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**Da Sen Holdings Group Limited**  
**大森控股集團有限公司**  
*(Incorporated in the Cayman Islands with limited liability)*  
**(Stock Code: 1580)**

**AMENDED OPEN OFFER ON THE BASIS OF  
THREE (3) OFFER SHARES FOR EVERY FIVE (5) EXISTING SHARES  
HELD ON THE RECORD DATE  
AND CHANGE IN BOARD LOT SIZE**

**Financial Adviser to the Company**



References are made to the announcements of the Company dated 30 November 2020, 8 January 2021 and 18 May 2021 (together, the “**Announcements**”) in relation to, among other things, the Revised Open Offer and the Creditors Schemes. Capitalised terms used herein shall have the same meaning as those defined in the Announcements unless the context otherwise requires.

**PROPOSED DEBT RESTRUCTURING**

As disclosed in the Announcements, the Board, having considered the latest financial position of the Group, resolved to implement a debt restructuring plan and implement the Revised Open Offer to fund the implementation of the Creditors Schemes. It is envisaged that the Company will restructure its debts by way of implementing a scheme of arrangement in Hong Kong (the “**Creditors Scheme**”) and upon the Creditors Scheme having become effective, the Company will make cash payment and issue new Shares under the general mandate to the Creditors with claims admitted by the Scheme Administrators on a pro rata basis under the Creditors Scheme. It is expected that the cash payment under the Creditors Scheme will be funded by the proceeds from the Amended Open Offer (as defined below).

## AMENDED OPEN OFFER

On 1 September 2021, the Board resolved to further adjust the terms of the Revised Open Offer which will now be implemented on the basis of three (3) Offer Shares for every five (5) Shares (the “**Amended Open Offer**”) held on the Record Date by the Qualifying Shareholders at the Offer Price of HK\$0.04 per Offer Share.

### Issue Statistics

Basis of the Amended Open Offer:	Three (3) Offer Shares for every five (5) existing Shares held on the Record Date
Number of Shares in issue as at the date of this announcement:	974,400,000 Shares
Offer Price:	HK\$0.04 per Offer Share
Number of Offer Shares:	584,640,000 Offer Shares
Funds to be raised before expenses:	HK\$23.4 million
Total number of Shares upon completion of the Amended Open Offer:	1,559,040,000 Shares

Assuming there is no change to the issued share capital of the Company from the date of this announcement up to the Record Date, 584,640,000 Offer Shares represent (a) 60.0% of the Company’s issued share capital as at the date of this announcement; and (b) approximately 37.5% of the Company’s issued share capital as enlarged by the issuance of the Offer Shares.

The Amended Open Offer will proceed on a non-underwritten basis irrespective of the level of acceptances of the provisionally allotted Offer Shares and the level of subscription of the excess Offer Shares. The Qualifying Shareholders are entitled to apply for Offer Shares in excess of their own assured allotments. In the event that the Amended Open Offer is not fully subscribed, any Offer Shares not taken up by the Qualifying Shareholders will not be issued by the Company and the size of the Amended Open Offer will be reduced accordingly.

The gross proceeds of the Amended Open Offer (before expenses) are approximately HK\$23.4 million and net proceeds of the Amended Open Offer (after expenses) are estimated to be approximately HK\$23.2 million. It is expected that the proceeds from the Amended Open Offer in the sum of approximately HK\$20.0 million will be paid for the implementation of the Creditors Scheme and its associated costs and the balance of approximately HK\$3.2 million shall be retained as the general working capital of the Company after the completion of the Amended Open Offer.

## **The Irrevocable Undertakings**

To facilitate the implementation of the Amended Open Offer under the Proposed Restructuring, on 1 September 2021, the Substantial Shareholder, the Controlling Shareholder Concert Group (excluding Mr. Ke Mingcai, whose Shares are currently held by a receiver) (the “**Concert Group**”) and Mr. Chai, an executive Director, each provided, an irrevocable undertaking to the Company (the “**Irrevocable Undertaking(s)**”).

The Substantial Shareholder has irrevocably undertaken to the Company that he will accept or procure the acceptance of the Offer Shares to be provisionally allotted to him under the Amended Open Offer of 132,777,000 Offer Shares (being all of the assured entitlement of the Substantial Shareholder under the Amended Open Offer based on the existing shareholding structure of the Company, assuming that there will not be any change to the shareholding structure from the date of this announcement up to and including the Record Date) and will ensure that 221,295,000 Shares will remain legally and beneficially owned by him at the close of business on the Record Date. The Substantial Shareholder has also irrevocably undertaken to apply, by way of excess application, up to a maximum of 67,223,000 additional Offer Shares. The Irrevocable Undertaking by the Substantial Shareholder is conditional on the proposed implementation of the Amended Open Offer being approved by the Independent Shareholders at the EGM.

