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If you have sold or transferred all your shares in Asia Cassava Resources Holdings Limited, you should at once hand this circular to the purchaser or the transferee or to the bank, licensed securities dealer or 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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ASIA CASSAVA RESOURCES HOLDINGS LIMITED

亞洲木薯資源控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 841)

MAJOR TRANSACTION ACQUISITION OF PROPERTIES

All capitalized terms used in this circular shall have the meanings set out in the section headed "Definitions" on pages 1 to 3 of this circular.

A letter from the Board is set out on pages 4 to 10 of this circular.

The Company has obtained written Shareholders' approval for the Preliminary Agreements and the transactions contemplated thereunder pursuant to Rule 14.44 of the Listing Rules. Accordingly, no Shareholders' meeting will be held to approve the Preliminary Agreements and the transactions contemplated thereunder pursuant to Rule 14.44 of the Listing Rules. This circular is being despatched to the Shareholders for information only.

26 October 2023

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DEFINITIONS

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

“Acquisitions”	the acquisitions of the Properties by the relevant Purchasers from the relevant Sellers pursuant to the terms and conditions of the Preliminary Agreements
“Art Rich”	Art Rich Management Limited, a company incorporated in the British Virgin Islands, which is legally and beneficially owned by Mr. Chu as to 97% and Ms. Ng Nai Nar as to 3%, which beneficially owns 225,000,000 Shares in the Company, representing approximately 38.48% of the issued share capital of the Company, and is one of the controlling shareholders of the Company
“Announcement”	the announcement dated 18 May 2023 issued by the Company in respect of the Acquisitions
“Board”	the board of Directors
“Company”	Asia Cassava Resources Holdings Limited (Stock Code: 841), a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the Main Board of the Stock Exchange (stock code: 841)
“Completion”	the completion of the Acquisitions in accordance with the terms and conditions of the Preliminary Agreements (or any subsequent formal agreements)
“Connected person”	has the same meaning ascribed to it in the Listing Rules
“Consideration”	the aggregate consideration of HK\$50,560,900 for the Acquisitions
“Directors”	the directors of the Company
“Group”	the Company and its subsidiaries
“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

DEFINITIONS

“Latest Practicable Date”	16 October 2023, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained herein
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Mr. Chu”	Mr. Chu Ming Chuan, the chairman and executive Director of the Company, who beneficially owns 360,520,715 Shares in the Company, representing approximately 61.66 % of the issued share capital of the Company, and is one of the controlling shareholders of the Company
“Preliminary Agreements”	collectively, Preliminary Agreement I, Preliminary Agreement II, and Preliminary Agreement III
“Preliminary Agreement I”	the preliminary sale and purchase agreement made between the Seller I and Purchaser I on 18 May 2023 in relation to the acquisition of Property I
“Preliminary Agreement II”	the preliminary sale and purchase agreement made between the Seller II and Purchaser II on 18 May 2023 in relation to the acquisition of Property II
“Preliminary Agreement III”	the preliminary sale and purchase agreement made between the Seller I and Purchaser I on 18 May 2023 in relation to the acquisition of Property III
“Properties”	collectively, Property I, Property II and Property III
“Property I”	Unit No. 3 on 11th Floor, Houston Centre, No. 63 Mody Road, Kowloon
“Property II”	Unit No. 4 on 11th Floor, Houston Centre, No. 63 Mody Road, Kowloon
“Property III”	Unit No. 9 on 11th Floor, Houston Centre, No. 63 Mody Road, Kowloon
“Purchaser I”	Win Global Shipping Limited, a limited company incorporated in Hong Kong and a wholly-owned subsidiary of the Company

DEFINITIONS

“Purchaser II”	Globe Shipping Limited, a limited company incorporated in Hong Kong and a wholly-owned subsidiary of the Company
“Purchasers”	collectively, Purchaser I and Purchaser II
“Seller I”	Mega Toys (H.K.) Limited, a company incorporated in Hong Kong with limited liability
“Seller II”	California Costume International Limited, a company incorporated in Hong Kong with limited liability
“Sellers”	collectively, Seller I and Seller II
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) as amended from time to time
“Share(s)”	issued ordinary share(s) of the Company
“Shareholder(s)”	Shareholder(s) of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“%”	per cent

LETTER FROM THE BOARD



ASIA CASSAVA RESOURCES HOLDINGS LIMITED

亞洲木薯資源控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 841)

Executive Directors:

Mr. CHU Ming Chuan (*Chairman*)

Ms. LIU Yuk Ming

Ms. LAM Ching Fun

Independent non-executive Directors:

Mr. CHUI Chi Yun Robert

Mr. HONG Sijie

Ms. Amporn Lohathanulert

Registered office:

Cricket Square,

Hutchins Drive,

P.O. Box 2681,

Grand Cayman, KY1-1111,

Cayman Islands

26 October 2023

To the Shareholders for information only

Dear Sir or Madam,

**MAJOR TRANSACTION
ACQUISITION OF PROPERTIES**

A. INTRODUCTION

Reference is made to the Announcement dated 18 May 2023.

