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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 ACQUISITIONS OF MACHINERY

THE ACQUISITION

The Board announces that on 28 September, 2023, Shaoguan Fortune, an indirect wholly-owned subsidiary of the Company, entered into the Purchase and Sale Contract with the Vendor, in relation to the acquisition of the Machine for a Consideration of RMB16,280,000 (equivalent to approximately HK\$17,741,293), inclusive of VAT. The Consideration was determined after arm's length negotiation between the parties and on normal commercial terms taking into account the prevailing market price for machines similar to the Machine.

LISTING RULES IMPLICATIONS

As one of the applicable percentage ratios (as defined under the Listing Rules) in respect of the Acquisition is more than 5% but all are less than 25%, the Acquisition 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.

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THE PURCHASE AND SALE CONTRACT

A summary of the terms of the Purchase and Sale Contract is set out below:

Date: 28 September 2023

Parties: (1) The Vendor as vendor; and
(2) Shaoguan Fortune as purchaser.

To the best of the knowledge, information and belief of the Directors having made all reasonable enquiries, the Vendor and its ultimate beneficial owners are third parties independent of the Company and its connected persons.

Subject matter: The Vendor shall sell and Shaoguan Fortune shall acquire the Machine.

Asset to be acquired: The Machine, being one set of second hand Heidelberg Offset Printing Press (Model : Speedmaster XL106-8+LY+1).

Consideration: RMB16,280,000 (equivalent to approximately HK\$17,741,293), inclusive of VAT, which is payable as follows:

- (a) RMB3,256,000 (equivalent to approximately HK\$3,548,259), being 20% of the Consideration, shall be paid by Shaoguan Fortune within 3 days after signing of the Purchase and Sale Contract as the initial deposit;
- (b) RMB9,768,000 (equivalent to approximately HK\$10,644,776), being 60% of the Consideration, shall be paid by Shaoguan Fortune upon delivery of the Machine to the factory premises of Shaoguan Fortune but before unloading of the Machine, as the second installment payment;
- (c) RMB2,442,000 (equivalent to approximately HK\$2,661,194), being 15% of the Consideration, shall be paid by Shaoguan Fortune within seven business days after satisfactory installation and the Machine being put into commercial production, as the third installment payment;

- (d) RMB814,000 (equivalent to approximately HK\$887,064), being 5% of the Consideration, shall be paid by Shaoguan Fortune within six months after satisfactory installation and the Machine being put into commercial production, as the balance payment.

If Shaoguan Fortune fails to pay any payment under the Purchase and Sale Contract, Shaoguan Fortune shall be liable to pay the Vendor damages of 0.05% of the outstanding amount payable under the Purchase and Sale Contract calculated on a daily basis.

Date of delivery and penalty:

Subject to the payment of Consideration in accordance with the Purchase and Sale Contract, the Vendor shall deliver the Machine to Shaoguan Fortune between 15 October 2023 and 20 October 2023.

If there is delay in delivery, the Vendor shall be liable to pay Shaoguan Fortune damages of 0.05% of the Consideration calculated on a daily basis.

Once the Purchase and Sale Contract comes into effect, if the Vendor disposes the Machine to any other parties, it will be regarded as the Vendor's breach of the Purchase and Sale Contract, the Vendor shall be liable to Shaoguan Fortune a penalty of double of the amount of the Consideration paid.

BASIS OF CONSIDERATION

The Consideration was determined after arm's length negotiation between the parties and on normal commercial terms taking into account the prevailing market price for machines similar to the Machine. The Consideration shall be satisfied by the internal resources of the Group or bank financing.

REASONS FOR AND THE BENEFITS OF THE ACQUISITIONS

The Machine is a second hand Heidelberg Offset Printing Press (Model : Speedmaster XL106-8+LY+1) which is state-of-the-art printer offering innovative solutions specially tailored to the needs of classic commercial printing as well as complex packaging printing applications. The Machine will enhance the efficiency and productivity of the Group in the long run with its steady production speeds of 18,000 sheets per hour in straight printing or perfecting mode. The Machine also features parallel makeready processes which will increase productivity in packaging, commercial, and label printing. The intelligent interaction of the automated components also enables cost-effective production of all printing products. The Machine will be utilised by the Group for manufacturing production in its Shaoguan plant, and will enhance the efficiency of its manufacturing processes, and thereby be expected to bring a positive impact on the performance of manufacturing of packaging and printing products of the Company.

The Purchase and Sale Contract was entered into after arm's length negotiations with the Vendor and the Group had considered similar machines in the market as well as the prevailing market value of similar machines.

In view of the above, the Directors consider that the terms of the Purchase and Sale Contract and the Acquisition 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.

Shaoguan Fortune

Shaoguan Fortune 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 Vendor

The Vendor is a company incorporated in the PRC with limited liability. It is principally engaged in printing of paper products, packaging material, and distribution of printing press, ink and printing materials in the PRC. To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, as at the date of this announcement, the ultimate beneficial owners of the Vendor are Mr. Hu Yong*(胡勇), Ms. Hu Meng Lin*(胡夢林) and Ms. Tan Li*(譚莉) who hold 40%, 40% and 20% of equity interest in the Vendor respectively.

LISTING RULES IMPLICATIONS

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

DEFINITIONS

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

“Acquisition”	the acquisition of the Machine by Shaoguan Fortune pursuant to the Purchase and Sale Contract
“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)
“Consideration”	the consideration in the amount of RMB16,280,000 (equivalent to approximately HK\$17,741,293), inclusive of VAT, to be paid by Shaoguan Fortune to the Vendor in respect of the Acquisition
“Directors”	the director(s) of the Company
“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
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Machine”	being one set of second hand Heidelberg Offset Printing Press (Model : Speedmaster XL106-8+LY+1)
“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
“Purchase and Sale Contract”	the purchase and sale contract dated 28 September 2023 entered into between the Vendor and Shaoguan Fortune in relation to the acquisition of the Machine
“RMB”	Renminbi, the lawful currency of PRC
“Shaoguan Fortune”	Shaoguan Fortune Creative Industries Company Limited*(韶關科藝創意工業有限公司), a company incorporated in the PRC with limited liability and an indirect wholly-owned subsidiary of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

“Vendor” Shenzhen Mantianxing Printing Equipment Material Co. Ltd. * (深圳市滿天星印刷設備材料有限公司), a company incorporated in the PRC with limited liability

“%” per cent

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

Hong Kong, 28 September 2023

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 RMB1.00 to HK\$1.08976. 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, Mr. Poon Kwok Ching and Mr. Wong Wai Kwok, 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, Mr. Tam King Ching, Kenny and Ms. Elizabeth Law.

** For identification purpose only*