Board and Committees are normally present to answer queries raised by shareholders. External auditors also attend the annual general meeting every year. Notice of the annual general meeting and related papers are sent to shareholders at least 20 clear business days before the meeting.

VOTING BY POLL

At the 2008 annual general meeting, the procedures for demanding a poll by the shareholders were incorporated in an annual general meeting circular. The procedures for demanding a poll by shareholders and for conducting a poll were also explained by the chairman at the annual general meeting.

與股東進行溝通

本公司之股東週年大會為董事會與本公司之股東提供溝通良機。董事會及各委員會之主席一般均出席以解答股東提出之問題，而外聘核數師每年均會出席股東週年大會。股東週年通告及有關檔於大會舉行日期前最少足二十個營業日寄予股東。

以投票方式表決

於二零零八年股東週年大會上，股東要求以投票方式表決的程序已載於股東週年大會通函內。大會主席亦已於會上向股東解釋股東要求以投票方式表決及進行投票表決的程序。

The directors have pleasure in presenting their annual report and the audited consolidated financial statements for the year ended 31 December 2008.

PRINCIPAL ACTIVITIES

The Company is an investment holding company. The principal activities of the Group are trading in IT components, manufacture & Sale of IT products, solution and provision of outsourcing software services.

MAJOR CUSTOMERS AND SUPPLIERS

For the year ended 31 December 2008, the five largest customers accounted for approximately 29.57% of the Group's total turnover. The five largest suppliers accounted for approximately 53.74% of the Group's total purchases. In addition, the largest customer accounted for approximately 10.39% of the Group's total turnover while the largest supplier accounted for approximately 24.21% of the Group's total purchases.

Except for Inspur Group Limited ("Inspur Corporation"), the ultimate holding company of the Company, and its subsidiaries (together referred to as "the Inspur Group"), none of the directors, their associates or any shareholders (which, to the knowledge of the directors, own more than 5% of the Company's issued share capital) had any interest in the Group's five largest customers and suppliers. Sales to and purchases from the Inspur Group amounted to approximately 10.39% and 3.21% respectively of the total sales and total purchases of the Group for the year ended 31 December 2008.

SHARE CAPITAL

Details of movement during the year of the Company's share capital are set out in note 28 to the consolidated financial statements.

董事欣然提呈本公司及本集團截至二零零八年十二月三十一日止年度的年報連同經審核綜合財務報表。

主要業務

本公司為投資控股公司。其集團的主要業務為銷售IT元件、製造銷售IT產品、系統方案及軟件外包服務。

主要客戶及供應商

截至二零零八年十二月三十一日止年度，本集團五大客戶佔本集團營業總額約29.57%，而本集團五大供應商佔本集團購貨總額約53.74%。此外，本集團最大客戶佔本集團營業總額約10.39%，而本集團最大供應商佔本集團購貨總額約24.21%。

除本公司控股股東浪潮集團有限公司（「浪潮公司」）及其附屬公司（總稱「浪潮集團」）以外，董事、彼等的聯繫人士或就董事所知，擁有本公司已發行股本5%以上的股東概無擁有本集團五大客戶及供應商的任何權益。浪潮集團的營業額及採購額分別佔本集團截至二零零八年十二月三十一日止年度的總營業額及總採購額約10.39%及3.21%。

股本

年內，本公司股本的變動詳情已載於綜合財務報表附註28內。

RESULTS AND APPROPRIATIONS

The results of the Group for the year ended 31 December 2008 are set out in the consolidated Income Statement on page 63.

The final dividend of HK\$0.02 per share with aggregate amount of HK\$61,639,000 has been proposed by the directors and is subject to approval by the shareholders in the forthcoming annual general meeting.

PURCHASE, SALES OR REDEMPTION OF LISTED SECURITIES

During the year ended 31 December 2008, neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company's listed shares.

PRE-EMPTIVE RIGHTS

There is no provision for pre-emptive rights under the Company's Memorandum and Articles of Association, or the laws of the Cayman Islands, which would oblige the Company to offer new shares on a pro-rata basis to existing shareholders.

RETIREMENT BENEFIT SCHEME

Details of the Group's retirement benefit scheme are set out in note 36 to the consolidated financial statements.

SUBSIDIARIES

Particulars of the Company's subsidiaries are set out in note 39 to the consolidated financial statements.

PROPERTY, PLANT AND EQUIPMENT

Details of movements during the year in the property, plant and equipment of the Group are set out in note 16 to the consolidated financial statements.

業績及分配

本集團截至二零零八年十二月三十一日止年度的業績已載於第63頁的綜合損益表內。

董事已建議派發每股末期股息0.02港元總計61,639,000港元，惟須待股東於即將召開的股東周年大會批准方可作實。

購買、出售或贖回上市證券

截至二零零八年十二月三十一日止年度，本公司或其任何附屬公司概無購買、出售或贖回本公司任何上市股份。

優先購買權

本公司的公司組織章程大綱及細則以及開曼群島法例並無任何優先購買權的條文，以規定本公司按比例向現有股東發行新股。

退休金計劃

本集團的退休金計劃詳情已載於綜合財務報表附註36內。

附屬公司

本公司附屬公司的詳情已載於綜合財務報表附註39內。

物業、廠房及設備

本集團的物業、廠房及設備於年內的變動詳情載於綜合財務報表附註16內。

CONNECTED TRANSACTIONS

Particulars of the Group's related party transactions are set out in note 37 to the consolidated financial statements, certain of which also constitute connected transactions under Chapter 14A of the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (the "Listing Rules"). The connected transactions are as follows:

1. On 8 April 2004, the Company and the Inspur Group entered into a trademark licence agreement (the "Trademark Licence Agreement") which allowed the Group to use the trademark "Lang Chao" in Hong Kong, Taiwan and the People's Republic of China free of charge.

Further details of such continuing connected transaction were disclosed in the Company's prospectus dated 20 April 2004 (the "Prospectus").

The independent non-executive directors have reviewed the above connected transaction and confirmed that the above transaction was in accordance with the relevant agreement governing the terms that are fair and reasonable and in the interests of the shareholders of the Company as a whole.

關連交易

於綜合財務報表附註37披露與本集團關連人士進行之交易。當中若干與關連人士進行之交易根據香港聯合交易所有限公司證券上市規則（「上市規則」）第14A章，均構成關連交易。關連交易如下：

1. 於二零零四年四月八日，本公司與浪潮集團已訂立商標特許協議（「商標特許協議」），以免費方式容許本集團於香港、台灣及中華人民共和國使用「浪潮」商標。

上述持續關連交易之詳情載於本公司在二零零四年四月二十日之招股章程（「招股章程」）。

上述關連交易已經獨立非執行董事審閱，並就此確認上述交易按照相關協議條款進行，而該等條款誠屬公平合理且對本公司股東整體有利。

2. On 29 August 2006, a new sourcing agent agreement was entered into between the Group and Inspur Corporation which extended the period from 1 January 2007 to 31 December 2009 (the "Sourcing Agent Agreement"). The Inspur Group will, with reference to the then market prices, pay a premium of not less than 1.5% above the purchase price paid by the Group, without taking into account of rebates received from suppliers, for all computer components sourced overseas by the Group on their behalf. The Company and Inspur Corporation agreed that the maximum annual caps of the sales of goods by the Group to the Inspur Group pursuant to the Sourcing Agent Agreement (the "Sales") will not exceed HK\$180 million, HK\$200 million and HK\$300 million for each of the financial year ended 31 December 2007, 2008 and 2009 respectively.

The Sales for the year ended 31 December 2008 amounted to approximately HK\$167,984,000.

The independent non-executive directors have reviewed the Sales for the year ended 31 December 2008 and confirmed that the Sales were (i) in the ordinary course and usual course of the Group's business; (ii) on terms no less favourable to the Group than terms available from independent third parties who are not connected persons of the Group as defined in the Listing Rules; and (iii) in accordance with the relevant agreement governing the Sales on terms that are fair and reasonable and in the interests of the shareholders of the Company as a whole.

2. 於二零零六年八月二十九日，本集團已與浪潮公司訂立新採購代理協議（「採購代理協議」），將協議期間由二零零七年一月一日延長至二零零九年十二月三十一日。浪潮集團將參考當時的市價，但並無考慮從供應商獲得的回扣，支付本集團就代表他們從海外採購的所有電腦元件已支付的購買價不少於1.5%以上的溢價。本公司及浪潮公司同意，本公司向浪潮集團銷售產品（「銷售」）於截至二零零七年、二零零八年及二零零九年十二月三十一日止各財務年度的最高每年上限分別將不超過1.8億港元、2億港元及3億港元。

截至二零零八年十二月三十一日止年度，銷售金額約為167,984,000港元。

獨立非執行董事已審閱截至二零零八年十二月三十一日止年度之銷售，並確認銷售乃(i)在本集團日常一般業務中進行；(ii)按不遜於本集團獲獨立第三者（並非上市規則所指之本集團關連人士）給予之條款進行；及(iii)按照規管銷售之相關協議進行，而該等條款屬公平合理且對本公司股東整體有利。

3. On 29 August 2006, the Company entered into a master supply agreement (the "Master Supply Agreement") with Inspur Corporation pursuant to which the Group will supply computer products to the Inspur Group for the purpose of overseas export for a period until 31 December 2008. The Group and Inspur Corporation agreed that maximum annual caps of the supply of the computer products by the Group to the Inspur Group pursuant to the Master Supply Agreement (the "Supplies") will not exceed HK\$198 million, HK\$296 million and HK\$394 million for the period from 9 October 2006 (date of Independent Shareholders' approval) to 31 December 2006 and each of the financial year ended 31 December 2007 and 2008 respectively. The price per unit for the computer products to be supplied by the Group will be set with reference to the then prevailing market rates of such computer products at the relevant time.

Further details of such continuing connected transaction were disclosed in the Company's circular dated 22 September 2006 (the "Circular A").

The Supplies for the year ended 31 December 2008 amounted to approximately HK\$187,879,000.

The independent non-executive directors have reviewed the above connected transactions for the year ended 31 December 2008 and confirmed that the Supplies were (i) in the ordinary course and usual course of the Group's business; (ii) on terms no less favourable to the Group than terms available to independent third parties who are not connected persons of the Group as defined in the Listing Rules; and (iii) in accordance with the relevant agreement governing the Supplies on terms that are fair and reasonable and in the interests of the shareholder's of the Group as a whole.

3. 於二零零六年八月二十九日，本公司已與浪潮公司訂立一份供應總協議（「供應總協議」）。根據協議，本集團須向浪潮集團供應電腦產品作海外出口，為期至二零零八年十二月三十一日。根據供應總協議，本集團與浪潮公司同意，本集團供應予浪潮集團的電腦產品的最高每年上限（「供應」）於二零零六年十月九日（獨立股東批准之日期）至二零零六年十二月三十一日期間，以及於截至二零零七年及二零零八年十二月三十一日止各財政年度將分別不超過1.98億港元、2.96億港元及3.94億港元。本集團所供應的電腦產品之每個單位價格，將參考當時該類電腦產品之市場價格而適時釐訂。

上述持續關連交易之詳情載於本公司於二零零六年九月二十二日之通函（「通函A」）內披露。

於截至二零零八年十二月三十一日止年度，供應金額約為187,879,000港元。

獨立非執行董事已審閱截至二零零八年十二月三十一日止年度的上述關連交易，並確認所協訂的供應乃(i)在本集團日常一般業務中進行；(ii)按不遜於本集團給予獨立第三者（並非上市規則所指之本集團關連人士）之條款進行；及(iii)根據規管供應的有關協議進行，而該等條款屬公平合理且對本集團股東整體有利。

4. On 29 August 2006, the Company entered into a master services agreement (the "Master Services Agreement") with Inspur Corporation pursuant to which the Group will provide the IT services to the Inspur Group for a period until 31 December 2008. The Group and Inspur Corporation agreed that the maximum annual caps of the provision of the IT services by the Group to the Inspur Group pursuant to the Master Services Agreement (the "IT Services") will not exceed HK\$2 million, HK\$4 million and HK\$6 million for the period from 9 October 2006 (date of Independent Shareholders' approval) to 31 December 2006 and each of the financial year ended 31 December 2007 and 2008 respectively. The service fee for the IT services to be provided by the Group will be set with reference to the then prevailing market rates of the IT Services at the relevant time.

Further details of such continuing connected transaction were disclosed in the Circular A.

The IT Services for the year ended 31 December 2008 amounted to approximately HK\$5,005,000.

The independent non-executive directors have reviewed the above connected transactions for the year ended 31 December 2008 and confirmed that the IT Services were (i) in the ordinary course and usual course of the Group's business; (ii) on terms no less favourable to the Group than terms available to independent third parties who are not connected persons of the Group as defined in the Listing Rules; and (iii) in accordance with the relevant agreement governing the IT Services on terms that are fair and reasonable and in the interests of the shareholder's of the Group as a whole.

4. 於二零零六年八月二十九日，本公司已與浪潮公司訂立一份服務總協議（「服務總協議」）根據協議，本集團須向浪潮集團提供資訊科技服務，為期至二零零八年十二月三十一日。根據服務總協議，本集團與浪潮公司同意，本集團提供予浪潮集團的資訊科技服務的最高每年上限（「資訊科技服務」）於二零零六年十月九日（獨立股東批准之日期）至二零零六年十二月三十一日期間，以及於截至二零零七年及二零零八年十二月三十一日止各財政年度將分別不超過二百萬港元、四百萬港元及六百萬港元。本集團所提供的資訊科技服務之服務費，將參考當時的資訊科技服務之市場價格而適時釐訂。

上述持續關連交易之詳情均於通函A內披露。

截至二零零八年十二月三十一日年度，資訊科技服務金額約為5,005,000港元。

獨立非執行董事已審閱截至二零零八年十二月三十一日止年度的上述關連交易，並確認所協訂的資訊科技服務乃(i)在本集團日常一般業務中進行；(ii)按不遜於本集團給予獨立第三者（並非上市規則所指之本集團關連人士）條款進行；及(iii)根據規管資訊科技服務的有關協議進行，而該等條款屬公平合理且對本集團股東整體有利。

5. On 29 August 2006, the Company entered into a master purchase agreement (the "Master Purchase Agreement") with Inspur Corporation pursuant to which the Group will purchase the computer hardware and software products from Inspur Group for a period until 31 December 2008. The Group and Inspur Corporation agreed that the maximum annual caps of the purchase of the computer hardware and software products by the Group from the Inspur Group pursuant to the Master Purchase Agreement (the "Purchases") will not exceed HK\$40 million, HK\$60 million and HK\$100 million for the period from 9 October 2006 (date of Independent Shareholders' approval) to 31 December 2006 and each of the financial year ended 31 December 2007 and 2008 respectively. The price per unit of the computer hardware and software products purchased from the Inspur Group will be set with reference to the then prevailing market rates of such computer hardware and software products at the relevant time.

Further details of such continuing connected transaction were disclosed in the Circular A.

The Purchases for the year ended 31 December 2008 amounted to approximately HK\$89,139,000.

The independent non-executive directors have reviewed the above connected transactions for the year ended 31 December 2008 and confirmed that the Purchases were (i) in the ordinary course and usual course of the Group's business; (ii) on terms no less favourable to the Group than terms available from independent third parties who are not connected persons of the Group as defined in the Listing Rules; and (iii) in accordance with the relevant agreement governing the Purchases on terms that are fair and reasonable and in the interests of the shareholder's of the Group as a whole.

5. 於二零零六年八月二十九日，本公司與浪潮公司訂立採購總協議（「採購總協議」），據此，本集團將向浪潮集團購買電腦硬件及軟件產品，為期至二零零八年十二月三十一日。本集團與浪潮公司同意，於二零零六年十月九日（獨立股東批准之日期）起至二零零六年十二月三十一日止期間以及截至二零零七年及二零零八年十二月三十一日止各財政年度，本集團根據採購總協議向浪潮集團購買電腦硬件及軟件產品（「採購」）之最高年度上限，將分別不超過4千萬港元、6千萬港元及1億港元。向浪潮集團購買電腦硬件及軟件產品之每個單位價格將參考於有關時間該等電腦硬件及軟件產品之當時現行市場價格釐定。

上述持續關連交易之其他詳情於通函A內披露。

截至二零零八年十二月三十一日止年度，採購金額約為89,139,000港元。

獨立非執行董事已審閱上述於截至二零零八年十二月三十一日止年度之關連交易，並確認採購乃(i)在本集團日常一般業務中進行；(ii)按不遜於本集團獲獨立第三者（並非上市規則所指之本集團關連人士）提供之條款進行；及(iii)按照規管採購之相關協議進行，而該等條款為公平合理且符合本集團股東之整體利益。

6. On 29 August 2006, the Company entered into a selling agency agreement (the "Selling Agency Agreement") with Inspur Corporation pursuant to which the Group appoints the Inspur Group to act as selling agent in the sale of the products and the services of the Group (the "Agency Services"). In return, the Inspur Group will receive a commission of 1% of the total sales value of the products and the services. The expected maximum amounts of commission to be paid by the Group to the Inspur Group pursuant to the Selling Agency Agreement will not exceed HK\$300,000, HK\$600,000 and HK\$900,000 for the period from 9 October 2006 (date of Independent Shareholders' approval) to 31 December 2006 and each of the financial year ended 31 December 2007 and 2008.

Further details of such continuing connected transaction were disclosed in the Circular A.

The Agency Services for the year ended 31 December 2008 amounted to approximately HK\$765,000.

The independent non-executive directors have reviewed the above connected transactions for the year ended 31 December 2008 and confirmed that the Agency Service were (i) in the ordinary course and usual course of the Group's business; (ii) on terms no less favourable to the Group than terms available from independent third parties who are not connected persons of the Group as defined in the Listing Rules; and (iii) in accordance with the relevant agreement governing the Agency Service on terms that are fair and reasonable and in the interests of the shareholder's of the Group as a whole.

6. 於二零零六年八月二十九日，本公司與浪潮公司訂立銷售代理協議（「銷售代理協議」），據此，本集團委任浪潮集團擔任銷售及服務本集團產品之銷售代理。就此，浪潮集團將收取產品銷售及服務總值之1%佣金作為回報。於二零零六年十月九日（獨立股東批准之日期）起至二零零六年十二月三十一日止期間以及截至二零零七年及二零零八年十二月三十一日止各財政年度，本集團根據銷售代理協議將支付浪潮集團之預期最高佣金金額，將分別不超過300,000港元、600,000港元及900,000港元。

上述持續關連交易之其他詳情於通函內A披露。

截至二零零八年十二月三十一日止年度，已付浪潮集團之佣金金額約為765,000港元。

獨立非執行董事已審閱上述於截至二零零八年十二月三十一日止年度之關連交易，並確認採購乃(i)在本集團日常一般業務中進行；(ii)按不遜於本集團獲獨立第三者（並非上市規則所指之本集團關連人士）提供之條款進行；及(iii)按照規管採購之相關協議進行，而該等條款為公平合理且符合本集團股東之整體利益。

7. On 9 November 2007, Inspur Communication Information System Limited (“Inspur Communication”), a wholly owned subsidiary of the Company, entered into a master agreement (the “Master Agreement A”) with Inspur Corporation pursuant to which the Inspur Group will subcontract its software development and maintenance business to Inspur Communication (the “Sale Transactions”). The contractual amount of the business subcontracted to Inspur Communication will be based on the amount of contract bid by the Inspur Group under the tender out of which Inspur Communication shall pay a commission of 0.5% of the total contract sum. The Group and Inspur Corporation agreed that the maximum annual caps of the Sale Transaction for each of the three years ending 31 December 2010 will not exceed RMB15 million, RMB15 million and RMB15 million (equivalent to approximately HK\$16.96 million, HK\$16.96 million and HK\$16.96 million) respectively.

Further details of such continuing connected transaction were disclosed in the Company’s circular dated 27 November 2007.

The Sale Transactions and commission to the Inspur Group for the year ended 31 December 2008 amounted to approximately HK\$16,247,000 and HK\$81,000 respectively.

Inspur Corporation shall procure Inspur (Beijing) Electronic Information Development Company Limited (“Beijing Inspur”), to supply computing machines to Inspur Communication pursuant to the Master Agreement A (the “Supply of Computing Machines”). The price of the computing machines payable to Beijing Inspur (including payment terms) will be agreed upon between the parties and shall be determined based on normal commercial terms through arm’s length negotiation or on terms no less favourable than the terms available from independent third parties for purchase of similar computing machines of comparable quality and quantity. Inspur Communication and

7. 於二零零七年十一月九日，本公司全資附屬公司浪潮通信信息系統有限公司（「浪潮通信」）與浪潮公司訂立分包協議（「分包協議」），據此，浪潮集團分包其軟件發展及保養業務予浪潮通信（「銷售交易」）。分包予浪潮通信的業務合約金額乃根據山東浪潮的投標金額計算，據此，浪潮通信須就每項分包合約向山東浪潮支付合約總值之0.5%作為佣金。本集團及浪潮公司同意，截至二零一零年十二月三十一日止三個年度之各年，銷售交易之年度金額上限分別不超過人民幣15,000,000元、人民幣15,000,000元及人民幣15,000,000元（分別約等於16,960,000港元、16,960,000港元及16,960,000港元）。

上述持續關連交易之其他詳情於本公司日期為二零零七年十一月二十七日之通函內披露。

截至二零零八年十二月三十一日止年度，銷售交易及已付浪潮集團之佣金金額分別約為16,247,000港元及81,000港元。

浪潮公司須促使浪潮（北京）電子信息產業有限公司（「北京浪潮」）根據主協議A向浪潮通信供應計算機（「供應計算機」）。應付北京浪潮之計算機價格（包括付款條款）將由雙方協定，並按一般商業條款透過公平磋商釐定，或按不遜於獨立第三方購買類似計算機（品質及數量應具可比性）所適用之條款釐定。浪潮通信及浪潮公司同意，截至二零一零年十二月三十一日止三個年度之各年，應付北京浪潮採購款之年度金額上

Inspur Corporation agreed that the maximum annual amount of the purchases payable to Beijing Inspur for each of the three years ending 31 December 2010 is RMB5 million, RMB6 million and RMB7 million (equivalent to about HK\$5.65 million, HK\$6.78 million and HK\$7.91 million respectively) respectively.

Further details of such continuing connected transactions were disclosed in the announcement of the Company dated on 27 November, 2007.

The Supply of Computing Machines for the year ended 31 December 2008 amounted to approximately HK\$3,822,000.

Inspur Corporation shall provide (or shall procure its subsidiaries to provide) office, water, heat, electricity and vehicles for use by Inspur Communication pursuant to the Master Agreement A (the "Use of Common Resources A"). The expenses to be charged on Inspur Communication (including payment terms) will be agreed upon between the parties and shall be determined based on normal commercial terms through arm's length negotiation or on terms no less favourable than the terms available from independent third parties for provision of similar services. The maximum annual amount of the expenses payable to Inspur Group for each of the three years ending 31 December 2010 is RMB1.8 million, RMB1.8 million and RMB1.8 million (equivalent to about HK\$2.04 million, HK\$2.04 million and HK\$2.04 million respectively) respectively.

Further details of such continuing connected transactions were disclosed in the announcement of the Company dated on 27 November, 2007.

The Use of Common Resources A for the year ended 31 December 2008 amounted to approximately HK\$2,147,000.

限分別為人民幣5,000,000元、人民幣6,000,000元及人民幣7,000,000元（分別約等於5,650,000港元、6,780,000港元及7,910,000港元）。

上述持續關連交易之其他詳情於本公司日期為二零零七年十一月二十七日之通函內披露。

截至二零零八年十二月三十一日止年度，供應計算機之金額約為3,822,000港元。

浪潮公司須根據主協議A提供（或須促使其附屬公司提供）辦公室、用水、供熱、用電及車輛，供浪潮通信使用（「使用公共資源A」）。應收浪潮通信之費用（包括付款條款）將由雙方協定，並按一般商業條款透過公平磋商釐定，或按不遜於向獨立第三方提供類似服務所適用之條款釐定。於截至二零一零年十二月三十一日止三個年度各年，應付浪潮集團有限公司及其附屬公司費用之年度金額上限分別為人民幣1,800,000元、人民幣1,800,000元及人民幣1,800,000元（分別約等於2,040,000港元、2,040,000港元及2,040,000港元）。

上述持續關連交易之其他詳情於本公司日期為二零零七年十一月二十七日之通函內披露。

截至二零零八年十二月三十一日止年度，使用公共資源A之金額約為2,147,000港元。

The independent non-executive directors have reviewed the above connected transactions for the year ended 31 December 2008 and confirmed that the Sales Transactions, Supply of Computing Machines and Use of the Common Resource were (i) in the ordinary course and usual course of the Group's business; (ii) on terms no less favourable to the Group than terms available from independent third parties who are not connected persons of the Group as defined in the Listing Rules; and (iii) in accordance with the relevant agreement governing the Sales Transactions on terms that are fair and reasonable and in the interests of the shareholder's of the Group as a whole.

8. On 10 March 2008, Inspur Shandong Genersoft Incorporation ("Inspur Genersoft"), a wholly owned subsidiary of the Company, entered into the master agreement with Inspur Corporation in relation to sale of software products, computer products and use of common services for a period from 28 April 2008 (date of Independent Shareholders' approval) to 31 December 2010 (the "Master Agreement B").

Inspur Genersoft will sell software products to the Inspur Group as sales agent at fair market price which is not less than prices offered to other sale agents. In general, Inspur Genersoft will receive 30% of the price of such software products as deposit and the remaining 70% will be received in accordance with the completion schedule of the related products as agreed between the parties. Inspur Genersoft and the Inspur Corporation agreed that the maximum annual caps of the sales of software products by the Inspur Genersoft to the Inspur Group pursuant to the Master Agreement B (the "Software Sales") will not exceed RMB12 million, RMB15 million and RMB 18 million (equivalent to HK\$13.57 million, HK\$16.96 million and HK\$20.35 million) for the year ending 31 December 2008, 2009 and 2010 respectively.

獨立非執行董事已審閱上述於截至二零零八年十二月三十一日止年度之關連交易，並確認銷售交易、供應計算機及使用公共資源乃(i)在本集團日常一般業務中進行；(ii)按不遜於本集團獲獨立第三者(並非上市規則所指之本集團關連人士)提供之條款進行；及(iii)按照規管採購之相關協議進行，而該等條款為公平合理且符合本集團股東之整體利益。

8. 於二零零八年三月十日，本公司之全資附屬公司浪潮集團山東通用軟件有限公司(「浪潮通用軟件」)與浪潮公司訂立於二零零八年四月二十八日(獨立股東批准之日期)起至二零一零年十二月三十一日止期間之主協議，內容有關銷售軟件產品、電腦產品以及使用公用服務(「主協議B」)。

浪潮通用軟件將按不低於向其他銷售代理提供之價格之公平市價向浪潮集團(作為銷售代理)出售軟件產品。一般而言，浪潮通用軟件將收取有關軟件產品價格之30%作為按金，而餘下之70%款將根據訂約各方所協定之相關產品完成時間表收取。浪潮通用軟件及浪潮公司同意，截至二零一零年十二月三十一日止三個年度之各年，根據主協議B浪潮通用軟件銷售軟件產品(「銷售軟件產品」)之年度金額上限分別為人民幣12,000,000元、人民幣15,000,000元及人民幣18,000,000元(分別約等於13,570,000港元、16,960,000港元及20,350,000港元)。

The Software Sales for the year ended 31 December 2008 amounted to approximately HK\$6,147,000.

Inspur Genersoft as sales agent will purchase computer products from the Inspur Group at prices determined on normal commercial terms and by arm's length negotiation, or on terms no less favourable to Inspur Genersoft than terms available to or from other parties (based on products of same category, quality and quantity). Inspur Genersoft and the Inspur Corporation agreed that the maximum annual caps of the purchase of computer products by the Inspur Genersoft to the Inspur Group pursuant to the Master Agreement B (the "Computer Product Purchases") will not exceed RMB35 million, RMB38 million and RMB40 million (equivalent to HK\$39.57 million, HK\$42.96 million and HK\$45.22 million) for the year ending 31 December 2008, 2009 and 2010 respectively.

The Computer Product Purchase for the year ended 31 December 2008 amounted to approximately HK\$ 20,811,000.

The Inspur Group will provide services in respect of use of premises, water, electricity, heating and motor vehicles to Inspur Genersoft pursuant to the Master Agreement B (the "Use of Common Services B") at fees determined on normal commercial terms and by arm's length negotiation, or on terms no less favourable to Inspur Genersoft than terms available to or from other parties (based on services of same category). Inspur Genersoft and the Inspur Corporation agreed that the maximum annual caps of the Use of Common Service B by the Inspur Genersoft to the Inspur Group pursuant to the Master Agreement B will not exceed RMB1.8 million, RMB 2 million and RMB 2.2 million (equivalent to HK\$ 2.04 million, HK\$2.26 million and HK\$2.49 million) for the year ending 31 December 2008, 2009 and 2010 respectively.

截至二零零八年十二月三十一日止年度，銷售軟件產品之金額約為6,147,000港元。

浪潮通用軟件(作為銷售代理)將向浪潮集團及其附屬公司購買電腦產品，價格乃按正敘商業條款及公平原則磋商或按不遜於浪潮通用軟件向其他各方提供或其他各方向浪潮通用軟件提供之條款釐訂(按同類別、質量及數量之產品計算)。浪潮通用軟件及浪潮公司同意，截至二零一零年十二月三十一日止三個年度之各年，根據主協議B浪潮通用軟件及浪潮公司購買電腦產品(「購買電腦產品」)之年度金額上限分別為人民幣35,000,000元、人民幣38,000,000元及人民幣40,000,000元(分別約等於39,570,000港元、42,960,000港元及45,220,000港元)。

截至二零零八年十二月三十一日止年度，購買電腦產品之金額約為20,811,000港元。

浪潮公司將根據主協議B就使用物業、水、電力、供熱及汽車向浪潮通用軟件提供服務(「使用公共資源B」)，收費乃按正敘商業條款及公平原則磋商或按不遜於浪潮通用軟件向其他各方提供或其他各方向浪潮通用軟件提供之條款釐訂(按同類服務計算)。浪潮通用軟件及浪潮公司同意，截至二零一零年十二月三十一日止三個年度之各年，根據主協議B浪潮通用軟件從浪潮公司使用公共資源B之年度金額上限分別為人民幣1,800,000元、人民幣2,000,000元及人民幣2,200,000元(分別約等於2,040,000港元、2,260,000港元及2,490,000港元)。

Further details of such continuing connected transaction were disclosed in the Company's circular dated 11 April 2008 (the "Circular B").

The Use of Common Services B for the year ended 31 December 2008 amounted to approximately HK\$1,084,000.

The independent non-executive directors have reviewed the above connected transactions for the year ended 31 December 2008 and confirmed that the Software Sales, the Computer Product Purchases and Use of Common Services B were (i) in the ordinary course and usual course of the Group's business; (ii) on terms no less favourable to the Group than terms available from independent third parties who are not connected persons of the Group as defined in the Listing Rules; and (iii) in accordance with the relevant agreement governing the Software Sales, the Computer Product Purchases and the Use of Common Services on terms that are fair and reasonable and in the interests of the shareholder's of the Group as a whole.

9. On 10 March 2008, Inspur Business System Company Limited ("Inspur Business") (山東浪潮商用系統有限公司), a wholly owned subsidiary of the Company, entered into the conditional processing agreement with Inspur Cheeloo Company Limited ("Inspur Cheeloo") (浪潮齊魯軟件產業有限公司) in relation to procurement of raw materials and assembly and manufacture of tax-collection cashier machines for a period from 28 April 2008 (date of Independent Shareholders' approval) to 31 December 2010 (the "Processing Agreement").

Inspur Business has appointed Inspur Cheeloo to provide services of procurement of raw materials of and assembling and manufacturing tax-collection cashier machines at processing fee calculated at 5% of the value of the raw materials (the "Cashier Machines Purchases") and the said rate is comparable to the rates in the market. In general, Inspur Business will pay the price of the tax-collection cashier machines (including the Processing Fee) within 30 days after receipt of the goods. Inspur Business and the Inspur

上述持續關連交易之其他詳情於本公司日期為二零零八年四月十一日之通函內(「通函B」)披露。

截至二零零八年十二月三十一日止年度，使用公共資源A之金額約為1,084,000港元。

獨立非執行董事已審閱上述於截至二零零八年十二月三十一日止年度之關連交易，並確認銷售軟件產品、購買電腦產品及使用公共資源B乃(i)在本集團日敘一般業務中進行；(ii)按不遜於本集團獲獨立第三者(並非上市規則所指之本集團關連人士)提供之條款進行；及(iii)按照規管採購之相關協議進行，而該等條款為公平合理且符合本集團股東之整體利益。

9. 於二零零八年三月十日，本公司之全資附屬公司山東浪潮商用系統有限公司(「浪潮商用」)與浪潮齊魯軟件產業有限公司(「浪潮齊魯」)訂立加工協議，據此，於二零零八年四月二十八日(獨立股東批准之日期)起至二零一零年十二月三十一日止期間採購稅控收款機之原材料及組裝及製造稅控收款機提供服務(「加工協議」)。

浪潮商用已委聘浪潮齊魯就採購稅控收款機之原材料及組裝及製造稅控收款機提供服務(「採購稅控收款機」)，所收取加工費按原材料價值之5%計算，而上述費率與市場收費相若。一般而言，浪潮商用將於收取貨品後30日內從其內部資源以現金支付稅控收款機之價格(包括相關加工費)。浪潮商用及浪潮齊魯同

Corporation agreed that the maximum annual caps of the Cashier Machines Purchases by the Inspur Business to the Inspur Group pursuant to the Processing Agreement will not exceed RMB100 million, RMB150 million and RMB200 million (equivalent to HK\$113.06 million, HK\$169.59 million and HK\$226.17 million) for the year ending 31 December 2008, 2009 and 2010 respectively.

Further details of such continuing connected transaction were disclosed in the Circular B.

The Cashier Machines Purchases for the year ended 31 December 2008 amounted to approximately HK\$100,618,000.

