

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS • 綜合財務報表附註

For the year ended 30th April, 2006 • 截至二零零六年四月三十日止年度

1. GENERAL

The Company is incorporated in Bermuda as an exempted company with limited liability and its shares are listed on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”). The addresses of the registered office and principal place of business of the Company are disclosed in the section of “Corporate Information” set out in the annual report.

The consolidated financial statements are presented in Hong Kong dollar, which is the same as the functional currency of the Company.

The Company is an investment holding company. The principal activities of the Group are the manufacture and sale of integrated circuit leadframes, heatsinks and stiffeners and investment holding.

2. APPLICATION OF HONG KONG FINANCIAL REPORTING STANDARDS

In the current year, the Group has applied, for the first time, a number of new Hong Kong Financial Reporting Standards (“HKFRSs”), Hong Kong Accounting Standards (“HKASs”) and Interpretations (“INT”) (hereinafter collectively referred to as “new HKFRSs”) issued by the Hong Kong Institute of Certified Public Accountants (the “HKICPA”) that are effective for accounting periods beginning on or after 1st January, 2005. The application of the new HKFRSs has resulted in a change in the presentation of the consolidated income statement, consolidated balance sheet and consolidated statement of recognised income and expense. In particular, the presentation of share of tax of associates has been changed. The changes in presentation have been applied retrospectively. The adoption of the new HKFRSs has resulted in changes to the Group’s accounting policies in the following areas that have an effect on how the results for the current and prior accounting years are prepared and presented:

1. 一般資料

本公司於百慕達註冊成立為獲豁免有限責任公司，其股份於香港聯合交易所有限公司（「聯交所」）上市。本公司註冊辦事處及主要營業地點披露於本年報「集團資料」一節。

綜合財務報表乃以本公司功能貨幣港元呈列。

本公司為投資控股公司。本集團之主要業務為製造及銷售集成電路引線框、散熱器與加強桿及投資控股。

2. 採納香港財務報告準則

於本年度，本集團乃首次應用香港會計師公會（「香港會計師公會」）所頒佈於二零零五年一月一日或以後開始之會計期間生效之多項新訂香港財務報告準則（「香港財務報告準則」）、香港會計準則（「香港會計準則」）及詮釋（「詮釋」）（以下統稱「新香港財務報告準則」）。採用新香港財務報告準則已導致綜合收益表、綜合資產負債表及綜合確認收支表之呈列方式發生變動，特別是分佔聯營公司稅項之呈列方式出現變動。呈列方式之變動已追溯應用。採用新香港財務報告準則已導致本集團以下方面之會計政策發生變動，並對本年度及過往會計年度之業績之編撰及呈列方式產生影響：

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2. APPLICATION OF HONG KONG FINANCIAL REPORTING STANDARDS

(Continued)

Share-based Payment

In the current year, the Group has applied HKFRS 2 *Share-based Payment* which requires an expense to be recognised where the Group buys goods or obtains services in exchange for shares or rights over shares ("equity-settled transactions"), or in exchange for other assets equivalent in value to a given number of shares or rights over shares ("cash-settled transactions"). The principal impact of HKFRS 2 on the Group is in relation to the expensing of fair value of the share options granted to directors and employees of the Group, determined at the date of grant of the share options over the vesting period. Prior to the application of HKFRS 2, the Group did not recognise the financial effect of these share options until they were exercised. The Group has applied HKFRS 2 to share options granted on or after 1st May, 2005. In relation to share options granted before 1st May, 2005, the Group elected not to apply HKFRS 2 with respect to share options granted on or before 7th November, 2002. The Group did not have any shares options that were granted after 7th November, 2002 and had not yet vested on 1st May, 2005.

The application of HKFRS 2 had affected the share of loss of an associate. Share options expense is recognised retrospectively by the associate, resulting an increase in the Group's share of loss of an associate amounting to HK\$2 million up to 1st May, 2004. The adjustment has a consequential effect on the Group's results for the year ended 30th April, 2005 by decreasing the share of loss of an associate of HK\$2 million.

2. 採納香港財務報告準則 (續)

以股份為基礎之付款

於本年度，本集團已應用香港財務報告準則第2號「以股份為基礎之付款」，該準則規定當本集團以股份或股份權利以換取購買貨品或取得服務（「股本付款交易」），或以特定數目之股份或股份權利以換取等同價值之其他資產（「現金付款交易」），則須確認開支。香港財務報告準則第2號對本集團之主要影響，乃關乎授出購股權當日釐定本集團董事及僱員獲授購股權之公平值，須在有關歸屬期內支銷。於應用香港財務報告準則第2號前，本集團於直至購股權獲行使為止並無確認購股權之財務影響。本集團已就於二零零五年五月一日或以後所授出之購股權應用香港財務報告準則第2號。就於二零零五年五月一日以前授出之購股權而言，本集團選擇對二零零二年十一月七日或以前所授出之購股權不應用香港財務報告準則第2號。本集團並無任何於二零零二年十一月七日或以後授出而於二零零五年五月一日仍未歸屬之購股權。

應用香港財務報告準則第2號影響到分佔聯營公司之虧損。聯營公司須追溯確認購股權開支，導致本集團分佔聯營公司於截止二零零四年五月一日之虧損增加2,000,000港元。有關之調整對截止二零零五年四月三十日止年度之本集團業績有相應影響，令分佔聯營公司虧損減少2,000,000港元。

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2. APPLICATION OF HONG KONG
FINANCIAL REPORTING STANDARDS

(Continued)

Business Combinations

In the current year, the Group has applied HKFRS 3 *Business Combinations* which is effective for business combinations for which the agreement date is on or after 1st January, 2005. The principal effects of the application of the transitional provisions of HKFRS 3 to the Group's goodwill and negative goodwill are summarised below:

Goodwill

In previous years, goodwill arising on acquisitions prior to 1st May, 2001 was held in reserve, and goodwill arising on acquisition after 1st May, 2001 was capitalised and amortised over its estimated useful life. The Group has applied the relevant transitional provisions in HKFRS 3. Goodwill previously recognised in reserve of HK\$45 million has been transferred to the Group's retained profits on 1st May, 2005. Goodwill arising on acquisitions after 1st January, 2005 is measured at cost less accumulated impairment losses (if any) after initial recognition. According to the relevant transitional provisions, comparative figures for 2005 have not been restated (see Note 3 for the financial impact).

2. 採納香港財務報告準則 (續)

業務合併

於本年度，本集團已應用香港財務報告準則第3號「業務合併」，有關準則適用於協議日期於二零零五年一月一日或之後之業務合併。應用香港財務報告準則第3號之過渡性條文對本集團商譽及負商譽之主要影響概述如下：

商譽

過往年度，於二零零一年五月一日前因收購所產生之商譽乃於儲備內持有，而於二零零一年五月一日後因收購所產生之商譽則資本化及按其估計可用年期攤銷。本集團已應用香港財務報告準則第3號之有關過渡性條文。原先在儲備確認之商譽45,000,000港元，已於二零零五年五月一日轉撥至本集團之保留溢利。於二零零五年一月一日後因收購所產生之商譽，乃於初步確認後按成本減累計減值虧損(如有)計量。根據有關過渡性條文，二零零五年之比較數字未予重列(有關財務影響見附註3)。

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2. APPLICATION OF HONG KONG FINANCIAL REPORTING STANDARDS

(Continued)

Business Combinations (Continued)

Excess of the Group's interest in the net fair value of acquiree's identifiable assets, liabilities and contingent liabilities over cost (previously known as "negative goodwill")

In accordance with HKFRS 3, any excess of the Group's interest in the net fair value of acquiree's identifiable assets, liabilities and contingent liabilities over the cost of acquisition ("discount on acquisition") is recognised immediately in profit or loss in the period in which acquisition takes place. In previous periods, negative goodwill arising on acquisition of an associate was deducted from the carrying value of interest in an associate and released to income based on an analysis of the circumstances from which the balance resulted. In accordance with the relevant transitional provisions in HKFRS 3, the Group derecognised all negative goodwill which was previously presented as a deduction from the carrying value of an associate. A corresponding adjustment to the Group's retained profits of HK\$2 million has been made. Comparative figures for 2005 have not been restated.

Financial instruments

In the current year, the Group has applied HKAS 32 *Financial Instruments: Disclosure and Presentation* and HKAS 39 *Financial Instruments: Recognition and Measurement*. HKAS 32 requires retrospective application. HKAS 39, which is effective for accounting periods beginning on or after 1st January, 2005, generally does not permit the recognition, derecognition or measurement of financial assets and liabilities on a retrospective basis. The application of HKAS 32 has had no material impact on how financial instruments of the Group are presented for current and prior accounting periods. The principal effects resulting from the implementation of HKAS 39 are summarised below:

2. 採納香港財務報告準則 (續)

業務合併 (續)

本集團於被收購人之可識別資產、負債及或然負債公平淨值中之權益高於成本 (前稱「負商譽」)

根據香港財務報告準則第3號，本集團於被收購人之可識別資產、負債及或然負債公平淨值中之權益高於收購成本之任何數額 (「收購折讓」) 隨即於收購進行期間內在損益確認。於過往期間，收購聯營公司所產生之負商譽乃自於聯營公司權益之賬面值扣除，並根據對導致結餘之情況作出之分析撥回至收入。根據香港財務報告準則第3號之有關過渡性條文，本集團不再確認所有負商譽，該金額早前呈列為自聯營公司賬面值之扣除數額。本集團將保留溢利相應調整2,000,000港元。二零零五年之比較數字未予重列。

金融工具

於本年度，本集團已應用香港會計準則第32號「金融工具：披露及呈報」以及香港會計準則第39號「金融工具：確認及計量」。香港會計準則第32號規定須追溯應用。香港會計準則第39號於二零零五年一月一日或以後開始之會計期間生效，基本上不容許按追溯基準確認、不再確認或計量金融資產及負債。應用香港會計準則第32號對本集團金融工具於本年度及過往會計期間之呈列方式並無重大影響。採納香港會計準則第39號產生之主要影響概述如下：

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2. APPLICATION OF HONG KONG FINANCIAL REPORTING STANDARDS

(Continued)

Financial instruments (Continued)

Classification and measurement of financial assets and financial liabilities

The Group has applied the relevant transitional provisions in HKAS 39 with respect to the classification and measurement of financial assets and financial liabilities that are within the scope of HKAS 39.

Equity securities previously accounted for under the alternative treatment of Statement of Standard Accounting Practice ("SSAP") 24

By 30th April, 2005, the Group classified and measured its investments in equity securities in accordance with the alternative treatment of SSAP 24. Under SSAP 24, the Group's investments in equity securities are classified as "non-trading securities", which are measured at fair value with unrealised gains or losses reported in equity until the securities are sold or determined to be impaired, at which time the cumulative gain or loss previously recognised in equity is included in the profit or loss for that period. From 1st May, 2005 onwards, the Group has classified and measured its investments in equity securities in accordance with HKAS 39 as "available-for-sale financial assets". "Available-for-sale financial assets" are carried at fair value, with changes in fair values recognised in equity. This change in accounting policy has had no material impact to the Group's results for the current and prior accounting periods.

2. 採納香港財務報告準則 (續)

金融工具 (續)

金融資產及金融負債分類及計量

本集團就屬香港會計準則第39號範圍內的金融資產及金融負債分類及計量，應用香港會計準則第39號有關過渡性條文。

早前根據會計實務準則 (「會計實務準則」) 第24號之基準方法處理之股本證券

於二零零五年四月三十日前，本集團根據會計實務準則第24號的基準方法分類及計量其股本證券。根據會計實務準則第24號，本集團之股本證券投資分類為「非買賣證券」，此乃按公平值計量，其未變現收益或虧損列作權益入賬，直至證券出售或經釐定為出現減值，屆時原先在權益內已確認之累計收益或虧損將列入該期間之損益。自二零零五年五月一日起，本集團根據香港會計準則第39號將其股本證券投資按「可供銷售金融資產」分類及計量。「可供銷售金融資產」按公平值列賬，而公平值變動則於股本確認。是項會計政策之變動對本集團本年度及過往會計年度之業績並無重大影響。

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2. APPLICATION OF HONG KONG FINANCIAL REPORTING STANDARDS

(Continued)

Financial instruments (Continued)

Financial assets and financial liabilities other than investments in equity securities

From 1st May, 2005 onwards, the Group has classified and measured its financial assets and financial liabilities other than investments in equity securities (which were previously outside the scope of SSAP 24) in accordance with the requirements of HKAS 39. This change in accounting policy has no material impact to the Group's results for the current and prior accounting periods.

Derivatives

From 1st May, 2005 onwards, all derivatives that are within the scope of HKAS 39 are required to be carried at fair value at each balance sheet date regardless of whether they are deemed as held for trading or designated as effective hedging instruments. For derivatives that are deemed as held for trading, changes in fair values are recognised in profit or loss for the period in which they arise.

Embedded derivatives

Derivatives embedded in non-derivative host contracts are separated from the relevant host contracts and deemed as held-for-trading when the economic characteristics and risks of the embedded derivatives are not closely related to those of the host contracts, and the combined contracts are not measured at fair value through profit or loss. In all other circumstances, derivatives embedded are not separated and are accounted for together with the host contracts in accordance with appropriate standards. Where the Group needs to separate an embedded derivative but is unable to measure the embedded derivatives, the entire combined contracts are treated as held-for-trading.

2. 採納香港財務報告準則 (續)

金融工具 (續)

股本證券投資以外的金融資產及金融負債

自二零零五年五月一日起，本集團根據香港會計準則第39號的規定分類及計量其股本證券投資以外的金融資產及金融負債，而該等金融資產及金融負債過往不會在會計實務準則第24號之函蓋範圍內。是項會計政策之變動對本集團本年度及過往會計期間之業績並無重大影響。

衍生工具

自二零零五年五月一日起，香港會計準則第39號範圍內所有衍生工具均須按於各結算日之公平價值列賬，而不論是否被視作持作買賣用途或指定為有效對沖工具。就視作持作買賣之衍生工具而言，該等衍生工具公平價值之變動會於產生期間之損益中確認。

附帶衍生工具

附帶於非衍生主合同之衍生工具乃自有關主合同分開，而當附帶衍生工具之經濟特質及風險與主合同者並無密切關係，及合併合同並非按公平值計入損益而計量時，則被視作持作買賣。在所有其他情況下，附帶衍生工具不會分開處理，並根據適用準則與主合同一併處理。倘本集團需要分開處理附帶衍生工具，惟未能計量附帶衍生工具，則整份合併合同會被當作持作買賣。

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2. APPLICATION OF HONG KONG FINANCIAL REPORTING STANDARDS

(Continued)

Financial instruments (Continued)

Derecognition

HKAS 39 provides more rigorous criteria for the derecognition of financial assets than the criteria applied in previous periods. Under HKAS 39, a financial asset is derecognised, when and only when, either the contractual rights to the asset's cash flows expire, or the asset is transferred and the transfer qualifies for derecognition in accordance with HKAS 39. The decision as to whether a transfer qualifies for derecognition is made by applying a combination of risks and rewards and control tests. This change in accounting policy has had no material effect on results for the current year.

