STARLITE
HOLDINGS LIMITED
星光集團有限公司*
(Incorporated in Bermuda with limited liability)
(於百慕達註冊成立之有限公司)
STOCK CODE 股份代號: 403

Website : http://www.hkstarlite.com

ANNOUNCEMENT OF ANNUAL RESULTS FOR THE YEAR ENDED 31ST MARCH, 2026

The Directors of Starlite Holdings Limited (the "Company") are pleased to announce the consolidated results of the Company and its subsidiaries (together the "Group") for the year ended 31st March, 2026 together with the comparative figures for the previous year, as follows:

Consolidated Income Statement
For the year ended 31st March, 2026

	Note	**2026**	2025
		HK$'000	HK$'000
Revenue	3	**782,384**	895,308
Cost of sales		**(695,969)**	(760,482)
Gross profit		**86,415**	134,826
Other (expenses)/income and gains - net	4	**(502)**	16,228
Selling and distribution costs		**(59,918)**	(61,299)
General and administrative expenses		**(116,733)**	(105,522)
Impairment losses on financial assets		**(1,658)**	(3,827)
Impairment losses on property, plant and equipment		**(27,627)**	-
Impairment losses on right-of-use assets		**(1,373)**	-
Reversal of impairment loss/(impairment loss) on investment property		**2,114**	(2,629)
Operating loss	5	**(119,282)**	(22,223)

**For identification purpose only*

Consolidated Income Statement (Continued)

For the year ended 31st March, 2026

	Note	**2026**	2025
		HK$'000	HK$'000
Finance income		**1,306**	2,039
Finance costs		**(1,866)**	(1,962)
Finance costs – net	6	**(560)**	77
Loss before income tax		**(119,842)**	(22,146)
Income tax credit/(expense)	7	**14,706**	(5,198)
Loss for the year		**(105,136)**	(27,344)
Loss attributable to :			
Owners of the Company		**(105,136)**	(26,928)
Non-controlling interests		**-**	(416)
		(105,136)	(27,344)
Losses per share attributable to the owners of the Company for the year			
(expressed in HK cents per share)	8		
- Basic		**(21.00)**	(5.38)
- Diluted		**(21.00)**	(5.38)

Consolidated Statement of Comprehensive Income

For the year ended 31st March, 2026

	2026	2025
	HK$’000	HK$’000
Loss for the year	**(105,136)**	(27,344)
Other comprehensive loss :		
Items that may be reclassified to profit or loss		
Currency translation differences	**29,543**	(5,759)
Items that will not be reclassified to profit or loss		
Increase in fair value of financial assets at fair value through other comprehensive income	**361**	114
Total other comprehensive income/(loss) for the year, net of tax	**29,904**	(5,645)
Total comprehensive loss for the year	**(75,232)**	(32,989)
Total comprehensive loss for the year attributable to :		
Owners of the Company	**(75,232)**	(32,573)
Non-controlling interests	**-**	(416)
	(75,232)	(32,989)

Consolidated Statement of Financial Position

As at 31st March, 2026

	Note	As at 31st March, 2026 HK$'000	As at 31st March, 2025 HK$'000
ASSETS			
Non-current assets			
Property, plant and equipment		**284,897**	314,388
Investment properties		**14,706**	13,043
Right-of-use assets		**26,401**	20,781
Prepayments for non-current assets		**7,847**	1,759
Deferred income tax assets		**25,670**	10,644
Financial assets at fair value through other comprehensive income		**1,038**	1,204
Financial assets at fair value through profit or loss		**12,545**	12,284
		373,104	374,103
Current assets			
Inventories		**84,354**	70,555
Trade and bill receivables	10	**154,964**	171,893
Prepayments, deposits and other receivables		**29,564**	26,605
Tax recoverable		**635**	-
Bank deposits with maturity over 3 months from date of deposits		**206**	204
Cash and cash equivalents		**121,178**	198,650
		390,901	467,907
Total assets		**764,005**	842,010
EQUITY			
Equity attributable to the owners of the Company			
Share capital		**50,063**	50,063
Reserves		**454,286**	529,602
		504,349	579,665
Non-controlling interests		**-**	(84)
Total equity		**504,349**	579,581
LIABILITIES			
Non-current liabilities			
Lease liabilities		**7,032**	1,098
Deferred income tax liabilities		**6,403**	6,767
		13,435	7,865
Current liabilities			
Trade and bill payables	11	**93,345**	70,842
Other payables and accruals		**78,898**	74,582
Contract liabilities		**5,464**	5,372
Current income tax liabilities		**25,642**	26,080
Borrowings		**37,966**	73,479
Lease liabilities		**4,906**	4,209
		246,221	254,564
Total liabilities		**259,656**	262,429
Total equity and liabilities		**764,005**	842,010

Notes:

1. General information

Starlite Holdings Limited (the "Company") is an investment holding company. Its subsidiaries are principally engaged in the printing and manufacturing of packaging materials, labels and paper products, including environmentally friendly paper products. The Company and its subsidiaries are collectively referred to the "Group".

The Company was incorporated in Bermuda on 3rd November, 1992, as an exempted company with limited liability under the Companies Act 1981 of Bermuda. The address of its registered office is Victoria Place, 5th Floor, 31 Victoria Street, Hamilton HM 10, Bermuda and its principal place of business is 3/F, Perfect Industrial Building, 31 Tai Yau Street, Sanpokong, Kowloon, Hong Kong. The Company's shares have been listed on The Stock Exchange of Hong Kong Limited since 1993.

These consolidated financial statements are presented in Hong Kong dollars ("HK$"), unless otherwise stated.

2. Basis of preparation

The consolidated financial statements of the Group have been prepared in accordance with HKFRS Accounting Standards ("HKFRSs"), as issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and the disclosure requirements of the Hong Kong Companies Ordinance. The consolidated financial statements have been prepared under the historical cost convention, except for financial assets at fair value through other comprehensive income and financial assets at fair value through profit or loss which are measured at fair value.

The preparation of consolidated financial statements in conformity with HKFRSs requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies.

2. Basis of preparation (Continued)

(a) New and amended standards adopted by the Group

The Group has applied the following new and amended standards for the first time for the financial year beginning 1st April, 2025 and are relevant to its operations.

