



STARLITE
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



ANNUAL REPORT
2010 年報



伙伴同行



賀曼Mr. Donald J Hall到深圳廠考察
集團主席致送紀念品



星光/培生集團-客戶感謝日集團主席
致送紀念品予Mr. Owen Mitchell



賀曼亞太區總經理Mr. Paul Weise
與星光集團主席進行簽約儀式

美國禮品董事及營運總裁
巡視賀卡工場



星光集團高級副總裁林必旺先生陪同
Pearson 及 DK 管理層參觀考察韶關園區



中央政治局委員、廣東省省委書記汪洋先生及省長黃華華先生
蒞臨星光展館



星光集團高級副總裁(科技)戴祖璽與中外客戶熱烈討論

CONTENTS 目錄

Corporate Information	4	公司資料
Chairman's Statement	7	主席報告
Chairman's Letter	19	主席函件
Financial Summary	21	財務摘要
Report of the Directors	23	董事會報告
Corporate Governance Report	34	企業管治報告
Management Profile	42	管理階層簡介
Independent Auditor's Report	46	獨立核數師報告
Consolidated Income Statement	48	綜合收益表
Consolidated Statement of Comprehensive Income	49	綜合全面收益表
Statement of Financial Position	50	財務狀況表
Consolidated Statement of Changes in Equity	52	綜合股東權益變動表
Consolidated Cash Flow Statement	53	綜合現金流量表
Notes to the Financial Statements	54	財務報表附註

Directors**Executive Directors**

Mr. Lam Kwong Yu, *Chairman*
Ms. Yeung Chui, *Vice Chairman*
Mr. Tai Tzu Shi, Angus, *Senior Vice President*
Mr. Cheung Chi Shing, Charles, *Senior Vice President*
Mr. Lim Pheok Wan, Richard, *Senior Vice President*

Independent Non-Executive Directors

Mr. Chan Yue Kwong, Michael
Mr. Kwok Lam-Kwong, Larry, *BBS, JP*
Mr. Tam King Ching, Kenny

Audit Committee

Mr. Tam King Ching, Kenny (*Chairman*)
Mr. Chan Yue Kwong, Michael
Mr. Kwok Lam-Kwong, Larry, *BBS, JP*

Remuneration Committee

Mr. Chan Yue Kwong, Michael (*Chairman*)
Mr. Kwok Lam-Kwong, Larry, *BBS, JP*
Mr. Tam King Ching, Kenny

Company Secretary

Mr. Cheung Chi Shing, Charles

董事**執行董事**

林光如先生(主席)
楊翠女士(副主席)
戴祖璽先生(高級副總裁)
張志成先生(高級副總裁)
林必旺先生(高級副總裁)

獨立非執行董事

陳裕光先生
郭琳廣, *BBS, 太平紳士*
譚競正先生

審核委員會

譚競正先生(主席)
陳裕光先生
郭琳廣, *BBS, 太平紳士*

薪酬委員會

陳裕光先生(主席)
郭琳廣, *BBS, 太平紳士*
譚競正先生

公司秘書

張志成先生

Auditor

PricewaterhouseCoopers
Certified Public Accountants
22nd Floor
Prince's Building
Central, Hong Kong

Solicitors

Richards Butler
20/F., Alexandra House
Chater Road, Central
Hong Kong

Registered Office

Canon's Court
22 Victoria Street
Hamilton HM 12
Bermuda

Head Office and Principal Place of Business

3/F., Perfect Industrial Building
31 Tai Yau Street
Sanpokong
Kowloon
Hong Kong

Share Registrars and Transfer Offices**Principal Share Registrar and Transfer Office**

Butterfield Fulcrum Group (Bermuda) Limited
Rosebank Centre
11 Bermudiana Road
Pembroke HM 08
Bermuda

核數師

羅兵咸永道會計師事務所
香港執業會計師
香港中環
太子大廈22樓

律師

齊伯禮律師行
香港中環
遮打道
歷山大廈20樓

註冊辦事處

Canon's Court
22 Victoria Street
Hamilton HM 12
Bermuda

總辦事處及主要營業地點

香港
九龍新蒲崗
大有街31號
善美工業大廈3樓

股票過戶登記處**主要股票過戶登記處**

Butterfield Fulcrum Group (Bermuda) Limited
Rosebank Centre
11 Bermudiana Road
Pembroke HM 08
Bermuda

Hong Kong Branch Share Registrar and Transfer Office

Tricor Secretaries Limited
26/F, Tesbury Centre
28 Queen's Road East
Hong Kong

香港股票過戶登記分處

卓佳秘書商務有限公司
香港
皇后大道東28號
金鐘匯中心26樓

Principal Bankers

The Hongkong and Shanghai Banking Corporation Limited
Hang Seng Bank Limited
China Construction Bank (Asia) Corporation Limited
Bank of China (Hong Kong) Limited
BNP Paribas

主要銀行

香港上海滙豐銀行有限公司
恒生銀行有限公司
中國建設銀行(亞洲)股份有限公司
中國銀行(香港)有限公司
法國巴黎銀行

Websites

<http://www.hkstarlite.com>
<http://www.irasia.com/listco/hk/starlite>

網址

<http://www.hkstarlite.com>
<http://www.irasia.com/listco/hk/starlite>

Stock Code

403

股票代號

403

RESULTS

The Group recorded a turnover of approximately HK\$1,183 million for the year ended 31st March, 2010, a decrease of 9% compared with last year. Profit attributable to shareholders fell by 31% to approximately HK\$41 million.

The more significant drop in net profit reflected the impact of two major negative forces, namely (i) the lower prices of orders obtained from customers, who became more risk averse following sharp increases in market volatility in the United States and Europe, and (ii) the higher operating costs in Mainland China, which could not be fully transferred to customers due to intense competition in the printing and packaging industry. As a result, both gross profit margin and net profit margin of the Group suffered a decline.

Sales of the Group to the United States recorded the largest fall. The Group managed to expand further into Europe, which accounted for a significantly higher percentage of the Group's turnover in the financial year under review. Overall, sales in the second half fell less compared to the sales decline in the first half, reflecting the Group's success in mitigating the negative impact of market volatility on its sales.

The southern China operation remained the largest contributor to the Group's turnover and net profit. The eastern China operation recorded a loss during the year. The South East Asia operation achieved growth in both turnover and net profit.

Looking ahead, the Group is taking new measures to safeguard its sales and enhance its profitability, details of which are described in the "Business Review and Prospects" section.

DIVIDENDS

The Directors recommend a final dividend of HK1.5 cents (2009: HK1.5 cents) per share for the year ended 31st March, 2010 payable on Tuesday, 21st September, 2010 to shareholders whose names appear on the Register of Members on Monday, 30th August, 2010. Together with the interim dividend of HK1 cent (2009: HK1 cent) paid, full year dividends for the financial year would be HK2.5 cents per share (2009: HK2.5 cents).

業績

截至二零一零年三月三十一日止年度內，本集團之營業額約為十一億八千三百萬港元，較去年減少百分之九。股東應佔溢利約為四千一百萬港元，減少百分之三十一。

純利減幅較為顯著，反映了兩項重大負面影響，包括：(i)客戶訂單價格持續低企，這是由於美國和歐洲市場波動，令客戶避險意識增加所致；及(ii)中國內地經營成本持續上升，而鑑於印刷及包裝行業競爭激烈，故集團無法把額外成本全部轉嫁客戶。因此，集團的毛利率和純利率均下降。

美國市場業務錄得最大跌幅。集團進一步拓展歐洲市場，回顧年度內歐洲佔集團營業額的比重顯著提高。整體而言，相比上半年度，下半年度之營業額跌幅收窄，反映集團成功降低了市場波動對銷售帶來的負面影響。

華南業務仍佔集團營業額最大比重。華東業務年內錄得虧損。東南亞業務之營業額和純利均有增長。

面向未來，集團正採取新措施保障銷售和提升盈利。有關詳情載於「業務概況及前瞻」。

股息

董事會建議向二零一零年八月三十日(星期一)名列股東名冊的股東，派發截至二零一零年三月三十一日止年度的末期股息每股港幣一點五仙(二零零九年：港幣一點五仙)，有關股息將於二零一零年九月二十一日(星期二)派發。連同已派發的中期股息每股港幣一仙(二零零九年：港幣一仙)，本年度全年股息為每股港幣二點五仙(二零零九年：港幣二點五仙)。

專業專注

三項印後行業標準正式獲批



全國《包裝印刷標準化》試驗與推廣基地掛牌儀式



第四屆標準化論壇2009年4月在香港舉行
全國印刷標準化技術委員會秘書長李安(左)
與星光集團高級副總裁(科技)戴祖璽(右)



「逆境求變，開拓商機」
林必旺高級副總裁(營銷)
代表星光集團演講



林光如主席(右三)和李安秘書長(左三)、
王強(左二)、陳春花教授(右二)、
馬智勇(右一)、戴祖璽(左一)合影

中華人民共和國新聞出版總署

新出字〔2009〕107號

關於批准發布《紙質印刷品模切過程控制及檢測方法》等3項行業標準的通知

各省、自治區、直轄市新聞出版局，新疆生產建設兵團新聞出版局，解放軍總政宣傳部新聞出版局，中國出版集團公司，署直各單位：

為推動我國印後加工技術的發展，總署委託全國印刷標準化技術委員會組織有關單位及專家制定了《紙質印刷品模切過程控制及檢測方法》等3項行業標準。經審核通過，現准予發布。

標準編號和名稱為：

CY/T 59—2009 紙質印刷品模切過程控制及檢測方法

CY/T 60—2009 紙質印刷品燙印與壓凹凸過程控制及檢測方法

CY/T 61—2009 紙質印刷品制盒過程控制及檢測方法

以上3項行業標準自發布之日起開始實施，請各有關單位遵照執行。



由星光集團與博斯特集團聯合起草製定的
三項印後標準：模切、燙金/壓凹凸、製盒，
已經取得國家新聞出版總署頒佈實施。

BUSINESS REVIEW AND PROSPECTS**Hong Kong/Mainland China Operations***Overview*

The year ended 31st March, 2010 marked a year of high volatility in market sentiment. At the beginning of the financial year, with the global economy in deep recession, customers drastically cut orders and reduced inventory. Then orders began to pick up in the second financial quarter amidst signs of economic improvement. Yet, with unemployment remaining high in the United States, and the European sovereign debt crisis threatening to become contagious, customers became more cautious during the second half of the financial year. Moreover, due to the high volatility in consumer sentiment, customers in general were highly averse to price increases. The strong competition among Hong Kong and Mainland printers also restrained such increases. Consequently, except for new orders where the Group managed to obtain higher prices, many renewed orders were priced at terms that could not fully reflect the sharp rise in production costs.

Facing the formidable challenges described above, the Group took a number of counter-measures to mitigate the impact on its performance. First, the Group further expanded into the European market, which accounted for a significantly higher percentage of the Group's turnover compared to a year ago. Second, the Group focused its marketing efforts on growing industries as well as those sectors that are traditionally more resilient to economic downturn. Such sectors include children's books and luxury packaging. The Group was able to maintain the sales of the former, and increased the sales of the latter. Third, as the overall production costs in Shaoguan remained significantly lower than those in Shenzhen and Guangzhou, the Group further utilized its lower cost manufacturing facility in Shaoguan to contain its production costs. Fourth, the Group adopted stringent measures to control its financial and administrative expenses and increase its operating efficiency.

As a result of the counter-measures, the Group was able to mitigate the impact of the negative factors for the year. In fact, sales in the second half fell less compared to the sales decline in the first half. However, due to intense competition in the printing and packaging industry, and the high averseness of customers to price increases, the Group could not timely pass on the significant increase in production costs to customers. As such, profit margins of the Group suffered.

業務概況及前瞻**香港／中國內地業務***概覽*

截至二零一零年三月三十一日止年度內，市場情緒大幅波動。財政年度初，全球經濟陷入嚴重衰退，客戶大幅削減訂單及減少庫存。其後經濟出現改善跡象，第二財季訂單開始回升。然而，美國失業率居高不下，歐洲主權債務危機有擴散之虞，令客戶在財政年度下半年變得更加謹慎。此外，鑑於市場消費情緒十分波動，客戶一般對加價持保留態度，兼且香港和內地印刷業競爭激烈，壓縮了訂單價格的調升空間。因此，集團除了新訂單可調升價格外，許多翻單價格都無法全部反映急劇上升的生產成本。

面對上述嚴峻挑戰，集團採取多項應對措施降低業績受損程度。首先，集團進一步拓展歐洲市場；年內歐洲佔集團營業額的比重，較往年顯著提高。其次，集團重點發展持續增長行業及傳統上較能抵禦經濟衰退的行業，例如兒童圖書和精品包裝等；成功保持前者的銷量，並增加了後者的營業額。第三，由於韶關的整體生產成本仍顯著低於深圳和廣州，集團進一步利用韶關廠的生產設施來降低生產成本。第四，集團加強力度控制財務和行政費用及提升營運效率。

憑藉這些應對措施，集團得以紓緩負面因素的衝擊。事實上，相比上半年度，下半年度之營業額跌幅收窄。然而，鑑於印刷及包裝行業競爭激烈，同時客戶對加價持迴避態度，故集團無法把急劇上升的生產成本及時轉嫁客戶，導致集團的邊際利潤受損。

創新產品



4 D 立體書 - 魅上海



榮獲
世界包裝設計星獎
2009



數碼個性化畫冊



標籤

賀卡



To enhance the Group's performance, the Group is taking further action to increase its sales and improve its profitability. First, the Group is expanding its domestic business in China, including the setting up of a new branch factory in Yangzhou, details of which are described in the sub-section titled "Eastern China Operation". Second, the Group, through its Singapore subsidiary, is reactivating its production in Malaysia to increase capacity and to expand its business in the Asia-Pacific region. Third, the Group is looking into areas for automation to further reduce wastage of materials and increase productivity. Fourth, the Group is further strengthening its corporate strength as an environmental conscious and socially responsible enterprise contributing to the welfare of workers and society.

By transforming into a corporation that competes not solely on price but on reputation, quality and reliability, the Group is moving up the value chain to gain better ground for price increases from customers. As seen in the sections below, the Group has won major awards and endorsements for its quality achievements and contributions to the community. The management is confident that the Group's transformation will bring long-term benefits to its business growth and profit enhancement.

Southern China Operation

For the year ended 31st March, 2010, the Group's southern China operation recorded a decline in turnover but managed to sustain a profit. With unemployment in the United States hitting record highs and Europe's sovereign debt crisis escalating, consumer confidence was weak across the continents, prompting customers to hold back orders and press for lower contract prices.

Moreover, the Group experienced a significant increase in its operating costs in China. The wages in Shenzhen, Guangzhou, and Shaoguan, where the Group's southern China plants are located, have increased by double digits over the past year, and will further increase by double digits in coming months. Due to labour shortage, the Group has to offer more than the minimum wages in order to employ or retain workers, which significantly increased the Group's labour costs. In addition, the Group experienced a sharp rise in the prices of raw materials since late 2009. Taking the lead were corrugated paper and duplex board whose prices increased significantly in January 2010, followed by other paper category such as art paper around March 2010. In some cases, the prices have increased by over 30% surpassing the peaks of 2008, and are expected to stay at high levels in the coming months.

為扭轉形勢，集團現正採取進一步行動加強銷售和提升盈利。首先，集團擴大中國內銷業務，包括成立揚州新分廠，詳情載於「華東業務」一節內。其次，集團透過新加坡附屬公司，重新啟動在馬來西亞之生產，藉此擴大產能及擴展亞太區銷售業務。第三，集團研究擴闊自動化領域，進一步減少材料浪費及提高生產力。第四，集團進一步提升環保生產素質，發揮企業關愛員工和社會的積極效益。

透過全面優化轉變，集團不單純靠價格，而是以信譽、質量和可靠性來競爭。集團積極向價值鏈上移，以更佳優勢向客戶爭取合理價格。如下文所述，集團獲得多項大獎表揚集團的質量成果和社會貢獻。管理層相信，集團的優化轉變，可為業務增長和盈利提升帶來長遠裨益。

華南業務

截至二零一零年三月三十一日止年度內，集團華南業務之營業額下降，但仍然錄得盈利。年內，美國失業率屢創新高，歐洲主權債務危機加劇，各地消費者信心疲弱，導致客戶削減訂單及調低單價。

此外，中國經營成本大幅上漲，對集團帶來影響。集團華南廠分布於深圳、廣州及韶關。過去一年，三地工資升幅均達雙位數；在未來數月，將進一步按雙位數調升。由於勞工短缺，為僱用或挽留員工，集團須提供超過最低工資的薪酬，導致勞工成本顯著增加。此外，集團的原材料價格自二零零九年底起急劇上漲。紙料方面，瓦楞紙及白板紙均於二零一零年一月起率先加價，其他紙張亦步亦趨，例如銅版紙約於二零一零年三月起加價。幅度方面，某些紙張漲價超過三成，穿越二零零八年高峰，預計未來數月仍持續高企。

卓越營運



深圳



韶關



蘇州



廣州



新加坡



揚州



馬來西亞

By further expanding into the European market, focusing its marketing efforts on growing industries and resilient sectors, tightening the Group's financial control, and increasing the Group's operating efficiency, the Group was able to mitigate the impact of these negative factors and reported a profit. Strong growth was achieved in the luxury packaging business, supported by new endeavors made in the French market. Children's books proved resilient by recording a slight increase in sales. The Group also participated in major trade fairs to enhance its corporate brand and marketing effort. The Shaoguan plant further increased its contribution to the Group, by utilizing its cost advantage to offset the impact of lower contract prices.

Planning on a medium to long term basis following the full implementation of lean manufacturing, the Group is exploring further means to improve its production plan, production efficiency and production facility, as well as product quality and delivery, so as to minimize its costs and maximize its operating proficiency. Moreover, it is striving for higher prices from customers through new product innovation, new technology, and higher standards in quality and reliability. Finally, the Group is carefully evaluating its customer profiles to identify new marketing endeavours.

With the global economic outlook remaining uncertain, the southern China division will continue to tighten its capital investment and adopt closer monitoring on stocks and customer credits. However, the management is also closely monitoring the market and will act timely as and when opportunities arise.

In August 2009, Starlite Printers (Shenzhen) Co., Ltd was nominated as The Most Nature-Friendly Company by Publisher's Weekly. The magazine visited Starlite Printers (Shenzhen) Co., Ltd and 16 other companies' manufacturing facilities in the Pearl River Delta. The Special Report 2009 on Printing in Hong Kong, published in August 2009, has nominated Starlite as The Most Nature-Friendly Company they have visited.

In April 2010, Starlite Holdings Limited was awarded the certificate for FOGRA Process Standard Offset, a standardized procedure for creation of print products published by German's Printing and Media Industries Federation in collaboration with the research associations Graphic Technology Research Association and UGRA. Any printer taking the certification must achieve and exceed FOGRA's standards on colour management, proof production, plate-making and consistent print runs to earn the certificate. Starlite is the first printing and packaging company in China that has been granted the certificate.

面對逆境，集團積極擴大歐洲市場份額、重點拓展持續增長和抗跌力強的行業、加強財務管理及提升營運效率，故能降低不利因素影響，仍然錄得盈利。精品包裝業務取得可觀增長，進一步開拓法國市場。兒童圖書業務保持平穩，證明具有抵禦經濟衰退的能力。集團參與多項大型商貿展，加強企業品牌地位和市場推廣，並進一步發揮韶關廠的成本優勢，紓緩了訂單價格下跌所帶來的衝擊。

從中長期規劃，集團正研究進一步措施，透過全集團全面施行精益生產系統，務求在生產計劃、生產效率、生產空間規劃、產品交貨期、產品品質，都能有進一步的改善，最終得以最低的成本取得最佳營運效益。此外，集團透過創新產品、新技術、高質量和可靠性，藉此向客戶爭取較佳價格。集團亦認真評估客戶成長性，制定新的營銷策略。

鑑於環球經濟前景未明，集團華南業務會繼續收緊資本性投資，加強監控存貨及客戶信貸。管理層並會密切注視市場情況，及時掌握隨時湧現的機遇。

二零零九年八月，星光印刷(深圳)有限公司獲出版商周刊(Publisher's Weekly)選為「最重視環境保護的公司」。該雜誌訪問了星光印刷(深圳)有限公司和其他十六家公司設於珠江三角洲的工廠，並於二零零九年八月出版「香港印刷業專題報告」，把星光選為其參觀中最重視環境保護的公司。

二零一零年四月，星光集團有限公司取得《FOGRA 膠印過程控制標準》認證。這項印刷生產的標準化程序是由「德國印刷及媒體聯盟」會同「德國印刷技術研究協會」及「瑞士UGRA」共同制定。任何通過認證的印刷公司必須達到FOGRA對色彩管理、打樣、製版以及印刷品質的要求標準。星光在中國最早取得認證的包裝印刷企業。

Eastern China Operation

The Group's eastern China operation recorded a loss during the year as a result of the cutback of orders by customers. Moreover, in a bid to expand its domestic sales, the eastern China operation has adopted an aggressive pricing strategy during the year. As such, the rapid and drastic increase in operating costs in the Mainland, as explained in the sections above, had a major impact on the profitability of the eastern China operation, as the prices of its orders could not fully reflect the much higher production costs. Such impact was more significant in the second half of the financial year ended 31st March, 2010. As an illustration, the minimum wages in Suzhou has increased by 13% effective February 2010, which, coupled with the huge increases in the prices of raw materials, dealt a severe blow to the results of the eastern China operation.

Nonetheless, the efforts made to tap domestic businesses including the cosmetics and health care sectors have yielded results. New prestigious customers have been secured by the Suzhou subsidiary in the domestic packaging business for consumer products. Moreover, the Suzhou subsidiary has established a new branch factory in Yangzhou to provide printing and packaging services for a world-renowned health care brand selling its products in China and the international markets.

In May 2010, China's State Council approved the Regional Plan for the Yangtze River Delta. According to the Plan, the Yangtze River Delta will be developed into a key international gateway for the Asia-Pacific region, an important global centre for the modern service industry and advanced manufacturing industry, as well as a world-class cluster of cities. It is expected that the area, which is made up of Shanghai and the provinces of Jiangsu and Zhejiang and covering an area of 210,700 square kilometers, will achieve modernization by 2020. The Group is hopeful that the passing of the Plan will generate new opportunities for its eastern China operation.

South East Asia Operation

The Singapore subsidiary managed to increase its sales and profit during the year under review, benefiting from the resurging demand from Asian economies as well as a growth of sales to the European market. With a renowned reputation for innovative design, printing and packaging technology, the Singapore subsidiary was able to leverage on its strengths rather than to compete solely on prices.

華東業務

回顧年度內，由於客戶削減訂單，故集團華東業務錄得虧損。此外，為了拓展內銷業務，集團年內採用較進取的價格策略；另一方面，如上文所述，內地經營成本急速飆升。在這情況下，華東業務之訂單價格，無法完全反映生產成本之大幅上漲。其利潤受到重大影響，尤其在截至二零一零年三月三十一日止財政年度之下半年更為顯著。舉例說明，蘇州最低工資從二零一零年二月起增加百分之十三，同時原材料大幅漲價，對華東業務的業績構成衝擊。

然而，通過積極拓展化妝品和健康護理等行業，集團內銷業務取得了成果，近期蘇州附屬公司更成功取得著名消費品包裝新客戶。此外，蘇州附屬公司在揚州成立了新分廠，為一家世界知名的健康護理品牌在中國及海外銷售的產品提供印刷和包裝服務。

二零一零年五月，國務院正式批准實施《長江三角洲地區區域規劃》(以下簡稱《規劃》)。長江三角洲地區包括上海市、江蘇省和浙江省，區域面積二十一萬零七百平方公里。依據《規劃》，長江三角洲地區發展的戰略定位是：亞太地區重要的國際門戶、全球重要的現代服務業和先進製造業中心、具有較強國際競爭力的世界級城市群。發展目標是到二零二零年，力爭率先基本實現現代化。集團抱有希望，落實《規劃》可為集團華東業務帶來新契機。

東南亞業務

回顧年度內，亞洲國家需求回升，加上銷往歐洲市場的業務上升，故新加坡附屬公司之營業額和盈利均有增長。憑著創新設計和包裝印刷技術，新加坡附屬公司善用其優勢，不單純靠價格競爭。

In order to increase its capacity and to expand its business in the Asia-Pacific region, the Singapore subsidiary is reactivating its production in Malaysia. Plans are being carried out to initially establish a new post-press operation there, which will be managed by the Singapore management team. The Malaysian plant is expected to begin operation in July 2010.

In November 2009, the Singapore subsidiary won three AsiaStar 2009 Awards under the Consumer Package category for its Johnny Walker Black Centurion II Box, Klassno Table Display Stand and Rice Dumpling Box. The AsiaStar Award is organized by the Asian Packaging Federation to recognize the winners as "the best of the best" in the Asian packaging industry. In addition, the Johnny Walker Black Centurion II Box also won the Worldstar Award 2009 awarded by the World Packaging Organization in February 2010.

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 31st March, 2010, the Group's cash and bank balances and short-term bank deposits amounted to approximately HK\$185 million.

During the year under review, the interest expense of the Group amounted to approximately HK\$8 million compared to approximately HK\$18 million recorded last year. Currently, the Group has Renminbi-denominated loan facilities amounting to approximately RMB65 million that are available for the Group's Shenzhen, Guangzhou, Shaoguan and Suzhou plants for working capital purposes.

As at 31st March, 2010, the Group had a working capital surplus of approximately HK\$122 million compared to a working capital surplus of approximately HK\$76 million as at 31st March, 2009. The Group's net gearing ratio as at 31st March, 2010 was 10% (31st March, 2009: 21%), based on short-term and long-term bank borrowings, bill payables and finance lease obligations, net of bank balance and cash of approximately HK\$52 million (31st March, 2009: HK\$106 million), and shareholders' funds of approximately HK\$545 million (31st March, 2009: HK\$502 million). The Group will continue to adopt prudent policies to maintain a healthy financial position.

為擴大產能及擴展亞太區銷售業務，新加坡附屬公司正重新啟動其在馬來西亞之生產。現正展開計劃，初步在當地建立印後加工廠，由新加坡團隊管理。馬來西亞廠預計在二零一零年七月開始運作。

二零零九年十一月，新加坡附屬公司參與設計及生產的Johnny Walker Black Centurion II禮盒、Klassno銷售架和糰盒，贏得二零零九年三項消費者包裝類別「亞洲星獎」。「亞洲星獎」由亞洲包裝聯合會舉辦，表彰亞洲包裝行業內「冠中之冠」得獎者。此外，Johnny Walker Black Centurion II禮盒亦於二零一零年二月，獲世界包裝組織頒予二零零九年「世界星獎」。

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。於二零一零年三月三十一日，集團的現金和銀行結餘及短期銀行存款共約一億八千五百萬港元。

回顧年度內，集團的利息支出約為八百萬港元，去年約為一千八百萬港元。現時，集團約有六千五百萬元人民幣銀行貸款額度，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。

於二零一零年三月三十一日，集團營運資金錄得約一億二千二百萬港元盈餘，而二零零九年三月三十一日有約七千六百萬港元盈餘。集團於當日的淨債務權益比率為百分之十(二零零九年三月三十一日：百分之二十一)，乃根據短期及長期帶息銀行借款、應付票據及財務契約債務，減銀行存款及現金約五千二百萬港元(二零零九年三月三十一日：一億零六百萬港元)，與股東權益約五億四千五百萬港元(二零零九年三月三十一日：五億零二百萬港元)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。

CHARGE ON ASSETS

As at 31st March, 2010, certain assets of the Group with an aggregate book carrying value of approximately HK\$36 million (31st March, 2009: HK\$33 million) were pledged to secure the banking facilities of the Group.

EXCHANGE RATE EXPOSURE

All the Group's assets, liabilities and transactions are denominated 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 Mainland 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. The Group has maintained a Share Option Scheme under which share options can 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 Mainland China and education institutions abroad to further enhance its staff quality.

SOCIAL RESPONSIBILITY

As a responsible corporation, the Group is committed to promoting social enhancement whilst developing its businesses, through active participation in social welfare and environmental protection activities to realize its mission. Regardless of where the Group operates, we treat the local communities as family members and strive to contribute to the communities.

資產抵押

於二零一零年三月三十一日，本集團合共賬面淨值約三千六百萬港元(二零零九年三月三十一日：三千三百萬港元)之資產已按予銀行作為後者授予本集團貸款之抵押。

匯兌風險

本集團大部分資產、負債及交易均以港元、美元、人民幣、日圓、新加坡元及歐元結算。香港現行之聯繫匯率制度令美元／港元匯率相對穩定。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匯率風險。

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。集團設有購股權計劃，可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內地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。

社會責任

作為一家負責任的企業，集團於積極發展業務之同時，亦貫徹致力社會發展信念，積極參與社會公益及環保活動，切實履行企業責任。無論在何處經營業務，我們都視該地區為集團一分子，定必盡力為該地區作出貢獻。

In past years, the Group has allocated significant resources to energy conservation and environmental protection, provided venues and platforms of training and job opportunities for young people, and actively supported help-poor and schooling campaigns as well as disaster relief efforts in China. Apart from providing financial support, the Group also contributes people and time to various charity drives. In many circumstances, the Group's Chairman makes initiative to organize joint efforts with other enterprises and friends to pool resources together for the maximum benefits of those in need.

The Group and its staff made financial and other support to the following organizations:

- Federation of Hong Kong Guangdong Community Organizations, with donation made to earthquake relief in Qinghai
- Hong Kong Mei Zhou Association, with donation made to earthquake relief in Qinghai and to sponsor the cultural event celebrating the 60th Anniversary of the People's Republic of China
- Support to The HK Seagulls Scholarship Scheme
- Donation to Children's Heart Foundation
- Support to Students in Jiaying University
- The Hong Kong Council of Social Service, with donation made to its "Mainland CSR Development Fund"

LOOKING AHEAD

With divergent views in the market on the strength of the recovery of the United States economy, customers have indicated that it is difficult for them to plan on a medium to long-term basis. Hence, while the somewhat improved outlook described as "moderate growth" by the Federal Reserve has lifted orders for the Group in the first quarter of the financial year ended 31st March, 2011, and provided positive signs for orders in the second financial quarter, it remains to be seen if high volatility would return and customers would make U-turn changes on their positions.

過去數年，集團積極投入資源，促進節能和環境保護，提供學習場地和平台，為年青人提供培訓及實踐機會。另積極參與中國扶貧助學及賑災活動。除了給予金錢資助外，集團更樂於獻出管理人員及員工時間參與不同慈善機構活動。在很多情況下，集團主席更主動聯繫眾企業及友好，匯聚資源，確保有需要人士能獲享最大裨益。

集團及其員工為多個機構提供財政和其他援助，這些機構包括：

- 香港廣東社團總會賑濟青海地震
- 香港梅州聯會賑濟青海地震以及資助六十年國慶「愛我中華」活動
- 香港海鷗助學團獎學金贊助費
- 兒童心臟基金會捐助費
- 嘉應大學助學計劃
- 香港社會服務聯會「內地企業社會責任發展基金」

未來展望

鑑於市場對美國經濟的復甦力度莫衷一是，客戶普遍表示難以作出中長期部署。因此，雖然聯邦儲備局指美國經濟「溫和增長」，意味著經濟前景有所改善，而集團在截至二零一一年三月三十一日止財政年度之首季訂單亦見回升，次季訂單也有利好跡象，但究竟市場會否再次出現大幅波動，客戶會否改弦易轍，仍有待觀察。

The sovereign debt crisis in Europe continues to overshadow the market in Europe. As European governments implement austerity measures and tighten bank lending, consumer confidence in the Eurozone is likely to falter. Moreover, there are signs that the weak Euro appears to be dampening European demand for China-made goods.

On the other hand, demand in the Asia-Pacific countries continue to grow, supported by high governments' reserves and strong citizens' savings. Moreover, the Chinese government is taking preemptive measures to maintain a harmonious society, part of which involves the support on consumption. These developments provide favourable opportunities for the Group to further expand its sales in China and the Asia-Pacific, and to further utilize its strength and network in the region. The Group is making new endeavours in both China and Asia to capitalize on such opportunities, as described in the sections above.

With some major manufacturers offering high rises of wages to workers recently, the pressure on other manufacturers is significant. Moreover, as explained, not only wages but the overall costs of production in China are rising. Under these circumstances, Chinese manufacturers have no alternative but to increase prices. However, in return for higher prices, Chinese manufacturers must prove that they can provide more added value. The Group is well aware of this irreversible trend. Apart from further improving its product quality, reliability, and customer services, the Group is making efforts to strengthen its corporate standing, which include providing stronger support to environmental protection, contributing to further standardization of printing and packaging procedures, enhancing the protection of employees' rights, and more active participation in community work. As Starlite celebrates its 40th anniversary this year, management is confident that the Group has built a solid foundation for achieving the necessary transformation and becoming even stronger in the future.

