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**STARLITE**  
HOLDINGS LIMITED

星光集團有限公司\*

(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

## **DISCLOSEABLE TRANSACTION DISPOSAL OF PROPERTY**

### **THE DISPOSAL**

The Board announces that on 4 July 2019, the Vendor, an indirect wholly-owned subsidiary of the Company, entered into the Provisional SPA with the Purchaser, an independent third party, in relation to the disposal of the Property for the consideration of HK\$21,512,400. The Consideration was determined after arm's length negotiation among the parties and calculated based on the market value of the properties of similar nature and within the area of the Property.

### **LISTING RULES IMPLICATIONS**

As one or more of the applicable percentage ratios calculated based on the size tests under Rule 14.07 of the Listing Rules in respect of the Disposal is more than 5% but all are less than 25%, the Disposal constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules and is therefore subject to the reporting and announcement requirements but exempt from the shareholders' approval requirement thereunder.

### **THE DISPOSAL**

The Board announces that on 4 July 2019, the Vendor, an indirect wholly-owned subsidiary of the Company, entered into the Provisional SPA with the Purchaser, an independent third party, in relation to the disposal of the Property for the consideration of HK\$21,512,400.

Pursuant to the terms of the Provisional SPA, the Vendor and the Purchaser will enter into the formal sale and purchase agreement of the Property on or before 18 July 2019.

A summary of the terms of the Provisional SPA is set out below:

Date:	4 July 2019
Parties:	(1) The Vendor (2) The Purchaser
Property:	Unit No. 2 on 5th Floor, Perfect Industrial Building, No. 31 Tai Yau Street, Kowloon, Hong Kong
Consideration:	HK\$21,512,400
Terms of payment:	(a) an initial deposit of HK\$1,000,000 was paid by the Purchaser to the Vendor's solicitor upon the signing of the Provisional SPA; (b) a further deposit of HK\$1,151,240 will be paid by the Purchaser to the Vendor's solicitor on or before 18 July 2019; and (c) the balance of the Consideration of HK\$19,361,160 will be paid by the Purchaser to the Vendor's solicitor on or before the Completion Date.
Completion Date:	expected to take place on or before 26 September 2019.
Other terms:	(a) the Property is sold to the Purchaser on an "as is" basis; and (b) the Vendor shall not be responsible or liable for the installation of electricity and plumbing facilities and the dismantling of existing air conditioning machinery at the Property.

The Consideration was determined after arm's length negotiation among the parties and calculated based on the market value of the properties of similar nature and within the area of the Property.

## **INFORMATION ON THE PROPERTY**

The Property is a non-residential, industrial unit situated at Unit No. 2 on 5th Floor, Perfect Industrial Building, No. 31 Tai Yau Street, Kowloon, Hong Kong. The total saleable area of the Property is approximately 4,137 square feet. As at 31 March 2019, the net book value of the Property was HK\$1,285,793.

Rental income and net profit (excluding valuation gain/loss) attributable to the Property for the years ended 31 March 2019 and 2018 were as follows:

	For the year ended 31 March 2019 Approximately (HK\$)	For the year ended 31 March 2018 Approximately (HK\$)
Rental Income	582,000	549,500
Net profit before tax	494,500	459,500
Net profit after tax	413,000	383,500

### **FINANCIAL EFFECTS OF THE DISPOSAL**

As at 31 March 2019, the net book value of the Property was HK\$1,285,793. Based on the Consideration of HK\$21,512,400, the Company is expected to recognize a net gain (after deducting relevant legal costs, commission and expenses) of approximately HK\$19,961,000 from the Disposal which will be recorded in the accounting year ending 31 March 2020.

### **USE OF PROCEEDS**

The net proceeds of the Disposal (after deducting the costs and expenses attributable to the Disposal) of approximately HK\$19,961,000 will be used as follows: (1) part of the proceeds will be used to repay the Group's loan obligations; and (2) the remaining will be used as working capital of the Group.

### **REASONS FOR AND THE BENEFITS OF THE DISPOSAL**

Having considered the current market value of the Property based on the market value of properties of similar nature and within the area of the Property; the current property market conditions in Hong Kong; and the ongoing rejuvenation of the area which the Property is situated in, the Board considers that the Disposal is a good business opportunity which would realise its investment and allow the Group to redeploy its resources to consolidate its financial position.

The Board believes that the terms of the Disposal are on normal commercial terms and are fair and reasonable and in the interest of the Company and its shareholders as a whole.

### **INFORMATION ON THE PURCHASER**

The Purchaser is a company incorporated in Hong Kong and is principally engaged in the business of garment manufacturing and trading.

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

## **INFORMATION ON THE VENDOR AND THE COMPANY**

The Vendor is a company incorporated in Hong Kong with limited liability and is an indirect wholly-owned subsidiary of the Company. It is principally engaged in the business of trading of packaging materials.

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.

## **LISTING RULES IMPLICATIONS**

As one or more of the applicable percentage ratios calculated based on the size tests under Rule 14.07 of the Listing Rules in respect of the Disposal is more than 5% but all are less than 25%, the Disposal constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules and is therefore subject to the reporting and announcement requirements but exempt from the shareholders' approval requirement thereunder.

## **DEFINITIONS**

Unless the context otherwise requires, capitalised terms used in this announcement shall have the following meanings:

“Board”	the board of Directors of the Company
“Company”	Starlite Holdings Limited, a company incorporated in Bermuda with limited liability, the shares of which are listed on the Stock Exchange (Stock Code: 403)
“Completion Date”	the date on which completion of the Disposal takes place and which is expected to be on or before 26 September 2019
“Consideration”	the consideration in the amount of HK\$21,512,400 to be paid by the Purchaser to the Vendor in respect of the sale and purchase of the Property
“Directors”	the director(s) of the Company
“Disposal”	the disposal of the Property by the Vendor to the Purchaser
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong Dollar(s), the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People's Republic of China

“Independent Third Party”	person or company who/which are not connected with (within the meaning of the Listing Rules) and are independent of the directors, chief executive and substantial shareholders of the Group or any of their respective associates
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Property”	the non-residential, industrial property situated at Unit No. 2 on 5th Floor, Perfect Industrial Building, No. 31 Tai Yau Street, Kowloon, Hong Kong
“Provisional SPA”	the provisional sale and purchase agreement dated 4 July 2019 entered into between the Vendor and Purchaser in respect of Disposal;
“Purchaser”	Benefit Development Limited, a company incorporated in Hong Kong and is principally engaged in the business of garment manufacturing and trading.
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Vendor”	Starlite Printers Limited, a company incorporated in Hong Kong with limited liability and is an indirect wholly-owned subsidiary of the Company
“%”	per cent

On behalf of the Board  
**Starlite Holdings Limited**  
**Lam Kwong Yu**  
*Chairman*

Hong Kong, 4 July 2019

*As at the date of this announcement, the executive directors of the Company are Mr. Lam Kwong Yu, Mr. Tin Shing and Mr. Poon Kwok Ching, the non-executive directors are Ms. Yeung Chui, Mr. Tai Tzu Shi, Angus and Mr. Cheung Chi Shing, Charles, and the independent non-executive directors are Mr. Chan Yue Kwong, Michael, Mr. Kwok Lam-Kwong, Larry, SBS, JP and Mr. Tam King Ching, Kenny.*

*\* For identification purpose only*