THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult your stockbroker or other registered institution in securities, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in **Da Sen Holdings Group Limited**, you should at once hand this circular and the accompanying form of proxy to the purchaser or the transferee, or to the bank, licensed securities dealer, registered institution in securities or other agent through whom the sale or transfer was effected for transmission to the purchaser or the transferee.

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This circular appears for information purposes only and does not constitute an invitation or offer to acquire, purchase, or subscribe for securities mentioned herein.

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)

MAJOR TRANSACTION IN RELATION TO THE ACQUISITION OF A TARGET COMPANY INVOLVING ISSUE OF CONSIDERATION SHARES UNDER SPECIFIC MANDATE AND NOTICE OF EGM

Financial adviser to the Company

RAINBOW CAPITAL (HK) LIMITED
滾 博 資 本 有 限 公 司

Capitalised terms used on this cover page shall have the same meanings as those defined in this circular.

A notice convening the EGM of the Company to be held at Room 2703, 27th Floor, K. Wah Centre, No. 191 Java Road, North Point, Hong Kong on Monday, 22 June 2026 at 11:00 a.m. is set out on pages 76 to 78 of this circular.

Whether or not you are able to attend the meeting in person, you are requested to complete and return the accompanying form of proxy in accordance with the instructions printed thereon and deposit it with Computershare Hong Kong Investor Services Limited, the Hong Kong branch share registrar and transfer office of the Company, at 17M Floor, Hopewell Centre, No. 183 Queen's Road East, Wanchai, Hong Kong as soon as possible and in any event not later than 48 hours before the time appointed for holding the EGM or any adjournment thereof. Completion and return of the form of proxy will not preclude the Shareholders from attending and voting in person at the EGM or any adjournment thereof should the Shareholders so wish.

3 June 2026

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In this circular, unless the context otherwise requires, the following words and expressions shall have the following meanings:

"Acquisition"	the acquisition of the entire issued share capital of the Target Company pursuant to the Agreement (as amended by the Supplemental Agreement)
"Agreement"	the sale and purchase agreement dated 18 January 2026 entered into between the Purchaser and the Vendors in relation to Acquisition
"associate(s)"	has the meaning ascribed to it under the Listing Rules
"Board"	the board of directors of the Company
"business day(s)"	any day(s) except Saturday, Sunday or public holiday on which banks are open in Hong Kong to the general public for business
"Company"	Da Sen Holdings Group Limited, a company incorporated in the Cayman Islands with limited liability and the Shares of which are listed on the Main Board of the Stock Exchange (Stock code: 1580)
"Completion"	completion of the Acquisition pursuant to the terms and conditions of the Agreement
"Completion Date"	the date of Completion
"connected person(s)"	has the meaning ascribed to it under the Listing Rules
"Consideration"	the consideration payable by the Purchaser to the Vendors in relation to the Acquisition
"Consideration Share(s)"	55,800,000 new Shares to be issued to the Vendors at the Issue Price for settlement of the Consideration
"Director(s)"	member(s) of the Board of the Company
"Enlarged Group"	the Group as enlarged by the Acquisition upon Completion
"EGM"	the extraordinary general meeting to be convened and held by the Company to consider and, if thought fit, approve the Acquisition, the issue of the Consideration Shares under the Specific Mandate, the Agreement (as amended by the Supplemental Agreement) and the transactions contemplated thereunder

"Group"	the Company and its subsidiaries
"Guarantor(s)"	Mr. Wong Tseng Hon and Mr. Chai Kaw Sing
"HK$"	Hong Kong dollars, the lawful currency of Hong Kong
"Hong Kong"	the Hong Kong Special Administrative Region of the People's Republic of China
"Issue Price"	the issue price of HK$0.17 per Consideration Share
"Latest Practicable Date"	27 May 2026, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information for inclusion in this circular
"Listing Committee"	the Listing Committee of the Stock Exchange
"Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange
"Long Stop Date"	31 July 2026 or such later date as may be agreed between the Vendors and the Purchaser
"PRC"	the People's Republic of China
"Purchaser"	Heroic Group Limited, a company incorporated in the British Virgin Islands, being a wholly-owned subsidiary of the Company
"RMB"	Renminbi, the lawful currency of the PRC
"SFO"	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
"Share(s)"	ordinary share of HK$0.01 each in the share capital of the Company
"Shareholder(s)"	holder(s) of the Share(s)
"Specific Mandate"	the specific mandate to be sought from the Shareholders at the EGM and to be granted to the Board for the allotment and issue of the Consideration Shares
"Stock Exchange"	The Stock Exchange of Hong Kong Limited

"Supplemental Agreement"	the supplemental agreement dated 15 May 2026 entered into between the Purchaser and the Vendors to amend certain terms of the Agreement
"Target Company"	Chance Rich International Trading Limited, a limited liabilities company incorporated in Hong Kong
"USD"	United States dollars, the lawful currency of the United States of America
"Vendors"	Mr. Huang Jianting and Ms. Li Ziyun
"%"	per cent

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)

Executive Director:
Mr. WONG Ben

Non-executive Director:
Mr. LEUNG Clara Ka-wah

Independent non-executive Directors:
Mr. SUN Yongtao *(Chairman)*
Mr. KWOK Yiu Tong

Registered Office:
Cricket Square, Hutchins Drive
P.O. Box 2681, Grand Cayman
KY1-1111, Cayman Islands

Principal place of business in Hong Kong:
Room 2703, 27th Floor,
K. Wah Centre,
No. 191 Java Road,
North Point, Hong Kong

3 June 2026

To the Shareholders,

Dear Sir or Madam,

MAJOR TRANSACTION IN RELATION TO THE ACQUISITION OF A TARGET COMPANY INVOLVING ISSUE OF CONSIDERATION SHARES UNDER SPECIFIC MANDATE AND NOTICE OF EGM

INTRODUCTION

References are made to the announcements of the Company dated 18 January 2026 and 15 May 2026 in relation to the Acquisition involving issue of consideration shares under specific mandate.

The purpose of this circular is to provide the Shareholders with (i) further details of the Acquisition; and (ii) to give the Shareholder a notice of EGM and other information in accordance with the requirements of the Listing Rules.

THE ACQUISITION

On 18 January 2026, the Company, the Purchaser, being a wholly-owned subsidiary of the Company, and the Vendors entered into the Agreement, pursuant to which the Purchaser has agreed conditionally to acquire from the Vendors the entire issued share capital of the Target Company at the Consideration of HK$9,486,000. On 15 May 2026, the Company, the Purchaser, the Vendors and the Guarantors entered into the Supplemental Agreement to amend certain terms of the Agreement.

The Agreement (as amended by the Supplemental Agreement)

Date

18 January 2026 and 15 May 2026

Parties

(1) The Company

(2) The Vendors

(3) The Purchaser

(4) The Guarantors

As at the Latest Practicable Date, the Purchaser is an indirect wholly-owned subsidiary of the Company.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, the Vendors are third parties independent of the Company and its connected persons.

Subject Matter

Pursuant to the Agreement, the Purchaser has agreed conditionally to acquire from the Vendors the entire issued share capital of the Target Company free from any encumbrances, pledges, liens or any other rights or interests of any third party at the Consideration of HK$9,486,000.

Consideration

The Consideration of HK$9,486,000 is determined by the Vendors and the Purchaser after arm's length negotiation taking into account (i) the net assets value of the Target Company as at 31 March 2025 of approximately HK$4.2 million; (ii) the revenue and profit guarantees to be provided by the Vendors under the Agreement, and in particular that the Consideration represented a premium of only approximately 18.8% over the aggregated amount of guaranteed profit of HK$8.0 million for the 24 months following the Completion; (iii) the Consideration Shares will only issued following the fulfilment of the revenue and profit guarantees; (iv) the prospects of the Target Company; and (v) the recent market situation.

The Consideration will be settled by the issuance of the Consideration Shares at the Issue Price of HK$0.17 per Consideration Share.

The Consideration Shares

The 55,800,000 Consideration Shares will be allotted and issued at the Issue Price of HK$0.17 each, credited as fully paid, among which 28,458,000 Consideration Shares will be issued to Mr. Huang Jianting and 27,342,000 Consideration Shares will be issued to Ms. Li Ziyun. The Consideration Shares, when allotted and issued, shall rank pari passu in all respects with the Shares in issue on the date of allotment and issue of the Consideration Shares including the right to all dividends, distributions and other payments made or to be made, on the record date which falls on or after the date of such allotment and issue.

The Issue Price represents:

(i) a discount of approximately 44.3% to the closing price per Share of HK$0.305 as quoted on the Stock Exchange on the Latest Practicable Date;

(ii) a discount of approximately 43.3% to the closing price per Share of HK$0.3 as quoted on the Stock Exchange on 16 January 2026, being the last trading day immediately before the date of the Agreement;

(iii) a discount of approximately 26.2% to the average closing price per Share of approximately HK$0.2302 as quoted on the Stock Exchange for the last 5 consecutive trading days immediately before the date of the Agreement;

(iv) a discount of approximately 17.7% to the average closing price per Share of approximately HK$0.2066 as quoted on the Stock Exchange for the last 10 consecutive trading days immediately before the date of the Agreement;

(v) a discount of approximately 12.6% to the average closing price per Share of approximately HK$0.1944 as quoted on the Stock Exchange for the last 30 consecutive trading days immediately before the date of the Agreement; and

(vi) a discount of approximately 3.2% to the average closing price per Share of approximately HK$0.1757 as quoted on the Stock Exchange for the last 60 consecutive trading days immediately before the date of the Agreement.

The Issue Price was arrived at after arm's length negotiations among the Company and the Vendors with reference to the average closing price of the Shares during the negotiations on the terms of the Agreement being the period during September to October 2025, which had an average closing price of approximately HK$0.147 per Share and the last 10 consecutive trading days immediately prior to the signing of the Agreement of approximately HK$0.2066, the current market conditions, the reasons for and benefits of the Acquisition as described in the section headed "Reasons for and benefits of the Acquisition" in this letter and the future prospects and development of the Group's business.

While the Issue Price represented a relatively deep discount to the closing price per Share on around the date of the Agreement, having considered that (i) there was a sudden surge in the price of the Share prior to the signing of the Agreement, which the Directors were not aware any specific circumstances leading to such surge; (ii) the Issue Price was determined in among the Company and the Vendors during September to October 2025, and the Issue Price represented a premium of approximately 15.6% over the average closing price of approximately HK$0.147 per Share during the period; and (iii) the Acquisition is crucial for the Company to revive its plywood sales business, the Directors consider the Issue Price is fair and reasonable and the allotment and issuance of the Consideration Shares at the Issue Price is in the interests of the Company and the Shareholders as a whole.

The Consideration Shares represent (i) approximately 5.09% of the number of issued Shares as at the Latest Practicable Date; and (ii) approximately 4.85% of the number of issued Shares as enlarged by the allotment and issue of the Consideration Shares.

The Consideration Shares will be allotted and issued pursuant to the Specific Mandate and will be allotted and issued as to (i) subject to the fulfillment of the Guarantees (as defined below) during the 12 months period following the Completion (the "**First Guarantee Period**"), up to 50% (being an aggregate of 27,900,000 Consideration Shares, comprising 14,229,000 Consideration Shares to Mr. Huang Jianting and 13,671,000 Consideration Shares to Ms. Li Ziyun) within 7 business days following the First Guarantee Period; and (ii) subject to the fulfillment of the Guarantees during the 13 to 24 months period following the Completion (the "**Second Guarantee Period**"), up to 50% (being an aggregate of 27,900,000 Consideration Shares, comprising 14,229,000 Consideration Shares to Mr. Huang Jianting and 13,671,000 Consideration Shares to Ms. Li Ziyun) within 7 business days following the Second Guarantee Period. An application will be made by the Company to the Listing Committee for the listing of, and permission to deal in, the Consideration Shares.

Conditions Precedent

Completion of the Acquisition is subject to the fulfilment and/or waiver (as the case may be) of the following conditions:

(a) the board of directors of the Purchaser having passed all necessary resolutions approving the Agreement and the transactions contemplated thereunder;

(b) the Board and the Shareholders having approved all necessary resolutions at the Board meetings and Shareholder meetings to approve the Agreement, the issue of the Consideration Shares to the Vendors, and the transactions contemplated hereunder;

(c) the Listing Committee of the Stock Exchange granted approval for the listing of, and permission to deal in, the Consideration Shares, and such approval has not been revoked before the issuance and allotment of the Consideration Shares;

(d) the Purchaser having completed the due diligence on the Target Company and is satisfied with the results;

(e) all statements and warranties made by the Vendors under the Agreement (including but not limited to warranties and arrangements prior to Completion) remaining true, accurate, and not misleading in all respects until the date of Completion;

(f) the Vendors and the Target Company having obtained all necessary consents, licenses, and approvals required for the entering into of the Agreement and the transactions contemplated thereunder, and shall maintain full force and effect;

(g) the Company and the Purchaser having obtained all necessary consents, licenses, and approvals required for the entering into of the Agreement and the transactions contemplated thereunder, and shall maintain full force and effect;

(h) there are no orders or judgments having been made or issued by any court, government, statutory or regulatory authorities before the Completion, and there is no laws or regulatory requirements that are pending which would cause the parties to the Agreement to be unlawful or forbidden from entering into the Agreement or proceeding the transactions contemplated thereunder or Completion; and

(i) during the period from the date of the management account (being 31 December 2025) until Completion, there have been no facts or circumstances that could have a material adverse impact on the Target Company or its prospects.

The conditions precedent (a), (b), (c), (f), (g) and (h) cannot be waived. As at the Latest Practicable Date, none of the conditions precedent has been fulfilled or waived.

Completion

Completion shall take place within 10 business days following the date that all conditions precedents have been fulfilled and/or waived (as the case may be) or such other date as the Vendors and the Purchaser may agree in writing.

Upon Completion, the Group will be interested in the entire issued share capital of the Target Company and the Target Company will become a direct wholly-owned subsidiary of the Company and accordingly, the financial results of the Target Company will be consolidated into the accounts of the Company. It is expected that the financial performance of the Group will improve after Completion of the Acquisition.

Guarantees and Undertakings

Pursuant to the Agreement (as amended by the Supplemental Agreement), the Vendors undertakes (the "**Guarantees**") that the Target Company shall achieve:

(i) revenue of not less than HK$50,000,000 during the First Guarantee Period;

(ii) net profit of not less than HK$4,000,000 during the First Guarantee Period;

(iii) revenue of not less than HK$50,000,000 during the Second Guarantee Period; and

(iv) net profit of not less than HK$4,000,000 during the Second Guarantee Period.

