StarGlory Holdings Company Limited
榮暉控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8213)

ANNUAL RESULTS ANNOUNCEMENT FOR THE YEAR ENDED 31 MARCH 2026

CHARACTERISTICS OF GEM OF THE STOCK EXCHANGE OF HONG KONG LIMITED (THE "STOCK EXCHANGE")

GEM has been positioned as a market designed to accommodate small and mid-sized companies to which a higher investment risk may be attached than other companies listed on the Stock Exchange. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration.

Given that the companies listed on GEM are generally small and mid-sized companies, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the Main Board and no assurance is given that there will be a liquid market in the securities traded on GEM.

*This announcement, for which the directors (the "**Directors**") of StarGlory Holdings Company Limited (the "**Company**") collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on GEM of the Stock Exchange (the "**GEM Listing Rules**") for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this announcement misleading.*

RESULTS

The board of directors (the “**Board**”) of the Company hereby announces the audited consolidated results of the Company and its subsidiaries (hereinafter collectively referred to as the “**Group**”) for the year ended 31 March 2026 (the “**Reporting Period**”), together with the comparative audited consolidated figures for the corresponding year, as follows:

CONSOLIDATED STATEMENT OF PROFIT OR LOSS
For the year ended 31 March 2026

	Notes	**2026** **HK$’000**	2025 *HK$’000*
Revenue	*2*	**15,052**	37,416
Cost of sales		**(8,804)**	(21,312)
Gross profit		**6,248**	16,104
Other income	*3*	**1,789**	451
Share of result of an associate		**(360)**	(368)
Impairment of interest in an associate		**(150)**	(2,996)
Impairment of plant and equipment		**(213)**	–
Impairment of intangible assets		**(3,997)**	–
Impairment of trade debtors		**(558)**	–
Operating expenses		**(22,664)**	(30,346)
Operating loss		**(19,905)**	(17,155)
Finance costs	*4(a)*	**(6,167)**	(5,125)
Loss before income tax	*4*	**(26,072)**	(22,280)
Income tax expenses	*5*	**–**	–
Loss for the year		**(26,072)**	(22,280)
Loss per share (HK cents)	*6*		
– Basic		**(4.70)**	(4.22)
– Diluted		**(4.70)**	(4.22)

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 March 2026

	2026	2025
	HK$'000	*HK$'000*
Loss for the year	**(26,072)**	(22,280)
Other comprehensive (loss)/income:–		
Items that may be subsequently reclassified to profit or loss:–		
Exchange (loss)/gain arising from translation of financial statements of foreign operations	**(398)**	100
Other comprehensive (loss)/income for the year, net of tax	**(398)**	100
Total comprehensive loss for the year	**(26,470)**	(22,180)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
As at 31 March 2026

	Notes	2026 HK$'000	2025 HK$'000
NON-CURRENT ASSETS			
Plant and equipment		**75**	1,584
Right-of-use assets	7	**590**	2,619
Intangible assets		**–**	4,671
Interest in an associate		**951**	1,461
		1,616	10,335
CURRENT ASSETS			
Inventories		**17**	65
Debtors, deposits and prepayments	8	**8,756**	11,484
Cash and cash equivalents	9	**8,496**	24,397
		17,269	35,946
DEDUCT:–			
CURRENT LIABILITIES			
Creditors and accruals	10	**37,063**	37,379
Other loans	11	**104,495**	106,321
Contract liabilities		**214**	536
Lease liabilities	12	**832**	2,940
		142,604	147,176
NET CURRENT LIABILITIES		**(125,335)**	(111,230)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
As at 31 March 2026

	Notes	**2026** **HK$'000**	2025 *HK$'000*
TOTAL ASSETS LESS CURRENT LIABILITIES		**(123,719)**	(100,895)
NON-CURRENT LIABILITIES			
Lease liabilities	*12*	**148**	536
Convertible bonds		**33,331**	29,297
		33,479	29,833
NET LIABILITIES		**(157,198)**	(130,728)
REPRESENTING:–			
EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY			
Share capital		**44,405**	44,405
Reserves		**(201,603)**	(175,133)
TOTAL EQUITY		**(157,198)**	(130,728)

Notes:

1. BASIS OF PREPARATION

StarGlory Holdings Company Limited (the "**Company**") was incorporated in the Cayman Islands on 13 November 2001 as an exempted company with limited liability under the Companies Law, Cap. 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands. The principal place of its business Unit 01, 15th Floor, Henan Building, 90 to 92 Jaffe Road, Wanchai, Hong Kong. The Company and its subsidiaries (collectively referred to as the "**Group**") are principally engaged in the provision of food and beverage services, and trading of photovoltaic products. The Directors consider the immediate holding company and ultimate holding company of the Group as at 31 March 2026 to be Oceanic Fortress Holdings Limited, a company incorporated in the British Virgin Islands, and the ultimate controlling party of the Group as at 31 March 2026 to be Ms. Huang Li ("**Ms. Huang**" or the "**Controlling Shareholder**").

The Company is listed on GEM of the Stock Exchange of Hong Kong Limited (the "**Stock Exchange**").

(a) Compliance with Hong Kong Financial Reporting Standards

These consolidated financial statements have been prepared in accordance with all applicable HKFRS Accounting Standards, which collective term includes all applicable individual Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards ("**HKASs**") and Interpretations ("**HK(IFRIC) – Int**") issued by the Hong Kong Institute of Certified Public Accountants ("**HKICPA**"), accounting principles generally accepted in Hong Kong and the disclosure requirements of the Hong Kong Companies Ordinance. These consolidated financial statements also comply with the applicable disclosure provisions of The Stock Exchange of Hong Kong Limited (the "**GEM Listing Rules**").

(b) Initial application of HKFRS Accounting Standards

In the current year, the Group applied the following amendments to HKFRS Accounting Standards for the first time:–

Amendments to HKAS 21	Lack of Exchangeability

The application of the above mentioned amendments to HKFRS Accounting Standards in the current year has had no material impact on the Group's financial positions and performance for the current and prior years and/or on the disclosures set out in these consolidated financial statements.

(c) HKFRS Accounting Standards in issue but not yet effective

The following new and amendments to HKFRSs in issue at 31 March 2026 have not been applied in the preparation of these consolidated financial statements since they were not yet effective for the annual period beginning on 1 April 2025:–

Amendments to HKFRS 9 and HKFRS 7	Amendments to the Classification and Measurement of Financial Instruments[2]
Amendments to HKFRS 9 and HKFRS 7	Contracts Referencing Nature-dependent Electricity[2]
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture[1]
Amendments to HKFRS Accounting Standards	Annual Improvements to HKFRS Accounting Standards – Volume 11[2]
HKFRS 18	Presentation and Disclosure in Financial Statements[3]
Amendments to HKAS 21	Translation to a Hyperinflationary Presentation Currency[3]

1 Effective for annual periods beginning on or after a date to be determined.
2 Effective for annual periods beginning on or after 1 January 2026.
3 Effective for annual periods beginning on or after 1 January 2027.

Except for the new and amendments to HKFRS Accounting Standards mentioned below, the Directors anticipate that the application of all other new and amendments to HKFRS Accounting Standards will have no material impact on the consolidated financial statements in the foreseeable future.

HKFRS 18 Presentation and Disclosure in Financial Statements

HKFRS 18 Presentation and Disclosure in Financial Statements, which sets out requirements on presentation and disclosures in financial statements, will replace HKAS 1 Presentation of Financial Statements. This new HKFRS Accounting Standard, while carrying forward many of the requirements in HKAS 1, introduces new requirements to present specified categories and defined subtotals in the statement of profit or loss; provide disclosures on management-defined performance measures in the notes to the financial statements and improve aggregation and disaggregation of information to be disclosed in the financial statements. In addition, some HKAS 1 paragraphs have been moved to HKAS 8 and HKFRS 7. Minor amendments to HKAS 7 Statement of Cash Flows and HKAS 33 Earnings per Share are also made.

HKFRS 18, and amendments to other standards, will be effective for annual periods beginning on or after 1 January 2027, with early application permitted.

(d) Adoption of the going concern basis

When preparing the consolidated financial statements, the Group's ability to continue as a going concern has been assessed. These consolidated financial statements have been prepared by the Directors on a going concern basis notwithstanding that as at 31 March 2026, the Group had net current liabilities and net liabilities of approximately HK$125,335,000 and HK$157,198,000 respectively as the Directors considered that:–

(1) Ms. Huang, being the sole beneficial owner and director of the ultimate holding company of the Group, has agreed to provide continuing financial support to the Group.

