

1. 集團重組及編製基準

- (a) 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）於百慕達註冊成立為一間獲豁免有限公司。本公司由註冊成立日期至二零零一年三月三十一日並無開展任何業務，該期間所產生之一般及行政管理費用極少，於二零零一年三月三十一日之資產及負債亦微乎其微。由於就備考帳目而言，是否載入本公司損益表或資產負債表無關重要，因而，並未提呈本公司損益表或資產負債表。
- (b) 根據為籌備本公司股份於香港聯合交易所有限公司（「聯交所」）主板上市而進行之一項公司重組（「重組」），本公司於二零零一年五月十五日，成為本集團現時各成員公司之控股公司。根據二零零一年五月十五日所訂立之股份互換協議之條款，本公司透過股份互換收購備考帳目附註 28 所載其他附屬公司當時之控股公司 Digital China (BVI) Limited（「神州數碼 (BVI)」）之全部已發行股本，並成為神州數碼 (BVI) 及其附屬公司之控股公司。重組詳情載於備考帳目附註 19 及 29 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」）內。本公司股份已於二零零一年六月一日在聯交所正式上市。
- (c) 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，但本公司董事（「董事」）認為，將本集團視為一持續經營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內一直存在乃屬恰當及具意義。因此，備考帳目已按與編製刊載於招股章程之會計師報告內的財務資料及業績紀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賬目時沖銷。
- (d) 由於本集團於二零零一年六月一日從直接控股公司聯想集團有限公司分拆，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集團有限公司截至二零零一年三月三十一日止年度之帳目內。

1. GROUP REORGANISATION AND BASIS OF PREPARATION

- (a) 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. The Company had not carried on any business since the date of incorporation to 31st March 2001 and had only minimal general and administrative expenses incurred during that period and insignificant assets and liabilities as at 31st March 2001. Accordingly, no profit and loss account nor balance sheet for the Company has been presented, as their inclusion, for the purpose of these proforma accounts, is not considered meaningful.
- (b) Pursuant to a corporate reorganisation (the "Reorganisation") 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. The Company acquired the entire share capital of Digital China (BVI) Limited ("Digital China (BVI)"), the then holding company of the other subsidiaries as set out in note 28 to the proforma accounts, through a share swap arrangement in accordance with the terms of the Share Swap Agreement dated 15th May 2001 and became the holding company of Digital China (BVI) and its subsidiaries. Details of the Reorganisation are set out in notes 19 and 29 to the proforma accounts and in the prospectus of the Company dated 23rd May 2001 (the "Prospectus"). The Company's shares were listed on the Stock Exchange on 1st June 2001.
- (c) Although the Reorganisation was not completed and, accordingly, the Group did not legally exist until 15th May 2001, in the opinion of the directors of the Company (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 included in the accountants' report in the Prospectus. All significant intra-group transactions and balances have been eliminated on combination.
- (d) As the spin-off of the Group from Legend Holdings Limited, 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 Holdings Limited for the year ended 31st March 2001.

2. 主要會計政策

備考帳目由董事按歷史成本慣例編製，並已計入若干物業重估之修訂。

於編製此等備考帳目時採納之主要會計政策符合香港普遍接納之會計原則，現載列如下。

(a) 固定資產

土地使用權、租賃土地及樓宇／裝修乃按成本值減累計攤銷或累積折舊列帳。土地使用權及租賃土地攤銷乃以直線法按土地使用權／租賃的尚餘年期或估計本集團可使用年期二十年至五十年內（取其較短者）撇銷其成本值計算。就本報告而言，主要年率為 2% 至 5%。

樓宇折舊乃以直線法按租賃的尚餘年期或估計本集團可使用年期五十年內（取其較短者）撇銷其成本值計算。就本報告而言，主要年率為 2% 至 5%。租賃裝修折舊乃以直線法按估計本集團可使用年期五年或租賃的尚餘年期內（取其較短者）撇銷其成本值計算。就本報告而言，主要年率為 20%。

其他固定資產乃以成本值減累積折舊列帳。其他固定資產折舊乃以直線法按估計本集團可使用年期內撇銷其成本值計算。就本報告而言，主要年率為 10% 至 20%。

為恢復固定資產的正常運作狀態而產生的主要成本計入損益表。裝修乃撥作資本及按估計本集團可使用年期計算折舊。

固定資產的帳面值將作定期審閱，以評估其可收回價值是否減至低於帳面值。倘可收回價值低於其帳面值，其帳面值則會調低至可收回款額。可收回款額乃本集團估計可自資產未來使用中收回的款額，包括出售時的殘值。減至可收回款額之數額將自損益表扣除。估計之未來現金流量於釐定可收回款額中並無貼現。

出售固定資產之盈虧乃出售所得款項淨額與有關資產帳面值之差額，並在損益表內確認。

2. PRINCIPAL ACCOUNTING POLICIES

The proforma accounts have been prepared by the Directors under the historical cost convention as modified by the revaluation of certain properties.

The principal accounting policies adopted in the preparation of these proforma accounts, which conform with accounting principles generally accepted in Hong Kong, are set out below.

(a) Fixed assets

Land use rights, leasehold land and buildings/improvements are stated at cost less accumulated amortisation or depreciation. Amortisation of land use rights and leasehold land is calculated to write off their cost on a straight-line basis over the unexpired period of the land use right/lease or their expected useful lives to the Group of 20 to 50 years whichever is shorter. The principal annual rates used for this purpose are 2% to 5%.

Depreciation on buildings is calculated to write off their cost on a straight-line basis over the unexpired period of the leases or their expected useful lives to the Group of 50 years whichever is shorter. The principal annual rates used for this purpose are 2% to 5%. Depreciation of leasehold improvements is calculated to write off their cost on a straight-line basis over their expected useful lives to the Group of 5 years or unexpired periods of the leases whichever is shorter. The principal annual rate used for this purpose is 20%.

Other fixed assets are stated at cost less accumulated depreciation. Depreciation on other fixed assets is calculated to write off their cost on a straight-line basis over their expected useful lives to the Group on a straight-line basis. The principal annual rates used for this purpose are 10% to 20%.

Major costs incurred in restoring fixed assets to their normal working condition are charged to the profit and loss account. Improvements are capitalised and depreciated over their expected useful lives to the Group.

The carrying amounts of fixed assets are reviewed regularly to assess whether their recoverable amounts have declined below their carrying amounts. When such a decline has occurred, their carrying amount is reduced to their recoverable amount. Recoverable amount is the amount which the Group expects to recover from the future use of the asset, including its residual value on disposal. The amount of reduction to recoverable amounts is charged to the profit and loss account. Expected future cash flows have not been discounted in determining the recoverable amount.

The gain or loss on disposal of a fixed asset is the difference between the net sales proceeds and the carrying amount of the relevant asset, and is recognised in the profit and loss account.

2. 主要會計政策 (續)

(b) 經營租賃

資產擁有權之所有風險及報酬大部分由租賃公司承擔之租約列為經營租賃。經營租賃之付款扣除自租賃公司收取之報酬後以直線法於租約期間自損益表中扣除。

(c) 存貨

存貨乃按成本值及可變現淨值兩者中之較低者計算。成本值乃扣除退貨及折扣之購買發票淨值。可變現淨值以預算銷售所得款項扣減預算銷售費用後釐定。

(d) 應收帳款

倘認為應收帳款將會成為呆帳，則作出撥備。資產負債表中之應收帳款以扣除撥備後的淨額列帳。

(e) 遞延稅項

為課稅而計算之盈利與帳目所示之盈利兩者間之時差，若預期將可預見將來發生資產與負債之收付，即按現行稅率計算遞延稅項。

(f) 外幣換算

本年度之外幣交易乃按交易日之兌換率換算為港元。以外幣定值之貨幣資產及負債均按結算日之兌換率換算為港元後納入帳目內。由此產生之滙兌差額已納入經營業績內。

海外附屬公司之帳目按結算日之兌換率換算為港元。滙兌差額則當作儲備變動處理。

(g) 收入

銷售貨品所得收入乃於所有權轉讓予買方時（即通常於付運時）確認。

提供系統集成服務所得收入乃於提供服務時予以確認。

利息收入以未償還之本金及適用利率按時間比例基準計算。

2. PRINCIPAL ACCOUNTING POLICIES (continued)

(b) Operating leases

Leases where substantially all the risks and rewards of ownership of assets remain with the leasing company are accounted for as operating leases. Payments made under operating leases net of any incentives received from the leasing company are charged to the profit and loss account on a straight-line basis over the lease periods.