If the Target Company could not achieve the revenue and profit figures as set out in the above, the Vendors shall jointly and severally compensate the Company on the shortfall by reducing the number of the Consideration Shares to be issued to them on a pro-rata basis. In addition, given that the revenue and profit guarantees are provided evenly for two years, the amount of guarantee for each year will be capped at 50% of the Consideration Shares. The calculation method is as follows:

If the total revenue or net profit for the First Guarantee Period is less than the amount specified in (i) or (ii) above, the percentage of the shortfall shall be calculated by dividing the amount of shortfall in revenue or net profit by their respective guaranteed amounts. The number of Consideration Shares to be reduced shall be calculated by multiplying 50% of the Consideration Shares (i.e. a total of 27,900,000 Consideration Shares) by the aforementioned shortfall percentage (whichever is higher).

If the total revenue or net profit for the Second Guarantee Period is less than the amount specified in (iii) or (iv) above, the percentage of the shortfall shall be calculated by dividing the amount of shortfall in revenue or net profit by their respective guaranteed amounts. The number of Consideration Shares to be reduced shall be calculated by multiplying 50% of the Consideration Shares (i.e. a total of 27,900,000 Consideration Shares) by the aforementioned shortfall percentage (whichever is higher).

In addition, the Vendors has jointly and severally undertakes that during the 24 months period from the date of the Completion, they will not cause any action or inaction that: (i) will results in the departure of any existing management or senior of the Target Company; (ii) will affect or damage the Target Company's relationship with its customers; or (iii) will affect or damage the Target Company's relationship with its suppliers and banks, and any one or more of the above actions that would have a material adverse impact on the Target Company. In addition, each of the Vendors undertake that they will not resign from the Target Company during the 24 months period from the date of the Completion. As at the Latest Practicable Date, (i) Mr. Huang Jianting, one of the Vendors, is a director of the Target Company, and he is the procurement and sales manager in charge of the Target Company. He has over ten years' experience of selling plywood products to overseas; and (ii) Ms. Li Ziyun, one of the Vendors, is a director of the Target Company, and she is the administration manager of the Target Company. They will remain on their role and position after the Completion in order to maintain the business relationship with the Target Company's existing customers, particularly those in Japan. They will be primarily responsible for seeking more oversea customers base following Completion.

The Company and the Purchaser undertake that they will use their best commercial endeavours to assist the Target Company to obtain a banking facility in the amount of HK$10.0 million after Completion, which will be utilised as working capital of the Target Company. If the Target Company fails to obtain banking facility in the amount of HK$10.0 million from bank within 6 months after the date of the Supplemental Agreement, or if the total amount of banking facility obtained is less than HK$10.0 million, the Guarantors jointly and severally guarantee that they will provide the loan in the amount of shortfall to the Target Company.

INFORMATION ON THE PARTIES

Information of the Target Company

The Target Company is a limited liabilities company incorporated in Hong Kong on 6 August 2019 and is principally engaged in the sourcing and sales of plywood products and other building materials.

Based on the audited financial statements of the Target Company as extracted from the accountants' report of the Target Company in the Appendix II of this circular for the years ended 31 March 2024 and 2025 and the nine months ended 31 December 2025, the selected financial statements items are as follows:

	For the year ended 31 March 2024 (audited) *HK$'000*	**For the year ended 31 March 2025** (audited) *HK$'000*	**For the nine months ended 31 December 2025** (audited) *HK$'000*
Profit/(Loss) before tax	(653)	(809)	1,109
Profit/(Loss) after tax	(653)	(809)	1,109

According to the audited financial statements of the Target Company, the Target Company recorded net assets of approximately HK5.2 million as at 31 December 2025.

The products of the Target Company mainly include (i) general plywood (普通板) used in interior applications of buildings and manufacture of wooden furniture for home and office; (ii) packing plywood (包裝板) used as packaging material; (iii) structural panel (結構板) used for construction; (iv) floor base (地板基材) used for flooring; and (v) other building materials products, such as concrete panels used for exterior construction.

The Target Company placed efforts on identifying and monitoring qualities on the wood products that are sourced to ensure their high quality, and attended to the wood's origin being sourced from sustainable forest management practices. The sourced woods will be processed with specialized finishes or treatments that enhance its appearance or structural integrity, which offers excellent visual quality for interior designs, accepting natural, varnished, or painted finishes. The Target Company also offer unique selling point for each product, such as special cuts or specific grain patterns that appeal to customers. The plywood products of the Target Company have obtained various certifications under international industry standards which facilitated the sale and distribution of the products in Japan and Europe where the major customers of the Target Company are located. Such certifications of the Target Company's products also provide competitive edge over the peers in the market.

The major customers of the Target Company are mainly located in overseas, including Japan, Thailand and other European countries. With the high-quality products, the Target Company had maintained long term and stable business relationships with the established customer base and established a branding with its perception of quality. The major suppliers of the Target Company include major factories in Greater Bay Area of Guangdong Province, particularly Jiangmen.

Information of the Vendors

The Vendors include Mr. Huang Jianting and Ms. Li Ziyun, who are Hong Kong residents. The Target Company is owned as to 51% by Mr. Huang Jianting and 49% by Ms. Li Ziyun.

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, each of the Vendors are third parties independent of the Company and its connected persons.

REASONS FOR AND BENEFITS OF THE ACQUISITION

The Group is principally engaged in (i) the plywood product business; (ii) wood-related services business, including referral, design and project management services; and (iii) the leasing business.

During the year ended 31 March 2025, the Group maintained minimal scale operation under the sales of plywood due to the low gross profit margin of the plywood business as a result of the intense competition in the plywood industry. Nevertheless, the Group does not intend to cease the operations of the sales of plywood business and the Group has been in the progress of developing new wood products which would have higher margins as compared to traditional plywood products. However, the existing customers of the Group are primarily mid end furniture or building material manufacturers located in the PRC. Due to the keen competition in both the plywood industry and the reduction in demand in the mid end furniture and building material markets in the PRC, the Group could not sell products to its existing customers with good profitable margin. In this respect, the Target Company has established a stable customer base for its wood products, which is diversified geographically in various countries as well as diversified in industry. Also, the management of the Target Company are experienced in operating overseas market and had established network and reputation in recurring customers in the overseas market. As such, the Acquisition will allow the Group to access and commence the plywood business in oversea market efficiently.

Upon completion of the Acquisition, the Group will modernize and upgrade the Group's current production base in Heze, Shandong to become the production center of the new additional plywood products, which will then covers the majority of the plywood products that are currently sourced and sold by the Target Company. While the Company plans to produce the qualified plywood products in its Shandong production base to sell in Japan, South Asia and China markets, time and capital are required to manage and re-start production for products that met the qualification requirements of the overseas customers.

For the best interest of the Company, it is expected that following Completion, the Company will first lease production area and machines in Guangdong factory as temporary manufacturing base in order to commence the business. The Company will assign its Shandong management and production team to that leased factory for researching and manufacturing of the qualified products. Such assignment of personnel is expected to take place in the first three months after the leasing and these personnel will learn the relevant production methodology. At the same time, the finished products will be sold to the Target Company for re-sale to different markets. The Company considers that such method would be optimal for maintaining the Target Company's revenue and profitability in the initial stage.

In the following half year, the Company intends to raise fund to purchase the machines necessary to produce the qualified products and renovate the production base in Shandong. At the same time, the Company will produce the plywood products samples for application of the qualification.

It is targeted that in ten months after Completion, the Shandong production base will commence the production of the qualified products and the Company will have its qualified finished products being sold to overseas markets.

As the senior management of the Target Company will be retained and join the Group, leveraged on their experience and knowledge, the Group is expected to save the time and cost required for the preparation on the commencement of the upgraded production facilities, and thereby improve operation efficiency in the plywood business.

Having considered the above, the Directors consider that the terms of the Agreement (as amended by the Supplemental Agreement) are on normal commercial terms, fair and reasonable, and in the interests of the Company and the Shareholders as a whole.

FINANCIAL EFFECTS OF THE ACQUISITION

Upon Completion, the Target Company will become a subsidiary of the Company and the financial results, assets and liabilities of the Target Company will be consolidated in the books and accounts of the Group. The unaudited pro forma financial information of the Enlarged Group as set out in Appendix III to this circular has been prepared to illustrate the financial effect of the Acquisition.

Effect on assets and liabilities

Based on the unaudited pro forma consolidated statement of financial position of the Enlarged Group as set out in Appendix IV to this circular, which is prepared as if the Acquisition had completed on 30 September 2025 to illustrate the effect of the Acquisition, it is expected that the total assets of the Group would increase from approximately RMB94.0 million to approximately RMB116.4 million and the total liabilities of the Group would increase from approximately RMB82.8 million to approximately RMB97.2 million. As the expected increase in total assets is higher than the expected increase in total liabilities, the net assets of the Group would increase from approximately RMB11.2 million to approximately RMB19.2 million.

Effect on earnings

As discussed in the section headed "Reasons for and benefits of the Acquisition" above, among others, the Acquisition allows the Group to access and commence the plywood business in oversea market efficiently. Also, as the senior management of the Target Company will be retained and join the Group, leveraged on their experience and knowledge, the Group is expected to save the time and cost required for the preparation on the commencement of the upgraded production facilities. Considering the above, the Acquisition is expected to have a positive effect on the future growth of the Group's earnings and profitability.

The above analyses are for illustrative purpose only and do not purport to represent how the financial performance and position of the Group would actually be after Completion.

Effect on shareholding structure of the Company

The shareholding structure of the Company (i) as at the Latest Practicable Date; and (ii) immediately following the issue of Consideration Shares are set out as follows:

	As at the Latest Practicable Date		**Immediately following the issue of Consideration Shares**	
	Number of Shares	*Approximate %*	*Number of Shares*	*Approximate %*
Mr. WONG Tseng Hon	622,535,278	56.82	622,535,278	54.06
Mr. CHAI Kaw Sing and his spouse *(Note)*	62,776,486	5.73	62,776,486	5.45
Suntial Pte. Ltd.	117,000,000	10.68	117,000,000	10.16
Existing public Shareholders	293,367,782	26.77	293,367,782	25.48
The Vendors	–	–	55,800,000	4.85
Total	**1,095,679,546**	**100.00**	**1,151,479,546**	**100.00**

Note:

As at the Latest Practicable Date, Mr. Chai Kaw Sing was the legal owner of 47,061,522 Shares and Ms. Chang Yu Chen, the spouse of Mr. Chai Kaw Sing, was the legal owner of 15,714,964 Shares. Mr. Chai Kaw Sing is deemed to be interested in all the Shares in which his spouse is interested in by virtue of the SFO.

The completion of the Acquisition will not result in a change in control of the Company.

LISTING RULES IMPLICATIONS

As the highest applicable percentage ratio under Rule 14.07 of the Listing Rules in respect of the Acquisition exceeds 25% but is less than 100%, such transaction constitute a major transaction for the Company and is therefore subject to the reporting, announcement, and shareholders' approval requirements under Chapter 14 of the Listing Rules.

EGM

The EGM will be convened and held by the Company at Room 2703, 27th Floor, K. Wah Centre, No. 191 Java Road, North Point, Hong Kong on Monday, 22 June 2026 at 11:00 a.m. to consider and, if thought fit, to approve the Acquisition, the Agreement (as amended by the Supplemental Agreement) and the transactions contemplated thereunder, including, among others, the issue of the Consideration Shares under the Specific Mandate.

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, no Shareholder has any material interest in the Acquisition, the Agreement (as amended by the Supplemental Agreement) and the transactions contemplated thereunder. Accordingly, no Shareholder is required to abstain from voting on the resolution in relation to the Acquisition, the Agreement (as amended by the Supplemental Agreement) and the transactions contemplated thereunder at the EGM.

A notice convening the EGM is set out on pages 76 to 78 of this circular. A form of proxy for use at the EGM is also enclosed. Such form of proxy is also published on the websites of Hong Kong Exchanges and Clearing Limited (www.hkexnews.hk) and the Company (www.msdscn.com). Whether or not Shareholders are able to attend the EGM, you are requested to complete and sign the enclosed form of proxy in accordance with the instructions printed thereon and return it to the Company's share registrar and transfer office in Hong Kong, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, No. 183 Queen's Road East, Wanchai, Hong Kong as soon as possible but in any event not less than 48 hours before the time appointed for the holding of the EGM. To be effective, all forms of proxy must be lodged with Hong Kong Investor Services Limited before the deadline. Completion and return of the form of proxy will not preclude the Shareholders from attending and voting in person at the EGM if you so wish.

In accordance with the articles of association of the Company, all the votes at the EGM must be taken by poll.

CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed from Thursday,18 June 2026 to Monday, 22 June 2026 (both days inclusive), during which period no transfer of shares will be effected. The record date for determining the entitlements of the Shareholders to attend and vote at the above meeting will be Monday, 22 June 2026. In order to qualify for the entitlement to attend and vote at the above meeting, all transfer forms accompanied by the relevant share certificates must be lodged with the Company's branch share registrar and transfer office in Hong Kong, Hong Kong Investor Services Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, No. 183 Queen's Road East, Wanchai, Hong Kong, not later than 4:30 p.m. on Wednesday, 17 June 2026 for registration.

RECOMMENDATION

Having considered the aforesaid circumstance and benefits of the Acquisition, the Directors are of the view that the Agreement (as amended by the Supplemental Agreement) and the Acquisition contemplated thereunder are fair and reasonable and are in the interests of the Company and the Shareholders as a whole. Accordingly, the Directors recommend the Shareholders to vote in favour of the resolution to be proposed at the EGM to approve the Agreement (as amended by the Supplemental Agreement) and the transactions contemplated thereunder.

ADDITIONAL INFORMATION

Your attention is drawn to the additional information set out in the appendices to this circular.