(2) On 1 June 2026, Mr. Tang Sing Ming Sherman ("**Mr. Tang**"), as a lender, who is also the sole beneficial owner of the convertible bonds ("**Convertible Bonds**") issued by the Company, signed a memorandum of loans with a subsidiary of the Company, pursuant to which repayment date of a loan from Mr. Tang with an outstanding balance of principal and interest of approximately HK$101,781,000 as at 31 March 2026 was extended (the "**Extension**") from 22 June 2026 to 22 June 2027 (the "**Extended Loan**"). The Extended Loan bears the same term after the Extension.

(3) Subsequent to 31 March 2026, a major supplier of the Group whom the Group owed an amount of approximately HK$21,053,000 as at 31 March 2026, which were included in trade creditors under creditors and accruals as set out in note 10, has agreed not to demand for repayment for the amounts due to them before 30 June 2027.

(4) Subsequent to 31 March 2026, the Group owed an amount of approximately HK$3,971,000 from an independent third party as at 31 March 2026, which were included in other loans as set out in note 11, has agreed not to demand for repayment for the amount due to them before 30 June 2027.

After taking into consideration of the above factors and funds expected to be generated internally from plans and measures being implemented by the Group to improve the financial performance and liquidity position of the Group, and based on the Directors' estimation of the future cash flows of the Group, the Directors are satisfied that the Group will have sufficient financial resources to meet its financial obligations as they fall due in the foreseeable future and consider that it is appropriate for the consolidated financial statements to be prepared on a going concern basis. However, the eventual outcome of these plans and measures cannot be determined with certainty. Therefore there exists material uncertainty related to the conditions described above which may cast significant doubt on the Group's ability to continue as a going concern.

Should the Group be unable to continue to operate as a going concern, adjustments would have to be made to write down the value of assets to their recoverable amounts, to provide for further liabilities which might arise and to reclassify non-current assets and liabilities as current assets and liabilities respectively. The effects of these adjustments have not been reflected in the consolidated financial statements.

The Directors have, at the time of approving the consolidated financial statements, a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the consolidated financial statements.

2. REVENUE

Disaggregation of revenue from contracts with customers:

	2026	2025
	HK$'000	*HK$'000*
Revenue from customers and recognized on a point in time basis		
– Provision of food and beverage services	**673**	4,916
– Sales of cakes	**11,719**	32,500
– Trading of photovoltaic products – *Note*	**2,653**	–
– Trading of frozen food products, net basis	**7**	–
	15,052	37,416

Note:

Revenue from trading at photovoltaic products recognized on gross basis and net basis for the years ended 31 March 2026 and 2025 are as follows:

	2026	2025
	HK$'000	*HK$'000*
Gross basis	**2,633**	–
Net basis	**20**	–
	2,653	–

3. OTHER INCOME

	2026	2025
	HK$'000	*HK$'000*
Interest income – *Note (i)*	**21**	407
Service fee income	**113**	–
Write-off of other payables – *Note (ii)*	**1,299**	–
Gain on termination of leases	**350**	–
Miscellaneous items	**6**	44
	1,789	451

Note:–

(i) The amount included imputed interest income on rental deposits of HK$17,000 (2025: HK$342,000).

(ii) For the year ended 31 March 2026, the Group recognised an amount of HK$1,299,000 as other income in respect of the write-off of other payables to several vendors in PRC. Those balances had been outstanding for over seven years, and the underlying legal obligations of the Group to repay those debts have become unenforceable upon the expiry of the statutory limitation period under the Civil Code of the PRC (Articles 188).

4. LOSS BEFORE INCOME TAX

	2026	2025
	HK$'000	*HK$'000*
Loss before income tax is arrived at after charging/(crediting):–		
(a) Finance costs:–		
Interest expenses on other loans	**1,174**	1,174
Interest expense on convertible bonds	**4,834**	3,067
Imputed interest expense on reinstatement provision	**–**	8
Interest expenses on lease liabilities	**109**	316
Other bank charges	**50**	560
	6,167	5,125
(b) Other items:–		
Amortization of other intangible assets	**674**	406
Depreciation of plant and equipment	**160**	596
Depreciation of right-of-use assets	**2,975**	7,200
Auditor's remuneration for audit services	**689**	699
Variable lease payment not included in the measurement of lease liabilities	**89**	544
Short-term lease expenses	**788**	380
Directors' remuneration	**914**	1,028
Other staff salaries and benefits	**7,508**	12,402
Retirement scheme contributions	**412**	500
Other staff costs	**7,920**	12,902
Cost of sales (including cost of purchases of HK$8,804,000 (2025: HK$21,271,000), other direct expenses and overhead cost of HK$Nil (2025: HK$41,000))	**8,804**	21,312
Reversal of long service payment	**–**	(310)
Loss on written-off of plant and equipment, net	**1,138**	–

5. INCOME TAX

No provision for Hong Kong Profits Tax or PRC Enterprise Income Tax has been made for the years ended 31 March 2026 and 2025 as the Group recorded losses and had no other assessable profits for taxation purposes. No deferred tax has been recognised as there were no material temporary differences or unused tax losses/credits for which it was probable that future taxable profits would be available.

(i) Pursuant to the rules and regulations of the Cayman Islands and the British Virgin Islands ("**BVI**"), the Group is not subject to any income tax in the Cayman Islands and the BVI.

(ii) The Company's subsidiaries incorporated/established in Hong Kong and the People's Republic of China ("**PRC**") are subject to Hong Kong Profits Tax and PRC Enterprise Income Tax at the rates of 16.5% and 25% respectively (2025: Hong Kong – 16.5% and PRC – 25% respectively).

6. LOSS PER SHARE

The calculation of basic loss per share is based on the loss attributable to owners of the Company of approximately HK$26,072,000 (2025: HK$22,280,000) and the weighted average number of ordinary shares of 555,057,588 (2025: ordinary shares of (528,098,685) in issue during the years ended 31 March 2026 and 2025.

The computation of diluted loss per share does not assume the conversion of the Company's outstanding convertible bonds since these potential ordinary shares have anti-dilutive effects on loss per share for both 2026 and 2025.

7. RIGHT-OF-USE ASSETS

	Leasehold properties *HK$'000*
Cost:–	
At 1.4.2024	26,754
Exchange adjustment	(13)
Additions	2,699
Expiry of leases arrangements	(16,700)
At 31.3.2025	12,740
Accumulated depreciation:–	
At 1.4.2024	13,545
Exchange adjustment	(465)
Charge for the year	7,200
Expiry of leases arrangements	(11,323)
At 31.3.2025	8,957
Accumulated impairment:–	
At 1.4.2024	6,541
Expiry of lease arrangements	(5,377)
At 31.3.2025	1,164
Net book value:–	
At 31.3.2025	2,619

	Leasehold properties *HK$'000*
Cost:–	
At 1.4.2025	12,740
Exchange adjustment	72
Additions	579
Expiry of leases arrangements	(9,491)
At 31.3.2026	**3,900**
Accumulated depreciation:–	
At 1.4.2025	8,957
Exchange adjustment	55
Charge for the year	2,975
Expiry of leases arrangements	(9,491)
At 31.3.2026	**2,496**
Accumulated impairment:–	
At 1.4.2025	1,164
Eliminated upon termination of leases	(350)
At 31.3.2026	**814**
Net book value:–	
At 31.3.2026	**590**

The Group has entered into lease agreements to obtain the right to use properties as its office premises, restaurants, cafés and cake shops and as a result recognized corresponding lease liabilities (Note 12). The leases (other than short-term leases) typically run for an initial period of 1 to 4 years. In determining the lease term, the Group applies the definition of a contract and determines the period for which the contract is enforceable.

Lease payments

Leases of restaurants, cafés and cake shops are either with only fixed lease payments or contain variable lease payment that are based on 10% to 15% (2025: 10% to 15%) of sales and minimum annual lease payments that are fixed over the lease term. The payment terms are common in restaurants, cafés and cake shops in the locations where the Group operates. Leases of office premises are with fixed lease payments only. The amounts of fixed and variable lease payments paid/payable to relevant lessors for the years ended 31 March 2026 and 2025 include:

2026

	Number of leases	**Fixed payments** ***HK'000***	**Variable payments** ***HK'000***	**Total payments** ***HK'000***
Office premises without variable lease payments	**4**	**1,414**	**–**	**1,414**
Restaurants, cafés and cake shops with variable lease payments	**5**	**1,833**	**89**	**1,922**
Total	**9**	**3,247**	**89**	**3,336**

2025

	Number of leases	Fixed payments *HK'000*	Variable payments *HK'000*	Total payments *HK'000*
Office premises without variable lease payments	5	2,391	–	2,391
Restaurants, cafés and cake shops with variable lease payments	16	4,857	544	5,401
Total	21	7,248	544	7,792

The overall financial effect of using variable payment terms is that higher rental costs are incurred by restaurants, cafés and cake shops with higher sales. Variable rent expenses are expected to continue to represent a similar proportion of restaurants, cafés and cake shops sales in future years.