(c) Inventories

Inventories are valued at the lower of cost and net realisable value. Cost represents invoiced value on purchases, less purchase returns and discounts. Net realisable value is determined on the basis of anticipated sales proceeds less estimated selling expenses.

(d) Accounts receivable

Provision is made against accounts receivable to the extent that they are considered to be doubtful. Accounts receivable in the balance sheet are stated net of such provision.

(e) Deferred taxation

Deferred taxation is accounted for at the current taxation rate in respect of timing differences between profit as computed for taxation purposes and profit as stated in the accounts to the extent that a liability or an asset is expected to be payable or recoverable in the foreseeable future.

(f) Translation of foreign currencies

Foreign currency transactions during the year are translated into Hong Kong dollars at the rates of exchange ruling at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are incorporated into the accounts by translating foreign currencies into Hong Kong dollars at the rates of exchange ruling at the balance sheet date. Exchange differences arising therefrom are included in operating results.

The accounts of overseas subsidiaries are translated at the rates of exchange ruling at the balance sheet date. Exchange differences are dealt with as a movement in reserve.

(g) Revenue

Revenue from the sale of goods is recognised on the transfer of ownership, which generally coincides with the time of shipment.

Revenue from provision of systems integration service is recognised when services are rendered.

Interest income is accrued on a time proportion basis on the principal outstanding and at the rates applicable.

2. 主要會計政策（續）

(h) 退休福利成本

本集團為合資格香港僱員向界定供款退休計劃作出的供款於產生期間列作支出，並按僱員在得到全部供款前退出計劃而被沒收之供款而減少。此計劃之資產以獨立管理基金形式持有，與本集團其他資產分開管理。此外，本集團於中華人民共和國（「中國」）當地市政府一項退休金計劃的供款於產生期間列作支出，而中國當地市政府則承擔現時及將來合資格國內退休僱員的退休福利責任。

2. PRINCIPAL ACCOUNTING POLICIES (continued)

(h) Retirement benefit costs

The Group's contributions to the defined contribution retirement scheme for qualified Hong Kong employees are expensed as incurred and are reduced by contributions forfeited by those employees who leave the scheme prior to vesting fully in the contributions. The assets of the scheme are held separately from those of the Group in an independently administered fund. In addition, the Group's contributions to a local municipal government retirement scheme in the People's Republic of China ("PRC") are expensed as incurred while the local municipal government in the PRC undertakes to assume the retirement benefit obligations of all existing and future retirees of the qualified staff in the PRC.

3. 營業額、收入及分類資料

營業額指對本集團以外客戶出售的貨品，在扣除開發及銷售稅、退貨及折扣後之發票淨值。本集團主要從事外國品牌資訊科技產品的分銷、提供系統集成服務及開發與分銷網絡產品等業務。

	二零零零／二零零一年 港幣千元	一九九九／二零零零年 港幣千元
營業額		
分銷資訊科技產品	6,765,850	5,673,813
提供系統集成服務 (包括硬件及軟件銷售及服務收入)	1,278,557	837,628
分銷網絡產品	525,037	—
其他收入	8,569,444	6,511,441
利息收入	6,510	1,396
總收入	8,575,954	6,512,837
以業務劃分的毛利：		
分銷資訊科技產品	534,228	491,319
提供系統集成服務 (包括硬件及軟件銷售及服務收入)	171,496	139,113
分銷網絡產品	111,743	—
總毛利	817,467	630,432
減：未分配項目：		
銷售費用	108,809	69,549
宣傳及推廣費用	84,258	42,536
員工成本	218,714	187,313
其他營業費用	174,806	158,024
折舊開支	18,395	17,015
利息收入	(6,510)	(1,396)
融資費用	58,332	41,726
除稅前溢利	160,663	115,665
稅項	—	—
除稅後溢利	160,663	115,665
少數股東權益	(18,942)	—
股東應佔溢利	141,721	115,665

基於本集團超過 90% 的合併營業額及營運業績乃來自中國市場，故無提供區域分析。

3. TURNOVER, REVENUE AND SEGMENT INFORMATION

Turnover represents sales at invoiced value to customers outside the Group less sales tax, returns and discounts. The Group is principally engaged in the distribution of foreign brand information technology ("IT") products, provision of systems integration services and development and distribution of networking products.

	2000/2001 HK\$'000	1999/2000 HK\$'000
Turnover		
Distribution of IT products	6,765,850	5,673,813
Provision of systems integration services (including hardware and software sales and services revenues)	1,278,557	837,628
Distribution of networking products	525,037	–
	8,569,444	6,511,441
Other revenue		
Interest income	6,510	1,396
Total revenues	8,575,954	6,512,837
Gross profit by business activities:		
Distribution of IT products	534,228	491,319
Provision of systems integration services (including hardware and software sales and services revenues)	171,496	139,113
Distribution of networking products	111,743	–
Total gross profit	817,467	630,432
Less: unallocated items:		
Selling expenses	108,809	69,549
Promotional and advertising expenses	84,258	42,536
Staff costs	218,714	187,313
Other operating expenses	174,806	158,024
Depreciation expenses	18,395	17,015
Interest income	(6,510)	(1,396)
Finance costs	58,332	41,726
Profit before taxation	160,663	115,665
Taxation	–	–
Profit after taxation	160,663	115,665
Minority interests	(18,942)	–
Profit attributable to shareholders	141,721	115,665

No geographical analysis is provided as over 90% of the combined turnover and trading results of the Group are attributable to market in the PRC.

4. 經營溢利

	二零零零／二零零一年 港幣千元	一九九九／二零零零年 港幣千元
經營溢利已扣除／（計入）以下項目列帳：－		
核數師酬金	900	884
經營租賃之租金支出	37,267	29,342
聯想集團有限公司收回之租金	655	1,946
滙兌（收益）／虧損	(5,587)	222
出售固定資產虧損	12,365	—
固定資產永久減值撥備	8,190	—
撤銷固定資產	5,836	2,842
退休福利成本（附註 10）	7,269	5,223
滯銷存貨撥備	6,836	5,209
壞帳及呆帳撥備	15,941	9,473

5. 融資費用

	二零零零／二零零一年 港幣千元	一九九九／二零零零年 港幣千元
銀行貸款利息	15,043	4,465
聯想集團有限公司往來帳利息支出淨額	43,063	34,094
其他利息	226	3,167
融資費用總額	58,332	41,726

4. PROFIT FROM OPERATIONS

	2000/2001 HK\$'000	1999/2000 HK\$'000
Profit from operations is stated after charging/(crediting) the following:–		
Auditors' remuneration	900	884
Rental expenses under operating leases	37,267	29,342
Rental expenses recharged by Legend Holdings Limited	655	1,946
Exchange (gains)/losses	(5,587)	222
Loss on disposal of fixed assets	12,365	–
Provision for permanent diminution in value of fixed assets	8,190	–
Write off of fixed assets	5,836	2,842
Retirement benefit costs (note 10)	7,269	5,223
Provision for slow-moving inventories	6,836	5,209
Provision for bad and doubtful debts	15,941	9,473

5. FINANCE COSTS

	2000/2001 HK\$'000	1999/2000 HK\$'000
Interest on bank loans	15,043	4,465
Net interest expenses on current account with Legend Holdings Limited	43,063	34,094
Other interest	226	3,167
Total finance costs	58,332	41,726