Amendments to HKAS 21 and HKFRS 1	Lack of Exchangeability

The amendment listed above did not have any impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

(b) New standards, amendments to standards and interpretation (collectively refer as "Amendments") that are not yet effective and have not been early adopted by the Group

Certain amendments to existing standards and interpretation have been published that are not mandatory for 31st March, 2026 reporting periods and have not been early adopted by the Group. These standards are not expected to have a material impact on the entity in the current or future reporting periods and on foreseeable future transactions.

		Effective for annual periods beginning on or after
Amendments to HKFRS 9 and HKFRS 7	Classification and Measurement of Financial Instruments	1st January, 2026
HKFRS 1, HKFRS 7, HKFRS 9, HKFRS 10 and HKAS 7	Annual Improvements to HKFRS Accounting Standards – Volume 11	1st January, 2026
HKFRS 18	Presentation and Disclosure in Financial Statements	1st January, 2027
HKFRS 19	Subsidiaries without Public Accountability: Disclosures	1st January, 2027
Amendments to Hong Kong Interpretation 5	Presentation of Financial Statements – Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause	1st January, 2027
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	To be determined

2. Basis of preparation (Continued)

Further information about those HKFRSs that are expected to be applicable to the Group is described below.

HKFRS 18 introduces new requirements for presentation within the consolidated statement of comprehensive income, including specified totals and subtotals. Furthermore, entities are required to classify all income and expenses within the statement of profit or loss into one of five categories: operating, investing, financing, income taxes and discontinued operations, whereof the first three are new. It also requires disclosure of newly defined management defined performance measures, subtotals of income and expenses, and includes new requirements for aggregation and disaggregation of financial information based on the identified “roles” of the primary financial statements and notes. In addition, narrow-scope amendments have been made to HKAS 7 Statement of Cash Flows, which include changing the starting point for determining cash flows from operations under the indirect method, from “profit or loss” to “operating profit or loss” and removing the optionality around classification of cash flows from dividends and interest. There are also consequential amendments to several other standards. HKFRS 18 is effective for reporting periods beginning on or after 1st January, 2027, but earlier application is permitted and must be disclosed. HKFRS 18 will apply retrospectively. The new requirements are expected to impact the Group’s presentation of the statement of profit or loss and disclosures of the Group’s financial performance. So far, the Group considers that the adoption of HKFRS 18 is unlikely to have a significant impact on the Group’s results of operations and financial position.

The Group is in the process of making an assessment of the impact of the other new standards, amendments to standards and interpretation upon their initial application. So far, the Group considers that these other new standards, amendments to standards and interpretation may result in changes in accounting policies but are unlikely to have a significant impact on the Group’s consolidated financial performance and financial position.

3. Revenue and segment information

(a) Analysis of revenue by category:

	2026	2025
	HK$'000	HK$'000
At a point in time		
Sales of packaging materials, labels and paper products, including environmentally friendly paper products	**758,309**	869,120
Others	**24,075**	26,188
	782,384	895,308

(b) Segment information

The chief operating decision-maker (the "CODM") of the Group has been identified as the Executive Chairman and Chief Executive Officer of the Company. Operating segments are reported in a manner consistent with the internal reporting provided to the CODM. The CODM of the Company reviews the Group's internal reporting in order to assess performance and allocate resources. Management has reported the results of the operating segments based on these reports.

The CODM of the Company considers the business from a geographical perspective, i.e. determined by the location of major factory plants including Southern China, Eastern China and South East Asia, and assesses performance based on revenue, operating (loss)/profit, (loss)/profit for the year, capital expenditure, assets and liabilities.

3. Revenue and segment information (Continued)

(b) Segment information (Continued)

(i) The segment results for the year ended 31st March, 2026 and 2025 are as follows:

	Southern China HK$'000	Eastern China HK$'000	South East Asia HK$'000	Group HK$'000
Year ended 31st March, 2026				
Segment revenue	504,258	194,380	144,384	843,022
Inter-segment revenue	(3,213)	(57,425)	-	(60,638)
Revenue from external customers at a point in time	501,045	136,955	144,384	782,384
Operating loss	(60,521)	(36,532)	(22,229)	(119,282)
Finance income	717	414	175	1,306
Finance costs	(1,649)	-	(217)	(1,866)
Income tax credit	3,536	11,170	-	14,706
Loss for the year	(57,917)	(24,948)	(22,271)	(105,136)
Other information :				
Additions to property, plant and equipment	7,499	4,864	3,438	15,801
Depreciation	(22,365)	(13,509)	(7,609)	(43,483)
Impairment losses on property, plant and equipment	(19,368)	(8,259)	-	(27,627)
Impairment losses on right-of-use assets	(632)	(741)	-	(1,373)
Reversal of impairment loss on investment property	2,114	-	-	2,114

3. Revenue and segment information (Continued)

(b) Segment information (Continued)

(i) The segment results for the year ended 31st March, 2026 and 2025 are as follows (Continued) :

	Southern China HK$'000	Eastern China HK$'000	South East Asia HK$'000	Group HK$'000
Year ended 31st March, 2025				
Segment revenue	637,567	252,004	138,651	1,028,222
Inter-segment revenue	(2,272)	(130,642)	-	(132,914)
Revenue from external customers at a point in time	635,295	121,362	138,651	895,308
Operating loss	(2,444)	(18,516)	(1,263)	(22,223)
Finance income	1,460	461	118	2,039
Finance costs	(1,475)	(227)	(260)	(1,962)
Income tax expense	(4,875)	(323)	-	(5,198)
Loss for the year	(7,334)	(18,605)	(1,405)	(27,344)
Other information :				
Additions to property, plant and equipment	11,045	6,649	640	18,334
Depreciation	(21,966)	(14,229)	(7,383)	(43,578)
Impairment loss on investment property	(2,629)	-	-	(2,629)

(ii) An analysis of the Group's assets and liabilities by segment as at 31st March, 2026 and 2025 is as follows:

	Southern China HK$'000	Eastern China HK$'000	South East Asia HK$'000	Group HK$'000
As at 31st March, 2026				
Segment assets	481,194	153,423	129,388	764,005
Segment liabilities	149,747	81,144	28,765	259,656
As at 31st March, 2025				
Segment assets	572,134	140,514	129,362	842,010
Segment liabilities	175,799	65,805	20,825	262,429

