

The directors of the Company have pleasure in submitting their report together with the audited consolidated financial statements of the Company and its subsidiaries (the "Group") for the year ended 31 March 2006.

Principal Activities and Segment Information

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

Details of the principal subsidiaries of the Company at 31 March 2006 are set out in note 20 to the financial statements. There were no significant changes in the nature of the Group's principal activities during the year.

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

Results and Dividends

The results of the Group for the year ended 31 March 2006 and the state of affairs at that date of the Company and the Group are set out in the financial statements on pages 56 to 157 of this annual report.

The directors of the Company recommend the payment of a final dividend of 10 HK cents per share (2005: 8.53 HK cents) in respect of the year ended 31 March 2006 to shareholders whose names appear on the register of members of the Company on 23 August 2006. This recommendation has been incorporated in the financial statements as an allocation of retained profits within the equity section of the consolidated balance sheet and the balance sheet of the Group and the Company respectively.

Five Year Financial Summary

A summary of the results and of the assets, liabilities and minority interests of the Group for the last five financial years is set out on page 158 of this annual report. The five year financial summary does not form part of the audited financial statements.

Property, Plant and Equipment

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

本公司董事欣然提呈彼等之報告連同本公司及其附屬公司（「本集團」）截至二零零六年三月三十一日止年度之經審核綜合財務報表。

主要業務及分部資料

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

本公司各主要附屬公司於二零零六年三月三十一日之詳情載於財務報表附註20。本集團之主要業務性質於本年度內並無任何重大變動。

按業務分部作分析之本集團本年度之收入及業績載於財務報表附註4。

業績及股息

本集團截至二零零六年三月三十一日止年度內之業績以及本公司於該日之具體情況載於本年報第56頁至第157頁之財務報表內。

本公司董事建議向於二零零六年八月二十三日名列本公司股東名冊之股東派發截至二零零六年三月三十一日止年度之末期股息每股10港仙（二零零五年：8.53港仙）。此項建議已列帳於財務報表，分別作為本集團與本公司之綜合資產負債表與資產負債表內權益下保留溢利之分配。

五年財務摘要

本集團於過去五個財政年度之業績、及資產、負債與少數股東權益概要載於本年報第158頁。五年財務摘要並不構成經審核財務報表的一部份。

物業、廠房及設備

於本年度內本集團及本公司物業、廠房及設備之變動詳情載於財務報表附註15。

Investment Properties

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

Share Capital

Details of movements, together with the reasons therefor, in the share capital of the Company during the year are set out in note 32 to the financial statements.

Reserves

Details of movements in the reserves of the Company and the Group during the year are set out in note 34(b) to the financial statements and in the consolidated statement of changes in equity set out on page 59 of this annual report, respectively.

Distributable Reserves

At 31 March 2006, the Company's reserves available for distribution, calculated in accordance with the Companies Act of Bermuda, amounted to HK\$867,923,000 of which HK\$86,693,000 has been proposed as a final dividend for the year. In addition, the Company's share premium account, in the amount of HK\$305,334,000, may be distributed in the form of fully paid bonus shares.

Pre-emptive Rights

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

Directors

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

Executive Directors

Mr. LI Qin (*Chairman*)

Mr. GUO Wei (*Vice Chairman, President and Chief Executive Officer*)

Mr. ZENG Maochao

Mr. LIN Yang

Mr. HUA Zhinian

Non-executive Director

Mr. William O. GRABE

投資物業

於本年度內本集團投資物業之變動詳情載於財務報表附註16。

股本

於本年度內本公司股本之變動詳情連同有關理由載於財務報表附註32。

儲備

於本年度內本公司及本集團儲備之變動詳情分別載於財務報表附註34(b)及本年報第59頁之綜合權益變動表內。

可分派儲備

於二零零六年三月三十一日，根據百慕達公司法計算，本公司之可分派儲備金額為港幣867,923,000元，其中港幣86,693,000元已建議作為派發本年度之末期股息。此外，本公司之股份溢價帳為港幣305,334,000元，可供以繳足紅利股份之方式分派。

優先購股權

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

董事

本年度內及截至本報告日期止之本公司董事為：

執行董事

李勤先生 (主席)

郭為先生 (副主席兼總裁及首席執行官)

曾茂朝先生

林楊先生

華祉年先生

非執行董事

William O. GRABE先生

Directors (cont'd)

Independent Non-executive Directors

Mr. LEUNG Pak To, Francis

Professor WU Jinglian

Mr. HU Zhao Guang

At the forthcoming annual general meeting of the Company, Mr. LIN Yang, Mr. HUA Zhinian and Professor WU Jinglian will retire from office by rotation in accordance with Bye-Law 99 of the Company's Bye-Laws. Being eligible, all of them will offer themselves for re-election.

