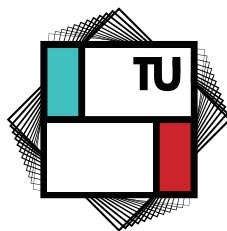


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## **TIMES UNIVERSAL GROUP HOLDINGS LIMITED**

### **時代環球集團控股有限公司**

*(formerly known as Forebase International Holdings Limited 申基國際控股有限公司)*

*(Incorporated in Hong Kong with limited liability)*

**(Stock Code: 2310)**

### **SUPPLEMENTAL ANNOUNCEMENT IN RELATION TO THE ANNUAL REPORT FOR THE YEAR ENDED 31 DECEMBER 2019**

Reference is made to the annual report Times Universal Group Holdings Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) for the year ended 31 December 2019 (the “**2019 Annual Report**”). Unless otherwise stated, capitalised terms used in this announcement shall have same meaning as defined in the 2019 Annual Report.

The Company would like to provide the following supplementary information in relation to the 2019 Annual Report.

#### **ADDITIONAL INFORMATION IN RELATION TO THE QUALIFIED OPINION**

As disclosed in the “Independent Auditor’s Report” of the 2019 Annual Report, the Company’s auditors issued a qualified opinion (the “**Qualified Opinion**”) in relation to the Company’s consolidated financial statements for the year ended 31 December 2019.

As disclosed in the 2019 Annual Report, the basis of the Qualified Opinion was because the Company’s auditors were unable to obtain sufficient appropriate audit evidence to assess as to whether any adjustments related to the understatement of liabilities of the joint ventures and impairment in the interests in joint ventures are required to be made by the Group as a result of all the investment properties of the joint ventures were seized by the Intermediate People’s Court of Chongqing (重慶第一中級人民法院) (the “**Court**”) in relation to a loan dispute with a financial institution (the “**Incidents**”).

### **Actions that had been taken by the Company in relation to the Incident**

The Company had tried to obtain the orders from the Court but the Court requires authorization from the registered owner of the properties, Chongqing Xingling Industrial Co., Ltd., the indirect wholly subsidiary of joint ventures. As the legal representative of Chongqing Xingling Industrial Co., Ltd. has not been in Chongqing since the COVID-19 outbreak, the Company could not obtain the authorisation as required by the Court. As such, the Company is yet to obtain the details of the Incident as at the date of this announcement.

The audit committee understands that the audit qualification for the Incident was merely because the Company could not obtain the court orders, the reason and the latest development of the seizure of the investment properties and the loan dispute. The audit committee understands that the management faced practical difficulty in obtaining this information without the assistance from the joint ventures. The audit committee shared with the management's view that it had explored various possible means to assess the possible financial impact of the Incident on a reasonable basis ground without further information.

The audit committee agreed with the auditors that the Company could not obtain the aforesaid information which the auditors considered it necessary to perform the audit works.

### **Proposed action plan in response to the qualified opinion for the Incident**

In order to address the auditors' concern, the audit committee understands that the Company has been liaising with the joint ventures to obtain further information on the Incident so as to clarify the situation. In addition, the audit committee also recommended the management to seek opinion from legal adviser. The Company is seeking legal opinion on the Incident and will consider to commence legal actions if there is no further progress.

By Order of the Board  
**Times Universal Group Holdings Limited**  
**CHOI YUN CHOR**  
*Co-Chairman and Executive Director*

Hong Kong, 13 August 2020

*As at the date hereof, the executive Directors are Ms. YEUNG So Mui, Mr. CHOI Yun Chor, Mr. NG Kwai Wah Sunny, Mr. CHEN Jian, Mr. TAI Kwok Keung Kenny and Mr. LIN Junwei; and the independent non-executive Directors are Ms. LAI Cheuk Yu Cherrie, Mr. TING Wong Kacee and Dr. LOKE Yu (alias LOKE Hoi Lam).*