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**S T A R L I T E**

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 DISPOSALS OF PROPERTIES**

### **THE DISPOSALS**

The Board announces that on 18 June 2021, the Vendor, an indirect wholly-owned subsidiary of the Company, entered into (i) Letter of Intent A with Purchaser A, Purchaser B and the Agent, and Agreement A with Purchaser A and Purchaser B, all being Independent Third Parties, in relation to the disposal of the Property A for the consideration of RMB5,742,410 (equivalent to approximately HK\$6,956,787); and (ii) Letter of Intent B with Purchaser A, Purchaser C, Purchaser D and the Agent, and Agreement B with Purchaser A, Purchaser C and Purchaser D, all being Independent Third Parties, in relation to the disposal of the Property B for the consideration of RMB4,084,800 (equivalent to approximately HK\$4,948,633). 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 each of Properties.

### **LISTING RULES IMPLICATIONS**

As Letter of Intent A, Letter of Intent B, Agreement A and Agreement B are entered into between the Group and inter alia, Purchaser A and shall complete within 12 months period, the Disposals shall be aggregated as a series of transactions pursuant to Rule 14.22 of the Listing Rules.

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 Disposals is more than 5% but all are less than 25%, the Disposals constitute a discloseable transaction of the Company under Chapter 14 of the Listing Rules and is therefore subject to the notification and announcement requirements but exempt from the shareholders' approval requirement thereunder.

## THE DISPOSALS

The Board announces that on 18 June 2021, the Vendor, an indirect wholly-owned subsidiary of the Company, entered into (i) Letter of Intent A with Purchaser A, Purchaser B and the Agent, and Agreement A with Purchaser A and Purchaser B, all being Independent Third Parties, in relation to the disposal of the Property A for the consideration of RMB5,742,410 (equivalent to approximately HK\$6,956,787); and (ii) Letter of Intent B with Purchaser A, Purchaser C, Purchaser D and the Agent, and Agreement B with Purchaser A, Purchaser C and Purchaser D, all being Independent Third Parties, in relation to the disposal of the Property B for the consideration of RMB4,084,800 (equivalent to approximately HK\$4,948,633).

### LETTER OF INTENT A AND AGREEMENT A

A summary of the terms of Letter of Intent A and Agreement A are set out below:

Date: 18 June 2021

Parties to Letter of Intent A: (1) The Vendor;  
(2) Purchaser A;  
(3) Purchaser B; and  
(4) The Agent.

Parties to Agreement A: (1) The Vendor;  
(2) Purchaser A; and  
(3) Purchaser B.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, Purchaser A, Purchaser B, the Agent and their respective ultimate beneficial owners are Independent Third Parties.

Subject matter: The Vendor shall sell, and Purchaser A and Purchaser B shall purchase respectively 80% and 20% of the property and the land use rights of Property A

Property A: The office situated at Unit 2203, No.1, Lane 829, Wanhangu Road, Jingan District, Shanghai, the PRC

Consideration for Property A: RMB5,742,410  
(equivalent to approximately HK\$6,956,787)

Terms of payment: (a) an initial deposit of RMB2,600,000 was paid by Purchaser A and Purchaser B to the Vendor upon the signing of Agreement A;  
  
(b) a further deposit of RMB2,800,000 will be paid by Purchaser A and Purchaser B to the Vendor upon the receipt of the acknowledgement from the Shanghai Real Estate Registration Centre in relation to the title transfer of Property A, which shall take place before 30 July 2021; and

(c) the balance of Consideration for Property A of RMB142,410 will be paid by Purchaser A and Purchaser B to the Vendor upon the Delivery Date of Property A or the early delivery date of Property A if the Purchaser A and Purchaser B elect to do so. The deposit in the sum of RMB200,000 paid by Purchaser A and Purchaser B to the Vendor upon signing of Letter of Intent A shall be paid as part of the Consideration for Property A upon Delivery Date of Property A.

If Purchaser A and Purchaser B fail to pay any payment under Agreement A, Purchaser A and Purchaser B shall jointly be liable to the Vendor for a daily damages which constitutes 0.5% of the Consideration for Property A.

If Purchaser A and Purchaser B fail to pay any payment under Agreement A for five days or more, the Vendor shall be entitled to terminate Agreement A and Purchaser A and Purchaser B shall jointly be liable to the Vendor for a liquidated damages which constitute 20% of the Consideration for Property A.

