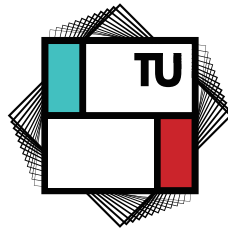


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TIMES UNIVERSAL GROUP HOLDINGS LIMITED

時代環球集團控股有限公司

(Incorporated in Hong Kong with limited liability)

(Stock Code: 2310)

SUPPLEMENTAL ANNOUNCEMENT IN RELATION TO THE ANNUAL REPORT FOR THE YEAR ENDED 31 DECEMBER 2020

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 2020 (the “**2020 Annual Report**”). Unless otherwise stated, capitalised terms used in this announcement shall have same meaning as defined in the 2020 Annual Report.

The Company would like to provide the following supplementary information in relation to the 2020 Annual Report.

ADDITIONAL INFORMATION IN RELATION TO THE QUALIFIED OPINION

As disclosed in the “Independent Auditor’s Report” of the 2020 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 2020.

As disclosed in the 2020 Annual Report, the basis of the Qualified Opinion was because the Company’s auditors were unable to assess the likely outcome of the Court Case and the financial impact associated with the Court Case, and to assess whether any adjustments relating to the understatement of liabilities of the Joint Ventures and whether impairment on the interests in Joint Ventures was required for the year ended 31 December 2019.

Actions that had been taken by the Company in relation to the Court Case

The Company had attempted to seek the legal documents, including but not limited to the court orders, the reason for the seizure and the latest development of the Court Case from the partner of Joint Ventures but unsuccessful. As advised by the Company’s PRC legal advisor, the seized investment properties of the Joint Ventures are held under a compulsory auction, and the Joint Ventures do not possess control over the seized investment properties. The Company is of the opinion that the Joint Ventures are unlikely to repossess the investment properties and therefore impairment loss on the interests in Joint Ventures of HK\$29,523,000 was made during the year ended 31 December 2020.

Management agreed with the Company's auditors regarding the Qualified Opinion as not all relevant information could be provided to the auditors. The Audit committee had discussed with the Company's auditors regarding the Qualified Opinion at the Audit Committee meeting. The Audit Committee had reviewed and agreed with the board of director's position concerning the Qualified Opinion.

ADDITIONAL INFORMATION IN RELATION TO GOING CONCERN

As disclosed in the "Corporate Governance Report" of the 2020 Annual Report, the board of directors is not aware of any material uncertainties relating to events or conditions which may cast significant doubt over the Group's ability to continue as a going concern.

As disclosed in the "Independent Auditor's Report" of the 2020 Annual Report, the Company's auditors reported that as at 31 December 2020 the Group's current liabilities exceeded its current assets by HK\$27,316,000. Such event or condition indicates that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern. The validity of the going concern basis depends on the management's arrangements to address the going concern issue as described in the notes to the consolidated financial statements. The consolidated financial statements do not include any adjustments that might result from the outcome of this uncertainty. Audit opinion is not modified in respect of this matter.

As disclosed in the 2020 Annual Report, certain plans and measures have been taken to mitigate the liquidity pressure and to improve its consolidated financial position which including, but not limited to, the following:

- the Controlling Shareholders have given an undertaking to provide continuing financial support to the Group to enable it to meet its liabilities as and when they fall due and to enable the Group to continue in operational existence
- detailed review of the working capital forecast of the Group for the twelve months ending 31 December 2021, which took into account the projected future working capital of the Group.

The board of directors believe the Group will have sufficient cash resources to satisfy its future working capital and other financing requirements as and when they fall due in the next twelve months from the end of the reporting period. Accordingly, the board of directors believe that the Group will continue as a going concern and therefore consider it is appropriate to adopt a going concern basis in preparing its consolidated financial statements.

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

Hong Kong, 16 June 2021

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).