



S T A R L I T E
HOLDINGS LIMITED

星光集團有限公司

A Member of the Starlite Group

(Incorporated in Bermuda with limited liability)

(於百慕達註冊成立之有限公司)

(Stock Code 股份代號 : 403)

INTERIM REPORT
FOR THE SIX MONTHS ENDED 30TH SEPTEMBER, 2006

中期業績報告
截至二零零六年九月三十日止六個月

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RESULTS

The Group recorded a turnover of approximately HK\$629 million for the six months ended 30th September, 2006, an increase of 23% compared with the same period last year. Net profit declined by 15% to approximately HK\$28 million due to intense pressure on the Group's profit margin.

The pressure on the profit margin arose from challenges including higher operating costs in Mainland China, which had adversely affected the Group's profitability in the last financial year. Indeed, the past two years had seen a continued increase in such pressure, which resulted in a more difficult operating environment for the Hong Kong/Mainland China manufacturing sector including the printing and packaging industry. As an example, the minimum monthly wage of workers in Shenzhen was further increased to RMB700 in July 2006 following an increase from RMB480 to RMB580 in July 2005. Given that labour accounts for a significant part of the total cost of the printing and packaging industry, and the fact that Shenzhen is the Group's largest production base in China, the substantial increase in minimum wage in Shenzhen has had a major impact on the Group's profitability. This factor, together with the higher costs of raw materials and interest payments (although the extents of their increases were relatively less than the increase in labour cost), the extra costs for air freight and subcontracting to cope with rushed orders, as well as customers' demands for more competitive pricing for their orders, put intense pressure on the Group's profit margin. Moreover, as the Group expands its operations to Suzhou and Shaoguan as part of the means to strengthen its competitiveness in the long term, additional resources for management, production and marketing are required in their initial stage of development. Nonetheless, the Group by further increasing its proactive efforts has been able to alleviate the pressure brought by such challenges on its results during the period under review.

The management is hopeful that the Group's strategic development plan to expand its business and competitiveness and increase its sales and efficiency is yielding benefits, which it is anticipated will help mitigate the impact of the unfavourable factors affecting the Group's profitability. The Group has been able to increase its sales in spite of intensified market competition during the period under review. In particular, both the Singapore subsidiary and the Suzhou subsidiary have made improvements in their overall efficiency. With the recent completion of the phase-one development of the new plant in Shaoguan, where the minimum wage and other operating costs are relatively lower compared to Shenzhen and Guangzhou, the Group is in a better position to improve its cost efficiency. Furthermore, the management is exploring other means to consolidate and rationalize the Group's resources and expand its market penetration, details of which are described in the sections below.

業績

截至二零零六年九月三十日止六個月，本集團錄得營業額約六億二千九百萬港元，較去年同期上升百分之二十三。由於邊際利潤減少，純利約為二千八百萬港元，下降百分之十五。

在上個財政年度，由於內地經營成本持續上升，加上其他挑戰不斷帶來衝擊，對集團邊際利潤造成侵蝕。回顧過去兩年，這些壓力持續加劇，令企業（包括香港／中國大陸包裝印刷業）營商環境更為困難。以深圳的每月最低工資為例，自二零零五年七月由人民幣四百八十元增至人民幣五百八十元後，二零零六年七月又增至人民幣七百元。工資為包裝印刷業營運成本的重要部分，而深圳是集團在華南的主要生產基地，這對集團盈利影響甚大。除此之外，還有其他因素對集團盈利構成重大壓力，包括：原材料漲價和融資成本增加（儘管兩者的升幅相對較工資的升幅為小）、為應付急單須支付外判費和空運費，以及客戶訂單價格進一步偏軟，以致成本差額無法全部轉移等。另一方面，集團從長遠發展考慮，把營運基地拓展至蘇州和韶關，需在管理運作和市場推廣方面配置人才，因而增加了啟動成本。儘管面對各項不利因素，由於集團悉力以赴，期內業績所受的負面影響已減至最低。

管理層相信，為擴展業務空間，增加競爭力，集團現在採取的策略部署，有助於提高集團的銷售能力和營運效率，減低不利因素對集團盈利的衝擊。這些措施已取得一定成效。回顧期內，儘管市場競爭加劇，集團營業額仍錄得增長，旗下各公司，尤其是新加坡和蘇州附屬公司的效益均顯著提升。隨著韶關新廠完成第一期發展計劃，由於韶關的工資和營運成本較深圳和廣州為低，集團可利用韶關進一步提升生產效益。此外，管理層正研究其他方法，以便進一步鞏固和優化集團資源、擴闊集團的市場覆蓋面，有關詳情載於下文。

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INTERIM DIVIDEND

The Board of Directors has declared an interim dividend of HK1.5 cents (2005: HK1.5 cents) per share for the six months ended 30th September, 2006 payable on Friday, 19th January, 2007 to shareholders whose names appear on the Register of Members on Friday, 29th December, 2006.

BUSINESS REVIEW AND PROSPECTS

Packaging materials, labels and paper products

Hong Kong/Mainland China Operations

During the six months ended 30th September, 2006, the Group's printing and packaging businesses in Hong Kong/Mainland China achieved a significant increase in turnover. However, due to strong pressure on profit margin, the businesses recorded a decline in profit. Such pressure came from the significant increase in operating costs (in particular labour cost) in Mainland China, the higher cost of raw materials, and customers' demand for more competitive pricing for their orders. Paper products recorded a decline in profit despite a small increase in turnover.

As part of the means to increase its sales, the Group is looking into the possibility of tapping the potential of the European market for paper products. Moreover, in view of the rising operating cost in Mainland China, the Group is exploring the possibility of consolidating and rationalizing its China operations and replacing some of the labour intensive production work with automation. The management will explore these options by capitalising on the expertise of "Starlite Innovation Centre" and "Starlite Institute of Management" which have been contributing to the Group's ongoing improvement programme.

Suzhou Operation

The Suzhou subsidiary recorded a growth in sales during the period under review, with a significantly smaller loss compared with the same period last year. This was achieved as the Suzhou production plant under the leadership of a strengthened management team became more cost efficient.

中期股息

董事會決定向二零零六年十二月二十九日(星期五)名列股東名冊的股東，派發截至二零零六年九月三十日止六個月的中期股息，每股港幣1.5仙(二零零五年：港幣1.5仙)。有關股息將於二零零七年一月十九日(星期五)派發。

業務概況及前瞻

包裝材料、標籤及紙類製品

香港／中國大陸業務

截至二零零六年九月三十日止六個月，集團香港／中國大陸包裝印刷業務營業額顯著增長。但因內地經營成本(尤其勞工成本)大幅上升、原材料漲價及訂單價格進一步偏軟，導致邊際利潤受壓，拉動整體盈利下降。紙類製品銷量雖微升，但盈利出現下調。

為增加收入來源，集團現正研究開拓紙類製品歐洲市場。此外，鑑於內地經營成本持續上漲，集團現正探討方法鞏固和優化旗下資源，並研究機械化以取代部份人手密集工序。管理層會借助「星光創意中心」和「星光管理學院」優勢，探索各項優化資源計劃，推動集團進一步改善更新。

蘇州附屬公司

回顧期內，蘇州附屬公司加強了管理班子。在他們的積極領導下，蘇州廠營業額穩步增長，虧損額較去年同期大幅收窄。

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Following the completion of its phase-two expansion, the Suzhou plant has become one of the most sophisticated printing and packaging service providers in the Yangtze River delta. This provides the Group with stronger leverage to expand domestic business in the area. Moreover, the Suzhou plant is providing labels printing services to a renowned multinational corporation based in the United States, and is preparing to provide production support to the Group's wholly-owned subsidiary in Shanghai. Both measures are expected to benefit the Group's further expansion in the eastern China region.

Shaoguan Operation

Following completion of its phase-one development in the second quarter of 2006, the Shaoguan plant provided stronger support to the Group's environmentally friendly products division and paper products division in Shenzhen and Guangzhou. The Group is considering the strategy of further integrating the resources of the two divisions, which includes the possibility of combining their production in Shaoguan. The management believes this is a logical move given that the two divisions have been working closely together in recent years. By further integrating and realigning their production facilities, the Group will be able to capitalise on the lower labour cost of Shaoguan, which commands cost advantage over Shenzhen and Guangzhou.

As a further option for consideration, the Group is exploring the possibility of centralising its production of labour-intensive products under one roof in Shaoguan. This may form part of the Group's overall plan to consolidate and rationalize its production facilities in southern China.

Singapore Operation

Despite strong competition from other Asian-based companies in product pricing, the Singapore subsidiary managed to record a satisfactory growth in sales and profit. This can be attributed to its strong marketing initiatives, tightened cost control, and better allocation of management and capital resources following the completion of equity transfer of the Suzhou subsidiary to the Group's Hong Kong/Mainland China holding company.

The Group is actively considering the possibility of reactivating its operations in Malaysia to further increase the sales and profitability of the Singapore subsidiary and to obtain new business in the Asian and Oceania regions.

隨著第二期發展計劃完成，蘇州廠已成為長江三角洲最先進的包裝印刷商之一，在拓展本地業務方面擁有優秀條件。該廠開啟了新的增長領域，為美國一家知名跨國公司提供標籤印刷服務，並準備為集團上海新全資附屬公司提供生產配套。這些措施可促進集團在華東地區的業務發展。

韶關新廠

韶關新廠於二零零六年第二季完成首期發展計劃，大量承接集團深圳廠和廣州廠的環保產品和紙類製品。集團現正考慮整合資源策略，其中包括由韶關新廠統一生產環保產品和紙類製品。管理層相信，這是順理成章的做法，因過去數年兩類產品已常共用資源，加上韶關營運成本低於深圳和廣州，有助集團進一步提升競爭力。

集團將考慮把各項手工操作工序集中到韶關新廠進行，從而提高集團的營運效益。這是集團從華南整體生產佈局著眼，進一步鞏固和優化資源的方案之一。

新加坡業務

回顧期內，新加坡附屬公司面對亞洲同業價格競爭，仍能錄得理想的營業額和盈利增長，主要由於該公司有效地加強了市場銷售和控制成本，並因蘇州附屬公司轉由集團香港／中國大陸控股公司直接持有，令新加坡附屬公司減省了管理和財務資源。

集團現正積極研究在馬來西亞重新啟動業務，藉此保障新加坡附屬公司的營業額和盈利，增加集團在亞洲地區和大洋洲地區的營業額。

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PROSPECTS

With the economy of the United States slowing down, there is growing expectation for China to become the “World Consumer” other than the “World Factory”. There are valid premises for this expectation: China has the largest population in the world, strong economic growth that shows little sign of an abrupt slowdown, and political, economic and social reasons to encourage domestic consumption. It is likely that China, by offering potentially the biggest market to the world, is acting as a nucleus to closer cooperation among global economies.

