

董事會報告

董事謹欣然提呈彼等首份報告及截至二零零一年三月三十一日止年度之經審核備考帳目。

集團重組

Digital China Holdings Limited（神州數碼控股有限公司*）（「本公司」）於二零零一年一月二十五日根據百慕達一九八一年公司法（經修訂）在百慕達註冊成立為獲豁免有限公司。為籌備本公司股份在香港聯合交易所有限公司（「聯交所」）之主板上市，本公司及其附屬公司（「本集團」）已進行公司重組（「重組」）以理順本集團之結構，據此，本公司於二零零一年五月十五日成為組成本集團之公司之控股公司。重組之詳情載於備考帳目附註 1、19 及 29，以及本公司於二零零一年五月二十三日刊發之招股章程（「招股章程」）。

本公司股份於二零零一年六月一日在聯交所上市。

本集團雖然直至二零零一年五月十五日前尚未完成重組及因而仍未合法存在，但董事認為，將本集團視為一持續實體及將本公司視為本集團之控股公司，猶如現有集團架構及其業務於截至二零零零年及二零零一年三月三十一日止年度一直存在為恰當及具意義。因此，備考帳目已按與編製招股章程之會計師報告內所載的財務資料及業績記錄所採納並一致之基準編製而成。所有集團內公司間的重大交易及結餘已於合併帳目時沖銷。

由於從當時之直接控股公司聯想集團有限公司（「聯想」）分拆本集團之程序於二零零一年六月一日方告完成，故本集團於二零零一年三月三十一日之備考合併資產負債表，以及本集團截至該日止年度之備考合併業績、備考合併現金流量表及備考合併收益及虧損確認表均載入聯想截至二零零一年三月三十一日止年度之帳目內。

主要業務及分類資料

本公司乃一家投資控股公司。本集團主要從事分銷外國品牌之資訊科技產品、提供系統集成服務及開發及分銷網絡產品。本公司各附屬公司之主要業務載於備考帳目附註 28。

按主要業務分析之本集團營業額及分類資料載於備考帳目附註 3。

* 僅供參考

REPORT OF THE DIRECTORS

The Directors have pleasure in presenting their first set of report and the audited proforma accounts for the year ended 31st March 2001.

GROUP REORGANISATION

Digital China Holdings Limited (the "Company") was incorporated in Bermuda on 25th January 2001 under the Companies Act 1981 of Bermuda (as amended) as an exempted company with limited liability. Pursuant to a corporate reorganisation (the "Reorganisation") to rationalise the structure of the Company and its subsidiaries (the "Group") in preparation for the listing of the Company's shares on the Main Board of The Stock Exchange of Hong Kong Limited (the "Stock Exchange"), the Company became the holding company of the companies now comprising the Group on 15th May 2001. Details of the Reorganisation are set out in notes 1, 19 and 29 to the proforma accounts and in the Company's prospectus dated 23rd May 2001 (the "Prospectus").

The Company's shares were listed on the Stock Exchange on 1st June 2001.

Although the Reorganisation was not completed and, accordingly, the Group did not legally exist until 15th May 2001, in the opinion of the Directors, it is appropriate and meaningful to treat the Group as a continuing entity and the Company as the holding company of the Group as if the current group structure and business activities had been in existence for the two years ended 31st March 2000 and 2001. Accordingly, the proforma accounts have been prepared on such basis which is consistent with the one adopted in the preparation of the financial information and track record results in the accountants' report of the Prospectus. All significant intra-group transactions and balances have been eliminated on combination.

As the spin-off of the Group from Legend Holdings Limited ("Legend"), the then immediate holding company, was completed on 1st June 2001, the proforma combined balance sheet of the Group as at 31st March 2001 and the proforma combined results, proforma combined cash flows and proforma statement of combined recognised gains and losses of the Group for the year then ended were included in the accounts of Legend for the year ended 31st March 2001.