6. 稅項

- (a) 由於對銷往年結存的可用稅項虧損後，本集團於截至二零零零年及二零零一年三月三十一日止年度內並無應課香港利得稅的收入，故在有關期間並無作出香港利得稅撥備。
- (b) 本公司的中國附屬公司聯想神州數碼有限公司（其後更名為神州數碼（中國）有限公司）根據重組接收聯想（北京）有限公司的分銷及系統集成業務而於二零零零年五月開始營運，並已獲得有關機關的批文而於二零零零年四月八日取得新科技企業的資格。新科技企業的有關中國所得稅稅率為 15%。根據中國國家稅務局於二零零零年七月十三日簽發的批文，聯想神州數碼有限公司在二零零二年十二月三十一日前可獲完全豁免繳納中國所得稅，而只要其可保持新科技企業的地位，其後三年的應付所得稅可獲寬減一半。因此，並無為聯想神州數碼有限公司之中國所得稅作出撥備。聯想神州數碼有限公司作為新科技企業的地位及因此獲得的中國稅務優惠須待有關中國機關每年審批，方可延續。
- (c) 根據中國國家稅務局頒佈的若干批文，本公司的中國附屬公司武漢聯想神州數碼有限公司具備作為高科技企業的資格，需按中國所得稅稅率 15% 納稅，惟從首個獲利年度起兩年可獲全數豁免繳納中國所得稅，並於隨後三年獲中國所得稅減半優惠。此外，倘武漢聯想神州數碼有限公司於第三年起不被視為製造主導的高科技企業，則將須按 15% 的稅率繳納中國所得稅。
- (d) 本公司的中國附屬公司廣州聯想神州數碼有限公司被歸類為一間高科技企業，故此只須按 15% 之稅率繳納中國所得稅。由於該公司於截至二零零零年及二零零一年三月三十一日止年度內並無任何應課稅盈利，故未有為其作出中國所得稅撥備。
- (e) 本集團的其他中國公司需按 33% 的中國所得稅稅率納稅。由於該等公司於截至二零零零年及二零零一年三月三十一日止年度內並無任何應課稅盈利，故並無為彼等作出中國所得稅的撥備。

7. 股息

於截至二零零零年及二零零一年三月三十一日止年度內支付之股息，乃本集團有關的附屬公司於重組前向其當時的股東分發之股息。由於董事認為就此等備考帳目而言，呈報股息之息率並無意義，故並無就該等息率作出呈報。

6. TAXATION

- (a) No provision for Hong Kong profits tax has been made for the years ended 31st March 2000 and 2001 as the Group has no income assessable to Hong Kong profits tax after setting off available tax losses brought forward from previous years.
- (b) Legend Digital China Limited (subsequently changed to Digital China (China) Limited), a PRC subsidiary of the Company which took up the distribution and systems integration businesses of Legend (Beijing) Limited pursuant to the Reorganisation and started operation in May 2000, has obtained an approval document from the relevant authorities and was qualified as a new technology enterprise on 8th April 2000. The relevant PRC income tax rate for new technology enterprises is 15%. According to the approval document from the State Tax Bureau of the PRC on 13th July 2000, Legend Digital China Limited is entitled to full exemption from the PRC income tax until 31st December 2002 and a 50% PRC income tax reduction for the following three years provided that it can maintain the status as a new technology enterprise. Accordingly, no PRC income tax was provided for Legend Digital China Limited. The status of Legend Digital China Limited as a new technology enterprise and hence the preferential PRC tax treatment thereon are subject to annual review by the relevant PRC authorities in the future.
- (c) Pursuant to certain approval documents issued by the State Tax Bureau of the PRC, Wuhan Legend Digital China Limited, a PRC subsidiary of the Company, is qualified as a high-technology enterprise and subject to a PRC income tax rate of 15%. It is entitled to full exemption from PRC income tax for two years starting from the first profit-making year and a 50% PRC income tax reduction for the following three years. In addition, if Wuhan Legend Digital China Limited fails to be regarded as a manufacturing-oriented high-technology enterprise from the third year, it will be subject to PRC income tax at a rate of 15%.
- (d) Guangzhou Legend Digital China Limited, a PRC subsidiary of the Company, is classified as a high-technology enterprise and is subject to the PRC income tax rate of 15%. No provision for PRC income tax has been made as this company did not have any assessable profit during the years ended 31st March 2000 and 2001.
- (e) Other PRC group companies are subject to the PRC income tax rate of 33%. No provision for PRC income tax has been made as these companies did not have any assessable profit during the years ended 31st March 2000 and 2001.

7. DIVIDENDS

Dividends paid during the years ended 31st March 2000 and 2001 represented dividends paid by the relevant subsidiaries of the Group to their then shareholder prior to the Reorganisation. The dividend rate is not presented here as the Directors are of the opinion that such information is not meaningful for the purpose of these proforma accounts.

8. 董事及最高薪五位人士之酬金

- (a) 有關本集團就本公司董事於截至二零零一年三月三十一日止年度內為管理附屬公司所提供之服務而向該等董事所支付及應付之酬金詳情如下：—

	二零零零／二零零一年 港幣千元	一九九九／二零零零年 港幣千元
袍金	—	—
其他酬金		
—基本薪金、津貼及實物福利	1,441	866
—花紅	4,577	3,639
	6,018	4,505

酬金幅度如下：

	董事人數	
	二零零零／二零零一年	一九九九／二零零零年
港幣 0 元至港幣 1,000,000 元	4	5
港幣 1,000,001 元至港幣 1,500,000 元	1	—
港幣 2,000,001 元至港幣 2,500,000 元	—	1
港幣 3,000,001 元至港幣 3,500,000 元	1	—
	6	6

- (b) 於截至二零零零年及二零零一年三月三十一日止年度內，概無董事放棄任何酬金。

8. EMOLUMENTS OF DIRECTORS AND FIVE HIGHEST PAID INDIVIDUALS

- (a) Details of the emoluments paid and payable to the Directors of the Company by the Group in respect of their services rendered for managing the subsidiaries during the year ended 31st March 2001 are as follows:

	2000/2001 HK\$'000	1999/2000 HK\$'000
Fees	–	–
Other emoluments:		
– basic salaries, allowances and benefits-in-kind	1,441	866
– bonuses	4,577	3,639
	6,018	4,505

The emoluments of the Directors fall within the following bands:

	Number of directors	
	2000/2001	1999/2000
From HK\$nil to HK\$1,000,000	4	5
From HK\$1,000,001 to HK\$1,500,000	1	–
From HK\$2,000,001 to HK\$2,500,000	–	1
From HK\$3,000,001 to HK\$3,500,000	1	–
	6	6

- (b) No Directors waived any emoluments during the years ended 31st March 2000 and 2001.

8. 董事及最高薪五位人士之酬金（續）

- (c) 五位最高薪人士中有四位（二零零零年：三位）為董事，其酬金已載於上文董事酬金中。餘下一位最高薪人士（二零零零年：兩位）之酬金如下：

	二零零零／二零零一年 港幣千元	一九九九／二零零零年 港幣千元
基本薪金、住屋津貼、其他津貼及實物福利	1,035	713
花紅	—	232
	1,035	945

酬金幅度如下：

	高薪人士人數	
	二零零零／二零零一年	一九九九／二零零零年
港幣 0 元至港幣 1,000,000 元	—	2
港幣 1,000,001 元至港幣 1,500,000 元	1	—
	1	2

9. 每股盈利－基本

備考每股基本盈利乃按股東應佔備考合併溢利約港幣 141,721,000 元（二零零零年：港幣 115,665,000 元），並假設根據重組發行之 757,181,609 股股份（見附註 1、19 及 29）於截至二零零零年及二零零一年三月三十一日止年度內已發行而計算。

由於截至二零零零年及二零零一年三月三十一日止年度內之現有普通股並無潛在攤薄影響，故未有呈列備考每股攤薄盈利。

8. EMOLUMENTS OF DIRECTORS AND FIVE HIGHEST PAID INDIVIDUALS (continued)

- (c) Among the five highest paid individuals, four (2000: three) are Directors whose remunerations are included in the Directors' emoluments above. The remuneration of the remaining one (2000: two) individual is as follows:

	2000/2001 HK\$'000	1999/2000 HK\$'000
Basic salaries, housing allowances, other allowances and benefits-in-kind	1,035	713
Bonuses	–	232
	1,035	945

The emoluments fall within the following bands:

	Number of individuals	
	2000/2001	1999/2000
From HK\$nil to HK\$1,000,000	–	2
From HK\$1,000,001 to HK\$1,500,000	1	–
	1	2

9. EARNINGS PER SHARE – BASIC

The calculation of proforma basic earnings per share is based on the proforma combined profit attributable to shareholders of approximately HK\$141,721,000 (2000: HK\$115,665,000) and on the assumption that the 757,181,609 shares issued pursuant to the Reorganisation mentioned in notes 1, 19 and 29 had been issued throughout the years ended 31st March 2000 and 2001.