On behalf of the Board
Lam Kwong Yu
Chairman

Hong Kong, 21st July, 2010

歐洲主權債務危機繼續籠罩歐市。由於歐洲各國政府實施緊縮措施及收緊銀行借貸，歐元區消費者信心或會減弱。此外，有跡象顯示，歐元疲軟抑制了歐洲對中國產品的需求。

另一方面，在龐大政府儲備和民間儲蓄支持下，亞太國家需求持續增長。此外，中國政府正採取防患未然措施，以保持社會和諧，其中包括支持消費。這些發展為本集團提供利好機遇，集團可進一步擴大中國和亞太區銷售業務，並加強發揮其在區內的網絡實力和效益。如上文所述，集團正在中國和亞洲作出新的舉措，藉以掌握有關機遇。

部分大型廠商近期大幅提高工資，對其他廠商帶來不少壓力。此外，如上文指出，中國的整體生產成本正在上漲，並非限於工資。在這情況下，中國製造商除加價外可謂別無選擇。然而，要換取加價，中國製造商必須證明能為客戶提供更大增值。集團深明這是不可逆轉的趨勢。除了進一步改善產品質量、可靠性和客戶服務外，集團努力加強企業優勢，包括優化環保生產、重視環境保護、積極參與制定印刷和包裝生產的標準化程序、加強對員工的保障、更積極參與社會事務。今年是星光四十週年，管理層相信，集團建立了堅固的基礎，定可進一步優化轉變，邁向更美好的未來。

承董事會命
主席
林光如

香港，二零一零年七月二十一日

With hindsight, the financial year 2009/2010 has instilled mixed feelings as Starlite Group navigated the real economy. In the aftermath of the financial tsunami, export markets steeply declined. European and American customers experienced tight operating funds. There were disruptions in the supply of raw materials following a loss of equilibrium. And, finally, the credit crunch. Facing these formidable challenges, Starlite people responded calmly. Holding our ranks, we steered through one of the most testing times in our corporate history.

In the first quarter of the financial year, turnover recorded a drastic decline of 24% due to extremely weak conditions in export markets. The decline narrowed to 12% and 3%, respectively, in the second and third quarter. As demand in the United States and Europe gradually recovered, the fourth quarter saw a turnaround in turnover with a growth of 13%. However, in early 2010, prices of paper materials soared rapidly and labor costs rose significantly. As such, against the many efforts made, turnover for the full year dropped by 9% and net profit fell to approximately HK\$41 million.

Notwithstanding the challenges, I saw Starlite's strengths: We focus on our principal business, keep our promise, and employ sophisticated technology. We are eager to learn and improve, have a stable workforce, healthy finance, and a sensible network of geographical operations. With 40 years of persistence and progression, we have won the support and trust of global enterprises in Fortune 500. From time to time, they spur us to wholeheartedly pursue high standards and new technologies, to pave way for our new development, and to train up ourselves for the next round of advancement! During the year under review, in cooperation with multinational companies from Switzerland and Germany as well as experts and scholars in China, we have developed three national standards for the printing industry in China. They have filled the gap in the world's post-press standards, providing China's printing industry a greater say in the development of international printing standardization!

回顧二零零九／二零一零財政年度，身處實體經濟下的星光集團喜憂參半，金融海嘯衍生的後遺症，導致出口市場大幅度萎縮，歐美客戶營運資金緊張，原料供應商供應失衡和信貸收縮等等的挑戰，經過全體員工上下同心冷靜應對，我們經歷了企業發展進程中嚴酷的考驗。

二零零九年第一季度，由於出口市場異常疲弱，營業額出現大幅度倒退24%，第二季度和第三季度下跌放緩至12%及3%，隨著歐美市場逐步恢復需求，第四季度扭轉形勢，回復增長13%。但二零一零年初，紙張價格頻密飆升，勞動成本持續上揚，經多番努力，整年度營業額仍然出現9%負增長，純利下跌至約四千一百萬港元。

雖然面對磨練，我也看到了星光的優點：專注本業、信守承諾、科技領先、好學求進、人員穩定、財務穩健、營運區域合理佈局。四十年來的執著和進取，換來環球500強企業的信賴和支持，時刻鞭策了我們全神投入，追求高標準和新技術，鋪就新一輪發展道路，練就新一輪快步向前的底氣！今年度，我們聯同瑞士和德國等跨國企業及國內的學者專家為國家成功制訂了包裝印刷行業的三個標準，同時填補了國際印後標準的空白，為中國印刷行業在國際標準的制定上取得了更大話語權！

Capitalizing on China's fast growing consumer market, we are striving to expand our domestic sales in China with the hope to achieve an equal breakdown between export and domestic sales as early as possible. The Group is also implementing lean manufacturing across its operations, which involves the adoption of lean management, enhancement of operating procedures, automation, standardization, manufacture to orders, and human-based management. Senior management officers are preaching and practicing the procedures, paying more efforts than others in increasing our efficiency and reducing our operating costs. While seeking to increase our sales, we are keeping a close eye on the profitability of orders — our aim is to secure reasonable operating profits and thrive on chaos. All in all, we will do our best to achieve good results as a means of thanks to our friends in the community for their long-term support, and to bring satisfactory returns for all our shareholders.

On behalf of the Board, I would like to thank our shareholders, customers, bankers, suppliers and friends in the community for their continued support and all our staff for their loyalty and dedication.

Lam Kwong Yu
Chairman

Hong Kong, 21st July, 2010

隨著中國消費市場的迅速成長，我們將努力開拓國內市場，冀能早日實現國內外銷售的均衡比例。集團全面執行精益(LEAN)管理系統，將精兵簡政、優化流程、自動化、標準化、按量生產和人性化管理貫徹到位，高層管理者身傳言教，付出比其他人更大的努力，聚焦提高效率，降低營運成本，擴大銷售的同時，注視訂單含金量，贏取合理經營利潤，從亂局中脫穎而出，竭力創造成績來回饋長期以來支持我們的各方友好，最終為我們大小股東提供合理的回報。

本人謹代表董事會，衷心感謝各位股東、客戶、銀行界、供應商以及社會友好給予本集團的鼎力支持，更感謝盡忠職守、忠心不渝的全體員工。

主席
林光如

香港，二零一零年七月二十一日

CONSOLIDATED INCOME STATEMENTS

綜合收益表

		Year ended 31st March, 截至三月三十一日止年度				
		2010	2009	2008	2007	2006
		二零一零年	二零零九年	二零零八年	二零零七年	二零零六年
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元
Revenue	收入	1,182,639	1,303,404	1,170,617	1,128,021	907,054
Operating profit	經營溢利	54,227	85,768	72,417	58,929	67,001
Profit for the year attributable to the equity holders of the Company	年內本公司權益持有人應佔溢利	41,212	59,598	44,114	32,541	31,128
Dividends	股息	13,081	12,909	14,187	12,884	12,884
Basic earnings per share for profit attributable to the equity holders of the Company (HK cents)	按年內本公司權益持有人應佔溢利計算之每股基本盈利(港仙)	7.92	11.92	10.27	7.58	7.27

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

綜合財務狀況表

		As at 31st March, 於三月三十一日				
		2010	2009	2008	2007	2006
		二零一零年	二零零九年	二零零八年	二零零七年	二零零六年
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元
Non-current assets	非流動資產	491,302	512,257	515,930	477,904	446,497
Current assets	流動資產	544,432	407,263	488,061	420,909	376,765
Current liabilities	流動負債	(422,822)	(331,386)	(449,960)	(400,600)	(321,820)
Net current assets	流動資產淨額	121,610	75,877	38,101	20,309	54,945
Total assets less current liabilities	總資產減流動負債	612,912	588,134	554,031	498,213	501,442
Non-current liabilities	非流動負債	(68,144)	(86,249)	(120,872)	(123,135)	(156,021)
Net assets	資產淨值	544,768	501,885	433,159	375,078	345,421
Shareholders' equity	股東權益	544,768	501,885	433,159	375,078	345,421

The Directors have the pleasure of presenting their annual report together with the audited financial statements of Starlite Holdings Limited (“the Company”) and its subsidiaries (“the Group”) for the year ended 31st March, 2010.

Principal activities

The Company is an investment holding company. Its subsidiaries are principally engaged in the printing and manufacturing of packaging materials, labels, and paper products, including environmental friendly paper products.

Details of the Group’s revenue and segment results are set out in Note 5 to the accompanying financial statements.

Major customers and suppliers

For the year ended 31st March, 2010, the five largest customers accounted for approximately 28% of the Group’s total revenue and the five largest suppliers accounted for approximately 21% of the Group’s total purchases. In addition, the largest customer accounted for approximately 11% of the Group’s revenue while the largest supplier accounted for approximately 10% of the Group’s total purchases.

None of the directors, their associates, or any shareholder (which, to the knowledge of the Company’s Directors, owned more than 5% of the Company’s share capital) had a beneficial interest in the Group’s five largest customers or suppliers.

Results and appropriations

Details of the Group’s results for the year ended 31st March, 2010 are set out in the consolidated income statement on page 48 of this annual report.

The Directors have declared an interim dividend of HK\$0.01 per ordinary share, totalling approximately HK\$5,221,000, which was paid on 22nd January, 2010.

The Directors recommend the payment of a final dividend of HK1.5 cents per ordinary share, totalling approximately HK\$7,860,000, and recommend that the Group’s retained profits of approximately HK\$315,590,000 be carried forward.

董事會欣然提呈星光集團有限公司(「本公司」)及其附屬公司(統稱「本集團」)截至二零一零年三月三十一日止年度之年報及經審核財務報表。

主要業務

本公司乃一投資控股公司。其附屬公司主要從事印刷及製造包裝材料、標籤、及紙類製品，包括環保紙類產品。

本集團之收入及分部業績之詳情載於隨附財務報表附註5。

主要客戶及供應商

截至二零一零年三月三十一日止年度，本集團最大五位客戶佔本集團總收入約28%，而最大五家供應商佔本集團採購總額約21%。另外，本集團之最大客戶佔本集團總收入約11%，而最大供應商佔本集團採購總額約10%。

各董事、彼等之聯繫人士或任何股東(指就本公司董事會所知擁有本公司股本超過5%之股東)概無擁有本集團五大客戶或五大供應商之實質權益。

業績及分配

本集團截至二零一零年三月三十一日止年度之業績詳情載於本年報第48頁之綜合收益表。

董事會議決派發中期股息，每股港幣一仙，共約5,221,000港元，有關股息並已於二零一零年一月二十二日派發。

董事會建議派發末期股息，每股港幣一點五仙，共約7,860,000港元，並建議將集團保留溢利約315,590,000港元結轉。

Share capital and employee share options

Details of movements in share capital and the employee share option scheme of the Company are set out in Notes 27 and 28, respectively, to the accompanying financial statements.

Reserves

Movements in reserves of the Group and the Company during the year are set out in Note 29 to the accompanying financial statements.

As at 31st March, 2010, the Company's retained profit of approximately HK\$9,975,000 was available for distribution to the Company's shareholders, of which approximately HK\$7,860,000 has been proposed as the final dividend for the year.

Purchase, sale or redemption of shares

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed shares during the year ended 31st March, 2010.

Pre-emptive rights

There is no provision for pre-emptive rights under the Company's Bye-laws and the laws in Bermuda.

Subsidiaries

Particulars of the subsidiaries are set out in Note 17 to the accompanying financial statements.

Property, plant and equipment

Details of movements in property, plant and equipment during the year are set out in Note 16 to the accompanying financial statements.

Bank loans

Particulars of bank loans as at 31st March, 2010 are set out in Notes 23 and 33 to the accompanying financial statements.

Pension schemes

Details of the pension schemes are set out in Note 9 to the accompanying financial statements.

Charitable contributions

During the year, the Group made charitable contributions of approximately HK\$88,000 (2009: HK\$1,364,000).

股本及僱員購股權

本公司股本變動及僱員購股權計劃之詳情分別載於隨附之財務報表附註27及28。

儲備

本集團及本公司於年內之儲備變動載於隨附之財務報表附註29。

於二零一零年三月三十一日，本公司可供派發予股東之保留溢利約9,975,000港元，其中約7,860,000港元已建議作為本年度末期股息派付。

購買、出售或贖回股份

本公司或其任何附屬公司於截至二零一零年三月三十一日止年度並無購買、出售或贖回任何本公司上市股份。

優先購股權

本公司細則及百慕達法例並無授予優先購股權之條款。

附屬公司

附屬公司之詳情載於隨附之財務報表附註17。

物業、廠房及設備

年內物業、廠房及設備之變動詳情載於隨附之財務報表附註16。

銀行貸款

於二零一零年三月三十一日，銀行貸款之詳情載於隨附之財務報表附註23及33。

退休金計劃

退休金計劃之詳情載於隨附之財務報表附註9。

慈善捐款

年內，本集團捐出約88,000港元(二零零九年：1,364,000港元)之款項作慈善用途。

Directors and directors' service contracts

The directors who held office during the year and up to the date of this report are:

Executive Directors

Mr. Lam Kwong Yu, *Chairman*
 Ms. Yeung Chui, *Vice Chairman*
 Mr. Tai Tzu Shi, Angus, *Senior Vice President*
 Mr. Cheung Chi Shing, Charles, *Senior Vice President*
 Mr. Lim Pheok Wan, Richard, *Senior Vice President*

Independent Non-Executive Directors

Mr. Chan Yue Kwong, Michael
 Mr. Kwok Lam-Kwong, Larry, *BBS, JP*
 Mr. Tam King Ching, Kenny

In accordance with the Bye-laws of the Company, all of the directors will retire at the forthcoming annual general meeting and, being eligible, offer themselves for re-election.

None of the directors has an unexpired contract with the Group which is not terminable by the Group within one year without payment of compensation (other than statutory compensation).

Independent Non-Executive Directors' confirmation of independence

The Company has received independence confirmation from each of the Independent Non-Executive Directors, namely Mr. Chan Yue Kwong, Michael, Mr. Kwok Lam-Kwong, Larry, *BBS, JP* and Mr. Tam King Ching, Kenny pursuant to rule 3.13 of the Listing Rules, and considers them to be independent.

董事及董事服務合約

於本年度及直至本年報刊發日之在任董事為：

執行董事

林光如先生(主席)
 楊翠女士(副主席)
 戴祖璽先生(高級副總裁)
 張志成先生(高級副總裁)
 林必旺先生(高級副總裁)

獨立非執行董事

陳裕光先生
 郭琳廣, *BBS, 太平紳士*
 譚競正先生

根據本公司之細則，各董事全部將於應屆股東週年大會退任，惟均願膺選連任。

本集團並無與各董事訂立不可於一年內毋須補償(法定補償除外)而終止之未屆滿合約。

獨立非執行董事之獨立性確認函件

本公司已接獲各獨立非執行董事，即陳裕光先生、郭琳廣, *BBS, 太平紳士*及譚競正先生根據上市規則第3.13條發出的獨立性確認函件，本公司並認為彼等均為獨立。

Directors' interests in shares and share options

As at 31st March, 2010, 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:

Long positions in Shares

Name of Director	Capacity		Personal interests	Family interests	Corporate interests	Other interests	Total	Approximate % of 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	總數	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 & 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	6,230,000	1,320,000	1,012,901 (Note 1) (附註1)	274,442,677 (Note 2) (附註2)	283,005,578	54.01%	—
Ms. Yeung Chui 楊翠女士	Beneficial owner, interest of spouse & 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	1,320,000	6,230,000	1,012,901 (Note 1) (附註1)	274,442,677 (Note 2) (附註2)	283,005,578	54.01%	—
Mr. Tai Tzu Shi, Angus 戴祖璽先生	Beneficial owner & interest of spouse	實益擁有及配偶權益	1,000,000	18,000	—	—	1,018,000	0.19%	3,200,000
Mr. Cheung Chi Shing, Charles 張志成先生	Beneficial owner	實益擁有	900,000	—	—	—	900,000	0.17%	4,200,000
Mr. Lim Pheok Wan, Richard 林必旺先生	Beneficial owner	實益擁有	—	—	—	—	—	—	4,200,000

Details of share options granted to Directors are separately disclosed under the heading of Share Option Scheme.

Notes:

- Dayspring Enterprises Limited held 1,012,901 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 1,012,901 shares of Mr. Lam Kwong Yu and Ms. Yeung Chui are the same block of shares.
- Best Grade Advisory Limited ("BGAL") held 274,442,677 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 acted as trustee of the two discretionary trusts. The two references to 274,442,677 shares relate to the same block of shares in the Company.

董事於股份及購股權之權益

於二零一零年三月三十一日，本公司董事及主要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：

於股份之好倉

Name of Director	Capacity		Personal interests	Family interests	Corporate interests	Other interests	Total	Approximate % of 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	總數	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 & 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	6,230,000	1,320,000	1,012,901 (Note 1) (附註1)	274,442,677 (Note 2) (附註2)	283,005,578	54.01%	—
Ms. Yeung Chui 楊翠女士	Beneficial owner, interest of spouse & 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	1,320,000	6,230,000	1,012,901 (Note 1) (附註1)	274,442,677 (Note 2) (附註2)	283,005,578	54.01%	—
Mr. Tai Tzu Shi, Angus 戴祖璽先生	Beneficial owner & interest of spouse	實益擁有及配偶權益	1,000,000	18,000	—	—	1,018,000	0.19%	3,200,000
Mr. Cheung Chi Shing, Charles 張志成先生	Beneficial owner	實益擁有	900,000	—	—	—	900,000	0.17%	4,200,000
Mr. Lim Pheok Wan, Richard 林必旺先生	Beneficial owner	實益擁有	—	—	—	—	—	—	4,200,000

授予董事購股權之詳情於本文購股權計劃部份內載述。

附註：

- 特暢企業有限公司持有本公司1,012,901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1,012,901股股份，實指同一股份權益。
- Best Grade Advisory Limited(「BGAL」)持有本公司274,442,677股股份，而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274,442,677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 31st March, 2010, 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.

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.

Pursuant to the Special General Meeting of shareholders of the Company held on 15th May, 2008, the Scheme Mandate Limit under the New Share Option Scheme has been refreshed. The Scheme Mandate Limit has been re-set at 10% of the shares in issue as at the date the limit was "refreshed". On the basis of 430,295,989 shares in issue on date of refreshment, the limit was re-set at 43,029,598 shares.

Summary of the New Share Option Scheme was as follows:

1. Purpose of the New Share Option Scheme

新購股權計劃目的

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 New Share Option Scheme

新購股權計劃的參與人士

(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。

除上文所披露者外，於二零一零年三月三十一日，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。

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。

根據本公司於二零零八年五月十五日召開之股東特別大會，新購股權計劃的計劃授權限額已被更新。計劃授權限額重新訂定為於批准「更新」限額當日已發行股本的百分之十。按更新限額當日已發行股份430,295,989股計算，限額已重新訂定為43,029,598股。

新購股權計劃的摘要如下：

3. Total number of shares available for issue under the New Share Option Scheme and percentage of issued share capital as at the date of the annual report
- 根據新購股權計劃可發行股份總數及於本年報日期佔已發行股本百分比
- 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).
- The 10% Scheme Mandate Limit has been refreshed pursuant to the Special General Meeting held on 15th May, 2008. On the basis of 430,295,989 shares in issue on date of approval of refreshment of the Scheme Mandate Limit, the limit was re-set at 43,029,598 shares representing approximately 8.21% of the issued share capital of the Company as at date of the annual 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%）之購股權。
- 於二零零八年五月十五日召開的股東特別大會，更新百份之十的計劃授權限額，按批准更新計劃授權限額當日已發行股份430,295,989股計算，限額已訂定為43,029,598股，佔本公司於本年報日期之已發行股本約8.21%。
- 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。
4. Maximum entitlement of each participant under the New Share Option Scheme
- 每位參與人士根據新購股權計劃可認購的最高數額
- 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
- 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。

7. 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
- 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
- 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.
- 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。
8. The basis of determining the exercise price
- 釐定行使價的基準
- The exercise price shall be determined by the Board in its absolute discretion and shall be at least the highest of:
- (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
 - (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
 - (iii) the nominal value of the shares on the date of grant.
- 購股權之行使價由董事會釐定，但最少以下列中最高者為準：
- (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
 - (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
 - (iii) 於授予購股權當日的股份面值。
9. The remaining life of the New Share Option Scheme
- 新購股權計劃的剩餘期限
- 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 table shows the movements in the Company's share options during the year and the outstanding options at the beginning and end of the year:

本公司購股權於年內之變動及於年初及年終尚未行使之購股權如下表所示：

Share option scheme

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 year 年初 '000 千股	Number of shares 股份數目		End of year 年終 '000 千股
					Exercised during the year 年內行使 '000 千股	Lapsed during the year 年內失效 '000 千股	
(i) Directors 董事							
Mr. Lam Kwong Yu 林光如先生	9.2.2007 (Note 1) (附註1)	9.8.2007– 8.2.2010	0.449	1,586	—	(1,586)	—
Ms. Yeung Chui 楊翠女士	9.2.2007 (Note 1) (附註1)	9.8.2007– 8.2.2010	0.449	1,269	—	(1,269)	—
Mr. Tai Tzu Shi, Angus 戴祖璽先生	9.2.2007 (Note 1) (附註1)	9.8.2007– 8.2.2010	0.449	529	—	(529)	—
	21.7.2008 (Note 2) (附註2)	21.1.2009– 20.1.2013	0.385	4,200	(1,000)	—	3,200
Mr. Cheung Chi Shing, Charles 張志成先生	9.2.2007 (Note 1) (附註1)	9.8.2007– 8.2.2010	0.449	529	—	(529)	—
	21.7.2008 (Note 2) (附註2)	21.1.2009– 20.1.2013	0.385	4,200	—	—	4,200
Mr. Lim Pheok Wan, Richard 林必旺先生	9.2.2007 (Note 1) (附註1)	9.8.2007– 8.2.2010	0.449	529	—	(529)	—
	21.7.2008 (Note 2) (附註2)	21.1.2009– 20.1.2013	0.385	4,200	—	—	4,200
(ii) Employees 僱員							
	9.2.2007 (Note 1) (附註1)	9.8.2007– 8.2.2010	0.449	2,713	(990)	(1,723)	—
	21.7.2008 (Note 3) (附註3)	21.1.2009– 20.1.2013	0.385	20,110	(5,630)	(1,900)	12,580
				<u>39,865</u>	<u>(7,620)</u>	<u>(8,065)</u>	<u>24,180</u>

Notes:

- (1) Following the completion of the open offer of the Company's shares in June 2008, the number of outstanding share options granted on 9th February, 2007 has been adjusted from 6,765,000 (exercise price of HK\$0.475 each) to 7,154,847 (exercise price of HK\$0.449 each).
- (2) The vesting of share options is subject to certain performance targets that must be achieved by the directors. The share options shall be exercised by the directors not later than 20th January, 2013.
- (3) The vesting of certain share options is subject to certain performance targets that must be achieved by the employees. The share options shall be exercised by the employees not later than 20th January, 2013.

The Company had used Binomial Option Pricing Model and Trinomial Option Pricing Model to determine the fair value of certain options granted as at the date of grant, details of which are set out in Note 28 to the financial statements.

Save as disclosed above, at no time during the year 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 34 to the accompanying financial statements, 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 year or at any time during the year.

附註：

- (1) 二零零八年六月本公司公開發售完成後，於二零零七年二月九日授出但尚未行使之購股權，數目由6,765,000股(每股行使價0.475港元)調整至7,154,847股(每股行使價0.449港元)。
- (2) 董事必須達到若干表現指標才符合購股權的歸屬。董事必須不遲於二零一三年一月二十日行使該等購股權。
- (3) 若干僱員必須達到若干表現指標才符合購股權的歸屬。僱員必須不遲於二零一三年一月二十日行使該等購股權。

本公司已採用二項式期權定價模式及三項式期權定價模式訂定若干授出購股權於授出當日之公平值，詳情載於財務報表附註28。

除上述披露者外，於年內任何時間，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

除於隨附之財務報表附註34披露者外，本公司或其附屬公司於年終或年內任何時間，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。

Substantial shareholders

So far as is known to any Director or Chief Executive of the Company, as at 31st March, 2010, 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:

Long positions of substantial shareholders in the shares of the Company

Name of shareholder 股東名稱	Capacity 身份	Number of Shares 股份數目	Approximate % of Shareholding 佔股權之概約百分比
Best Grade Advisory Limited	Beneficial owner 實益擁有	274,442,677 (Note 1) (附註1)	52.38%
Masterline Industrial Limited	Trustee 信託人	274,442,677 (Note 1) (附註1)	52.38%
HSBC International Trustee Limited	Trustee 信託人	274,442,677 (Note 2) (附註2)	52.38%

Notes:

- The two references of 274,442,677 shares relate to the same block of shares in the Company. Best Grade Advisory Limited ("BGAL") held 274,442,677 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 acted as trustee of the two discretionary trusts.
- The two references of 274,442,677 shares described in Notes 1 and 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 274,442,677 shares.

Audit Committee

The Audit Committee is composed of all the three Independent Non-Executive Directors of the Company. The Audit Committee has reviewed with management the accounting principles and practice adopted by the Group and discussed auditing, internal control, and financial reporting matters, including the review of financial statements for the year ended 31st March, 2010.

主要股東

就本公司董事或主要行政人員所知，於二零一零年三月三十一日，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(本公司董事或主要行政人員除外)如下：

主要股東於本公司股份之好倉

Name of shareholder 股東名稱	Capacity 身份	Number of Shares 股份數目	Approximate % of Shareholding 佔股權之概約百分比
Best Grade Advisory Limited	Beneficial owner 實益擁有	274,442,677 (Note 1) (附註1)	52.38%
Masterline Industrial Limited	Trustee 信託人	274,442,677 (Note 1) (附註1)	52.38%
HSBC International Trustee Limited	Trustee 信託人	274,442,677 (Note 2) (附註2)	52.38%

附註：

- 上述兩處所提及之274,442,677股本公司股份，實指同一股份權益。上述股份由Best Grade Advisory Limited(「BGAL」)持有。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、楊翠女士及林傳德先生。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274,442,677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、楊翠女士及林傳德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274,442,677股股份權益。

審核委員會

本公司之審核委員會由本公司之所有三位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準則及常規，及商討審計、內部監控及財務報告事項，包括審議此等截至二零一零年三月三十一日之年度財務報表。

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 three Independent Non-Executive Directors of the Company.

Financial summary

A summary of the Group's financial information for the last five financial years is set out on pages 21 and 22 of this annual report.

Directors' interests in competing business

During the year ended 31st March, 2010, none of the Directors nor their respective associates had any interests in a business which competes or may compete with the businesses of the Company.

Sufficiency of public float

Based on the information that is publicly available to the Company and within the knowledge of its Directors, the Directors confirm that the Company has maintained during the year under review the amount of public float as required under the Listing Rules.

Corporate governance

A report on the principal corporate governance practices adopted by the Company is set out on pages 34 to 41 of the annual report.

Auditor

The accompanying financial statements were audited by PricewaterhouseCoopers. A resolution for appointment of PricewaterhouseCoopers as the Company's auditors for the ensuing year, is to be proposed at the forthcoming annual general meeting.

On behalf of the Board

Lam Kwong Yu
Chairman

Hong Kong, 21st July, 2010

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之所有三位獨立非執行董事組成。

財務摘要

本集團於過去五個財政年度之財務摘要詳情載於本年報第21頁至22頁。

董事於競爭業務中的權益

截至二零一零年三月三十一日止年度，董事及彼等各自的聯繫人士概無於與本公司業務競爭或可能競爭的業務中擁有任何權益。

公眾持股量的足夠性

根據本公司能夠取得之資料及董事之知情範圍以內，董事確認，本公司於回顧年度內之公眾持股量維持在上市規則所規定之數量。

企業管治

有關本公司採納之主要企業管治常規之報告載於年報第34至41頁。

核數師

隨附之財務報表由羅兵咸永道會計師事務所審核。有關重新聘請羅兵咸永道會計師事務所為本公司核數師之決議案將於即將舉行之股東週年大會上提呈。

承董事會命

主席
林光如

香港，二零一零年七月二十一日

CORPORATE GOVERNANCE PRACTICES

Starlite Holdings Limited (the “Company”) and its subsidiaries (together the “Group”) are committed to maintaining and upholding good corporate governance in order to protect the interests of shareholders, customers, suppliers and staff. The Company strives at ensuring high standards of corporate governance in the interests of shareholders and takes care to identify practices designed to achieve effective oversight, transparency and ethical behavior.

Throughout the year ended 31st March, 2010, the Company was in compliance with the Code as set out in the then Appendix 14 of the Rules Governing the Listing of Securities on the Stock Exchange (the “Listing Rules”), except for the deviations as mentioned below.

This report includes information relating to corporate governance practices of the Company during the year ended 31st March, 2010 and significant events after that date and up to the date of this report.

DIRECTORS’ SECURITIES TRANSACTIONS

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, during the year ended 31st March, 2010, they have complied with the required standard set out in the Model Code regarding securities transactions by the Directors.

企業管治常規

為保障股東、客戶、供應商和員工的利益，星光集團有限公司（「本公司」）及其附屬公司（統稱「本集團」）致力維持和強化高水準的公司治理。本公司致力保持高水平的企業管治，以股東的利益為依歸，力求訂立合適的政策，實行有效監管，提升公司透明度，秉承應有的道德操守。

除下文所述偏離者外，於截至二零一零年三月三十一日止年度，本公司已遵守聯交所證券上市規則（「上市規則」）附錄十四所載之守則。

本報告包括於截至二零一零年三月三十一日止年度內有關本公司之企業管治常規之資料，及於該日期後及截至本報告日期之重大事項。

董事之證券交易

本公司已就董事進行證券交易採納上市規則附錄十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，截至二零一零年三月三十一日止年度，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。

BOARD OF DIRECTORS

The Board

The Board is at the core of the Company's corporate governance framework, and there is clear division of responsibilities between the Board and the Management. The Board is responsible for providing high-level guidance and effective oversight of the Management. Generally, the Board is responsible for:

- formulating the Group's long-term strategy and monitoring the implementation thereof;
- reviewing and approving the annual business plan and financial budget;
- approving the annual and interim reports;
- reviewing and monitoring risk management and internal control;
- ensuring good corporate governance and compliance; and
- monitoring the performance of the Management.

The Board currently has eight members, comprising three Independent Non-Executive Directors and five Executive Directors of whom certain are with appropriate professional qualification or are in possession of financial management expertise.

董事會

董事會

董事會作為本公司治理架構核心，同管理層之間具有明確分工。董事會負責給予管理層高層指引和有效監控。一般而言，董事會負責：

- 制訂本集團的長期戰略並監控其執行情況；
- 審批年度業務計劃和財務預算；
- 批准年度及中期業績報告；
- 審查及監控本集團的風險管理及內部監控；
- 負責本集團的公司治理及合規；及
- 監察本集團管理層的工作表現。

董事會由八位成員組成，包括三位獨立非執行董事及五位執行董事，若干董事具備適當的專業資格或有關財務管理的專業經驗。

The Board is scheduled to meet at least four times a year to determine overall strategic direction and objectives and approve interim and annual results and other significant matters. During the year ended 31st March, 2010, four Board meetings were held with an average attendance rate of approximately 97%, details of which are presented below:

Board Members	Meetings Attended/Held	董事會成員	出席／舉行
<i>Executive Directors</i>		<i>執行董事</i>	
Mr. Lam Kwong Yu (<i>Chairman of the Board</i>)	4/4	林光如先生 (<i>董事會主席</i>)	4/4
Ms. Yeung Chui	3/4	楊翠女士	3/4
Mr. Tai Tzu Shi, Angus	4/4	戴祖靈先生	4/4
Mr. Cheung Chi Shing, Charles	4/4	張志成先生	4/4
Mr. Lim Pheck Wan, Richard	4/4	林必旺先生	4/4
<i>Independent Non-Executive Directors</i>		<i>獨立非執行董事</i>	
Mr. Chan Yue Kwong, Michael	4/4	陳裕光先生	4/4
Mr. Kwok Lam-Kwong, Larry, <i>BBS, JP</i>	4/4	郭琳廣, <i>BBS, 太平紳士</i>	4/4
Mr. Tam King Ching, Kenny	4/4	譚競正先生	4/4

The meeting schedule had been prepared and approved by the Board in the preceding year. In general, Board agenda and meeting materials are despatched to all Board members in a timely manner. Board agenda is approved by the Chairman following consultation with other Board members and the Management.

The Company Secretary, Mr. Cheung Chi Shing, Charles, is responsible for taking minutes of Board and Board Committee meetings. Draft and final minutes are sent to all Directors for comments within a reasonable time. A final draft of each minutes of meetings is made available for inspection by Directors/Committee Members.

