QPL INTERNATIONAL HOLDINGS LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 243)

INTERIM RESULTS ANNOUNCEMENT
FOR THE SIX MONTHS ENDED 31 OCTOBER 2007

FINANCIAL HIGHLIGHTS

	Six months ended 31 October		**Increase/ (Decrease)**	
	2007	2006	Amount	%
Turnover *(HK$'M)*	**155**	153	2	1
Loss for the period, before gains (losses) arising from changes in fair value of derivative financial instruments *(HK$'M)*	**(8)**	(23)	15	65
Profit (loss) for the period *(HK$'M)*	**2**	(40)	42	105
Earning (loss) per share *(HK$)*	**0.003**	(0.05)	0.053	106

	As at 31 October 2007	As at 30 April 2007	Decrease in %
Net debt gearing ratio (%) *(Note)*	**14%**	28%	14%

Note: *Net debt gearing ratio is defined as total debts, including borrowings, trust receipt loans and bill payables less bank balances and cash over shareholders' equity.*

CHAIRMAN'S STATEMENT

RESULTS FOR THE FIRST HALF YEAR

For the six months ended 31 October 2007, the Group recorded a turnover of HK$155 million, representing a 1% increase or a rise of HK$2 million, from HK$153 million for the corresponding period last year. The Group's unaudited consolidated profit for the period under review amounted to HK$2 million (2006: loss of HK$40 million) which comprised HK$10 million of gains (2006: losses of HK$17 million) arising from the change in fair value of derivative financial instruments and a gain on disposal of available-for-sale investments of HK$15 million (2006: Nil). Note that the change in fair value of derivative financial instruments was driven, among other factors, by changes in the underlying stock market prices of ASAT Holdings Limited ("ASAT") between the balance sheet dates of 30 April and 31 October 2007. As further explained in the last paragraph under Major Associate – ASAT below, the ASAT's securities are currently not in compliance of the relevant NASDAQ rules and accordingly ASAT is subject to delisting from the NASDAQ Capital Market, if compliance cannot be demonstrated by the stipulated dates.

Basic earning per share for the period under review was HK$0.003 (2006: loss per share of HK$0.05). Net debt gearing ratio also improved to 14% as at balance sheet date, as compared to 28% at the start of the period under review.

PERFORMANCE REVIEW

During the period under review, there was a slight increase in Group's turnover. Turnover generated from ASAT continued to drop representing 23% in current reporting period when compared to 25% for the corresponding period. The Company continued to diversify its customer base in its bid to reduce over reliance on any one single customer. During the period, the Company operated against cost increase challenges as its manufacturing base namely China continued to experience robust economic growth; resulting in base wage levels and staff benefits surging, rampant inflation and appreciation of the Renminbi ("RMB") against the United States dollar ("US Dollar") in which the Company's revenue is denominated. Accordingly, the Company continued its Total Quality Management program to improve operating efficiencies thereby mitigating the effects of operating cost increases.

In recent years, China has stepped up environmental awareness and has increased its surveillance of factories, especially those which may generate significant quantities of waste, among which the Company is one. Throughout the years, the Company has complied fully with all relevant environmental requirements and in 2006 its main etching facility was recognized as a "China Environmental Friendly Enterprise", in appreciation of the Company's efforts in sustaining the environment by strict controls over effluent discharges while optimizing the re-use of resources including energy and water. While these conservation measures reduce operating costs, the Company expects the goodwill generated by the hard-won award to help bring in more business especially from those customers who demand that its suppliers are environmentally focused.

MAJOR ASSOCIATE – ASAT

ASAT reported a net revenue of approximately US$78 million (equivalent to approximately HK$604 million) for the six months ended 31 October 2007, or a drop in net revenue of 11% as compared to US$87.3 million (equivalent to approximately HK$679 million) for the corresponding period in 2006. Since September 2006, Mr. Li Tung Lok, director of the Company, has also been appointed as acting chief executive officer of ASAT. With the move to China completed, ASAT's China plant has been generating significant cost savings and productivity gains. Accordingly, despite the drop in revenue of 11% as mentioned above for the period under review, ASAT reported a net loss of US$10.9 million (equivalent to approximately HK$84 million) on its accounts prepared in accordance with accounting principles generally accepted in the United States of America, as compared to a net loss of US$16.4 million (equivalent to approximately HK$127 million) in the corresponding period.

