QPL INTERNATIONAL HOLDINGS LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 243)

INTERIM RESULTS ANNOUNCEMENT FOR THE SIX MONTHS ENDED 31 OCTOBER 2008

FINANCIAL HIGHLIGHTS

	Six months ended 31 October		**Increase (Decrease)**	
	2008	2007	Amount	%
Turnover *(HK$'M)*	**184**	155	29	19
Loss for the period, before (losses) gains arising from changes in fair value of derivative financial instruments and impairment loss *(HK$'M)*	**(18)**	(8)	10	125
(Loss) profit for the period *(HK$'M)*	**(45)**	2	(47)	(2,350)
(Loss) earning per share *(HK$)*	**(0.059)**	0.003	(0.062)	(2,066)

	As at 31 October 2008	As at 30 April 2008	Increase in %
Net debt gearing ratio (%) *(Note)*	**14%**	14%	0%

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

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 2008 together with comparative figures.

RESULTS FOR THE FIRST HALF YEAR

For the six months ended 31 October 2008, the Group recorded a turnover of HK$184 million, representing a 19% increase of HK$29 million, from HK$155 million for the corresponding period last year. The Group's unaudited consolidated loss for the period under review amounted to HK$45 million (2007: profit of HK$2 million) which comprised a HK$7 million of losses (2007: gains of HK$10 million) arising from the changes in fair value of derivative financial instruments and an impairment loss on property, plant and equipment of HK$20 million (2007: Nil). Note that the changes 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 2008. The Group's consolidated loss also reflects the lack of gain on disposal of available-for-sale investments (2007: HK$15 million) in the period under review.

Basic loss per share for the period under review was HK$0.059 (2007: earnings per share of HK$0.003). Net debt gearing ratio was maintained at 14% as at the balance sheet date, as compared to 14% the previous year.

With reference to the Company's announcement dated 17 December 2008 and the announcement released by ASAT on 17 December 2008 US time, ASAT indicated that it remained cautious about its cash flows and was in the process of obtaining additional financing. ASAT cautioned it could not provide assurance that additional financing would be obtained. To date, ASAT has made no further announcement on the status of its funding plans. It is understood that discussions between ASAT and financiers is continuing.

ASAT is the Company's largest single customer and represented 29% and 26% of total sales in the Company's interim results for the period ended 31 October 2008 and in the Company's audited results for the year ended 30 April 2008 respectively. In addition, sales to ASAT are on credit, for which no security is provided to the Company. As at 31 October 2008 and 30 April 2008, trade receivables outstanding from ASAT stood at HK$22 million and HK$27 million respectively.

Should ASAT be unable to maintain an adequate level of financing and/or suffer severe financial difficulties, this will have a material adverse impact on the sales, operations, overall results and prospects of the Company. However, as at the date hereof, the Company continues to maintain arms-length business transactions with ASAT. The Company also continues to receive purchase orders from ASAT and the Company receives settlements from ASAT according to relevant agreed credit terms. The Company continues to strengthen our resources in sales and marketing to broaden our base of customers to achieve growth in revenue.

PERFORMANCE REVIEW

During the period under review, the Group recorded a steady growth in sales by 19% from HK$155 million for the corresponding period last year. Turnover generated from ASAT increased and therefore it represented 29% of the Group's sales in the current reporting period when compared to 23% for the corresponding period. The sales to customers other than ASAT also increased by more than 8% which reflected our continuing efforts in exploring new customers to diversify our sources of sales. However, the difficult operating environment for manufacturing industries in Southern China persisted during the period under review. The Group's margin was adversely affected by the increasing labour cost in the People's Republic of China ("PRC") due to the continuing increase in the statutory minimum wage, the rising cost of raw materials such as copper and silver together with high inflation in the PRC leading to high operating and energy costs. As a result, the loss for the six months ended 31 October 2008 attributable to equity holders of parent amounted to HK$45 million (2007: profit of HK$2 million).

