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No Shareholder receiving a copy of this document and/or an Election Form in any territory outside Hong Kong may treat the same as an invitation to elect for Shares unless in the relevant territory such invitation could lawfully be made to him/her without the Company having to comply with any registration or other legal requirements, governmental or regulatory procedures or any other similar formalities. It is the responsibility of any Shareholder outside Hong Kong who wishes to receive New Shares under the Scrip Dividend Scheme to comply with the laws of the relevant jurisdictions including procedures or any other similar formalities.

STARLITE
STARLIGHT INTERNATIONAL HOLDINGS LIMITED

升岡國際有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 485)

Executive Directors:

Lau Sak Hong, Philip (*Chairman*)
Lau Sak Kai, Anthony
Lau Sak Yuk, Andy

Non-Executive Director:

Hon Sheung Tin, Peter

Independent Non-Executive Directors:

Ho Hau Chong, Norman
Chan Chak Chung
Winston Calptor Chuck

Registered Office:

Canon's Court
22 Victoria Street
Hamilton HM12
Bermuda

***Head Office and Principal
Place of Business:***

5th Floor
Shing Dao Industrial Building
232 Aberdeen Main Road
Hong Kong

24th September, 2007

To the Shareholders,

Dear Sir or Madam,

Final Dividend for the year ended 31st March 2007

INTRODUCTION

On 20th July 2007, the Board of Directors (“the Directors”) of Starlight International Holdings Limited (“the Company”) announced their recommendation of a final dividend for the year ended 31st March 2007 (the “Final Dividend”) in scrip form to shareholders whose names appear on the register of

* *for identification purpose only*

members of the Company on 18th September, 2007 (the “Record Date”) equivalent to HK\$0.035 per share of HK\$0.40 each of the Company (the “Share”) with an alternative to the shareholders of the Company (the “Shareholders”) to elect to receive the Final Dividend in cash in lieu of all or part of their scrip dividend entitlements (the “Scrip Dividend Scheme”). At the annual general meeting of the Company held on 18th September, 2007, the Final Dividend was approved.

The purpose of this document is to set out the procedures which apply in relation to the Scrip Dividend Scheme and the action which should be taken by Shareholders in relation thereto.

DETAILS OF THE SCRIP DIVIDEND SCHEME

Under the Scrip Dividend Scheme, each Shareholder may receive the Final Dividend in one of the following ways:

- (a) wholly by way of an allotment of new Shares with a nominal value of HK\$0.40 each (“New Shares”) credited as fully paid and having an aggregate market value (as defined below) equal to, save for adjustment for fractions after rounding down to the nearest whole number of the New Shares, the total amount of Final Dividend; or
- (b) wholly by a cash dividend of HK\$0.035 per Share; or
- (c) partly in cash and partly in New Shares.

For the purpose of calculating the number of New Shares to be allotted, the market value of a New Share has been set at HK\$1.836, which is the average closing price of one Share on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) for the five consecutive trading days commencing on 12th September, 2007. Accordingly, the number of New Shares which Shareholders will receive, in respect of the existing Shares registered in their names as at the Record Date will be calculated as follows:

$$\begin{array}{rclcl}
 \text{Number of New} & & \text{Number of existing Shares} & & \text{HK\$0.035} \\
 \text{Shares to be} & = & \text{held on the Record Date for} & \times & \hline
 \text{received} & & \text{which cash election is not made} & & \text{HK\$1.836}
 \end{array}$$

The last day and time on which Shareholders will be entitled to elect their desired form of Final Dividend is 4:00 p.m. on Monday,15th October, 2007. The number of New Shares to be received will be rounded down to the nearest whole number of the New Shares. Fractional entitlements to New Shares in respect of alternatives (a) and (c) above will not be issued and will be disregarded and the benefit thereof will accrue to the Company. The New Shares to be issued pursuant to the Scrip Dividend Scheme will rank pari passu in all respects with the existing Shares except that they shall not rank for the Final Dividend.

ADVANTAGES OF THE SCRIP DIVIDEND SCHEME

The Scrip Dividend Scheme will give Shareholders the opportunity to increase their investment in the Company without incurring brokerage fee, stamp duty or dealing costs. The Scrip Dividend Scheme will also be to the advantage of the Company because, to the extent that the Shareholders do not elect to receive cash in lieu of New Shares, in whole or in part, such cash as would otherwise have been paid to Shareholders will be retained for use as working capital by the Company.

EFFECT OF THE SCRIP DIVIDEND SCHEME

If all Shareholders elect to receive cash, the total cash dividend payable by the Company would be HK\$27,676,866 on the basis of 790,767,614 Shares in issue as at the Record Date.

Shareholders should note that the New Shares to be issued pursuant to the Scrip Dividend Scheme may give rise to notification requirements under the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (“SFO”) for those Shareholders who may have notifiable interests (under the SFO, 5% or more interest in the issued share capital) in the Company. **Shareholders who are in any doubt as to how these provisions may affect them as a result of the New Shares arising from the Scrip Dividend Scheme are recommended to seek their own professional advice.**

FORM OF ELECTION

A Form of Election (the “Form of Election”) is enclosed with this document for use by Shareholders who wish to receive the Final Dividend wholly in cash or partly in cash and partly by the issue of New Shares, or to make a permanent election to receive cash in lieu of any future dividend in scrip form.

If you elect to receive the Final Dividend wholly in the form of New Shares, you should not complete the Form of Election.