Directors' Service Agreements

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

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

Directors' Interests in Contracts

No contracts of significance to which the Company or any of its subsidiaries was a party and in which a director of the Company had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year.

Share Options

The Company has two share option schemes. The old share option scheme was adopted on 14 May 2001 (the "2001 Share Option Scheme") and terminated on 18 July 2002. Despite termination and no further options can be granted under the 2001 Share Option Scheme, the provisions of the 2001 Share Option Scheme remain in full force and effect in all other respects to govern all outstanding options granted prior to termination. The existing share option scheme was adopted on 18 July 2002 (the "2002 Share Option Scheme"). Details of movements in the share options during the year and the options outstanding at the beginning and end of the year of both the 2001 Share Option Scheme and the 2002 Share Option Scheme are set out in note 33 to the financial statements.

董事 (續)

獨立非執行董事

梁伯韜先生

吳敬璉教授

胡昭廣先生

於本公司應屆股東週年大會上，林楊先生、華祉年先生及吳敬璉教授將根據本公司公司細則第99條輪值告退，惟彼等均合資格並願意膺選連任。

董事之服務協議

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

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

董事於合約之權益

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

購股權

本公司擁有兩個購股權計劃。舊有之購股權計劃（「二零零一年購股權計劃」）於二零零一年五月十四日獲採納並已於二零零二年七月十八日予以終止。於終止後，雖然在二零零一年購股權計劃下不得再進一步授出購股權，惟二零零一年購股權計劃之條文在所有其他方面仍然具有十足效力及作用，以監管所有在該計劃終止前已授出而尚未獲行使之購股權。現行購股權計劃（「二零零二年購股權計劃」）於二零零二年七月十八日獲採納。於二零零一年購股權計劃及二零零二年購股權計劃下之購股權於本年度內之變動詳情及於年初及年終尚未行使之購股權詳情載於財務報表附註33。

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

At 31 March 2006, the interests and short positions, if any, of each director and chief executive of the Company and their associates in the shares, underlying shares and debentures of the Company and any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO") which were required to be notified to the Company and The Stock Exchange of Hong Kong Limited (the "Stock Exchange") pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which the directors and chief executives were taken or deemed to have taken under such provisions of the SFO), or which were required to be and are recorded in the register required to be kept by the Company pursuant to Section 352 of Part XV of the SFO, or which were required to be notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Companies adopted by the Company (the "Model Code") were as follows:

(1) Interests and Short Position of Directors and Chief Executive

Shares of HK\$0.10 each of the Company

董事及行政總裁持有股份、相關股份及債權證之權益及淡倉

於二零零六年三月三十一日，本公司之董事及行政總裁及彼等之聯繫人於本公司及其相聯法團（定義見證券及期貨條例（「證券及期貨條例」）第XV部）之股份、相關股份及債權證中擁有根據證券及期貨條例第XV部第7及第8分部須知會本公司及香港聯合交易所有限公司（「聯交所」）之權益及淡倉（如有）（包括於證券及期貨條例之有關條款下彼等擁有或被視作擁有之權益及淡倉），或須記入及已記入本公司根據證券及期貨條例第XV部第352條存置之登記冊內，或根據本公司採納之上市公司董事進行證券交易的標準守則（「標準守則」）須知會本公司及聯交所之權益及淡倉如下：

