

NOTES TO THE FINANCIAL STATEMENTS (continued)

14. Share Capital (continued)

Notes:

(a) Share option scheme

During the six months ended 31 October, 2000, share options to subscribe for 119,000 ordinary shares of HK\$0.08 each in the Company at the exercise price of HK\$8.40 per share from 31 May, 2000 to 27 June 2005 were granted at nominal consideration. Details of the movement in the number of options outstanding under the share option scheme are as follows:-

Balance at 1 May, 2000	於二零零零年五月一日結餘
Granted	已授出
Exercised	已行使
Lapsed	已失效
Balance at 31 October, 2000	於二零零零年十月三十一日結餘

(b) During the six months ended 31 October, 2000, the Company repurchased its own shares on The Stock Exchange of Hong Kong Limited (the "Stock Exchange") as follows:-

Month/Year 月/年	No. of shares repurchased 已購回 股份數目	Price per share paid 已付每股價格		Aggregate consideration 代價總額	
		Highest 最高	Lowest 最低		
		HK\$ 港元	HK\$ 港元	HK\$ 港元	
September 2000	二零零零年九月	4,090,000	6.400	5.000	23,645,950
October 2000	二零零零年十月	2,387,000	4.825	3.550	9,735,325
		6,477,000			33,381,275

The above shares were cancelled upon repurchase and accordingly the issued share capital of the Company was reduced by the nominal value of these shares. The premium paid on the repurchase was charged against share premium account.

財務報告附註 (續)

14. 股本 (續)

附註:

(a) 購股權

於二零零零年十月三十一日止六個月期間，按象徵式代價授出購股權，可於二零零零年五月三十一日起至二零零五年六月二十七日止期間內以每股8.40港元之行使價認購119,000股每股面值0.08港元之本公司普通股。根據購股權計劃尚未行使之購股權數目之變動詳情如下:

No. of options granted under the share option scheme 根據購股權計劃而授出 之購股權數目	
At an exercise price of HK\$7.97 per share 行使價為 每股7.97港元	At an exercise price of HK\$8.40 per share 行使價為 每股8.40港元
33,758,000	-
-	119,000
(5,833,000)	-
(469,000)	-
27,456,000	119,000

(b) 於二零零零年十月三十一日止六個月期間，本公司在香港聯合交易所有限公司（「聯交所」）購回其本身之股份如下:

以上股本在購回時被註銷，因此，本公司之已發行股本已根據該等股份面值有所下調。購回時支付之溢價已在股份溢價賬中扣除。

NOTES TO THE FINANCIAL STATEMENTS (continued)

15. Long Term Borrowings

Crystallisation of obligations under guarantees (Note) repayable within one year between two and five years over five years

Other unsecured loan

Less: Amount falling due within one year shown under current liabilities

Note: This represents current outstanding balance of obligations crystallised under guarantees provided by the Company in respect of the finance lease obligations and bank loans granted by certain bankers and finance leases companies in the United Kingdom (the "UK Lenders") and operating lease obligations and industrial grants to its former subsidiaries. During six months ended 31 October, 2000, the Company has repaid before the due date approximately HK\$190 million to the UK Lenders.

Pursuant to the Acceptance and Payment Agreement ("APA") entered into by the Company, certain subsidiaries and the UK Lenders in October, 1999, the balance falling due to the UK Lenders of approximately HK\$201 million (30 April 2000: HK\$412 million) was secured by all the Group's assets, rental income from assignment of lease and sale proceeds on sale of shares in ASAT.

財務報告附註 (續)

15. 長期借貸

	(Unaudited) (未經審核)	(Audited) (經審核)
	31 October, 2000	30 April, 2000
	二零零零年 十月三十一日	二零零零年 四月三十日
	HK\$'M	HK\$M
	百萬港元	百萬港元
須於以下期間因履行 承擔擔保責任 而償還之款項 (附註)		
一年內	93	314
兩年至五年內	141	121
五年後	60	77
	<u>294</u>	<u>512</u>
其他無抵押貸款	11	12
	<u>305</u>	<u>524</u>
減：在流動負債中呈列須於 一年內到期償還	(93)	(314)
	<u>212</u>	<u>210</u>

附註：此乃指本公司就英國若干間銀行及財務公司（「英國放款人」）所獲得之融資租約承擔及銀行貸款及就其前附屬公司之營運租約承擔及工業補助而提供之擔保所履行責任之現時未償還結餘。於截至二零零零年十月三十一日止六個月，本公司於到期前向英國放款人償還約一億九千萬港元。