PRINCIPAL ACTIVITIES AND SEGMENT INFORMATION

The Company is an investment holding company. The Group is principally engaged in the distribution of foreign brand information technology products, the provision of systems integration services and the development and distribution of networking products. The principal activities of each of the subsidiaries of the Company are set out in note 28 to the proforma accounts.

An analysis of the Group's turnover and segment information for the year by principal activity is set out in note 3 to the proforma accounts.

業績及股息

本集團截至二零零一年三月三十一日止年度之備考業績載於第 38 及 39 頁之備考合併損益表。

本集團於二零零一年三月三十一日之備考財務狀況載於第 40 及 41 頁之備考合併資產負債表。

於二零零一年三月三十一日，重組尚未完成，本公司於截至二零零一年三月三十一日並無可供分派儲備以分派股息。

儲備

本集團之儲備於本年度內之變動載於備考帳目附註 20。

固定資產

本集團之固定資產於本年度內之變動詳情載於備考帳目附註 11。

股本

本公司之股本自二零零一年一月二十五日（註冊成立日期）之變動詳情載於備考帳目附註 19。

優先購股權

縱然百慕達法例並無對優先購股權有所限制，惟本公司細則並無該等權利之條文。

購買、贖回或出售上市證券

本公司之股份於二零零一年六月一日在聯交所主板上市。於截至二零零一年三月三十一日止年度內本公司並無上市證券，故此並無贖回本公司任何上市證券。此外，於本年度內本公司及各附屬公司概無購買或出售本公司任何上市證券。

RESULTS AND APPROPRIATIONS

The proforma results of the Group for the year ended 31st March 2001 are set out in the proforma combined profit and loss account on pages 38 and 39.

The proforma state of affairs of the Group as at 31st March 2001 is set out in the proforma combined balance sheet on pages 40 and 41.

As at 31st March 2001, the Reorganisation was not yet completed, the Company did not have any distributable reserve as at 31st March 2001 for payment of any dividend.

RESERVES

Movements in the reserves of the Group during the year are set out in note 20 to the proforma accounts.

FIXED ASSETS

Details of the movements in the Group's fixed assets during the year are set out in note 11 to the proforma accounts.

SHARE CAPITAL

Details of the movements in the Company's share capital since 25th January 2001 (Date of Incorporation) are set out in note 19 to the proforma accounts.

PRE-EMPTIVE RIGHTS

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

PURCHASE, REDEMPTION OR SALE OF LISTED SECURITIES

The Company's shares were listed on the Main Board of the Stock Exchange on 1st June 2001. During the year ended 31st March 2001, the Company had no listed securities and as such the Company had not redeemed any of the Company's listed securities and neither the Company nor any of its subsidiaries had purchased or sold any of the Company's listed securities.

董事

自二零零一年一月二十五日（註冊成立日期）至本報告日期止，本公司之董事為：

執行董事

李勤先生	（於二零零一年二月二十一日獲委任）
郭為先生	（於二零零一年二月二十一日獲委任）
曾茂朝先生	（於二零零一年二月二十一日獲委任）
林楊先生	（於二零零一年二月二十一日獲委任）
于立山先生	（於二零零一年二月二十一日獲委任）
華祉年先生	（於二零零一年二月二十一日獲委任）

獨立非執行董事

吳敬璉教授	（於二零零一年四月二日獲委任）
梁伯韜先生	（於二零零一年四月十二日獲委任）

根據本公司細則第 99 條及第 102 條，于立山先生、華祉年先生、吳敬璉教授及梁伯韜先生於即將舉行之股東週年大會上告退，並合資格及願意膺選連任。

獨立非執行董事須按本公司細則之任期規定退任。

董事及高層管理人員之簡歷

• 執行董事

李勤先生，六十歲，本集團主席，負責本集團之整體業務及在中國之策略性市場推廣計劃。李先生於一九六五年畢業於西安理工大學，在電腦業擁有超過三十四年經驗。

郭為先生，三十八歲，本集團副主席兼總裁，負責本集團之策略發展及管理。郭先生於一九八八年獲得中國科技大學研究生院管理碩士學位。彼於一九八八年加入聯想集團，專責分銷及系統集成業務。郭先生分別於一九九六年榮獲中國科學院十大傑出青年獎、一九九七年榮獲中國科學院中青突出貢獻獎及於一九九八年榮獲中國十大傑出青年科技創新獎。郭先生在業務策略發展及管理方面擁有超過十三年的經驗。

