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StarGlory Holdings Company Limited
榮暉控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8213)

SUPPLEMENTAL ANNOUNCEMENT ON DECISION OF THE STOCK EXCHANGE PURSUANT TO RULE 17.26 OF THE GEM LISTING RULES

This announcement is made by StarGlory Holdings Company Limited (the "**Company**") pursuant to Rule 17.10 of the Rules Governing the Listing of Securities on GEM (the "**GEM Listing Rules**") of The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") and the Inside Information Provisions (as defined in the GEM Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

Reference is made to the Company's announcement dated 4 November 2026 concerning the Decision (the "**Announcement**"). Unless otherwise defined, capitalised terms used herein have the same meanings as defined in the Announcement.

In the Letter dated 4 November 2026, the Listing Division stated that, in reaching the Decision, it had considered the following:

ON OPERATION

The scale of the Company's operations has deteriorated significantly in recent years. Following the closure of its last Italian Tomato shop in May 2026, the Company's historical operation of restaurant, cafes and cake shops in Hong Kong under various franchised Japanese brands, including "Italian Tomato" and "Ginza Bairin" (the "**Restaurant Operation**") ceased. To demonstrate its compliance with Rule 17.26 of the GEM Listing Rules, the Company now relies on (i) the new restaurant operates in the PRC (the "**PRC Restaurant**") which has a short operating history; and (ii) the proposed new restaurants in Hong Kong (the "**New HK Restaurants**") which have yet to be operated by the Company through the newly established joint ventures (the "**JVs**") and will rely substantially on the proposed joint venture partner (the "**Proposed JV Partner**) for his management and expertise and by entering into the agreements with the Proposed JV Partner. This raises questions for the Stock Exchange as to whether the Restaurant Operation under the new operating arrangements is of substance, viable and sustainable. The trading of photovoltaic products and related raw material in the PRC (the "**PV Products Trading Business**") remains small in scale, while its expansion plans are at an early stage and subject to uncertainties. Overall, the Stock Exchange is concerned that the Company has not demonstrated that its businesses are of substance viable and sustainable.

RESTAURANT OPERATION

The Restaurant Operation was the Company's principal business over the past five financial years. Revenue declined from HK$170 million in the financial year ended ("**FY**") 31 March 2022 to HK$12 million in FY2026, and the Company recorded segment losses in each of the past four financial years. Following the closure of its last Italian Tomato shop in May 2026, the Company's original Restaurant Operation ceased. The Company currently operates only the recently acquired PRC Restaurant (the "**Target**") and intends to expand the Restaurant Operation by operating the New HK Restaurants under the proposed JVs. However, the Stock Exchange considers the Company has not demonstrated that the Restaurant Operation is of substance, viable and sustainable for the following reasons:

The PRC Restaurant has a short operating history and limited operating scale. The Target was established in November 2025 and currently operates a single restaurant in Shenzhen. For the seven months ended 31 July 2026, it generated revenue of RMB3 million, recorded a net loss of RMB0.4 million, and currently has negative operating cash flow.

The Company's strategy for the Restaurant Operation has changed materially within a relatively short period. Following the deterioration of its Hong Kong Restaurant Operation, it initially intended to shift its focus to the PRC and open two additional restaurants in 2027. It has since substantially revised down its PRC forecasts, provided no further details of the proposed expansion, and instead intends to refocus on Hong Kong through the New HK Restaurants. These changes raise concerns for the Stock Exchange as to whether the Company has demonstrated a clear and sustainable business direction for the Restaurant Operation.

The Company now intends to expand the Restaurant Operation through the formation of JVs and the operation of the New HK Restaurants. However, this expansion plan remains preliminary and subject to material uncertainties. The Company has not agreed the terms and execute formal agreements with the Proposed JV Partner. The information provided does not explain the commercial basis on which the Proposed JV Partner would transfer the three existing restaurant businesses to the JVs at nominal consideration, while retaining only a 49% interest in the JVs. The Stock Exchange also has concerns on whether the formation of JVs would constitute a reverse takeover. In such case, the transaction would be subject to the applicable reverse takeover requirements. Accordingly, there is uncertainty as to whether and when the formation of JVs can be completed as proposed.

Further, even if the formation of JVs proceeds as proposed, the Stock Exchange considers that the Company has not demonstrated the New HK Restaurants, when operated by the JVs would be of substance, viable and sustainable:

(i) Whilst three of the New HK Restaurants are existing restaurants, they are currently owned and operated by the Proposed JV Partner, who is also undertaking the preparatory work for the proposed fourth restaurant. The Company has not itself operated these restaurants.