The independent non-executive directors have reviewed the above connected transactions for the year ended 31 December 2008 and confirmed that the Cashier Machines Purchases were (i) in the ordinary course and usual course of the Group's business; (ii) on terms no less favourable to the Group than terms available from independent third parties who are not connected persons of the Group as defined in the Listing Rules; and (iii) in accordance with the relevant agreement governing the Cashier Machines Purchases on terms that are fair and reasonable and in the interests of the shareholder's of the Group as a whole.

10. On 26 September 2008, Inspur Worldwide Services Limited ("Worldwide Shandong") (浪潮世科(山東)信息技術有限公司), a wholly owned subsidiary of the Company, entered into the master service agreement - supplemental agreement with Microsoft Corporation ("Microsoft") in relation to provision of services (including outsourcing development services) for the term from 10 November 2008 (date of Independent Shareholders' approval) to 30 June 2011 ("MSA Supplemental Agreement").

意，截至二零一零年十二月三十一日止三個年度之各年，根據加工協議浪潮商用從浪潮齊魯採購稅控收款機之年度金額上限分別為人民幣100,000,000元、人民幣150,000,000元及人民幣200,000,000元（分別約等於113,060,000港元、169,590,000港元及226,170,000港元）。

上述持續關連交易之其他詳情於通函B披露。

截至二零零八年十二月三十一日止年度，採購稅控收款機之金額約為100,618,000港元。

獨立非執行董事已審閱上述於截至二零零八年十二月三十一日止年度之關連交易，並確認採購稅控收款機乃(i)在本集團日常一般業務中進行；(ii)按不遜於本集團獲獨立第三者（並非上市規則所指之本集團關連人士）提供之條款進行；及(iii)按照規管採購之相關協議進行，而該等條款為公平合理且符合本集團股東之整體利益。

10. 於二零零八年九月二十六日，本公司之全資附屬公司浪潮世科(山東)信息技術有限公司(「世科山東」)與微軟公司(「微軟」)訂立服務總協議補充協議，據此，於二零零八年十一月十日(獨立股東批准之日期)起至二零一一年六月三十日止期間提供服務(包括外包開發服務)(「服務總協議補充協議」)。

As Microsoft is the holder of the preferred shares and is entitled to voting rights of 1,171,397,795 Shares (representing approximately 27.54% of the total voting rights of the holders of the shares and preferred shares), Microsoft is a connected person of the Company and the transactions constitute continuing connected transactions on the part of the Company under the Listing Rules.

For the work to be performed under the MSA Supplemental Agreement, the parties will agree upon delivery and payment schedule. Worldwide Shandong will send invoices to Microsoft on the progress payments in accordance with the agreed schedule and usually the full payments will be made upon the completion of the work. Upon receipt of a correct and undisputed invoice from Worldwide Shandong, Microsoft is required to pay either (i) within 60 days with no discount on the invoiced amount; or (ii) within 10 days less two percent discount on the invoiced amount. The MSA Supplemental Agreement is in the standard form of services agreement used by Microsoft.

Under the MSA Supplemental Agreement, Worldwide Shandong will provide to Microsoft the outsourcing development services with the related particulars set forth in the schedules Worldwide Shandong and Microsoft may execute from time to time pursuant to the general terms and conditions set forth in the MSA Supplemental Agreement (“Outsourcing Development Services”). The schedules will include detailed description of the work to be performed by Worldwide Shandong, delivery schedule, amount of fee and payment timing and method, and other terms (including technical details of the projects involved).

由於微軟為優先股持有人並擁有 1,171,397,795 股股份之投票權（佔股份及優先股持有人總投票權約 27.54%），故根據上市規則，微軟為本公司之關連人士，而該等交易則構成本公司之持續關連交易。

就根據服務總協議將進行之工作而言，有關各方將就交付及付款時間表達成協議。浪潮世科按照經協定之時間表向微軟寄出預付款項之發票，而通敘將於工作完成後全數付清。獲浪潮世科提供正確及無爭議之發票後，微軟須以下列其中一種方式付款：(i) 若於 60 日內支付，須無折讓支付發票金額；或 (ii) 若於 10 日內付，須支付發票金額減百分之二 (2%) 之折讓款項。服務總協議乃微軟採用之標準形式服務協議。

根據服務總協議，浪潮世科將向微軟提供服務，相關詳情載於浪潮世科與微軟可能根據服務總協議所載之一般條款及條件不時簽署之附表內（「外包開發服務」）。該等附表將包括浪潮世科將履行之工作、交付時間表、費用金額及付款時間與方式以及其他條款之詳情（包括所涉及項目之技術詳情）。

Pursuant to the MSA Supplemental Agreement, the aggregate value of the fees in respect of the work performed by Worldwide Shandong under the MSA Supplemental Agreement shall not exceed US\$12 million, US\$23 million and US\$45 million (equivalent to approximately HK\$93.6 million, HK\$179.4 million and HK\$351 million) for the year ending 30 June 2009, 2010 and 2011 respectively.

Further details of such continuing connected transaction were disclosed in the circular of the Company dated on 17 October 2008.

The service income from the Outsourcing Development Services for the year ended 31 December 2008 amounted to approximately HK\$ 33,786,000.

The independent non-executive directors have reviewed the above connected transactions for the year ended 31 December 2008 and confirmed that the Outsourcing Development Services were (i) in the ordinary course and usual course of the Group's business; (ii) on terms no less favourable to the Group than terms available from independent third parties who are not connected persons of the Group as defined in the Listing Rules; and (iii) in accordance with the relevant agreement governing the Outsourcing Development Services on terms that are fair and reasonable and in the interests of the shareholder's of the Group as a whole.

根據服務總協議補充協議，截至二零零九年、二零一零年及二零一一年六月三十日止三個年度之各年浪潮世科根據服務總協議履行之工作所涉及費用總值不得超過12,000,000美元、23,000,000美元及45,000,000美元（分別約等於93,600,000港元、179,400,000港元及351,000,000港元）。

上述持續關連交易之其他詳情於本公司日期為二零零八年十月十七日之通函內披露。

截至二零零八年十二月三十一日止年度，外包開發服務之金額約為33,786,000港元。

獨立非執行董事已審閱上述於截至二零零八年十二月三十一日止年度之關連交易，並確認外包開發服務乃(i)在本集團日常一般業務中進行；(ii)按不遜於本集團獲獨立第三者（並非上市規則所指之本集團關連人士）提供之條款進行；及(iii)按照規管採購之相關協議進行，而該等條款為公平合理且符合本集團股東之整體利益。

11. On 31 March 2008, Inspur (Shandong) Electronic Information Company Limited (浪潮(山東)電子信息有限公司), a wholly owned subsidiary of the Company, acquired 60% equity interest in Inspur Business System, at a consideration of RMB36,000,000 (equivalent to approximately HK\$39,885,000) from Jinan Inspur Network Technology Development Limited (濟南浪潮網絡科技發展有限公司), a subsidiary of Inspur Corporation. Further details regarding the acquisition were disclosed in the Company's circular dated on 11 March 2008 and note 34 to the consolidated financial statements.
12. On 3 July 2008, the Company acquired 34% equity interest in Langchao Worldwide Services Limited from Inspur Electronics (HK) Limited, the immediate holding company of the Company. Further details regarding the acquisition were disclosed in the Company's circular dated on 13 June 2008 and note 34 to the consolidated financial statements.
13. On 30 November 2008, the Group further acquired 48.69% equity interest in Inspur Genersoft from Shandong Inspur Software Company Limited ("Shandong Inspur Software") (山東浪潮齊魯軟件產業股份有限公司), a subsidiary of Inspur Corporation at a consideration of RMB87,382,000 (equivalent to HK\$99,061,000). Further details regarding the acquisition were disclosed in the Company's circular dated on 12 November 2008 and note 34 to the consolidated financial statements.

The independent non-executive directors have reviewed the transactions and confirmed that the terms of the transactions are fair and reasonable and in the interests of the shareholders of the Company as a whole.

11. 於二零零八年三月三十一日，本公司之全資附屬公司浪潮(山東)電子信息有限公司以代價人民幣36,000,000元(約等於39,885,000港元)從浪潮公司之附屬公司濟南浪潮網絡科技發展有限公司收購山東浪潮商用系統有限公司60%之股本權益，上述收購之其他詳情於本公司日期為二零零八年三月十一日之通函內及綜合財務報告附注34披露。
12. 於二零零八年七月三日，本公司從本公司之直接控股公司浪潮電子(香港)有限公司收購浪潮世科有限公司34%之股本權益，上述收購之其他詳情於本公司日期為二零零八年六月十三日之通函內及綜合財務報告附注34披露。
13. 於二零零八年十一月三十日，本集團從浪潮公司之附屬公司山東浪潮齊魯軟件產業股份有限公司(「山東浪潮軟件」)以代價人民幣87,382,000元(約等於99,061,000港元)進一步收購浪潮通用軟件48.69%額外權益，上述收購之其他詳情於本公司日期為二零零八年十一月十二日之通函內及綜合財務報告附注34披露。

獨立非執行董事已審閱該等交易並確認交易之條款為公平合理且符合本公司股東之整體利益。

DISTRIBUTABLE RESERVES OF THE COMPANY

As at 31 December 2008, the Company's reserves available for distribution are set out as below:

Special reserve	特殊儲備
Share premium	股份溢價
Preferred shares equity reserve	優先股股本儲備
Share option reserve	購股權儲備
Accumulated profits (losses)	累計盈利（虧損）

Under the Companies Law, Cap. 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands, the share premium of the Company may be distributed subject to the provision of the Company's Memorandum and Articles of Association and provided that immediately following the date on which the dividend is proposed to be distributed, the Company will be in a position to pay off its debts as and when they fall due in the ordinary course of business. This share premium account may also be distributed in the form of fully paid bonus shares.

本公司可分派儲備

於二零零八年十二月三十一日，本公司可供分派儲備計算如下：

2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
571	571
295,536	125,741
17,438	17,438
11,755	10,937
15,749	(13,415)
341,049	141,272

根據開曼群島法例第22章公司法（經綜合及修訂的一九六一年法例3），本公司股份溢價可按本公司之組織章程大綱及細則分派。如緊隨建議分派股息日期後，本公司可在日常業務過程中，在債務到期之時予以清償之情況下，股份溢價可用以向本公司股東作出分派。股份溢價賬亦可以繳足紅股方式派付。

DIRECTORS

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

Executive directors:

Mr. Sun Pishu

Mr. Zhang Lei

Mr. Wang Miao

(resigned on 31 March 2009)

Mr. Leung Chi Ho

Mr. Dong Hailong

(Appointed on 31 March 2009)

Non-executive directors:

Mr. Xin Wei Hua

Mr. William James Fass

(resigned on 28 June 2008)

Mr. Wang Hung, Alex

(resigned on 29 January 2009)

Independent non-executive directors:

Mr. Meng Xiang Xu

Mr. Liu Ping Yuan

Mr. Wong Lit Chor, Alexis

In accordance with the Company's Articles of Association, Messrs. Wong Lit Chor, Alexis, Meng Xiang Xu and Zhang Lei shall retire and, being eligible, offer themselves for re-election at the forthcoming annual general meeting.

董事

本年內及截至本報告日期為止，本公司在任的董事如下：

執行董事：

孫丕恕先生

張磊先生

王渺先生

(於二零零九年三月三十一日辭任)

梁智豪先生

董海龍先生

(於二零零九年三月三十一日獲委任)

非執行董事：

辛衛華先生

William James Fass 先生

(於二零零八年六月二十八日辭任)

王衡先生

(於二零零九年一月二十九日辭任)

獨立非執行董事：

孟祥旭先生

劉平源先生

黃烈初先生

根據公司組織章程，黃烈初先生、孟祥旭先生、張磊先生將於應屆股東週年大會上告退，惟願意膺選連任。

DIRECTORS' SERVICE CONTRACTS

None of the directors has a service contract with the Company which is not determinable by the Group within one year without payment of compensation, other than the statutory compensation.

DIRECTORS' INTERESTS IN CONTRACTS OF SIGNIFICANCE

No contract of significance to which the Company, any of its holding companies, fellow subsidiaries or 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.

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN THE SHARES OF THE COMPANY

As at 31 December 2008, the interests and short positions of the directors and the chief executive and their associates in the shares and underlying shares of the Company or any of its associated corporations, as recorded in the register required to be kept by the Company pursuant to Section 352 of the Securities and Futures Ordinance (the "SFO"), or as otherwise notified to the Company and The Stock Exchange of Hong Kong Limited pursuant to the Model Code contained in the Listing Rules were as follows:

董事服務合約

概無與本公司訂立於一年內不作補償(法定補償除外)而可予以終止之服務合約。

董事於合約中之權益

本公司、其任何控股公司、同集團附屬公司或附屬公司於本年度結束時或本年度內任何時間並無就本集團之業務訂立與本公司董事直接及間接擁有重大權益的重大合約。

董事及最高行政人員於股份、相關股份之權益及淡倉

於二零零八年十二月三十一日，各董事及最高行政人員於本公司及其任何相聯法團之股本、相關股份中擁有根據證券及期貨條例(「證券及期貨條例」)第352條須記錄於該條所指登記冊之權益及淡倉，或根據上市規則有關董事進行證券交易的標準守則而知會本公司及聯交所，董事及監事及彼等各自聯繫人於本公司及其相關法團的股份或債券權益(如有)如下：

Report of the Directors

董事會報告

(a) Long positions in the shares of the Company

Name of director 董事姓名	Capacity 身份	Number of issued ordinary shares held 持有普通股之數目	Percentage of the issued share capital of the Company 佔本公司已發行之股本之百分比
Wang Miao 王渺	Beneficial owner 實益擁有人	75,000,000	2.43%
Wang Hung, Alex 王衡	Beneficial owner 實益擁有人	75,000,000	2.43%

(a) 本公司股份的長倉

(b) Long positions in the underlying shares of equity derivatives of the Company

Options in the Company (Unlisted and physically settled equity derivatives) 本公司之購股權（非上市及實物交收之股本衍生工具）				
Name of director 董事姓名	Capacity 身份	Description of equity derivatives 股本衍生工具的詳情 (Note) (附註)	Number of underlying shares 相關股份的數目	Subscription price per share 每股認購價 HK\$ 港元
Sun Pishu 孫丕恕	Beneficial owner 實益擁有人	Share option 購股權	20,000,000	0.0648
Zhang Lei 張磊	Beneficial owner 實益擁有人	Share option 購股權	20,000,000	0.0648
Leung Chi Ho 梁智豪	Beneficial owner 實益擁有人	Share option 購股權	20,000,000	0.0648
Wang Hung, Alex 王衡	Beneficial owner 實益擁有人	Share option 購股權	20,000,000	0.0648
Wang Miao 王渺	Beneficial owner 實益擁有人	Share option 購股權	20,000,000	0.0648
Xin Wei Hua 辛衛華	Beneficial owner 實益擁有人	Share option 購股權	20,000,000	0.0648

(b) 本公司股本衍生工具的相關股份的長倉

Note: The share options were granted under the Pre-IPO Share Option Scheme as disclosed in the Prospectus. These options will expire ten years from the date of grant.

附註：購股權是根據刊於招股章程之首次公開招股前購股權計劃授出。該等購股權由授出日期起計十年後到期。

Save as disclosed above, as at 31 December 2008, none of the directors or the chief executive or its associates had any interests or short positions in any shares or underlying shares of equity derivatives of the Company or any of its associated corporations.

SUBSTANTIAL SHAREHOLDERS' INTERESTS AND OTHER PERSONS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES

As at 31 December 2008, the following persons or companies (other than the directors or chief executive of the Company) had an interest or short position in the shares or underlying shares of the Company as recorded in the register of interests required to be kept by the Company pursuant to Section 336 of the SFO, and were directly or indirectly, interest in 10% or more of the nominal value of any class of share capital carrying rights to vote on all circumstances as general meeting of any other members of the Group were as follows:

(a) Long positions in shares of the Company

Name of shareholder 股東姓名	Capacity 身份
Inspur Group Limited 浪潮公司	Corporate (Note) 公司(附註)
Inspur Electronics (HK) Limited 浪潮電子(香港)有限公司	Beneficial owner 實益擁有人

Note: Inspur Group Limited is taken to be interested in 1,354,390,000 shares due to its 100% shareholdings in the issued share capital of Inspur Electronics (HK) Limited.

除上述披露外，於二零零八年十二月三十一日，概無董事或最高行政人員或彼等之聯繫人士於本公司股份或股本衍生工具相關股份持有任何權益或淡倉。

主要股東權益及其他人士於股份及相關股份之權益及淡倉

於二零零八年十二月三十一日，按本公司根據證券及期貨條例第336條備存之權益登記冊所記錄，下列人士或公司(本公司董事或最高行政人員除外)於本公司股份及相關股份擁有權益或淡倉，或直接或間接擁有任何附帶權利可於任何情況下在本集團任何成員公司股東大會投票之類別股本面值10%或以上權益：

(a) 本公司股份的長倉

Number of issued ordinary shares held 持有已發行普通股數目	Percentage of the issued share capital of the Company 佔本公司已發行股本之百分比
---	--

1,354,390,000	43.95%
1,354,390,000	43.95%

附註：由於浪潮集團有限公司擁有浪潮電子(香港)有限公司已發行股本的100%股權，故此，浪潮集團有限公司視為於1,354,390,000股股份中擁有權益。

(b) Long positions in series A senior redeemable convertible voting preferred shares of the Company

Name of shareholder
股東姓名

Capacity
身份

Number of securities
證券數目
(Note 1)
(附註1)

Approximate percentage of interests
概約權益百分比

Microsoft Corporation
微軟公司

Beneficial owner
實益擁有人

234,279,559

100%

Note 1: Holder of each Preferred Share shall be entitled to have five votes on a show of hands or five votes for each Preferred Share as if each Preferred Share registered in its name in the register of members of the Company had been converted into five Shares at the time of any general meeting of the Company. Microsoft Corporation has agreed that in the event that it becomes entitled to exercise or control the exercise of more than 28% of the voting rights at general meetings of the Company (other than meeting of the holder(s) of Preferred Shares), it shall not and shall procure its nominee(s) not to exercise such portion of the voting rights attaching to the Preferred Shares and/or Shares in excess of 28% of the total voting rights at any general meeting of the Company. At 31 December 2008, the above 1,171,397,795 underlying Shares represented approximately 27.54% of the issued share capital of the Company as enlarged by the full exercise of the conversation rights attaching to the Preferred Shares.

As at 31 December 2008, no persons have any other relevant interests or short positions in shares or underlying shares of equity derivatives of the Company.

(b) 本公司系列甲高級可贖回可換股附帶投票權優先股的好倉

附註1：每股優先股之持有人將有權以舉手方式投票五次，或就每股股份投票五次，猶如每股優先股（于本公司股東名冊上以其名義登記）於本公司任何股東大會舉行時已轉換為五股股份。微軟於認購契約中同意，倘若微軟有權行使或控制行使本公司股東大會（優先股持有人之會議除外）之28%以上投票權，則其不會及促使其代名人不會于本公司任何股東大會上，行使優先股及其股份所帶之投票權至超過總投票權至28%。於二零零八年十二月三十一日，上述1,171,397,795股份約佔本公司經擴大包括優先股充分行使權利已發行股本的27.54%。

於二零零八年十二月三十一日，並無人士於本公司股份或股本衍生工具相關股份中擁有任何其他相關權益或淡倉。

MANAGEMENT CONTRACTS

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

SHARE OPTIONS

Details of the Company's share option schemes are set out in note 29 to the consolidated financial statements.

ARRANGEMENTS TO PURCHASE SHARES OR DEBENTURES

Other than the option holdings disclosed above, at no time during the year was the Company, its holding company, or any of its subsidiaries or fellow subsidiaries, a party to any arrangements to enable the directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

COMPETING INTEREST

During the year ended 31 December 2008, none of the directors, chief executive, initial management shareholders or its substantial shareholders of the Company or their respective associates (as defined in the Listing Rules) had any interests in a business which competes with or may compete with the business of the Group.

管理合約

本年度內，並無訂立有關本公司業務之全部或任何重要部分之管理及行政之合約。

購股權計劃

本公司購股權計劃的詳情載於綜合財務報表附註29。

購買股份或債券之安排

除上述所披露有關股權持有外，於本年度期間任何時間，本公司、其控股公司、或任何其附屬公司或同集團附屬公司概無參與任何安排，致令本公司董事可藉購入本公司或任何其他法人團體之股份或債券而獲益。

競爭權益

截至二零零八年十二月三十一日止年度，本公司董事、最高行政人員、最初的管理股東或其主要股東或彼等各自之聯繫人士(定義見上市規則)概無於任何與本集團業務競爭或可能競爭的業務持有任何權益。

AUDIT COMMITTEE

The audit committee comprises three independent non-executive directors, Messrs. Meng Xiang Xu, Liu Ping Yuan and Wong Lit Chor, Alexis. Mr. Wong Lit Chor, Alexis is the chairman of the audit committee. The primary duties of the audit committee are to review and supervise the financial reporting process and internal control systems of the Group.

Up to the date of approval of these consolidated financial statements, the audit committee has held three meetings and has reviewed the Company's draft annual, interim and quarterly financial reports and consolidated financial statements prior to recommending such reports and consolidated financial statements to the Board for approval.

The Group's audited results for the year ended 31 December 2008 have been reviewed by the audit committee, which was of the opinion that the preparation of such results complied with the applicable accounting standards and requirements and that adequate disclosures have been made.

CORPORATE GOVERNANCE

The Group has complied with the applicable code provisions set out in the Code of Corporate Governance Practices (the "Code") contained in Appendix 14 of Listing Rules for Main Board and Appendix 15 of Listing Rules for GEM throughout the period ended 31 December 2008, save as notice of at least 14 days, as required under Code A 1.3, was not adequately given for some regular board meeting which were scheduled on date such that most directors were able to attend. Also, the chairman of the Board, as required under Code E.1.2, was not able to attend the annual general meeting because of other conference committed.

The Company will improve its meeting scheduling and arrangement in order to ensure full compliance with Code A.1.3 and E.1.2 in future.

審核委員會

審核委員會由三名非執行董事孟祥旭先生、劉平源先生及黃烈初先生組成。黃烈初先生為審核委員會之主席。該審核委員會主要負責審閱及監督本集團之財務申報程序及內部監控制度。

直至批准該等綜合財務報表之日為止，審核委員會已舉行三次會議，並已於有關全年、中期及季度財務報告及綜合財務報表草稿提交董事會批准前審閱有關報告及綜合財務報表。

審核委員會已審閱本集團截至二零零八年十二月三十一日止年度之經審核業績，彼等認為該等業績乃按照適用之會計準則及規定編製，並已作出足夠披露。

企業管治

本集團截至二零零八年十二月三十一日止的期間一直遵守包含主板交易規則附錄14及創業板交易規則附錄15之所有守則（「守則」）條文，惟以下除外：(i)若干常規會議未能按守則A.1.3要求給予不少於14天的通知期以致能令大部分董事均能出席該常規會議；(ii)董事會主席因出席其他會議未能按守則E.1.2要求出席股東周年大會。

本公司將會在會議議程和安排上作出改善，以確保日後完全遵從守則A.1.3及E.1.2項條文。

INDEPENDENCE OF INDEPENDENT NON-EXECUTIVE DIRECTORS

The Company confirmed that annual confirmations of independence were received from each of the Company's independent non-executive directors pursuant to Rule 3.13 of the Listing Rules and all independent non-executive directors are considered to be independent.

CODE OF CONDUCT REGARDING SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed issuers (the "Model Code") set out in Rules 5.48 to 5.67 of GEM listing Rule and Appendix 10 of Main Board Listing Rule as its own code of conduct regarding Directors' securities transactions. Having made specific enquiries to all Directors, all Directors confirmed that they have complied with the requirement set out under the Model Code throughout the period ended 31 December 2008.

EMOLUMENT POLICY

The emolument policy of the employees of the Group is reviewed and approved by the Remuneration Committee on the basis of their merit, qualifications and competence.

The emoluments of the directors of the Company are decided by the Remuneration Committee, having regard to the Company's operating results, individual performance and comparable market statistics.

The Company has adopted a share option scheme as an incentive to directors and eligible employees, details of the scheme are set out in note 29 to the consolidated financial statements.

SUFFICIENCY OF PUBLIC FLOAT

The Company has maintained a sufficient public float throughout the year ended 31 December 2008.

獨立非執行董事之獨立性

本公司確認，已根據上市規則第3.13條向本公司各獨立非執行董事收取獨立地位確認書，而全體獨立非執行董事均被認為屬獨立。

董事進行證券交易之標準守則

截至二零零八年十二月三十一日止年度，本公司已經採納創業板上市規則第5.48條至5.67條及主板上市規則附錄10之規定準則作為董事進行證券交易之標準守則（「標準守則」）。經本公司向全體董事作出特定查詢後，全體董事已確認至二零零八年十二月三十一日始終遵守標準守則所訂之規定。

薪酬政策

本集團僱員之薪酬政策乃由薪酬委員會根據彼等之績效、資格和能力審核批准。

本公司董事之酬金乃由薪酬委員會經考慮本公司之經營業績、個人表現及可比較市場數字后釐定。

本公司已採納購股權計劃，作為對董事及合資格僱員之獎勵。有關計劃之詳情載於綜合財務報表附註29。

足夠的公眾持股量

本公司在截至二零零八年十二月三十一日止年度一直保持著足夠的公眾持股量。

CLOSURE OF REGISTER OF MEMBERS

The Register of Members will be closed from 5 May 2009 to 11 May 2009, both days inclusive, during which period no transfer of shares will be effected. In order to qualify for the final dividend, all transfers accompanied by the relevant share certificates must be lodged with the Company's Hong Kong branch registrar, Computershare Hong Kong Investor Services Limited, Rooms 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Hong Kong not later than 4:30 pm on 4 May 2009.

AUDITOR

A resolution will be submitted to the annual general meeting to re-appoint Messrs. Deloitte Touche Tohmatsu as the auditor of the Company. There has been no change in the auditor of the Company since its incorporation on 29 January 2003.

On behalf of the Board

SUN PISHU

CHAIRMAN

23 March 2009

暫停辦理股份過戶登記

本公司將於二零零九年五月五日至五月十一日(包括首尾兩天)暫停辦理股份過戶登記手續，期間將不會進行股份過戶。為符合建議末期股息，所有過戶文件連同有關之股票最遲必須於二零零九年五月四日下午四時三十分前送交本公司在香港之股份過戶登記分處香港中央證券登記有限公司，地址為香港皇后大道東183號合和中心17樓1712-1716室。

核數師

股東週年大會將提呈決議案以續聘德勤•關黃陳方會計師行為本公司的核數師。自二零零三年一月二十九日本公司成立日起，並沒有更換核數師。

承董事會命

孫丕恕

主席

二零零九年三月二十三日



TO THE SHAREHOLDERS OF INSPUR INTERNATIONAL LIMITED

(incorporated in the Cayman Islands with limited liability)

We have audited the consolidated financial statements of Inspur International Limited (the “Company”) and its subsidiaries (collectively referred to as the “Group”) set out on pages 63 to 172, which comprise the consolidated balance sheet as at 31 December 2008, and the consolidated income statement, consolidated statement of changes in equity and consolidated cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory notes.

DIRECTORS' RESPONSIBILITY FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The directors of the Company are responsible for the preparation and the true and fair presentation of these consolidated 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 the consolidated 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.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on these consolidated financial statements based on our audit and to report our opinion solely to you, as a body, 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 consolidated financial statements are free from material misstatement.

致浪潮國際有限公司股東

(於開曼群島註冊成立之有限公司)

本核數師行(以下簡稱「我們」)已審核第63頁至172頁所載浪潮國際有限公司(「貴公司」)及其附屬公司(統稱「貴集團」)的綜合財務報表，包括二零零八年十二月三十一日的綜合資產負債表與截至該日止年度的綜合收益表、綜合權益變動報表及綜合現金流量報表，以及主要會計政策概要及其他說明附註。

董事對綜合財務報表的責任

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的披露規定編製及真實而公允地呈列該等綜合財務報表。該責任包括設計、實施及維護與編製及真實而公允地呈列綜合財務報表相關的內部監控，使綜合財務報表不存在因欺詐或錯誤而導致的重大錯誤陳述；選擇和應用適當的會計政策；及因應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就該等綜合財務報表提出意見，並僅向整體股東報告，而不作其他用途。我們概不就本報告書的內容對任何其他人士負責或承擔法律責任。我們已根據香港會計師公會頒佈的香港核數準則進行審核。該等準則要求我們遵守道德規範，並規劃及執行審核，以合理確定該等綜合財務報表有否任何重大錯誤陳述。

Independent Auditor's Report

獨立核數師報告

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and true and fair presentation of the consolidated 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 consolidated 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 consolidated financial statements give a true and fair view of the state of affairs of the Group as at 31 December 2008 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.

Deloitte Touche Tohmatsu
Certified Public Accountants

Hong Kong
23 March 2009

審核涉及執程序以獲取有關綜合財務報表所載金額及披露資料的審核憑證。所選定的程序取決於核數師的判斷，包括評估因欺詐或錯誤而導致綜合財務報表有重大錯誤陳述的風險。評估該等風險時，核數師考慮與該公司編製及真實而公允地呈列綜合財務報表相關的內部監控以設計適合的審核程序，但並非為對公司內部監控的成效發表意見。審核亦包括評估董事所採用會計政策是否合適及所作會計估計是否合理，以及評估綜合財務報表的整體列報方式。

我們相信已獲取充分及適當的審核憑證作為我們審核意見的根據。

意見

我們認為，該等綜合財務報表已根據香港財務報告準則真實而公允地反映貴集團於二零零八年十二月三十一日的財務狀況及貴集團截至該日止年度的溢利及現金流量，並已按照香港公司條例的披露規定妥善編製。

德勤•關黃陳方會計師行
執業會計師

香港
二零零九年三月二十三日

Consolidated Income Statement

綜合收益表

For the year ended 31 December 2008
截至二零零八年十二月三十一日止年度

		NOTES 附註	2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Revenue	收入	7	1,841,584	922,174
Cost of sales	銷售成本		(1,327,402)	(829,508)
Gross profit	毛利		514,182	92,666
Other income and gains	其他收入及收益	9	72,786	3,657
Administrative and operating expenses	行政及營運費用		(111,161)	(46,802)
Selling and distribution cost	銷售及分銷成本		(69,053)	—
Finance costs	財務成本		(15,368)	(14,305)
Amortisation of other intangible assets	其他無形資產攤銷		(23,976)	(479)
Fair value change in convertible notes classified as liabilities at fair value through profit or loss	按公平值列為負債之可換股票據的公平值變動計入損益		3,029	—
Share of profits of associates	應佔聯營公司純利		3,212	8,111
Profit before taxation	除稅前純利		373,651	42,848
Taxation	稅項	10	(40,138)	(2,558)
Profit for the year	年內純利	11	333,513	40,290
Attributable to:	應佔：			
Equity holders of the parent	母公司股權持有人		311,633	38,801
Minority interests	少數股東權益		21,880	1,489
			333,513	40,290
Dividend	股息	14	61,639	7,715
Earnings per share	每股盈利	15		
Basic	基本		HK10.22 cents	HK1.48 cents
Diluted	攤薄		HK7.02 cents	HK1.32 cents

Consolidated Balance Sheet

綜合資產負債表

At 31 December 2008
於二零零八年十二月三十一日

		NOTES 附註	2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Non-current assets	非流動資產			
Property, plant and equipment	物業、廠房及設備	16	58,327	3,777
Goodwill	商譽	17	136,740	30,542
Other intangible assets	其他無形資產	19	107,091	12,288
Available-for-sale investment	可供出售投資	20	565	—
Interests in associates	聯營公司權益	21	—	71,148
			302,723	117,755
Current assets	流動資產			
Inventories	存貨	22	63,162	56,341
Trade receivables	貿易應收賬款	23	125,814	59,408
Prepayments, deposits and other receivables	預付款項、按金及其他應收賬款	23	36,783	13,689
Amounts due from customers for contract work	應收客戶合約工程款額	24	67,183	6,136
Amounts due from fellow subsidiaries	應收同集團附屬公司款額	23	80,099	37,625
Amount due from ultimate holding company	應收最終控股公司款額	23	136,501	285,171
Taxation recoverable	可收回稅項		112	293
Bank balances and cash	銀行結餘及現金	25	606,929	167,236
			1,116,583	625,899
Current liabilities	流動負債			
Trade and bills payables	貿易應付賬款及應付票據	26	94,054	122,342
Other payables and accrued expenses	其他應付賬款及應計開支	26	114,251	81,273
Amounts due to customers for contract work	應付客戶合約工程款額	24	16,279	2,101
Amounts due to fellow subsidiaries	應付同集團附屬公司款額	26	22,445	65,304
Amount due to ultimate holding company	應付最終控股公司款額	26	439	3,646
Bank borrowings	銀行借貸	27	67,401	—
Taxation payable	應繳稅項		33,033	480
			347,902	275,146
Net current assets	流動資產淨額		768,681	350,753
Total assets less current liabilities	總資產減流動負債		1,071,404	468,508

Consolidated Balance Sheet

綜合資產負債表

At 31 December 2008
於二零零八年十二月三十一日

		NOTES	2008	2007
		附註	二零零八年	二零零七年
			HK\$'000	HK\$'000
			千港元	千港元
Non-current liabilities	非流動負債			
Deferred income - government grant	遞延收入－政府補助	30	3,505	—
Redeemable convertible preferred shares	可贖回可換股優先股	31	184,642	181,840
Convertible notes	可換股票據	32	55,421	—
Deferred tax liabilities	遞延稅項負債	33	27,818	3,072
			271,386	184,912
			800,018	283,596
Capital and reserves	資本及儲備			
Share capital	股本	28	6,164	5,861
Reserves	儲備		780,984	268,793
Equity attributable to equity holders of the parent	母公司股權持有人應佔股權		787,148	274,654
Minority interests	少數股東權益		12,870	8,942
Total equity	權益總額		800,018	283,596

The consolidated financial statements on pages 63 to 172 were approved and authorised for issue by the Board of Directors on 23 March 2009 and are signed on its behalf by:

載於第63頁至第172頁的綜合財務報表經由董事會批准及授權於二零零九年三月二十三日刊發，並由下列董事代表董事會簽署：

Mr. Sun Pishu
孫丕恕先生
DIRECTOR
董事

Mr. Leung Chi Ho
梁智豪先生
DIRECTOR
董事

Consolidated Statement of Changes in Equity

綜合權益變動報表

For the year ended 31 December 2008
截至二零零八年十二月三十一日止年度

		Attributable to equity holders of the parent 母公司股權持有人應佔									
		Share capital	Share premium	Special reserve	Preferred shares equity reserve	Share option reserve	Translation reserve	Retained profits	Total	Minority interests	Total
		股本	股份溢價	特殊儲備	優先股股本變動	購股權儲備	匯兌儲備	留存盈餘	總計	少數股東權益	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
At 1 January 2007	於二零零七年一月一日	5,143	73,531	92	17,438	—	8,422	53,501	158,127	6,718	164,845
Exchange differences arising on translation of foreign operation and income recognised directly in equity	直接於股本中確認境外營運及收入所產生之匯兌差額	—	—	—	—	—	21,576	—	21,576	735	22,311
Profit for the year	年內純利	—	—	—	—	—	—	38,801	38,801	1,489	40,290
Total recognised income for the year	年內已確認收入總額	—	—	—	—	—	21,576	38,801	60,377	2,224	62,601
Exercise of share options	行使購股權	218	5,886	—	—	—	—	—	6,104	—	6,104
Issuance of new shares	發行新股	500	46,500	—	—	—	—	—	47,000	—	47,000
Share issue expenses	發行股份費用	—	(176)	—	—	—	—	—	(176)	—	(176)
Recognition of equity-settled share-based payments	確認按股權結算以股份支付之款額	—	—	—	—	10,937	—	—	10,937	—	10,937
Dividend paid	已派股息	—	—	—	—	—	—	(7,715)	(7,715)	—	(7,715)
		718	52,210	—	—	10,937	—	(7,715)	56,150	—	56,150

Consolidated Statement of Changes in Equity

綜合權益變動報表

For the year ended 31 December 2008
截至二零零八年十二月三十一日止年度

		Attributable to equity holders of the parent									
		母公司股權持有人應佔									
		Preferred shares equity reserve							Share option reserve		Minority interests
		Share capital	Share premium	Special reserve	Preferred shares equity reserve	Share option reserve	Translation reserve	Retained profits	Total	Minority interests	Total
		股本	股份溢價	特殊儲備	優先股股本變動	購股權儲備	匯兌儲備	留存盈餘	總計	股東權益	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
At 31 December 2007	於二零零七年十二月三十一日	5,861	125,741	92	17,438	10,937	29,998	84,587	274,654	8,942	283,596
Exchange differences arising on translation of foreign operation and income recognised directly in equity	直接於股本中確認境外營運及收入所產生之匯兌差額	—	—	—	—	—	29,945	—	29,945	5,015	34,960
Profit for the year	年內純利	—	—	—	—	—	—	311,633	311,633	21,880	333,513
Total recognised income for the year	年內已確認收入總額	—	—	—	—	—	29,945	311,633	341,578	26,895	368,473
Issuance of new shares	發行新股	200	124,800	—	—	—	—	—	125,000	—	125,000
Acquisition of subsidiaries (note 34)	收購附屬公司 (附註 34)	—	—	—	—	—	—	—	—	90,229	90,229
Acquisition of additional interest in a subsidiary (note 34)	收購一家附屬公司額外權益 (附註 34)	—	—	—	—	—	—	—	—	(85,970)	(85,970)
Share issue expenses	發行股份費用	—	(3,800)	—	—	—	—	—	(3,800)	—	(3,800)
Issue of shares for acquisition of Langchao Worldwide Services Limited ("Langchao Worldwide") (note 34)	為收購浪潮世科信息技術有限公司 (「浪潮世科」) 發行股份 (附註 34)	103	48,795	—	—	—	—	—	48,898	—	48,898
Recognition of equity-settled share-based payments	確認按股權結算以股份支付之款額	—	—	—	—	818	—	—	818	—	818
Dividend paid to minority shareholders of subsidiaries	已付附屬公司少數股東股息	—	—	—	—	—	—	—	—	(27,226)	(27,226)
		303	169,795	—	—	818	—	—	170,916	(22,967)	147,949
At 31 December 2008	於二零零八年十二月三十一日	6,164	295,536	92	17,438	11,755	59,943	396,220	787,148	12,870	800,018

The special reserve of the Group represents the difference between the nominal value of the shares of the subsidiaries and the nominal amount of the Company's shares issued for the acquisition at the time of the reorganisation prior to the listing of the Company's shares in 2003.