Potential impact arising on the new accounting standards not yet effective

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

HKAS 1 (Amendment)	Capital disclosures ¹
HKAS 19 (Amendment)	Actuarial gains and losses, group plans and disclosures ²
HKAS 21 (Amendment)	Net investment in a foreign operation ²
HKAS 39 (Amendment)	Cash flow hedge accounting of forecast intragroup transactions ²
HKAS 39 (Amendment)	The fair value option ²
HKAS 39 & HKFRS 4 (Amendments)	Financial guarantee contracts ²

2. 採納香港財務報告準則 (續)

金融工具 (續)

不再確認

香港會計準則第39號就不再確認金融資產訂有較過往年度所應用之準則更為嚴謹之準則。根據香港會計準則第39號，當資產現金流量之合同性權利屆滿，或資產已予轉讓及該轉讓根據香港會計準則第39號符合資格不再確認時並僅在此等前提下，金融資產會不再確認。就一項轉讓是否符合資格不再確認之決定乃經同時作出風險及回報及控制測試而作出。此項會計政策之變動對本年度之業績並無重大影響。

尚未生效之新會計準則所產生之潛在影響

本集團並無提早應用以下已頒佈但尚未生效之新準則、修訂及詮釋。本公司董事預期，應用該等新準則、修訂及詮釋不會對本集團業績及財務狀況造成重大影響。

香港會計準則第1號(經修訂)	資本披露 ¹
香港會計準則第19號(經修訂)	精算收益及虧損、集團計劃及披露 ²
香港會計準則第21號(經修訂)	海外業務投資淨額 ²
香港會計準則第39號(經修訂)	預測集團內公司間交易之現金流量對沖會計法 ²
香港會計準則第39號(經修訂)	公平值選擇 ²
香港會計準則第39號及香港財務報告準則第4號(經修訂)	財務擔保合同 ²

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2. APPLICATION OF HONG KONG FINANCIAL REPORTING STANDARDS

(Continued)

Potential impact arising on the new accounting standards not yet effective (Continued)

HKFRS 6	Exploration for and evaluation of mineral resources ²
HKFRS 7	Financial instruments: Disclosures ¹
HK(IFRIC) – INT 4	Determining whether an arrangement contains a lease ²
HK(IFRIC) – INT 5	Rights to interests arising from decommissioning, restoration and environmental rehabilitation funds ²
HK(IFRIC) – INT 6	Liabilities arising from participating in a specific market – waste electrical and electronic equipment ³
HK(IFRIC) – INT 7	Applying the restatement approach under HKAS 29 Financial Reporting in Hyperinflationary Economies ⁴
HK(IFRIC) – INT 8	Scope of HKFRS 2 ⁵
HK(IFRIC) – INT 9	Reassessment of embedded derivatives ⁶
HK(IFRIC) – INT 10	Interim financial reporting and impairment ⁷

- ¹ Effective for annual periods beginning on or after 1st January, 2007
- ² Effective for annual periods beginning on or after 1st January, 2006
- ³ Effective for annual periods beginning on or after 1st December, 2005
- ⁴ Effective for annual periods beginning on or after 1st March, 2006
- ⁵ Effective for annual periods beginning on or after 1st May, 2006
- ⁶ Effective for annual periods beginning on or after 1st June, 2006
- ⁷ Effective for annual periods beginning on or after 1st November, 2006

2. 採納香港財務報告準則 (續)

尚未生效之新會計準則所產生之潛在影響 (續)

香港財務報告準則第6號	礦產資源之勘探及評估 ²
香港財務報告準則第7號	金融工具：披露 ¹
香港(國際財務報告詮釋委員會) – 詮釋4	釐定一項安排是否包括租約 ²
香港(國際財務報告詮釋委員會) – 詮釋5	終止運作、恢復及環境修復基金所產生權益之權利 ²
香港(國際財務報告詮釋委員會) – 詮釋6	參與特定市場 – 廢料電力及電子設備所產生之負債 ³
香港(國際財務報告詮釋委員會) – 詮釋7	根據香港會計準則第29號就惡性通貨膨脹經濟之財務報告採用重列法 ⁴
香港(國際財務報告詮釋委員會) – 詮釋8	香港財務報告準則第2號之範圍 ⁵
香港(國際財務報告詮釋委員會) – 詮釋9	再評估附帶衍生工具 ⁶
香港(國際財務報告詮釋委員會) – 詮釋10	中期財務報告及減值 ⁷

- ¹ 由二零零七年一月一日或以後開始之年度期間生效
- ² 由二零零六年一月一日或以後開始之年度期間生效
- ³ 由二零零五年十二月一日或以後開始之年度期間生效
- ⁴ 由二零零六年三月一日或以後開始之年度期間生效
- ⁵ 由二零零六年五月一日或以後開始之年度期間生效
- ⁶ 由二零零六年六月一日或以後開始之年度期間生效
- ⁷ 由二零零六年十一月一日或以後開始之年度期間生效

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3. SUMMARY OF THE EFFECTS OF THE CHANGES IN ACCOUNTING POLICIES

The effects of the changes in the accounting policies described in Note 2 above on the results for the current and prior years are as follows:

Increase in effective interest income from convertible preferred shares	可換股優先股之實際利息收入增加	1	—
Decrease in negative goodwill released to income	負商譽撥回收入減少	(1)	—
Recognition of share-based payments as expenses by an associate	確認為聯營公司開支之以股份為基礎之付款	—	2
Gains arising from changes in fair value of derivative financial instruments	衍生金融工具公平值變動產生之收益	28	—
Decrease in loss for the year	本年度虧損減少	28	2

Analysis of decrease in loss for the year by line items presented to their nature:

Increase in other income	其他收入增加	1	—
Increase in gains arising from changes in fair value of derivative financial instruments	衍生金融工具公平值變動產生之收益增加	28	—
Decrease in amortisation of negative goodwill on acquisition of an associate	攤銷收購聯營公司之負商譽減少	(1)	—
Decrease in share of loss of an associate	分佔聯營公司虧損減少	—	2
Decrease in loss for the year	本年度虧損減少	28	2

3. 會計政策變動之影響摘要

上文附註2所述會計政策變動對本年度及過往年度業績之影響如下：

2006 二零零六年 HK\$'M 百萬港元	2005 二零零五年 HK\$'M 百萬港元
1	—
(1)	—
—	2
28	—
28	2

按各自性質分類呈列之本年度虧損減少之分析如下：

2006 二零零六年 HK\$'M 百萬港元	2005 二零零五年 HK\$'M 百萬港元
1	—
28	—
(1)	—
—	2
28	2

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3. SUMMARY OF THE EFFECTS OF THE CHANGES IN ACCOUNTING POLICIES

(Continued)

The cumulative effect of the application of the new HKFRSs on the consolidated balance sheet at 30th April, 2005 and 1st May, 2005 are summarised below:

3. 會計政策變動之影響摘要 (續)

於二零零五年四月三十日及二零零五年五月一日，採納新香港財務報告準則對綜合資產負債表之累計影響概述如下：

		At 30th April, 2005 (originally stated) 於二零零五年 四月三十日 (原先呈列) HK\$'M 百萬港元	Impact of HKFRS 3 香港財務 報告準則 第3號之影響 HK\$'M 百萬港元	Impact of HKAS 39 香港會計 準則第39號 之影響 HK\$'M 百萬港元	At 1st May, 2005 (restated) 於二零零五年 五月一日 (經重列) HK\$'M 百萬港元
Interest in an associate	聯營公司權益	(2)	2	–	–
Investments in securities	證券投資	4	–	(4)	–
Available-for-sale investments	可供銷售投資	–	–	4	4
		<u>2</u>	<u>2</u>	<u>–</u>	<u>4</u>
Total effects on assets	對資產之影響總額				
Capital reserve	資本儲備	9	–	(9)	–
Goodwill on consolidation	綜合賬目時之商譽	(45)	45	–	–
Retained profits	保留溢利	86	(43)	9	52
		<u>50</u>	<u>2</u>	<u>–</u>	<u>52</u>
Total effects on equity	對權益之影響總額				

The financial effects of the application of the new HKFRSs to the Group's equity at 1st May, 2004 are summarised below:

於二零零四年五月一日，採納新香港財務報告準則對本集團權益之財務影響概述如下：

		As originally stated 原先呈列 HK\$'M 百萬港元	Adjustments 經調整 HK\$'M 百萬港元	As restated 經重列 HK\$'M 百萬港元
Accumulated losses	累計虧損	(1,190)	(2)	(1,192)
		<u>(1,190)</u>	<u>(2)</u>	<u>(1,192)</u>
Total effects on equity	對權益之影響總額			

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4. SIGNIFICANT ACCOUNTING POLICIES

The consolidated financial statements have been prepared on the historical cost basis except for certain financial instruments, which are measured at fair values, as explained in the accounting policies set out below.

The consolidated financial statements have been prepared in accordance with HKFRSs issued by the HKICPA. In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on the Stock Exchange and by the Hong Kong Companies Ordinance.

Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and its subsidiaries made up to 30th April each year.

The results of subsidiaries acquired or disposed of during the year are included in the consolidated income statement from the effective date of acquisition or up to the effective date of disposal, as appropriate.

Where necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with those used by other members of the Group.

All intra-group transactions, balances, income and expenses are eliminated on consolidation.

4. 主要會計政策

綜合財務報表乃按歷史成本法編製，惟若干金融工具如下文會計政策所述按公平值計量則除外。

綜合財務報表乃根據香港會計師公會所頒佈之香港財務報告準則編製。此外，綜合財務報表載有聯交所證券上市規則及香港公司條例規定之適用披露事項。

綜合賬目之基準

綜合財務報表包括本公司及其附屬公司截至每年四月三十日止之財務報表。

年內所收購或出售附屬公司之業績，乃由收購生效日期起或截至出售生效日期止（視乎情況而定）計入綜合收益表。

如有需要，本集團會對附屬公司之財務報表作出調整，使其會計政策與本集團其他成員公司所採用者保持一致。

所有集團內公司間交易、結餘、收入及開支均於綜合賬目時撇銷。

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4. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Interest in an associate

The results and assets and liabilities of an associate are incorporated in the consolidated financial statements using the equity method of accounting. Under the equity method, interest in an associate is carried in the consolidated balance sheet at cost as adjusted for post-acquisition changes in the Group's share of the profit or loss and of changes in equity of the associate, less any identified impairment loss. When the Group's share of losses of an associate equals or exceeds its interest in that associate (which includes any long-term interests that, in substance, form part of the Group's net investment in the associate), the Group discontinues recognising its share of further losses. An additional share of losses is provided for and a liability is recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of that associate.

Where a group entity transacts with an associate of the Group, profits and losses are eliminated to the extent of the Group's interest in the relevant associate.

Property, plant and equipment

Property, plant and equipment are stated at cost less subsequent accumulated depreciation and accumulated impairment losses.

Depreciation is provided to write off the cost of items of property, plant and equipment over their estimated useful lives, using the straight-line method.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the item) is included in the consolidated income statement in the year in which the item is derecognised.

4. 主要會計政策 (續)

聯營公司權益

聯營公司之業績及資產與負債乃以會計權益法納入綜合財務報表。根據權益法，於聯營公司之權益乃按成本於綜合資產負債表中列賬，並就本集團在收購後分佔該聯營公司損益及權益變動之變更作出調整，以及減去任何已識別之減值虧損。當本集團分佔某聯營公司之虧損相等於或超出其於該聯營公司之權益（其包括任何長期權益，而該長期權益實質上構成本集團於該聯營公司之投資淨額之一部份），則本集團不再繼續確認其分佔之進一步虧損。本集團僅會在其須向該聯營公司承擔法律或推定義務，或代其支付款項之情況下，就分佔之額外虧損作出撥備及確認負債。

倘某集團實體與本集團之聯營公司進行交易，則有關損益以本集團於有關聯營公司中之權益為限撇銷。

物業、機器及設備

物業、機器及設備乃按其成本減隨後累計折舊及累計減值虧損入賬。

物業、機器及設備項目之折舊乃按其估計可使用年期計算，以直線法撇銷其項目成本。

物業、機器及設備項目於出售時或當繼續使用該資產預期不會產生任何日後經濟利益時不再確認。不再確認資產產生之任何損益（按該項目之出售所得款項淨額與賬面價值間之差額計算）於不再確認該項目之年度計入綜合收益表。

4. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Impairment losses

At each balance sheet date, the Group reviews the carrying amounts of its assets to determine whether there is any indication that those assets have suffered an impairment loss. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised as an expense immediately.

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised as income immediately.

Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is calculated using the first-in, first-out method.

Financial instruments

Financial assets and financial liabilities are recognised on the consolidated balance sheet when a group entity becomes a party to the contractual provisions of the instrument. Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transactions cost directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

4. 主要會計政策 (續)

減值虧損

於各結算日，本集團均檢討其資產之賬面值，以衡量該等資產是否有減值虧損之跡象。倘估計資產之可收回數額低於其賬面值，則將資產之賬面值減至可收回數額，減值虧損即時確認為開支。

倘其後撥回減值虧損，則將資產之賬面值增至重新估計之可收回數額，惟增加之賬面值不得超過假設過往年度並無已確認減值虧損而應有之資產賬面值。減值虧損之撥回即時確認為收益。

存貨

存貨均按成本與可變現淨值兩者之較低者入賬。成本乃以先入先出法計算。

金融工具

金融資產及金融負債乃當某集團實體成為工具合同條文之訂約方時在綜合資產負債表上確認。金融資產及金融負債按公平值初步確認。收購或發行金融資產及金融負債(按公平值計入損益之金融資產及金融負債除外)之直接應佔交易成本乃於初步確認時加入金融資產或金融負債之公平值或自金融資產或金融負債之公平值內扣除(視乎情況而定)。收購按公平值計入損益之金融資產或金融負債之直接應佔交易成本即時於損益內確認。

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4. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Financial instruments (Continued)

Financial assets

The Group's financial assets are classified as financial assets at fair value through profit or loss, loans and receivables and available-for-sale financial assets. All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace. The accounting policies adopted in respect of each category of financial assets are set out below.

Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss has two subcategories, including financial assets held for trading and those designated at fair value through profit or loss on initial recognition. At each balance sheet date subsequent to initial recognition, financial assets at fair value through profit or loss are measured at fair value, with changes in fair value recognised directly in profit or loss in the period in which they arise.

4. 主要會計政策 (續)

金融工具 (續)

金融資產

本集團之金融資產分類為按公平值計入損益之金融資產、貸款及應收款項以及可供銷售金融資產。所有定期購買或出售之金融資產乃按交易日基準確認及不再確認。定期購買或出售乃購買或銷售金融資產，並要求於市場上按規則或慣例設定之時間框架內付運資產。就各類金融資產所採納之會計政策乃載於下文。

按公平值計入損益之金融資產

按公平值計入損益之金融資產分為兩類，包括持作買賣之金融資產及於初步確認時指定為透過損益按公平值列賬者。於初步確認後之各結算日，按公平值計入損益之金融資產按公平值計量，其公平值變動直接於產生之期間內在損益中確認。

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4. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Financial instruments (Continued)

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. At each balance sheet date subsequent to initial recognition, loans and receivables (including trade and other receivables, trade receivable due from an associate and bank balances) are carried at amortised cost using the effective interest method, less any identified impairment losses. An impairment loss is recognised in profit or loss when there is objective evidence that the asset is impaired, and is measured as the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the original effective interest rate. Impairment losses are reversed in subsequent periods when an increase in the asset's recoverable amount can be related objectively to an event occurring after the impairment was recognised, subject to a restriction that the carrying amount of the asset at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

Available-for-sale financial assets

Available-for-sale financial assets are non-derivatives that are either designated or not classified as other categories. At each balance sheet date subsequent to initial recognition, available-for-sale financial assets are measured at fair value. Changes in fair value are recognised in equity, until the financial asset is disposed of or is determined to be impaired, at which time, the cumulative gain or loss previously recognised in equity is removed from equity and recognised in profit or loss. Any impairment losses on available-for-sale financial assets are recognised in profit or loss. Impairment losses on available-for-sale equity investments will not reverse in profit or loss in subsequent periods.

4. 主要會計政策 (續)

金融工具 (續)

貸款及應收款項

貸款及應收款項為固定或可釐定付款之非衍生金融資產，且並無在活躍市場上報價。於初步確認後之各結算日，貸款及應收款項（包括貿易及其他應收款項、應收聯營公司貿易款項及銀行結餘）均採用實際利率法，以攤銷成本減任何已識別減值虧損計量。當存在客觀證據表明該資產已發生減值，減值虧損會在損益中確認，金額乃按資產賬面值與以最初之實際利率對預期未來現金流量進行折現後之現值兩者間之差額計量。當該資產之可收回金額之增加在客觀上與確認減值後發生之事項有聯繫時，則減值虧損可予回撥，惟該資產於回撥減值日期之賬面值不可超過未確認減值之原有攤銷成本。

可供銷售金融資產

可供銷售金融資產乃指定為或並未分類為其他類別之非衍生工具。於初步確認後之各結算日，可供銷售金融資產按公平值計量。公平值之變動於股本中確認，直至金融資產被出售或釐定為減值為止，則屆時以往於權益中確認之累計收益或虧損從股本剔除，並於損益中確認。可供銷售金融資產之任何減值虧損於損益中確認。可供銷售股本投資之減值虧損將不會於其後期間撥回損益內。

4. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Financial instruments (Continued)

Financial liabilities and equity

Financial liabilities and equity instruments issued by a group entity are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities. The accounting policies adopted in respect of financial liabilities and equity instruments are set out below.

Financial liabilities

Financial liabilities including trade and other payables, trust receipt loans and bill payables and borrowings are subsequently measured at amortised cost, using the effective interest method after initial recognition.

Equity instruments

Equity instruments issued by the Company are recorded at the proceeds received, net of direct issue cost.

Derecognition

Financial assets are derecognised when the rights to receive cash flows from the assets expire or, the financial assets are transferred and the Group has transferred substantially all the risks and rewards of ownership of the financial assets. On derecognition of a financial asset, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised directly in equity is recognised in profit or loss.

4. 主要會計政策 (續)

金融工具 (續)

金融負債及權益

集團實體發行之金融負債及股本工具乃根據合同安排之性質與金融負債及股本工具之定義分類。

股本工具乃證明集團於扣減所有負債後之資產中擁有剩餘權益之任何合同。就金融負債及股本工具所採納之會計政策載於下文。

金融負債

金融負債包括貿易及其他應付款項、信託收據貸款及應付票據及借貸，於初步確認後採用實際利率法按攤銷成本計量。

股本工具

本公司發行之股本工具按已收所得款項減直接發行成本記賬。

不再確認

當從資產收取現金流量之權利屆滿時，或金融資產已轉讓，及本集團已將其於金融資產擁有權之絕大部份風險和回報轉移，則不再確認該項金融資產。一旦終止確認金融資產，資產賬面值與已收及應收代價和直接於權益中確認之累計損益之總和之差額將於損益中確認。

4. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Financial instruments (Continued)

Derecognition (Continued)

For financial liabilities, they are removed from the Group's the balance sheet (i.e. when the obligation specified in the relevant contract is discharged, cancelled or expired). The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

Derivatives that do not qualify for hedge accounting

Derivatives that do not qualify for hedge accounting are deemed as financial assets held for trading or financial liabilities held for trading. Changes in fair values of such derivatives are recognised directly in profit or loss.

Embedded derivatives

Derivatives embedded in non-derivate host contracts are separated from the relevant host contracts and deemed as held-for-trading when the economic characteristics and risks of the embedded derivatives are not closely related to those of the host contracts, and the combined contracts are not measured at fair value through profit or loss. In all other circumstances, derivatives embedded are not separated and are accounted for together with the host contracts in accordance with appropriate standards. Where the Group needs to separate an embedded derivative but is unable to measure the embedded derivative, the entire combined contracts are treated as held-for-trading.