The Concert Group has irrevocably undertaken to the Company that it will accept or procure the acceptance of the Offer Shares to be provisionally allotted to it under the Amended Open Offer of 71,235,480 Offer Shares (being all of the assured entitlement of the Concert Group under the Amended Open Offer based on the existing shareholding structure of the Company, assuming that there will not be any change to the shareholding structure from the date of this announcement up to and including the Record Date) and will ensure that 118,725,800 Shares will remain legally and beneficially owned by them at the close of business on the Record Date. The Irrevocable Undertaking by the Concert Group is conditional on the proposed implementation of the Amended Open Offer being approved by the Independent Shareholders at the EGM.

Pursuant to the Irrevocable Undertaking, Mr. Chai has irrevocably undertaken to the Company that he will accept or procure the acceptance of the Offer Shares to be provisionally allotted to him and his spouse under the Amended Open Offer of 44,100,000 Offer Shares (being all the assured entitlement of Mr. Chai and his spouse under the Amended Open Offer based on the existing shareholding structure of the Company, assuming that there will not be any change to the shareholding structure from the date of this announcement up to and including the Record Date) and will ensure that 73,500,000 Shares will remain legally and beneficially owned by Mr. Chai and his spouse at the close of business on the Record Date. Mr. Chai has also irrevocably undertaken to apply, by way of excess application, up to a maximum of 155,900,000 additional Offer Shares. The Irrevocable undertaken by Mr. Chai is conditional on the proposed implementation of the Amended Open Offer being approved by the Independent Shareholders at the EGM.

Save as disclosed above and as at the date of this announcement, the Company has not received any information or irrevocable undertaking from any other substantial Shareholder (as defined under the Listing Rules) of the Company of any intention in relation to the Offer Shares to be provisionally allotted to that substantial Shareholder under the Amended Open Offer.

### **The Offer Price**

The Offer Price is HK\$0.04 per Offer Share, payable in full upon acceptance of the relevant assured allotment of the Offer Shares and, where applicable, application for excess Offer Shares under the Amended Open Offer. The net Offer Price per Offer Share (after deducting the relevant expenses) will be approximately HK\$0.04.

The Offer Price of HK\$0.04 per Offer Share represents:

- (a) a discount of approximately 65.52% to the closing price of HK\$0.116 per Share as quoted on the Stock Exchange on 1 September 2021, being the last trading day for the Shares immediately prior to the publication of this announcement (the “**Last Trading Day**”);
- (b) a discount of approximately 54.55% to the theoretical ex-entitlement price of approximately HK\$0.088 per Share, based on the closing price of HK\$0.116 per Share as quoted on the Stock Exchange on the Last Trading Day;
- (c) a discount of approximately 65.22% to the average closing price of approximately HK\$0.115 per Share as quoted on the Stock Exchange for the last five consecutive trading days up to and including the Last Trading Day;
- (d) a discount of approximately 65.22% to the average closing price of approximately HK\$0.115 per Share as quoted on the Stock Exchange for the last ten consecutive trading days up to and including the Last Trading Day;
- (e) a discount of approximately 80.49% to the audited net asset value per Share of approximately HK\$0.205 per Share based on the audited accounts of the Group for the year ended 31 December 2020; and
- (f) a discount of approximately 75.76% to the unaudited net asset value per Share of approximately HK\$0.165 per Share based on the unaudited interim financial results of the Group for the six months ended 30 June 2021.

The Offer price was determined at with reference to, (i) the downward trend of the market price and low trading volume of the Shares; (ii) the prevailing unstable market conditions, the working capital requirements of the Company and the financial performance and financial position of the Group as at 31 December 2020 and 30 June 2021; (iii) the uncertainty brought about by the COVID-19 pandemic on the Group’s business operations; and (iv) the funding needs for the implementation of the Creditors Scheme.