本集團特殊儲備指附屬公司股份面值與本公司二零零三年股份上市前集團重組時就收購所發行本公司股份的面值兩者之差額。

Consolidated Cash Flow Statement

綜合現金流量報表

For the year ended 31 December 2008
截至二零零八年十二月三十一日止年度

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
OPERATING ACTIVITIES	經營業務		
Profit before taxation	除稅前純利	373,651	42,848
Adjustments for:	按下列各項調整：		
Share of profits of associates	應佔聯營公司純利	(3,212)	(8,111)
Interest income	利息收入	(2,650)	(2,358)
Interest expenses	利息支出	15,368	14,305
Dividend income	股息收入	(1,027)	—
Amortisation of other intangible assets	其他無形資產攤銷	23,976	479
Depreciation of property, plant and equipment	物業、廠房及 設備折舊	18,790	934
Net loss on disposal of property, plant and equipment	出售物業、廠房及 設備之虧損淨額	167	21
Allowance for bad and doubtful debts	呆壞賬撥備	255	7,132
Expense recognised in profit or loss in respect of equity-settled share-based payments	就按股權結算以 股份支付而於 損益表確認之支出	818	10,937
Write-down of inventories	存貨撇減	895	1,258
Fair value change in convertible notes classified as liabilities at fair value through profit or loss	按公平值列為負債之 可換股票據的公平值 變動計入損益	(3,029)	—

Consolidated Cash Flow Statement

綜合現金流量報表

For the year ended 31 December 2008
截至二零零八年十二月三十一日止年度

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Operating cash flows before movements in working capital	營運資金變動前經營現金流量	424,002	67,445
Increase in inventories	存貨增加	(6,614)	(11,600)
Increase in trade receivables	貿易應收賬款增加	(2,686)	(11,903)
(Increase) decrease in prepayments, deposits and other receivables	預付款項、按金及其他應收賬款（增加）減少	(9,912)	693
(Increase) decrease in amounts due from customers for contract work	應收客戶合約工程款額（增加）減少	(26,290)	1,577
Decrease in amount due from an associate	應收一間聯營公司款項減少	—	58
Increase in amounts due from fellow subsidiaries	應收同集團附屬公司款項增加	(42,127)	(11,696)
Decrease (increase) in amount due from ultimate holding company	應收最終控股公司款項減少（增加）	162,848	(134,995)
(Decrease) increase in trade and bill payables	貿易應付賬款及應付票據（減少）增加	(35,338)	44,453
(Decrease) increase in other payables and accrued expenses	其他應付賬款及應計開支（減少）增加	(2,007)	70,420
Increase (decrease) in amounts due to customers for contract work	應付客戶合約工程款額增加（減少）	11,435	(2,981)
(Decrease) increase in amounts due to fellow subsidiaries	應付同集團附屬公司款額（減少）增加	(53,426)	12,005
Decrease in amount due to immediate holding company	應付直接控股公司款項減少	—	(39)
(Decrease) increase in amount due to ultimate holding company	應付最終控股公司款項（減少）增加	(5,065)	352
Increase in deferred income - government grant	遞延收入增加－政府補助	1,702	—
Cash generated from operations	營運所得現金	416,522	23,789
Income taxes paid	已付所得稅	(13,000)	(1,806)
Bank interest paid	已付銀行利息	(866)	(18)
NET CASH FROM OPERATING ACTIVITIES	投資業務所得現金淨額	402,656	21,965

Consolidated Cash Flow Statement

綜合現金流量報表

For the year ended 31 December 2008
截至二零零八年十二月三十一日止年度

		NOTE 附註	2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
INVESTING ACTIVITIES	投資業務			
Acquisition of subsidiaries and additional interest in a subsidiary	收購附屬公司及一家附屬公司額外權益	34	(124,351)	(67,512)
Purchase of property, plant and equipment	購買物業、廠房及設備		(9,164)	(1,656)
Interest received	已收利息		2,650	2,358
Dividend received	已收股息		1,027	—
Proceeds from disposal of property, plant and equipment	出售物業、廠房及設備所得款項		206	26
NET CASH USED IN INVESTING ACTIVITIES	投資業務所用現金淨額		(129,632)	(66,784)
FINANCING ACTIVITIES	融資業務			
New bank loans raised	新籌集銀行貸款		67,401	—
Proceeds from placement of shares	配售股份所得款項		125,000	47,000
Dividend paid to minority shareholders of subsidiaries	向附屬公司少數股東支付股息		(27,226)	—
Interest paid to redeemable convertible preferred shareholders	向可贖回可換股優先股持有人支付利息		(8,759)	(21,692)
Share issue expenses	發行股份費用		(3,800)	(176)
Advance from a fellow subsidiary	來自一間同集團附屬公司之墊款		—	31,787
Proceeds from exercise of share options	行使購股權所得款項		—	6,104
Dividend paid to ordinary shareholders	向普通股持有人派息		—	(7,715)
NET CASH FROM FINANCING ACTIVITIES	融資業務所得現金淨額		152,616	55,308
NET INCREASE IN CASH AND CASH EQUIVALENTS	現金及現金等值物增加淨額		425,640	10,489
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR	年初現金及現金等值物		167,236	148,158
EFFECT OF FOREIGN EXCHANGE RATE CHANGES	外匯匯率改變之影響		14,053	8,589
CASH AND CASH EQUIVALENTS AT END OF THE YEAR	年終現金及現金等值物		606,929	167,236
Bank balances and cash	銀行結餘及現金			

1. GENERAL

The Company is a public limited company incorporated in the Cayman Islands and its shares were listed on the Growth Enterprise Market (“GEM”) of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”). In 2008, the Company transferred its listing status from the GEM Board to the Main Board. Dealing of the Company’s shares on the Main Board commenced on 29 August 2008. In the opinion of the directors of the Company, Inspur Electronics (HK) Limited, a company incorporated in Hong Kong and Inspur Group Limited (“Inspur Corporation”), a company established in the People’s Republic of China (“PRC”) are the immediate holding company and ultimate holding company respectively. The addresses of the registered office and principal place of business of the Company are disclosed in the introduction to the annual report.

In 2008, the Group has made certain acquisition of entities in which their main operations are located in the PRC. After these acquisitions, the substantial portion of the Group’s business will be in the PRC. After the acquisition of Langchao Worldwide on 3 July 2008, which constituted a major transaction of the Company, it is expected that currency of the primary economic environment in which the subsidiaries of the Company operates will substantially denominated in Renminbi (“RMB”). Accordingly, the directors determined that the functional currency of the Company changed from Hong Kong dollars (“HKD”) to Renminbi (“RMB”) from that day. For the convenience of the consolidated financial statements users, the consolidated financial statements are presented in HKD, as the Company’s shares are listed on the Stock Exchange.

The Company is an investment holding company. The principal activities of the Group are trading of IT components, manufacture and sales of IT products, software development and solution and provision of outsourcing software services.

1. 一般資料

本公司為於開曼群島註冊成立的公眾有限公司，其股份在香港聯合交易所有限公司（「聯交所」）創業板（「創業板」）上市。二零零八年，本公司由創業板轉至主板上市。本公司股份於二零零八年八月二十九日開始在主板買賣。本公司董事認為，香港註冊成立公司浪潮電子（香港）有限公司及中華人民共和國（「中國」）成立公司浪潮集團有限公司（「浪潮公司」）分別為直接控股公司及最終控股公司。本公司的註冊辦事處及主要營業地點披露於年報引言。

二零零八年，本集團收購若干主要在中國經營的公司。收購完成後，本集團大部分業務位於中國。在二零零八年七月三日完成收購浪潮世科後，作為公司交易的重要組成部份，預期公司下屬分公司營運的主要經濟環境涉及的貨幣為人民幣，因此董事會決定自此將本公司的功能貨幣由港元轉為人民幣。由於本公司股份在聯交所上市，為方便綜合財務報表使用者，故綜合財務報表以港元呈列。

本公司為投資控股公司。本集團主要業務為分銷IT元件、製造及銷售IT產品、開發軟件和解決方案以及提供軟件外包服務。

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2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”)

In the current year, the Group has applied the following amendments and interpretations (“new HKFRSs”) issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”) which are or have become effective.

HKAS 39 & HKFRS 7 (Amendments)	Reclassification of financial assets
HK(IFRIC) - INT 11	HKFRS 2 - Group and treasury share transactions
HK(IFRIC) - INT 12	Service concession arrangements
HK(IFRIC) - INT 14	HKAS 19 - The limit on a defined benefit asset, minimum funding requirements and their interaction

The adoption of the new HKFRSs had no material effect on how the results and financial position for the current or prior accounting periods have been prepared and presented. Accordingly, no prior period adjustment has been required.

2. 採用新訂及經修訂香港財務報告準則

於本年度，本集團已採用下列由香港會計師公會（「香港會計師公會」）頒佈之已生效修訂及詮釋（「新香港財務報告準則」）。

香港會計準則第39號及 香港財務報告準則 第7號(修訂)	財務資產之重新分類
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 庫存股份交易
香港(國際財務 報告詮釋委員會) - 詮釋第12號	服務特許權安排
香港(國際財務 報告詮釋委員會) - 詮釋第14號	香港會計準則第19號-界定福利 資產的限制、最低資金要求和兩 者的相互關係

採納新香港財務報告準則對目前及過往會計期間所編製及呈列之業績及財務狀況並無重大影響，因此毋須作出過往期間調整。

2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSS”) (continued)

The Group has not early applied the following new and revised standards, amendments or interpretations that have been issued but are not yet effective.

HKFRSs (Amendments)	Improvements to HKFRSs ¹
HKAS 1 (Revised)	Presentation of financial statements ²
HKAS 23 (Revised)	Borrowing costs ²
HKAS 27 (Revised)	Consolidated and separate financial statements ³
HKAS 32 & 1 (Amendments)	Puttable financial instruments and obligations arising on liquidation ²
HKAS 39 (Amendment)	Eligible hedged items ³
HKFRS 1 & HKAS 27 (Amendments)	Cost of an investment in a subsidiary, jointly controlled entity or associate ²
HKFRS 2 (Amendment)	Vesting conditions and cancellations ²
HKFRS 3 (Revised)	Business combinations ³
HKFRS 7 (Amendment)	Improving disclosure about financial instruments ²
HKFRS 8	Operating segments ²
HK(IFRIC) - INT 9 & HKAS 39 (Amendments)	Embedded derivatives ⁴
HK(IFRIC) - INT 13	Customer loyalty programmes ⁵
HK(IFRIC) - INT 15	Agreements for the construction of real estate ²

2. 採用新訂及經修訂香港財務報告準則 (續)

本集團並無提早採納以下新訂及經修訂之已公佈但未生效準則、修訂或詮釋。

香港財務報告準則 (修訂本)	修改香港財務報告準則 ¹
香港會計準則第1號 (經修訂)	財務報表之呈列 ²
香港會計準則第23號 (經修訂)	借貸成本 ²
香港會計準則第27號 (經修訂)	綜合及獨立財務報表 ³
香港會計準則第32號及第1號 (修訂本)	可沽售金融工具及清盤時產生的責任 ²
香港會計準則第39號 (修訂本)	合資格對沖項目 ³
香港財務報告準則第1號及香港會計準則第27號 (修訂本)	投資於附屬公司、共同控制實體或聯營公司之成本 ²
香港財務報告準則第2號 (修訂本)	歸屬條件及註銷 ²
香港財務報告準則第3號 (經修訂)	業務合併 ³
香港財務報告準則第7號 (修訂本)	改進金融工具之披露 ²
香港財務報告準則第8號	經營分部 ²
香港 (國際財務報告詮釋委員會) — 詮釋第9號及香港會計準則第39號 (修訂本)	嵌入式衍生工具 ⁴
香港 (國際財務報告詮釋委員會) — 詮釋第13號	客戶忠誠度計劃 ⁵
香港 (國際財務報告詮釋委員會) — 詮釋第15號	房地產建築協議 ²

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2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSS”) (continued)

HK(IFRIC) - INT 16	Hedges of a net investment in a foreign operation ⁶
HK(IFRIC) - INT 17	Distribution of non-cash assets to owners ³
HK(IFRIC) - INT 18	Transfer of assets from customers ⁷

- ¹ Effective for annual periods beginning on or after 1 January 2009 except the amendments to HKFRS 5, effective for annual periods beginning on or after 1 July 2009.
- ² Effective for annual periods beginning on or after 1 January 2009.
- ³ Effective for annual periods beginning on or after 1 July 2009.
- ⁴ Effective for annual periods ending on or after 30 June 2009.
- ⁵ Effective for annual periods beginning on or after 1 July 2008.
- ⁶ Effective for annual periods beginning on or after 1 October 2008.
- ⁷ Effective for transfer on or after 1 July 2009.

The application of HKFRS 3 (Revised) may affect the accounting for business combination for which the acquisition date is on or after 1 January 2010. HKAS 27 (Revised) will affect the accounting treatment for changes in the Group's ownership interest in a subsidiary. The directors of the Company anticipate that the application of the other new and revised standards, amendments or interpretations will have no material impact on the results and the financial position of the Group.

2. 採用新訂及經修訂香港財務報告準則 (續)

香港 (國際財務報告 詮釋委員會) — 詮釋第16號	海外業務投資 淨額對沖 ⁶
香港 (國際財務報告 詮釋委員會) — 詮釋第17號	向擁有人分派 非現金資產 ³
香港 (國際財務報告 詮釋委員會) — 詮釋第18號	從客戶轉撥 資產 ⁷

- ¹ 於二零零九年一月一日或其後開始之年度期間生效 (惟於二零零九年七月一日或其後開始之年度期間生效之香港財務報告準則第5號修訂本除外)。
- ² 於二零零九年一月一日或其後開始之年度期間生效。
- ³ 於二零零九年七月一日或其後開始之年度期間生效。
- ⁴ 於二零零九年六月三十日或其後開始之年度期間生效。
- ⁵ 於二零零八年七月一日或其後開始之年度期間生效。
- ⁶ 於二零零八年十月一日或其後開始之年度期間生效。
- ⁷ 適用於二零零九年七月一日或其後進行的轉撥。

採納香港財務報告準則第3號 (經修訂) 可能會影響收購日期為二零一零年一月一日或之後的業務合併會計處理。香港會計準則第27號 (經修訂) 將會影響有關本集團擁有附屬公司權益變動之會計處理。本公司董事預期應用其他新訂或經修訂準則、修訂或詮釋對本集團業績及財務狀況並無重大影響。

3. SIGNIFICANT ACCOUNTING POLICIES

The consolidated financial statements have been prepared on the historical cost basis except for certain financial instruments, which are measured at fair values.

The consolidated financial statements have been prepared in accordance with HKFRSs issued by the HKICPA. In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on the Stock Exchange and by the Hong Kong Companies Ordinance. The accounting policies adopted are set out below.

Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company (its subsidiaries). Control is achieved where the Company has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

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

Where necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with those used by other members of the Group.

All intra-group transactions, balances, income and expenses are eliminated on consolidation.

Minority interests in the net assets of consolidated subsidiaries are presented separately from the Group's equity therein. Minority interests in the net assets consist of the amount of those interests at the date of the original business combination and the minority's share of changes in equity since the date of the combination. Losses applicable to the minority in excess of the minority's interest in the subsidiary's equity are allocated against the interests of the Group except to the extent that the minority has a binding obligation and is able to make an additional investment to cover the losses.

3. 主要會計政策

綜合財務報表以歷史成本法編製，惟若干按公平值計量之金融工具除外。

綜合財務報表按照香港會計師公會頒佈之香港財務報告準則編製。此外，綜合財務報表載有聯交所證券上市規則及香港公司條例規定之適用披露。採納之會計政策載列如下。

綜合賬目之基準

綜合財務報表包括本公司及其控制的公司(附屬公司)之財務報表。當本公司有權監管一間實體的財務及經營政策以從其業務中獲利，則有控制權。

年內所收購或出售附屬公司之業績自收購生效日期起或截至出售生效日期止(視情況而定)計入綜合收益表。

本集團會對附屬公司之財務報表作出必要調整，使其會計政策貫徹本集團其他成員公司所採用者。

所有集團內公司間之交易、結餘、收入及開支於綜合賬目時對銷。

綜合入賬附屬公司淨資產之少數股東權益與本集團權益分開呈列。淨資產之少數股東權益包括於原定業務合併日期之權益及自合併日期起少數股東應佔權益變動之數額。少數股東應佔虧損超逾少數股東權益所佔附屬公司權益之差額用作扣除本集團之權益，惟若少數股東有具約束性責任且可額外注資彌補虧損者除外。

3. SIGNIFICANT ACCOUNTING POLICIES

(continued)

Business combinations

The acquisition of business is accounted for using the purchase method. The cost of the acquisition is measured at the aggregate of the fair values, at the date of exchange, of assets given, liabilities incurred or assumed, and equity instruments issued by the Group in exchange for control of the acquiree, plus any costs directly attributable to the business combination. The acquiree's identifiable assets, liabilities and contingent liabilities that meet the conditions for recognition under HKFRS 3 "Business Combinations" are recognised at their fair values at the acquisition date.

Goodwill arising on acquisition is recognised as an asset and initially measured at cost, being the excess of the cost of the business combination over the Group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities recognised. If, after reassessment, the Group's interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities exceeds the cost of the business combination, the excess is recognised immediately in profit or loss.

The interest of minority shareholders in the acquiree is initially measured at the minority's proportion of the net fair value of the assets, liabilities and contingent liabilities recognised.

Acquisition of additional interest in a subsidiary

On acquisition of additional interest in a subsidiary, goodwill is calculated as the difference between the consideration paid for the additional interest and the carrying amount of the net assets of the businesses attributable to the additional interest acquired.

3. 主要會計政策 (續)

業務合併

收購業務時採用購買會計處理法入賬。收購成本按交易當日所給予資產、所產生與承擔負債，以及本集團為換取控制被收購公司而發行股本工具之公平值總額，另加業務合併直接應佔之任何成本計量。符合根據香港財務報告準則第3號「業務合併」確認條件之被收購公司可識別資產、負債及或然負債均以收購日期之公平值確認。

收購所產生之商譽確認為資產，首次按成本計算，即業務合併之成本超逾本集團所持已確認可識別資產、負債及或然負債公平淨值權益的差額。倘重新評估後，本集團所持被收購公司之可識別資產、負債及或然負債公平淨值權益超出業務合併成本，則差額會即時於損益確認。

被收購公司之少數股東權益首次按少數股東於已確認資產、負債及或然負債之公平淨值比例計算。

收購一間附屬公司額外權益

收購一間附屬公司額外權益時，商譽按就額外權益支付的代價與所收購額外權益應佔業務淨資產賬面值之差額計算。

3. SIGNIFICANT ACCOUNTING POLICIES

(continued)

Goodwill

Goodwill arising on an acquisition of a business for which the agreement date is on or after 1 January 2005 represents the excess of the cost of acquisition over the Group's interest in the fair value of the identifiable assets, liabilities and contingent liabilities of the relevant business at the date of acquisition. Such goodwill is carried at cost less any accumulated impairment losses.

Capitalised goodwill arising on an acquisition of a business is presented separately in the consolidated balance sheet.

For the purposes of impairment testing, goodwill arising from an acquisition is allocated to each of the relevant cash-generating units, or groups of cash-generating units, that are expected to benefit from the synergies of the acquisition. A cash-generating unit to which goodwill has been allocated is tested for impairment annually, and whenever there is an indication that the unit may be impaired. For goodwill arising on an acquisition in a financial year, the cash-generating unit to which goodwill has been allocated is tested for impairment before the end of that financial year. When the recoverable amount of the cash-generating unit is less than the carrying amount of the unit, the impairment loss is allocated to reduce the carrying amount of any goodwill allocated to the unit first, and then to the other assets of the unit pro rata on the basis of the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised directly in the consolidated income statement. An impairment loss for goodwill is not reversed in subsequent periods.

On subsequent disposal of the relevant cash-generating unit, the attributable amount of goodwill capitalised is included in the determination of the amount of profit or loss on disposal.

3. 主要會計政策 (續)

商譽

收購協議日期為二零零五年一月一日或以後之業務產生之商譽指收購成本超出收購當日本集團所持有相關業務之可識別資產、負債及或然負債公平值之差額。該等商譽按成本減任何累計減值虧損列賬。

收購一項業務所產生之資本化商譽於綜合資產負債表單獨呈列。

就減值測試而言，收購產生之商譽會分配到各預期可受惠於收購協同效應的相關現金產生單位或現金產生單位組別。已獲配商譽之現金產生單位每年及當單位出現減值跡象時進行減值測試。就於個別財政年度的收購所產生之商譽而言，已獲配商譽之現金產生單位於該財政年度結束前進行減值測試。倘現金產生單位之可收回金額少於該單位賬面值，則分配減值虧損，削減首先分配到該單位及其後根據單位各資產賬面值按比例分配到該單位其他資產的任何商譽賬面值。商譽之任何減值虧損直接於綜合收益表確認。商譽之減值虧損不會於往後期間撥回。

其後出售有關現金產生單位時，資本化商譽應佔金額於出售時計入釐定損益之金額。

3. SIGNIFICANT ACCOUNTING POLICIES

(continued)

Investments in associates

An associate is an entity over which the investor has significant influence and that is neither a subsidiary nor an interest in a joint venture.

The results and assets and liabilities of associates are incorporated in these consolidated financial statements using the equity method of accounting. Under the equity method, investments in associates are carried in the consolidated balance sheet at cost as adjusted for post-acquisition changes in the Group's share of net assets of the associate, less any identified impairment loss. When the Group's share of losses of an associate equals or exceeds its interest in that associate (which includes any long-term interests that, in substance, form part of the Group's net investment in the associate), the Group discontinues recognising its share of further losses. An additional share of losses is provided for and a liability is recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of that associate.

Any excess of the cost of acquisition over the Group's share of the net fair value of the identifiable assets, liabilities and contingent liabilities of the associate recognised at the date of acquisition is recognised as goodwill. The goodwill is included within the carrying amount of the investment and is assessed for impairment as part of the investment.

Where a group entity transacts with an associate of the Group, profits and losses are eliminated to the extent of the Group's interest in the relevant associate.

3. 主要會計政策 (續)

於聯營公司之投資

聯營公司為投資者對該公司有重大影響力之實體，但不屬於附屬公司或於合營企業之權益。

聯營公司之業績及資產與負債以會計權益法計入該等綜合財務報表。根據權益法，於聯營公司之投資按成本於綜合資產負債表列賬，並就本集團分佔該聯營公司淨資產之收購後增減調整，減去任何已識別減值虧損。倘本集團分佔一間聯營公司之虧損相等於或超出所持該聯營公司權益(包括實質上屬本集團於該聯營公司之投資淨額一部份的任何長期權益)，則本集團終止確認所分佔之額外虧損。本集團就額外分佔之虧損作出撥備，而負債僅於本集團產生法定或推定責任或代該聯營公司付款時確認。

收購成本超逾本集團於收購日期所佔已確認聯營公司之可識別資產、負債及或然負債公平淨值的金額確認為商譽。商譽計入投資賬面值，並作為投資一部分評估減值。

倘集團實體與本集團聯營公司交易，本集團會撇銷所持有關聯營公司權益之損益。

3. SIGNIFICANT ACCOUNTING POLICIES

(continued)

Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods sold and services provided in the normal course of business, net of discounts, returns and allowances.

Revenue from sales of goods is recognised when goods are delivered and title has been passed.

Income from provision of consultancy software development services, software outsourcing and commission income are recognised when services are provided.

Interest income from a financial asset is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts the estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount.

Dividend income from investments is recognised when the Group's rights to receive payment has been established.

Value Added Tax ("VAT") refund is recognised as income when the Group's rights to receive the VAT refund has been established.

3. 主要會計政策 (續)

收入確認

收入按已收或應收代價之公平值計算，相當於日常業務過程中所售貨品及所提供服務經扣除折扣、退貨及折讓之應收金額。

產品銷售收入於產品付運及所有權轉移時確認。

提供軟件開發諮詢服務之收入、軟件外包及佣金收入於提供服務時確認。

財務資產之利息收入按時間累計，參照尚未償還本金額及按適用實際利率入賬。實際利率指將財務資產預期可用年期內的估計日後現金收入完全貼現至該資產賬面淨值之比率。

投資的股息收入於本集團收取付款之權利確立時確認。

增值稅退稅於本集團收取增值稅退稅之權利確立時確認為收入。

3. SIGNIFICANT ACCOUNTING POLICIES

(continued)

Property, plant and equipment

Property, plant and equipment are stated at cost less subsequent accumulated depreciation and accumulated impairment loss.

Depreciation is provided to write off the cost of items of property, plant and equipment over their estimated useful lives and after taking into account their estimated residual value, using the straight line method.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the item) is included in the consolidated income statement in the year in which the item is derecognised.

Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is calculated using the first-in, first-out method.

Government grants and subsidies

Government grants are recognised as income when the related development project has been completed and the approval of the relevant government authority has been obtained.

Government subsidies represent incentive subsidies from the government for the Group's new and high technology research and development activities. There are no specific condition attached to the subsidies and, therefore, they are recognised as income when they are received or receivable.

3. 主要會計政策 (續)

物業、廠房及設備

物業、廠房及設備按成本減其後累計折舊及累計減值虧損後列賬。

物業、廠房及設備項目的折舊以直線法於估計可使用年期撇銷其成本，並計及有關估計剩餘價值。

物業、廠房及設備項目於出售時或預期繼續使用該資產不會產生任何日後經濟利益時終止確認。終止確認資產所產生之任何收益或虧損(按該項目之出售所得款項淨額與賬面值之差額計算)於該項目終止確認之年度計入綜合收益表。

存貨

存貨按成本及可變現淨值兩者之較低者列賬。成本採用先進先出法計算。

政府補助及津貼

政府補助於有關開發項目完工且已取得相關政府機構批文時確認為收入。

政府津貼指本集團高新科技研發項目獲得的政府鼓勵津貼。有關津貼並無附帶具體條件，故此在收到或應收有關款項時確認為收入。

3. SIGNIFICANT ACCOUNTING POLICIES

(continued)

Software development contracts

Where the outcome of a software development contract can be estimated reliably, revenue and costs are recognised by reference to the stage of completion of the contract activity at the balance sheet date, as measured by the proportion that contract costs incurred for work performed to date bear to the estimated total contract costs, except where this would not be representative of the stage of completion. Variations in contract work are included to the extent that they have been agreed with the customer.

Where the outcome of a software development contract cannot be estimated reliably, contract revenue is recognised to the extent of contract costs incurred that it is probable will be recoverable. Contract costs are recognised as expenses in the period in which they are incurred.

When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognised as an expense immediately.

When a contract covers a number of assets, the construction of each asset is treated as a separate contract when separate proposals have been submitted for each asset, each asset has been separately negotiated and the costs and revenues of each asset can be separately identified. A group of contracts, performed concurrently or in a continuous sequence, is treated as a single construction contract when the contracts were negotiated as a single package and they are so closely inter-related that they constitute a single project with an overall profit margin.

Where contract costs incurred to date plus recognised profits less recognised losses exceed progress billings, the surplus is shown as amounts due from customers for contract works. For contracts where progress billings exceed contract costs incurred to date plus recognised profits less recognised losses, the surplus is shown as amounts due to customers for contract works. Amounts received before the related work is performed are included in the consolidated balance sheet as a liability, as advances received. Amounts billed for work performed but not yet paid by the customers are included in the consolidated balance sheet under trade receivables.

3. 主要會計政策 (續)

軟件開發合同

倘軟件開發合同的結果能可靠地估計，應根據合同業務在結算日的完成進度確認收入及成本。合同完成進度按實際完成的合同成本佔估計合同總成本的比例計量，惟倘結果未能反映完成進度則作別論。合同工程條訂按與客戶協定之數額入賬。

倘軟件開發合同的結果不能可靠估計，合同收入則按已產生而有可能收回的合同成本確認。合同成本應在產生期間確認為開支。

倘合同總成本有可能超出合同總收入，預計損失即時確認為開支。

對於涉及多項資產的合約，倘每項資產均有獨立計劃及單獨談判，而有關成本和收入均可獨立確認，則每項資產的建設視為單項合同處理。對於一組同時或依次履行的合同，倘按一籃子交易磋商，且每項合同緊密連繫成共同計算整體利潤率的單一項目，則按單項工程合同處理。

倘已產生的合同成本加已確認溢利減已確認虧損後，超逾按進度的賬單額，則盈餘視為應收客戶合同工程款項。倘按進度的賬單額超逾已產生的合同成本加已確認溢利減已確認虧損，則盈餘列為應付客戶合同工程款項。有關工程進行前已收取的款項於綜合資產負債表計為負債，並入賬列為已收墊款。就完成工程而開發賬單但客戶尚未支付的款項計入綜合資產負債表的貿易應收賬款。

3. SIGNIFICANT ACCOUNTING POLICIES

(continued)

Research and development expenditure

Expenditure on research activities is recognised as an expense in the period in which it is incurred.

An internally-generated intangible asset arising from development expenditure is recognised only if it is anticipated that the development costs incurred on a clearly-defined project will be recovered through future commercial activity. The resultant asset is amortised on a straight-line basis over its useful life, and carried at cost less subsequent accumulated amortisation and any accumulated impairment losses.

The amount initially recognised for internally-generated intangible asset is the sum of the expenditure incurred from the date when the intangible asset first meets the recognition criteria. Where no internally-generated intangible asset can be recognised, development expenditure is charged to profit or loss in the period in which it is incurred.

Subsequent to initial recognition, internally-generated intangible asset is reported at cost less accumulated amortisation and accumulated impairment losses, on the same basis as intangible assets acquired separately.