4. 主要會計政策 (續)

金融工具 (續)

不再確認 (續)

就金融負債而言(即倘於有關合約中規定之義務解除、取消或到期時),該項金融負債會從本集團之資產負債表內剔除。不再確認之金融負債之賬面值與已收及應收之代價之差額將於損益中確認。

不符合對沖帳目資格之衍生工具

不符合對沖帳目資格之衍生工具被視為貿易持有之金融資產或貿易持有之金融負債。此等衍生工具之公平值變動直接於損益中確認。

附帶衍生工具

附帶於非衍生主合同之衍生工具乃自有關主合同分開,而當附帶衍生工具之經濟特質及風險與主合同者並無密切關係,及合併合同並非按公平值計入損益而計量時,則被視作持作買賣。在所有其他情況下,附帶衍生工具不會分開處理,並根據適用準則與主合同一併處理。倘本集團需要分開處理附帶衍生工具,惟未能計量附帶衍生工具,則整份合併合同會被當作為持作買賣。

4. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Leasing

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

The Group as lessor

Rental income from operating leases is recognised in the consolidated income statement on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised as an expense on a straight-line basis over the lease term.

The Group as lessee

Rentals payable under operating leases are charged to profit or loss on a straight-line basis over the term of relevant lease. Benefits received and receivable as an incentive to enter into an operating lease are recognised as a reduction of rental expense over the lease term on a straight-line basis.

Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods provided in the normal course of business, net of discounts and sales related taxes.

Sales of goods are recognised when goods are delivered and title has passed with reference to the sales contracts/shipping terms.

4. 主要會計政策 (續)

租賃

倘租賃之條款將擁有權之絕大部份風險及回報轉移至承租人時，該租賃即歸類為融資租約。其他租賃全部列作經營租約。

本集團作為出租人

經營租約之租金收入乃按相關租約年期以直線法於綜合收益表確認。於協商及安排經營租約時引致之初步直接成本乃加至租賃資產之賬面值，並按租約年期以直線法確認為開支。

本集團作為承租人

根據經營租約之應付租金乃按相關租約年期以直線法自損益中扣除。因訂立一項經營租約作為獎勵之已收及應收福利乃以直線法按租約年期確認作減低租金費用。

收入確認

收入乃根據已收或應收代價之公平值列賬，並指於一般業務過程中提供貨品時之應收款項，扣除折扣及相關銷售稅。

經參考銷售合約／航運條款，銷售貨品之收入在貨品送抵目的地及擁有權易手之時確認。

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4. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Revenue recognition (Continued)

Interest income from a financial asset is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts the estimate future cash receipts throughout the expected life of the financial asset to that asset's net carrying value.

Dividend income from investments is recognised when the shareholders' rights to receive payment have been established.

Foreign currencies

In preparing the financial statements of each individual group entity, transactions in currencies other than the functional currency of that entity (foreign currencies) are recorded in its functional currency (i.e. the currency of the primary economic environment in which the entity operates) at the rates of exchanges prevailing on the dates of transaction. At each balance sheet date, monetary items denominated in foreign currencies are retranslated at the rates prevailing on the balance sheet date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rate prevailing on the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences arising on the settlement of monetary items, and on the retranslation of monetary items, are included in profit or loss for the period. Exchange differences arising on the retranslation of non-monetary items carried at fair value are included in profit or loss for the period except for differences arising on the retranslation of non-monetary items in respect of which gains and losses are recognised directly in equity, in which cases, the exchange differences are also recognised directly in equity.

4. 主要會計政策 (續)

收入確認 (續)

金融資產之利息收入乃以時間為基準按未償還本金及適用實際利率累計，而實際利率為透過金融資產之整個可用預計年期將估計日後現金收益實際折讓至該資產之賬面淨值之比率。

來自投資之股息收入於股東收取付款之權利建立時確認。

外幣

在編製各集團實體之財務報表時，以該實體之功能貨幣以外之貨幣(外幣)進行之交易乃按交易日期之匯率以其功能貨幣(即該實體業務所在之主要經濟環境之貨幣)記錄。在各結算日，以外幣為單位之貨幣性項目均按結算日之匯率再換算。按公平值列賬並以外幣為單位之非貨幣性項目均按公平值釐定當日之匯率再換算。以歷史成本計量並以外幣計量之非貨幣性項目不會再換算。

由結算貨幣性項目及換算貨幣性項目而產生之匯兌差額，於其產生期間在損益中確認。因換算按公平值列賬之非貨幣項目產生之匯兌差額計入期內之損益中，惟換算直接於權益內確認盈虧之非貨幣項目產生之差額除外，在此情況下，匯兌差額亦會直接於權益中確認。

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4. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Foreign currencies (Continued)

For the purpose of presenting consolidated financial statements, the assets and liabilities of the Group's foreign operations are translated into the presentation currency of the Company (i.e. Hong Kong dollar) at the rate of exchange prevailing at the balance sheet date and their income and expenses are translated at the average exchange rates for the year, unless exchange rates fluctuate significantly during the period, in which case, the exchange rates at the dates of the transactions are used. Exchange differences arising, if any, are recognised as a separate component of equity (the translation reserve). Such exchange differences are recognised in profit or loss in the period in which the foreign operation is disposed of.

Retirement benefit costs

Payments to defined contribution retirement benefit plans, state-managed retirement benefit schemes and the Mandatory Provident Fund Scheme are charged as an expense as they fall due.

Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the consolidated income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the balance sheet date.

4. 主要會計政策 (續)

外幣 (續)

於列報綜合財務報表時，本集團境外業務之資產及負債按結算日之匯率換算為本公司之列報貨幣(即港元)，而其收入及支出則按年內之平均匯率換算，除非匯率在期間內大幅波動，在該情況下，則使用交易日期之匯率。所產生之匯兌差額(如有)則確認為權益之獨立組成部份(匯兌儲備)。該等匯兌差額將於出售有關境外業務之期間內確認為損益。

退休福利成本

定額供款退休福利計劃、國營退休福利計劃及強制性公積金計劃之款項於到期時扣除列作支出。

稅項

所得稅開支為即期應繳之稅項與遞延稅項之總和。

即期應繳稅項乃按年內應課稅溢利計算。由於應課稅溢利不包括應於其他年度課稅或可扣稅之收入或開支項目，且亦不計及永久毋須課稅或不可扣減之項目，故有別於綜合收益表內呈報之溢利。本集團之即期稅項負債乃按結算日已實行或大致上已實行之稅率計算。

4. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Taxation (Continued)

Deferred tax is recognised on differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries and associates, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in foreseeable future.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the assets to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or asset is realised. Deferred tax is charged or credited to profit or loss, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity.

Borrowings costs

All borrowing costs are recognised as and included in finance costs in the consolidated income statement in the period in which they are incurred.

4. 主要會計政策 (續)

稅項 (續)

遞延稅項乃按綜合財務報表內資產及負債賬面值與計算應課稅溢利所使用相應稅基之差額而確認，並以資產負債表負債法入賬。遞延稅項負債一般就所有應課稅暫時差額確認，而遞延稅項資產則於可能有應課稅溢利以抵銷可扣減暫時差額時確認。倘暫時差額因商譽產生，或自不影響應課稅溢利或會計溢利之交易項下其他資產及負債之初步確認（業務合併除外）所產生，則不會確認有關資產及負債。

附屬公司及聯營公司投資產生之應課稅暫時差額會確認為遞延稅項負債，惟本集團可控制撥回暫時差額之時間，及有可能在可預見未來不會撥回則除外。

遞延稅項資產之賬面值於各結算日審閱，並於不再可能有足夠應課稅溢利以收回全部或部分資產之情況下作出相應扣減。

遞延稅項按預期於清還負債或變現資產期間適用之稅率計算。遞延稅項於損益中扣除或計入，惟倘與直接扣除或計入股本之項目相關，則遞延稅項亦於股本中處理。

借貸成本

所有借貸成本均於其產生期間於綜合收益表確認為及納入融資成本。

5. KEY SOURCES OF ESTIMATION UNCERTAINTY

In preparing these consolidated financial statements, management is required to exercise significant judgements in the selection and application of accounting principles, including making estimates and assumptions concerning the future. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities are discussed below.

Estimated allowance for doubtful debts

The assessment of the allowance on trade and other receivables and loan receivable of the Group is based on the evaluation of collectability and aging analysis of accounts and on management's judgement. A considerable amount of judgement is required in assessing the ultimate realisation of these receivables including the current creditworthiness and the past collection history of each counterparty. The Group also makes judgements as to whether there is any objective evidence that these receivables are impaired (i.e. whether there is a decrease in estimated future cash flow). Objective evidence for impairment includes observable financial data from the customers and borrower and current market conditions. If the financial conditions of customers and borrower of the Group deteriorate, resulting in an impairment of their ability to make payments, additional allowances may be required.

Impairment of available-for-sale investments

The Group follows the guidance of HKAS 39 in determining whether an available-for-sale investment is impaired. This determination requires significant judgements. In making these judgements, the Group evaluates, among other factors, the duration and extent to which the fair value of an investment is less than its cost, and the financial health of and near-term business outlook for the investee, including factors such as industry and sector performance, change in technology and operation and financing cash flow.

5. 估計不明朗因素之主要來源

在編製綜合財務報表時，管理層須作出重大判斷以挑選和應用會計原則，包括對未來作出估計及假設。該等估計及假設可能構成重大風險，導致資產及負債之賬面值須作出調整，其概述如下。

呆賬之估計撥備

本集團之貿易及其他應收款項及應收貸款之撥備乃以賬項之可收回性及賬齡分析之評估以及管理層判斷為基準作出評估。於評估此等應收款項之最終變現時需要重大判斷，包括每名交易對方之現行信用及過往收款記錄。本集團亦會判斷有否客觀證據表明該等應收款項已發生減值（即估計日後現金流量有否減少）。減值之客觀證據包括客戶及借債人之可供取閱之財務數據以及現有市況。倘本集團之客戶及借債人之財政狀況惡化，以致彼等付款之能力減少，則可能須作出額外撥備。

可供銷售投資之減值

本集團在確定可供銷售投資有否減值時會遵循香港會計準則第39號之指引。該項確定須作出重大判斷。於作出判斷時，本集團會評估（其中包括）投資之公平值低於其成本之持續時間及程度，及投資對象之財務穩健程度及近期業務前景，包括如行業及類別表現、技術革新以及經營及融資現金流量等因素。

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5. KEY SOURCES OF ESTIMATION UNCERTAINTY (Continued)

Fair value of financial instruments

Fair value estimates are generally subjective in nature, and are made as of a specific point in time based on the characteristic of the financial instruments and relevant market information. Where available, quoted market prices are used. If a quoted price is not available on a recognised stock exchange or from a broker or dealer for non-exchange traded financial instruments or from a readily available latest trading price, the fair value is estimated using present value or other valuation techniques.

These techniques involve uncertainties and are significantly affected by the assumptions used and judgements made regarding risk characteristic of various financial instruments, discount rate and other factors. Change in assumptions could significantly affect these estimates and the resulting fair value. Derived fair value estimates cannot necessarily be substantiated by comparison to independent markets and, in many cases, could be realised in an estimate sale of financial instruments.

In particular, for valuation of the convertible preferred shares carried out by the independent international assets valuers, as described in Note 21, they are appraised on the fair value basis with the core inputs on expected life of the financial instrument, estimated discount rate, expected volatility on both share price and trading volume of ASAT Holdings Limited ("ASAT"), and interest rate prevailing in the market. The expected life of the convertible preferred shares is assumed to be 5.5 years. The expected yield rate applies to the convertible preferred shares, which is assumed to be 36%, has made reference to the yield of bond with similar grading and the borrowing rate that ASAT may experience. The volatility of the share price of ASAT is calculated based on its share price movement over last two years and possible cyclical pattern that demonstrate in the corresponding industry. In respect of small trading volume, a marketability discount of 44% is applied. The prevailing market interest rate has made reference to the yield of US government bond with similar duration.

5. 估計不明朗因素之主要來源 (續)

金融工具之公平值

公平值估價性質一般屬主觀，並根據金融工具之特性及有關市場資訊於特定時間上作出。如有，應採用市場報價。如未能從認可之證券交易所、或經紀或證券商非通過交易所買賣之金融工具、或可隨時取閱最新之貿易市價等取得報價，公平值則會使用折現值或其他估值技術估價。

該等技術涉及不明朗因素，並重大地受到所使用之假設及作出之判決(有關不同金融工具之風險特性，折扣率及其他因素)影響。改變假設可重大地影響該等估價及所導致之公平值。衍生之公平值估價並非必然可藉比較獨立市場而確立。此外，在很多情況下，可從金融工具之估計銷售實現。

特別就由獨立國際資產估值師進行之可換股優先股之估值而言，誠如附註21所描述，乃以公平值基礎估價，其中之核心資料為有關金融工具之預期有效期、估計之折扣率、ASAT Holdings Limited (「樂依文」) 股價及交易量之預期波幅，以及市場之現行利率。可換股優先股之預期有效期假設為五年半。預期之孳息率應用於可換股優先股假設為36%，其中已參考相若評級之債券收益，以及樂依文可能會遇到之借貸率。樂依文股價之波幅乃根據其過去兩年之股價走勢，及於相應行業呈現之可能週期模式計算。就少量交易而言，則採用44%之銷售能力折扣。市場現行利率則已參考相若期間美元債券之收益。

6. FINANCIAL RISK MANAGEMENT OBJECTIVE AND POLICIES

The Group's major financial instruments include available-for-sale investments, investment in convertible preferred shares, trade and other receivables, trade receivable due from an associate, derivative financial instruments, bank balances and cash, trade and other payables, trust receipt loans and bill payables and borrowings. Details of these financial instruments are disclosed in respective notes. The risks associated with these financial instruments and the policies on how to mitigate these risks are set out below. The management manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

Market risk

(i) Foreign exchange risk

The Group operates mainly in both the People's Republic of China ("the PRC") and Hong Kong. Majority of sales receipts are denominated in United States dollar while payments are made in Hong Kong dollar and Renminbi. Hence, the Group is exposed to foreign exchange risk arising from these currencies exposure. Hong Kong dollar is pegged to United States dollar and Renminbi fluctuates within a narrow range of exchange rates managed by the Chinese government as to United States dollar, the foreign exchange exposure between them are considered limited and no exchange rate hedging was arranged. However, the management closely monitors the related foreign currency exposure and will consider hedging significant foreign currency exposure should the need arise.

(ii) Other price risk

The Group's investments in equity instruments are measured at fair values at each balance sheet date. Therefore, the Group is exposed to equity price risk in relation to these investments. The management manages this exposure by reviewing the investments regularly.

6. 財務風險管理目標及政策

本集團之主要金融工具包括可供銷售投資、可換股優先股投資、貿易及其他應收款項、應收聯營公司貿易款項、衍生金融工具、銀行結餘及現金、貿易及其他應付款項、信託收據貸款及應付票據和借貸。此等金融工具之詳情已於相關附註披露。下文載列與此等金融工具有關之風險及如何降低該等風險之政策。管理層管理及監控該等風險，以確保及時和有效地採取適當之措施。

市場風險

(i) 外匯風險

本集團主要於中華人民共和國（「中國」）及香港營運。所收取之大部份銷售款項均以美元列值，而其大部份支出則以港元及人民幣列值。因此，本集團須承受該等貨幣產生之外匯風險。港元已與美元掛鈎，人民幣兌美元之窄幅匯率波動由中國政府妥為管理，故該等貨幣之外匯風險實為有限，本集團並無安排外匯對沖措施。然而，管理層會密切注意外匯風險，並會考慮如有需要，對沖重大外匯風險。

(ii) 其他價格風險

於各結算日，本集團之股本工具投資乃按公平值計量，因此，本集團須承受該等投資之股價風險。管理層定期檢視該等投資，藉以管理該風險。

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6. FINANCIAL RISK MANAGEMENT OBJECTIVE AND POLICIES (Continued)

Liquidity risk

The Group manages its liquidity risk by monitoring its current and expected liquidity requirements regularly and ensuring sufficient liquid cash and adequate committed lines of funding from reputable financial institutions to meet the Group's liquidity requirements in the short and long term.

Credit risk

The Group's maximum exposure to credit risk in the event of the counterparties failure to perform their obligations as at 30th April, 2006 in relation to each class of recognised financial assets is the carrying value of those assets as stated in the consolidated balance sheet.

The Group's credit risk is primarily attributable to trade receivables. The amounts of trade receivables presented in the consolidated balance sheet are net of allowances for doubtful receivables. In order to minimise the credit risk, the management of the Group is responsible for determination of credit limits, credit approvals and other monitoring procedures are carried out to ensure that follow-up action is taken to recover overdue debts. In addition, the Group reviews the recoverable amount of each individual trade and other debt at each balance sheet date to ensure that adequate impairment losses are made for irrecoverable amounts. The Group has no significant concentration of credit risk, with exposure spread over a number of counterparties and customers.

The credit risk on liquid funds is limited because the counterparties are banks with high credit-ratings.

Interest rate risk

The Group's interest rate risk exposure arises mainly from bank and other loan borrowings, which are at prevailing market interest rates, thus exposing the Group to cash flow interest rate risk. The management will consider hedging significant interest rate exposure should the need arise.

