

Director's Report

董事會報告

The directors present their annual report and the audited financial statements for the year ended 30th April, 2005.

PRINCIPAL ACTIVITIES

The Company acts as an investment holding company. The activities of the Company's principal subsidiaries and associate are set out in notes 19 and 20 to the financial statements respectively.

RESULTS

The results of the Group for the year ended 30th April, 2005 are set out in the consolidated income statement on page 38.

SHARE CAPITAL AND WARRANTS

Movements in the share capital and warrants of the Company during the year are set out in note 27 to the financial statements.

SHARE PREMIUM AND RESERVES

Movements in the share premium and reserves of the Group and the Company during the year are set out in note 28 to the financial statements.

TANGIBLE FIXED ASSETS

During the year,

- (a) certain properties for own use were reclassified as investment properties.
- (b) the Group acquired property, plant and equipment at an aggregate cost of HK\$25 million.
- (c) the Group disposed of its investment properties and properties for own use for a total consideration of HK\$136 million.

董事會同寅謹此提呈截至二零零五年四月三十日止年度之年報及經審核財務報告。

主要業務

本公司為投資控股公司，其主要附屬公司及聯營公司之業務分別載於財務報告附註19及20。

業績

本集團截至二零零五年四月三十日止年度之業績載於第38頁之綜合收益表。

股本及認股權證

本公司年內股本及認股權證之變動載於財務報告附註27。

股份溢價及儲備

本集團及本公司之股份溢價及儲備年內之變動載於財務報告附註28。

有形固定資產

年內，

- (a) 若干自用物業重新分類為投資物業。
- (b) 本集團以25,000,000港元之總成本添置物業、機器及設備。
- (c) 本集團以136,000,000港元之總代價出售其投資物業及自用物業。

Director's Report

董事會報告

TANGIBLE FIXED ASSETS (continued)

Details of these and other movements in the investment properties and property, plant and equipment of the Group during the year are set out in notes 16 and 17 to the financial statements respectively.

MAJOR CUSTOMERS AND SUPPLIERS

For the year ended 30th April, 2005, the percentages of the Group's turnover and purchases attributable to its major customers and suppliers are as follows:

有形固定資產 (續)

本集團投資物業與物業、機器及設備於年內就上述及其他之變動詳情分別載於財務報告附註16及17。

主要客戶及供應商

截至二零零五年四月三十日止年度，主要客戶及供應商所佔本集團之營業額及採購額之百分比如下：

		%
Turnover attributable to:	所佔營業額：	
Largest customer	最大客戶	51
Five largest customers	五大客戶	71
Purchases attributable to:	所佔採購額：	
Largest supplier	最大供應商	17
Five largest suppliers	五大供應商	48

ASAT Limited is the largest customer of the Group referred to above. Details of the transactions between the Group and ASAT Limited are set out in note 38 to the financial statements. ASAT Limited is a wholly-owned subsidiary of ASAT Holdings Limited ("ASAT"), an indirect associate of the Company. In the opinion of the directors, such transactions were carried out on terms no more favourable than terms available to independent third parties.

樂依文科技有限公司為上文所指之本集團最大客戶。有關本集團與樂依文科技有限公司之交易詳情載於財務報告附註38。樂依文科技有限公司為本公司之間接聯營公司ASAT Holdings Limited (「樂依文」) 之全資附屬公司。董事認為，該等交易之條款並不遜於與獨立第三者交易之條款。

Save as aforementioned, at no time during the year did a director, an associate of a director or a shareholder of the Company (which to the knowledge of the directors of the Company owned more than 5% of the Company's issued share capital) have an interest in any of the Group's five largest customers or suppliers.

除上述者外，本公司各董事、其聯繫人士或股東(就本公司董事所知擁有本公司已發行股本超過5%者)於本年度內任何時間均並無擁有本集團五大客戶或供應商任何權益。

Director's Report

董事會報告

DIRECTORS

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

Mr. Li Tung Lok (*Chairman*)
Mr. Henry Cheng Hoi Tao
Mr. Robert Charles Nicholson *
Mr. Robert Sze Tsai To*
Mr. Alex Wong Chun Bong*

* *Independent non-executive director*

In accordance with the Bye-law 102 of the Company's Bye-laws, any director so appointed by the board to fill a casual vacancy or as an addition to the board shall hold office only until the next following annual general meeting of the Company and shall then be eligible for re-election at that meeting.