(1) 董事及行政總裁之權益及淡倉

本公司每股面值港幣0.10元之股份

Name of directors 董事姓名	Capacity 身份	Interests in shares 於股份擁有之權益 (Note 1) (附註1)	Interests in underlying shares 於相關股份擁有之權益 (Note 1) (附註1)	Percentages of aggregate holding (%) 合共持股量之百分比(%) (Note 3) (附註3)
LI Qin 李勤	Beneficial owner 實益擁有人	1,016,000	2,500,000	0.41
GUO Wei 郭為	Beneficial owner 實益擁有人	904,000	10,600,000	1.33
ZENG Maochao 曾茂朝	Beneficial owner 實益擁有人	808,000	—	0.09
	Interest of spouse 配偶之權益	60,000 (Note 2) (附註2)	—	0.01
LIN Yang 林楊	Beneficial owner 實益擁有人	220,000	5,500,000	0.66
HUA Zhinian 華祉年	Beneficial owner 實益擁有人	—	4,200,000	0.48

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

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

Notes:

1. All the above interests in the shares and underlying shares of the Company were long positions. None of the directors and chief executive of the Company or their associates held any short positions in the shares or underlying shares of the Company at 31 March 2006. Interests in underlying shares of the Company represented share options granted to such directors and chief executive, further details of which are set out in the sub-section (2) headed "Directors' Rights to Acquire Shares" below.
2. The 60,000 Shares were owned by the spouse of Mr. ZENG Maochao.
3. The percentages of aggregate holding were calculated on the basis of 866,934,081 shares of the Company in issue at 31 March 2006.

(2) Directors' Rights to Acquire Shares

董事及行政總裁持有股份、相關股份及債權證之權益及淡倉 (續)

(1) 董事及行政總裁之權益及淡倉 (續)

附註：

1. 上述於本公司股份及相關股份中擁有之權益均為好倉。於二零零六年三月三十一日，本公司之董事及行政總裁或彼等之聯繫人概無於本公司股份或相關股份中擁有淡倉。於本公司相關股份中擁有之權益乃指授予該等董事及行政總裁之購股權，有關詳情已載列於下文第(2)分節「董事購買股份之權利」。
2. 60,000股股份為曾茂朝先生之配偶所擁有。
3. 合共持股量之百分比乃按本公司於二零零六年三月三十一日之已發行股份866,934,081股為基準計算。

(2) 董事購買股份之權利

Name of directors 董事姓名	Date of grant 授出日期	Exercisable period 行使期	Subscription price per Share 每股認購價 HK\$ 港幣元	Outstanding as at 31 March 2006 截至二零零六年 三月三十一日 尚未行使
LI Qin 李勤	24/06/2004	24/06/2005-23/06/2012	2.068	2,500,000
GUO Wei 郭為	13/10/2003	13/10/2004-12/10/2011	2.750	5,000,000
	31/08/2001	31/08/2002-30/08/2009	1.976	2,800,000
	12/07/2001	12/07/2002-11/07/2009	3.180	2,800,000
LIN Yang 林楊	13/10/2003	13/10/2004-12/10/2011	2.750	2,500,000
	31/08/2001	31/08/2002-30/08/2009	1.976	1,500,000
	12/07/2001	12/07/2002-11/07/2009	3.180	1,500,000
HUA Zhinian 華祉年	13/10/2003	13/10/2004-12/10/2011	2.750	2,000,000
	31/08/2001	31/08/2002-30/08/2009	1.976	1,100,000
	12/07/2001	12/07/2002-11/07/2009	3.180	1,100,000

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

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

Save as disclosed above, at 31 March 2006, none of the directors and chief executive of the Company or their associates had any interests or short positions in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which the directors and chief executives were taken or deemed to have taken under such provisions of the SFO), or which were required to be recorded in the register required to be kept by the Company pursuant to Section 352 of Part XV of the SFO or which were required to be notified to the Company and the Stock Exchange pursuant to the Model Code.