If you elect to receive wholly in cash, or partly cash and partly New Shares, you must use the Form of Election. If you complete the Form of Election but do not specify the number of Shares in respect of which you wish to receive cash under the Scrip Dividend Scheme, or if you elect to receive cash in respect of a greater number of Shares than your registered shareholding on the Record Date, you will be deemed to have exercised your election to receive cash in respect of all the Shares of which you were then registered as the holder.

Any Shareholder who does not wish to receive the Final Dividend in the form of New Shares must make an appropriate election on the Form of Election in accordance with the instructions printed thereon and return it to the Company’s branch share registrar and transfer office, Tricor Secretaries Limited at 26th Floor, Tesbury Centre, 28 Queen’s Road East, Hong Kong not later than 4:00 p.m. on Monday, 15th October, 2007. No acknowledgment of receipt of the Form of Election will be issued. If any Shareholder does not complete and return the Form of Election by not later than 4:00 p.m. on Monday, 15th October 2007, the Shareholder will receive the Final Dividend in the form of New Shares.

No Form of Election will be sent to any Shareholder who has made earlier a permanent election to receive cash in lieu of any future dividend in scrip form. Any such Shareholder wishing to change his existing permanent election for cash and to elect to receive New Shares or partly New Shares and partly cash must give at least seven days’ notice in writing before Monday, 15th October 2007 (i.e. on or before Monday, 8th October, 2007) to Tricor Secretaries Limited at the address stated above.

OVERSEAS SHAREHOLDERS

The Directors are aware that, after making legal enquiries by the Company, the participation in the Scrip Dividend Scheme by the Shareholders with registered addresses in Malaysia will require local approval and/or registration or filing formalities in relation to the Scrip Dividend Scheme under the

relevant securities legislation in Malaysia. The Company has also been advised by lawyers in Malaysia that the Company is required to submit a proposal to the Securities Commission of Malaysia for its approval prior to implementation of the Scrip Dividend Scheme in Malaysia.

In the circumstance, the Directors have decided to exclude Shareholders with registered addresses in Malaysia (the “Excluded Shareholders”) from the Scrip Dividend Scheme. The Directors have considered that such exclusion is necessary and expedient pursuant to Rule 13.36(2) of the Rules Governing the Listing of Securities on the Stock Exchange. Accordingly, the Excluded Shareholders will receive the Final Dividend wholly in cash. No Form of Election is being sent to the Excluded Shareholders and they will only receive this document for information.

All other Shareholders with a registered address outside Hong Kong or otherwise resident outside Hong Kong should consult their professional advisers as to whether or not they are permitted to receive the Final Dividend in scrip form or if any governmental or other consent is required or other formalities need to be observed. No person resident in any territory outside Hong Kong and no person receiving in any territory outside Hong Kong a copy of this document and/or a form of election may treat the same as an invitation to him to subscribe shares unless in the relevant territory such invitation could lawfully be made to him without having to comply with any unfulfilled registration or other legal requirements. It is the responsibility of any Shareholder outside Hong Kong who wishes to receive New Shares under the Scrip Dividend Scheme to comply with the laws of the relevant jurisdictions including procedures or any other similar formalities.

This document and the Form of Election will not be registered in Hong Kong or in any other jurisdiction.

For the avoidance of doubt, this document and the Form of Election do not constitute or form part of an offer or solicitation of any offer to buy securities of the Company to the public, and the Form of Election is non-transferable.

LISTING AND DEALINGS

Application has been made to the Listing Committee of the Stock Exchange for listing of, and permission to deal in, the New Shares to be issued pursuant to the Scrip Dividend Scheme. Subject to the said application being granted by the Stock Exchange, it is expected that share certificates for the New Shares and/or cheques for cash dividend will be posted by ordinary mail to those entitled thereto at their own risk on or before Wednesday, 31st October, 2007. Dealings of the New Shares on the Stock Exchange are expected to commence on Thursday, 1st November, 2007 after dispatch to Shareholders of the certificates for the New Shares.

The primary listing of the existing Shares is on the Stock Exchange, and there is no official secondary listing of the existing Shares on any other stock exchange. No listing of, or permission to deal in, any of the existing Shares and/or New Shares on any stock exchange other than the Stock Exchange is being or is proposed to be sought.

Dealings in the New Shares may be settled through the Central Clearing and Settlement System and you should seek the advice of your stockbroker or other professional adviser for details of these settlement arrangements and how such settlement arrangements will affect your rights and interests.

RECOMMENDATION AND ADVICE

Whether or not it is to the Shareholders’ advantages to receive New Shares or cash, in whole or in part, depends upon their own individual circumstances. The effect on the tax position of any Shareholder will depend on that Shareholder’s particular circumstances. If you are in any doubt as to what to do, you should consult your professional advisers. Shareholders who are trustees are recommended to take professional advice as to whether the choice to receive cash or New Shares is within their powers and as to its effect having regard to the terms of the relevant trust instrument.

EXPECTED TIMETABLE

Fix the market value of a New Share (5 trading days average) Wednesday, 12th September 2007 to
Tuesday, 18th September, 2007

Latest time and date for return of Form of Election 4:00 p.m. on Monday, 15th October 2007

Despatch of share certificates for the New Shares and/or on or before Wednesday,
cheques for cash dividend 31st October 2007

Commencement of dealings in the New Shares Thursday, 1st November, 2007

Yours faithfully,
Philip Lau Sak Hong
Chairman