4. Other (expenses)/income and gains - net

	2026	2025
	HK$'000	HK$'000
Net exchange (losses)/gains	**(3,720)**	10,285
Losses on disposals of property, plant and equipment	**(363)**	(502)
Net fair value gains on financial assets at fair value through profit or loss	**261**	98
Government grants	**1,778**	4,566
Others	**1,542**	1,781
	(502)	16,228

5. Operating loss

The following items have been charged/(credited) to the operating loss during the year:

	2026	2025
	HK$'000	HK$'000
Employees benefit expense (including directors' emoluments and excluding severance payment)	**307,466**	304,314
Provision/(reversal of provision) for inventories obsolescence	**8,112**	(6,887)
Depreciation of property, plant and equipment	**37,216**	37,784
Depreciation of investment properties	**501**	597
Depreciation of right-of-use assets	**5,766**	5,197

6. Finance costs – net

	2026	2025
	HK$'000	HK$'000
Finance income		
Interest income on bank deposits	**1,306**	2,039
	1,306	2,039
Finance costs		
Interest expenses on bank borrowings	**(1,594)**	(1,656)
Interest expenses on lease liabilities	**(272)**	(306)
	(560)	77

7. Income tax (credit)/expense

The Company is exempted from taxation in Bermuda until 2035. The Company's subsidiaries established in the British Virgin Islands are incorporated under the International Business Companies Acts of the British Virgin Islands and, accordingly, are exempted from British Virgin Islands income taxes.

Hong Kong Profits Tax is calculated at the rate of 16.5% (2025: 16.5%) on the estimated assessable profits arising in Hong Kong, except for the first HK$2,000,000 of qualified entity's assessable profit is calculated at 8.25%, which is in accordance with the two-tiered profits tax rates regime.

The subsidiaries established and operated in the PRC are subject to the PRC Corporate Income Tax at rate of 15% or 25% during the year (2025: 15% or 25%).

The subsidiaries established in Singapore and Malaysia are subject to Singapore Corporate Income Tax at a rate of 17% (2025: 17%) and Malaysia Corporate Income Tax at a rate of 24% (2025: 24%) respectively.

The amount of income tax (credited)/charged to the consolidated income statement represents:

	2026	2025
	HK$'000	HK$'000
Current income tax		
- Hong Kong Profits Tax	**(16)**	552
- PRC Corporate Income Tax	**77**	4,460
- Over-provision in prior year	**(146)**	-
	(85)	5,012
Deferred income tax	**(14,621)**	186
Income tax (credit)/expense	**(14,706)**	5,198

8. Losses per share

Basic

Basic losses per share is calculated by dividing the Group's loss attributable to the owners of the Company by the weighted average number of ordinary shares in issue during the year.

	2026	2025
Loss attributable to the owners of the Company (HK$'000)	**(105,136)**	(26,928)
Weighted average number of ordinary shares in issue ('000)	**500,633**	500,633
Basic losses per share (HK cents)	**(21.00)**	(5.38)

Diluted

Diluted losses per share is calculated by adjusting the weighted average number of ordinary shares outstanding assuming conversion of all dilutive potential ordinary shares. For the year ended 31st March, 2026 and 31st March, 2025, diluted losses per share equals basic losses per share as there were no dilutive potential shares.

9. Dividends

At the Board of Directors' meeting held on 26th June, 2026, the Board does not recommend the payment of final dividends.

	2026	2025
	HK$'000	HK$'000
Interim dividend for the year ended 31st March, 2026 : Nil (2025 : HK1 cent per fully paid share)	**-**	5,006
Dividends not recognised at the end of the reporting period		
Proposed final dividend for the year ended 31st March, 2026 : Nil (2025 : Nil)	**-**	-

10. Trade and bill receivables

The Group grants to its customers credit terms generally ranging from 30 to 120 days. The ageing of trade and bill receivables by invoice date is as follows:

	2026	2025
	HK$'000	HK$'000
1 to 90 days	**142,260**	148,942
91 to 180 days	**15,803**	23,840
181 to 365 days	**2,839**	3,025
Over 365 days	**13,242**	12,683
	174,144	188,490
Less: loss allowance	**(19,180)**	(16,597)
	154,964	171,893

11. Trade and bill payables

The ageing analysis of trade and bill payables by invoice date is as follows:

	2026	2025
	HK$'000	HK$'000
1 to 90 days	**77,339**	68,602
91 to 180 days	**12,340**	1,442
181 to 365 days	**2,343**	147
Over 365 days	**1,323**	651
	93,345	70,842

RESULTS

For the year ended 31st March, 2026, the Group's revenue decreased by 12.6% to approximately HK$782 million. A loss of approximately HK$105 million was recorded, compared to a loss of approximately HK$27million last year.

Looking back on the financial year, the global macro environment was turbulent, with operational challenges persisting throughout the year. In the first half of the year, the monetary policy paths of major economies remained unclear, while the trade dispute between China and the US intensified again. The punitive tariff barriers imposed by the US on many countries directly cooled customers' willingness to place orders, and some major customers deliberately deferred their orders. Entering the second half of the year, geopolitical risks, far from easing, escalated sharply due to the military standoff between the US and Iran in the Strait of Hormuz in early 2026. The threat to this key shipping route not only pushed up global logistics costs, but also severely disrupted the stability of supply chains and delivery timeliness, further affecting the Group's operational flexibility.

Facing heavy pressure on revenue throughout the year, the Group found it difficult in the short term to make substantial adjustments to its existing operating scale and staffing arrangements to match the temporarily contracted business volume. As a result, human resources costs and fixed manufacturing expenses could not be reduced in step with revenue, and their proportion to revenue rose correspondingly. At the same time, the industry became increasingly crowded, and market competition reached fever pitch in the second half of the year. To defend market share in a contracting market, industry peers launched aggressive price wars, and this irrational price competition imposed a double squeeze on the Group's gross profit margin. The combined effect of the above factors led to a significant decrease in gross profit margin of approximately four percentage points compared with last year, which was the core reason for the Group's loss.