By order of the Board
Da Sen Holdings Group Limited
SUN Yongtao
Chairman

1. FINANCIAL INFORMATION OF THE GROUP

The published audited consolidated financial statements of the Group for each of the three years ended 31 March 2023, 2024, 2025 and six months ended 30 September 2025 has been disclosed in the following documents, which can be accessed on both the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.msdscn.com):

- the annual report of the Company for the year ended 31 March 2023 published on 31 July 2023 (pages 53–134):

  https://www1.hkexnews.hk/listedco/listconews/sehk/2023/0731/2023073100872.pdf

- the annual report of the Company for the year ended 31 March 2024 published on 29 July 2024 (pages 49–132):

  https://www1.hkexnews.hk/listedco/listconews/sehk/2024/0729/2024072901523.pdf

- the annual report of the Company for the year ended 31 March 2025 published on 17 July 2025 (pages 40–128):

  https://www1.hkexnews.hk/listedco/listconews/sehk/2025/0717/2025071700714.pdf

- the interim report of the Company for the six months ended 30 September 2025 published on 31 December 2025 (pages 13–36):

  https://www1.hkexnews.hk/listedco/listconews/sehk/2025/1231/2025123100611.pdf

2. INDEBTEDNESS STATEMENT

As at 30 April 2026, being the latest practicable date for the purpose of ascertaining information contained in this statement of indebtedness prior to the printing of this circular, the details of the Group's indebtedness are as follows:

(i) unsecured and unguaranteed other loans from third parties of approximately RMB11.9 million;

(ii) secured and unguaranteed short-term bank borrowing of approximately RMB10.0 million;

(iii) secured and guaranteed short-term bank borrowing of approximately RMB7.0 million;

(iv) secured and unguaranteed other loan from third party of approximately RMB2.3 million; and

(v) secured and guaranteed other loan from third party of approximately RMB1.2 million.

The Group's short-term bank borrowings and other loan of approximately RMB3.5 million are secured by the Group's right-of-use assets, plants and investment properties as at 30 April 2026. The short-term bank borrowing of approximately RMB7.0 million and other loan of approximately RMB1.2 million were guaranteed by Mr. Wu Shican, who was the director of the Company's subsidiaries.

The remaining other loans are unsecured and unguaranteed.

Save as aforesaid and apart from normal trade payables in the ordinary course of business, other payables and accruals, none of the entities of the Group had any debt securities which are issued and outstanding, or authorized or otherwise created but unissued term loans, other borrowings or indebtedness including bank overdraft loans or other similar indebtedness, liabilities under acceptances (other than normal trade bills) or acceptance credits or hire purchase commitments, mortgage, charges, activities or other material contingent liabilities as at the close of business on 31 March 2026.

3. WORKING CAPITAL STATEMENT

Taking into account the financial resources available to the Group, including the Group's available cash balance, the anticipated cash flows from operations, available facilities and the borrowing from the substantial shareholder, and the effects of the Completion, in the absence of any unforeseen circumstances, the Directors are of the opinion that the Group will have sufficient financial resources to meet its working capital requirement and financial requirements for capital expenditure for at least the next 12 months from the date of this circular.

The Company has obtained the relevant confirmation as required under Rule 14.66(12) of the Listing Rules.

4. MATERIAL ADVERSE CHANGE

The Directors confirm that up to the Latest Practicable Date, there had been no material adverse change in the financial or trading position of the Group since 31 March 2025, being the date to which the latest published audited accounts of the Company were made up.

5. FINANCIAL AND TRADING PROSPECT OF THE GROUP

The Group is primarily engaged in the plywood products operations and related referral and project management services, leasing activities, and trading of agricultural products. For the six months ended 30 September 2025, the Group recorded revenue of approximately RMB6.10 million and a net profit of approximately RMB1.37 million. As at 30 September 2025, the Group had net current liabilities of approximately RMB51.30 million and net liabilities of approximately RMB0.11 million.

During the year ended 31 March 2025, the Group maintained minimal scale operation under the sales of plywood due to the low gross profit margin of the plywood business as a result of the intense competition in the plywood industry. Nevertheless, the Group does not intend to cease the operations of the sales of plywood business and the Group has been in the progress of developing new wood products which would have higher margins as compared to traditional plywood products. However, the existing customers of the Group are primarily mid end furniture or building material manufacturers located in the PRC. Due to the keen competition in both the plywood industry and the reduction in demand in the mid end furniture and building material markets in the PRC, the Group could not sell products to its existing customers with good profitable margin. In this respect, the Target Company has established a stable customer base for its wood products, which is diversified geographically in various countries as well as diversified in industry. Also, the management of the Target Company are experienced in operating overseas market and had established network and reputation in recurring customers in the overseas market. As such, the Acquisition will allow the Group to access and commence the plywood business in oversea market efficiently.

Upon completion of the Acquisition, the Group will modernize and upgrade the Group's current production base in Heze, Shandong to become the production center of the new additional plywood products, which will then covers the majority of the plywood products that are currently sourced and sold by the Target Company. It is expected that the production facility will complete the modernization by end of 2026 and commence production of the new products. As the senior management of the Target Company will be retained and join the Group, leveraged on their experience and knowledge, the Group is expected to save the time and cost required for the preparation on the commencement of the upgraded production facilities, and thereby improve operation efficiency in the plywood business.

In respect of the referral business which is built on top of the Group's existing plywood business to ensure a stable and profitable income in addition to its plywood sales. The core value for the referral business is to facilitate an asset owner to connect with the right person, businesses, and investors to appreciate his asset and to achieve a higher return on his investment. The Company commenced the referral business in 2023 and formed strategic collaborations with an alliance factory and other professional parties to commence the referral services business. During the year ended 31 March 2025, the Group has successfully entered into two referral arrangements with the projects in Rayong Thailand and Dongguan China, pursuant to which the Group assisted the project owners to redevelop their assets by referring to them project teams and companies. For the year ending 31 March 2027, the Group will seek additional referral business project.

In addition to the referral business, the Group also provides interior design and project management business to the customers particularly those under referral business, including the projects in Rayong Thailand and Dongguan China. The Group has entered into contracts in respect of the interior design and project management services with each of the projects in Rayong Thailand and Dongguan with contract sum of RMB17.3 million and RMB6.0 million in June and August 2025, respectively. In 2025, the progress of the projects had been slightly delayed due to unforeseen issues such as the Thailand earthquake, which accordingly delayed the commencement of the interior design and project management services of Rayong project.

Under the interior design and project management business, leveraged on the management's experience and expertise in the property development business, the Group could provide a one-stop services to customer for their development of the projects, including the design of the properties, handling of administrative procedures involved in the development, sourcing of materials and the manpower with the required expertise, management and monitoring of the progress and quality of the project, and the sales services of the property, if required.

In regards to the Rayong Thailand project, during the year ended 31 March 2026, the Group have (i) performed feasibility studies and conducted site visit by design team; (ii) prepared the MLP design; (iii) conducted sales and marketing research; and (iv) had team meetings with developers and landlord for discussion in project execution. However, due to the recent sudden surge in oil prices, the shipping cost for materials has increased significantly. After negotiations with landlord and developers, the project was temporarily halted and delayed as the high shipping cost will significantly increase the construction cost if the construction commences immediately. The Company will closely monitor the feasibility of the project and it is expected that the Group will earn the remaining fee from the project after the project resumes. Nevertheless, the Group noted that the selling price of real estate in Rayong has also been in an increasing trend, and it is expected that the property would be able to be sold in higher price in the year 2027. For the year ended 31 March 2026, the Group had billed project management fee of approximately RMB4.9 million to the customer.

In regards to the Dongguan project, during the year ended 31 March 2026, the Group have (i) performed feasibility studies including the valuation of the project; and (ii) arranged the design team for site visit and performed the initial master plan for architectural modification. For the year ended 31 March 2026, the Group had billed project management fee of approximately RMB1.5 million to the landlord for the feasibility study and initial master planning work.

PAN-CHINA 天健國際會計師事務所有限公司
Confucius International CPA Limited Certified Public Accountants

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ACCOUNTANTS' REPORT ON HISTORICAL FINANCIAL INFORMATION OF CHANCE RICH INTERNATIONAL TRADING LIMITED TO THE DIRECTORS OF DA SEN HOLDINGS GROUP LIMITED

Introduction

We report on the historical financial information of Chance Rich International Trading Limited (進源國際貿易有限公司) (the "**Target Company**") set out on pages 23 to 57, which comprises the statements of financial position of the Target Company as at 31 March 2023, 2024 and 2025 and 31 December 2025, and the statements of profit or loss and other comprehensive income, the statements of changes in equity and the statements of cash flows of the Target Company for each of the three years ended 31 March 2023, 2024 and 2025 and the nine months ended 31 December 2025 (the "**Relevant Periods**"), and a summary of material accounting policy information and other explanatory information (together, the "**Historical Financial Information**"). The Historical Financial Information set out on pages 23 to 57 forms an integral part of this report, which has been prepared for inclusion in the circular of Da Sen Holdings Group Limited (the "**Company**") dated 3 June 2026 (the "**Circular**") in connection with the proposed acquisition of the entire equity interests in the Target Company by a subsidiary of the Company.

Directors' responsibility for the Historical Financial Information

The directors of the Target Company are responsible for the preparation of Historical Financial Information that gives a true and fair view in accordance with the basis of preparation and presentation set out in Note 2 to the Historical Financial Information, and for such internal control as the directors of the Target Company determine is necessary to enable the preparation of Historical Financial Information that is free from material misstatement, whether due to fraud or error.

The directors of the Company are responsible for the contents of this Circular in which the Historical Financial Information of the Target Company is included, and such information is prepared based on accounting policies materially consistent with those of the Company.

Reporting accountants' responsibility

Our responsibility is to express an opinion on the Historical Financial Information and to report our opinion to you. We conducted our work in accordance with Hong Kong Standard on Investment Circular Reporting Engagements 200 "Accountants' Reports on Historical Financial Information in Investment Circulars" issued by the Hong Kong Institute of Certified Public Accountants ("**HKICPA**"). This standard requires that we comply with ethical standards and plan and perform our work to obtain reasonable assurance about whether the Historical Financial Information is free from material misstatement.

Our work involved performing procedures to obtain evidence about the amounts and disclosures in the Historical Financial Information. The procedures selected depend on the reporting accountants' judgement, including the assessment of risks of material misstatement of the Historical Financial Information, whether due to fraud or error. In making those risk assessments, the reporting accountants consider internal control relevant to the entity's preparation of the Historical Financial Information that gives a true and fair view in accordance with the basis of preparation and presentation set out in Note 2 to the Historical Financial Information in order to design procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Our work also included evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the Historical Financial Information.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Opinion

In our opinion the Historical Financial Information gives, for the purpose of the accountants' report, a true and fair view of the Target Company's financial position as at 31 March 2023, 2024 and 2025 and 31 December 2025 and of the Target Company's financial performance and cash flows for the Relevant Periods in accordance with the basis of preparation and presentation set out in Note 2 to the Historical Financial Information.

Review of stub period comparative financial information

We have reviewed the stub period comparative financial information of the Target Company which comprises the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the nine months ended 31 December 2024 and other explanatory information (the "**Stub Period Comparative Financial Information**"). The directors of the Target Company are responsible for the preparation and presentation of the Stub Period Comparative Financial Information in accordance with the basis of preparation and presentation set out in Note 2 to the Historical Financial Information. Our responsibility is to express a conclusion on the Stub Period Comparative Financial Information based on our review. We conducted our review in accordance with Hong Kong Standard on Review Engagements 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the HKICPA. A review consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Hong Kong Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion. Based on our review, nothing has come to our attention that causes us to believe that the Stub Period Comparative Financial Information, for the purpose of the accountants' report, is not prepared, in all material respects, in accordance with the basis of preparation and presentation set out in Note 2 to the Historical Financial Information.

Report on matters under the rules governing the listing of securities on The Stock Exchange of Hong Kong Limited

Adjustments

In preparing the Historical Financial Information, no adjustments to the Underlying Financial Statements as defined on page 23 have been made.

We refer to Note 12 to the Historical Financial Information which states that no dividend have been declared or paid by the Target Company in respect of the Relevant Periods.

Confucius International CPA Limited
Certified Public Accountants

Tsang Kwong Kin
Practising Certificate Number P07368
Hong Kong,
3 June 2026

HISTORICAL FINANCIAL INFORMATION OF THE TARGET COMPANY

Preparation of Historical Financial Information

Set out below is the Historical Financial Information which forms an integral part of this accountants' report.

The financial statements of the Target Company for the Relevant Periods, on which the Historical Financial Information of the Target Company is based, have been prepared by the directors of the Target Company in accordance with the accounting policies that are conform with IFRS Accounting Standards issued by the International Accounting Standard Board ("**IASB**") and were audited by Confucius International CPA Limited in accordance with Hong Kong Standards on Auditing issued by the HKICPA (the "**Underlying Financial Statements**").

The Historical Financial Information is presented in Hong Kong Dollar ("**HK$**") and all values are rounded to the nearest thousand (HK$'000) except when otherwise indicated.

CHANCE RICH INTERNATIONAL TRADING LIMITED

STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 MARCH 2023, 2024 AND 2025 AND THE NINE MONTHS ENDED 31 DECEMBER 2024 AND 2025

		Year ended 31 March			Nine months ended 31 December	
		2023	**2024**	**2025**	**2024**	**2025**
	Notes	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000* (Unaudited)	*HK$'000*
Revenue	*7*	10,511	1,410	1,281	970	2,516
Gross profit		10,511	1,410	1,281	970	2,516
Other (expense) income, net	*8*	(53)	6	(10)	(7)	45
Selling expenses		(2,809)	(388)	(670)	(498)	(704)
Administrative expenses		(4,088)	(1,687)	(1,338)	(845)	(683)
Impairment (losses) reversal on financial assets, net		(131)	6	(72)	(77)	(65)
Profit (loss) before tax		3,430	(653)	(809)	(457)	1,109
Income tax expense	*9*	(456)	–	–	–	–
Profit (loss) and total comprehensive income (expense) for the year/ period	*10*	2,974	(653)	(809)	(457)	1,109

STATEMENTS OF FINANCIAL POSITION

AS AT YEAR ENDED 31 MARCH 2023, 2024 AND 2025 AND 31 DECEMBER 2025

		As at 31 March			As at 31 December
		2023	2024	2025	2025
	Notes	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
Current assets					
Amount due from directors	*13*	27	43	43	43
Trade and other receivables	*14*	9,379	10,692	14,669	19,008
Tax recoverable		–	422	–	–
Cash and cash equivalents	*15*	1,841	774	866	1,107
		11,247	11,931	15,578	20,158
Current liabilities					
Trade and other payables	*16*	5,533	7,043	11,499	14,970
Tax payable		173	–	–	–
		5,706	7,043	11,499	14,970
Net current assets		5,541	4,888	4,079	5,188
Net assets		5,541	4,888	4,079	5,188
Equity					
Share capital	*17*	–	–	–	–
Retained earnings		5,541	4,889	4,079	5,188
Total equity		5,541	4,888	4,079	5,188

* The share capital of the Target Company was HK$100 as at 31 March 2023, 2024 and 2025 and 31 December 2025.