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

At 31 March 2006, the following persons, not being a director or chief executive of the Company, had the following interests and short positions in the shares and underlying shares of the Company as recorded in the register required to be kept by the Company under Section 336 of Part XV of the SFO:

董事及行政總裁持有股份、相關股份及債權證之權益及淡倉 (續)

(2) 董事購買股份之權利 (續)

除上文所披露者外，於二零零六年三月三十一日，本公司之董事及行政總裁或彼等之聯繫人概無於本公司或其任何相聯法團（定義見證券及期貨條例第XV部）之股份、相關股份或債權證中擁有根據證券及期貨條例第XV部第7及第8分部須知會本公司及聯交所（包括根據證券及期貨條例之有關條款下彼等擁有或被視作擁有之權益或淡倉），或須記入本公司根據證券及期貨條例第XV部第352條存置之登記冊內或根據標準守則須知會本公司及聯交所之權益或淡倉。

主要股東持有股份及相關股份之權益及淡倉

於二零零六年三月三十一日，根據本公司在證券及期貨條例第XV部第336條下存置之登記冊所記錄，下列人士（非本公司之董事或行政總裁）於本公司之股份及相關股份中擁有下列之權益及淡倉：

Name 名稱	Notes 附註	Capacity 身份	Long position held in shares 於股份擁有之好倉	Short position held in shares 於股份擁有之淡倉	Percentages of aggregate holding of long/short positions in shares (%) 好倉／淡倉合共 持股量之百分比(%) (Note 5) (附註5)
Legend Holdings Limited 聯想控股有限公司	1, 2	Beneficial owner/ Interest of a controlled corporation 實益擁有人／ 受控法團權益	275,769,672/ 140,232,042	—	47.99/—
Employees' Shareholding Society of Legend Holdings Limited 聯想控股有限公司職工持股會	1, 3	Interest of controlled corporations 受控法團權益	416,001,714	—	47.99/—

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

主要股東持有股份及相關股份之權益及淡倉 (續)

Name 名稱	Notes 附註	Capacity 身份	Long position held in shares 於股份擁有之好倉	Short position held in shares 於股份擁有之淡倉	Percentages of aggregate holding of long/short positions in shares (%) 好倉／淡倉合共 持股量之百分比(%) (Note 5) (附註5)
General Atlantic Partners (Bermuda), L.P.	4	Beneficial owner/ Interests of persons acting in concert 實益擁有人／ 一致行動人士之權益	96,357,938/ 20,647,062	—	13.50/—
GAP Coinvestment Partners II, L.P.	4	Beneficial owner/ Interests of persons acting in concert 實益擁有人／ 一致行動人士之權益	13,330,702/ 103,674,298	—	13.50/—
GapStar, LLC	4	Beneficial owner/ Interests of persons acting in concert 實益擁有人／ 一致行動人士之權益	7,316,360/ 109,688,640	—	13.50/—
GAP (Bermuda) Limited	4	Interest of a controlled corporation/ Interests of persons acting in concert 受控法團權益／ 一致行動人士之權益	96,357,938/ 20,647,062	—	13.50/—
General Atlantic LLC	4	Interest of a controlled corporation/ Interests of persons acting in concert 受控法團權益／ 一致行動人士之權益	7,316,360/ 109,688,640	—	13.50/—

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

Notes:

- (i) The English names "Legend Holdings Limited" and "Employees' Shareholding Society of Legend Holdings Limited" are direct transliterations of their Chinese registered names "聯想控股有限公司" and "聯想控股有限公司職工持股會" respectively.
- (ii) 140,232,042 shares were held by Right Lane Limited, a wholly owned subsidiary and a controlled corporation of Legend Holdings Limited, and therefore Legend Holdings Limited was deemed to be interested in such shares by virtue of the SFO.
- (iii) Employees' Shareholding Society of Legend Holdings Limited was the controlling shareholder of Legend Holdings Limited and was therefore deemed to be interested in the 416,001,714 shares in which Legend Holdings Limited was interested.
- (iv) GAP (Bermuda) Limited is the general partner of General Atlantic Partners (Bermuda), L.P., and General Atlantic LLC ("GA LLC") is the sole member of GapStar, LLC. The individuals who are the Managing Directors of GA LLC are also the executive officers and directors of GAP (Bermuda) Limited. In addition, the general partners of GAP Coinvestment Partners II, L.P. are also Managing Directors of GA LLC.
- (v) The percentages of aggregate holding of long/short positions in shares were calculated on the basis of 866,934,081 shares of the Company in issue at 31 March 2006.

Save as disclosed above, at 31 March 2006, no other interests or short positions in the shares or underlying shares of the Company were recorded in the register required to be kept under Section 336 of Part XV of the SFO.