All Directors have access to the Company Secretary who is responsible for ensuring that Board procedures are complied with and advises the Board on corporate governance and compliance matters. They are also encouraged to take independent professional advice at the Company's expense in performance of their duties, if necessary. Furthermore, all the Directors are covered by the Directors' & Officers' Liability Insurance, which is also part of our best practices.

董事會擬每年舉行最少四次會議，以釐定整體策略方針及目標，並通過中期及年度業績及其他重要事項。截至二零一零年三月三十一日止年度內，已舉行之四次董事會會議之平均出席率為約97%，詳情呈列如下：

會議時間安排在上一年度已擬定通過。所有會議材料連同會議議程會及時送達全體董事會成員審閱。每次會議議程內容均在事前充份諮詢各董事會成員及管理層意見後，經主席確認而制訂。

公司秘書張志成先生負責處理董事會及董事會委員會之會議記錄。會議記錄之草擬及最終版本將於適當時間送交董事以收集意見。每份會議記錄之最終版本可供董事／委員會成員查閱。

所有董事均可聯絡公司秘書，而公司秘書則負責確保董事會符合程序及就企業管治及法規事項向董事會提出意見。本公司鼓勵所有董事於有需要的情況下諮詢獨立專業人士的意見，以履行其職務，有關費用將由公司支付。此外，所有董事均獲得董事及行政人員責任保險保障，有關安排亦屬於本集團最佳常規之一部份。

Chairman and Chief Executive Officer

Code Provision A.2.1 stipulates that the roles of chairman and chief executive officer should be separated 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.

Appointments, re-election and removal

The Board as a whole is responsible for the procedure agreeing to the appointment of its own members and for nominating them for election by the shareholders on first appointment and thereafter subject to retirement and re-election at annual general meeting in accordance with the Bye-laws of the Company. 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. The Company has not established any nomination committee and is not currently considering establishing the same owing to the small size of the Board of the Company. The Chairman of the Board is mainly responsible for identifying appropriate candidates to fill the casual vacancy whenever it arises or to add additional member as and when required. The Chairman will propose the qualified candidate(s) to the Board for consideration. The Board will approve the appointment based on the suitability, qualification of the candidate. The Chairman of the Board is reviewing the structure, size and composition of the Board and assessing the independence of Independent Non-Executive Directors, on a regular basis.

Responsibilities of Directors

Upon acceptance of appointment, a new Director is provided with sufficient orientation package, including introduction to Group activities (when necessary), induction into their responsibilities and duties, and other regulatory requirements, to ensure that he has a proper understanding of the business and his responsibilities as a Director of the Company.

主席及行政總裁

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。

委任、膺選連任及撤換

董事會全體負責商定委任其本身成員及於首次委任時提名彼等供股東於股東週年大會中按本公司的細則選舉及其後告退及重選之程序。守則條文第A.4.1條規定非執行董事的委任應有年期，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，惟根據本公司細則，彼等須於股東週年大會上告退及重選。由於本公司董事會規模較小，因此本公司並無成立任何提名委員會，目前亦並無考慮成立提名委員會。董事會主席主要負責物色適當人選以填補隨時出現之空缺或於有需要時新增成員。主席將向董事會建議合資格人選以供考慮，董事會將根據人選之適合程度及資歷而批准委任。董事會主席會定期審議董事會之結構、規模及組成及評估獨立非執行董事之獨立性。

董事之責任

新任董事於接受委任後，將獲得提供足夠之指導協助，包括介紹本集團業務(於有需要時)、簡介其責任及職責及其他監管規定，以確保其對本公司業務及作為本公司董事之責任有適當了解。

Each of the Directors is required to give sufficient time and attention to the affairs of the Company. As seen above, a very satisfactory average attendance rates were recorded on the meetings of the Board and Committees under the Board.

Independent Non-Executive Directors

The roles of the Independent Non-Executive Directors include the following:

- (i) provision of independent judgement at the Board meeting;
- (ii) take the lead where potential conflicts of interests arise;
- (iii) serve on committees if invited; and
- (iv) scrutinize the performance of the Group as necessary.

The Independent Non-Executive Directors of the Company and their immediate family receive no payment from the Company or its subsidiaries (except the Director fee). No family member of any Independent Non-Executive Directors is employed as an executive officer of the Company or its subsidiaries, or has been so in the past three years. The Independent Non-Executive Directors are subject to retirement and re-election at the annual general meeting in accordance with the Bye-laws of the Company. Each Independent Non-Executive Director has provided a confirmation of his independence with reference to the new independence guidelines as set out in the Listing Rules.

Supply of and access to information

To allow the Directors to make an informed decision and properly discharge their duties and responsibilities, the Company Secretary ensures that relevant Board papers are sent to all the Directors in a timely manner. All Board papers and minutes are also made available for inspection by the Board and its Committees.

REMUNERATION OF DIRECTORS AND SENIOR MANAGEMENT

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 three Independent Non-Executive Directors of the Company.

每名董事須撥出足夠時間及注意力以處理本公司事務。如上文所載，根據董事會會議及董事會轄下委員會會議，均錄得令人極為滿意之出席率。

獨立非執行董事

獨立非執行董事的角色包括下列各項：

- (i) 於董事會會議上提供獨立判斷；
- (ii) 於出現潛在利益衝突時作出處理；
- (iii) 如獲邀請則出任委員會成員；及
- (iv) 於有需要時監察本集團表現。

本公司獨立非執行董事及其直屬家眷並無接獲本公司或其附屬公司的任何款項(董事袍金除外)。概無任何獨立非執行董事的家族成員現在或於過往三年受聘為本公司或其附屬公司的行政人員。獨立非執行董事須根據本公司的細則於股東週年大會上告退及膺選連任。各獨立非執行董事已根據上市規則所載的新獨立指引提供其獨立性的確認書。

提供及查閱資料

為了使董事可作出知情決定及適當履行其職責及責任，公司秘書確保有關董事會文件以適時方式送交所有董事。所有董事會文件及會議記錄亦可供董事會及其委員會查閱。

董事及高級管理層酬金

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之所有三位獨立非執行董事組成。

The Committee Chairman is required to report to the Board on its proceedings after each meeting on all matters within its duties and responsibilities.

A meeting of the Remuneration Committee is required to be held at least once a year to coincide with key dates within the financial reporting and audit cycle. During the year ended 31st March, 2010, two meetings were held, attendance for the two meetings held by the Remuneration Committee is set out below:

Remuneration Committee Members	Meetings Attended/Held
Mr. Chan Yue Kwong, Michael (<i>Chairman</i>)	2/2
Mr. Kwok Lam-Kwong, Larry, <i>BBS, JP</i>	1/2
Mr. Tam King Ching, Kenny	2/2

The Remuneration Committee is authorised to investigate any matter within its Terms of Reference and seek any information it requires from any employee and obtain outside legal or other independent professional advice at the cost of the Company if it considers necessary. The Remuneration Committee has reviewed the compensation of the Directors and senior executives for 2010.

During the year ended 31st March, 2010, total Directors' remuneration amounted to approximately HK\$12,574,000 (2009: HK\$12,398,000), individual details of which are disclosed in Note 10 to the financial statements. Executive Directors and senior management's compensation including the long-term incentive shall be based on the corporate and individual performance.

ACCOUNTABILITY AND AUDIT

Financial reporting

The Directors are responsible for the preparation of financial statements for each financial period which give a true and fair view of the state of affairs of the Group and of the results and cash flow for that period. In preparing the financial statements for the year ended 31st March, 2010, the Directors have selected suitable accounting policies and applied them consistently; adopted appropriate Hong Kong Financial Reporting Standards and Hong Kong Accounting Standards; made adjustments and estimates that are prudent and reasonable; and have prepared the financial statements on the going concern basis. The Directors are also responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Company.

委員會主席須於每次會議後向董事會匯報其職責及責任範圍內之所有事項處理程序。

薪酬委員會須最少每年舉行一次會議，日期須與財務報告及審核週期內之重要日子屬同一日。截至二零一零年三月三十一日止年度內，薪酬委員會舉行了兩次會議，而該兩次會議的出席率如下：

薪酬委員會成員	出席／舉行
陳裕光先生 (<i>主席</i>)	2/2
郭琳廣, <i>BBS, 太平紳士</i>	1/2
譚競正先生	2/2

薪酬委員會獲授權調查屬於其職權範圍內任何事項，並可向任何僱員搜集其需要之任何資料，及徵詢法律或其他獨立專業人士的意見，以履行其職務，有關費用將由公司支付。薪酬委員會已審閱董事及高級行政人員於二零一零年之薪酬。

截至二零一零年三月三十一日年度內，董事酬金總額約12,574,000港元(二零零九年：12,398,000港元)，詳情於隨附之財務報表附註10披露。執行董事及高級管理層之薪酬包括長期獎勵應以企業及個人表現計算。

問責性及審核

財務匯報

董事有責任就每個財政期間編製真實兼公平反映本集團財務狀況的財務報表以及該期間的業績及現金流量。在編撰截至二零一零年三月三十一日止年度的財務報表時，董事必須採用適當的會計政策及貫徹應用該等會計政策；採納適當的香港財務報告準則及香港會計準則；作出審慎及合理的調整及估計；及按持續經營基準編製財務報表。董事亦須負責保存適當的會計記錄，並可於任何時間以合理準確方式披露本公司的財務狀況。

Internal controls

The Board has delegated to management the responsibility to develop and maintain a sound internal control system. The internal control system, operating through a framework of management and operational controls, and risk management systems, is intended to allow the Board to monitor the Group's business performance and financial positions, to control and adjust risk exposures, to adopt sound business practices, to obtain reasonable assurance on controls against fraud and errors, to ensure compliance with applicable laws and regulations, and to provide oversight and guidance to management in achieving the Company's objectives.

The key procedures that the Group has established to maintain an effective internal control system are as follows:

- A clear management organisational structure is set up with well-defined lines of authority, accountability and responsibilities.
- Regular reporting of the performance of the Company's businesses to senior management. The Board reviews the Group's business and financial performance on a quarterly basis.
- The internal audit department shall independently evaluate the adequacy and effectiveness of key controls including financial, operational and compliance controls and risk management functions. The internal audit function reports major findings and recommendations, if any, to the Audit Committee on a quarterly basis.

Assessment of internal control system

The Board has assessed the effectiveness of internal control system by considering reviews performed by the Audit Committee and management, and the findings of both internal and external auditors. In undertaking this assessment, the Board also engaged an independent risk consulting firm to assist in the execution of internal audit plan throughout the year ended 31st March, 2010.

The Board has annually reviewed and considered the adequacy of resources, qualifications and experience of staff of the Group's accounting and financial reporting function, and the Group's training programmes and budgets.

內部監控

董事會授權管理層負責制訂及維持健全之內部監控制度。內部監控制度通過管理及營運監控，風險管理制度架構之運作，使董事會可監察本集團之業務表現及財務狀況，監控及調節風險，採納健全之業務守則、合理確證對欺詐及誤差之監控，遵守適用法例及規則，以及對管理人員作出監察及指引，以達成本公司之目標。

本集團已設立以維持有效內部監控之制度，其主要程序如下：

- 設立清晰之管理組織架構，具有清楚界定之權限，問責性及職責。
- 定期向高級管理層報告本公司之業務表現。董事會每季審閱本集團之業務及財務表現。
- 內部審核部門獨立評估財務、運作、合規及風險管理功能的重要監控之完備及效能，並每季向審核委員會匯報主要結果及建議(如有)。

內部監控制度之評估

董事會經斟酌審核委員會與管理層提交之審議，以及內部及外聘核數師作出之審核報告，從而對集團之內部監控制度進行評估。截至二零一零年三月三十一日止年度，董事會另聘一家獨立風險顧問公司以協助本集團執行內部審核計劃。

董事會每年進行檢討，並特別考慮本集團在會計及財務匯報職能方面的資源、員工資歷及經驗是否足夠，以及員工所接受的培訓課程及有關預算是否足夠。

Audit Committee

The Audit Committee is composed of all the three Independent Non-Executive Directors of the Company. The Audit Committee has reviewed with management the accounting principles and practice adopted by the Group and discussed auditing, internal control and financial reporting matters, including the review of financial statements for the year ended 31st March, 2010.

The Audit Committee has reviewed the annual and interim results of 2010 and was content that the accounting policies of the Group are in accordance with the generally accepted accounting practices in Hong Kong.

Attendance for the three meetings held by the Audit Committee during the year is set out below:

Audit Committee Members	Meetings Attended/Held
Mr. Tam King Ching, Kenny (<i>Chairman</i>)	3/3
Mr. Chan Yue Kwong, Michael	3/3
Mr. Kwok Lam-Kwong, Larry, <i>BBS, JP</i>	1/3

Auditors' remuneration

The financial statements for the year have been audited by PricewaterhouseCoopers. During the year, remuneration of approximately HK\$1,937,000 was payable to PricewaterhouseCoopers for the provision of audit services. In addition, approximately HK\$570,000 was payable to PricewaterhouseCoopers for other non-audit services. The non-audit services mainly consist of tax compliance and advisory services.

Communication with shareholders

Communication with shareholders is given high priority. Extensive information about the Group's activities is provided in the Annual Report and the Interim Report. The Group's website provides regularly updated Group information to shareholders. The Company also arranges regular site visit for investors and media. Enquiries on matters relating to shareholdings and the business of the Group are welcome, and are dealt with in an informative and timely manner. The Group encourages all shareholders to attend annual general meeting.

On behalf of the Board
Cheung Chi Shing, Charles
Company Secretary

Hong Kong, 21st July, 2010

審核委員會

本公司之審核委員會由本公司之所有三位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準則及常規，及商討審計、內部監控及財務匯報事項，包括審議此等截至二零一零年三月三十一日之年度財務報表。

審核委員會已審閱二零一零年的全年及中期業績，並對本集團的會計政策乃符合香港現時業內普遍採納的會計常規表示滿意。

年內審核委員會舉行之三次會議之出席率如下：

審核委員會成員	出席／舉行
譚競正先生 (<i>委員會主席</i>)	3/3
陳裕光先生	3/3
郭琳廣, <i>BBS, 太平紳士</i>	1/3

核數師酬金

本年度財務報表已由羅兵咸永道會計師事務所審核。於本年度內，就提供審核服務而應付羅兵咸永道會計師事務所的酬金約1,937,000港元。此外，就其他非審核服務而應付羅兵咸永道會計師事務所的款項約為570,000港元。非審核服務主要包括稅務法規及顧問服務。

與股東的聯繫

本集團相當重視與股東的聯繫。年報及中期報告提供大量關於本集團業務的資料。本集團的網站定期為股東提供最新資訊。本公司亦定期為投資者及傳媒安排實地訪問。本集團歡迎投資者查詢有關彼等所持股權及本集團業務的事項，而所有查詢均會於短時間內處理。本集團亦歡迎所有股東出席股東週年大會。

承董事會命
公司秘書
張志成

香港，二零一零年七月二十一日

DETAILS OF DIRECTORS AND SENIOR MANAGEMENT

Executive Directors

1. **Mr. Lam Kwong Yu**, aged 63, has been an Executive Director of the Company since 1992. He is the Chairman and Chief Executive Officer of the Company and is the founder of the Group. He holds a Master Degree in Business Administration from the National University of Singapore. Mr. Lam has been in community work in China and Hong Kong for many years. He is a member of the 11th National Committee of the Chinese People's Political Consultative Conference, a member of Selection Committee for the 1st and 2nd Government of HKSAR and a committee member of the 2006 Election Committee Subsector Elections, a director of Chinese Overseas Friendship Association, an Adjunct Professor of City University of Hong Kong, Director of Guangzhou Jinan University and a Guest Professor of Wuhan University and South China Normal University. Mr. Lam has received several prominent awards including "Hong Kong Ten Outstanding Young Persons Award 1986", "Young Industrialist Award of Hong Kong 1988", "Hong Kong Entrepreneurs Award 1990", "Outstanding Achievements Award" of the "Hong Kong Print Award 1999" and "Medal of Honor (M.H.)" from the government of the Hong Kong Special Administrative Region in 2002. Mr. Lam has over 44 years' experience in the printing industry and is responsible for the overall policy making and business development of the Group.
2. **Ms. Yeung Chui**, aged 63, has been an Executive Director of the Company since 1992. She is the Vice Chairman of the Company and is one of the founders of the Group. Ms. Yeung is responsible for the finance, administration, personnel and purchasing functions of the Group. She has over 44 years' experience in the printing industry. Ms. Yeung Chui is the spouse of Mr. Lam Kwong Yu.
3. **Mr. Tai Tzu Shi, Angus**, aged 53, has been an Executive Director of the Company since 1993. He is currently the Senior Vice President and Chief Technical Officer of the Group. He graduated from the Graphics Art Department of the Chinese Culture University of Taiwan in 1978 and has over 30 years' experience in the printing industry.

董事及高級管理層資料

執行董事

1. **林光如先生**，現年六十三歲，自一九九二年起出任本公司執行董事，為本集團創辦人及本公司主席兼行政總裁。林先生持有新加坡國立大學工商管理碩士學位。多年來林先生先後出任中國及香港之社會公職，為中國人民政治協商會議第十一屆全國委員會委員、香港特別行政區第一屆推選委員會委員、第二屆選舉委員會委員，及二零零六選舉委員會委員、中華海外聯誼會理事、香港城市大學商學院協席教授、暨南大學校董會校董、武漢大學客座教授及華南師範大學客座教授等。林先生曾榮獲多種獎項，包括一九八六年香港「十大傑出青年獎」、一九八八年香港首屆「青年工業家獎」、一九九零年「香港創業家榮譽獎」、一九九九年「香港印藝大獎」之「傑出成就大獎」及二零零二年香港特別行政區政府頒發「榮譽勳章」等。林先生於印刷行業有超過四十四年經驗，並負責集團的整體策劃與業務發展。
2. **楊翠女士**，現年六十三歲，自一九九二年起出任本公司執行董事，為本公司之副主席及本集團創辦人之一。楊女士負責本集團之財務、行政、人事及採購工作，從事印刷業超過四十四年。楊翠女士為林光如先生之配偶。
3. **戴祖璽先生**，現年五十三歲，自一九九三年起出任本公司執行董事，現任本集團高級副總裁及首席科技官，彼於一九七八年畢業於台灣中國文化大學印刷學系及於印刷行業擁有超過三十年經驗。

4. **Mr. Cheung Chi Shing, Charles**, aged 54, has been an Executive Director of the Company since 2000 and the Company Secretary since 1999. He is currently the Senior Vice President of the Group. Mr Cheung joined the Group in early 1997 and is responsible for the overall finance function of the Group. He has held various senior positions in finance, accounting and auditing fields for more than 24 years. Mr. Cheung graduated from The Hongkong Polytechnic University and is an Associate Member of the Hong Kong Institute of Certified Public Accountants and a Fellow Member of The Association of Chartered Certified Accountants.
5. **Mr. Lim Pheok Wan, Richard**, aged 44 was appointed as an Executive Director of the Company with effect from 28th September, 2007. He is currently the Senior Vice President (Marketing and Sales) of the Group. He joined the Group in 1994 and is responsible for the overall sales and marketing function. He has held various senior position within the Group, and before his current appointment was the General Manager for its Singapore and Suzhou subsidiaries. Mr Lim holds a Master of Science Degree in International Marketing from the University of Strathclyde, Glasgow, and has more than 21 years experience in the printing industry.
4. **張志成先生**，現年五十四歲，自二零零零年起出任本公司執行董事及於一九九九年起出任本公司公司秘書，他現為本集團高級副總裁。張先生於一九九七年加入本集團，並負責整體之財務工作。彼有超過二十四年時間於財務、會計及審計行業出任要職。張先生畢業於香港理工大學，為香港會計師公會會員及英國特許會計師公會資深會員。
5. **林必旺先生**，現年四十四歲，於二零零七年九月二十八日獲委任本公司執行董事，現為本集團之高級副總裁(營銷)，彼於一九九四年加入本集團，負責集團整體銷售與市場推廣工作。彼於出任現職前，曾出任本集團多個重要職務，包括新加坡及蘇州附屬公司之總經理，彼持有University of Strathclyde, Glasgow 國際市場學碩士學位及於印刷業擁有超過二十一年經驗。

Independent Non-Executive Directors

1. **Mr. Chan Yue Kwong, Michael**, aged 58, Independent Non-Executive Director, Chairman of the Remuneration Committee and a member of the Audit Committee of the Company. He has been an Independent Non-Executive Director of the Company since 1993. Mr. Chan is the Executive Chairman of the publicly-listed Café de Coral Holdings Limited in Hong Kong. He is also a Non-Executive Director of Tao Heung Holdings Limited, an Independent Non-Executive Director of Kingboard Laminates Holdings Limited and Pacific Textiles Holdings Limited, all of which are listed in Hong Kong. Mr. Chan has ceased to be a Non-Executive Director since October 2007 of the delisted Carats Limited (formerly known as Daka Designs Limited) in Singapore. He holds a double major degree in Sociology and Political Science, a Masters degree in City Planning from the University of Manitoba, an Honorary Doctorate Degree in Business Administration, and is bestowed as Honorary Fellow from Lingnan University. Mr. Chan serves on the executive committee of the Hong Kong Retail Management Association, the general committee of the Employers' Federation of Hong Kong, the council of the Hong Kong Management Association, an appointed member of the Quality Tourism Services Association, as well as being appointed by the HKSAR Government as member of the Hong Kong Tourism Board and member of the Provisional Minimum Wage Commission. Besides, he is also the Honorary Chairman of the Hong Kong Institute of Marketing and the Chairman of the Business Enterprise Management Centre of the Hong Kong Management Association. He has many years of professional experience in the public sector and over 25 years' managerial experience in the food and catering industry.
2. **Mr. Kwok Lam-Kwong, Larry**, *BBS, JP*, aged 54, Independent Non-Executive Director, member of the Remuneration Committee and Audit Committee of the Company. He was appointed as an Independent Non-Executive Director of the Company in July 2004. Mr. Kwok is a practising solicitor in Hong Kong, and is currently the Managing Partner, Mainland China and Hong Kong of Malleasons Stephen Jaques. He is qualified to practise as a solicitor in Australia, England and Wales and Singapore. He is also qualified as a CPA in Hong Kong and Australia and a Chartered Accountant in England and

獨立非執行董事

1. **陳裕光先生**，現年五十八歲，本公司之獨立非執行董事、薪酬委員會主席及審核委員會成員，他自一九九三年起出任本公司之獨立非執行董事。陳先生為香港上市之大家樂集團有限公司集團主席，亦為稻香控股有限公司之非執行董事，建滔積層板控股有限公司及互太紡織控股有限公司之獨立非執行董事(上述公司於香港上市)。由二零零七年十月起，陳先生已辭任已於新加坡交易所除牌之Carats Limited(前稱Daka Designs Limited)非執行董事。陳先生持有加拿大曼尼托巴大學社會及政治學學位及該大學城市規劃碩士學位，更獲頒授工商管理榮譽博士學位及榮膺嶺南大學之榮譽院士殊榮。陳先生現為香港零售管理協會執委會成員，香港僱主聯合會理事會成員，香港管理專業協會理事會委員，優質旅遊服務協會委任委員，並獲香港特別行政區政府委任為香港旅遊發展局成員及臨時最低工資委員會委員。他同時擔任香港市務學會榮譽主席及香港管理專業協會企業管理發展中心主席。陳先生擔任若干公職多年，獲得廣泛的專業經驗，並從事飲食業務的企業管理及領導工作，迄今超逾二十五年。
2. **郭琳廣**，*BBS*，*太平紳士*，現年五十四歲，本公司之獨立非執行董事、薪酬委員會及審核委員會成員，他於二零零四年七月獲委任為本公司之獨立非執行董事，郭先生為香港執業律師，現為萬盛國際律師事務所之大中華區首席合夥人。他同時亦具有澳大利亞、英格蘭和威爾斯及新加坡之執業律師資格。此外，他亦具有香港及澳大利亞之註冊會計師及英格蘭和威爾斯之特許會計師資格。他於澳大利亞悉尼大學畢業並分別取得經濟學及法學學士和法學碩士學位。郭先生現為多間香港上市

Wales. He graduated from the University of Sydney, Australia with bachelor's degrees in economics and laws respectively as well as a master's degree in laws. Mr. Kwok is currently an Independent Non-Executive Director of a number of publicly listed companies in Hong Kong, namely, Pacific Andes International Holdings Limited, Shenyin Wanguo (HK) Limited, Carry Wealth Holdings Limited, Cafe´ de Coral Holdings Limited as well as a Non-Executive Director of First Shanghai Investments Limited. He resigned as a Director of Western Mining Co. Ltd (a company listed in Shanghai) with effect from 30th March, 2009.

3. **Mr. Tam King Ching, Kenny**, aged 61, Independent Non-Executive Director, Chairman of the Audit Committee and a member of the Remuneration Committee of the Company. He was appointed as an Independent Non-Executive Director of the Company in July 2004. Mr. Tam graduated from Concordia University, Canada with a bachelor degree in commerce. He is a qualified accountant in Hong Kong and Canada. Mr. Tam is a practicing accountant in Hong Kong and is the owner of Kenny Tam & Co., Certified Public Accountants. He is also a registered Insolvency Practitioner of the Official Receiver's Office. Mr. Tam has substantial experience in the accounting and insolvency fields. He serves on a number of advisory committees in the Accountancy and Insolvency Profession and has been active in community work in Hong Kong for many years. Mr. Tam sits on the board as Independent Non-Executive Director of a number of publicly listed companies in Hong Kong, namely Shougang Concord Grand (Group) Limited, Kingmaker Footwear Holdings Limited, CCT Telecom Holdings Limited, Van Shung Chong Holdings Limited and North Asia Strategic Holdings Limited. He resigned as an Independent Non-Executive Director of King Stone Energy Group Limited (Formerly Yun Sky Chemical (International) Holdings Limited) with effect from 4th September, 2008.

公司之獨立非執行董事，包括太平洋恩利國際控股有限公司、申銀萬國(香港)有限公司、恒富控股有限公司、大家樂集團有限公司及第一上海投資有限公司之非執行董事。他於二零零九年三月三十日起辭任西部礦業股份有限公司(於上海上市)之董事職位。

3. **譚競正先生**，現年六十一歲，本公司之獨立非執行董事、審核委員會主席及薪酬委員會成員，他於二零零四年七月獲委任為本公司之獨立非執行董事，譚先生於加拿大康戈迪亞大學畢業，並持有商學士學位，他持有香港及加拿大之會計師資格。譚先生為香港執業會計師並為譚競正會計師事務所的東主，他亦是破產管理署註冊執業會計師。譚先生專長於會計及破產管理行業。他現任多個會計及清盤專業組織的諮詢委員會成員，他多年來熱心香港社會工作。譚先生為多間香港上市公司之獨立非執行董事，包括首長四方(集團)有限公司、信星鞋業集團有限公司、中建電訊集團有限公司、萬順昌集團有限公司及北亞策略控股有限公司。他於二零零八年九月四日起辭任金山能源集團有限公司(前稱南嶺化工(國際)控股有限公司)之獨立非執行董事。



羅兵咸永道會計師事務所

PricewaterhouseCoopers
22nd Floor, Prince's Building
Central, Hong Kong

**INDEPENDENT AUDITOR'S REPORT
TO THE SHAREHOLDERS OF
STARLITE HOLDINGS LIMITED**

(incorporated in Bermuda with limited liability)

We have audited the consolidated financial statements of Starlite Holdings Limited (the "Company") and its subsidiaries (together, the "Group") set out on pages 48 to 132, which comprise the consolidated and company statements of financial position as at 31st March, 2010, and the consolidated income statement, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory notes.

Directors' responsibility for the financial statements

The directors of the Company are responsible for the preparation and the true and fair presentation of these consolidated financial statements in accordance with Hong Kong Financial Reporting Standards issued by the Hong Kong Institute of Certified Public Accountants and the disclosure requirements of the Hong Kong Companies Ordinance. This responsibility includes designing, implementing and maintaining internal control relevant to the preparation and the true and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit and to report our opinion solely to you, as a body, in accordance with Section 90 of the Companies Act 1981 of Bermuda, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

**獨立核數師報告
致星光集團有限公司股東
(於百慕達註冊成立的有限公司)**

本核數師(以下簡稱「我們」)已審核列載於第48至132頁星光集團有限公司(「貴公司」)及其附屬公司(以下合稱「貴集團」)的綜合財務報表,此綜合財務報表包括於二零一零年三月三十一日的綜合及公司財務狀況表,及截至該日止年度的綜合收益表、綜合全面收益表、綜合股東權益變動表和綜合現金流量表,以及主要會計政策概要及其他附註解釋。

董事就財務報表須承擔的責任

貴公司董事須負責根據香港會計師公會頒佈的香港財務報告準則及按照香港《公司條例》的披露規定編製及真實而公平地列報該等綜合財務報表。這責任包括設計、實施及維護與編製及真實而公平地列報財務報表相關的內部控制,以使財務報表不存在由於欺詐或錯誤而導致的重大錯誤陳述;選擇和應用適當的會計政策;及按情況下作出合理的會計估計。

核數師的責任

我們的責任是根據我們的審核對該等綜合財務報表作出意見,並按照百慕達一九八一年《公司法》第90條僅向整體股東報告,除此之外本報告別無其他目的。我們不會就本報告的內容向任何其他人士負責或承擔任何責任。

We conducted our audit in accordance with Hong Kong Standards on Auditing issued by the Hong Kong Institute of Certified Public Accountants. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance as to whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and true and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements give a true and fair view of the state of affairs of the Company and of the Group as at 31st March, 2010 and of the Group's profit and cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards and have been properly prepared in accordance with the disclosure requirements of the Hong Kong Companies Ordinance.

PricewaterhouseCoopers
Certified Public Accountants

Hong Kong, 21st July, 2010

我們已根據香港會計師公會頒佈的香港審計準則進行審核。這些準則要求我們遵守道德規範，並規劃及執行審核，以合理確定此等財務報表是否不存有任何重大錯誤陳述。

審核涉及執行程序以獲取有關財務報表所載金額及披露資料的審核憑證。所選定的程序取決於核數師的判斷，包括評估由於欺詐或錯誤而導致財務報表存有重大錯誤陳述的風險。在評估該等風險時，核數師考慮與該公司編製及真實而公平地列報財務報表相關的內部控制，以設計適當的審核程序，但並非為對公司的內部控制的效能發表意見。審核亦包括評價董事所採用的會計政策的合適性及所作出的會計估計的合理性，以及評價財務報表的整體列報方式。

我們相信，我們所獲得的審核憑證是充足和適當地為我們的審核意見提供基礎。

意見

我們認為，該等綜合財務報表已根據香港財務報告準則真實而公平地反映貴公司及貴集團於二零一零年三月三十一日的事務狀況及貴集團截至該日止年度的溢利及現金流量，並已按照香港《公司條例》的披露規定妥為編製。

羅兵咸永道會計師事務所
執業會計師

香港，二零一零年七月二十一日

CONSOLIDATED INCOME STATEMENT

For the year ended 31st March, 2010

綜合收益表

截至二零一零年三月三十一日止年度

		Note 附註	2010 HK\$'000 千港元	2009 HK\$'000 千港元
Revenue	收入	5	1,182,639	1,303,404
Cost of sales	銷售成本	7	(955,219)	(1,011,864)
Gross profit	毛利		227,420	291,540
Other gains — net	其他收益 — 淨額	6	308	1,823
Selling and distribution costs	銷售及分銷費用	7	(59,637)	(63,060)
General and administrative expenses	一般及行政開支	7	(113,864)	(144,535)
Operating profit	經營溢利		54,227	85,768
Finance income	融資收入		295	686
Finance costs	融資成本		(7,563)	(17,743)
Finance costs — net	融資成本 — 淨額	8	(7,268)	(17,057)
Profit before income tax	除稅前溢利		46,959	68,711
Income tax expense	所得稅開支	11	(5,747)	(9,113)
Profit for the year attributable to the equity holders of the Company	年內本公司權益持有人應佔溢利	12	41,212	59,598
Earnings per share for profit attributable to the equity holders of the Company during the year (expressed in HK cents per share)	按年內本公司權益持有人應佔溢利計算之每股盈利 (每股以港仙呈列)	13		
— Basic	— 基本		7.92	11.92
— Diluted	— 攤薄		7.80	11.92
Dividends	股息	14	13,081	12,909

The notes on page 54 to 132 are an integral part of these consolidated financial statements.

