

25 Purchase of a subsidiary

On 1 January 2004, the Group acquired 100% of the issued share capital of ASM Pacific Assembly Products, Inc. for a cash consideration of HK\$466,000. This transaction was accounted for using the purchase method of accounting.

收購一間附屬公司

本集團於二零零四年一月一日以現金代價港幣466,000元收購ASM Pacific Assembly Products, Inc.之全部已發行的股份。此交易以收購方式入賬。

		2004 二零零四年 HK\$'000 港幣千元	2003 二零零三年 HK\$'000 港幣千元
Net assets acquired:	收購資產淨值：		
Inventories	存貨	165	—
Trade and other receivables	貿易及其他應收賬款	3,308	—
Bank balances and cash	銀行結餘及現金	2,196	—
Trade and other payables	貿易及其他應付賬款	(5,203)	—
		466	—
Cash consideration	現金代價	466	—
Net cash inflow arising on acquisition :	收購帶來的淨現金收入：		
Cash consideration	現金代價	(466)	—
Bank balances and cash acquired	收購的銀行結餘及現金	2,196	—
		1,730	—

The subsidiary acquired did not make any significant contribution to the results and cash flows of the Group during the year.

年內該附屬公司之收購並無對本集團的業績及現金流量帶來重大的貢獻。

26 Contingent liabilities

或然負債

		The Group 集團	
		2004 二零零四年 HK\$'000 港幣千元	2003 二零零三年 HK\$'000 港幣千元
Guarantees given	提供擔保	715	913

The Company has given guarantees to banks in respect of general banking facilities granted to subsidiaries. These facilities were not utilised by the subsidiaries as at 31 December 2004 and 2003.

公司就附屬公司向銀行取得一般銀行融資擔保。於二零零三年及二零零四年十二月三十一日附屬公司並未動用所獲擔保。

27 Capital commitments

資本承擔

		The Group 集團	
		2004 二零零四年 HK\$'000 港幣千元	2003 二零零三年 HK\$'000 港幣千元
Capital expenditure in respect of acquisition of property, plant and equipment contracted for but not provided in the financial statements	已簽約但未於財務報表內備撥之有關購買物業、廠房及設備之資本支出	37,311	35,805
Capital expenditure in respect of acquisition of property, plant and equipment authorised but not contracted for	已批准但尚未簽約之有關購買物業、廠房及設備之資本支出	156,671	212,995
		193,982	248,800

The Company had no significant capital commitments at the balance sheet date.

公司在資產負債表結算日並無重大資本承擔。

28 Operating lease commitments

At 31 December 2004, the Group had commitments for future minimum lease payments under non-cancellable operating leases in respect of land and buildings which fall due as follows:

營業租約承擔

於二零零四年十二月三十一日，本集團根據不可撤銷營業租約就土地及樓宇之未來最低租約付款承擔為：

		The Group 集團	
		2004 二零零四年 HK\$'000 港幣千元	2003 二零零三年 HK\$'000 港幣千元
Within one year	一年內	25,915	27,076
In the second to fifth years inclusive	第二年至第五年(包括首尾兩年)	46,714	37,081
Over five years	超過五年	29,314	38,173
		101,943	102,330

Operating lease payments represent rentals payable by the Group for certain of its manufacturing plants, office properties and quarters. Except for the lease in respect of a piece of land rented from the Singapore Housing & Development Board (details of which are set out in note 16), other leases are negotiated for an average terms of two to five years.

The Company had no operating lease commitments at the balance sheet date.

營業租約付款為本集團就若干廠房、辦工室及宿舍之應付租金。除了一幅向新加坡房屋及發展委員會租用的土地(其詳情列於附註第16項)外，其他租約平均每兩年至五年釐定一次。

公司在資產負債表結算日並無營業租約承擔。

29 Share option schemes

ASM International has adopted various share option schemes for the primary purpose of providing incentives to the directors and eligible employees of ASM International and its subsidiaries. Under these schemes, key employees of ASM International and its subsidiaries may purchase a specific number of shares of ASM International. Options are priced at market value in Euros or US dollars on the date of grant, are generally vesting in equal parts over a period of five years and generally will expire after five or ten years.

