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上海大生農業金融科技股份有限公司

Shanghai Dasheng Agriculture Finance Technology Co., Ltd.

(a joint stock company incorporated in the People's Republic of China with limited liability)

(Stock code: 1103)

SUPPLEMENTAL ANNOUNCEMENT TO ANNUAL REPORT FOR THE YEAR ENDED 31 DECEMBER 2019

Reference is made to the annual report for the year ended 31 December 2019 (the “**2019 Annual Report**”) of Shanghai Dasheng Agriculture Finance Technology Co., Ltd. (the “**Company**”, together with its subsidiaries, the “**Group**”) published on 15 May 2020. Unless the context otherwise requires, capitalised terms used herein shall have the same meanings as those defined in the 2019 Annual Report.

As disclosed in 2019 Annual Report, the Auditors issued a disclaimer of opinion (the “**Audit Qualifications**”) on the Company’s consolidated financial statements for the year ended 31 December 2019 due to (i) limitation of scope on prior year’s scope limitation affecting opening balances, comparative figures and related disclosures; (ii) limitation of scope on gain on disposal of subsidiaries; (iii) limitation of scope on loss on disposal of a subsidiary, impairment loss on interest in associates and share of loss of associates; and (iv) multiple uncertainties in relation to going concern, as described in the paragraph headed “Basis for Disclaimer of Opinion” of the independent auditor’s report contained in the 2019 Annual Report. The Board would like to provide further information in relation to certain Audit Qualifications as stated below:

As disclosed in the annual report for the year ended 31 December 2018 and an announcement dated 6 August 2019 of the Company, the disclaimer of opinion on “limitation of scope on interest in an associate” is in relation to the interest in Shanghai Yi He. Due to its ongoing shareholders’ dispute, the Auditors were unable to obtain sufficient information and explanations from the management of Shanghai Yi He that were considered as necessary to prepare the Company’s consolidated financial statements for the year ended 31 December 2018 (the “**2018 Financial Statements**”). The Company has used its best endeavours to liaise and arrange with the other two shareholders of Shanghai Yi He to complete the requisite audit procedures and explore the possibility of deregistration of Shanghai Yi He since then, but no consensus could be reached among the parties before the end of 2019. As such, as disclosed in the 2019 Annual Report, in order to remove the above audit qualification for the 2018 Financial Statements, the Company transferred its 100% equity interest in HK Dasheng Agriculture, a subsidiary of the Company prior to such transfer and a shareholder of Shanghai Yi He. However, the management of HK Dasheng Agriculture still failed to provide all integral financial information of Shanghai Yi He requested by the Auditors in relation to the year ended 31 December 2019 before the publication of the 2019 Annual Report.

The Company expects that the disclaimer of opinion relating to “limitation of scope on gain on disposal of subsidiaries” and “limitation of scope on loss on disposal of a subsidiary, impairment loss on interest in associates and share of loss of associates” would only affect the comparative figures of the consolidated financial statements for the year ending 31 December 2020 (the “**2020 Financial Statements**”) but will be removed in the consolidated financial statements for the year ending 31 December 2021 (the “**2021 Financial Statements**”).

As disclosed in the 2019 Annual Report, since the Auditors expressed a disclaimer of opinion on the 2019 financial figures of the Group, this will have carryforward impact on the 2020 Financial Statements as the 2019 financial figures will form the basis for the corresponding figures presented in the 2020 Financial Statements. As such, on the assumption that the Auditors do not express a disclaimer of opinion on the 2020 financial figures of the Group, this would not have carryforward impact on the 2021 Financial Statements and the disclaimer of opinion on “limitation of scope on prior year’s scope limitation affecting opening balances, comparative figures and related disclosures” will be removed in the 2021 Financial Statements.

The Company will keep its shareholders and investors informed of developments in relation to the Group’s business operation and financial position, investment plans, the legal proceedings and other matters by way of further announcement(s) and in the Company’s interim results announcement and interim report for the six months ending 30 June 2020 as and when appropriate.

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

By order of the Board
Shanghai Dasheng Agriculture Finance Technology Co., Ltd.
Lan Huasheng
Chairman

Shanghai, PRC, 2 June 2020

As at the date of this announcement, the Board comprises three executive directors: Mr. Lan Huasheng, Mr. Wang Liguo and Mr. Yan Zebin; one non-executive director: Mr. Lu Tingfu; and two independent non-executive directors: Mr. Chung Cheuk Ming and Mr. Yang Gaoyu.