The Group is positioning itself to benefit from these developments, with the flexibility to make necessary adjustments when required. While striving to contain its costs, the Group is also improving its quality of products and services; and while expanding its exports to markets beyond the United States, it is taking concrete steps to increase its domestic sales to capitalize on China’s rising consumption. The Group is prepared to meet these new challenges and make new mileage.

LIQUIDITY AND FINANCIAL RESOURCES

The Group’s sources of funding include cash generated from the Group’s operations and banking facilities provided to the Group by banks mainly in Hong Kong and Mainland China. As at 30th September, 2006, the Group’s cash and bank balances and short term bank deposits amounted to approximately HK\$105 million.

During the period under review, the interest expenses of the Group amounted to approximately HK\$9.1 million compared to approximately HK\$6.6 million recorded in the same period last year. Currently, the Group has Renminbi-denominated loan facilities amounting to approximately RMB85 million that are available for the Group’s Shenzhen, Guangzhou, Shaoguan and Suzhou plants for working capital purposes.

As at 30th September, 2006, the Group had a working capital surplus of approximately HK\$31 million compared to a working capital surplus of approximately HK\$55 million as at 31st March, 2006. The Group’s debt-to-equity ratio as at 30th September, 2006 was 84% (31st March, 2006: 87%), based on short-term and long term bank borrowings and other debts/borrowings (excluding trade related debts) of approximately HK\$312 million (31st March, 2006: HK\$300 million), and shareholders’ funds of approximately HK\$370 million (31st March, 2006: HK\$345 million). The Group will continue to adopt prudent policies to maintain a healthy financial position.

未來展望

鑑於美國經濟正在放緩，更多人盼望中國除作為「世界工廠」外亦扮演「世界消費者」的角色，這是合情合理的願望。中國擁有全球最多的人口，享有絕非強弩之末的強勁經濟增長，並有充分的政治、經濟和社會原因去鼓勵本土消費。中國有潛力為世界各國商家提供最大的市場，並藉此成為促進環球經濟合作的主力。

有見及此，集團積極部署靈活應變，以便集結優勢從中受惠。除加強控制成本外，同時大力提升產品質素和服務質量；一方面拓展美國以外的市場，另一方面開拓中國消費增長帶來的龐大內銷業務。集團必定積極面對新挑戰，努力開創新里程。

流動資金及財務資源

集團的主要資金來源，包括業務經營帶來的現金收入及中港兩地銀行界提供的信貸融資。截至二零零六年九月三十日，集團的現金和銀行結餘及短期銀行存款共約一億零五百萬港元。

回顧期內，集團的利息支出約為九百一十萬港元，去年同期約為六百六十萬港元。現時，集團約有八千五百萬元人民幣銀行貸款，乃為集團位於深圳、廣州、韶關及蘇州的生產基地提供營運資金。

於二零零六年九月三十日，集團營運資金錄得約三千一百萬港元盈餘，而二零零六年三月三十一日則有約五千五百萬港元盈餘。集團截至二零零六年九月三十日的債務權益比率為百分之八十四（二零零六年三月三十一日：百分之八十七），乃根據短期及長期帶息銀行借款及其他借貸（不計貿易信貸）約三億一千二百萬港元（二零零六年三月三十一日：三億港元），與股東權益約三億七千萬港元（二零零六年三月三十一日：三億四千五百萬港元）計算。集團會繼續採取審慎的理財策略，確保資金狀況維持穩健。

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CHARGE ON ASSETS

As at 30th September, 2006, certain assets of the Group with an aggregate carrying value of approximately HK\$73 million (31st March, 2006: HK\$17 million) were pledged to secure the banking facilities of the Group.

EXCHANGE RATE EXPOSURE

All the Group's assets, liabilities and transactions are denominated either in Hong Kong dollars, US dollars, Chinese Renminbi, Japanese Yen, Singapore dollars or Euro. The exchange rate of US dollars/Hong Kong dollars is relatively stable due to the current peg system in Hong Kong. On the other hand, the existing Renminbi denominated sales revenue helps to reduce the Group's commitments of Renminbi-denominated operating expenses in China. Transaction values involving Japanese Yen or Euro were primarily related to the Group's purchase of machinery and such exposures were generally hedged by forward contracts.

HUMAN RESOURCES DEVELOPMENT

Currently the Group has more than 8,000 employees. The Group maintains good relations with its employees, providing them competitive packages and incentive schemes as well as various training programmes. A Share Option Scheme complying with the revised Listing Rules requirements was adopted in September 2002 under which share options will be granted to certain employees (including executive directors of the Company) as incentive for their contribution to the Group. Following the opening of the "Starlite Institute of Management", the Group provides various training and development programmes to staff on an ongoing basis. The Group will explore the possibility of launching other special training programmes with universities in China and education institutions abroad to further enhance its staff quality.

DISCLOSURE OF INTERESTS

Directors' interests in shares and share options

As at 30th September, 2006, the interest of the Directors and Chief Executive of the Company in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance ("SFO")) which were required to be notified to the Company and The Stock Exchange of Hong Kong Limited (the "Stock Exchange") pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO), or which were recorded in the register required to be kept by the Company under Section 352 of the SFO, or which were required, pursuant to the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules"), to be notified to the Company and the Stock Exchange, were as follows:

資產抵押

於二零零六年九月三十日，本集團合共賬面淨值約七千三百萬港元(二零零六年三月三十一日：一千七百萬港元)之資產已按予銀行作為後者授予本集團貸款之抵押。

滙兌風險

本集團所有資產、負債及交易均以港元、美金、人民幣、日圓、新加坡元及歐元結算。香港現行之聯繫滙率制度令美元／港元滙率相對穩定。而集團現有以人民幣結算之銷售收益，有助減低集團內地附屬公司以人民幣結算之經營費用所承擔之貨幣風險。至於涉及日圓和歐元之交易額，主要為集團購買機器付出，並普遍以遠期合約對沖滙率風險。

人力資源發展

集團現僱用超過八千名員工。集團與員工一直保持良好關係，除為員工提供合理薪酬和獎勵外，並實施各項員工技能培訓計劃。集團於二零零二年九月採納一個符合新修訂上市規則的購股權計劃，選擇部分對集團有貢獻的員工(包括本公司執行董事)授予購股權。隨著「星光管理學院」啟用，集團致力為員工提供各項持續性的培訓及人才發展計劃。集團將繼續研究與中國的大學和海外的教育機構合作，開辦其他專業實用技術課程。

權益披露

董事於股份及購股權之權益

於二零零六年九月三十日，本公司董事及最高行政人員於本公司或其任何相聯法團(定義見證券及期貨條例(「證券及期貨條例」)第XV部)的股份、相關股份及債券中擁有根據證券及期貨條例第XV部第7及第8分部須知會本公司及香港聯合交易所有限公司(「聯交所」)的權益或淡倉(包括彼等根據證券及期貨條例之該等條文被假設或視為擁有之權益或淡倉)，或記載於本公司按證券及期貨條例第352條須置存之登記冊內的權益或淡倉，或根據聯交所證券上市規則(「上市規則」)須知會本公司及聯交所的權益或淡倉如下：

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Long positions in Shares

於股份之好倉

Name of Director	Capacity		Personal interests	Family interests	Corporate interests	Other interests	Approximate % of Total Shareholding	*Outstanding share options	
董事姓名	身份		個人權益	家族權益	公司權益	其他權益	佔股權之概約百分比	*尚未行使之購股權	
Mr. Lam Kwong Yu 林光如先生	Beneficial owner, interest of spouse, interest of controlled corporation, beneficiary and founder of trusts	實益擁有、配偶權益、受控制公司之權益、信託受益人及創辦人	2,150,000	1,100,000	844,000 (Note 1) (附註1)	220,354,174 (Note 2) (附註2)	224,448,174	52.26%	4,162,000
Ms. Yeung Chui 楊翠女士	Beneficial owner, interest of spouse, interest of controlled corporation, beneficiary and founder of trusts	實益擁有、配偶權益、受控制公司之權益、信託受益人及創辦人	1,100,000	2,150,000	844,000 (Note 1) (附註1)	220,354,174 (Note 2) (附註2)	224,448,174	52.26%	3,852,000
Mr. Tai Tzu Shi, Angus 戴祖堃先生	Beneficial owner & interest of spouse	實益擁有及配偶權益	—	18,000	—	—	18,000	0.004%	2,620,000
Mr. Cheung Chi Shing, Charles 張志成先生	Beneficial owner	實益擁有	750,000	—	—	—	750,000	0.17%	2,640,000

* Details of share options granted to Directors are separately disclosed under the heading of Share option scheme.

* 授予董事購股權之詳情於本文之購股權計劃部份內載述。

Notes:

附註：

- Dayspring Enterprises Limited held 844,000 shares in the Company. The entire issued share capital of the company is beneficially owned and controlled by Mr. Lam Kwong Yu and Ms. Yeung Chui. The 844,000 shares of Mr. Lam Kwong Yu and Ms. Yeung Chui were the same block of shares.
- Best Grade Advisory Limited ("BGAL") held 220,354,174 shares in the Company. The entire issued share capital of BGAL is held by Masterline Industrial Limited as trustee of The New Super Star Unit Trust. All except one units in The New Super Star Unit Trust are beneficially owned by two discretionary trusts, the discretionary beneficiaries of which include Mr. Lam Kwong Yu, Ms. Yeung Chui and Mr. Lam Chuen Yik, Kenneth. HSBC International Trustee Limited acted as trustee of the two discretionary trusts. The two references to 220,354,174 shares relate to the same block of shares in the Company.