STATEMENTS OF CHANGES IN EQUITY

AS AT YEAR ENDED 31 MARCH 2023, 2024 AND 2025 AND 31 DECEMBER 2025

	Share capital *HK$'000*	Retained earnings *HK$'000*	Total *HK$'000*
At 1 April 2022	–	2,567	2,567
Profit for the year	–	2,974	2,974
At 31 March 2023 and 1 April 2023	–	5,541	5,541
Loss for the year	–	(653)	(653)
At 31 March 2024 and 1 April 2024	–	4,888	4,888
Loss for the year	–	(809)	(809)
At 31 March 2025 and 1 April 2025	–	4,079	4,079
Profit for the period	–	1,109	1,109
At 31 December 2025	–	5,188	5,188

* The share capital of the Target Company was HK$100 as at 31 March 2023, 2024 and 2025 and 31 December 2025.

STATEMENTS OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2023, 2024 AND 2025 AND THE NINE MONTHS ENDED 31 DECEMBER 2024 AND 2025

	Year ended 31 March			Nine months ended 31 December	
	2023	**2024**	**2025**	**2024**	**2025**
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
				(Unaudited)	
Cash flows from operating activities					
Profit (loss) before tax	3,430	(653)	(809)	(457)	1,109
Adjustments for:					
Interest income	(1)	(2)	(1)	(1)	(1)
Allowance for expected credit losses on trade and other receivables, net	131	(6)	72	77	65
Operating cash flow before movements in working capital	3,560	(661)	(738)	(381)	1,173
Increase in amounts due from directors	(20)	(16)	–	–	–
Increase in trade and other receivables	(5,801)	(1,303)	(4,049)	(3,431)	(4,404)
Increase in trade and other payables	1,189	1,510	4,456	3,194	3,471
Cash (used in) generated from operations	(1,072)	(474)	(331)	(618)	240
Interest received	1	2	1	1	1
Income tax (paid) refund	(283)	(595)	422	–	–
Net cash (used in) from operating activities	(1,354)	(1,067)	92	(617)	241
Net (decrease) increase in cash and cash equivalents	(1,354)	(1,067)	92	(617)	241
Cash and cash equivalents at beginning of year/period	3,195	1,841	774	774	866
Cash and cash equivalents at end of year/period	1,841	774	866	157	1,107

NOTES TO THE FINANCIAL STATEMENTS

1. GENERAL INFORMATION

Chance Rich International Trading Limited (the "**Target Company**") is incorporated in Hong Kong with limited liability. The directors of the Target Company consider Mr. Huang Jianting and Ms. Li Ziyun as the ultimate controlling parties of the Target Company.

The address of the registered office and principal place of business of the Target Company is Flat 9A, 9/F., Ngai Wong Commercial Building, 11-13 Mong Kok Road, Mong Kok, Kowloon, Hong Kong. The Target Company is principally engaged in trading of plywood.

The Historical Financial Information is presented in Hong Kong Dollar ("**HK$**"), which is the functional currency of the Target Company.

Pursuant to the sale and purchase agreement (the "**Agreement**") dated 18 January 2026, Heroic Group Limited (the "**Purchaser**"), a wholly owned subsidiary of Da Sen Holdings Group Limited (the "**Company**"), agreed to conditionally acquire the entire issued share capital of the Target Company from Mr. Huang Jianting and Ms. Li Ziyun (the "**Vendors**"), an independent third party from the Company, subject to the terms and conditions of the Agreement.

2. BASIS OF PREPARATION AND PRESENTATION OF THE HSITORICAL FINANCIAL INFORMATION

The Historical Financial Information has been prepared in accordance with IFRS Accounting Standards, which collective term includes all applicable individual International Financial Reporting Standards ("**IFRS**"), International Accounting Standards ("**IASs**") and related Interpretations promulgated by the International Accounting Standards Board ("**IASB**"). In addition, the financial statements include applicable disclosures required by the Hong Kong Companies Ordinance ("**HKCO**"). Further details of the material accounting policies adopted are set out in Note 4.

The IASB has issued a number of new and revised IFRS Accounting Standards. For the purpose of preparing this Historical Financial Information, the Target Company has consistently adopted all applicable new and revised IFRS Accounting Standards that are effective during the Relevant Periods, except for any new standards or interpretations that are not yet effective for the Relevant Periods. The revised and new accounting standards and interpretations issued but not yet effective for the Relevant Periods are set out in Note 3.

The Historical Financial Information also complies with the applicable disclosure provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

The Stub Period Comparative Financial Information has been prepared in accordance with the same basis of preparation and presentation adopted in respect of the Historical Financial Information.

3. APPLICATION OF NEW AND AMENDMENTS TO IFRS ACCOUNTING STANDARDS

New and amendments to IFRS Accounting Standards in issue but not yet effective

Up to the date of this report, the IASB has issued a number of new or amended standards, which are not yet effective for the Relevant Periods and which have not been early adopted in these Historical Financial Information.

Amendments to IFRS 9 and IFRS 7	Amendments to the Classification and Measurement of Financial Instruments[2]
Amendments to IFRS 9 and IFRS 7	Contracts Referencing Nature-dependent Electricity[2]
Amendments to IFRS 10 and IAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture[1]
Amendments to IFRS Accounting Standards	Annual Improvements to IFRS Accounting Standards – Volume 11[2]
IFRS 18	Presentation and Disclosure in Financial Statements[3]
IFRS 19	Subsidiaries without Public Accountability: Disclosures[3]
Amendments to IAS 21	Translation to a Hyperinflationary Presentation Currency[3]

[1] Effective for annual periods beginning on or after a date to be determined
[2] Effective for annual periods beginning on or after 1 January, 2026
[3] Effective for annual periods beginning on or after 1 January, 2027

Except for the impact of IFRS 18 mentioned below, other new and amended standards are either not relevant to the Target Company or not expected to have a material impact on the Target Company's Historical Financial Information when they become effective.

IFRS 18 Presentation and Disclosure in Financial Statements

IFRS 18 "Presentation and Disclosure in Financial Statements", which sets out requirements on presentation and disclosures in financial statements, will replace IAS 1 "Presentation of Financial Statements". This new IFRS Accounting Standard, while carrying forward many of the requirements in IAS 1, introduces new requirements to present specified categories and defined subtotals in the statement of profit or loss; provide disclosures on management-defined performance measures in the notes to the financial statements and improve aggregation and disaggregation of information to be disclosed in the financial statements. In addition, some IAS1 paragraphs have been moved to IAS 8 "Accounting Policies, Changes in Accounting Estimates and Errors" and IFRS 7 "Financial Instruments: Disclosures". Minor amendments to IAS 7 "Statement of Cash Flows" and IAS 33 "Earnings per Share" are also made.

IFRS 18, and amendments to other standards, will be effective for annual periods beginning on or after 1 January 2027 with early application permitted. The application of IFRS 18 is not expected to have significant impact on the Target Company's financial position and performance, but may affect the presentation of the statement of profit or loss and other comprehensive income and disclosures in the future financial statements.

4. MATERIAL ACCOUNTING POLICY INFORMATION

Basis of preparation

The Historical Financial Information have been prepared on the historical cost basis at the end of each reporting period, as explained in the accounting policies set out below. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Target Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these consolidated financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of IFRS 2 Share-based Payment, leasing transactions that are accounted for in accordance with IFRS 16, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in IAS 2 Inventories or value in use in IAS 36 Impairment of Assets.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;

- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and

- Level 3 inputs are unobservable inputs for the asset or liability

The principal accounting policies are set out below.

Revenue from contract with customers

The Target Company recognises revenue when (or as) a performance obligation is satisfied, i.e. when "control" of the goods or services underlying the particular performance obligation is transferred to the customers.

A performance obligation represents a good and service (or a bundle of goods or services) that is distinct or a series of distinct goods or services that are substantially the same.

Control is transferred over time and revenue is recognised over time by reference to the progress towards complete satisfaction of the relevant performance obligation if one of the following criteria is met:

- the customer simultaneously receives and consumes the benefits provided by the Target Company's performance as the Target Company performs;
- the Target Company's performance creates and enhances an asset that the customer controls as the Target Company performs; or
- the Target Company's performance does not create an asset with an alternative use to the Target Company and the Target Company has an enforceable right to payment for performance completed to date.

Otherwise, revenue is recognised at a point in time when the customer obtains control of the distinct good or service.

A contract asset represents the Target Company's right to consideration in exchange for goods or services that the Target Company has transferred to a customer that is not yet unconditional. It is assessed for impairment in accordance with IFRS 9 Financial Instrument ("**IFRS 9**"). In contrast, a receivable represents the Target Company's unconditional right to consideration, i.e. only the passage of time is required before payment of that consideration is due.

A contract liability represents the Target Company's obligation to transfer goods or services to a customer for which the Target Company has received consideration (or an amount of consideration is due) from the customer.

A contract asset and a contract liability relating to the same contract are accounted for and presented on a net basis.

Foreign currencies

In preparing the financial statements of the Target Company, transactions in currencies other than the functional currency of the Target Company (foreign currencies) are recognised at the rates of exchanges prevailing on the dates of the transactions. At the end of the reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences arising on the settlement of monetary items, and on the retranslation of monetary items, are recognised in profit or loss in the period in which they arise.

Cash and cash equivalents

Cash and cash equivalents presented on the statement of financial position include:

(a) cash, which comprises of cash on hand and demand deposits, excluding bank balances that are subject to regulatory restrictions that result in such balances no longer meeting the definition of cash; and

(b) cash equivalents, which comprises of short-term (generally with original maturity of three months or less), highly liquid investments that are readily convertible to a known amount of cash and which are subject to an insignificant risk of changes in value. Cash equivalents are held for the purpose of meeting short-term cash commitments rather than for investment or other purposes.

For the purposes of the statement of cash flows, cash and cash equivalents consist of cash and cash equivalents as defined above and form an integral part of the Target Company's cash management.

Leases

Definition of a lease

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

For contracts entered into or modified on or after the date of initial application or arising from business combinations, the Target Company assesses whether a contract is or contains a lease based on the definition under IFRS 16 at inception, modification date or acquisition date, as appropriate. Such contract will not be reassessed unless the terms and conditions of the contract are subsequently changed.

The Target Company as lessee

Short-term leases and leases of low-value assets

The Target Company applies the short-term lease recognition exemption to leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option. It also applies the recognition exemption for lease of low-value assets. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis or another systematic basis over the lease term.

Retirement benefits costs

Payments to Mandatory Provident Fund Scheme are charged as expenses as they fall due.

Taxation

Income tax expense represents the sum of current and deferred income tax expense.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from "profit before taxation" as reported in the statement of profit or loss and other comprehensive income because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Target Company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the Historical Financial Information and the corresponding tax base used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit and at the time of the transaction does not give rise to equal taxable and deductible temporary differences. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rate (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Target Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied to the same taxable entity by the same taxation authority.

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

Financial instruments

Financial assets and financial liabilities are recognised when Target Company becomes a party to the contractual provisions of the instrument. All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the market place.

Financial assets and financial liabilities are initially measured at fair value except for trade receivables arising from contracts with customers which are initially measured in accordance with IFRS 15. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets or financial liabilities at fair value through profit or loss ("**FVTPL**")) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at FVTPL are recognised immediately in profit or loss.

The effective interest method is a method of calculating the amortised cost of a financial asset or financial liability and of allocating interest income and interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts and payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial asset or financial liability, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Financial assets

Classification and subsequent measurement of financial assets

Financial assets that meet the following conditions are subsequently measured at amortised cost:

- the financial asset is held within a business model whose objective is to collect contractual cash flows; and

- the contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Amortised cost and interest income

Interest income is recognised using the effective interest method for financial assets measured subsequently at amortised cost. For financial instruments other than purchased or originated credit-impaired financial assets, interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset, except for financial assets that have subsequently become credit-impaired (see below). For financial assets that have subsequently become credit-impaired, interest income is recognised by applying the effective interest rate to the amortised cost of the financial asset from the next reporting period. If the credit risk on the credit-impaired financial instrument improves so that the financial asset is no longer credit-impaired, interest income is recognised by applying the effective interest rate to the gross carrying amount of the financial asset from the beginning of the reporting period following the determination that the asset is no longer credit impaired.

Impairment of financial assets

The Target Company performs impairment assessment under expected credit loss ("**ECL**") model on financial assets (including trade and other receivables) which are subject to impairment assessment under IFRS 9. The amount of ECL is updated at each reporting date to reflect changes in credit risk since initial recognition.

Lifetime ECL represents the ECL that will result from all possible default events over the expected life of the relevant instrument. In contrast, 12-month ECL ("**12m ECL**") represents the portion of lifetime ECL that is expected to result from default events that are possible within 12 months after the reporting date. Assessment are done based on the Target Company's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current conditions at the reporting date as well as the forecast of future conditions.

The Target Company always recognises lifetime ECL for trade receivables. The ECL on these assets are assessed individually for debtors with significant balance and/or collectively using a provision matrix with appropriate groupings.

For all other instruments, the Target Company measures the loss allowance equal to 12m ECL, unless there has been a significant increase in credit risk since initial recognition, in which case the Target Company recognises lifetime ECL. The assessment of whether lifetime ECL should be recognised is based on significant increases in the likelihood or risk of a default occurring since initial recognition.

(i) Significant increase in credit risk

In assessing whether the credit risk has increased significantly since initial recognition, the Target Company compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition. In making this assessment, the Target Company considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort.

In particular, the following information is taken into account when assessing whether credit risk has increased significantly:

- an actual or expected significant deterioration in the financial instrument's external (if available) or internal credit rating;
- significant deterioration in external market indicators of credit risk, e.g. a significant increase in the credit spread, the credit default swap prices for the debtor;
- existing or forecast adverse changes in business, financial or economic conditions that are expected to cause a significant decrease in the debtor's ability to meet its debt obligations;
- an actual or expected significant deterioration in the operating results of the debtor;
- an actual or expected significant adverse change in the regulatory, economic, or technological environment of the debtor that results in a significant decrease in the debtor's ability to meet its debt obligations.

Irrespective of the outcome of the above assessment, the Target Company presumes that the credit risk has increased significantly since initial recognition when contractual payments are more than 90 days past due, unless the Target Company has reasonable and supportable information that demonstrates otherwise.

The Target Company regularly monitors the effectiveness of the criteria used to identify whether there has been a significant increase in credit risk and revises them as appropriate to ensure that the criteria are capable of identifying significant increase in credit risk before the amount becomes past due.

(ii) Definition of default

For internal credit risk management, the Target Company considers an event of default occurs when information developed internally or obtained from external sources indicates that the debtor is unlikely to pay its creditors, including the Target Company, in full (without taking into account any collaterals held by the Target Company).