於第54頁至132頁之附註為此等綜合財務報表的整體部份。

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31st March, 2010

綜合全面收益表

截至二零一零年三月三十一日止年度

49

		2010 HK\$'000 千港元	2009 HK\$'000 千港元
Profit for the year	年內溢利	41,212	59,598
Other comprehensive income:	其他全面收益		
Increase/(decrease) in fair value of available-for-sale financial assets	可供出售財務資產之 公平值增加／(減少)	315	(457)
Currency translation differences	滙兌差異	11,154	(7,250)
Other comprehensive income/(loss) for the year	年內其他全面收益／(虧損)	11,469	(7,707)
Total comprehensive income for the year attributable to equity holders of the Company	年內本公司權益持有人 應佔全面收益總額	52,681	51,891

The notes on page 54 to 132 are an integral part of these consolidated financial statements.

於第54頁至132頁之附註為此等綜合財務報表的整體部份。

STATEMENT OF FINANCIAL POSITION

As at 31st March, 2010

財務狀況表

於二零一零年三月三十一日

	Note 附註	Group 集團		Company 公司	
		2010 HK\$'000 千港元	2009 HK\$'000 千港元	2010 HK\$'000 千港元	2009 HK\$'000 千港元
ASSETS					
Non-current assets					
Leasehold land and land use rights	15	29,555	30,011	—	—
Property, plant and equipment	16	439,977	475,130	—	—
Prepayments for property, plant and equipment		14,703	2,345	—	—
Investments in and amounts due from subsidiaries	17	—	—	247,789	279,609
Available-for-sale financial assets	18	1,251	936	—	—
Deferred income tax assets	26	5,816	3,835	—	—
		491,302	512,257	247,789	279,609
Current assets					
Inventories	19	132,152	108,538	—	—
Trade and bill receivables	20	210,561	172,744	—	—
Prepayments and deposits	20	14,731	8,256	897	693
Tax recoverable		1,940	3,392	151	—
Derivative financial instruments	21	72	639	—	—
Bank balances and cash	22	184,976	113,694	1,204	112
		544,432	407,263	2,252	805
LIABILITIES					
Current liabilities					
Borrowings	23	153,357	139,251	—	—
Finance lease obligations, current portion	24	—	727	—	—
Trade and bill payables	25	180,678	102,283	—	—
Accruals and other payables		57,881	57,828	955	868
Amounts due to subsidiaries	17	—	—	56,639	79,882
Derivative financial instruments	21	3,502	3,930	—	—
Current income tax liabilities		27,404	27,367	—	—
		422,822	331,386	57,594	80,750
Net current assets/(liabilities)		121,610	75,877	(55,342)	(79,945)
Total assets less current liabilities		612,912	588,134	192,447	199,664

STATEMENT OF FINANCIAL POSITION

As at 31st March, 2010

財務狀況表

於二零一零年三月三十一日

51

		Note 附註	Group 集團		Company 公司	
			2010 HK\$'000 千港元	2009 HK\$'000 千港元	2010 HK\$'000 千港元	2009 HK\$'000 千港元
Non-current liabilities	非流動負債					
Borrowings	融資	23	55,996	72,754	—	—
Deferred income tax liabilities	遞延所得稅負債	26	12,148	13,495	—	—
			68,144	86,249	—	—
Net assets	資產淨值		544,768	501,885	192,447	199,664
EQUITY	股本權益					
Capital and reserves attributable to the equity holders of the Company	本公司權益持有人應佔股本及儲備					
Share capital	股本	27	52,398	51,636	52,398	51,636
Reserves	儲備	29	492,370	450,249	140,049	148,028
Shareholders' equity	股東權益		544,768	501,885	192,447	199,664

Lam Kwong Yu
林光如
Chairman
主席

Yeung Chui
楊翠
Vice Chairman
副主席

The notes on page 54 to 132 are an integral part of these consolidated financial statements.

於第54頁至132頁之附註為此等綜合財務報表的整體部份。

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 31st March, 2010

綜合股東權益變動表

截至二零一零年三月三十一日止年度

		Attributable to the equity holders of the Company 本公司權益持有人應佔		
		Share capital 股本	Reserves 儲備	Total 總計
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Balance at 1st April, 2008	於二零零八年四月一日結餘	43,029	390,130	433,159
Profit for the year	年內溢利	—	59,598	59,598
Other comprehensive income	其他全面收益			
— Decrease in fair value of available-for-sale financial assets	— 可供出售財務資產之公平值減少	—	(457)	(457)
— Currency translation differences	— 滙兌差異	—	(7,250)	(7,250)
Total comprehensive income for the year	年內全面收益總額	—	51,891	51,891
Issue of shares under open offer	公開發售發行股份	8,607	20,220	28,827
Employee share options scheme	僱員購股權計劃			
— Share based payments	— 股份支付酬金	—	917	917
Dividends paid	已付股息	—	(12,909)	(12,909)
		8,607	60,119	68,726
Balance at 31st March, 2009	於二零零九年三月三十一日結餘	51,636	450,249	501,885
Balance at 1st April, 2009	於二零零九年四月一日結餘	51,636	450,249	501,885
Profit for the year	年內溢利	—	41,212	41,212
Other comprehensive income	其他全面收益			
— Increase in fair value of available-for-sale financial assets	— 可供出售財務資產之公平值增加	—	315	315
— Currency translation differences	— 滙兌差異	—	11,154	11,154
Total comprehensive income for the year	年內全面收益總額	—	52,681	52,681
Employee share options scheme	僱員購股權計劃			
— Issue of shares upon exercise of employee share options	— 行使僱員購股權而發行的股份	762	2,235	2,997
— Share based payments	— 股份支付酬金	—	171	171
Dividends paid	已付股息	—	(12,966)	(12,966)
		762	42,121	42,883
Balance at 31st March, 2010	於二零一零年三月三十一日結餘	52,398	492,370	544,768

The notes on page 54 to 132 are an integral part of these consolidated financial statements.

於第54頁至132頁之附註為此等綜合財務報表的整體部份。

CONSOLIDATED CASH FLOW STATEMENT 綜合現金流量表

For the year ended 31st March, 2010

截至二零一零年三月三十一日止年度

	Note	2010 HK\$'000 千港元	2009 HK\$'000 千港元
	附註		
Cash flows from operating activities			
Cash inflow generated from operations	30(a)	132,311	167,638
Interest paid		(7,991)	(13,813)
Hong Kong profits tax paid		(9,875)	(9,455)
Overseas income tax paid		(2,185)	(6,093)
Overseas income tax refunded		—	988
Hong Kong profits tax refunded		4,305	—
Net cash generated from operating activities		116,565	139,265
Cash flows from investing activities			
Purchase of property, plant and equipment		(25,976)	(64,949)
Proceeds from disposal of property, plant and equipment	30(b)	234	150
Prepayments for property, plant and equipment		(12,358)	(2,345)
Interest received		295	686
Decrease in short-term bank deposits with maturity over 3 months		4,673	6,604
Net cash used in investing activities		(33,132)	(59,854)
Cash flows from financing activities			
Proceeds from exercise of employee share options		2,997	—
Proceeds from issuance of shares under open offer		—	28,827
New long-term bank loans		32,000	42,900
Repayment of long-term bank loans		(75,064)	(80,745)
New short-term bank loans		221,163	312,435
Repayment of short-term bank loans		(176,866)	(370,081)
Repayment of capital element of finance lease obligations		(775)	(2,524)
Dividends paid		(12,966)	(12,909)
Net cash used in financing activities		(9,511)	(82,097)
Net increase/(decrease) in cash and cash equivalents		73,922	(2,686)
Cash and cash equivalents on 1st April		80,333	87,123
Exchange gains/(losses) on cash and bank overdrafts		6,288	(4,104)
Cash and cash equivalents on 31st March	22	160,543	80,333

The notes on page 54 to 132 are an integral part of these consolidated financial statements.

於第54頁至132頁之附註為此等綜合財務報表的整體部份。

1 General information

Starlite Holdings Limited (the “Company”) is an investment holding company. Its subsidiaries are principally engaged in the printing and manufacturing of packaging materials, labels, and paper products, including environmental friendly paper products.

The Company was incorporated in Bermuda on 3rd November, 1992, as an exempted company with limited liability under the Companies Act 1981 of Bermuda. The address of its registered office is Canon’s Court, 22 Victoria Street, Hamilton HM 12, Bermuda. The Company’s shares have been listed on The Stock Exchange of Hong Kong Limited since 1993.

The Company’s directors regard Best Grade Advisory Limited, a company incorporated in the British Virgin Islands, as the ultimate holding company.

These consolidated financial statements are presented in Hong Kong dollars, unless otherwise stated. These consolidated financial statements have been approved for issue by the Board of Directors on 21st July, 2010.

2 Summary of significant accounting policies

The principal accounting policies applied in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

2.1 Basis of preparation

The consolidated financial statements of the Group have been prepared in accordance with Hong Kong Financial Reporting Standards (“HKFRS”). They have been prepared under the historical cost convention, as modified by the revaluation of available-for-sale financial assets and financial assets and financial liabilities (including derivative financial instruments) at fair value through profit or loss.

1 一般資料

星光集團有限公司(「本公司」)乃投資控股公司。其附屬公司的主要業務為印刷及製造包裝材料、標籤、及紙類製品，包括環保紙類產品。

本公司於一九九二年十一月三日根據百慕達公司條例(1981)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 HM 12, Bermuda。自一九九三年起本公司股份於香港聯合交易所有限公司主板上市。

本公司董事會視Best Grade Advisory Limited (該公司於英屬維爾京群島註冊成立)為本公司之最終控股公司。

除另有指明外，此等綜合財務報表以港元呈列。於二零一零年七月二十一日本公司之董事局已批准刊發此等綜合財務報表。

2 重要會計政策概要

編撰此等綜合財務報表所應用的主要會計政策載列如下。除另有指明外，此等政策已於呈列之所有年度貫徹應用。

2.1 編製基準

本集團此等綜合財務報表乃根據香港財務報告準則(「香港財務報告準則」)編製，綜合財務報表按照歷史成本法編製，並就可供出售財務資產，按公平值透過損益記賬的財務資產與財務負債(包括衍生工具)之重估而作出修訂。

2 Summary of significant accounting policies (Continued)

2.1 Basis of preparation (Continued)

The preparation of financial statements in conformity with HKFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in note 4.

The following revised standards, new interpretations, and amendments to standards and interpretations are mandatory for the year ended 31st March, 2010. The Group has adopted these revised standards, new interpretations, and amendments to standards and interpretations where considered appropriate and relevant to its operations. The adoption was not resulted in substantial changes to the Group's accounting policies or financial results.

- HKFRS 1 (Amendment), "First-time adoption of Hong Kong Financial Reporting Standards"
- HKFRS 2 (Amendment), "Share-based payment — vesting conditions and cancellation"
- HKFRS 7 (Amendment), "Financial instruments: Disclosures"
- HKFRS 8 (Amendment), "Operating segments"
- HKAS 1 (Revised), "Presentation of financial statements"
- HKAS 23 (Revised), "Borrowing costs"
- HKAS 32 (Amendment), "Financial instruments: Presentation"

2 重要會計政策概要(續)

2.1 編製基準(續)

遵照香港財務報告準則編製財務報表須採用若干主要會計估計，管理層於採用本集團會計政策時，亦須作出判斷。財務報表涉及高度判斷或複雜性，或對綜合財務報表重要的假設及估計在附註4披露。

下列經修訂準則，新詮釋，及準則及詮釋的修訂本於截至二零一零年三月三十一日止年度強制生效。本集團已採納此等對營運合適及相關之修訂準則，新詮釋，及準則及詮釋的修訂本。採納不會導致本集團會計政策或財務業績出現重大變化。

- 香港財務報告準則第1號(修訂本)，「首次採納香港財務報告準則」
- 香港財務報告準則第2號(修訂本)，「股權支付—歸屬條件及註銷」
- 香港財務報告準則第7號(修訂本)，「金融工具：披露」
- 香港財務報告準則第8號(修訂本)，「經營分部」
- 香港會計準則第1號(經修訂)，「財務報表的呈報」
- 香港會計準則第23號(經修訂)，「借貸成本」
- 香港會計準則第32號(修訂本)，「金融工具：呈列」

2 Summary of significant accounting policies (Continued)

2.1 Basis of preparation (Continued)

- HKAS 39 (Amendment), “Financial instruments: Recognition and measurement, amendment on embedded derivatives”
- HK(IFRIC) — Int 2 (Amendment), “Members’ shares in co-operative entities and similar instruments”
- HK(IFRIC) — Int 9 (Amendment), “Reassessment of embedded derivatives”
- HK(IFRIC) — Int 13, “Customer loyalty programmes”
- HK(IFRIC) — Int 15, “Agreements for the construction of real estate”
- HK(IFRIC) — Int 16, “Hedges of a net investment in a foreign operation”
- HK(IFRIC) — Int 18, “Transfers of assets from customers”

The adoption of HKAS 1 (Revised), “Presentation of financial statements” requires “non-owner changes in equity” to be presented separately from “owner changes in equity”. Management has decided to present two statements, a consolidated income statement and a consolidated statement of comprehensive income.

HKFRS 7 (Amendment), “Financial instruments — Disclosures”, requires enhanced disclosures about fair value measurement and liquidity risk. In particular, the amendment requires disclosure of fair value measurements by level of a fair value measurement hierarchy. HKFRS 7 (Amendment) only results in additional disclosures; there is no impact on the reported results and financial position of the Group.

2 重要會計政策概要(續)

2.1 編製基準(續)

- 香港會計準則第39號(修訂本)·「金融工具：確認及計量·嵌入式衍生工具的修訂」
- 香港(國際財務報告詮釋委員會) — 詮釋第2號(修訂本)·「股東於合作實體之股份及相類工具」
- 香港(國際財務報告詮釋委員會) — 詮釋第9號(修訂本)·「重新評估嵌入式衍生工具」
- 香港(國際財務報告詮釋委員會) — 詮釋第13號「客戶忠誠度計劃」
- 香港(國際財務報告詮釋委員會) — 詮釋第15號「房地產建築協議」
- 香港(國際財務報告詮釋委員會) — 詮釋第16號「海外業務投資的對沖」
- 香港(國際財務報告詮釋委員會) — 詮釋第18號「自客戶轉讓資產」

採納香港會計準則第1號(經修訂)「財務報表的呈報」，規定「非擁有人之權益變動」必須與「擁有人之權益變動」分開呈列。管理層已選擇以兩份報表(即綜合收益表及綜合全面收益表)呈報。

香港財務報告準則第7號(修訂本) — 「金融工具：披露」。要求提高有關公平值計量和流動性風險的披露。此修訂特別要求按公平值的計量架構披露公平值計量。香港財務報告準則第7號(修訂本)只導致額外披露，故此對本集團的業績及財務狀況並無影響。

2 Summary of significant accounting policies (Continued)

2.1 Basis of preparation (Continued)

HKFRS 8, "Operating segments", which replaces HKAS 14, "Segment reporting", requires a 'management approach' under which segment information is presented on the same basis as that used for internal reporting purposes. HKFRS 8 has not affected the Group's reportable segments.

The following standards, revised standards, new interpretations, and amendments to standards and interpretation have been issued but are not mandatory for the year ended 31st March, 2010 and have not been early adopted:

- HKFRS 1 (Revised), "First-time adoption of Hong Kong Financial Reporting Standards", effective for annual periods beginning on or after 1st July, 2009
- HKFRS 2 (Amendment), "Share-based payment", effective for annual periods beginning on or after 1st July, 2009
- HKFRS 3 (Revised), "Business combinations", effective for annual periods beginning on or after 1st July, 2009
- HKFRS 8 (Amendment), "Operating segments", effective for annual periods beginning on or after 1st January, 2010
- HKFRS 9, "Financial instruments", effective for annual periods beginning on or after 1st January, 2013
- HKAS 1 (Amendment), "Presentation of financial statements", effective for annual periods beginning on or after 1st January, 2010
- HKAS 7 (Amendment), "Cash flow statements", effective for annual periods beginning on or after 1st January, 2010

2 重要會計政策概要(續)

2.1 編製基準(續)

香港財務報告準則第8號「經營分部」。其取代了香港會計準則第14號「分部報告」。此項新準則要求採用「管理層方法」，即分部資料須按照與內部報告所採用的相同基準列報。香港財務報告準則第8號並不影響本集團的分部呈報。

下列準則、經修訂準則、新詮釋，及準則及詮釋的修訂本於二零一零年三月三十一日止年度已頒佈但仍未強制生效，及並無提早採納：

- 香港財務報告準則第1號(經修訂)，「首次採納香港財務報告準則」，於二零零九年七月一日或以後開始的年度期間生效
- 香港財務報告準則第2號(修訂本)，「股權支付」，於二零零九年七月一日或以後開始的年度期間生效
- 香港財務報告準則第3號(經修訂)，「業務合併」，於二零零九年七月一日或以後開始的年度期間生效
- 香港財務報告準則第8號(修訂本)，「經營分部」，於二零一零年一月一日或以後開始的年度期間生效
- 香港財務報告準則第9號，「金融工具」，於二零一三年一月一日或以後開始的年度期間生效
- 香港會計準則第1號(修訂本)，「財務報表的呈列」，於二零一零年一月一日或以後開始的年度期間生效
- 香港會計準則第7號(修訂本)，「現金流量表」，於二零一零年一月一日或以後開始的年度期間生效

2 Summary of significant accounting policies (Continued)

2.1 Basis of preparation (Continued)

- HKAS 17 (Amendment), "Leases", effective for annual periods beginning on or after 1st January, 2010
- HKAS 18 (Amendment), "Revenue", effective for annual periods beginning on or after 1st January, 2010
- HKAS 24 (Revised), "Related party disclosures", effective for annual periods beginning on or after 1st January, 2011
- HKAS 27 (Revised), "Consolidated and separate financial statements", effective for annual periods beginning on or after 1st July, 2009
- HKAS 36 (Amendment), "Impairment of assets", effective for annual periods beginning on or after 1st January, 2010
- HKAS 38 (Amendment), "Intangible assets", effective for annual periods beginning on or after 1st July, 2010
- HKAS 39 (Amendment), "Financial instruments: Recognition and measurement, amendment on eligible hedged items", effective for annual periods beginning on or after 1st July, 2009
- HK(IFRIC) — Int 14 (Amendment), "The limit on a defined benefit asset, minimum funding requirements and their interaction", effective for annual periods beginning on or after 1st January, 2011
- HK(IFRIC) — Int 16, "Hedges of a net investment in a foreign operation", effective for annual periods beginning on or after 1st July, 2009

2 重要會計政策概要(續)

2.1 編製基準(續)

- 香港會計準則第17號(修訂本)·「租賃」·於二零一零年一月一日或以後開始的年度期間生效
- 香港會計準則第18號(修訂本)·「收入」·於二零一零年一月一日或以後開始的年度期間生效
- 香港會計準則第24號(經修訂)·「關連方披露」·於二零一一年一月一日或以後開始的年度期間生效
- 香港會計準則第27號(經修訂)·「綜合及獨立財務報表」·於二零零九年七月一日或以後開始的年度期間生效
- 香港會計準則第36號(修訂本)·「資產減值」·於二零一零年一月一日或以後開始的年度期間生效
- 香港會計準則第38號(修訂本)·「無形資產」·於二零一零年七月一日或以後開始的年度期間生效
- 香港會計準則第39號(修訂本)·「金融工具：確認及計量·對合資格對沖項目作出修訂」·於二零零九年七月一日或以後開始的年度期間生效
- 香港(國際財務報告詮釋委員會) — 詮釋第14號(修訂本)·「界定福利資產限額·最低資金要求及兩者相互關係」·於二零一一年一月一日或以後開始的年度期間生效
- 香港(國際財務報告詮釋委員會) — 詮釋第16號·「海外業務投資淨額對沖」·於二零零九年七月一日或以後開始的年度期間生效

2 Summary of significant accounting policies (Continued)

2.1 Basis of preparation (Continued)

- HK(IFRIC) — Int 17, “Distributions of non-cash assets to owners”, effective for annual periods beginning on or after 1st July, 2009
- HK(IFRIC) — Int 18, “Transfers of assets from customers”, effective for annual periods beginning on or after 1st July, 2009
- HK(IFRIC) — Int 19, “Extinguishing financial liabilities with equity instruments”, effective for annual periods beginning on or after 1st July, 2010

The Group is currently assessing the impact of the adoption of the new standard, other revised standards, new interpretations, and amendments to standards and interpretation above to the Group in future periods. The effect of the adoption of HKFRS 3 (Revised) and HKAS 27 (Revised) to the results and financial position of the Group when they become effective will depend on the incidence and timing of any business combinations occurring on or after 1st April, 2010.

In addition, the Group is in the process of making an assessment of the impact of adoption of the Improvements to HKFRSs, published in October 2008 (effective for annual periods beginning on or after 1st July, 2009) and Improvements to HKFRSs 2009, published in May 2009 (effective for annual periods beginning on or after 1st July, 2009, or on or after 1st January, 2010). So far, it has concluded none have a material impact on the Group's financial statements.

2.2 Consolidation

The consolidated financial statements include the financial statements of the Company and all of its subsidiaries made up to 31st March.

2 重要會計政策概要(續)

2.1 編製基準(續)

- 香港(國際財務報告詮釋委員會) — 詮釋第17號,「向擁有人分派非現金資產」,於二零零九年七月一日或以後開始的年度期間生效
- 香港(國際財務報告詮釋委員會) — 詮釋第18號,「自客戶轉讓資產」,於二零零九年七月一日或以後開始的年度期間生效
- 香港(國際財務報告詮釋委員會) — 詮釋第19號,「以權益工具清償金融負債」,於二零一零年七月一日或以後開始的年度期間生效

本集團現正評估採納上述新準則、其他經修訂準則、新詮釋,及準則及詮釋的修訂本於將來期間對本集團的影響。採納當生效之後的香港財務報告準則第3號(經修訂)及香港會計準則第27號(經修訂)對本集團的業績及財務狀況的影響,取決於二零一零年四月一日或以後發生的業務合併的發生率及時間。

此外,本集團正在評估採納於二零零八年十月頒佈的香港財務報告準則改進項目(於二零零九年七月一日或以後開始的年度期間生效),及於二零零九年五月頒佈的二零零九年香港財務報告準則改進項目(於二零零九年七月一日或二零一零年一月一日或以後開始的年度期間生效)。到目前為止,以上修訂均對本集團的財務報表並無構成重大影響。

2.2 綜合賬目

本綜合財務報表包括本公司及其所有附屬公司截至三月三十一日止之財務報表。

2 Summary of significant accounting policies (Continued)

2.2 Consolidation (Continued)

Subsidiaries are all entities over which the Group has the power to govern the financial and operating policies generally accompanying a shareholding of more than one half of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group controls another entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date that control ceases.

The purchase method of accounting is used to account for the acquisition of subsidiaries by the Group. The cost of an acquisition is measured as the fair value of the assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the acquisition. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date, irrespective of the extent of any minority interest. The excess of the cost of acquisition over the fair value of the Group's share of the identifiable net assets acquired is recorded as goodwill. If the cost of acquisition is less than the fair value of the net assets of the subsidiary acquired, the difference is recognised directly in the consolidated income statement.

Inter-company transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the Group provides evidence of impairment. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

In the Company's statement of financial position, the investments in subsidiaries are stated at cost less provision for impairment losses (note 2.7). The results of subsidiaries are accounted for by the Company on the basis of dividend received and receivable.

2 重要會計政策概要(續)

2.2 綜合賬目(續)

附屬公司指本集團有權管控其財政及營運政策而控制的所有實體，一般附帶超過半數投票權之股權。在評定本集團是否控制另一實體時，目前可行使或可兌換的潛在投票權的存在及影響均予考慮。在附屬公司在控制權轉移至本集團之日全面綜合入賬。附屬公司在控制權終止之日起，停止綜合入賬。

收購法乃用作本集團收購附屬公司的入賬方法。收購的成本根據於交易日期所給予資產、所發行的股本工具及所產生或承擔的負債的公平值計算，另加該收購直接應佔的成本。在企業合併中所收購可識別的資產以及所承擔的負債及或然負債，首先以彼等於收購日期的公平值計量，而不論任何少數股東權益的數額。收購成本超過本集團應佔所收購可識別資產淨值公平值的數額記錄為商譽。若收購成本低於所購入附屬公司資產淨值的公平值，該差額直接在綜合收益表確認。

集團公司之間的交易、結餘及未實現收益予以對銷。除非本集團能提供減值證明，未實現虧損亦予以對銷。附屬公司的會計政策已按需要於綜合財務報表作出改變，以確保與本集團採用的政策符合一致。

在本公司之財務狀況表內，於附屬公司之投資按成本值扣除減值虧損準備入賬，如有(附註2.7)。附屬公司之業績由本公司按已收及應收股息入賬。

2 Summary of significant accounting policies (Continued)

2.3 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Chairman/Chief Executive Officer that makes strategic decisions.

2.4 Foreign currency translation

(a) Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). The consolidated financial statements are presented in Hong Kong dollars ("HK\$"), which is the Company's functional and the Group's presentation currency.

(b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are re-measured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the consolidated income statement.

All foreign exchange gains and losses are presented in the consolidated income statement within 'other gains — net'.

2 重要會計政策概要(續)

2.3 分部報告

經營分部乃按與主要營運決策者提供之內部報告一致之方式予以呈報。主要營運決策者負責分配資源及評估經營分部之表現，主席／行政總裁被視為主要營運決策者，負責制定策略決定。

2.4 外幣換算

(a) 功能貨幣和呈列貨幣

本集團每個實體的財務報表所列項目均以該實體營運所在的主要經濟環境之貨幣計量(「功能貨幣」)。綜合財務報表以港元(「港元」)呈報，港元為本公司的功能貨幣及本集團的呈列貨幣。

(b) 交易及結餘

外幣交易採用交易日或項目價值重估日之匯率換算為功能貨幣。結算此等交易產生之匯兌盈虧以及將外幣計值之貨幣資產和負債以年終匯率換算產生之匯兌盈虧計入綜合收益表。

所有外幣匯兌盈虧於綜合收益表中的「其他收益 — 淨額」中呈列。

2 Summary of significant accounting policies (Continued)

2.4 Foreign currency translation (Continued)

(c) Group companies

The results and financial position of all the group entities (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- (i) assets and liabilities for each statement of financial position presented are translated at the closing rate at the date of that statement of financial position;
- (ii) income and expenses for each consolidated income statement are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions); and
- (iii) all resulting exchange differences are recognised as a separate component of equity.

On consolidation, exchange differences arising from the translation of the net investment in foreign operations are taken to shareholders' equity. When a foreign operation is partially disposed of or sold, exchange differences that were recorded in equity are recognised in the consolidated income statement as part of the gain or loss on sale.

2 重要會計政策概要(續)

2.4 外幣換算(續)

(c) 集團公司

所有功能貨幣與呈列貨幣不同之本集團實體(當中沒有嚴重通貨膨脹貨幣)之業績及財務狀況均按以下方法換算為呈列貨幣：

- (i) 各財務狀況表呈列之資產及負債項目均以該財務狀況表結算日之收市匯率折算；
- (ii) 各綜合收益表所呈報之收入及開支項目均按平均匯率換算(除非該平均值並不反映於交易日通行匯率累計影響之合理近似值，在此情況下收入及開支乃按交易日之匯率換算)；及
- (iii) 所有由此產生之匯兌差額均確認為股本內之獨立項目。

綜合賬目上，換算境外業務之投資淨額所產生之匯兌差額乃計入股東權益內。於出售部份境外業務時，計入權益內之匯兌差額於綜合收益表中計入出售收益或虧損的一部份。

2 Summary of significant accounting policies (Continued)

2.5 Leasehold land and land use rights

The up-front prepayments made for leasehold land and land use rights are accounted for as operating leases. They are expensed in the income statement on a straight-line basis over the periods of the lease, or when there is impairment, the impairment is expensed in the consolidated income statement.

2.6 Property, plant and equipment

Property, plant and equipment other than construction in progress are stated at historical cost less accumulated depreciation and accumulated impairment losses, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in an asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged in the consolidated income statement during the period in which they are incurred.

Depreciation of property, plant and equipment is calculated using the straight-line method to allocate their costs less their residual values over their estimated useful lives, as follows:

— Buildings	25 to 50 years
— Plant and machinery	5 to 10 years
— Furniture and equipment	5 to 10 years
— Motor vehicles	5 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each end of reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if its carrying amount is greater than its estimated recoverable amount (note 2.7).

2 重要會計政策概要(續)

2.5 租賃土地及土地使用權

就租賃土地及土地使用權預先支付的款項按營運租賃列賬，並以直線法於租賃期間分期在收益表列作開支，或倘出現減值，則減值亦於綜合收益表列作開支。

2.6 物業、廠房及設備

除在建工程外，物業、廠房及設備均以歷史成本減累計折舊及累計減值虧損(如有)列賬。歷史成本包括因收購該項目而直接產生之支出。

其後成本只有在與該項目有關的未來經濟利益有可能流入本集團，而該項目的成本能可靠計量時，才列入資產的賬面值或確認為獨立資產(如適用)。取代部分之賬面值將剔除入賬。所有其他維修及保養在產生的期間內於綜合收益表支銷。

物業、廠房及設備之折舊是以直線法將其成本減其剩餘價值於其估計可用年期內分配，折舊率如下：

— 樓宇	25至50年
— 機器	5至10年
— 傢具及設備	5至10年
— 汽車	5年

資產的剩餘價值及可使用年期於各報告結束日檢討，並作出適當調整。

若資產的賬面值高於其估計可收回價值，則其賬面值即時撇減至可收回價值(附註2.7)。

2 Summary of significant accounting policies (Continued)

2.6 Property, plant and equipment (Continued)

Construction in progress comprises buildings on which construction work has not been completed and plant and machinery on which installation work has not been completed. It is carried at cost which includes construction and installation expenditures and other direct costs less any impairment losses. On completion, construction in progress is transferred to the appropriate categories of property, plant and equipment at cost less accumulated impairment losses. No depreciation is provided for construction in progress until it is completed and available for use.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amounts and are recognised in the consolidated income statement.

2.7 Impairment of investments in subsidiaries and non-financial assets

Assets that have an indefinite useful life or have not yet been made available for use are not subject to amortisation and are tested annually for impairment. Assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). Non-financial assets other than goodwill that suffer an impairment are reviewed for possible reversal of the impairment at each reporting date.

2 重要會計政策概要(續)

2.6 物業、廠房及設備(續)

在建工程指建築工程尚未完成的樓宇及仍未完成安裝的機器，並按成本入賬，成本包括於建築及安裝及其他直接成本減減值虧損。當在建工程完成時，會將成本減累計減值虧損轉撥至適當物業、廠房及設備的項目中。在建工程項目直至有關資產完成及可作擬定用途前不作折舊撥備。

出售收益及虧損透過比較賬面值及所得款項釐定，並於綜合收益表內確認。

2.7 於附屬公司投資及非財務資產之減值

無特定使用期限或尚未可供使用的資產毋須作攤銷處理，但此等資產每年均須要作至少一次減值評估。資產如有任何跡象或環境變化顯示出現賬面值無法收回時，本集團將評估該資產的減值情況。減值虧損確認為資產賬面值超越其可收回價值的數額。可收回價值為資產公平值減出售成本後的價值，與其使用價值之間的較高者。為評估資產減值，資產按可獨立地區分其現金流量(現金產生單位)的最小單位劃分。於每個報告日期，均會對曾出現減值之非財務資產(商譽除外)作出評估，以確定是否可能作出減值撥回。

2 Summary of significant accounting policies (Continued)

2.7 Impairment of investments in subsidiaries and non-financial assets (Continued)

Impairment testing of the investments in subsidiaries is required upon receiving dividends from these investments if the dividend exceeds the total comprehensive income of the subsidiary in the period the dividend is declared or if the carrying amount of the investment in the separate financial statements exceeds the carrying amount in the consolidated financial statements of the investee's net assets including goodwill.

2.8 Financial assets

The Group classifies its financial assets in the following categories: at fair value through profit or loss, loans and receivables and available-for-sale. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition.

(a) *Financial assets at fair value through profit or loss*

Financial assets at fair value through profit or loss are financial assets held for trading. A financial asset is classified in this category if acquired principally for the purpose of selling in the short term. Derivatives are also categorised as held for trading unless they are designated as hedges. Assets in this category are classified as current assets.

(b) *Loans and receivables*

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for maturities greater than 12 months after the end of the reporting period. These are classified as non-current assets. The Group's loans and receivables comprise trade and bill receivables and bank balances and cash in the statement of financial position.