There were no potential dilutive ordinary shares in existence for the years ended 31st March 2000 and 2001 and accordingly, no proforma diluted earnings per share have been presented.

10. 退休福利成本

本集團向界定供款退休金計劃及地方政府退休金計劃均作出供款，所有香港及中國合資格僱員均可參加。該等計劃之供款乃根據僱員之薪酬、花紅以及津貼按百分比計算。界定供款計劃之資產與本集團之資產分開持有，由獨立管理之基金保管。

在備考損益表扣除之退休福利成本乃指本集團向該等計劃所應支付之供款。

因香港合資格僱員在取得全數供款前退出該計劃而被沒收之供款可用於減少本集團之供款。於截至二零零零年及二零零一年三月三十一日止年度內，概無重大被沒收供款。

自二零零零年十二月一日起，可供香港合資格僱員參加之計劃隨着香港特別行政區政府實施強制性公積金（「強積金」）而被凍結。

根據本集團訂立之強積金計劃，所有香港合資格僱員須按彼等之基本薪金加現金津貼之最少 5%（以強積金條例所訂之上限為限）作出供款，而僱主則須按僱員任職滿六十日、五年及十年分別供款 5%、7.5% 及 10%。

10. RETIREMENT BENEFIT COSTS

The Group contributed to both defined contribution retirement scheme and a local municipal government retirement scheme which are available to all qualified employees in Hong Kong and the PRC respectively. Contributions to these schemes are calculated as a percentage of the employees' salaries, bonuses and allowances. The assets of the defined contribution schemes are held separately from those of the Group in an independently administered fund.

The retirement benefit cost charged to the proforma profit and loss account represents contributions payable by the Group to the schemes.

Contribution forfeited by the qualified employees in Hong Kong who left the scheme prior to vesting fully in such contributions can be used to reduce the Group's contribution. During the years ended 31st March 2000 and 2001, there were no material contributions forfeited.

Commencing 1st December 2000, the scheme available to the qualified employees in Hong Kong has been frozen with the implementation of the Mandatory Provident Fund (the "MPF") by the Government of Hong Kong Special Administrative Region.

According to the MPF scheme established by the Group, all qualified employees in Hong Kong are required to contribute at least 5% of their basic salary plus cashable allowances (subject to the ceiling under the requirement set out in the MPF legislation) whereas the employer's contribution is at 5%, 7.5% and 10% respectively after completion of sixty days, five years and ten years of services.

11. 固定資產

	土地使用權、 租賃土地 及樓宇 港幣千元	租賃裝修 港幣千元	辦公室設備 港幣千元	汽車 港幣千元	總額 港幣千元
成本或估值					
於二零零零年四月一日	42,325	4,509	84,328	13,357	144,519
添置	3,635	6,361	21,506	6,489	37,991
重新分類	—	—	(1,193)	1,193	—
重估	1,244	—	—	—	1,244
出售	(28,003)	(4,509)	(20,209)	(1,455)	(54,176)
於二零零一年三月三十一日	19,201	6,361	84,432	19,584	129,578
累積折舊					
於二零零零年四月一日	7,593	2,659	27,905	9,552	47,709
本年度折舊	852	843	13,370	3,330	18,395
重新分類	—	—	(1,191)	1,191	—
出售	(5,669)	(3,211)	(15,907)	(1,219)	(26,006)
於二零零一年三月三十一日	2,776	291	24,177	12,854	40,098
永久減值撥備	(8,190)	—	—	—	(8,190)
帳面淨值					
於二零零一年三月三十一日	8,235	6,070	60,255	6,730	81,290
於二零零零年三月三十一日	34,732	1,850	56,423	3,805	96,810
上述資產於二零零一年三月三十一日之成本或估值分析如下：					
按成本值	—	6,070	60,255	6,730	73,055
按二零零一年之重估	8,235	—	—	—	8,235
	8,235	6,070	60,255	6,730	81,290

11. FIXED ASSETS

	Land use rights, leasehold land and buildings HK\$'000	Leasehold improvements HK\$'000	Office equipment HK\$'000	Motor vehicles HK\$'000	Total HK\$'000
Cost or valuation					
At 1st April 2000	42,325	4,509	84,328	13,357	144,519
Additions	3,635	6,361	21,506	6,489	37,991
Reclassification	–	–	(1,193)	1,193	–
Revaluation	1,244	–	–	–	1,244
Disposals	(28,003)	(4,509)	(20,209)	(1,455)	(54,176)
At 31st March 2001	19,201	6,361	84,432	19,584	129,578
Accumulated depreciation					
At 1st April 2000	7,593	2,659	27,905	9,552	47,709
Charge for the year	852	843	13,370	3,330	18,395
Reclassification	–	–	(1,191)	1,191	–
Disposals	(5,669)	(3,211)	(15,907)	(1,219)	(26,006)
At 31st March 2001	2,776	291	24,177	12,854	40,098
Provision for permanent diminution in value	(8,190)	–	–	–	(8,190)
Net book value					
At 31st March 2001	8,235	6,070	60,255	6,730	81,290
At 31st March 2000	34,732	1,850	56,423	3,805	96,810
The analysis of the cost or valuation at 31st March 2001 of the above assets is as follows:					
At cost	–	6,070	60,255	6,730	73,055
At 2001 revaluation	8,235	–	–	–	8,235
	8,235	6,070	60,255	6,730	81,290

11. 固定資產 (續)

本集團於土地使用權、租賃土地及樓宇所持權益之帳面淨值分析如下：

	二零零一年			二零零零年		
	香港 港幣千元	中國 (不包括香港) 港幣千元	總計 港幣千元	香港 港幣千元	中國 (不包括香港) 港幣千元	總計 港幣千元
長期租約 (不少於 50 年)	5,200	—	5,200	32,439	—	32,439
中期租約 (少於 50 年 但不少於 10 年)	—	3,035	3,035	—	2,293	2,293
	5,200	3,035	8,235	32,439	2,293	34,732

註冊專業估值師及測量師威格斯 (香港) 有限公司以公開市值為基準對土地使用權、租賃土地及樓宇於二零零一年三月三十一日之價值進行重估。

12. 存貨

	二零零一年 港幣千元	二零零零年 港幣千元
製成品	972,110	638,498

於二零零一年三月三十一日，以可變現淨值列帳之存貨帳面值合計為港幣 68,990,000 元 (二零零零年：港幣 54,433,000 元)。

13. 應收帳款

於二零零一年三月三十一日，應收帳款之帳齡分析詳情如下：

	二零零一年 港幣千元	二零零零年 港幣千元
即期至 30 天	579,360	431,139
31 天至 60 天	201,296	126,796
61 天至 90 天	20,809	32,731
91 天至 180 天	81,429	43,222
超過 180 天	88,574	37,712
	971,468	671,600

資訊科技產品及網絡產品業務之客戶一般可獲 30 天至 60 天之信貸期，而系統集成業務之客戶之信貸期則一般介乎 30 天至 180 天。

11. FIXED ASSETS (continued)

The net book value of the Group's interest in land use rights, leasehold land and buildings are analysed as follows:

	Hong Kong HK\$'000	2001 PRC (not including Hong Kong) HK\$'000	Total HK\$'000	Hong Kong HK\$'000	2000 PRC (not including Hong Kong) HK\$'000	Total HK\$'000
Long leases (not less than 50 years)	5,200	-	5,200	32,439	-	32,439
Medium leases (less than 50 years but not less than 10 years)	-	3,035	3,035	-	2,293	2,293
	5,200	3,035	8,235	32,439	2,293	34,732

Land use right, leasehold land and buildings were revalued by Vigers Hong Kong Limited, registered professional valuers and surveyors, as at 31st March 2001 on an open market value basis.

12. INVENTORIES

	2001 HK\$'000	2000 HK\$'000
Finished goods	972,110	638,498

At 31st March 2001, the carrying amount of inventories that are carried at net realisable value amounted to HK\$68,990,000 (2000: HK\$54,433,000).