Short-term lease expenses

Information regarding short-term lease expenses are disclosed in Notes 4(b).

Restrictions or covenants on leases

The lease agreements do not impose any covenants other than the security interests in the leased assets that are held by the lessor. Leased assets may not be used by the Group as security for borrowing purposes.

Extension option

As of 31 March 2026 and 2025, no extension options were embedded in the lease arrangements.

8. DEBTORS, DEPOSITS AND PREPAYMENTS

Debtors, deposits and prepayments comprise:–

	2026	2025
	HK$'000	*HK$'000*
Trade debtors	**3,954**	311
Less: loss allowance	**(568)**	–
	3,386	311
Rental and utility deposits	**1,937**	4,676
Prepayments *(Note (a))*	**2,051**	2,987
Other debtors *(Note (b))*	**1,382**	3,510
	8,756	11,484

Notes:

(a) Included in prepayments at 31 March 2026 is an advance payment of approximately HK$1,744,000 (2025: HK$2,276,000) made for research for potential new-business of production of photovoltaic equipment and components technology in PRC.

(b) Included in other debtors at 31 March 2025 was an amount due from the director which arose from an advance for operating expenses of approximately HK$1,675,000. The amount was fully settled during the year 31 March 2026.

(a) Loss allowance

Loss allowance in respect of trade debtors is recorded using loss allowance account unless the Group is satisfied that recovery of the amount is remote, in which case the loss allowance is written off against trade debtors.

Movements of loss allowance for trade debtors are as follows:–

	2026	2025
	HK$'000	*HK$'000*
At beginning of the year	**–**	–
Impairment for the year	**558**	–
Exchange adjustment	**10**	–
At end of the year	**568**	–

(b) Aging analysis

The Group normally allows credit term of 60 days to its customers for trading of photovoltaic and frozen food products. The trading terms with the Group's customers for provision of food and beverage services are mainly on cash and non-cash basis settlements, except for well established corporate customers who are granted credit term of 30-60 days. For non-cash basis settlements, the counterparties normally settle the balances within 2-60 days. The following was an aging analysis of trade debtors (net of loss allowance), which included outstanding balances for non-cash basis settlements, based on the invoice date, at the end of the reporting period:–

	2026	2025
	HK$'000	*HK$'000*
0 – 30 days	**258**	166
31 – 60 days	**381**	1
61 – 90 days	**354**	–
91 – 180 days	**–**	144
181 days-365 days	**2,393**	–
	3,386	311

(c) Trade debtors that are not impaired

The aging analysis of trade debtors that are not considered to be impaired was as follow:–

	2026	2025
	HK$'000	*HK$'000*
Neither past due nor impaired	**258**	166
Past due but not impaired:–		
1 – 30 days	**381**	1
31 – 60 days	**354**	–
61 – 90 days	**–**	–
91 – 180 days	**–**	144
181 days – 365 days	**2,393**	–
	3,128	145
	3,386	311

9. CASH AND CASH EQUIVALENTS

	2026	2025
	HK$'000	*HK$'000*
Cash and bank balances	**8,496**	24,397

As at 31 March 2026, cash and cash equivalents of the Group which is denominated in RMB amounted to approximately HK$583,000 (2025: approximately HK$2,436,000). Conversion of RMB into foreign currencies is subject to the PRC's Foreign Exchange Control Regulations and Administration of Settlement, Sale and Payment of Foreign Exchange Regulations.

10. CREDITORS AND ACCRUALS

Creditors and accruals comprise:–

	2026	2025
	HK$'000	*HK$'000*
Trade creditors	**21,053**	23,133
Accruals and provisions *(Note)*	**3,504**	4,260
Interest payables	**11,251**	9,277
Other creditors and payables	**1,255**	709
	37,063	37,379

Note: The balance as at 31 March 2026, mainly represented (i) accrued staff cost of approximately HK$269,000 (2025: HK$1,049,000); (ii) accrued expenses for promotion, advertising agency and exhibition of approximately HK$2,543,000 (2025: HK$2,509,000); (iii) provision for auditor's remuneration for audit services of HK$689,000 (2025: HK$699,000) and (iv) provision of long-service payment of approximately HK$3,000 (2025: HK$3,000).

The following was an aging analysis, based on invoice date, of trade creditors:–

	2026	2025
	HK$'000	*HK$'000*
0 – 30 days	**1,627**	1,791
31 – 60 days	**4,041**	2,746
61 – 90 days	**1,788**	2,294
91 – 180 days	**43**	3,328
Over 180 days	**13,554**	12,974
	21,053	23,133

11. OTHER LOANS

	2026	2025
	HK$'000	*HK$'000*
Other loans – current	**104,495**	106,321

Other loan from a lender of approximately HK$97,864,000 (2025: HK$97,864,000) as at 31 March 2026 is unsecured, carries an interest rate at 0.1% per month and repayable on 22 June 2026 (2025: 22 June 2025). Remaining loans of HK$2,660,000 (2025: HK$2,508,000) are interest-free, unsecured and repayable on demand. Subsequent to the end of the financial reporting periods, on 1 June 2026, Mr. Tang Sing Ming Sherman, as the lender, who is also beneficial owner of the Convertible Bonds issued by the Company ("**Mr. Tang**") signed a memorandum of loan with a subsidiary of the Company, pursuant to which the repayment date of a loan from Mr. Tang with an outstanding balance of principal and interest of approximately HK$101,781,000 as at 31 March 2026 was extended from 22 June 2026 to 22 June 2027. The Extended Loan bears the same term after the Extension. The rest of the loan from Mr. Tang is interest-free, unsecured and repayable on demand.

Interest payable to this lender of approximately HK$3,917,000 (2025: HK$2,742,000) is included in creditors and accruals.

Other loan from an independent third party of approximately HK$3,971,000 (2025: HK$5,949,000) as at 31 March 2026 is unsecured, interest-free and repayable on demand (2025: unsecured interest free and is repayable on demand).

12. LEASE LIABILITIES

The following table shows the remaining contractual maturities of the Group's lease liabilities at the end of the reporting period:–

	Present value of minimum lease payments		Minimum lease payments	
	2026	2025	**2026**	2025
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*
Amounts payable:–				
Within one year	**832**	2,940	**853**	3,039
In the second to fifth year	**148**	536	**150**	546
	980	3,476	**1,003**	3,585
Less: Future finance charges			**(23)**	(109)
Present value of lease obligation			**980**	3,476

13. RELATED PARTY AND CONNECTED TRANSACTIONS

The Group had no material transactions with its related parties and connected persons as defined in HKAS 24 and GEM Listing Rules in both years.

The remunerations of Directors and other members of key management personnel during the year ended 31 March 2026 and 2025 were as follows:

Directors' and key management personnel's remunerations	**2026**	2025
	HK$'000	*HK$'000*
Fees	**780**	780
Salaries, allowances and other benefits in kind	**2,607**	2,620
Performance related bonuses	**–**	48
Retirement scheme contributions	**59**	50
	3,446	3,498

14. SEGMENT INFORMATION

HKFRS 8 requires operating segments to be identified on the basis of internal reports about components of the Group that are regularly reviewed by the Directors, being the chief operating decision maker ("**CODM**") in order to allocate resources to the segment and to assess its performance.

During the year ended 31 March 2026, as a result of the commencement of trading of photovoltaic products business, the Group reorganized its internal reporting structure which resulted in changes to the composition of its reportable and operating segments, such that the Group has identified two reportable and operating segments for the financial year ended 31 March 2026. Prior year segment disclosures have been represented to conform with the current year's presentation. The Group's operating and reportable segments currently are: Food and beverage and trading of photovoltaic products. The CODM considers the Group has two operating and reportable segments which are based on the internal organisation and reporting structure. This is the basis upon which the Group is organised. No operating segments have been aggregated in arriving at the reportable segments of the Group.

(i) Food and beverage – Provision of food and beverage services, operating of restaurants and cake shops in Hong Kong.

(ii) Trading of photovoltaic products – Trading of photovoltaic products in the PRC.