6. 財務風險管理目標及政策 (續)

流動資金風險

本集團管理流動資金風險之方式為定期監控其現時及預期流動資金之需求，以確保預留充足流動現金及向信譽良好之財務機構籌措充裕承諾貸款，以應付本集團短期及長期流動資金之需要。

信貸風險

倘交易對方於二零零六年四月三十日未能履行彼等之承擔，則本集團就每類已確認金融資產而須承受之最大信貸風險為已於綜合資產負債表列值之資產之賬面金額。

本集團之信貸風險主要來自應收貿易款項。綜合資產負債表呈列之應收貿易款項乃扣除呆賬撥備後之金額。為把信貸風險降至最低，本集團之管理層負責制訂信貸限額、信貸審批及其他監控措施，以確保採取跟進措施收回逾期未付之債項。此外，本集團於各結算日評估每項個別貿易及其他債項之可收回金額，以確保就不可收回金額作出足夠之減值虧損。本集團概無過度集中於少數交易對方及客戶之重大信貸風險。

由於交易對方為高信貸評級之銀行，故流動資金之信貸風險實為有限。

利率風險

本集團承受之利率風險主要來自銀行及其他借貸。該等款項按當時市場息率計算，令本集團承受流動資金利率風險。如有需要，管理層會考慮對沖重大利率風險。

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For the year ended 30th April, 2006 • 截至二零零六年四月三十日止年度

7. TURNOVER

Turnover represents the net amounts received and receivable for goods sold by the Group to outside customers and rental income earned during the years as follows:

Manufacture and sale of integrated circuit leadframes, heatsinks and stiffeners	製造及銷售集成電路引線框、散熱器及加強桿
Rental income from property investment	物業投資之租金收入

7. 營業額

營業額指本集團年內向外界客戶銷售貨品之已收及應收款淨額以及所賺取之租金收入，並載列如下：

2006 二零零六年 HK\$'M 百萬港元	2005 二零零五年 HK\$'M 百萬港元
414	396
—	22
414	418

8. SEGMENTAL INFORMATION

Geographical segments

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

8. 分部資料

地區分部

本集團之客戶現時分佈於美國、香港、歐洲、大中華地區（包括中國及台灣（香港除外））、菲律賓、新加坡及其他亞洲國家。本集團客戶之所在地為本集團呈報主要分部資料之基準。

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8. SEGMENTAL INFORMATION (Continued)

Geographical segments (Continued)

Year ended 30th April, 2006

8. 分部資料 (續)

地區分部 (續)

截至二零零六年四月三十日止年度

		United States of America 美國	Hong Kong 香港	Europe 歐洲	Greater China 大中華地區	Philippines 菲律賓	Singapore 新加坡	Other Asian countries 其他亞洲國家	Consolidated 綜合
		HK\$'M 百萬港元	HK\$'M 百萬港元	HK\$'M 百萬港元	HK\$'M 百萬港元	HK\$'M 百萬港元	HK\$'M 百萬港元	HK\$'M 百萬港元	HK\$'M 百萬港元
TURNOVER	營業額								
Segment turnover	分部營業額	37	200	2	69	18	30	58	414
RESULT	業績								
Segment result	分部業績	6	27	-	10	3	5	10	61
Depreciation of property, plant and equipment	物業、機器 及設備之 折舊								(47)
Gains arising from changes in fair value of derivative financial instruments	衍生金融工具 之公平值 變動產生 之收益								28
Interest income	利息收入								5
Loss on disposal of property, plant and equipment	出售物業、 機器及 設備之 虧損								(3)
Corporate expenses	企業開支								(31)
Finance costs	融資成本								(5)
Share of loss of an associate	分佔聯營 公司虧損								(33)
Loss before tax	除稅前虧損								(25)
Income tax	所得稅								-
Loss for the year	本年度虧損								(25)

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8. SEGMENTAL INFORMATION (Continued)

Geographical segments (Continued)

Consolidated Balance sheet at 30th April, 2006

8. 分部資料 (續)

地區分部 (續)

於二零零六年四月三十日之綜合資產負債表

		United States of America 美國	Hong Kong 香港	Europe 歐洲	Greater China 大中華地區	Philippines 菲律賓	Singapore 新加坡	Other Asian countries 其他亞洲國家	Consolidated 綜合
		HK\$'M 百萬港元	HK\$'M 百萬港元	HK\$'M 百萬港元	HK\$'M 百萬港元	HK\$'M 百萬港元	HK\$'M 百萬港元	HK\$'M 百萬港元	HK\$'M 百萬港元
ASSETS	資產								
Segment assets	分部資產	5	53	1	20	5	3	13	100
Property, plant and equipment	物業、機器及 設備								241
Inventories	存貨								48
Bank balances and cash	銀行結餘及 現金								9
Others unallocated assets	其他未分配 資產								69
Consolidated total assets	綜合資產 總值								467
LIABILITIES	負債								
Unallocated liabilities	未分配 負債								182
Consolidated total liabilities	綜合負債 總值								182

In view of segment information is disclosed based on the geographical locations of the Group's customers, capital additions of HK\$15 million for the year ended 30th April, 2006 and other non-cash expenditures are unallocated.

誠如分部資料所披露，基於本集團客戶之所在地，截至二零零六年四月三十日止年度之15,000,000港元資本添置及其他非現金開支均未分配。

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8. SEGMENTAL INFORMATION (Continued)

Geographical segments (Continued)

Year ended 30th April, 2005

		United States of America 美國 HK\$'M 百萬港元	Hong Kong 香港 HK\$'M 百萬港元	Europe 歐洲 HK\$'M 百萬港元	Greater China 大中華地區 HK\$'M 百萬港元	Philippines 菲律賓 HK\$'M 百萬港元	Singapore 新加坡 HK\$'M 百萬港元	Other Asian countries 其他亞洲國家 HK\$'M 百萬港元	Consolidated 綜合 HK\$'M 百萬港元
TURNOVER	營業額								
Segment turnover	分部營業額	45	230	2	50	22	25	44	418
RESULT	業績								
Segment result	分部業績	3	(29)	-	7	4	3	7	(5)
Depreciation of property, plant and equipment	物業、機器及設備之折舊								(50)
Allowance for doubtful other receivables	其他應收款項之呆賬撥備								(3)
Impairment loss on property, plant and equipment	物業、機器及設備之減值虧損								(4)
Gain on disposal of property, plant and equipment	出售物業、機器及設備之收益								3
Corporate expenses	企業開支								(31)
Distribution from liquidation of a former subsidiary	一間前附屬公司清盤之分派								5
Finance costs	融資成本								(8)
Crystallisation of obligations under guarantees	履行擔保責任								(1)
Loss on discontinued operation	已終止經營業務之虧損								(4)
Share of loss of an associate	分佔聯營公司虧損								(173)
Loss before tax	除稅前虧損								(271)
Income tax credit	所得稅抵免								4
Loss for the year	本年度虧損								(267)

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For the year ended 30th April, 2006 • 截至二零零六年四月三十日止年度

8. SEGMENTAL INFORMATION (Continued)

Geographical segments (Continued)

Consolidated balance sheet at 30th April, 2005

8. 分部資料 (續)

地區分部 (續)

於二零零五年四月三十日之綜合資產負債表

		United States of America 美國	Hong Kong 香港	Europe 歐洲	Greater China 大中華地區	Philippines 菲律賓	Singapore 新加坡	Other Asian countries 其他亞洲國家	Consolidated 綜合
		HK\$'M 百萬港元	HK\$'M 百萬港元	HK\$'M 百萬港元	HK\$'M 百萬港元	HK\$'M 百萬港元	HK\$'M 百萬港元	HK\$'M 百萬港元	HK\$'M 百萬港元
ASSETS	資產								
Segment assets	分部資產	7	30	1	19	6	4	7	74
Interest in an associate	聯營公司 權益								(2)
Property, plant and equipment	物業、機器 及設備								276
Inventories	存貨								52
Bank balances and cash	銀行結餘及 現金								63
Others unallocated assets	其他未分配 資產								23
Consolidated total assets	綜合資產 總值								<u>486</u>
LIABILITIES	負債								
Unallocated liabilities	未分配 負債								256
Consolidated total liabilities	綜合負債 總值								<u>256</u>

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8. SEGMENTAL INFORMATION (Continued)

Geographical segments (Continued)

Other information for the year ended 30th April, 2005

		United States of America	Hong Kong	Europe	Greater China	Philippines	Singapore	Other Asian countries	Consolidated
		美國	香港	歐洲	大中華地區	菲律賓	新加坡	其他亞洲國家	綜合
		HK\$'M	HK\$'M	HK\$'M	HK\$'M	HK\$'M	HK\$'M	HK\$'M	HK\$'M
		百萬港元	百萬港元	百萬港元	百萬港元	百萬港元	百萬港元	百萬港元	百萬港元
Unallocated capital additions	未分配之資本添置	-	-	-	-	-	-	-	25
Deficit on revaluation of investment properties	投資物業之重估減值	-	-	-	-	-	-	-	80
Loss on disposal of investment properties	出售投資物業之虧損	-	-	-	-	-	-	-	4

The following is an analysis of the carrying amount of segment assets and additions to property, plant and equipment, analysed by geographical area in which the assets are located:

8. 分部資料 (續)

地區分部 (續)

截至二零零五年四月三十日止年度之其他資料

按資產所在地區劃分之分部資產賬面值與添置物業、機器及設備之分析如下：

		Carrying amount of segment assets		Additions to property, plant and equipment	
		2006	2005	2006	2005
		2006	2005	2006	2005
		HK\$'M	HK\$'M	HK\$'M	HK\$'M
		百萬港元	百萬港元	百萬港元	百萬港元
United States of America	美國	2	9	-	-
Hong Kong	香港	107	87	-	-
Greater China	大中華地區	289	325	15	25
		398	421	15	25

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8. SEGMENTAL INFORMATION (Continued)

Business segment

The Group operates/has operated in two business segments – the manufacture and sale of integrated circuit leadframes, heatsinks and stiffeners and property investment. The property investment business was discontinued in December 2004.

An analysis of the Group's sales revenue by business segment is shown in Note 7.

The following is an analysis of the carrying amount of segment assets and additions to property, plant and equipment, analysed by business segment:

8. 分部資料 (續)

業務分部

本集團經營／曾經經營兩類業務－製造及銷售集成電路引線框、散熱器及加強桿；以及物業投資。物業投資業務已於二零零四年十二月終止。

本集團按業務分部劃分之銷售收入分析載於附註7內。

按業務分部劃分之分部資產賬面值以及添置物業、機器及設備之分析如下：

	Carrying amount of segment assets		Additions to property, plant and equipment		
	分部資產賬面值		添置物業、 機器及設備		
	2006	2005	2006	2005	
	二零零六年	二零零五年	二零零六年	二零零五年	
	HK\$'M	HK\$'M	HK\$'M	HK\$'M	
	百萬港元	百萬港元	百萬港元	百萬港元	
Continuing operation	持續經營業務				
Manufacture and sale of integrated circuit leadframes, heatsinks and stiffeners	製造及銷售集成 電路引線框、 散熱器及加強桿	398	417	15	25
Discontinued operation	已終止經營業務				
Property investment	物業投資	—	4		
		398	421		

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS • 綜合財務報表附註

For the year ended 30th April, 2006 • 截至二零零六年四月三十日止年度

9. OTHER INCOME

Scrap sales	廢料銷售	21	19
Interest income for convertible preferred shares (Note)	可換股優先股之利息收入(附註)	5	–
Gain on disposal of property, plant and equipment	出售物業、機器及設備之收益	–	3
Sundry income	雜項收入	1	2
		<u>27</u>	<u>24</u>

Note: The amount includes approximately HK\$3 million interest income from convertible preferred shares, which was received in form of ordinary shares of ASAT.

9. 其他收入

2006 二零零六年 HK\$'M 百萬港元	2005 二零零五年 HK\$'M 百萬港元
21	19
5	–
–	3
1	2
<u>27</u>	<u>24</u>

附註：此數額包括可換股優先股之利息收入約3,000,000港元，並以樂依文之普通股形式收取。

10. FINANCE COSTS

Interest on bank and other loans wholly repayable within five years	須於五年內悉數償還之銀行及其他貸款之利息	5	7
Other finance charges	其他融資費用	–	1
Total borrowing costs	借貸成本總額	<u>5</u>	<u>8</u>

11. CRYSTALLISATION OF OBLIGATIONS UNDER GUARANTEES

This represents exchange losses arising from the settlement and translation of the obligations crystallised under guarantees, which were denominated in Pounds Sterling, provided by the Company in respect of industrial grants and operating lease obligations granted to its former subsidiaries incorporated in the United Kingdom from National Assembly for Wales ("NAW") and Welsh Development Agency ("WDA") respectively in prior years.

10. 融資成本

2006 二零零六年 HK\$'M 百萬港元	2005 二零零五年 HK\$'M 百萬港元
5	7
–	1
<u>5</u>	<u>8</u>

11. 履行擔保責任

該數額乃指本公司於往年就其於英國註冊成立之前附屬公司分別自National Assembly for Wales(「NAW」)及Welsh Development Agency(「WDA」)獲得之工業資助及營業租約責任提供擔保，並就結算及換算主要以英鎊為單位之履行擔保責任所產生之匯兌虧損。

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12. LOSS ON DISCONTINUED OPERATION

On 17th December, 2004, the Company entered into a conditional agreement to dispose of all its investment properties (the "Disposal"). On the same date, the board of directors of the wholly-owned subsidiary of the Company holding the investment properties determined to cease its property investment business. The Disposal was completed on 29th April, 2005 and resulted in a loss on disposal of investment properties of approximately HK\$4 million.

The results and the carrying amounts of the assets and liabilities of the discontinued operation, which have been included in the consolidated financial statements in last year, are as follows:

12. 已終止經營業務之虧損

於二零零四年十二月十七日，本公司簽訂有條件協議出售其全部投資物業（「出售事項」）。於當日，本公司擁有該等投資物業之全資附屬公司之董事會決定終止其物業投資業務。出售事項於二零零五年四月二十九日完成，並錄得出售投資物業之虧損約4,000,000港元。

於去年綜合財務報表內列賬之已終止經營業務之業績及資產負債賬面值如下：

		HK\$'M 百萬港元
Turnover	營業額	22
Deficit on revaluation of investment properties	投資物業重估減值	(80)
Loss on disposal of investment properties	出售投資物業之虧損	(4)
Other expenses	其他開支	(1)
		<hr/>
Loss before tax	除稅前虧損	(63)
Income tax credit	所得稅抵免	2
		<hr/>
Loss for the year	本年度虧損	(61)
		<hr/>
Total assets	總資產	4
Total liabilities	總負債	(5)
		<hr/>
		(1)

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For the year ended 30th April, 2006 • 截至二零零六年四月三十日止年度

12. LOSS ON DISCONTINUED OPERATION

(Continued)

The contributions of the discontinued operation to the Group's cash flows in last year are as follows:

		HK\$'M 百萬港元
Net cash from operating activities	經營業務所產生之現金淨額	18
Net cash from investing activities	投資業務所產生之現金淨額	99
Net cash used in financing activities	融資活動所耗之現金淨額	(117)
		<hr/>
Total net cash inflows	總現金流入淨額	<hr/> –

13. INCOME TAX CREDIT

The credit (charge) comprises:

PRC Enterprise Income Tax
Deferred tax (Note 32)

稅項抵免(支出)包括:

中國企業所得稅
遞延稅項(附註32)

2006 二零零六年 HK\$'M 百萬港元	2005 二零零五年 HK\$'M 百萬港元
(1)	–
1	4
<hr/> –	<hr/> 4

No provision for Hong Kong Profits Tax has been made as the individual companies comprising the Group have no estimated assessable profits derived from Hong Kong for both years.

Taxation arising in PRC is calculated at the rates prevailing in PRC.

12. 已終止經營業務之虧損(續)

已終止經營業務對本集團去年現金流量之貢獻如下:

13. 所得稅抵免

由於本集團之個別公司於兩個年度均無於香港產生估計應課稅溢利，故並無就香港利得稅作出撥備。

於中國產生之稅項按中國現時之稅率計算。

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13. INCOME TAX CREDIT (Continued)

The taxation for the year can be reconciled to the loss before tax per consolidated income statement as follows:

13. 所得稅抵免 (續)

本年度稅項與綜合收益表所列之除稅前虧損之對賬如下：

		2006 二零零六年 HK\$'M 百萬港元	2005 二零零五年 HK\$'M 百萬港元
Loss before tax	除稅前虧損	<u>(25)</u>	<u>(271)</u>
Tax credit at Hong Kong Profits	按香港利得稅稅率17.5%		
Tax rate of 17.5% (2005: 17.5%)	(二零零五年：17.5%)		
	計算之稅項抵免	(4)	(47)
Tax effect of expenses not deductible for tax purpose	不可扣稅開支之稅務影響	1	9
Tax effect of income not taxable for tax purpose	毋須課稅收入之稅務影響	(4)	(1)
Tax effect of non-allowable losses of offshore operation	離岸業務之不可扣稅虧損之稅務影響	1	2
Tax effect of current year's tax loss not recognised	未確認本年度稅務虧損之稅務影響	-	3
Effect of different tax rates of subsidiaries operating in PRC	於中國營運之附屬公司不同稅率之影響	1	-
Tax effect of reversal of tax losses previously recognised	撥回先前確認稅務虧損之稅務影響	1	-
Tax effect of utilisation of tax losses previously not recognised	動用先前未確認稅務虧損之稅務影響	(1)	-
Effect of share of tax of an associate	分佔聯營公司稅項之影響	5	30
		<u>-</u>	<u>(4)</u>
Tax credit for the year	本年度稅項抵免	<u>-</u>	<u>(4)</u>

Details of potential deferred taxation provided/not provided for in the year are set out in Note 32.