Irrespective of the above, the Target Company considers that default has occurred when a financial asset is more than 365 days past due unless the Target Company has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

(iii) Credit-impaired financial assets

A financial asset is credit-impaired when one or more events of default that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Evidence that a financial asset is credit-impaired includes observable data about the following events:

(a) significant financial difficulty of the issuer or the borrower;

(b) a breach of contract, such as a default or past due event;

(c) the lender(s) of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession(s) that the lender(s) would not otherwise consider;

(d) it is becoming probable that the borrower will enter bankruptcy or other financial reorganisation; or

(e) the disappearance of an active market for that financial asset because of financial difficulties.

(iv) Write-off policy

The Target Company writes off a financial asset when there is information indicating that the counterparty is in severe financial difficulty and there is no realistic prospect of recovery, for example, when the counterparty has been placed under liquidation or has entered into bankruptcy proceedings, or in the case of trade receivables, when the amounts are over one year past due, whichever occurs sooner. Financial assets written off may still be subject to enforcement activities under the Target Company's recovery procedures, taking into account legal advice where appropriate. A write-off constitutes a derecognition event. Any subsequent recoveries are recognised in profit or loss.

(v) Measurement and recognition of ECL

The measurement of ECL is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information. Estimation of ECL reflects an unbiased and probability-weighted amount that is determined with the respective risks of default occurring as the weights.

Generally, the ECL is the difference between all contractual cash flows that are due to the Target Company in accordance with the contract and the cash flows that the Target Company expects to receive, discounted at the effective interest rate determined at initial recognition.

Lifetime ECL for certain trade receivables are considered on a collective basis taking into consideration past due information and relevant credit information such as forward looking macroeconomic information.

For collective assessment, the Target Company takes into consideration the following characteristics when formulating the grouping:

- Past-due status;
- Nature, size and industry of debtors; and
- External credit ratings where available.

The grouping is regularly reviewed by management to ensure the constituents of each group continue to share similar credit risk characteristics.

Interest income is calculated based on the gross carrying amount of the financial asset unless the financial asset is credit-impaired, in which case interest income is calculated based on amortised cost of the financial asset.

Derecognition of financial assets

The Target Company derecognises a financial asset only when the contractual rights to the cash flows from the asset expire.

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss.

Financial liabilities and equity instruments

Classification as debt or equity

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by an entity are recognised at the proceeds received, net of direct issue costs.

Financial liabilities at amortised cost

All financial liabilities (including trade and other payables) are subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

The Target Company derecognises financial liabilities when, and only when, the Target Company's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

Related parties

A party is considered to be related to the Target Company if:

(a) the party is a person or a close member of that person's family and that person:

  (i) has control or joint control over the Target Company;

  (ii) has significant influence over the Target Company; or

  (iii) is a member of the key management personnel of the Target Company or of a parent of the Target Company; or

(b) the party is an entity where any of the following conditions applies:

  (i) the entity and the Target Company are members of the same group (which mean that each parent, subsidiary and fellow subsidiary is related to the others);

(ii) one entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member);

(iii) both entities are joint ventures of the same third party.

(iv) one entity is a joint venture of a third entity and the other entity is an associate of the third entity;

(v) the entity has a post-employment benefit plan for the benefit of employees of the Target Company or an entity related to the Target Company.

(vi) the entity is controlled or jointly controlled by a person identified in (a);

(vii) a person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).

(viii) the entity, or any member of a group of which it is a part, provides key management personnel services to the Target Company or to the Target Company's parent.

Close members of the family of a person are those family members who may be expected to influence, or be influenced by, that person in their dealings with the entity and include:

(i) that person's children and spouse or domestic partner;

(ii) children of that person's spouse or domestic partner; and

(iii) dependents of that person or that person's spouse or domestic partner.

5. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Target Company's accounting policies, which are described in Note 4, the directors of the Target Company are required to make judgments, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Critical judgements in applying accounting policies

The following are the critical judgements, apart from those involving estimations (see below), that the directors of the Target Company have made in the process of applying the Target Company's accounting policies and that have the most significant effect on the amounts recognized in the financial statements.

Principal versus agent consideration

The Target Company is considered as an agent for its contracts with customers relating to the sales of plywood as the Target Company did not obtain the control over the plywood before passing to customers after taking into consideration indicators such as the Target Company is not exposed to inventory risk. When the Target Company satisfies the performance obligation, the Target Company recognises a fee revenue in the amount it expects to be entitled as specified in the contracts.

Key sources of estimation uncertainty

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Provision of ECL for trade and other receivables

The loss allowances for trade and other receivables are based on assumptions about risk of default and expected loss rates. The Target Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Target Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period. Details of the key assumptions and inputs used are disclosed in Note 6(b).

6. FINANCIAL INSTRUMENTS

(a) Categories of financial instruments

	As at 31 March			As at 31 December
	2023	2024	2025	2025
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*
Financial assets				
Amortised cost				
Amount due from directors	27	43	43	43
Trade and other receivables	9,510	10,817	14,866	19,270
Cash and cash equivalents	1,841	774	866	1,107
	11,378	11,634	15,775	20,420
Financial liabilities				
Amortised cost				
Trade and other payables	5,533	7,043	11,499	14,970

(b) Financial risk factors

The Target Company's major financial instruments include amount due from directors, trade and other receivables, cash and cash equivalents and trade and other payables. Details of the financial instruments are disclosed in the respective notes. The risks associated with these financial instruments include market risk (interest rate risk), credit risk and liquidity risk. The policies on how to mitigate these risks are set out below. The management of the Target Company manages and monitors these exposures to ensure appropriate measures are implemented in a timely and effective manner.

(a) Market risk

(i) Cash flow and fair value interest rate risk

Except for cash and cash equivalents (Note 15), the Target Company has no other significant interest-bearing assets. The Target Company's income and operating cash flows are substantially independent of changes in market interest rates. Management does not anticipate significant impact on interest-bearing assets resulted from the changes in interest rates because the interest rates of bank deposits are not expected to change significantly.

The Target Company's exposure to cash flow interest rate risk relates to its bank deposits bear interests at variable rates. As at 31 March 2023, 2024 and 2025, and 31 December 2025, if interest rate had been higher/lower by 100 basis point, with other variables held constant, the Target Company's net profit (loss) for the year/period would have been increased/decreased by approximately HK$15,000, HK$6,000, HK$7,000 and HK$9,000 respectively.

(b) Credit risk

Credit risk refers to the risk that the Target Company's counterparties default on their contractual obligations resulting in financial losses to the Target Company. The Target Company's credit risk exposures are primarily attributable to trade and other receivables, and cash and cash equivalents. The Target Company does not hold any collateral or other credit enhancements to cover its credit risks associated with its financial assets.

(i) Risk management

To manage this risk, bank deposits and cash at bank are deposited in reputable financial institutions which are considered with low credit risk.

The Target Company has policies in place to ensure that receivables with credit terms are made to counterparties with an appropriate credit history and management performs ongoing credit evaluations of the counterparties. The credit period granted to the customers is usually no more than 90 days and the credit quality of these customers is assessed, which takes into account their financial position, past experience and other factors.

(ii) Impairment of financial assets

The Target Company performed impairment assessment for financial assets under expected credit loss ("**ECL**") model. Information about the Target Company's credit risk management, maximum credit risk exposures and the related impairment assessment, if applicable, are summarised as below:

Cash and cash equivalents

Credit risk on bank balances is limited because the counterparties are reputable bank and the ECL on bank balances is considered to be insignificant and therefore no loss allowance was recognised.

Trade receivables

The Target Company applies the IFRS 9 modified retrospective approach to measure expected credit losses which uses a lifetime expected loss allowance for all trade receivables on initial recognition. To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and the length of past due period.

The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables. The Target Company has considered the business, financial or economic conditions and performance and behaviour of customers, and accordingly adjusts the historical loss rates based on expected changes in these factors.

The Target Company considered various indicators, including, but not limited to, the prevailing market conditions in assessing how the expected loss rate should be adjusted. The Target Company had also considered the probability of default ("**PD**") and potential loss given default ("**LGD**") for its financial assets in its analysis. Given the economic conditions and its analysis based on the above factors, the Target Company incorporated both current and forward-looking information by increasing its expected loss rates based with reference to its historical loss rate. In assessing the expected loss rate, the Target Company calculated the PD and LGD for each class of accounts receivables by incorporating forward-looking adjustments.

On that basis, the loss allowance as at 31 December 2025, 31 March 2025, 2024, and 2023 were determined as follows for trade receivables:

31 December 2025	**Current**	**Past due for within 6 months**	**Past due for more than 6 months but less than 1 year**	**Past due for more than 1 year**	**Total**
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
Expected loss rate	1.43%	n/a	n/a	n/a	1.43%
Gross carrying amount	488	–	–	–	488
Loss allowance	7	–	–	–	7

31 March 2025	Current	Past due for within 6 months	Past due for more than 6 months but less than 1 year	Past due for more than 1 year	Total
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
Expected loss rate	1.57%	n/a	n/a	n/a	1.57%
Gross carrying amount	255	–	–	–	255
Loss allowance	4	–	–	–	4

31 March 2024	Current	Past due for within 6 months	Past due for more than 6 months but less than 1 year	Past due for more than 1 year	Total
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
Expected loss rate	1.26%	n/a	n/a	n/a	1.26%
Gross carrying amount	555	–	–	–	555
Loss allowance	7	–	–	–	7

31 March 2023	Current	Past due for within 6 months	Past due for more than 6 months but less than 1 year	Past due for more than 1 year	Total
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
Expected loss rate	1.41%	n/a	n/a	n/a	1.41%
Gross carrying amount	5,973	–	–	–	5,973
Loss allowance	84	–	–	–	84

The expected credit loss allowances for trade receivables as at 31 December 2025, 31 March 2025, 2024, and 2023 reconcile to the opening expected credit loss allowances as follows:

	HK$'000
At 1 April 2022	1
Provision for allowance for expected credit losses, net	83
At 31 March 2023 and 1 April 2023	84
Provision for allowance for expected credit losses, net	(77)
At 31 March 2024 and 1 April 2024	7
Provision for allowance for expected credit losses, net	(3)
At 31 March 2025 and 1 April 2025	4
Provision for allowance for expected credit losses, net	3
At 31 December 2025	7

Trade receivables are written off when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, amongst others, the failure of a debtor to engage in a repayment plan with the Target Company and dissolution of debtor.

Impairment losses on trade receivables are presented within operating result. Subsequent recoveries of amounts previously written off are credited against the same line item.

Other receivables at amortised cost

Other financial assets at amortised cost include other receivables. Impairment on other receivables is measured as either 12-month expected credit losses or lifetime expected credit loss, depending on whether there has been a significant increase in credit risk since initial recognition. If a significant increase in credit risk of a receivable has occurred since initial recognition, then impairment is measured as lifetime expected credit losses.

The expected credit loss allowances for other receivables as at 31 December 2025, 31 March 2025, 2024, and 2023 reconcile to the opening expected credit loss allowances as follows:

	HK$'000
At 1 April 2022	–
Provision for allowance for expected credit losses, net	48
At 31 March 2023 and 1 April 2023	48
Provision for allowance for expected credit losses, net	71
At 31 March 2024 and 1 April 2024	119
Provision for allowance for expected credit losses, net	75
At 31 March 2025 and 1 April 2025	194
Provision for allowance for expected credit losses, net	62
At 31 December 2025	256

(c) Liquidity risk

In management of the liquidity risk, the Target Company monitors and maintains a level of cash and cash equivalents deemed adequate by the management to finance the Target Company's operations and mitigate the effects of fluctuations in cash flows. The management of the Target Company monitors the utilisation of bank borrowings, standby loan facility and other borrowings, and ensures compliance with loan covenants if any.

The table below analyses the Target Company's non-derivative financial liabilities into relevant maturity groupings based on the remaining period at the balance sheet date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

	Weighted average effective interest rate	Within 1 month or on demand	1-3 months	3 months-1 year	More than 1 year	Total contractual undiscounted cash flow	Carrying amount
		HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HS$'000*
At 31 March 2023							
Trade and other payables	N/A	5,533	–	–	–	–	5,533
At 31 March 2024							
Trade and other payables	N/A	7,043	–	–	–	–	7,043
At 31 March 2025							
Trade and other payables	N/A	11,499	–	–	–	–	11,499
At 31 December 2025							
Trade and other payables	N/A	14,970	–	–	–	–	14,970

(d) Fair value

(i) Financial instruments carried at fair value

Financial instruments measured at fair value at the end of each reporting period are valued across the three levels of the fair value hierarchy defined in IFRS 7 Financial Instruments: Disclosures, with the fair value of each financial instrument recognised in its entirety based on the lowest level of input that is significant to that fair value measurement. The levels are defined as follows:

- Level 1 (highest level): fair values measured using quoted prices (unadjusted) in active markets for identical financial instruments
- Level 2: fair values measured using quoted prices in active markets for similar financial instruments, or using valuation techniques in which all significant inputs are directly or indirectly based on observable market data
- Level 3 (lowest level): fair values measured using valuation techniques in which no significant input is based on observable market data

At 31 December 2025, 31 March 2025, 2024 and 2023, there were no financial instruments carried at any level of the fair value hierarchy.

(ii) Fair value of financial instruments carried at other than fair value

The directors of the Target Company considers that the carrying amounts of financial assets and financial liabilities not measured at fair value recognised in the financial statements approximate their fair values.

Fair value estimates are made at a specific point in time and based on relevant market information and information about the financial instruments. These estimates are subjective in nature and involve uncertainties and matters of significant judgment and therefore cannot be determined with precision. Changes in assumptions could significantly affect the estimates.

7. REVENUE AND SEGMENT INFORMATION

The directors of the Target Company consider that the Target Company has only one single operating segment and no analyses of segment information are presented.

An analysis of the Target Company's revenue is as follows:

	Year ended 31 March			Nine months ended 31 December	
	2023	**2024**	**2025**	**2024**	**2025**
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
				(Unaudited)	
Agent fee from sales of plywood	10,511	1,410	1,281	970	2,516

The Target Company's revenue from contracts with customers are derived from agent fee from sales of plywood are recognised at a point in time.

8. OTHER (EXPENSE) INCOME, NET

	Year ended 31 March			Nine months ended 31 December	
	2023	2024	2025	2024	2025
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
				(Unaudited)	
Bank interest income	1	2	1	1	1
Exchange (losses) gains, net	(55)	4	(11)	(8)	44
Others	1	–	–	–	–
	(53)	6	(10)	(7)	45

9. INCOME TAX EXPENSE

	Year ended 31 March			Nine months ended 31 December	
	2023	2024	2025	2024	2025
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
				(Unaudited)	
Current tax – Hong Kong Profits Tax					
Provision for the year	416	–	–	–	–
Under-provision in prior year	40	–	–	–	–
	456	–	–	–	–

Hong Kong Profits Tax for the each year ended 31 March 2023, 2024, 2025 and the period ended 31 December 2024 and 2025 have been provided under two-tiered profit tax rates regime, the first HK$2 million of profits is provided at the rate of 8.25%, and profits above HK$2 million is provided at the rate of 16.5%.