Change in functional currency

Functional currency of a group entity is changed only if there is a change to the underlying transactions, events and conditions relevant to the entity. The entity applied the translation procedures applicable to the new functional currency prospectively. At the date of change, the entity translates all items into the new functional currency using the prevailing exchange rate at that date and the resulting translated amounts for non-monetary items are treated as the historical cost. Exchange differences arising from the translation of foreign operations recognised in translation reserve are not recognised in profit or loss until the disposal of the operation.

3. 主要會計政策 (續)

研發開支

研究活動之開支於產生期間確認為開支。

開發費用產生之內部產生無形資產僅會在預期清晰界定項目所產生開發成本可於未來商業活動中收回時確認。因而產生之資產於可使用年期以直線法攤銷，並按成本減其後累計攤銷及任何累計減值虧損列賬。

就內部產生的無形資產首次確認的金額為無形資產首次達致確認標準當日產生的開支總和。倘無內部產生之無形資產可予確認，開發費用在產生期間於損益支銷。

與獨立收購的無形資產相同，內部產生的無形資產於首次確認後以成本減累計攤銷及累計減值虧損呈報。

更改功能貨幣

集團實體之功能貨幣僅於實體之相關交易、事件及狀況改變時方會更改。實體其後交易會換算成新功能貨幣。於更改日期，實體按當日之適用匯率換算所有項目為新功能貨幣，而非貨幣項目換算得出的金額視作歷史成本處理。匯兌儲備確認換算海外業務產生之匯兌差額於業務出售時方會於損益確認。

3. SIGNIFICANT ACCOUNTING POLICIES

(continued)

Foreign currencies

In preparing the financial statements of each individual group entity, transactions in currencies other than the functional currency of that entity (foreign currencies) are recorded in its functional currency (i.e. the currency of the primary economic environment in which the entity operates) at the rates of exchanges prevailing on the dates of the transactions. At each balance sheet date, monetary items denominated in foreign currencies are re-translated at the rates prevailing on the balance sheet date. Non-monetary items that are measured in terms of historical cost in a foreign currency are not re-translated.

Exchange differences arising on the settlement of monetary items, and on the translation of monetary items, are recognised in profit or loss in the year in which they arise.

For the purposes of presenting the consolidated financial statements, the assets and liabilities of the Group's entities are translated from their functional currencies into the presentation currency of the Company (i.e. HKD) at the rate of exchange prevailing at the balance sheet date, and their income and expenses are translated at the average exchange rates for the year, unless exchange rates fluctuate significantly during the year, in which case, the exchange rates prevailing at the dates of transactions are used. Exchange differences arising, if any, are recognised in translation reserve. Such exchange differences are recognised in profit or loss in the year in which the foreign operation is disposed of.

Goodwill and fair value adjustments on identifiable assets acquired arising on the acquisition of a foreign operation on or after 1 January 2005 are treated as assets and liabilities of the foreign operation and translated at the rate of exchange prevailing at the balance sheet date. Exchange differences arising are recognised in the translation reserve.

Borrowing costs

All borrowing costs are recognised as and included in finance cost in the consolidated income statement in the year in which they are incurred.

3. 主要會計政策 (續)

外幣

編製各個別集團實體之財務報表時，以該實體功能貨幣以外之貨幣（外幣）進行之交易均按交易日期之適用匯率換算為功能貨幣（即該實體主要經營所在經濟地區之貨幣）記賬。於各結算日，以外幣計值之貨幣項目按結算日之適用匯率重新換算。以外幣按過往成本計量之非貨幣項目毋須重新換算。

結算及換算貨幣項目所產生之匯兌差額均於產生年度於損益確認。

就呈列綜合財務報表而言，本集團實體的資產及負債按結算日之適用匯率自功能貨幣換算為本公司列賬貨幣（即港元），而收入及支出按該年度之平均匯率換算，惟倘年內匯率大幅波動，則採用交易當日之適用匯率。所產生匯兌差額（如有）於匯兌儲備確認。該等匯兌差額於海外業務出售當年於損益確認。

於二零零五年一月一日或以後收購境外業務而產生之可識別資產之商譽及公平值調整視作該境外業務之資產與負債，按結算日之適用匯率換算。所產生匯兌差額於匯兌儲備確認。

借貸成本

所有借貸成本均於產生年內在綜合收益表確認為融資成本，並計入融資成本。

3. SIGNIFICANT ACCOUNTING POLICIES

(continued)

Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the consolidated income statement because it excludes items of income and expense that are taxable or deductible in other years, and it further excludes items that are never taxable and deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is recognised on differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax base used in the computation of taxable profit, and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences, and deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries and associates, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

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 asset to be recovered.

3. 主要會計政策 (續)

稅項

所得稅開支指即期應付稅項及遞延稅項的總和。

即期應付稅項按年度應課稅溢利計算。由於應課稅溢利不包括其他年度應課稅或可扣稅收入及開支項目，亦不包括永不課稅及可扣稅項目，故有別於綜合收益表所呈報之溢利。本集團即期稅項負債按結算日已實行或大致上已實行之稅率計算。

遞延稅項指就綜合財務報表資產及負債賬面值與計算應課稅溢利所用相應稅基之差額而確認，並以資產負債表負債法處理。遞延稅項負債通常會就所有應課稅暫時差額確認，而遞延稅項資產則於可能有應課稅溢利抵銷可扣稅暫時差額時確認。若於交易中，因商譽或因業務合併以外原因開始確認其他資產及負債而引致既不影響稅項溢利亦不影響會計溢利之暫時差額，則不會確認該等資產及負債。

遞延稅項負債按於附屬公司及聯營公司之投資引致之應課稅暫時差額確認，惟倘本集團可控制撥回暫時差額且暫時差額未必於可見將來撥回之情況除外。

遞延稅項資產之賬面值於各結算日檢討，並在不再可能會有足夠應課稅溢利收回全部或部份資產時調減。

3. SIGNIFICANT ACCOUNTING POLICIES

(continued)

Taxation (continued)

Deferred tax is calculated at the tax rates that are expected to apply in the year when the liability is settled or the asset realised. Deferred tax is charged or credited in the consolidated income statement, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity.

Intangible assets

Intangible assets acquired in a business combination

Intangible assets acquired in a business combination are identified and recognised separately from goodwill where they satisfy the definition of an intangible asset and their fair values can be measured reliably. The cost of such intangible assets is their fair value at the acquisition date.

Subsequent to initial recognition, intangible assets with finite useful lives are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation for intangible assets with finite useful lives is provided on a straight line basis over their estimated useful lives.

Gain or loss arising from derecognition of an intangible asset is measured at the difference between net disposal proceeds and the carrying amount of the asset and is recognised in the consolidated income statement when the asset is derecognised.

Impairment losses on tangible and intangible assets other than goodwill (see the accounting policy in respect of goodwill above)

At each balance sheet date, the Group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised as an expense immediately.

3. 主要會計政策 (續)

稅項 (續)

遞延稅項按預期於負債清償或資產變現年度適用之稅率計算。遞延稅項於綜合收益表扣除或計入綜合收益表，惟於遞延稅項直接在股本權益扣除或計入股本權益時，遞延稅項亦會於股本權益處理。

無形資產

於業務合併中收購之無形資產

業務合併所收購之無形資產若符合無形資產之定義且彼等之公平值能可靠計量，則與商譽分開識別及確認。有關無形資產之成本為於收購日期之公平值。

首次確認後，有可使用限期之無形資產按成本減累計攤銷及累計減值虧損列賬，於估計可使用年期以直線法攤銷。

因終止確認無形資產而產生之收益或虧損按出售所得款項淨額與資產賬面值之差額計算，並於資產終止確認時於綜合收益表確認。

有形及無形資產(不包括商譽，有關商譽之會計政策請參閱上文)之減值虧損

於各結算日，本集團會檢討有形及無形資產之賬面值，以確認是否有跡象顯示該等資產已出現減值虧損。倘預期資產之可回收金額低於其賬面值，則須將該資產之賬面值減至其可回收金額。減值虧損即時確認為開支。

3. SIGNIFICANT ACCOUNTING POLICIES

(continued)

Impairment losses on tangible and intangible assets other than goodwill (see the accounting policy in respect of goodwill above) (continued)

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised as income immediately.

Financial instruments

Financial assets and financial liabilities are recognised on the consolidated balance sheet when a group entity becomes a party to the contractual provisions of the instrument. Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

Financial assets

The Group's financial assets comprise loans and receivables and available-for-sale financial assets. The accounting policies are set out below.

3. 主要會計政策 (續)

有形及無形資產(不包括商譽, 有關商譽之會計政策請參閱上文)之減值虧損(續)

倘其後撥回減值虧損, 則須將該資產之賬面值增至其可回收金額之經修訂估計數額, 惟增加後之賬面值不得超過過往年度資產並無須確認的減值虧損之賬面值。減值虧損的撥回即時確認為收入。

金融工具

財務資產及財務負債於集團實體成為工具合同條文之訂約方時在綜合資產負債表確認。財務資產及財務負債首先按公平值計量。收購或發行財務資產及財務負債(按公平值於損益列賬之財務資產及財務負債除外)直接應佔交易成本於首次確認時加入財務資產之公平值或自財務負債之公平值內扣除(視情況而定)。收購按公平值於損益列賬之財務資產或財務負債直接應佔交易成本即時於損益確認。

財務資產

本集團之財務資產包括貸款及應收賬款以及可供出售財務資產, 有關會計政策載於下文。

3. SIGNIFICANT ACCOUNTING POLICIES

(continued)

Financial instruments (continued)

Financial assets (continued)

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. At each balance sheet date subsequent to initial recognition, loans and receivables (including trade receivables, deposits and other receivables and amounts due from fellow subsidiaries and ultimate holding company and bank balances) are carried at amortised cost using the effective interest method, less any identified impairment losses.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial asset and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees on points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial asset, or, where appropriate, a shorter period.

Interest is recognised on an effective interest basis for debt instruments.

Available-for-sale financial assets

Available-for-sale financial assets are non-derivatives that are either designated or not classified as financial assets at fair value through profit or loss, loans and receivables or held-to-maturity investments.

For available-for-sale equity investments that do not have a quoted market price in an active market and whose fair value cannot be reliably measured, they are measured at cost less any identified impairment losses at each balance sheet date subsequent to initial recognition (see accounting policy on impairment loss on financial assets below).

3. 主要會計政策 (續)

金融工具 (續)

財務資產 (續)

貸款及應收款項

貸款及應收款項指並無活躍市場報價而固定或可釐定付款之非衍生財務資產。於首次確認後各結算日，貸款及應收款項（包括貿易應收賬款、按金及其他應收賬款、應收同集團附屬公司及最終控股公司款項以及銀行結餘）均按採用實際利率法按攤銷成本減任何已識別減值虧損入賬。

實際利率法

實際利率法是計算財務資產攤銷成本及於有關期間攤分利息收入之方法。實際利率指將財務資產之預期使用年期或較短期間（視情況而定）內的估計日後現金收入（包括所有支付或收取構成整體實際利率之所有費用、交易成本及其他溢價或折價）完全貼現之利率。

利息按實際利率確認為負債工具。

可供出售財務資產

可供出售財務資產乃指定為或並非分類為按公平值計入損益之財務資產、貸款及應收賬款或持至到期投資之非衍生工具。

對於並無活躍市場報價的可供出售之股本投資，倘其公平值未能可靠計算，則於首次確認後之各結算日按成本減任何已識別減值虧損計算（見以下財務資產減值虧損之會計政策）。

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3. SIGNIFICANT ACCOUNTING POLICIES

(continued)

Financial instruments (continued)

Financial assets (continued)

Impairment of financial assets

Loans and receivable and available-for-sale financial assets are assessed for indicators of impairment at each balance sheet date. Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the financial assets have been impacted.

For all financial assets, objective evidence of impairment could include:

- significant financial difficulty of the issuer or counterparty; or
- default or delinquency in interest or principal payments; or
- it becoming probable that the borrower will enter bankruptcy or financial re-organisation.

For certain financial assets, such as trade receivables, assets that are assessed not to be impaired individually are subsequently assessed for impairment on a collective basis. Objective evidence of impairment for a portfolio of receivables could include the Group's past experience of collecting payments and an increase in the number of delayed payments in the portfolio past the average credit period and observable changes in national or local economic conditions that correlate with default on receivables.

For loans and receivables, an impairment loss is recognised in profit or loss when there is objective evidence that the asset is impaired, and is measured as the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the original effective interest rate.

3. 主要會計政策 (續)

金融工具 (續)

財務資產 (續)

財務資產之減值

貸款及應收款項以及可供出售財務資產會於各結算日評定有否減值跡象。當有客觀證據顯示財務資產之預期未來現金流量受首次確認該財務資產後發生之一項或多項事件所影響，則財務資產已減值。

所有財務資產的客觀減值證據可包括：

- 發行人或交易對手出現重大財務困難；或
- 未能繳付或拖欠償還利息或本金；或
- 借款人可能面臨破產或財務重組。

對於若干財務資產(例如貿易應收賬款)，評估為不會單獨減值的資產會於其後一併評估減值。應收賬款組合的客觀減值證據包括本集團過往收款記錄、組合內超出平均信貸期的延遲付款數量增加、國家或地區經濟狀況出現明顯可影響應收賬款還款情況的改變。

對於貸款及應收款項，減值虧損於可客觀證明資產減值時於損益確認，並按該資產賬面值與按原先實際利率貼現估計未來現金流量之現值間的差額計算。

3. SIGNIFICANT ACCOUNTING POLICIES

(continued)

Financial instruments (continued)

Financial assets (continued)

Impairment of financial assets (continued)

For available-for-sale financial assets carried at cost, the amount of the impairment loss is measured as the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the current market rate of return for a similar financial asset. Such impairment loss will not be reversed in subsequent periods.

The carrying amount of the loans and receivables is reduced by the impairment loss directly for all financial assets with the exception of trade receivables, where the carrying amount is reduced through the use of an allowance account. Changes in the carrying amount of the allowance account are recognised in profit or loss. When a trade receivable is considered uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited to profit or loss.

If in a subsequent period, the amount of impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment losses was recognised, the previously recognised impairment loss is reversed through profit or loss to the extent that the carrying amount of the asset at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

Financial liabilities and equity

Financial liabilities and equity instruments issued by a group entity are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

An equity instrument is any contract that evidences a residual interest in the assets of the group after deducting all of its liabilities.

3. 主要會計政策 (續)

金融工具 (續)

財務資產 (續)

財務資產之減值 (續)

對於可供出售按成本列賬之財務資產，減值虧損額按資產賬面值與按同類財務資產之現行市場回報率貼現估計未來現金流量之現值間的差額計算。有關減值虧損不會於往後期間撥回。

所有財務資產之減值虧損會直接於貸款及應收款項之賬面值扣減，惟貿易應收賬款之賬面值則使用撥備賬扣減。撥備賬之賬面值變動會於損益確認。當貿易應收賬款視為不可收回時，於撥備賬撇銷。其後收回之前已撇銷的款項會撥回損益。

倘減值虧損額於往後期間減少，而有關差額客觀上與確認減值虧損後發生的事件有關，則之前已確認的減值虧損將於損益撥回，惟該資產於減值撥回當日之賬面值不得超過未確認減值時之攤銷成本。

財務負債及股本

集團實體發行之財務負債及股本工具根據合同安排之性質與財務負債及股本工具之定義分類。

股本工具是證明扣減所有負債後集團資產擁有剩餘權益之任何合同。

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3. SIGNIFICANT ACCOUNTING POLICIES

(continued)

Financial instruments (continued)

Financial liabilities and equity (continued)

Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or, where appropriate, a shorter period.

Interest expense is recognised on an effective interest basis.

Redeemable convertible preferred shares ("Preferred Shares")

Preferred Shares issued by the Company that contain both financial liability and equity components are classified separately into respective liability and equity components on initial recognition. Conversion option that will be settled by the exchange of a fixed amount of cash or another financial asset for a fixed number of the Company's own equity instrument is classified as an equity instrument.

On initial recognition, the fair value of the liability component is determined using the prevailing market interest rate of similar non-convertible debts. The difference between the proceeds of the issue of the Preferred Shares and the fair value assigned to the liability component, representing the embedded conversion option for the holder to convert the Preferred Shares into equity, is included in equity (Preferred shares equity reserve).

In subsequent periods, the liability component of the Preferred Shares is carried at amortised cost using the effective interest method. The equity component, represented by the option to convert the liability component into ordinary shares of the Company, will remain in preferred shares equity reserve until the embedded option is exercised in which case the balance stated in preferred shares equity reserve will be transferred to share premium. Where the option remains unexercised at the expiry date, the balance stated in preferred shares equity reserve will remain in the preferred shares equity reserve. No gain or loss is recognised in profit or loss upon conversion or expiration of the option.

3. 主要會計政策 (續)

金融工具 (續)

財務負債及股本 (續)

實際利率法

實際利率法是計算財務負債攤銷成本及按有關期間攤分利息支出的方法。實際利率是將財務負債預期年限或較短期間(視情況而定)內的估計日後現金付款完全貼現之利率。

利息支出按實際利率基準確認。

可贖回可換股優先股(「優先股」)

本公司發行之優先股包括財務負債及股本部分，須於首次確認時分別列入各負債及股本部分。以定額現金或其他財務資產交換定額本公司股本工具的可換股權列為股本工具。

首次確認時，負債部分之公平值是根據同類不可換股債項之現行市場利率釐定。發行優先股之所得款項與轉至負債部分之公平值間的差額計入股本部分(優先股股本儲備)，即讓持有人將優先股轉換為股份之嵌入轉換認購期權。

於往後期間，優先股之負債部分以實際利率法按攤銷成本列賬，負債部分轉換為本公司普通股期權之股本部分，會保留於優先股股本儲備內直至行使嵌入期權為止，優先股股本儲備之結餘會轉撥至股份溢價。倘期權於到期日仍未行使，則優先股股本儲備之結餘會保留在優先股股本儲備。期權轉換或到期時並不會於損益賬確認任何收益或虧損。

3. SIGNIFICANT ACCOUNTING POLICIES

(continued)

Financial instruments (continued)

Financial liabilities and equity (continued)

Transaction costs that relate to the issue of the Preferred Shares are allocated to the liability and equity components in proportion to the allocation of the gross proceeds. Transaction costs relating to the equity component are charged directly to equity. Transaction costs relating to the liability component are included in the carrying amount of the liability portion and amortised over the period of the Preferred Shares using the effective interest method.

Convertible notes at fair value through profit or loss

Financial liabilities at fair value through profit or loss represent convertible notes designated at fair value through profit or loss on initial recognition.

A financial liability may be designated as at fair value through profit or loss upon initial recognition if:

- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise; or
- the financial liability forms part of a group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Group's documented risk management or investment strategy, and information about the grouping is provided internally on that basis; or
- it forms part of a contract containing one or more embedded derivatives, and HKAS 39 permits the entire combined contract (asset or liability) to be designated as at fair value through profit or loss.

The convertible notes with embedded derivatives whose economic risks and characteristics are not closely related to those of the host contract (the liability component) as a whole is designated as financial liabilities at fair value through profit or loss on initial recognition.

3. 主要會計政策 (續)

金融工具 (續)

財務負債及股本 (續)

與發行優先股有關之交易成本會按所得款項總額之分配比例分配至負債及股本部分。與股本部分有關之交易成本會直接自股本扣除。與負債部分有關之交易成本以負債部分賬面值列賬，並以實際利率法於優先股期間攤銷。

按公平值於損益表列賬的可換股票據

按公平值於損益表列賬的財務負債指首次確認時指定按公平值於損益表列賬的可轉換票據。

倘發生以下情況，財務資產可於首次確認時分類為按公平值於損益表列賬：

- 有關分類可避免或大幅減少如無分類而引致的計算或確認不一致；或
- 財務負債屬於該等組別根據本集團已定風險管理或投資策略管理及按公平值評估表現的一組財務資產或財務負債一部分，而有關分組的資料亦按上述方式由內部提供；或
- 財務負債屬於包含一個或以上嵌入衍生工具的合約一部分，而香港會計準則第39號允許整項合併合約(資產或負債)指定為按公平值於損益表列賬。

經濟風險及特點與從屬合約(負債部份)整體上並無密切關連的嵌入衍生工具之可換股票據，於首次確認時指定為按公平值於損益表列賬的財務負債。

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3. SIGNIFICANT ACCOUNTING POLICIES

(continued)

Financial instruments (continued)

Financial liabilities and equity (continued)

Convertible notes at fair value through profit or loss
(continued)

Transaction costs that are directly attributable to the issue of the convertible notes designated as financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

At each balance sheet date subsequent to initial recognition, financial liabilities at fair value through profit or loss and the entire convertible notes with embedded derivatives are measured at fair value, with changes in fair value recognised directly in profit or loss in the period in which they arise. The net gain or loss recognised in profit or loss excludes any interest paid on the financial liability.

Other financial liabilities

Other financial liabilities including trade and bills payables, other payables and amounts due to fellow subsidiaries and ultimate holding company and bank borrowings are subsequently measured at amortised cost, using the effective interest method.

Equity instruments

Equity instruments issued by the Company are recorded at the proceeds received, net of direct issue costs.

Derecognition

Financial assets are derecognised when the rights to receive cash flows from the assets expire or, the financial assets are transferred and the Group has transferred substantially all the risks and rewards of ownership of the financial assets. On derecognition of a financial asset, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised directly in equity is recognised in profit or loss.

3. 主要會計政策 (續)

金融工具 (續)

財務負債及股本 (續)

按公平值於損益表列賬的可換股票據
(續)

發行可換股票據直接應佔交易成本會指定為按公平值於損益表列賬的財務負債，即時於損益表內確認。

於首次確認後的各結算日，按公平值於損益表列賬的財務負債及全部嵌入衍生工具之可換股票據均以公平值計量，公平值的增減直接於所涉期間的損益表確認。在損益確認的盈虧淨額不包括財務負債的已付利息。

其他財務負債

其他財務負債包括貿易應付賬款及應付票據、其他應付賬款、應付同集團附屬公司及最終控股公司款項以及銀行借款，其後均使用實際利率法按攤銷成本計算。

股本工具

本公司發行之股本工具按已收所得款項(扣除直接發行成本)記賬。

終止確認

若從資產收取現金流之權利已到期，或財務資產已轉讓及本集團已將其於財務資產擁有權之絕大部份風險及回報轉移，則終止確認財務資產。終止確認財務資產時，資產賬面值與已收及應收代價加上已直接於股本權益確認之累計盈虧的總和之差額，將於損益確認。

3. SIGNIFICANT ACCOUNTING POLICIES

(continued)

Financial instruments (continued)

Derecognition (continued)

Financial liabilities are derecognised when the obligation specified in the relevant contract is discharged, cancelled or expires. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

Leasing

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating lease.

The Group as lessee

Rentals payable under operating leases are charged to the consolidated income statement on a straight line basis over the relevant lease terms. Benefits received and receivable as an incentive to enter into an operating lease are recognised as a reduction of rental expenses over the lease term on a straight line basis.

Share-based payment transactions

Equity-settled share-based payment transactions

Share options granted to employees of the Group

The fair value of services received determined by reference to the fair value of share options granted at the grant date is recognised as an expense on a straight line basis over the vesting period, with a corresponding increase in equity (share option reserve).

At each balance sheet date, the Group revises its estimates of the number of options that are expected to ultimately vest. The impact of the revision of the estimates, if any, is recognised in profit or loss, with a corresponding adjustment to share option reserve.

3. 主要會計政策 (續)

金融工具 (續)

終止確認 (續)

倘於有關合約之特定責任獲解除、取消或到期，則終止確認財務負債。終止確認之財務負債賬面值與已付及應付代價之差額於損益確認。

租賃

凡租約條款將租賃擁有權之絕大部分風險及回報轉讓予承租人之租約均分類為財務租約。所有其他租約則分類為經營租約。

本集團作為承租人

根據經營租約的應付租金按直線法於有關租期內的綜合收益表扣除。因訂立經營租約而已收及應收的福利優惠，以直線法於租約年期內確認作租金支出減少。

以股份支付之交易

以股權結算股份支付之交易

授予本集團僱員之購股權

經參照授出當日已授出購股權之公平值而釐定之已收取服務公平值，於歸屬期間按直線法確認為開支，而股本(購股權儲備)則相應增加。

於各結算日，本集團會修訂預期最終歸屬之購股權估計數目。修訂估計之影響(如有)在損益確認，並對購股權儲備作出相應調整。

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3. SIGNIFICANT ACCOUNTING POLICIES

(continued)

Share options granted to employees of the Group (continued)

At the time when the share options are exercised, the amount previously recognised in share option reserve will be transferred to share premium. When the share options are forfeited after the vesting date or are still not exercised at the expiry date, the amount previously recognised in share option reserve will be transferred to retained profits.

In relation to share options granted before 1 January 2005, the Group chose not to apply HKFRS 2 "Share-based payments" with respect to share options granted after 7 November 2002 and vested before 1 January 2005, no amount has been recognised in the consolidated financial statements in respect of these equity-settled share-based payments until such time when the share options were exercised, the amount in excess of the share capital was recorded as share premium.

Retirement benefits costs

Payments to the Mandatory Provident Fund Scheme and other schemes managed by the PRC government are charged as expenses when employees have rendered service entitling them to the contributions.

3. 主要會計政策 (續)

授予本集團僱員之購股權 (續)

於行使購股權時，先前已在購股權儲備中確認之金額將轉撥至股份溢價。倘購股權於歸屬日期後被沒收或於到期日仍未獲行使，則先前已在購股權儲備中確認之金額將轉撥至留存盈餘。

對於二零零五年一月一日前授出之購股權，本集團選擇不會就二零零二年十一月七日後授出及於二零零五年一月一日前歸屬之購股權應用香港財務報告準則第2號「以股份為基準之支付」，概不會就該等以股權結算股份支付之款項於綜合財務報表確認任何金額，直至該等購股權獲行使為止。超出股本之金額入賬列為股份溢價。

退休福利成本

對強制性公積金計劃及中國政府管理之其他計劃支付之供款，乃於僱員提供服務而有權獲得供款時列作開支支銷。

4. KEY SOURCES OF ESTIMATION UNCERTAINTY

The key assumptions concerning the future, and other key sources of estimation uncertainty at the balance sheet dates, 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.

Estimated impairment of other intangible assets

Determining whether other intangible assets are impaired requires an estimation of the future cash flows expected to arise from the products developed and a suitable discount rate in order to calculate present value. Where the actual future cash flows are less than expected, a material impairment loss may arise. The carrying amount of other intangible assets at 31 December 2008 was HK\$107,091,000 (2007: HK\$12,288,000) with no impairment loss recognised.

5. CAPITAL RISK MANAGEMENT

The Group's policy is to maintain a strong capital base so as to maintain creditor and market confidence and to sustain future development of business. The Group's overall strategy remains unchanged from prior year.

The capital structure of the Group consists of debt, which include borrowings disclosed in note 27, redeemable convertible preferred shares disclosed in note 31 and convertible notes disclosed in note 32, and equity attributable to equity holders of the Company, comprising issued share capital, reserves and retained profits.

The directors of the Company review the capital structure on a continuous basis taking into account the cost of capital and the risks associates with each class of capital. Based on recommendations of the directors, the Group will balance its overall capital structure through the payment of dividends, new share issues as well as the issue of redeemable convertible preferred shares or convertible notes to strategic investors or the redemption of the existing debt.

4. 估計不確定因素之主要來源

以下為極可能導致下一個財政年度之資產及負債賬面值大幅調整有關未來之主要假設及於結算日估計不明朗因素之其他主要來源的討論。

其他無形資產估計減值

釐定其他無形資產是否減值時，須估計用作計算現值的已開發產品之預計未來現金流量及適當折讓率。倘實際未來現金流量少於預期值，則可能出現重大減值虧損。其他無形資產於二零零八年十二月三十一日之賬面值為107,091,000港元（二零零七年：12,288,000港元），並無確認任何減值虧損。

5. 資本風險管理

本集團的政策是維持穩健資本基礎，確保債權人及市場對本集團有信心並支持未來業務的發展。本集團的整體策略與去年無異。

本集團資本架構由債項（包括附註27所披露借款、附註31所披露可贖回可換股優先股及附註32所披露可換股票據）及本公司股權持有人應佔權益（包括已發行股本、儲備及留存溢利）組成。

本公司董事持續根據資金成本及各級別資本相關之風險評估檢討資本結構。根據董事之推薦建議，本集團透過派付股息、發行新股份及發行可贖回可換股優先股或可換股票據予策略投資者或贖回現有債務平衡整體資本結構。

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6. FINANCIAL INSTRUMENTS

(a) Categories of financial instruments

Financial assets	財務資產
Available-for-sale investment	可供出售投資
Loans and receivables (including cash and cash equivalents)	貸款及應收款項 (包括 現金及現金等值物)
Financial liabilities	財務負債
Fair value through profit or loss ("FVTPL")	按公平值計入損益 (「按公平值 計入損益」)
- Designated as FVTPL	- 指定為按公平值 計入損益
Amortised cost	攤銷成本

Financial liabilities designated as at FVTPL

Difference between carrying amount and maturity amount	賬面值與到期 支付數額的差額
At fair value	公平值
Amount payable at maturity	到期時應付數額

The details of the calculation for the change in fair value due to the market risk factors are set out in note 32.

6. 金融工具

(a) 金融工具類別

2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
565	—
961,034	557,171
55,421	—
395,305	379,351

指定為按公平值計入損益的財務負債

2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
55,421	—
(58,450)	—
(3,029)	—

計算隨市場風險因素改變的公平值詳情載於附註32。

6. FINANCIAL INSTRUMENTS (continued)

(b) Financial risk management objectives and policies

The Group's major financial instruments include amounts due from fellow subsidiaries and ultimate holding company, trade receivables, other receivables, trade and bills payables, other payables, amounts due to ultimate holding company and fellow subsidiaries, bank borrowings, redeemable convertible preferred shares, convertible notes and bank balances and cash. Details of these financial instruments are disclosed in respective notes. The risks associated with these financial instruments and the policies on how to mitigate these risks are set out below. The management manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

Market risk

Currency risk

The Group collects most of its revenue in HKD and RMB and incurs most of the exposure to expenditures as well as capital expenditures in HKD and RMB. The directors consider that the Group's foreign currency exchange risk is insignificant as the majority of the Group's transactions are denominated in functional currency of each individual group entity.

The Group currently does not have a foreign currency hedging policy. However, the management monitors foreign exchange exposure and will consider hedging significant foreign currency exposure should the need arise.

6. 金融工具 (續)

(b) 財務風險管理目標及政策

本集團之主要金融工具包括應收同集團附屬公司及最終控股公司款額、貿易應收賬款、其他應收賬款、貿易應付賬款及應付票據、其他應付款額、應付最終控股公司及同集團附屬公司款額、銀行借款、可贖回可換股優先股及銀行結餘及現金。該等金融工具詳情於各附註披露。下文載列與該等金融工具有關之風險及如何降低該等風險之政策。管理層管理及監控該等風險，確保及時有效地採取適當措施。

市場風險

貨幣風險

本集團大部分收入以港元及人民幣計值，而大部分開支及資本開支亦以港元及人民幣計值。本集團大部分交易以各個別集團公司之功能貨幣計值，故董事認為本集團之外幣換算風險不大。

本集團現時並無外幣對沖政策。然而，管理層會監察外匯風險，有需要時會考慮對沖重大外匯風險。

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6. FINANCIAL INSTRUMENTS (continued)

(b) Financial risk management objectives and policies (continued)

Market risk (continued)

Currency risk (continued)

The carrying amounts of the Group's foreign currency denominated monetary assets and liabilities at the reporting date are as follows:

6. 金融工具 (續)

(b) 財務風險管理目標及政策 (續)

市場風險 (續)

貨幣風險 (續)

於呈報日期，本集團以外幣計值之貨幣資產及負債的賬面值如下：

		Assets 資產		Liabilities 負債	
		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
HKD	港元	7	136	243,093	181,906
United States Dollars ("US\$")	美元 (「美元」)	39,532	49,753	22,178	—
Japanese Yen ("JPY")	日圓 (「日圓」)	3,351	—	—	—
		<u>43,960</u>	<u>185,889</u>	<u>265,271</u>	<u>181,906</u>

6. FINANCIAL INSTRUMENTS (continued)

(b) Financial risk management objectives and policies (continued)

Market risk (continued)

Sensitivity analysis

For the entities of which their functional currency is HKD while holding assets denominated in US\$, the directors consider that, as HKD is pegged to US\$, the Group is not subject to significant foreign currency risk from change in foreign exchange rate of HKD against US\$ and hence only consider the sensitivity of the change in foreign exchange rate of HKD against currencies other than US\$. The sensitivity analysis includes only outstanding monetary items which are denominated in relevant foreign currencies and adjusts its translation at the year end for a 5% change in the relevant foreign currencies exchange rates. A positive number below indicates an increase in profit for the year where the relevant foreign currencies strengthens 5% against the functional currency of each group entities. For a 5% weakening of the relevant foreign currencies against the relevant foreign currencies, there would be an equal and opposite impact on the profit for the year. 5% is the sensitivity rate used by management in the assessment of the reasonably possible change in foreign exchange rates.

(Decrease) increase in profit for the year	年內溢利 (減少) 增加
HKD impact	港元影響
US\$ impact	美元影響
JPY impact	日圓影響

In management's opinion, the sensitivity analysis is unrepresentative of the inherent foreign exchange risk in relation to foreign currency impact as the year-end exposure does not reflect the exposure during the year.

6. 金融工具 (續)

(b) 財務風險管理目標及政策 (續)

市場風險 (續)

敏感度分析

功能貨幣為港元而持有以美元計值的資產之實體方面，由於港元與美元掛鈎，董事認為本集團因港元兌美元的外幣匯率波動所涉外匯風險並不重大，故僅考慮港元兌美元以外貨幣之匯率波動的影響。敏感度分析僅包括以相關外幣列值的未結算貨幣項目，並在各年終對有關項目按5%相關外幣匯率變化調整。下文所示的正數表示年內因相關外幣兌各集團實體功能貨幣升值5%而使溢利增加。相反，若相關外幣兌各集團實體功能貨幣貶值5%，年內溢利則會等額下跌。5%的敏感度比率是董事所評估外幣匯率的合理變幅。

2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
(12,154)	(9,089)
(1,109)	—
168	—

管理層認為，年末風險並不反映年內風險，故敏感度分析不能反映有關外幣影響的內在外匯風險。

6. FINANCIAL INSTRUMENTS (continued)

(b) Financial risk management objectives and policies (continued)

Fair value interest rate risk

The Group's fair value interest rate risk relates primarily to redeemable convertible preferred shares, convertible notes and fixed rate bank borrowings.