The knock-on effects of the severe macro environment spread across the Group's three plants in China and the ASEAN market, with the operational resilience of each tested to varying degrees. Both the Guangzhou and Shaoguan plants recorded losses due to reduced export orders and intensified market competition; the Suzhou plant's losses expanded due to delayed orders from major export customers affected by the new round of tariffs imposed by the US government; and although the Southeast Asia plants actively undertook diverted orders, they also recorded losses as they remained in the ramp-up stage and faced increased unit production costs.

Rising trade protectionism and the normalisation of regional conflicts will continue to inject a high degree of uncertainty into the stability of global supply chains. The Group will maintain keen risk awareness at all times, dynamically refine its operating strategies, and accelerate its production capacity footprint expansion in Southeast Asia to fundamentally diversify the operational risks arising from geopolitical rivalry. As for internal momentum, the Group will focus on technological and intelligent upgrades, striving to improve operational efficiency across the entire process and achieve substantive optimisation of its cost structure. In addition, the Group is making every effort to expand non-traditional business areas in mainland China, including e-commerce, high-end boutique packaging, board games, cultural and creative products of its original brand, TEAM GREEN®, and intellectual property (IP) licensing operations. Through deepened industry-academia-research collaboration and forward-looking technology introduction, the Group will strengthen the added value and differentiation barriers of its products, move its business portfolio towards a more diversified and balanced structure, and lay a solid foundation for consolidating its long-term market position. Details are set out in the section headed "BUSINESS REVIEW AND PROSPECTS".

BUSINESS REVIEW AND PROSPECTS

Hong Kong/Mainland China Operations

Overview

During the period under review, global manufacturing underwent a profound reshaping of its order and restructuring of value chains. Sharpening geopolitical confrontation and a strong resurgence of trade protectionism, particularly the punitive tariffs imposed by the US on China, presented an unprecedented and severe test for export-reliant printing industry peers in China. Tariff barriers not only directly eroded export profits and substantially weakened price competitiveness, but also catalysed the fragmentation and realignment of global supply chains, compelling the industry to accelerate the pace of shifting production capacity to Southeast Asia. In the face of the turbulent external environment, the Group responded with composure, pursuing a dual-track strategy combining prudent defence with proactive transformation. Internally, we practised lean management, strictly controlled expenses and comprehensively advanced intelligent manufacturing and automation upgrades, striving to cushion the impact of pressure on gross profit margin; externally, we decisively adjusted our global production capacity footprint and accelerated the configuration upgrade of our Malaysia production base, so as to effectively mitigate geopolitical tariff risks and strengthen our resilience and responsiveness in serving multinational customers. At the same time, the Group strategically increased resource investment in high-potential segments such as domestic high-end packaging and cultural and creative products of its own brand, TEAM GREEN®, and through industry-academia collaboration and in-depth technological development, strengthened the premium-pricing power and differentiated positioning of its products, actively incubating new profit engines to pave the way for steady medium- to long-term growth.

During the year, despite unabated external headwinds, the Group remained unwavering in its investment in technological innovation, with remarkable R&D results. The production bases secured a total of seventeen patent grants during the year, of which the Guangzhou plant garnered five utility model patents, the Shaoguan plant obtained four utility model patents and one design patent, and the Suzhou plant accounted for seven utility model patents, fully attesting to the Group's deep expertise in process innovation and product development. At the same time, the Group stayed closely attuned to the wave of digitalisation, continuing to deepen the penetration and integration of AI technology across the entire business chain. From intelligent document management and creative design enablement to the precise control of production processes, the deep integration of AI not only substantially improved operational efficiency and decision-making quality, but also built a solid technical backstop for the Group against market volatility. In the field of intelligent manufacturing, the Team Green® dark factory, jointly developed by the Group and the Chinese Academy of Sciences, has commenced full production and operation, successfully achieving fully unmanned operations across production workshops and warehousing and logistics, setting a new benchmark for the industry.

From the perspective of regional operations, the Group's production bases fell short of their targets during the year. In Southern China, the profitability of the Guangzhou and Shaoguan plants came under short-term pressure amid the continued impact of tariff barriers. In Eastern China, the Suzhou plant was significantly dragged down by the postponement of order schedules by major customers of its greeting card business, with both revenue and profit contribution declining and performance falling short of expectations. By contrast, the Southeast Asia market recorded growth in business scale during the year; however, as the relocation of production capacity was still at a critical ramp-up stage, the operational efficiency and workforce proficiency of the production bases required further time to build up, and economies of scale had yet to be fully realised, leaving the region loss-making for the full year.

In the face of the profound reshaping of the global economic landscape and the normalisation of market volatility, the Group maintained its strategic resolve throughout, building a keen dynamic monitoring system to track international trade and economic developments in real time, and flexibly applying a diversified capital allocation approach to capture structural opportunities amid the turbulence. During the year, the Group firmly consolidated its partnerships with core customers and its delivery quality, while accelerating its expansion into non-US markets such as Europe, the Middle East and ASEAN, deepening its domestic new retail and cross-border e-commerce channels, and carefully maintaining key customer relationships. Leveraging its cross-regional supply footprint and delivery flexibility, the Group successfully defended its market share despite the impact of trade barriers. The marketing team made active appearances at international trade exhibitions, including the 30th China Beauty Expo, sparing no effort to develop high-end niche segments such as cosmetics packaging. During the period, the Group also clinched the Gold Award for Book Printing: Children Book at the 36th Hong Kong Print

Awards, a top honour that once again attests to the Group's excellence in printing craftsmanship and creative design. In addition, the Group's founder and Chairman, Mr. Lam Kwong Yu, was honoured with the 10th Hong Kong Cultural and Creative Industries Award 2026 presented by the Asia Pacific Creativity Industries Association, in recognition of his outstanding achievements in technology, cultural and creative industries, and environmental protection.