曾茂朝先生，六十八歲，本公司執行董事，負責本集團內部控制的審閱及監督工作。曾先生於一九五七年畢業於上海交通大學電力工程系，曾任中國科學院計算技術研究所所長及教授，在電腦業擁有超過四十三年經驗。曾先生亦為聯想之非執行董事。

DIRECTORS

The Directors of the Company since 25th January 2001 (Date of Incorporation) and up to the date of this report were:

Executive Directors

Mr. LI Qin	(appointed on 21st February 2001)
Mr. GUO Wei	(appointed on 21st February 2001)
Mr. ZENG Maochao	(appointed on 21st February 2001)
Mr. LIN Yang	(appointed on 21st February 2001)
Mr. YU Lishan	(appointed on 21st February 2001)
Mr. HUA Zhinian	(appointed on 21st February 2001)

Independent Non-Executive Directors

Prof. WU Jinglian	(appointed on 2nd April 2001)
Mr. LEUNG Pak To, Francis	(appointed on 12th April 2001)

In accordance with Bye-Laws 99 and 102 of the Company's Bye-Laws, Messrs. YU Lishan, HUA Zhinian, WU Jinglian and LEUNG Pak To, Francis will retire from office at the forthcoming Annual General Meeting and, being eligible, will offer themselves for re-election.

The terms of office of the Independent Non-Executive Directors are subject to retirement as required by the Company's Bye-Laws.

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT

• Executive Directors

LI Qin (李勤), aged 60, is the Chairman of the Group. He is responsible for the overall business of the Group and the strategic marketing programme in China. He graduated from Xian University of Technology in 1965 and has over 34 years of experience in the computer industry.

GUO Wei (郭為), aged 38, is the Vice Chairman and the President of the Group. He is responsible for the strategic development and management of the Group. Mr. Guo obtained a Master's degree at the Graduate School of the Chinese Academy of Sciences in 1988. He joined the Legend group in 1988 and was mainly responsible for the distribution and systems integration businesses. Mr. Guo won the Top Ten Elite Youth issued by the Chinese Academy of Sciences in 1996, the Youth and Middle Aged Outstanding Contribution Award issued by the Chinese Academy of Sciences in 1997 and the Scientific and Technological Innovation Award as Ten Most Outstanding Youth in China in 1998. He has over 13 years experience in business strategy development and business management.

ZENG Maochao (曾茂朝), aged 68, is an Executive Director of the Company and responsible for the review and supervision of the Group's internal controls. He graduated from the Department of Electrical Engineering, Shanghai Jiao Tong University in 1957. He was the Director and Professor of the Institute of Computing Technology of the Chinese Academy of Sciences. He has over 43 years of experience in the computer industry. Mr. Zeng is also a non-executive director of Legend.

董事及高層管理人員之簡歷（續）

• 執行董事（續）

林楊先生，三十四歲，本集團常務副總裁，負責本集團之整體業務管理。林先生於一九八八年畢業於西安電子科技大學，獲得計算機通訊學士學位。林先生於一九九零年加入聯想集團，並於分銷業務管理方面擁有超過十年之管理經驗。

于立山先生，三十六歲，本集團高級副總裁，負責本集團系統集成業務。于先生於一九九一年畢業於清華大學之精密儀器學系，獲碩士學位。于先生於一九九一年加入聯想集團，專責營運及管理職能。于先生在經營管理和行政方面擁有超逾十年之經驗。

華祉年先生，三十八歲，本集團副總裁，負責監管本集團財務及融資運作。華先生於一九八四年畢業於機電十二研究所之電子物理系，獲碩士學位。華先生於一九九二年加入聯想集團，在進出口及企業策劃方面擁有超逾九年之經驗。

