Da Sen Holdings Group Limited
大 森 控 股 集 團 有 限 公 司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1580)

PROFIT WARNING

This announcement is made by Da Sen Holdings Group Limited (the "**Company**", and together with its subsidiaries, the "**Group**") pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**") and the Inside Information Provisions (as defined under the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The board (the "**Board**") of directors (the "**Directors**") of the Company wishes to inform the shareholders of the Company (the "**Shareholders**") and potential investors that, based on the preliminary assessment of the unaudited consolidated financial information of the Group for the six months ended 30 June 2020, the Group is expected to record a net loss for the six months ended 30 June 2020 as compared to the Group's net profit for the six months ended 30 June 2019.

The Directors consider that the expected deterioration of the Group's financial performance for the six months ended 30 June 2020 is mainly due to (i) the decrease in demand on the Group's plywood products due to the coronavirus pandemic; (ii) the gross loss for some of the Group's sales of plywood products as a result of discounted sales in return for cash flow to meet the Group's short-term need of working capital; and (iii) the scale down of the Group's biomass wood pellets business.

The Directors estimate that the net loss of the Group for the six months ended 30 June 2020 will be not less than RMB50 million and it is subject to further adjustments upon completion of impairment assessment on certain items on the Group's consolidated balance sheet, including but not limited to, the trade receivables balance, the inventories balance, the property, plant and equipment balance and right-of-use asset balance.

The information contained in this announcement is based on the latest version of the Group's unaudited consolidated financial information currently available to the Board and is not based on any data or information which is finalised or reviewed by the audit committee of the Company. The Company is in the process of finalising the Group's unaudited consolidated financial information for the six months ended 30 June 2020. The actual financial results may be different from what is disclosed in this announcement.

The interim results of the Group for the six months ended 30 June 2020 is expected to be published on 31 August 2020 (the "**Interim Result Announcement**"). Shareholders and potential investors are advised to refer to the Interim Result Announcement for more detailed information.

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

By order of the Board
Da Sen Holdings Group Limited
WONG Ben
Executive Director

Hong Kong, 10 August 2020

As at the date of this announcement, the executive Directors are Mr. CHAI Kaw Sing, Mr. WANG Songmao, Mr. WONG Ben, Mr. WU Shican and Mr. ZHANG Ayang; and the independent non-executive Directors are Mr. SUN Yongtao, Mr. TSO Siu Lun Alan, Mr. WANG Yuzhao and Mr. WONG Wai Keung Frederick.