- 特暢企業有限公司持有本公司844,000股股份，該公司之全部已發行股本均由林光如先生及楊翠女士實益擁有及控制。上述由林光如先生及楊翠女士擁有的844,000股股份，實指同一股份權益。
- Best Grade Advisory Limited ("BGAL") 持有本公司220,354,174股股份，BGAL 之全部已發行股本由The New Super Star Unit Trust 之信託人 Masterline Industrial Limited 持有。除一個單位外，The New Super Star Unit Trust 之其他單位皆由兩個全權信託實益擁有，而該等全權信託之受益人包括林光如先生、楊翠女士及林傳億先生。而 HSBC International Trustee Limited 為兩個全權信託的信託人。上述兩處所提及之220,354,174股本公司股份，實指同一股份權益。

Save as disclosed above, none of the Directors or Chief Executive of the Company had, as at 30th September, 2006, any interests or short positions in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which would have to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO), or which were recorded in the register required to be kept by the Company under Section 352 of the SFO, or which were required to be notified to the Company and the Stock Exchange pursuant to the Listing Rules.

除上文所披露者外，於二零零六年九月三十日，本公司各董事及主要行政人員概無於本公司或其任何相聯法團(定義見證券及期貨條例第XV部)之股份、相關股份或債券中擁有依據證券及期貨條例第XV部第7及第8分部規定須通知本公司及聯交所之權益及淡倉(包括彼等根據證券及期貨條例之該等條文被當作或視為擁有之權益或淡倉)，或記載於本公司按證券及期貨條例第352條須置存之登記冊內之權益或淡倉，或根據上市規則須知會本公司及聯交所之權益或淡倉。

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Share option scheme

A new share option scheme has been adopted by the Company since 6th September, 2002 (the “New Share Option Scheme”) to replace a share option scheme which had been adopted on 8th February, 1993 (the “Old Share Option Scheme”) to comply with the current statutory requirements. The Company may grant options to the participants as set out in the New Share Option Scheme. Summary of the Old Share Option Scheme and the New Share Option Scheme was as follows :

購股權計劃

本公司由二零零二年九月六日已採納新購股權計劃(「新購股權計劃」)以取代於一九九三年二月八日採納之購股權計劃(「舊購股權計劃」)，以符合現行之法定要求。本公司可按新購股權計劃所列向參與人士授予購股權。舊購股權計劃及新購股權計劃的摘要如下：

	<i>Old Share Option Scheme</i> 舊購股權計劃	<i>New Share Option Scheme</i> 新購股權計劃
1. Purpose of the Old and New Share Option Schemes 舊及新購股權計劃目的	As an incentive to employees. 作為對僱員的獎勵。	To provide participants with the opportunity to acquire proprietary interests in the Company and to encourage participants to work towards enhancing the value of the Company and its Shares. 為參與人士提供獲得本公司所有權之機會，並鼓勵參與人士致力擴大大公司及其股份之價值。
2. Participants of the Old and New Share Options Schemes 舊及新購股權計劃的參與人士	Any full-time employee of the Company or any Subsidiary (including full-time executive directors of the Company or any Subsidiary). 本公司及其附屬公司的全職僱員(包括本公司或其附屬公司之全職執行董事)。	(i) Any full-time employee of the Company or of any Subsidiary ; and (ii) Any full-time executive director of the Company or of any subsidiary (i) 本公司或其附屬公司之全職僱員，及 (ii) 本公司或其附屬公司之全職執行董事

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Old Share Option Scheme
舊購股權計劃

New Share Option Scheme
新購股權計劃

3. Total number of Shares available for issue under the Old and New Share Option Schemes and percentage of issued share capital as at the date of the interim report

根據舊及新購股權計劃可發行股份總數及於本中期報告日期佔已發行股本百分比

The maximum number of Shares in respect of which options may be granted (when aggregated with any securities subject to any other share option scheme(s) of the Group) shall not exceed 10% of the number of issued Shares of the Company from time to time excluding the aggregate number of shares which are issued pursuant to the Old Share Option Scheme.

按舊購股權計劃而可能授予之購股權(連同本集團其他購股權計劃中尚未行使之購股權)有關股份最高之數目，不得超過本公司不時已發行股本10%，惟不包括因行使根據舊購股權計劃授予之購股權而發行之股份。

The Company may initially grant options representing 41,250,098 Shares under the New Share Option Scheme (i.e. approximately 10% of the issued share capital of the Company as at the date of the approval of the New Share Option Scheme and approximately 9.6% of the issued share capital of the Company as at the date of the interim report).

The maximum number of Shares which may be issued upon exercise of all outstanding options granted and yet to be exercised under the New Share Option Scheme and any other schemes adopted by the Company must not exceed 30% of the Shares in issue from time to time. No options may be granted under the New Share Option Scheme or any other share option scheme if that will result in the 30% limit being exceeded.

根據新購股權計劃，本公司初步可授予涉及41,250,098股股份(佔本公司於採納新購股權計劃日期之已發行股本約10%及佔本公司於本中期報告日期之已發行股本約9.6%)之購股權。

根據本公司採納之新購股權計劃及任何其他計劃授予而尚未行使之購股權獲行使時而可發行之股份最高之數目不得超過不時已發行股份之30%。倘根據新購股權計劃授予購股權將會超過30%上限，則不可授予購股權。

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	<i>Old Share Option Scheme</i> 舊購股權計劃	<i>New Share Option Scheme</i> 新購股權計劃
4. Maximum entitlement of each participant under the Old and New Share Option Schemes 每位參與人士根據舊及新購股權計劃可認購的最高數額	25% of the aggregate number of Shares in respect of which options are issuable under the Old Share Option Scheme. 舊購股權計劃當時可發行之股份總數的25%。	The total number of Shares issued and to be issued upon exercise of the options granted and to be granted to each participant (including both exercised and outstanding options) under the New Share Option Scheme or any other share option scheme adopted by the Company in any 12 month period must not exceed 1% of the Shares in issue. 根據新購股權計劃以及本公司之任何其他購股權計劃，在任何12個月期間內，向每位參與人士授予購股權而因行使購股權(包括已行使及尚未行使之購股權)獲發行及將予發行之股份總數，不得超過已發行股份數目之1%。
5. The period within which the Shares must be taken up under an option 根據購股權須認購股份的期限	At any time during a period to be determined by the Board, which shall not be more than 10 years from the date on which the option is granted. 由董事會決定之期間內任何時間，惟無論如何不得超過授出日期起計十年。	Must not be more than 10 years from the date of offer or grant of the option. 自購股權提出授予之日起計不得超過十年。
6. The minimum period for which an option must be held before it can be exercised. 須於行使前持有購股權的最短期限	An option may be exercised at any time during a period commencing on the expiry of 6 calendar months after the date of grant of the option, but in any event not later than 10 years from the date of grant. 購股權可於由授予購股權當日起計六個曆月後任何時間行使，惟不得超過該購股權授出日期10年以外。	An option may be exercised at any time during a period commencing on the expiry of 6 calendar months after the date of grant of the option, but in any event not later than 10 years from the date of grant. 購股權可於由授予購股權當日起計六個曆月後任何時間行使，惟不得超過該購股權授出日期10年以外。

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	<i>Old Share Option Scheme</i> 舊購股權計劃	<i>New Share Option Scheme</i> 新購股權計劃
7.	<p>The amount payable on application or acceptance of the option and the period within which payments or calls must or may be made or loans for such purposes must be paid</p> <p>申請或接納購股權的應付金額以及付款或通知付款的期限或償還申請購股權貸款的期限</p>	<p>The amount payable on acceptance of an option is HK\$10 and an offer shall remain open for acceptance by the participant for a period of 28 days from the date on which the letter containing the offer is delivered to that participant.</p> <p>接納購股權所須支付之代價為港幣10元。而參與人士可於收到要約函起計28日期間內接納購股權。</p>
8.	<p>The basis of determining the exercise price</p> <p>釐定行使價的基準</p>	<p>The exercise price shall be determined by the Board in its absolute discretion and shall be at least the highest of:</p>
	<p>The exercise price is determined by the Board in their absolute discretion but in any event shall not be less than the higher of:</p>	<p>The exercise price shall be determined by the Board in its absolute discretion and shall be at least the highest of:</p>
	<p>(i) 80% of the average of the closing price of the Shares as stated in the Stock Exchange's daily quotation sheets for the five trading days immediately preceding the date of grant of an option; or</p> <p>(ii) the nominal value of the Shares</p> <p>行使價由董事會釐定，但不得低於以下的較高者：</p> <p>(i) 緊接購股權授予日期前五個交易日股份於聯交所的平均收市價的80%；或</p> <p>(ii) 股份面值。</p>	<p>(i) the closing price of the Shares as stated in the daily quotations sheet issued by the Stock Exchange on the date of grant, which must be a business day; or</p> <p>(ii) the average closing price of the Shares as stated in the daily quotation sheets issued by the Stock Exchange for the 5 business days immediately preceding the date of grant; or</p> <p>(iii) the nominal value of the Shares on the date of grant.</p> <p>購股權之行使價由董事會釐定，但至少以下列中最高者為準：</p> <p>(i) 股份於提出授予購股權當日（須為營業日）聯交所每日報價表所列之收市價；或</p> <p>(ii) 股份於緊接提出授予購股權日期前五個交易日在聯交所每日報價表所列之平均收市價；或</p> <p>(iii) 於授予購股權當日的股份面值。</p>

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	<i>Old Share Option Scheme</i> 舊購股權計劃	<i>New Share Option Scheme</i> 新購股權計劃
9. The remaining life of the Old and New Share Option Schemes 舊及新購股權計劃的剩餘期限	The Old Share Option Scheme was adopted on 8th February, 1993 and was originally effective until 7th February, 2003. On 6th September, 2002, the Old Share Option Scheme was resolved by the shareholders of the Company to have been terminated thereon. 舊購股權計劃於一九九三年二月八日採納及原於二零零三年二月七日前一直有效。於二零零二年九月六日，本公司股東議決舊股權計劃由該日起取消。	The New Share Option Scheme shall be valid and effective for a period of ten years commencing on the adoption date i.e. 6th September, 2002. 新購股權計劃由採納日（即二零零二年九月六日）起十年內一直生效及有效。

The following tables show the movements in the Company's share options during the period and the outstanding options at the beginning and end of the period:

本公司購股權於期內之變動及於期初及期終尚未行使之購股權如下表所示：

Old Share Option Scheme

舊購股權計劃

Name 姓名	Date of grant 授出日期	Exercise period 行使期間	Exercise price per share 每股認購價 HK\$ 港元	Beginning of period 期初	Granted during the period 期內授出	Exercised during the period 期內行使	Lapsed during the period 期內失效	End of period 期終
				'000 千股	'000 千股	'000 千股	'000 千股	'000 千股
Directors 董事								
Mr. Lam Kwong Yu 林光如先生	10.9.1997	11.3.1998 – 9.9.2007	0.69	1,912	—	—	—	1,912
Ms. Yeung Chui 楊翠女士	10.9.1997	11.3.1998 – 9.9.2007	0.69	1,602	—	—	—	1,602
				<u>3,514</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>3,514</u>