13. ACCOUNTS RECEIVABLE

At 31st March 2001, the ageing analysis of the accounts receivable were as follows:

	2001 HK\$'000	2000 HK\$'000
Current to 30 days	579,360	431,139
31 days to 60 days	201,296	126,796
61 days to 90 days	20,809	32,731
91 days to 180 days	81,429	43,222
Over 180 days	88,574	37,712
	971,468	671,600

Customers of IT and networking products businesses are generally granted credit terms of 30 to 60 days. Credit terms for customers of systems integration businesses normally range from 30 to 180 days.

14. 現金及銀行結餘

本集團之現金及銀行結餘中包括以人民幣結算之金額約港幣 168,114,000 元（二零零零年：港幣零元）。人民幣並非可自由兌換之貨幣。

15. 應付聯想集團有限公司款項

應付聯想集團有限公司款項為無抵押並須應要求償還。二零零一年三月三十一日之結餘中約港幣 5,200,000 元（二零零零年：港幣 26,400,000 元）為免息之貿易餘額。其餘付息非貿易餘額之年息率介乎 5.2% 至 5.5%。

於二零零一年三月三十一日後，約港幣 344,000,000 元已撥充資本（資本撥充形式詳情記載於附註 29(b)），而餘額已悉數清償。

16. 應付帳款

於二零零一年三月三十一日，應付帳款之帳齡分析詳情如下：

	二零零一年 港幣千元	二零零零年 港幣千元
即期至 30 天	572,693	551,797
31 天至 60 天	46,096	53,760
61 天至 90 天	19,721	11,167
超過 90 天	36,918	12,296
	675,428	629,020

17. 短期銀行貸款—無抵押

短期銀行貸款之年息率介乎 5.58% 至 5.85%，須按通知償還，並由聯想集團有限公司及最終控股公司聯想集團控股公司作擔保。由聯想集團有限公司及聯想集團控股公司提供之擔保於二零零一年三月三十一日後獲解除並由本公司提供之公司擔保代替。

18. 遞延稅項

- (a) 於二零零零年及二零零一年三月三十一日，本集團並無任何重大未撥備之遞延稅項負債。
- (b) 於二零零一年三月三十一日，本集團並無任何重大未撥備之遞延稅項資產。於二零零零年三月三十一日，主要有關因香港稅項虧損滾存而產生之時差的未撥備潛在遞延稅項資產約為港幣 1,674,000 元。

14. CASH AND BANK BALANCES

Included in the balance is an amount of approximately HK\$168,114,000 (2000: nil) which is denominated in Renminbi. Renminbi is not a freely convertible currency.

15. AMOUNTS DUE TO LEGEND HOLDINGS LIMITED

The amounts due to Legend Holdings Limited are unsecured and repayable on demand. Included in the balance as at 31st March 2001 was approximately HK\$5.2 million (2000: HK\$26.4 million) which was trading in nature and non-interest bearing. The remaining non-trading balance was bearing interest at rates ranging from 5.2% to 5.5% per annum.

Subsequent to 31st March 2001, approximately HK\$344 million has been capitalised (details of the form of capitalisation are disclosed in note 29(b)) and the remaining balance has been fully settled.

16. ACCOUNTS PAYABLE

At 31st March 2001, the ageing analysis of accounts payable were as follows:

	2001 HK\$'000	2000 HK\$'000
Current to 30 days	572,693	551,797
31 days to 60 days	46,096	53,760
61 days to 90 days	19,721	11,167
Over 90 days	36,918	12,296
	675,428	629,020

17. SHORT-TERM BANK LOANS – UNSECURED

The loans were bearing interest at rates ranging from 5.58% to 5.85% per annum, repayable on demand and were guaranteed by Legend Holdings Limited and 聯想集團控股公司 ("Legend Group Holdings Co."), the ultimate holding company. Subsequent to 31st March 2001, the guarantees provided by Legend Holdings Limited and Legend Group Holdings Co. were released and replaced by the corporate guarantees from the Company.

18. DEFERRED TAXATION

- (a) As at 31st March 2000 and 2001, the Group did not have any significant unprovided deferred tax liabilities.
- (b) As at 31st March 2001, the Group did not have any significant unprovided deferred tax assets. As at 31st March 2000, the potential deferred tax asset which represents mainly timing differences arising from Hong Kong tax losses carried forward not provided for amounted to approximately HK\$1,674,000.

19. 股本

本公司	
港幣千元	
法定股本：	
1,000,000 股每股面值港幣 0.10 元之普通股	100
已發行及未繳股款：	
1,000,000 股每股面值港幣 0.10 元之普通股（附註(a)）	100

由二零零一年一月二十五日（註冊成立日期）至本報告刊發日期止期間之股本變動如下：

- (a) 本公司於二零零一年一月二十五日在百慕達註冊成立，其法定股本為港幣 100,000 元，分為 1,000,000 股每股面值港幣 0.10 元之股份，全部股份於二零零一年二月一日以未繳股款方式配發及發行予聯想集團有限公司（「初期股份」）。
- 於二零零零年三月三十一日，本公司尚未註冊成立且並無已發行股本。
- (b) 於籌備本公司股份於聯交所主板上市，於二零零一年三月三十一日結算日後至本報告刊發日期止期間，本公司之法定股本及已發行股本發生如下變動：
- (i) 根據聯想集團有限公司於二零零一年五月十四日通過之書面決議案，本公司之法定股本於二零零一年五月十四日藉增設 1,999,000,000 股每股面值港幣 0.10 元之普通股，由港幣 100,000 元增至港幣 200,000,000 元。該等股份在所有方面與本公司其他股份享有同等地位。
- (ii) 於二零零一年五月十五日，本公司就收購神州數碼(BVI)（現為本公司之附屬公司）全部已發行股本，以入帳列作繳足方式額外配發及發行合共 756,181,609 股每股面值港幣 0.10 元之新普通股予聯想集團有限公司，並將初期股份入帳列為繳足。
- (iii) 根據本公司於二零零一年六月之全球發售股份，101,498,722 股每股面值港幣 0.10 元之普通股獲發行予公眾及機構投資者以換取現金，每股作價港幣 3.68 元。發行股份所得款項高出已發行股份面值之金額已計入股份溢價帳。
- (c) 倘集團重組及全球發售股份於二零零一年三月三十一日已經完成，則本公司之已發行股份數目及股本應分別為 858,680,331 股及約港幣 85,868,000 元。

19. SHARE CAPITAL

	Company
	HK\$'000
<i>Authorised:</i>	
1,000,000 ordinary shares of HK\$0.10 each	100
<i>Issued and nil-paid:</i>	
1,000,000 ordinary shares of HK\$0.10 each (note (a))	100

The following changes took place during the period from 25th January 2001 (date of incorporation) and up to the date of this report:

- (a) The Company was incorporated in Bermuda on 25th January 2001 with an authorised share capital of HK\$100,000 divided into 1,000,000 shares of HK\$0.10 each, all of which were allotted and issued to Legend Holdings Limited nil-paid on 1st February 2001 (the "Initial Shares").
- As at 31st March 2000, the Company was not yet incorporated and there was no issued share capital.
- (b) In preparation for the listing of the Company's shares on the Main Board of the Stock Exchange, subsequent to 31st March 2001 and up to the date of this report, the following changes in the Company's authorised and issued share capital took place:
- (i) Pursuant to written resolutions of Legend Holdings Limited dated 14th May 2001, the authorised share capital of the Company was increased from HK\$100,000 to HK\$200,000,000 on 14th May 2001 by the creation of an additional 1,999,000,000 ordinary shares of HK\$0.10 each. Such shares rank *pari passu* in all respects with other shares of the Company.
- (ii) On 15th May 2001, the Company further allotted and issued a total of 756,181,609 new ordinary shares of HK\$0.10 each, credited as fully paid to Legend Holdings Limited and credited as fully paid the Initial Shares as consideration for the acquisition of the entire issued share capital of Digital China (BVI), which is now a subsidiary of the Company.
- (iii) Pursuant to the global offering of the Company's shares in June 2001, 101,498,722 ordinary shares of HK\$0.10 each were issued to the public and institutional investors at HK\$3.68 per share for cash. The excess of the issue proceeds over the par value of the shares issued was credited to the share premium account.
- (c) Had the Reorganisation and the global offering completed as at 31st March 2001, the number of shares in issue and share capital of the Company would have been 858,680,331 and approximately HK\$85,868,000 respectively.