Given that (i) the Group intends to reduce its debt level through the implementation of the Creditors Scheme and provide additional working capital for its business operations; (ii) upon the completion of the Creditors Scheme, all Creditors (for the avoidance of doubt, shall not include the Substantial Shareholder and Mr. Chai in respect of the Cash Advance and parties with claims relating to Restructuring Costs) claims against the Company, and liabilities of the Company will be discharged and released in full; (iii) the Offer Price was determined by the Directors with reference to the prevailing market price of the Shares prior to and including the Last Trading Day; and (iv) the Qualifying Shareholders will be entitled to subscribe for the Offer Shares at the Offer Price in proportion to their existing shareholding in the Company, the Directors consider that the Offer Price to be fair and reasonable and the Amended Open Offer to be in the best interests of the Company and the Shareholders as a whole.

### **Conditions of the Amended Open Offer**

The Amended Open Offer is conditional upon the following conditions being fulfilled:

- (a) the passing of the necessary resolution(s) by the Independent Shareholders at the EGM to approve the Proposed Restructuring and the transactions contemplated thereunder, including but not limited to the Creditors Scheme and the Amended Open Offer (more than 50% of the Independent Shareholders at the EGM by way of poll) by no later than the Prospectus Posting Date;
- (b) the delivery to the Stock Exchange for authorisation and the registration with the Registrar of Companies in Hong Kong respectively one copy of each of the Prospectus Documents duly signed by two Directors (or by their agents duly authorised in writing) as having been approved by resolution of the Directors (and with all other documents required to be attached thereto) and otherwise in compliance with the Listing Rules and the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Chapter 32 of the Laws of Hong Kong) (as amended, supplemented or otherwise modified from time to time) by no later than the Prospectus Posting Date;
- (c) the posting of the Prospectus Documents to the Qualifying Shareholders and the posting of the Prospectus and the Overseas Letter to the Non-Qualifying Shareholders, if any, for information purpose only explaining the circumstances in which they are not permitted to participate in the Amended Open Offer on or before the Prospectus Posting Date;
- (d) the Listing Committee of the Stock Exchange granting or agreeing to grant (subject to allotment) and not having withdrawn or revoked the listing of and permission to deal in all the Offer Shares by no later than the Prospectus Posting Date, and such listing and permission not being subsequently withdrawn or revoked;

- (e) all requirements and conditions imposed by the Stock Exchange or the SFC or under the Listing Rules otherwise in connection with the Amended Open Offer and the transactions contemplated thereunder (if any) having been fulfilled or complied with;
- (f) compliance with and performance of the Irrevocable Undertakings by the Substantial Shareholder, the Concert Group and Mr. Chai; and
- (g) compliance with the requirements under the applicable laws and regulations of Hong Kong and the Cayman Islands.

None of the conditions of the Amended Open Offer as set out above are waivable. As at the date of this announcement, none of the above conditions have been fulfilled.

### **Status of the Offer Shares**

The Offer Shares (when fully paid and allotted) will rank *pari passu* in all respects among themselves and the Shares in issue as at the date of allotment and issuance of the Offer Shares, including all rights to all future dividends or distributions, which may be declared, made or paid by the Company on or after the date of allotment and issuance of the Offer Shares, as well as rights to voting and interest in capital.

### **Qualifying Shareholders**

The Amended Open Offer will be made available to the Qualifying Shareholders. The Company will send (i) the Prospectus Documents to the Qualifying Shareholders; and (ii) the Prospectus with the Overseas Letter to the Non-Qualifying Shareholders for information purposes only.

To qualify for the Amended Open Offer, a Shareholder must (a) be registered as a member of the Company at the close of business on the Record Date; and (b) not be a Non-Qualifying Shareholder.

In order to be registered as members of the Company at the close of business on the Record Date, Shareholders must lodge any transfers of Shares (together with the relevant share certificates) with the Registrar, Computershare Hong Kong Investor Services Limited at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong for registration no later than 4:30 p.m. (Hong Kong time) on Friday, 8 October 2021.

### **Closure of register of members**

The register of members of the Company will be closed from Monday, 11 October 2021 to Monday, 18 October 2021, both dates inclusive, for the purpose of determining entitlements of Qualifying Shareholders to the Amended Open Offer. No transfer of the Shares will be registered during this period.



## **Rights of the Non-Qualifying Shareholders**

If, at the close of business on the Record Date, a Shareholder's address on the register of member of the Company is in a place outside Hong Kong, that Overseas Shareholder may not be eligible to take part in the Amended Open Offer as the Prospectus Documents will not be registered and/or filed under the applicable securities legislation of any jurisdictions other than Hong Kong.