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New Share Option Scheme

新購股權計劃

Name 姓名	Date of grant 授出日期	Exercise period 行使期間	Exercise price per share 每股認購價 HK\$ 港元	Beginning of period 期初 '000 千股	Granted during the period 期內授出 '000 千股	Exercised during the period 期內行使 '000 千股	Lapsed during the period 期內失效 '000 千股	End of period 期終 '000 千股
(i) Directors 董事								
Mr. Lam Kwong Yu 林光如先生	19.2.2004	19.8.2004 — 18.2.2007	1.07	2,250	—	—	—	2,250
Ms. Yeung Chui 楊翠女士	19.2.2004	19.8.2004 — 18.2.2007	1.07	2,250	—	—	—	2,250
Mr. Tai Tzu Shi, Angus 戴祖璽先生	19.2.2004 29.12.2004	19.8.2004 — 18.2.2007 29.6.2005 — 28.12.2007	1.07 0.77	1,200 1,420	— —	— —	— —	1,200 1,420
Mr. Cheung Chi Shing, Charles 張志成先生	19.2.2004 29.12.2004	19.8.2004 — 18.2.2007 29.6.2005 — 28.12.2007	1.07 0.77	1,200 1,440	— —	— —	— —	1,200 1,440
(ii) Employees 僱員								
	6.2.2004	6.8.2004 — 5.2.2007	0.93	3,363	—	—	—	3,363
	29.12.2004	29.6.2005 — 28.12.2007	0.77	2,756	—	—	—	2,756
	28.10.2005	28.4.2006 — 27.10.2007	0.72	482	—	—	—	482
				16,361	—	—	—	16,361

The Company had used a Binomial Option Pricing Model to determine the fair value of certain options granted as at the date of grant.

本公司已採用二項式期權定價模式訂定若干所授出購股權於授出當日之公平值。

The Binomial Option Pricing Model was developed to estimate the fair value of American style options, that is, options that can be exercised at any time throughout the option term from the date of being vested. It is one of the commonly used models to estimate the fair value of an option which can be exercised before the expiry of the option period. The value of an option varies with different variables of certain subjective assumptions. Any change in variables so adopted may materially affect the estimation of the fair value of an option.

二項式期權定價模式乃用作估計美式期權(即指由歸屬日起開始於行使期內可隨意行使之期權)之公平值。此乃估計可於行使期屆滿前行使之期權之公平值最常用之其中一種模式。期權之價值會因若干主觀假設之數據出現變動而有異。期權之公平值估算或會因所採納之數據出現任何變動而受到重大影響。

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Save as disclosed above, at no time during the period was the Company or any of its subsidiaries a party to any arrangement to enable any of the Company's directors or members of its management to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

Directors' interests in contracts

Save as disclosed in Note 21 to the accompanying accounts, no contract of significance in relation to the Group's business to which the Company or any of its subsidiaries or holding companies was a party and in which any of the Company's directors or members of its management had a material interest, whether directly or indirectly, subsisted at the end of the period or at any time during the period.

Substantial shareholders

So far as is known to any Director or Chief Executive of the Company, as at 30th September, 2006, shareholders (other than Directors or Chief Executive of the Company) who had interest or short positions in the shares or underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept by the Company under Section 336 of the SFO were as follows :

1. Long positions of substantial shareholders in the shares of the Company

Name of shareholder	Capacity	Number of Shares	Approximate % of Shareholding
股東名稱	身份	股份數目	佔股權之概約百分比
Best Grade Advisory Limited	Beneficial owner 實益擁有	220,354,174 (Note 1) (附註1)	51.31%
Masterline Industrial Limited	Trustee 信託人	220,354,174 (Note 1) (附註1)	51.31%
HSBC International Trustee Limited	Trustee 信託人	220,354,174 (Note 2) (附註2)	51.31%

除上述披露者外，於期內任何時間，本公司及其任何附屬公司概無參與任何安排，導致本公司董事或其管理層成員藉收購本公司或任何其他法人團體之股份或債券而獲益。

董事於合約內之利益

除於隨附之賬目附註21披露者外，本公司或其附屬公司於期終或期內任何時間，並無訂有任何與本集團業務有關而本公司董事或管理層成員直接或間接擁有其中重大利益之重要合約。

主要股東

就本公司董事或最高行政人員所知，於二零零六年九月三十日，於本公司股份或相關股份中擁有根據證券及期貨條例第XV部第2及第3分部的條文須向本公司披露或記載於本公司按證券及期貨條例第336條置存的登記冊內的權益或淡倉之股東（本公司董事或最高行政人員除外）如下：

1. 主要股東於本公司股份之好倉

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2. Long positions of other persons in the shares of the Company 2. 其他人士於本公司股份之好倉

Name of shareholder	Capacity	Number of Shares	Approximate % of Shareholding
股東名稱	身份	股份數目	佔股權之概約百分比
Value Partners Limited	Investment manager 投資經理	29,910,000 (Note 3) (附註3)	6.96%
Cheah Cheng Hye 謝清海	Interest of controlled corporation 受控制公司之權益	29,910,000 (Note 3) (附註3)	6.96%

Notes :

- The two references of 220,354,174 shares relate to the same block of shares in the Company. These shares are held by Best Grade Advisory Limited ("BGAL"). The entire issued share capital of BGAL is held by Masterline Industrial Limited as trustee of The New Super Star Unit Trust. All except one units in The New Super Star Unit Trust are beneficially owned by two discretionary trusts, the discretionary beneficiaries of which include Mr. Lam Kwong Yu, Ms. Yeung Chui and Mr. Lam Chuen Yik, Kenneth. HSBC International Trustee Limited acted as trustee of the two discretionary trusts.
- The two references of 220,354,174 shares as described in Note 1 and Note 2 relate to the same block of shares in the Company. HSBC International Trustee Limited ("HSBC"), as trustee of two discretionary trusts in which Mr. Lam Kwong Yu, Ms. Yeung Chui and Mr. Lam Chuen Yik, Kenneth were the beneficiaries, were interested and/or deemed to be interested in the said 220,354,174 shares.
- The two references to 29,910,000 shares relate to the same block of shares in the Company.

附註 :

- 上述兩處所提及之220,354,174股本公司股份，實指同一股份權益。Best Grade Advisory Limited (「BGAL」)持有上述股份，BGAL之全部已發行股本由The New Super Star Unit Trust之信託人Masterline Industrial Limited持有。除一個單位外，The New Super Star Unit Trust之其他單位皆由兩個全權信託實益擁有，而該等全權信託之受益人包括林光如先生、楊翠女士及林傳億先生。而HSBC International Trustee Limited為兩個全權信託的信託人。
- 附註(1)及(2)所提及之220,354,174股本公司股份，實為同一股份權益。HSBC International Trustee Limited (「HSBC」)為兩個全權信託之信託人，而林光如先生、楊翠女士及林傳億先生則為該等信託之受益人，HSBC擁有及/或被視為擁有所述之220,354,174股股份權益。
- 上述兩處所提及之29,910,000股本公司股份，實指同一股份權益。

Save as disclosed above, as at 30th September, 2006, the Company has not been notified by any persons (other than Directors or Chief Executive of the Company) who had interests or short positions in the shares or underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept by the Company under Section 336 of the SFO.

除上文所披露者外，於二零零六年九月三十日，概無任何人士(本公司董事或最高行政人員除外)曾知會本公司擁有根據證券及期貨條例第XV部第2及3分部之條文須向本公司披露或記載於本公司按證券及期貨條例第336條置存之登記冊內的本公司股份或相關股份之權益或淡倉。

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AUDIT COMMITTEE

The audit committee is composed of all the four non-executive directors of the Company of which three of them are independent. The audit committee has reviewed with management the accounting policies adopted by the Group and discussed auditing, internal control, and financial reporting matters, including the review of unaudited interim financial statements for the six months ended 30th September, 2006.

REMUNERATION COMMITTEE

The Remuneration Committee was set up with the responsibility of recommending to the Board the remuneration policy of all the Directors and the senior management. The Remuneration Committee composed of all the four non-executive directors of the Company of which three of them are independent.

PURCHASE, SALE OR REDEMPTION OF SHARES

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities during the period.

CORPORATE GOVERNANCE

In the opinion of the Board, the Company has complied with the Code Provisions in Code on Corporate Governance Practices (the "CG Code") as set out in Appendix 14 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Stock Exchange") (the "Listing Rules") throughout the six months ended 30th September, 2006 except for the deviations as mentioned below.

Code Provision A.2.1 stipulates that the roles of chairman and chief executive officer should be separate and should not be performed by the same individual. The Company does not have a separate Chairman and Chief Executive Officer and Mr. Lam Kwong Yu currently holds both positions. The Board believes that vesting the roles of both Chairman and Chief Executive Officer in the same person would allow the Company to be more effective and efficient in developing long-term business strategies and execution of business plans. The Board believes that the balance of power and authority is adequately ensured by the operating of the Board which comprises experienced and high caliber individuals with a sufficient number thereof being Non-executive Directors.

Code Provision A.4.1 stipulates that non-executive directors should be appointed for a specific term, subject to re-election. The non-executive directors of the Company have not been appointed for a specific term as they are subject to retirement and re-election at annual general meeting in accordance with the Bye-laws of the Company.