The Group currently does not have an interest rate hedging policy. However, the management monitors interest rate exposure and will consider hedging significant interest rate exposure should the need arise.

Credit risk

The Group's maximum exposure to credit risk in the event of the counterparties' failure to perform their obligations as at 31 December 2008 in relation to each class of recognised financial assets is the carrying amount of those assets as stated in the consolidated balance sheet. In order to minimise the credit risk, the management of the Group has delegated a team responsible for determination of credit limits, credit approvals and other monitoring procedures to ensure that follow-up action is taken to recover overdue debts. In addition, the Group reviews the recoverable amount of each individual trade receivable, amounts due from fellow subsidiaries and ultimate holding company at each balance sheet date to ensure that adequate impairment losses are made for irrecoverable amounts. The Group's trade receivables as at 31 December 2008 are due from a number of customers. The management closely monitors the subsequent settlement of the customers and does not grant long credit period to them. In this regard, the directors of the Company consider that the Group's credit risk is significantly reduced.

The Group has concentration of credit risk on trade receivables from ultimate holding company, being the largest customer and fellow subsidiaries, two of which being the top five customers.

6. 金融工具 (續)

(b) 財務風險管理目標及政策 (續)

公平值利率風險

本集團之公平值利率風險主要與可贖回可換股優先股、可換股票據及定息銀行借款有關。

本集團現時並無利率對沖政策。然而，管理層監視利率風險，有需要時會考慮對沖重大利率風險。

信貸風險

二零零八年十二月三十一日，倘交易方未能履行承擔，則本集團就各類已確認財務資產而須承受之最大信貸風險為已於綜合資產負債表列值之資產賬面值。為盡量降低信貸風險，本集團管理層已委派一組人員負責制訂信貸限額、信貸審批及其他監控措施，確保採取跟進措施收回逾期未付之債項。此外，於各結算日，本集團評估每項個別貿易應收賬款、應收同集團附屬公司及最終控股公司款項之可收回金額，確保就不可收回金額作出足夠減值虧損。本集團於二零零八年十二月三十一日之貿易應收賬款主要為應收數名客戶款項。管理層已密切關注該等客戶其後的還款情況，並不會再給予該等客戶較長信貸期。因此，本公司董事認為本集團之信貸風險已大幅降低。

本集團來自最終控股公司(作為最大客戶)及同集團附屬公司(其中兩間屬五大客戶)之貿易應收賬款的信貸風險集中。

6. FINANCIAL INSTRUMENTS (continued)

(b) Financial risk management objectives and policies (continued)

信貸風險 (continued)

The Group's bank balances are deposited with banks with high credit ratings and the Group has limited exposure to any single financial institution.

Price risk management

Equity securities

The Group is exposed to equity securities price risk through its convertible note at fair value through profit or loss. In addition to fair value interest rate risk, the Group is also exposed to security price risk in respect of the conversion option embedded in the convertible note which allows the note holder to convert to the Company's ordinary shares. However, in the opinion of the directors, the impact on fair value of the embedded option due to change in Company's share price and share price volatility is not considered as significant, hence the price risk exposure in this regard is limited and no sensitivity analysis is performed.

Liquidity risk

In the management of the liquidity risk, the Group monitors and maintains adequate cash and cash equivalents by continuously monitor forecast and actual cash flows and matching the maturity profiles of certain financial assets (including trade receivables, trade receivables included in amounts due from fellow subsidiaries and ultimate holding company and bank balances and cash) and certain financial liabilities (including trade and bills payables, other payables, amounts due to fellow subsidiaries, fixed rate bank borrowings and interest payable of redeemable convertible preferred shares).

6. 金融工具 (續)

(b) 財務風險管理目標及政策 (續)

信貸風險 (續)

本集團銀行存款均存放於高信貸評級之銀行。本集團來自任何單一金融機構之風險有限。

價格風險管理

股本證券

本集團面對來自按公平值於損益表處理之可換股票據的債券價格風險。嵌入可換股票據的換股權利容許票據持有人轉換本公司普通股股份，除公平值利率風險外，本集團亦面對債券價格風險。然而，董事認為，因本公司股份價格改變及股份價格波幅對嵌入的換股權公平值影響並不顯著，故價格風險有限，因此無敏感度分析。

流動資金風險

管理流動資金風險時，本集團透過持續監察預測及實際現金流量，以及若干財務資產(包括貿易應收賬款、計入應收同集團附屬公司及最終控股公司款額之貿易應收賬款以及銀行結餘及現金)及若干財務負債(包括貿易應付賬款及應付票據、其他應付款額、應付同集團附屬公司款額、定息銀行借款及可贖回可換股優先股之應付利息)之到期情況，監察及維持足夠的現金及現金等值物水平。

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6. FINANCIAL INSTRUMENTS (continued)

(b) Financial risk management objectives and policies (continued)

Liquidity risk (continued)

The following table details the Company's remaining contractual maturity for its non-derivative financial assets. The tables below have been drawn up based on the undiscounted contractual maturities of those financial assets including interest that will be earned on those assets except for bank balances and cash:

2008

二零零八年

Trade receivables	應收貿易賬款	—	84,305	34,487	7,022	—	125,814	125,814
Amounts due from fellow subsidiaries	應收同集團附屬公司款額	—	80,099	—	—	—	80,099	80,099
Amount due from ultimate holding company	應收最終控股公司款額	—	114,023	22,478	—	—	136,501	136,501
Bank balances and cash	銀行結餘及現金	0.05	606,929	—	—	—	606,929	606,929

2007

二零零七年

Trade receivables	應收貿易賬款	—	39,826	19,582	—	—	59,408	59,408
Amounts due from fellow subsidiaries	應收同集團附屬公司款額	—	37,625	—	—	—	37,625	37,625
Amount due from ultimate holding company	應收最終控股公司款額	—	142,055	143,116	—	—	285,171	285,171
Bank balances and cash	銀行結餘及現金	1.5	167,236	—	—	—	167,236	167,236

Weighted average effective interest rate	6 months to				Total undiscounted cash flows	Total carrying amount
	Less than 3 months	3 months to 6 months	1 year	1 - 5 years		
加權平均實際利率	少於三個月	三至六個月	六個月至一年	一至五年	未折現現金流量總額	賬面值總額
%	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
%	千港元	千港元	千港元	千港元	千港元	千港元
—	84,305	34,487	7,022	—	125,814	125,814
—	80,099	—	—	—	80,099	80,099
—	114,023	22,478	—	—	136,501	136,501
0.05	606,929	—	—	—	606,929	606,929
	885,356	56,965	7,022	—	949,343	949,343

6. 金融工具 (續)

(b) 財務風險管理目標及政策 (續)

流動資金風險 (續)

下表詳列本公司非衍生財務資產的餘下合同到期情況。該表根據財務資產(包括除銀行結餘及現金外,該等資產將賺取的利息)中的未折現合同到期情況編製。

6. FINANCIAL INSTRUMENTS (continued)

(b) Financial risk management objectives and policies (continued)

Liquidity risk (continued)

The following table details the Company's remaining contractual maturity for its financial liabilities. For non-derivative financial liabilities, the table has been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay. The table includes both interest and principal cash flows.

6. 金融工具 (續)

(b) 財務風險管理目標及政策 (續)

流動資金風險 (續)

下表詳列本公司財務負債的餘下合同到期情況。以下有關非衍生財務負債表格根據本集團財務負債中未折現現金流量按最早須付款日期編製，包括利息及本金現金流量。

2008

二零零八年

Trade and bills payables	貿易應付賬款 及應付票據
Other payables	其他應付款額
Amounts due to fellow subsidiaries	應付同集團附屬公司款額
Amount due to ultimate holding company	應付最終控股公司款額
Bank borrowings	銀行借款
Redeemable convertible preferred shares (note)	可贖回可換股優先股 (附註)
Convertible notes	可換股票據

Weighted average effective interest rate	6 months to				Total undiscounted cash flows	Total carrying amount
	Less than 3 months	3 months to 6 months	1 year	1 - 5 years		
加權平均實際利率	少於三個月	三至六個月	六個月至一年	一至五年	未折現現金流量總額	賬面值總額
%	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
%	千港元	千港元	千港元	千港元	千港元	千港元
—	69,919	20,751	3,384	—	94,054	94,054
—	26,324	—	—	—	26,324	26,324
—	21,651	588	206	—	22,445	22,445
—	439	—	—	—	439	439
6.4	14,387	—	55,840	—	70,227	67,401
6	—	—	11,700	217,530	229,230	184,642
—	—	—	—	58,450	58,450	55,421
	132,720	21,339	71,130	275,980	501,169	450,726

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6. FINANCIAL INSTRUMENTS (continued)

(b) Financial risk management objectives and policies (continued)

Liquidity risk (continued)

	Weighted average effective interest rate	Less than 3 months 少於三個月 %	3 - 6 months 三至六個月 HK\$'000 千港元	6 months to 1 year 六個月 至一年 HK\$'000 千港元	1 - 5 years 一至五年 HK\$'000 千港元	Total undiscounted cash flows 未折現現金 流量總額 HK\$'000 千港元	amount at
							31.12.2007 於二零零七年 十二月三十一日 的賬面值 總額 HK\$'000 千港元
2007							
二零零七年							
Trade and bills payables	貿易應付賬款 及應付票據	—	122,342	—	—	122,342	122,342
Other payables	其他應付款額	—	6,219	—	—	6,219	6,219
Amounts due to fellow subsidiaries	應付同集團附屬 公司款額	—	65,304	—	—	65,304	65,304
Amount due to ultimate holding company	應付最終控股 公司款額	—	3,646	—	—	3,646	3,646
Redeemable convertible preferred shares (note)	可贖回可換股 優先股 (附註)	6	—	11,656	229,230	240,886	181,840
			197,511	11,656	229,230	438,397	379,351

Note: In view of the strategic relationship with the holder of redeemable convertible preferred shares and the average share price of the Company is higher than the convertible price of the redeemable convertible preferred shares, the directors of the Company consider the redeemable convertible preferred shares will be converted into shares of the Company prior to its maturity date. Accordingly, it is unlikely that potential cash outflows of HK\$194,263,000 (2007:HK\$194,263,000) in the settlement of the redeemable convertible preferred shares will be expected.

6. 金融工具 (續)

(b) 財務風險管理目標及政策 (續)

流動資金風險 (續)

附註：鑒於可贖回可換股優先股持有人的戰略性關係及本公司股份平均股價高於可贖回可換股優先股之換股價，本公司董事認為，可贖回可換股優先股會於到期日前轉換為本公司股份。因此，可能不會產生結算可贖回可換股優先股預期引致之潛在現金流出額194,263,000港元（二零零七年：194,263,000港元）。

6. FINANCIAL INSTRUMENTS (continued)**(c) Fair value**

The fair value of financial assets and financial liabilities are determined in accordance with generally accepted pricing models based on discounted cash flow analysis using prices or rates from observable current market transactions as input. For an option-based derivative, the fair value is estimated using an appropriate option pricing model.

The directors consider that the carrying amounts of financial assets and financial liabilities recorded at amortised cost in the consolidated financial statements approximate to their fair values.

7. REVENUE

Revenue represents the fair value of the consideration received and receivable for goods sold and services rendered by the Group less discounts, returns and allowances. An analysis of the Group's revenue for the year is as follows:

Sales of IT components	銷售 IT 元件
Sales of IT products	銷售 IT 產品
Revenue from software development contracts and solution	軟件開發合約和方案解決收入
- Sales of IT peripherals and software	- 銷售 IT 周邊產品及軟件
- Software development	- 軟件開發
Revenue from software outsourcing contracts	軟件外包合約收入

6. 金融工具 (續)**(c) 公平值**

財務資產及財務負債之公平值乃根據基於貼現現金流量分析之公認定價模式，使用當前市場公開交易價格或利率釐定。期權衍生工具的公平值採用合適的期權計價模型估算。

董事認為，按攤銷成本列入綜合財務報表之財務資產及財務負債之賬面值與公平值相若。

7. 收入

收入指本集團售出貨品及提供服務之已收款及應收代價公平值減折扣、退貨及折讓。本集團本年度收入分析如下：

2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
436,349	490,041
171,418	252,744
808,001	165,611
342,185	13,778
83,631	—
1,841,584	922,174

8. SEGMENT INFORMATION

Business segment

For management purposes, the Group is currently organised into four operating divisions, namely trading of IT components, manufacturing and sales of IT products, software development and solution and provision of outsourcing software services. The software outsourcing division arose from acquisition of Langchao Worldwide as disclosed in note 34 during the year. These divisions are the basis on which the Group reports its primary segment information.

8. 分類資料

業務分類

為方便管理，本集團現時分成四大業務部門，分別為買賣IT元件、製造及銷售IT產品、開發軟件開發和解決方案及提供軟件外包服務。軟件外包部門源自年內收購浪潮世科（於附註34披露）。本集團按該等部門呈報其主要分類資料。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2008
截至二零零八年十二月三十一日止年度

8. SEGMENT INFORMATION (continued)

Business segment (continued)

Segment information about these businesses is presented below:

Consolidated income statement for the year ended 31 December 2008

8. 分類資料 (續)

業務分類 (續)

該等業務之分類資料呈列如下：

截至二零零八年十二月三十一日止年度之綜合收益表

		Information technology services IT 服務				
		Trading of IT components	Manufacturing and sales of IT products 製造及銷售 IT產品	Software development and solution 軟件開發和 解決方案	Software outsourcing 軟件外包	Consolidated
		IT元件貿易 HK\$'000 千港元	IT產品 HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	綜合 HK\$'000 千港元
Revenue	收入	436,349	171,418	1,150,186	83,631	1,841,584
Segment results	分類業績	32,404	10,010	332,482	13,491	388,387
Unallocated income	未分配收入					5,383
Unallocated corporate expenses	未分配企業開支					(10,992)
Fair value change in convertible notes classified as liabilities at fair value through profit or loss	按公平值列為負債之可換股票據的公平值變動的計入損益					3,029
Share of profits of associates	應佔聯營公司純利	—	—	3,212	—	3,212
Interest expenses	利息支出					(15,368)
Profit before taxation	除稅前純利					373,651
Taxation	稅項					(40,138)
Profit for the year	年內純利					333,513

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2008
截至二零零八年十二月三十一日止年度

8. SEGMENT INFORMATION (continued)

Business segment (continued)

Consolidated balance sheet at 31 December 2008

8. 分類資料 (續)

業務分類 (續)

於二零零八年十二月三十一日之綜合資產負債表

		Information technology services IT 服務				
		Trading of IT components	Manufacturing and sales of IT products	Software development and solution	Software outsourcing	Consolidated
		IT元件貿易	製造及銷售 IT產品	軟件開發和 解決方案	軟件外包	綜合
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元
ASSETS	資產					
Segment assets	分類資產	66,507	175,233	390,040	176,400	808,180
Unallocated corporate assets	未分配企業資產					611,126
Consolidated total assets	綜合資產總額					1,419,306
LIABILITIES	負債					
Segment liabilities	分類負債	27,622	22,248	185,385	7,982	243,237
Unallocated corporate liabilities	未分配企業負債					376,051
Consolidated total liabilities	綜合負債總額					619,288

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2008
截至二零零八年十二月三十一日止年度

8. SEGMENT INFORMATION (continued)

Business segment (continued)

Other information for the year ended 31 December 2008

8. 分類資料 (續)

業務分類 (續)

截至二零零八年十二月三十一日止
年度之其他資料

		Information technology services IT 服務					Consolidated 綜合
		Trading of IT components IT 元件貿易 HK\$'000 千港元	Manufacturing and sales of IT products 製造及銷售 IT 產品 HK\$'000 千港元	Software development and solution 軟件開發和 解決方案 HK\$'000 千港元	Software outsourcing 軟件外包 HK\$'000 千港元	Unallocated 未分配 HK\$'000 千港元	
Additions to property, plant and equipment	添置物業、 廠房及設備	—	1,541	6,603	991	29	9,164
Additions to goodwill arising on acquisition of subsidiaries and acquisition of additional interest in a subsidiary	因收購附屬公司 及收購附屬公司 額外權益而產生之 商譽增加	—	—	13,091	91,277	—	104,368
Additions to other intangible assets on acquisition of subsidiaries	因收購附屬公司而添置 其他無形資產	—	—	53,933	62,610	—	116,543
Depreciation of property, plant and equipment	物業、廠房及 設備折舊	—	307	15,567	2,907	9	18,790
Write-down of inventories	存貨撇減	895	—	—	—	—	895
Amortisation of other intangible assets	其他無形資產攤銷	—	—	15,882	8,094	—	23,976
Allowance for bad and doubtful debts	呆壞賬撥備	—	—	255	—	—	255

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2008
截至二零零八年十二月三十一日止年度

8. SEGMENT INFORMATION (continued)

Business segment (continued)

Consolidated income statement for the year ended 31 December 2007

8. 分類資料 (續)

業務分類 (續)

截至二零零七年十二月三十一日止年度之綜合收益表

		Trading of IT components IT 元件貿易 HK\$'000 千港元	Manufacturing and sales of IT products 製造及銷售 IT 產品 HK\$'000 千港元	Information technology service IT 服務	Software development and solution 軟件開發和解決方案 HK\$'000 千港元	Consolidated 綜合 HK\$'000 千港元
Revenue	收入	490,041	252,744	179,389	922,174	
Segment results	分類業績	10,536	17,965	33,992	62,493	
Unallocated income	未分配收入				2,373	
Unallocated corporate expenses	未分配企業開支				(15,824)	
Share of profits of associates	應佔聯營公司純利	—	—	8,111	8,111	
Interest expenses	利息支出				(14,305)	
Profit before taxation	除稅前純利				42,848	
Taxation	稅項				(2,558)	
Profit for the year	年內純利				40,290	

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綜合財務報表附註

For the year ended 31 December 2008
截至二零零八年十二月三十一日止年度

8. SEGMENT INFORMATION (continued)

Business segment (continued)

Consolidated balance sheet at 31 December 2007

8. 分類資料 (續)

業務分類 (續)

於二零零七年十二月三十一日之綜合資產負債表

		Trading of IT components IT 元件貿易 HK\$'000 千港元	Manufacturing and sales of IT products 製造及銷售 IT 產品 HK\$'000 千港元	Information technology service IT 服務	Software development and solution 軟件開發和 解決方案 HK\$'000 千港元	Consolidated 綜合 HK\$'000 千港元
ASSETS	資產					
Segment assets	分類資產	54,824	270,535	179,458	504,817	
Interests in associates	聯營公司權益	—	—	71,148	71,148	
Unallocated corporate assets	未分配企業資產				167,689	
Consolidated total assets	綜合資產總額				743,654	
LIABILITIES	負債					
Segment liabilities	分類負債	40,409	76,081	122,587	239,077	
Unallocated corporate liabilities	未分配企業負債				220,981	
Consolidated total liabilities	綜合負債總額				460,058	

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綜合財務報表附註

For the year ended 31 December 2008
截至二零零八年十二月三十一日止年度

8. SEGMENT INFORMATION (continued)

Business segment (continued)

Other information for the year ended 31 December 2007

8. 分類資料 (續)

業務分類 (續)

截至二零零七年十二月三十一日止
年度之其他資料

		Trading of IT components IT 元件貿易 HK\$'000 千港元	Manufacturing and sales of IT products 製造及銷售 IT 產品 HK\$'000 千港元	Information technology service IT 服務	Software development and solution 軟件開發和 解決方案 HK\$'000 千港元	Consolidated 綜合 HK\$'000 千港元
Additions to property, plant and equipment	添置物業、 廠房及設備	—	1,479	1,371	1	2,851
Additions to goodwill arising on acquisition of subsidiaries	因收購附屬公司 而產生之 商譽增加	—	—	30,542	—	30,542
Additions to other intangible assets on acquisition of subsidiaries	因收購附屬公司而添置 其他無形資產	—	—	12,767	—	12,767
Depreciation of property, plant and equipment	物業、廠房及 設備折舊	—	564	166	204	934
Write-down of inventories	存貨撇減	1,258	—	—	—	1,258
Amortisation of other intangible assets	其他無形資產攤銷	—	—	479	—	479
Allowance for bad and doubtful debts	呆壞賬撥備	7,132	—	—	—	7,132

8. SEGMENT INFORMATION (continued)

Geographical segments

The Group's operations are currently carried out in the PRC (including Hong Kong), except for some services rendered by the provision of outsourcing software development services division are located in other regions.

The following table provides an analysis of the Group's revenue by location of markets, or customer irrespective of the origin of the goods/services:

Hong Kong	香港
The PRC (excluding Hong Kong)	中國 (不包括香港)
Others	其他

8. 分類資料 (續)

地區分類

本集團現時在中國 (包括香港) 經營業務，惟軟件開發外包服務部門提供的若干服務位於其他地區。

下表呈列本集團按市場或客戶所在地 (不論貨品／服務來源地) 劃分之營業額分析：

Revenue by geographical market 按地區市場 劃分之收入

2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
436,349	490,041
1,353,841	432,133
51,394	—
<u>1,841,584</u>	<u>922,174</u>

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綜合財務報表附註

For the year ended 31 December 2008
截至二零零八年十二月三十一日止年度

8. SEGMENT INFORMATION (continued)

Geographical segments

The following is an analysis of the carrying amount of segment assets, and additions to property, plant and equipment, other intangibles assets and goodwill, analysed by the geographical area in which the assets are located:

8. 分類資料 (續)

地區分類

以下為按資產所在地理區域劃分的分類資產之賬面值以及物業、廠房及設備添置、其他無形資產和商譽增加之分析：

		Carrying amount of segment assets 分類資產之賬面值		Additions to property, plant and equipment, other intangible assets and goodwill 物業、廠房及設備之添置、其他無形資產及商譽增加	
		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Hong Kong	香港	66,507	54,824	29	1
The PRC (excluding Hong Kong)	中國 (不包括香港)	736,998	449,993	230,045	46,159
Others	其他	4,675	—	1	—
		808,180	504,817	230,075	46,160

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綜合財務報表附註

For the year ended 31 December 2008
截至二零零八年十二月三十一日止年度

9. OTHER INCOME AND GAINS

Interest income	利息收入
Net foreign exchange gain	外匯收益淨額
Value added tax refund (Note a)	增值稅退稅 (附註 a)
Government subsidies and grants (Note b)	政府津貼及補助 (附註 b)
Dividend income from an unlisted entity established in the PRC	來自中國境內一家非上市公司之股息收入
Others	其他

Notes:

- (a) Inspur (Shandong) Electronic Information Company Limited (“Inspur Shandong Electronic”), Inspur Communication Information System Limited (“Inspur Communication”), Shandong Inspur Business System Company Limited (“Inspur Business System”), Inspur Group Shandong Genersoft Incorporation (“Inspur Genersoft”) and Inspur E-Government Software Limited (“Inspur E-Government”) are engaged in the business of distribution of self-developed and produced software. Under the current PRC tax regulation, it is entitled to a refund of VAT paid for sales of self-developed software in the PRC.
- (b) For the year ended 31 December 2008, the amount of approximately HK\$2,676,000 (2007: nil) represent the subsidies received from the PRC Government for the purpose of encouraging the development of enterprises engaged in new and high technology sector. The subsidies received are recognised as income when the approval of the relevant government authority has been obtained. There are no other conditions attached to the subsidies granted to the Group.

For the year ended 31 December 2008, the amounts of approximately HK\$21,005,000 (2007: nil) represent the grants from the Government for funding of some development projects which benefits the society as a whole. The grants received are recognised as income when the related development project has been completed and the approval of the relevant Government authority has been obtained.

9. 其他收入及收益

2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
2,650	2,358
2,733	10
38,988	—
23,681	—
1,027	—
3,707	1,289
72,786	3,657

附註：

- (a) 浪潮(山東)電子信息有限公司(「浪潮山東電子」)、浪潮通信信息系統有限公司(「浪潮通信」)、山東浪潮商用系統有限公司(「浪潮商用系統」)、浪潮集團山東通用軟件有限公司(「浪潮通用軟件」)及山東浪潮電子政務軟件有限公司(「浪潮電子政務」)從事自行開發及生產軟件的分銷業務。根據現行中國稅務條例，在中國銷售自行開發軟件的企業可獲增值稅退稅。
- (b) 截至二零零八年十二月三十一日止年度，約2,676,000港元(二零零七年：無)為自中國政府收取之津貼，以鼓勵從事高新技術行業的企業發展。待獲相關政府部門批准後，所收取津貼會確認為收入。本集團獲授之津貼並無其他附帶條件。

截至二零零八年十二月三十一日止年度，約21,005,000港元(二零零七年：無)為自政府收取的補助，作為造福整個社會的部分發展項目資金。已收補助於相關發展項目竣工及取得相關政府機關批准後確認為收入。

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綜合財務報表附註

For the year ended 31 December 2008
截至二零零八年十二月三十一日止年度

10. TAXATION

Current tax:	即期稅：
Hong Kong Profits Tax	香港利得稅
PRC Enterprise Income Tax	中國企業所得稅
Under(over)provision	過往年度撥備不足
in prior years:	(超額撥備)：
Hong Kong Profits Tax	香港利得稅
PRC Enterprise Income Tax	中國企業所得稅
Deferred taxation (note 33)	遞延稅項 (附註 33)

On 26 June 2008, the Hong Kong Legislative Council passed the Revenue Bill 2008 which reduced corporate profits tax rate from 17.5% to 16.5% effective from the year of assessment 2008/2009. Therefore, Hong Kong Profits Tax is calculated at 16.5% (2007: 17.5%) on the estimated assessable profit for the year.

On 16 March 2007, the PRC promulgated the Law of the PRC on Enterprise Income Tax (the "New Law") by Order No. 63 of the President of the PRC. On 6 December 2007, the State Council of the PRC issued Implementation Regulations of the New Law. The New Law and Implementation Regulations changed the tax rate to 25% from 1 January 2008 onwards.

The statutory tax rate for PRC Enterprise Income Tax of 25% (2007: 33%) is applied to the Group's PRC subsidiaries except for Inspur Communication, Inspur Business System and Inspur Genersoft. Inspur Communication, Inspur Business System and Inspur Genersoft are recognised as "New and High Technology Enterprise" and therefore entitled to apply a tax rate of 15%. Furthermore, Inspur Genersoft can enjoy additional 5% reduction in tax rate starting from the fiscal year ended 31 December 2005 because it is recognised as "State recognised software enterprise" (國家規劃局內的重點軟件企業) in 2005.

10. 稅項

2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
4,785	2,477
40,214	268
(25)	(67)
113	—
(4,949)	(120)
40,138	2,558

二零零八年六月二十六日，香港立法會通過二零零八年收入法案，將公司利得稅率由17.5%下調至16.5%，自二零零八年／二零零九年課稅年度起實施。因此，本年度香港利得稅按估計應課稅純利的16.5% (二零零七年：17.5%) 計算。

二零零七年三月十六日，中國根據中國國家主席令第63號頒佈中國企業所得稅法(「新稅法」)。二零零七年十二月六日，中國國務院頒佈新稅法實施細則。根據新稅法及其實施細則，稅率自二零零八年一月一日起調整為25%。

除浪潮通信、浪潮商用系統及浪潮通用軟件外，本集團中國附屬公司的適用中國企業所得稅法定稅率為25% (二零零七年：33%)。浪潮通信、浪潮商用系統及浪潮通用軟件獲評定為「高新技術企業」，因此享有稅率15%。此外，浪潮通用軟件於二零零五年獲評定為「國家規劃局內的重點軟件企業」，故自截至二零零五年十二月三十一日止財政年度起開始額外享有5%稅率減免。

10. TAXATION (continued)

Pursuant to the relevant laws and regulations in the PRC, the Group's PRC subsidiaries, Inspur Shandong Electronic, Inspur E-Government and Inspur Communication are exempted from PRC Enterprise Income Tax for two years starting from its first profit-making year, followed by a 50% reduction for the next three years. The first profit-making year for Inspur Shandong Electronic, Inspur E-Government and Inspur Communication are the fiscal year ended 31 December, 2006, 31 December, 2007 and 31 December, 2004 respectively.

Pursuant to the Notice of Ministry of Finance and the State Administrative of Taxation concerning certain preferential policies on enterprise income tax 《財稅[2000]25號〈財政部、國家稅務總局、海關總署〉關於鼓勵軟件產業和集成電路產業發展有關稅收政策問題的通知》第二條, Inspur Worldwide (Shandong) Services Limited ("Worldwide Shandong"), Inspur Worldwide (Qingdao) Services Limited ("Worldwide Qingdao") and Inspur Guoyou (Shanghai) Services Incorporation ("Worldwide Shanghai"), which are recognised as "Software Enterprise", are exempted from PRC income tax for two years starting from their respective first profit-making years, followed by a 50% reduction for the next three years. The first profit-making year for Worldwide Shandong, Worldwide Qingdao and Worldwide Shanghai are the fiscal year ended 31 December 2007, 31 December 2007 and 31 December 2008 respectively.

Pursuant to the 《北京市新技術產業開發試驗區暫行條例》(京政發[1988]49號), Inspur Shijie (Beijing) Services Incorporation ("Shijie Beijing") is exempted from PRC income tax for three years since its establishment in 2005, followed by a 50% reduction for the next three years.

The implementation of New Law has no impact on the tax relief granted to the PRC subsidiaries.

10. 稅項 (續)

根據中國有關法律法規，本集團中國附屬公司浪潮山東電子、浪潮電子政務及浪潮通信自首個獲利年度起兩年內豁免繳納中國企業所得稅，其後三年減半。浪潮山東電子、浪潮電子政務及浪潮通信的首個獲利年度分別為截至二零零六年十二月三十一日、二零零七年十二月三十一日及二零零四年十二月三十一日止財政年度。

根據財政部及國家稅務總局有關若干企業所得稅優惠政策的通知《財稅[2000]25號〈財政部、國家稅務總局、海關總署〉關於鼓勵軟件產業和集成電路產業發展有關稅收政策問題的通知》第二條，浪潮世科(山東)信息技術有限公司(「世科山東」)、浪潮世科(青島)信息技術有限公司(「世科青島」)及浪潮高優(上海)信息技術有限公司(「高優上海」)均獲評定為「軟件企業」，自首個獲利年度起兩年內豁免繳納中國所得稅，其後三年減半。世科山東、世科青島及高優上海的首個獲利年度分別為截至二零零七年十二月三十一日、二零零七年十二月三十一日及二零零八年十二月三十一日止財政年度。

根據《北京市新技術產業開發試驗區暫行條例》(京政發[1988]49號)，浪潮世捷(北京)信息技術有限公司(「世捷北京」)自二零零五年成立起計三年豁免繳納中國所得稅，其後三年減半。

實施新稅法並沒有影響到中國附屬公司已獲取之稅收減免。

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10. TAXATION (continued)

The taxation for the year can be reconciled to the profit before taxation per the consolidated income statement as follows:

10. 稅項 (續)

根據綜合收益表，本年度之稅項與除稅前純利對賬如下：

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Profit before taxation	除稅前純利	373,651	42,848
Tax at the prevailing profits tax rate of 25% (2007: 17.5%)	按現行利得稅 稅率 25% 之稅項 (二零零七年：17.5%)	93,413	7,498
Tax effect of share of profits of associates	應佔聯營公司純利 之稅務影響	(803)	(1,420)
Tax effect of expenses that are not deductible in determining taxable profit	釐定應課稅純利時 不可扣稅開支 之稅務影響	9,124	5,789
Tax effect of income not taxable for tax purpose	毋須課稅收入 之稅務影響	(10,151)	(121)
Tax effect of tax losses not recognised	未確認稅務虧損 之稅務影響	915	158
Effect of tax relief granted to PRC subsidiaries	中國附屬公司獲豁免 稅項之影響	(51,024)	(9,280)
Effect of different tax rates of group entities operating in jurisdictions other than PRC	於中國以外司法權區 經營之集團公司 不同稅率之影響	(2,465)	—
Under(over)provision in respect of previous years	過往年度撥備不足 (超額撥備)	88	(67)
Deferred tax on withholding tax arise from PRC subsidiaries	中國附屬公司預扣稅 產生之遞延稅項	1,045	—
Others	其他	(4)	1
Taxation for the year	本年度稅項	40,138	2,558

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11. PROFIT FOR THE YEAR

11. 年內純利

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Profit for the year has been arrived at after charging:	本年度純利經扣除下列各項後得出：		
Allowance for bad and doubtful debts	呆壞賬撥備	255	7,132
Research and development costs	研發成本	31,144	—
Write-down of inventories	存貨撇減	895	1,258
Auditor's remuneration	核對師酬金	2,803	1,500
Cost of inventories recognised as expenses	確認為開支的存貨成本	1,157,908	826,068
Depreciation for property, plant and equipment	物業、廠房及設備折舊	18,790	934
Directors' remuneration (note 12)	董事酬金（附註 12）		
Fees	袍金	240	227
Other emoluments	其它酬金	1,991	1,866
Other staff costs	其他員工成本		
Salaries and other benefits	薪金及其他福利	133,863	13,239
Retirement benefit scheme contributions	退休福利計劃供款	9,139	1,025
Share-based payments	股份支付	818	10,937
		146,051	27,294
Interest expense on redeemable convertible preferred shares wholly repayable within five years	於五年內悉數償還之可贖回可換股優先股之利息開支	14,502	14,287
Interest expense on bank borrowings wholly repayable within five years	於五年內悉數償還之銀行借款之利息開支	866	18
		15,368	14,305
Net loss on disposal of property, plant and equipment	出售物業、廠房及設備之虧損淨額	167	21
Operating lease rentals in respect of office premises and staff quarters	辦公室及員工宿舍之經營租金	11,924	1,219

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12. DIRECTORS' EMOLUMENTS

The emoluments paid or payable to each of the eleven (2007: eleven) directors were as follows:

12. 董事酬金

向11名(二零零七年: 11名)董事支付/應付之酬金詳情如下:

		Executive director 執行董事				Non-executive director 非執行董事				Independent non-executive director 獨立非執行董事			
		Leung Chi Ho	Sun Pishu 孫丕恕	Wang Miao 王渺	Zhang Lei 張磊	Wong Hung, Alex	Xin Wei Hua	Marc Evan Brown	William James Fass*	Liu Ping Yuan	Meng Xiang Xu	Wong Lit Chor, Alexis	2008
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	2008
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
Fees	袍金	—	—	—	—	—	—	—	60	60	120	240	
Other emoluments	其他酬金												
Salaries and other benefits	薪金及其他福利	1,009	450	240	280	—	—	—	—	—	—	1,979	
Contributions to retirement benefits scheme	退休福利計劃供款	12	—	—	—	—	—	—	—	—	—	12	
Total emoluments	合計酬金	1,021	450	240	280	—	—	—	60	60	120	2,231	

		Executive director 執行董事				Non-executive director 非執行董事				Independent non-executive director 獨立非執行董事			
		Leung Chi Ho	Sun Pishu 孫丕恕	Wang Miao 王渺	Zhang Lei 張磊	Wong Hung, Alex	Xin Wei Hua	Marc Evan Brown	William James Fass	Liu Ping Yuan	Meng Xiang Xu	Wong Lit Chor, Alexis	2007
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	
Fees	袍金	—	—	—	—	—	—	—	60	60	107	227	
Other emoluments	其他酬金												
Salaries and other benefits	薪金及其他福利	884	450	240	280	—	—	—	—	—	—	1,854	
Contributions to retirement benefits scheme	退休福利計劃供款	12	—	—	—	—	—	—	—	—	—	12	
Total emoluments	合計酬金	896	450	240	280	—	—	—	60	60	107	2,093	

* Mr. William James Fass resigned from non-executive director on 28 June 2008.