The Group held 42.69% of ASAT with nil carrying value as at 31 October 2007. The Group has continued to derecognise its share of losses of ASAT for the period under review except for additional investment in ASAT comprising HK$1 million loan portion of convertible preferred shares in ASAT, which formed part of the investment in ASAT, and a receipt of preferred share dividend in the current period in the form of ordinary shares of ASAT at a value of approximately HK$4 million, received by the Group due to its holding of convertible preferred shares in ASAT which carry a preference dividend at the rate of 13% per annum payable semi-annually either in cash or in ordinary shares, at the option of ASAT. The unrecognised share of losses for the period and accumulated unrecognised share of losses amounted to HK$42 million (2006: HK$36 million) and HK$382 million (30 April 2007: HK$340 million) respectively.

By reference to the closing price of American Depository Share ("ADS") of ASAT on the NASDAQ Market at balance sheet date, the market value of ASAT attributable to the Group as at 31 October 2007 was HK$214 million (30 April 2007: HK$176 million).

In January 2008, ASAT received NASDAQ compliance letters stating that ASAT's ADS bid price had closed below US$1 for the prior 30 consecutive business days, and that the value of its listed securities has been below US$35 million, as required for continued inclusion on the NASDAQ Capital Market. If compliance cannot be demonstrated by 1 July 2008, in respect of ADS bid price attaining US$1 or more for a minimum of 10 consecutive business days; or by 4 February 2008, in respect of the value of its listed securities attaining US$35 million or more for a minimum of 10 consecutive business days; the NASDAQ Staff will provide written notification that ASAT's securities will be delisted. At that time, ASAT may appeal the NASDAQ Staff's determination to a Listing Qualification Panel.

OUTLOOK

In November 2007, the Semiconductor Industry Association projected the worldwide sales to grow with a compound annual growth rate of 7.7% for the forecast period of 2007-2010.

For the last two months in 2007, the average monthly turnover of the Group increased over the average attained during the period under review by approximately 9%. The year 2008 began with a worsening of the financial position in the United States of America and Europe which can be expected to impact consumer confidence. A significant portion of the Company's ultimate customers trade in these markets. Accordingly, the Company's existing sales revenues may be negatively affected if the financial downturn is prolonged. To address this concern for future sales, and in the context of rising costs in China as more fully described under Performance Review above, the Company continues to diversify its customer base while improving operating efficiency. Based on the improvement in trading results in the current period and the continuing increase in turnover, and barring the effects of an economic downturn, we are cautiously optimistic on the achievement of better results.

FINANCIAL REVIEW

During the period under review, the Group repaid certain bank and other loans in the sum total of HK$18 million. As at 31 October 2007, the Group's total outstanding debts of HK$53 million (30 April 2007: HK$82 million) comprised of HK$26 million (30 April 2007: HK$37 million) trust receipt loans and bill payables, HK$17 million (30 April 2007: HK$35 million) other secured loans and HK$10 million (30 April 2007: HK$10 million) loan from a director. In terms of maturity, the borrowings of HK$44 million (30 April 2007: HK$82 million) or 83% (30 April 2007: 100%) of the total debts will be repayable within one year; with the balance repayable in the second year. In terms of interest bearing, HK$43 million (30 April 2007: HK$72 million) was interest bearing and HK$10 million (30 April 2007: HK$10 million) was interest free. In terms of currency denomination, approximately 34% (30 April 2007: 28%) was denominated in US Dollar, approximately 30% (30 April 2007: 43%) was denominated in RMB and approximately 36% (30 April 2007: 29%) was denominated in Hong Kong Dollar.

DISTRIBUTION

The directors do not recommend the payment of an interim dividend for the period under review (2006: Nil).

PLEDGE OF ASSETS

At 31 October 2007, plant and equipment with a carrying value of approximately HK$30 million (30 April 2007: HK$32 million) were pledged to secure certain banking facilities, bank loan and other loans granted to the Group.

CAPITAL EXPENDITURE

During the period under review, the Group invested HK$4 million (2006: HK$4 million) in acquiring property, plant and equipment. This capital expenditure was wholly financed from internal resources.