Due Diligence:

Upon signing of Letter of Intent A, the parties thereto shall conduct due diligence in relation to the sale and purchase of Property A and the due diligence shall be completed within three days from the date of signing of Letter of Intent A.

Agreement A shall be signed by the Vendor, Purchaser A and Purchaser B on 18 June 2021.

Completion Date for Property A:

The date on which is the title transfer of Property A is registered by the Shanghai Real Estate Registration Centre.

Delivery Date of Property A:

Within two days from the Completion Date for Property A and Purchaser A and Purchaser B obtain the real property ownership certificate for Property A.

If the Vendor fails to deliver Property A on the Delivery Date of Property A, the Vendor shall be liable to Purchaser A and Purchaser B for a daily damages which constitutes 0.5% of the Consideration for Property A.

If the Vendor fails to deliver Property A on the Delivery Date of Property A for five days or more, Purchaser A and Purchaser B shall be entitled to terminate Agreement A and the Vendor shall be liable to Purchaser A and Purchaser B for liquidated damages which constitute 20% of the Consideration for Property A.

Early delivery:

Upon signing of Agreement A and payment of the initial deposit, Purchaser A and Purchaser B shall be entitled to apply for early delivery and fitting out for Property A.

If the Vendor delivers Property A earlier than the Delivery Date of Property A to Purchaser A and Purchaser B for fitting out purposes and Agreement A is terminated due to breaches of Purchaser A and Purchaser B, in addition to the damages for the breaches, Purchaser A and Purchaser B shall jointly be liable to the Vendor for liquidated damages which constitute 20% of the Consideration for Property A and shall return Property A to the Vendor. If Purchaser A and Purchaser B fail to return Property A to the Vendor, Purchaser A and Purchaser B shall jointly be liable to the Vendor for a daily damages which constitutes 0.05% of the Consideration for Property A until the date on which Property A is returned to the Vendor.

During the period from the early delivery of Property A to the Completion Date and obtaining the real property ownership certificate for Property A, Purchaser A and Purchaser B shall not dispose Property A including transfer, mortgage, lease, lent or repayment of debt, and such disposal shall be void. If there is any breach, Purchaser A and Purchaser B shall jointly be liable to the Vendor for liquidated damages which constitute 20% of the Consideration for Property A.

## **LETTER OF INTENT B AND AGREEMENT B**

A summary of the terms of Letter of Intent B and Agreement B are set out below:

- Date: 18 June 2021
- Parties to Letter of Intent B: (1) The Vendor;  
(2) Purchaser A;  
(3) Purchaser C;  
(4) Purchaser D; and  
(5) The Agent.
- Parties to Agreement B: (1) The Vendor;  
(2) Purchaser A;  
(3) Purchaser C; and  
(4) Purchaser D.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, Purchaser A, Purchaser C, Purchaser D and the Agent and their respective ultimate beneficial owners are Independent Third Parties.

Subject matter: The Vendor shall sell, and Purchaser A, Purchaser C and Purchaser D shall purchase respectively 39%, 45% and 16% of the property and the land use rights of Property B

Property B: The office situated at Unit 2204, No.1, Lane 829, Wanhangu Road, Jingan District, Shanghai, the PRC

Consideration for Property B: RMB4,084,800  
(equivalent to approximately HK\$4,948,633)

Terms of payment:

- (a) an initial deposit of RMB1,800,000 was paid by Purchaser A, Purchaser C and Purchaser D to the Vendor upon the signing of Agreement B;
- (b) a further deposit of RMB2,000,000 will be paid by Purchaser A, Purchaser C and Purchaser D to the Vendor upon the receipt of the acknowledgement from the Shanghai Real Estate Registration Centre in relation to the title transfer of Property B, which shall take place before 30 July 2021; and
- (c) the balance of Consideration for Property B of RMB84,800 will be paid by Purchaser A, Purchaser C and Purchaser D to the Vendor upon the Delivery Date of Property B or the early delivery date of Property B if the Purchaser A, Purchaser C and Purchaser D elect to do so. The deposit in the sum of RMB200,000 paid by Purchaser A, Purchaser C and Purchaser D to the Vendor upon signing of Letter of Intent B shall be paid as part of the Consideration for Property B upon Delivery Date of Property B.

If Purchaser A, Purchaser C and Purchaser D fail to pay any payment under Agreement B, Purchaser A, Purchaser C and Purchaser D shall jointly be liable to the Vendor for a daily damages which constitutes 0.5% of the Consideration for Property B.