In compliance with Rule 13.36(2)(a) of the Listing Rules, the Board will make enquiries, to be based on legal advice, regarding the feasibility of extending the Amended Open Offer to the Overseas Shareholders, if any. If, after making such enquiry, the Board is of the opinion that it would be necessary or expedient on account either of the legal restrictions under the laws of the relevant places or the requirements of the relevant regulatory bodies or stock exchanges in that place, not to offer the Offer Shares to the Overseas Shareholders, no provisional allotment of Offer Shares will be made to the Overseas Shareholders. Accordingly, the Amended Open Offer will not be extended to the Non-Qualifying Shareholders.

The results of the enquiries and the basis of exclusion of the Overseas Shareholders will be included in the Prospectus. The Company will, subject to compliance with the relevant local laws, regulations and requirements, send copies of the Prospectus with the Overseas Letter for information only, but will not send any Application Form(s) and excess application form(s), to the Non-Qualifying Shareholders.

**Overseas Shareholders should note that they may or may not be entitled to the Amended Open Offer, subject to the results of enquiries made by the Directors pursuant to Rule 13.36(2)(a) of the Listing Rules. Accordingly, Overseas Shareholders should exercise caution when dealing in the securities of the Company.**

### **Application for excess Offer Shares**

The Offer Shares (i) to which the Non-Qualifying Shareholders would otherwise have been entitled; (ii) not validly applied for by the Qualifying Shareholders under the Amended Open Offer; and (iii) created by aggregation of fractional assured entitlements, will be available for excess application by the Qualifying Shareholders.

The Qualifying Shareholders are entitled to apply for any Offer Shares in excess of their own assured allotments by completing an excess application form and lodging the same with a separate remittance for the excess Offer Shares being applied for, but are not assured of being allocated any Offer Shares in excess of their assured allotments under the Application Forms.

The Directors will allocate the excess Offer Shares at their discretion on a fair and equitable basis as far as practicable according to the following principles:

- (i) no preference will be given to applications for topping-up odd-lot holdings to whole-lot holdings as the giving of such preference may potentially be abused by certain investors by splitting their Shares and thereby receiving more Offer Shares than they would receive, which is an unintended and undesirable result; and
- (ii) subject to availability of excess Offer Shares, the excess Offer Shares will be allocated to the Qualifying Shareholders who have applied for excess application on a pro rata basis based on the excess Offer Shares applied for by them.

In the event that the Board notes unusual patterns of excess applications and has reason to believe that any application may have been made with the intention to abuse the mechanism, such application(s) for excess Offer Shares may be rejected at the sole discretion of the Board.

Shareholders with their Shares held by a nominee (including HKSCC) should note that the Directors will regard the nominee (including HKSCC) as a single Shareholder according to the register of members of the Company. Accordingly, investors whose Shares are registered in the name of a nominee (including HKSCC) should note that the aforesaid arrangements in relation to the allocation of excess Offer Shares will not be extended to them individually. Shareholders should consult their professional advisers if they are in any doubt as to whether they should register their shareholding in their own names prior to the book closure period and apply for the Offer Shares themselves.

**Those Qualifying Shareholders who do not take up the Offer Shares in full to which they are entitled to and the Non-Qualifying Shareholders should note that their shareholdings in the Company will be diluted upon completion of the Amended Open Offer.**

### **Fractions of the Offer Shares**

Entitlement to the Amended Open Offer will be rounded down to the nearest whole number. No fractional entitlements to the Offer Shares will be issued to the Qualifying Shareholders. Any Offer Shares created from the aggregation of fractional assured entitlements will be available for excess application by the Qualifying Shareholders.



## **Share certificates and refund cheques for the Offer Shares**

Subject to the fulfilment of the conditions of the Amended Open Offer, share certificates for all Offer Shares are expected to be posted to the Qualifying Shareholders who have accepted and applied for (where appropriate), and paid for the Offer Shares on or before Wednesday, 10 November 2021 by ordinary post at their own risk. Refund cheques in respect of wholly or partially unsuccessful applications for excess Offer Shares, or if the Amended Open Offer is terminated, refund cheques in respect of the applications for Offer Shares are expected to be posted on or before Wednesday, 10 November 2021 by ordinary post to the applicants at their own risk.

## **Application for listing of the Offer Shares**

The Company will apply to the Listing Committee of the Stock Exchange for the listing of, and permission to deal in, the Offer Shares. No part of the securities of the Company is listed or dealt in on any stock exchange other than the Stock Exchange and no such listing or permission to deal is proposed to be sought. Dealings in the Offer Shares on the Stock Exchange will be subject to the payment of stamp duty (if any) in Hong Kong and any other applicable fees and charges in Hong Kong.

