

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



UNIVERSAL STAR (HOLDINGS) LIMITED

星宇(控股)有限公司

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 2346)

QUARTERLY UPDATES ON STATUS OF RESUMPTION AND CONTINUED SUSPENSION OF TRADING

This announcement is made by Universal Star (Holdings) Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09 and Rule 13.24A of the Rules Governing the Listing of Securities (the “**Listing Rules**”) on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) and the Inside Information Provisions 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 29 March 2022, 1 April 2022, 13 May 2022, 29 June 2022, 30 June 2022, 15 August 2022, 19 August 2022, 30 September 2022, 30 December 2022, 13 January 2023, 30 March 2023, 28 April 2023, 30 June 2023, 28 July 2023 and 21 August 2023 regarding, among others, the delays in publication of the annual results of the Company for the years ended 31 December 2021 and 2022, the delays in despatch of the annual reports of the Company for the years ended 31 December 2021 and 2022, non-publication of the unaudited annual results announcements for the years ended 31 December 2021 and 2022, change, resignation and appointment of auditors, resignation and appointment of non-executive Directors and independent non-executive Directors, suspension of trading and the resumption guidance set forth by the Stock Exchange and the updates on the status of resumption (the “**Announcements**”). Unless specified otherwise, capitalised terms used in this announcement have the same meanings as those defined in the Announcements.

QUARTERLY UPDATES

Business Operations of the Group

The Group is principally engaged in the design, development, production and sale of sintered NdFeB magnetic materials. The Group's products can be assembled with different motors and/or electronic products which can then be used in end-use industries such as electroacoustic products, variable-frequency home appliances, energy-saving elevators, wind turbine generators, industrial robots and new energy vehicles. The operation of the Group remains normal in all material respects notwithstanding the suspension of trading in the shares of the Company.

Updates on Status of Resumption

As disclosed in the announcement of the Company dated 15 August 2022, the Stock Exchange sets out seven Resumption Conditions for the resumption of trading in the shares of the Company. The Company is taking methodic and appropriate steps to fulfil the Resumption Conditions.

As at the date of this announcement, the Investigation into the Loans and Related Arrangements is in its final stage. The Company will announce the relevant findings of the Investigation as soon as practicable in accordance with the requirements under the Listing Rules, and will, if necessary, take appropriate remedial actions.

The Review is in its final stage as at the date of this announcement. The Company will announce the relevant findings of the Review as soon as practicable in accordance with the requirements under the Listing Rules and appropriate remedial actions have been and will be taken, where necessary. As disclosed in the announcement of the Company dated 13 January 2023, Mr. Cheung tendered his resignation as an independent non-executive Director, chairman of the Audit Committee and a member of the Nomination Committee as he intended to devote more time to his other business engagements. Following the resignation of Mr. Cheung, (i) the Company only has two independent non-executive Directors, and thus the number of independent non-executive Directors falls below the minimum number required under Rule 3.10(1) of the Listing Rules; (ii) there would be no independent non-executive Director who has the appropriate professional qualifications or accounting or related financial management expertise as required under Rule 3.10(2) of the Listing Rules; and (iii) the Company has also failed to comply with the requirements set out in Rules 3.21 and 3.27A of the Listing Rules with regard to the minimum number of members and the composition of the Audit Committee and the Nomination Committee. As at the date of this announcement, the Company is still in the process to identify suitable candidate(s) to fill the vacancy of independent non-executive Director, chairman of the Audit Committee, and member of the Nomination Committee.

On 21 August 2023, the Board, with the recommendation of the Audit Committee, has resolved to appoint CL Parnters CPA Limited (“**CL Partners**”) as the auditor of the Company with effect from 21 August 2023 to fill the casual vacancy following the resignation of Mazars CPA Limited and to hold office until the next following annual general meeting of the Company. After discussion with CL Partners, the Board has worked out a preliminary expected date of the publication of the annual results announcements for the years ended 31 December 2021 and 2022 (“**2021 and 2022 Annual Results**”). Further announcements will be published by the Company in relation to the update on the timetable of the publication of 2021 and 2022 Annual Results and the despatch of the annual reports for the years ended 31 December 2021 and 2022 (“**2021 and 2022 Annual Reports**”) in due course. The Company has been using its best endeavours to work with CL Partners to finalise the 2021 and 2022 Annual Reports as soon as practicable. The Company will closely monitor the progress of the audit work.

On 28 September 2023, the Company submitted an extension application to the Stock Exchange to seek an extension of the remedial period for 6 months to no later than 31 March 2024 to remedy the issues causing the suspension of trading in the Shares since 1 April 2022 and to resume trading from the end of the prescribed remedy period of 18 months under Rule 6.01A(1) of the Listing Rules.

The Company will make further announcement(s) to update the shareholders and potential investors of the Company the status of resumption, as and when appropriate.

CONTINUED SUSPENSION OF TRADING

Trading in the shares of the Company on the Stock Exchange has been suspended with effect from 9:00 a.m. on 1 April 2022 and will remain suspended until further notice.

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
Universal Star (Holdings) Limited
Li Li
Chairlady and Executive Director

Hong Kong, 29 September 2023

As at the date of this announcement, the Board comprises Ms. Li Li as the executive Director; Ms. Li Yanfang as the non-executive Director; and Mr. Yan Aru and Mr. Gong Peiyue as the independent non-executive Directors.