On another front, riding the policy tailwinds of the HKSAR Government's accelerated development of Hong Kong as a regional intellectual property trading centre, and seizing the historic opportunity presented by the strategies of expanding domestic demand and promoting two-way investment under the national Outline of the 15th Five-Year Plan, the Group strategically launched a flagship new business during the year — Starlite IPC Limited. With IP value realisation and industrialised operation as its core positioning, Starlite IPC focuses on three pillars — brand strategy planning, design and development, and licensing operation — with a business footprint spanning innovative IP incubation, copyright trading, and designer agency and management services. Grounded in the creation, intelligent production and protection of intellectual property, it provides full-chain value enablement — from copyright licensing, strategic conception and design development to marketing — for the cultural-creative and cultural-tourism industries as well as major cultural events. Since its official launch on 1st January, 2026, Starlite IPC has, within a very short time, successfully built an IP agency platform bringing together renowned Asian designers, rapidly established a designer ecosystem and copyright trading hub with strong industry appeal, and seen its brand recognition rise markedly in the licensing market. It has also initially completed the loop from IP incubation and licensing conversion to commercial monetisation, laying a solid foundation for subsequent expansion towards scale and industrialisation, and marking the opening of a new chapter in the Group's development.

Southern China Operation

For the twelve months ended 31st March, 2026, the Group's Southern China operation suffered a heavy blow from the deterioration of the external trade environment. The US government intensively introduced and implemented a new round of punitive tariffs targeting a wide range of imported Chinese goods, sweeping in product coverage and steep in the rates imposed, which exerted a direct and severe squeeze on the export costs of printed products, packaging materials and cultural and creative products. The rapid pace of this round of tariff policy from formulation to implementation meant that the Southern China operation, anchored on overseas markets as its core pillar, bore the brunt, with its operational resilience severely tested. As tariff costs surged abruptly, end customers in Europe and the US, seeking to pass on their own supply chain cost pressures, widely adopted defensive measures such as reducing order volumes, postponing delivery schedules or seeking alternative production capacity. Under the combined effect of these factors, export orders in Southern China contracted markedly during the year, ultimately resulting in a loss for the region's operations.

Despite the bitter chill in external markets and significant downward pressure on revenue, the Group did not confine itself to passive defence; instead, it treated this adversity as a strategic window for tempering its internal strength and rebuilding its cost competitiveness. To counter the external shocks, the Group accelerated the deep integration of informatisation and its lean production system. In terms of digital foundation upgrades, the Southern China operation fully completed the iterative deployment of a new-generation enterprise resource planning system. This core system seamlessly links supply chain collaboration, production scheduling and financial accounting, achieving full-chain data visibility and visualised control across the business. Its benefits encompass accurate demand forecasting, streamlined procurement and inventory management, and efficient capacity scheduling, significantly improving equipment utilisation and output per employee, and ensuring that production lines maintain flexible, agile and efficient operation even under the structural new normal of increasingly fragmented and small-batch orders. On the lean innovation front, the Southern China team spearheaded a series of automation breakthrough initiatives and process re-engineering projects. During the year, the Shaoguan plant introduced a range of innovative automation equipment, including intelligent cover forming machines, automatic book folding machines, automatic rotary edge rounding machines, visual tracking glue dispensing machines, double grey automatic glueing machines and book sound testing machines, while Southern China secured a total of nine utility model patents for the year, covering independently developed achievements such as automatic feeding machines for laser machines, assembly line page-turning machines and rotary robotic arms. The widespread adoption of automated machinery directly reduced reliance on manual operations and effectively lowered unit production costs, while securing consistent quality and efficiency of output amid fluctuating order volumes.

During the year, the Group's original eco-friendly design brand “TEAM GREEN®” achieved business expansion by leaps and bounds, with brand visibility and market appeal rising in tandem. In terms of retail footprint expansion, having successfully taken root in Hong Kong's core commercial districts, the Langham Place and Peak stores continued to deliver winning results, with Hong Kong tourism-themed products proving the most sought-after; the team also actively introduced products on diverse themes, continually injecting freshness and shopping surprises into the consumer experience. The brand's social buzz and word-of-mouth ratings on Xiaohongshu and other new media platforms climbed steadily, successfully capturing the favour of a large young following, while the synergy between online traffic generation and offline conversion grew increasingly mature. On channel expansion, Team Green® successfully entered four major Hong Kong stores of the renowned retail brand MINISO, where the first batch of products on the shelves immediately sparked a buying frenzy; moving into the second half of the year, the brand entered multiple new sales locations in quick succession, including AEON, Kai Tak Sports Park and Hong Kong souvenir shops, while its distribution network with convenience store giant 7-Eleven expanded substantially to fifty-nine stores, driving a marked jump in the total number of points of sale in Hong Kong and a significant increase in market coverage density. Looking ahead, MINISO will add ten more stores, and 7-Eleven plans to extend distribution to a further fifty stocking points, with channel momentum poised for take-off. In the dimension of IP crossovers and product innovation, Team Green® joined hands in the mainland China market with the heavyweight intellectual property "The Three-Body Problem" to co-develop a number of co-branded products, and forged partnerships with internationally renowned IP brands such as Pokémon and Bluey, continually enriching its product portfolio and successfully reaching entirely new consumer segments. In addition, the Group launched a new trend brand, Moonlite, to considerable attention during the year; its debut series, including the Hong Kong Babies Blindbox and the Veron Reborn Blindbox, paired distinctive designs with local cultural elements, and the brand quickly made a name for itself, adding a strong new engine of growth to the Group's cultural and creative business footprint.

Eastern China Operation

In review of the financial year, the Eastern China operation underwent a profound strategic transformation and a reshaping of its business landscape. The Suzhou plant saw its core export greeting card customers defer order deliveries under the heavy impact of trade policy turbulence, resulting in considerable fluctuations in revenue for the year. Facing this sudden demand gap, the management team swiftly activated its contingency mechanism, turning external pressure into a catalyst for internal upgrading and decisively pursuing a market portfolio diversification strategy. During the period, the Suzhou team successfully forged a strategic alliance with a leading service provider in the mainland board game sector, which subsequently helped fill part of the vacated order capacity, building a cushion for business stability. In technological innovation and intelligent manufacturing, the Suzhou plant continued to step up equipment investment and independent R&D, achieving multiple breakthroughs in the intelligence level of its production. On the hardware upgrade front, the plant newly acquired a Heidelberg six-colour printing press, comprehensively raising the capacity and product quality of its printing processes; in parallel, it introduced a batch of automation equipment, including fully automatic cover machines, fully automatic book-shaped box assembly machines, visual multi-function positioning lines and fully automatic cover forming machines, continually optimising its production hardware system. In industry standard-setting, Starlite Suzhou took an active part in the development of the national printing standardisation system, participating in depth in the drafting and formulation of two national standards during the year. In recognition of an outstanding contribution to the work of the Packaging and Printing Sub-technical Committee of the National Technical Committee for Printing Standardisation, the General Manager of Suzhou was awarded the honorary title of "Outstanding Committee Member", fully demonstrating the Group's influence and professional standing in industry standard-setting. At the same time, the Suzhou plant attained the Suzhou Municipal Green Factory accreditation during the year and successively passed a number of authoritative assessments, including occupational health and safety management system certification, energy management system certification and carbon footprint verification, honouring the Group's firm commitment to sustainable development through concrete action and setting a benchmark for green manufacturing.