審核委員會

本公司之審核委員會由本公司之所有四位非執行董事(其中三位為獨立非執行董事)組成。本集團之審核委員會已與管理層審議本集團採用之會計政策, 及商討審計、內部監控及財務匯報事項, 包括審議此等截至二零零六年九月三十日未經審核之中期財務報表。

薪酬委員會

薪酬委員會的職責為向董事會建議所有董事及高級管理層之酬金政策。薪酬委員會由本公司四位非執行董事(其中三位為獨立非執行董事)組成。

買賣或購回股份

本公司或其任何附屬公司於本期六個月內並無買賣或贖回本公司任何上市證券。

公司管治

董事會認為, 除下文所述偏離者外, 本公司於截至二零零六年九月三十日止六個月期間一直遵守香港聯合交易所有限公司(「聯交所」)證券上市規則(「上市規則」)附錄14所載企業管治常規守則(「企業管治常規守則」)之守則條文。

守則條文第A.2.1條規定應區分主席與行政總裁的角色, 並不應由一人同時兼任。本公司並無區分主席與行政總裁, 林光如先生目前兼任該兩個職位。董事會相信, 由一人兼任主席與行政總裁的角色可讓本公司更有效及有效率發展長遠業務策略以及執行業務計劃。董事會相信, 董事會由經驗豐富的優秀人才組成, 加上相當成員均為非執行董事, 故足以確保有關權力及職權能充分平衡。

守則條文第A.4.1條規定非執行董事的委任應有任期, 並須接受重新選舉, 而本公司之非執行董事並無按特定任期委任, 惟根據本公司章程細則, 彼等須於股東週年大會上告退及重選。

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COMPLIANCE WITH MODEL CODE

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the “Model Code”) as set out in Appendix 10 of the Listing Rules for securities transactions by the Directors. All Directors have confirmed that, in respect of the six months ended 30th September, 2006, they have complied with the required standard set out in the Model Code regarding securities transactions by the Directors.

CLOSURE OF REGISTER OF MEMBERS

The Register of Members of the Company will be closed from Wednesday, 27th December, 2006, to Friday, 29th December, 2006 (both dates inclusive) during which period no transfer of shares will be registered. In order to qualify for interim dividend, shareholders must deliver their share transfer forms and share certificates to Secretaries Limited, the Company’s Registrar at 26/F., Tesbury Centre, 28 Queen’s Road East, Hong Kong for registration no later than 4:00 p.m. on Friday, 22nd December, 2006.

On behalf of the Board
LAM KWONG YU
Chairman

Hong Kong, 7th December, 2006

董事進行證券交易之標準守則

本公司已就董事進行證券交易採納上市規則附錄10所載上市公司董事進行證券交易的標準守則（「標準守則」）。全體董事均已確認，截至二零零六年九月三十日止六個月，彼等一直遵守標準守則有關董事進行證券交易規定所載規定標準。

暫停辦理股東登記

本公司將於二零零六年十二月二十七日（星期三）至二零零六年十二月二十九日（星期五）（包括首尾兩日）暫停辦理股份轉讓之登記。為確保股東有資格取得中期股息，股東須於二零零六年十二月二十二日（星期五）下午四時前將所有股份轉讓文件及其股票交回本公司之股份過戶登記處秘書商業服務有限公司。地址為香港皇后大道東28號金鐘匯中心26樓。

承董事會命
主席
林光如

香港，二零零六年十二月七日

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INTERIM RESULTS (UNAUDITED)

中期業績 (未經審核)

Condensed Consolidated Interim Income Statement

簡明綜合中期收益表

		Unaudited	
		Six months ended	
		30th September,	
		未經審核	
		截至九月三十日止六個月	
		2006	2005
		二零零六年	二零零五年
		HK\$'000	HK\$'000
		千港元	千港元
	Notes 附註		
Sales	4	628,558	509,362
Cost of goods sold		(494,938)	(390,898)
Gross profit		133,620	118,464
Other gain, net	5	438	482
Distribution and selling expenses		(32,306)	(26,021)
General and administrative expenses		(55,964)	(46,556)
Operating profit	6	45,788	46,369
Finance costs	7	(9,066)	(6,557)
Profit before income tax		36,722	39,812
Income tax expense	8	(8,527)	(6,592)
Profit for the period, attributable to equity holders of the Company		28,195	33,220
Earnings per share for profit attributable to equity holders of the Company, expressed in HK cents per share			
— Basic	9	6.56	7.77
— Diluted		6.56	7.75
Dividends	10	6,442	6,442

The notes are an integral part of this condensed interim financial information.

附註為此等簡明中期財務資料的整體部份。

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Condensed Consolidated Interim Balance Sheet

簡明綜合中期資產負債表

			Unaudited 未經審核 As at 30th September, 2006 二零零六年 九月三十日 HK\$'000 千港元	Audited 經審核 As at 31st March, 2006 二零零六年 三月三十一日 HK\$'000 千港元
Non-current assets	非流動資產			
Property, plant and equipment	物業、廠房及設備	11	449,704	418,904
Leasehold land and land use rights	租賃土地及土地使用權	11	26,473	26,413
Available-for-sale investments	可供出售之投資	12	1,273	1,180
			<u>477,450</u>	<u>446,497</u>
Current assets	流動資產			
Inventories	存貨		92,651	85,136
Trade and bills receivable	貿易應收賬款及票據	13	343,123	176,753
Prepayments and deposits	預付款項及按金		12,576	25,064
Cash and bank deposits	現金及銀行存款		105,453	89,812
			<u>553,803</u>	<u>376,765</u>
Current liabilities	流動負債			
Bank borrowings	銀行貸款	14	(202,238)	(119,663)
Finance lease liabilities	財務契約債務		(5,128)	(7,655)
Trade and bills payable	貿易應付賬款及票據	15	(234,583)	(134,494)
Accruals and other payables	應計負債及其他應付款		(57,371)	(41,993)
Current income tax liabilities	即期所得稅負債		(23,274)	(18,015)
			<u>(522,594)</u>	<u>(321,820)</u>
Net current assets	流動資產淨額		<u>31,209</u>	<u>54,945</u>
Total assets less current liabilities	總資產減流動負債		<u>508,659</u>	<u>501,442</u>
Non-current liabilities	非流動負債			
Finance lease liabilities	財務契約債務		(3,698)	(5,092)
Bank borrowings	銀行貸款	14	(119,519)	(135,135)
Deferred income tax liabilities	遞延所得稅負債	16	(15,895)	(15,794)
			<u>(139,112)</u>	<u>(156,021)</u>
Net assets	資產淨值		<u>369,547</u>	<u>345,421</u>
Equity	股本權益			
Capital and reserves attributable to equity holders of the Company	本公司權益持有人應佔股本及儲備			
Share capital	股本	17	42,947	42,947
Reserves	儲備	18	326,600	302,474
Total equity	權益總額		<u>369,547</u>	<u>345,421</u>

The notes are an integral part of this condensed interim financial information.

附註為此等簡明中期財務資料的整體部份。

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Condensed Consolidated Interim Cash Flow Statement

簡明綜合中期現金流動表

		Unaudited 未經審核	
		Six months ended 30th September, 截至九月三十日止六個月	
		2006	2005
		二零零六年	二零零五年
		HK\$'000	HK\$'000
		千港元	千港元
Net cash (used in)/generated from operating activities	經營活動(所用)／產生之現金淨額	(5,363)	3,811
Net cash used in investing activities	投資活動所用之現金淨額	(34,575)	(58,681)
Net cash generated from financing activities	融資活動產生之現金淨額	<u>53,089</u>	<u>90,401</u>
Net increase in cash and bank overdrafts	現金及銀行透支之增加淨額	13,151	35,531
Cash and bank overdrafts at beginning of period	期初之現金及銀行透支	<u>89,307</u>	<u>78,184</u>
Cash and bank overdrafts at end of period	期末之現金及銀行透支	<u>102,458</u>	<u>113,715</u>

The notes are an integral part of this condensed interim financial information.

附註為此等簡明中期財務資料的整體部份。

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Condensed Consolidated Interim Statement of Changes in Equity

簡明綜合中期股本權益變動表

		Unaudited 未經審核 Attributable to equity holders of the Company 本公司權益持有人應佔		
		Share capital 股本 HK\$'000 千港元	Reserves 儲備 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Balance at 1st April, 2006	於二零零六年四月一日之結餘	42,947	302,474	345,421
Fair value gains on available-for-sale investments	公平價值收益 — 可供出售之投資	—	93	93
Currency translation differences	滙兌差異	—	2,280	2,280
Net income recognised directly in equity	直接於權益中確認的收入淨額	—	2,373	2,373
Profit for the period, attributable to equity holders	期內權益持有人應佔溢利	—	28,195	28,195
Total recognised income for the period	期內已確認總收入	—	30,568	30,568
2005/06 final dividends paid	已付二零零五／零六年度末期股息	—	(6,442)	(6,442)
		—	24,126	24,126
Balance at 30th September, 2006	於二零零六年九月三十日之結餘	42,947	326,600	369,547
Balance at 1st April, 2005	於二零零五年四月一日之結餘	42,517	283,130	325,647
Fair value gains on available-for-sale investments	公平價值收益 — 可供出售之投資	—	70	70
Currency translation differences	滙兌差異	—	3,144	3,144
Net income recognised directly in equity	直接於權益中確認的收入淨額	—	3,214	3,214
Profit for the period, attributable to equity holders	期內權益持有人應佔溢利	—	33,220	33,220
Total recognised income for the period	期內已確認總收入	—	36,434	36,434
Employee share option scheme:	僱員購股權計劃			
— value of employee services	— 僱員服務價值	—	615	615
— issuance of shares upon exercise of employee share options	— 行使僱員購股權而發行的股份	430	2,840	3,270
2004/05 final dividends paid	已付二零零四／零五年度末期股息	—	(10,701)	(10,701)
		430	29,188	29,618
Balance at 30th September, 2005	於二零零五年九月三十日之結餘	42,947	312,318	355,265

The notes are an integral part of this condensed interim financial information.

附註為此等簡明中期財務資料的整體部份。

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NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

1. General information

Starlite Holdings Limited (“the Company”) and its subsidiaries (together “the Group”) are principally engaged in the printing and manufacturing of packaging materials, labels, paper products and environmentally friendly products.

The Company is a limited liability company incorporated in Bermuda. The address of its registered office is Canon’s Court, 22 Victoria Street, Hamilton HM12, Bermuda.

The Company’s shares are listed on the Main Board of The Stock Exchange of Hong Kong Limited.

This condensed consolidated interim financial information is presented in Hong Kong dollars (HK\$) unless otherwise stated. This condensed consolidated interim financial information was approved for issue on 7th December, 2006.

2. Basis of preparation

This condensed consolidated interim financial information for the six months ended 30th September, 2006 has been prepared in accordance with Hong Kong Accounting Standard (“HKAS”) 34, ‘Interim financial reporting’. The condensed interim financial information should be read in conjunction with the Group’s annual financial statements for the year ended 31st March, 2006.

3. Accounting policies

The following new standards, amendments to standards and interpretations are mandatory for the year ending 31st March, 2007.