• 獨立非執行董事

吳敬璉教授，七十一歲，為本公司之獨立非執行董事。吳教授是國務院發展研究中心高級研究員、中國社會科學院研究生院教授，並為中國人民銀行貨幣政策委員會委員。吳教授畢業於復旦大學，曾任國務院發展研究中心常務幹事、國務院經濟改革方案設計辦公室副主任。他曾任耶魯大學客座研究員、牛津大學聖安東尼學院評議會成員、史丹福大學客座教授以及麻省理工學院客座研究員。

梁伯韜先生，四十六歲，為本公司之獨立非執行董事。梁先生現為所羅門美邦亞洲區主席，他在香港和中國市場之企業融資方面（包括設立證券、股份包銷及配售、收購合併、企業架構重整及重組、資金投資發展及其他一般企業顧問活動）擁有超過二十年經驗。梁先生現為上海實業控股有限公司和品質國際集團有限公司之董事。梁先生於一九八零年在加拿大多倫多大學取得工商管理碩士學位。

• 高層管理人員

劉盛菴先生，三十六歲，本集團副總裁，負責本集團之商務運作系統及移動辦公群組產品業務之經營管理工作。劉先生於一九九零年畢業於北方交通大學之機械及電氣工程學系，獲碩士學位。劉先生於一九九零年加入聯想集團，專責管理商務運作系統。劉先生在商務運作系統管理及資訊科技業企業管理方面擁有超逾十年之經驗。

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT (continued)

• Executive Directors (continued)

LIN Yang (林楊), aged 34, is the Executive Vice President of the Group and responsible for the overall business management of the Group. Mr. Lin graduated in 1988 with a Bachelor's degree in Computing Communications, Xidian University. He joined the Legend group in 1990 and has over 10 years of management experience in distribution business.

YU Lishan (于立山), aged 36, is a Senior Vice President of the Group and responsible for systems integration business of the Group. Mr. Yu graduated in 1991 with a Master's degree from the Department of Precision Instruments, Tsinghua University. He joined the Legend group in 1991 and was mainly responsible for operational and management functions. He has over ten years of experience in operational management and administration.

HUA Zhinian (華祉年), aged 38, is a Vice President of the Group and oversees the treasury and finance functions of the Group. Mr. Hua graduated in 1984 with a Master's degree in Electronics and Physics from the Twelfth Graduate School of Mechanical and Electrical Department. He joined the Legend group in 1992 and has over nine years of experience in import and export and corporate planning.

• Independent Non-Executive Directors

WU Jinglian (吳敬璠), aged 71, is an Independent Non-Executive Director of the Company. Professor Wu is a senior research fellow at the Development Research Center of the State Council, a professor at the Graduate School of the Chinese Academy of Social Sciences, and a member of the Monetary Policy Committee of the People's Bank of China. Professor Wu graduated from Fudan University. He was previously an executive director at the Development Research Center of the State Council and a Deputy Director of the Programming Office for Economic Reform of the State Council. Professor Wu was also a visiting fellow at Yale University, a fellow at St. Antony's College of Oxford University, a visiting professor at the Stanford University, and a visiting fellow at the Massachusetts Institute of Technology.

LEUNG Pak To, Francis (梁伯韜), aged 46, is an Independent Non-Executive Director of the Company. Mr. Leung is the Chairman of Salomon Smith Barney Asia. He has over 20 years of experience in corporate finance involving securities origination, underwriting and placing of equities, mergers and acquisitions, corporate restructuring and reorganisation, development capital investments and other general corporate advisory activities in Hong Kong and China. He is a director of Shanghai Industrial Holdings Limited and QPL International Holdings Limited. In 1980, Mr. Leung graduated with a Master's degree in Business Administration from University of Toronto, Canada.