19. 股本 (續)

- (d) 根據本公司於二零零一年五月十四日通過之書面決議案所採納之購股權計劃，本公司可授予本公司或其附屬公司之全職僱員（包括執行董事）認購本公司股份之購股權，惟股份數額以本公司不時已發行股本之 10% 為限。獲授之購股權可由購股權獲接納之日起計十年內隨時行使。購股權股份之認購價，按股份面值及緊接購股權授出日期前五個交易日股份之平均收市價 80% 兩者中之較高者計算。

20. 儲備

	資本儲備 (附註(b)) 港幣千元	保留溢利 (附註(b)) 港幣千元	外匯儲備 港幣千元	中國 法定儲備 港幣千元	合計 港幣千元
於一九九九年四月一日	151,599	(23,276)	(132)	—	128,191
本年度溢利	—	115,665	—	—	115,665
股息 (附註 7)	—	(145,000)	—	—	(145,000)
滙兌差額	—	—	132	—	132
往來帳轉撥	—	29,839	—	—	29,839
於二零零零年三月三十一日	151,599	(22,772)	—	—	128,827
於二零零零年四月一日	151,599	(22,772)	—	—	128,827
神州數碼(BVI) 將應付予 聯想集團有限公司之 款項撥充資本	46,475	—	—	—	46,475
本年度溢利	—	141,721	—	—	141,721
股息 (附註 7)	—	(27,641)	—	—	(27,641)
撥往中國法定儲備 (附註(a))	—	(5,682)	—	5,682	—
滙兌差額	—	—	(345)	—	(345)
於二零零一年三月三十一日	198,074	85,626	(345)	5,682	289,037

- (a) 根據若干中國規例，該項儲備可用作彌補虧損（如有）。

- (b) 於重組完成後，資本儲備及保留溢利將成為實繳盈餘，按照百慕達法律可作分派之用。

19. SHARE CAPITAL (continued)

- (d) Under the Company's share option scheme adopted by a written resolution on 14th May 2001, the Company may grant options to any full-time employee (including Executive Directors) of the Company or its subsidiaries to subscribe for shares in the Company, subject to a maximum of 10% of the issued share capital of the Company from time to time. Options granted are exercisable at any time during a period of ten years from the date upon which the option is accepted. The subscription price of the option shares is the higher of the nominal value of the shares and an amount not less than 80% of the average of the closing prices of the shares on the five trading dates immediately preceding the date on which the offer is made.

20. RESERVES

	Capital reserve (note (b)) HK\$'000	Retained earnings (note (b)) HK\$'000	Exchange reserve HK\$'000	PRC statutory reserve HK\$'000	Total HK\$'000
At 1st April 1999	151,599	(23,276)	(132)	–	128,191
Profit for the year	–	115,665	–	–	115,665
Dividends (note 7)	–	(145,000)	–	–	(145,000)
Exchange differences	–	–	132	–	132
Transfer from current account	–	29,839	–	–	29,839
At 31st March 2000	151,599	(22,772)	–	–	128,827
At 1st April 2000	151,599	(22,772)	–	–	128,827
Capitalisation by Digital China (BVI) in respect of amounts due to Legend Holdings Limited	46,475	–	–	–	46,475
Profit for the year	–	141,721	–	–	141,721
Dividends (note 7)	–	(27,641)	–	–	(27,641)
Appropriation to PRC statutory reserve (note (a))	–	(5,682)	–	5,682	–
Exchange differences	–	–	(345)	–	(345)
At 31st March 2001	198,074	85,626	(345)	5,682	289,037

- (a) Pursuant to certain PRC regulations, this reserve can be used for making up losses, if any.
- (b) Upon the completion of the Reorganisation, the capital reserve and retained earnings become contributed surplus which is distributable under the Bermuda laws.

21. 有關連人士交易

除在本報告其他部份另作披露者外，本集團於本年度有以下重大之有關連人士交易。

	二零零零／二零零一年 港幣千元	一九九九／二零零零年 港幣千元
直接控股公司（附註(b)）		
向本集團收取管理費及收回經常開支	—	10,242
向本集團收回租金	655	1,946
本集團應付淨利息支出	43,063	34,094
同系附屬公司		
本集團銷售之貨物	15,198	53,158
本集團購買之貨物	173	1,207
向本集團收回經常開支	—	34,579
出售物業	1,855	—
一少數股東及其集團公司		
本集團購買之貨物	221,602	—

(a) 董事認為，上述交易乃於日常業務過程中按一般商業條款進行。

(b) 聯想集團有限公司（於二零零一年三月三十一日為本公司之直接控股公司）隨本公司於二零零一年六月一日從該公司分拆後成為本公司之同系附屬公司。

22. 銀行融資

於二零零一年三月三十一日，本集團之可動用銀行融資總額約為港幣 2,110,000,000 元（二零零零年：港幣 1,610,000,000 元），由聯想集團有限公司及最終控股公司聯想集團控股公司擔保。由聯想集團有限公司及聯想集團控股公司所提供之擔保於二零零一年三月三十一日後獲解除並由本公司提供之公司擔保代替。

21. RELATED PARTY TRANSACTIONS

Save as disclosed elsewhere in this report, the Group had the following material related party transactions during the year.

	2000/2001 HK\$'000	1999/2000 HK\$'000
Immediate holding company (note(b))		
Management fee and recharge of overhead expenses to the Group	–	10,242
Recharge of rental expenses to the Group	655	1,946
Net interest expenses payable by the Group	43,063	34,094
Fellow subsidiaries		
Sales of goods by the Group	15,198	53,158
Purchase of goods by the Group	173	1,207
Recharge of overhead expenses to the Group	–	34,579
Sales of properties	1,855	–
A minority shareholder and its group companies		
Purchases of goods by the Group	221,602	–

- (a) The Directors are of the opinion that the above transactions were conducted on normal commercial terms in the ordinary course of business.
- (b) Legend Holdings Limited, the immediate holding company of the Company as at 31st March 2001, became a fellow subsidiary of the Company upon the spin-off of the Company from Legend Holdings Limited on 1st June 2001.

22. BANKING FACILITIES

At 31st March 2001, the Group had available aggregate banking facilities of approximately HK\$2,110 million (2000: HK\$1,610 million) which were guaranteed by corporate guarantees from Legend Holdings Limited and Legend Group Holdings Co., the ultimate holding company. Subsequent to 31st March 2001, the guarantees provided by Legend Holdings Limited and Legend Group Holdings Co. were released and replaced by the corporate guarantees from the Company.

23. 承擔

經營租賃承擔

於二零零一年三月三十一日，本集團按下列年期屆滿的土地及樓宇經營租賃於未來十二個月的承擔如下：

	二零零一年 港幣千元	二零零零年 港幣千元
一年內	5,208	2,971
兩年至五年	18,505	19,492
五年以上	—	438
	23,713	22,901

24. 或然負債

集團一間附屬公司於中國牽涉法律訴訟，起因在於該附屬公司與一名第三者於一九九八年三月二十日就建立電腦資訊管理系統簽訂之合約。根據北京市人民法院於二零零一年一月五日向該附屬公司發出之通知，該第三者（原告）對該附屬公司展開違約法律訴訟，指稱該附屬公司未能及時建立及付運所需之系統。所追討之賠償額為人民幣 4,650,000 元另加有關費用。董事認為，由於此案的結果在現階段尚未能確定，且所涉索償金額對集團而言並不重大，故無需就此作出撥備。

23. COMMITMENTS

Commitments under operating leases

At 31st March 2001, the Group had commitments to make payment in the next twelve months under operating leases in respect of land and buildings which expire as follows:–

	2001 HK\$'000	2000 HK\$'000
Within one year	5,208	2,971
Between two to five years	18,505	19,492
Over five years	–	438
	23,713	22,901

24. CONTINGENT LIABILITIES

A subsidiary of the Group has been involved in legal proceedings in the PRC arising out of a contract dated 20th March 1998 entered into with a third party in relation to the establishment of a computer information management system. By a notice dated 5th January 2001 issued by the Beijing People's Court and served on the subsidiary, the third party (as plaintiff) initiated court proceedings against the subsidiary for breach of contract, claiming that the subsidiary had failed to set up and deliver the requisite system on time. Damages claimed amounted to RMB4.65 million plus costs. The Directors are of the opinion that no provision is required as the result of the case is not certain at this stage and the amount of the claim involved is not significant to the Group.