- Amendment to HKAS 39, Amendment ‘The fair value option’, effective for annual periods beginning on or after 1st January, 2006. This amendment does not have any impact on the classification and valuation of the Group’s financial instruments classified as fair value through profit and loss prior to 1st January, 2006 as the Group is able to comply with the amended criteria for the designation of financial instruments at fair value through profit and loss.
- Amendment to HKAS 21, Amendment ‘Net investment in a foreign operation’, effective for annual periods beginning on or after 1st January, 2006. This amendment does not result in substantial changes to the Group’s accounting policies.
- Amendment to HKAS 39 and HKFRS 4, Amendment ‘Financial guarantee contracts’, effectively for annual periods beginning on or after 1st January, 2006. This amendment does not result in substantial changes to the Group’s accounting policies.

簡明綜合中期財務資料附註

1. 一般資料

星光集團有限公司(「本公司」)及其附屬公司(統稱「本集團」)的主要業務為印刷及製造包裝材料、標籤、紙類製品及環保產品。

本公司於百慕達註冊成立為獲豁免有限公司。其註冊辦事處地址為 Canon’s Court, 22 Victoria Street, Hamilton HM12, Bermuda。

本公司股份於香港聯合交易所有限公司主板上市。

除另有指明外，本簡明綜合中期財務資料以港元呈列。此簡明綜合中期財務資料於二零零六年十二月七日獲批准印行。

2. 呈列基準

本截至二零零六年九月三十日止六個月的簡明綜合中期財務資料乃根據香港會計準則(「香港會計準則」)第34號「中期財務報告」編製。本簡明綜合中期財務資料應連同截至二零零六年三月三十一日止年度的年度財務報表一併細閱。

3. 會計政策

以下新增準則、經修訂的準則及詮釋必須於截至二零零七年三月三十一日止財政年度採用。

- 經修訂的香港會計準則第39號，「選擇以公平價值入賬」，須於二零零六年一月一日或該日之後起計的年度期間採用。鑒於本集團能夠符合指定按公平價值經損益入賬之金融工具的經修訂準則，此項修訂對本集團於二零零六年一月一日前歸類為按公平價值經損益入賬的金融工具的分類及估值，不會產生任何影響。
- 經修訂的香港會計準則第21號，「海外業務的投資淨額」，須於二零零六年一月一日或該日之後起計的年度期間採用。此項修訂不會對本集團的會計政策構成重大變動。
- 經修訂的香港會計準則第39號及香港財務報告準則第4號「財務擔保合約」，須於二零零六年一月一日或該日之後起計的年度期間採用。此項修訂不會對本集團的會計政策構成重大變動。

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3. Accounting policies (Cont'd)

- HK(IFRIC)-Int 4, 'Determining whether an arrangement contains a lease', effective for annual periods beginning on or after 1st January, 2006. The Group has reviewed its contracts. Some of them are required to be accounted for as leases in accordance with HKAS 17, 'Leases'. However, these leases are operating leases, and their reclassification has had no impact on the expense recognised in respect of them.

The following new standards, amendments to standards and interpretations have been issued but are not yet effective for the year ending 31st March, 2007 and have not been early adopted:

- HK(IFRIC)-Int 7, 'Applying the Restatement Approach under HKAS 29', effective for annual periods beginning on or after 1st March, 2006. Management do not expect the interpretation to be relevant for the Group.
- HK(IFRIC)-Int 8, "Scope of HKFRS 2", effective for annual periods beginning on or after 1st May, 2006. Management is currently assessing the impact of HK(IFRIC)-Int 8 on the Group's operations.
- HK(IFRIC)-Int 9, "Reassessment of Embedded Derivatives", effective for annual periods beginning on or after 1st June, 2006. Management believes that this interpretation should not have a significant impact on the reassessment of embedded derivatives as the Group already assess if embedded derivative should be separated using principles consistent with HK(IFRIC)-Int 9.
- HKFRS 7, 'Financial instruments: Disclosures', effective for annual periods beginning on or after 1st January, 2007. HKAS 1, 'Amendments to capital disclosures', effective for annual periods beginning on or after 1st January, 2007. The Group assessed the impact of HKFRS 7 and the amendment to HKAS 1 and concluded that the main additional disclosures will be the sensitivity analysis to market risk and capital disclosures required by the amendment of HKAS 1. The Group will apply HKFRS 7 and the amendment to HKAS 1 for annual periods beginning 1st April, 2007.

4. Segment information

(a) Primary reporting format — business segment

The Company is an investment holding company. Its subsidiaries are principally engaged in the printing and manufacturing of packaging materials, labels and paper products, and environmentally friendly products. No business segment information is provided as substantially all of the total assets, sales and contribution to the Group's results are attributable to the printing and manufacturing of packaging materials, labels and paper products, and environmentally friendly products.

3. 會計政策(續)

- 香港(國際財務報告詮釋委員會)詮釋第4號,「釐定安排是否包含租賃」,須於二零零六年一月一日或該日之後起計的年度期間採用。本集團已審閱有關合約,當中包括需按香港會計準則第17號「租賃」分類為租賃。此等租賃為營業契約,但其分類不會對確認該等費用產生任何影響。

下列新增準則、經修訂準則及詮釋已頒佈但未於二零零七年三月三十一日止年度生效,且並無提早採納:

- 香港(國際財務報告詮釋委員會)詮釋第7號,「香港會計準則第29號之重列方式」,於二零零六年三月一日或該日之後起計的年度期間生效。管理層預期該詮釋對本集團並不相關。
- 香港(國際財務報告詮釋委員會)詮釋第8號,「香港財務報告準則2之範圍」,自二零零六年五月一日或以後開始之會計期間生效。管理層現正評估香港(國際財務報告詮釋委員會)詮釋第8號對本集團業務之影響。
- 香港(國際財務報告詮釋委員會)詮釋第9號,「重新評估嵌入式衍生工具」,自二零零六年六月一日或以後開始之會計期間生效。由於本集團已按照香港(國際財務報告詮釋委員會)詮釋第9號貫徹之原則對嵌入式衍生工具是否應分開進行了評估,故此管理層認為此項詮釋不應對重新評估嵌入式衍生工具造成重大影響。
- 香港財務報告準則第7號,「金融工具:披露」,於二零零七年一月一日或該日之後起計的年度期間生效。香港會計準則第1號,「資本披露修訂」則於二零零七年一月一日或該日之後起計的年度期間生效。本集團已評估香港財務報告準則第7號及香港會計準則第1號的影響,並總結出主要額外披露事項將為經修訂香港會計準則第1號規定的市場風險敏感度分析和資本披露。自二零零七年四月一日的年度期間起,本集團將會應用香港財務報告準則第7號及經修訂香港會計準則第1號。

4. 分類資料

(a) 主要呈報形式 — 業務分類

本公司乃一投資控股公司。其主要附屬公司從事印刷及製造包裝材料、標籤及紙類製品、以及環保產品。由於本集團之總資產、銷售及業績均大部份歸屬於印刷及製造包裝材料、標籤及紙類製品,以及環保產品,所以並無呈列按業務分類資料。

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4. Segment information (Cont'd)

(b) *Secondary reporting format — geographical segments*

An analysis of the Group's results by geographical location is as follows:

		Unaudited 未經審核	
		Six months ended 30th September,	
		截至九月三十日止六個月	
		2006	2005
		二零零六年	二零零五年
		HK\$'000	HK\$'000
		千港元	千港元
Sales ¹	銷售 ¹		
Hong Kong and Mainland China	香港及中國大陸	271,477	226,009
Singapore	新加坡	67,029	55,449
United States of America	美國	194,491	172,400
United Kingdom	英國	56,322	29,682
Others	其他	39,239	25,822
		628,558	509,362
Profit for the period attributable to equity holders of the Company	期內本公司權益持有人應佔溢利		
Hong Kong and Mainland China	香港及中國大陸	10,862	14,421
Singapore	新加坡	4,540	1,014
United States of America	美國	6,828	12,699
United Kingdom	英國	3,598	2,519
Others	其他	2,367	2,567
		28,195	33,220

¹ Sales by geographical location is determined on the basis of the destination of shipments of merchandise.

There are no material sales between the geographical segments.

An analysis of the Group's assets by geographical location is as follows:

		Unaudited 未經審核	Audited 經審核
		As at	As at
		30th September,	31st March,
		2006	2006
		二零零六年	二零零六年
		九月三十日	三月三十一日
		HK\$'000	HK\$'000
		千港元	千港元
Hong Kong and Mainland China	香港及中國大陸	953,282	752,095
Singapore	新加坡	77,971	71,167
		1,031,253	823,262

Total assets are allocated based on where the assets are located.

4. 分類資料(續)

(b) 次要呈報形式 — 地區分類

本集團按地區劃分之業績如下：

		Unaudited 未經審核	
		Six months ended 30th September,	
		截至九月三十日止六個月	
		2006	2005
		二零零六年	二零零五年
		HK\$'000	HK\$'000
		千港元	千港元
Sales ¹	銷售 ¹		
Hong Kong and Mainland China	香港及中國大陸	271,477	226,009
Singapore	新加坡	67,029	55,449
United States of America	美國	194,491	172,400
United Kingdom	英國	56,322	29,682
Others	其他	39,239	25,822
		628,558	509,362
Profit for the period attributable to equity holders of the Company	期內本公司權益持有人應佔溢利		
Hong Kong and Mainland China	香港及中國大陸	10,862	14,421
Singapore	新加坡	4,540	1,014
United States of America	美國	6,828	12,699
United Kingdom	英國	3,598	2,519
Others	其他	2,367	2,567
		28,195	33,220

¹ 以地區劃分之營業額，乃根據商品付運之目的地而決定。

各地區劃分之業務間並無重大銷售。

本集團按地區劃分之資產分析如下：

		Unaudited 未經審核	Audited 經審核
		As at	As at
		30th September,	31st March,
		2006	2006
		二零零六年	二零零六年
		九月三十日	三月三十一日
		HK\$'000	HK\$'000
		千港元	千港元
Hong Kong and Mainland China	香港及中國大陸	953,282	752,095
Singapore	新加坡	77,971	71,167
		1,031,253	823,262

總資產按資產地區所在地劃分。

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4. Segment information (Cont'd)

(b) *Secondary reporting format — geographical segments (Cont'd)*

An analysis of the Group's capital expenditure is as follows:

Hong Kong and Mainland China	香港及中國大陸
Singapore	新加坡

Capital expenditure is allocated based on where the assets are located.

