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Million Stars

MILLION STARS HOLDINGS LIMITED

萬星控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8093)

**FULFILMENT OF ALL RESUMPTION CONDITIONS
AND
RESUMPTION OF TRADING**

This announcement is made by Million Stars Holdings Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to GEM Rule 17.26A of the Rules (the “**GEM Listing Rules**”) Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”), 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).

References are made to the announcements of the Company dated 27 September 2021, 12 November 2021, 8 December 2021, 3 January 2022, 1 April 2022, 25 May 2022, 29 June 2022, 29 July 2022, 31 August 2022 and 23 September 2022 respectively (collectively referred as the “**Announcements**”) in relation to, among others, the suspension of trading in the shares of the Company on the Stock Exchange pending the publication of the annual results of the Group for the year ended 30 June 2021 and all outstanding financial results, the resumption guidance issued by the Stock Exchange (the “**Resumption Guidance**”). Unless otherwise defined, capitalised terms used herein shall have the same meanings as defined in the Announcements.

RESUMPTION GUIDANCE

On 22 December 2021, the Company received a letter from the Stock Exchange in which the Stock Exchange set out the following additional resumption guidance for the Company:

- (i) publish all outstanding financial results required under the GEM Listing Rules and address any audit modifications;
- (ii) demonstrate its compliance with GEM Rules 17.26 of the Listing Rules; and
- (iii) announce all material information for the Company’s shareholders and investors to appraise the Company’s position.

FULFILMENT OF ALL RESUMPTION CONDITIONS

Resumption Condition (1) — publish all outstanding financial results required under the GEM Listing Rules and address any audit modifications

(a) Outstanding Financial Results

The audited financial results announcement of the Company for the year ended 30 June 2021 have been published by the Company on 15 August 2022.

The first quarterly results for the three months ended 30 September 2021 and the first quarterly report for the same period have been published by the Company on 19 September 2022.

The interim results for the six months ended 31 December 2021 and the interim report for the same period and the third quarterly results for the nine months ended 31 March 2022 and the third quarterly report for the same period have been published by the Company on 23 September 2022 respectively.

In view of the above, the Company has published all the outstanding financial results in satisfaction of Resumption Condition (1).

(b) Disclaimer Opinions

CCTH CPA Limited (“CCTH”), the independent auditor of the Company, expressed a disclaimer of audit opinion on the Group’s consolidated financial statements for the year ended 30 June 2021. The disclaimer concerned the Group’s prior year transactions regarding (a) the acquisitions and impairment assessments of the Group’s intangible assets, and (b) purchase price allocation, share of results, share of net assets and impairment assessment relating to the Group’s interest in Yidao Network, an associate of the Group. The disclaimer arose from the opening balances and corresponding figures of intangible assets and interest in Yidao Network. Details are disclosed in the paragraph headed “Basis for Disclaimer of Opinion” under the independent auditor’s report on the Group’s consolidated financial statements for the year ended 30 June 2021. In all other respects, in CCTH’s opinion, the consolidated financial statements of the Company for the year ended 30 June 2021 have been properly prepared in compliance with the disclosure requirements of the Companies Ordinance.

As at 30 September 2021, the abovementioned intangible assets and the interest in Yidao Network, an associate of the Company, had been fully disposed of with all considerations received.

The Company and CCTH were of the view that the basis as set out under the heading “Opening balances and corresponding figures” giving rise to the CCTH’s Disclaimer of Opinion under the independent auditor’s report on the Group’s consolidated financial statements for the year ended 30 June 2021 will no longer be carried forward to accounting periods subsequent to the year ended 30 June 2021 and the disclaimer of opinion will be removed in the subsequent financial statements of the Group.

The Audit Committee had reviewed the basis of the CCTH Disclaimer of Opinion and the Company's responses and concurred with the view of the Company that the audit modification as set out in the CCTH Disclaimer of Opinion will be removed in respect of the Group's financial statements for the year ended 30 June 2022.