Pursuant to three Preliminary Agreements dated 18 May 2023 entered into by the Purchasers, which are the wholly-owned subsidiaries of the Company, on the one hand, and two Sellers on the other hand, the Purchasers agreed to purchase and the Sellers agreed to sell the Properties, at a total price of HK\$50,560,900 payable in cash. The Properties to be acquired are Unit Nos. 3, 4 and 9 on 11th Floor, Houston Centre, No. 63 Mody Road, Kowloon.

Since the highest of the applicable percentage ratios (as defined in Rule 14.07 of the Listing Rules) in respect of the Acquisitions taken together falls between 25% and 100%, the Acquisitions collectively constitute a major transaction for the Company, and are subject to the notification, announcement and shareholders' approval requirements under Chapter 14 of the Listing Rules.

LETTER FROM THE BOARD

To the best of the knowledge, information and belief of the Directors, after having made all reasonable enquiries, no Shareholders or any of their respective associates have any material interest in the Acquisitions. As such, no Shareholder would be required to abstain from voting in favour of the resolution approving the Acquisitions under the Preliminary Agreements. Further, as at the date of the Announcement, Art Rich and Mr. Chu, who collectively held a total of 360,520,715 Shares (or approximately 61.66% of the issued share capital of the Company as at the date of the Announcement) and, pursuant to Rule 14.44 of the Listing Rules, they have given a written approval for the Acquisitions in lieu of holding a general meeting of the Company to approve the Acquisitions under Rule 14.44 of the Listing Rules. As such, the Company will not convene any general meeting to approve the Acquisitions.

The purpose of this circular is to provide the Shareholders with further information of the Acquisitions and other information required under the Listing Rules.

B. PRELIMINARY AGREEMENTS

PRELIMINARY AGREEMENT I

1. Date: 18 May 2023
2. Parties: (a) Seller I; and
(b) Purchaser I

Seller I is a company incorporated in Hong Kong with limited liability, and its principal business is property holding. Seller I is owned as to approximately 99.8% by P.C. Woo Inc., a company registered in California, the United States of America, approximately 0.1% by Woo Tak Kwan and approximately 0.1% by Woo Charles Chak Kwan.

To the best of the knowledge, information and belief of the Directors having made all reasonable enquiries, P.C. Woo Inc. is owned as to approximately 10.31% by Kao Li Wen, 44.85% by Woo Tak Kwan and 44.84% by Woo Charles Chak Kwan, and Seller I and its ultimate beneficial owners are third parties independent of the Company and connected persons of the Company.

3. Property to be acquired: Unit No. 3 on 11th Floor, Houston Centre, No. 63 Mody Road, Kowloon

Property I will be acquired on an “as is” basis. Upon completion, Seller I shall deliver vacant possession of Property I to Purchaser I and free from any encumbrances.

LETTER FROM THE BOARD

4. Consideration:

The Purchaser I will pay a total sum of HK\$11,507,700 for Property I in the following manner:

- (a) an initial deposit of HK\$600,000 was paid to Seller I's solicitor as stakeholder on the date of the Preliminary Agreement I;
- (b) a further deposit of HK\$550,770 was paid to Seller I's solicitor as stakeholder on 1 June 2023; and
- (c) the balance of HK\$10,356,930 shall be paid to Seller I's solicitor upon completion on 30 November 2023.

PRELIMINARY AGREEMENT II

- 1. Date: 18 May 2023
- 2. Parties: (a) Seller II; and
(b) Purchaser II

Seller II is a company incorporated in Hong Kong with limited liability and its principal business is property holding. Seller II is owned as to approximately 99.9% by California Costume Collections, Inc., a company registered in California, the United States of America, and approximately 0.1% by Woo Tak Kwan.