EMPLOYEES AND EMOLUMENT POLICY

At 31 October 2007, the Group, other than ASAT, employed approximately 1,980 employees as compared to approximately 2,140 employees as at 30 April 2007. The Group continues to maintain its remuneration policy comprising salary and other benefits including a share option scheme, as an integral part of Total Quality Management.

DISCLOSURE PURSUANT TO CHAPTER 13 OF THE LISTING RULES

At 31 October 2007, the Group has obtained secured borrowings of RMB16 million (equivalent to approximately HK$17 million) requiring an undertaking from Mr. Li Tung Lok, a director and a substantial shareholder of the Company, to maintain no less than 20% respectively of the issued shares of the Company throughout the loan period. Details are as follows:

Type	**Outstanding amount**	**Revised tenure**
Other secured long term loan	RMB16 million	2 year ending in January 2009

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

There was no purchase, sale or redemption by the Company or any of its subsidiaries of listed securities of the Company during the period.

CORPORATE GOVERNANCE REPORT

COMPLIANCE WITH THE CG CODE

Throughout the six months ended 31 October 2007, the Company has applied the principles and complied with all the code provisions set out in the Code on Corporate Governance Practices contained in Appendix 14 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "CG Code") except for the deviation from Code Provision A.4.2 in relation to retirement by rotation of every director.

Code Provision A.4.2 of the CG Code stipulates that every director, including those appointed for a specific term, should be subject to retirement by rotation at least once every three years. Under the Bye-laws of the Company, directors of the Company (the "Directors") holding office as executive chairman and/or managing director are, by virtue of Bermuda law, exempted from retirement by rotation. As the executive Chairman of the board of Directors (the "Board"), Mr. Li Tung Lok is not subject to retirement by rotation. In order to comply with Code Provision A.4.2, Mr. Li Tung Lok has agreed to voluntarily retire and be re-elected at least once every three years. At the annual general meeting of the Company held on 29 November 2006, Mr. Li Tung Lok voluntarily retired from office and was re-elected as an executive Director. Mr. Li Tung Lok continues to act as the Chairman of the Board.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Board has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix 10 of the Listing Rules for dealings in the securities of the Company by Directors. All Directors have confirmed, following specific enquiry by the Company, that they have fully complied with the required standard set out in the Model Code and its code of conduct regarding directors' transactions throughout the six months ended 31 October 2007.

AUDIT COMMITTEE

Throughout the six months ended 31 October 2007 and up to the date of the interim report of the Company for the six months ended 31 October 2007, the Audit Committee consists of three independent non-executive Directors, namely, Mr. Sze Tsai To Robert (being the Chairman of the Audit Committee), Mr. Robert Charles Nicholson and Mr. Wong Chun Bong Alex. Mr. Sze Tsai To Robert and Mr. Wong Chun Bong Alex are qualified accountants with extensive experience in accounting, audit and financial matters.

The interim report of the Company for the six months ended 31 October 2007 has been reviewed by the Audit Committee.

UNAUDITED INTERIM RESULTS

The Board of Directors of QPL International Holdings Limited (the "Company") hereby presents the unaudited consolidated results of the Company and its subsidiaries (the "Group") for the six months ended 31 October 2007 together with comparative figures. The interim financial results and report have not been audited, but have been reviewed by the Company's auditors and audit committee.

CONDENSED CONSOLIDATED INCOME STATEMENT

FOR THE SIX MONTHS ENDED 31 OCTOBER 2007

		Six months ended 31 October	
		2007	2006
	NOTES	***HK$'M***	*HK$'M*
		(Unaudited)	(Unaudited)
Turnover	3	**155**	153
Other income	4	**29**	21
Changes in inventories of finished goods and work in progress		**5**	(3)
Raw materials and consumables used		**(76)**	(68)
Staff costs		**(49)**	(46)
Depreciation of property, plant and equipment		**(14)**	(22)
Gains (losses) arising from changes in fair value of derivative financial instruments		**10**	(17)
Other expenses		**(49)**	(50)
Interest on bank and other loans wholly repayable within five years		**(2)**	(2)
Share of loss of an associate	8	**(6)**	(5)
Profit (loss) before taxation		**3**	(39)
Taxation	5	**(1)**	(1)
Profit (loss) for the period		**2**	(40)
		HK$	*HK$*
Earning (loss) per share	7		
Basic and diluted		**0.003**	(0.05)