* William James Fass先生於二零零八年六月二十八日辭任非執行董事。

No directors of the Company waived any remuneration and no remuneration was paid by the Group to any of the directors as an inducement to join or upon joining the Group or as compensation for loss of office during both years.

於兩年度內，並無本公司董事放棄收取任何酬金，而本集團亦無向任何董事支付酬金作為吸引彼等加入本集團或彼等入職時的獎勵或離職補償。

13. EMPLOYEES' REMUNERATION

Of the five individuals with the highest emoluments in the Group, two (2007: four) were directors of the Company whose emoluments are set out in note 12 above. The emoluments of the remaining three (2007: one) highest paid individuals were as follows:

Salaries and other benefits	薪金及其他福利
Retirement benefit scheme contributions	退休福利計劃供款

Their remuneration were within HK\$1,000,000 for both years.

No remuneration was paid by the Group to any of the five highest paid individuals as an inducement to join or upon joining the Group or as compensation for loss of office during both years.

14. DIVIDEND

Dividends recognised as distribution during the year:

年內已確認分派之股息：

Nil (for 2007: HK1.5 cents) per share

每股零港仙(二零零七年：1.5港仙)

The final dividend of HK\$0.02 (2007: nil) per share has been proposed by the directors and is subject to approval by the shareholders in the forthcoming annual general meeting.

13. 僱員酬金

在五位最高薪酬人士中，其中兩名(二零零七年：四名)為本公司董事。詳情載於上文附註12。餘下三名(二零零七年：一名)最高薪人士的酬金詳情如下：

2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
1,254	190
10	5
<u>1,264</u>	<u>195</u>

於兩年度內，彼等的酬金不高於1,000,000港元。

於兩年度內，本集團概無向五名最高薪酬人士支付酬金作為彼等加入本集團或彼等入職時的獎勵或離職補償。

14. 股息

2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
—	7,715
<u>—</u>	<u>7,715</u>

董事已建議派發每股末期股息0.02港元(二零零七年：無)，惟須待股東於即將召開的股東周年大會批准方可作實。

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15. EARNINGS PER SHARE

The calculation of the basic and diluted earnings per share attributable to the ordinary equity holders of the parent is based on the following data:

Earnings

Earnings for the purposes of basic earnings per share (Profit for the year attributable to equity holders of the parent)

Fair value change in convertible notes classified as liabilities at fair value through profit or loss

Interest on redeemable convertible preferred shares

Earnings for the purposes of diluted earnings per share

Number of shares

Weighted average number of ordinary shares for the purpose of basic earnings per share

Effect of dilutive potential ordinary shares:

- share options
- redeemable convertible preferred shares
- convertible notes

Weighted average number of ordinary shares for the purpose of diluted earnings per share

盈利

計算每股基本盈利所採用之盈利 (母公司股權持有人應佔年度純利)

按公平值列為負債之可換股票據的公平值變動計入損益

可贖回可換股優先股之利息

計算每股攤薄盈利所採用之盈利

股份數目

計算每股基本盈利所採用之加權平均普通股數目

潛在攤薄普通股之影響：

- 購股權
- 可贖回可換股優先股
- 可換股票據

計算每股攤薄盈利所採用之加權平均普通股數目

15. 每股盈利

母公司普通股權持有人應佔每股基本及攤薄盈利乃根據下列數據計算：

2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
311,633	38,801
(3,029)	—
<u>14,502</u>	<u>14,287</u>
<u>323,106</u>	<u>53,088</u>
'000	'000
3,050,357	2,628,034
361,251	208,934
1,171,398	1,171,398
<u>21,329</u>	<u>—</u>
<u>4,604,335</u>	<u>4,008,366</u>

The weighted average number of ordinary shares for the purpose of basic and diluted earnings per share for the year ended 31 December 2007 has been adjusted for the share division which took effect on 14 December 2007 as disclosed in note 28.

計算截至二零零七年十二月三十一日止年度每股基本及攤薄盈利之加權平均普通股數目已按附註28所披露者就二零零七年十二月十四日生效之股份分拆作出調整。

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16. PROPERTY, PLANT AND EQUIPMENT

16. 物業、廠房及設備

		Buildings	Leasehold improvements	Specialised equipment	Machinery and equipment	Furniture, fixtures and office equipment	Motor vehicles	Total
		樓宇	租賃物業裝修	專用設備	機器及設備	傢俬、裝置及辦公設備	車輛	合共
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元
COST	成本							
At 1 January 2007	於二零零七年一月一日	—	—	—	951	1,917	222	3,090
Acquired on acquisition of subsidiaries	收購附屬公司所得	—	—	—	599	148	448	1,195
Additions	增添	—	—	—	245	1,411	—	1,656
Disposals	出售	—	—	—	(5)	(99)	—	(104)
Exchange adjustments	滙兌調整	—	—	—	77	85	16	178
At 31 December 2007	於二零零七年十二月三十一日	—	—	—	1,867	3,462	686	6,015
Acquired on acquisition of subsidiaries	收購附屬公司所得	325	2,122	37,222	7,889	14,610	655	62,823
Additions	增添	—	143	2,118	4,663	2,240	—	9,164
Disposals	出售	—	(110)	(95)	(1,944)	(513)	—	(2,662)
Exchange adjustments	滙兌調整	11	13	1,310	426	94	61	1,915
At 31 December 2008	於二零零八年十二月三十一日	336	2,168	40,555	12,901	19,893	1,402	77,255
DEPRECIATION	折舊							
At 1 January 2007	於二零零七年一月一日	—	—	—	78	1,240	10	1,328
Charge for the year	本年撥備	—	—	—	245	642	47	934
Eliminated on disposals	出售時撇銷	—	—	—	—	(57)	—	(57)
Exchange adjustments	滙兌調整	—	—	—	14	17	2	33
At 31 December 2007	於二零零七年十二月三十一日	—	—	—	337	1,842	59	2,238
Charge for the year	本年撥備	20	405	11,520	2,777	3,642	426	18,790
Eliminated on disposals	出售時撇銷	—	(110)	—	(1,755)	(424)	—	(2,289)
Exchange adjustments	滙兌調整	—	(4)	126	43	16	8	189
At 31 December 2008	於二零零八年十二月三十一日	20	291	11,646	1,402	5,076	493	18,928
CARRYING VALUES	賬面值							
At 31 December 2008	於二零零八年十二月三十一日	316	1,877	28,909	11,499	14,817	909	58,327
At 31 December 2007	於二零零七年十二月三十一日	—	—	—	1,530	1,620	627	3,777

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16. PROPERTY, PLANT AND EQUIPMENT (continued)

The above items of property, plant and equipment are depreciated, after taking into account of their estimated residual value, on a straight line basis at the following rates per annum:

Buildings	15 years
Leasehold improvements	the shorter of 4 years or terms of leases
Specialised equipment	20% - 25%
Machinery and equipment	10% - 20%
Furniture, fixtures and office equipment	10% - 33 $\frac{1}{3}$ %
Motor vehicles	10% - 20%

17. GOODWILL

At 1 January 2007	於二零零七年一月一日	—
Arising on acquisition of subsidiaries	因收購附屬公司所產生	30,542
At 31 December 2007	於二零零七年十二月三十一日	30,542
Arising on acquisition of subsidiaries (note 34)	因收購附屬公司所產生 (附註 34)	91,277
Arising on acquisition of additional interest in a subsidiary (note 34)	因增購一家附屬公司權益所產生 (附註 34)	13,091
Exchange adjustments	匯兌調整	1,830
At 31 December 2008	於二零零八年十二月三十一日	136,740

Particulars regarding impairment testing on goodwill are disclosed in note 18.

16. 物業、廠房及設備 (續)

經考慮預計剩餘價值，上述物業、廠房及設備項目以直線法按以下年折舊率折舊：

樓宇	15年
租賃物業裝修	4年或租賃期限 (以較短者為準)
專用設備	20%-25%
機器及設備	10%-20%
傢俬、裝置及辦公設備	10%-33 $\frac{1}{3}$ %
車輛	10%-20%

17. 商譽

HK\$'000
千港元

商譽減值測試之詳情於附註18披露。

18. IMPAIRMENT TESTING ON GOODWILL

For the purposes of impairment testing, goodwill set out in note 17 has been allocated to the cash generating units (“CGUs”) of software development and outsourcing development services. The carrying amounts of goodwill as at 31 December 2008 and 2007 allocated to these CGUs are as follows:

Software development and solution	軟件開發和方案解決
- Inspur Communication (Unit A)	— 浪潮通信 (A 單位)
- Inspur Genersoft and its subsidiaries (Unit B)	— 浪潮通用軟件及其附屬公司 (B 單位)
Software outsourcing	軟件外包
- Langchao Worldwide and its subsidiaries (Unit C)	— 浪潮世科及其附屬公司 (C 單位)

Management of the Group considers cashflow projections which was prepared based on financial budgets and determined that there was no impairment of the CGUs containing goodwill as at 31 December 2008.

The basis of recoverable amounts of the above CGUs and their major underlying assumptions are summarised below.

18. 商譽減值測試

減值測試時，附註17所載商譽已分配至軟件開發及外包開發服務之現金產生單位（「現金產生單位」）。於二零零八年及二零零七年十二月三十一日分配予該等現金產生單位之商譽賬面值如下：

Goodwill	
商譽	
2008	2007
二零零八年	二零零七年
HK\$'000	HK\$'000
千港元	千港元
32,372	30,542
13,091	—
<u>45,463</u>	<u>30,542</u>
91,277	—

本集團管理層認為，根據財務預算作出之現金流預測，含有商譽之現金產生單位於二零零八年十二月三十一日並無減值。

計算上述現金產生單位可收回金額之基準及主要相關假設概述如下。

18. IMPAIRMENT TESTING ON GOODWILL

(continued)

Unit A and Unit B

The recoverable amounts of Unit A and Unit B have been determined on the basis of value in use calculations. Their recoverable amounts are based on certain similar key assumptions. Both value in use calculations use cash flow projections based on financial budgets approved by management covering a 5-year period, and a discount rate of 25.6%. Unit A's and Unit B's cash flows beyond the 5-year period are extrapolated using a steady 3% growth rate. This growth rate is based on the relevant industry growth forecasts and does not exceed the average long-term growth rate for relevant industry. A key assumption for the value in use calculation is the budgeted growth rate at 5%, which is determined based on past performance and management's expectations for the market development. Management believes that any reasonably possible change in any of these assumptions would not cause the respective carrying amount of Unit A and Unit B to exceed the respective recoverable amount of Unit A and Unit B.

Unit C

The recoverable amount of this unit has been determined based on a value in use calculation. That calculation uses cash flow projections based on financial budgets approved by management covering a 5-year period, and discount rate of 18.5%. Unit C's cash flows beyond the 5-year period are extrapolated using a steady 3% growth rate. This growth rate is based on the relevant industry growth forecasts and does not exceed the average long-term growth rate for relevant industry. A key assumption for the value in use calculation is the budgeted growth rate at 10%, which is determined based on past performance and management's expectations for the market development. Management believes that any reasonably possible change in any of these assumptions would not cause the aggregate carrying amount of Unit C to exceed the aggregate recoverable amount of Unit C.

18. 商譽減值測試 (續)

A單位及B單位

A單位及B單位之可收回金額乃根據使用價值計算，運用若干類似主要假設而釐定。使用價值的計算均採用基於管理層所批准五年財務預算的現金流預測，折讓率為25.6%。A單位及B單位五年期以後的現金流以3%穩定增長率推算得出。該增長率乃基於相關行業增長預測而不超出相關行業的平均長期增長率。使用價值計算之主要假設為根據過往表現及管理層對市場發展的期望而釐定之預算增長率5%。管理層相信該等假設可能發生之任何合理變化不會導致A單位及B單位相關賬面值超過其可收回數額。

C單位

該單位之可收回金額乃根據使用價值計算而釐定。計算使用價值時採用基於管理層所批准五年財務預算的現金流預測，折讓率為18.5%。C單位五年期以後的現金流以3%穩定增長率推算得出。該增長率乃基於相關行業增長預測而不超出相關行業的平均長期增長率。使用價值計算之主要假設為根據過往表現及管理層對市場發展的期望而釐定之預算增長率10%。管理層相信該等假設可能發生之任何合理變化不會導致C單位賬面總值額超過可收回總額。

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19. OTHER INTANGIBLE ASSETS

19. 其他無形資產

		Registered software 已註冊軟件 HK\$'000 千港元	Customer Contracts 客戶合約 HK\$'000 千港元	Customer base 客戶群 HK\$'000 千港元	Total 總計 HK\$'000 千港元
COST	成本				
At 1 January 2007	於二零零七年 一月一日	—	—	—	—
Acquisition of subsidiaries	收購附屬公司	11,971	796	—	12,767
At 31 December 2007	於二零零七年 十二月三十一日	11,971	796	—	12,767
Acquisition of subsidiaries	收購附屬公司	39,274	19,884	57,385	116,543
Exchange adjustments	匯兌調整	1,887	552	—	2,439
At 31 December 2008	於二零零八年 十二月三十一日	53,132	21,232	57,385	131,749
AMORTISATION AND IMPAIRMENT	攤銷及減值				
At 1 January 2007	於二零零七年 一月一日	—	—	—	—
Charge for the year	本年度撥備	214	265	—	479
At 31 December 2007	於二零零七年 十二月三十一日	214	265	—	479
Charge for the year	本年度撥備	10,015	11,092	2,869	23,976
Exchange adjustments	匯兌調整	123	80	—	203
At 31 December 2008	於二零零八年 十二月三十一日	10,352	11,437	2,869	24,658
CARRYING AMOUNTS	賬面值				
At 31 December 2008	於二零零八年 十二月三十一日	42,780	9,795	54,516	107,091
At 31 December 2007	於二零零七年 十二月三十一日	11,757	531	—	12,288

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19. OTHER INTANGIBLE ASSETS (continued)

The intangible assets of the Group were acquired as part of a business combination in the current and prior years.

Other intangible assets have finite useful lives. Intangible assets are amortised on a straight line basis over the following period:

Customer base	10 years
Customer contracts	3 months to 3 years
Registered software	5 years

20. AVAILABLE-FOR-SALE INVESTMENTS

The balance represents 10% interest in an unlisted entity incorporated in the PRC. It is measured at cost less impairment at balance sheet date because the range of reasonable fair value estimates is so significant that the directors of the Company are of the opinion that its fair value cannot be measured reliably.

19. 其他無形資產 (續)

本集團無形資產於本年度及過往年度收購，作為業務合併的一部份。

其他無形資產的使用年期有限，以直線法於以下年期攤銷：

客戶群	十年
客戶合約	三個月至三年
已註冊軟件	五年

20. 可供出售投資

結餘即在一間中國註冊成立之非上市公司10%權益。由於合理公平值估計的範圍大得使本公司董事認為公平值無法可靠估計，故結餘於結算日按成本扣除減值計量。

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21. INTERESTS IN ASSOCIATES

21. 聯營公司之權益

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Cost of investment in associates - unlisted	於聯營公司之投資成本 — 非上市	—	53,591
Share of post-acquisition profits	應佔收購後純利	—	13,032
Exchange realignment	匯兌調整	—	4,525
		<u>—</u>	<u>71,148</u>

As at 31 December 2007, the Group had interests in the following associates:

於二零零七年十二月三十一日，本集團於下列聯營公司擁有權益：

Name of entity 實體名稱	Form of business structure 商業結構形式	Country of registration and operation 註冊及營運國家	Proportion of nominal value of registered capital held by the Group 本集團擁有註冊資本與賬面值之百分比	Proportion of voting power held 所持投票權之百分比	Principal activities 主營業務
Inspur Business System 浪潮商用系統	Domestic limited liability company ("DLLC") 內資有限責任公司	PRC 中國	40%	40%	Software development 軟件開發
Inspur Genersoft 浪潮通用軟件	DLLC 內資有限責任公司	PRC 中國	30.05%	30.05%	Software development 軟件開發

Included in the cost of investment in associates as at 31 December 2007 was goodwill of approximately HK\$4,469,000 arising on acquisition of associates. The movement of goodwill is set out below.

二零零七年十二月三十一日於聯營公司投資之成本包括收購聯營公司產生之商譽約4,469,000港元。商譽變動載列如下。

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21. INTERESTS IN ASSOCIATES (continued)

Cost	成本
At 1 January 2007	於二零零七年一月一日
Exchange adjustments	匯兌調整
At 31 December 2007	於二零零七年十二月三十一日
Transfer	轉讓
At 31 December 2008	於二零零八年十二月三十一日

The summarised financial information in respect of the Group's associates was set out below:

Total assets	總資產
Total liabilities	總負債
Net assets	資產淨值
Group's share of net assets of associates	本集團應佔聯營公司之資產淨值
Revenue for the period/year	期間／年度收入
Profit for the period/year	期間／年度純利
Group's share of results of associates for the period/year	本期間／年度本集團應佔聯營公司之純利

Note: During the year, the Group acquired the remaining equity interests in Inspur Genersoft and Inspur Business System. After the acquisition, Inspur Genersoft and Inspur Business System became wholly owned subsidiaries of the Group. The financial information disclosed above represented financial results of Inspur Genersoft and Inspur Business System from 1 January 2008 to respective acquisition dates. Details of acquisitions are set out in note 34.

21. 聯營公司之權益 (續)

HK\$'000
千港元

4,168
301
4,469
(4,469)
—

本集團聯營公司之財務資料概要載列如下：

2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
—	233,271
—	(44,114)
—	189,157
—	66,679
54,226	240,760
9,545	24,975
3,212	8,111

附註：年內，本集團收購浪潮通用軟件及浪潮商用系統其餘股權。收購後，浪潮通用軟件及浪潮商用系統成為本集團全資附屬公司。上述財務資料即二零零八年一月一日至各自收購日期浪潮通用軟件及浪潮商用系統的財務業績。收購的詳情載於附註34。

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22. INVENTORIES

Raw materials	原材料
Work in progress	在製品
Finished goods held for sale	持作出售之製成品

22. 存貨

2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
42,248	8,458
1,135	2,969
19,779	44,914
63,162	56,341

23. TRADE RECEIVABLES AND OTHER CURRENT FINANCIAL ASSETS

Trade receivables

Trade receivable	貿易應收賬款
Less: Allowance for bad and doubtful debts	減：呆壞賬撥備

23. 貿易應收賬款及其他流動財務資產

貿易應收賬款

2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
133,391	66,540
(7,577)	(7,132)
125,814	59,408

The Group allows an average credit period of 30 to 180 days (2007: 30 to 120 days) to its customers. The aged analysis of trade receivables is stated as follows:

本公司向客戶提供平均30至180日的信貸期(二零零七年：30至120日)。貿易應收賬款的賬齡分析如下：

0 to 30 days	0 至 30 日
31 to 60 days	31 至 60 日
61 to 90 days	61 至 90 日
91 to 120 days	91 至 120 日
121 to 180 days	121 至 180 日
Over 180 days	180 日以上

2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
72,073	22,809
10,450	15,713
12,384	5,704
1,612	911
6,052	9,377
23,243	4,894
125,814	59,408

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23. TRADE RECEIVABLES AND OTHER CURRENT FINANCIAL ASSETS (continued)

Trade receivables (continued)

Before accepting any new customer, the Group uses an external credit scoring system to assess the potential customer's credit quality and defines credit limits by customers. Limits and scoring attributed to customers are reviewed twice a year. 75% of the trade receivables that are neither past due nor impaired have the best credit scoring attributable under the external credit scoring system used by the Group.

Included in the Group's trade receivable balance are debtors with aggregate carrying amount of HK\$27,306,000 and HK\$14,271,000 as at 31st December, 2008 and 2007 respectively, which are past due at the balance sheet date for which the Group has not provided for impairment loss as there has not been a significant change in credit quality and the amounts are still considered recoverable. The Group does not hold any collateral over these balances. The average age of these trade receivables is 201 days and 140 days in the year of 2008 and 2007 respectively.

Ageing of trade receivables which are past due but not impaired

121 - 180 days	121 至 180 日
Over 180 days	180 日以上

23. 貿易應收賬款及其他流動財務資產 (續)

貿易應收賬款 (續)

於接納任何新客戶前，本集團採用外界信貸評分系統評估潛在客戶之信貸質素及釐定客戶信貸上限。給予客戶之信貸上限及評分每年檢討兩次。根據本集團採用之外界信貸評分系統，75%的貿易應收賬款既無過期亦無減值，擁有最高信貸評分。

本集團之貿易應收賬款結餘包括應收賬款，該等應收賬款總賬面值於二零零八年及二零零七年十二月三十一日分別為人民幣27,306,000元及人民幣14,271,000元，於資產負債表日期已過期，但因信貸質素並無重大變化及該等金額視為尚可收回，故本集團並無就減值虧損作出撥備。本集團並無就該等結餘持有任何抵押。於二零零八年及二零零七年，該等貿易應收賬款之平均賬齡分別為201天及140天。

已過期但未減值之貿易應收賬款之賬齡

2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
4,063	9,377
23,243	4,894
27,306	14,271

**23. TRADE RECEIVABLES AND OTHER
CURRENT FINANCIAL ASSETS** (continued)

Trade receivables (continued)

Movement in the allowance for bad and doubtful debts

Balance at beginning of year	年初結餘
Impairment losses recognised on receivables	就應收賬款確認之 減值虧損
Exchange realignment	匯兌調整
Balance at the end of year	年末結餘

Included in the allowance for bad and doubtful debts are individually impaired trade receivables with an aggregate balance of HK\$7,577,000 (2007: HK\$7,132,000) which have been under dispute. The Group does not hold any collateral over these balances.

Other receivables

Other receivables are unsecured, interest free and recoverable within one year.

In determining the recoverability of trade and other receivables, the Group considers any change in the credit quality of the trade and other receivables from the date credit was initially granted up to the balance sheet date. The Group considers the trade and other receivables are determined to be impaired if they are aged for more than 1 year based on the management past experience. The concentration of credit risk is limited due to the customer base being large and unrelated. Accordingly, the directors believe that there is no further allowance required in excess of the allowance for bad and doubtful debts.

**23. 貿易應收賬款及其他流動
財務資產** (續)

貿易應收賬款 (續)

呆壞賬撥備之變動

2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
7,132	—
255	7,132
190	—
7,577	7,132

呆壞賬撥備包括個別具爭議之已減值應收賬款，結餘總額為7,577,000港元（二零零七年：7,132,000港元）。本集團並無就該等結餘持有任何抵押。

其他應收賬款

其他應收賬款為無抵押、免息及可於一年內收回。

釐定能否收回貿易及其他應收賬款時，本集團考慮自初次授出信貸當日至結算日貿易及其他應收賬款之信貸質素變動。根據過往管理經驗，本集團認為倘貿易及其他應收賬款之賬齡超過一年，則會釐定貿易及其他應收賬款減值。由於客戶群較大且無關連，故信貸風險並不集中。因此，董事認為除呆壞賬撥備外，毋須作出其他撥備。

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23. TRADE RECEIVABLES AND OTHER CURRENT FINANCIAL ASSETS (continued)

Amounts due from related companies

23. 貿易應收賬款及其他流動 財務資產 (續)

應收關連公司款項

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Amounts due from related companies:	應收關連公司款項：		
Trading in nature	貿易性質		
Fellow subsidiaries	同集團附屬公司	77,197	37,625
Ultimate holding company	最終控股公司	135,674	285,171
		<u>212,871</u>	<u>322,796</u>
Non-trading in nature	非貿易性質		
Fellow subsidiaries	同集團附屬公司	2,902	—
Ultimate holding company	最終控股公司	827	—
		<u>3,729</u>	<u>—</u>
Total amounts due from related companies	應收關連公司款項總額	<u>216,600</u>	<u>322,796</u>

**23. TRADE RECEIVABLES AND OTHER
CURRENT FINANCIAL ASSETS** (continued)**Amounts due from related companies**
(continued)

The Group allows an average trade credit period of 30 to 210 days (2007: 30 to 210 days) to its trade receivables due from its fellow subsidiaries and ultimate holding company, the following is an aged analysis of trade receivables due from fellow subsidiaries and ultimate holding company at the balance sheet date:

Amounts due from fellow subsidiaries	應收同集團附屬公司款項
0 - 30 days	0 至 30 日
31 - 60 days	31 至 60 日
61 - 90 days	61 至 90 日
91 - 210 days	91 至 210 日
Amount due from ultimate holding company	應收最終控股公司款項
0 - 30 days	0 至 30 日
31 - 60 days	31 至 60 日
61 - 90 days	61 至 90 日
91 - 210 days	91 至 210 日

The trade receivables due from fellow subsidiaries and ultimate holding company have not been past due at the balance sheet date and the Group has not provided for impairment loss. In determining the recoverability of trade receivables due from fellow subsidiaries and ultimate holding company, the Group considers any change in the credit quality of the amounts from related companies from the date credit was initially granted up to the balance sheet date.

The amounts due from fellow subsidiaries and ultimate holding company which are non-trading in nature are unsecured, interest free and repayable on demand.

**23. 貿易應收賬款及其他流動
財務資產** (續)**應收關連公司款項** (續)

本集團就應收同集團附屬公司及最終控股公司貿易應收賬款提供平均30日至210日(二零零七年:30日至210日)的信貸期。以下為應收同集團附屬公司及最終控股公司貿易款項於結算日之賬齡分析:

2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
71,894	26,595
—	735
1,188	161
4,115	10,134
77,197	37,625
9,503	144,170
13,348	30,202
79,520	51,860
33,303	58,939
135,674	285,171

應收同集團附屬公司及最終控股公司貿易款項於資產負債表日期尚未過期，本集團並無就減值虧損作出撥備。釐定應收同集團附屬公司及最終控股公司貿易款項能否收回時，本集團會考慮自初次授出信貸當日至結算日應收關連公司款項之信貸質素變動。

屬非貿易性質的應收同集團附屬公司及最終控股公司款項為無抵押、免息及按要求償還。

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24. AMOUNTS DUE FROM (TO) CUSTOMERS FOR CONTRACT WORK

Contracts in progress at the balance sheet date:	於結算日之 在建工程：
Contract costs incurred plus recognised profits less recognised losses	已產生合同成本加上已 確認純利減已確認虧損
Less: Progress billings	減：進度款
Analysed for reporting purposes as:	就報告而言分析：
Amounts due from contract customers	應收合約客戶工程款項
Amounts due to contract customers	應付合約客戶工程款項

At 31 December 2008, there was no retentions held by customers for contract works. Advances received from customers for contract work amounted to HK\$25,918,000 (2007: HK\$1,979,000) included in other payables and accrued expenses.

25. BANK BALANCES AND CASH

Bank balances and cash comprise cash held by the Group and short-term bank deposits with an original maturity of three months or less. The bank balances carried interest at market rates which range from 0.01% to 3.51% (2007: 1.07% to 4.7%) per annum. At 31 December 2008, the bank balances and cash of approximately HK\$558,544,000 (2007: HK\$113,168,000) were denominated in RMB which is not freely convertible into other currencies.

24. 應收(應付)客戶合約工程款項

2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
520,310	51,186
(469,406)	(47,151)
50,904	4,035
67,183	6,136
(16,279)	(2,101)
50,904	4,035

截至二零零八年十二月三十一日，客戶並無扣起合約工程款項。已收取客戶合約工程墊款25,918,000港元(二零零七年：1,979,000港元)，計入其他應付賬款及應計開支。

25. 銀行結餘及現金

銀行結餘及現金包括本集團所持現金及原定三個月或以內到期之短期銀行存款。銀行結餘按市場利率年息率介乎0.01%至3.51%(二零零七年：1.07%至4.7%)計息。於二零零八年十二月三十一日，銀行結餘及現金中約558,544,000港元(二零零七年：113,168,000港元)等值人民幣並不可自由兌換為其他貨幣。

26. TRADE AND BILLS PAYABLES AND OTHER CURRENT FINANCIAL LIABILITIES

Trade and bills payables, other payables and accrued expenses principally comprise amounts outstanding for trade purposes and ongoing costs. The average credit period taken for trade purchases is up to 30 to 90 days.

The following is an aged analysis of trade and bills payables and amounts due to fellow subsidiaries for the purchase of goods and services received at the balance sheet date:

26. 貿易應付賬款及應付票據與其他流動財務負債

貿易應付賬款及應付票據、其他應付賬款及應計開支主要包括未付貿易用途款項及日常費用。貿易購貨信貸期平均為30至90天。

以下為貿易應付賬款及應付票據及就採購貨品及所得到的服務的應付同集團附屬公司之賬款於結算日的賬齡分析：

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Trade and bills payables	貿易應付賬款及應付票據		
0 - 30 days	0至30天	70,237	95,914
31 - 60 days	31至60天	7,838	17,656
61 - 90 days	61至90天	2,462	2,028
Over 90 days	90天以上	13,517	6,744
		<u>94,054</u>	<u>122,342</u>
Amounts due to related companies:	應付關連公司款項：		
Trading in nature	貿易性質		
Fellow subsidiaries	同集團附屬公司	20,784	33,517
Ultimate holding company	最終控股公司	—	3,646
		<u>20,784</u>	<u>37,163</u>
Non-trading in nature	非貿易性質		
Fellow subsidiaries	同集團附屬公司	1,661	31,787
Ultimate holding company	最終控股公司	439	—
		<u>2,100</u>	<u>31,787</u>
Total amounts due to related companies	應付關連公司款項總額	<u>22,884</u>	<u>68,950</u>

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26. TRADE AND BILLS PAYABLES AND OTHER CURRENT FINANCIAL LIABILITIES (continued)

The aged analysis of the amounts due to related companies which are trading in nature is stated as follows:

0 to 30 days	0 至 30 日
31 to 90 days	31 至 90 日

The amounts due to fellow subsidiaries and ultimate holding company which are non-trading in nature are unsecured, interest free and repayable on demand.

27. BANK BORROWINGS

The bank borrowings are unsecured, repayable within one year and carry fixed interest rates. The ranges of effective interest rates (which also equals to contracted interest rates) on the Group's fixed-rate bank borrowings are 5.72% to 6.66% (2007: n/a) per annum.

As at 31 December 2008, the Group's borrowings that are denominated in US\$, a currency other than the functional currencies of the relevant group entities, are HK\$22,178,000 (2007: n/a).

26. 貿易應付賬款及應付票據與其他流動財務負債 (續)

屬貿易性質之應付相關公司款項賬齡分析如下：

2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
12,898	33,517
7,886	3,646
20,784	37,163

屬非貿易性質之應付同集團附屬公司及最終控股公司款項為無抵押、免息及按要求償還。

27. 銀行借款

銀行借款為無抵押，須於一年內償還，屬定息貸款。本集團定息銀行借款之實際年利率（等同約定年利率）介乎5.72%至6.66%（二零零七年：不適用）。

於二零零八年十二月三十一日，本集團以美元（非相關集團實體的功能貨幣）計值的借款為22,178,000港元（二零零七年：不適用）。

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28. SHARE CAPITAL OF THE COMPANY

28. 本公司股本

		Notes 附註	Number of shares '000 千股	HK\$'000 千港元
Authorised:	法定：			
Ordinary shares of HK\$0.01 each at 1 January 2007	於二零零七年一月一日 每股面值 0.01 港元 之普通股		1,000,000	10,000
Share subdivision	股份分拆	i	<u>4,000,000</u>	<u>40,000</u>
Ordinary shares of HK\$0.002 each at 31 December 2007 and 2008	於二零零七年及 二零零八年十二月 三十一日每股面值 0.002 港元之普通股		<u>5,000,000</u>	<u>50,000</u>
Issued and fully paid:	已發行及繳足：			
Ordinary shares of HK\$0.01 each at 1 January 2007	於二零零七年一月一日 每股面值 0.01 港元 之普通股		514,300	5,143
Placing of shares	股份配售	ii	50,000	500
Share subdivision	股份分拆	i	2,257,200	—
Exercise of share options	行使購股權	iii	<u>109,000</u>	<u>218</u>
Ordinary shares of HK\$0.002 each at 31 December 2007	於二零零七年十二月 三十一日每股面值 0.002 港元之普通股		2,930,500	5,861
Placing of shares	股份配售	iv	100,000	200
Issue of shares for the acquisition of Langchao Worldwide	就收購 浪潮世科 而發行股份	v	<u>51,471</u>	<u>103</u>
Ordinary shares of HK\$0.002 each at 31 December 2008	於二零零八年十二月 三十一日每股面值 0.002 港元之普通股		<u>3,081,971</u>	<u>6,164</u>

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28. SHARE CAPITAL OF THE COMPANY (continued)

Notes:

- (i) Pursuant to an ordinary resolution passed on 14 December 2007, the Company's issued and unissued shares of HK\$0.01 each were subdivided into 5 new shares of HK\$0.002 each ("Share Subdivision"). The Share Subdivision took effect on 14 December 2007.
- (ii) On 16 October 2007, completion took place for private placements to independent private investors of 50,000,000 new shares of HK\$0.01 each in the Company, at subscription price of HK\$0.94 per share. The proceeds were used to provide additional working capital for the Company.
- (iii) On 17 December 2007, 109,000,000 share options after Share Subdivision were exercised at the exercise price of HK\$0.056. Details of options outstanding and movements during the year are set out in note 29.
- (iv) On 17 January 2008, completion took place for private placements to independent private investors of 100,000,000 new shares of HK\$0.002 each in the Company, at subscription price of HK\$1.25 per share. The proceeds were used to provide additional working capital for the Company.
- (v) On 3 July 2008, the Company issued 51,471,029 shares at a market price of HK\$0.95 per share to the vendors as part of the consideration for the acquisition of the entire issued share capital of Langchao Worldwide. Details of which are set out in note 34(c).

