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STARLITE

STARLIGHT INTERNATIONAL HOLDINGS LIMITED

升岡國際有限公司*

(incorporated in Bermuda with limited liability)

(Stock Code: 485)

DISCLOSEABLE TRANSACTION: DISPOSAL OF PRC PROPERTY

DISPOSAL AGREEMENT

On 10 June 2009 (after trading hours), the Vendor, an indirect wholly-owned subsidiary of the Company entered into the Disposal Agreement with the Purchaser, an Independent Third Party in relation to the disposal of the PRC Property for a consideration of RMB59,387,859 (equivalent to approximately HK\$67,702,159).

Completion of the Disposal will take place within fifteen Business Days after completion of the necessary transfer and registration procedure of disposal of the PRC Property with the relevant PRC authorities.

The Disposal constitutes a discloseable transaction on the part of the Company under Rule 14.06 of the Listing Rules.

DISPOSAL AGREEMENT

Date: 10 June 2009 (after trading hours)

- Parties:**
- (1) Vendor: Starlight Electronics (Jiangmen) Company Limited
 - (2) Purchaser: Economic Development Area Xinhui District Jiangmen City Guangdong Administrative Committee
 - (3) Guarantor: Starlight Industrial Holdings Limited, a indirect wholly-owned subsidiary of the Company

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, each of the Purchaser and its ultimate beneficial owner is an Independent Third Party.

Assets to be disposed of:

The PRC Property, being a vacant industrial site located at Industrial Land Lot No. F01-1, The Economic Development Zone, Xinhui District, Jiangmen City, Guangdong Province, the PRC.

Consideration:

The consideration for the Disposal is RMB59,387,859 (equivalent to approximately HK\$67,702,159) and shall be paid by the Purchaser in the manner as follows:

- (1) as to RMB20,000,000 (equivalent to approximately HK\$22,800,000) cash has been paid by the Purchaser to the Vendor upon signing of the Disposal Agreement;
- (2) as to RMB20,000,000 (equivalent to approximately HK\$22,800,000) to be satisfied by the Purchaser in cash by delivering to a designated account of the Vendor on or before 10 July 2009;
- (3) as to RMB18,787,859 (equivalent to approximately HK\$21,418,159) to be satisfied by the Purchaser in cash by delivering to a designated account of the Vendor on or before 10 August 2009; and
- (4) as to the remaining RMB600,000 (equivalent to approximately HK\$684,000) to be satisfied by the Purchaser in cash by delivering to a designated account of the Vendor within 15 Business Days after completion by the Vendor the necessary transfer and registration procedure of disposal of the PRC Property with the relevant PRC authorities.

The consideration for the Disposal was arrived at after arm's length negotiations between the parties to the Disposal Agreement based on approximately 97% of the consideration paid by the Vendor for acquisition of the PRC Property, which was purchased for RMB61,417,976 (equivalent to approximately HK\$70,016,492).

The Disposal enables the Group to realize cash for future operation and development. As such the Directors are of the view that, the consideration and the terms of the Disposal Agreement are fair and reasonable, and are in the interests of the Company and the Shareholders as a whole.

Completion:

There is no conditions precedent for the Disposal, but the Vendor should assist the Purchaser to complete the necessary transfer and registration procedure of disposal of the PRC Property with the relevant PRC authorities.

Completion will take place within 15 Business Days after completion of the necessary transfer and registration procedure of disposal of the PRC Property with the relevant PRC authorities.

INFORMATION ON THE PRC PROPERTY

The PRC Property is a vacant industrial site situated at Industrial Land Lot No. F01-1, The Economic Development Zone, Jiangmen City, Xinhui District, Guangdong Province, the PRC. The total gross floor area of the Property is approximately 324,963 m². The PRC Property was intended to be served as an investment project by the Group, however due to the international financial crisis, the Group decide not to proceed with the development of the PRC Property.

The Purchaser is a division of the PRC government which is responsible for promoting the economic development of Xinhui District, the PRC.

REASONS FOR THE DISPOSAL

The Group is principally engaged in design, manufacture and sale of a wide range of electronic products. The Group will continue to carry on its existing business after Completion.