Connected Transactions

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

- (1) On 2 June 2004, the Company announced that two agreements both dated 17 May 2004 and both with a term of three years commencing on 1 April 2004 were entered into between the Company and Lenovo Group Limited ("Lenovo"), the details of which are described below:
 - (a) a master purchase agreement for the purpose of regulating the *Purchases Arrangements*, being the purchases by the Group from Lenovo and/or its subsidiaries ("Lenovo Group") computers and related IT products of certain Lenovo brands; and

主要股東持有股份及相關股份之權益及淡倉 (續)

附註：

- (i) 英文名稱「Legend Holdings Limited」及「Employees' Shareholding Society of Legend Holdings Limited」乃分別直譯自其註冊登記之中文名稱「聯想控股有限公司」及「聯想控股有限公司職工持股會」。
- (ii) 140,232,042股股份乃由聯想控股有限公司之全資擁有附屬公司及受控法團南明有限公司持有，因此，根據證券及期貨條例，聯想控股有限公司被視作擁有該等股份之權益。
- (iii) 聯想控股有限公司職工持股會乃聯想控股有限公司之控股股東，因此，其被視作擁有416,001,714股股份之權益，該等為聯想控股有限公司擁有權益之股份。
- (iv) GAP (Bermuda) Limited為General Atlantic Partners (Bermuda), L.P.之一般合夥人，及General Atlantic LLC (「GA LLC」) 為 GapStar, LLC之唯一股東。屬於GA LLC董事總經理之人士亦為GAP (Bermuda) Limited之行政總裁及董事。此外，GAP Coinvestment Partners II, L.P.之一般合夥人亦為GA LLC之董事總經理。
- (v) 好倉／淡倉合共持股量之百分比乃按本公司於二零零六年三月三十一日之已發行股份866,934,081股為基準計算。

除上文所披露者外，於二零零六年三月三十一日，概無於本公司股份或相關股份之其他權益或淡倉須記錄於根據證券及期貨條例第XV部第336條而存置之登記冊內。

關連交易

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

- (1) 於二零零四年六月二日，本公司宣佈本公司與聯想集團有限公司（「聯想」）已簽訂兩份以二零零四年四月一日為起始日，為期三年之協議。其詳情載列如下：
 - (a) 總採購協議以監管採購安排，即本集團向聯想及／或其附屬公司（「聯想集團」）採購若干聯想品牌之電腦及相關IT產品；及

Connected Transactions (cont'd)

- (b) a master sales agreement for the purpose of regulating the *Sales Arrangements*, being the sales by the Group to the Lenovo Group IT products and the provision of services ancillary to the sales of such IT products.

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

For the year ended 31 March 2006, the aggregate amount of the Purchases Arrangements was HK\$8,357,000 and the aggregate amount of the Sales Arrangements was HK\$14,065,000.

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

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

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

For the year ended 31 March 2006, the aggregate amount of the GE Transactions was HK\$10,559,000 and the aggregate amount of the TIS Transactions was HK\$31,221,000.

關連交易 (續)

- (b) 總銷售協議以監管銷售安排，即本集團銷售予聯想集團IT產品，並提供協助銷售該等IT產品之服務。

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

截至二零零六年三月三十一日止年度，採購安排之總金額為港幣8,357,000元及銷售安排之總金額為港幣14,065,000元。

- (2) 於二零零五年一月十日，本公司宣佈神州數碼通用軟件有限公司（「神州數碼通用軟件」），一家分別由本公司擁有55%、GE Capital Mauritius Equity Investment（「GE」）擁有25%，及TIS Inc.（「TIS」）擁有20%之公司，與GE簽訂一份日期為二零零四年十二月三十一日之框架協議，以規管有關神州數碼通用軟件及其附屬公司向GE及／或其聯繫人提供軟件開發、應用軟件外包、IT支援及其他相關專業服務（「GE交易」）。

神州數碼通用軟件亦與TIS簽訂一份日期為二零零四年十二月三十一日之框架協議，以規管有關神州數碼通用軟件及其附屬公司向TIS及／或其聯繫人提供軟件開發、應用軟件外包、IT支援及其他相關專業服務（「TIS交易」）。

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

截至二零零六年三月三十一日止年度，GE交易之總金額為港幣10,559,000元，及TIS交易之總金額為港幣31,221,000元。

Connected Transactions (cont'd)

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

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

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

- (a) have received the approval of the board of directors of the Company;
- (b) are in accordance with the pricing policies of the Group;
- (c) have been entered into in accordance with the relevant agreements governing the transactions; and
- (d) have not exceeded their respective caps disclosed in the announcements dated 2 June 2004 and 10 January 2005.