(a) Segment revenue and results

For the year ended 31 March 2026

The following is an analysis of the Group's revenue and results by reportable segments.

	Food and beverage		**Trading of photovoltaic products**		**Total**	
	2026	2025	**2026**	2025	**2026**	2025
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*	***HK$'000***	*HK$'000*
Segment revenue (external)	**12,399**	37,416	**2,653**	–	**15,052**	37,416
Segment loss	**(9,304)**	(4,214)	**(2,143)**	(7,130)	**(11,447)**	(11,344)
Interest income					**19**	65
Miscellaneous items					**–**	32
Finance costs					**(6,063)**	(4,362)
Depreciation of plant and equipment					**(5)**	(5)
Depreciation of right-of-use assets					**(145)**	(756)
Unallocated operating expenses					**(8,431)**	(5,910)
Loss before income tax					**(26,072)**	(22,280)

Segment loss represents the loss incurred from each segment without the allocation of certain interest income, miscellaneous items, certain depreciation of plant and equipment, certain deprecation of right-of-use assets, certain finance costs, and central operating expenses. This is the measure reported to the CODM for the purpose of resource allocation and performance assessment.

(b) Segment assets and liabilities

The following is an analysis of the Group's assets and liabilities by reportable segments:

As at 31 March 2026

Segment assets

	Food and beverage		Trading of photovoltaic products		Total	
	2026	2025	**2026**	2025	**2026**	2025
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*	***HK$'000***	*HK$'000*
Segment assets	**2,088**	16,813	**6,001**	2,577	**8,089**	19,390
Unallocated assets					**10,796**	26,890
Consolidated total assets					**18,885**	46,280

Segment liabilities

	Food and beverage		Trading of photovoltaic products		Total	
	2026	2025	**2026**	2025	**2026**	2025
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*	***HK$'000***	*HK$'000*
Segment liabilities	**27,778**	29,480	**4,211**	1,542	**31,989**	31,022
Unallocated liabilities					**144,094**	145,987
Consolidated total liabilities					**176,083**	177,009

For the purpose of monitoring segment performance and allocating resources between segments:

All assets are allocated between operating segments other than certain plant and equipment, certain right-of-use assets, certain deposits and prepayments, certain cash and cash equivalents and unallocated corporate assets of headquarter.

All liabilities are allocated between operating segments other than certain creditors and accruals, certain lease liabilities, convertible bonds and unallocated corporate liabilities of headquarter.

(c) Segment information

For the year ended 31 March 2026

	Food and beverage		Trading of photovoltaic products		Total	
	2026	2025	**2026**	2025	**2026**	2025
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*	***HK$'000***	*HK$'000*
Amounts included in the measure of segment profit or loss or segment assets:						
Depreciation of plant and equipment	**136**	527	**19**	64	**155**	591
Depreciation of right-of-use assets	**2,170**	5,756	**660**	688	**2,830**	6,444
Franchise and royalties expenses	**349**	717	**–**	–	**349**	717
Short term lease expenses	**199**	–	**–**	–	**199**	–
Amortization of other intangible assets	**674**	406	**–**	–	**674**	406
Impairment of plant and equipment	**213**	–	**–**	–	**213**	–
Impairment of intangible assets	**3,997**	–	**–**	–	**3,997**	–
Impairment of trade debtors	**146**	–	**412**	–	**558**	–
Additions to non-current assets	**–**	1,893	**–**	–	**–**	1,893

(d) Geographical information

	PRC		Hong Kong		Total	
	2026	2025	**2026**	2025	**2026**	2025
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*	***HK$'000***	*HK$'000*
Revenue	**2,660**	–	**12,392**	37,416	**15,052**	37,416
Non-current assets	**1,174**	2,341	**442**	7,994	**1,616**	10,335

The geographical location of customers is based on the location at which the services were provided or the goods delivered. The geographical location of the non-current assets is based on (i) the physical location of the assets, in the case of plant and equipment (ii) the location of the operation to which they are allocated, in the case of intangible assets and right-of-use assets.

(e) Major customers

Revenue from customer of the corresponding years contributing over 10% of total revenue of the Group is as follows:

	2026	2025
	HK$'000	*HK$'000*
Customer A		
Revenue from trading of photovoltaic products	**2,633**	–

15. DIVIDEND

No dividend has been paid or declared by the Company for the years ended 31 March 2026 and 2025 nor up to the date of this announcement.

MANAGEMENT DISCUSSION AND ANALYSIS

The Group's audited revenue for the year ended 31 March 2026 (the "**Reporting Period**") amounted to approximately HK$15.1 million (2025: approximately HK$37.4 million), representing a decrease of approximately 59.6% compared with the last financial year. Loss attributable to owners of the Company was approximately HK$26.1 million (2025: approximately HK$22.3 million) for the Reporting Period, representing an increase of approximately 17.0% compared with the last financial year. The increase was primarily due to the decrease in gross profit as a result of the decrease in revenue, expected credit losses of debtors, impairment plant and equipment, and impairment of intangible assets. The above adverse effects were offset by an increase of other income resulting from a write-off of other payables and a decrease in operating expenses resulting from effective cost control measures, and improved operational efficiency was also a contributing factor during the Reporting Period. Further detailed explanations can be found in the financial review section of this announcement.

INDUSTRY OVERVIEW

During the Reporting Period, the global economy demonstrated a degree of resilience amid easing inflation and a more accommodative monetary environment. However, trade tensions, debt pressures and macroeconomic uncertainties continued to constrain the global outlook, and overall growth momentum remained weak.

The Chinese economy continued to demonstrate resilience during the Reporting Period, with gross domestic product growing by 5.0% year-on-year for the full year of 2025. Industrial production and high-technology manufacturing performed strongly, and the economic structure continued to be optimised towards high-end and green development.

With strong policy support, the new energy industry in China maintained rapid growth. According to data from the National Energy Administration, as at the end of 2025, the nation's total installed capacity of renewable energy reached 2,340 GW, representing a year-on-year increase of 24%, of which the installed capacity of solar power generation reached 1,200 GW, representing a year-on-year increase of approximately 35%; newly added photovoltaic installed capacity nationwide amounted to approximately 317 GW in 2025. While expanding in scale, the photovoltaic industry chain has driven a continuous increase in demand for upstream new materials, creating growth opportunities for relevant manufacturing and materials enterprises.

The Hong Kong economy recorded moderate expansion during the Reporting Period, with gross domestic product growing by 3.5% in real terms for the full year of 2025. However, the operating environment of the local catering industry remained challenging. Weak local consumption power, intense market competition, together with northbound consumption by Hong Kong residents and the entry of Mainland brands, continued to put pressure on local restaurants. According to data from the Census and Statistics Department, the total receipts of Chinese restaurants decreased by 2.9% in value terms for the full year of 2025; according to industry statistics, nearly 300 retail shops across Hong Kong closed down in the first half of 2025, of which the catering industry accounted for approximately 70%. The normalisation of the "Hong Kong vehicles going north" scheme further changed the local consumption landscape, and industry competition is expected to become more intense.

BUSINESS REVIEW

During the Reporting Period, the Group's overall sales performance recorded a decline as compared with the last financial year, mainly attributable to the decrease recorded by the sale of food and catering services segment, being the Group's principal business, under the impact of the objective operating environment. Affected by the continuously changing market environment, this segment encountered certain operating pressure during the year under review. The Group will closely monitor market changes and manage the development of this segment on a prudent basis.

In response to the operating pressure faced by the sale of food and catering services segment, the Group actively assessed and advanced its business diversification strategy during the Reporting Period, so as to diversify market risks and broaden its income sources.

During the Reporting Period, the Group continued to advance its photovoltaic products business, and the relevant business began to record revenue during the year. However, its overall scale remained at an early stage of development and accounted for a limited proportion of the Group's overall revenue. The Group will continue to actively advance the development of this business.

During the Reporting Period, the Group continued to carry out research and development as well as preliminary market expansion work in respect of photovoltaic screen-printing technology and related new materials projects. However, the relevant products had not yet generated sales contributions of scale during the year. The Group will continue to review its business portfolio and actively capture suitable development opportunities, so as to promote the long-term diversification of its revenue structure.

FUTURE PROSPECTS

Looking ahead, the Group will adopt a development strategy of "focusing on new businesses and exploring new opportunities", concentrating resources on developing emerging businesses with growth potential and continuously optimising its business portfolio and revenue structure.

In respect of its existing businesses, the Group will proactively seize market opportunities and, on a prudent and cost-effective basis, continue to advance its sale of food and catering services business, while flexibly optimising its operating strategies, striving to consolidate and enhance the performance of this segment.