MAJOR ASSOCIATE – ASAT

The Group held 43.22% of ASAT with nil carrying value as at 31 October 2008. The Group has continued to derecognise its share of losses of ASAT for the period under review except for any additional investment in ASAT comprising the HK$2 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 in ASAT, at the option of ASAT. The unrecognised share of losses for the period and accumulated unrecognised share of losses amounted to HK$45 million (2007: HK$42 million) and HK$428 million (30 April 2008: HK$383 million) respectively.

By reference to the closing price of American Depository Share ("ADS") of ASAT on the Over-the-Counter Bulletin Board at balance sheet date, the market value of ASAT attributable to the Group as at 31 October 2008 was HK$27 million (30 April 2008: HK$59 million).

OUTLOOK

The impact of the financial crisis on the global economy has now begun to emerge and the economic slowdown is expected to affect the Group's major markets in East Asia and the PRC. While the outcome of the financial crisis is impossible to predict, the impact of the fall in consumer confidence and demand in electronic and semiconductor market is expected to materialise in the short run. The Group's sales in the second half of the financial year 2008/2009 will inevitably and adversely be affected.

In order to minimise the impact from the slowdown in market demand and with a view to re-stabilising to profitability, the Group will continue to focus on enhancing operational efficiency, implementing cost controls and strengthened receivables collection controls. Capital expenditure will also be reconsidered in a prudent manner to improve the Group's liquidity.

Further, the exchange rates of Renminbi against the U.S dollar and Hong Kong dollar have recently stabilized and the cost of materials and factory operating costs have been contained over the last few months. The continuance of the mentioned factors will facilitate the Group to achieve better performance once market demand picks up following market consolidation.

The Group is fully aware of the present challenges due to weak market demand and will take a cautious approach to the development of our business and exercise tighter cost control measures to take full advantage of the market recovery when it comes.

FINANCIAL REVIEW

As at 31 October 2008, the Group's total outstanding debts of HK$32 million (30 April 2008: HK$33 million) comprised of HK$13 million (30 April 2008: HK$10 million) trust receipt loans and bill payables, HK$9 million (30 April 2008: HK$13 million) other secured loans and HK$10 million (30 April 2008: HK$10 million) loans from a director. In terms of maturity, the borrowings of HK$32 million (30 April 2008: HK$33 million), of which HK$22 million will be repaid within one year and HK$10 million loans from a director have no fixed repayment term. (30 April 2008: repayable on demand). In terms of interest bearing, HK$22 million (30 April 2008: HK$23 million) was interest bearing and HK$10 million (30 April 2008: HK$10 million) was interest free. In terms of currency denomination, approximately 38% (30 April 2008: 46%) was denominated in US Dollar, approximately 28% (30 April 2008: 31%) was denominated in Renminbi ("RMB") and approximately 34% (30 April 2008: 23%) was denominated in Hong Kong Dollar.

DISTRIBUTION

The directors do not recommend the payment of an interim dividend for the period under review (2007: Nil).

PLEDGE OF ASSETS

At 31 October 2008, plant and equipment with a carrying value of approximately HK$27 million (30 April 2008: HK$29 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 (2007: 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 2008, the Group, other than ASAT, employed approximately 1,800 employees as compared to approximately 1,880 employees as at 30 April 2008. The Group continues to maintain its remuneration policy comprising salary and other benefits including share option scheme, as an integral part of Total Quality Management.

DISCLOSURE PURSUANT TO CHAPTER 13 OF THE LISTING RULES

At 31 October 2008, the Group has obtained secured borrowings of RMB8 million (equivalent to approximately HK$9 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
Secured short term loan	RMB8 million	Three months 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 2008, the Company has applied the principles and complied with all the code provisions set out in the CG Code except for the deviations explained below.

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.