All the shares which were issued during both years rank *pari passu* with the then existing shares in all respects.

None of the Company's subsidiaries purchased, sold or redeemed any of the Company's listed securities during the year.

28. 本公司股本 (續)

附註：

- (i) 根據二零零七年十二月十四日通過之普通決議案，本公司每股面值0.01港元之已發行及未發行股份分拆為五股每股面值0.002港元之新股（「股份分拆」）。股份分拆已於二零零七年十二月十四日生效。
- (ii) 於二零零七年十月十六日，本公司已完成私人配售，按認購價每股0.94港元向獨立私人投資者配售本公司50,000,000股每股面值0.01港元之新股。所得款項用作本公司額外營運資金。
- (iii) 於二零零七年十二月十七日股份拆細後，109,000,000份購股權已按行使價0.056港元行使。本年度尚未行使之購股權詳情及其變動載於附註29。
- (iv) 於二零零八年一月十七日，本公司已完成私人配售，按認購價每股1.25港元向獨立私人投資者配售本公司100,000,000股每股面值0.002港元之新股。所得款項用作本公司額外營運資金。
- (v) 於二零零八年七月三日，本公司按市價每股0.95港元向賣方發行51,471,029股股份，作為收購浪潮世科全部已發行股本的部分代價。有關詳情載於附註34(c)。

所有於上述兩年內發行之股份在各方面與其他現有股份享有同等權利。

本公司附屬公司於年內概無購買、出售或贖回本公司任何已上市證券。

29. SHARE OPTION SCHEMES

Equity-settled share options scheme

The Pre-IPO Share Option Scheme (the "Pre-IPO Scheme") and Share Option Scheme (the "Option Scheme") of the Company were adopted by the Company pursuant to the written resolutions of all shareholders passed on 8 April 2004 for the primary purpose of providing incentives or rewards to selected participants for their contribution to the Group and/or to enable the Group to recruit and retain high-calibre employees and attract human resources that are valuable to the Group and any entity in which the Group holds any equity interest. The Pre-IPO Scheme and the Option Scheme shall be valid and effective for a period of ten years after the date of its adoption. Under the Pre-IPO Scheme and the Option Scheme, the board of directors of the Company may grant options to eligible participants including employees, executives or officers and directors (including executive and non-executive directors) of the Company or any of its subsidiaries, and any suppliers, consultants and advisers who will contribute or have contributed to the Group to subscribe for shares in the Company.

At 31 December 2008, the number of shares available for issue and remained outstanding under the Pre-IPO Scheme are 120,000,000 shares (2007: 120,000,000 shares) representing 3.9% (2007: 4.1%) of the issued share capital of the Company. The number of shares under the Option Scheme are 278,150,000 shares (2007: 278,150,000 shares) representing 9.03% (2007: 9.49%) of the issued share capital of the Company.

29. 購股權計劃

股權支付購股權計劃

本公司根據全體股東於二零零四年四月八日通過的書面決議案採納首次公開招股前購股權計劃（「首次公開招股前購股權計劃」）及購股權計劃（「購股權計劃」），主要目的為向經甄選之參與者就彼等對本集團之貢獻提供獎勵或回報，並／或有助本集團招聘及挽留優秀僱員及吸引對本集團及本集團持有任何股權的實體有重要價值之人力資源。首次公開招股前購股權計劃及購股權計劃於採納當日起計十年內可有效行使。根據首次公開招股前購股權計劃及購股權計劃，本公司董事會可向合資格參與者（包括本公司或其任何附屬公司之僱員、行政人員、高級職員及執行及非執行董事以及過往或日後對本集團有貢獻之任何供應商、顧問及諮詢人）授出可認購本公司股份的購股權。

於二零零八年十二月三十一日，根據首次公開招股前購股權計劃可供發行及尚未行使的股份數目為120,000,000股（二零零七年：120,000,000股），相當於本公司已發行股本3.9%（二零零七年：4.1%）。購股權計劃涉及之股份數目為278,150,000股（二零零七年：278,150,000股），相當於本公司已發行股本9.03%（二零零七年：9.49%）。

29. SHARE OPTION SCHEMES (continued)

Equity-settled share options scheme (continued)

The total number of shares in respect of which options may be granted under each of the Pre-IPO Scheme and the Option Scheme is not permitted to exceed 10% of the shares of the Company of the adoption date of the Pre-IPO Scheme and the Option Scheme unless prior approval from the Company's shareholders in general meeting has been obtained. The number of shares which may be issued upon exercise of all outstanding options granted and yet to be exercised under the Pre-IPO Scheme and the Option Scheme and any other share option schemes of the Company must not exceed 30% of the shares in issue from time to time. The total number of shares in respect of which options may be granted to any eligible participant in any twelve-month period is not permitted to exceed 1% of the shares of the Company in issue at any point in time, unless prior approval from the Company's shareholders in general meeting has been obtained. Options granted to substantial shareholder or an independent non-executive director of the Company in excess of 0.1% of the Company's share in issue and with a value in excess of HK\$5 million must be approved in advance by the Company's shareholders in general meeting.

29. 購股權計劃 (續)

股權支付購股權計劃 (續)

根據首次公開招股前購股權計劃及購股權計劃可能授出之購股權所涉股份總數不得超過本公司於採納首次公開招股前購股權計劃及購股權計劃當日股份的10%，惟事先在股東大會上獲本公司股東批准者則除外。因行使根據首次公開招股前購股權計劃及購股權計劃以及本公司任何其他購股權計劃所有已授出但尚未行使的購股權而可能發行之股份總數不得超過不時已發行股份30%。於任何十二個月期間可能授予任何合資格參與者之購股權所涉股份總數，不得超過本公司於任何時間已發行股份1%，惟事先在股東大會上獲本公司股東批准者則除外。授予本公司主要股東或獨立非執行董事超過本公司已發行股份0.1%及其價值超過5,000,000港元之購股權必須事先在股東大會上獲本公司股東批准。

29. SHARE OPTION SCHEMES (continued)

Equity-settled share options scheme (continued)

There is no general requirement that an option must be held to any minimum period before it can be exercised but the board of directors is empowered to impose at its discretion any such minimum period at the time of grant of any particular option. Options offered must be taken up not later than 28 days after the date of offer. A non-refundable remittance of HK\$1 is payable as consideration by the grantee upon acceptance of every grant of option under the Pre-IPO Scheme and the Option Scheme. The period during which an option may be exercised will be determined by the board of directors at its absolute discretion, save that such period of time shall not exceed a period of ten years commencing on the date which the option is granted. The exercise price is determined by the board of directors of the Company, and will not be less than the highest of (i) the closing price of the share on the Stock Exchange's daily quotation sheet on the date of offer (ii) the average closing price of the shares on the Stock Exchange's daily quotation sheet for the five business days immediately preceding the date of offer and (iii) the nominal value of a share of the Company.

29. 購股權計劃 (續)

股權支付購股權計劃 (續)

一般並無規定購股權可行使前須持有之最短期間，但董事會獲授權可於授出任何個別購股權授出時酌情施加最短期間。要約的購股權須於要約發出後28日之內獲認購。接受根據首次公開招股前購股權計劃及購股權計劃授出之每項購股權時，承授人須支付1港元之不可撤回款項作為代價。購股權行使期由董事會全權酌情釐定，惟該期間不得超過授出購股權當日起計十年。行使價由本公司董事會釐定，不會少於以下之最高者(i)於要約日期股份在聯交所每日報價表上之收市價；(ii)緊接要約日期前五個營業日聯交所每日報價表上之股份平均收市價及(iii)本公司股份之面值。

29. SHARE OPTION SCHEMES (continued)

Equity-settled share options scheme (continued)

On 8 April 2004, a total of 40,000,000 share options were granted to certain employees and directors of the Group under the Pre-IPO Scheme entitling the holders thereof to subscribe for shares of the Company at an exercise price of HK\$0.324 per share.

On 28 December 2004, a total of 40,000,000 share options were granted to certain employees of the Group under the Option Scheme entitling the holders thereof to subscribe for shares of the Company at an exercise price of HK\$0.28 per share. The fair value of the Company's shares at 28 December 2004 was HK\$0.28.

On 30 January 2007, a total of 51,430,000 share options were granted to certain employees and directors of the Group under the option scheme entitling the holders thereof to subscribe for shares of the Company at an exercise price of HK\$0.56 per share. The estimated fair value of the options granted on 30 January 2007 was HK\$11,755,000.

The share options granted at 8 April 2004 and 28 December 2004 do not have any vesting conditions and are fully vested on the grant date.

20% of the share options granted at 30 January 2007 are exercisable during the period from the date of grant to 29 January 2017 while the remaining 80% of the share options are exercisable during the period from 29 January 2008 to 29 January 2017. All options are vested on the first day of respective exercise period.

29. 購股權計劃 (續)

股權支付購股權計劃 (續)

於二零零四年四月八日，本公司已根據首次公開招股前購股權計劃授出合共40,000,000份購股權予本集團若干僱員及董事，有關購股權持有人可按行使價每股0.324港元認購本公司股份。

於二零零四年十二月二十八日，本公司已根據購股權計劃授出合共40,000,000份購股權予本集團若干僱員，有關購股權持有人可按行使價每股0.28港元認購本公司股份。本公司股份於二零零四年十二月二十八日之公平值為0.28港元。

於二零零七年一月三十日，本公司已根據購股權計劃授出合共51,430,000份購股權予本集團若干僱員及董事，有關購股權持有人可按行使價每股0.56港元認購本公司股份。所授出購股權於二零零七年一月三十日之估計公平值為11,755,000港元。

於二零零四年四月八日及二零零四年十二月二十八日授出之購股權均不附帶任何歸屬條件，並於授出當日悉數歸屬。

二零零七年一月三十日授出之購股權中，20%購股權可於授出日期至二零一七年一月二十九日期間行使，而餘下80%購股權可於二零零八年一月二十九日至二零一七年一月二十九日期間行使。所有購股權於各行使期首日歸屬。

29. SHARE OPTION SCHEMES (continued)**Equity-settled share options scheme** (continued)

The estimated fair value of the option granted on 30 January 2007 was calculated using the binominal model. The inputs into the model were as follows:

	Date of grant 30.1.2007
Closing share price at date of grant	HK\$0.56
Exercise price	HK\$0.56*
Expected volatility	69.83%
Expected life	10 years
Risk-free rate	4.181%
Expected dividend yield	2.5%

* This price has not been adjusted for the effect of the Share Subdivision of the Company which took effect on 14 December 2007.

Expected volatility was determined by using the historical volatility of the Company's share price over the previous year.

The Group recognised the total expense of HK\$818,000 (2007: HK\$10,937,000) for the year ended 31 December 2008 in relation to share options granted by the Company.

The binominal model has been used to estimate the fair values of the options. The variables and assumptions used in computing the fair value of the share options are based on the directors' best estimate. The value of an option varies with different variables of certain subjective assumptions.

29. 購股權計劃 (續)**股權支付購股權計劃** (續)

於二零零七年一月三十日授出之購股權之估計公平值採用二項式模型計算。該模型之輸入數據如下：

	授出日期 二零零七年 一月三十日
於授出日期之股份收市價	0.56港元
行使價	0.56港元*
預期波幅	69.83%
預期期限	10年
無風險利率	4.181%
預期股息回報率	2.5%

* 該價格並無因本公司於二零零七年十二月十四日生效的股份分拆影響作出調整。

預期波幅乃依據本公司股價於過往一年之歷史波幅釐定。

截至二零零八年十二月三十一日止年度，本集團已確認與本公司所授出購股權有關的總支出818,000港元（二零零七年：10,937,000港元）。

估計購股權的公平值時採用二項式模型，其中購股權公平值的變數與假設乃根據董事的最佳估計計算。購股權價值隨若干主觀假設的變數不同而變化。

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29. SHARE OPTION SCHEMES (continued)

Equity-settled share options scheme (continued)

Details of specific categories of options are as follows:

	Date of grant 授出日期	Exercise period 行使期	Exercise price 行使價 HK\$ 港元
Pre-IPO Scheme 首次公開招股前 購股權計劃	8 April 2004 二零零四年四月八日	8 April 2004 to 7 April 2014 二零零四年四月八日至 二零一四年四月七日	0.0648 (note) 0.0648 (附註)
Option Scheme 購股權計劃	28 December 2004 二零零四年 十二月二十八日	28 December 2004 to 27 December 2014 二零零四年十二月二十八日至 二零一四年十二月二十七日	0.056 (note) 0.056 (附註)
Option Scheme 購股權計劃	30 January 2007 二零零七年一月三十日	30 January 2007 to 29 January 2017 二零零七年一月三十日至 二零一七年一月二十九日	0.112 (note) 0.112 (附註)

The following table discloses details of the Company's share options held by employees and movements in such holdings during the year ended 31 December 2007:

29. 購股權計劃 (續)

股權支付購股權計劃 (續)

以下為各類購股權之詳情：

截至二零零七年十二月三十一日止年度，僱員所持本公司購股權及其變動之詳情於下表披露：

Option type 購股權類別	Outstanding at 1.1.2007 於二零零七年 一月一日尚未行使	Granted during the year ended 31.12.2007 截至 二零零七年 十二月三十一日		Adjusted upon the share subdivision 股份分拆後 調整 (note) (附註)	Exercised Outstanding at during the year ended 31.12.2007 截至 二零零七年 十二月三十一日		31.12.2007 and 31.12.2008 於二零零七年 及二零零八年 十二月三十一日	
Pre-IPO Scheme 首次公開招股前 購股權計劃	24,000,000	—	96,000,000	—	—	120,000,000		
Option Scheme 購股權計劃	26,000,000	—	104,000,000	(109,000,000)	21,000,000			
Option Scheme 購股權計劃	—	51,430,000	205,720,000	—	257,150,000			
	<u>50,000,000</u>	<u>51,430,000</u>	<u>405,720,000</u>	<u>(109,000,000)</u>	<u>398,150,000</u>			

There was no movement in outstanding share options during the year.

年內未行使購股權並無任何變化。

29. SHARE OPTION SCHEMES (continued)**Equity-settled share options scheme** (continued)

All outstanding share options are exercisable at the balance sheet dates.

In respect of the share options exercised during the year ended 31 December 2007, the weighted average share price at the dates of exercise and immediately before the dates of exercise were HK\$1.06 and HK\$1.056 respectively.

Details of the share options held by the directors included in the above table are as follows:

Option type 購股權類別	Outstanding at 1.1.2007 於二零零七年 一月一日 尚未行使	Adjusted upon the share subdivision 股份分拆後 調整 (note) (附註)	Outstanding at 31.12.2007 and 31.12.2008 於二零零七年 及二零零八年 十二月三十一日 尚未行使	
Pre-IPO Scheme	首次公開招股前購股權計劃	24,000,000	96,000,000	120,000,000

Note: The number and the exercise price of options which remained outstanding have been adjusted due to Share Subdivision of the Company with effect from 14 December 2007. Each share option was subdivided into 5 new shares options with exercise price of one fifth of the original exercise price.

The Share Option Schemes remain valid and exercisable with their respective terms of issue after the transfer of listing status of the Company from GEM Board to Main Board of the Stock Exchange.

29. 購股權計劃 (續)**股權支付購股權計劃** (續)

於結算日所有未行使購股權均可行使。

截至二零零七年十二月三十一日止年度，已行使之購股權於行使日期及緊接行使日期前之加權平均股價分別為1.06港元及1.056港元。

上表所載董事所持購股權的詳情如下：

附註：由於本公司股份分拆於二零零七年十二月十四日生效，尚未行使購股權之數目及行使價已經作出調整。每份購股權分拆為5份新購股權，行使價為原行使價之五分之一。

本公司之上市地位由聯交所創業板上市轉往主板後，購股權計劃於各自發行期內仍有效且可行使。

30. DEFERRED INCOME - GOVERNMENT GRANT

A subsidiary of the Company receives the grant from the Government for funding of some development projects which benefits the society as a whole. When the project is completed, the relevant Government department will evaluate the quality of the results. The grants received are recognised as income when the related development project has been completed and the approval of the relevant Government authority has been obtained.

31. REDEEMABLE CONVERTIBLE PREFERRED SHARES

The Company issued 132,964,342 and 101,315,217 6% Preferred Shares at HK\$0.76 and HK\$0.92 each on 8 December 2005 and 21 April 2006 respectively. The Preferred Shares are denominated in HKD. The holder of the Preferred Shares shall have the right to convert the Preferred Shares, at any time from the date of allotment of the Preferred Shares and up to the maturity date, which is the sixth anniversary of 8 December 2005 and without payment of any additional consideration at the conversion rate of one Preferred Share to five ordinary share after Share Subdivision. If the Preferred Shares have not been converted, they will be redeemed on 8 December 2011 at par. Interest of 6% will be paid annually up until the settlement date. The details of terms of the Preferred Shares are set out in the Company's circular dated 28 October 2005.

The Preferred Shares contain two components, liability and equity elements. Upon the application of HKAS 32 "Financial Instruments: Disclosure and Presentation", the proceeds from issue of the Preferred Shares have been allocated between the liability and equity elements. The equity element is presented in equity heading "Preferred shares equity reserve".

30. 遞延收入 — 政府補助

本公司附屬公司獲得政府補助，為若干造福整個社會的發展項目提供資金。相關政府部門將於項目完工時進行質量評估。所獲補助於相關發展項目完工且獲相關政府機構批准時確認為收入。

31. 可贖回可換股優先股

於二零零五年十二月八日及二零零六年四月二十一日，本公司以每股0.76港元及0.92港元分別發行132,964,342股及101,315,217股6%優先股。優先股以港元計值。優先股持有人有權由配發優先股日期起至到期日（即二零零五年十二月八日起滿六週年當日）隨時按一股優先股換成五股普通股（股份分拆後）之換股比例將優先股轉換為股份，而毋須支付任何額外代價。沒有轉換為股份之優先股會於二零一一年十二月八日以票面值贖回，按年率6%支付至結算日。有關優先股條款之詳情已載於本公司二零零五年十月二十八日之通函。

優先股包括負債及股本部分。採用香港會計準則第32號「金融工具：披露及呈列」後，發行優先股所得款項分為負債及股本部分。股本部分列作股本之「優先股股本儲備」。

31. REDEEMABLE CONVERTIBLE PREFERRED SHARES (continued)

The movement of the liability component of the Preferred Shares for the year is set out below:

Carrying amount at the beginning of the year	年初之賬面值
Interest charge	利息支出
Coupon interest payable included in other payables and accrued expenses	計入其他應付賬款及應計開支的應付票面利息
Coupon interest paid for the year	年內已付票面利息

The weighted average effective interest rate of the liability component is 7.97% (2007: 7.97%).

31. 可贖回可換股優先股 (續)

於本年度，優先股負債部分之變動載列如下：

2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
181,840	179,274
14,502	14,287
(2,941)	—
(8,759)	(11,721)
184,642	181,840

負債部分之加權平均實際利率為7.97% (二零零七年：7.97%)。

32. CONVERTIBLE NOTES

As part of the consideration for the acquisition of the entire interest of Langchao Worldwide, two convertible notes (namely “2008 Convertible Notes and 2009 Convertible Notes”) with principal amount of HK\$29,225,250 each were issued to the vendor on 3 July 2008.

The 2008 Convertible Notes and 2009 Convertible Notes are denominated in HKD and non-interest bearing. The holder of 2008 Convertible Notes and 2009 Convertible Notes each are entitled to be converted into 21,446,262 ordinary shares of the Company (“Consideration Shares”) at conversion price of HK\$1.36272 at any time from the second date after the issue of the auditor’s report on the financial statements of Langchao Worldwide for the years ended 31 December 2008 and 2009 respectively to the maturity date in the 30th month after the issue date, subject to the adjustment due to change in capital structure of the Company (including share consolidation, share subdivision and capitalisation issue and other similar corporate actions). Pursuant to the purchase and sales agreements, the number of Consideration Shares for 2008 Convertible Notes and 2009 Convertible Notes is subject to the adjustment mechanism (“Adjustment”) which is referenced to the audited profit after tax for the years ended 31 December 2008 and 31 December 2009. The Consideration Shares shall rank pari passu in all respects with all other existing shares outstanding at the date of the conversion. Details of the Adjustment are set out in the circular of the Company dated 13 June 2008.

If the 2008 Convertible Notes and 2009 Convertible Notes have not been converted, the holder can request the Company to redeem the outstanding convertible notes at principal amount at the 30th month after the issue date.

All the detailed terms and conditions, including the above, are set out, inter alia, in the circular dated 13 June 2008 issued by the Company.

32. 可換股票據

收購浪潮世科所有權益的代價包括於二零零八年七月三日向賣方發行兩張本金額各為29,225,250港元的可換股票據(即「二零零八年可換股票據及二零零九年可換股票據」)。

二零零八年可換股票據及二零零九年可換股票據均以港元計值而不計息。二零零八年可換股票據及二零零九年可換股票據的持有人均可按轉換價1.36272港元於刊發浪潮世科截至二零零八年及二零零九年十二月三十一日止年度財務報表的核數師報告翌日至刊發日期後滿30個月當日(到期日)期間隨時將票據轉換成21,446,262股本公司普通股(「代價股份」)，惟或會因本公司資本架構變更(包括股份合併、股份分拆及資本化發行與其他同類企業行動)而調整。根據買賣協議，有關二零零八年可換股票據及二零零九年可換股票據的代價股份數目經參考截至二零零八年及二零零九年十二月三十一日止年度的經審核除稅後純利，或會隨調整機制調整(「調整」)。代價股份與轉換日期的所有其他現有已發行股份在各方面享有同等權利。有關調整詳情載於本公司於二零零八年六月十三日發出的通函。

倘二零零八年可換股票據及二零零九年可換股票據尚未轉換，則持有人可要求本公司於發行日期後第30個月以本金額贖回尚未轉換的可換股票據。

所有條款及條件詳情(包括上述者)載於本公司二零零八年六月十三日刊發的通函。

32. CONVERTIBLE NOTES (continued)

The convertible notes contain the financial liability and embedded derivatives and the entire instrument is designated as financial liability at FVTPL on initial recognition. During the year, a gain on decrease in fair value of approximately HK\$3,029,000 is recognised in the consolidated income statement.

The fair value of the liability component of the convertible notes at FVTPL at the issue date and 31 December 2008 was determined based on the present value of the estimated future cash flows discounted at the prevailing market rate for an equivalent non-convertible loan at issue date and 31 December 2008. The discount rates at issue date and the balance sheet date are 7.78% and 8.36% respectively.

The fair value of the conversion option embedded is calculated using the binomial option pricing model. The inputs into the model at issue date and 31 December 2008 were as follows:

	Date of grant	31.12.2008
Share price	HK\$0.95000	HK\$0.80000
Exercise price	HK\$1.36272	HK\$1.36272
Time to maturity	2.5 years	2.01 years
Risk free rate	2.7735%	0.5260%
Share price volatility	71.287%	73.335%

Share price volatility was estimated by the average annualised standard deviations of the continuously compounded rates of return on the Company's share prices.

32. 可換股票據 (續)

可換股票據包括財務負債及嵌入式衍生工具，首次確認時，整個工具分類為按公平值於損益表入賬的財務負債。年內，公平值減少所得收益約3,029,000港元於綜合收益表內確認。

於發行日期及二零零八年十二月三十一日，按公平值於損益表入賬之可換股票據負債部分的公平值根據當天等值不可換股貸款主要市場利率貼現之估計未來現金流量現值計算。於發行日期及結算日，貼現率分別為7.78%及8.36%。

嵌入式換股期權的公平值使用二項式期權定價模式計算。於發行日期及二零零八年十二月三十一日模式所輸入數據如下：

		二零零八年 授出日期 十二月三十一日
股價	0.95000港元	0.80000港元
行使價	1.36272港元	1.36272港元
年期	2.5年	2.01年
無風險利率	2.7735%	0.5260%
股價波幅	71.287%	73.335%

股價波幅按本公司股價持續複合回報率的平均年度標準差估算。

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33. DEFERRED TAX LIABILITIES

The following is the deferred tax liabilities recognised and movements thereon during the current and prior reporting years:

		Withholding tax arise from PRC subsidiaries	Other intangible assets	Total
		中國附屬公司 的預扣稅 HK\$'000 千港元	其他 無形資產 HK\$'000 千港元	總計 HK\$'000 千港元
At 1 January 2007	二零零七年一月一日	—	—	—
Acquired on acquisition of subsidiaries	收購附屬 公司所得	—	3,192	3,192
Credit to the consolidated income statement for the year	計入年內 綜合收益表	—	(120)	(120)
At 31 December 2007	二零零七年 十二月三十一日	—	3,072	3,072
Exchange realignment	匯兌調整	—	559	559
Acquired on acquisition of subsidiaries	收購附屬 公司所得	—	29,136	29,136
Charge (credit) to the consolidated income statement for the year (note 10)	於年內 綜合收益表 扣除 (計入) (附註 10)	1,045	(5,994)	(4,949)
At 31 December 2008	二零零八年 十二月三十一日	<u>1,045</u>	<u>26,773</u>	<u>27,818</u>

Note: Under the New Law of the PRC, withholding tax is imposed on dividends declared in respect of profits earned by PRC subsidiaries from 1 January 2008 onwards. No deferred taxation has been provided for in the consolidated financial statements in respect of temporary differences relating to the undistributed profits of certain PRC subsidiaries amounting to approximately HK\$189,804,000 (2007: nil) as the Company controls the dividend policy of these subsidiaries and it is probable that the profits will not be distributed in the foreseeable future.

At the balance sheet date, the Group has unused tax losses of HK\$5,360,000 (2007: HK\$1,702,000) available for offset against future profits. No deferred tax asset has been recognised due to the unpredictability of future profit streams. The tax losses may be carried forward indefinitely.

33. 遞延稅項負債

以下為於本報告年度及過往報告年度已確認之遞延稅項資產及變動：

附註：根據中國新稅法，自二零零八年一月一日起對中國附屬公司就所獲溢利宣派的股息徵收預扣稅。由於本公司控制若干中國附屬公司的股息政策且該等附屬公司的未分派溢利在可見將來可能不會分派，故並無於綜合財務報表就約189,804,000港元（二零零七年：零元）的未分派溢利的暫時差額作出遞延稅項撥備。

於結算日，本集團可供抵銷未來溢利的未動用稅項虧損為5,360,000港元（二零零七年：1,702,000港元）。由於難以估計未來溢利之來源，因此並無確認遞延稅項資產。稅項虧損可無限期結轉。

34. ACQUISITION OF SUBSIDIARIES AND ADDITIONAL INTEREST IN SUBSIDIARIES

For the year ended 31 December 2008

- (a) On 29 February 2008, the Group acquired an additional 21.26% equity interest in Inspur Gensoft, through the acquisition of the entire interest in Intersource Technology Limited, at a cash consideration of RMB35,079,000 (equivalent to HK\$38,333,000) from an independent third party. Upon completion of such acquisition, an aggregate 51.31% equity interest of Inspur Gensoft was held by the Group and Inspur Gensoft became a subsidiary of the Group. Inspur Gensoft and its subsidiaries are engaged in the development, production and sale of computer software and computer peripherals for Enterprise Resource Planning (“ERP”) System. These transactions have been accounted for using the acquisition method of accounting.

34. 收購附屬公司及增持附屬 公司權益

截至二零零八年十二月三十
一 日 止 年 度

- (a) 二零零八年二月二十九日，本集團以現金代價人民幣35,079,000元（等於38,333,000港元）向獨立第三方收購Intersource Technology Limited所有權益，增持浪潮通用軟件21.26%股權。有關收購完成後，本集團合共持有浪潮通用軟件51.31%股權，浪潮通用軟件成為本集團附屬公司。浪潮通用軟件及其附屬公司的業務為開發、生產及銷售企業資源規劃（「企業資源規劃」）系統所用計算機軟件及電腦周邊設備。有關交易使用會計收購法入賬。

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34. ACQUISITION OF SUBSIDIARIES AND ADDITIONAL INTEREST IN SUBSIDIARIES

(continued)

For the year ended 31 December 2008

(continued)

The net assets acquired in the transaction are as follows:

		Acquiree's carrying amount before combination	Fair value adjustments	Fair value
		合併前被收購方 之賬面值	公平值調整	公平值
		HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元
Net assets acquired:	所得資產淨值：			
Property, plant and equipment	物業、廠房及設備	46,639	—	46,639
Other intangible assets	其他無形資產	—	40,352	40,352
Inventories	存貨	868	—	868
Trade receivables	貿易應收賬款	37,740	—	37,740
Prepayments, deposits and other receivables	預付款項、按金及其他應收賬款	8,847	—	8,847
Amounts due from customers for contract work	應收客戶合約工程款項	34,757	—	34,757
Amounts due from related companies	應收關連公司賬款	179	—	179
Taxation recoverable	可收回稅項	1,092	—	1,092
Bank balances and cash	銀行結餘及現金	57,740	—	57,740
Trade payables	貿易應付賬款	(1,557)	—	(1,557)
Other payables and accrued expenses	其他應付賬款及應計開支	(27,089)	—	(27,089)
Amounts due to customers for contract work	應付客戶合約工程款項	(2,743)	—	(2,743)
Amounts due to related parties	應付關連人士賬款	(1,607)	—	(1,607)
Deferred income - government grant	遞延收入 - 政府補助	(1,803)	—	(1,803)
Deferred tax liabilities	遞延稅項負債	—	(10,088)	(10,088)
		<u>153,063</u>	<u>30,264</u>	<u>183,327</u>

34. 收購附屬公司及增持附屬公司權益 (續)

截至二零零八年十二月三十一日止年度 (續)

該交易所得資產淨值如下：

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34. ACQUISITION OF SUBSIDIARIES AND ADDITIONAL INTEREST IN SUBSIDIARIES

(continued)

For the year ended 31 December 2008

(continued)

The net assets acquired in the transaction are as follows:(continued)

		Acquiree's carrying amount before combination	Fair value adjustments	Fair value
		合併前被收購方 之賬面值	公平值調整	公平值
		HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元
Minority interests	少數股東權益			(89,723)
Interest in an associate	聯營公司之權益			(55,271)
Total consideration satisfied by cash	以現金支付的總代價			<u>38,333</u>
Net cash inflow arising on acquisition:	收購所得現金流入淨額：			
Cash consideration paid	已付現金代價			(38,333)
Bank balances and cash acquired	所得銀行結餘及現金			<u>57,740</u>
				<u>19,407</u>

Note:

Inspur Genersoft contributed approximately HK\$53,451,000 to the Group's profit for the period between the date of acquisition and the balance sheet date.

If the acquisition had been completed on 1 January 2008, total group revenue for the year would have been approximately HK\$1,864 million, and profit for the year would have been approximately HK\$339 million. The pro forma information is for illustrative purposes only and is not necessarily an indication of revenue and results of operations of the Group that actually would have been achieved had the acquisition been completed on 1 January 2008, nor is it intended to be a projection of future results.

34. 收購附屬公司及增持附屬公司權益 (續)

截至二零零八年十二月三十一日止年度 (續)

該交易所得資產淨值如下：

(續)

	Acquiree's carrying amount before combination	Fair value adjustments	Fair value
	合併前被收購方 之賬面值	公平值調整	公平值
	HK\$'000	HK\$'000	HK\$'000
	千港元	千港元	千港元
Minority interests			(89,723)
Interest in an associate			(55,271)
Total consideration satisfied by cash			<u>38,333</u>
Net cash inflow arising on acquisition:			
Cash consideration paid			(38,333)
Bank balances and cash acquired			<u>57,740</u>
			<u>19,407</u>

附註：

浪潮通用軟件於收購日期至結算日期間對本集團的溢利貢獻約為53,451,000港元。

倘收購已於二零零八年一月一日完成，則本集團於本年度之總收入將約為1,864,000,000港元，而年內純利將約為339,000,000港元。該備考資料僅作說明用途，並不表示假設本集團已於二零零八年一月一日完成收購而實際所獲收入及經營業績，亦不擬作為日後業績之預測。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2008
截至二零零八年十二月三十一日止年度

34. ACQUISITION OF SUBSIDIARIES AND ADDITIONAL INTEREST IN SUBSIDIARIES

(continued)

For the year ended 31 December 2008

(continued)

- (b) On 31 March 2008, the Group acquired 60% equity interest in Inspur Business System, an associate of the Group before the completion of such acquisition, at a consideration of RMB36,000,000 (equivalent to HK\$39,885,000) from Jinan Inspur Network Technology Development Limited, a subsidiary of Inspur Corporation. This transaction has been accounted for using the acquisition method of accounting.