On another front, the reporting period coincided with the thirty-third anniversary of the Group's listing, and the Suzhou plant grandly hosted the Starlite Group Thirty-Third Listing Anniversary Celebration cum Suzhou Cherry Blossom Festival series of events. This grand occasion brought together business partners, customers from home and abroad, local government representatives and members of the banking sector, and featured a diverse programme including cherry blossom-themed cultural experiences, cultural and creative product exhibitions and a design masters exchange forum, standing as an important marker of the Group's entry into a new stage of development. During the events, visiting guests toured the Suzhou Team Green® production workshops and product showroom in person, gaining an in-depth view of Team Green®'s production floor. The highly automated production lines, intelligent AGV (automated guided vehicle) logistics equipment and advanced production facilities offered a vivid demonstration of the Group's solid foundations in intelligent manufacturing and lean management. The events attracted wide coverage across major media and social platforms, significantly raising the Group's brand recognition and industry influence. Thirty-three years of dedicated cultivation and accumulated strength have fortified the foundations of the Group's development, and the successful conclusion of the celebration also marked the start of a new journey of development for the enterprise.

South East Asia Operation

As a key strategic hub in the Group's global production capacity footprint, the Southeast Asia operation recorded a steady climb in sales during the year, fully attesting to the structural trend of international customers accelerating the migration of orders from traditional manufacturing bases to Southeast Asia. During the period under review, the regionalised restructuring of global supply chains gathered further pace, compounded by the continued escalation of the US-China trade rivalry and the turbulence in the Middle East early in the year that pushed up shipping costs; more and more multinational brand customers placed the diversification of geopolitical risks and the shortening of delivery lead times high on their agendas, and the strategic position of Southeast Asia as an alternative production capacity destination grew ever more prominent. Although the newly undertaken diverted projects remained at the critical ramp-up stage — with equipment run-in and commissioning, optimisation of process parameters and the maturing of front-line workforce skills inevitably pushing up unit production costs in the short term — the Group moved swiftly to assist the local operation with production process optimisation and core technology transfer, effectively accelerating the compression of the learning curve. At the same time, keenly aware that regional demand is shifting from a purely cost-driven contest to competition on integrated services combining high quality and rapid turnaround, the Group has decisively launched the blueprint for its next stage of capacity expansion, covering the introduction of advanced equipment and the upgrading of supporting infrastructure, so as to secure in advance the capacity to absorb customers' continued order ramp-up and to make the best possible preparations for the scaled-up advancement of the Southeast Asia operation.

As the core base of the Group's deep cultivation of Southeast Asia, the Malaysia plant continued to press ahead in depth along two dimensions during the year: lean operations and the building of a local talent pipeline. As the competitive focus of the global printing and packaging industry shifts from pure price competition to a contest of depth of craftsmanship and speed of service response, a growing number of international customers have firm plans to shift high-value-added product lines, such as high-end colour boxes and boutique packaging, to the Malaysia plant for production, drawing on its superior geographic location, mature supporting ecosystem and the Group's accumulated experience in multinational operations to achieve a dual enhancement of supply chain resilience and product competitiveness. It is foreseeable that, under the combined drivers of gradually released economies of scale and continually accumulating technical capabilities, the Malaysia plant will steadily rise to become a core engine pulling the Group's overall results growth, and will establish a differentiated leading position in the Southeast Asian printing and packaging market.

LIQUIDITY AND FINANCIAL RESOURCES

The Group’s sources of funding include cash generated from the Group’s operations and banking facilities provided to the Group by banks mainly in Hong Kong and Mainland China. As at 31st March, 2026, the Group’s cash and bank balances and short-term bank deposits amounted to approximately HK$121 million (31st March, 2025 : HK$199 million), among which approximately 27% was denominated in Hong Kong dollars, approximately 29% was denominated in Renminbi, approximately 21% was denominated in United States dollars, approximately 9% denominated in Euro and the remaining 14% was denominated in other currencies.

As at 31st March, 2026, the Group’s total bank borrowings amounted to approximately HK$38 million (31st March, 2025 : HK$73.5 million). The bank borrowings are denominated in Hong Kong dollars and Renminbi representing 96% and 4% respectively. As at 31st March, 2026, all of the Group’s bank borrowings were guaranteed and/or secured, and with the repayment due dates ranging from 2026 to 2030. As at 31st March, 2026, all the bank borrowings bore floating interest rates.

During the year under review, the interest expense of the Group amounted to approximately HK$2 million compared to approximately HK$2 million recorded last year.

As at 31st March, 2026, the Group had a working capital surplus of approximately HK$145 million compared to a working capital surplus of approximately HK$213 million as at 31st March, 2025. The Group was in net cash position as at 31st March, 2026 and 2025, based on short-term and long-term bank borrowings, lease liabilities and bills payables net of bank balance and cash of approximately HK$71 million (net cash) (2025 : HK$120 million (net cash)) and shareholders' equity of approximately HK$504 million (2025 : HK$580 million). The Group's gearing ratio as at 31st March, 2026 was 9.9% (2025 : 13.6%), based on short-term and long-term bank borrowings, lease liabilities and bills payables of approximately HK$50 million (2025 : HK$79 million) and shareholders' equity of approximately HK$504 million (2025: HK$580 million).

CHARGE ON ASSETS

As at 31st March, 2026, certain assets of the Group with an aggregate book carrying value of approximately HK$8 million (31st March, 2025: HK$48 million) were pledged to secure the banking facilities of the Group.