Subject to the granting of the listing of, and permission to deal in, the Offer Shares on the Stock Exchange, the Offer Shares will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the respective commencement dates of dealings in the Offer Shares on the Stock Exchange or such other dates as determined by HKSCC. Settlement of transactions between participants of the Stock Exchange on any trading day is required to take place in CCASS on the second trading day thereafter. All activities under CCASS are subject to the General Rules of CCASS and CCASS Operational Procedures in effect from time to time.

**Shareholders should note that Shares will be dealt in on an ex-entitlement basis commencing from Thursday, 7 October 2021 and that dealings in Shares will take place while the conditions to which the Amended Open Offer is subject remain unfulfilled. Any Shareholder or other person dealing in Shares up to the date on which all conditions to which the Amended Open Offer is subject are fulfilled, will accordingly bear the risk that the Amended Open Offer may not become unconditional and may not proceed. Any Shareholder or other person contemplating selling or purchasing Shares who is in any doubt about their position is recommended to consult their own professional adviser.**

## CHANGES IN SHAREHOLDING STRUCTURE

The following is the shareholding structure of the Company as at the date of this announcement and immediately upon completion of the Amended Open Offer and the Creditors Scheme assuming there is no change in the shareholding structure of the Company from the date of this announcement to immediately after completion of the Amended Open Offer and the Creditors Scheme (for illustrative purpose only):

	As at the date of this announcement		Immediately after the completion of the Amended Open Offer (assuming all Offer Shares are subscribed by the Qualifying Shareholders)		Immediately after the completion of the Amended Open Offer (assuming no Offer Share is subscribed by the Qualifying Shareholders save for those subscribed under the Irrevocable Undertaking)		Immediately after the completion of the Amended Open Offer (assuming all Offer Share is subscribed by the Qualifying Shareholders and the issuance of shares under the Creditors Scheme)		Immediately after the completion of the Amended Open Offer (assuming no Offer Share is subscribed by the Qualifying Shareholders save for those subscribed under the Irrevocable Undertaking) and the issuance of shares under the Creditors Scheme	
	No. of Shares	%	No. of Shares	%	No. of Shares	%	No. of Shares	%	No. of Shares	%
The Substantial Shareholder	221,295,000	22.71	354,072,000	22.71	421,295,000	29.14	354,072,000	21.79	421,295,000	27.88
Shares under receivership (Note 1)	190,000,000	19.50	304,000,000	19.50	190,000,000	13.14	304,000,000	18.71	190,000,000	12.57
Concert Group (Note 2)	118,725,800	12.18	189,961,280	12.18	189,961,280	13.14	189,961,280	11.69	189,961,280	12.57
Mr. Chai and his spouse (Note 3)	73,500,000	7.54	117,600,000	7.54	273,500,000	18.92	117,600,000	7.24	273,500,000	18.10
<i>Sub-total</i>	<u>603,520,800</u>	<u>61.94</u>	<u>965,633,280</u>	<u>61.94</u>	<u>1,074,756,280</u>	<u>74.34</u>	<u>965,633,280</u>	<u>59.44</u>	<u>1,074,756,280</u>	<u>71.12</u>
<b>Public Shareholders</b>										
Scheme Creditors (Note 4)	—	0.00	—	0.00	—	0.00	65,592,635	4.04	65,592,635	4.34
Other public shareholders	370,879,200	38.06	593,406,720	38.06	370,879,200	25.66	593,406,720	36.53	370,879,200	24.54
<i>Public Sub-total</i>	<u>370,879,200</u>	<u>38.06</u>	<u>593,406,720</u>	<u>38.06</u>	<u>370,879,200</u>	<u>25.66</u>	<u>658,999,355</u>	<u>40.56</u>	<u>436,471,835</u>	<u>28.88</u>
<b>Total</b>	<u><u>974,400,000</u></u>	<u><u>100.00</u></u>	<u><u>1,559,040,000</u></u>	<u><u>100.00</u></u>	<u><u>1,445,635,480</u></u>	<u><u>100.00</u></u>	<u><u>1,624,632,635</u></u>	<u><u>100.00</u></u>	<u><u>1,511,228,115</u></u>	<u><u>100.00</u></u>