In terms of industrial layout, the Group will continue to advance the research and development as well as market expansion of its photovoltaic products business, and assess and capture suitable business development opportunities in a prudent manner, with a view to gradually increasing the revenue contribution of this segment to the Group.

In addition, the Group will continue to review its existing business portfolio and proactively assess and identify suitable investment and cooperation projects, so as to broaden its income sources and advance business diversification, laying a foundation for the long-term sustainable development of the Group and creating long-term value for shareholders of the Company (the "**Shareholders**").

FINANCIAL REVIEW

Consolidated results of operations

For the Reporting Period, the Group recorded a total revenue of approximately HK$15.1 million (2025: approximately HK$37.4 million), from provision of food and beverage services of approximately HK$12.4 million and provision of photovoltaic products and related raw material of approximately by HK$2.7 million (2025: provision of food and beverage services of approximately HK$37.4 million), representing a decrease of approximately 66.9% for the food and beverage section compared to the last financial year. This decrease in revenue reflects the ongoing transformation in consumer behavior patterns, characterized by a measured shift towards value-oriented purchasing decisions amid evolving macroeconomic conditions. The emergence of cross-border consumption alternatives has further influenced this trend. The interplay of regional market dynamics and the growing presence of e-commerce platforms has presented new challenges for Hong Kong's food and beverage sector. While the Hong Kong government's initiatives to stimulate consumption have yielded modest improvements in consumer sentiment, the industry continues to navigate through a period of adjustment.

Loss attributable to owners of the Company was approximately HK$26.1 million (2025: approximately HK$22.3 million).

Gross profit

The gross profit margin from the operations of the Group remained stable at approximately 41.5% (2025: approximately 43.0%). In response to evolving market dynamics, the Group has proactively diversified its product portfolio by introducing an expanded range of peripheral and seasonal offerings, including mooncakes, egg rolls, and French palmier products. While these new product categories currently operate at different margin profiles compared to our traditional cake offerings, they represent an important strategic initiative to broaden our market reach and create additional revenue streams. The Group remains focused on optimizing its product mix and implementing operational enhancements to gradually strengthen overall profitability while maintaining market competitiveness.

Other income

Other income of the Group for the Reporting Period increased by 260.0% to approximately HK$1.8 million (2025: approximately HK$0.5 million). The increase was mainly due to gain arising from waiver of other payables, and offset by the decrease in interest income compared with the last financial year.

Impairment of intangible assets

An impairment loss of approximately HK$4.0 million (2025: HK$nil) was recognised for the cake shops that subsequently ceased operations and no future economic benefits are expected to be generated from these assets.

Finance costs

Finance cost of the Group for the Reporting Period increased by 21.6% to approximately HK$6.2 million (2025: approximately HK$5.1 million). This increase was primarily attributable to higher interest expenses on convertible bonds, resulting from the reassessment of their fair value following an extension last year.

Operating expenses

The Group strived to exercise stringent cost control and further enhanced operational efficiency during the Reporting Period. As a result, total operating expenses for the operations decreased by approximately 25.1% to approximately HK$22.7 million (2025: approximately HK$30.3 million). The decrease in operating expenses as compared to last financial year was in line with the decrease in revenue and also reflects the Group's strategic refinement of its retail portfolio, specifically the calibrated optimization of our outlet network. This measured action aligns with its strategic imperative to enhance resource allocation and strengthen operations around high-potential locations. As a result of these strategic initiatives, the Group achieved an improvement in operational efficiency, with total operating expenses moderated to HK$22.7 million during the Reporting Period.

A breakdown of the operating expenses are set out below:

	2026 ***HK$'000***	2025 *HK$'000*
Amortization of other intangible assets	**674**	406
Auditor's remuneration	**689**	699
Building management fee and rates	**274**	523
Cleaning	**42**	218
Depreciation of plant and equipment	**160**	596
Depreciation of right-of-use assets	**2,975**	7,200
Directors' remuneration	**914**	1,028
Franchise and royalties	**349**	717
Insurance	**46**	358
Legal and professional fee	**1,436**	2,364
Licenses	**123**	119
Loss on foreign exchange	**1,699**	80
Loss on written off of plant and equipment, net	**1,138**	–
Marketing	**93**	807
Other staff costs	**7,920**	12,902
Repair and maintenance	**448**	253
Short-term lease expenses	**788**	380
Takeaway supplies	**27**	649
Utilities	**224**	421
Variable lease payment not included in the measurement of lease liabilities	**89**	544
Others	**2,556**	82
	22,664	30,346

Financial resources and liquidity

As at 31 March 2026, the Group's current assets amounted to approximately HK$17.3 million (2025: approximately HK$35.9 million) of which approximately HK$8.5 million (2025: approximately HK$24.4 million) was cash and cash equivalents, approximately HK$8.8 million (2025: approximately HK$11.5 million) was debtors, deposits and prepayments. The Group's current liabilities amounted to approximately HK$142.6 million (2025: approximately HK$147.2 million), including creditors and accruals in the amount of approximately HK$37.1 million (2025: approximately HK$37.4 million), approximately HK$104.5 million (2025: approximately HK$106.3 million) was other loans.

As at 31 March 2026, the principal amount of the convertible bonds issued by the Company amounted to approximately HK$40 million (2025: approximately HK$40 million). On 13 August 2021, the Company entered into the third supplemental deed with the bondholder pursuant to which the Company and the bondholder agreed to extend the maturity date of the Convertible Bond (as defined in the announcement of the Company dated 13 August 2021) for 36 months from the date falling on the sixth anniversary of the date of issue of the convertible bonds, being 15 August 2021, to 15 August 2024. On 12 August 2024, the Company entered into the Fourth Supplemental Deed with the bondholder, Mr. Tang, pursuant to which the Company and the bondholders agreed to further extend the maturity date of the Convertible Bonds by 36 months, being 15 August 2024, to 15 August 2027.

The current ratio and quick assets ratio of the Group as at 31 March 2026 were 0.12 and 0.11 respectively (2025: 0.24 and 0.23 respectively). As the Group incurred net liabilities as at 31 March 2026 and 31 March 2025, there is no debt-to-equity ratio, which is expressed as a ratio of total debts less cash and bank balances to total equity, to be calculated. The gearing ratio of the Group, which is calculated by dividing total liabilities (being non-current liabilities and current liabilities) over total assets (being non-current assets and current assets) as at the end of the Reporting Period and multiplying by 100% was 932% (2025: 382%).

Foreign exchange

During the years ended 31 March 2026 and 31 March 2025, the Group conducted commercial transactions in the PRC denominated in Renminbi. Fluctuations in exchange rates of Renminbi against Hong Kong Dollar could affect the Group's results of operations.

During the Reporting Period, no hedging transactions or other exchange rate arrangements were made (2025: Nil).

Charges on the Group's assets

No Group's assets had been pledged or charged as at 31 March 2026 (2025: Nil).

Capital structure

The Group's operations were financed mainly by internal funds, loans from the sole beneficial owner of the convertible bonds issued by the Company, loans from independent third party and fund raised from rights issue. The Group will continue to adopt its treasury policy of placing its cash and cash equivalents as interest-bearing deposits. The Group's cash and cash equivalents were mainly denominated in Hong Kong dollar and the Group's other loans and principal amount of the convertible bonds issued by the Company both were denominated in Hong Kong dollar, as at 31 March 2026 amounted to approximately HK$104,495,000 and HK$33,331,000, respectively (2025: approximately HK$106,300,000 and HK$29,300,000 respectively). As at 31 March 2026, the Group's borrowings with fixed interest rates amounted for 100% (2025: 100%) of total borrowings.

Acquisition, disposal and significant investment held

The Group did not carry out significant acquisition or disposal of subsidiaries and associates or held any significant investment during the Reporting Period.

Capital commitments

As at 31 March 2026, the Group's outstanding capital commitments were approximately HK$1,132,000 (2025: approximately HK$2,384,000).

Contingent liabilities

As at 31 March 2026, the Group did not have material contingent liabilities (2025: Nil).

Dividend

No dividend has been paid or declared by the Company for the Reporting Period (2025: Nil).

Employees and remuneration policies

As at 31 March 2026, the Group had 14 full-time employees in Hong Kong and the PRC (2025: 42 full-time employees in Hong Kong and the PRC). The remuneration of employees of the Group is determined by reference to market terms and in accordance with the performance, qualification and experience of each individual employee. Discretionary bonuses, based on each individual's performance, are paid to employees as recognition and in reward of their contributions. Other fringe benefits such as medical subsidies, medical insurance, education/training subsidies and pension fund plans are offered to most employees. Share options are granted at the discretion of the Board and under the terms and conditions of the share option schemes adopted on 26 February 2003, 20 July 2012 and 22 September 2023.