2 重要會計政策概要(續)

2.7 於附屬公司投資及非財務資產之減值(續)

倘投資附屬公司收取之股息超過附屬公司於股息宣派期間之全面收益總額或於獨立財務報表中之投資賬面值超過被投資對象資產淨值(包括商譽)於綜合財務報表中之賬面值,則要求對該等投資進行減值測試。

2.8 財務資產

本集團將其財務資產歸類為以下類別:按公平值透過損益記賬、貸款及應收款項以及可供出售。有關分類乃取決於所購入財務資產之用途。管理層於初步確認時決定其財務資產之類別。

(a) *按公平值透過損益記賬的財務資產*

按公平值透過損益記賬的財務資產指持有作買賣用途的財務資產。財務資產若在購入時主要用作在短期內出售,則分類為此類別。衍生工具除非被指定為對沖,否則亦分類為持作買賣用途。在此類別的資產分類為流動資產。

(b) *貸款及應收款項*

貸款及應收款項指於活躍市場上並無報價而款項已定或待之非衍生財務資產。該等款項計入流動資產,惟不包括到期日為結算日起計12個月以後者。該等款項會列作非流動資產。本集團之貸款及應收款項包括財務狀況表內之貿易應收賬款及票據及銀行結存及現金。

2 Summary of significant accounting policies (Continued)

2.8 Financial assets (Continued)

(c) Available-for-sale financial assets

Available-for-sale financial assets are non-derivatives that are either designated in this category or not classified in any of the other categories. They are included in non-current assets unless the investment matures or management intends to dispose of it within 12 months of the end of the reporting period.

Regular purchases and sales of financial assets are recognised on trade-date — the date on which the Group commits to purchase or sell the asset. Investments are initially recognised at fair value plus transaction costs for all financial assets not carried at fair value through profit or loss. Financial assets carried at fair value through profit or loss are initially recognised at fair value, and transaction costs are expensed in the consolidated income statement. Financial assets are derecognised when the rights to receive cash flows from the investments have expired or have been transferred and the Group has transferred substantially all risks and rewards of ownership. Available-for-sale financial assets and financial assets at fair value through profit or loss are subsequently carried at fair value. Loans and receivables are subsequently carried at amortised cost using the effective interest method.

Changes in the fair value of non-monetary securities classified as available-for-sale financial assets are recognised in other comprehensive income.

When securities classified as available-for-sale are sold or impaired, the accumulated fair value adjustments recognised in equity are included in the consolidated income statement. Interest on available-for-sale securities calculated using the effective interest method is recognised in the consolidated income statement. Dividends on available-for-sale equity instruments are recognised in the consolidated income statement when the Group's right to receive payments is established.

2 重要會計政策概要(續)

2.8 財務資產(續)

(c) 可供出售財務資產

可供出售財務資產為被指定作此類別或並無分類為任何其他類別之非衍生工具。除非管理層有意在結算日後十二個月內出售該項投資，否則此等資產列在非流動資產內。

定期購入及出售的財務資產在交易日確認 — 交易日指本集團承諾購入或出售該資產之日。對於並非按公平值透過損益記賬的所有財務資產，其投資初步按公平值加交易成本確認。按公平值透過損益記賬的財務資產，初步按公平值確認，而交易成本則在綜合收益表支銷。當從投資收取現金流量的權利經已到期或經已轉讓，而本集團已將擁有權的所有風險和回報實際轉讓時，財務資產即終止確認。可供出售財務資產及按公平值透過損益記賬的財務資產其後按公平值列賬。貸款及應收款項利用實際利息法按攤銷成本列賬。

分類為可供出售之非貨幣證券之公平值變動在其他全面收益中確認。

當分類為可供出售之證券售出或減值時，在權益確認的累計公平值調整列入綜合收益表內。可供出售證券利用實際利息法計算的利息在綜合收益表內確認。至於可供出售權益工具的股息，當本集團收取有關款項的權利確定時，會在綜合收益表內確認。

2 Summary of significant accounting policies (Continued)

2.9 Impairment of financial assets

(a) *Assets carried at amortised cost*

The Group assesses at the end of each reporting period whether there is objective evidence that a financial asset or group of financial assets is impaired. A financial asset or a group of financial assets is impaired and impairment losses are incurred only if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a 'loss event') and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated.

The criteria that the Group uses to determine that there is objective evidence of an impairment loss include:

- Significant financial difficulty of the issuer or obligor;
- A breach of contract, such as a default or delinquency in interest or principal payments;
- The Group, for economic or legal reasons relating to the borrower's financial difficulty, granting to the borrower a concession that the lender would not otherwise consider;
- It becomes probable that the borrower will enter bankruptcy or other financial reorganisation;
- The disappearance of an active market for that financial asset because of financial difficulties; or

2 重要會計政策概要(續)

2.9 財務資產減值

(a) *以攤銷後成本列賬的資產*

本集團於每個報告結束日評估是否存在客觀證據證明某財務資產或某財務資產組別已經存在減值。只有當存在客觀證據證明於首次確認資產後發生一宗或多宗事件導致出現減值(「損失事項」)，而該宗(或該等)損失事項對該項或該組別金融資產的估計未來現金流量構成的影響可以合理估計的情況下，有關的財務資產或財務資產組別才被視為出現減值及產生減值虧損。

本集團用於釐定是否存在減值虧損客觀證據的標準如下：

- 發行人或欠債人遇上嚴重財政困難；
- 違反合約，例如逾期或拖欠償還利息或本金；
- 本集團基於與借款人的財政困難有關的經濟或法律原因，向借款人提供一般放款人不會考慮的特惠條件；
- 借款人有可能破產或進行其他財務重組；
- 因為財政困難而使該金融資產的活躍市場不再存在；或

2 Summary of significant accounting policies (Continued)

2.9 Impairment of financial assets (Continued)

(a) Assets carried at amortised cost (Continued)

- Observable data indicating that there is a measurable decrease in the estimated future cash flows from a portfolio of financial assets since the initial recognition of those assets, although the decrease cannot yet be identified with the individual financial assets in the portfolio, including:
 - (i) adverse changes in the payment status of borrowers in the portfolio;
 - (ii) national or local economic conditions that correlate with defaults on the assets in the portfolio.

The Group first assesses whether objective evidence of impairment exists.

The amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate. The asset's carrying amount is reduced and the amount of the loss is recognised in the consolidated income statement. If a loan has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract. As a practical expedient, the Group may measure impairment on the basis of an instrument's fair value using an observable market price.

2 重要會計政策概要(續)

2.9 財務資產減值(續)

(a) 以攤銷後成本列賬的資產(續)

- 可察覺的資料顯示自從初始確認後，某組別金融資產的估計未來現金流量有可計量的減少，即使該減少尚未能確定為在該組別的個別金融資產內，有關資料包括：
 - (i) 該組別的借款人的還款狀況的不利變動；
 - (ii) 與該組別資產逾期還款相關連的全國性或地方經濟狀況。

本集團首先評估是否存在減值的客觀證據。

虧損金額為資產賬面值與按金融資產估計未來現金流量(不包括仍未產生的未來信用虧損)以原實際利率貼現值兩者的差額。該資產賬面值予以減低，而產生的虧損金額則在綜合收益表確認。如貸款或持有至到期投資為浮動利率，計量任何減值虧損的貼現率為按合同釐定的當時實際利率。在實際應用中，本集團可利用可觀察的市場價格，按工具的公平值計量減值。

2 Summary of significant accounting policies (Continued)

2.9 Impairment of financial assets (Continued)

(a) *Assets carried at amortised cost (Continued)*

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised (such as an improvement in the debtor's credit rating), the reversal of the previously recognised impairment loss is recognised in the consolidated income statement.

(b) *Assets classified as available for sale*

The Group assesses at the end of each reporting period whether there is objective evidence that a financial asset or a group of financial assets is impaired. For debt securities, the Group uses the criteria referred to in (a) above. In the case of equity investments classified as available for sale, a significant or prolonged decline in the fair value of the security below its cost is also evidence that the assets are impaired. If any such evidence exists for available-for-sale financial assets, the cumulative loss — measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognised in profit or loss — is removed from equity and recognised in the separate consolidated income statement. Impairment losses recognised in the separate consolidated income statement on equity instruments are not reversed through the separate consolidated income statement. If, in a subsequent period, the fair value of a debt instrument classified as available for sale increases and the increase can be objectively related to an event occurring after the impairment loss was recognised in profit or loss, the impairment loss is reversed through the separate consolidated income statement.

2 重要會計政策概要(續)

2.9 財務資產減值(續)

(a) *以攤銷後成本列賬的資產(續)*

如在隨後期間，減值虧損的數額減少，而此減少可客觀地聯繫至減值在確認後才發生的事件(例如債務人的信用評級有所改善)，則之前已確認的減值虧損可在綜合收益表轉回。

(b) *資產分類為可供出售*

本集團在每個報告結束日評估是否有客觀證據證明某財務資產或某財務資產組別已經存在減值。對於債務證券，本集團利用上文(a)的準則。至於分類為可供出售的權益投資，該等證券公平值的大幅度或長期低於其成本值，亦是該資產已經存在減值的證據。若可供出售財務資產存在此等證據，累計虧損(按購買成本與當時公平值的差額，減該財務資產之前已計入收益表的任何減值虧損計算)，自權益中剔除，並計入綜合收益表。在綜合收益表確認的權益工具的減值虧損不會透過綜合收益表轉回。如被分類為可供出售的債務工具的公平值在較後期間增加，而增加可客觀地與減值虧損在損益確認後發生的事件有關，則將減值虧損在綜合收益表轉回。

2 Summary of significant accounting policies (Continued)

2.10 Derivative financial instruments

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. The derivative instruments held by the Group do not qualify for hedge accounting and are accounted for at fair value through profit or loss. Changes in fair value of these derivative instruments are recognised immediately in the consolidated income statement.

2.11 Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined using the weighted average method. The cost of finished goods and work in progress comprises raw materials, direct labour, other direct costs and related production overheads (based on normal operating capacity). It excludes borrowing costs. Net realisable value is the estimated selling price in the ordinary course of business, less applicable variable selling expenses.

2.12 Trade and bill receivables

Trade receivables are amounts due from customers for merchandise sold or services performed in the ordinary course of business. If collection of trade and bill receivables is expected in one year or less (or in the normal operating cycle of the business if longer), they are classified as current assets. If not, they are presented as non-current assets.

Trade and bill receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

2 重要會計政策概要(續)

2.10 衍生金融工具

衍生金融工具初步按訂立衍生金融工具合約當日之公平值確認，其後按公平值計量。本集團所持有之衍生金融工具未能指定作為對沖工具，並按公平值入賬及列入收益表。衍生金融工具之公平值如有變動，會即時於綜合收益表確認。

2.11 存貨

存貨以成本值及可變現淨值兩者的較低者列賬。成本值是以加權平均成本法計算。製成品及在製品的成本值包括原材料、直接工資、其他直接成本及相關生產間接開支(根據正常營運能力計算)。有關數額不包括借貸成本。可變現淨值為於日常業務過程內的估計售價扣除適當的浮動銷售開支計算。

2.12 貿易應收賬款及票據

貿易應收賬款是就日常業務過程中所售商品或所提供服務而應收客戶之款項。倘應收賬款及票據預計將在一年或以內收回(若更長如在業務正常經營週期內)，則分類為流動資產。否則，在非流動資產中列報。

貿易應收賬款及票據初步按公平值確認，其後以實際利息法按攤銷成本扣除減值撥備計量。

2 Summary of significant accounting policies (Continued)

2.13 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities on the statement of financial position.

2.14 Borrowings and borrowing costs

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the consolidated income statement over the period of the borrowings using the effective interest method.

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the end of the reporting period.

Borrowing costs incurred for the construction of any qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use. All other borrowing costs are charged to the income statement in the period in which they are incurred.

2 重要會計政策概要(續)

2.13 現金及現金等值

現金及現金等值包括手頭現金、銀行通知存款、原到期日為三個月或以下的短期高流動投資，以及銀行透支。銀行透支於財務狀況表列作流動負債的融資。

2.14 融資及融資成本

借貸扣除所產生之交易成本後初步按公平值確認，其後按攤銷成本列賬；所得款項(扣除交易成本)與贖回價值間之任何差額於借貸期間使用實際利息法於綜合收益表確認。

設立貸款融資時支付的費用倘部份或全部融資將會很有可能提取，該費用可遞延入賬直至貸款提取為止。如沒有證據證明部份或全部融資將會很有可能被提取，則該項費用資本化作為流動資金服務的預付款，並按有關融資期間攤銷。

除非本集團有權無條件將債務結算日期順延至報告結束日後至少十二個月，否則融資會被分類為流動負債。

因興建任何合資格資產產生之融資成本於有關資產完成興建所必須及準備有關資產作擬定用途所需時間內作資本化處理，其他融資成本於發生期間於收益表中扣除。

2 Summary of significant accounting policies (Continued)

2.15 Trade payables

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Trade payables are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities.

Trade payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

2.16 Current and deferred income tax

The tax expense for the period comprises current and deferred tax. Tax is recognised in the consolidated income statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of reporting period in the countries where the Company and its subsidiaries operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

2 重要會計政策概要(續)

2.15 貿易應付賬款

貿易應付賬款是在日常運作過程中從供應商處購買商品或接受服務形成的支付責任。倘應付賬款預計將在一年或以內支付(若更長如在業務正常經營週期內)，則為流動負債。否則，在非流動負債中列報。

貿易應付款項初步按公平值確認，並於隨後以實際利率法按攤銷成本計算。

2.16 當期及遞延所得稅

本期間的稅項支出包括當期及遞延稅項。稅項在綜合收益表中確認，但與其他全面收益或直接於權益中確認的項目有關者則除外。

當期所得稅支出根據本公司及其附屬公司營運及產生應課稅收入的國家於報告結束日已頒佈或實質頒佈的稅務法例計算。管理層就適用稅務法例詮釋所規限的情況定期評估報稅表的狀況，並在適用情況下根據預期須向稅務機關支付的稅款設定撥備。

2 Summary of significant accounting policies (Continued)

2.16 Current and deferred income tax (Continued)

Deferred income tax is recognised, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, the deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred income tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred income tax is provided on temporary differences arising on investments in subsidiaries, except where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future.

2.17 Share capital

Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

2 重要會計政策概要(續)

2.16 當期及遞延所得稅(續)

遞延所得稅利用負債法就資產和負債的稅基與資產和負債在綜合財務報表的賬面值之差額產生的暫時差異全數撥備。然而，若遞延所得稅來自在交易(不包括企業合併)中對資產或負債的初步確認，而在交易時不影響會計損益或應課稅盈虧，則不作記賬。遞延稅項採用在報告結束日前已頒佈或實質頒佈，並在有關之遞延所得稅資產實現或遞延所得稅負債結算時預期將會適用之稅率(及法例)而釐定。

遞延所得稅資產是就很可能有未來應課稅利潤而就此可使用暫時差異而確認。

遞延稅項就附屬公司投資產生之暫時差異而撥備，但假若本集團可以控制暫時差異之撥回時間，而暫時差異在可預見將來很有可能不會撥回則除外。

2.17 股本

普通股分類為股本權益。

直接歸屬於發行新股或購股權的新增成本在股本權益中列為所得款的減少。

2 Summary of significant accounting policies (Continued)

2.18 Employee benefits

(i) Employee leave entitlements

Employee entitlements to annual leave and long service leave are recognised when they accrue to employees. A provision is made for the estimated liability for annual leave and long service leave as a result of services rendered by employees up to the end of the reporting period. Employee entitlements to sick leave and maternity leave are not recognised until the time of the leave.

(ii) Retirement benefits

The Group participates in various defined contribution retirement benefit schemes. A defined contribution plan is a retirement benefit scheme under which the Group pays fixed contributions into a separate entity. The Group has no legal or constructive obligations to pay further contributions for post-retirement benefits beyond these fixed contributions.

The schemes are generally funded through payments to government authorities, insurance companies or trustee-administered funds. The Group pays contributions on a mandatory, contractual or voluntary basis. The contributions are recognised as employment costs when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

2 重要會計政策概要(續)

2.18 員工福利

(i) 僱員應享假期

僱員的應享年假及長期服務假期乃於應計予僱員時確認。僱員因提供服務產生的應享假期乃按截至報告結束日的年假及長期服務假期估計負債計算撥備。僱員應享病假及分娩假期僅於支取時才確認。

(ii) 退休福利

集團參加多個界定供款退休福利計劃。界定供款計劃指本集團向獨立實體作出定額供款之退休金計劃。本集團並無法定或推定責任為該等定額供款以外的退休後福利支付其他供款。

計劃一般的資金來自向政府機構、保險公司或受託人管理基金所作供款。本集團按強制、合約或自願基準作出供款。供款到期時確認為僱員成本。預付供款確認為資產，惟以退回現金或可扣減日後付款金額為限。

2 Summary of significant accounting policies (Continued)

2.18 Employee benefits (Continued)

(iii) Share-based compensation

The Group operates an equity-settled, share-based compensation plan. The fair value of the employee services received in exchange for the grant of the options is recognised as an expense. The total amount to be expensed over the vesting period is determined by reference to the fair value of the options granted, including any market performance conditions; excluding the impact of any non-market vesting conditions (for example, profitability and sales growth targets and remaining an employee of the entity over a specific time period); and including the impact of any non-vesting conditions (for example, the requirement for employees to save). Non-market vesting conditions are included in assumptions about the number of options that are expected to vest. The total expense is recognized over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At the end of each reporting period, the Group revises its estimates of the number of options that are expected to vest based on the non-market vesting conditions. It recognises the impact of the revision of original estimates, if any, in the consolidated income statement, and a corresponding adjustment to equity.

The cash subscribed for the shares issued when the options are exercised is credited to share capital (nominal value) and share premium, net of any directly attributable transaction costs.

2 重要會計政策概要(續)

2.18 員工福利(續)

(iii) 以股份為基礎之補償

本集團設有一項以權益償付，以股份為基礎之報酬計劃。為換取所獲僱員提供之服務而授出購股權之公平值確認為支出。於歸屬期內將予支銷之總額乃參考所授出購股權之公平值釐定，包括任何市場業績狀況；不包括任何服務及非市場業績可行權條件(例如於盈利能力、銷售增長目標和職工在某特定時間內留任實體)的影響；及包括任何非可行權條件(如規定職工儲蓄)之影響。非市場可行權條件包括在有關預期可行權的期權數目的假設中。開支總額於歸屬期間確認，即符合所有指定可行權條件期間。於報告結束日，本集團會根據非市場可行權條件修訂其對預期可行權數目的估計，並於綜合收益表確認修訂原估算產生之影響(如有)及對權益作出相應調整。

於購股權獲行使後，認購已發行股份之現金於扣除任何有關交易成本後撥入股本(面值)及股份溢價。

2 Summary of significant accounting policies (Continued)

2.18 Employee benefits (Continued)

(iv) Profit-sharing and bonus plans

The Group recognises a liability and an expense for bonuses and profit-sharing, based on a formula that takes into consideration the profit attributable to the Company's shareholders after certain adjustments. The Group recognises a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

2.19 Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risk specific to the obligation. The increase in the provision due to the passage of time is recognised as interest expense.

2 重要會計政策概要(續)

2.18 員工福利(續)

(iv) 溢利分享及花紅計劃

本集團按本公司經調整後股東應佔溢利根據公式計算的花紅及溢利分享確認為負債及開支。當有合約責任或過往慣例引致推定責任時，本集團即會確認撥備。

2.19 撥備

本集團因已發生之事件而產生現有法律或推定責任；很有可能需要資源流出以償付責任；金額已被可靠估計作出撥備。不就未來營運虧損確認撥備。

如有多項類似責任，其需要在償付中流出資源的可能性，根據責任的類別整體考慮。即使在同一責任類別所包含的任何一個項目相關的資源流出的可能性極低，仍須確認撥備。

撥備採用稅前利率按照預期需償付有關責任的開支的現值計量，該利率反映當時市場對金錢時間值和有關責任固有風險的評估。隨著時間過去而增加的撥備確認為利息開支。

2 Summary of significant accounting policies (Continued)

2.20 Revenue recognition

Revenue comprises the fair value of the consideration received or receivable for the sale of goods in the ordinary course of the Group's activities. Revenue is shown net of value-added tax, returns, rebates and discounts and after eliminating sales within the Group.

The Group recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and specific criteria have been met for each of the Group's activities as described below. The Group bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

(a) *Sales of goods*

Sales of goods are recognised when a group entity has delivered products to the customer, the customer has accepted the products and collectibility of the related receivables is reasonably assured.

(b) *Interest income*

Interest income is recognised on a time-proportion basis using the effective interest method.

2 重要會計政策概要(續)

2.20 收益確認

收益包括在本集團正常經營活動中已收到或應收的出售產品的公平值。收益已扣除增值稅、退貨、回佣及折扣，以及對銷本集團公司內部銷售後的金額列示。

當能夠可靠地計量收益金額，而很可能日後有經濟利益將流入公司，並如下文所述本集團的各業務符合特定條件時，本集團確認收益。本集團根據過往業績，並考慮客戶種類、交易形式及各安排的特徵估計。

(a) *銷售貨品*

銷售貨品於集團實體向客戶送交產品，客戶接受該產品並且收回相關應收款項的機會能夠合理確定時確認入賬。

(b) *利息收入*

利息收入採用實際利息法按時間比例基準確認入賬。

2 Summary of significant accounting policies (Continued)

2.21 Leases

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor), including upfront payment made for leasehold land and land use rights, are charged to the consolidated income statement on a straight-line basis over the period of the lease.

Leases of certain property, plant and equipment where the Group has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the lease's commencement at the lower of the fair value of the leased property and the present value of the minimum lease payments.

Each lease payment is allocated between the liability and finance charges so as to achieve a constant rate on the finance balance outstanding. The corresponding rental obligations, net of finance charges, are included in short-term and long-term finance lease obligations. The interest element of the finance cost is charged to the consolidated income statement over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The property, plant and equipment acquired under finance leases is depreciated over the shorter of the useful life of the asset and the lease term.

2 重要會計政策概要(續)

2.21 租賃

如租賃擁有權之重大部份風險及回報由出租人保留，分類為經營租賃。根據經營租賃支付之付款(扣除自出租人收取之任何獎勵金後)，包括租賃土地及土地使用權預先支付的款項，於租賃期內以直線法於綜合收益表支銷。

當本集團持有差不多所有擁有權的風險和回報的若干物業、廠房及設備的租賃均分類為融資租賃。融資租賃於租賃開始時按租賃資產之公平值與最低租賃付款現值兩者的較低者資本化。

每項租賃付款在債務和融資開支間分攤，以達到尚欠融資結餘的常數比率。相應的租金責任在扣除融資開支後，包括在短期及長期財務契約債務中。融資成本的利息部份按租賃期在綜合收益表中扣除，以對每個期間餘下負債結餘產生常數定期比率。根據融資租賃購入的物業、機器及設備按資產的可使用年期與租期兩者的較短者折舊。

2 Summary of significant accounting policies (Continued)

2.22 Contingent assets and contingent liabilities

A contingent liability is a possible obligation that arises from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group. It can also be a present obligation arising from past events that is not recognised because it is not probable that an outflow of economic resources will be required or the amount of the obligation cannot be measured reliably. A contingent liability is not recognised but is disclosed in the financial statements. When a change in the probability of an outflow occurs so that outflow is probable, it will then be recognised as a provision.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain events not wholly within the control of the Group. Contingent assets are not recognised but are disclosed in the notes to the financial statements when an inflow of economic benefits is probable. When inflow is virtually certain, an asset is recognised.

2.23 Financial guarantees

Financial guarantee contracts are contracts that require the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due, in accordance with the terms of a debt instruments. The Group does not recognise liabilities for financial guarantees at inception, but performs a liability adequacy test at the end of each reporting period by comparing its net liability regarding the financial guarantee with the amount that would be required if the financial guarantee would result in a present legal or constructive obligation. If the respective liability is less than its present legal or constructive obligation amount, the entire difference is recognised in the consolidated income statement immediately.

2 重要會計政策概要(續)

2.22 或然資產及或然負債

或然負債乃因過往事件而可能產生的責任。有關責任存在與否須視乎某一宗或多宗本集團不能全權掌控之未來事件會否發生。或然負債亦可為因過往事件而產生的現時責任，並基於毋須損耗經濟資源或責任的數額無法可靠計量而無予以確認。或然負債毋須確認，但會在財務報表披露。倘需要耗損的可能性有所變化而可能須要耗損資源，則會確認為撥備。

或然資產指因過往事件可能產生之資產，此等資產存在與否須視乎某一宗或多宗本集團不能全權掌控之事件會否發生。或然資產不會確認，但會於經濟利益可能流入時在財務報表附註披露。當大致確定利益將流入時，則會確認資產。

2.23 財務擔保

財務擔保為一種合約，規定在債務工具屆滿時若指定債務人未能根據原來或經修訂條款付款的情況下，由發行人向持有人支付指定款項以賠償其損失。本集團於訂約時並無確認財務擔保負債，但會於各個報告結束日期進行負債充裕度測試，比較財務擔保的淨負債與因財務擔保而產生的現時法律或推定責任所需數額的差額。倘負債少於其現時法律或推定責任的數額，將即時在綜合收益表確認全部差額。

2 Summary of significant accounting policies (Continued)

2.24 Dividend distributions

Dividend distributions to the Company's shareholders are recognised as a liability in the Group's financial statements in the period in which the dividends are approved by the Company's shareholders.

3 Financial risk management

3.1 Financial risk factors

The Group's principal activities expose it to a variety of financial risks: market risk (including currency risk, fair value interest rate risk and cash flow interest rate risk), credit risk and liquidity risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance. The Group uses derivative financial instruments to manage certain foreign exchange and interest risk exposures. Risk management is carried out by senior management of the Group under policies approved by the Board of Directors of the Company.

2 重要會計政策概要(續)

2.24 股息分派

向本公司股東分派的股息在股息獲本公司股東批准期間於本集團財務報表確認為負債。

3 財務風險管理

3.1 財務風險因素

本集團之主要業務承受多種財務風險：市場風險(包括兌換風險、公平值利率風險及現金流量利率風險)、信貸風險及流動資金風險。本集團之整體風險管理方案集中於難以預測之金融市場，並致力於將對本集團財務表現造成之潛在不利影響減至最低。本集團利用金融衍生工具管理部份外匯兌換及利率風險。風險管理由本集團的高層管理人員按本公司董事會批准的政策推行。

3 Financial risk management (Continued)

3.1 Financial risk factors (Continued)

(a) Market risk

(i) Foreign exchange risk

Subsidiaries of the Company operate in the People's Republic of China (the "PRC"), Hong Kong and Singapore with most of the transactions denominated in either Renminbi, Hong Kong dollars, Singapore dollars or United States dollars. The Group is exposed to foreign exchange risk primarily through sales and purchases transactions that are denominated in a currency other than the functional currency of the subsidiaries. The Group considers its foreign currency exposure mainly arises from the exposure of Renminbi against Hong Kong dollars and/or United States dollars. As Hong Kong dollars is pegged to United States dollars, the Group believes the exposure of transactions denominated in United States dollars which are entered by group companies with a functional currency of Hong Kong dollars to be insignificant.

The Group manages its exposures to foreign currency transactions by monitoring the level of foreign currency receipts and payments. The Group ensures that the net exposure to foreign exchange risk is kept to an acceptable level from time to time. The Group uses forward contracts transacted with external financial institutions to partially hedge against such foreign exchange risks. The Group also regularly reviews the portfolio of local and international customers and the currencies in which the transactions are denominated so as to minimise the Group's exposure to foreign exchange risk.

3 財務風險管理(續)

3.1 財務風險因素(續)

(a) 市場風險

(i) 外匯風險

本公司之附屬公司於中華人民共和國(「中國」、香港及新加坡經營業務，交易主要以人民幣、港元、新加坡元或美元計值。本集團所承擔之外匯風險主要來自有關附屬公司之銷售及採購交易以功能貨幣以外之貨幣結算。本集團認為其外匯風險主要來自人民幣兌換港元及／或美元的風險。由於港元與美元掛鈎，本集團相信以港元作為功能貨幣的集團公司訂立以美元計算的交易須承受的風險並不重大。

本集團通過監控外幣收入及支付水平管理其外幣交易所承受之風險。本集團確保其不時之外匯風險淨額維持在可接受的範圍內。本集團利用與金融機構訂定的遠期合約對沖部份外匯風險。本集團亦經常審閱本地及國際客戶的組合及交易計值之貨幣，以將本集團的外匯風險降至最低。

3 Financial risk management (Continued)

3.1 Financial risk factors (Continued)

(a) Market risk (Continued)

(i) Foreign exchange risk (Continued)

As at 31st March, 2010, approximately 81% (2009: 87%) of the Group's borrowings are denominated in Hong Kong dollars and United States dollars while the remaining are denominated in Renminbi. The Group presently draws borrowings in Hong Kong dollars, United States dollars or Renminbi to finance investments in China after considering, inter alia, likely future fluctuations in United States dollars and Renminbi against Hong Kong dollars and currency mix of income sources and costs/expenses of the Group. At present, the management does not expect that there will be any significant foreign exchange risk associated with the Group's borrowings and the Group did not use any financial instruments to hedge its foreign exchange risk arising from the Group's borrowings during the year.

At 31st March, 2010, if Renminbi had strengthened/weakened by 5% (2009: 5%) against Hong Kong dollars or United States dollars with all other variables held constant, pre-tax profit for the year would have been approximately HK\$259,000 lower/higher (2009: HK\$952,000) mainly as a result of foreign exchange gains/losses on translation of cash and cash equivalents, trade receivables, trade payables and borrowings denominated in non-functional currency of the relevant group companies.

3 財務風險管理(續)

3.1 財務風險因素(續)

(a) 市場風險(續)

(i) 外匯風險(續)

於二零一零年三月三十一日本集團約81%之借貸(二零零九年: 87%)均以港幣及美元計值, 而其餘均以人民幣計值。經考慮(其中包括)美元及人民幣兌港幣日後預期的波動及本集團收入來源及成本/開支的貨幣組合後, 本集團目前提取以港幣、美元或人民幣計值之借貸作為位於中國的投資融資。目前, 管理層預期年內並無與本集團借貸有關之任何重大外匯風險且本集團並無使用任何金融工具對沖其來自本集團借貸之外匯風險。

於二零一零年三月三十一日, 倘人民幣兌港幣或美元之匯率升值/貶值5%(二零零九年: 5%), 而其他可變因素維持不變, 本年度除稅前溢利將減少/增加約259,000港元(二零零九年: 952,000港元), 主要由於以相關集團公司非功能貨幣計值之現金及現金等值、貿易應收賬款、貿易應付賬款及借貸在兌換時產生之外匯收益/虧損所致。

3 Financial risk management (Continued)

3.1 Financial risk factors (Continued)

(a) Market risk (Continued)

(ii) Cash flow and fair value interest rate risk

As the Group has no significant interest-bearing assets except for the cash and bank balances, the Group's income and operating cash flows are substantially independent of changes in market interest rates.

The Group's interest rate risk arises from borrowings. The Group is exposed to cash flow interest rate risk in relation to variable-rate bank borrowings. The Group's cash flow interest rate risk is mainly concentrated on the fluctuation of Hong Kong Interbank Offered Rate arising from the Group's borrowings. The Group hedged part of the cashflow interest-rate risk through interest rate swaps, which fixed the interest rate of the notional principal amounting to HK\$50,000,000 as at 31st March, 2010 (2009: HK\$50,000,000).

At 31st March, 2010, if interest rates on borrowings had been 10 basis points higher/lower with all other variables held constant, post-tax profit for the year would have been HK\$183,000 (2009: HK\$182,000) lower/higher, mainly as a result of higher/lower interest expense on floating rate borrowings.

3 財務風險管理(續)

3.1 財務風險因素(續)

(a) 市場風險(續)

(ii) 現金流量及公平值利率風險

本集團除現金及銀行存款外，並無重大計息資產。本集團之收入及經營現金流量大致上不受市場利率變更影響。

本集團之利率風險主要來自借貸。浮息借貸致使本集團承受現金流量利率風險。本集團之現金流量利率風險主要來自本集團借貸中有關香港同業拆息利率之波動。本集團透過利率掉期合約對沖部份現金流量利率風險，於二零一零年三月三十一日，定息的設定本金額為50,000,000港元(二零零九年：50,000,000港元)。

於二零一零年三月三十一日，倘借貸利率上升／下降10個基點，而其他可變因素維持不變，本年度除稅後溢利將減少／增加約183,000港元(二零零九年：182,000港元)，主要由於浮息借貸之利息開支之增加／減少。

3 Financial risk management (Continued)

3.1 Financial risk factors (Continued)

(b) Credit risk

The credit risk of the Group mainly arises from trade receivables and deposits with banks and financial institutions.

Credit risk on trade debtors is managed by the management of the individual business units and monitored by the Group's management on a group basis. Most customers are sizable and renowned. For other smaller customers, management assesses their credit quality by considering its financial position, past experience and other relevant factors. The utilisation of credit limits is regularly monitored. Debtors with overdue balances will be requested to settle their outstanding balances.