25. 除稅前溢利與經營業務（所耗）／所得現金淨額之對帳表

	二零零零／二零零一年 港幣千元	一九九九／二零零零年 港幣千元
除稅前溢利	160,663	115,665
利息收入	(6,510)	(1,396)
利息支出	58,332	41,726
固定資產折舊	18,395	17,015
出售固定資產之虧損	12,365	—
撇銷固定資產	5,836	2,842
固定資產永久減值撥備	8,190	—
固定資產重估盈餘	(1,244)	—
存貨增加	(333,612)	(181,638)
應收帳款、按金、預付款項及其他應收款項增加	(178,108)	(353,686)
應付帳款、預提費用及其他應付款項增加	38,368	68,136
應付聯想集團有限公司款項（減少）／增加	(297,022)	604,264
經營業務（所耗）／所得現金淨額	(514,347)	312,928

26. 融資變動分析

	貸款		少數股東權益	
	二零零零／ 二零零一年 港幣千元	一九九九／ 二零零零年 港幣千元	二零零零／ 二零零一年 港幣千元	一九九九／ 二零零零年 港幣千元
年初結餘	—	9,379	—	—
(償還銀行貸款) ／新增銀行貸款	813,084	(9,379)	—	—
少數股東注資	—	—	34,242	—
少數股東權益所佔溢利	—	—	18,942	—
年終結餘	813,084	—	53,184	—

25. RECONCILIATION OF PROFIT BEFORE TAXATION TO NET CASH (OUTFLOW)/INFLOW FROM OPERATING ACTIVITIES

	2000/2001 HK\$'000	1999/2000 HK\$'000
Profit before taxation	160,663	115,665
Interest income	(6,510)	(1,396)
Interest expenses	58,332	41,726
Depreciation of fixed assets	18,395	17,015
Loss on disposal of fixed assets	12,365	–
Write off of fixed assets	5,836	2,842
Provision for permanent diminution in value of fixed assets	8,190	–
Revaluation surplus of fixed assets	(1,244)	–
Increase in inventories	(333,612)	(181,638)
Increase in accounts receivable, deposits, prepayments and other receivables	(178,108)	(353,686)
Increase in accounts payable, accrued liabilities and other payable	38,368	68,136
(Decrease)/increase in amounts due to Legend Holdings Limited	(297,022)	604,264
Net cash (outflow)/inflow from operating activities	(514,347)	312,928

26. ANALYSIS OF CHANGES IN FINANCING

	Loans		Minority interests	
	2000/2001 HK\$'000	1999/2000 HK\$'000	2000/2001 HK\$'000	1999/2000 HK\$'000
Balance at the beginning of the year	–	9,379	–	–
(Repayment of bank loans)/ new bank loans obtained	813,084	(9,379)	–	–
Capital injected by minority shareholders	–	–	34,242	–
Minority interests in share of profit	–	–	18,942	–
Balance at the end of the year	813,084	–	53,184	–

27. 最終控股公司

董事視中國成立之聯想集團控股公司為最終控股公司。

28. 附屬公司詳情

於二零零一年三月三十一日，附屬公司之詳情如下：

附屬公司名稱	註冊成立／ 成立之所在 國家／地點	已發行及 繳足股本／ 註冊資本	應佔股本 權益比例	主要業務
<i>直接持有：</i>				
Digital China (BVI) Limited	英屬維爾京 群島	普通股 1,350 美元	100%	投資控股
<i>間接持有：</i>				
神州數碼控股有限公司 (其後更名為 神州數碼(香港) 有限公司)	香港	普通股 港幣 10,000 元	100%	投資控股
神州數碼有限公司	香港	普通股 港幣 2 元	100%	投資控股
聯想神州數碼 有限公司(i)及(ii) (其後更名為 神州數碼(中國) 有限公司)	中國	註冊資本 港幣 7,500,000 元	100%	系統集成及 分銷資訊科技產品
成都聯想神州數碼 有限公司(i)及(ii)	中國	註冊資本 港幣 5,000,000 元	100%	系統集成及 分銷資訊科技產品
瀋陽聯想神州數碼 有限公司(i)及(ii)	中國	註冊資本 港幣 5,000,000 元	100%	系統集成及 分銷資訊科技產品
上海聯想神州數碼 有限公司(i)及(ii)	中國	註冊資本 港幣 10,000,000 元	100%	系統集成及 分銷資訊科技產品

27. ULTIMATE HOLDING COMPANY

The directors regard Legend Group Holdings Co., a company established in the PRC, as being the ultimate holding company.

28. PARTICULARS OF SUBSIDIARIES

Particulars of the subsidiaries as at 31st March 2001 are as follows:

Name of subsidiary	Country/place of incorporation/ establishment	Issued and fully paid up share capital/ registered capital	Percentage of attributable equity interest	Principal activities
<i>Directly held:</i>				
Digital China (BVI) Limited	British Virgin Islands	Ordinary shares US\$1,350	100%	Investment holding
<i>Indirectly held:</i>				
Digital China Holdings Limited (subsequently changed to Digital China (HK) Limited)	Hong Kong	Ordinary shares HK\$10,000	100%	Investment holding
Digital China Limited	Hong Kong	Ordinary shares HK\$2	100%	Investment holding
Legend Digital China Limited (i) & (ii) (subsequently changed to Digital China (China) Limited)	PRC	Registered capital HK\$7,500,000	100%	Systems integration and distribution of IT products
Chengdu Legend Digital China Limited (i) & (ii)	PRC	Registered capital HK\$5,000,000	100%	Systems integration and distribution of IT products
Shenyang Legend Digital China Limited (i) & (ii)	PRC	Registered capital HK\$5,000,000	100%	Systems integration and distribution of IT products
Shanghai Legend Digital China Limited (i) & (ii)	PRC	Registered capital HK\$10,000,000	100%	Systems integration and distribution of IT products

28. 附屬公司詳情 (續)

附屬公司名稱	註冊成立／ 成立之所在 國家／地點	已發行及 繳足股本／ 註冊資本	應佔股本 權益比例	主要業務
聯想神州數碼 (深圳) 有限公司(i)及(ii)	中國	註冊資本 港幣 3,500,000 元	100%	系統集成及 分銷資訊科技產品
西安聯想神州數碼 有限公司(i)及(ii)	中國	註冊資本 港幣 5,000,000 元	100%	系統集成及 分銷資訊科技產品
武漢聯想神州數碼 有限公司(i)及(ii)	中國	註冊資本 港幣 750,000 元	100%	系統集成及 分銷資訊科技產品
南京聯想神州數碼 有限公司(i)及(ii)	中國	註冊資本 港幣 3,000,000 元	100%	系統集成及 分銷資訊科技產品
廣州聯想神州數碼 有限公司(i)及(ii)	中國	註冊資本 港幣 1,500,000 元	100%	系統集成及 分銷資訊科技產品
濟南聯想神州數碼 有限公司(i)及(ii)	中國	註冊資本 港幣 300,000 元	100%	系統集成及 分銷資訊科技產品
聯想網絡 (上海) 有限公司(i)及(ii)	中國	註冊資本 港幣 1,500,000 元	56.1%	分銷網絡產品
Digital China Marketing & Services Ltd.	英屬維爾京 群島	普通股 1 美元	100%	投資控股
神州數碼科技發展 有限公司	香港	普通股 港幣 1,000,000 元	100%	採購代理及 分銷資訊科技產品