If Purchaser A, Purchaser C and Purchaser D fail to pay any payment under Agreement B for five days or more, the Vendor shall be entitled to terminate Agreement B and Purchaser A, Purchaser C and Purchaser D shall jointly be liable to the Vendor for liquidated damages which constitute 20% of the Consideration for Property B.

Due Diligence: Upon signing of Letter of Intent B, the parties thereto shall conduct due diligence in relation to the sale and purchase of Property B and the due diligence shall be completed within three days from the date of signing of Letter of Intent B.

Agreement B shall be signed by the Vendor, Purchaser A, Purchaser C and Purchaser D on 18 June 2021.

Completion Date for Property B: The date on which is the title transfer of Property B is registered by the Shanghai Real Estate Registration Centre.

Delivery Date of Property B: Within two days from the Completion Date for Property B and Purchaser A, Purchaser C and Purchaser D obtain the real property ownership certificate for Property B.

If the Vendor fails to deliver Property B on the Delivery Date of Property B, the Vendor shall be liable to Purchaser A, Purchaser C and Purchaser D for a daily damages which constitutes 0.5% of the Consideration for Property B.

If the Vendor fails to deliver Property B on the Delivery Date of Property B for five days or more, Purchaser A, Purchaser C and Purchaser D shall be entitled to terminate Agreement B and the Vendor shall be liable to Purchaser A, Purchaser C and Purchaser D for liquidated damage which constitute 20% of the Consideration for Property B.

Early delivery: Upon signing of Agreement B and payment of the initial deposit, Purchaser A, Purchaser C and Purchaser D shall be entitled to apply for early delivery and fitting out for Property B.

If the Vendor delivers Property B earlier than the Delivery Date of Property B to Purchaser A, Purchaser C and Purchaser D for fitting out purposes and Agreement B is terminated due to breaches of Purchaser A, Purchaser C and Purchaser D, in addition to the damages for the breaches, Purchaser A, Purchaser C and Purchaser D shall jointly be liable to the Vendor for liquidated damages which constitute 20% of the Consideration for Property B and shall return Property B to the Vendor. If Purchaser A, Purchaser C and Purchaser D fail to return Property B to the Vendor, Purchaser A, Purchaser C and Purchaser D shall jointly be liable to the Vendor for a daily damages which constitutes 0.05% of the Consideration for Property B until the date on which Property B is returned to the Vendor.

During the period from the early delivery of Property B to the Completion Date and obtaining the real property ownership certificate for Property B, Purchaser A, Purchaser C and Purchaser D shall not dispose Property B including transfer, mortgage, lease, lent or repayment of debt, and such disposal shall be void. If there is any breach, Purchaser A, Purchaser C and Purchaser D shall jointly be liable to the Vendor for liquidated damages which constitute 20% of the Consideration for Property B.

## **BASIS OF CONSIDERATION**

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 each of Properties.

## **INFORMATION ON THE PROPERTIES**

Property A is an office situated at Unit 2203, No.1, Lane 829, Wanhangu Road, Jingan District, Shanghai, the PRC with a total gross floor area 249.67 square metres. Property B is an office situated at Unit 2204, No.1, Lane 829, Wanhangu Road, Jingan District, Shanghai, the PRC with a total gross floor area 177.6 square metres.

Property A and Property B are currently used as the Group's office in Shanghai. For the financial years ended 31 March 2019 and 31 March 2020, there was no rental income attributable to the Properties.

## **FINANCIAL EFFECTS OF THE DISPOSALS AND USE OF PROCEEDS**

As at 31 May 2021, the unaudited net book value of Property A and Property B was approximately RMB1.77 million and RMB1.26 million respectively. Based on the Consideration for Property A and Consideration for Property B of RMB5,742,410 and RMB4,084,800 respectively, the Company is expected to recognize a net gain (after deducting carrying value of the Properties, relevant legal costs, commission, tax and expenses from the Consideration) of approximately RMB6.1 million from the Disposals which will be recorded in the financial year ending 31 March 2022.

The net proceeds of the Disposals to be received by the Group will be applied towards (i) investing into other investments of attractive return and with synergies to its core business when such opportunities arise; and (ii) general working capital of the Group.

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

The Properties are currently being used as offices by the Group. In order to optimise the usage of the properties held by the Group, and having considered the current market value of the Properties based on the market value of properties of similar nature and within the area of the Properties and the current property market conditions in Shanghai, the Board considers that the Disposals are good business opportunities for the Company to realise the value of the Properties at a reasonable price and to allow the Group to redeploy its resources to other investment opportunities that will offer a better and more attractive return.