The PRC Property was intended to be served as an investment project by the Group, however due to the international financial crisis; the Group decide not to proceed with the development of the PRC Property.

The Disposal enables the Company to (i) re-allocate all its resources and the management focus to its remaining business for more efficient management, (ii) realize cash for future development and investment of the Group.

The Directors consider the terms of the Disposal Agreement were entered into by the parties thereto after arm's length negotiations and on normal commercial terms and the terms of the Disposal Agreement are fair and reasonable so far as the Company and its Shareholders are concerned.

FINANCIAL EFFECT OF THE DISPOSAL

Upon completion of the Disposal, the Group will cease holding any interests in the PRC Property.

It is estimated that, upon completion of the Disposal, the Group will record a gain on disposal of the PRC Property of approximately RMB7,145,697 (equivalent to approximately HK\$8,146,094) which is based on the net book value of the PRC Property of approximately RMB52,242,162 (equivalent to approximately HK\$59,556,064) minus the Disposal consideration of RMB59,387,859 (equivalent to approximately HK\$67,702,159). Such gain on Disposal will be reflected in the consolidated financial statements of the Group for the financial year ended 31 March 2010. The reason of a gain on disposal is caused by the appreciation of RMB against HK\$. The proceeds of the Disposal will be applied towards the general working capital of the Group.

LISTING RULES IMPLICATION

The Disposal constitutes a discloseable transaction on the part of the Company under Rule 14.06 of the Listing Rules.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following expressions shall have the following meaning:

“Business Day”	a day (other than a Saturday) on which licensed banks are open for business in Hong Kong throughout their normal business hours
“Company”	Starlight International Holdings Limited, a company incorporated in Bermuda with limited liability and the issued Shares of which are listed on the Stock Exchange
“Completion”	completion of the sale and purchase of the PRC Property in accordance with the Disposal Agreement
“connected persons”	has the meaning ascribed thereto in the Listing Rules
“Directors”	the directors of the Company
“Disposal”	the disposal by the Vendor of the PRC Property subject to and upon the terms and conditions of the Disposal Agreement
“Disposal Agreement”	the sale and purchase agreement entered into between the Vendor and the Purchaser in relation to the Disposal on 10 June 2009
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Independent Third Party(ies)”	third party(ies) independent to the Company and its connected persons (has the meaning ascribed thereto in the Listing Rules)
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“PRC”	the People’s Republic of China, and for the purpose of this announcement excluding Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan

“PRC Property”	a parcel of land with the site area of approximately 324,963 m ² , located at Industrial Land Lot No. F01-1, The Economic Development Zone, Xinhui District, Jiangmen City, Guangdong Province, the PRC
“Purchaser”	Economic Development Area Xinhui District Jiangmen City Guangdong Administrative Committee, a division of the PRC government which is responsible to promote economic development of Xinhui District, the PRC
“Shares”	ordinary shares of HK\$0.40 each in the share capital of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Vendor”	Starlight Electronics (Jiangmen) Company Limited, a company established in the PRC, an indirect wholly-owned subsidiary of the Company
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong for the time being
“RMB”	renminbi, the lawful currency of the PRC for the time being
“m ² ”	square metre
“%”	per cent.

By order of the Board
Starlight International Holdings Limited
Lau Sak Hong, Philip
Director

Hong Kong, 10 June 2009

* *for identification purpose only*

Translation of RMB into Hong Kong dollars are based on the exchange rate of RMB1 to HK\$1.14 for information purpose only. Such translation should not be considered as a representation that the relevant amounts, have been, could have been, or could be converted at that or any other rate or at all.

As at the date of this announcement, the Board comprises three executive directors, namely Mr. Lau Sak Hong, Philip, Mr. Lau Sak Kai, Anthony, Mr. Lau Sak Yuk, Andy and a non-executive director, namely Mr. Hon Sheung Tin, Peter and three independent non-executive directors namely, Mr. Ho Hau Chong, Norman, Mr. Chan Chak Chung and Mr. Winston Calptor Chuck.