To the best of the knowledge, information and belief of the Directors having made all reasonable enquiries, California Costume Collections, Inc. is wholly owned by P.C. Woo Inc., which is owned as to approximately 10.31% by Kao Li Wen, 44.85% by Woo Tak Kwan and 44.84% by Woo Charles Chak Kwan, and Seller II and its ultimate beneficial owners are third parties independent of the Company and connected persons of the Company.

- 3. Property to be acquired: Unit No. 4 on 11th Floor, Houston Centre, No. 63 Mody Road, Kowloon

Property II will be acquired on an "as is" basis. Upon completion, Seller II shall deliver vacant possession of Property II to Purchaser II and free from any encumbrances.

LETTER FROM THE BOARD

4. Consideration:

The Purchasers will pay a total sum of HK\$19,241,800 for Property II in the following manner:

- (a) an initial deposit of HK\$950,000 was paid to Seller II's solicitor as stakeholder on the date of the Preliminary Agreement II;
- (b) a further deposit of HK\$974,180 was paid to Seller II's solicitor as stakeholder on 1 June 2023; and
- (c) the balance of HK\$17,317,620 shall be paid to Seller II's solicitor upon completion on 30 November 2023.

PRELIMINARY AGREEMENT III

- 1. Date: 18 May 2023
- 2. Parties: (a) Seller I; and
(b) Purchaser I
- 3. Property to be acquired: Unit No. 9 on 11th Floor, Houston Centre, No. 63 Mody Road, Kowloon

Property III will be acquired on an "as is" basis. Upon completion, Seller I shall deliver vacant possession of Property III to Purchaser I and free from any encumbrances.

4. Consideration:

The Purchasers will pay a total sum of HK\$19,811,400 for Property III in the following manner:

- (a) an initial deposit of HK\$950,000 was paid to Seller I's solicitor as stakeholder on the date of the Preliminary Agreement III;
- (b) a further deposit of HK\$1,031,140 was paid to Seller I's solicitor as stakeholder on 1 June 2023; and
- (c) the balance of HK\$17,830,260 shall be paid to Seller I's solicitor upon completion on 30 November 2023.

LETTER FROM THE BOARD

Consideration

The Consideration for the Acquisitions is HK\$ 50,560,900 payable in cash, which was arrived after arm's length negotiations between the Sellers and the Purchasers with reference to, among other things, the prevailing market prices and the historical transactions of Houston Centre of comparable size and floor.

Formal Agreements and Completion

On 1 June 2023, formal agreements were respectively signed among the Sellers and the Purchasers for acquisition of the Properties with the principal terms identical to the Preliminary Agreements. Completion of the Acquisitions shall take place on or before 30 November 2023, upon which vacant possession of the Properties shall be delivered to the respective Purchasers and free from any encumbrances.

C. FINANCIAL EFFECT OF THE ACQUISITIONS

Upon Completion, the Properties will become indirectly wholly-owned by the Group and will be held as investment property of the Group.

As at 31 March 2023, the Group's consolidated net assets value was approximately HK\$662.6 million, and its total assets and total liabilities stood at approximately HK\$2,041.8 million and HK\$1,379.2, million respectively. Based on the unaudited pro forma financial information of the Group in Appendix II to this circular and assuming the Acquisitions had taken place on 31 March 2023 in accordance with the Preliminary Agreements, the total assets and total liabilities would have been increased by approximately HK\$50.6 million and HK\$53.1 million, respectively. The net assets of the Group would have been decreased by approximately HK\$2.5 million upon completion of the Acquisitions. Further details are set out in the unaudited pro forma financial information of the Group in Appendix II to this circular.

The Group's earnings are expected to increase as a result of the Acquisitions, after taking into account the rental income to be derived from the Properties.

D. REASONS FOR, AND BENEFITS OF, THE ACQUISITIONS

The Group is principally engaged in procurement of dried cassava chips in Southeast Asian countries, including Thailand, Cambodia and Vietnam, and sales of dried cassava chips, to customers in the People's Republic of China ("PRC") and Thailand. The Group is continued to be the largest procurer and exporter of dried cassava chips in Thailand and the largest supplier of imported dried cassava chips in the PRC with an all-round integrated business model covering procurement, processing, warehousing, logistics and sale of cassava chips.

The Properties are located at East Tsim Sha Tsui district of Hong Kong, which is one of the major commercial areas in Hong Kong. The Properties are intended to be the investment properties of the Group for the purpose of earning rental income, which will broaden the Company's fixed asset base with potential capital appreciation and diversify the source of income of the Company.