USE OF PROCEEDS FROM THE RIGHTS ISSUE

On 27 April 2017, the Company announced that it proposed to raise approximately HK$100 million, before expenses, by allotting and issuing 1,388,725,000 rights shares (the "**Rights Shares**") by way of rights issue (the "**Rights Issue**") at the subscription price of HK$0.072 per Rights Shares, on the basis of one (1) Rights Shares for every two (2) existing shares held on 19 May 2017. Completion of the Rights Issue took place on 14 June 2017.

Among the net proceeds (the "**Net Proceeds from the Rights Issue**") of the Rights Issue of approximately HK$99 million, as at 31 March 2026, approximately HK$37.5 million, HK$22.5 million, HK$2.9 million, HK$18.5 million and HK$13.0 million have been used as operation and expansion of the existing food and beverage business, the Company's corporate expenses, investment in e-cigarette business in the PRC, investment in medical and healthcare business and investment in renewable energy and new material respectively. As at 31 March 2026, approximately HK$4.6 million of the Net Proceeds from the Rights Issue remained unutilized and this remaining balance was kept in the Group's bank account. Set out below is the breakdown of the use of the Net Proceeds from the Rights Issue up to, and the balance thereof as at 31 March 2026:

Summary of Use of the Net Proceeds from the Rights Issue

	Original allocation of the Net Proceeds from the Rights Issue	**Re-allocation of the unutilized amount as disclosed in the Company's announcement dated 6 November 2018**	**Re-allocation of the unutilized amount on/before 31 March 2023**	**Actual amount utilized up to 31 March 2023**	**Unutilized balance as at 31 March 2023**	**Re-allocation of the unutilized amount during the year ended 31 March 2024**	**Actual amount utilized up to 31 March 2024**	**Unutilized balance as at 31 March 2024**	**Re-allocation of the unutilized amount during the year ended 31 March 2025**	**Actual amount utilized up to 31 March 2025**	**Unutilized balance as at 31 March 2025**	**Re-allocation of the unutilized amount during the year ended 31 March 2026**	**Actual amount utilized up to 31 March 2026**	**Unutilized balance as at 31 March 2026**
	HK$ million	*HK$ million*	*HK$ million*	*HK$ million*	*HK$ million*	*HK$ million*	*HK$ million*	*HK$ million*	*HK$ million*	*HK$ million*	*HK$ million*	*HK$ million*	*HK$ million*	*HK$ million*
Operation and expansion of the existing food and beverage business	29.0	–	–	(28.7)	0.3	5.6	(34.6)	–	2.9	(37.5)	–	–	(37.5)	–
Company's corporate expenses	20.0	–	–	(20.0)	–	–	(20.0)	–	–	(20.0)	–	2.5	(22.5)	–
Repayment of bank loans	15.0	(15.0)	–	–	–	–	–	–	–	–	–	–	–	–
Potential investment opportunities	35.0	–	(12.0)	–	23.0	(16.0)	–	7.0	0.1	–	7.1	(2.5)	–	4.6
Investment in, research and development, sales and marketing of e-cigarette in the PRC and overseas countries	–	15.0	(6.5)	(2.9)	5.6	(2.6)	(2.9)	3.0	(3.0)	(2.9)	–	–	(2.9)	–
Investment in medical and healthcare business	–	–	18.5	(18.5)	–	–	(18.5)	–	–	(18.5)	–	–	(18.5)	–
Investment in renewable energy and new material	–	–	–	–	–	13.0	(13.0)	–	–	(13.0)	–	–	(13.0)	–
TOTAL	99.0	–	–	(70.1)	28.9	–	(89.0)	10.0	–	(91.9)	7.1	–	(94.4)	4.6

During the Reporting Period, the Group pursued a prudent yet efficient network expansion strategy and up to 31 March 2026, the Net Proceeds from the Rights Issue amounting to approximately HK$22.5 million had been utilized for the Company's corporate expenses as approximately HK$2.5 million was reallocated for this purpose during the Reporting Period.

As at 31 March 2026, approximately HK$37.5 million has been used for operating and expanding existing food and beverage business.

As disclosed in the Company's announcement dated 6 November 2018, the Company has changed the original allocation of the Net Proceeds from the Rights Issue by reallocating HK$15.0 million of the Net Proceeds from the Rights Issue originally planned to be applied for the repayment of bank loans to the intended investment in research and development, sales and marketing of e-cigarette in the PRC and overseas countries. In this connection, the Company planned to conduct research on the use of new ingredients for producing e-cigarette liquid and e-cigarette cartridge, purchase production lines for manufacturing e-cigarette, and market and sell such products through exploring and developing a sales network, building a new e-cigarette brand, participating into trade fairs and seeking cooperation with external parties. Up to 31 March 2026, the Group utilized approximately HK$2.9 million of the Net Proceeds from the Rights Issue to invest in the e-cigarette business in the PRC, including setting up office and purchasing new equipment. And, approximately HK$6.5 million, HK$2.6 million and HK$3.0 million, was reallocated on or before 31 March 2023 and during the years ended 31 March 2024 and 2025, respectively, to investment in the medical and healthcare business, operation and expansion of the existing food and beverage business and for potential investment opportunities, as set out below.

In recognition of the growing importance of medical and healthcare services and products, the Group strives to grasp the prosperous opportunities in the domestic market, thereby strengthening its core competence through broadening its revenue base. After thorough study and consideration, up to 31 March 2026, approximately HK$18.5 million in total, which represented by HK$6.5 million and HK$12.0 million of the Net Proceeds from the Rights Issue which were originally reserved for the e-cigarette business and potential investment opportunities respectively, was reallocated and utilized to invest in the medical and healthcare business in the domestic market, including brand building, office set-up, expert recruitment and product development.

The Group has been aiming to expand its existing food and beverage business and continued to identify suitable acquisition targets during the Reporting Period. However, taking into account sluggish economic recovery, weak private consumption, poor consumer sentiment and intense competition, the food and beverage industry continued to experience a tough period of time, in which was further exacerbated by the increasing number of Hong Kong residents choosing to travel north for dining experiences. As a result, the Group adopted a relatively prudent approach in such business expansion. In order to weather the headwinds, the Group endeavored to explore potential acquisition opportunities in different markets. In view of the increasing significance of renewable energy, the Group allocated approximately HK$13.0 million from the Net Proceeds from the Rights Issue which were originally reserved for the potential investment opportunities towards its indirect wholly-owned subsidiaries for the advancement of research and development in renewable energy and new material products and businesses. This included a strategic investment of RMB7.0 million (equivalent to approximately HK$7.7 million) in Weihai Qingying Precision Technology Company Limited, acquiring a 20% equity stake in the company and obtaining an exclusive sales right in order to develop the sales business in this arena; the Group has also initiated a technology collaboration partnership with the Harbin Institute of Technology, Weihai, involving a one-off payment of RMB2.8 million (equivalent to approximately HK$3.1 million) for research and development operation, to enhance its renewable energy business through a comprehensive approach. As for the remaining amount of RMB2.0 million (equivalent to HK$2.2 million), it will be used for general operating capital.

The Net Proceeds from the Rights Issue for potential investment opportunities purpose were still reserved and the unutilized balance of approximately HK$4.6 million allocated for this purpose is expected to be fully utilized by 31 December 2026. The actual timeline will be subject to the availability of appropriate acquisition targets, market condition and time required for performing due diligence work. As at the date of this announcement, the Board has not identified any suitable acquisition target.

The Directors will constantly evaluate the Group's business objectives and may change or modify the plans against the changing market condition to suit the business growth of the Group. Further announcement(s), in respect of redeploying the allocation and use of Net Proceeds from the Rights Issue, if necessary, will be made in accordance with the requirements of the GEM Listing Rules as and when appropriate to update its Shareholders and potential investors.

USE OF PROCEEDS FROM THE SUBSCRIPTION

Summary of Use of the Net Proceeds from the Subscription

On 18 December 2024, the Company entered into a subscription agreement (the "**Subscription Agreement(s)**") with each of the subscribers (the "**Subscribers**"), namely Jumbo Grand International Limited and Ms. Zeng Huimei, pursuant to which each of the Subscribers has conditionally agreed to subscribe for, and the Company has conditionally agreed to allot and issue, in aggregate 34,285,713 new ordinary shares of the Company at the subscription price (the "**Subscription Price**") of HK$0.35 per subscription share (the "**Subscription**"). The closing price as quoted on the Stock Exchange on the date of the Subscription Agreements is HK$0.40 per Share. The Subscription was conducted under the general mandate granted to the Board at the annual general meeting dated 20 September 2024, for the purpose of, amongst others, strengthening the financial position and liquidity of the Group and meet any future development and financial obligations at a reasonable cost.