The Board believes that the terms of the Disposals 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 PARTIES**

### **The Company**

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.

### **The Vendor**

The Vendor is a company incorporated in the PRC with limited liability and is an indirect wholly-owned subsidiary of the Company. It is principally engaged in the business of production of packaging and printing products.

### **The Purchasers**

Each of Purchaser A, Purchaser B, Purchaser C and Purchaser D is an individual who is a PRC resident.

### **The Agent**

The Agent is a company incorporated in the PRC with limited liability. It is principally engaged in property agency services in the PRC.

## **LISTING RULES IMPLICATIONS**

As Letter of Intent A, Letter of Intent B, Agreement A and Agreement B are entered into between the Group and inter alia, Purchaser A and shall complete within 12 months period, the Disposals shall be aggregated as a series of transactions pursuant to Rule 14.22 of the Listing Rules.

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 Disposals is more than 5% but all are less than 25%, the Disposals constitute a discloseable transaction of the Company under Chapter 14 of the Listing Rules and is therefore subject to the notification 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:

“Agent”	Shanghai Congjia Property Agency Limited* (上海從嘉房地產經紀有限公司), a company incorporated in the PRC
“Agreement A”	the sale and purchase agreement dated 18 June 2021 entered into between the Vendor, Purchaser A and Purchaser B in relation to the disposal of Property A



“Agreement B”	the sale and purchase agreement dated 18 June 2021 entered into between the Vendor, Purchaser A, Purchaser C and Purchaser D in relation to the disposal of Property B
“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 for Property A”	the date on which completion of the disposal of Property A takes place
“Completion Date for Property B”	the date on which completion of the disposal of Property B takes place
“Consideration”	Consideration for Property A and Consideration for Property B
“Consideration for Property A”	the consideration in the amount of RMB5,742,410 to be paid by the Purchaser A and Purchaser B to the Vendor in respect of the sale and purchase of the Property A
“Consideration for Property B”	the consideration in the amount of RMB4,084,800 to be paid by the Purchaser A, Purchaser C and Purchaser D to the Vendor in respect of the sale and purchase of the Property B
“Delivery Date for Property A”	the date on which the delivery of Property A from the Vendor to Purchaser A and Purchaser B takes place
“Delivery Date for Property B”	the date on which the delivery of Property B from the Vendor to Purchaser A, Purchaser C and Purchaser D takes place
“Directors”	the director(s) of the Company
“Disposals”	the disposals of Property A and Property B by the Vendor to the Purchasers
“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 PRC
“Independent Third Party(ies)”	person(s) or company(ies) who/which is(are) independent of the Company and its connected persons
“Letter of Intent A”	the letter of intent dated 18 June 2021 entered into between the Vendor, Purchaser A, Purchaser B and the Agent in relation to the disposal of Property A
“Letter of Intent B”	the letter of intent dated 18 June 2021 entered into between the Vendor, Purchaser A, Purchaser C, Purchaser D and the Agent in relation to the disposal of Property B
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“PRC”	the People’s Republic of China, for the purpose of this announcement, shall exclude Hong Kong, Macau Special Administrative Region of the PRC and Taiwan
“Properties”	Property A and Property B
“Property A”	the property situated at Unit 2203, No.1, Lane 829, Wanhangu Road, Jingan District, Shanghai, the PRC
“Property B”	the property situated at Unit 2204, No.1, Lane 829, Wanhangu Road, Jingan District, Shanghai, the PRC
“Purchasers”	Purchaser A, Purchaser B, Purchaser C and Purchaser D
“Purchaser A”	Sun Liang (孫亮), an individual who is a PRC resident
“Purchaser B”	Zhang Wei (張瑋), an individual who is a PRC resident
“Purchaser C”	Hu Zhongwen (胡忠文), an individual who is a PRC resident
“Purchaser D”	Huang Dong (黃東), an individual who is a PRC resident
“RMB”	Renminbi, the lawful currency of PRC

“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Vendor”	Starlite Printers (Suzhou) Co. Ltd., a company incorporated in the PRC 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, 18 June 2021

*For the purpose of illustration only and unless otherwise stated, conversion of RMB into HK\$ in this announcement is based on the exchange rate of HK\$1 to RMB0.82544. Such conversions should not be construed as a representation that any amount has been, could have been, or may be, exchanged at this rate or any other rate.*

*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 director is Ms. Yeung Chui, 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*