



[For Immediate Release]

**Starlight's indirect subsidiary Cosmo intends to
apply for listing in the US**

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Plans to raise fund of approximately USD 20 million

(Hong Kong, 18 January 2006) Starlight International Holdings Limited ("Starlight" or "the Group"; HKEx code: 485), a world's leading manufacturer of consumer electronic products, today announced that its indirect subsidiary, Cosmo Communications Corporation ("Cosmo"; Symbol: CSMO.PK), intends to apply for listing of its common stock on NASDAQ Capital Market in the US.

Upon the listing and trading, Cosmo intends to raise approximately USD 20 million for financing its future investment activities and use as working capital.

Cosmo was listed on NASDAQ Small Cap Market in 1983. On 5 March 1996, the common stock was de-listed from NASDAQ Small Cap Market. It was then traded on the OTC Bulletin Board until 22 March 2001 when its trading was further changed to be trading on the Pink Sheets. As at 17 January 2006, its market capitalization was US\$ 8.7 million.

Starlight acquired the majority stake in Cosmo in 2001. It holds approximately 91.3% of the issued share capital of Cosmo. The purchase price was about US\$ 1 million.

Mr. Philip Lau, Chairman of Starlight, said, "With Cosmo having achieved several major business developments recently, we believe it is the right time for it to re-list in the US and to raise fund to support its future growth."

Cosmo business mainly covers importing, marketing and distribution of consumer electronic products in the US, Canada and Latin America. Until lately, Cosmo has expanded its product line by supplying home improvement products and has established a new business relationship with several major American national retail chains for sales of its existing product line within the US.

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Starlight, as the sole official importer and distributor of certain Hyundai Branded home improvement products in North America and Mexico, will appoint Cosmo to act as its distribution arm in the US and Canada, commencing from 1 April 2006.

Mr. Lau said, "The proposed listing will benefit both Cosmo and Starlight. To Cosmo, it will be able to build lasting shareholder value and broaden shareholder base in attempt to create more liquid trading market for its shares."

"And to Starlight, it will also see the market value of its Cosmo shareholding clearly established and be a vehicle for Starlight to access the US capital market. The listing will also reduce Cosmo's financial reliance on Starlight, freeing up working capital."

Cosmo has already appointed Cove Partners LLC as its financial adviser with regard to its application for listing on the US stock exchange. To date, other than retaining the Financial Adviser, no concrete plans are in place in relation to the intended application of listing of Cosmo.

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About Starlight International Holdings Limited

Founded in 1969, Starlight International Holdings Limited is a world's leading manufacturer of consumer electronic products. Its vertically integrated production facility, diversified product mix and strong financial support have enabled it to become one of the most preferred partners of leading mass retailers in the US and Europe. Starlight manufactures audio-visual products that satisfy the different needs of its clients from around the world. The Group has established long term relationships with various world-renowned branded customers, such as Philips, Polaroid, Hitachi and Emerson, and highly reputable mass retailers including Tesco, Asda, Dixons and Argos in Europe, and K Mart, Wal-Mart, Circuit City, Best Buy, Target, and Sears in the US. With an extensive sales network boasting global coverage, the Group serves markets in North and South America, Europe, Asia, and Africa, with major focus in the US and Europe.

About Cosmo Communications Corporation

Cosmo Communications Corporation has been carrying on business of importing, marketing and distributing consumer electronic products, including digital and quartz alarm clocks, in the US, Canada and Latin America. It has operations in Hong Kong and Canada.

For enquiries:

Strategic Financial Relations Limited

Shirley Lo	+(852) 2864 4847	shirleylo@strategic.com.hk
Kelda Chung	+(852) 2864 4813	kelda.chung@strategic.com.hk
Jeff Kwan	+(852) 2864 4895	jeff.kwan@strategoc.com.hk
Fax:	+(852) 2804 2789 / 2111 9039	