CONDENSED CONSOLIDATED BALANCE SHEET

AT 31 OCTOBER 2007

	NOTES	**31 October 2007** *HK$'M* **(Unaudited)**	30 April 2007 *HK$'M* (Audited)
Non-current assets			
Property, plant and equipment		**152**	162
Interest in an associate	8	**–**	–
Investment in convertible preferred shares – loan portion	9	**–**	–
		152	162
Current assets			
Inventories		**43**	37
Trade and other receivables	10	**58**	61
Trade receivable due from an associate		**21**	21
Deposits and prepayments		**6**	4
Available-for-sale investments	11	**57**	7
Derivative financial instruments	9	**60**	50
Bank balances and cash		**15**	23
		260	203
Current liabilities			
Trade and other payables	12	**36**	34
Trust receipt loans and bill payables		**26**	37
Deposits and accrued expenses		**53**	36
Current portion of borrowings		**18**	45
		133	152
Net current assets		**127**	51
		279	213
Capital and reserves			
Share capital		**61**	61
Share premium and reserves	13	**205**	148
Equity attributable to the equity holders of the parent		**266**	209
Non-current liabilities			
Long term portion of borrowings		**9**	–
Accrued expenses		**4**	4
		13	4
		279	213

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE SIX MONTHS ENDED 31 OCTOBER 2007

1. BASIS OF PREPARATION

The condensed consolidated financial statements have been prepared in accordance with the applicable disclosure requirements of Appendix 16 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and with Hong Kong Accounting Standard ("HKAS") 34 "Interim Financial Reporting" issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA").

2. PRINCIPAL ACCOUNTING POLICIES

The condensed consolidated financial statements have been prepared under the historical cost basis except for certain financial instruments, which are measured at fair values, as appropriate.

The accounting policies used in the condensed consolidated financial statements are consistent with those followed in the preparation of the Group's annual consolidated financial statements for the year ended 30 April 2007.

In the current interim period, the Group has applied, for the first time, a number of new standard, amendment and interpretations (the "new HKFRSs") issued by the HKICPA, which are effective for the Group's financial year beginning 1 May 2007. The adoption of the new HKFRSs had no material effect on the results or financial position of the Group for the current or prior accounting periods. Accordingly, no prior period adjustment has been required.

The Group has not early applied the following new and revised standards or interpretations that have been issued but are not yet effective. The directors of the Company anticipate that the application of these new and revised standards or interpretations will have no material impact on the results and the financial position of the Group.

HKAS 1 (Revised)	Presentation of financial statements[1]
HKAS 23 (Revised)	Borrowing costs[1]
HKFRS 8	Operating segments[1]
HK(IFRIC) - INT 12	Service concession arrangements[2]
HK(IFRIC) - INT 13	Customer loyalty programmes[3]
HK(IFRIC) - INT 14	HKAS 19 - The limit on a defined benefit asset, minimum funding requirements and their interaction[2]

1 Effective for annual periods beginning on or after 1 January 2009
2 Effective for annual periods beginning on or after 1 January 2008
3 Effective for annual periods beginning on or after 1 July 2008

* *IFRIC represents the International Financial Reporting Interpretations Committee*

3. TURNOVER AND SEGMENT INFORMATION

Turnover represents the amounts received and receivable for goods sold and services provided by the Group to outside customers.

The customers of the Group are currently located in the United States of America, Hong Kong, Europe, Greater China (comprising the People's Republic of China (the "PRC") (other than Hong Kong) and Taiwan), Singapore, Malaysia and other Asian countries. The geographical locations of the Group's customers are the basis on which the Group reports its primary segment information.