Completion of the Subscription took place on 13 January 2025 in accordance with the terms and conditions of the subscription agreements. The gross proceeds from the Subscription are approximately HK$12.0 million, and the net proceeds from the Subscription are approximately HK$11.7 million (the "**Net Proceeds from the Subscription**"). As at 31 March 2026, among the Net Proceeds from the Subscription, approximately HK$3.0 million, HK$3.3 million and HK$3.7 million have been used for operation of the existing food and beverage business, the Company's corporate expenses and for expansion of the Group's renewable energy and new material business. As at 31 March 2026, approximately HK$0.8 million of the Net Proceeds from the Subscription remained unutilized and this remaining balance was kept in the Group's bank account. Set out below is the breakdown of the use of the Net Proceeds from the Subscription up to, and the balance thereof as at 31 March 2026:

	Allocation of the Net Proceeds from the Subscription *HK$ million*	Actual amount utilized up to 31 March 2025 *HK$ million*	Unutilized balance as at 31 March 2025 *HK$ million*	Actual amount utilized up to 31 March 2026 *HK$ million*	Unutilized balance as at 31 March 2026 *HK$ million*	Proposed timeline for the use of unutilised Net Proceeds *(Note)*
Operation of the existing food and beverage business	3.0	–	3.0	(3.0)	–	Fully utilised
Company's corporate expenses	5.0	0.9	4.1	(3.3)	0.8	On or before 30 June 2026
Expansion of the Group's renewable energy and new material business	3.7	–	3.7	(3.7)	–	Fully utilised
TOTAL	11.7	0.9	10.8	(10.0)	0.8	

Note:

1. The expected timeline for the utilisation of the remaining unused Net Proceeds is based on the best estimation made by the Board with reference to the current market conditions and the anticipated business needs of the Group, and is subject to change based on the future development of the market conditions and actual business needs of the Group.

For the reasons, details and details of the proposed used of proceeds of the Subscription, please refer to the announcements of the Company dated 18 December 2024 and 13 January 2025, respectively.

EVENTS AFTER THE REPORTING PERIOD

No important events affecting the Group occurred since 31 March 2026 and up to the date of this announcement.

PERMITTED INDEMNITY PROVISION

Article 167(1) of the articles of association of the Company provides that every Director shall be indemnified and secured harmless out of the assets and profits of the Company from and against all actions, costs, charges, losses, damages and expenses which they or any of them, their or any of their heirs, executors or administrators, shall or may incur or sustain by or by reason of any act done, concurred in or omitted in or about the execution of their duty, or supposed duty, in their respective offices or trusts. A Directors' liability insurance is in place to protect the Directors against potential costs and liabilities arising from claims brought against the Directors.

MAJOR CUSTOMERS AND SUPPLIERS

For the Reporting Period, the aggregate amounts of revenue attributable to the Group's five largest customers was less than 30% (2025: less than 30%) of the Group's total revenue. And, the aggregate amounts of purchases attributable to the Group's five largest suppliers accounted for approximately 100% (2025: approximately 97%) and our single largest supplier accounted for approximately 76% (2025: approximately 85%) of the Group's total purchases.

None of the Directors, their close associates or any Shareholder (which to the knowledge of the Directors owns more than 5% of the number of issued shares of the Company) has any interest in the Group's five largest suppliers or customers during the Reporting Period.

MANAGEMENT CONTRACTS

No contracts concerning the management and administration of the whole or any substantial part of any business of the Group were entered into or existed during the Reporting Period.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

During the Reporting Period, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities (including any sale of treasury shares (as defined under the GEM Listing Rules)). As of 31 March 2026, the Company did not hold any treasury shares.

DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS AND SHORT POSITIONS IN THE SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY

Save as disclosed in this announcement, as at 31 March 2026, so far as the Directors were aware, none of the Directors and the chief executives of the Company had any interest, short position or long position in the Shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) (i) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests, short positions and long positions which they were taken or deemed to have under such provisions of the SFO); or (ii) which were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (iii) which were required, pursuant to Rules 5.46 to 5.67 of the GEM Listing Rules, to be notified to the Company and the Stock Exchange.

SUBSTANTIAL SHAREHOLDERS' AND OTHER PERSONS' INTERESTS AND SHORT POSITIONS IN THE SHARES AND UNDERLYING SHARES OF THE COMPANY

As at 31 March 2026, according to the register kept by the Company pursuant to section 336 of the SFO, so far as the Directors were aware, the following persons (other than the Directors whose interests are disclosed above) had, or were deemed or taken to have, an interest or a short position in the shares and underlying shares of the Company which would fall to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept under section 336 of the SFO:

Long positions in shares and underlying shares of the Company

Name of shareholders	Capacity in which interests were held	Number of shares held	Number of underlying shares held	Total number of shares and underlying shares	Approximate percentage of the Company's issued voting shares *(Note 4)* %
Oceanic Fortress Holdings Limited *(Note 1)*	Beneficial owner	296,887,066	–	296,887,066	53.49
Ms. Huang Li *(Note 1)*	Interest of corporation controlled by Ms. Huang Li	296,887,066	–	296,887,066	53.49
	Beneficial owner	5,280,000	–	5,280,000	0.95
Mr. Tang Sing Ming Sherman *(Note 2)*	Beneficial owner	–	71,428,571	71,428,571	12.87
Ms. Ho Ming Yee *(Note 3)*	Interest of a substantial shareholder's spouse	–	71,428,571	71,428,571	12.87

Notes:

(1) 296,887,066 shares are held by Oceanic Fortress Holdings Limited, the entire issued shares of which are owned by Ms. Huang Li.

(2) Mr. Tang Sing Ming Sherman holds the convertible bonds in respect of the outstanding principal amount of HK$40,000,000, under which a total of 71,428,571 ordinary shares would be issued upon full exercise of the conversion rights attaching thereto. Upon full conversion of the convertible bonds, Mr. Tang Sing Ming Sherman would hold 71,428,571 ordinary shares, representing approximately 12.87% of the issued share capital of the Company as at 31 March 2026.

(3) Ms. Ho Ming Yee is the spouse of Mr. Tang Sing Ming Sherman, and is therefore deemed to be interested in the same number of shares held by Mr. Tang Sing Ming Sherman.

(4) Based on 555,057,588 ordinary shares of the Company in issue as at 31 March 2026.

Save as disclosed above, as at 31 March 2026, so far as the Directors were aware, the Directors were not aware of any person (other than the Directors whose interests are disclosed above) who had an interest or a short position in the shares and underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept by the Company pursuant to section 336 of the SFO.

SHARE OPTIONS

Share Option Schemes

The Company has adopted share option schemes on 26 February 2003 which expired on 25 February 2013, on 20 July 2012 which expired on 19 July 2022, and on 22 September 2023 (the "**Adoption Date**") (the "**New Share Option Scheme**"), respectively (collectively, the "**Share Option Schemes**"). The terms of the New Share Option Scheme are in compliance with the provisions of Chapter 23 of the GEM Listing Rules. The following is a summary of the principal terms of the New Share Option Scheme:

The New Share Option Scheme shall be subject to the administration of the Board whose decision on all matters arising in relation to the New Share Option Scheme or its interpretation or application or effect shall (save as otherwise provided in the New Share Option Scheme and in the absence of manifest error) be final and binding on all persons who may be affected thereby.

(A) Purpose

The New Share Option Scheme is to recognize and acknowledge the contributions made by Eligible Option Participants (as defined below) and, to provide additional incentive to motivate Eligible Option Participants and to enhance the Group's success. The New Share Option Scheme will give the Eligible Option Participants an opportunity to have a personal stake in the Group and will help motivate the Eligible Option Participants in optimizing their performance and efficiency and attract and retain the Eligible Option Participants whose contributions are important to the long-term growth and profitability of the Group.

(B) Duration

Subject to any early termination as may be determined by the Board pursuant to the scheme rules of the New Share Option Scheme, the New Share Option Scheme shall be valid and effective for a term of 10 years commencing on the Adoption Date.

