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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 and information currently available to the Board, it is expected to record a consolidated loss attributable to owners of the Company ranging from approximately HK\$110 million to approximately HK\$130 million for the financial year ending 31st March, 2021 as compared to a profit attributable to owners of the Company of approximately HK\$8.5 million recorded for the previous corresponding financial year.

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 and information currently available to the Board, it is expected to record a consolidated loss attributable to owners of the Company ranging from approximately HK\$110 million to approximately HK\$130 million for the financial year ending 31st March, 2021 as compared to a profit attributable to owners of the Company of approximately HK\$8.5 million recorded for the previous corresponding financial year. Such expected loss was mainly attributable to the following factors:

1. The global economic sentiment hit various industries hard after the outbreak of COVID-19, and customers were very cautious when placing orders. As such, revenue dropped approximately 10% when compared with the previous corresponding financial year.
2. The Group commenced its relocation and restructuring plan in April 2020 after Shareholders approved the disposal of Starlite Printers (Shenzhen) Co. Ltd (“**SPSZ**”) 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 the financial year ending 31st March, 2021 pursuant to the requirement of Hong Kong Accounting Standard 37 is approximately HK\$100 million. It is expected that the Group will record a gain on the disposal at the time of completion, which is expected to be on or before September 2021.
3. Rising price of paper in the second half of the financial year which cannot be fully passed on to customers.
4. The incurring of exchange rate losses for the financial year ending 31st March, 2021 due to the appreciation of Renminbi, the lawful currency of the People’s Republic of China (“**RMB**”); the depreciation of United States Dollars, the lawful currency of the United States of America, and the revaluation of the loan of approximately RMB136.8 million advanced to SPSZ (details of such loan are disclosed in the circular of the Company dated 13th March, 2020).

The information contained in this announcement is only a preliminary assessment by the Board based on the management accounts of the Group and information currently available to the Board and such management accounts have not been reviewed, confirmed or audited by the Company's auditor. The audited final results of the Group for the financial year ending 31st March, 2021 are expected to be announced on or before 30th June, 2021.

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, 26th March, 2021

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*