Significant related party transactions entered into by the Group during the year ended 31 March 2006 are disclosed in note 39 to the financial statements.

關連交易 (續)

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

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

本公司之核數師已確認該等持續關連交易:

- (a) 已經由本公司之董事會批准;
- (b) 乃按照本集團的定價政策而進行;
- (c) 乃根據規管該等交易之有關協議條款進行; 及
- (d) 並無超逾彼等各自於公告 (日期分別為二零零四年六月二日及二零零五年一月十日) 所述之上限。

本集團截至二零零六年三月三十一日止年度內之重大有關連人士交易於財務報表附註39披露。

Connected Transactions (cont'd)

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

1. On 27 March 2006, the Company announced (inter alia) that two agreements both dated 27 March 2006 and both with a term of three years commencing on 9 June 2006 were entered into between the Company and Lenovo, the details of which are described below:
 - (a) a supplemental master sales agreement for the purpose of regulating the *Sales Arrangements*, being the sales of IT products and the provision of services by the Group to the Lenovo Group; and
 - (b) a supplemental master purchases agreement for the purpose of regulating (i) the *Purchases Arrangements*, being the purchases by the Group from the Lenovo Group of computers and other related IT products of certain Lenovo brands and the provision of services by the Lenovo Group to the Group and (ii) the *IBM Purchases Transactions*, being the purchases by the Group from International Information Products (Shenzhen) Co., Ltd. (聯想國際信息產品(深圳)有限公司) ("IIPC") of desktop and laptop personal computers (such computer business was acquired by Lenovo from IBM on 30 April 2005) and post-warranty and upgrade services pursuant to a business partnership agreement entered into in February 2003.

IIPC was a subsidiary of IBM prior to the closing of Lenovo's acquisition of the IBM computer business which took place on 30 April 2005. IIPC has since 30 April 2005 become a wholly-owned subsidiary of Lenovo.

Legend is a connected person of the Company by virtue of being a controlling shareholder of the Company. Lenovo is an associate of Legend by virtue of Legend being its controlling shareholder, and therefore Lenovo and IIPC are both regarded as connected persons of the Company under the Listing Rules of the Stock Exchange. A director of the Company is also a director of Lenovo.

Donations

During the year, no charitable and other donations were made by the Group (2005: Nil).

關連交易(續)

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

1. 於二零零六年三月二十七日，本公司宣佈（當中包括）本公司與聯想已簽訂兩份日期為二零零六年三月二十七日，以二零零六年六月九日為起始日為期三年之協議，其詳情載列如下：
 - (a) 補充總銷售協議以監管銷售安排，即本集團銷售予聯想集團IT產品，並提供服務；及
 - (b) 補充總採購協議以監管(i)採購安排，即本集團向聯想集團採購若干聯想品牌之電腦及相關IT產品及聯想集團向本集團提供服務及(ii)IBM採購交易，即根據於二零零三年二月簽訂的業務合伙協議，本集團向聯想國際信息產品(深圳)有限公司(「聯想國際」)採購台式及筆記本個人電腦(該電腦業務於二零零五年四月三十日由聯想向IBM收購)及質保期後服務及升級服務。

聯想國際於二零零五年四月三十日聯想進行IBM電腦業務收購之前為IBM之附屬公司。自二零零五年四月三十日起，聯想國際成為聯想之全資附屬公司。

聯想控股是本公司之控股股東，因此亦為本公司之關連人士。聯想控股為聯想之控股股東，故聯想為聯想控股之聯繫人，因此根據聯交所上市規則，聯想及聯想國際均被視為本公司之關連人士。本公司之一位董事亦為聯想之董事。

捐款

本集團於本年度內並無慈善及其他捐款(二零零五年：無)。

Major Customers and Suppliers

The aggregate percentage of turnover attributable to the Group's five largest customers was less than 30% (2005: less than 30%) of the Group's total turnover for the year.