The net assets acquired in the transaction are as follows:

		Acquiree's carrying amount before combination	Fair value adjustments	Fair value
		合併前被收購方 之賬面值	公平值調整	公平值
		HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元
Net assets acquired:	所得資產淨值：			
Property, plant and equipment	物業、廠房及設備	628	—	628
Other intangible assets	其他無形資產	—	13,581	13,581
Available-for-sale investment	可供出售投資	554	—	554
Inventories	存貨	234	—	234
Trade receivables	貿易應收賬款	13,290	—	13,290
Other receivables	其他應收賬款	1,513	—	1,513
Bank balances and cash	銀行結餘及現金	48,173	—	48,173
Trade payables	貿易應付賬款	(804)	—	(804)
Other payables and accrued expenses	其他應付賬款及應計開支	(1,113)	—	(1,113)
Amounts due to related parties	應付關連人士賬款	(10,454)	—	(10,454)
Taxation payable	應付稅項	(1,280)	—	(1,280)
Deferred tax liabilities	遞延稅項負債	—	(3,395)	(3,395)
		<u>50,741</u>	<u>10,186</u>	<u>60,927</u>

34. 收購附屬公司及增持附屬公司權益 (續)

截至二零零八年十二月三十一日止年度 (續)

- (b) 二零零八年三月三十一日，本集團於上述收購完成前以代價人民幣 36,000,000 元（等於 39,885,000 港元）向浪潮公司附屬公司濟南浪潮網絡科技發展有限公司收購本集團聯營公司浪潮商用系統 60% 股權。有關交易使用會計收購法入賬。

該交易所得資產淨值如下：

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2008
截至二零零八年十二月三十一日止年度

34. ACQUISITION OF SUBSIDIARIES AND ADDITIONAL INTEREST IN SUBSIDIARIES

(continued)

For the year ended 31 December 2008

(continued)

The net assets acquired in the transaction are as follows:(continued)

		Acquiree's carrying amount before combination	Fair value adjustments	Fair value
		合併前被收購方 之賬面值	公平值調整	公平值
		HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元
Interest in an associate	聯營公司權益			(21,042)
Total consideration satisfied by cash	以現金支付的總代價			<u>39,885</u>
Net cash inflow arising on acquisition:	收購所得			
Cash consideration paid	現金流入淨額：			(39,885)
Bank balances and cash acquired	已付現金代價 所得銀行結餘 及現金			<u>48,173</u>
				<u>8,288</u>

Note:

Inspur Business System contributed approximately HK\$43,912,000 to the Group's profit for the period between the date of acquisition and the balance sheet date.

If the acquisition had been completed on 1 January 2008, total group revenue for the year would have been approximately HK\$1,872 million, and profit for the year would have been approximately HK\$337 million. The pro forma information is for illustrative purposes only and is not necessarily an indication of revenue and results of operations of the Group that actually would have been achieved had the acquisition been completed on 1 January 2008, nor is it intended to be a projection of future results.

34. 收購附屬公司及增持附屬公司權益 (續)

截至二零零八年十二月三十一日止年度

(續)

該交易所得資產淨值如下：
(續)

	Acquiree's carrying amount before combination	Fair value adjustments	Fair value
	合併前被收購方 之賬面值	公平值調整	公平值
	HK\$'000	HK\$'000	HK\$'000
	千港元	千港元	千港元
Interest in an associate	聯營公司權益		(21,042)
Total consideration satisfied by cash	以現金支付的總代價		<u>39,885</u>
Net cash inflow arising on acquisition:	收購所得		
Cash consideration paid	現金流入淨額：		(39,885)
Bank balances and cash acquired	已付現金代價 所得銀行結餘 及現金		<u>48,173</u>
			<u>8,288</u>

附註：

浪潮商用系統於收購日期至結算日期間對本集團的溢利貢獻約為43,912,000港元。

倘收購已於二零零八年一月一日完成，則本集團於本年度之總收入將約為1,872,000,000港元，而年內純利將約為337,000,000港元。該備考資料僅作說明用途，並不表示假設本集團已於二零零八年一月一日完成收購而實際所獲收入及經營業績，亦不擬作為日後業績之預測。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2008
截至二零零八年十二月三十一日止年度

34. ACQUISITION OF SUBSIDIARIES AND ADDITIONAL INTEREST IN SUBSIDIARIES

(continued)

For the year ended 31 December 2008

(continued)

- (c) On 3 July 2008, the Group acquired 34% and 66% equity interest in Langchao Worldwide from Inspur Electronics (HK) Limited, the immediate holding company of the Company and Accord Star Limited ("Accord Star"), an independent third party, respectively at an aggregate consideration of HK\$173,592,000. These transactions have been accounted for using the acquisition method of accounting. The amount of goodwill as a result of the acquisition was HK\$91,277,000.

34. 收購附屬公司及增持附屬 公司權益 (續)

截至二零零八年十二月三十
一日止年度 (續)

- (c) 二零零八年七月三日，本集團向本公司直接控股公司浪潮電子(香港)有限公司及獨立第三方和星有限責任公司(「和星」)分別收購浪潮世科34%及66%股權，總代價為173,592,000港元。該等交易使用會計收購法入賬。收購所產生商譽為91,277,000港元。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2008
截至二零零八年十二月三十一日止年度

34. ACQUISITION OF SUBSIDIARIES AND ADDITIONAL INTEREST IN SUBSIDIARIES

(continued)

For the year ended 31 December 2008

(continued)

The net assets acquired in the transaction, and the goodwill arising, are as follows:

34. 收購附屬公司及增持附屬 公司權益 (續)

截至二零零八年十二月三十

一日止年度 (續)

該交易所得資產淨值及所產生
商譽如下：

		Acquiree's carrying amount before combination	Fair value adjustments	Fair value
		合併前被收購方 之賬面值	公平值調整	公平值
		HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元
Net assets acquired:	所得資產淨值：			
Property, plant and equipment	物業、廠房 及設備	15,556	—	15,556
Other intangible assets	其他無形資產	—	62,610	62,610
Trade receivables	貿易應收賬款	12,945	—	12,945
Prepayments, deposit and other receivables	預付款項、按金及 其他應收賬款	2,822	—	2,822
Amounts due from related parties	應收關連 人士賬款	177	—	177
Bank balances and cash	銀行結餘及現金	13,259	—	13,259
Trade payables	貿易應付賬款	(4,689)	—	(4,689)
Other payables and accrued expenses	其他應付賬款及 應計開支	(3,842)	—	(3,842)
Amounts due to related parties	應付關連 人士賬款	(364)	—	(364)
Deferred tax liabilities	遞延稅項負債	—	(15,653)	(15,653)
		<u>35,864</u>	<u>46,957</u>	<u>82,821</u>
Minority interests in subsidiaries of Langchao Worldwide	於浪潮世科附屬 公司之少數 股東權益			(506)
Goodwill from acquisition	收購產生的商譽			<u>91,277</u>
				<u>173,592</u>

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2008
截至二零零八年十二月三十一日止年度

34. ACQUISITION OF SUBSIDIARIES AND ADDITIONAL INTEREST IN SUBSIDIARIES

(continued)

For the year ended 31 December 2008

(continued)

The net assets acquired in the transaction, and the goodwill arising, are as follows:(continued)

		Acquiree's carrying amount before combination	Fair value adjustments	Fair value
		合併前被收購方 之賬面值	公平值調整	公平值
		HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元
Total consideration	以下述方式			
satisfied by:	支付的總代價			
Cash	現金			66,244
Shares issued	已發行股份			48,898
Convertible notes issued	已發行可換股票據			58,450
				<u>173,592</u>
Net cash outflow	收購所產生			
arising on acquisition:	現金流出淨額			
Cash consideration paid	已付現金代價			(66,244)
Bank balances and	所得銀行結餘			
cash acquired	及現金			<u>13,259</u>
				<u>(52,985)</u>

34. 收購附屬公司及增持附屬 公司權益 (續)

截至二零零八年十二月三十
一日止年度 (續)

該交易所得資產淨值及所產生
商譽如下：(續)

34. ACQUISITION OF SUBSIDIARIES AND ADDITIONAL INTEREST IN SUBSIDIARIES

(continued)

For the year ended 31 December 2008

(continued)

The net assets acquired in the transaction, and the goodwill arising, are as follows: (continued)

Note:

Langchao Worldwide is principally engaged in software outsourcing business. The goodwill arising on the acquisition of subsidiaries is attributable to the anticipated profitability from Langchao Worldwide in the software market and the anticipated future operating synergies from the combination.

As part of the consideration for the acquisition of Langchao Worldwide, 51,479,029 ordinary share of the Company with par value of HK\$0.002 each were issued to Accord Star. The fair value of the ordinary shares of the Company, determined using the market price available at the date of the acquisition, amounted to HK\$48,898,000.

As part of the consideration for the acquisition of Langchao Worldwide, convertible notes with principal amount of HK\$58,450,500 were issued to Accord Star (see note 32 for details).

Langchao Worldwide contributed approximately HK\$23,604,000 to the Group's profit for the period between the date of acquisition and the balance sheet date.

If the acquisition had been completed on 1 January 2008, total group revenue for the year would have been approximately HK\$1,891 million, and profit for the year would have been approximately HK\$339 million. The pro forma information is for illustrative purposes only and is not necessarily an indication of revenue and results of operations of the Group that actually would have been achieved had the acquisition been completed on 1 January 2008, nor is it intended to be a projection of future results.

34. 收購附屬公司及增持附屬 公司權益 (續)

截至二零零八年十二月三十
一日止年度 (續)

該交易所得資產淨值及所產生商譽如下：(續)

附註：

浪潮世科的主要業務為軟件外包業務。收購附屬公司產生的商譽來自浪潮世科於軟件市場的預期盈利能力及合併後的預期日後經營協同效應。

收購浪潮世科的代價包括本公司向和星發行51,497,029股每股每股面值0.002港元的普通股。本公司普通股的公平值採用收購日期所知市價定為48,898,000港元。

收購浪潮世科的代價包括向和星發行本金額58,450,500港元的可換股票據(詳見附註32)。

浪潮世科於收購日期至結算日期間對本集團的溢利貢獻約為23,604,000港元。

倘收購已於二零零八年一月一日完成，則本集團於本年度之總收入將約為1,891,000,000港元，而年內純利將約為339,000,000港元。該備考資料僅作說明用途，並不表示假設本集團已於二零零八年一月一日完成收購而實際所獲收入及經營業績，亦不擬作為日後業績之預測。

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綜合財務報表附註

For the year ended 31 December 2008
截至二零零八年十二月三十一日止年度

34. ACQUISITION OF SUBSIDIARIES AND ADDITIONAL INTEREST IN SUBSIDIARIES

(continued)

For the year ended 31 December 2008

(continued)

Acquisition of additional interest in a subsidiary

- (d) On 30 November 2008, the Group further acquired 48.69% equity interest in Inspur Genersoft from Shandong Inspur Software Company Limited ("Shandong Inspur Software"), a subsidiary of Inspur Corporation at a cash consideration of RMB87,382,000 (equivalent to approximately HK\$99,061,000). The amount of goodwill as a result of the acquisition was HK\$13,091,000.

For the year ended 31 December 2007

- (e) On 14 December 2007, the Group acquired a 49% of the issued capital of Inspur Communication through the acquisition of the entire interests in Shine Victory International Limited and a 51% of the issued capital of Inspur Communication from an independent party and Shandong Inspur Electronic Information Technology Company Limited (山東浪潮電子信息科技有限公司), a subsidiary of Inspur Corporation, at consideration of RMB43,120,000 and RMB44,880,000 (equivalent to HK\$45,876,000 and HK\$47,749,000) respectively. These transactions have been accounted for using the acquisition method of accounting. The amount of goodwill as a result of the acquisition was HK\$30,542,000.

34. 收購附屬公司及增持附屬 公司權益 (續)

截至二零零八年十二月三十
一日止年度 (續)

增購附屬公司權益

- (d) 二零零八年十一月三十日，本公司以代價人民幣87,382,000元（約等於99,061,000港元）向浪潮公司附屬公司山東浪潮齊魯軟件產業股份有限公司（「山東浪潮齊魯軟件」）增購浪潮通用軟件48.69%股權。收購所得商譽為13,091,000港元。

截至二零零七年十二月三十
一日止年度

- (e) 二零零七年十二月十四日，本集團透過向獨立第三方收購耀凱國際有限公司全部權益而取得浪潮通信49%之已發行股本，以及向浪潮公司附屬公司山東浪潮電子信息科技有限公司收購浪潮通信51%之已發行股本，代價分別為人民幣43,120,000元及人民幣44,880,000元（分別等於45,876,000港元及47,749,000港元）。該等交易使用會計收購法入賬。收購所得商譽為30,542,000港元。

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綜合財務報表附註

For the year ended 31 December 2008
截至二零零八年十二月三十一日止年度

34. ACQUISITION OF SUBSIDIARIES AND ADDITIONAL INTEREST IN SUBSIDIARIES

(continued)

For the year ended 31 December 2007

(continued)

The net assets acquired in the transaction, and the goodwill arising, are as follows:

34. 收購附屬公司及增持附屬 公司權益 (續)

截至二零零七年十二月三十

一日止年度 (續)

該交易所得資產淨值及所產生
商譽如下：

		Acquiree's carrying amount before combination	Fair value adjustments	Fair value
		合併前被收購方 之賬面值	公平值調整	公平值
		HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元
Net assets acquired:	所得資產淨值：			
Property, plant and equipment	物業、廠房 及設備	1,195	—	1,195
Other intangible assets	其他無形資產	—	12,767	12,767
Inventories	存貨	702	—	702
Trade receivables	貿易應收賬款	40,849	—	40,849
Other receivables	其他應收賬款	6,083	—	6,083
Amounts due from customers for contract work	應收客戶 合約工程 款項	7,713	—	7,713
Amounts due from related parties	應收關連 人士賬款	10,469	—	10,469
Bank balances and cash	銀行結餘 及現金	26,113	—	26,113
Trade and other payables	貿易及其他 應付賬款	(16,827)	—	(16,827)
Amounts due to customers for contract work	應付客戶 合約工程 款項	(5,082)	—	(5,082)
Amounts due to related parties	應付關連 人士賬款	(17,707)	—	(17,707)
Deferred tax liabilities	遞延稅項負債	—	(3,192)	(3,192)
		<u>53,508</u>	<u>9,575</u>	<u>63,083</u>

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2008
截至二零零八年十二月三十一日止年度

34. ACQUISITION OF SUBSIDIARIES AND ADDITIONAL INTEREST IN SUBSIDIARIES

(continued)

For the year ended 31 December 2007

(continued)

The net assets acquired in the transaction, and the goodwill arising, are as follows:(continued)

Goodwill on acquisition	收購所得商譽	30,542
Total consideration, satisfied by cash	以現金支付的 總代價	93,625
Net cash outflow arising on acquisition:	收購所產生 現金流出淨額：	
Cash consideration paid	已付現金代價	(93,625)
Bank balances and cash acquired	所得銀行 結餘及現金	26,113
		(67,512)

Note:

Shine Victory International Limited is the investment holding company and Inspur Communication is principally engaged in software development. The goodwill arising on the acquisition of subsidiaries is attributable to the anticipated profitability from Inspur Communication and the anticipated future operating synergies from the combination.

Inspur Communication and Shine Victory International Limited contributed in aggregate approximately HK\$10,944,000 and nil respectively to the Group's turnover and approximately HK\$1,513,000 and nil to the Group's profit before taxation for the period between the date of completion and the balance sheet date.

If the acquisition had been completed on 1 January 2007, total group profit for the year would have been approximately HK\$48,196,000 and total group revenue for the period would have been approximately HK\$1,003,982,000. The pro forma information is for illustrative purposes only and is not necessarily an indication of revenue and results of operations of the Group that actually would have been achieved had the acquisition been completed on 1 January 2007, nor is it intended to be a projection of future results.

34. 收購附屬公司及增持附屬 公司權益 (續)

截至二零零七年十二月三十
一日止年度 (續)

該交易所得資產淨值及所產生
商譽如下：(續)

	30,542
	93,625
	(93,625)
	26,113
	(67,512)

附註：

耀凱國際有限公司為投資控股公司，而浪潮通信的主要業務為軟件開發。收購附屬公司所產生商譽來自浪潮通信之預期盈利能力及合併後之預期日後經營協同效應。

完成日期至結算日期間，浪潮通信及耀凱國際有限公司分別對本集團的營業額貢獻共約10,944,000港元及零港元，而分別對本集團的除稅前純利貢獻共約1,513,000港元及零港元。

倘收購已於二零零七年一月一日完成，則本年度之集團純利總額將約為48,196,000港元，而期內之集團總收入將約為1,003,982,000港元。該備考資料僅作說明用途，並不表示假設本集團已於二零零七年一月一日完成收購而實際所獲收入及經營業績，亦不擬作為日後業績之預測。

35. LEASE COMMITMENTS

At the balance sheet date, the Group had commitments for future minimum lease payments under operating leases in respect of rented premises which fall due as follows:

Within one year	一年內
In the second to fifth years inclusive	第二至第五年 (包括頭尾兩年)

Operating lease payments represent rentals payable by the Group for its office premises. Leases are negotiated for an average term of two years and rentals are fixed for an average of two years.

36. RETIREMENT BENEFIT SCHEME

The Company's subsidiaries in Hong Kong operates the Mandatory Provident Fund Scheme under the rules and regulations of the Mandatory Provident Fund Schemes Authority. The Group's employees are required to join the scheme. The Group has followed the minimum statutory contribution requirement of 5% of eligible employees' relevant aggregated income with a cap of HK\$1,000 per employee per month.

The Company's subsidiaries in the PRC, in compliance with the applicable regulations of the PRC, participated in various central pension schemes operated by the relevant municipal and provincial governments. These subsidiaries are required to make defined contributions to these schemes at a fixed percentage of their covered payroll. The Group has no other obligation for the payment of its staff's retirement and other post-retirement benefits other than the contributions described above.

The total contributions in respect of the current accounting period charged to consolidated income statement amounting to HK\$9,151,000 (2007: HK\$1,037,000).

35. 租賃承擔

於結算日，本集團根據經營租賃就所租物業未來最低租金之承擔的到期情況如下：

2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
5,250	304
1,609	140
6,859	444

經營租賃租金指本集團應付辦公室租金。租賃平均每兩年商討一次，而租金平均兩年釐定一次。

36. 退休福利計劃

本公司的香港附屬公司根據強制性公積金計劃管理局的規則及規定推行強制性公積金計劃。本集團員工均須參加此計劃。本集團已遵照法定最低供款規定按合資格僱員有關總收入的5%供款，上限為每名僱員每月1,000港元。

為遵守中國適用規例，本公司於中國之附屬公司均參與多項由有關市政府及省政府營運之中央退休金計劃。該等附屬公司須按上述計劃所涵蓋薪金之固定百分比向該等計劃作出定額供款。除上述供款外，本集團並無其他支付員工退休及其他退休後福利的責任。

現行會計期間自綜合收益表扣除之總供款為9,151,000港元(二零零七年：1,037,000港元)。

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37. RELATED PARTY TRANSACTIONS/ BALANCES

Apart from the amounts due from and to related parties as disclosed in notes 23 and 26 respectively, the Group had entered into the following related party transactions during the year:

37. 關連人士交易／結餘

除附註23及26分別披露的應收及應付關連人士款項外，本集團於本年度已進行下列關連人士交易：

		Ultimate holding company		Fellow subsidiaries	
		2008	2007	2008	2007
		二零零八年	二零零七年	二零零八年	二零零七年
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
Sales of goods	銷售貨品	<u>189,020</u>	<u>252,744</u>	<u>270,351</u>	<u>195,746</u>
Services income	服務收入	<u>2,330</u>	<u>—</u>	<u>3,009</u>	<u>3,912</u>
Purchase of goods	採購貨品	<u>42,547</u>	<u>20,220</u>	<u>178,720</u>	<u>38,667</u>
Sales commission expenses	銷售佣金支出	<u>99</u>	<u>—</u>	<u>747</u>	<u>100</u>
Property rental expenses	物業租金開支	<u>2,479</u>	<u>—</u>	<u>321</u>	<u>—</u>
Acquisition of property, plant and equipment	收購物業、 廠房及設備	<u>—</u>	<u>—</u>	<u>297</u>	<u>—</u>

(a) On 31 March 2008, Inspur Shandong Electronic, a wholly owned subsidiary of the Company, acquired 60% equity interest in Inspur Business System, at a consideration of RMB36,000,000 (equivalent to HK\$39,885,000) from Jinan Inspur Network Technology Development Limited, a subsidiary of Inspur Corporation. Further details regarding the acquisition were disclosed in the Company's circular dated on 11 March 2008 and note 34(b).

(a) 於二零零八年三月三十一日，本公司全資附屬公司浪潮山東電子向浪潮公司附屬公司濟南浪潮網絡科技發展有限公司收購浪潮商用系統60%股權，代價為人民幣36,000,000元（等於39,885,000港元）。有關收購的其他詳情於二零零八年三月十一日的本公司通函及附註34(b)披露。

37. RELATED PARTY TRANSACTIONS/ BALANCES (continued)

- (b) On 3 July 2008, the Company acquired 34% equity interest in Langchao Worldwide from Inspur Electronics (HK) Limited, the immediate holding company of the Company. Further details regarding the acquisition were disclosed in the Company's circular dated on 13 June 2008 and note 34(c).
- (c) On 30 November 2008, the Group further acquired 48.69% equity interest in Inspur Gensoft from Shandong Inspur Software, a subsidiary of Inspur Corporation at a consideration of RMB87,382,000 (equivalent to HK\$99,061,000). Further details regarding the acquisition were disclosed in the Company's circular dated on 12 November 2008 and note 34(d).
- (d) On 14 December 2007, Inspur Shandong Electronic, a subsidiary of the Company, acquired a 51% equity interest in Inspur Communication from Shandong Inspur Electronic Information Technology Company Limited, a subsidiary of Inspur Corporation, at a consideration of RMB44,880,000 (equivalent to approximately HK\$47,749,000). Further details regarding the acquisition were disclosed in the Company's circular dated 27 November 2007 and note 34(e).

Compensation of key management personnel

The remuneration of directors during the year are set out in note 12, which is determined by the remuneration committee having regard to the performance of individuals and market trends.

37. 關連人士交易／結餘 (續)

- (b) 於二零零八年七月三日，本公司向直接控股公司浪潮電子(香港)有限公司收購浪潮世科34%股權。有關收購的其他詳情於二零零八年六月十三日的本公司通函及附註34(c)披露。
- (c) 於二零零八年十一月三十日，本集團向浪潮公司附屬公司山東浪潮齊魯軟件再收購浪潮通用軟件48.69%股權，代價為人民幣87,382,000元(等於99,061,000港元)。有關收購的其他詳情於二零零八年十一月十二日的本公司通函及附註34(d)披露。
- (d) 於二零零七年十二月十四日，本公司附屬公司浪潮山東電子向浪潮公司附屬公司山東浪潮電子信息科技有限公司收購浪潮通信51%股權，代價為人民幣44,880,000元(約等於47,749,000港元)。有關收購的其他詳情於二零零七年十一月二十七日的本公司通函及附註34(e)披露。

主要管理人員酬金

董事於年內之薪酬載於附註12。薪酬由薪酬委員會參考個人表現及市場趨勢釐定。

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38. NON-CASH TRANSACTION

During the year, the Company acquired the entire interest in Langchao Worldwide. As part of the consideration for the acquisition, 51,479,029 ordinary share amounted to HK\$48,898,000 and convertible notes with principal amount of HK\$58,450,500 were issued.

38. 非現金交易

年內，本公司收購浪潮世科全部股本，發行51,479,029股總值48,898,000港元的普通股及本金額為58,450,500港元的可換股票據作為部分代價。

39. PARTICULARS OF SUBSIDIARIES OF THE COMPANY

Particulars of the subsidiaries of the Company at 31 December 2008 and 2007 are as follows:

39. 本公司附屬公司詳情

本公司附屬公司於二零零八年及二零零七年十二月三十一日的詳情如下：

Name of company 公司名稱	Form of business structure 商業結構形式	Place of incorporation/ registration 註冊成立/ 登記地點	Class of share held 持有 股份類別	Paid up issued ordinary share capital/ registered capital 繳足已發行 普通股本/ 註冊資本	Proportion of interest held by the Company 本公司所持權益之百分比		Principal activities 主營業務		
					2008 二零零八年	2007 二零零七年			
					Directly 直接	Indirectly 間接			
Inspur Electronics Limited 浪潮電子有限公司	Incorporated 註冊成立公司	British Virgin Islands ("BVI") 英屬處女群島 (「處女群島」)	Ordinary 普通股	US\$1 1美元	100%	—	100%	—	Investment holding 投資控股
Inspur (HK) Electronics Limited 浪潮(香港)電子有限公司	Incorporated 註冊成立公司	Hong Kong 香港	Ordinary 普通股	HK\$1,000,000 1,000,000港元	—	100%	—	100%	Trading of computer components 買賣電腦元件
Inspur Shandong Electronic 浪潮山東電子	Wholly foreign owned enterprises ("WFOE") 外商獨資企業	PRC 中國	Capital contribution 注資	US\$40,675,000 40,675,000美元	—	100%	—	100%	Investment holding and manufacture, trading of computer products 投資控股及製造與買賣電腦產品
Intersource Technology Limited	Incorporated 註冊成立公司	BVI 處女群島	Ordinary 普通股	US\$50,000 50,000美元	100%	—	—	—	Investment holding 投資控股
Timeone Technology Limited	Incorporated 註冊成立公司	BVI 處女群島	Ordinary 普通股	US\$50,000 50,000美元	—	100%	—	100%	Investment holding 投資控股
Shine Victory International Limited 耀訊國際有限公司	Incorporated 註冊成立公司	Hong Kong 香港	Ordinary 普通股	HK\$8,979,000 8,979,000港元	100%	—	100%	—	Investment holding 投資控股

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39. PARTICULARS OF SUBSIDIARIES OF THE COMPANY (continued)

39. 本公司附屬公司詳情 (續)

Name of company 公司名稱	Form of business structure 商業結構形式	Place of incorporation/ registration 註冊成立/ 登記地點	Class of share held 持有 股份類別	Paid up issued ordinary share capital/ registered capital 繳足已發行 普通股本/ 註冊資本	Proportion of interest held by the Company 本公司所持權益之百分比		Principal activities 主營業務
					2008 二零零八年	2007 二零零七年	
					Directly 直接	Indirectly 間接	
Jinan Qiyi Information Technology Limited# 濟南啟益信息科技 有限公司#	Sino-foreign owned enterprise ("SFOE") 中外合資企業	PRC 中國	Capital contribution 注資	RMB5,000,000 人民幣 5,000,000元	—	100%	Investment holding 投資控股
Inspur E-Government 浪潮電子政務	DLLC 內資有限責任公司	PRC 中國	Capital contribution 注資	RMB15,000,000 人民幣 15,000,000元	—	53.30%	Manufacturing, sale and development of computer software 製造、銷售及開發電腦軟件
綏芬河浪潮數碼科技 有限公司	DLLC 內資有限責任公司	PRC 中國	Capital contribution 注資	RMB5,000,000 人民幣 5,000,000元	—	100%	Manufacturing, sale and development of computer software 製造、銷售及開發電腦軟件
Inspur Communication 浪潮通信	SFOE 中外合資企業	PRC 中國	Capital contribution 注資	RMB50,000,000 人民幣 50,000,000元	—	100%	Manufacturing, sale and development of computer software 製造、銷售及開發電腦軟件
Inspur Business System+ 浪潮商用系統+	DLLC 內資有限責任公司	PRC 中國	Capital contribution 注資	RMB20,000,000 人民幣20,000,000元	—	100%	Software development 軟件開發
Langchao Worldwide 浪潮世科	Incorporated 註冊成立公司	Cayman Islands 開曼群島	Ordinary share 普通股 注資	US\$5,072,000 5,072,000美元	100%	—	Investment holdings 投資控股
Worldwide Shandong	WFOE 外商獨資企業	PRC 中國	Capital contribution 注資	US\$2,317,300 2,317,300美元	—	100%	Provision of outsourcing software development services 提供軟件開發外包服務
Worldwide Qingdao	DLLC 內資有限責任公司	PRC 中國	Capital contribution 注資	US\$253,200 253,200美元	—	100%	Provision of outsourcing software development services 提供軟件開發外包服務

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39. PARTICULARS OF SUBSIDIARIES OF THE COMPANY (continued)

39. 本公司附屬公司詳情 (續)

Name of company 公司名稱	Form of business structure 商業結構形式	Place of incorporation/ registration 註冊成立/ 登記地點	Class of share held 持有 股份類別	Paid up issued ordinary share capital/ registered capital 繳足已發行 普通股本/ 註冊資本	Proportion of interest held by the Company 本公司所持權益之百分比		Principal activities 主營業務
					2008 二零零八年	2007 二零零七年	
					Directly 直接	Indirectly 間接	
Worldwide Shanghai	SFOE 中外合資企業	PRC 中國	Capital contribution 注資	US\$140,000 140,000 美元	—	89.64%	Provision of outsourcing software development services 提供軟件開發外包服務
Shijie Beijing	DLLC 內資有限責任公司	PRC 中國	Capital contribution 注資	RMB1,986,400 人民幣 1,986,400 元	—	100%	Provision of outsourcing software development services 提供軟件開發外包服務
濟南浪潮方智信息技術有限公司	DLLC 內資有限責任公司	PRC 中國	Capital contribution 注資	RMB600,000 人民幣 600,000 元	—	42.5%	Provision of outsourcing software development services 提供軟件開發外包服務
上海智修信息科技 有限公司	WFOE 外商獨資企業	PRC 中國	Capital contribution 注資	RMB1,000,000 人民幣 1,000,000 元	—	100%	Provision of outsourcing software development services 提供軟件開發外包服務
無錫浪潮世科信息技術 有限公司	WFOE 外商獨資企業	PRC 中國	Capital contribution 注資	US\$150,000 150,000 美元	—	100%	Provision of outsourcing software development services 提供軟件開發外包服務
Inspur Japan Co., Ltd.	Incorporated 註冊成立公司	Japan 日本	Ordinary 普通股	JPY10,000,000 10,000,000 日圓	—	100%	Provision of outsourcing software development services 提供軟件開發外包服務
Inspur Worldwide Services Ltd.	Incorporated 註冊成立公司	United States of America 美國	Ordinary 普通股	US\$1 1 美元	—	100%	Provision of outsourcing software development services 提供軟件開發外包服務

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39. PARTICULARS OF SUBSIDIARIES OF THE COMPANY (continued)

39. 本公司附屬公司詳情 (續)

Name of company 公司名稱	Form of business structure 商業結構形式	Place of incorporation/ registration 註冊成立/ 登記地點	Class of share held 持有 股份類別	Paid up issued ordinary share capital/ registered capital 繳足已發行 普通股本/ 註冊資本	Proportion of interest held by the Company 本公司所持權益之百分比		Principal activities 主營業務
					2008 二零零八年	2007 二零零七年	
					Directly 直接	Indirectly 間接	
Inspur Worldwide Services Ltd.	Incorporated 註冊成立公司	Hong Kong 香港	Ordinary 普通股	HK\$100,000 100,000 港元	—	100%	Investment holding 投資控股
Inspur Gensersoft+ 浪潮通用軟件+	DLLC 內資有限責任公司	PRC 中國	Capital contribution 注資	RMB39,932,000 人民幣39,932,000元	—	100%	Software development 軟件開發
Inspur Shanghai Gensersoft Technology Incorporation#+ 上海浪潮通軟科技有限公司#+	DLLC 內資有限責任公司	PRC 中國	Capital contribution 注資	RMB30,000,000 人民幣 30,000,000元	—	99.67%	Software development 軟件開發
Shanghai Guoqiang Gensersoft Incorporation#+ 上海國強通用 軟件有限公司#+	DLLC 內資有限責任公司	PRC 中國	Capital contribution 注資	RMB500,000 人民幣 500,000元	—	90%	Software development 軟件開發
Inspur Beijing Gensersoft Technology Incorporation#+ 北京通軟科技有限公司#+	DLLC 內資有限責任公司	PRC 中國	Capital contribution 注資	RMB2,000,000 人民幣 2,000,000元	—	99.75%	Software development 軟件開發
Inspur Beijing Gensersoft Technology Incorporation#+ 北京浪潮通軟科技 有限公司#+	DLLC 內資有限責任公司	PRC 中國	Capital contribution 注資	RMB300,000 人民幣 300,000元	—	95%	Software development 軟件開發
Inspur Nanjing Gensersoft Technology Incorporation#+ 南京浪潮通用 軟件有限公司#+	DLLC 內資有限責任公司	PRC 中國	Capital contribution 注資	RMB2,000,000 人民幣 2,000,000元	—	95%	Software development 軟件開發

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39. PARTICULARS OF SUBSIDIARIES OF THE COMPANY (continued)

39. 本公司附屬公司詳情 (續)

Name of company 公司名稱	Form of business structure 商業結構形式	Place of incorporation/ registration 註冊成立/ 登記地點	Class of share held 持有 股份類別	Paid up issued ordinary share capital/ registered capital 繳足已發行 普通股本/ 註冊資本	Proportion of interest held by the Company 本公司所持權益之百分比				Principal activities 主要業務
					2008 二零零八年		2007 二零零七年		
					Directly 直接	Indirectly 間接	Directly 直接	Indirectly 間接	
Inspur Guangzhou Gensoft Technology Incorporation# 廣州浪潮通軟 科技有限公司#+	DLLC 內資有限責任公司	PRC 中國	Capital contribution 注資	RMB3,000,000 人民幣 3,000,000元	—	90%	—	27.05%	Software development 軟件開發
Guangzhou Gensoft Technology Incorporation# 廣州通用軟科技有限公司#+	DLLC 內資有限責任公司	PRC 中國	Capital contribution 注資	RMB2,000,000 人民幣 2,000,000元	—	90%	—	27.05%	Software development 軟件開發

The English name of these PRC incorporated entities are for identification purpose only.

+ During the year, the Group acquired the remaining equity interests in Inspur Business System and Inspur Gensoft. After the acquisition, Inspur Business System, Inspur Gensoft and its subsidiaries became indirectly wholly owned subsidiaries of the Company.

None of the subsidiaries had issued any debt securities during the year and at the end of the year.

該等於中國註冊成立的實體的英文名稱僅供參考。

+ 年內，本集團收購浪潮商用系統與浪潮通用軟件其餘股權。收購後，浪潮商用系統、浪潮通用軟件及其附屬公司成為本公司間接全資附屬公司。

概無附屬公司於年內及年末發行任何債券。