• Senior Management

LIU Shengrui (劉盛葦), aged 36, is a Vice President of the Group and responsible for the commercial operation system and mobile office product businesses of the Group. Mr. Liu graduated in 1990 with a Master's degree from the Department of Mechanical and Electrical Engineering, Northern Jiaotong University. He joined the Legend group in 1990 and was mainly responsible for the management of commercial operation system. He has over 10 years of experience in the management of commercial operation systems and business administration of the IT industry.

董事及高層管理人員之簡歷（續）

- 高層管理人員（續）

謝耘先生，三十七歲，本集團副總裁，負責本集團之產品開發、技術應用及電子商務研究院管理工作。謝先生於一九九三年畢業於清華大學之電子工程學系，獲博士學位。彼於一九九七年加入聯想集團，專責產品開發管理工作。謝先生於加入聯想集團前，曾於一家國際資訊科技企業工作。謝先生在通訊和資訊科技的產品開發管理方面擁有逾七年之經驗。

王平生先生，五十歲，本集團副總裁，負責本集團之法務及監管事務、公關及區域總部運作的管理。王先生於一九七五年畢業於北京大學之流體力學學系，獲學士學位。彼於一九九零年加入聯想集團，專責人事及培訓職能連同後勤辦公室的管理。王先生在企業管理方面擁有超過十年之經驗。

肖方晨先生，五十五歲，本集團副總裁，負責網絡產品業務之管理及經營。肖先生於一九七零年畢業於北京理工大學之自動控制學系，獲學士學位。彼於一九九六年加入聯想集團，專責銷售及企業管理。肖先生於加入聯想集團前，曾於兵器工業部工作。肖先生在網絡產品業務之管理及經營方面擁有豐富經驗。

秦湘軍先生，三十五歲，本集團副總裁，負責本集團分銷業務之管理及經營。秦先生於一九八七年畢業於中國電子科技大學之電子設備 CAD 學系，獲碩士學位，彼於一九九零年加入聯想集團，專責區域總部之管理及分銷業務。秦先生擁有超逾十年營運及管理經驗。

王自強先生，三十四歲，為本集團之公司秘書。王先生畢業於香港大學，持有社會科學學士學位，並為英國特許公認會計師公會資深會員及香港會計師公會會員。王先生於香港及中國之會計、稅務、財務管理及企業行政方面擁有超逾十一年經驗，王先生於二零零零年加入聯想集團。

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT (continued)

- Senior Management (continued)

XIE Yun (謝耘), aged 37, is a Vice President of the Group and responsible for the product development, technology application and e-commerce research development. Mr. Xie graduated in 1993 with a Doctoral degree from the Department of Electronic Engineering, Tsinghua University. He joined the Legend group in 1997 and was mainly responsible for the management of product development. Prior to joining the Legend group, he worked in a multinational IT corporation and has seven years of product development management experience in communication and information technology.

WANG Pingsheng (王平生), aged 50, is a Vice President of the Group and responsible for legal and regulatory matters, public relations and the management of regional headquarters' operations. Mr. Wang graduated in 1975 with a Bachelor's degree in Fluid Mechanics, Peking University. He joined the Legend group in 1990 and was mainly responsible for the human resources and training functions together with the management of back office supporting systems. He has over 10 years of experience in business administration.

XIAO Fangchen (肖方晨), aged 55, is a Vice President of the Group and responsible for the management and operation of the networking products business. He graduated in 1970 with a Bachelor's degree from the Department of Automatic Control, Beijing Institute of Technology. Mr. Xiao joined the Legend group in 1996 and was mainly responsible for sales and enterprise management. Prior to joining the Legend group, he worked in 兵器工業部 (Engineering Industry Bureau). He has extensive experience in the management and operation of networking products business.

QIN Xiangjun (秦湘軍), aged 35, is a Vice President of the Group and responsible for the management and operation of the distribution business of the Group. Mr. Qin graduated in 1987 with a Master's degree from the Department of Electronic Facilities CAD, University of Electronic Science and Technology of China. He joined the Legend group in 1990 and was mainly responsible for the management and distribution business of the regional headquarters. He has over 10 years of operation and management experience.