5. Other gain, net

Interest income from bank deposits	銀行存款利息收入
Net (loss)/gain on disposal of property, plant and equipment	出售物業、廠房及設備之 (虧損)/收益淨額

4. 分類資料(續)

(b) 次要呈報形式 — 地區分類(續)

本集團之資本開支分析如下：

Unaudited 未經審核	
Six months ended 30th September, 截至九月三十日止六個月	
2006	2005
二零零六年	二零零五年
HK\$'000	HK\$'000
千港元	千港元
53,154	85,287
476	21
53,630	85,308

資本開支按資產所在地劃分。

5. 其他收益淨額

Unaudited 未經審核	
Six months ended 30th September, 截至九月三十日止六個月	
2006	2005
二零零六年	二零零五年
HK\$'000	HK\$'000
千港元	千港元
451	201
(13)	281
438	482

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6. Operating profit

The following items have been (credited)/charged to operating profit during the interim period:

Net exchange (gain)/losses	滙兌(收益)/虧損淨額
Employment costs (including directors' emoluments)	員工成本(包括董事酬金)
Depreciation of property, plant and equipment and amortisation of leasehold land and land use rights	物業、廠房及設備之折舊及租賃土地及土地使用權之攤銷
Provision for impairment of receivables	應收款減值撥備

7. Finance costs

Interest on bank loans wholly repayable within five years	須於五年內悉數償還之貸款利息
Interest element of finance leases	財務契約之利息

6. 經營溢利

期內經營溢利已(計入)/扣除下列項目:

Unaudited 未經審核	
Six months ended 30th September,	
截至九月三十日止六個月	
2006	2005
二零零六年	二零零五年
HK\$'000	HK\$'000
千港元	千港元
(439)	1,096
116,821	88,547
28,479	23,419
5,600	—
150,861	115,061

7. 融資成本

Unaudited 未經審核	
Six months ended 30th September,	
截至九月三十日止六個月	
2006	2005
二零零六年	二零零五年
HK\$'000	HK\$'000
千港元	千港元
8,736	6,190
330	367
9,066	6,557

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8. Income tax expense

Hong Kong profits tax has been provided at the rate of 17.5% (2005: 17.5%) on the estimated assessable profit for the period. Taxation on overseas profits has been calculated on the estimated assessable profit for the period at the rates of taxation prevailing in the countries in which the Group operates.

8. 所得稅開支

香港利得稅已根據期內之估計應課稅溢利，按17.5%（二零零五年：17.5%）之稅率提撥準備。海外溢利之稅款，則根據期內之估計應課稅溢利按本集團業務所在國家之現行稅率提撥。

		Unaudited 未經審核	
		Six months ended 30th September,	
		截至九月三十日止六個月	
		2006	2005
		二零零六年	二零零五年
		HK\$'000	HK\$'000
		千港元	千港元
Current taxation	本期稅項		
— Hong Kong profits tax	— 香港利得稅	7,321	1,619
— Overseas taxation	— 海外稅項	<u>1,105</u>	<u>2,638</u>
		8,426	4,257
Deferred taxation	遞延稅項	<u>101</u>	<u>2,335</u>
		8,527	6,592

9. Earnings per share

Basic

Basic earnings per share is calculated by dividing the profit attributable to equity holders of the Company by the weighted average number of ordinary shares in issue during the period.

9. 每股盈利

基本

每股基本盈利乃按期內本公司權益持有人應佔溢利除已發行普通股加權平均數計算。

		Unaudited 未經審核	
		Six months ended 30th September,	
		截至九月三十日止六個月	
		2006	2005
		二零零六年	二零零五年
Profit attributable to equity holders of the Company (HK\$'000)	本公司權益持有人應佔溢利(千港元)	28,195	33,220
Weighted average number of ordinary shares in issue ('000)	已發行普通股加權平均數(千股)	429,476	427,382
Basic earnings per share (HK cents)	每股基本盈利(港仙)	<u>6.56</u>	<u>7.77</u>

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11. Capital expenditure

11. 資本開支

		Unaudited 未經審核	
		For the six months ended 30th September, 2006 截至二零零六年九月三十日 止六個月	
		Property, plant and equipment 物業、廠房 及設備 HK\$'000 千港元	Leasehold land and land use rights 租賃土地及 土地使用權 HK\$'000 千港元
Opening net book value as at 1st April, 2006	於二零零六年四月一日之 期初賬面淨值	418,904	26,413
Additions	添置	53,630	—
Disposal	出售	(130)	—
Depreciation/amortisation	折舊／攤銷	(28,153)	(326)
Currency translation differences	滙兌差異	5,453	386
		<u>449,704</u>	<u>26,473</u>
Closing net book value as at 30th September, 2006	於二零零六年九月三十日之 期末賬面淨值		
		Audited 經審核	
		For the year ended 31st March, 2006 截至二零零六年三月三十一日 止年度	
		Property, plant and equipment 物業、廠房 及設備 HK\$'000 千港元	Leasehold land and land use rights 租賃土地及 土地使用權 HK\$'000 千港元
Opening net book value as at 1st April, 2005	於二零零五年四月一日之 期初賬面淨值	333,729	28,623
Additions	添置	128,301	—
Disposal	出售	(38)	—
Depreciation/amortisation	折舊／攤銷	(47,938)	(2,752)
Currency translation differences	滙兌差異	4,850	542
		<u>418,904</u>	<u>26,413</u>
Closing net book value as at 31st March, 2006	於二零零六年三月三十一日之 賬面淨值		

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12. Available-for-sale investments

	香港上市股份，按成本值 調整至市場價值	香港上市股份，按成本值 調整至市場價值
Shares listed in Hong Kong, at cost		
Adjustment to quoted market value		
Quoted market value of listed shares		上市股份的報出市值

13. Trade and bills receivable

The Group usually grants to its customers a credit term ranging from 30 days to 120 days.

An aging analysis of trade and bills receivable as at 30th September, 2006 is as follows:

0 to 90 days	0至90天
91 to 180 days	91至180天
181 to 365 days	181至365天
Over 365 days	超過365天
Less: Provision for bad and doubtful debts	減：應收賬款呆壞帳撥備

There is no concentration of credit risk with respect to trade and bills receivable as the Group has a large number of customers. The net book value of trade and bills receivable approximates its fair value as at 30th September, 2006.

12. 可供出售之投資

Unaudited 未經審核 As at 30th September, 2006 二零零六年 九月三十日 HK\$'000 千港元	Audited 經審核 As at 31st March, 2006 二零零六年 三月三十一日 HK\$'000 千港元
821	821
452	359
1,273	1,180

13. 貿易應收賬款及票據

本集團給予顧客信貸期限一般為30天至120天不等。

於二零零六年九月三十日之貿易應收賬款及票據賬齡分析如下：

Unaudited 未經審核 As at 30th September, 2006 二零零六年 九月三十日 HK\$'000 千港元	Audited 經審核 As at 31st March, 2006 二零零六年 三月三十一日 HK\$'000 千港元
345,621	170,762
5,604	6,336
1,079	2,897
284	646
352,588	180,641
(9,465)	(3,888)
343,123	176,753

由於本集團的客戶分散於不同國家，貿易應收賬款及票據並無信貸集中之風險。於二零零六年九月三十日，應收貿易賬款及票據的賬面值約相等於其公平值。

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14. Bank borrowings

14. 銀行貸款

		Unaudited 未經審核 As at 30th September, 2006 二零零六年 九月三十日 HK\$'000 千港元	Audited 經審核 As at 31st March, 2006 二零零六年 三月三十一日 HK\$'000 千港元
Current	即期		
Trust receipts bank loans	信託收據銀行貸款	69,134	13,234
Bank overdrafts	銀行透支	2,995	505
Other short-term bank loans	其他短期銀行貸款	67,409	46,824
Long-term bank loans, current portion	長期銀行貸款，即期部份	62,700	59,100
		<u>202,238</u>	<u>119,663</u>
Non-current	非即期		
Long-term bank loans	長期銀行貸款	119,519	135,135
		<u>321,757</u>	<u>254,798</u>

Short-term bank borrowings bear interest at rates ranging from 5.37% to 9.75% per annum (31st March, 2006: 3.6% to 9.5% per annum).

短期銀行貸款年息率為5.37%至9.75%不等(二零零六年三月三十一日：年息率為3.6%至9.5%不等)。

Long-term bank loans are secured and bear interest at rates ranging from 4.7% to 6.42% per annum (31st March, 2006: 3.2% to 6.42% per annum).

長期銀行貸款為抵押貸款及帶息，年息率為4.7%至6.42%(二零零六年三月三十一日：年息率為3.2%至6.42%)。

The maturity of borrowings is as follows:

借貸之到期日如下：

		Unaudited 未經審核 As at 30th September, 2006 二零零六年 九月三十日 HK\$'000 千港元	Audited 經審核 As at 31st March, 2006 二零零六年 三月三十一日 HK\$'000 千港元
Amounts repayable within a period	償還期		
— not exceeding one year	— 不超過壹年	202,238	119,663
— more than one year but not exceeding two years	— 超過壹年但不超過兩年	62,700	59,100
— more than two years but not exceeding five years	— 超過兩年但不超過五年	56,819	76,035
		<u>321,757</u>	<u>254,798</u>

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15. Trade and bills payable

An aging analysis of trade and bills payable is as follows:

0 to 90 days	0至90天
91 to 180 days	91至180天
181 to 365 says	181至365天
Over 365 days	超過365天

16. Deferred income tax liabilities

Deferred income tax liabilities are calculated in full on temporary differences under the liability method using a principal tax rate of 17.5% (31st March, 2006: 17.5%).