EXCHANGE RATE EXPOSURE

All the Group's assets, liabilities and transactions are denominated in Hong Kong dollars, US dollars, Chinese Renminbi, Malaysian ringgit, Singapore dollars or Euro. The exchange rate of US dollars/Hong Kong dollars is relatively stable due to the current peg system in Hong Kong. The Renminbi-denominated sales revenue helps to set off the Group's commitments of Renminbi-denominated operating expenses in Mainland China, accordingly reducing Renminbi exchange rate exposure.

HUMAN RESOURCES DEVELOPMENT

Currently the Group has approximately 2,600 employees. The Group maintains good relationships with its employees, providing them with competitive packages, incentive schemes as well as various training programmes. The Group has maintained a Share Option Scheme under which share options can be granted to certain employees (including executive directors and non-executive directors of the Company (excluding independent non-executive directors)) as incentive for their contribution to the Group. The Group provides various training and development programmes to staff on an ongoing basis. The Group will explore the possibility of launching other special training programmes with universities in Mainland China and education institutions abroad to enhance its staff quality.

SOCIAL RESPONSIBILITY

As a responsible corporation, the Group is committed to promoting social enhancement whilst developing its businesses, through active participation in social welfare and environmental protection activities to realise its mission. Regardless of where the Group operates, the Group treats the local communities as family members and strives to contribute to such communities.

In the past years, the Group has allocated significant resources to energy conservation and environmental protection, provided venues and platforms of training and job opportunities for young people, and actively supported help-poor and schooling campaigns as well as disaster relief efforts in China. Apart from providing financial support, the Group also contributes people and time to various charity drives. In many circumstances, the Group's Chairman makes initiative to organize joint efforts with other enterprises and friends to pool resources together for the maximum benefits of those in need.

During the year under review, the Group and its staff made financial and other support to the following organizations:

— Support Fund for Wang Fuk Court in Tai Po
— The Hong Kong Seagulls Scholarship Scheme
— Polar Museum Foundation Limited

ENVIRONMENTAL, SOCIAL AND GOVERNANCE ("ESG") REPORT

The Group has established an environmental, social and governance ("ESG") management team to manage, monitor, recommend and report on environmental and social aspects. An ESG report is being prepared with reference to Appendix C2 Environmental, Social and Governance Reporting Guide to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Stock Exchange") and will be published on the Company's website (http://www.hkstarlite.com) at the same time as the publication of the 2026 annual report.

LOOKING AHEAD

According to the latest World Economic Outlook report released by the International Monetary Fund in April 2026, the momentum of the global economic recovery has turned more guarded than previously expected. The report notes that the forecast for global economic growth in 2026 has been revised down to the 3.0% level, reflecting the gradual emergence of multiple downside risks, including the continued accumulation of trade barriers, elevated policy uncertainty and deepening geopolitical fractures. Nevertheless, the global economic system continues to demonstrate considerable resilience and adaptability, with enterprises driving the diversification of their supply chain footprints and the reshaping of trade routes with unprecedented vigour, responding with agility to a fast-changing external environment. It is worth noting that economic and trade linkages within Asia are bucking the trend, with trade interdependence among ASEAN and the member states of the Regional Comprehensive Economic Partnership (RCEP) continuing to climb, opening a new window of growth for enterprises in the region.

Amid a complex and fluid landscape in which opportunities and challenges coexist, the Group will steadfastly uphold its dual-engine core strategy of technological innovation and sustainable development, unswervingly increasing resource allocation to artificial intelligence, clean energy applications and full-process digital transformation, and committing itself to building a smart operations framework with greater foresight and agility. At the same time, the Group will further strengthen cross-regional production capacity synergies and refine its risk early-warning and hedging mechanisms, enhancing its strategic depth in a multipolar world. We will closely capture the institutional dividends arising from the continued deepening of RCEP and the accelerating opening of the ASEAN market, strategically expanding our non-traditional business footprint and high-value-added product portfolio, shifting from passive response to proactive shaping, and striving to forge a globalised supply chain that combines resilience with competitive advantage.

The Group firmly believes that, anchored by the foundation of customer trust accumulated over decades, its deep technical heritage and brand equity widely recognised by the market, and complemented by a prudent, flexible operating philosophy that adapts with the times, it will surely navigate the dense fog of the current cycle, capture structural opportunities amid the turbulence, and continue to create long-term, sustainable value returns for its shareholders, employees and society.

DIVIDENDS

The Company maintains a dividend policy (the "Policy") and the Board decided the payment of dividends for the year ended 31st March, 2026 in accordance with the Policy.

In view the Group recorded a loss of approximately HK$105 million for the year ended 31st March, 2026 and in order to retain resources for the Group's future development, the Board of Directors does not recommend the payment of a final dividend for the year ended 31st March, 2026 (2025: Nil). No interim dividend was paid for the six months ended 30th September, 2025 (30th September 2024: HK1 cent). The Group will implement cost control measures and expansion of customer base to improve its operating results.

AUDIT COMMITTEE

The Audit Committee is composed of all the four Independent Non-Executive Directors of the Company, namely Mr. Tam King Ching, Kenny (Chairman), Mr. Chan Yue Kwong, Michael, Mr. Kwok Lam Kwong, Larry, *SBS, JP* and Ms. Elizabeth Law. The Audit Committee has reviewed with management the accounting policies adopted by the Group and discussed auditing, risk management and internal control system, and financial reporting matters. The Audit Committee has reviewed the audited financial statements of the Group for the year ended 31st March, 2026 including the accounting principles and practices adopted by the Group and this annual results announcement.

REMUNERATION COMMITTEE

The Remuneration Committee was set up with the responsibility of recommending to the Board the remuneration policy of all the Directors and the senior management. The Remuneration Committee composed of all the four Independent Non-Executive Directors of the Company, namely Mr. Chan Yue Kwong, Michael (Chairman), Mr. Tam King Ching, Kenny, Mr. Kwok Lam Kwong, Larry, *SBS, JP* and Ms. Elizabeth Law.

NOMINATION COMMITTEE

The Nomination Committee is composed of the Executive Chairman of the Board, one Non-Executive Director and the four Independent Non-Executive Directors of the Company, namely Mr. Kwok Lam Kwong, Larry, *SBS, JP* (Chairman), Mr. Lam Kwong Yu, Ms. Yeung Chui, Mr. Chan Yue Kwong, Michael, Mr. Tam King Ching, Kenny and Ms. Elizabeth Law. The principal duties of the Nomination Committee include reviewing the structure, size and composition of the Board on a regular basis, making recommendations to the Board regarding any proposed changes and support the regular evaluation of the Board's performance.