Under the global financial crisis, debtors of the Group may be affected by the unfavourable economic conditions and the lower liquidity situation could in turn impact their ability to repay the amounts owed. Deteriorating operating conditions for debtors may also have an impact on management's cash flow forecasts and assessment of the impairment of receivables.

The Group believes that adequate provision for doubtful debts has been made in the consolidated financial statements and all customers with delinquency in payments and indication of impairment were fully provided for. To the extent that information is available, management has properly reflected revised estimates of expected future cash flows in their impairment assessments in relation to receivables. As at 31st March, 2010, a total provision for impairment of trade receivables of HK\$16,162,000 (2009: HK\$26,791,000) had been recognised in the Group's financial statements.

3 財務風險管理(續)

3.1 財務風險因素(續)

(b) 信貸風險

本集團之信貸風險主要來自貿易應收賬款及銀行及金融機構之存款。

貿易債務人之信貸風險乃通過管理個別業務單元予以管理及由本集團管理層按組別監控。大部份客戶均具有相當規模及屬於低信貸風險。至於其他規模較小的客戶，管理層按其財務狀況、過往經驗及其他有關因素評估其信貸質素。信貸限額之使用須定期監控。有過期結餘之債務人將須按要求清償其未償付結餘。

於環球經濟危機下，本集團的債務人可能受到不利經濟條件影響及降低其流動資金狀況，繼而影響其還款能力。債務人的經營環境不斷惡化，可能影響管理層對現金流量的預測及評估應收款項的減值。

本集團相信於綜合財務報表中已作充足的呆壞賬撥備，及所有有延遲付款和有減值跡象的客戶亦已全數撥備。根據已有的資料，管理層在應收賬款的減值評估時，已修訂有關預期未來現金流量的估計。於二零一零年三月三十一日，本集團財務報表中已確認貿易應收賬款減值撥備共16,162,000港元(二零零九年：26,791,000港元)。

3 Financial risk management (Continued)

3.1 Financial risk factors (Continued)

(b) *Credit risk (Continued)*

The Group has policies that limit the amount of credit exposure to any individual financial institution. The Group's bank deposits are all deposited in renowned and established banks or financial institutions in Hong Kong, Singapore and the PRC. Management considers that the credit risk associated with deposits with banks and financial institutes is low.

(c) *Liquidity risk*

Prudent liquidity risk management implies maintaining sufficient cash and the availability of funding through an adequate amount of committed credit facilities. Due to the dynamic nature of the underlying businesses, the Group's management aims to maintain flexibility in funding by maintaining availability under committed credit lines.

Management monitors rolling forecasts of the Group's liquidity reserve which comprises cash and cash equivalents (Note 22) and undrawn borrowing facilities (Note 33) on the basis of expected cash flow.

3 財務風險管理(續)

3.1 財務風險因素(續)

(b) *信貸風險(續)*

本集團制定政策以限制須承受來自任何金融機構之信貸風險。本集團之銀行存款均存入香港、新加坡及中國知名及信譽卓著之銀行或金融機構。管理層認為有關銀行及金融機構存款之信貸風險為低。

(c) *流動資金風險*

審慎的流動資金風險管理指維持充足的現金及資金，透過已承諾信貸融資之足夠額度備有資金。基於相關業務之活躍多變性質，故本集團管理層致力透過已承諾的可用信貸額度維持資金的靈活性。

管理層根據預期現金流量，監控本集團之流動資金儲備(包括現金及現金等值(附註22)及未提取銀行信貸額(附註33))之滾動預測。

3 Financial risk management (Continued)

3.1 Financial risk factors (Continued)

(c) Liquidity risk (Continued)

The table below analyses the Group's and the Company's financial liabilities into relevant maturity groupings based on the remaining period at the end of reporting period to contractual maturity. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances, as the impact of discounting is not significant.

		Less than 1 year 少於1年	Between 1 and 2 years 介乎 1至2年	Between 2 and 5 years 介乎 2至5年	Over 5 years 超過5年
Group	集團				
At 31st March, 2010	於二零一零年 三月三十一日				
Borrowings	融資	153,357	31,350	24,557	89
Trade and bill payables	貿易應付賬款及 票據	180,678	—	—	—
Other payables	其他應付款	15,606	—	—	—
Derivative financial instruments	衍生金融 工具	3,502	—	—	—
Interest payable	應付利息	5,257	827	500	5
		358,400	32,177	25,057	94
At 31st March, 2009	於二零零九年 三月三十一日				
Borrowings	融資	139,251	37,172	35,447	135
Finance lease obligations	財務契約債務	727	—	—	—
Trade and bill payables	貿易應付賬款及 票據	102,283	—	—	—
Other payables	其他應付款	17,695	—	—	—
Derivative financial instruments	衍生金融 工具	3,930	—	—	—
Interest payable	應付利息	5,289	1,210	683	11
		269,175	38,382	36,130	146

3 財務風險管理(續)

3.1 財務風險因素(續)

(c) 流動資金風險(續)

下表基於由報告結束日至合約到期日之剩餘期間對本集團及本公司之財務負債進行相關到期組別分析。在表內披露之金額為合約性未貼現的現金流量。由於貼現的影響並不重大，因此於十二個月內需要償付之結餘相等於其賬面值。

3 Financial risk management (Continued)

3.2 Capital Risk Management (Continued)

The Group monitors capital on the basis of the net gearing ratio. This ratio is calculated as net debt divided by total capital. Net debt is calculated as total borrowings (including current and non-current borrowings, finance lease obligations as shown in the consolidated statement of financial position) less cash and cash equivalents. Total capital is calculated as 'equity', as shown in the consolidated statement of financial position.

During 2010, the Group's strategy, which was unchanged from 2009, was to maintain a net gearing ratio less than 75%. The net gearing ratios at 31st March, 2010 and 2009 were as follows:

		2010 HK\$'000 千港元	2009 HK\$'000 千港元
Borrowings (Note 23)	融資(附註23)	209,353	212,005
Bill payables	應付票據	27,923	6,951
Finance lease obligations (Note 24)	財務契約債務(附註24)	—	727
		<hr/>	<hr/>
Total borrowings	融資總額	237,276	219,683
Less: Bank balances and cash (Note 22)	減：銀行結存及現金 (附註22)	(184,976)	(113,694)
		<hr/>	<hr/>
Net debt	債務淨額	52,300	105,989
Total equity	權益總額	544,768	501,885
Net gearing ratio	淨負債比率	10%	21%

Decrease in gearing ratio is mainly due to the increase in cash and bank balances because of the decrease in the repayment of short-term bank borrowings in current year.

3 財務風險管理(續)

3.2 資本風險管理(續)

本集團以淨負債比率為基準監察其資本，該比率以負債淨額除以股本總額計算，負債淨額以總負債(包括於綜合財務狀況表中披露的流動及非流動負債，財務契約債務)減現金及現金等值。股本總額計算為於綜合財務狀況表中的「股本權益」。

於二零一零年度內，本集團之策略(自二零零九年起並無變動)為維持淨負債比率少於75%。於二零一零年及二零零九年三月三十一日之淨負債比率如下：

負債比率下降主要由於本年內減少償還短期銀行貸款而導致現金及銀行結存的增加。

3 Financial risk management (Continued)

3.3 Fair value estimation

The carrying amount of the Group's financial assets including cash and cash equivalents, trade and bill receivables, deposits and financial liabilities including trade and bill payables, other payables and short-term bank borrowings, approximate their fair values due to their short-term maturities.

Effective 1st January, 2009, the Group adopted the amendment to HKFRS 7 for financial instruments that are measured in the statement of financial position at fair value. This requires disclosure of fair value measurements by level of the following fair value measurement hierarchy:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1).
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2).
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3).

The following table presents the Group's assets and liabilities that are measured at fair value at 31st March, 2010.

		Level 1 第一級 HK\$'000 千港元	Level 2 第二級 HK\$'000 千港元	Level 3 第三級 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Assets	資產				
Available-for-sale financial assets	可供出售財務資產	1,251	—	—	1,251
Derivative financial instruments	衍生金融工具	—	72	—	72
Total assets	總資產	1,251	72	—	1,323
Liabilities	負債				
Derivative financial instruments	衍生金融工具	—	3,502	—	3,502
Total liabilities	總負債	—	3,502	—	3,502

3 財務風險管理(續)

3.3 公平值之估計

本集團財務資產，包括現金及現金等值、貿易應收賬款及票據、按金及財務負債包括貿易應付賬款及票據、其他應付款及短期銀行借貸，由於期限較短，因此其賬面值均與公平值相若。

由二零零九年一月一日起，本集團採納香港財務報告準則第7號有關金融工具在財務狀況表按公平值計量的修改，其規定按下列公平值計量架構披露公平值計量：

- 同類資產或負債在活躍市場上的報價(未經調整)(第一級)。
- 除第一級所包括的報價外，資產或負債的可直接(即價格)或間接(即從價格以外得出)觀察所得的因素(第二級)。
- 並非根據可觀察市場數據而釐定的資產或負債的因素(即不可觀察的因素)(第三級)。

下表呈列本集團於二零一零年三月三十一日以公平值計量的資產及負債。

3 Financial risk management (Continued)

3.3 Fair value estimation (Continued)

The fair value of financial instruments traded in active markets is based on quoted market prices at the end of reporting period. A market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis. The quoted market price used for financial assets held by the Group is the current bid price. These instruments are included in level 1. Instruments included in level 1 comprise primarily listed equity investments classified as available-for-sale financial assets.

The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined by using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

4 Critical accounting estimates and judgements

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

3 財務風險管理(續)

3.3 公平值之估計(續)

在活躍市場買賣的金融工具的公平值根據報告結束日的市場報價列賬。當報價可即時和定期從證券交易所、交易商、經紀、業內人士、定價服務者或監管代理獲得，而該等報價代表按公平交易基準進行的實際和常規市場交易時，該市場被視為活躍。本集團持有的金融資產的市場報價為當時買方報價。此等工具包括在第一級。此等包含在第一級的工具主要包括分類為可供出售財務資產的上市股權投資。

沒有在活躍市場買賣的金融工具(例如場外衍生工具)的公平值利用估值技術釐定。估值技術盡量利用可觀察市場數據(如有)，盡量少依賴實體的特定估計。如計算一金融工具的公平值所需的所有重大輸入為可觀察數據，則該金融工具列入第二級。

4 重大會計估計及判斷

本公司經常評估所採用之估計及判斷，有關評估基於過往經驗及其他因素，包括根據情況合理預期發生之未來事件。

本集團就未來作出估計及假設。產生的會計估計(根據定義)不一定與有關實際結果相同。於下一財政年度有重大風險造成資產與負債賬面值重大調整的估計及假設於下文闡述。

4 Critical accounting estimates and judgements (Continued)

(a) Trade receivables

The Group's management determines the provision for impairment of trade receivables based on an assessment of the recoverability of the receivables. This assessment is based on the credit history of its customers and other debtors and current market conditions, and requires the use of judgements and estimates. Management reassesses the provision at the end of each reporting period.

(b) Income taxes

The Group is subject to income taxes in several jurisdictions. Significant judgement is required in determining the worldwide provision for income taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain. The Group recognises liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the current and deferred income tax assets and liabilities in the period in which such determination is made. Deferred income tax assets relating to certain temporary differences and tax losses are recognised when management considers it is likely that future taxable profits will be available against which the temporary differences or tax losses can be utilised. When the expectations are different from the original estimates, such differences will impact the recognition of deferred tax assets and income tax charges in the period in which such estimates are changed.

(c) Net realisable value of inventories

Net realisable value of inventories is the estimated selling price in the ordinary course of business, less estimated costs of completion and variable selling expenses. These estimates are based on current market conditions and the historical experience of manufacturing and selling products of a similar nature. It could change significantly as a result of changes in customer taste and competitor actions in response to industry cycles. Management reassesses these estimates at the end of each reporting period.

4 重大會計估計及判斷(續)

(a) 貿易應收賬款

本集團管理層根據貿易應收賬款可收回程度之評估就該等應收賬款計提撥備。該等評估乃根據客戶及其他債務人過往信貸狀況以及目前市場狀況，同時需要作出判斷及估計。管理層於各報告結束日重新評估撥備。

(b) 所得稅

本集團須繳納若干司法權區稅項。需要對世界各地的所得稅撥備作出重大的判斷。有頗多未能確定最終稅項之交易及計算。本集團按是否須繳納額外稅項而確認預計稅務審核事宜的負債。倘該等事宜之最終稅務結果與初步記錄之金額不同，有關差異將影響作出釐定之期間內之所得稅及遞延所得稅資產及負債。倘管理層認為未來應課稅溢利可用作對銷暫時性差異或稅項虧損可予動用時，則會確認與若干暫時性差異有關之遞延稅資產及稅項虧損。倘預期結果與原先之估算不同，有關差異會對有關估算出現變動之期間內遞延稅資產及所得稅開支之確認構成影響。

(c) 存貨可變現淨值

存貨可變現淨值指日常業務估計售價扣除估計完工成本及出售開支。有關估計根據現行市況及過往製造及出售類似產品之經驗而作出。相關估計可能因客戶口味及競爭對手對抗行業激烈競爭所採取措施而出現重大變動。管理層於每個報告結束日重新評估此等估計。

4 Critical accounting estimates and judgements (Continued)

(d) Estimated useful lives and impairment of property, plant and equipment, leasehold land and land use rights

The Group's management determines the estimated useful lives of its property, plant and equipment, leasehold land and land use rights. These estimates are based on historical experience of the actual useful lives of property, plant and equipment, leasehold land and land use rights of similar nature and functions. Management will increase the depreciation charge where useful lives are less than previously estimated lives, and will write-off/write-down technically obsolete assets that have been abandoned.

Property, plant and equipment, leasehold land and land use rights are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. The recoverable amount is determined based on value-in-use calculations. These calculations require the use of judgements and estimates.

Management judgement is required in the area of asset impairment particularly in assessing: (i) whether an event has occurred that may indicate that the related asset values may not be recoverable; (ii) whether the carrying value of an asset can be supported by the recoverable amount, being the net present value of future cash flows which are estimated based upon the continued use of the asset in the business; and (iii) the appropriate key assumptions to be applied in preparing cash flow projections including whether these cash flow projections are discounted using an appropriate rate. Changing the assumptions selected by management in assessing impairment, including the discount rates or the growth rate assumptions in the cash flow projections, could materially affect the net present value used in the impairment test and as a result affect the Group's financial condition and results of operations. If there is a significant adverse change in the projected performance and resulting future cash flow projections, it may be necessary to take an impairment charge to the consolidated income statement.

4 重大會計估計及判斷(續)

(d) 物業、廠房及設備、租賃土地與土地使用權之估計可使用年期及減值

本集團管理層決定物業、廠房及設備、租賃土地與土地使用權之估計可使用年期，此等估計是根據性質及功能相若的物業、廠房及設備、租賃土地與土地使用權的實際使用年期的過往經驗而釐定。當實際使用年期較原先估計的少，管理層會提高折舊，及會將已棄置的技術上廢棄資產註銷／減值。

物業、廠房及設備、租賃土地與土地使用權，乃於有事件或情況變動顯示其賬面值可能不能收回時作減值檢討。可收回金額乃按其使用價值或市場價值釐定。此等計算及估值須運用判斷及估計。

於評估是否有資產減值時，以下情況尤其須要管理層運用判斷：(i)是否發生一宗事件顯示有關資產價值可能未能收回；(ii)資產之賬面值是否高於其可收回價值，即根據於營運中持續使用該資產而估算之未來現金流量之淨現值；及(iii)於準備現金流量預測時所應用之合適假設包括該等現金流量預測是否已採用合適利率貼現。於評估減值是否存在期間若改變管理層採納之假設，包括貼現利率或現金流量預算增長率，可能對減值測試中使用之淨現值造成重大影響並因此影響集團之財務狀況及營運表現。假若預測表現及其相關未來現金流量預測有重大不利改變時，可能須要於綜合收益表計量減值費用。

5 Revenue and segment information

The Company is an investment holding company and its subsidiaries are principally engaged in the printing and manufacturing of packaging materials, labels, and paper products, including environmental friendly paper products.

(a) Revenue/Turnover is analysed as follows:

Sales of packaging materials, labels, and paper products, including environmental friendly paper products	銷售包裝物料、標籤、 及紙類製品，包括 環保紙類產品
Others	其他

(b) Segment information

The chief operating decision-maker has been identified as the Chairman/Chief Executive Officer of the Company. Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The Chairman/Chief Executive Officer of the Company reviews the Group's internal reporting in order to assess performance and allocate resources. Management has determined the operating segments based on these reports.

The Chairman/Chief Executive Officer of the Company considers the business from a geographical perspective, i.e. determined by the location of major factory plants including Southern China, Eastern China and South East Asia.

The Chairman/Chief Executive Officer of the Company assesses the performance of the operating segments based on revenue, operating profit, net profit, capital expenditure, assets and liabilities.

5 收入及分部資料

本公司乃一投資控股公司。其附屬公司主要從事印刷及製造包裝材料、標籤、及紙類製品，包括環保紙類產品。

(a) 收入／營業額之分析如下：

	2010 HK\$'000 千港元	2009 HK\$'000 千港元
	1,166,716	1,293,634
	15,923	9,770
	<u>1,182,639</u>	<u>1,303,404</u>

(b) 分部資料

本公司主席／行政總裁被視為主要經營決策者。經營分部以向主要經營決策者提供內部呈報一致的形式呈報。本公司主席／行政總裁審閱本集團之內部報告，以評估表現及分配資源。管理層已根據該等報告釐定經營分部。

本公司主席／行政總裁認為業務按地區劃分，即按主要廠房的所在地決定包括華南、華東及東南亞。

本公司主席／行政總裁根據收入、經營溢利、溢利、資本開支、資產及負債評估各分部的表現。

5 Revenue and segment information (Continued)

(b) Segment information (Continued)

- (i) The segment results for the year ended 31st March, 2010 and 2009 are as follows:

For the year ended
31st March, 2010

二零一零年
三月三十一日止年度

Total revenue	總收入	883,464	202,630	182,090	1,268,184
Inter-segment revenue	分部間收入	(11,770)	(73,449)	(326)	(85,545)
Revenue (from external customers)	收入(來自外部客戶)	871,694	129,181	181,764	1,182,639
Operating profit/(loss)	經營溢利/(虧損)	37,955	(5,218)	21,490	54,227
Finance income	融資收入	101	103	91	295
Finance costs	融資成本	(5,546)	(2,008)	(9)	(7,563)
Income tax expense	所得稅開支	(3,520)	1,038	(3,265)	(5,747)
Profit/(loss) for the year	年內溢利/(虧損)	28,990	(6,085)	18,307	41,212
Other information:		其他資料:			
Depreciation and amortisation for the year	年內折舊及攤銷	36,709	25,412	5,513	67,634
Capital expenditure	資本開支	33,385	3,158	1,791	38,334

5 收入及分部資料(續)

(b) 分部資料(續)

- (i) 截至二零一零年及二零零九年三月三十一日止年度之分部業績如下:

Southern China 華南 HK\$'000 千港元	Eastern China 華東 HK\$'000 千港元	South East Asia 東南亞 HK\$'000 千港元	Group 集團 HK\$'000 千港元
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5 Revenue and segment information (Continued)

(b) Segment information (Continued)

- (i) The segment results for the year ended 31st March, 2010 and 2009 are as follows:
(Continued)

5 收入及分部資料(續)

(b) 分部資料(續)

- (i) 截至二零一零年及二零零九年三月三十一日止年度之分部業績如下:(續)

		Southern China 華南 HK\$'000 千港元	Eastern China 華東 HK\$'000 千港元	South East Asia 東南亞 HK\$'000 千港元	Group 集團 HK\$'000 千港元
For the year ended	二零零九年				
31st March, 2009	三月三十一日止年度				
Total revenue	總收入	981,271	245,721	176,602	1,403,594
Inter-segment revenue	分部間收入	(8,515)	(91,176)	(499)	(100,190)
Revenue (from external customers)	收入(來自外部客戶)	972,756	154,545	176,103	1,303,404
Operating profit	經營溢利	53,198	16,976	15,594	85,768
Finance income	融資收入	265	198	223	686
Finance costs	融資成本	(13,729)	(3,901)	(113)	(17,743)
Income tax expense	所得稅開支	(9,165)	2,040	(1,988)	(9,113)
Profit for the year	年內溢利	30,569	15,313	13,716	59,598
Other information:	其他資料:				
Depreciation and amortisation for the year	年內折舊及攤銷	43,262	25,759	4,205	73,226
Capital expenditure	資本開支	20,082	30,452	20,758	71,292

5 Revenue and segment information (Continued)

(b) Segment information (Continued)

(ii) An analysis of the Group's assets and liabilities by segment as at 31st March, 2010, and 2009 is as follows:

As at 31st March, 2010 於二零一零年
三月三十一日

Segment assets	分部資產
Deferred income tax assets	遞延所得稅資產
Tax recoverable	可收回所得稅款
Total assets	總資產
Segment liabilities	分部負債
Deferred income tax liabilities	遞延所得稅負債
Current income tax liabilities	即期所得稅負債
Total liabilities	總負債

5 收入及分部資料(續)

(b) 分部資料(續)

(ii) 於二零一零年及二零零九三月三十一日止年度本集團之分部資產及負債分析如下：

Southern China 華南 HK\$'000 千港元	Eastern China 華東 HK\$'000 千港元	South East Asia 東南亞 HK\$'000 千港元	Group 集團 HK\$'000 千港元
618,597	277,689	131,692	1,027,978
2,720	3,096	—	5,816
1,940	—	—	1,940
623,257	280,785	131,692	1,035,734
333,259	90,422	27,733	451,414
8,619	—	3,529	12,148
24,821	—	2,583	27,404
366,699	90,422	33,845	490,966

5 Revenue and segment information (Continued)

(b) Segment information (Continued)

(ii) An analysis of the Group's assets and liabilities by segment as at 31st March, 2010, and 2009 is as follows: (Continued)

As at 31st March, 2009 於二零零九年
三月三十一日

Segment assets	分部資產
Deferred income tax assets	遞延所得稅資產
Tax recoverable	可收回所得稅款
Total assets	總資產
Segment liabilities	分部負債
Deferred income tax liabilities	遞延所得稅負債
Current income tax liabilities	即期所得稅負債
Total liabilities	總負債

Revenues of approximately HK\$134,104,000 (2009: HK\$108,653,000) are derived from a single external customer. These revenues are attributable to the Southern China segment.

5 收入及分部資料(續)

(b) 分部資料(續)

(ii) 於二零一零年及二零零九三月三十一日止年度本集團之分部資產及負債分析如下:(續)

Southern China 華南 HK\$'000 千港元	Eastern China 華東 HK\$'000 千港元	South East Asia 東南亞 HK\$'000 千港元	Group 集團 HK\$'000 千港元
526,557	280,006	105,730	912,293
1,804	2,031	—	3,835
3,392	—	—	3,392
531,753	282,037	105,730	919,520
286,634	59,427	30,712	376,773
11,069	—	2,426	13,495
25,935	—	1,432	27,367
323,638	59,427	34,570	417,635

約134,104,000港元(二零零九年: 108,653,000港元)的收入源自一個單一外來客戶,此等收入屬於華南分部。

6 Other gains — net

6 其他收益 — 淨額

		2010 HK\$'000 千港元	2009 HK\$'000 千港元
Net exchange gains	滙兌收益淨額	641	2,430
Fair value (loss)/gain on foreign exchange forward contracts	遠期外滙合約公平值 (虧損)/收益	(567)	639
Net loss on disposal of property, plant and equipment	出售物業、廠房及設備之 虧損淨額	(47)	(14)
Write-back of/(provision for) impairment of property, plant and equipment	物業、廠房及設備減值 回撥/(撥備)	236	(1,000)
Others	其他	45	(232)
		308	1,823

7 Expenses by nature

7 按性質劃分之開支

		2010 HK\$'000 千港元	2009 HK\$'000 千港元
Raw materials and consumables used	原材料及消耗品使用	623,109	648,846
Changes in inventories of finished goods and work in progress	製成品及在製品存貨變更	(17,800)	3,220
Sub-contracting charges	加工費用	27,996	33,197
Repairs and maintenance	維修保養	14,604	13,659
Freight and transportation	運輸費用	40,921	41,362
Employment costs (including directors' emoluments) (note 9)	員工成本(包括董事酬金) (附註9)	280,320	267,325
Operating lease rentals of premises charged by — third parties — a related party (note 34)	租用物業經營契約之 租金支付予 — 第三者 — 關連人士(附註34)	14,159 60	16,140 60
(Write-back of)/provision for impairment of receivables	應收賬款減值(回撥)/撥備	(10,131)	13,073
(Write-back of)/provision for inventory obsolescence	存貨減值(回撥)/撥備	(7,414)	8,992
Amortisation of leasehold land and land use rights	租賃土地及土地使用權攤銷	737	734
Depreciation of property, plant and equipment — owned assets — assets held under finance leases	物業、廠房及設備之折舊 — 自置資產 — 以財務契約持有之資產	66,897 —	71,512 980
Auditor's remuneration	核數師酬金	2,199	1,948
Other expenses	其他開支	93,063	98,411
Total cost of sales, selling and distribution costs and general and administrative expenses	銷售成本、銷售及分銷費用及 一般及行政開支總額	1,128,720	1,219,459

8 Finance costs — net

8 融資成本 — 淨額

		2010 HK\$'000 千港元	2009 HK\$'000 千港元
Interest expense on bank borrowings	銀行融資利息支出		
— wholly repayable within five years	— 須於五年內全數償還	6,168	13,333
— not wholly repayable within five years	— 無須於五年內全數償還	17	11
Interest element on finance lease obligations	財務契約之利息	9	107
Fair value loss on interest-rate swaps	利率掉期合約的公平值虧損		
— realised	— 已實現	1,797	362
— unrealised	— 仍未實現	(428)	3,930
		<u>7,563</u>	<u>17,743</u>
Interest income from bank deposits	銀行存款利息收入	<u>(295)</u>	<u>(686)</u>
		<u>7,268</u>	<u>17,057</u>

9 Employment costs (including directors' emoluments)

9 員工成本(包括董事酬金)

		2010 HK\$'000 千港元	2009 HK\$'000 千港元
Salaries, wages and allowances	薪金、工資及津貼	249,434	234,120
Discretionary bonus	自由決定之花紅	8,673	7,242
Pension costs — defined contribution plans	退休成本 — 界定供款計劃	10,660	12,392
Provision for long service payments and annual leave	長期服務金及年假之撥備	595	1,054
Share-based payments	股份支付酬金	171	917
Other welfare and benefits	其他福利及利益	10,787	11,600
		<u>280,320</u>	<u>267,325</u>

The Group has arranged for its Hong Kong employees to join the Hong Kong Mandatory Provident Fund Scheme (the "MPF Scheme"), which is a defined contribution scheme managed by independent trustees. Under the MPF scheme, each of the group companies (the employer) and its employees make monthly contributions to the scheme at 5% of the employees' earnings as defined under the Hong Kong Mandatory Provident Fund legislation. The monthly contributions of each of the employer and the employee are subject to a cap of HK\$1,000 and thereafter contributions are voluntary.

本集團已為香港員工參加強制性公積金計劃(「強積金計劃」)，該計劃為界定供款並由獨立信託人管理，根據強積金計劃，本集團(僱主)及其僱員每月供款為僱員有關入息(按強制性公積金計劃條例之定義)之5%。而僱主及僱員供款每月之上限均各為1,000港元，超過上限的供款均為自願性供款。

9 Employment costs (including directors' emoluments) (Continued)

As stipulated by rules and regulations in the PRC, group companies operating in the PRC contribute to state-sponsored retirement plans for their employees. The employees contribute approximately 8% to 11% of their basic salaries, while the group companies contribute approximately 11% to 32% of the basic salaries of their employees and have no further obligations for the actual payment of pensions or post-retirement benefits beyond the annual contributions. The state-sponsored retirement plans are responsible for the entire pension obligations payable to retired employees.

As stipulated by rules and regulations in Singapore, the group companies operating in Singapore contribute to the Singapore Central Provident Fund, a statutory pension scheme. Under the scheme, the employees contribute approximately 5% to 20% of their wages, while the group companies contribute approximately 5% to 14.5% of the wages of their employees. The employer's and employees' contributions are subject to a cap of ordinary wages of SGD4,500 (equivalent to approximately HK\$24,500).

9 員工成本(包括董事酬金)(續)

根據中國法規，本集團於中國有業務之公司為其僱員設立一個界定供款並由國家資助的退休金計劃，員工之供款額約為基本薪金之約8%至11%，而本集團公司之供款額約為該僱員基本薪金之約11%至32%，而除年度供款外，該公司就實際的退休金付款或退休後福利而言，並不負任何責任。該個由國家資助的退休金計劃承擔對退休僱員的所有退休金責任。

根據新加坡法規，本集團於新加坡有業務之分公司需供款至一個名為中央公積金的法定退休金計劃。按該計劃，僱員供款額為薪金之約5%至20%，而集團公司之供款額按僱員薪金之約5%至14.5%。僱主及僱員須供款之上限為每月普通薪金4,500新加坡元(相等於約24,500港元)。

10 Directors' and senior executives' emoluments

(a) Directors' emoluments

The remuneration of each Director of the Company for the years ended 31st March, 2010 and 2009 is set out below:

Name of Director	董事姓名	Fees	Salaries and allowances	Discretionary bonus	Pension costs-defined contribution plans	Share-based payments	Total
		袍金 HK\$'000 千港元	薪金及津貼 HK\$'000 千港元	自由決定 之花紅 HK\$'000 千港元	退休成本 — 界定 供款計劃 HK\$'000 千港元	股份支付 酬金 HK\$'000 千港元	總計 HK\$'000 千港元
For the year ended 31st March, 2010	二零一零年三月 三十一日止年度						
Executive Directors	執行董事						
Mr. Lam Kwong Yu	林光如先生	138	3,278	321	68	—	3,805
Ms. Yeung Chui	楊翠女士	88	2,732	310	63	—	3,193
Mr. Tai Tzu Shi, Angus	戴祖堃先生	88	1,138	224	30	25	1,505
Mr. Cheung Chi Shing, Charles	張志成先生	88	1,466	279	38	25	1,896
Mr. Lim Pheok Wan, Richard	林必旺先生	88	1,223	279	—	25	1,615
Independent Non-Executive Directors	獨立非執行董事						
Mr. Chan Yue Kwong, Michael	陳裕光先生	260	—	—	—	—	260
Mr. Kwok Lam Kwong, Larry, BBS, JP	郭琳廣· BBS, 太平紳士	150	—	—	—	—	150
Mr. Tam King Ching, Kenny	譚競正先生	150	—	—	—	—	150
		1,050	9,837	1,413	199	75	12,574
For the year ended 31st March, 2009	二零零九年三月 三十一日止年度						
Executive Directors	執行董事						
Mr. Lam Kwong Yu	林光如先生	138	3,030	241	68	—	3,477
Ms. Yeung Chui	楊翠女士	88	2,979	231	63	—	3,361
Mr. Tai Tzu Shi, Angus	戴祖堃先生	88	1,138	159	30	101	1,516
Mr. Cheung Chi Shing, Charles	張志成先生	88	1,466	205	38	101	1,898
Mr. Lim Pheok Wan, Richard	林必旺先生	88	1,221	176	—	101	1,586
Independent Non-Executive Directors	獨立非執行董事						
Mr. Chan Yue Kwong, Michael	陳裕光先生	260	—	—	—	—	260
Mr. Kwok Lam Kwong, Larry, BBS, JP	郭琳廣· BBS, 太平紳士	150	—	—	—	—	150
Mr. Tam King Ching, Kenny	譚競正先生	150	—	—	—	—	150
		1,050	9,834	1,012	199	303	12,398

10 董事及高級行政人員酬金

(a) 董事酬金

二零一零年及二零零九年三月三十一日止年度各董事之酬金詳情如下：

10 Directors' and senior executives' emoluments (Continued)

(b) Share-based payments

The share-based payments represent charges to the income statement of the fair value of the share options granted under the share option scheme measured at the respective grant dates, regardless of whether the share options are or will be exercised or not.

(c) No director waived any emolument during the year ended 31st March, 2010 (2009: Nil).

(d) Five highest paid individuals

The five individuals whose emoluments were the highest in the Group include all five (2009: five) Executive Directors whose emoluments are reflected in the analysis presented above.

(e) During the year ended 31st March, 2010, no emoluments were paid by the Company to any of the directors or the five highest paid individuals as an inducement to join or upon joining the Group or as compensation for loss of office (2009: Nil).