	Turnover Six months ended 31 October		**Segment results Six months ended 31 October**	
	2007	2006	**2007**	2006
	HK$'M	*HK$'M*	***HK$'M***	*HK$'M*
	(Unaudited)	(Unaudited)	**(Unaudited)**	(Unaudited)
United States of America	**15**	19	**–**	2
Hong Kong	**45**	57	**–**	4
Europe	**1**	1	**–**	–
Greater China	**27**	20	**1**	2
Singapore	**13**	13	**1**	1
Malaysia	**26**	21	**1**	2
Other Asian countries	**28**	22	**4**	1
Turnover and segment results	**155**	153	**7**	12
Depreciation of property, plant and equipment			**(14)**	(22)
Gains (losses) arising from changes in fair value of derivative financial instruments			**10**	(17)
Gain on disposal of a subsidiary			**–**	2
Unallocated corporate expenses			**(12)**	(12)
Gain on disposal of available-for-sale investments			**15**	–
Interest income for convertible preferred shares			**5**	5
Interest on bank and other loans wholly repayable within five years			**(2)**	(2)
Share of loss of an associate			**(6)**	(5)
Profit (loss) before taxation			**3**	(39)

4. OTHER INCOME

	Six months ended 31 October	
	2007	2006
	HK$'M	*HK$'M*
	(Unaudited)	(Unaudited)
Gain on disposal of available-for-sale investments	**15**	–
Gain on disposal of a subsidiary	**–**	2
Interest income for convertible preferred shares *(Note)*	**5**	5
Scrap sales	**8**	12
Sundry income	**1**	2
	29	21

Note: The amount includes approximately HK$4 million (2006: HK$4 million) interest income from convertible preferred shares which was received in the form of ordinary shares of ASAT Holdings Limited ("ASAT").

5. TAXATION

	Six months ended 31 October	
	2007	2006
	HK$'M	*HK$'M*
	(Unaudited)	(Unaudited)
The charge comprises:		
PRC Enterprise Income Tax	**(1)**	(1)

No provision for Hong Kong Profits Tax has been made as the Group has no estimated assessable profits for the period. Taxation arising in the PRC is calculated at the rates prevailing in the PRC.

6. DIVIDEND

The directors do not recommend the payment of an interim dividend for the six months ended 31 October 2007 (2006: Nil).

7. EARNING (LOSS) PER SHARE

The calculation of basic earning (loss) per share is based on the profit attributable to the ordinary equity holders of the parent for the period of HK$2 million (2006: loss of HK$40 million) and the weighted average number of 767,254,062 (2006: the number of 767,244,211) ordinary shares in issue during the period.

No diluted earning per share has been presented for the six months ended 31 October 2007 because the exercise price of the Company's share options and warrants were higher than the average market price per share during that period.

No diluted loss per share had been presented for the six months ended 31 October 2006 because assuming the exercise of the share options and warrants of the Company would result in a decrease in loss per share.

8. INTEREST IN AN ASSOCIATE

	At 31 October 2007	At 30 April 2007
	HK$'M	*HK$'M*
	(Unaudited)	(Audited)
Cost of investment *(Note 4)*	**15**	11
Share of post-acquisition losses	**(15)**	(11)
Carrying value at end of period/year	**–**	–
Fair value of listed investment	**214**	176

Interest in an associate represents the Group's 42.69% (30 April 2007: 42.48%) interest in the issued ordinary share capital of ASAT, a limited company incorporated in the Cayman Islands and its shares are listed on the NASDAQ. ASAT and its subsidiaries are principally engaged in the provision of assembly and testing of integrated circuits.

The following details have been extracted from the unaudited consolidated management accounts of ASAT and its subsidiaries prepared in accordance with Hong Kong Financial Reporting Standards issued by the HKICPA:

Results for the period

	Six months ended 31 October	
	2007	2006
	HK$'M	*HK$'M*
	(Unaudited)	(Unaudited)
Turnover	**604**	679
Loss for period	**(113)**	(97)
Group's share of result of the associate for the period	**(6)**	(5)

Financial position

	At 31 October 2007 HK$'M (Unaudited)	At 30 April 2007 HK$'M (Unaudited)
Non-current assets	**595**	669
Current assets	**370**	346
Current liabilities	**(461)**	(442)
Non-current liabilities	**(1,380)**	(1,380)
Net liabilities	**(876)**	(807)
Group's share of net liabilities of the associate	**–**	–

The Group has discontinued recognition of its share of losses of ASAT. The unrecognised share of losses for the period amounted to HK$42 million (2006: HK$36 million) and the accumulated unrecognised share of losses amounted to HK$382 million (30 April 2007: HK$340 million).