WONG Chi Keung (王自強), aged 34, is a Company Secretary of the Group. Mr. Wong graduated from the University of Hong Kong with a Bachelor's degree in social sciences and is a fellow of the Association of Chartered Certified Accountants and an associate of the Hong Kong Society of Accountants. He has over 11 years of experience in accounting, taxation, financial management and corporate administration in Hong Kong and China. Mr. Wong joined the Legend group in 2000.

董事之服務協議

各執行董事均與本公司訂立一份服務協議，自二零零一年二月二十一日起初步為期兩年，期滿可予續期，直至任何一方向另一方發出不少於三個月之書面通知或以三個月之薪酬代替通知而予以終止，惟該終止協議之權利僅可於協議首年屆滿後方可行使。

除上文所披露者外，擬於即將舉行之股東週年大會膺選連任之董事概無與本公司訂立無需支付賠償（法定賠償除外）而不可於一年內終止的服務協議。

董事於合約之權益

除重組外，於本年度任何時間概無經本公司或其任何聯繫公司訂立與本集團業務有關且本公司董事擁有重大利益（不論直接及間接）之重大合約。

董事於證券之權益

由於本公司股份於二零零一年六月一日在聯交所上市，截至二零零一年三月三十一日止，本公司毋須根據證券（披露權益）條例（「披露權益條例」）第 29 條存置權益登記冊。為向本公司股東提供更多相關資料，於本報告日期，各董事及主要行政人員於本公司及其聯繫公司（定義見披露權益條例）之股本證券中擁有根據披露權益條例第 29 條須存置之登記冊所登記之權益或須知會本公司之權益如下：

(a) 本公司股份之權益

董事姓名	股份數目		
	個人權益	家族權益	權益總計
李勤	536,000	—	536,000
郭為	504,000	—	504,000
曾茂朝	408,000	—	408,000
林楊	56,000	—	56,000
于立山	48,000	—	48,000
華祉年	25,600	—	25,600

DIRECTORS' SERVICE AGREEMENTS

Each of the Executive Directors has entered into a service agreement with the Company for an initial term of two years commencing on 21st February 2001, which will continue thereafter unless and until terminated by either party by serving not less than three months' prior written notice or three months' salary in lieu of such notice provided that the right of termination can only be exercised by either party after the expiry of the first year of service.

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

DIRECTORS' INTERESTS IN CONTRACTS

Apart from the Reorganisation, no contracts of significance in relation to the Group's business to which the Company, or any of its associated corporations, was a party and in which a Director of the Company had a material interest, whether directly or indirectly, subsisted at any time during the year.

DIRECTORS' INTERESTS IN SECURITIES

As the Company's shares were listed on the Stock Exchange on 1st June 2001, no register is required to be kept under Section 29 of the Securities (Disclosure of Interests) Ordinance ("SDI Ordinance") as at 31st March 2001. For the purpose of providing the shareholders of the Company with more relevant information, at the date of this report, the interests of the Directors and Chief Executive in the equity securities of the Company and its associated corporations (as defined under the SDI Ordinance) as recorded in the register required to be kept by the Company pursuant to Section 29 of the SDI Ordinance or as notified to the Company were as follows:

(a) Interests in the shares of the Company

Name of Director	Number of Shares		
	Personal Interest	Family Interest	Total Interest
LI Qin	536,000	—	536,000
GUO Wei	504,000	—	504,000
ZENG Maochao	408,000	—	408,000
LIN Yang	56,000	—	56,000
YU Lishan	48,000	—	48,000
HUA Zhinian	25,600	—	25,600

董事於證券之權益（續）

(b) 聯想（按披露權益條例之定義為本公司之聯繫公司）股份之權益

董事姓名	股份數目		
	個人權益	家族權益	權益總計
李勤	5,360,000	—	5,360,000
郭為	5,040,000	—	5,040,000
曾茂朝	4,080,000	—	4,080,000
林楊	560,000	—	560,000
于立山	480,000	—	480,000
華祉年	256,000	—	256,000