10 董事及高級行政人員酬金(續)

(b) 股份支付酬金

無論購股權是否將會被行使，股份支付酬金為根據購股權計劃授出的購股權，按不同授出日期以公平值於收益表中列作開支。

(c) 二零一零年三月三十一日止年度內概無董事免收任何酬金(二零零九年：無)。

(d) 五位最高薪人士

五位最高薪人士中，全部(二零零九年：五位)均為本公司董事，其酬金已載於上述的分析中。

(e) 於二零一零年三月三十一日止年度內，概無向任何董事或最高薪之五位人士支付酬金作為邀請其加入本集團之獎金或作為其失去職位之賠償(二零零九年：無)。

11 Income tax expense

The Company is exempted from taxation in Bermuda until 2016. The Company's subsidiaries established in the British Virgin Islands are incorporated under the International Business Companies Acts of the British Virgin Islands and, accordingly, are exempted from British Virgin Islands income taxes.

Hong Kong profits tax has been provided at the rate of 16.5% (2009: 16.5%) on the estimated assessable profit arising in or derived from Hong Kong.

Subsidiaries established and operated in the PRC are subject to the PRC Corporate Income Tax at rates ranging from 12.5% to 25% during the year (2009: 18% to 25%). In accordance with the applicable laws and regulations, the Group's subsidiaries established in the PRC as wholly foreign owned enterprises or contractual joint ventures are entitled to full exemption from Corporate Income Tax for the first two years and a 50% reduction in Corporate Income Tax for the next three years, commencing from the first profitable year or 1st January, 2008, whichever is earlier, after offsetting unexpired tax losses carried forward from previous years.

The subsidiary established in Singapore is subject to Singapore Corporate Income Tax at a rate of 17% (2009: 17%).

The amount of income tax charged to the consolidated income statement represents:

11 所得稅開支

本公司獲豁免繳納百慕達稅項，直至二零一六年為止。本公司於英屬維爾京群島成立的各附屬公司乃根據英屬維爾京群島國際業務公司法註冊成立，因此，獲豁免繳納英屬維爾京群島所得稅。

香港利得稅以稅率16.5%(二零零九年：16.5%)按香港經營業務之估計應課稅溢利計算撥備。

在中國成立及經營之附屬公司於本年度須按12.5%至25%(二零零九年：18%至25%)稅率繳納中國企業所得稅。根據有關稅法規定，關於該等本集團在中國成立的附屬公司為外商獨資企業或中外合作企業，由經抵銷過往年度所有未到期承前稅務虧損後的首個獲利年度或二零零八年一月一日起計(以較先者為準)，首兩年可獲豁免繳付企業所得稅，而其後三年則獲半免。

於新加坡成立之附屬公司按新加坡企業所得稅稅率17%(二零零九年：17%)撥備。

於綜合收益表中扣除的稅項包括：

		2010 HK\$'000 千港元	2009 HK\$'000 千港元
Current income tax expense	即期所得稅開支		
— Hong Kong profits tax	— 香港利得稅	6,289	10,906
— PRC Corporate Income Tax	— 中國企業所得稅	811	188
— Singapore Corporate Income Tax	— 新加坡企業所得稅	3,964	1,089
Overprovision in prior years	過往年度超額撥備	(1,796)	(595)
		9,268	11,588
Deferred income tax (note 26)	遞延所得稅(附註26)	(3,521)	(2,475)
		5,747	9,113

11 Income tax expense (Continued)

The tax on the Group's profit before income tax differs from the theoretical amount that would arise using the weighted average tax rate applicable to profits of the group companies as follows:

		2010 HK\$'000 千港元	2009 HK\$'000 千港元
Profit before income tax	除稅前溢利	46,959	68,711
Tax calculated at domestic tax rate applicable to profits in the respective countries/ jurisdictions	按所在國家／地區之適用利得稅率計算之所得稅	7,336	13,542
Tax exemption	稅項寬減	(1,197)	(5,057)
Income not subject to tax	無須課稅收入	(2,360)	(1,029)
Expenses not deductible for tax	不可扣稅支出	7,589	5,164
Deferred tax assets not recognised	未確認之遞延所得稅資產	2,418	248
Recognition of previously unrecognised deferred tax assets	確認以往未確認之遞延所得稅資產	(3,375)	(2,040)
Utilisation of previously unrecognised deferred tax assets	使用以往未確認之遞延所得稅資產	(3,007)	(926)
Effects of changes in tax rate	稅率變更的影響	139	(194)
Overprovision in prior years	過往年度超額撥備	(1,796)	(595)
Tax charge	扣除之稅項	5,747	9,113

The weighted average applicable tax rate was 16% (2009: 20%). The decrease is mainly caused by the profitability of the Group's subsidiaries in the PRC and the impact of the increase in the PRC tax rate.

11 所得稅開支(續)

本集團之除稅前溢利計算之稅項與適用於本集團公司之加權平均稅率計算之理論金額有所差異，其對賬如下：

採用之加權平均稅率為16%(二零零九年：20%)，此減少主要由本集團於中國的附屬公司的盈利及提高中國企業所得稅率的影響構成。

12 Profit attributable to the equity holders of the Company

Profit attributable to the equity holders of the Company is dealt with in the financial statements of the Company to the extent of HK\$2,581,000 (2009: Loss of HK\$204,000).

12 本公司權益持有人應佔溢利

本公司權益持有人應佔溢利已包括本公司賬目內處理之溢利為約2,581,000港元(二零零九年：虧損204,000港元)。

13 Earnings per share**Basic**

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

		2010	2009
Profit attributable to the equity holders of the Company (HK\$'000)	本公司權益持有人應佔溢利 (千港元)	41,212	59,598
Weighted average number of ordinary shares in issue ('000)	已發行普通股加權平均數 (千股)	520,061	499,851
Basic earnings per share (HK cents)	每股基本盈利(港仙)	7.92	11.92

Diluted

Diluted earnings per share is calculated by adjusting the weighted average number of ordinary shares outstanding assuming conversion of all dilutive potential ordinary shares. Shares issuable under the employee share option scheme are the only dilutive potential ordinary shares. A calculation is made in order to determine the number of shares that could have been acquired at fair value (determined as the average daily market share price of the Company's shares) based on the monetary value of the subscription rights attached to the outstanding share options. The number of shares calculated as above is compared with the number of shares that would have been issued assuming the exercise of the share options.

		2010	2009
Profit attributable to the equity holders of the Company (HK\$'000)	本公司權益持有人應佔溢利 (千港元)	41,212	59,598
Weighted average number of ordinary shares in issue ('000)	已發行普通股加權平均數 (千股)	520,061	499,851
Adjustments for share options ('000)	購股權之調整(千股)	8,055	—
Weighted average number of ordinary shares for diluted earnings per share ('000)	計算每股攤薄盈利所用普通股 加權平均數(千股)	528,116	499,851
Diluted earnings per share (HK cents)	每股攤薄盈利(港仙)	7.80	11.92

There were no dilutive potential ordinary shares in existence during the year ended 31st March, 2009.

13 每股盈利**基本**

每股基本盈利乃按年內本公司權益持有人應佔本集團溢利除以已發行普通股加權平均數計算。

		2010	2009
Profit attributable to the equity holders of the Company (HK\$'000)	本公司權益持有人應佔溢利 (千港元)	41,212	59,598
Weighted average number of ordinary shares in issue ('000)	已發行普通股加權平均數 (千股)	520,061	499,851
Basic earnings per share (HK cents)	每股基本盈利(港仙)	7.92	11.92

攤薄

每股攤薄盈利乃就假設所有具有攤薄潛力普通股獲轉換調整已發行普通股加權平均數計算。根據購股權計劃可予發行之股份為唯一造成攤薄效應之潛在普通股。計算方法乃按尚未行使購股權所附帶認購權之貨幣價值，可按公平值(按本公司股份平均每日市價釐定)收購之股份數目。上述計算之股份數目會與假設行使購股權而應已發行之股份數目比較。

		2010	2009
Profit attributable to the equity holders of the Company (HK\$'000)	本公司權益持有人應佔溢利 (千港元)	41,212	59,598
Weighted average number of ordinary shares in issue ('000)	已發行普通股加權平均數 (千股)	520,061	499,851
Adjustments for share options ('000)	購股權之調整(千股)	8,055	—
Weighted average number of ordinary shares for diluted earnings per share ('000)	計算每股攤薄盈利所用普通股 加權平均數(千股)	528,116	499,851
Diluted earnings per share (HK cents)	每股攤薄盈利(港仙)	7.80	11.92

二零零九年三月三十一日止年度內不存在具攤薄潛力的普通股。

14 Dividends

		2010 HK\$'000 千港元	2009 HK\$'000 千港元
Interim dividend — HK\$0.01 (2009: HK\$0.01) per share	中期股息 — 每股 港幣1仙(二零零九年： 每股港幣1仙)	5,221	5,164
Proposed final dividend — HK\$0.015 (2009: HK\$0.015) per share	擬派末期股息 — 每股 港幣1.5仙(二零零九年： 每股港幣1.5仙)	7,860	7,745
		13,081	12,909

At a meeting held on 21st July, 2010, the directors proposed a final dividend of HK1.5 cents per share, amounting to a total dividend of approximately HK\$7,860,000, which is to be approved by the Company's equity holders at the Company's upcoming Annual General Meeting. This proposed final dividend has not been reflected as a dividend payable in these consolidated financial statements as at 31st March, 2010, but has been reflected as an appropriation of distributable reserves during the year ended 31st March, 2010.

The amount of proposed final dividend for 2010 was based on 523,975,288 shares in issue as at 21st July, 2010.

15 Leasehold land and land use rights

The Group's interests in leasehold land and land use rights represent prepaid operating lease payments and their net book amounts are analysed as follows:

		2010 HK\$'000 千港元	2009 HK\$'000 千港元
In Hong Kong held on:	於香港持有：		
Leases of between 10 to 50 years	介乎10至50年之租約	3,107	3,195
In PRC held on:	於中國持有：		
Land use rights of between 10 to 50 years	介乎10年至50年之土地 使用權	26,448	26,816
		29,555	30,011

14 股息

於二零一零年七月二十一日召開董事會中，董事建議派發末期股息，每股港幣1.5仙，股息總額約7,860,000港元，將於應屆股東週年大會提呈本公司權益持有人審批，此等擬派末期股息於截至二零一零年三月三十一日之綜合財務報表並無反映為應付股息，但將會列作截至二零一零年三月三十一日止年度可分派儲備之分配。

二零一零年擬派末期股息是根據二零一零年七月二十一日當日已發行股本523,975,288股計算。

15 租賃土地及土地使用權

本集團於租賃土地及土地使用權的權益指預付經營租賃款項及其賬面淨值，分析如下：

15 Leasehold land and land use rights (Continued) 15 租賃土地及土地使用權(續)

		2010 HK\$'000 千港元	2009 HK\$'000 千港元
Beginning of the year	年初	30,011	30,539
Amortisation	攤銷	(737)	(734)
Translation adjustments	滙兌調整	281	206
End of the year	年終	<u>29,555</u>	<u>30,011</u>

Amortisation expense recognised in the consolidated income statement is analysed as follows:

於綜合收益表中確認之攤銷開支，分析如下：

		2010 HK\$'000 千港元	2009 HK\$'000 千港元
Cost of sales	銷售成本	99	98
General and administrative expenses	一般及行政開支	638	636
		<u>737</u>	<u>734</u>

At 31st March, 2010, leasehold land with a total net book value of approximately HK\$1,940,000 (2009: HK\$1,996,000) was pledged as collateral for the Group's banking facilities (note 33).

於二零一零年三月三十一日賬面淨值約1,940,000港元(二零零九年：1,996,000港元)之租賃土地用作本集團銀行信貸額之附屬抵押(附註33)。

16 Property, plant and equipment

16 物業、廠房及設備

		Buildings	Plant and machinery	Furniture and equipment	Motor vehicles	Construction in progress	Total
		樓宇	機器	傢俬及設備	汽車	在建工程	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元
At 1st April, 2008	於二零零八年四月一日						
Cost	成本	172,932	700,923	56,536	15,553	4,689	950,633
Accumulated depreciation	累計折舊	(27,431)	(387,973)	(43,268)	(11,961)	—	(470,633)
Net book amount	賬面淨值	145,501	312,950	13,268	3,592	4,689	480,000
Year ended 31st March, 2009	截至二零零九年三月三十一日止年度						
Opening net book value	年初賬面淨值	145,501	312,950	13,268	3,592	4,689	480,000
Additions	添置	1,003	35,246	3,435	2,115	27,148	68,947
Depreciation	折舊	(8,904)	(57,358)	(5,042)	(1,188)	—	(72,492)
Disposals	出售	—	(81)	(35)	(48)	—	(164)
Impairment	減值	(1,000)	—	—	—	—	(1,000)
Transfers	轉至	7,224	24,453	—	—	(31,677)	—
Translation adjustments	滙兌調整	832	(1,094)	48	(8)	61	(161)
Closing net book value	年終賬面淨值	144,656	314,116	11,674	4,463	221	475,130
At 31st March, 2009	於二零零九年三月三十一日						
Cost	成本	182,081	754,118	59,476	15,556	221	1,011,452
Accumulated depreciation and impairment	累計折舊及減值	(37,425)	(440,002)	(47,802)	(11,093)	—	(536,322)
Net book value	賬面淨值	144,656	314,116	11,674	4,463	221	475,130
Year ended 31st March, 2010	截至二零一零年三月三十一日止年度						
Opening net book value	年初賬面淨值	144,656	314,116	11,674	4,463	221	475,130
Additions	添置	229	19,688	1,357	1,176	3,526	25,976
Depreciation	折舊	(6,056)	(54,720)	(4,787)	(1,334)	—	(66,897)
Disposals	出售	—	(25)	(145)	(111)	—	(281)
Write-back of impairment	減值回撥	236	—	—	—	—	236
Transfers	轉至	1,345	378	222	—	(1,945)	—
Translation adjustments	滙兌調整	1,231	4,433	105	35	9	5,813
Closing net book value	年終賬面淨值	141,641	283,870	8,426	4,229	1,811	439,977
At 31st March, 2010	於二零一零年三月三十一日						
Cost	成本	185,122	784,441	61,430	15,060	1,811	1,047,864
Accumulated depreciation and impairment	累計折舊及減值	(43,481)	(500,571)	(53,004)	(10,831)	—	(607,887)
Net book value	賬面淨值	141,641	283,870	8,426	4,229	1,811	439,977

16 Property, plant and equipment (Continued)

(a) Depreciation expense recognised in the consolidated income statement is analysed as follows:

Cost of sales	銷售成本
Selling and distribution costs	銷售及分銷費用
General and administrative expenses	一般及行政開支

16 物業、廠房及設備(續)

(a) 於綜合收益表中確認之折舊開支，分析如下：

2010	2009
HK\$'000	HK\$'000
千港元	千港元
60,919	66,382
661	758
5,317	5,352
66,897	72,492

(b) Construction in progress mainly represents factories and office buildings under construction and plant and machinery under installation in the PRC.

(b) 在建工程主要指在中國興建中的廠房及辦公室樓宇和安裝中的機器。

(c) At 31st March, 2010, buildings with a total net book value of approximately HK\$2,397,000 (2009: HK\$2,466,000) were pledged as collateral for the Group's banking facilities (note 33).

(c) 於二零一零年三月三十一日，賬面淨值約2,397,000港元(二零零九年：2,466,000港元)之樓宇用作本集團銀行信貸額之附屬抵押(附註33)。

(d) Finance leases
Certain machinery is held under finance leases.
Details of these assets are:

(d) 財務契約
若干機器乃按財務契約持有。有關資產之詳情如下：

		2010	2009
		HK\$'000	HK\$'000
		千港元	千港元
Cost	成本	—	9,242
Less: Accumulated depreciation	減：累計折舊	—	(3,697)
Net book value	賬面淨值	—	5,545
Depreciation for the year	本年度折舊	—	980

17 Investments in and balances with subsidiaries — Company

17 於附屬公司之投資及款項 — 本公司

		2010 HK\$'000 千港元	2009 HK\$'000 千港元
Investment in unlisted shares, at cost	非上市股份，成本	91,449	91,449
Amounts due from subsidiaries	應收附屬公司款項	165,797	197,617
		257,246	289,066
Less: Accumulated impairment losses	減：累計減值虧損	(9,457)	(9,457)
		247,789	279,609
Amounts due to subsidiaries	應付附屬公司款項	(56,639)	(79,882)

The amounts due from subsidiaries are unsecured, interest free and are considered as equity in nature. All amounts are denominated in Hong Kong dollars.

應收附屬公司款項乃無抵押、不計息及視作股本權益性質，所有款項以港元列值。

The amounts due to subsidiaries are unsecured, interest free and are repayable on demand. Except for an amount of approximately HK\$1,080,000 (2009: HK\$1,082,000) which is denominated in Renminbi, the balances are denominated in Hong Kong dollars.

應付附屬公司款項乃無抵押、不計息及需應要求償還。除其中一筆約1,080,000港元(二零零九年：1,082,000港元)的款項以人民幣列值外，餘款均以港元列值。

Particulars of the principal subsidiaries as at 31st March, 2010 were as follows:

於二零一零年三月三十一日，主要附屬公司資料如下：

Name of company 公司名稱	Place of incorporation and operations 註冊成立及營業地點	Issued and fully paid capital 已發行及繳足股本	Percentage of equity interest held		Principal activities 主要業務
			Directly	Indirectly	
			直接	間接	
Starlite International (Holdings) Ltd.	British Virgin Islands 英屬維爾京群島	US\$2 2美元	100%	—	Investment holding 投資控股
Starlite Printers Holdings Cook Islands Limited	Cook Islands 科克群島	US\$200 200美元	100%	—	Investment holding 投資控股
Starlite Printers (Far East) Pte. Ltd.	Singapore 新加坡	S\$8,759,396 8,759,396新加坡元	100%	—	Printing of packaging materials and production of paper products 包裝材料印刷及紙品生產
Everfar Holdings Limited	British Virgin Islands 英屬維爾京群島	US\$20,000 20,000美元	50%	50%	Investment holding 投資控股
Starlite Visual Communication Limited 星光視覺媒體有限公司	Hong Kong 香港	HK\$2,000,000 2,000,000港元	—	100%	Inactive 伺機作業
Star Union Limited 星盟有限公司	Hong Kong/the PRC 香港／中國	HK\$2 2港元	—	100%	Property holding 持有物業

17 Investments in and balances with subsidiaries — Company (Continued) 17 於附屬公司之投資及款項 — 本公司(續)

Name of company 公司名稱	Place of incorporation and operations 註冊成立及營業地點	Issued and fully paid capital 已發行及繳足股本	Percentage of equity interest held 所佔股權百分比		Principal activities 主要業務
			Directly 直接	Indirectly 間接	
Starlite Consumer Products, Limited	British Virgin Islands 英屬維爾京群島	US\$1 1美元	—	100%	Investment holding 投資控股
Starlite Entertainment (Holdings) Limited	British Virgin Islands 英屬維爾京群島	US\$1 1美元	—	100%	Investment holding 投資控股
Starlite International Development Limited	British Virgin Islands/Hong Kong 英屬維爾京群島/香港	US\$1 1美元	—	100%	Inactive 伺機作業
Starlite International Marketing Services Limited	British Virgin Islands/Hong Kong 英屬維爾京群島/香港	US\$1 1美元	—	100%	Inactive 伺機作業
Starlite Laser Graphics Limited 星華鐳射分色有限公司	Hong Kong 香港	HK\$3,230,000 ordinary 3,230,000港元 普通股股份 HK\$170,000 non-voting deferred (ii) 170,000港元 無投票權遞延 股份(ii)	—	100%	Inactive 伺機作業
Starlite Management Services Limited	Hong Kong 香港	HK\$200 200港元	—	100%	Provision of management services 提供管理服務
Starlite Packaging Technology Consultancy Limited	British Virgin Islands 英屬維爾京群島	US\$1 1美元	—	100%	Holding of trade and service marks 持有貿易及服務商標
Starlite Development International Limited 星光發展國際有限公司	Hong Kong 香港	HK\$200 200港元	—	100%	Trading of paper products 紙類製品貿易
Starlite Paper Products Limited 星輝紙品有限公司	Hong Kong/the PRC 香港/中國	HK\$1,738,000 ordinary 1,738,000港元 普通股股份 HK\$262,000 non-voting deferred (ii) 262,000港元 無投票權遞延 股份(ii)	—	100%	Production of paper products 紙品生產
Starlite Printers Limited 星光印刷有限公司	Hong Kong 香港	HK\$2,700,000 ordinary 2,700,000港元 普通股股份 HK\$2,300,000 non-voting deferred (ii) 2,300,000港元 無投票權遞延 股份(ii)	—	100%	Printing and trading of packaging materials 包裝材料印刷及貿易
Starlite Printers HK Holdings (BVI) Limited	British Virgin Islands 英屬維爾京群島	US\$1 1美元	—	100%	Investment holding 投資控股

17 Investments in and balances with subsidiaries — Company (Continued)

17 於附屬公司之投資及款項 — 本公司(續)

Name of company 公司名稱	Place of incorporation and operations 註冊成立及營業地點	Issued and fully paid capital 已發行及繳足股本	Percentage of equity interest held 所佔股權百分比		Principal activities 主要業務
			Directly 直接	Indirectly 間接	
Starlite Printers (China) Limited 星光印刷(中國)有限公司	British Virgin Islands 英屬維爾京群島	US\$100 100美元	—	100%	Investment holding 投資控股
Starlite Printers (Shenzhen) Co., Ltd. (i) 星光印刷(深圳)有限公司(i)	The PRC 中國	US\$8,000,000 8,000,000美元	—	100%	Printing of packaging materials and production of paper products 包裝材料印刷及紙品生產
Starlite Printers (Suzhou) Co., Ltd. (i) 星光印刷(蘇州)有限公司(i)	The PRC 中國	US\$20,000,000 20,000,000美元	—	100%	Printing of packaging materials and production of paper products and labels 包裝材料印刷及紙品與 標籤生產
Starlite Productions (BVI) Limited	British Virgin Islands 英屬維爾京群島	US\$256,420 256,420美元	—	100%	Investment holding 投資控股
Starlite Productions (Holdings) Limited	British Virgin Islands 英屬維爾京群島	US\$1 1美元	—	100%	Investment holding 投資控股
Guangzhou Starlite Environmental Friendly Center, Limited (i) 廣州星光環保中心有限公司(i)	The PRC 中國	US\$6,000,000 6,000,000美元	—	100%	Production of environmental friendly and other paper products 生產環保及其他紙類產品
Greenworks International Limited 綠色工程國際有限公司	Hong Kong 香港	HK\$2 2港元	—	100%	Investment holding and trading of environmental friendly and other paper products 投資控股及環保及其他紙 類產品貿易
Shaoguan Fortune Creative Industries Company Limited (i) 韶關科藝創意工業有限公司(i)	The PRC 中國	US\$6,000,000 6,000,000美元	—	100%	Printing of packaging materials and production of paper products 包裝材料印刷及 紙品生產

Notes:

附註:

- (i) Except for Guangzhou Starlite Environmental Friendly Center, Limited, all of these subsidiaries are incorporated in the PRC and are wholly foreign owned companies to be operated for 50 years up to 2042. Guangzhou Starlite Environmental Friendly Center, Limited is a contractual joint venture established in the PRC to be operated for 50 years up to 2044. Under the joint venture agreement, the joint venture partner is entitled to a pre-determined fee and is not entitled to share any profit or required to bear any loss of the joint venture.
- (ii) The non-voting deferred shares are not owned by the Group. These shares have no voting rights and are not entitled to dividends unless the net profit of the relevant company exceeds HK\$50,000,000,000 and are not entitled to any distributions upon winding up unless a sum of HK\$50,000,000,000 has been distributed by the relevant company to the holders of its ordinary shares.

- (i) 除廣州星光環保中心有限公司外，在中國成立之全部附屬公司均為外資全資擁有，經營年期為五十年，直至二零四二年止。廣州星光環保中心有限公司乃在中國成立之合作經營企業，經營年期五十年，直至二零四四年為止。根據合營協議，合營夥伴可獲得一筆預定費用之款項，惟無權分佔合營企業之任何盈利或負擔任何虧損。
- (ii) 此等無投票權遞延股份並非由本集團擁有。此等股份並無投票權，除非有關公司之純利超過50,000,000,000港元，否則持有人無權享有股息；而有關公司清盤時，亦無權享有任何分派，除非有關公司向普通股股東作出之分派達到50,000,000,000港元。

None of the subsidiaries had any loan capital in issue at any time during the year ended 31st March, 2010 (2009: Nil).

所有附屬公司於截至二零一零年三月三十一日止年度內任何時間均無已發行借貸資本(二零零九年：無)。

18 Available-for-sale financial assets

Beginning of the year	年初
Net change in fair values transferred to equity	轉撥至股本權益的公平值變更 淨額
End of the year	年終

Available-for-sale financial assets represent listed equity securities in Hong Kong and are denominated in Hong Kong dollars.

As at 31st March, 2010 and 2009, all available-for-sale financial assets were stated at their market values.

19 Inventories

Raw materials	原材料
Work-in-progress	在製品
Finished goods	製成品

The cost of inventories recognised as expense and included in cost of sales amounted to HK\$605,309,000 (2009: HK\$652,066,000).

During the year, the Group wrote-back provisions for inventory obsolescence of approximately HK\$7,414,000 (2009: provision for HK\$8,992,000), which was included in cost of sales.

As at 31st March, 2010, there were floating charges over certain of the Group's inventories of approximately HK\$34,163,000 (2009: HK\$22,540,000) to secure the trust receipts bank loan arrangements (note 33).

18 可供出售財務資產

2010	2009
HK\$'000	HK\$'000
千港元	千港元
936	1,393
315	(457)
1,251	936

可供出售財務資產為於香港上市的證券並以港元列值。

於二零一零年及二零零九年三月三十一日，所有可供出售財務資產均以市場價值呈列。

19 存貨

2010	2009
HK\$'000	HK\$'000
千港元	千港元
70,987	65,173
28,463	16,997
32,702	26,368
132,152	108,538

存貨成本合共約605,309,000港元(二零零九年：652,066,000港元)確認為開支並列入銷售成本中。

於本年度內，本集團錄得存貨減值撥備回撥約7,414,000港元(二零零九年：撥備8,992,000港元)，此回撥已列入銷售成本中。

於二零一零年三月三十一日，本集團約值34,163,000港元(二零零九年：22,540,000港元)之存貨按信托收據銀行貸款安排作為抵押(附註33)。

20 Trade and bill receivables, prepayments and deposits

Trade receivables	貿易應收賬款
Less: provision for impairment of receivables	減：應收賬款減值撥備
Trade receivables — net	貿易應收賬款 — 淨額
Bill receivables	應收票據
Trade and bill receivables	貿易應收賬款及票據
Prepayments and deposits	預付款項及按金

The carrying amounts of trade and bill receivables, prepayments and deposits approximate their fair values.

The Group grants to its customers credit terms generally ranging from 30 to 120 days. The ageing analysis of trade and bill receivables by invoice date is as follows:

1 to 90 days	1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 impairment of receivables 減：應收賬款減值撥備

As at 31st March, 2010 trade receivables of HK\$163,316,000 (2009: HK\$149,845,000) were fully performing. Trade receivables of HK\$58,867,000 (2009: HK\$46,175,000) exhibited indications of impairment, and a total of HK\$16,162,000 (2009: HK\$26,791,000) provision has been made. The remaining HK\$42,705,000 (2009: HK\$19,384,000) were past due but not impaired and they were overdue less than 90 days. These relate to a number of independent customers for whom there is no recent history of default.

20 貿易應收賬款及票據，預付款項及按金

Group 集團		Company 公司	
2010 HK\$'000 千港元	2009 HK\$'000 千港元	2010 HK\$'000 千港元	2009 HK\$'000 千港元
222,183	196,020	—	—
(16,162)	(26,791)	—	—
206,021	169,229	—	—
4,540	3,515	—	—
210,561	172,744	—	—
14,731	8,256	897	693
225,292	181,000	897	693

貿易應收賬款及票據，預付款項及按金的賬面值約相等於其公平值。

集團給予顧客信貸期限一般為30天至120天不等。貿易應收賬款及票據之賬齡(按發票日)分析如下：

2010 HK\$'000 千港元	2009 HK\$'000 千港元
-------------------------	-------------------------

186,319	155,194
35,065	37,462
3,073	5,987
2,266	892

226,723 199,535

(16,162) (26,791)

210,561 172,744

於二零一零年三月三十一日，貿易應收賬款163,316,000港元(二零零九年：149,845,000港元)為全數獲得履行，貿易應收賬款58,867,000港元(二零零九年：46,175,000港元)出現減值的跡象，及總額16,162,000港元(二零零九年：26,791,000港元)已作減值撥備。餘下之42,705,000港元(二零零九年：19,384,000港元)已逾期但沒有減值及逾期少於90天，該等款項涉及近期並無拖欠記錄之多名獨立客戶。

20 Trade and bill receivables, prepayments and deposits (Continued)

The Group's trade and bill receivables were denominated in the following currencies:

		2010 HK\$'000 千港元	2009 HK\$'000 千港元
Hong Kong dollars	港元	50,477	42,354
United States dollars	美元	98,380	83,701
Chinese Renminbi	人民幣	46,618	43,977
Singapore dollars	新加坡元	12,376	13,177
Others	其他	18,872	16,326
		226,723	199,535

Movements in the provision for impairment of trade receivables are as follows:

		2010 HK\$'000 千港元	2009 HK\$'000 千港元
Beginning of the year	年初	26,791	26,482
(Write-back of)/provision for impairment of trade receivables	應收賬款減值(回撥)/撥備	(10,131)	13,073
Receivables written off during the year as uncollectible	年內未能收回之應收賬款註銷	(744)	(12,543)
Translation adjustment	滙兌調整	246	(221)
End of the year	年終	16,162	26,791

The creation and release of provision for impairment of trade receivables have been included in general and administrative expenses in the consolidated income statement.

The other classes within trade and bill receivables, prepayments and deposits do not contain impaired assets.

The maximum exposure to credit risk at the reporting date is the fair value of each class of receivables mentioned above. The Group does not hold any collateral as security.

20 貿易應收賬款及票據，預付款項及按金(續)

本集團之貿易應收賬款及票據以下列貨幣列值：

		2010 HK\$'000 千港元	2009 HK\$'000 千港元
Hong Kong dollars	港元	50,477	42,354
United States dollars	美元	98,380	83,701
Chinese Renminbi	人民幣	46,618	43,977
Singapore dollars	新加坡元	12,376	13,177
Others	其他	18,872	16,326
		226,723	199,535

貿易應收賬款減值撥備之變動如下：

		2010 HK\$'000 千港元	2009 HK\$'000 千港元
Beginning of the year	年初	26,791	26,482
(Write-back of)/provision for impairment of trade receivables	應收賬款減值(回撥)/撥備	(10,131)	13,073
Receivables written off during the year as uncollectible	年內未能收回之應收賬款註銷	(744)	(12,543)
Translation adjustment	滙兌調整	246	(221)
End of the year	年終	16,162	26,791

貿易應收賬款減值撥備及回撥均已於綜合收益表一般及行政開支中入賬。

於貿易應收賬款及票據，預付款項及按金中的其他類別並不包括已減值資產。

於報告日上述每項應收賬款的最高信貸風險相等於其公平值。本集團並未持有任何附屬抵押。

21 Derivative financial instruments

21 衍生金融工具

		Assets 資產 HK\$'000 千港元	Liabilities 負債 HK\$'000 千港元
As at 31st March, 2010	於二零一零年三月三十一日		
Forward foreign exchange contracts (note (a))	遠期外匯合約(附註(a))	72	—
Interest-rate swaps (note (b))	利率掉期合約(附註(b))	—	(3,502)
		<u>72</u>	<u>(3,502)</u>
As at 31st March, 2009	於二零零九年三月三十一日		
Forward foreign exchange contracts (note (a))	遠期外匯合約(附註(a))	639	—
Interest-rate swaps (note (b))	利率掉期合約(附註(b))	—	(3,930)
		<u>639</u>	<u>(3,930)</u>

Notes:

(a) Details of the outstanding forward foreign exchange contracts at 31st March, 2009 and 31st March, 2010 are as follows:

附註:

(a) 於二零零九年三月三十一日及二零一零年三月三十一日，仍未結算的遠期外匯合約詳情如下：

		2010 US\$ to RMB 美元兌人民幣	2009 US\$ to RMB 美元兌人民幣	RMB to US\$ 人民幣兌美元
Notional principal amounts	設定本金額	<u>US\$1,000,000</u>	<u>US\$6,000,000</u>	<u>RMB39,115,000</u>
Fixed contracted exchange rates	合約固定兌換率	<u>6.9100</u>	<u>6.6702-6.5798</u>	<u>0.1518-0.1548</u>
Actual exchange rates	實際兌換率	<u>6.8110</u>	<u>6.8818</u>	<u>0.1453</u>

(b) The notional principal amount of the outstanding interest-rate swaps contract at 31st March, 2010 was HK\$50,000,000 (2009: HK\$50,000,000). At 31st March, 2010, the interest rate swaps fixed the interest rate at 3.73% (2009: 3.73%) from the floating rate at Hong Kong Interbank Offered Rate.