Code Provisions A.2 of the CG Code stipulates that there should be a clear distinction between management of the Board and the day-to-day management of the Company's business. The division of responsibilities between the Chairman of the Board and the chief executive officer of the Company is set out in the QPL Code. Throughout the six months ended 31 October 2008, while the positions of Chairman of the Board and Chief Executive Officer were held by two different persons (being Mr. Li Tung Lok and Mr. Kwan Kit Tong Kevin, respectively), as the Chairman both managed the Board and participated in daily aspects of the Company's business, the roles of Chairman of the Board and Chief Executive Officer were in substance not properly segregated.

On the resignation of Mr. Kwan Kit Tong Kevin on 23 December 2008 as Chief Executive Officer of the Company, Mr. Li Tung Lok has the combined role of Chairman of the Board and Chief Executive Officer. The Board considers that this structure will not impair the balance of power and authority between the Board and the management of the Group as the three independent non-executive directors form the majority of the Board.

As the founder and Chairman of the Company, Mr. Li Tung Lok's industry expertise and detailed understanding of the operations is highly regarded by the Company. Accordingly, his participation at certain critical areas such as human resources and purchasing functions add significant value to the business growth.

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 2008.

AUDIT COMMITTEE

Throughout the six months ended 31 October 2008 and up to the date of the interim report of the Company for the six months ended 31 October 2008, 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 2008 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 2008 together with comparative figures. The interim financial results and report have not been audited, but has been reviewed by the Company's auditors and audit committee.

CONDENSED CONSOLIDATED INCOME STATEMENT

FOR THE SIX MONTHS ENDED 31 OCTOBER 2008

		Six months ended 31 October	
		2008	2007
	NOTES	***HK$'M***	*HK$'M*
		(Unaudited)	(Unaudited)
Turnover	*3*	**184**	155
Other income	*4*	**15**	29
Changes in inventories of finished goods and work in progress		**(3)**	5
Raw materials and consumables used		**(91)**	(76)
Staff costs		**(51)**	(49)
Depreciation of property, plant and equipment		**(11)**	(14)
Impairment loss on property, plant and equipment		**(20)**	–
(Losses) gains arising from changes in fair value of derivative financial instruments		**(7)**	10
Other expenses		**(53)**	(49)
Interest on bank and other loans wholly repayable within five years		**(1)**	(2)
Share of loss of an associate		**(6)**	(6)
(Loss) profit before taxation		**(44)**	3
Taxation	*5*	**(1)**	(1)
(Loss) profit for the period		**(45)**	2
		HK$	*HK$*
(Loss) earning per share	*7*		
Basic and diluted		**(0.059)**	0.003

CONDENSED CONSOLIDATED BALANCE SHEET
AT 31 OCTOBER 2008

	NOTES	31 October 2008 HK$'M (Unaudited)	30 April 2008 HK$'M (Audited)
Non-current assets			
Property, plant and equipment	8	**95**	122
Interest in an associate	9	**–**	–
Investment in convertible preferred shares – loan portion	10	**–**	–
		95	122
Current assets			
Inventories		**46**	38
Trade and other receivables	11	**47**	57
Trade receivable due from an associate		**22**	27
Deposits and prepayments		**8**	6
Available-for-sale investments	12	**4**	18
Derivative financial instruments	10	**6**	13
Bank balances and cash		**15**	22
		148	181
Current liabilities			
Trade and other payables	13	**38**	38
Trust receipt loans and bill payables		**13**	10
Deposits and accrued expenses		**45**	45
Borrowings		**9**	23
		105	116
Net current assets		**43**	65
		138	187
Capital and reserves			
Share capital		**61**	61
Share premium and reserves	14	**63**	122
Equity attributable to the equity holders of the parent		**124**	183
Non-current liabilities			
Loans from a director		**10**	–
Accrued expenses		**4**	4
		14	4
		138	187

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 31 OCTOBER 2008

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 2008.

In the current interim period, the Group has applied, for the first time, the following amendments and new interpretations ("new HKFRSs") issued by the HKICPA, which are effective for the Group's financial year beginning 1 May 2008.