LETTER FROM THE BOARD

Since the principal place of business of the Group in Hong Kong is also located at Houston Centre, No. 63 Mody Road, Kowloon, the Acquisitions will also provide the Group's room for future expansion and development in the sense that the Properties can be re-designated as the Group's self-used office if the need arises in the future.

As such, in light of the commercial viability and potential investment return of the Properties, the Directors consider that the Acquisitions will constitute a reasonable and effective utilisation of the capital of the Company, which will enable the Company to enhance the Company's capital gain, asset base and overall financial position. Since as at 31 March 2023, the Group had cash or cash equivalents of approximately HK\$264.2 million, the Company proposes to settle the entire amount of the Consideration by internal resources of the Group. The Directors have assessed the capital requirement for its daily operations and other expenditures, and are of the view that the Acquisitions will not adversely affect the operation or working capital needs of the Group in any material respect.

The terms of the transactions under the Preliminary Agreements were negotiated on an arm's length basis. The Directors believe that the terms of the Acquisitions are fair and reasonable and in the interests of the Shareholders as a whole.

No Director has any material interest in the transactions under the Preliminary Agreements. Accordingly, no Director is required to abstain from voting on the Board meeting approving the Acquisitions and the transactions under the Preliminary Agreements.

E. LISTING RULES IMPLICATIONS AND GENERAL

Since the highest of the applicable percentage ratios (as defined in Rule 14.07 of the Listing Rules) in respect of the Acquisitions taken together falls between 25% and 100%, the Acquisitions collectively constitute a major transaction for the Company, and they are subject to the notification, announcement and shareholders' approval requirements under Chapter 14 of the Listing Rules.

LETTER FROM THE BOARD

To the best of the knowledge, information and belief of the Directors, after having made all reasonable enquiries, no Shareholders or any of their respective associates have any material interest in the Acquisitions. As such, no Shareholder would be required to abstain from voting in favour of the resolution approving the Acquisitions under the Preliminary Agreements (or any subsequent formal agreements). Further, as at the date of the Announcement, Art Rich and Mr. Chu, who collectively held a total of 360,520,715 Shares (or approximately 61.66% of the issued share capital of the Company as at the date of the Announcement) and, pursuant to Rule 14.44 of the Listing Rules, they have given a written approval for the Acquisitions in lieu of holding a general meeting of the Company to approve the Acquisitions under Rule 14.44 of the Listing Rules. As such, the Company will not convene any general meeting to approve the Acquisitions.

F. ADDITIONAL INFORMATION

Completion of the Acquisitions is subject to Completion and therefore may or may not take place. Shareholders and potential investors of the Company are advised to exercise caution when dealing in the Shares.

Your attention is drawn to the additional information contained in the Appendices to this circular.

Yours faithfully,
For and on behalf of the Board
CHU Ming Chuan
Chairman

1. AUDITED CONSOLIDATED FINANCIAL INFORMATION OF THE GROUP

The audited consolidated financial statements of the Group, together with the accompanying notes, for each of the three years ended 31 March 2021, 2022 and 2023 are disclosed in the annual reports of the Company for the financial years ended 31 March 2021, 2022 and 2023, respectively, and are incorporated by reference into this circular.

The said annual reports of the Company are available on the Company's website at www.asiacassava.com and the Stock Exchange's website at www.hkexnews.hk through the link below:

(a) annual report 2021:

<https://www1.hkexnews.hk/listedco/listconews/sehk/2021/0730/2021073002010.pdf>

(b) annual report 2022:

<https://www1.hkexnews.hk/listedco/listconews/sehk/2022/0731/2022073100043.pdf>

(c) annual report 2023:

<https://www1.hkexnews.hk/listedco/listconews/sehk/2023/0731/2023073101574.pdf>

2. INDEBTEDNESS STATEMENT

As at the close of business on 31 August 2023, being the latest practicable date for the purpose of this indebtedness statement (the "Statement"), the outstanding indebtedness of the Group was as follows:

Borrowings

	Non-current portion <i>HK\$'000</i>	Current portion <i>HK\$'000</i>	Total <i>HK\$'000</i>
Interest-bearing bank borrowings (<i>note 1</i>)			
– Loan 1	412,000	8,000	420,000
– Loan 2	–	42,733	42,733
Due to a non-controlling interest of a subsidiary (<i>note 2</i>)	269,478	–	269,478
	<u>681,478</u>	<u>50,733</u>	<u>732,211</u>

