

The directors present their annual report and the audited financial statements for the year ended 30th April, 2003.

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 21 and 22 to the financial statements respectively.

Results

The results of the Group for the year ended 30th April, 2003 are set out in the consolidated income statement on page 34.

Share Capital and Warrants

Movements in the share capital and warrants of the Company during the year are set out in note 30 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 31 to the financial statements.

Tangible Fixed Assets

During the year,

- (a) the Group revalued its investment properties at the year end date. The deficit arising on the revaluation amounted to HK\$30 million and was charged to the income statement.
- (b) the Group recognised an impairment loss of HK\$5 million in respect of other land and buildings, of which HK\$4 million was charged to the income statement and HK\$1 million was charged to other properties revaluation reserve.

董事會同寅謹此提呈截至二零零三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21及22。

業績

本集團截至二零零三年四月三十日止年度之業績載於第34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30。

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31。

有形固定資產

年內，

- (a) 本集團於年結日重估其投資物業，出現重估減值30,000,000港元，並於收益表內扣除。
- (b) 本集團確認有關其他土地與樓宇之減值虧損為5,000,000港元，其中4,000,000港元於收益表內扣除，1,000,000港元於其他物業儲備中扣除。

Tangible Fixed Assets (Continued)

(c) the Group acquired property, plant and equipment at an aggregate cost of HK\$36 million.

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 17 and 18 to the financial statements respectively.

Major Property

Details of the Group's major property at 30th April, 2003 are set out on page 100.

Major Customers and Suppliers

For the year ended 30th April, 2003, the percentages of the Group's turnover and purchases attributable to its major customers and suppliers are as follows:

	%
Turnover attributable to:	
Largest customer	47
Five largest customers	74
Purchases attributable to:	
Largest supplier	14
Five largest suppliers	44

有形固定資產 (續)

(c) 本集團以36,000,000港元之總成本添置物業、機器及設備。

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17及18。

主要物業

本集團於二零零三年四月三十日之主要物業詳情載於第100頁。

主要客戶及供應商

截至二零零三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：

Major Customers and Suppliers (Continued)

Peak Plastic & Metal Products (International) Limited ("Peak Plastic") is among the five largest suppliers and ASAT Limited is the largest customer of the Group referred to above. Details of the transactions between the Group and Peak Plastic and ASAT Limited are set out in note 42 to the financial statements. Mr. Li Tung Lok, a director of the Company, is a major shareholder of Peak International Limited which holds a 100% equity interest in Peak Plastic. 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.

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.

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. Francis Leung Pak To*
 Mr. Robert Charles Nicholson*
 Mr. Robert Sze Tsai To*
 Mr. Alex Wong Chun Bong*

* *Independent non-executive director*

There being no provision to the contrary in the Company's Bye-laws, all directors continue in office.

主要客戶及供應商 (續)

必佳塑膠金屬製品廠(國際)有限公司(「必佳」)為上述本集團之五大供應商之一，樂依文科技有限公司則為最大客戶。有關本集團與必佳及樂依文科技有限公司之交易詳情載於財務報告附註42。本公司董事李同樂先生為Peak International Limited之主要股東，而該公司則擁有必佳全部股本權益。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。

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。

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
 梁伯韜先生*
 黎高信先生*
 史習陶先生*
 王振邦先生*

* 獨立非執行董事

由於並無違反本公司之公司細則之規定，故此全部董事繼續留任。

Directors' Interests and Short Position in Shares and Underlying Shares

At 30th April, 2003, 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:

(a) The Company

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 百分比
		Personal interests 個人權益	Family interests 家屬權益	Corporate interests 公司權益	Other interests 其他權益			
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	15,492,454	—	199,479,700		
			(Note 附註 a)	(Note 附註 b)				
— Listed warrants	— 上市認股權證	37,965,644	508,957	2,860,841	—	41,335,442		
			(Note 附註 a)	(Note 附註 b)				
— Unlisted share options	— 非上市購股權	12,725,000	—	—	—	12,725,000		
Long position	好倉	232,177,890	3,008,957	18,353,295	—	253,540,142	40%	
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	20,358	—	—	—	20,358		
— Unlisted share options	— 非上市購股權	185,000	—	—	—	185,000		
Long position	好倉	305,358	—	—	—	305,358	0.05%	
Short position	淡倉	—	—	—	—	—	—	—

董事擁有股份及相關股份之權益及淡倉

於二零零三年四月三十日，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：

(a) 本公司

Directors' Interests and Short Position in Shares and Underlying Shares (Continued)

(a) The Company (Continued)

Notes:

- (a) The family interests of 2,500,000 shares and 508,957 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 2,860,841 underlying shares attached to warrants of the Company.