No deferred taxation during the Relevant Periods has been recognised as no effect of deferred taxation.

The tax expenses for the year can be reconciled to the profit before tax per the statements of profit or loss and other comprehensive income as follows:

	Year ended 31 March			Nine months ended 31 December	
	2023	**2024**	**2025**	**2024**	**2025**
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
				(Unaudited)	
Profit (loss) before taxation	3,561	(659)	(737)	(380)	1,174
Tax at Hong Kong Profit tax rate at 16.5%	588	(109)	(122)	(63)	194
Tax effect of tax loss not recognized	–	109	122	63	–
Under-provision in prior year	39	–	–	–	–
Utilisation of tax losses previously recognised	–	–	–	–	(194)
Tax effect of two-tiered profit tax rate	(165)	–	–	–	–
Statutory deduction	(6)	–	–	–	–
Income tax expense	456	–	–	–	–

As at 31 March 2023, 2024, 2025 and 31 December 2025, the Target Company has unused tax losses of nil, HK$653,000, HK$1,462,000, and HK$353,000, respectively, available for offset against future profits, that may be carried forward indefinitely. No deferred tax asset has been recognised in respect of the estimated tax losses due to the unpredictability of future profits streams.

10. PROFIT (LOSS) FOR THE YEAR/PERIOD

	Year ended 31 March			Nine months ended 31 December	
	2023	2024	2025	2024	2025
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
				(Unaudited)	
Profit (loss) for the year/ period has been arrived at after charging:					
Staff costs, including directors' emoluments	1,630	1,150	1,000	790	630
Retirement benefits scheme contributions	8	12	8	8	–
	1,638	1,162	1,008	798	630
External auditor's remuneration	16	12	12	12	–

11. DIRECTORS' EMOLUMENTS

Disclosed pursuant to section 383 (1) of the Hong Kong Companies Ordinance, Cap. 622 and the Companies (Disclosure of Information about Benefits of Directors) Regulation, Cap.622G, are as follows:

(a) Directors' emoluments and other benefit

	Year ended 31 March			Nine months ended 31 December	
	2023	2024	2025	2024	2025
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
				(Unaudited)	
Fee	–	–	–	–	–
Salaries, allowances and other benefits	260	260	240	180	180
Retirement benefit scheme contributions	–	–	–	–	–
	260	260	240	180	180

(b) Directors' termination benefits

During each year ended 31 March 2023, 2024, and 2025 and the nine months ended 31 December 2024 and 2025, there were no termination benefits received by the directors.

(c) Consideration provided to third parties for making available directors' services

During each year ended 31 March 2023, 2024, and 2025 and the nine months ended 31 December 2024 and 2025, no consideration was paid for making available the services of the directors of the Target Company.

(d) Information about loans, quasi-loans and other dealings in favour of directors, their controlled bodies corporate and their connected entities

During each year ended 31 March 2023, 2024, and 2025 and the nine months ended 31 December 2024 and 2025, there were no loans, quasi-loans and other dealings entered into by the Target Company in favour of directors.

(e) Directors' material interests in transactions, arrangements or contracts

No transactions, arrangements and contracts in relation to the Target Company's business to which the Target Company, any of its holding company or fellow subsidiaries, was a party and in which a director of the Target Company had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during each year ended 31 March 2023, 2024, and 2025 and the nine months ended 31 December 2024 and 2025.

12. DIVIDEND

The Directors do not recommend the payment of a dividend for each year ended 31 March 2023, 2024 and 2025, and the nine months ended 31 December 2024 and 2025.

13. AMOUNT DUE FROM DIRECTORS

The amounts due is unsecured, interest-free and repayable on demand.

14. TRADE AND OTHER RECEIVABLES

	As at 31 March			As at 31 December
	2023	2024	2025	2025
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*
Trade receivables	5,889	548	251	481
Other receivables	3,490	10,144	14,418	18,527
	9,379	10,692	14,669	19,008

	As at 31 March			As at 31 December
	2023	2024	2025	2025
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*
Trade receivables	5,973	555	255	488
Less: Allowance for impairment losses	(84)	(7)	(4)	(7)
	5,889	548	251	481
Other receivables	3,538	10,263	14,612	18,783
Less: Allowance for impairment losses	(48)	(119)	(194)	(256)
	3,490	10,144	14,418	18,527

The following is an ageing analysis of trade receivables (net of allowance for expected credit losses) presented based on the invoice dates:

	As at 31 March			As at 31 December
	2023	2024	2025	2025
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*
Up to 3 months	5,889	548	251	481
4 to 6 months	–	–	–	–
7 to 12 months	–	–	–	–
Over 1 year	–	–	–	–
	5,889	548	251	481

The Target Company allows credit period of 90 days to its trade debtors. Further details on the Target Company's credit policy and credit risk arising from trade debtors are set out in note 6 (b).

15. CASH AND CASH EQUIVALENTS

	As at 31 March			As at 31 December
	2023	2024	2025	2025
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*
Cash at bank	1,841	774	866	1,107

Cash and cash equivalents include demand deposits for the purpose of meeting of the Target Company's short term cash commitments, which carry interest at market rates range from 0.001% to 0.875% as at 31: March 2023, 2024, 2025 and 31 December 2025.

16. TRADE AND OTHER PAYABLES

	As at 31 March			As at 31 December
	2023	2024	2025	2025
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*
Trade payables	2,956	4,380	9,487	11,959
Other payables	2,577	2,663	2,012	3,011
	5,533	7,043	11,499	14,970

The following is an ageing analysis of trade payables presented based on the invoice dates:

	As at 31 March			As at 31 December
	2023	2024	2025	2025
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*
Within 3 months	2,956	4,380	3,589	6,444
4 to 6 months	–	–	5,898	5,515
	2,956	4,380	9,487	11,959

17. SHARE CAPITAL

	Number of shares *'000*	Share capital *HK$'000*
Fully paid		
As of 1 April 2022, 31 March 2023, 31 March 2024, 31 March 2025, 31 December 2025	–	–

* The share capital of the Target Company was HK$100 as at 31 March 2023, 2024 and 2025 and 31 December 2025.

18. CAPITAL RISK MANAGEMENT

The Target Company manages its capital to ensure the Target Company will be able to continue as a going concern while maximising the return to stakeholders through the optimisation of the debt and equity balance. The Target Company's overall strategy remains unchanged during the relevant period.

The capital structure of the Target Company consists of equity attributable to owners of the Target Company, comprising issued share capital and retained earnings.

The directors of the Target Company review the capital structure on an on-going basis. As part of this review, the directors of the Target Company consider the cost of capital and the risks associated with the share capital. Based on recommendation of the directors of the Target Company, the Target Company may balance its overall capital structure through the payment of dividends, new share issues as well as the issue of new debts.

19. EVENT AFTER REPORTING PERIOD

Sequent to date of reporting, save as disclosed elsewhere in the Historical Financial Information, the Target Company has no any significant subsequent events.

20. SUBSEQUENT FINANCIAL STATEMENTS

No audited financial statements of the Target Company have been prepared in respect of any period subsequent to 31 December 2025.

*Set out below is the management discussion and analysis of the Target Company for the years ended 31 March 2023, 2024, 2025, nine months ended 31 December 2024 and 2025 (the "**Relevant Periods**").*

REVIEW OF OPERATION

The Target Company is a private company incorporated in Hong Kong with limited liability on 6 August 2019 and is principally engaged in the sourcing and sales of plywood products and other building materials.

The Target Company purchased plywood products and other building materials from manufacturers located in Jiangmen City, Guangdong Province in the PRC and sells the products to overseas high-end markets, including but limited to Japan, Thailand and other European countries.

FINANCIAL REVIEW

Revenue and gross profit

The Target Company's revenue represented its results of sales generated from trading of plywood products and other building materials. The revenue of the Target Company for the years ended 31 March 2023, 2024, 2025, nine months ended 31 December 2024 and 2025 were approximately HK$10.5 million, HK$1.4 million, HK$1.3 million, HK$1.0 million and HK$2.5 million, respectively. The decrease in the revenue of the Target Company from the year ended 31 March 2023 to the year ended 31 March 2025 was mainly resulted from the recession in end markets, and shifting market demand as the property market in Japan and foreign country were in downturn. There is increase in revenue for the nine months ended 31 December 2025 as compared to the corresponding period in the prior year due to the recovery of the market demands as the property market recovers.

Before the completion of the Acquisition, the Target Company does not have the control of the procured products, and the risks and rewards were transferred to the customers when the goods are boarding into port. As such, the revenue of the Target Company was recognised on a net basis.

After the completion of the Acquisition, the Target Company's revenue will be enlarged as it is expected to classify as principal rather than agent, and revenue will hence be recognised on a gross basis. The change in revenue recognition basis is because after completion of the Acquisition, the Target Company will not only purchase the plywood products and other building materials from manufacturer for sales, but will also procure the plywood products and other building materials manufactured by the Group's production base located in Heze City, Shandong Province in the PRC, and sells such products and materials to its customers.

For the years ended 31 March 2023, 2024, 2025, nine months ended 31 December 2024 and 2025, the gross profit of the Target Company was the same as the revenue, which is because the Target Company is regarded as an agent and recognised the revenue on a net basis.

Selling and administrative expenses

The total selling and administrative expenses for the years ended 31 March 2023, 2024, 2025, nine months ended 31 December 2024, and 2025 were approximately HK$6.9 million, HK$2.1 million, HK$2.0 million, HK$1.3 million and HK$1.4 million, respectively. Such expenses mainly comprise the sales and marketing expenses, transportation expenses and salaries of the staff. The decrease in the selling and administrative expenses due to the decrease in the business scale in the Relevant Periods.

Impairment (losses) reversal on financial assets, net

The impairment (losses) reversal on financial assets, net represent the general provision of credit losses for trade and other receivables. The Target Company expects the trade and other receivables are in low credit risk.

Profit or loss before tax

The Target Company recorded a profit before tax of approximately HK$3.4 million for the year ended 31 March 2023, loss before tax of approximately HK$0.7 million for the year ended 31 March 2024, HK$0.8 million for the year ended 31 March 2025, and HK$0.5 million for the nine months ended 31 December 2024 and profit before tax of approximately HK$1.1 million for the nine months ended 31 December 2025. Such change was due to the market conditions changed during the Relevant Periods, and it is expected that the business of the sales of plywood products to overseas will further recovery as the overseas property market recovers and the Target Company is expected to be able to reduce its selling price for the plywood materials after the completion of the Acquisition as the Target Company would be able to procure the plywood product with lower costs from the Company's factory.

Foreign currency risk

The majority of the Target Company's assets and liabilities are denominated in HK$ and United States Dollar, and the Target Company did not experience any material effects on its operation or liquidity as a result of fluctuations in currency exchange rates and did not adopt any currency hedging policy or any hedging instrument during the Relevant Periods. We will continue to monitor its foreign currency risk exposure and will consider hedging significant foreign currency risk should the need arises.

LIQUIDITY, FINANCIAL RESOURCES AND CAPITAL STRUCTURE

The Target Company financed its operations and working capital requirement primarily through internally generated cash flow.

Current assets and liabilities

As at 31 March 2023, 2024, 2025 and 31 December 2025, the Target Company held current assets of approximately HK$11.2 million, HK$11.9 million, HK$15.6 million HK$20.2 million, respectively, comprising amount due from directors, trade and other receivables, tax recoverable and cash and cash equivalents.

As at 31 March 2023, 2024, 2025 and 31 December 2025, the cash and cash equivalents of Target Company were approximately HK$1.8 million, HK$0.8 million, HK$0.9 million and HK$1.1 million, respectively.

As at 31 March 2023, 2024, 2025 and 31 December 2025, the trade and other receivables balances were approximately HK$9.4 million, HK$10.7 million, HK$14.7 million and HK$19.0 million, respectively. The balances mainly represented outstanding receivables from customers of the Target Company's operations. The receivables were received after the subsequent period for recurring business development.

As at 31 March 2023, 2024, 2025 and 31 December 2025, the Target Company held current liabilities of approximately HK$5.7 million, HK$7.0 million, HK$11.5 million HK$15.0 million, respectively, comprising trade and other payables and tax payable.

Gearing ratio

The gearing ratio is calculated as net debt divided by total capital. The net debt is calculated as total borrowings less cash and cash equivalents. Total capital is calculated as total equity. As at 31 March 2023, 2024, 2025 and 31 December 2025, the Target Company had no borrowings and therefore the gearing was nil during the Relevant Periods.

FUNDING AND TREASURY POLICY

The treasury and funding policies of the Target Company primarily focus on liquidity management to maintain an optimum level of liquidity. As at 31 March 2023, 2024, 2025 and 31 December 2025, cash at banks earns interest at rates based on daily bank deposit rates ranging from 0.001% to 0.875%. The bank balances are deposited with creditworthy banks with no history of default.

CAPITAL STRUCTURE

As at 31 March 2023, 2024, 2025 and 31 December 2025, the capital structure of the Target Company comprised issued share capital and retained earnings.

CAPITAL COMMITMENTS

As at 31 March 2023, 2024, 2025 and 31 December 2025, the Target Group did not have any material capital commitments.

EMPLOYEE AND REMUNERATION POLICIES

As at 31 March 2023, 2024, 2025 and 31 December 2025, the Target Company had 9, 8, 8 and 7 employees, respectively. For the years ended 31 March 2023, 2024, 2025 and the nine months ended 31 December 2025, the Target Company's staff costs primarily consisted of salaries and other benefits of approximately HK$1.6 million, HK$1.2 million, HK$1.0 million and HK$0.6 million, respectively. The decrease in staff costs aligned with the decrease in the total number of employees as at the respective period ends as the Target Company experienced decline in sales during the period.

Remuneration for employees of the Target Company was determined based on their job nature, personal performance and the market trends. Remuneration for employees of the Target Group mainly includes wages and bonuses. The Target Company determined employee remuneration based on market standards, personal qualifications, experience, skills, performance and contributions. The Target Company regularly reviews its remuneration and benefits policies, as well as the individual performance of its employees, to ensure that they are fairly paid. The Target Company also contributes to the employees' mandatory provident fund in accordance with the relevant regulations. The Target Company also provides trainings to employees in accordance with relevant laws and regulations.