DIRECTORS' INTERESTS AND SHORT POSITION IN SHARES AND UNDERLYING SHARES

At 30th April, 2005, the interests and short position of the directors of the Company and their associates in the share capital and underlying shares attached to derivatives of the Company or any of its associated corporations as recorded in the register maintained by the Company pursuant to Section 352 of the Securities and Futures Ordinance ("SFO") were as follows:

董事

本年度及截至本報告日期之本公司董事如下：

李同樂先生 (主席)
鄭海滔先生
黎高信先生 *
史習陶先生 *
王振邦先生 *

* 獨立非執行董事

按照本公司之公司細則第102條，任何如此獲董事會委任以填補臨時空缺或作為董事會增補人選者均將任職至本公司下屆股東週年大會為止，並合乎資格在該大會上膺選連任。

董事擁有股份及相關股份之權益及淡倉

於二零零五年四月三十日，本公司根據證券及期貨條例（「證券及期貨條例」）第352條而設立之登記名冊所載，本公司董事及彼等之聯繫人士擁有本公司或其任何相聯法團之股本及衍生工具所附相關股份之權益及淡倉如下：

Director's Report

董事會報告

DIRECTORS' INTERESTS AND SHORT POSITION IN
SHARES AND UNDERLYING SHARES (Continued)

(a) The Company

董事擁有股份及相關股份之
權益及淡倉 (續)

(a) 本公司

Name of director 董事姓名		Number of issued ordinary shares/underlying shares attached to derivatives 已發行普通股/衍生工具所附相關股份數目			Total 總計	Percentage of the issued share capital of the Company 佔本公司 已發行股本 百分比
		Personal interests 個人權益	Family interests 家屬權益	Corporate interests 公司權益		
Mr. Li Tung Lok	李同樂先生					
- Ordinary shares in issue	- 已發行普通股	181,487,246	2,500,000 (Note 附註 a)	15,492,454 (Note 附註 b)	199,479,700	
- Listed warrants	- 上市認股權證	36,297,449	500,000 (Note 附註 a)	3,098,490 (Note 附註 b)	39,895,939	
- Unlisted share options	- 非上市購股權	12,725,000	-	-	12,725,000	
Long position	好倉	230,509,695	3,000,000	18,590,944	252,100,639	39.43%
Short position	淡倉	-	-	-	-	-
Mr. Henry Cheng Hoi Tao	鄭海滔先生					
- Ordinary shares in issue	- 已發行普通股	100,000	-	-	100,000	
- Listed warrants	- 上市認股權證	20,000	-	-	20,000	
- Unlisted share options	- 非上市購股權	185,000	-	-	185,000	
Long position	好倉	305,000	-	-	305,000	0.05%
Short position	淡倉	-	-	-	-	-

Notes:

- (a) The family interests of 2,500,000 shares and 500,000 underlying shares attached to warrants represent the interest of the wife of Mr. Li Tung Lok.
- (b) Mr. Li Tung Lok is the controlling shareholder of Solar Forward Company Limited which owns 15,492,454 shares and 3,098,490 underlying shares attached to warrants of the Company.

附註:

- (a) 家屬權益之2,500,000股股份及500,000份認股權證所附相關股份乃李同樂先生之妻子之權益。
- (b) 李同樂先生乃Solar Forward Company Limited之控股股東，而該公司持有本公司15,492,454股股份及3,098,490份認股權證所附相關股份。

Director's Report

董事會報告

DIRECTORS' INTERESTS AND SHORT POSITION IN
SHARES AND UNDERLYING SHARES (Continued)

(b) Associated corporation

董事擁有股份及相關股份之
權益及淡倉 (續)