A summary of the movements of share options of ASM International granted to the directors of the Company and eligible employees of the Company and its subsidiaries is as follows:

認股權計劃

ASM International採用以數種認股權計劃以獎勵ASM International及其附屬公司的董事及合資格員工。根據這些計劃，ASM International及其附屬公司的主要員工，可購買指定數量的ASM International股票。認股權定價為授予當日以歐元或美元為單位的市價。一般而言，該等認股權可於五年內以相等數額分期行使，並於五年或十年後到期。

有關ASM International認股權授予本公司董事及本公司和其附屬公司的合資格員工的變動概述如下：

		Held by directors 董事持有	Held by eligible employees 合資格員工持有
At 1 January 2004	於二零零四年一月一日	382,000	319,700
Exercised during the year	於本年內行使	25,000	27,900
At 31 December 2004	於二零零四年十二月三十一日	357,000	291,800

The exercise prices of the above outstanding options are ranged from US\$15.44 to US\$19.32.

以上已發行認股權行使價格介乎15.44美元至19.32美元。

30 Related party transactions

- (a) During the year, the Group paid an annual management fee of HK\$1,500,000 (2003: HK\$1,500,000) to ASM International under a consultancy agreement between ASM International and the Company. Pursuant to the agreement, ASM International acts as a consultant, introduces new business and provides assistance in business development, general management support and services, international expertise and market information to the Group. The agreement, which commenced on 5 December 1988, was for an initial period of three years and is terminable thereafter by six months' notice in writing by either party.
- (b) During the year, the Group acquired the entire interest of a subsidiary from ASM International at a consideration of HK\$466,000.
- (c) On 16 March 2004, the Company entered into a management and production agreement (the "Agreement") with ASM International. The Agreement was commenced from the date of the Agreement for a term of one year and is terminable by three months' notice in writing by either party. Details of the Agreement are set out in the announcement dated 18 March 2004 made by the Company.

Pursuant to the Agreement, the Group provides management services (including services for administration and financial matters and provision of supporting personnel) to ASM International group companies in respect of the production facility of ASM International established in the Republic of Singapore, at a quarterly fee of HK\$375,000. Management service fee received during the year amounted to HK\$1,187,500 (2003: nil).

In addition, the Group also agrees to manufacture metal parts for ASM International at a cost-plus basis. The manufacture of metal parts for ASM International during the year amounted to HK\$1,996,000 (2003: nil).

- (d) During the year ended 31 December 2003, the Group traded with ASM International group companies amounting to HK\$9,206,000. The sales to ASM International group companies were in its normal course of business and in the opinion of the Directors of the Company, the transactions were carried out at market price. There was no such transaction for the year ended 31 December 2004.

關連交易

- (a) 根據一項由ASM International與本公司簽訂之管理協議，集團於本年度向ASM International支付管理費港幣1,500,000元（二零零三年：港幣1,500,000元）。根據該協議，ASM International擔任本集團顧問，為本集團介紹新業務及提供業務發展之協助、一般管理支援及服務、國際專業知識及市場資訊。該協議由一九八八年十二月五日起生效，初期為時三年，其後可由任何一方以六個月書面通知而終止。
- (b) 於本年度，集團以港幣466,000元之代價向ASM International收購旗下一間附屬公司之所有權益。
- (c) 於二零零四年三月十六日，本公司與ASM International簽訂了一項管理及生產協議。該協議由簽訂日起生效，為期一年，可由任何一方以三個月書面通知而終止。協議之詳細內容已刊載於本公司於二零零四年三月十八日之公告。

根據該協議，本集團為ASM International集團公司於新加坡設立之生產設施提供管理服務（包括行政與財務事宜之服務及提供人事支援），每季費用為港幣375,000元。於本年度，本集團已收取之管理費為港幣1,187,500元（二零零三年：無）。

本集團更同意以成本加成基準為ASM International製造金屬配件。於本年度，本集團製造此等金屬配件總值為港幣1,996,000（二零零三年：無）。

- (d) 截至二零零三年十二月三十一日止，本集團與ASM International集團公司在日常商業交易中進行貿易共達港幣9,206,000元，而董事會認為售與ASM International集團公司之銷售額均以市場價格進行。截至二零零四年十二月三十一日本集團並無進行此等交易。