SIGNIFICANT INVESTMENTS AND MATERIAL ACQUISITION AND DISPOSAL

As at 31 March 2023, 2024, 2025 and 31 December 2025, the Target Company had no significant investment. For the years ended 31 March 2023, 2024, 2025 and the nine months ended 31 December 2025, the Target Company made no material acquisition.

CHARGE OF ASSETS

The Target Group did not have any material charges on its assets during the years ended 31 March 2023, 2024, 2025 and the nine months ended 31 December 2025.

CONTINGENT LIABILITIES

As at 31 March 2023, 2024, 2025 and 31 December 2025, the Target Company did not have any material contingent liabilities.

FUTURE PLAN OR MATERIAL INVESTMENTS OR CAPITAL ASSETS

As at 31 December 2025, the Target Company had no future plan for material investments or capital assets.

The information set forth in this appendix does not form part of the accountants' report received from Confucius International CPA Limited, Certified Public Accountants, Hong Kong, the reporting accountants of the Company, as set forth in Appendix II to this circular, and is included herein for illustrative purposes only.

The Unaudited Pro Forma Financial Information should be read in conjunction with the financial information of the Group set forth in Appendix I and the accountants' report set forth in Appendix II to this circular.

A. UNAUDITED PRO FORMA FINANCIAL INFORMATION OF THE ENLARGED GROUP

The following is the unaudited pro forma financial information of the Enlarged Group (the "**Unaudited Pro Forma Financial Information**") following the completion of the Acquisition of the Target Company by the Group. The Unaudited Pro Forma Financial Information comprises the unaudited pro forma consolidated statement of assets and liabilities of the Enlarged Group, which have been prepared to illustrate the effect of the Acquisition on the Group's financial position as at 30 September 2025 as if the Acquisition had taken place and had been completed on 30 September 2025. Details of the Acquisition are set out in the section headed "Letter from the Board" contained in this circular.

The Unaudited Pro Forma Financial Information has been prepared by the directors of the Company in accordance with Paragraph 4.29 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited for the purpose of illustrating the effects of the Acquisition on the Group for inclusion in this circular only. The Unaudited Pro Forma Financial Information was prepared based on a number of assumptions, estimates and uncertainties and because of its hypothetical nature, it may not give a true picture of the financial position of the Enlarged Group had the Acquisition been completed as at 30 September 2025 or any future date.

The Unaudited Pro Forma Financial Information has been prepared based on the unaudited consolidated statement of financial position of the Group as at 30 September 2025, which has been extracted from the published 2025 interim report of the Company, after giving effect to the unaudited pro forma adjustments that are (i) directly attributable to the Acquisition and not relating to other future events or decisions and (ii) factually supportable, as described in the accompanying notes.

The Unaudited Pro Forma Financial Information should be read in conjunction with the financial information of the Group set out in the Company's interim report for the six months ended 30 September 2025, and other financial information included elsewhere in this circular.

UNAUDITED PRO FORMA CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION OF THE ENLARGED GROUP

	Consolidated statement of financial position of the Group as at 30 September 2025 *RMB'000* (Unaudited) *Note (1)*	Statement of financial position of the Target Company as at 31 December 2025 *RMB'000* (Audited) *Note (2)*	Other pro forma adjustments *RMB'000* (Unaudited)	*Notes*	The Enlarged Group *RMB'000* (Unaudited)
ASSETS					
Non-current assets					
Right-of-use assets	2,582	–	–		2,582
Property, plant and equipment	3,908	–	–		3,908
Investment properties	51,900	–	–		51,900
Goodwill	–	–	1,883	*(4)*	1,883
Contingent consideration assets for business combination	–	–	2,051	*(5)*	2,051
Intangible assets	4,297	–	–		4,297
	62,687	–	3,934		66,621
Current assets					
Trade and other receivables	31,186	17,445	–		48,631
Cash and cash equivalents	122	1,015	–		1,137
	31,308	18,460	–		49,768
LIABILITIES					
Non-current liabilities					
Deferred income	172	–	–		172
Current liabilities					
Trade and other payables	46,559	13,707	718	*(6)*	60,984
Deferred income	25	–	–		25
Receipt in advance	320	–	–		320
Tax payables	6,586	–	–		6,586
Borrowings	29,118	–	–		29,118
	82,608	13,707	718		97,033
Net assets	11,215	4,753	3,216		19,184

NOTES TO THE UNAUDITED PRO FORMA FINANCIAL INFORMATION OF THE ENLARGED GROUP

1. The amounts are extracted from the unaudited condensed consolidated statement of financial position of the Group as at 30 September 2025 as set out in the published interim report of the Group for the six months ended 30 September 2025.

2. The amounts were derived from the statements of financial position of the Target Company as at 31 December 2025 as set out in Appendix II to this circular.

3. For the purpose of this pro forma financial information of the enlarged group, the amounts stated in Hong Kong dollars are converted into Renminbi of RMB1.00 to HK$1.092 as at 30 September 2025.

4. Upon Completion, the Group will own the entire interest in the Targe Company. Upon initial recognition, the identifiable assets and liabilities of the Target Company will be accounted for in the consolidated financial statements of the Group at their fair values as of the date of Completion under acquisition method of accounting, in accordance with International Financial Reporting Standard 3 (Revised) "Business Combinations" ("**IFRS 3**") issued by the International Accounting Standards Board ("**IASB**"), with the difference between the consideration and estimated fair value of the identifiable assets and liabilities of the Target Company to be recognised as goodwill.

   Assuming that the Acquisition had been completed on 30 September 2025, the accounting impact of the Acquisition on the Group's assets and liabilities as at 30 September 2025 would be as follows:

   As if the Acquisition was completed on 30 September 2025:

	Notes	*RMB'000*
Pro forma fair value of consideration		
–Consideration Shares	*(a)*	8,687
Contingent consideration assets-compensation	*(5)*	(2,051)
Less: Pro forma fair value of identifiable net assets acquired as at 31 December 2025	*(c)*	(4,753)
Goodwill arising from the Acquisition	*(d)*	1,883

(a) Pursuant to the Equity Transaction Agreement (as defined in this circular), the Consideration of approximately HK$9,486,000 (equivalent to RMB8,687,000) shall be settled by Shares on Completion.

The 55,800,000 Consideration Shares will be allotted and issued at the Issue Price of HK$0.17 each, the Consideration Shares will be allotted and issued pursuant to the Specific Mandate and will be allotted and issued as to (i) subject to the fulfillment of the Guarantees (as defined below) during the 12 months period following the Completion (the "**First Guarantee Period**"), up to 50% (being an aggregate of 27,900,000 Consideration Shares, comprising 14,229,000 Consideration Shares to Mr. Huang Jianting and 13,671,000 Consideration Shares to Ms. Li Ziyun) within 7 business days following the First Guarantee Period; and (ii) subject to the fulfillment of the Guarantees during the 13 to 24 months period following the Completion (the "**Second Guarantee Period**"), up to 50% (being an aggregate of 27,900,000 Consideration Shares, comprising 14,229,000 Consideration Shares to Mr. Huang Jianting and 13,671,000 Consideration Shares to Ms. Li Ziyun) within 7 business days following the Second Guarantee Period. An application will be made by the Company to the Listing Committee for the listing of, and permission to deal in, the Consideration Shares.

(b) Pursuant to the Agreement, the Vendors guarantee to the Purchaser that the audited net profit after taxation of the Target Company during the 12 months period immediately following Completion ("**2027 Profit**") shall not be less than HK$4,000,000 (the "**2027 Profit Guarantee**") and the audited revenue of the Target Company for the twelve full months immediately following Completion ("**2027 Revenue**") shall not be less than HK$50,000,000 (the "**2027 Revenue Guarantee**") and the audited net profit after taxation of the Target Company during the 13 to 24 months period immediately following Completion ("**2028 Profit**") shall not be less than HK$4,000,000 (the "**2028 Profit Guarantee**") and the audited revenue of the Target Company for the twelve full months immediately following Completion ("**2028 Revenue**") shall not be less than HK$50,000,000 (the "**2028 Revenue Guarantee**"). If the Target Company could not achieve the revenue and profit figures as set out in the above, the Vendors shall jointly and severally compensate the Company on the shortfall by reducing the number of the Consideration Shares to be issued to them on a pro-rata basis ("**Compensation**"). In addition, given that the revenue and profit guarantees are provided evenly for two years, the amount of guarantee for each year will be capped at 50% of the Consideration Shares. The calculation method is as follows:

If the total revenue or net profit for the First Guarantee Period is less than the amount specified in 2027 Profit Guarantee or 2027 Revenue Guarantee, the percentage of the shortfall shall be calculated by dividing the amount of shortfall in revenue or net profit by their respective guaranteed amounts. The number of Consideration Shares to be reduced shall be calculated by multiplying 50% of the Consideration Shares (i.e. a total of 27,900,000 Consideration Shares) by the aforementioned shortfall percentage (whichever is higher).

If the total revenue or net profit for the Second Guarantee Period is less than the amount specified in 2028 Profit Guarantee or 2028 Revenue Guarantee above, the percentage of the shortfall shall be calculated by dividing the amount of shortfall in revenue or net profit by their respective guaranteed amounts. The number of Consideration Shares to be reduced shall be calculated by multiplying 50% of the Consideration Shares (i.e. a total of 27,900,000 Consideration Shares) by the aforementioned shortfall percentage (whichever is higher).

(c) In accordance with the IFRS 3, the Group will apply acquisition method to account for the Acquisition. In applying the acquisition method, the identifiable assets and liabilities of the Target Company have to be recorded at their fair values. For the purpose of the preparation of the unaudited pro forma statement of assets and liabilities, the carrying amounts of the identifiable assets and liabilities of the Target Company as estimated by the directors as at 30 September 2025 are assumed to be approximate to their fair values.

(d) For the purpose of preparing the Pro Forma Financial Information, the Directors made preliminary assessment, with reference to International Accounting Standard 36, Impairment of Assets, issued by the IASB, as to whether or not, based on the above information, there is any indicator of impairment on goodwill arising from the Acquisition. Based on such assessment, the Directors did not identify any impairment indicator in respect of the goodwill arising from the Acquisition.

The Directors will follow the Group's accounting policy in respect of assets impairment assessment, including the assessment of the impairment of goodwill arising from the Acquisition when preparing the Company's consolidated financial statements covering the period in which the Acquisition is completed. The Company's consolidated financial statements will be subject to the annual audit by the Company's auditors in accordance with Hong Kong Standards of Auditing.

The amounts of goodwill and fair values of the identifiable assets and liabilities of the Target Company are subject to change upon the completion of the valuation of the fair values of the identifiable assets and liabilities of the Target Company on the date of completion of the Acquisition. Consequently, the resulting goodwill, the actual purchase price at the date of completion will likely result in different amounts than those stated in the Unaudited Pro Forma Financial Information.

5. The fair value of the Compensation is determined by the Directors with reference to valuation carried out by BonVision International Appraisals Limited (the "**Independent Valuer**"), and is calculated by multiplying the value of the shortfall and the probability of the shortfall.

   Fair value of the Compensation

   The forecasted net profit after taxation and revenue of the Target Company in the cash flow forecast prepared by the Directors is assumed to be the 2027 Profit, 2027 Revenue, 2028 Profit and 2028 Revenue which fail the Profit Guarantee and Revenue Guarantee for 2027 and 2028. Should the Target Company fail to meet the Profit Guarantee and Revenue Guarantee, the Vendors shall jointly and severally compensate the Company at the shortfall by reducing the number of the Compensation shares to be issued to them on a pro-rata basis. Accordingly, the fair value of the Compensation is HK$2,239,000 (equivalent to RMB2,051,000).

   The Compensation is an asset resulting from a contingent consideration arrangement. Such contingent consideration asset is measured at its acquisition-date fair value and considered as part of the consideration transferred in a business combination in accordance with IFRS 3.

6. For the purpose of the Unaudited Pro Forma Financial Information, the transaction costs, such as professional services fees, that are directly attributable to the Acquisition, are estimated by the Directors to be HK$791,000 (equivalent to RMB718,000) as if the Acquisition had been completed on 30 September 2025.

7. Apart from above, no other adjustments have been made to reflect any trading result or other transactions of the Group entered into subsequent to 30 September 2025 for the purpose of preparation of the unaudited pro forma condensed consolidated statement of financial position of the Enlarged Group as at 30 September 2025.

PAN-CHINA 天健國際會計師事務所有限公司
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B. INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON THE COMPILATION OF UNAUDITED PRO FORMA FINANCIAL INFORMATION

The following is the text of a report received from the reporting accountants, Confucius International CPA Limited, Certified Public Accountants, Hong Kong, in respect of the Group's pro forma financial information for the purpose of this circular.

To the Directors of Da Sen Holdings Group Limited

We have completed our assurance engagement to report on the compilation of unaudited pro forma financial information (the "**Unaudited Pro Forma Financial Information**") of Da Sen Holdings Group Limited (the "**Company**") and its subsidiaries (collectively the "**Group**") by the directors of the Company for illustrative purposes only. The unaudited pro forma financial information consists of the unaudited pro forma consolidated statement of assets and liabilities as at 30 September 2025 and related notes as set out in Appendix IV to the circular issued by the Company dated 3 June 2026 (the "**Circular**"). The applicable criteria on the basis of which the directors have compiled the Unaudited Pro Forma Financial Information are described in Appendix IV of the Circular.

The Unaudited Pro Forma Financial Information has been compiled by the directors to illustrate the impact of the proposed acquisition of entire equity interests of Chance Rich International Trading Limited (the "**Proposed Acquisition**") on the Group's financial position as at 30 September 2025 as if the Proposed Acquisition had taken place at 30 September 2025. As part of this process, information about the Group's financial position has been extracted by the directors from the unaudited condensed consolidated statement of financial position of the Group as at 30 September 2025 as set out in the published interim report of the Group for the six months ended 30 September 2025.

Directors' Responsibilities for the Unaudited Pro Forma Financial Information

The directors are responsible for compiling the Unaudited Pro Forma Financial Information in accordance with paragraph 4.29 of the Rules Governing the Listing Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**") and with reference to Accounting Guideline 7 "Preparation of Pro Forma Financial Information for Inclusion in Investment Circulars" (the "**AG 7**") issued by the Hong Kong Institute of Certified Public Accountants (the "**HKICPA**").

Our Independence and Quality Management

We have complied with the independence and other ethical requirements of the Code of Ethics for Professional Accountants issued by the Hong Kong Institute of Certified Public Accountants ("**HKICPA**"), which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior.