(b) 於二零一零年三月三十一日，仍未結算的利率掉期合約的設定本金額為50,000,000港元(二零零九年：50,000,000港元)。於二零一零年三月三十一日，利率掉期合約以香港銀行同業拆息作為浮動利率訂定固定利率為3.73厘(二零零九年：3.73厘)。

22 Bank balances and cash

22 銀行結存及現金

		Group 集團		Company 公司	
		2010 HK\$'000 千港元	2009 HK\$'000 千港元	2010 HK\$'000 千港元	2009 HK\$'000 千港元
Cash at bank and in hand	銀行及手頭現金	151,678	92,577	1,204	112
Short-term bank deposits	短期銀行存款	33,298	21,117	—	—
		<u>184,976</u>	<u>113,694</u>	<u>1,204</u>	<u>112</u>
Maximum exposure to credit risk	最高信貸風險	<u>183,632</u>	<u>111,204</u>	<u>1,204</u>	<u>112</u>

As at 31st March, 2010, the effective interest rate on cash at bank, short-term bank deposits was 0.28% (2009: 0.70%). The short-term bank deposits have an average maturity of 3 months (2009: 7 months).

於二零一零年三月三十一日銀行存款、短期銀行存款之有效利率為年息0.28厘(二零零九年：0.70厘)，此等短期銀行存款平均到期日為3個月(二零零九年：7個月)。

22 Bank balances and cash (Continued)

Bank balances and cash were denominated in the following currencies:

Hong Kong dollars	港元
Chinese Renminbi	人民幣
United States dollars	美元
Euro	歐元
Singapore dollars	新加坡元
Others	其他

The Group's cash and cash equivalents denominated in Renminbi are deposited with banks in the PRC. The conversion of these Chinese Renminbi denominated balances into foreign currencies and the remittance of funds out of the PRC is subject to the foreign exchange control rules and regulations promulgated by the PRC Government.

For the purpose of cash flow statements, cash and cash equivalents include the followings:

Cash at bank and in hand	銀行及手頭現金
Short-term bank deposits with maturity less than 3 months	少於三個月到期之短期銀行存款
Bank overdrafts (note 23)	銀行透支(附註23)

22 銀行結存及現金(續)

銀行結存及現金乃按以下貨幣列值：

Group 集團		Company 公司	
2010 HK\$'000 千港元	2009 HK\$'000 千港元	2010 HK\$'000 千港元	2009 HK\$'000 千港元
31,229	15,118	1,204	112
37,561	41,492	—	—
60,599	28,484	—	—
5,318	1,161	—	—
42,439	26,396	—	—
7,830	1,043	—	—
184,976	113,694	1,204	112

本集團以人民幣列值之現金及現金等值均存放於中國之銀行。將人民幣換算為外幣及匯出中國須受中國政府頒佈之外匯管制規則及規例監管。

現金流量表中的現金及現金等值包括下列：

2010 HK\$'000 千港元	2009 HK\$'000 千港元
151,678	92,577
16,854	—
(7,989)	(12,244)
160,543	80,333

23 Borrowings

23 融資

		2010 HK\$'000 千港元	2009 HK\$'000 千港元
Long-term bank loans	長期銀行貸款	101,735	144,795
Short-term bank loans	短期銀行貸款	65,466	32,426
Trust receipts import bank loans	信託收據進口銀行貸款	34,163	22,540
Bank overdrafts	銀行透支	7,989	12,244
		209,353	212,005
Less: amounts due within one year shown under current liabilities	減：列入流動負債之1年內 到期款額	(153,357)	(139,251)
Non-current portion	非即期部份	55,996	72,754

The borrowings are repayable as follows:

融資之到期日如下：

		2010 HK\$'000 千港元	2009 HK\$'000 千港元
Within 1 year	1年內	153,357	139,251
Between 1 and 2 years	1至2年	31,350	37,172
Between 2 and 5 years	2至5年	24,557	35,447
Over 5 years	超過5年	89	135
		209,353	212,005

The carrying amounts of bank borrowings were
denominated in the following currencies:

銀行融資之賬面值乃按以下貨幣列值：

		2010 HK\$'000 千港元	2009 HK\$'000 千港元
Hong Kong dollars	港元	159,756	181,908
Chinese Renminbi	人民幣	40,769	27,803
United States dollars	美元	8,828	2,294
		209,353	212,005

23 Borrowings (Continued)

The effective interest rates (per annum) at the end of reporting period were as follows:

		2010			2009		
		HK\$ 港元	RMB 人民幣	US\$ 美元	HK\$ 港元	RMB 人民幣	US\$ 美元
Bank overdrafts	銀行透支	5.57%	—	—	4.14%	—	—
Trust receipts import bank loans	信託收據進口 銀行貸款	4.26%	—	5.37%	4.60%	—	4.16%
Short-term bank loans	短期銀行貸款	2.13%	5.97%	—	4.53%	7.84%	—
Long-term bank loans	長期銀行貸款	2.06%	5.35%	—	2.17%	5.35%	—

The fair value of long-term bank loans was approximately HK\$97,911,000 as at 31st March, 2010 (2009: HK\$144,135,000). The fair value of long-term bank loans was determined by discounting the future cash flows at the current market interest rate available to the Group. Other than the long-term bank loans, the carrying amounts of other borrowings approximate their fair values as at 31st March, 2010.

Details of the banking facilities available to the Group and pledge of assets are disclosed in note 33.

23 融資(續)

於報告結束日之有效年利率如下：

於二零一零年三月三十一日，長期銀行貸款之公平值約為97,911,000港元(二零零九年：144,135,000港元)。長期銀行貸款之公平值乃根據提供予本集團的現時市場利率，將日後現金流量貼現。於二零一零年三月三十一日，除長期銀行貸款外，其他貸款的賬面值約相等於其公平值。

本集團銀行備用信貸額及資產抵押詳載於附註33。

24 Finance lease obligations

24 財務契約債務

		2010 HK\$'000 千港元	2009 HK\$'000 千港元
Total minimum lease payments under finance leases	財務契約最低總還款		
— not exceeding one year	— 不超過1年	—	735
		—	735
Less: Future finance charges	減：未來財務費用	—	(8)
		—	727
		2010 HK\$'000 千港元	2009 HK\$'000 千港元
The present value of obligations under finance leases	財務契約債務的現值		
— not exceeding one year	— 不超過1年	—	727
		—	727
Less: amount due within one year shown under current liabilities	減：列入流動負債之1年內到期款額	—	(727)
		—	—

As at 31st March, 2009, all of the Group's finance lease obligations were denominated in Singapore dollars.

於二零零九年三月三十一日，本集團全部財務契約債務，均以新加坡元列值。

As at 31st March, 2009, the effective interest rate of the finance leases obligations was 5.53% per annum.

於二零零九年三月三十一日，財務契約債務之有效年利率為5.53厘。

25 Trade and bill payables

The ageing analysis of trade and bill payables is as follows:

1 to 90 days	1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

The Group's trade and bill payables were denominated in the following currencies:

Hong Kong dollars	港元
Chinese Renminbi	人民幣
United States dollars	美元
Others	其他

26 Deferred income tax

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income tax assets and liabilities relate to income tax levied by same taxation authority on either the taxable entity or different taxable entities where there is an intention to settle the balances on a net basis. The net amounts are as follows:

Deferred tax assets to be recovered after more than 12 months	將於超過12個月後收回的遞延所得稅資產
Deferred tax liabilities to be settled after 12 months	將於12個月後償付的遞延所得稅負債
Deferred tax liabilities, net	遞延所得稅負債淨額

25 貿易應付賬款及票據

貿易應付賬款及票據賬齡分析如下：

	2010 HK\$'000 千港元	2009 HK\$'000 千港元
1 to 90 days	169,278	86,774
91 to 180 days	10,917	11,781
181 to 365 days	150	3,253
Over 365 days	333	475
	180,678	102,283

本集團之貿易應付賬款及票據以下列貨幣列值：

	2010 HK\$'000 千港元	2009 HK\$'000 千港元
Hong Kong dollars	66,858	33,518
Chinese Renminbi	81,414	40,659
United States dollars	6,251	2,758
Others	26,155	25,348
	180,678	102,283

26 遞延所得稅

倘具有法定可執行權利將現有稅項資產與現有稅項負債對銷，且遞延所得稅資產及負債均涉及同一財政機關向有意按淨額結算餘額的課稅實體或不同課稅實體徵收的所得稅，則遞延所得稅資產與負債可互相抵銷。淨額如下：

	2010 HK\$'000 千港元	2009 HK\$'000 千港元
Deferred tax assets to be recovered after more than 12 months	(5,816)	(3,835)
Deferred tax liabilities to be settled after 12 months	12,148	13,495
Deferred tax liabilities, net	6,332	9,660

26 Deferred income tax (Continued)

The net movement in the deferred tax account is as follows:

		2010	2009
		HK\$'000	HK\$'000
		千港元	千港元
Beginning of the year	年初	9,660	12,428
Credited to income statement (note 11)	於收益表計入(附註11)	(3,521)	(2,475)
Translation adjustments	滙兌調整	193	(293)
		<hr/>	<hr/>
End of the year	年終	6,332	9,660

The movements in deferred tax assets and liabilities without taking into consideration the offsetting of balances within the same tax jurisdiction are as follows:

Deferred tax assets:

		Tax losses		Provisions		Total	
		稅項虧損		撥備		總計	
		2010	2009	2010	2009	2010	2009
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元
Beginning of the year	年初	—	4,452	5,676	1,043	5,676	5,495
Credited/(charged) to income statement	於收益表中計入 /(扣除)	3,374	(4,452)	93	4,633	3,467	181
Translation adjustments	滙兌調整	—	—	37	—	37	—
		<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
End of the year	年終	3,374	—	5,806	5,676	9,180	5,676

Deferred tax liabilities:

		Accelerated taxation depreciation	
		加速稅項折舊	
		2010	2009
		HK\$'000	HK\$'000
		千港元	千港元
Beginning of the year	年初	15,336	17,923
Credited to income statement	於收益表中計入	(54)	(2,294)
Translation adjustment	滙兌調整	230	(293)
		<hr/>	<hr/>
End of the year	年終	15,512	15,336

26 遞延所得稅(續)

遞延所得稅淨額之變動詳情如下：

遞延所得稅資產及負債之變動(並未計算於同一徵稅地區之結餘抵銷)如下：

遞延所得稅資產：**遞延所得稅負債：**

26 Deferred income tax (Continued)

The Group has not recognised deferred tax assets of approximately HK\$20,629,000 (2009: HK\$22,671,000). Out of the total unrecognised deferred tax assets in respect of tax losses and provisions, tax effect of cumulative tax losses that can be carried forward against future taxable income (subject to agreement by the relevant tax authorities) amounted to HK\$16,857,000 (2009: HK\$20,820,000). The cumulative tax losses can be carried forward indefinitely, except for HK\$1,223,000 tax effect of cumulative tax losses as at 31st March, 2009 will expire in 2012 to 2013.

27 Share capital

Authorised —	法定股本 —
Ordinary shares of HK\$0.1 each	每股面值0.1港元之 普通股
Issued and fully paid —	已發行及繳足 —
Ordinary shares of HK\$0.1 each:	每股面值0.1港元之 普通股：
Beginning of the year	年初
Issue of shares under open offer (Note)	公開發售發行 股份(附註)
Issue of shares upon exercise of share options	因行使購股權 而發行之股份
End of the year	年終

Note:

On 18th June 2008, the Company issued 86,059,197 ordinary shares of HK\$0.1 each at a subscription price of HK\$0.35 per offer share in connection with an open offer. The net proceeds of the open offer were approximately HK\$28,827,000.

26 遞延所得稅(續)

本集團有未確認遞延所得稅資產約20,629,000港元(二零零九年: 22,671,000港元)。有關稅務虧損及撥備的未確認遞延所得稅資產總額中, 16,857,000港元(二零零九年: 20,820,000港元)的累計稅項虧損的稅務影響, 可結轉以抵銷未來應課稅收入(但須得到有關稅務機構同意)。除於二零零九年三月三十一日1,223,000港元累計稅項虧損的稅務影響, 將於二零一二年至二零一三年屆滿, 其餘的累計稅項虧損可無限期滾存。

27 股本

2010		2009	
Number of shares	Nominal value	Number of shares	Nominal value
股份數目	面值	股份數目	面值
'000	HK\$'000	'000	HK\$'000
千股	千港元	千股	千港元
1,000,000	100,000	1,000,000	100,000
516,355	51,636	430,296	43,029
—	—	86,059	8,607
7,620	762	—	—
523,975	52,398	516,355	51,636

附註:

於二零零八年六月十八日, 本公司根據公開發售, 發行86,059,197股每股面值0.1港元的普通股, 每股發售股份的認購價為0.35港元, 公開發售的所得款項淨額約28,827,000港元。

28 Employee share options

In 2002, the Company adopted an employee share option scheme (the "Share Option Scheme"). Under the Share Option Scheme, the Company may grant options to employees (including Executive Directors of the Company) to subscribe for shares in the Company, subject to a maximum of 30% of the nominal value of the issued share capital of the Company from time to time excluding for this purpose any shares issued on the exercise of options. The exercise price will be determined by the Company's board of directors and shall be at least the highest of (i) the closing price of the Company's shares on the date of grant of the options, (ii) an average closing price of the Company's shares for the five trading days immediately preceding the date of grant of the options, and (iii) the nominal value of the Company's shares of HK\$0.1 each. The Group has no legal or constructive obligation to repurchase or settle the options in cash.

Movements in the number of share options outstanding and their related weighted average exercise prices are as follows:

28 僱員購股權

於二零零二年，本公司採納一僱員購股權計劃（「購股權計劃」）。根據購股權計劃本公司可向員工（包括本公司之執行董事）授出購股權以認購本公司股份，而可發行之股份將最多為本公司不時已發行股份之30%，但不計算因行使購股權而發行之股份。認購價由本公司之董事局釐定，惟不可低於以下三項之最高者：(i)於授出日期本公司股份之收市價；(ii)本公司股份於緊接授出日期前五個營業日之股份平均收市價；及(iii)本公司股份之面值（即每股0.1港元）。本集團並無法定或推定責任回購或以現金支付此等購股權。

尚未行使購股權的數目及相關行使價的加權平均數變動如下：

		2010		2009	
		Weighted average exercise price 行使價 加權平均數 HK\$ 港元	Number of share options 購股權 數目	Weighted average exercise price 行使價 加權平均數 HK\$ 港元	Number of share options 購股權 數目
At 1st April	於四月一日	0.397	39,864,847	0.475	6,765,000
Adjustment after the open offer (Note (a))	公開發售後的調整 (附註(a))		—	—	389,847
Granted (Note (b))	授出(附註(b))		—	0.385	32,710,000
Exercised (Note (c))	行使(附註(c))	0.393	(7,620,102)	—	—
Lapsed	失效	0.434	(8,064,745)	—	—
At 31st March	於三月三十一日	0.385	<u>24,180,000</u>	0.397	<u>39,864,847</u>

28 Employee share options (Continued)

Share options outstanding at 31st March, 2010 have the following exercise dates, expiry dates and exercise prices:

First exercise date 首次行使日期	Expiry dates 屆滿日期	Exercise price 行使價 HK\$ 港元	Number of share options 購股權數目	
			2010	2009
9th August, 2007 二零零七年八月九日	8th February, 2010 二零一零年二月八日	0.449	—	7,154,847
21st January, 2009 二零零九年一月二十一日	20th January, 2013 二零一三年一月二十日	0.385	4,480,000	11,560,000
1st August, 2009 二零零九年八月一日	20th January, 2013 二零一三年一月二十日	0.385	6,700,000	7,050,000
1st August, 2010 二零一零年八月一日	20th January, 2013 二零一三年一月二十日	0.385	6,500,000	7,050,000
1st August, 2011 二零一一年八月一日	20th January, 2013 二零一三年一月二十日	0.385	6,500,000	7,050,000
			24,180,000	39,864,847

As at 31st March, 2010, 11,180,000 (2009: 18,714,847) share options were exercisable.

Notes:

- (a) Following the completion of the open offer of the Company's shares in June 2008, the number of share options and share exercise price of the share options granted on 9th February, 2007 have been adjusted from 6,765,000 to 7,154,847 and from HK\$0.475 per share to HK\$0.449 per share respectively.

28 僱員購股權(續)

於二零一零年三月三十一日尚未行使的購股權的行使日期、屆滿日期及行使價如下：

Exercise price 行使價 HK\$ 港元	Number of share options 購股權數目	
	2010	2009
0.449	—	7,154,847
0.385	4,480,000	11,560,000
0.385	6,700,000	7,050,000
0.385	6,500,000	7,050,000
0.385	6,500,000	7,050,000
	24,180,000	39,864,847

於二零一零年三月三十一日可行使的購股權數目為11,180,000(二零零九年：18,714,847)。

附註：

- (a) 二零零八年六月本公司公開發售完成後，於二零零七年二月九日授出但尚未行使之購股權，數目及行使價分別由6,765,000股調整至7,154,847股及由每股行使價0.475港元調整至每股行使價0.449港元。

28 Employee share options (Continued)

Notes: (Continued)

- (b) The fair values of options granted on 21st July, 2008 were determined by using the trinomial option pricing model. The significant inputs into the model for options granted were as follows:

Share price per share at grant date (HK\$)	授出日期的每股股價(港元)	0.385
Exercise price per share (HK\$)	每股行使價(港元)	0.385
Share volatility	股份波動率	31.685%
Dividend yield	股息派發率	6.46%
Average annual risk-free interest rate	無風險利率平均年利率	3.252%
Expected exercise multiple	預期行使倍數	1.3x

Volatility is based on 234 weekly (equivalent to 4.5 years) volatility of the Company.

The vesting of the share options is subject to the achievements of certain net profits of the Group for the years ended/ending 31st March, 2008, 2009, 2010 and 2011. Based on the probability of fulfilling the vesting condition as assessed by management of the Group, the fair values of the share options granted during the year ended 31st March, 2009 are as follows:

First exercise date 首次行使日期	No. of options 購股權數目	Probability in fulfilling the vesting condition 達到歸屬條件的可能性	Fair value of options granted per share 授出購股權的每股公平值 HK\$ 港元
21st January, 2009 二零零九年一月二十一日	11,560,000	100%	0.0525
1st August, 2009 二零零九年八月一日	7,050,000	100%	0.0525
1st August, 2010 二零一零年八月一日	7,050,000	25%	0.0131
1st August, 2011 二零一一年八月一日	7,050,000	15%	0.0079
	32,710,000		

Based on the above, the fair value of the above options granted on 21st July, 2008 was approximately HK\$1,125,000. The attributable amount charged to the consolidated income statement during the year ended 31st March, 2010 was approximately HK\$171,000 (2009: HK\$917,000).

- (c) Options exercised in 2010 resulted in 7,620,102 shares being issued at a weighted average price of HK\$0.393 each. The related weighted average share price at the time of exercise was HK\$0.608 per share.

28 僱員購股權(續)

附註:(續)

- (b) 於二零零八年七月二十一日授出購股權的公平值，乃採用三項式期權定價模式計算。授出的購股權按該模式輸入的主要數據如下：

本公司預期波動率乃按234星期(相等於4.5年)計算。

購股權的歸屬取決於本集團能否達到二零零八年、二零零九年、二零一零年及二零一一年三月三十一日止年度的若干溢利指標。根據本集團管理層評估達到歸屬條件的可能性，於二零零九年三月三十一日止年度內授出購股權的公平值如下：

根據上述，於二零零八年七月二十一日授出的購股權的公平值約1,125,000港元，於二零一零年三月三十一日年度內的綜合收益表中扣除的總額約171,000港元(二零零九年：917,000港元)。

- (c) 於二零一零年因行使購股權而發行了7,620,102股，其加權平均行使價為每股0.393港元，於行使時的加權平均股價為每股0.608港元。

29 Reserves

29 儲備

		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 股份酬金儲備 HK\$'000 千港元	Investment reserve 投資儲備 HK\$'000 千港元	Translation reserve 滙兌儲備 HK\$'000 千港元	Retained profits 保留溢利 HK\$'000 千港元	Total 總額 HK\$'000 千港元
Group	集團							
As at 1st April, 2008	於二零零八年四月一日	104,527	1,169	1,484	657	33,778	248,515	390,130
Profit attributable to the equity holders of the Company	本公司權益持有人應佔溢利	—	—	—	—	—	59,598	59,598
Other comprehensive income	其全面收益							
— Decrease in fair value of available-for-sale financial assets	— 可供出售財務資產之公平值減少	—	—	—	(457)	—	—	(457)
— Currency translation differences	— 滙兌差異	—	—	—	—	(7,250)	—	(7,250)
Total comprehensive income for the year	年內全面收益總額	—	—	—	(457)	(7,250)	59,598	51,891
Issue of shares under open offer (note 27)	公開發售發行股份(附註27)	20,220	—	—	—	—	—	20,220
Employee share option scheme — Share based payments	僱員購股權計劃 — 股份支付酬金	—	—	917	—	—	—	917
Dividends paid	已付股息	—	—	—	—	—	(12,909)	(12,909)
		20,220	—	917	(457)	(7,250)	46,689	60,119
As at 31st March, 2009	於二零零九年三月三十一日	124,747	1,169	2,401	200	26,528	295,204	450,249
As at 1st April, 2009	於二零零九年四月一日	124,747	1,169	2,401	200	26,528	295,204	450,249
Profit attributable to the equity holders of the Company	本公司權益持有人應佔溢利	—	—	—	—	—	41,212	41,212
Other comprehensive income	其他全面收益							
— Increase in fair value of available-for-sale financial assets	— 可供出售財務資產之公平值增加	—	—	—	315	—	—	315
— Currency translation differences	— 滙兌差異	—	—	—	—	11,154	—	11,154
Total comprehensive income for the year	年內全面收益總額	—	—	—	315	11,154	41,212	52,681
Employee share option scheme — Issue of shares upon exercise of employee share options	僱員購股權計劃 — 行使僱員購股權而發行的股份	2,657	—	(422)	—	—	—	2,235
— Share based payments	— 股份支付酬金	—	—	171	—	—	—	171
Dividends paid	已付股息	—	—	—	—	—	(12,966)	(12,966)
		2,657	—	(251)	315	11,154	28,246	42,121
As at 31st March, 2010	於二零一零年三月三十一日	127,404	1,169	2,150	515	37,682	323,450	492,370
Representing:	代表:							
— Proposed dividend	— 擬派股息	—	—	—	—	—	7,860	7,860
— Others	— 其他	127,404	1,169	2,150	515	37,682	315,590	484,510
		127,404	1,169	2,150	515	37,682	323,450	492,370

29 Reserves (Continued)

29 儲備(續)

		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 股份酬金儲備 HK\$'000 千港元	Retained profits 保留溢利 HK\$'000 千港元	Total 總額 HK\$'000 千港元
Company	公司					
As at 1st April, 2008	於二零零八年 四月一日	104,527	520	1,484	33,473	140,004
Loss for the year	年內虧損	—	—	—	(204)	(204)
Issue of shares under open offer (note 27)	公開發售發行股份 (附註27)	20,220	—	—	—	20,220
Employee share option scheme — Share based payments	僱員購股權計劃 — 股份支付酬金	—	—	917	—	917
Dividends paid	已付股息	—	—	—	(12,909)	(12,909)
As at 31st March, 2009	於二零零九年 三月三十一日	124,747	520	2,401	20,360	148,028
As at 1st April, 2009	於二零零九年 四月一日	124,747	520	2,401	20,360	148,028
Profit for the year	年內溢利	—	—	—	2,581	2,581
Employee share option scheme — Issue of shares upon exercise of employee share options	僱員購股權計劃 — 行使僱員購股權 而發行的股份	2,657	—	(422)	—	2,235
— Share based payments	— 股份支付酬金	—	—	171	—	171
Dividends paid	已付股息	—	—	—	(12,966)	(12,966)
As at 31st March, 2010	於二零一零年三月 三十一日	127,404	520	2,150	9,975	140,049
Representing:	代表:					
— Proposed dividend	— 擬派股息	—	—	—	7,860	7,860
— Others	— 其他	127,404	520	2,150	2,115	132,189
		127,404	520	2,150	9,975	140,049

30 Notes to the consolidated cash flow statement 30 綜合現金流量表附註

(a) Reconciliation of profit before income tax to cash generated from operations: (a) 除稅前溢利與經營業務產生現金之對賬：

		2010 HK\$'000	2009 HK\$'000
Profit before income tax	除稅前溢利	46,959	68,711
Adjustments for:	經下列調整：		
— Interest income	— 利息收入	(295)	(686)
— Interest expense	— 利息支出	7,991	13,813
— Amortisation of leasehold land and land use rights	— 租賃土地及土地使用權攤銷	737	734
— Depreciation of property, plant and equipment	— 物業、廠房及設備之折舊	66,897	72,492
— Net loss on disposal of property, plant and equipment	— 出售物業、廠房及設備之虧損淨額	47	14
— (Write-back of)/provision for impairment of property, plant and equipment	— 物業、廠房及設備之減值(回撥)/撥備	(236)	1,000
— Fair value loss/(gain) on foreign exchange forward contracts	— 遠期外匯合約之公平值虧損/(收益)	567	(639)
— Fair value (gain)/loss on interest-rate swaps	— 利率掉期合約之公平值(收益)/虧損	(428)	3,930
— (Write-back of)/provision for impairment of receivables	— 應收賬款減值(回撥)/撥備	(10,131)	13,073
— (Write-back of)/provision for inventory obsolescence	— 存貨減值(回撥)/撥備	(7,414)	8,992
— Share based payments	— 股份支付酬金	171	917
— Foreign exchange gains	— 匯兌收益	(641)	(2,430)
		104,224	179,921
Changes in working capital (excluding effects of translation adjustments)	營運資金變動 (不包括滙兌調整的影響)		
— Inventories	— 存貨	(16,200)	(5,217)
— Trade and bill receivables	— 貿易應收賬款及票據	(27,686)	51,810
— Prepayments and deposits	— 預付款項及按金	(6,475)	4,233
— Trade and bill payables	— 貿易應付賬款及票據	78,395	(39,123)
— Accruals and other payables	— 應計負債及其他應付款	53	(23,986)
		53	(23,986)
Net cash generated from operations	經營產生之現金淨額	132,311	167,638

30 Notes to the consolidated cash flow statement (Continued)

(b) In the cash flow statement, proceeds from disposal of property, plant and equipment comprise:

		2010 HK\$'000	2009 HK\$'000
Net book value	賬面淨值	281	164
Loss on disposal of property, plant and equipment	出售物業、廠房及設備之虧損	(47)	(14)
Proceeds from disposal of property, plant and equipment	出售物業、廠房及設備之所得收入	<u>234</u>	<u>150</u>

(b) 於現金流量表內，出售物業、廠房及設備之所得收入包括：

31 Commitments

(a) Capital commitments

Capital expenditure of the Group at the end of reporting period contracted but not yet provided for is as follows:

		Group 集團	
		2010 HK\$'000 千港元	2009 HK\$'000 千港元
Machinery	機器	12,712	12,832
Furniture and equipment	傢俬及設備	9	527
Construction in progress	在建工程	3,176	164
		<u>15,897</u>	<u>13,523</u>

31 承擔

(a) 資本承擔

本集團於報告結束日已訂約但仍未計入之資本開支如下：

(b) Operating lease commitments

The Group had future aggregate minimum lease payments under non-cancellable operating leases of land and buildings, as follows:

		Group 集團	
		2010 HK\$'000 千港元	2009 HK\$'000 千港元
Amounts payable	償還期		
— within one year	— 1年以內	10,119	15,840
— later than one year but no later than five years	— 超過1年但少於5年	4,329	16,280
		<u>14,448</u>	<u>32,120</u>

(b) 經營契約承擔

本集團根據不可註銷之租用土地及樓宇經營契約協議所承擔之未來最低經營契約款項總額如下：

Generally the Group's operating leases are for terms of 0.5 to 5 years.

本集團的經營契約年期為半年至五年。

31 Commitments (Continued)**(c) Other commitments**

Total pre-determined fees payable by the Group to the joint venture partner of Guangzhou Starlite Environmental Friendly Center, Limited over a period of 50 years up to year 2044 amounted to approximately HK\$19,992,000 (2009: HK\$19,972,000) (note 17(i)).

32 Financial guarantees

As at 31st March, 2010, the Company had provided guarantees in respect of banking facilities of its subsidiaries amounting to approximately HK\$551,254,000 (2009: HK\$507,596,000). The facilities utilised by the subsidiaries as at 31st March, 2010 amounted to approximately HK\$237,276,000 (2009: HK\$201,825,000).

33 Banking facilities and pledge of assets

As at 31st March, 2010, the Group had aggregate banking facilities of approximately HK\$582,513,000 (2009: HK\$577,376,000) for overdrafts, loans, trade financing and bank guarantees. Unused facilities as at the same date amounted to approximately HK\$333,767,000 (2009: HK\$322,236,000). These facilities were secured by:

- (i) mortgages over the Group's leasehold land and buildings with a total net book value of approximately HK\$4,337,000 (2009: HK\$4,462,000) (notes 15 and 16(c));
- (ii) floating charges over the Group's inventories held under trust receipts bank loan arrangements of approximately HK\$34,163,000 (2009: HK\$22,540,000) (note 19); and
- (iii) guarantees provided by the Company and certain of its subsidiaries.

As at 31st March, 2009, the finance lease obligation of the Group was secured by plant and machinery with a net book value of approximately HK\$5,545,000 (note 16(d)).

31 承擔(續)**(c) 其他承擔**

本集團須付廣州星光環保中心有限公司之合營夥伴預訂數額共約19,992,000港元(二零零九年: 19,972,000港元)·直至二零四四年·為期五十年(附註17(i))。

32 財務擔保

於二零一零年三月三十一日·本公司就若干附屬公司所獲銀行融資而提供公司擔保約551,254,000港元(二零零九年: 507,596,000港元)·於二零一零年三月三十一日各附屬公司已動用之銀行信貸額約237,276,000港元(二零零九年: 201,825,000港元)。

33 銀行信貸額及資產抵押

於二零一零年三月三十一日·本集團獲提供之透支、貸款、貿易融資及銀行擔保等銀行信貸總額約582,513,000港元(二零零九年: 577,376,000港元)·於同日尚未動用之銀行信貸額約333,767,000港元(二零零九年: 322,236,000港元)·此等銀行信貸額之抵押如下:

- (i) 本集團租賃土地及樓宇按揭·其總賬面淨值約4,337,000港元(二零零九年: 4,462,000港元)(附註15及16(c));
- (ii) 本集團按信託收據銀行貸款安排所持有之若干存貨約34,163,000港元(二零零九年: 22,540,000港元)(附註19); 及
- (iii) 本公司及其若干附屬公司所作之擔保。

於二零零九年三月三十一日·本集團的財務契約債務以賬面淨值約5,545,000港元(附註16(d))的機器作為抵押。

34 Related party transactions

As at 31st March, 2010, approximately 52.38% of the Company's ordinary shares were owned by Best Grade Advisory Limited, a company incorporated in the British Virgin Islands. Best Grade Advisory Limited is owned by two discretionary trusts, the discretionary beneficiaries of which include Mr. Lam Kwong Yu and Ms. Yeung Chui, directors of the Company. The directors of the Company regard Best Grade Advisory Limited to be the ultimate holding company.

(a) Particulars of significant transactions between the Group and a related party

Operating lease rentals charged by a related party	支付經營契約租金予一位 關連人士
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. The above transactions were carried out in the usual course of business, and in accordance with the terms of the contract entered into by the Group and the related party.

(b) Key management compensation

Basic salaries and allowances	基本薪金及津貼
Discretionary bonus	自由決定之花紅
Pension costs — defined contribution plans	退休成本 — 界定 供款計劃
Share-based payments	股份支付酬金

34 關連人士之交易

於二零一零年三月三十一日Best Grade Advisory Limited(於英屬維爾京群島註冊成立)持有本公司約52.38%權益。Best Grade Advisory Limited由兩個全權信託持有。而該等全權信託之受益人包括本公司董事林光如先生及楊翠女士。本公司董事局視Best Grade Advisory Limited為最終控股公司。

(a) 本集團與一位關連人士進行之重要交易詳情如下：

2010	2009
HK\$'000	HK\$'000
千港元	千港元

60	60
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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。上述交易均按一般業務常規，及按本集團與關連人士簽訂合同之條款進行。

(b) 主要管理人員酬金償付

2010	2009
HK\$'000	HK\$'000
千港元	千港元
10,327	10,324
1,413	1,012
199	199
75	303
12,014	11,838

HONG KONG, CHINA
中國香港