(b) 相聯法團

Number of issued ordinary shares/
underlying shares attached to derivatives of ASAT
樂依文之已發行普通股/衍生工具所附相關股份數目

Name of director 董事姓名		Personal interests 個人權益	Family interests 家屬權益	Corporate interests 公司權益	Total 總計	Percentage of the issued share capital of ASAT 佔樂依 文已發行 股本百分比
Mr. Li Tung Lok	李同樂先生					
- Ordinary shares in issue	- 已發行普通股	1,448,000	-	-	1,448,000	
- Unlisted share options	- 非上市購股權	2,500,000	-	-	2,500,000	
Long position	好倉	3,948,000	-	-	3,948,000	0.58%
Short position	淡倉	-	-	-	-	-

Save as disclosed herein and for shares in subsidiaries held by the directors in trust for their immediate holding companies, at 30th April, 2005, none of the directors or chief executives of the Company, nor their associates, had any interest or short position in any securities or derivative of the Company or any of its associated corporations as defined in the SFO.

除上文所披露者及董事以信託方式代直接控股公司持有附屬公司之股份外，於二零零五年四月三十日，本公司董事、主要行政人員或彼等之聯繫人士概無擁有本公司或其任何相聯法團(定義見證券及期貨條例)之任何證券或衍生工具之任何權益或淡倉。

Director's Report

董事會報告

REQUIRED STANDARD OF SECURITIES DEALINGS BY DIRECTORS

During the year under review, the Company had adopted a code of conduct for directors' securities transactions on terms no less exacting than the required standard of dealing set out in Appendix 10 of the Rules Governing the Listing of Securities (the "Listing Rules").

Having made specific enquiry with all the directors, the directors of the Company confirmed that they had complied with the required standard of dealings and the code of conduct for directors' securities transactions during the year under review.

SHARE OPTIONS

(a) The Company

Particulars of the Company's share option scheme are set out in note 27 to the financial statements.

The following table discloses movements in the Company's share options during the year:

	Option type	Outstanding at 1st May, 2004 於 二零零四年 五月一日 尚未行使	Lapsed during the year 本年度 失效	Outstanding at 30th April, 2005 於 二零零五年 四月三十日 尚未行使
Category 1: Directors	第一類：董事			
Mr. Li Tung Lok	李同樂先生	A 12,725,000	-	12,725,000
Mr. Henry Cheng Hoi Tao	鄭海滔先生	A 185,000	-	185,000
Total	總計	12,910,000	-	12,910,000
Category 2: Employees	第二類：僱員			
	A	7,375,000	(1,094,000)	6,281,000
	B	100,000	-	100,000
Total	總計	7,475,000	(1,094,000)	6,381,000
Total all categories	所有類別總計	20,385,000	(1,094,000)	19,291,000

董事證券交易之必守標準

於回顧年度內，本公司已採納一套不低於證券上市規則（「上市規則」）附錄10所規定之交易必守標準之董事證券交易守則。

經向所有董事作出特定查詢後，本公司董事確認，彼等於回顧年度內一直遵守交易必守標準及董事證券交易守則。

購股權

(a) 本公司

本公司購股權計劃之詳情載於財務報告附註27。

下表披露本公司購股權於年內之變動：

Director's Report

董事會報告

SHARE OPTIONS (Continued)

(a) The Company (Continued)

Details of specific categories of options are as follows:

Option type 購股權類別	Date of grant 授出日期	Exercise period 行使期	Exercise price 行使價
			HK\$ 港元
A	28th April, 2000 二零零零年 四月二十八日	28th April, 2000 to 25th May, 2005 二零零零年四月二十八日 至二零零五年五月二十五日	7.97
B	31st May, 2000 二零零零年 五月三十一日	31st May, 2000 to 25th June, 2005 二零零零年五月三十一日 至二零零五年六月二十五日	8.40

(b) Associated corporation

Pursuant to a Stock Option Exchange Program offered by ASAT in prior years, 2,500,000 new stock options were granted to Mr. Li Tung Lok on 29th August, 2003, as follows:

Date of grant 授出日期	Date of acceptance 接納日期	Date of expiry 屆滿日期	Vesting period from Vesting Commencement Date (i.e. 24th August, 2001) 自賦予開始日期 (即二零零一年 八月二十四日) 起計之權利賦予期	Subscription price per ADS (Note) 每股 預託證券之 認購價 (附註)	Number of ordinary share options outstanding at 30th April, 2005 於二零零五年 四月三十日 尚未行使之 普通股 購股權數目
29th August, 2003 二零零三年 八月二十九日	27th October, 2003 二零零三年 十月二十七日	28th August, 2013 二零一三年 八月二十八日	1 year 一年	1.44	2,500,000
				US\$ 美元	

Note: One American Depositary Share ("ADS") represents 5 ordinary shares of ASAT.

No options were exercised during the year.

購股權 (續)

(a) 本公司 (續)

個別類別購股權詳情如下：

(b) 相聯法團

根據樂依文往年所提出之購股權交換計劃，李同樂先生於二零零三年八月二十九日獲授 2,500,000 份新購股權，詳情如下：

附註：每股美國預託證券（「預託證券」）相等於 5 股樂依文普通股。

年內概無購股權獲行使。

Director's Report

董事會報告

ARRANGEMENTS TO PURCHASE SHARES OR DEBENTURES

Except for the share options granted to certain directors of the Company as described in the sections headed "Directors' Interests and Short Position in Shares and Underlying Shares" and "Share Options", at no time during the year was the Company or any of its subsidiaries a party to any arrangements to enable the directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate, and none of the directors or chief executives, nor their spouses or children under the age of 18, had any right to subscribe for the securities of the Company, or had exercised any such right during the year.

DIRECTORS' INTERESTS IN CONTRACTS OF SIGNIFICANCE

- (a) In prior year, the Group entered into a tenancy agreement for a lease period of 3 years with ASAT Limited for leasing certain properties to ASAT Limited at the fair market rental. The agreement terminated on 29th April, 2005 when the Group disposed of its investment properties.
- (b) In August 2004, QPL Limited, a wholly-owned subsidiary of the Company, entered into a pull system programme with ASAT Limited, a wholly-owned subsidiary of ASAT, for reducing delivery cycle time by maintaining minimum inventory level agreed by both parties. For finished goods produced by QPL Limited pursuant to forecast provided by ASAT Limited but remained undelivered for over 3 months, ASAT Limited is liable for paying 50% of sale prices of these undelivered finished goods to QPL Limited.

購買股份或債券之安排

除「董事擁有股份及相關股份之權益及淡倉」及「購股權」兩節所述本公司若干董事獲授之購股權外，本公司或其任何附屬公司於年內任何時間並無參與任何安排，使本公司董事可藉購入本公司或任何其他法人團體之股份或債券而獲益，而各董事、主要行政人員、彼等之配偶或18歲以下之子女於本年度內亦無擁有或行使任何可認購本公司證券之權利。

董事於重要合約之利益

- (a) 去年，本集團與樂依文科技有限公司訂立為期三年之租約，以公平市值租金向樂依文科技有限公司出租若干物業。該租約已於二零零五年四月二十九日本集團出售其投資物業時終止。
- (b) 二零零四年八月，本公司之全資附屬公司品質有限公司與樂依文之全資附屬公司樂依文科技有限公司訂立拉動系統計劃，以透過維持雙方協定之存貨下限水平而減低付運週期時間。因應樂依文科技有限公司之預測由品質有限公司生產，惟於三個月後仍未付運之製成品，樂依文科技有限公司須向品質有限公司支付該等未付運製成品之一半售價。

Director's Report

董事會報告

DIRECTORS' INTERESTS IN CONTRACTS OF SIGNIFICANCE (Continued)

(c) The Group entered into an agreement with ASAT group under which ASAT group provides the Group with management information services and in return, the Group pays a portion of ASAT group's costs associated with its management information system operation subject to an adjustment according to usage as agreed between ASAT group and the Group.

Details of the Group's transactions with ASAT group are set out in note 38 to the financial statements. In the opinion of the directors of the Company, these transactions were carried out in the ordinary course of business of the Group and on normal commercial terms.