(b) Associated Corporation

董事擁有股份及相關股份之權益及淡倉 (續)

(a) 本公司 (續)

附註：

- (a) 家屬權益之2,500,000股股份及認股權證所附508,957股相關股份乃李同樂先生配偶之權益。
- (b) 李同樂先生乃 Solar Forward Company Limited之控權股東，而該公司擁有本公司15,492,454股股份及認股權證所附2,860,841股相關股份。

(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	Other interests 其他權益	Total 總計	Percentage 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	0.59%
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, 2003, none of the directors or chief executives of the Company, nor their associates, had any interest or short position in any securities or derivatives 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，於二零零三年四月三十日，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。

Share Options

(a) The Company

Particulars of the Company's share option scheme are set out in note 30 to the financial statements.

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

	Option type	Outstanding at 1st May, 2002 於 二零零二年 五月一日 尚未行使	Granted during the year 本年度 授出	Exercised during the year 本年度 行使	Lapsed during the year 本年度 失效	Outstanding at 30th April, 2003 於 二零零三年 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	11,888,000	—	—	(2,403,000)	9,485,000
	B	119,000	—	—	(19,000)	100,000
Total	總計	12,007,000	—	—	(2,422,000)	9,585,000
Total all categories	所有類別總計	24,917,000	—	—	(2,422,000)	22,495,000

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30。

下表披露本公司購股權於年內之變動：

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 share option scheme of ASAT, certain share options granted in the past years to Mr. Li Tung Lok with nil consideration and exercisable from the date of acceptance to the date of expiry were surrendered for cancellation under the terms of the Stock Option Exchange Program ("Option Exchange Program") offered by ASAT during the year.

Under the Option Exchange Program, Mr. Li Tung Lok will be granted 2,500,000 new stock options at an exercise price to be based on the fair market value of ASAT's shares no sooner than six months and one day after the cancellation of option announced on 24th January, 2003. All newly granted replacement options will have the same vesting as the cancelled options.

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

根據樂依文之購股權計劃，於過往年度以無償代價向李同樂先生授出，並可於獲接納日期當日起至屆滿日期行使之若干購股權，已於年內根據樂依文所提出之購股權交換計劃（「購股權交換計劃」）之條款交回以進行註銷。

根據購股權交換計劃，李同樂先生將獲授2,500,000份新購股權，其行使價將按照於二零零三年一月二十四日宣佈註銷購股權後不早於六個月及一日內根據樂依文股份之公平市值而釐定。所有新獲授之替換購股權將與已註銷購股權擁有相同之等待期。

Share Options (Continued)

(b) Associated corporation (Continued)

Details of the options of ASAT for the year ended 30th April, 2002, which were subsequently surrendered and cancelled under the terms of the Option Exchange Program, were as follows:

Date of grant	Date of acceptance	Date of expiry	Vesting period from date of grant	Subscription price per ADS (Note)	Number of ordinary share options outstanding at 30th April, 2002
授出日期	接納日期	屆滿日期	自授出日期起計之等待期	每股美國預託證券之認購價 (註)	於二零零二年四月三十日尚未行使之普通股購股權數目
				US\$ 美元	
11th July, 2000 二零零零年 七月十一日	2nd August, 2001 二零零一年 八月二日	11th July, 2010 二零一零年 七月十一日	4 years 四年	12.00	20,261,375
27th September, 2000 二零零零年 九月二十七日	2nd August, 2001 二零零一年 八月二日	27th September, 2010 二零一零年 九月二十七日	1 year 一年	7.69	2,026,440
24th August, 2001 二零零一年 八月二十四日	25th February, 2002 二零零二年 二月二十五日	24th August, 2011 二零一一年 八月二十四日	1 year 一年	4.31	4,254,920

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

No options were exercised during the year.