SCOPE OF WORK OF PRICEWATERHOUSECOOPERS

The figures in respect of the Group's consolidated statement of financial position, consolidated income statement, consolidated statement of comprehensive income and the related notes thereto for the year ended 31st March, 2026 as set out in the preliminary announcement have been agreed by the Group's auditor, PricewaterhouseCoopers, to the amounts set out in the Group's draft consolidated financial statements for the year. The work performed by PricewaterhouseCoopers in this respect did not constitute an assurance engagement and consequently no opinion or assurance conclusion has been expressed by PricewaterhouseCoopers on the preliminary announcement.

PURCHASE, SALE OR REDEMPTION OF SHARES

During the year ended 31st March, 2026 and up to the date of this announcement, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's securities listed on the Stock Exchange. As at 31st March, 2026 and up to the date of this announcement, the Company did not have any treasury shares.

COMPLIANCE WITH THE CODE OF CORPORATE GOVERNANCE PRACTICES

In the opinion of the Board, the Company has complied with the Code Provisions in Corporate Governance Code (the "CG Code") as set out in Appendix C1 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Stock Exchange") (the "Listing Rules") throughout the year ended 31st March, 2026 except for the deviations as mentioned below.

Code Provision C.2.1 stipulates that the roles of chairman and chief executive officer should be separate and should not be performed by the same individual. During the period from 1st April, 2025 to 31st December, 2025, the Company does not have a separate Chairman and Chief Executive Officer and Mr. Lam Kwong Yu holds both positions. For the purposes of corporate governance enhancements and for better compliance of Code Provision C.2.1 of Part 2 of the CG code as set out in Appendix C1 to the Listing Rules of the Stock Exchange, with effect from 1st January, 2026, Mr. Lam Kwong Yu relinquished his role as the chief executive officer and re-designated as the Executive Chairman of the Company and Ms. Zhao Chunyan was appointed as the chief executive officer of the Company.

Code Provision C.2.7 stipulates that the chairman should at least annually hold meetings with the independent non-executive directors without the presence of other directors. As Mr. Lam Kwong Yu, Executive Chairman of the Company, is also an Executive Director of the Company, this code provision is not applicable.

COMPLIANCE WITH THE MODEL CODE

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix C3 of the Listing Rules for securities transactions by the Directors.

All Directors have confirmed that they have complied with the required standard of dealings and code of conduct regarding securities dealings by directors as set out in the Model Code for the year ended 31st March, 2026.

SIGNIFICANT INVESTMENTS AND MATERIAL ACQUISITIONS AND DISPOSALS

On 13th March, 2026, Hong Kong Inno-Tech Association Limited ("Hong Kong Inno-Tech") (being an indirect wholly-owned subsidiary of the Company), China Greater Bay Area Education Innovative Technology Center Limited ("CGBA-EITC") and StarSphere Innovation Limited (the "JV Company") entered into the Joint Venture Agreement, pursuant to which the parties agreed to (a) Hong Kong Inno-Tech and CGBA-EITC subscribe for shares in the JV Company; (b) form a joint venture through the JV Company with an aggregate share capital of HK$50,000,000; and (c) regulate their respective rights and obligations in the JV Company. Following the Subscription Completions, the JV Company will be owned as to 70% by CGBA-EITC and 30% by Hong Kong Inno-Tech respectively.

As at the date of this announcement, the First Completion (as defined under the Announcement dated 13th March, 2026) has not yet taken place, as the parties to the Joint Venture Agreement are currently in discussions to address the additional time required to fulfil and provide certain completion deliverables in respect of the First Subscription Completion. The Company will make further announcement(s) to keep its shareholders and potential investors informed of any progress as and when appropriate.

Save as disclosed above, the Group did not have any significant investments or material acquisitions or disposals of subsidiaries, associates or joint ventures during the year ended 31st March, 2026.

EVENTS AFTER THE REPORTING PERIOD

Save as disclosed above, no significant event requiring disclosure that has taken place subsequent to 31st March, 2026 and up to the date of this final result announcement.

ANNUAL GENERAL MEETING

The 2026 Annual General Meeting (the "AGM") of the Company will be held on Wednesday, 26th August, 2026. The notice of Annual General Meeting will be published and dispatched to the shareholders in due course.

CLOSURE OF REGISTER OF MEMBERS AND RECORD DATE

For determining the eligibility to attend and vote at the AGM, the Register of Members of the Company will be closed from Friday, 21st August, 2026 to Wednesday, 26th August, 2026 (both dates inclusive), during which periods no transfer of shares will be registered. The record date for determining the eligibility of the shareholders to attend and vote at the AGM will be Wednesday, 26th August, 2026.

In order to be eligible to attend and vote at the forthcoming AGM of the Company to be held on Wednesday, 26th August, 2026, all transfer of shares accompanied by the relevant share certificates must be lodged with the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited at 17/F., Far East Finance Centre, 16 Harcourt Road, Admiralty, Hong Kong for registration no later than 4:30 p.m. on Thursday, 20th August, 2026.

PUBLICATION OF ANNUAL RESULTS AND ANNUAL REPORT

This annual results announcement is available for viewing on the website of The Stock Exchange of Hong Kong Limited at http://www.hkexnews.hk under "Latest Listed Company Information" and on the website of the Company at http://www.hkstarlite.com. The annual report for the year ended 31st March, 2026 will be disseminated to the shareholders and published on the above websites in due course.

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

Hong Kong, 26th June, 2026

As at the date of this announcement, the Executive Directors of the Company are Mr. Lam Kwong Yu, Ms. Zhao Chunyan, Mr. Poon Kwok Ching, Mr. Wong Wai Kwok and Mr. Zhong Zhitang, Non-Executive Director is Ms. Yeung Chui, and the Independent Non-Executive Directors are Mr. Chan Yue Kwong, Michael, Mr. Kwok Lam Kwong, Larry, SBS, JP, Mr. Tam King Ching, Kenny and Ms. Elizabeth Law.