HKAS 39 & HKFRS 7 (Amendments)	Reclassification of financial assets
HK(IFRIC)-INT 12	Service concession arrangements
HK(IFRIC)-INT 14	HKAS 19 – The limit on a defined benefit asset, minimum funding requirements and their interaction

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, amendments or interpretations that have been issued but are not yet effective.

HKFRSs (Amendments)	Improvements to HKFRSs[1]
HKAS 1 (Revised)	Presentation of financial statements[2]
HKAS 23 (Revised)	Borrowing costs[2]
HKAS 27 (Revised)	Consolidated and separate financial statements[3]
HKAS 32 & 1 (Amendments)	Puttable financial instruments and obligations arising on liquidation[2]
HKAS 39 (Amendment)	Eligible hedged items[3]
HKFRS 1 & HKAS 27 (Amendments)	Cost of an investment in a subsidiary, jointly controlled entity or associate[2]
HKFRS 2 (Amendment)	Vesting conditions and cancellations[2]
HKFRS 3 (Revised)	Business combinations[3]
HKFRS 8	Operating segments[2]
HK(IFRIC)-INT 13	Customer loyalty programmes[4]
HK(IFRIC)-INT 15	Agreements for the construction of real estate[2]
HK(IFRIC)-INT 16	Hedges of a net investment in a foreign operation[5]
HK(IFRIC)-INT 17	Distributions of non-cash assets to owners[3]

[1] Effective for annual periods beginning on or after 1 January 2009 except the amendments to HKFRS 5, effective for annual periods beginning on or after 1 July 2009
[2] Effective for annual periods beginning on or after 1 January 2009
[3] Effective for annual periods beginning on or after 1 July 2009
[4] Effective for annual periods beginning on or after 1 July 2008
[5] Effective for annual periods beginning on or after 1 October 2008

The adoption of HKFRS 3 (Revised) may affect the accounting for business combination for which the acquisition date is on or after the beginning of the first annual reporting period beginning on or after 1 July 2009. HKAS 27 (Revised) will affect the accounting treatment for changes in a parent's ownership interest in a subsidiary that do not result in a loss of control, which will be accounted for as equity transactions. The directors of the Company anticipate that the application of these new and revised standards, amendments or interpretations will have no material impact on the results and the financial position of the Group.

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, People's Republic of China (the "PRC"), 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**	
	2008	2007	**2008**	2007
	HK$'M	*HK$'M*	***HK$'M***	*HK$'M*
	(Unaudited)	(Unaudited)	**(Unaudited)**	(Unaudited)
United States of America	**15**	15	**–**	–
Hong Kong	**13**	45	**(3)**	–
Europe	**2**	1	**–**	–
PRC	**74**	27	**3**	–
Singapore	**16**	13	**1**	1
Malaysia	**19**	26	**1**	1
Other Asian countries	**45**	28	**3**	4
Turnover and segment results	**184**	155	**5**	6
Depreciation of property, plant and equipment			**(11)**	(14)
Impairment loss on property, plant and equipment			**(20)**	–
(Losses) gains arising from changes in fair value of derivative financial instruments			**(7)**	10
Unallocated corporate expenses			**(11)**	(12)
Unallocated sundry income			**1**	1
Gain on disposal of available-for-sale investments			**–**	15
Interest income for convertible preferred shares			**6**	5
Interest on bank and other loans wholly repayable within five years			**(1)**	(2)
Share of loss of an associate			**(6)**	(6)
(Loss) profit before taxation			**(44)**	3

4. OTHER INCOME

	Six months ended 31 October	
	2008	2007
	HK$'M	*HK$'M*
	(Unaudited)	(Unaudited)
Gain on disposal of available-for-sale investments	**–**	15
Interest income for convertible preferred shares *(Note)*	**6**	5
Sales of by-products and scrap	**8**	8
Sundry income	**1**	1
	15	29

Note: The amount includes approximately HK$4 million (2007: 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	
	2008	2007
	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 2008 (2007: Nil).

7. (LOSS) EARNING PER SHARE

The calculation of basic (loss) earning per share is based on the loss attributable to the ordinary equity holders of the Company for the period of HK$45 million (2007: profit of HK$2 million) and the number of 767,353,549 (2007: the weighted average number of 767,254,062) ordinary shares in issue during the period.