9. INVESTMENT IN CONVERTIBLE PREFERRED SHARES/DERIVATIVE FINANCIAL INSTRUMENTS

	At 31 October 2007 HK$'M (Unaudited)	At 30 April 2007 HK$'M (Audited)
Investment in convertible preferred shares – loan portion	**35**	34
Less: Loss allocated in excess of cost of investment	**(35)**	(34)
	–	–
Derivative financial instruments:		
Investment in convertible preferred shares – conversion option	**54**	45
Investment in warrants	**6**	5
	60	50

In November 2006, ASAT announced that the conversion price of its convertible preferred shares was reset from US$0.45 per American Depository Share ("ADS") to US$0.325 per ADS on 31 October 2006 in accordance with its Restated Articles of Association.

On initial recognition, the fair value of the straight loan feature of the convertible preferred shares was determined by using discounted cash flow calculation based upon a group of debt instruments with similar credit rating and structure and the observable financial data of ASAT. The effective interest rate for the straight loan feature was estimated at 36% per annum at initial recognition.

The fair value of the conversion option of the convertible preferred shares and the warrants were determined by using binominal model.

Key inputs into the binominal model were as follows:

	At 31 October 2007 (Unaudited)	At 30 April 2007 (Audited)
Volatility of share price	**100%**	90%
Risk free rate	**3.995%**	4.525%
Dividend yield	**0%**	0%
Option life	**3-3.5 years**	3.5-4 years

As at 31 October 2007, the fair values of the conversion option of the convertible preferred shares and the warrants valued by Vigers Appraisal & Consulting Limited, a firm of independent international assets valuers, amounted to approximately US$7 million (equivalent to HK$54 million) and US$0.8 million (equivalent to HK$6 million) respectively, resulting in gains arising from changes in fair values of approximately HK$10 million recognised in the condensed consolidated income statement, as compared to the last financial year end date.

10. TRADE AND OTHER RECEIVABLES

The Group allows a credit period ranging from 30 to 90 days to its trade customers. The following is an aged analysis of trade receivables at the reporting date:

	At 31 October 2007 *HK$'M* (Unaudited)	At 30 April 2007 *HK$'M* (Audited)
Trade receivables		
Within 30 days	**20**	25
Between 31 and 60 days	**16**	16
Between 61 and 90 days	**6**	6
Over 90 days	**12**	10
	54	57
Other receivables	**4**	4
	58	61

11. AVAILABLE-FOR-SALE INVESTMENTS

During the period, the Company disposed of 9,920,000 ordinary shares of Wafer Systems Limited ("Wafer") which is listed on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limtied and is principally engaged in the provision of network infrastructure solutions, including network infrastructure, network management services and network software in the PRC and Hong Kong. This resulted in a gain upon disposal of approximately HK$15 million in which an approximately HK$1 million was released from the investment revaluation reserve.

As at 31 October 2007, the Company held approximately 9% equity interest in Wafer (30 April 2007: 12%) and the investments were stated at fair value of approximately HK$57 million (30 April 2007: HK$7 million) which resulting in unrealised gains from the changes in fair value of approximately HK$52 million credited to the investment revaluation reserve.

12. TRADE AND OTHER PAYABLES

The following is an aged analysis of trade payables at the reporting date:

	At 31 October 2007 *HK$'M* **(Unaudited)**	At 30 April 2007 *HK$'M* (Audited)
Trade payables		
Within 30 days	**6**	9
Between 31 and 60 days	**6**	7
Between 61 and 90 days	**5**	5
Over 90 days	**9**	4
	26	25
Other payables	**10**	9
	36	34

