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***STARLITE***

**STARLIGHT INTERNATIONAL HOLDINGS LIMITED**

*(incorporated in Bermuda with limited liability)*

**(Stock Code: 485)**

## **Singing Machine Receives Notice of Delisting; Intends to Seek Trading on Over-the-Counter Bulletin Board.**

This announcement is made by Starlight International Holdings Limited (the “Company” and together with its subsidiaries, the “Group”) pursuant to Rule 13.09(1) of the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (the “Listing Rules”).

The board of directors of the Company (the “Board”) wishes to inform the shareholders of the Company that an oversea subsidiary of the Group so called **The Singing Machine Company, Inc. (“Singing Machine”)** (NYSE Amex: SMD) announces that effective immediately it will seek to have its common stock quoted on the Over-the-Counter bulletin board (“OTC BB”). On June 23, 2009 the Company received a written delisting notice from the NYSE Amex LLC (the “Amex” or “Exchange”) informing the Company that it intends to file a delisting application with the Securities and Exchange Commission (“SEC”), pursuant to Section 1009(d) of the Amex Company Guide. The letter cites the Company for non-compliance with one or more continued listing standards of the Exchange including the Company’s non-compliance with Section 1003(a)(ii) of Amex Company Guide with stockholders’ equity of less than \$4,000,000 and losses from continuing operations in three of its four most recent fiscal years. The letter also cites the Company’s failure to address its low selling price and to perform a reverse stock split recommended by Amex in accordance with Section 1003(f)(v). Additionally, the Amex Staff stated that the Company had demonstrated a pattern of non-compliance and an inability to sustain compliance over the long term and that the Amex Staff had been unable to substantiate the Company’s major initiative to regain compliance. The delisting notice provided that the Company has until Monday, June 29, 2009 to appeal the decision, after which time the Amex Staff’s decision will become final. The Company believes that Amex’s insistence to perform a reverse stock split is subjective and does not consider the current turmoil in the economic and stock markets. Management also believes performing a reverse stock split would significantly harm the Company and diminish stockholder’s value. Despite this, the Company has elected not to appeal the decision and intends to seek admission to the OTC bulletin board effective immediately for the following reasons:

(a) Due to being listed on the Amex, the Company has incurred substantial annual listing

fees, additional listing application fees, and professional service fees which can approach six-figures each year;

(b) The OTC BB requires no annual listing fees or additional listing application fees;

(c) Management believes that performing a reverse stock split as requested by the Exchange is not in the best interest of the Company or its stockholders;

(d) Management believes it will have closer, more personal contact with its market makers and stockholders in connection with the OTC BB.

The Company expects its last day of trading its common stock on the Exchange will be on or about July 6, 2009, however such date is approximate due to various administrative schedules at the Exchange and the SEC.

By Order of the Board  
**Lau Sak Hong, Philip**  
Chairman

Hong Kong, 2 July 2009

*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.*