董事購買聯想股份（「聯想股份」）之權利

於二零零零年六月五日，聯想之控股股東聯想集團控股公司（「聯想集團控股」）向若干人士（包括以下董事）授出認購期權，據此，彼等分別有權（受若干條件所規限）要求聯想集團控股於截至二零零七年八月一日止期間，按每股聯想股份價格 0.5325 港元出售聯想股份。截至本報告日期，有關權益如下：

董事姓名	認購期權如獲行使後 所發行之股份數目		
	個人權益	家族權益	權益總計
李勤	4,800,000	—	4,800,000
郭為	4,000,000	—	4,000,000
曾茂朝	4,000,000	600,000	4,600,000
林楊	1,640,000	—	1,640,000
于立山	2,368,000	—	2,368,000
華祉年	800,000	—	800,000

根據本公司於二零零一年五月十四日採納之購股權計劃（「該計劃」），本公司之董事可酌情向本公司及其附屬公司之任何全職僱員（包括執行董事）授出購股權，以認購本公司股份。有關該計劃之詳情載於備考帳目附註 19。該計劃自本公司股份於二零零一年六月一日在聯交所上市後隨即生效。

DIRECTORS' INTERESTS IN SECURITIES (continued)

- (b) Interests in the shares of Legend (an associated corporation of the Company as defined under the SDI Ordinance)

Name of Director	Number of Shares		
	Personal Interest	Family Interest	Total Interest
LI Qin	5,360,000	–	5,360,000
GUO Wei	5,040,000	–	5,040,000
ZENG Maochao	4,080,000	–	4,080,000
LIN Yang	560,000	–	560,000
YU Lishan	480,000	–	480,000
HUA Zhinian	256,000	–	256,000

DIRECTORS' RIGHTS TO ACQUIRE SHARES IN LEGEND ("LEGEND SHARES")

On 5th June 2000, 聯想集團控股公司 (Legend Group Holdings Co.) ("LGHC"), the controlling shareholder of Legend, granted call options to certain persons including the following Directors pursuant to which they are respectively entitled (subject to certain conditions) to require LGHC to sell Legend Shares, all at a price of HK\$0.5325 per Legend Share during a period ending on 1st August 2007. The relevant interests as at the date of this report are as follows:

Name of Director	Number of shares to be issued upon exercise of call option		
	Personal Interest	Family Interest	Total Interest
LI Qin	4,800,000	–	4,800,000
GUO Wei	4,000,000	–	4,000,000
ZENG Maochao	4,000,000	600,000	4,600,000
LIN Yang	1,640,000	–	1,640,000
YU Lishan	2,368,000	–	2,368,000
HUA Zhinian	800,000	–	800,000

Pursuant to a share option scheme (the "Scheme") adopted by the Company on 14th May 2001, the Directors of the Company may, at their discretion, grant options to any full-time employees, including Executive Directors of the Company and its subsidiaries, to subscribe for shares of the Company. Further details of the Scheme are set out in note 19 to the proforma accounts. The Scheme became effective upon the listing of the Company's shares on the Stock Exchange on 1st June 2001.

董事購買聯想股份（「聯想股份」）之權利（續）

除上文所披露者，本公司或其任何聯繫公司自註冊成立以來概無參與任何安排，讓本公司之董事、彼等各自之配偶或十八歲以下子女，可藉著購買本公司或任何其他公司實體之股份或債券而從中獲取利益。

主要股東

由於本公司於二零零一年六月一日在聯交所上市，截至二零零一年三月三十一日止，本公司毋須根據披露權益條例第 16(1)條存置權益登記冊。緊隨本公司股份上市後及於本報告日期，根據披露權益條例第 16(1)條存置之權益登記冊所記錄，下列股東擁有本公司已發行股本 10% 或以上之權益。

股東名稱	實益持有 之股份數目	經擴大已發行 股本的概約百分比
聯想集團控股	429,344,114	50.00%
南明有限公司（附註）	139,049,042	16.19%