13. SHARE PREMIUM AND RESERVES

	Share premium *HK$'M*	Contributed surplus *HK$'M*	Capital redemption reserve *HK$'M*	Investment revaluation reserve *HK$'M*	Translation reserve *HK$M*	Share options reserve *HK$'M*	Retained profits (accumulated loss) *HK$'M*	Total *HK$'M*
Balance at 1 May 2006	148	40	12	(2)	(1)	–	27	224
Exchange difference arising on translation of foreign operations	–	–	–	–	1	–	–	1
Losses on fair value changes of available-for-sale investments	–	–	–	(1)	–	–	–	(1)
Loss for the period	–	–	–	–	–	–	(40)	(40)
Total recognised income (expenses) for the period	–	–	–	(1)	1	–	(40)	(40)
Balance at 31 October 2006	148	40	12	(3)	–	–	(13)	184
Gains on fair value changes of available-for-sale investments	–	–	–	5	–	–	–	5
Loss for the period	–	–	–	–	–	–	(41)	(41)
Total recognised income (expenses) for the period	–	–	–	5	–	–	(41)	(36)
Balance at 30 April 2007	148	40	12	2	–	–	(54)	148
Reserve released upon disposal of available-for-sale investments	–	–	–	(1)	–	–	–	(1)
Gains on fair value changes of available-for-sale investments	–	–	–	52	–	–	–	52
Profit for the period	–	–	–	–	–	–	2	2
Total recognised income for the period	–	–	–	51	–	–	2	53
Recognition of equity-settled share-based payment	–	–	–	–	–	4	–	4
Balance at 31 October 2007	**148**	**40**	**12**	**53**	**–**	**4**	**(52)**	**205**

14. EQUITY-SETTLED SHARE-BASED PAYMENT TRANSACTIONS

The Company has a share option scheme for eligible employees of the Group. Details of the share options outstanding during the current period are as follows:

	Number of share options
Granted during the period	29,325,000
Fortfeited during the period	(1,200,000)
Outstanding at the end of the period	28,125,000

The closing price of the Company's shares on 10 May 2007, the day immediately before the date of grant of the options, was HK$0.71.

In the current period, share options were granted on 11 May 2007 to different counterparties. The vesting periods are on 11 May 2007 and 11 May 2008 respectively. The fair values of the options determined at the dates of grant using the Binomial model were approximately HK$5 million.

The following assumptions were used to calculate the fair values of share options:

Grant date share price	HK$0.70
Exercise price	HK$0.70
Risk-free interest rate	4.084%
Expected option life	2 to 4 years
Expected volatility	45%
Expected dividend yield	0%

The Binomial model has been used to estimate the fair value of the options. The variables and assumptions used in computing the fair values of the share options are based on the directors' best estimate. The value of an option varies with different variables of certain subjective assumptions.

At each balance date, the Group revises its estimates of the number of options that are expected to ultimately vest. The impact of the revision of the estimates, if any, is recognised in the profit and loss, with a corresponding adjustment to the share options reserve.

15. SUBSEQUENT EVENT

In January 2008, ASAT announced it has received NASDAQ compliance letters stating that:

(i) ASAT's ADS bid price had closed below the minimum US$1 for the prior 30 consecutive business days for continued inclusion on the NASDAQ Capital Market as set forth in NASDAQ Marketplace Rule 4320(e)(2)(E)(ii) (the "Rule"). ASAT was provided with up to 1 July 2008 to regain compliance with the Rule.

(ii) The value of ASAT's listed securities has been below US$35 million as required for inclusion by NASDAQ Marketplace Rule 4320(e)(2)(B), and accordingly ASAT was provided until 4 February 2008 to regain compliance.

(iii) If compliance cannot be demonstrated by the stipulated dates above for a minmum of 10 consecutive business days, the NASDAQ Staff will provide written notification that ASAT's securities will be delisted. At that time, ASAT may appeal the NASDAQ Staff's determination to a Listing Qualification Panel.

PUBLICATION OF FINANCIAL INFORMATION

This announcement is published on the HKEx's website (http://www.hkex.com.hk) and the Company's website (http://www.qpl.com). The 2007/08 interim report of the Company containing all the information required by the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited will be published on the HKEx's website and the Company's website in due course.

APPRECIATION

I, on behalf of the Board, would take this opportunity to express my sincere gratitude to all our staff for their valuable contribution to the Group. Furthermore, I would also like to express appreciation to the Group's customers, business associates and shareholders for their continual support.

By Order of the Board
Li Tung Lok
Chairman

Hong Kong, 21 January 2008

As at the date of this announcement, the board of directors of the Company comprises of Messrs. Li Tung Lok (Chairman and Executive Director), Kwan Kit Tong Kevin (Executive Director), Robert Charles Nicholson (Independent Non-executive Director), Sze Tsai To Robert (Independent Non-executive Director) and Wong Chun Bong Alex (Independent Non-executive Director).