有關年內已撥備／並無撥備之潛在遞延稅項詳情載於附註32。

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14. LOSS FOR THE YEAR

Loss for the year has been arrived at after charging (crediting):	本年度虧損已扣除 (計入) :		
Operating lease rentals in respect of premises	樓宇之營業租約租金支出	13	12
Auditors' remuneration	核數師酬金	2	2
Loss on disposal of property, plant and equipment	出售物業、機器及設備之虧損	3	-
Allowance for doubtful trade receivables	應收貿易款項之呆賬撥備	1	-
Gross rental income from investment properties less outgoings of HK\$1 million	投資物業租金收入總額減 1,000,000港元之開支	-	(21)
Share of tax of an associate (included in share of loss of an associate)	分佔聯營公司稅項 (包括在分佔聯營公司虧損內)	-	2

15. LOSS PER SHARE

The calculation of the basic loss per share attributable to the ordinary equity holders of the parent is based on the following data:

Loss for the purposes of basic loss per share	用以計算每股基本虧損之虧損	HK\$25M 百萬港元	HK\$267M 百萬港元
Weighted average number of ordinary shares for the purpose of calculating basic loss per share	用以計算每股基本虧損之普通股加權平均數	680,359,931	639,369,988

14. 本年度虧損

	2006 二零零六年 HK\$'M 百萬港元	2005 二零零五年 HK\$'M 百萬港元
Operating lease rentals in respect of premises	13	12
Auditors' remuneration	2	2
Loss on disposal of property, plant and equipment	3	-
Allowance for doubtful trade receivables	1	-
Gross rental income from investment properties less outgoings of HK\$1 million	-	(21)
Share of tax of an associate (included in share of loss of an associate)	-	2

15. 每股虧損

母公司普通股持有人應佔每股基本虧損乃按下列數據計算：

	2006 二零零六年 HK\$25M 百萬港元	2005 二零零五年 HK\$267M 百萬港元
Weighted average number of ordinary shares for the purpose of calculating basic loss per share	680,359,931	639,369,988

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15. LOSS PER SHARE (Continued)

No diluted loss per share has been presented for both years because assuming the exercise of the share options and warrants of the Company would result in a decrease in loss per share.

The rights issue as described in Note 29 has no impact on the loss per share for both years because the rights issue has no bonus element.

Impact of changes in accounting policies

Changes in Group's accounting policies during the year are described in details in Note 3. To the extent that those changes have had an impact on the results reported for 2006 and 2005, they have had an impact on the amounts reported for loss per share. The following table summarises that impact on basic loss per share:

15. 每股虧損 (續)

由於假設行使本公司之購股權及認股權證將導致每股虧損減少，因此並無呈列兩個年度之每股攤薄虧損。

由於供股事項並無存在紅利成分，附註29所描述之供股事項於兩個年度對每股虧損並無任何影響。

會計政策變動之影響

本集團於本年度之會計政策變動詳述於附註3。倘該等變動對二零零六年及二零零五年之呈報業績有影響，則對每股虧損之呈報金額亦會產生影響。下表概述對每股基本虧損之影響：

		2006 二零零六年 HK\$ 港元	2005 二零零五年 HK\$ 港元
Figures before changes in accounting policies	會計政策變動前之數字	(0.08)	(0.42)
Effect of changes in accounting policies	會計政策變動之影響	<u>0.04</u>	<u>-</u>
Figures after changes in accounting policies	會計政策變動後之數字	<u>(0.04)</u>	<u>(0.42)</u>

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16. DIRECTORS' AND EMPLOYEES' EMOLUMENTS

Directors' emoluments

The emoluments paid or payable to each of the six (2005: five) directors were as follows:

		Henry TL Li 李同樂 HK\$'M 百萬港元	Kevin HT Cheng 鄭海滔 HK\$'M 百萬港元	Robert KT Kwan 關傑鋼 HK\$'M 百萬港元	Robert TT Sze 史習陶 HK\$'M 百萬港元	Robert Charles Nicholson 黎高信 HK\$'M 百萬港元	Alex CB Wong 王振邦 HK\$'M 百萬港元	Total 總數 HK\$'M 百萬港元
2006	二零零六年							
Fees	袍金	-	-	-	0.5	0.4	0.3	1.2
Other emoluments	其他酬金							
Salaries and other benefits	薪金及其他福利	9.3	0.9	0.5	-	-	-	10.7
Discretionary bonus	酌情花紅	10.0	-	-	-	-	-	10.0
		<u>19.3</u>	<u>0.9</u>	<u>0.5</u>	<u>0.5</u>	<u>0.4</u>	<u>0.3</u>	<u>21.9</u>
2005	二零零五年							
Fees	袍金	-	-	-	0.5	0.4	0.3	1.2
Other emoluments	其他酬金							
Salaries and other benefits	薪金及其他福利	9.1	1.0	-	-	-	-	10.1
Discretionary bonus	酌情花紅	10.2	-	-	-	-	-	10.2
		<u>19.3</u>	<u>1.0</u>	<u>-</u>	<u>0.5</u>	<u>0.4</u>	<u>0.3</u>	<u>21.5</u>

The emoluments payable to directors of the Company as approved by the Board on the recommendation of the remuneration committee, are having regard to their individual duties and responsibilities with the Company, remuneration benchmark in the industry and prevailing market conditions.

In both years, no emoluments were paid or payable to the directors as an inducement to join the Company and no compensation was paid or payable to directors or past directors for loss of office.

董事酬金

已付或應付六名(二零零五年: 五名)董事各自之酬金如下:

應付本公司董事之酬金乃參考薪酬委員會之推薦意見後根據彼等於本公司之個別職責、行業薪酬基準及當時市況由董事會批准。

於兩個年度內, 本集團並無任何已付或應付予董事之酬金作為加入本公司之報酬, 亦無已付或應付予董事或前董事之離職補償。

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16. DIRECTORS' AND EMPLOYEES' EMOLUMENTS (Continued)

Employees' emoluments

The aggregate emoluments of the five highest paid individuals included two (2005: one) executive directors of the Company, whose emoluments are included in above. The aggregate emoluments of the remaining three (2005: four) highest paid individuals are as follows:

Basic salaries, allowances and other benefits-in-kind	基本薪金、津貼及其他實物利益
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Their emoluments were within the following bands:

HK\$1,000,001 – HK\$1,500,000	1,000,001港元 – 1,500,000港元
HK\$1,500,001 – HK\$2,000,000	1,500,001港元 – 2,000,000港元
HK\$2,000,001 – HK\$2,500,000	2,000,001港元 – 2,500,000港元

16. 董事及僱員酬金 (續)

僱員酬金

五名最高薪酬人士包括兩名(二零零五年：一名)本公司執行董事，其酬金已列於上文，其餘三名(二零零五年：四名)最高薪酬人士之酬金總額如下：

2006 二零零六年 HK\$'M 百萬港元	2005 二零零五年 HK\$'M 百萬港元
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<u>5</u>	<u>6</u>
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彼等酬金介乎下列組別：

2006 二零零六年 Number of employees 僱員人數	2005 二零零五年 Number of employees 僱員人數
--	--

<u>1</u>	3
<u>1</u>	1
<u>1</u>	–
<u>3</u>	<u>4</u>

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17. INVESTMENT PROPERTIES

17. 投資物業

		HK\$'M 百萬港元
Land and buildings in Hong Kong under medium-term lease	在香港之中期租約土地及樓宇	
At 1st May, 2004	於二零零四年五月一日	182
Reclassified from property, plant and equipment	自物業、機器及設備重新分類	1
Deficit on revaluation	重估減值	(80)
Disposal	出售	(103)
		<hr/>
At 30th April, 2005 and 30th April, 2006	於二零零五年四月三十日及二零零六年四月三十日	<hr/> <hr/> –

The investment properties were revalued at their estimated open market value at 31st October, 2004 and 17th December, 2004, the date that the Company announced the disposal of investment properties, by Vigers Appraisal & Consulting Limited ("Vigers"), a firm of independent international asset valuers. This valuation gave rise to a revaluation deficit of HK\$80 million, which had been charged to consolidated income statement.

該投資物業已於二零零四年十月三十一日及二零零四年十二月十七日(本公司公佈出售該投資物業當日)由獨立國際資產估值師行，威格斯資產評估顧問有限公司(「威格斯」)按估計公開市值基準重新估值。重新估值產生重估減值80,000,000港元，已於綜合收益表內扣除。

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18. PROPERTY, PLANT AND EQUIPMENT

18. 物業、機器及設備

		Land and buildings in Hong Kong under medium-term lease 根據中期租約 租賃之香港 土地及樓宇 HK\$'M 百萬港元	Leasehold improvements 物業裝修 HK\$'M 百萬港元	Furniture, fixtures and equipment 傢俬、 裝置及設備 HK\$'M 百萬港元	Motor vehicles 汽車 HK\$'M 百萬港元	Plant and machinery 機器及設備 HK\$'M 百萬港元	Moulds, toolings and production films 工模、工具及 生產用底片 HK\$'M 百萬港元	Total 總數 HK\$'M 百萬港元
COST OR VALUATION	成本或估值							
At 1st May, 2004	於二零零四年五月一日	76	66	176	10	697	346	1,371
Additions	添置	-	4	3	-	12	6	25
Reclassified to investment properties	重新分類至投資物業	(2)	-	-	-	-	-	(2)
Disposals and write-offs	出售及撇銷	(74)	-	(6)	(2)	-	-	(82)
At 30th April, 2005	於二零零五年四月三十日	-	70	173	8	709	352	1,312
Additions	添置	-	2	1	1	6	5	15
Disposals and write-offs	出售及撇銷	-	-	(7)	(6)	(56)	(4)	(73)
At 30th April, 2006	於二零零六年四月三十日	-	72	167	3	659	353	1,254
DEPRECIATION AND IMPAIRMENT LOSS	折舊及減值虧損							
At 1st May, 2004	於二零零四年五月一日	45	41	161	9	459	321	1,036
Provided for the year	本年度撥備	1	5	4	-	34	6	50
Reclassified to investment properties	重新分類至投資物業	(1)	-	-	-	-	-	(1)
Impairment	減值	-	-	-	-	4	-	4
Eliminated on disposals and write-offs	出售及撇銷時抵銷	(45)	-	(6)	(2)	-	-	(53)
At 30th April, 2005	於二零零五年四月三十日	-	46	159	7	497	327	1,036
Provided for the year	本年度撥備	-	4	4	1	32	6	47
Eliminated on disposals and write-offs	出售及撇銷時抵銷	-	-	(7)	(6)	(53)	(4)	(70)
At 30th April, 2006	於二零零六年四月三十日	-	50	156	2	476	329	1,013
CARRYING VALUES	賬面值							
At 30th April, 2006	於二零零六年四月三十日	-	22	11	1	183	24	241
At 30th April, 2005	於二零零五年四月三十日	-	24	14	1	212	25	276

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18. PROPERTY, PLANT AND EQUIPMENT

(Continued)

The above items of property, plant and equipment are depreciated on a straight-line basis at the following rates per annum:

Leasehold land and buildings	25 – 50 years or over the unexpired lease term, whichever is shorter
Leasehold improvements	8 years
Furniture, fixtures and equipment	5 – 8 years
Motor vehicles	5 years
Plant and machinery	6 – 12 years
Moulds, toolings and production films	6 years

During the year ended 30th April, 2005, the Group reviewed the recoverable amounts of plant and machinery, which have been determined on the basis of overall utilization. Accordingly, an impairment loss of HK\$4 million was recognised in respect of plant and machinery.

19. INTEREST IN AN ASSOCIATE

Listed investment outside Hong Kong	香港以外之上市投資
Cost of investment (Note 9)	投資成本 (附註9)
Share of post-acquisition losses and reserves	分佔收購後之虧損及儲備
Negative goodwill arising from deemed acquisitions (Note)	被視為收購所產生之負商譽 (附註)
Fair value of listed investment	上市投資之公平值

18. 物業、機器及設備 (續)

上述物業、機器及設備之項目乃以直線法之基準折舊，採用之年率如下：

租賃土地及樓宇	25至50年或尚未屆滿之年期，以較短者為準
物業裝修	8年
傢俬、裝置及設備	5至8年
汽車	5年
機器及設備	6至12年
工模、工具及生產用底片	6年

於截至二零零五年四月三十日止年度，本集團檢討機器及設備之可收回款項，有關款項乃按整體使用率而釐定。據此，就機器及設備確認4,000,000港元之減值虧損。

19. 聯營公司權益

	2006 二零零六年 HK\$'M 百萬港元	2005 二零零五年 HK\$'M 百萬港元
投資成本 (附註9)	4	1
分佔收購後之虧損及儲備	(4)	(1)
被視為收購所產生之負商譽 (附註)	—	(2)
	<u>—</u>	<u>(2)</u>
上市投資之公平值	<u>422</u>	<u>418</u>

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19. INTEREST IN AN ASSOCIATE (Continued)

Interest in an associate represents the Group's 42.42% (2005: 42.45%) interest in the issued ordinary share capital of ASAT Holdings Limited ("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.

On 17th July, 2006, ASAT received a letter from the NASDAQ Staff stating that for the prior 30 consecutive business days, the bid price of ASAT's American Depository Shares ("ADSs") had closed below the minimum US\$1.00 per share requirement for continued inclusion on the NASDAQ Capital Market as set forth in NASDAQ Marketplace Rule 4320(e)(2)(E)(i) (the "Rule"). Therefore, in accordance with NASDAQ Marketplace Rule 4320(e)(2)(E)(ii), ASAT is being provided with 180 calendar days, until 16th January, 2007, to regain compliance with the Rule. If at any time before 16th January, 2007, the bid price of ASAT's ADSs closes at US\$1.00 per ADS or more for a minimum of 10 consecutive business days, the NASDAQ Staff will provide written notification that ASAT complies with the Rule.

If compliance with the Rule cannot be demonstrated by 16th January, 2007, the NASDAQ Staff will determine whether ASAT meets the initial listing criteria for the NASDAQ Capital Market, other than the bid price requirement. If ASAT meets the initial listing criteria, the NASDAQ Staff will notify ASAT that it has been granted an additional 180 calendar day period to regain compliance with the Rule. If ASAT is not eligible for an additional compliance period, the NASDAQ Staff will provide written notification that ASAT's ADSs will be delisted, and, at that time, ASAT may appeal the NASDAQ Staff's determination to delist to a Listing Qualifications Panel.

19. 聯營公司權益 (續)

聯營公司權益指本集團所佔於開曼群島註冊成立之有限公司ASAT Holdings Limited (「樂依文」) 已發行普通股股本之42.42% (二零零五年：42.45%) 權益，樂依文之股份在美國全國證券商自動報價協會系統 (NASDAQ) 上市。樂依文及其附屬公司主要提供集成電路裝配及測試服務。

於二零零六年七月十七日，樂依文接獲 NASDAQ 職員之函件，聲明於過去連續30個營業日，樂依文之美國預託證券 (「預託證券」) 買入價於收市時低於每股1.00美元，即持續納入 NASDAQ 資本市場之下限規定，而有關規定則載於 NASDAQ 市場規定第 4320(e)(2)(E)(i) 條 (「規定」)。因此，根據 NASDAQ 市場規定第 4320(e)(2)(E)(ii) 條，樂依文獲寬限至二零零七年一月十六日止 180 個曆日，以再度符合規定之要求。倘於二零零七年一月十六日之前之任何時間內，樂依文之預託證券買入價於至少 10 個連續營業日收市報每股預託證券 1.00 美元或以上，NASDAQ 職員將發出書面通知，證明樂依文遵守規定之要求。

倘樂依文於二零零七年一月十六日仍未能遵守有關規定，NASDAQ 職員將決定除買入價之規定外，樂依文是否達至於 NASDAQ 資本市場首次上市之條件。倘樂依文達至首次上市之條件，NASDAQ 職員將知會樂依文，其已獲授額外 180 個曆日以再度符合規定之要求。倘樂依文不符合獲授額外遵例時限，NASDAQ 職員將向樂依文發出書面通知，將樂依文之預託證券除牌，屆時樂依文可就 NASDAQ 職員除牌之決定向上市資格委員會提出上訴。

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19. INTEREST IN AN ASSOCIATE (Continued)

Note: Negative goodwill arising from deemed acquisitions

19. 聯營公司權益 (續)

附註：為視作收購所產生之負商譽

		HK\$'M 百萬港元
GROSS AMOUNT	總值	
At 1st May, 2004 and 30th April, 2005	於二零零四年五月一日及 二零零五年四月三十日	6
RELEASED TO INCOME	轉撥至收入	
At 1st May, 2004	於二零零四年五月一日	(3)
Released during the year	年內轉撥	(1)
		<hr/>
At 30th April, 2005	於二零零五年四月三十日	2
Derecognised upon the application of HKFRS 3	採納香港財務報告準則第3號後 不再確認	(2)
		<hr/>
At 1st May, 2005	於二零零五年五月一日	-
		<hr/>

Negative goodwill with carrying amount of HK\$2 million as at 30th April, 2005 was presented as a deduction from the cost of interest in an associate. In prior years, negative goodwill was released to income on a straight-line basis of 5 years, representing the remaining estimated weighted average useful life of the depreciable assets of ASAT. The amount of negative goodwill released to the consolidated income statement for the year ended 30th April, 2005 was HK\$1 million. All negative goodwill was derecognised on 1st May, 2005 upon the application of HKFRS 3 (see Note 2).