根據本公司、若干附屬公司及英國放款人於一九九九年十月所訂立之承擔及還款協議（「協議」）欠負英國放款人之結餘約二億一百萬港元（於二零零零年四月三十日：四億一千二百萬港元）乃以本集團所有資產、轉讓租金收入及出售樂依文股份所得款項作為抵押。

NOTES TO THE FINANCIAL STATEMENTS (continued)

16. Capital commitments and operating lease commitments

The Group had outstanding capital commitments as follows:

Capital expenditure in respect of acquisition of property, plant and equipment
– authorised and contracted for

The Group had outstanding commitments payable within the next year under non-cancellable operating leases in respect of:

Land and buildings expiring:
– within one year

– in the second to fifth years inclusive

Plant and machinery expiring:
– within one year

– in the second to fifth years inclusive

17. Pledge of assets

As at 31 October, 2000,

- (a) The Group has pledged 70% of its interest in ASAT to the acquiring investors group led by Chase Asia Equity Partners, L.P., indemnifying them for various tax liabilities of ASAT Group. The pledge will decrease in stages to 0% over six years (subject to any tax indemnification amounts arising prior to the expiration of the six year period and remaining outstanding upon expiration of this period).
- (b) As described in note 15, a second fixed charge on all of the Group's interest in ASAT and substantially all the other assets of the Group have been pledged to the UK Lenders.

財務報告附註 (續)

16. 資本承擔及營業租賃承擔

本集團有未履行之資本承擔如下：

	(Unaudited) (未經審核) 31 October, 2000 二零零零年 十月三十一日 HK\$'M 百萬港元	(Audited) (經審核) 30 April, 2000 二零零零年 四月三十日 HK\$M 百萬港元
就有關購入物業、機器及設備之資本開支 – 已授權及已訂約	15	8
本集團根據不可撤銷之營業租約就下列項目須於未來一年內支付而未履行之承擔如下：		
土地及樓宇，屆滿期為：		
– 一年內	2	1
– 第二年至第五年內 (包括首尾兩年)	2	3
	4	4
機器及設備，屆滿期為：		
– 一年內	–	1
– 第二年至第五年內 (包括首尾兩年)	1	1
	1	2
	5	6

17. 資產抵押

於二零零零年十月三十一日，

- (a) 本集團已將其於樂依文之70%權益抵押予由Chase Asia Equity Partners, L.P.所引領之一眾收購投資者，就彼等為樂依文集團之多項稅務負債作出賠償保證。該抵押在六年內分階段逐步遞減到0%（視乎六年期屆滿前出現之任何稅項賠償保險及該期間屆滿時之餘款而定）。
- (b) 如附註15所述，本集團以所擁有樂依文之所有權益及本集團絕大部份其他資產向英國放款人作出第二項固定抵押。

NOTES TO THE FINANCIAL STATEMENTS (continued)

18. Contingent liabilities

As at 31 October, 2000, there were contingent liabilities as follows:

- (a) Guarantees given by the Company to the UK Lenders for banking and credit facilities granted to the buyer (the "Newco") of the business of Newport Wafer-Fab Limited, a former subsidiary incorporated in UK

Pursuant to the APA, the Newco is obliged to repay such liabilities by twenty equal quarter instalments and the first instalment was paid in October, 2000 in accordance with the APA.

- (b) In 1993, a former employee of the Group issued a writ against a subsidiary, QPL (Holdings) Limited, and a director, Mr. Li Tung Lok ("Mr. Li"), alleging that Mr. Li had agreed to issue to this employee certain shares in the capital of a former subsidiary, ASAT Limited. The Company has received legal advice that it has a good defence to this claim and the directors intend to defend this matter vigorously. Accordingly, based on independent legal advice, the directors are of the opinion that no provision for loss is required to be made in the financial statements at this stage.
- (c) The Inland Revenue Department ("IRD") has raised additional estimated assessments against the Group for the years of assessment 1992/93 and 1993/94 on 31 March, 1999 and 10 March, 2000 respectively, requesting total tax payment of HK\$14 million (30 April 2000: HK\$14 million). However, unconditional holdovers of those taxes have been granted by the IRD and, in the opinion of the directors, no amendment is required to the notices of assessment as previously agreed with the IRD in respect of years of assessment 1992/93 and 1993/94.