No diluted loss per share has been presented for the six months ended 31 October 2008 because assuming the exercise of the share options and warrants of the Company would result in a decrease in loss per share.

No diluted earning per share had 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.

8. PROPERTY, PLANT AND EQUIPMENT

For the six months ended 31 October 2008, the Group spent approximately HK$4 million (2007: HK$4 million) for the acquisition of property, plant and equipment to expand its operations.

During the period ended 31 October 2008, the directors conducted a review of the Group's property, plant and equipment and determined that a number of those assets were impaired due to the redundance of plant and machinery. Accordingly, impairment losses of HK$20 million (2007: Nil) have been recognised in respect of plant and machinery.

The recoverable amounts of the relevant assets have been determined on the basis of value in use calculation. That calculation uses cash flow projections based on financial budgets approved by the management covering a 4-year period, and discount rate of 18% (2007: 16%).

9. INTEREST IN AN ASSOCIATE

	At 31 October 2008	At 30 April 2008
	HK$'M	*HK$'M*
	(Unaudited)	(Audited)
Listed investment outside Hong Kong		
Cost of investment *(Note 4)*	**23**	19
Share of post-acquisition losses and reserves	**(23)**	(19)
	–	–
Fair value of listed investment	**27**	59

Interest in an associate represents the Group's 43.22% (30 April 2008: 42.88%) interest in the issued ordinary share capital of ASAT, a limited company incorporated in the Cayman Islands and its shares listed on the NASDAQ prior to 17 April 2008. ASAT and its subsidiaries are principally engaged in the provision of assembly and testing of integrated circuits.

On 25 March 2008, ASAT received a notice from the NASDAQ Listing Qualifications Panel determining the delisting of ASAT's securities from the NASDAQ market for its non-compliance with NASDAQ continuing listing requirements, including maintaining the market value of its listed securities over USD35 million, its shareholders' equity of above USD2.5 million and its net income of at least USD500,000 from continuing operations for the most recently completed fiscal year or two of the last three most recently completed fiscal years. On 17 April 2008, ASAT announced that its American Depository Shares started trading on the Over-the-Counter Bulletin Board under the symbol "ASTTY.OB" and delisted from NASDAQ.

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	
	2008	2007
	HK$'M	*HK$'M*
	(Unaudited)	(Unaudited)
Turnover	**707**	604
Loss for period	**(117)**	(113)
Group's share of result of the associate for the period	**(6)**	(6)

Financial position

	At 31 October	At 30 April
	2008	2008
	HK$'M	*HK$'M*
	(Unaudited)	(Audited)
Non-current assets	**434**	485
Current assets	**376**	390
Current liabilities	**(485)**	(453)
Non-current liabilities	**(1,286)**	(1,302)
Net liabilities	**(961)**	(880)
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$45 million (2007: HK$42 million) and the accumulated unrecognised share of losses amounted to HK$428 million (30 April 2008: HK$383 million).

10. INVESTMENT IN CONVERTIBLE PREFERRED SHARES/DERIVATIVE FINANCIAL INSTRUMENTS

	At 31 October 2008 HK$'M (Unaudited)	At 30 April 2008 HK$'M (Audited)
Investment in convertible preferred shares – loan portion	**40**	38
Less: Loss allocated in excess of cost of investment	**(40)**	(38)
	–	–
Derivative financial instruments:		
Investment in convertible preferred shares – conversion option	**5**	12
Investment in warrants	**1**	1
	6	13

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 2008 (Unaudited)	At 30 April 2008 (Audited)
Share price	**USD0.15**	USD0.35
Volatility of share price	**163%**	120%
Risk free rate	**1.68%**	2.49%
Dividend yield	**0%**	0%
Option life of conversion option	**2.5 years**	3 years
Option life of warrants	**2 years**	2.5 years

As at 31 October 2008, 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$0.7 million (equivalent to HK$5.4 million) and US$0.08 million (equivalent to HK$0.58 million) respectively, resulting in losses arising from changes in fair values of approximately HK$7 million recognised in the condensed consolidated income statement, as compared to the last financial year end date.

