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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)**

**SUPPLEMENTAL ANNOUNCEMENT IN RELATION TO  
PLACING OF CONVERTIBLE BONDS UNDER GENERAL MANDATE  
AND  
ENTERING INTO OF A JOINT VENTURE AGREEMENT**

Reference is made to the announcement of Da Sen Holdings Group Limited (the “**Company**”) dated 3 March 2023 in relation to, among others, (i) the Placing of Convertible Bonds under General Mandate; and (ii) the entering into of a Joint Venture Agreement (the “**Announcement**”). Capitalised terms used in this announcement shall have the same meanings as those defined in the Announcement unless otherwise specified herein.

The Company would like to provide the following supplemental information on the transactions as follows:

**SUPPLEMENTAL AGREEMENT TO THE PLACING AGREEMENT**

On 20 March 2023 (after trading hours), the Company entered into a supplemental placing agreement with the Placing Agent, pursuant to which the long stop date of the Placing will be amended to 24 March 2023. In the event that the conditions precedent for the completion of the Placing are not fulfilled by 24 March 2023, all rights, obligations and liabilities of the Company and the Placing Agent under the Placing Agreement shall cease and terminate and none of the parties therein shall have any claim against the other.

**USE OF PROCEEDS FROM THE PLACING**

The Company intends to use the net proceeds from the Placing as to approximately HK\$5.8 million (equivalent to approximately RMB5.1 million) for the capital injection to the Joint Venture by April 2023 and the remaining for general working capital of the Group, which is expected to be used by end of 2023.

## FURTHER DETAILS OF THE JOINT VENTURE

The Company was first acquainted with Vfuchong and Qucheng Tongchuang when Mr. Sun Yongtao, a non-executive Director, met Mr. Ho Yi, a minority shareholder of Qucheng Tongchuang, in Shenzhen in a business gathering in early 2022 and Mr. Sun Yongtao visited the office of Qucheng Tongchuang through the referral of Mr. Ho Yi in around March 2022.

The Joint Venture, namely Shenzhen Vfuchong Qucheng Technology Co., Ltd.\* (深圳市微付充趣程科技有限公司), has been established on 15 August 2022 and is held as to 51% by the Company and 49% by Qucheng Tongchuang as at the date of this announcement. Pursuant to the Joint Venture Agreement, Qucheng Tongchuang shall transfer 37% of the issued shares of the Joint Venture to Vfuchong within two months from the date of completion of the capital injection by the Company.

As stated in the Announcement, the Joint Venture would be engaged in the operation of a hotel virtual room card system (“**Hotel Room Card System**”) and an e-commerce membership club platform (the “**Membership Club Platform**”). Set out below are further details in relation to the proposed businesses of the Joint Venture.

The Joint Venture intends to develop the Membership Club Platform at the first stage and the Hotel Room Card System at the second stage. Currently, Vfuchong is operating a mobile phone application, namely Transportation Card\* (乘車卡) (the “**App**”), which integrates various transportation cards across over 150 cities in the PRC and has a huge amount of active users. It is expected that the Membership Club Platform will be integrated as part of the App, where the users of the App could access the Membership Club Platform via the App. The Membership Club Platform would provide discount coupons of leisure and travel related purchases for use at various retail stores, restaurants and hotels by members of the membership club. The target customers of the Membership Club Platform are primarily existing users of the App, and other individuals who are accessible to the App via other mobile phone applications where the App has been integrated thereat. The primary costs of this business primarily consist the software development and maintenance costs involved in the development and maintenance of the Membership Club Platform. Marketing costs is also expected to be incurred for (i) procuring retail stores, restaurants and hotels to participate as merchant in providing discount coupons on the Membership Club Platform; and (ii) promoting to the target customers to join as a member of the Membership Club Platform. It is expected that no fixed fee is required to be paid for integrating the Membership Club Platform into the App.

The Membership Club Platform is expected to generate revenue from (i) the one-time fixed membership fees to be charged on the users joining as a member of the Membership Club Platform and (ii) the promotion fees from participating retail stores, restaurants and hotels for advertising their respective businesses, products or services by providing discount coupons on the Membership Club Platform. It is contemplated that membership of the Membership Club Platform and their respective membership fees could be divided into various levels with reference to the different rates or types of discounts being offered by the relevant participating retail stores, restaurants and/or hotels. In respect of the promotion fees to be charged on the participating merchants, they are expected to be proportional to the money spent by the members thereof by way of utilising the discount coupons then available at the Membership Club Platform. No fixed fee will be charged to the participating merchants if the members do not use their coupons. It is estimated that the Membership Club Platform would be launched by the end of 2023 with the first batch of participating merchants primarily located in the Guangdong Province.

It is intended that the Hotel Room Card System shall be launched in 2024. The Hotel Room Card System shall leverage on the technology of near field communication (NFC), where Vfuchong is one of the market leaders in this area in the PRC. The Hotel Room Card System would be developed for the specific hotel operators and be integrated into their respective mobile phone application or user platform. The target customers of the Hotel Room Card System would be major hotel chain operators in the PRC. It is expected that the primary costs of this business shall consist software development and maintenance costs involved in the development and maintenance of the Hotel Room Card System. The Joint Venture is expected to generate revenue from the fees to be paid by such hotel operators based on the actual number of usage.

As the above proposed businesses of the Joint Venture are still in a preliminary stage, the business development plan of the Joint Venture could be subject to change upon implementation. Based on the advice of a Joint Venture partner's PRC legal adviser, the above businesses are not prohibited or restricted business for foreign investors under existing PRC laws and regulations.

The current role of the Company in the Joint Venture will mainly be as an investor outlining details of its business plan with the other shareholders of the Joint Venture. Meanwhile, Vfuchong shall license the Joint Venture to develop the Membership Club Platform based on its software model, and Vfuchong and Qucheng Tongchuang shall be responsible for the development, operation, marketing and promotion of the Membership Club Platform and the Hotel Room Card System. Despite the Company's management does not have direct experience in the e-commerce business, Mr. Ben Wong, an executive Director, had previous experiences in the IT industry and was graduated with a computer science degree, would be able to contribute to the development of the Joint Venture. The management of the Group, including Mr. Ben Wong, shall, in close cooperation with the management of Vfuchong and Qucheng Tongchuang, utilise its general commercial acumen to oversee the management of the businesses to be carried out by the Joint Venture. The Company shall also constantly review the business of the Joint Venture and may recruit appropriate personnel with relevant experiences in managing the business operation of the Joint Venture, in cooperation with its other shareholders, as the implementation of the Joint Venture's business plan being progressed.

The Company currently has no current intention to downsize, cease or dispose of any of the existing businesses of the Group and intends to continue their operation under the existing business scale. Nonetheless, as the existing businesses of the Group has been loss making over the past three years as affected by the negative operating environment, the Group would also continue to explore other business opportunities with prospects with a view to turnaround the financial performance of the Group.

Save as disclosed above, all other information in the Announcement remains unchanged.

\* *for identification purpose only*

By order of the Board  
**Da Sen Holdings Group Limited**  
**SUN Yongtao**  
*Chairman and non-executive Director*

Hong Kong, 20 March 2023

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