Save as aforementioned, no contract 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.

MANAGEMENT CONTRACTS

No contract of significance concerning the management and administration of the whole or any substantial part of the business of the Company or any of its subsidiaries was entered into during the year or subsisted at the end of the year.

No director was a party to a service contract with the Company or any of its subsidiaries which is not determinable by the employing company within one year without the payment of compensation (other than statutory compensation).

董事於重要合約之利益 (續)

(c) 本集團與樂依文集團訂立協議，據此，樂依文集團向本集團提供管理資訊系統服務，而本集團則承擔樂依文集團有關其管理資訊系統作業之部分成本，惟可按用量經樂依文集團與本集團協商後作出調整。

本集團與樂依文集團交易之詳情載於財務報告附註38。本公司董事認為，該等交易於本集團日常業務中按照一般商業條款進行。

除上述者外，於年終或年內任何時間，本公司或其任何附屬公司概無訂立本公司董事直接或間接擁有重大利益之其他重要合約。

管理合約

於年內或年結日時並無就本公司或其任何附屬公司之全部或任何重大部份業務之管理及行政事務而簽訂或存在之重大合約。

董事概無與本公司或其任何附屬公司簽訂僱用公司在一年內不支付賠償(法定賠償除外)則不得終止之服務合約。

Director's Report

董事會報告

DISCLOSURE PURSUANT TO CHAPTER 13 OF THE LISTING RULES

At 30th April, 2005, the Group has obtained secured borrowings of RMB57.5 million (approximately HK\$55 million) requiring an undertaking from Mr. Li Tung Lok, a director and a substantial shareholder of the Company, to maintain no less than 20% of the issued shares of the Company throughout the loan period. Details are as follows:

根據上市規則第13章作出之披露

於二零零五年四月三十日，本集團獲得人民幣57,500,000元（約55,000,000港元）之有抵押長期借貸，須由本公司董事兼主要股東李同樂先生於整個借貸期間作出承諾，持有本公司已發行股份不少於20%。有關詳情如下：

Type 種類	Outstanding amount 未償還金額	Tenure 年期
Secured long term loan 有抵押長期貸款	(i) RMB22.5 million	3 years ending in August 2006
	(i) 人民幣22,500,000元	三年，於二零零六年八月到期
	(ii) RMB20 million	3 years ending in March 2007
	(ii) 人民幣20,000,000元	三年，於二零零七年三月到期
	(iii) RMB15 million	2 years ending in July 2007
	(iii) 人民幣15,000,000元	兩年，於二零零七年七月到期

SUBSTANTIAL SHAREHOLDERS

At 30th April, 2005, to the best knowledge of the directors, the following parties (other than directors or chief executives of the Company) were recorded in the register kept by the Company under Section 336 of SFO and have relevant interests in the issued share capital of the Company.

主要股東

於二零零五年四月三十日，就董事所知及本公司根據證券及期貨條例第336條存置之登記冊所示，以下人士（本公司董事或主要行政人員除外）於本公司已發行股本中擁有相關權益。

Name of shareholders 股東名稱	Number of shares 股份數目	Percentage of the issued share capital of the Company 佔本公司已 發行股本之 百分比
Value Partners Limited 惠理基金管理公司 (Note 附註 1)	37,302,000	5.83
Mr. Cheah Cheng Hye 謝清海先生 (Note 附註 2)	37,302,000	5.83

Director's Report

董事會報告

SUBSTANTIAL SHAREHOLDERS (Continued)

Notes:

1. Value Partners Limited holds the shares in a capacity of investment manager.
2. Mr. Cheah Cheng Hye holds a 31.82% equity interest in Value Partners Limited and is accordingly deemed to be interested in the shares.

Save as disclosed above, the Company has not been notified of any other interest representing 5% or more of the issued share capital of the Company and recorded in the register of substantial shareholders maintained under Section 336 of the SFO as at 30th April, 2005.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

During the year, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed shares and warrants.