(ii) The Company's existing directors have not demonstrated relevant experience in operating restaurants under the proposed arrangements. The New HK Restaurants will offer a broader range of cuisines and may adopt an operating model different from the Company's previous Restaurant Operation.

(iii) Although the Company submitted that it would be responsible for the daily operations of the New HK Restaurants, it has not identified the personnel who would undertake these functions or demonstrated their relevant experience. At the same time, it proposes to rely substantially on the Proposed JV Partner, as chief executive officer of the JVs and senior consultant to the Company, for the overall management and strategic planning of the New HK Restaurants. It is therefore unclear whether the Company has established the management capability and resources necessary to operate and oversee the New HK Restaurants without substantial reliance on the Proposed JV Partner.

(iv) The Company forecasts that the New HK Restaurants will generate revenue of HK$18.5 million for FY2027 and HK$57.6 million for FY2028. The forecasts are based on the assumption that the New HK Restaurants will commence operations shortly after their transfer to the JVs and that the three existing restaurants operated by the Proposed JV Partner will maintain a similar operating scale and performance following the transfer. However, the historical results of those restaurants were achieved under their existing ownership and operating arrangements. Further, one of the three existing restaurants only commenced operations in January 2026, while the proposed hotpot restaurant has yet to commence operations. In these circumstances, the Company has not sufficiently substantiated that the forecast performance of the New HK Restaurants under the proposed JV arrangements is achievable and sustainable.

PV PRODUCTS TRADING BUSINESS

The Company commenced the PV Products Trading Business in FY2026. The business generated revenue of approximately HK$3 million during the year. It therefore has a short operating history and limited operating scale.

The Company forecasts revenue of RMB8.4 million for FY2027 and RMB53.7 million for FY2028. However, the forecast growth depends substantially on the implementation of its proposed supply and product development arrangements, which remain at an early stage and are subject to uncertainties. The Company provided no further information on the progress of these plans. Accordingly, the forecast does not sufficiently demonstrate that the PV Products Trading Business will develop into a business of sufficient substance that is viable and sustainable.

ON ASSETS

As at 31 March 2026, the Company recorded net current liabilities of HK$125 million, net liabilities of HK$157 million and cash of HK$8 million. Its auditors have raised going concern issues since FY2015.

The Company proposes to improve its financial position by disposing of the subsidiary liable for the shareholder loan amount to approximately HK$100.6 million, extending the maturity of the convertible bonds amount to approximately HK$33 million and obtaining a shareholder loan of up to approximately HK$10 million from its controlling shareholder. However, these measures have yet to be implemented and remain subject to further agreements or actions. The Company's proposed operations and business development also remain dependent on the continued support from its controlling shareholder and substantial shareholder. Even if the measures are implemented as proposed, the Company expects to remain in a net liability position of approximately HK$33.2 million.

In these circumstances, the Company has not demonstrated that it has sufficient financial resources, independent of continued financial support from its substantial and controlling shareholders, to support its operations. Having regard also to the Stock Exchange's concerns regarding the viability, sustainability and substance of the Company's operations set out above, the Stock Exchange remains concerned that the Company has not demonstrated that it has sufficient assets to support its operations for the purpose of Rule 17.26 of the GEM Listing Rules.

REVERSE TAKEOVER CONCERNS

The Company has completely ceased its historical Hong Kong Restaurant Operation and the scale of its remaining operations is now minimal. Upon completion of the formation of JVs, the New HK Restaurants would become the principal part of the Company's operations and would be substantial relative to the significantly reduced scale of the Company's existing operations. In light of the above, the Stock Exchange is concerned that the formation of JVs would, in substance, constitute an attempt to achieve a listing of the New HK Restaurants. The Stock Exchange also has concerns as to whether the New HK Restaurants could meet the applicable new listing requirements, given limited financial information provided and their substantial reliance on the Proposed JV Partner for overall management and strategic planning. Accordingly, the Stock Exchange considers that the formation of JVs should be treated as a reverse takeover under Rule 19.06B of the GEM Listing Rules.

This supplemental announcement should be read together with the Announcement. Please refer to the Announcement for the review and trading arrangements. The Company will make further announcements on material developments as and when appropriate in accordance with the GEM Listing Rules.

Shareholders and potential investors are advised to exercise caution when dealing in the securities of the Company.

By order of the Board
StarGlory Holdings Company Limited
榮暉控股有限公司
Zhang Tao
Chairman and Executive Director

Hong Kong, 5 November 2026

As at the date of this announcement, the executive Directors of the Company 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.

The Directors jointly and severally accept full responsibility for the accuracy of the information contained in this announcement and confirm, having made all reasonable enquiries, 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.

This announcement will remain on the "Latest Company Announcements" page of the GEM website at www.hkexnews.hk for at least seven days from the date of its publication and on the Company's website.