### Notes:

- Ms. Leung Leung Wing Yee Winnie was appointed as a receiver on 2 July 2021 of the relevant shares pursuant to the disclosure of interest filed on 14 July 2021.
- Pursuant to the Concert Party Agreement entered into among Mr. KE Mingcai, Mr. CAI Jinxu, Mr. WANG Songmao, Mr. LIN Qingxiong, Mr. WU Shican and Ms. WU Haiyan, they have agreed on certain arrangements pertaining to their shareholdings in the Company. The Company has been given to understand that Mr. KE Mingcai has been declared bankrupt and his interest in the Company is in the hands of the receiver. Ms. WU Haiyan has irrevocably undertaken to take up the assured entitlement of Concert Group for the Amended Open Offer.
- As at the date of this announcement, Mr. Chai is the legal owner of 57,200,000 Shares and his spouse is the legal owner of 16,300,000 Shares. Mr. Chai is deemed to be interested in all the shares in which his spouse is interested by virtue of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).
- The number of new Shares to be issued under the Creditors Scheme is subject to the indebtedness of the Company and claims of the Creditors to be determined by the Scheme Administrators and adjudication under the Creditors Scheme.

**Shareholders and public investors should note that the above changes in shareholding structure of the Company are for illustration purpose only and the actual change in the shareholding structure of the Company upon completion of the Amended Open Offer is subject to various factors including, among other things, the acceptance level of the Amended Open Offer.**

## **REASONS FOR REVISING THE TERMS OF THE AMENDED OPEN OFFER**

In light of the uncertainties casted by the COVID-19 pandemic, the Sino-US trade war and economic downturn in the PRC, the Group's business has been adversely affected since the beginning of 2020, the Group's PRC main operating subsidiaries have been making a loss in the recent years and the Company's subsidiaries were unable to distribute dividends to the Company.

As mentioned in the Group's unaudited interim results for the six months ended 30 June 2021 published on 31 August 2021, the total borrowings of the Group amounted to approximately RMB58.8 million as at 30 June 2021, which consisted of bonds in Hong Kong and bank loans in the PRC, majority of which are immediately due and repayable.

The Company has been in discussion with a potential independent buyer, on a possible disposal of certain assets of the Group to repay the Group's bank borrowings in its PRC subsidiaries.

Considering that the current volatile market conditions, the Group's cash and cash equivalents of approximately RMB0.4 million as at 30 June 2021, the imminent need for capital for the already due and outstanding borrowings, and the current discussion relating to the potential disposal of assets of the Group, the terms of the Amended Open Offer as announced in the Company's announcement dated 18 May 2021 is, in the Board's opinion, no longer attractive for the Shareholders. Accordingly, the Board is of the view that it would be necessary and in the interest of the Company to adjust the terms of the Amended Open Offer with an increased discount to the Offer Price.

Assuming 584,640,000 Offer Shares will be issued, the estimated gross proceeds of the Amended Open Offer will be approximately HK\$23.4 million (assuming all Offer Shares are subscribed by the Qualifying Shareholders). The estimated expenses in relation to the Amended Open Offer will amount to approximately HK\$0.2 million and the estimated net proceeds of the Amended Open Offer will be approximately HK\$23.2 million (assuming all Offer Shares are subscribed by the Qualifying Shareholders). The net subscription price per Offer Share is expected to be approximately HK\$0.040.

As the net proceeds are expected to be approximately HK\$23.2 million, (i) approximately HK\$20.0 million will be applied for the purpose of implementing the Creditors Scheme and its associated costs; and (ii) the balance of approximately HK\$3.2 million will be applied as general working capital for the Group's business.

## **PROPOSED CHANGE IN BOARD LOT SIZE**

Pursuant to the “Guide on Trading Arrangements for Selected Types of Corporate Actions” issued by the Stock Exchange on 28 November 2008 and last updated on 30 August 2019, the expected value per board lot should be greater than HK\$2,000 taking into account the minimum transaction costs for a securities trade. As at the Last Trading Day, the closing price of the Shares is HK\$0.116 and the board lot size is 5,000 Shares. As the Shares are trading below HK\$2,000 per board lot, the Board proposes to change the board lot size from 5,000 Shares to 30,000 Shares on the Stock Exchange after the completion of the Amended Open Offer. Based on the closing price of HK\$0.116 per Share as quoted on the Stock Exchange as at the Last Trading Day, the market value per each board lot of the Shares before the change in board lot size is HK\$580 and will be HK\$3,480 after the change in board lot size.