附註：

南明有限公司為聯想集團控股之全資附屬公司。因此，上述南明有限公司擁有權益之股份數目，屬於以上所示聯想集團控股擁有權益之股份一部分。

除上文所述者外，本公司並不知悉任何人士持有本公司已發行股本 10% 或以上之權益。

主要客戶及供應商

本年度本集團之五大客戶佔本集團之營業額少於 30%。

截至二零零一年三月三十一日止年度，本集團之最大供應商及連五大供應商一起分別佔本集團之總採購額約 26% 及 62%。

本公司董事、彼等各自之聯繫人士或股東（據董事所知，持有本公司已發行股本超過 5%）概無擁有上述本集團主要客戶或供應商之任何實益權益。

DIRECTORS' RIGHTS TO ACQUIRE SHARES IN LEGEND ("LEGEND SHARES") (continued)

Save as disclosed above, at no time since its incorporation was the Company or any of its associated corporations, a party to any arrangement to enable the Company's Directors, their respective spouse or children under 18 years of age to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.

SUBSTANTIAL SHAREHOLDERS

As the Company's shares were listed on the Stock Exchange on 1st June 2001, no register is required to be kept under Section 16(1) of the SDI Ordinance as at 31st March 2001. Immediately following the listing of the Company's shares and as at the date of this report, according to the register maintained under Section 16(1) of the SDI Ordinance, the following shareholders had interests of 10% or more of the issued share capital of the Company.

Name of shareholders	Number of shares beneficially held	Approximate Percentage of enlarged issued share capital
LGHC	429,344,114	50.00%
Right Lane Limited (Note)	139,049,042	16.19%

Note:

Right Lane Limited is a wholly owned subsidiary of LGHC. Therefore, the number of shares in which Right Lane Limited is shown as being interested are part of the shares in which LGHC is shown to be interested.

Save as disclosed above, the Company has not been notified of any other interests representing 10% or more of the issued share capital of the Company.

MAJOR CUSTOMERS AND SUPPLIERS

The Group's five largest customers for the year accounted for less than 30% of the Group's turnover.

The largest supplier and the five largest suppliers of the Group for the year ended 31st March 2001 accounted for approximately 26% and 62% of the Group's total purchases, respectively.

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

退休計劃安排

本集團之退休福利計劃詳情載於備考帳目附註 10。

結算日後事項

於二零零一年三月三十一日結算日後發生之重大事項載於備考帳目附註 29。

審核委員會

本公司已於二零零一年五月十四日成立審核委員會，成員為本公司之獨立非執行董事梁伯韜先生及吳敬璉教授，乃按照本公司董事所採納並符合香港聯合交易所有限公司證券上市規則（「上市規則」）附錄 14 之職權範圍運作。

除獨立非執行董事並無特定任期、須輪席告退及根據本公司之公司細則膺選連任外，本公司已遵從上市規則附錄 14 所載之最佳應用守則之規定。

核數師

本年度備考帳目已經由羅兵咸永道會計師事務所審核，該核數師任滿告退，但表示願意應聘連任。

董事會代表



主席
李勤

香港，二零零一年六月二十七日

RETIREMENT SCHEME ARRANGEMENTS

Details of the retirement benefits scheme of the Group are set out in note 10 to the proforma accounts.

SUBSEQUENT EVENTS

Details of the significant events occurred subsequent to the balance sheet date as of 31st March 2001 are set out in note 29 to the proforma accounts.

AUDIT COMMITTEE

The Company established an audit committee on 14th May 2001 comprising Mr. Leung Pak To, Francis and Prof. Wu Jinglian, the Independent Non-Executive Directors of the Company, with the terms of reference in compliance with Appendix 14 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules") adopted by the Board of Directors of the Company.

Apart from the fact that the Independent Non-Executive Directors who are not appointed for a specific term as they are subject to retirement by rotation and re-election in accordance with the Company's Bye-Laws, the Company has complied with the Code of Best Practice as set out in Appendix 14 to the Listing Rules.

AUDITORS

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

ON BEHALF OF THE BOARD



Li Qin
Chairman

Hong Kong, 27th June 2001