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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)

INSIDE INFORMATION
UPDATE ON SETTLEMENT OF DEBTS

This announcement is made by Da Sen Group Holdings Limited (the “**Company**”, 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 in the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Cap.571 of the Laws of Hong Kong).

References are made to the announcements of the Company dated 28 June 2021 and 30 August 2021 (the “**Announcements**”) in relation to the outstanding overdue debts in the aggregate principal amount of approximately RMB16 million (the “**Debts**”) of Meisen (SD) and Dasen (Heze) Biomass Energy Limited (“**Dasen (Heze)**”), indirectly wholly-owned subsidiaries of the Company incorporated in the PRC, and the interim report of the Company for the twelve months ended 31 December 2022 (the “**Interim Report**”). Unless otherwise defined herein, capitalised terms used in this announcement shall have the same meanings as those defined in the Announcements.

As stated in the Interim Report, the Group has been in discussion with the Zhejiang asset management company who is the current creditor of the Debts in relation to the settlement of the Debts by way of, among others, disposal of the non-core assets pledged under the Debts.

On 11 April 2023, Dasen (Heze) and Meisen (SD) received notices from the People’s Court of the Chengwu Country of Shandong Province of the PRC (the “**Court**”) which stated that, among others, the Zhejiang asset management company had applied to the Court for the enforcement of the pledge under the Debts in the principal amount of approximately RMB8.9 million and RMB7.5 million, respectively, if each of Dasen (Heze) and Meisen (SD) fails to repay the unpaid principal amount, interest and costs of the action of claim within three days from the date of notice, and the Court also requested Dasen (Heze) and Meisen (SD) to report on its assets, respectively. As the Group intended to settle the Debts by way of disposal of the pledged assets, it is expected that the Court will enforce the pledge and proceed to sell the assets in auction.

The assets to be enforced are the investment properties held by Dasen (Heze), which primarily comprised the land use right and the factory property located at Dasen Industrial Park, Chengwu County Development Zone, Heze, Shandong Province, the PRC (the “**Property**”) with carrying value of approximately RMB31.5 million as at 31 December 2022, which was stated in historical cost less accumulated depreciation and impairment losses. As at the date of the announcement, the Property had been leased to independent third parties and the relevant rental income derived from the Property amounted to approximately RMB1.3 million for the twelve months ended 31 December 2022, accounting for approximately 2.2% of total revenue. The Directors consider that the disposal of the Property will not have any material adverse impact on the operations and the financial position of the Group. Based on the preliminary assessment of the Directors on the valuation of the Property with reference to its location, the Directors expect that the auction sum of the Property would be sufficient to settle the entire amount of the Debts, the accrued interest and the relevant costs in full.

The Company will keep shareholders and potential investors of the Company informed of any further material development by way of announcement(s) as and when appropriate.

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
Da Sen Holdings Group Limited
SUN Yongtao
Chairman and non-executive Director

Hong Kong, 14 April 2023

As at the date of this announcement, the executive Directors are Mr. CHAI Kaw Sing, Mr. WONG Ben and Mr. ZHANG Ayang (duties suspended); the non-executive Director is Mr. SUN Yongtao; and the independent non-executive Directors are Mr. CHAN Shiu Yuen Sammy, Mr. KWOK Yiu Tong and Ms. LO Yuk Yee.