The change in board lot size will not result in any change in the relative rights of the shareholders of the Company. The Board considers that the change in board lot size to be in the interest of the Company and its shareholders as a whole.

## **SHARE CERTIFICATES**

No new share certificate for existing Shares will be issued as a result of the change in board lot size, and therefore there will be no arrangement for free exchange of existing share certificate in board lot size of 5,000 Shares to new share certificates in board lot size of 30,000 Shares.

As from Thursday, 18 November 2021, share certificates will be issued in board lot of 30,000 Shares each (except where the share registrar is otherwise instructed). All existing share certificates in board lot of 5,000 Shares each will continue to be good evidence of legal title to such Shares and continue to be valid for transfer, trading, delivery and settlement purposes. Save and except for the change in the number of Shares of each board lot, new share certificates will have the same format and colour as the existing certificates of the Shares.

## **ARRANGEMENT ON ODD LOT TRADING**

In order to facilitate the trading of odd lots (if any) of the Shares as a result of the Amended Open Offer and the change in board lot size, the Company will appoint a securities firm to provide matching services, on a best effort basis, to those Shareholders who wish to top up or sell their holdings of odd lots of the Shares.

Shareholders should note that the matching of the sale and purchase of odd lots of Shares is not guaranteed. Shareholders who are in any doubt about the odd lot matching arrangement are recommended to consult their own professional advisers. Details of the odd lot arrangement will be set out in the circular to be despatched to the Shareholders.

## **PUBLIC FLOAT**

The Directors and the Substantial Shareholder will take necessary steps to ensure the minimum public float requirement, as set out under Rule 8.08 of the Listing Rules, will be maintained at all times and upon completion of the Amended Open Offer.

## **FUNDS RAISING ACTIVITIES OF THE COMPANY IN THE PAST TWELVE MONTHS**

The Company has not conducted any equity fund raising activity in the past twelve months before the date of this announcement.

## **IMPLICATIONS UNDER THE LISTING RULES**

The Offer Shares will not be issued under the authority of currently available general mandate granted by the Shareholders to the Directors. According to Rules 7.24A(1) and 7.27A of the Listing Rules, the Amended Open Offer must be made conditional on approval by Independent Shareholders in the EGM by a resolution on which Directors (excluding independent non-executive Directors) and chief executive of the Company and their associates shall abstain from voting in favour at the EGM in respect of the resolution for the Amended Open Offer.

## **EXPECTED TIMETABLE**

The expected timetable for the Creditors Scheme, Amended Open Offer, the change in board lot size and the associated trading arrangement set out below are indicative only and it has been prepared on the assumption that all the conditions set out under the paragraph headed “Conditions of the Amended Open Offer” in this announcement will be fulfilled. All times stated in this announcement refer to Hong Kong time and dates stated for events in the following expected timetable are indicative only and may be extended or varied.

The expected timetable for the Creditors Scheme, the Amended Open Offer, the change in board lot size and the associated trading arrangement are as follows:

### **Hong Kong time**

Despatch date of the Circular, proxy form and notice of the EGM.....	Monday, 13 September 2021
Latest time for registration of Shares to qualify for attendance and voting at the EGM .....	4:30 p.m. on Monday, 27 September 2021

Closure of register of members of the Company to determine the qualification for attendance and voting at the EGM. ....	Tuesday, 28 September 2021 to Tuesday, 5 October 2021 (both dates inclusive)
Latest time for lodging proxy forms for the EGM .....	3 p.m. on Sunday, 3 October 2021
Record date for attending and voting at the EGM.....	Tuesday, 5 October 2021
Time and date of the EGM.....	3 p.m. on Tuesday, 5 October 2021
Announcement of result of EGM .....	Tuesday, 5 October 2021
Re-opening of the register of members of the Company. ....	Wednesday, 6 October 2021
Last day of dealings in Shares on a cum-entitlement basis of the Amended Open Offer .....	Wednesday, 6 October 2021
First day of dealings in Shares on an ex-entitlement basis of the Amended Open Offer .....	Thursday, 7 October 2021
Latest time for lodging transfers of the Shares in order for the transferees to qualify for the Amended Open Offer .....	4:30 p.m. on Friday, 8 October 2021
Register of members of the Company closes .....	Monday, 11 October 2021 to Monday, 18 October 2021 (both dates inclusive)
Record date for the Amended Open Offer.....	Monday, 18 October 2021
Re-opening of the register of members of the Company. ....	Tuesday, 19 October 2021
Despatch of Prospectus Documents (in the case of the Non-Qualifying Shareholders, the Prospectus with the Overseas Letter only).....	Tuesday, 19 October 2021
High Court hearing to convene the Creditors Scheme meeting .....	Thursday, 28 October 2021



