

# Chairman's Statement

主席報告

Since its establishment five years ago, Digital China has emerged as a major player in the industry, weathering many a storm to venture forth in the IT market full of challenges as well as opportunities.

追溯公司成立五年來，神州數碼風雨兼程，在挑戰與機會並存的IT市場上不斷探索前進。



LI Qin 李勤  
Chairman  
主席

The financial year 2005/06 was a year of continuous growth and expansion for Digital China. Group revenue increased by approximately 29%, year-on-year, to reach HK\$19.9 billion, while profit attributable to equity holders of the parent grew approximately 35% to HK\$252 million. Since its establishment five years ago, Digital China has emerged as a major player in the industry, weathering many a storm to venture forth in the IT market full of challenges as well as opportunities. Over the past five years, the Group has recorded revenue and profit growth of approximately 89% and 41%, respectively, in accomplishment of our initial five-year target. In terms of market share, Digital China remained the top domestic IT service providers in overall ranking in 2005, underscored by first rankings in the government and taxation sectors and second ranking in the financial sector, according to the IDC Report published in April 2006. Meanwhile, Digital China has also been highly rated by overseas IT players, evidenced by a portfolio of close to 90 business partners, as compared to above 10 at the time of our listing. Our product range and product lines have expanded considerably to render us the largest IT products distributor in China well ahead any other competitors.

The significant development achieved by Digital China is primarily attributable to efforts in the following aspects:

- 1) Business-wise, we have been constantly investigating new approaches and adjusting our development strategies. The Group has made further penetrative moves to reinforce its service-oriented philosophy underpinned by the notion of “IT Service On Demand”, which include vigorous implementation within the group as well as high-profile publicity programs. Guided by this vision, all business segments have committed themselves to the continual quest for innovations and further breakthroughs on top of existing scales during the year. Details of their achievement are set out in the section headed “Management Discussion and Analysis”.

二零零五／零六財年是神州數碼持續增長、開拓的一年。集團的收入同比上升約29%，達港幣199億元；母公司股東應佔溢利增長約35%，達港幣252百萬元。追溯公司成立五年來，神州數碼風雨兼程，在挑戰與機會並存的IT市場上不斷探索前進。在這五年中，集團收入增長約89%，母公司股東應佔溢利增長約41%，達到了最初定下的第一個五年目標。在市場佔有率上，2006年4月的IDC報告，神州數碼在2005年仍然是國內第一的IT服務提供商，在政府、稅務兩個細分市場中保持第一，金融市場穩佔第二。與此同時，神州數碼也深受國外同行業的認同。從上市之初只與十幾家廠商有往來，發展到現在已有將近90家廠商成為了合作夥伴，在產品種類和產品線上都大幅擴展，成為中國最大的IT產品分銷商。

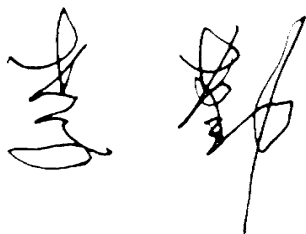
神州數碼之所以能夠取得這樣的大發展，有四點主要原因：

- 1) 在業務上，不斷探索和調整公司的戰略發展方向。進一步深化以服務為導向、以“IT服務，隨需而動”為核心的經營理念，加強了組織內部的管理和在客戶市場上的大力宣傳。各塊業務不斷謀求創新，在原有的規模上追求更大的突破。關於這部分的成果，在“管理層分析與研討”中將有詳盡闡述。

- 2) The Group has been seeking breakthroughs in the research and development of proprietary products by strengthening our in-house research and development capabilities on the one hand and investing in joint ventures with domestic as well as overseas enterprises on the other. All in all, we have been making solid inroads in our development towards a specialized IT service provider.
- 3) We have made diligent efforts in fostering our core capabilities and have succeeded in enhancing our infrastructure management standards with notable results in improving our capabilities in financial control, risk management, strategic human resource deployment and project management.
- 4) The Directors and the management have made collaborated efforts to strengthen corporate governance, introducing new initiatives in decision-making, supervision and staff motivation following effective investigations.

Nonetheless, we should be aware that stern challenges remain as Digital China heads into its second five-year period. In this connection, we are introducing “IT · Services · Innovation” as the latest annotation to our philosophy to highlight the enhancement of core corporate values with the spirit of innovation.

Digital China aims to grow, in the longer term, into an enterprise of sustainable development with genuine ability to provide a wide range of IT services in contribution to the realization of a digitalized China. It is my sincere hope that the Group will be able to deliver satisfactory results and sound reward to shareholders and investors in the five years to come.



Li Qin 李勤  
Chairman 主席

Hong Kong, 12 July 2006  
香港，二零零六年七月十二日

2) 集團在自主研發產品上，不斷尋求突破，一方面通過加強自身研發能力，另一方面通過資本運作方式與一些國內外企業合作，不斷在向IT服務發展的理念上實踐、成長。

3) 努力加強核心能力建設，特別是在財務能力、風險管理和控制能力、戰略人力資源能力、項目管理能力等方面做出了突出的成績，提升了基礎管理的水平。

4) 通過公司董事會和管理層的共同努力，加強了公司管制的力度，從決策機制、監督機制、激勵機制三個角度，進行了有成效的探索實踐。

然而，我們仍需看到，神州數碼目前仍面臨著各方面的嚴峻挑戰。因此，在開展神州數碼第二個五年的時候，我們將以“IT·服務·創新”為理念，以創新的精神不斷提升公司核心價值。

神州數碼的長遠目標是成為一家真正做到能提供多元化IT服務、不斷創新的長青企業，實現數位化中國的理想。我期望在第二個五年中，神州數碼能向股東、投資者交出滿意的成績，為他們帶來理想的回報。



IT • Services • Innovation IT • 服務 • 創新 IT • Services • Innovation IT • 服務 • 創新 IT • Services • Innovation IT • 服務 • 創新 IT • Services • Innovation





forward-looking  
面向未來

Heading into our second five-year period, we are introducing “IT · Services · Innovation” as the latest annotation to our business philosophy to highlight the enhancement of core corporate values with the spirit of innovation.

我們將以“IT · 服務 · 創新”為理念，以創新的精神不斷提升公司核心價值，開展神州數碼的第二個五年。