28. PARTICULARS OF SUBSIDIARIES (continued)

Name of subsidiary	Country/place of incorporation/ establishment	Issued and fully paid up share capital/ registered capital	Percentage of attributable equity interest	Principal activities
Legend Digital China (Shenzhen) Limited (i) & (ii)	PRC	Registered capital HK\$3,500,000	100%	Systems integration and distribution of IT products
Xian Legend Digital China Limited (i) & (ii)	PRC	Registered capital HK\$5,000,000	100%	Systems integration and distribution of IT products
Wuhan Legend Digital China Limited (i) & (ii)	PRC	Registered capital HK\$750,000	100%	Systems integration and distribution of IT products
Nanjing Legend Digital China Limited (i) & (ii)	PRC	Registered capital HK\$3,000,000	100%	Systems integration and distribution of IT products
Guangzhou Legend Digital China Limited (i) & (ii)	PRC	Registered capital HK\$1,500,000	100%	Systems integration and distribution of IT products
Jinan Legend Digital China Limited (i) & (ii)	PRC	Registered capital HK\$300,000	100%	Systems integration and distribution of IT products
Legend Networks (Shanghai) Limited (i) & (ii)	PRC	Registered capital HK\$1,500,000	56.1%	Distribution of networking products
Digital China Marketing & Services Ltd.	British Virgin Islands	Ordinary shares US\$1	100%	Investment holding
Digital China Technology Limited	Hong Kong	Ordinary shares HK\$1,000,000	100%	Procurement agent and distribution of IT products

28. 附屬公司詳情 (續)

附屬公司名稱	註冊成立／ 成立之所在 國家／地點	已發行及 繳足股本／ 註冊資本	應佔股本 權益比例	主要業務
神州數碼集成系統 有限公司	香港	普通股 港幣 1,000,000 元	100%	系統集成及 分銷資訊科技產品
聯想電腦國際 有限公司	香港	普通股 港幣 10,000 元	100%	投資控股
協遠國際有限公司	香港	普通股 港幣 10,000 元	100%	暫無營業
聯想科技發展 有限公司	香港	普通股 港幣 2 元 無投票權 遞延股份 港幣 100,000,002 元	100%	採購代理及 分銷資訊科技產品
聯想集成系統 有限公司	香港	普通股 港幣 10,000,000 元	100%	系統集成及 分銷資訊科技產品
Legend Marketing & Services China/ HK Limited	英屬維爾京 群島	普通股 1 美元	100%	投資控股
E-Olympic International Limited	英屬維爾京 群島	普通股 1 美元	100%	持有商標
Legend Networks, Ltd.	英屬維爾京 群島	普通股 10,000,000 美元	56.1%	投資控股
聯想網絡 (香港) 有限公司	香港	普通股 港幣 2 元	56.1%	採購代理及 分銷網絡產品

28. PARTICULARS OF SUBSIDIARIES (continued)

Name of subsidiary	Country/place of incorporation/ establishment	Issued and fully paid up share capital/ registered capital	Percentage of attributable equity interest	Principal activities
Digital China Advanced Systems Limited	Hong Kong	Ordinary shares HK\$1,000,000	100%	Systems integration and distribution of IT products
Legend Computer International Limited	Hong Kong	Ordinary shares HK\$10,000	100%	Investment holding
Linkfar International Limited	Hong Kong	Ordinary shares HK\$10,000	100%	Dormant
Legend Technology Limited	Hong Kong	Ordinary shares HK\$2 Non-voting deferred shares HK\$100,000,002	100%	Procurement agent and distribution of IT products
Legend Advanced Systems Limited	Hong Kong	Ordinary shares HK\$10,000,000	100%	Systems integration and distribution of IT products
Legend Marketing & Services China/HK Limited	British Virgin Islands	Ordinary shares US\$1	100%	Investment holding
E-Olympic International Limited	British Virgin Islands	Ordinary shares US\$1	100%	Holding of trademarks
Legend Networks, Ltd.	British Virgin Islands	Ordinary shares US\$10,000,000	56.1%	Investment holding
Legend Networks (HK) Limited	Hong Kong	Ordinary shares HK\$2	56.1%	Procurement agent and distribution of networking products

28. 附屬公司詳情 (續)

附屬公司名稱	註冊成立／ 成立之所在 國家／地點	已發行及 繳足股本／ 註冊資本	應佔股本 權益比例	主要業務
Neg Newest Partners Ltd.	英屬維爾京 群島	普通股 1 美元	100%	暫無營業
Alternate Agents Limited	英屬維爾京 群島	普通股 1 美元	100%	暫無營業

附註：

- (i) 除註明(i)之公司為符合各自當地監管規則而採用十二月三十一日為其財政年度年結日外，所有本集團現時屬下各公司均採用三月三十一日為其財政年度年結日。
- (ii) 該等公司英文名稱均為其中文註冊名稱的直接翻譯。

29. 結算日後事項

於二零零一年三月三十一日後之重大事項如下：

- (a) 本公司之法定及已發行股本曾出現變動，詳情載於備考帳目附註 19；
- (b) 於二零零一年五月十四日，神州數碼 (BVI) 及其附屬公司欠聯想集團有限公司及其附屬公司之款項約港幣 344,000,000 元，由神州數碼 (BVI) 向 Legend Holdings (BVI) Limited (聯想控股有限公司的一間附屬公司) 配發及發行其股本中 2,591 股每股面值 1 美元之新股份而撥充資本。此外，Legend Holdings (BVI) Limited 以總代價約港幣 157,000,000 元的現金，認購神州數碼 (BVI) 股本中每股面值 1 美元之 1,184 股新股份；
- (c) 於二零零一年五月十五日，本公司根據股份互換協議向聯想集團有限公司配發及發行本公司 756,181,609 股每股面值港幣 0.10 元之新股份，以作為向 Legend Holdings (BVI) Limited 收購神州數碼(BVI)全部已發行股本 (即 5,125 股每股面值 1 美元之股份) 之代價。

28. PARTICULARS OF SUBSIDIARIES (continued)

Name of subsidiary	Country/place of incorporation/ establishment	Issued and fully paid up share capital/ registered capital	Percentage of attributable equity interest	Principal activities
Neg Newest Partners Ltd.	British Virgin Islands	Ordinary shares US\$1	100%	Dormant
Alternate Agents Limited	British Virgin Islands	Ordinary shares US\$1	100%	Dormant

Notes:

- (i) All companies now comprising the Group adopt 31st March as their financial year end date with the exception of the companies marked with (i) which adopt 31st December as their financial year end date in compliance with the respective local regulations.
- (ii) The English names of these companies are direct translation of their registered names in Chinese.

29. SUBSEQUENT EVENTS

The following significant events subsequent to 31st March 2001:

- (a) There were changes in authorised and issued share capital of the Company, details of which are set out in note 19 to the proforma accounts;
- (b) On 14th May 2001, the amount owed by Digital China (BVI) and its subsidiaries to Legend Holdings Limited and its subsidiaries of approximately HK\$344 million were capitalised by the allotment and issue of 2,591 new shares of US\$1 each in the capital of Digital China (BVI) to Legend Holdings (BVI) Limited, a subsidiary of Legend Holdings Limited. Further, Legend Holdings (BVI) Limited subscribed 1,184 new shares of US\$1 each in the capital of Digital China (BVI) in cash at the aggregate consideration of approximately HK\$157 million;
- (c) On 15th May 2001, pursuant to a Share Swap Agreement, the Company acquired the entire issued share capital of Digital China (BVI), being 5,125 shares of US\$1 each, from Legend Holdings (BVI) Limited which was satisfied by the allotment and issue of 756,181,609 new shares of the Company of HK\$0.10 each to Legend Holdings Limited (on behalf of Legend Holdings (BVI) Limited).

29. 結算日後事項(續)

- (d) 於二零零一年六月一日，本集團自聯想集團有限公司分拆，而本公司股份則於聯交所上市。本公司全球股份發售（包括發行本公司之超額配發股份所得款項）所得款項淨額約為港幣300,000,000元。

30. 帳目之核准

本帳目已於二零零一年六月二十七日經董事會核准。

29. SUBSEQUENT EVENTS *(continued)*

- (d) On 1st June 2001, the Group was spun off from Legend Holdings Limited and the Company's shares were listed on the Stock Exchange. Net proceeds raised from the global offering, including the proceeds from the issue of over-allotment portion of the Company's shares amounted to approximately HK\$300,000,000.

30. APPROVAL OF ACCOUNTS

The accounts were approved by the board of directors on 27th June 2001.