The aggregate percentage of purchases attributable to the Group's five largest suppliers was approximately 43% (2005: approximately 45%) of the Group's total purchases and the percentage of purchases attributable to the Group's largest supplier was approximately 12% (2005: approximately 12%) for the year.

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

Compliance with Continuing Disclosure Requirement Under Chapter 13 of the Listing Rules

In compliance with the continuing disclosure requirements under Rule 13.21 of Chapter 13 of the Listing Rules, the directors of the Company reported below details of the facility agreements which included conditions relating to the specific performance of the controlling shareholder of the Company.

On 24 March 2003, the Company entered into a facility agreement (the "2003 Facility Agreement") with a syndicate of banks (the "Banks") for a 4-year transferable loan facility of up to US\$70 million. The said loan facility has been used by the Company to repay in full the outstanding amounts under a previous facility agreement entered into by the Company on 25 March 2002, and thereafter to finance its general working capital.

The 2003 Facility Agreement includes a condition to the effect that Legend Holdings Limited, the controlling shareholder of the Company, is to beneficially hold not less than 40% of the issued share capital of the Company throughout the term of the 2003 Facility Agreement. A breach of such condition, if not remedied within 30 days after the agent of the Banks has given written notice to the Company, shall constitute an event of default under the 2003 Facility Agreement and, upon such occurrence, no further advances are allowed and all amounts outstanding under the 2003 Facility Agreement shall immediately become due and payable.

The loan facility under the 2003 Facility Agreement had been fully drawn and the outstanding loan balance was repaid in full on 14 November 2005.

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

During the year ended 31 March 2006, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities.

主要客戶及供應商

於本年度內來自本集團五大客戶合共之營業總額佔本集團總營業額之百份比少於30% (二零零五年: 少於30%)。

於本年度內來自本集團五大供應商合共之採購額佔本集團採購總額之百份比約為43% (二零零五年: 約45%)，及來自本集團最大供應商之採購額所佔百份比約為12% (二零零五年: 約12%)。

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

遵守上市規則第13章下之持續披露規定

為遵守上市規則第13章第13.21條下之持續披露規定，本公司董事報告下列對本公司控股股東施加特定履行責任作為條件之一項融資協議詳情。

於二零零三年三月二十四日，本公司就一項金額最多為美金70,000,000元之四年期可轉讓貸款融資與銀團 (「銀團」) 簽訂一份融資協議 (「二零零三年融資協議」)。上述貸款融資已由本公司用作全數償還本公司於二零零二年三月二十五日曾簽訂之一項舊有融資協議下的欠款，而餘款則已撥作一般營運資金使用。

二零零三年融資協議附帶一項條件，訂明本公司之控股股東聯想控股有限公司於二零零三年融資協議之年期內須一直實益擁有不少於本公司已發行股本之40%。倘違反該條件，且於銀團代理向本公司發出書面通知後三十天內未能修正有關事項，則將構成二零零三年融資協議下之違約事項，倘出現該違約事項，在二零零三年融資協議下之所有未償還款項將告即時到期並須予以支付。

二零零三年融資協議下之貸款融資已被全數提用，而尚欠貸款金額已於二零零五年十一月十四日全數清還。

購買、出售或贖回本公司之上市證券

於截至二零零六年三月三十一日止年度內，本公司及其任何附屬公司概無購買、出售或贖回任何本公司之上市證券。

Auditors

The consolidated financial statements for the year ended 31 March 2006 of the Group were audited by Messrs. Ernst and Young.

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

Sufficiency of Public Float

Based on information that is publicly available to the Company and within the knowledge of the directors, the directors confirm that the Company has maintained the amount of public float as required under the Listing Rules during the year ended 31 March 2006.

ON BEHALF OF THE BOARD

代表董事會



LI Qin 李勤

Chairman 主席

Hong Kong, 12 July 2006

香港，二零零六年七月十二日

核數師

本集團截至二零零六年三月三十一日止年度之綜合財務報表已由安永會計師事務所審核。

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

最低公眾持股量

本公司根據公開資料，以及在各董事的認知範圍內，董事確認本公司於二零零六年三月三十一日止之財政年度內仍維持上市規則規定下的最低公眾持股量。