Accordingly, the Company is of the view that it has fulfilled this Resumption Condition (1).

Resumption Condition (2) — demonstrate its compliance with GEM Rules 17.26 of the Listing Rules

The Board considers that the Company has always complied with Rule 17.26 of the GEM Listing Rules. Notwithstanding the tough business environment since 2020 due to the COVID-19 pandemic, the Group managed to record revenue of approximately HK\$45,071,000 for the nine months period ended 31 March 2022. Further, the Group's total assets stood at approximately HK\$171,449,000 (unaudited) as at 31 December 2021. The Group's business performance and financial position for the year ended 30 June 2021 are available in the Company's announcement dated 15 August, 2022 in respect of the 2021 Annual Results.

As at the date of this announcement, internet advertising agency services business undertaken by the Group are still progressing normally despite the impact of COVID-19. The Group develops its overseas internet advertising market through its wholly-owned subsidiary, Million Stars Internet Media Limited utilising global mainstream online platforms, namely Facebook and Google, which provide customers with access to global advertising, including games promotion services, big data support, online integrated marketing solutions, local language support and account stabilisation services. With the opportunities emerged from the new rural areas, new retail and new consumption in the mainland China that facilitate the digital empowerment to the real industries, Million Stars Holdings will expand its advertisement services into the following new segments, including offline mobile devices advertising, digitalized smart terminals advertising, offline on-screen advertising, O2O platforms advertising and in-app advertising, through which more suppliers and government authorities could be served with our advertising services and more target audiences could be reached, and hence, the business of agricultural products and other consumer goods could be extended.

Leveraging the professional technology, operation and marketing teams, the Group continuously increases its investment on the construction of global supercomputing centres to build an ecosystem based on computing power, which provides global customers with professional hosting of supercomputing servers, and the rental and sales of cloud computing and cloud storage services. In the future, apart from continuous investment on cryptocurrency servers purchasing, the Group will also endeavor to expand the global trade and development of supercomputing servers. The Group will continue to proactively seek for new potential business opportunities, with the aim of broadening its source of income and maximising return to the shareholders. The Group will make announcement(s) to update its shareholders and investors of any major developments in the business operations of the Group as and when appropriate.

Based on the above, the Board is of the view that the Group has a viable and sustainable business with a sufficient level of operations and assets of sufficient value to support its operations to meet the requirements under GEM Rule 17.26 of the GEM Listing Rules and warrant the continued listing of the Shares on the Stock Exchange.

Resumption Condition (3) — Inform the market of all material information for the Company’s shareholders and investors to appraise the Company’s position

Since the suspension of trading in its shares, the Company has been keeping its Shareholders and potential investors informed of all material information to appraise the Company’s position by way of publication of announcements on the website of the Stock Exchange in accordance with the GEM Listing Rules. The Company will continue to keep its Shareholders and potential investors abreast of the material developments by making further announcement(s) as and when appropriate and in accordance with the GEM Listing Rules.

RESUMPTION OF TRADING IN SHARES

As all the Resumption Conditions have been satisfied, the Company has made an application to the Stock Exchange for the resumption of trading in the Shares on the Stock Exchange with effect from 9:00 a.m. on 26 September 2022.

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

By Order of the Board
Million Stars Holdings Limited
Zhu Yongjun
Chairman and Chief Executive Officer

Hong Kong, 23 September 2022

As at the date hereof, the Board comprises Mr. Zhu Yongjun, Mr. Gan Xiaohua and Ms. Tian Yuan as executive Directors; and Mr. Chen Ce, Ms. Jiang Ying and Ms. Zhu Minli as independent non-executive Directors.

This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with 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.

This announcement will remain on the “Latest Listed Company Announcements” page of the GEM website at <http://www.hkgem.com> for at least 7 days from the date of its posting and on the website of the Company at <http://www.millionstars.hk>.