購股權 (續)

(b) 相聯法團 (續)

樂依文截至二零零二年四月三十日止年度之購股權(其後根據購股權交換計劃之條款交回並註銷)詳情如下:

Vesting period from date of grant	Subscription price per ADS (Note)	Number of ordinary share options outstanding at 30th April, 2002
自授出日期起計之等待期	每股美國預託證券之認購價 (註)	於二零零二年四月三十日尚未行使之普通股購股權數目
	US\$ 美元	
4 years 四年	12.00	20,261,375
1 year 一年	7.69	2,026,440
1 year 一年	4.31	4,254,920

註: 每股美國預託證券相等於5股樂依文普通股股份。

年內概無購股權獲行使。

Arrangements to Purchase Shares or Debentures

Except for the warrants and 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" and the share subscription agreement after the completion of placement of shares by a director as described in note 30 to the financial statements, 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) The Group entered into a long term agreement with ASAT and its subsidiaries ("ASAT Group") for the supply of leadframes to ASAT Group at a price equal to fair market value in an arm's length transaction plus a premium of not less than 5%. In consideration for the premium on leadframes, the Group will continue to carry the leadframe inventory requirements of ASAT Group and provide quick delivery of products.
- (b) The Group entered into a long term tenancy agreement with ASAT Group for leasing certain properties to ASAT Group at the prevailing fair market price in an arm's length transaction at the date of the agreement.
- (c) The Group entered into a chemical waste disposal services agreement with ASAT Group for which ASAT Group will pay the Group 10% of the Group's costs associated with its chemical waste disposal operations, subject to an adjustment according to usage as agreed between ASAT Group and the Group.

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認股權證及購股權，以及財務報告附註30所述一位董事完成配售股份後訂立之股份認購協議外，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) 本集團與樂依文及其附屬公司（「樂依文集團」）訂立長期協議，按正常交易之公平市值加不少於5%之溢價向樂依文集團供應引線框。作為獲取該引線框不少於5%溢價之代價，本集團將繼續向樂依文集團提供其對引線框存貨之需求及迅速供應其所需產品。
- (b) 本集團與樂依文集團訂立長期租約，按照雙方訂立協議之日期，以正常交易之現行公平市值向樂依文集團出租若干物業。
- (c) 本集團與樂依文集團訂立化學廢料處理服務協議，樂依文集團須向本集團支付由本集團處理有關化學廢料成本之10%，惟可按用量經樂依文集團與本集團協商後作出調整。

Directors' Interests in Contracts of Significance (Continued)

- (d) 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 42 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)

- (d) 本集團與樂依文集團訂立協議，由樂依文集團向本集團提供管理資訊服務，而本集團則支付樂依文集團有關管理資訊系統之部份營運成本，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42。本公司董事認為，該等交易於本集團日常業務中按照一般正常商業條款進行。

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。

Disclosure Pursuant to Practice Note 19 of the Listing Rules

At 30th April, 2003, the Group has two secured long term borrowing requiring an undertaking from Mr. Li Tung Lok, a director and a substantial shareholder of the Company, to maintain no less than a 30% shareholding of the Company or such other percentage shareholding by which a mandatory offer would be triggered under the Hong Code on Takeovers and Mergers throughout the loan period. Details are as follows:

Type 種類	Outstanding amount 未償還金額	Tenure 年期
Secured long term bank loan	(i) US\$12 million (ii) US\$8 million	4 1/2 years ending in April 2006 3 years ending in July 2005
有抵押長期銀行貸款	(i) 12,000,000美元 (ii) 8,000,000美元	四年半，於二零零六年四月到期 三年，於二零零五年七月到期

Substantial Shareholders

Other than the interests of Mr. Li Tung Lok as mentioned in the section headed "Directors' Interests and Short Position in Shares and Underlying Shares", the Company has not been notified of any other interests and short position representing 5% or more of the Company's issued share capital at 30th April, 2003.

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.

根據上市規則應用指引第19項作出之披露

於二零零三年四月三十日，本集團有兩項有抵押之長期借貸，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，持有本公司股權不少於30%或根據香港公司收購及合併守則觸發強制收購之其他百分比之股權。有關詳情如下：

主要股東

於二零零三年四月三十日，除上文「董事擁有股份及相關股份之權益及淡倉」一節所述李同樂先生之權益外，就本公司所知，概無其他權益及淡倉佔本公司已發行股本5%或以上。

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。

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.

Corporate Governance

The Company has complied throughout the year ended 30th April, 2003 with the Code of Best Practice as set out in Appendix 14 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited except that the non-executive directors were not appointed for a specific term.

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, 25th August, 2003

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。

公司管治

除非執行董事並無指定任期外，本公司於截至二零零三年四月三十日止年度一直遵守香港聯合交易所有限公司證券上市規則附錄14所載之最佳應用守則。

核數師

於本公司股東週年大會上將提呈一項關於續聘德勤•關黃陳方會計師行為本公司核數師之決議案。

承董事會命

主席

李同樂

香港，二零零三年八月二十五日