The firm applies Hong Kong Standard on Quality Management ("**HKSQM**") 1, "Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements" issued by the HKICPA, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Reporting Accountant's Responsibilities

Our responsibility is to express an opinion, as required by paragraph 4.29(7) of the Listing Rules, on the Unaudited Pro Forma Financial Information and to report our opinion to you. We do not accept any responsibility for any reports previously given by us on any financial information used in the compilation of the Unaudited Pro Forma Financial Information beyond that owed to those to whom those reports were addressed by us at the dates of their issue.

We conducted our engagement in accordance with Hong Kong Standard on Assurance Engagements 3420 "Assurance Engagements to Report on the Compilation of Pro Forma Financial Information Included in a Prospectus" issued by the HKICPA. This standard requires that the reporting accountant plan and perform procedures to obtain reasonable assurance about whether the directors have compiled the Unaudited Pro Forma Financial Information in accordance with paragraph 4.29 of the Listing Rules and with reference to AG 7 issued by the HKICPA.

For purposes of this engagement, we are not responsible for updating or reissuing any reports or opinions on any historical financial information used in compiling the Unaudited Pro Forma Financial Information, nor have we, in the course of this engagement, performed an audit or review of the financial information used in compiling the Unaudited Pro Forma Financial Information.

The purpose of Unaudited Pro Forma Financial Information included in a circular is solely to illustrate the impact of a significant event or transaction on unadjusted financial information of the Group as if the event had occurred or the transaction had been undertaken at an earlier date selected for purposes of the illustration. Accordingly, we do not provide any assurance that the actual outcome of the event or transaction at 30 September 2025 would have been as presented.

A reasonable assurance engagement to report on whether the Unaudited Pro Forma Financial Information has been properly compiled on the basis of the applicable criteria involves performing procedures to assess whether the applicable criteria used by the directors in the compilation of the Unaudited Pro Forma Financial Information provide a reasonable basis for presenting the significant effects directly attributable to the event or transaction, and to obtain sufficient appropriate evidence about whether:

- The related pro forma adjustments give appropriate effect to those criteria; and
- The unaudited pro forma financial information reflects the proper application of those adjustments to the unadjusted financial information.

The procedures selected depend on the reporting accountant's judgement, having regard to the reporting accountant's understanding of the nature of the Group, the event or transaction in respect of which the Unaudited Pro Forma Financial Information has been compiled, and other relevant engagement circumstances.

The engagement also involves evaluating the overall presentation of the Unaudited Pro Forma Financial Information.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Opinion

In our opinion:

(a) the Unaudited Pro Forma Financial Information has been properly compiled on the basis stated;

(b) such basis is consistent with the accounting policies of the Group; and

(c) the adjustments are appropriate for the purposes of the Unaudited Pro Forma Financial Information as disclosed pursuant to paragraph 4.29(1) of the Listing Rules.

Confucius International CPA Limited
Certified Public Accountants

Tsang Kwong Kin
Practicing Certificate Number: P07368
Hong Kong
3 June 2026

1. RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regards to the Group. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief, the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement contained in this circular or this circular misleading.

2. DISCLOSURE OF INTERESTS

Interests of Directors and chief executives of the Company and its associated corporations

As of the Latest Practicable Date, none of the Directors and chief executives of the Company had any interests and short positions in the Shares, underlying Shares and debentures of the Company and its associated corporations (within the meaning of Part XV of the SFO) which were required (a) to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO); or (b) pursuant to Section 352 of the SFO, to be entered in the register referred to therein; or (c) pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "**Model Code**") as set out in Appendix C3 to the Listing Rules, to be notified to the Company and the Stock Exchange.

Substantial shareholders' interests and short positions in shares, underlying shares and debentures

As at the Latest Practicable Date, the following persons/entities (other than the Directors or chief executive of the Company) had or were deemed to have an interest or a short positions in the shares, the underlying shares and debentures of the Company which would be required to be disclosed to the Company and the Stock Exchange under the provisions of Division 2 and 3 of Part XV of the SFO, or which were recorded in the register of the Company required to be kept under Section 336 of the SFO, or who were directly or indirectly, interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meeting of the Company or any other member of the Group:

Name	Number of Shares held, capacity and nature of interest: Directly beneficially owned	Interests in persons acting in concert	Total	Percentage of the Company's share capital
Mr. WONG Tseng Hon	622,535,278	–	622,535,278	56.82%
Suntial Pte. Ltd. *(Note 1)*	117,000,000	–	117,000,000	10.68%
Mr. CHAI Kaw Sing *(Note 2)*	47,061,522	15,714,964	62,776,486	5.73%

Notes:

1. Suntial Pte. Ltd. is wholly owned by Mr. Li Liang (李良). Mr. Li Liang is deemed to be interested in all the Shares in which Suntial Pte. Ltd. is interested in by virtue of the SFO.

2. Mr. Chai Kaw Sing was the legal owner of 47,061,522 Shares and Ms. Chang Yu Chen, the spouse of Mr. Chai Kaw Sing, was the legal owner of 15,714,964 Shares. Mr. Chai Kaw Sing is deemed to be interested in all the Shares in which his spouse is interested in by virtue of the SFO.

3. MATERIAL ADVERSE CHANGES

The Directors confirm that, as of the Latest Practicable Date, there was no material adverse change in the financial or trading position of the Enlarged Group since 31 March 2025, being the date to which the latest published audited consolidated financial statements of the Group were made up.

4. DIRECTORS' SERVICE CONTRACTS

As of the Latest Practicable Date, none of the Directors had entered, or proposed to enter, into a service contract with any member of the Enlarged Group, other than service contracts expiring or determinable by the relevant member of the Enlarged Group within one year without payment of compensation other than statutory compensation.

5. DIRECTORS' INTERESTS IN ASSETS

As of the Latest Practicable Date, none of the Directors had any direct or indirect interests in any assets which have been acquired or disposed of by, or leased to, or which were proposed to be acquired or disposed of by, or leased to, any member of the Enlarged Group since 31 March 2025, being the date to which the latest published audited financial statements of the Group were made up.

6. DIRECTORS' INTERESTS IN CONTRACTS OR ARRANGEMENTS

None of the Directors was materially interested in any contract or arrangement subsisting as of the Latest Practicable Date which is significant in relation to the business of the Enlarged Group.

7. DIRECTORS' INTERESTS IN COMPETING BUSINESS

As of the Latest Practicable Date, so far as the Directors were aware, none of the Directors and their respective close associates had interest in any business apart from the Enlarged Group's businesses which competes or is likely to compete, either directly or indirectly, with the business of the Enlarged Group.

8. MATERIAL LITIGATION

As of the Latest Practicable Date, no member of the Enlarged Group was engaged in any litigation or claims of material importance nor was any litigation or claims of material importance known to the Directors to be pending or threatened against any member of the Enlarged Group.

9. MATERIAL CONTRACTS

The following contracts (not being contracts entered into in the ordinary course of business) have been entered into by members of the Enlarged Group within the two years immediately preceding the issue of this circular, and which are or may be material:

(a) the Agreement (as amended by the Supplemental Agreement).

10. EXPERT AND CONSENTS

The following is the qualification of the expert or professional adviser who has given opinion or advice contained in this circular:

Name	Qualification
Confucius International CPA Limited	Certified Public Accountants

The above expert has given and has not withdrawn its written consent to the issue of this circular with the inclusion of its letters, reports and/or opinions and the references to its names (including its qualifications) included herein in the form and context in which it is included.

As at the Latest Practicable Date, the above expert (a) did not have any shareholding in any member of the Enlarged Group or any right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in any member of the Enlarged Group; and (b) was not interested, directly or indirectly, in any assets which have been or are proposed to be acquired or disposed of by or leased to any member of the Enlarged Group since 31 March 2025, being the date to which the latest published audited accounts of the Company were made up.

11. GENERAL

(a) The company secretary of the Company is Mr. Lau Chung Wai. Mr. Lau has over 20 years of experience in the field of auditing, accounting, financial management and corporate governance, and is a certified public accountant (practising) registered with the Accounting and Financial Reporting Council in Hong Kong.

(b) The address of the principal share registrar, Conyers Trust Company (Cayman) Limited, and transfer office of the Company in Cayman Islands is at Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands.

(c) The address of the Hong Kong branch share registrar, Computershare Hong Kong Investor Services Limited, and transfer office of the Company in Hong Kong is at Shops 1712-1716, 17th Floor, Hopewell Centre, No. 183 Queen's Road East, Wanchai, Hong Kong.

(d) In the event of any inconsistency, the English language text of this circular shall prevail over the Chinese language text.

12. DOCUMENTS ON DISPLAY

Copies of the following documents will be published on the websites of the Company (http://www.msdscn.com) and the Stock Exchange (www.hkexnews.hk) for a period of 14 days from the date of this circular (both days inclusive):

(1) the Agreement;

(2) the Supplemental Agreement;

(3) the accountants' report of the Target Company issued by Confucius International CPA Limited as set out in Appendix II to this circular;

(4) the report on the pro forma financial information of the Enlarged Group as set out in Appendix IV to this circular;

(5) the written consents referred to in the paragraph headed "Expert and consents" in this appendix; and

(6) this circular.

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)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that an extraordinary general meeting (the "**Meeting**") of Da Sen Holdings Group Limited (the "**Company**") will be held at Room 2703, 27th Floor, K. Wah Centre, No. 191 Java Road, North Point, Hong Kong on Monday, 22 June 2026 at 11:00 a.m., Hong Kong for the purpose of considering and, if thought fit, passing with or without amendments, the following resolution of the Company (unless otherwise specified or the context requires otherwise, terms and expressions as defined in the circular of the Company dated 3 June 2026 (the "**Circular**") shall carry the same meanings when used herein:

ORDINARY RESOLUTION

"**THAT**:

(a) the sale and purchase agreement (the "**Agreement**") dated 18 January 2026 and the supplemental agreement dated 15 May 2026 entered into by Heroic Group Limited (the "**Purchaser**"), Mr. Huang Jianting and Ms. Li Ziyun (collectively, the "**Vendors**") and the Guarantors, in relation to the acquisition of Chance Rich International Trading Limited involving issue of consideration shares under specific mandate (a copy of which is produced to the Meeting and signed by the Chairman for the purpose of identification), the transaction contemplated thereunder and any other ancillary documents, be and are hereby confirmed, approved and ratified, subject to such addition or amendment as any director(s) of the Company (the "**Director(s)**") may consider necessary, desirable or appropriate;

(b) the issue and allotment of up to 55,800,000 Shares (the "**Consideration Shares**") at the issue price of HK$0.17 per Consideration Share to the Vendors or their designated third party pursuant to the terms of the Agreement be and are hereby approved ("**Specific Mandate**");

(c) subject to and conditional upon the Listing Committee of The Stock Exchange of Hong Kong Limited having granted the listing of, and permission to deal in, the Consideration Shares, the Directors be and are hereby granted the Specific Mandate and any one or more of the Directors be and is/are hereby specifically authorised to exercise all the powers of the Company to allot, issue and credit as fully paid the Consideration Shares, on and subject to the terms and conditions of the Agreement (as amended by the Supplemental Agreement), provided that such authority granted to the Directors shall be in addition to, and shall not prejudice or revoke any general or specific mandate(s) which has/have been granted or may from time to time be granted to the Directors prior or subsequent to the passing of this resolution; and

(d) any one or more of the Directors be and is/are hereby authorized to do all such acts and things and execute all such documents which he/she/they consider necessary, appropriate, desirable and/or expedient for the purpose of, or in connection with the implementation of and giving effect to the Agreement (as amended by the Supplemental Agreement) and/or any transactions contemplated thereunder, and be and is/are further authorised to agree to all such variations and amendments to any document and to give all such waivers of the obligations under any document as are, in his/her opinion, in the interests of the Company and its shareholders."

By order of the Board
Da Sen Holdings Group Limited
SUN Yongtao
Chairman

Hong Kong, 3 June 2026

Registered office:
Cricket Square, Hutchins Drive
PO Box 2681
Grand Cayman, KY1-1111
Cayman Islands

Principal Place of Business and Headquarters in Hong Kong:
Room 2703, 27th Floor
K. Wah Centre,
No. 191 Java Road,
Hong Kong

Notes:

(1) A member entitled to attend and vote at the Meeting is entitled to appoint one or more proxy to attend and, subject to the provisions of the articles of association of the Company, to vote on his/her/its behalf. For the avoidance of doubt and for the purposes of the Listing Rules, holders of treasury shares of the Company (if any) are not entitled to vote at the Company's general meetings.

(2) A proxy need not be a member of the Company but must be present in person at the Meeting to represent the member. If more than one proxy is so appointed, the appointment shall specify the number and class of shares in respect of which each such proxy is so appointed.

(3) A form of proxy for use at the Meeting is enclosed. Whether or not you intend to attend the Meeting in person, you are encouraged to complete and return the enclosed form of proxy in accordance with the instructions printed thereon. Completion and return of a form of proxy will not preclude a member from attending in person and voting at the Meeting or any adjournment thereof, should he/she/it so wish.

(4) In order to be valid, the form of proxy, together with a power of attorney or other authority, if any, under which it is signed, or a certified copy of such power or authority must be deposited at the Company's branch share registrar and transfer office in Hong Kong, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, No. 183 Queen's Road East, Wanchai, Hong Kong, not less than 48 hours before the time appointed for holding the Meeting or any adjournment thereof.

(5) In the case of joint holders of shares, any one of such joint holders may vote at the Meeting, either in person or by proxy, in respect of such share as if he/she/it was solely entitled thereto, but if more than one of such joint holders are present at the Meeting personally or by proxy, that one of the said persons so present whose name stands first on the register of members of the Company in respect of such shares shall alone be entitled to vote in respect thereof.

(6) The register of members of the Company will be closed from Thursday, 18 June 2026 to Monday, 22 June 2026 (both days inclusive), during which period no transfer of shares will be effected. In order to qualify for the entitlement to attend and vote at the above meeting, all transfer forms accompanied by the relevant share certificates must be lodged with the Company's branch share registrar and transfer office in Hong Kong, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, No. 183 Queen's Road East, Wanchai, Hong Kong, not later than 4:30 p.m. on Wednesday, 17 June 2026 for registration.

(7) If typhoon signal No. 8 or above, or a "black" rainstorm warning is in effect any time after 7:00 a.m. on the date of the EGM, the meeting will be postponed. The Company will publish an announcement on the website of the Company at www.msdscn.com and on the Stock Exchange website at www.hkexnews.com notify shareholders of the Company of the date, time and place of the rescheduled meeting.

As at the date of this notice, the executive Director is Mr. WONG Ben; the non-executive Director is Dr. LEUNG Clara Ka-wah; and the independent non-executive Directors are Mr. SUN Yongtao and Dr. KWOK Yiu Tong.