PRE-EMPTIVE RIGHTS

There are no provisions for pre-emptive rights under the Company's Bye-laws or under the laws of Bermuda, which would oblige the Company to offer new shares on a pro-rata basis to existing shareholders.

AUDIT COMMITTEE

The Audit Committee meets and communicates regularly with the Group's senior management and the external auditors to consider and review the Group's financial statements, the nature and scope of audit and review, and the effectiveness of internal control systems and its compliance. The members consist of Mr. Robert Sze Tsai To, Mr. Robert Charles Nicholson and Mr. Alex Wong Chun Bong.

主要股東 (續)

附註：

1. 惠理基金管理公司以投資經理身份持有該等股份。
2. 謝清海先生持有惠理基金管理公司31.82%之股本權益，故被視為擁有該等股份。

除以上披露外，於二零零五年四月三十日，本公司並不知悉有任何其他人士擁有5%或以上本公司已發行股本，並記錄於根據證券及期貨條例第336條存置之主要股東名冊內。

購買、出售或贖回上市證券

本公司及其任何附屬公司於年內概無購買、出售或贖回本公司任何上市股份及認股權證。

優先購買權

本公司之公司細則或百慕達法例並無優先購買權之規定，規定本公司須按比例向現有股東發售新股份。

審核委員會

審核委員會與本集團之高級管理層及外界核數師定期舉行會議及溝通，以省覽及審閱本集團之財務報告、審核及審閱之性質及範圍、以及內部監控系統是否有效及遵守有關規例。委員會成員包括史習陶先生、黎高信先生及王振邦先生。

Director's Report

董事會報告

CORPORATE GOVERNANCE

The Company has complied throughout the year ended 30th April, 2005 with the Code of Best Practice (in force for accounting periods commencing before 1st January, 2005) as set out in Appendix 14 of the Listing Rules except that the non-executive directors were not appointed for a specific term.

The Company has adopted the Model Code as set out in Appendix 10 of the Listing Rules. All directors of the Company confirmed, following specific enquiry by the Company, that they have complied with the required standard set out in the Model Code for the year ended 30th April, 2005.

The Company has received from each of the independent non-executive directors, a written confirmation of their respective independence to the Company, pursuant to Rule 3.13 of the Listing Rules. The Company considers all the independent non-executive directors are independent.

SUFFICIENCY OF PUBLIC FLOAT

According to the information that is publicly available to the Company and within the knowledge of the Board, the percentage of the Company's shares which are in the hands of the public exceeds 25% of the Company's total number of issued shares as at 23rd August, 2005, the latest practicable date to ascertain such information prior to the issue of this annual report.

公司管治

除非執行董事並無指定任期外，本公司於截至二零零五年四月三十日止年度一直遵守上市規則附錄14所載之最佳應用守則（於二零零五年一月一日前開始之會計期間有效）。

本公司已採納上市規則附錄10所載之標準守則。經本公司向全體董事作出特定查詢後，本公司董事確認，彼等於截至二零零五年四月三十日止年度一直遵守標準守則所規定之標準。

本公司已收到每一位獨立非執行董事根據上市規則第3.13條規定就有關彼等之獨立性發出之確認函。本公司認為全體獨立非執行董事均屬獨立人士。

足夠公眾持股量

根據本公司獲得之公開資料及據董事會所知，於二零零五年八月二十三日（即本年報刊發前確定該等資料的最後實際可行日期），公眾人士所持有本公司股份超過本公司已發行股份總數25%。

Director's Report

董事會報告

POST BALANCE SHEET EVENTS

Details of significant post balance sheet events are disclosed in note 39.

AUDITORS

A resolution will be submitted to the Annual General Meeting of the Company to re-appoint Messrs. Deloitte Touche Tohmatsu as auditors of the Company.

On behalf of the Board

Li Tung Lok

Chairman

Hong Kong, 23rd August, 2005

結算日後事項

有關結算日後事項之詳情於附註39披露。

核數師

於本公司股東週年大會上將提呈關於續聘德勤•關黃陳方會計師之決議案。

承董事會命

主席

李同樂

香港，二零零五年八月二十三日