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

HOLDINGS LIMITED

星光集團有限公司\*

(Incorporated in Bermuda with limited liability)

(於百慕達註冊成立之有限公司)

STOCK CODE 股份代號: 403

## PROFIT WARNING

This announcement is made by the Company pursuant to rule 13.09 of the Listing Rules and the Inside Information Provisions (as defined in the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The Board wishes to inform the Shareholders and potential investors that based on the preliminary assessment by the Board of the unaudited consolidated management accounts of the Group for the six months ended 30th September, 2020, the Group is expected to record a consolidated loss attributable to owners of the Company of approximately HK\$70 million for the six months ended 30th September, 2020 as compared to a profit attributable to owners of the Company of approximately HK\$16 million recorded for the previous corresponding financial period.

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

This announcement is made by Starlite Holdings Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and the Inside Information Provisions (as defined under the Listing Rules) under Part XIVA of the Securities and Future Ordinance (Chapter 571 of the Laws of Hong Kong).

The Board of Directors of the Company (the “**Board**”) wishes to inform the shareholders of the Company (the “**Shareholders**”) and potential investors that based on the preliminary assessment by the Board of the unaudited consolidated management accounts of the Group for the six months ended 30th September, 2020, the Group is expected to record a consolidated loss attributable to owners of the Company of approximately HK\$70 million for the six months ended 30th September, 2020 as compared to a profit attributable to owners of the Company of approximately HK\$16 million recorded for the previous corresponding financial period. Such expected loss is mainly attributable to the following factors:

1. The global economic sentiment hit various industries hard after the outbreak of COVID-19 in January 2020 and customers were very cautious when placing orders. As such, revenue dropped approximately 20% when compared with the previous corresponding financial period.
2. The Group commenced its relocation and restructuring plan in April 2020 after Shareholders approved the disposal of Starlite Printers (Shenzhen) Co. Ltd on 8th April, 2020, and the estimated total cost of the relocation and restructuring plan including legal fees, severance payments and relocation of plant and machinery recorded in current period pursuant to the requirement of Hong Kong Accounting Standard 37 is approximately HK\$90 million. It is expected that the Group will record a gain on the disposal at the time of completion, which is expected to be before September 2021.

According to the segmental analysis of the Group, the operating results of southern China operation recorded a profit after tax of approximately HK\$34 million (2019 : HK\$16.9 million) for the six months ended 30th September, 2020 if the additional provision for the cost of the relocation and restructuring plan of approximately HK\$90 million (as mentioned above) was excluded. Despite the drop in revenue during the period, the improvement in the performance of southern China operations was mainly attributable to tightened control on material cost and labour cost.

The information contained in this announcement is only a preliminary assessment by the Board based on the management accounts of the Group and such management accounts have not been reviewed, confirmed or audited by the Company's auditor. The interim results announcement of the Group for the six ended 30th September, 2020 is expected to be announced on 27th November, 2020.

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

By Order of the Board  
**Starlite Holdings Limited**  
**Lam Kwong Yu**  
*Chairman*

Hong Kong, 23rd November, 2020

*As at the date of this announcement, the Executive Directors of the Company are Mr. Lam Kwong Yu, Mr. Tin Shing and Mr. Poon Kwok Ching, Non-Executive Director is Ms. Yeung Chui and the Independent Non-Executive Directors are Mr. Chan Yue Kwong, Michael, Mr. Kwok Lam-Kwong, Larry, SBS, JP and Mr. Tam King Ching, Kenny.*

*\* For identification purpose only*