Deferred income tax liabilities represent the tax effect of the following temporary differences:

Accelerated tax depreciation	加速稅項折舊
Tax losses	稅項虧損
Others	其他

15. 貿易應付賬款及票據

貿易應付賬款及票據賬齡分析如下：

Unaudited 未經審核 As at 30th September, 2006 二零零六年 九月三十日 HK\$'000 千港元	Audited 經審核 As at 31st March, 2006 二零零六年 三月三十一日 HK\$'000 千港元
230,835	131,526
1,740	2,580
836	388
1,172	—
234,583	134,494

16. 遞延所得稅負債

遞延所得稅負債採用負債法就暫時差異按主要稅率17.5% (二零零六年三月三十一日：17.5%) 作全數撥備。

遞延所得稅負債為以下暫時差異產生之稅務影響：

Unaudited 未經審核 As at 30th September, 2006 二零零六年 九月三十日 HK\$'000 千港元	Audited 經審核 As at 31st March, 2006 二零零六年 三月三十一日 HK\$'000 千港元
16,611	16,510
(258)	(258)
(458)	(458)
15,895	15,794

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17. Share capital

17. 股本

		Unaudited 未經審核		Audited 經審核	
		As at 30th September, 2006 二零零六年九月三十日		As at 31st March, 2006 二零零六年三月三十一日	
		Number of shares 股份數目 '000 千股	Nominal value 面值 HK\$'000 千港元	Number of shares 股份數目 '000 千股	Nominal value 面值 HK\$'000 千港元
Authorised: ordinary shares of HK\$0.1 each	法定股本(每股面值 0.1港元之普通股)	1,000,000	100,000	1,000,000	100,000
Issued and fully paid: ordinary shares of HK\$0.1 each	已發行及繳足(每股面值 0.1港元之普通股)				
Beginning of the period/year	期/年初	429,476	42,947	425,175	42,517
Issue of shares upon exercise of share options	因行使購股權而發行 之股份	—	—	4,301	430
End of the period/year	期/年末	429,476	42,947	429,476	42,947

18. Reserves

18. 儲備

Movements were:

變動之詳情如下：

		Unaudited 未經審核						Total
		For the six months ended 30th September, 2006 截至二零零六年九月三十日止六個月						
		Share premium 股份溢價 HK\$'000 千港元	Capital reserve 資本儲備 HK\$'000 千港元	Share-based compensation reserve 酬金儲備 HK\$'000 千港元	Cumulative translation differences 滙兌差異 HK\$'000 千港元	Investment reserve 投資儲備 HK\$'000 千港元	Retained profits 保留溢利 HK\$'000 千港元	總額 HK\$'000 千港元
Balance as at 1st April, 2006	於二零零六年 四月一日之結餘	104,157	1,169	975	(1,814)	359	197,628	302,474
Fair value gains — available-for-sale investments	公平價值收益 — 可供出售之投資	—	—	—	—	93	—	93
Currency translation differences	滙兌差異	—	—	—	2,280	—	—	2,280
Net income recognised directly in equity	直接於權益中確認的 收入淨額	—	—	—	2,280	93	—	2,373
Profit for the period, attributable to equity holders	期內權益持有人 應佔溢利	—	—	—	—	—	28,195	28,195
Total recognised income for the period	期內已確認總收入	—	—	—	2,280	93	28,195	30,568
2005/06 final dividends paid	已付二零零五/ 零六年度末期股息	—	—	—	—	—	(6,442)	(6,442)
Balance as at 30th September, 2006	於二零零六年 九月三十日之結餘	104,157	1,169	975	466	452	219,381	326,600
Representing:	代表：							
Proposed 2006/07 interim dividend	擬派二零零六/ 零七年度中期股息						6,442	
Others	其他						212,939	
							219,381	

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18. Reserves (Cont'd)

18. 儲備(續)

		Unaudited 未經審核						
		For the six months ended 30th September, 2005 截至二零零五年九月三十日止六個月						
		Share premium	Capital reserve	Share-based compensation reserve	Cumulative translation differences	Investment reserve	Retained profits	Total
		股份溢價 HK\$'000 千港元	資本儲備 HK\$'000 千港元	酬金儲備 HK\$'000 千港元	滙兌差異 HK\$'000 千港元	投資儲備 HK\$'000 千港元	保留溢利 HK\$'000 千港元	總額 HK\$'000 千港元
Balance as at 1st April, 2005	於二零零五年 四月一日之結餘	100,968	1,169	631	(3,511)	232	183,641	283,130
Fair value gains — available-for-sale investments	公平價值收益 — 可供出售之投資	—	—	—	—	70	—	70
Currency translation differences	滙兌差異	—	—	—	3,144	—	—	3,144
Net income recognised directly in equity	直接於權益中確認的 收入淨額	—	—	—	3,144	70	—	3,214
Profit for the period, attributable to equity holders	期內權益持有人 應佔溢利	—	—	—	—	—	33,220	33,220
Total recognised income for the period	期內已確認總收入	—	—	—	3,144	70	33,220	36,434
2004/05 final dividends paid	已付二零零四/ 零五年度末期股息	—	—	—	—	—	(10,701)	(10,701)
Employee share option scheme: value of employee services issuance of shares upon exercise of employee share options	僱員購股權計劃 僱員服務價值 行使僱員購股權 而發行的股份	—	—	615	—	—	—	615
		3,189	—	(349)	—	—	—	2,840
Balance as at 30th September, 2005	於二零零五年 九月三十日之結餘	104,157	1,169	897	(367)	302	206,160	312,318
Representing:	代表:							
Proposed 2005/06 interim dividend	擬派二零零五/ 零六年度中期股息						6,442	
Others	其他						199,718	
							206,160	

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19. Employee share options

The Company has an employee share option scheme, under which it may grant options to employees of the Group (including executive directors of the Company) to subscribe for shares in the Company.

Movements of employee share options during the six months ended 30th September, 2006 are as follows:

19. 僱員購股權

本公司設有僱員購股權計劃。據此，本公司可向本集團之僱員（包括執行董事）授出購股權，以認購本公司股份。

截至二零零六年九月三十日止六個月內之僱員購股權變動如下：

Date of grant 授出日期	Exercise period 行使時間	Exercise price per share 每股認購價	Beginning of period 期初	Unaudited 未經審核 Number of shares 股份數目			End of period 期終
				Granted during the period 期內授出	Exercised during the period 期內行使	Lapsed during the period 期內失效	
			'000 千股	'000 千股	'000 千股	'000 千股	'000 千股
Old Share Option Scheme 舊購股權計劃							
10th September, 1997 一九九七年九月十日	11th March, 1998 to 9th September, 2007 一九九八年三月十一日至 二零零七年九月九日	HK\$0.69 0.69港元	3,514	—	—	—	3,514
New Share Option Scheme 新購股權計劃							
6th February, 2004 二零零四年二月六日	6th August, 2004 to 5th February, 2007 二零零四年八月六日至 二零零七年二月五日	HK\$0.93 0.93港元	3,363	—	—	—	3,363
19th February, 2004 二零零四年二月十九日	19th August, 2004 to 18th February, 2007 二零零四年八月十九日至 二零零七年二月十八日	HK\$1.07 1.07港元	6,900	—	—	—	6,900
29th December, 2004 二零零四年十二月二十九日	29th June, 2005 to 28th December, 2007 二零零五年六月二十九日至 二零零七年十二月二十八日	HK\$0.77 0.77港元	5,616	—	—	—	5,616
28th October, 2005 二零零五年十月二十八日	29th April, 2006 to 27th October, 2007 二零零六年四月二十九日至 二零零七年十月二十七日	HK\$0.72 0.72港元	482	—	—	—	482
			19,875	—	—	—	19,875

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20. Commitments

(a) *Capital commitments*

Capital commitments, which were authorised and contracted for, are analysed as follows:

Land and buildings	土地及樓宇
Machinery	機器
Office equipment	設備

(b) *Other commitments*

The Group has a pre-determined fee payable to the joint venture partner of Guangzhou Starlite Environmental Friendly Center, Limited for 50 years up to 2044 amounting to approximately HK\$18,298,000 (31st March, 2006: HK\$18,368,000).

20. 承擔

(a) 資本承擔

已批准及已訂約資本承擔，其分析如下：

Unaudited 未經審核	Audited 經審核
As at	As at
30th September,	31st March,
2006	2006
二零零六年	二零零六年
九月三十日	三月三十一日
HK\$'000	HK\$'000
千港元	千港元
—	1,507
3,162	14,576
914	—
<hr/> 4,076 <hr/>	<hr/> 16,083 <hr/>

(b) 其他承擔

需付廣州星光環保中心有限公司之合營夥伴
 預訂數額約共18,298,000港元(二零零六年
 三月三十一日：18,368,000港元)，直至二
 零四四年，合共五十年。

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21. Related party transactions

The Group is controlled by Best Grade Advisory Limited ("BGAL") (a company incorporated in British Virgin Islands), which owns 51.31% of the Company's shares. BGAL held 220,354,174 shares in the Company. The entire issued share capital of BGAL is held by Masterline Industrial Limited as trustee of The New Super Star Unit Trust. All except one unit in The New Super Star Unit Trust are beneficially owned by two discretionary trusts, the discretionary beneficiaries of which include Mr. Lam Kwong Yu, Ms. Yeung Chui and Mr. Lam Chuen Yik, Kenneth. HSBC International Trustee Limited acts as trustee of the two discretionary trusts.

(a) Details of significant transactions with related parties are:

Operating lease rentals charged by —	支付營業契約租金予
Megastar Enterprises Limited	堯天企業有限公司

Megastar Enterprises Limited is beneficially owned by Ms. Yeung Chui, a director of the Company.

In the opinion of the directors of the Company, the above transactions were carried out in the usual course of business and on normal commercial terms.

(b) Key management compensation

Basic salaries and allowance	基本薪金及津貼
Contributions to pension scheme	退休計劃供款
Share-based payments	股份支付酬金

21. 有關連人士之交易

本集團由 Best Grade Advisory Limited ("BGAL") (於英屬維爾京群島註冊成立) 控制，並持有本公司 51.31% 權益。BGAL 持有 220,354,174 股本公司股份，BGAL 之全部已發行股本由 The New Super Star Unit Trust 之信託人 Masterline Industrial Limited 持有。除一個單位外，The New Super Star Unit Trust 之其他單位皆由兩個全權信託實益擁有，而該等全權信託之受益人包括林光如先生、楊翠女士及林傳億先生。而 HSBC International Trustee Limited 為兩個全權信託的信託人。

(a) 本集團與有關連人士進行之重要交易詳情如下：

Unaudited 未經審核	
Six months ended 30th September,	
截至九月三十日止六個月	
2006	2005
二零零六年	二零零五年
HK\$'000	HK\$'000
千港元	千港元

	29	29
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堯天企業有限公司由本公司董事楊翠女士實益擁有。

本公司董事會認為上述交易均按一般業務常規及一般商業條款進行。

(b) 主要管理人員酬金償付

Unaudited 未經審核	
Six months ended 30th September,	
截至九月三十日止六個月	
2006	2005
二零零六年	二零零五年
HK\$'000	HK\$'000
千港元	千港元

	4,726	4,661
	96	96
	—	299
	4,822	5,056