11. 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 net of allowance for bad and doubtful debts at the reporting date:

	At 31 October 2008 *HK$'M* **(Unaudited)**	At 30 April 2008 *HK$'M* (Audited)
Trade receivables		
Within 30 days	**33**	25
Between 31 and 60 days	**9**	15
Between 61 and 90 days	**3**	10
Over 90 days	**2**	1
	47	51
Other receivables	**–**	6
	47	57

12. AVAILABLE-FOR-SALE INVESTMENTS

	At 31 October 2008 *HK$'M* **(Unaudited)**	At 30 April 2008 *HK$'M* (Audited)
Listed equity securities in Hong Kong, at fair value	**4**	18

As at the reporting date, the available-for-sale investments are stated at fair value, which have been determined based on bid prices quoted in active markets.

Particulars of the investee company are as follows:

Name of company	**Place of incorporation**	**Principal activities**	**Class of shares held**	**Proportion of nominal value of issued share capital held by the Group**
MelcoLot Limited ("MelcoLot") (formerly known as Melco LottVentures Limited)	Cayman Islands	Provision of network infrastructure solutions and services	Ordinary shares	4%

MelcoLot is a company listed on the Growth Enterprise Market of The Stock Exchange of Hong Kong.

13. TRADE AND OTHER PAYABLES

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

	At 31 October 2008 *HK$'M* **(Unaudited)**	At 30 April 2008 *HK$'M* (Audited)
Trade payables		
Within 30 days	**8**	11
Between 31 and 60 days	**6**	5
Between 61 and 90 days	**4**	4
Over 90 days	**12**	8
	30	28
Other payables	**8**	10
	38	38

14. SHARE PREMIUM AND RESERVES

	Share premium *HK$'M*	**Contributed surplus** *HK$'M*	**Capital redemption reserve** *HK$'M*	**Investment revaluation reserve** *HK$'M*	**Share options reserve** *HK$'M*	**Accumulated losses** *HK$'M*	**Total** *HK$'M*
At 1 May 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
At 31 October 2007	148	40	12	53	4	(52)	205
Losses on fair value changes of available-for-sale investments	–	–	–	(37)	–	–	(37)
Loss for the period	–	–	–	–	–	(46)	(46)
At 30 April 2008	148	40	12	16	4	(98)	122
Losses on fair value changes of available-for-sale investments	–	–	–	(14)	–	–	(14)
Loss for the period	–	–	–	–	–	(45)	(45)
At 31 October 2008	**148**	**40**	**12**	**2**	**4**	**(143)**	**63**

15. 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
Outstanding at the beginning of the period	27,525,000
Forfeited during the period	(675,000)
Outstanding at the end of the period	26,850,000

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.

No options were exercised during the period. Share options were granted on 11 May 2007 to different counterparties with a vesting period of 2 years. Two-third of total share options can be exercised at any time form the date of acceptance whereas one-third of total share options can be exercised on and after the first anniversary of the grant date, provided the grantee has been in continuous employment with the Group for one year, until the date immediately preceding the fifth anniversary of the grant date. 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%

Expected volatility was determined by using the historical volatility of the Company's share price over the previous four years prior to the issuance of share option. The expected life used in the model has been adjusted, based on management's best estimate, for the effects of non transferability, exercise restrictions and behavioural considerations. The expected life of the share options is determined from 2 to 4 years, which represents the expected years of services of the employees with the Group from the date of grant up to the date of exercise of the share option.

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

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 2008/09 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
QPL International Holdings Limited
Li Tung Lok
Chairman

Hong Kong, 21 January 2009

As at the date of this announcement, the board of directors of the Company comprises of Messrs. Li Tung Lok (Chairman and Executive Director), Phen Hoi Ping Patrick (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).