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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)

**SUPPLEMENTAL ANNOUNCEMENT
SUBSCRIPTION FOR NEW SHARES
UNDER THE GENERAL MANDATE**

Reference is made to the announcement of the Company dated 26 January 2023 in relation to the potential subscription of new shares by Zhejiang Shihua Culture and Tourism Technology Group Limited (the “**Announcement**”). Unless otherwise defined, capitalised terms used herein shall have the same meanings as those defined in the Announcement.

INFORMATION ABOUT ZHEJIANG SHIHUA

Zhejiang Shihua Culture and Tourism Technology Group Co., Ltd. (the “**Zhejiang Shihua**”) is an investment holding company and a limited liability company established in the PRC. To the best of the knowledge of the Directors and based on publicly available information and information provided by Zhejiang Shihua: (i) Zhejiang Shihua is ultimately held as to 83% by Greentai Group (Hong Kong) Limited (the “**Greentai**”), a company incorporated in Hong Kong, 10% by 杭州鵬承實業發展有限公司 (“**杭州鵬承**”), a company incorporated in PRC and remaining 7% is held by two different individual shareholders, each holding equal or less than 5% equity interests; (ii) Greentai is ultimately owned by Guo Xincheng Xin (郭新成); (iii) 杭州鵬承 is ultimately held as to 70% by 童衛東 and 30% by 金雲飛 respectively and (iv) having made all reasonable enquiries, Zhejiang Shihua and its ultimate beneficial owners are third parties independent of the Company and its connected persons.

USE OF PROCEEDS FROM THE SUBSCRIPTION

The Company wishes to provide further information relating to the intended use of proceeds from the Subscription.

As disclosed in the Announcement, the net proceeds from the Subscription amount to approximately HK\$14,500,000. The Company intends to use the net proceeds from the Subscription for (i) for future business development, (ii) for repayment of borrowings and (iii) for general working capital of the Group.

The table below is a summary of the use of net proceeds:

Intended use of proceeds	Percentage	Allocation of net proceeds (HK\$)	Expected timeline for use
Repayment of certain borrowings	20.7%	3,000,000	Before 28 February 2023
General working capital	41.4%	6,000,000	Before 28 February 2023
Operating expenses for new businesses including Million Stars Promotion Machine	37.9%	5,500,000	Before 28 February 2023
Total	100%	14,500,000	

The additional information as disclosed in the paragraphs headed “USE OF PROCEEDS FROM THE SUBSCRIPTION” and “INFORMATION OF ZHEJIANG SHIHUA” above does not affect any other information contained in the Announcement.

SUBSCRIPTION PRICE

The Company wishes to clarify the Subscription Price as disclosed in the Announcement as follows:

The subscription price is HK\$0.15 per subscription share. As compared to the average closing price of approximately HK\$0.125 per Share as quoted on the Stock Exchange for the last five (5) trading days immediately prior to the date of the Subscription Agreement, the premium is revised as 20% instead of 16.67%.

WARNING OF RISKS OF DEALING IN SHARES

Shareholders and potential investors should note that completion of the Subscription is conditional upon the satisfaction of all the conditions precedent to the Subscription Agreement. Accordingly, the Subscription may or may not proceed. Shareholders and potential investors should exercise caution when dealing in the Shares.

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

Hong Kong, 31 January, 2023

As at the date of this announcement, 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 Rules Governing the Listing of Securities on GEM of The Stock Exchange of Hong Kong Limited 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 GEM website at <http://www.hkgem.com> on the “Latest Company Announcements” page for at least 7 days from the day of its publication and on the website of the Company at <http://www.millionstars.hk>.