財務報告附註 (續)

18. 或然負債

於二零零零年十月三十一日之或然負債如下:

	(Unaudited) (未經審核)	(Audited) (經審核)
	31 October, 2000	30 April, 2000
	二零零零年 十月三十一日	二零零零年 四月三十日
	HK\$'M	HK\$M
	百萬港元	百萬港元
(a) 本公司就授予一間於英國註冊成立之前附屬公司Newport Wafer-Fab Limited之業務之買方(「新公司」)承擔之銀行及信貸融資而向英國放款人所作出之擔保	180	201

根據協議,新公司須以二十期每季等額償還該等負債。而根據協議首期款項已於二零零零年十月支付。

- (b) 於一九九三年,本集團一名前僱員向集團附屬公司品質企業有限公司及董事李同樂先生(「李先生」)發出傳票,指稱李先生同意向該名僱員發行前附屬公司樂依文科技有限公司股本中之若干股份。本公司已接獲法律意見,指其對該索償具有有力之抗辯理由,而董事亦擬全力就此項訴訟提出抗辯。因此,根據獨立法律意見,董事認為在現階段毋須在財務報告作出損失撥備。
- (c) 期間內,稅務局已分別於一九九九年三月三十一日及二零零零年三月十日發出本集團於一九九二/九三及一九九三/九四課稅年度之額外估計稅額通知書,要求本集團支付稅項合共一千四百萬港元(於二零零零年四月三十日:一千四百萬港元)。然而,稅務局已批准本集團暫緩繳納上述稅項。董事認為鑑於一九九二/九三及一九九三/九四課稅年度已取得稅務局同意,因此毋須就該等年度之課稅通知書作出修訂。

NOTES TO THE FINANCIAL STATEMENTS (continued)

19. Related party transactions

In the ordinary course of business, the Group entered into the following related party transactions on normal commercial terms:

ASAT, an associate of the Group (Notes)
Sales of leadframes and provision of assembly and testing services
Rental income in respect of lease of properties
Reimbursement of chemical waste disposal cost
Payment of management information operation fee
Purchase and sales of plant and equipment
Peak Plastic & Metal Products (International) Limited ("Peak Plastic") (Notes)
Purchases of packing materials
Richards Butler (Notes)
Legal and professional fee expenses
BNP Prime Peregrine Capital Limited (Notes)
Consultancy fee expenses

As at 31 October, 2000, the ASAT Group has an option to lease substantially all the Group's properties in Hong Kong from 1 December, 2001 to 30 September, 2004 at an open market rent. The option will expire on 1 February, 2001.

Notes: These transactions were carried out on terms agreed by the relevant parties or at standard professional chargeable rates.

Mr. Li Tung Lok, a director and a substantial shareholder of the Company, is a director of and has beneficial equity interest in Peak International Limited which holds 100% equity interest in Peak Plastic.

Mr. Robert Charles Nicholson, a director of the Company, is a partner of Richards Butler.

Mr. Francis Leung Pak To, a director of the Company, is a director of BNP Prime Peregrine Capital Limited.

財務報告附註 (續)

19. 關連人士交易

於日常業務中，本集團曾進行下列關連人士交易：

	(Unaudited) (未經審核)	
	Six months ended 31 October, 截至十月三十一日 止六個月	
	2000 二零零零年 HK\$'M 百萬港元	1999 一九九九年 HK\$'M 百萬港元
本集團之聯營公司樂依文 (附註)		
銷售引線框及提供裝配與測試服務	239	-
租賃物業之租金收入	12	-
補償化學廢料處理費用成本	1	-
支付管理資訊經營費用	1	-
買賣機器及設備	1	-
必佳塑膠金屬製品廠(國際)有限公司(「必佳」)(附註)		
購買包裝物料	12	36
齊伯禮律師行(附註)		
法律及專業費用	1	3
法國國家巴黎百富勤融資有限公司(附註)		
顧問費開支	-	1

於二零零零年十月三十一日，樂依文集團具選擇權可於二零零一年十二月一日至二零零四年九月三十日期間內選擇按公開市場租金租用本集團大部份香港物業。該選擇權將於二零零一年二月一日屆滿。

附註：上述交易乃按有關各方協定之條款或按標準專業收費進行。

本公司董事兼主要股東李同樂先生為Peak International Limited董事，並擁有該公司實際股權，而該公司持有必佳100%股權。

本公司董事Robert Charles Nicholson先生為齊伯禮律師行之合夥人。

本公司董事梁伯韜先生為法國國家巴黎百富勤融資有限公司之董事。