(C) Eligible Option Participants

The Eligible Option Participants of the New Share Option Scheme include: (a) the director(s) and employee(s) (whether full-time or part-time) of any member of the Group (including persons who are granted options under the New Share Option Scheme as inducement to enter into employment contracts with the Group) (the "**Employee Participant(s)**"); and (b) person(s) who provide services to any members of the Group on a continuing or recurring basis in its ordinary and usual course of business which are in the interests of the long term growth of the Group, which include any independent contractor, supplier, agent, consultant or adviser to any area of business or business development of the Group, but exclude any placing agent or financial adviser providing advisory services for fundraising, mergers or acquisitions, and other professional services provider such as auditor or valuer (the "**Service Provider(s)**"), provided that the Board may have absolute discretion to determine whether or not one falls within the above categories.

(D) Maximum Number of Shares Available for Issue

The maximum number of Shares which may be allotted and issued in respect of all options to be granted under the New Share Option Scheme shall not in aggregate exceed 10% of the entire issued share capital of the Company as at the Adoption Date without the Shareholders' approval, which is 52,077,187 Shares. At the date of this announcement, a total of 52,077,187 Shares, representing 10% of the issued share capital of the Company (excluding treasury shares), are available for issue under the Share Option Scheme. The Service Provider sublimit of the New Share Option Scheme will be 1% of total number of the issued Shares as of the Adoption Date.

(E) Maximum Entitlement of Each Eligible Option Participant

Where any grant of options to an Eligible Option Participant would result in the Shares issued and to be issued in respect of all options and awards granted to such Eligible Option Participant (excluding any options and awards lapsed in accordance with the terms of the relevant schemes) in the 12-month period up to and including the date of such grant representing in aggregate over 1% of the Shares in issue, such grant must be separately approved by the Shareholders in general meeting with such Eligible Option Participant and his/her close associates (or associates if the Eligible Option Participant is a connected person) abstaining from voting. The Company must send a circular to the Shareholders and the circular must disclose the identity of the Eligible Option Participant, the number and terms of the options to be granted (and options previously granted to such Eligible Option Participant in the twelve (12)-month period), the purpose of granting options to the Eligible Option Participant, an explanation as to how the terms of the options serve such purpose and such information as may be required by the Stock Exchange from time to time. The number and terms (including the subscription price) of options to be granted to such Eligible Option Participant must be fixed before Shareholders' approval and the date of Board meeting for proposing such further grant should be taken as the date of grant for the purpose of calculating the subscription price.

(F) Grant and Acceptance of Options

An option may be exercised in accordance with the scheme rules of the New Share Option Scheme at any time during a period as the Board may determine which shall not exceed 10 years from the date of grant subject to the provisions of early termination thereof. An offer for the grant of options shall remain open for acceptance for a period of twenty-one days, including the day in which the offer was made. The amount payable by the grantee of an option to the Company on acceptance of the offer for the grant of the option is HK$1.0. No performance target is required to be reached by the participant before any option can be exercised.

(G) Vesting Period

Save for the circumstances prescribed in the New Share Option Scheme, an option must be held by the grantee for at least 12 months before the Option can be exercised.

(H) Subscription Price of Shares

The subscription price for Shares to be subscribed under the New Share Option Scheme may be determined by the Board at its absolute discretion, provided that it shall not be less than the highest of: (a) the closing price of the Shares as shown in the daily quotations sheet of the Stock Exchange on the Offer Date, which must be a Business Day; (b) the average of the closing prices of the Shares as shown in the daily quotations sheets of the Stock Exchange for the five consecutive Business Days immediately preceding the Offer Date; and (c) the nominal value of the Share on the Offer Date.

No share option was granted, exercised, lapsed or cancelled during the Reporting Period (2025: NIL) and as at 31 March 2025 and 31 March 2026, there was no outstanding share option.

Save for the Share Option Schemes as disclosed above, the Group had no other share scheme (as defined under Chapter 23 of the GEM Listing Rules) in force during the Reporting Period and up to the date of this announcement.

COMPETING INTERESTS

As at 31 March 2026, none of the Directors, the controlling Shareholders or their respective close associates (as defined in the GEM Listing Rules) had any interests in any business which competed with or might compete with the business of the Group or had any other conflicts of interest with the Group.

AUDIT COMMITTEE

The Company had established an audit committee (the "**Audit Committee**") of the Company with written terms of reference in compliance with Rules 5.28 and 5.29 of the GEM Listing Rules. The primary duties of the Audit Committee are to review the Company's draft annual and interim financial reports and accounts and to provide advice and comments thereon to the Board. The Audit Committee is also responsible for reviewing and supervising the financial reporting process and internal control procedures of the Group. The Audit Committee comprised three independent non-executive Directors, namely Mr. Chan Yee Ping Michael, Ms. Pang Xiaoli and Ms. Zhang Wenjuan. Mr. Chan Yee Ping Michael currently serves as the chairman of the Audit Committee and he possesses the appropriate professional qualifications or accounting or related financial management expertise as required under Rule 5.05(2) of the GEM Listing Rules.

The Audit Committee has, together with the management of the Company, reviewed the accounting practice and policies adopted by the Group and the consolidated financial statements for the Reporting Period and has recommended for the Board's approval thereof.

CLOSURE OF REGISTER OF MEMBERS

The annual general meeting of the Company (the "**AGM**") will be held on Wednesday, 23 September 2026. The register of members of the Company will be closed from Friday, 18 September 2026 to Wednesday, 23 September 2026 (both days inclusive), during which period no transfer of Shares will be registered. In order to qualify for exercising the voting rights of Shareholders at the AGM, all transfers accompanied by the relevant share certificate(s), must be lodged with the Company's Hong Kong branch share registrar, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong for registration not later than 4:30 p.m. on Tuesday, 17 September 2026.

DIRECTORS' SECURITIES TRANSACTIONS

Throughout the Reporting Period, the Company adopted a code of conduct regarding Directors' securities transactions on terms no less exacting than the required standard of dealings set out in Rules 5.48 to 5.67 of the GEM Listing Rules. Having made specific enquiries of all Directors, the Company confirms that all of the Company's Directors have complied with such required standard of dealings and its code of conduct regarding Directors' securities transactions.

CORPORATE GOVERNANCE

The Company is firmly committed to maintaining and ensuring a high level of corporate governance standards and will review and improve the corporate governance practices and standards constantly. The Company has complied with the code provisions set out in the Corporate Governance Code contained in Appendix C1 of the GEM Listing Rules throughout the Reporting Period.

SCOPE OF AUDITOR'S WORK ON ANNUAL RESULTS ANNOUNCEMENT

The figures in respect of the Group's consolidated statement of profit or loss, consolidated statement of comprehensive income, consolidated statement of financial position and the related notes thereto for the Reporting Period as set out in the preliminary annual results announcement have been agreed by the Company's auditor, KTC Partners CPA Limited, to the amounts set out in the Group's audited consolidated financial statements for the Reporting Period. The work performed by KTC Partners CPA Limited in this respect did not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the Hong Kong Institute of Certified Public Accountants and consequently no assurance has been expressed by KTC Partners CPA Limited on the preliminary annual results announcement.

EXTRACT OF INDEPENDENT AUDITOR'S REPORT

The following is an extract of the independent auditor's report on the Group's audited consolidated financial statements for the year ended 31 March 2026.

"Opinion

In our opinion, the consolidated financial statements give a true and fair view of the Group's consolidated financial position as at 31 March 2026, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with HKFRS Accounting Standards issued by the Hong Kong Institute of Certified Public Accountants (HKICPA) and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

Material Uncertainty Related to Going Concern

We draw attention to note 2(d) to the consolidated financial statements, which indicates that the Group incurred a net loss of approximately HK$26,072,000 for the year ended 31 March 2026, and as at 31 March 2026, the Group's current liabilities and total liabilities exceeded its current assets and total assets by approximately HK$125,335,000 and HK$157,198,000, respectively. These conditions, along with other conditions described in note 2(d) indicate that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern. Our opinion is not modified in respect of this matter."

By Order of the Board
StarGlory Holdings Company Limited
Zhang Tao
Chairman and executive Director

Hong Kong, 30 June 2026

As at the date of this announcement, the executive Directors are Mr. Zhang Tao and Mr. Li Hongchen; and the independent non-executive Directors are Mr. Chan Yee Ping Michael, Ms. Pang Xiaoli and Ms. Zhang Wenjuan.

This announcement will remain on the "Latest Listed Company Information" page of The Stock Exchange of Hong Kong Limited website at www.hkexnews.hk for at least 7 days from the date of its posting and the website of the Company at www.stargloryhcl.com.