於二零零五年四月三十日，賬面值為2,000,000港元之負商譽呈列為自聯營公司權益成本之扣減。於過往年度，負商譽按五年期（以樂依文可折舊資產之估計當時剩餘加權平均可使用年期）以直線法轉撥至收入。於截至二零零五年四月三十日止年度，撥回綜合收益表之負商譽金額為1,000,000港元。於採納香港財務報告準則第3號後，所有負商譽於二零零五年五月一日不再確認（見附註2）。

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19. INTEREST IN AN ASSOCIATE (Continued)

The following details have been extracted from the consolidated management accounts of ASAT prepared in accordance with HKFRSs issued by the HKICPA:

19. 聯營公司權益 (續)

以下資料乃摘錄自樂依文根據香港會計師公會頒佈之香港財務報告準則編製之綜合管理賬目：

		2006 二零零六年 HK\$'M 百萬港元	2005 二零零五年 HK\$'M 百萬港元
Non-current assets	非流動資產	786	844
Current assets	流動資產	565	590
Current liabilities	流動負債	(538)	(399)
Non-current liabilities	非流動負債	(1,359)	(1,202)
Net liabilities	淨負債	<u>(546)</u>	<u>(167)</u>
Group's share of net assets of the associate	本集團分佔聯營公司淨資產	<u>-</u>	<u>-</u>
Turnover	營業額	<u>1,412</u>	<u>1,516</u>
Loss for the year	本年度虧損	<u>(438)</u>	<u>(603)</u>
Group's share of result of the associate for the year	本集團分佔本年度聯營公司業績	<u>(33)</u>	<u>(173)</u>

The Group has discontinued recognition of its share of losses of ASAT. The unrecognised share of losses for the year amount to HK\$153 million (2005: HK\$78 million) and the accumulated unrecognised share of losses amounted to HK\$231 million (2005: HK\$78 million).

本集團已不再確認其所分佔樂依文之虧損。本年度未予確認之分佔虧損為153,000,000港元(二零零五年：78,000,000港元)及累計未予確認之分佔虧損為231,000,000港元(二零零五年：78,000,000港元)。

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20. AVAILABLE-FOR-SALE INVESTMENTS/ INVESTMENTS IN SECURITIES

20. 可供銷售投資／證券投資

		2006 二零零六年 HK\$'M 百萬港元	2005 二零零五年 HK\$'M 百萬港元
Listed equity securities in Hong Kong, at fair value	香港上市股本證券， 按公平值		
Available-for-sale investments	可供銷售投資	3	–
Investments in securities	證券投資	–	4
		<u>3</u>	<u>4</u>

As at the balance sheet date, the available-for-sale investments are stated at fair value, which have been determined based on bid prices quoted in active markets. Upon the application of HKAS 39 on 1st May, 2005, investments in securities were reclassified to available-for-sale investments (see Note 2 for details).

於結算日，可供銷售投資按公平值列賬，並參考活躍市場所報買入價而釐定。於二零零五年五月一日採納香港會計準則第39號，證券投資重新分類為可供銷售投資（詳見附註2）。

Particulars of the investee company are as follows:

所投資公司之詳情如下：

Name of company	Place of incorporation	Principal activities	Class of shares held	Proportion of nominal value of issued share capital held by the Group
公司名稱	註冊成立地點	主要業務	所持有股份之類別	本集團所持有之已發行股本面值比例
Wafer Systems Limited ("Wafer") 威發系統有限公司 (「威發」)	Cayman Islands 開曼群島	Provision of network infrastructure solutions and services 提供網絡基建解決方案及服務	Ordinary shares 普通股	12%

Wafer is a company listed on the Growth Enterprise Market of the Stock Exchange.

威發為聯交所創業板之上市公司。

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21. INVESTMENT IN CONVERTIBLE PREFERRED SHARES/DERIVATIVE FINANCIAL INSTRUMENTS

21. 可換股優先股投資／衍生金融工具

		2006 二零零六年 HK\$'M 百萬港元	2005 二零零五年 HK\$'M 百萬港元
Investment in convertible preferred shares	可換股優先股投資		
– loan portion	– 貸款部分	30	–
Less: Loss allocated in excess of cost of investment	減：虧損分配於超出其投資成本	(30)	–
		<u>–</u>	<u>–</u>
Derivative financial instruments:	衍生金融工具：		
Investment in convertible preferred shares	可換股優先股投資		
– conversion option	– 換股選擇權	49	–
Investments in warrants	認股權證投資	8	–
		<u>57</u>	<u>–</u>

On 31st July 2005, the Company entered into a securities purchase agreement with Asia Opportunity Fund, L.P. and its affiliate funds ("AOF"), which held approximately 28.9% of the issued ordinary shares of ASAT, and ASAT in relation to a US\$15 million financing (equivalent to approximately HK\$117 million) for ASAT, of which the Group contributed US\$7.5 million (equivalent to approximately HK\$58 million). ASAT issued 300,000 convertible preferred shares for a total price of US\$15 million (equivalent to approximately HK\$117 million), representing an issue price of US\$50 per convertible preferred share, to be purchased by AOF and the Group in equal proportions. On 27th October, 2005 ("Closing Date"), the preferred share financing was completed and the Group invested US\$7.5 million (approximately HK\$58 million) for 150,000 convertible preferred shares for the equivalent amount at an issue price of US\$50 per convertible preferred share at a preferred dividend rate of 13% per annum, payable semi-annually in arrears. Each convertible preferred share will, at any time and from time to time, be convertible, at

於二零零五年七月三十一日，本公司與Asia Opportunity Fund, L.P.及其聯屬基金（「AOF」，持有樂依文已發行普通股約28.9%）及樂依文就為樂依文籌集15,000,000美元（相當於約117,000,000港元）（其中本集團出資7,500,000美元（相當於約58,000,000港元））訂立證券購買協議。樂依文發行總價格為15,000,000美元（相當於約117,000,000港元）之300,000股可換股優先股（即發行價為每股可換股優先股50美元），由AOF及本集團以等額比例購買。優先股融資於二零零五年十月二十七日（「完成日期」）完成，而本集團已按發行價每股可換股優先股50美元斥資7,500,000美元（約58,000,000港元）購入150,000股可換股優先股，優先股息每年13%，每半年繳付。每股可換股優先股可隨時及不時由持有人選擇按換股價每股普通股0.09美元（相當於每股預託證券0.45美元，每股預託證券相當於5股普通股）轉換為樂依文之普通

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21. INVESTMENT IN CONVERTIBLE PREFERRED SHARES/DERIVATIVE FINANCIAL INSTRUMENTS (Continued)

the option of the holder, into ordinary shares of ASAT at a conversion price equal to US\$0.09 per ordinary share (equivalent to US\$0.45 per ADS, one ADS equivalent to 5 ordinary shares), subject to customary adjustment for share splits, dividends, re-combinations and similar transactions. The convertible preferred shares would also be subject to a potential 'reset' of the conversion price on 31st October, 2006 to 80% of the average trading price of ADSs during the preceding three months, subject to a floor of US\$0.065 per ordinary share (equivalent to US\$0.325 per ADS).

At any time on or after 4th May, 2011, ASAT shall, at the option of the Group, redeem, in whole or in part, any outstanding convertible preferred shares, in cash. Subject to the terms of an indenture of ASAT dated 26th January, 2004 in relation to its 9.25 per cent. high yield note, the convertible preferred shares shall be redeemable, in cash, at the option of ASAT, in whole or in part, at any time at a price per share equal to the higher of (i) the issue price, plus an amount equal to the accrued and unpaid preferred shares dividends to the date of redemption; and (ii) the aggregate fair market value of ASAT's ordinary shares into the which the convertible preferred shares are convertible.

By way of arrangement fee, ASAT has agreed to issue to the Group and AOF, on Closing Date, five-year warrants to purchase a total of 5 million ordinary shares (equivalent to 1 million ADSs, representing 500,000 ADSs for each of the Group and AOF), exercisable at a price of US\$0.01 per ordinary share (equivalent to US\$0.05 per ADS). In addition, on Closing Date, ASAT will issue five-year warrants to purchase 15 million ordinary shares (equivalent to 3 million ADSs, representing 1.5 million ADSs for each of the Group and AOF), also exercisable at a price of US\$0.01 per ordinary share (equivalent to US\$0.05 per ADS). Accordingly, on Closing Date, the Group was issued warrants to subscribe for a total of 10 million ordinary shares of ASAT. On issue of the warrants, no sums are payable to ASAT by the Group.

21. 可換股優先股投資／衍生金融工具 (續)

股，而該價格可就股份拆細、股息、重新合併及同類交易作出慣常調整。此可換股優先股之換股價可於二零零六年十月三十一日就潛在「重新設定」調整至於該日起計對上三個月預託證券之平均成交價之80%，惟調整下限為每股普通股0.065美元（相當於每股預託證券0.325美元）。

由本集團選擇，樂依文須隨時於二零一一年五月四日或以後之任何時間，以現金之方式贖回全部或部分任何未償還之可換股優先股。由樂依文選擇，在符合樂依文於二零零四年一月二十六日就有關9.25厘高孳息票據訂立之文據條款之規定下，可於任何時間以現金之方式贖回全部或部分可換股優先股，惟每股價格相當於下列較高者：(i)發行價，另加相等於贖回日期之累計及未付優先股股息之款額；及(ii)將可換股優先股轉換至樂依文普通股之公平市值總額。

作為安排費用，樂依文同意於完成日期發行五年期認股權證予本集團及AOF，可購買合共5,000,000股樂依文普通股（相當於1,000,000股預託證券，即本集團及AOF各佔500,000股預託證券），行使價為每股普通股0.01美元（相當於每股預託證券0.05美元）。此外，於完成日期，樂依文將發行五年期認股權證，可購買15,000,000股樂依文普通股（相當於3,000,000股預託證券，即本集團及AOF各佔1,500,000股預託證券），行使價同樣為每股普通股0.01美元（相當於每股預託證券0.05美元）。據此，於完成日期，本集團獲授予之認股權證合共可認購10,000,000股樂依文之普通股。於發行該等認股權證時，本集團概無需支付任何款項給樂依文。

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21. INVESTMENT IN CONVERTIBLE
PREFERRED SHARES/DERIVATIVE
FINANCIAL INSTRUMENTS (Continued)

The consideration of the Group was in form of the conversion, on a dollar-for-dollar basis, of its account receivable due from ASAT as at Closing Date.

The Group has appointed a firm of independent international asset valuers, Vigers, to measure the fair value of the convertible preferred shares both on the Closing Date and balance sheet date including straight loan feature, conversion option and the warrants for a total 10 million ordinary shares (equivalent to 2 million ADS) as attached to the convertible preferred shares.

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 estimated yield rate for the straight loan feature was estimated at 36% per annum. It forms part of the investment in an associate and accordingly shares losses of an associate by using the equity method of accounting. As at 30th April, 2006, both the amortised cost and the fair value of the straight loan feature of the convertible preferred shares were approximately US\$3.9 million (equivalent to approximately HK\$30 million) and were fully used to share the accumulated unrecognised losses of an associate.

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

21. 可換股優先股投資／衍生金融
工具 (續)

本集團之代價將以樂依文於完成日期所欠之應收賬款以等額轉換形式出資。

本集團已委任獨立國際資產估值師行威格斯計量可換股優先股於完成日期及結算日之公平值，包括可換股優先股隨附之直接貸款性質、換股選擇權及可合共認購10,000,000股普通股(相等於2,000,000股預託證券)之認股權證。

屬直接貸款性質之可換股優先股，其公平值乃根據一組具備相若信貸評級及架構之債務工具，以及樂依文可供取閱之財務數據，採用折現現金流量法釐定。直接貸款性質之估計孳息率為每年36%，其亦被視為投資於聯營公司之一部份，據此，須按會計權益法分佔聯營公司之虧損。於二零零六年四月三十日，其攤銷成本及賬面值兩者皆約為3,900,000美元(相當於約30,000,000港元)，並全部用作分佔聯營公司之累計未確認虧損。

屬換股選擇權之可換股優先股及認股權證，其公平值乃採用二項式模式釐定。

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21. INVESTMENT IN CONVERTIBLE PREFERRED SHARES/DERIVATIVE FINANCIAL INSTRUMENTS (Continued)

Key inputs into the binominal model were as follows:

Volatility of share price	股價波幅
Risk free rate	無風險利率
Dividend yield	孳息率
Option life	期權年期

Both the conversion option and the warrants are classified as financial assets at fair value through profit or loss and are measured at fair value at each subsequent balance sheet date with changes in fair value recognised in consolidated income statement. As at 30th April, 2006, the fair values of the conversion option of the convertible preferred shares and the warrants valued by Vigers amounted to approximately US\$6.3 million (equivalent to approximately HK\$49 million) and US\$1 million (equivalent to approximately HK\$8 million) respectively, resulting gains arising from changes in fair values of approximately HK\$28 million recognised in the consolidated income statement, as compared against the respective attributable consideration paid at inception.

As explained in Note 5 "Key Sources of Estimation Uncertainty – Fair Value of Financial Instruments", the fair value of the conversion option of the convertible preferred shares and the warrants were valued by reference to the share price of ASAT, among other factors. As at the balance sheet date, the closing market price per ADS was US\$0.94 (equivalent to approximately HK\$7.29) and as at 20th October, 2006 US time, the latest practicable date to ascertain such data prior to the issue of this annual report, the closing market price was US\$0.41 (equivalent to approximately HK\$3.18), illustrating the volatility of ASAT's share price and the resultant possible significant negative impact on the changes in fair values in these derivative financial instruments.

21. 可換股優先股投資／衍生金融工具 (續)

二項式模式之主要元素如下：

	At 30th April, 2006 於二零零六年 四月三十日	At 27th October, 2005 於二零零五年 十月二十七日
	60%	60%
	4.92%	4.43%
	0%	0%
	4.5-5 years年	5-5.5 years年

換股選擇權及認股權證兩者均分類為按公平值計入損益之金融資產，並於隨後各結算日以公平值計量，公平值之變動於綜合收益表確認。於二零零六年四月三十日，由威格斯估值之可換股優先股之隨附換股選擇權及認股權證之公平值分別約為6,300,000美元(相當於約49,000,000港元)及1,000,000美元(相當於約8,000,000港元)，與各自開始之應付代價比較後，由公平值變動產生之收益約28,000,000港元於綜合收益表中確認。

誠如附註5「估計不明朗因素之主要來源－金融工具之公平值」內所述，可換股優先股之換股選擇權及認股權證之公平值乃參考(其中包括)樂依文之股價因素估值。於年結日，每股預託證券之收市價為0.94美元(相當於約7.29港元)，而於美國時間二零零六年十月二十日，即在刊發此年報之前確定此資料之最後實際可行日期，其收市價為0.41美元(相當於約3.18港元)，由此可闡明樂依文股價之波幅，以及其對此等衍生金融工具之公平值變動結果可能構成重大負面影響。

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22. INVENTORIES

Raw materials and consumables	原料及消耗品
Work in progress	半製成品
Finished goods	製成品

22. 存貨

2006 二零零六年 HK\$'M 百萬港元	2005 二零零五年 HK\$'M 百萬港元
35	37
8	10
5	5
<u>48</u>	<u>52</u>

23. 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 balance sheet date:

23. 貿易及其他應收款項

本集團給予貿易客戶之信貸期介乎30至90日。於結算日，貿易應收款項之賬齡分析如下：

Trade receivables	貿易應收款項
Within 30 days	30日內
Between 31 and 60 days	31至60日
Between 61 and 90 days	61至90日
Over 90 days	90日以上
Other receivables	其他應收款項

2006 二零零六年 HK\$'M 百萬港元	2005 二零零五年 HK\$'M 百萬港元
17	17
16	11
10	6
11	12
<u>54</u>	<u>46</u>
1	1
<u>55</u>	<u>47</u>

The fair value of the Group's trade and other receivables at 30th April, 2006 approximated to the corresponding carrying amount.

於二零零六年四月三十日，本集團貿易及其他應收款項之公平值與其相應賬面值相若。

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24. TRADE RECEIVABLE DUE FROM AN ASSOCIATE

The Group allows a credit period of 60 to 90 days to its associate. The following is an aged analysis of trade receivable due from an associate at the balance sheet date:

Within 30 days	30日內
Between 31 and 60 days	31至60日
Between 61 and 90 days	61至90日
Over 90 days	90日以上

The fair value of the Group's trade receivable due from an associate at 30th April, 2006 approximated to the corresponding carrying amount.

25. BANK BALANCES AND CASH

Bank balances and cash comprise certain short-term bank deposits at prevailing market interest rates. The fair value of the Group's bank balances and cash at 30th April, 2006 approximated to the corresponding carrying amount.

24. 應收聯營公司之貿易款項

本集團給予聯營公司之信貸期為60至90日。於結算日，應收聯營公司貿易款項之賬齡分析如下：

	2006 二零零六年 HK\$'M 百萬港元	2005 二零零五年 HK\$'M 百萬港元
Within 30 days	12	13
Between 31 and 60 days	13	8
Between 61 and 90 days	17	1
Over 90 days	3	5
	45	27

於二零零六年四月三十日，本集團應收聯營公司貿易款項之公平值與其相應賬面值相若。

25. 銀行結餘及現金

銀行結餘及現金包括按當時市場利率計息之若干短期銀行存款。於二零零六年四月三十日，本集團之銀行結餘及現金之公平值與其相應賬面值相若。

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26. TRADE AND OTHER PAYABLES

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

Trade payable	貿易應付款項
Within 30 days	30日內
Between 31 and 60 days	31至60日
Between 61 and 90 days	61至90日
Over 90 days	90日以上
Other payables	其他應付款項

The fair value of the Group's trade and other payables at 30th April, 2006 approximated to the corresponding carrying amount.

27. TRUST RECEIPT LOANS AND BILL PAYABLES

Trust receipt loans	信託收據貸款
Bill payables	應付票據

At the balance sheet date, bill payables, with maturity date of 30 days, aged with 0 to 30 days. Trust receipt loans carry a variable interest rate with reference to HIBOR and Prime Rate and the effective interest rates ranging from 6% to 9% (2005: 6% to 7%).

The fair value of the Group's trust receipt loans and bill payables at 30th April, 2006 approximated to the corresponding carrying amount.