Latest Time for application and payment for the Offer Shares .....	4:00 p.m. on Tuesday, 2 November 2021
Announcement of the results of the Amended Open Offer .....	Tuesday, 9 November 2021
Despatch of certificates for the fully-paid Offer Shares and refund cheques. ....	Wednesday, 10 November 2021
First day of dealings in the fully-paid Offer Shares .....	Thursday, 11 November 2021
Last day for trading of Shares in board lots of 5,000 Shares each .....	Wednesday, 17 November 2021
Effective date of the change in board lot size from 5,000 Shares to 30,000 Shares each. ....	Thursday, 18 November 2021
Creditors meeting to approve the Creditors Scheme .....	Thursday, 25 November 2021
Announcement of results of Creditors meeting .....	Thursday, 25 November 2021
High Court hearing of the petition for the sanction of the Creditors Scheme. ....	Tuesday, 11 January 2022
Announcement of the result of the High Court hearing .....	Tuesday, 11 January 2022

**Effect of bad weather on the latest time for acceptance**

The Latest Time for Acceptance will be postponed if there is:

- (i) A tropical cyclone warning signal number 8 or above; or
- (ii) A black rainstorm warning;

in force in Hong Kong at any local time between 9:00 a.m. and 4:00 p.m. on Tuesday, 2 November 2021, the Latest Time for Acceptance will be postponed to 4:00 p.m. on the next business day which does not have either of those warnings in force in Hong Kong at any time between 9:00 a.m. and 4:00 p.m.

If the Latest Time for Acceptance does not take place on Tuesday, 2 November 2021, the dates mentioned in the above section headed “Expected Timetable” in this announcement may be affected. An announcement will be made by the Company in such event.

## GENERAL

The EGM will be held for the purpose of considering, and if thought fit, approving the Creditors Scheme and the Amended Open Offer and the transactions contemplated thereunder. As at the date of this announcement, given that there is no controlling Shareholders as at the date of this announcement, according to Rules 7.24A(1) and 7.27A of the Listing Rules, the Amended Open Offer must be made conditional on approval by Independent Shareholders in the EGM by a resolution on which Directors (excluding independent non-executive Directors) and chief executive of the Company and their associates shall abstain from voting in favour at the EGM in respect of the resolution for the Amended Open Offer.

The circular containing, among other things, (i) further details of the Creditors Scheme and the Amended Open Offer; and (ii) a notice convening the EGM, is expected to be despatched to Shareholders on or before 13 September 2021. Further announcement will be made by the Company in this regard as and when appropriate.

Subject to, among others, the Creditors Scheme and the Amended Open Offer being approved at the EGM, the Prospectus Documents or the Prospectus, whichever is appropriate, is expected to be despatched to the Qualifying Shareholders on or before 19 October 2021 and, for information only, the Non-Qualifying Shareholders in due course.

**Shareholders and potential investors of the Company should note that the Creditors Scheme and the Amended Open Offer are subject to various conditions which may or may not be fulfilled. Therefore, there is no assurance that the Proposed Restructuring (including the Creditors Scheme and the Amended Open Offer) will proceed. In particular, the Amended Open Offer is subject to the fulfilment of the conditions set out under the paragraph headed “Conditions of the Amended Open Offer” in this announcement. Any Shareholders or other persons contemplating purchasing or selling Shares from the date of this announcement up to the date when the conditions of the Creditors Scheme and the Amended Open Offer are fulfilled will bear the risk that the Creditors Scheme and the Amended Open Offer do not become unconditional and may not proceed. Shareholders and potential investors are advised to exercise caution when dealing in the Shares. If in any doubt, Shareholders and potential investors should consider obtaining professional advice.**

By order of the Board  
**Da Sen Holdings Group Limited**  
**CHAI Kaw Sing**  
*Executive Director*

Hong Kong, 1 September 2021

*As at the date of this announcement, the executive Directors are Mr. CHAI Kaw Sing, Mr. SUN Yongtao, Mr. WONG Ben, Mr. WONG Wai Keung Frederick and Mr. ZHANG Ayang; and the independent non-executive Directors are Mr. LO Kam Cheung Patrick, Ms. LO Yuk Yee and Mr. TSO Siu Lun Alan.*