26. 貿易及其他應付款項

於結算日，貿易應付款項之賬齡分析如下：

	2006 二零零六年 HK\$'M 百萬港元	2005 二零零五年 HK\$'M 百萬港元
Trade payable		
Within 30 days	7	7
Between 31 and 60 days	11	4
Between 61 and 90 days	8	1
Over 90 days	17	3
	<u>43</u>	<u>15</u>
Other payables	-	2
	<u>43</u>	<u>17</u>

於二零零六年四月三十日，本集團貿易及其他應付款項之公平值與其相應賬面值相若。

27. 信託收據貸款及應付票據

	2006 二零零六年 HK\$'M 百萬港元	2005 二零零五年 HK\$'M 百萬港元
Trust receipt loans	28	16
Bill payables	6	1
	<u>34</u>	<u>17</u>

於結算日，具有30日到期日之應付票據之賬齡為介乎零至30日。信託收據貸款根據銀行同業拆息及最優惠利率以浮息率計息，其有效利率介乎6%至9%不等（二零零五年：6%至7%）。

於二零零六年四月三十日，本集團信託收據貸款及應付票據之公平值與其相應賬面值相若。

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28. OBLIGATIONS CRYSTALLISED UNDER GUARANTEES

28. 履行擔保責任

		2006 二零零六年 HK\$'M 百萬港元	2005 二零零五年 HK\$'M 百萬港元
Operating lease obligations and industrial grants payable within one year	一年內應付營業租約承擔及工業資助	<u>3</u>	<u>9</u>

The amount represents the obligations crystallised under guarantees provided by the Company in respect of operating lease obligations and industrial grants of its former subsidiaries incorporated in the United Kingdom from NAW and WDA, as disclosed in Note 11. In May 2004, the Company came into an agreement with NAW and WDA for the settlement of the liabilities in a sum of GBP2.7 million which were unsecured and interest-free. Pursuant to the agreement, the Company settled GBP2.1 million during the year ended 30th April, 2005 and GBP0.4 million during the year ended 30th April, 2006. As at 30th April, 2006, the outstanding balance of GBP0.2 million (equivalent to approximately HK\$3 million) has been agreed to be repayable by 2 equal monthly instalments commencing September 2006.

此款額指本公司就其於英國註冊成立之前附屬公司分別自NAW及WDA獲得之營業租約責任及工業資助而提供擔保所履行之擔保責任，詳情於附註11披露。於二零零四年五月，本公司與NAW及WDA達成協議，以2,700,000英鎊償還債務，該等債務為無抵押及免息。根據該協議，本公司於截至二零零五年四月三十日止年度償還2,100,000英鎊及於截至二零零六年四月三十日止年度償還400,000英鎊。於二零零六年四月三十日，結欠200,000英鎊（相當於約3,000,000港元）乃協定將由二零零六年九月起分兩期按月等額償還。

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29. SHARE CAPITAL

29. 股本

		Number of shares		Nominal Value	
		股份數目		面值	
		2006	2005	2006	2005
		二零零六年	二零零五年	二零零六年	二零零五年
				HK\$'M	HK\$'M
				百萬港元	百萬港元
Authorised:	法定股本：				
Ordinary shares of HK\$0.08 each	每股面值0.08港元之普通股				
At beginning and end of year	年初及年終	<u>1,500,000,000</u>	<u>1,500,000,000</u>	<u>120</u>	<u>120</u>
Redeemable preference shares of HK\$0.02 each	每股面值0.02港元之可贖回優先股	<u>500,000,000</u>	<u>500,000,000</u>	<u>10</u>	<u>10</u>
Issued and fully paid:	已發行及繳足股本：				
Ordinary shares of HK\$0.08 each	每股面值0.08港元之普通股				
At beginning of year	年初	<u>639,370,152</u>	<u>639,369,842</u>	<u>51</u>	<u>51</u>
Right issue	供股	<u>127,874,034</u>	<u>-</u>	<u>10</u>	<u>-</u>
Issue upon exercise of warrants	於行使認股權證時發行	<u>25</u>	<u>310</u>	<u>-</u>	<u>-</u>
At end of year	年終	<u>767,244,211</u>	<u>639,370,152</u>	<u>61</u>	<u>51</u>

On 8th December, 2005, a special resolution was passed to approve the issue of 127,874,034 new ordinary shares by way of rights to holders of shares in the Company at HK\$0.62 per share (the "Rights Share") in the proportion of one Rights Share for every five existing shares (the "Rights Issue") held by the qualifying shareholders. The Rights Issue has been unconditional on 30th December, 2005. On 4th January, 2006, 127,874,034 Rights Shares were allotted raising approximately HK\$79 million, before expenses, of which approximately HK\$60 million was set off by the loan capitalisation with Mr. Li Tung Lok, a director and a substantial shareholder of the Company and the remaining balance was used as the general working capital of the Group. The new shares rank pari passu with the existing shares in all respects.

於二零零五年十二月八日，本公司通過特別決議案批准以供股方式，按每股0.62港元向本公司股份持有人發行127,874,034股新普通股（「供股股份」），供股基準為合資格股東每持有五股現有股份獲配發一股供股股份（「供股」）。供股已於二零零五年十二月三十日成為無條件。於二零零六年一月四日，已配發127,874,034股供股股份，集資約79,000,000港元（未計開支），其中約60,000,000港元用作抵銷本公司董事兼主要股東李同樂先生之資本化貸款，餘額則用作本集團之一般營運資金。新股份於各方面與現有股份享有同等權益。

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29. SHARE CAPITAL (Continued)

Warrants

On 11th October, 2004, the Company passed a resolution to approve the issue of bonus warrants, on the basis of one warrant for every five existing ordinary shares. 127,873,968 warrants were then issued on 15th October, 2004 and confer rights to holders to subscribe for an equivalent number of ordinary shares of the Company at a subscription price of HK\$1.82 per share, subject to adjustment, at any time from 15th October, 2004 up to and including 14th October, 2007. Registered holders of 310 warrants exercised their rights during the year and, at 30th April, 2005, the Company had outstanding 127,873,658 warrants.

Following the completion of the Rights Issue as mentioned above, the exercise price of warrants was adjusted from HK\$1.82 to HK\$1.78 on 30th December, 2005. During the year, registered holders of 25 warrants exercised their rights and, as at 30th April, 2006, the Company had outstanding 130,747,197 warrants entitling the holders to subscribe for an equivalent number of ordinary shares of the Company at an adjusted exercise price of HK\$1.78.

Share option scheme

The Company's share option scheme (the "Scheme"), which was adopted pursuant to a resolution passed on 14th April, 2000 for the primary purpose of providing incentives to directors and eligible employees, was expired on 13th April, 2005 but its terms remain in full force and effect in respect of the outstanding options previously granted. Under the Scheme, the Board of Directors of the Company may grant options to eligible employees, including executive directors of the Company and its subsidiaries, to subscribe for shares in the Company.

29. 股本 (續)

認股權證

於二零零四年十月十一日，本公司通過決議案批准按每持有五股現有普通股可獲發一份認股權證之基準發行紅利認股權證。127,873,968份認股權證已於二零零四年十月十五日發出，可於二零零四年十月十五日至二零零七年十月十四日（包括該日）期間，隨時以認購價每股股份1.82港元（可予調整）認購相同數目之本公司普通股。年內已有310份認股權證之登記持有人行使彼等之權利，而於二零零五年四月三十日，本公司有127,873,658份尚未行使之認股權證。

於上述供股完成後，認股權證之行使價已於二零零五年十二月三十日由1.82港元調整為1.78港元。年內已有25份認股權證之登記持有人行使彼等之權利，而於二零零六年四月三十日，本公司擁有130,747,197份尚未行使之認股權證，該等認股權證授權持有人可按1.78港元之經調整行使價認購相同數目之本公司普通股。

購股權計劃

本公司根據於二零零零年四月十四日通過之決議案採納購股權計劃（「計劃」），主要向本公司董事及合資格僱員提供獎勵，已於二零零五年四月十三日屆滿，惟其條款就先前授出尚未行使之購股權仍然具十足效力。根據計劃，本公司董事會可向包括本公司及其附屬公司之執行董事在內之合資格僱員授出購股權，以認購本公司股份。

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29. SHARE CAPITAL (Continued)

Share option scheme (Continued)

At 30th April, 2005, the number of shares in respect of which options had been granted and outstanding under the Scheme was 19,291,000, representing approximately 3% of the shares of the Company in issue at that date. The total number of shares in respect of which options may be granted under the Scheme is not permitted to exceed 10% of the number of shares of the Company in issue at any time excluding the aggregate number of shares, which have been allotted pursuant to the Scheme. The number of shares in respect of which options (including those exercised and outstanding options) may be granted to any individual is not permitted to exceed 25% of the maximum aggregate number of shares of the Company subject to the Scheme. No options shall be granted to any individual if the aggregate of the amount for which shares may be subscribed in respect of outstanding options exceeds 10 times of the then annual salary of the individual.

Options granted are deemed to be accepted upon payment of HK\$1. Options may be exercised at any time from the date of acceptance or the date of one year after the date of employment of each individual grantee, whichever is the later. The expiry date of an option is determined by the directors of the Company and shall not be later than the fifth anniversary of the date of acceptance of an option. The exercise price is determined by the directors of the Company, and will not be less than the higher of the nominal value of the Company's shares, and 80% of the average closing price of the share for the five business days immediately preceding the date of grant.

29. 股本 (續)

購股權計劃 (續)

於二零零五年四月三十日，根據計劃授出及未行使之購股權所涉及之股份數目為19,291,000股，佔本公司當日之已發行股份約3%。根據計劃授出之購股權所涉及之股份總數不得超逾本公司任何時間之已發行股份（不包括已根據計劃配發之股份總數）10%。向任何個別人士授出購股權（包括已行使及尚未行使之購股權）所涉及之股份數目，不得超逾本公司根據計劃可予發行之股份最高總數25%。倘個別人士之尚未行使購股權獲悉數行使之可認購股份總金額超逾其當時之年薪總額10倍，則不得向該人士授出購股權。

承授人於支付1港元時被視為已接納購股權。購股權可於獲接納當日或每名個別承授人獲聘用滿一年當日後（以較遲者為準）隨時行使。購股權之屆滿日期由本公司董事決定，惟不得遲於購股權獲接納日期起計滿五週年之日。行使價由本公司董事釐定，惟不得低於本公司股份面值及授出日期前五個營業日股份平均收市價之80%兩者之較高者。

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29. SHARE CAPITAL (Continued)

Share option scheme (Continued)

Movements of the outstanding Company's share options held by directors and employees are as follows:

Option type	購股權類別	At 1st May, 2004 於二零零四年 五月一日	Lapsed 失效	At 30th April, 2005 於二零零五年 四月三十日	Lapsed 失效	At 30th April, 2006 於二零零六年 四月三十日
Directors	董事					
A	A	12,910,000	–	12,910,000	(12,910,000)	–
Employees	僱員					
A	A	7,375,000	(1,094,000)	6,281,000	(6,281,000)	–
B	B	100,000	–	100,000	(100,000)	–
		7,475,000	(1,094,000)	6,381,000	(6,381,000)	–
Total	總計	20,385,000	(1,094,000)	19,291,000	(19,291,000)	–

No options were granted and exercised during both years and all outstanding options were lapsed during the year.

Details of specific categories of options are as follows:

Option type 購股權類別	Exercise Date of grant 授出日期	Exercise period 行使期	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

29. 股本 (續)

購股權計劃 (續)

董事及僱員所持有尚未行使之本公司購股權之變動如下：

兩年內均無授出及行使任何購股權，且年內所有尚未行使之購股權均已失效。

個別類別購股權詳情如下：

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30. SHARE PREMIUM AND RESERVES

30. 股份溢價及儲備

	Share premium	Contributed surplus	Capital redemption reserve	Capital reserve	Other property revaluation reserve	Investment revaluation reserve	Translation reserve	Goodwill on consolidation	(Accumulated losses) retained profits	Total
	股份溢價	實繳盈餘	贖回儲備	資本儲備	其他物業重估儲備	重估儲備	匯兌儲備	時之商譽	保留溢利	總計
	HK\$'M	HK\$'M	HK\$'M	HK\$'M	HK\$'M	HK\$'M	HK\$'M	HK\$'M	HK\$'M	HK\$'M
	百萬港元	百萬港元	百萬港元	百萬港元	百萬港元	百萬港元	百萬港元	百萬港元	百萬港元	百萬港元
At 1st May, 2004 as original stated	1,558	40	12	9	66	-	-	(45)	(1,190)	450
Effects of changes in accounting policies (see Note 2)	-	-	-	-	-	-	-	-	(2)	(2)
At 1st May, 2004 as restated	1,558	40	12	9	66	-	-	(45)	(1,192)	448
Revaluation deficit on investments in securities	-	-	-	-	-	(1)	-	-	-	(1)
Share of change in translation reserve of an associate	-	-	-	-	-	-	(1)	-	-	(1)
Net expense recognised directly in equity	-	-	-	-	-	(1)	(1)	-	-	(2)
Loss for the year	-	-	-	-	-	-	-	-	(267)	(267)
Released upon disposal of properties	-	-	-	-	(66)	-	-	-	66	-
Total recognised expense for the year	-	-	-	-	(66)	(1)	(1)	-	(201)	(269)
Capital reorganisation (Note c)	(1,479)	-	-	-	-	-	-	-	1,479	-
At 30th April, 2005	79	40	12	9	-	(1)	(1)	(45)	86	179
Effects of changes in accounting policies (see Note 2)	-	-	-	(9)	-	-	-	45	(34)	2

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30. SHARE PREMIUM AND RESERVES

(Continued)

30. 股份溢價及儲備 (續)

		Share premium	Contributed surplus	Capital redemption reserve	Capital reserve	Other property revaluation reserve	Investment revaluation reserve	Translation reserve	Goodwill on consolidation	(Accumulated losses) retained profits	Total
		股份溢價	實繳盈餘	贖回儲備	資本儲備	其他物業重估儲備	重估儲備	匯兌儲備	時之商譽	保留溢利	總計
		HK\$'M	HK\$'M	HK\$'M	HK\$'M	HK\$'M	HK\$'M	HK\$'M	HK\$'M	HK\$'M	HK\$'M
		百萬港元	百萬港元	百萬港元	百萬港元	百萬港元	百萬港元	百萬港元	百萬港元	百萬港元	百萬港元
At 1st May, 2005 as restated	於二零零五年 五月一日， 經重列	79	40	12	-	-	(1)	(1)	-	52	181
Losses on fair value changes of available-for-sale investments	可供銷售投資公平值變動之虧損	-	-	-	-	-	(1)	-	-	-	(1)
Loss for the year	年內虧損	-	-	-	-	-	-	-	-	(25)	(25)
Total recognised expense for the year	年內已確認開支總額	-	-	-	-	-	(1)	-	-	(25)	(26)
Rights issue of shares	供股	70	-	-	-	-	-	-	-	-	70
Transaction costs attributable to issue of new shares	發行新股份應佔之交易成本	(1)	-	-	-	-	-	-	-	-	(1)
At 30th April, 2006	於二零零六年 四月三十日	148	40	12	-	-	(2)	(1)	-	27	224

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30. SHARE PREMIUM AND RESERVES

(Continued)

Notes:

- (a) Contributed surplus represents the excess of the net assets of subsidiaries acquired over the nominal value of the Company's shares issued as consideration thereof and is available for distribution to the shareholders of the Company under the Companies Act 1981 of Bermuda (as amended). However, the Company cannot declare or pay a dividend, or make a distribution out of the contributed surplus if:
- (i) it is, or would after the payment be, unable to pay its liabilities as they become due; or
 - (ii) the realisable value of its assets would thereby be less than the aggregate of its liabilities and its issued share capital and share premium accounts.
- (b) Capital reserve represents the share of fair value of warrants attached to the 12.5% senior notes issued by ASAT during the year ended 30th April, 2000.
- (c) On 11th October, 2004, a special resolution was passed at a special general meeting to approve a capital reorganisation scheme by the utilisation of share premium account to set off accumulated losses of the Company at an amount of HK\$1,479 million outstanding at that date, thereby paving the way for future declaration of dividend.

30. 股份溢價及儲備 (續)

附註：

- (a) 實繳盈餘指所收購附屬公司資產淨值超過本公司作為有關代價所發行股份之面值差額，根據百慕達一九八一年公司法（修訂本），該筆盈餘可分派予本公司股東。然而，在下列情況下，本公司不得自實繳盈餘中宣派或派付股息或作出分派：
- (i) 公司不能（或於派息後不能）償還到期之負債；或
 - (ii) 公司資產之可變現價值會因分派而少於其負債、已發行股本及股份溢價賬三者之總和。
- (b) 資本儲備指分佔於截至二零零零年四月三十日止年度樂依文發行之12.5%高級票據隨附之認股權證之公平值。
- (c) 於二零零四年十月十一日，於股東特別大會上通過一項特別決議案以批准股本重組計劃，透過運用股份溢價賬以撇銷該日本公司之累計虧損1,479,000,000港元，為日後宣派股息鋪路。

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31. BORROWINGS

31. 借貸

		2006 二零零六年 HK\$'M 百萬港元	2005 二零零五年 HK\$'M 百萬港元
Secured long term bank loans (Note a) repayable:	須償還有抵押長期銀行貸款 (附註a)於：		
On demand or within one year	按要求償還或於一年內	2	4
More than one year but not exceeding two years	一年以上但不超過 兩年	—	1
		<u>2</u>	<u>5</u>
Other secured long term loans (Note a) repayable:	須償還其他有抵押長期貸款 (附註a)於：		
On demand or within one year	按要求償還或於一年內	24	20
More than one year but not exceeding two years	一年以上但不超過 兩年	13	35
		<u>37</u>	<u>55</u>
Other unsecured long term loans repayable:	須償還其他無抵押長期貸款 於：		
On demand or within one year	按要求償還或於一年內	1	5
More than one year but not exceeding two years	一年以上但不超過 兩年	—	1
		<u>1</u>	<u>6</u>
Loans from a director (Note b) repayable on demand	須按要求償還之 董事貸款(附註b)	10	68
		50	134
Less: Amounts due within one year shown under current liabilities	減：於一年內到期而列作 流動負債之款項	<u>(37)</u>	<u>(97)</u>
		<u>13</u>	<u>37</u>

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31. BORROWINGS (Continued)

Notes:

- (a) The loans are secured on certain plant and equipment of the Group.
- (b) The loans are advanced from Mr. Li Tung Lok, a director and a substantial shareholder of the Company, which are interest-free, unsecured and repayable on demand. The directors consider that the carrying amount approximated to its fair value.

The range of effective interest rates (which are also equal to contracted interest rates) on the Group's fixed rate borrowings is ranging from 5% to 8% for the current year (2005: 5% to 8%).

The Group's borrowings that are denominated in currencies other than the functional currencies of the relevant group entities are set out below:

United State Dollar	美元
Renminbi	人民幣

The fair value of the Group's borrowings at 30th April, 2006 approximated to the corresponding carrying amount.

31. 借貸 (續)

附註：

- (a) 此貸款以本集團之若干機器及設備作抵押。
- (b) 貸款乃由本公司董事兼主要股東李同樂先生貸出，為免息、無抵押及按要求償還。董事認為其賬面值與其公平值相若。

本年度，本集團之固定利率貸款之有效利率（相等於合約利率）介乎5%至8%（二零零五年：5%至8%）。

本集團之貸款按有關集團實體之功能貨幣以外之貨幣單位列值載列如下：

		2006 二零零六年 \$'M 百萬元	2005 二零零五年 \$'M 百萬元
United State Dollar	美元	2	5
Renminbi	人民幣	38	61
		<u>40</u>	<u>66</u>

於二零零六年四月三十日，本集團貸款之公平值與其相應賬面值相若。

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32. DEFERRED TAX LIABILITIES

At the balance sheet date and during the year, deferred tax liabilities (assets) have been recognised in respect of the temporary differences attributable to the following:

		Accelerated tax depreciation 累計 稅項折舊 HK\$'M 百萬港元	Revaluation of investment properties 投資 物業重估 HK\$'M 百萬港元	Tax losses 稅務虧損 HK\$'M 百萬港元	Total 總計 HK\$'M 百萬港元
At 1st May, 2004	於二零零四年五月一日	24	2	(21)	5
(Credit) charge to consolidated income statement	於綜合收益表(列支) 扣除	(3)	(2)	1	(4)
At 30th April, 2005	於二零零五年四月三十日	21	-	(20)	1
(Credit) charge to consolidated income statement	於綜合收益表(列支) 扣除	(19)	-	18	(1)
At 30th April, 2006	於二零零六年四月三十日	2	-	(2)	-

At the balance sheet date, the Group has unused tax losses of HK\$499 million (2005: HK\$503 million) available for offset against future profits. A deferred tax asset has been recognised in respect of HK\$8 million (2005: HK\$116 million) of such losses. No deferred tax asset has been recognised in respect of the remaining HK\$491 million (2005: HK\$387 million) due to the unpredictability of future profit streams. Tax losses may be carried forward.

32. 遞延稅項負債

於結算日及年內，本集團已就以下各項之暫時差額確認遞延稅項負債(資產)：

於結算日，本集團有未動用之稅務虧損499,000,000港元(二零零五年：503,000,000港元)可用作抵銷未來溢利。已就該等虧損確認遞延稅項資產8,000,000港元(二零零五年：116,000,000港元)，但由於無法預測未來溢利而並無就其餘491,000,000港元(二零零五年：387,000,000港元)確認遞延稅項資產。該稅務虧損可結轉。

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33. PURCHASE OF PROPERTY, PLANT AND EQUIPMENT 33. 購買物業、機器及設備

		2006 二零零六年 HK\$'M 百萬港元	2005 二零零五年 HK\$'M 百萬港元
Additions to property, plant and equipment (Note 18)	添置物業、機器及設備 (附註18)	15	25
Decrease in accounts payable for acquisition of property, plant and equipment	購買物業、機器及設備之 應付賬款 減少	-	12
Decrease in deposits for acquisition of property, plant and equipment	購買物業、機器及設備之 按金減少	-	(1)
CASH OUTFLOW FOR PURCHASE OF PROPERTY, PLANT AND EQUIPMENT	購買物業、機器及設備之 現金流出	15	36

34. CAPITAL COMMITMENTS

At the balance sheet date, the Group had outstanding capital commitments as follows:

34. 資本承擔

於結算日，本集團有未履行之資本承擔如下：

		2006 二零零六年 HK\$'M 百萬港元	2005 二零零五年 HK\$'M 百萬港元
Capital expenditure in respect of acquisition of property, plant and equipment contracted for but not provided in the consolidated financial statements	有關購買已訂約但未 在綜合財務報表 中作撥備之物業、 機器及設備 之資本開支	2	1

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35. LEASE COMMITMENTS

At the balance sheet date, the Group had commitments in respect of premises for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

		2006 二零零六年 HK\$'M 百萬港元	2005 二零零五年 HK\$'M 百萬港元
Within one year	一年內	11	11
In the second to fifth year inclusive	第二至第五年(包括首尾兩年)	37	36
Over five years	超過五年	96	105
		144	152

Leases are negotiated for a term of twenty years for certain production facilities in the PRC and terms of one to five years for other premises with fixed monthly rentals.

36. CONTINGENT LIABILITIES

During the year ended 30th April, 2005, an employee initiated a lawsuit against a subsidiary of the Company in the High Court in Hong Kong for claiming damages of approximately of HK\$3 million arising from alleged injuries in relation to an alleged industrial accident in the work place. In February 2006, the court made a judgment that the subsidiary is liable to pay a sum of approximately HK\$1 million to the employee. The Company has taken out employees compensation policy to cover the alleged industrial accident and the insurers have taken over conduct of the proceedings on behalf of the Company on a without prejudice basis. Accordingly, no provision for compensation has been made in the consolidated financial statements.

35. 租約承擔

於結算日，本集團根據不可撤銷之營業租約承擔須就樓宇支付之將來最低租賃支出之到期日如下：

		2006 二零零六年 HK\$'M 百萬港元	2005 二零零五年 HK\$'M 百萬港元
Within one year	一年內	11	11
In the second to fifth year inclusive	第二至第五年(包括首尾兩年)	37	36
Over five years	超過五年	96	105
		144	152

就中國若干生產設備而言，租約按二十年租期磋商，而其他樓宇租約則按一至五年租期磋商，並釐定每月固定租金。

36. 或然負債

於截至二零零五年四月三十日止年度，有一位僱員於香港高等法院向本公司某附屬公司提出訴訟，就於工作地點發生之指稱工業意外之指稱損傷索取損傷賠償約3,000,000港元。於二零零六年二月，法院裁定附屬公司須向僱員支付約1,000,000港元。本公司已採用員工保險賠償保障該項指稱工業意外之賠償，而保險人亦按無損權利之基準代表本公司進行法律程序。因此，並無在綜合財務報表內就賠償作出撥備。

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37. RETIREMENT AND PENSION SCHEMES

The subsidiaries of the Company operating in Hong Kong have established a defined contribution retirement scheme for their employees. The assets of this scheme are held in a separate trustee administered fund. All full time employees are eligible to join the defined contribution retirement scheme, as a top-up benefit to the mandatory provident scheme as described below. Employees can elect to contribute a fixed percentage of 3% or 5% of the monthly basic salary or opt not to join the defined contribution retirement scheme. The Group's contributions to the scheme are the same as contributions made by individual employees. The employees are entitled to the whole of the employer's contributions and accrued interest thereon after completion of 10 years of service, or at a sliding scale after completion of 3 to 9 years' service. The Group's contributions made to employees who have left the Group prior to being fully vested with such contributions are refunded to the Group. With effect from 1st December, 2000, all employees are required to join the new mandatory provident fund scheme set up in accordance with the Mandatory Provident Fund Schemes Ordinance. The defined contribution retirement scheme is used as a top-up-benefit for employees. The Group's total contributions to both schemes are the higher of (i) 3% or 5% of the employee's monthly basic salary or (ii) the contributions required by the mandatory provident fund scheme which is currently calculated at 5% of the employee's monthly relevant income but limited to the mandatory cap of HK\$20,000. The total contributions which exceed the contributions required by the mandatory provident fund scheme are paid to the Group's defined contribution retirement scheme as voluntary contributions.

The PRC employees of the Group are members of a state-managed retirement benefit scheme operated by the PRC government. The Group is required to contribute certain percentage of payroll costs to the retirement benefit scheme to fund the benefits. The only obligation of the Group with respect to the retirement benefit scheme is to make the specified contributions.

37. 退休福利及退休金計劃

在香港經營業務之本公司附屬公司為僱員設立定額供款退休計劃。該計劃之資產由一獨立受託管理基金持有。所有全職僱員均合資格參與定額供款退休計劃，作為下述強制性公積金計劃之補足福利。僱員可選擇按基本月薪之固定百分比(3%或5%)供款或選擇不參加此定額供款退休計劃。本集團向該計劃之供款與個別僱員之供款相同。服務滿10年之僱員有權收取全部僱主供款及其應計利息，而服務滿3至9年之僱員則可收取按比例遞減之數額。倘僱員於可收取本集團供款前離職，則本集團就該僱員所作之供款將退還本集團。自二零零零年十二月一日起，所有僱員須參加根據強制性公積金計劃條例設立之新強制性公積金計劃。定額供款退休計劃乃作為僱員之補足福利。本集團對這兩個計劃之總供款額為(i)僱員基本月薪之3%或5%或(ii)透過強制性公積金計劃規定之供款額(即現在按僱員每月有關收入之5%，上限為20,000港元)，兩者之最高者。超過強制性公積金計劃規定供款之總供款額，乃支付予本集團之定額供款退休計劃，作為自願供款。

本集團之中國僱員均已參加中國政府管理之國營退休福利計劃。本集團須向退休福利計劃作出薪金成本若干百分比之供款，以資助有關福利。本集團就退休福利計劃之承擔僅為作出指定供款。

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37. RETIREMENT AND PENSION SCHEMES

(Continued)

Contributions to the above schemes for the year ended 30th April, 2006 made by the Group amounted to approximately HK\$2 million (2005: HK\$2 million).

38. PLEDGED ASSETS

(a) At 30th April, 2006, plant and equipment with a carrying value of HK\$67 million (2005: HK\$74 million) were pledged to secure certain banking facilities and other loans granted to the Group.

(b) In connection with the disposal of a 50% interest in ASAT during the year ended 30th April, 2000, the Group indemnified the acquiring investor group for various tax liabilities of the ASAT group by pledging its shares in ASAT to the investor group. The pledge initially applies to 70% of the Group's interest in ASAT and decreases 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). At 30th April, 2005, approximately 11% interest in ASAT was pledged to the investor group. During the year, all pledged shares have been released.

39. NON-CASH TRANSACTIONS

(a) The consideration for the acquisition of investment in convertible preferred shares of ASAT amounting to US\$7.5 million (equivalent to approximately HK\$58 million) as described in Note 21 was set off by the trade receivable due from ASAT.

(b) Approximately HK\$60 million out of the total proceeds of approximately HK\$79 million of the Rights Issue as described in Note 29 was set off by the loan capitalisation with Mr. Li Tung Lok, a director and a substantial shareholder of the Company.

37. 退休福利及退休金計劃 (續)

截至二零零六年四月三十日止年度，本集團向上述計劃供款約為2,000,000港元(二零零五年：2,000,000港元)。

38. 資產抵押

(a) 於二零零六年四月三十日，賬面值67,000,000港元(二零零五年：74,000,000港元)之機器及設備均已抵押，以取得授予本集團之若干銀行融資和其他貸款。

(b) 就截至二零零零年四月三十日止年度內出售樂依文之50%權益事宜，本集團向一眾收購投資者集團抵押其所持若干樂依文股份，就樂依文集團之多項稅項負債而向投資者集團作出賠償保證。上述抵押原佔本集團所擁有樂依文之70%權益，其後六年逐步減至0%(視乎六年期屆滿前出現之任何稅項賠償保證及該期間屆滿時之餘款而定)。於二零零五年四月三十日，本集團已向投資者集團抵押樂依文約11%之權益。年內，全部抵押之股份已獲解除。

39. 非現金交易

(a) 誠如附註21所述，投資於樂依文之可換股優先股之代價為7,500,000美元(相當於約58,000,000港元)，此乃以應收樂依文之貿易款項所抵銷。

(b) 誠如附註29所述，在供股所得款項總額約79,000,000港元中，約60,000,000港元乃以本公司董事兼主要股東李同樂先生之資本化貸款所抵銷。

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40. RELATED PARTY TRANSACTIONS

In the ordinary course of its business, the Group entered into the following related party transactions:

(a) ASAT group

Sales of integrated circuit leadframes, heatsinks and stiffeners	銷售集成電路引線框、散熱器及加強桿	178	195
Acquisition of convertible preference shares (see Note 21)	購入可換股優先股 (見附註21)	58	—
Rental income	租金收入	—	20

(b) Interest-free loans are obtained from a director, as disclosed in Note 31.

(c) The remuneration of directors and senior management mainly relating to the short-term benefits during the year was HK\$28 million (2005: HK\$28 million).

40. 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：

(a) 樂依文集團

2006 二零零六年 HK\$'M 百萬港元	2005 二零零五年 HK\$'M 百萬港元
---------------------------------	---------------------------------

178	195
58	—
—	20

(b) 本集團向一位董事取得免息貸款，詳情於附註31披露。

(c) 年內，董事及高級管理層之酬金，主要為短期福利乃28,000,000港元（二零零五年：28,000,000港元）。

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41. PARTICULARS OF SUBSIDIARIES

The following are the particulars regarding the Company's subsidiaries as at 30th April, 2006 which principally affect the results, assets or liabilities of the Group as the directors are of the opinion that a full list of all the subsidiaries will be of excessive length. These subsidiaries operate principally in the place of incorporation unless otherwise indicated.

41. 附屬公司詳情

以下為本公司於二零零六年四月三十日主要影響本集團之業績、資產或負債之附屬公司詳情，董事認為，列出所有附屬公司之名單將過於冗贅。除非另有所指，該等附屬公司主要於其註冊成立地點經營。

Name of subsidiary 附屬公司名稱	Place of establishment/ incorporation 成立／註冊 地點	Principal activities 主要業務	Paid up registered capital/ Issued share capital 已繳註冊股本／ 已發行股本	Proportion of nominal value of registered capital/ issued share capital held by Company subsidiary 持有註冊股本／ 已發行股本之面值比例	
				本公司 %	附屬公司 %
The Industrial Investment Company Limited	Cayman Islands 開曼群島	Investment holding 投資控股	2,050 ordinary shares of HK\$1 each 2,050股每股面值1港元之普通股	2.44	97.56
QPL (Holdings) Limited 品質企業有限公司	Hong Kong 香港	Investment holding 投資控股	408,000,772 ordinary shares of HK\$0.04 each 408,000,772股每股面值0.04港元之普通股	100	-
QPL Limited (Note a) 品質有限公司 (附註a)	Hong Kong 香港	Manufacture and sale of integrated circuit leadframes, heatsinks and stiffeners 製造及銷售集成電路引線框、散熱器及加強桿	2 ordinary shares of HK\$1 each and 1,000 non-voting deferred shares of HK\$1 each (Note b) 2股每股面值1港元之普通股及1,000股每股面值1港元之無投票權遞延股份 (附註b)	-	100
Talent Focus Industries Limited (Note a) 駿福實業有限公司 (附註a)	Hong Kong 香港	Manufacture and sale of stamped leadframes and moulds 製造及銷售壓模引線框及工模	2 ordinary shares of HK\$1 each 2股每股面值1港元之普通股	50	50

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41. PARTICULARS OF SUBSIDIARIES

(Continued)

41. 附屬公司詳情 (續)

Name of subsidiary 附屬公司名稱	Place of establishment/ incorporation 成立/註冊 地點	Principal activities 主要業務	Paid up registered capital/ Issued share capital 已繳註冊股本/ 已發行股本	Proportion of nominal value of registered capital/ issued share capital held by Company subsidiary 持有註冊股本/ 已發行股本之面值比例 本公司 附屬公司	
				%	%
QPL (US) Inc.	United States of America 美國	Distribution of integrated circuit leadframes and investment holding 分銷集成電路引線框及 投資控股	150,603 ordinary shares of no par value, paid up to US\$4,071,281 150,603股無面值普通股， 已繳股本4,071,281美元	66.4	33.6
東輝電子工業(深圳) 有限公司 (Note附註 d)	PRC 中國	Distribution of stamped leadframes and moulds 分銷壓模引線框及工模	US\$3,000,000 3,000,000美元	–	100

Notes:

- (a) Operating principally in the PRC.
- (b) The deferred shares, which are held by the Group, are practically of no economic value.
- (c) None of the subsidiaries had issued any debt securities at the end of the year.
- (d) A foreign wholly-owned corporate.

附註：

- (a) 主要於中國經營。
- (b) 由本集團持有之遞延股份，實際上並無經濟價值。
- (c) 並無附屬公司於年終發行任何債務證券。
- (d) 為外資全資擁有企業。