Notes:

- (1) Interest-bearing bank borrowings

Loan 1

Pursuant to a banking facility letter dated 28 September 2018, the Group was granted term loans facilities up to the maximum amount of HK\$570,000,000 (the “**Loan Facility 1**”) in aggregate by Bank of Communications (Hong Kong) Limited for 7 years, HK\$440,000,000 (the “**Loan 1**”) of which has been fully withdrawn subsequently. As at 31 August 2023, the outstanding balance of the Loan 1 was HK\$420,000,000, which bears interest at 1% over Hong Kong Interbank Offered Rate (“**HIBOR**”) and as to HK\$8,000,000, HK\$8,000,000 and the remaining balance of HK\$404,000,000 are repayable in November 2023, November 2024, and October 2025, respectively. Therefore, the Loan 1 of HK\$412,000,000 was classified as non-current portion as at 31 August 2023.

Loan 2

Pursuant to a banking facility letter dated 13 June 2022, the Group was granted trade-related loan facilities up to the maximum amount of HK\$340,600,000 (the “**Loan Facility 2**”) in aggregate by Bank of China (Hong Kong) Limited. As at 31 August 2023, the outstanding balance under the Loan Facility 2 was approximately US\$5,479,000 (equivalent to approximately HK\$42,733,000) (the “**Loan 2**”), which bears interest at a range from 0.8% to 1.2% over Secured Overnight Financing Rate adjusted with the applicable spread and is repayable on demand.

The Group’s interest-bearing bank borrowings in the amount of approximately HK\$462,733,000 as at 31 August 2023 containing a repayment on demand clause. Notwithstanding the above repayment on demand clause, the directors of the Company (the “**Directors**”) consider that the Group has successfully obtained written consents for the waiver of such demand clause, they do not believe that the interest-bearing bank borrowings will be called in their entirety within 12 months from 31 August 2023.

For the purpose of the above analysis, the Group’s interest-bearing bank borrowings are presented in accordance with the maturity dates as set out in the respective agreements.

- (2) Due to a non-controlling interest of a subsidiary

As at 31 August 2023, the amount due to a non-controlling interest of a subsidiary is unsecured and interest-free. On 31 August 2023, the non-controlling interest of the subsidiary has agreed not to demand repayment on or before 31 March 2025. The outstanding balance was stated at the amortised cost as at 31 August 2023, using an effective interest rate at 1% over HIBOR.

Mortgages, charges and pledges

As at 31 August 2023, the Group’s banking facilities (including but not limited to the Loan Facility 1 and the Loan Facility 2) are secured by legal charges over the Group’s hotel properties and serviced apartments; investment properties; and bank balances with an aggregate net carrying value of HK\$904,763,000.

Contingent liabilities

The Group had no significant contingent liabilities as at 31 August 2023.

Disclaimer

Saved as disclosed and apart from intra-group liabilities and normal trade and other payables, as at 31 August 2023, the Group did not have any loan capital issued and outstanding or agreed to be issued, term loans, bank overdrafts, liabilities under acceptances (other than normal trade bills) or acceptance credits, debentures, mortgages and charges, hire purchase commitments or guarantee outstanding.

3. MATERIAL ADVERSE CHANGE

The Directors confirmed that there was no material adverse change in the financial or trading position of the Group since 31 March 2023, being the date to which the latest published audited consolidated financial statements of the Group have been made up, to the Latest Practicable Date.

4. WORKING CAPITAL STATEMENT

The Directors, after due and careful enquiry, are of the opinion that, after taking into account the cash flows impact of the Acquisitions and the financial resources presently available to the Group, including the internally generated funds and the currently available facilities, the Group has sufficient working capital for at least the next 12 months from the date of this circular.

5. MANAGEMENT DISCUSSIONS AND ANALYSIS OF THE GROUP

The Group is principally engaged in procurement of dried cassava chips in Southeast Asian countries, including Thailand, Cambodia and Vietnam, and sales of dried cassava chips, to customers in the PRC. The Group is continued to be the largest procurer and exporter of dried cassava chips in Thailand and the largest supplier of imported dried cassava chips in the PRC with an all-round integrated business model covering procurement, processing, warehousing, logistics and sale of cassava chips.

Year ended 31 March 2023

The Group's revenue from procurement and sales of dried cassava chips was increased by approximately HK\$396.0 million or approximately 11.1% from approximately HK\$3,556.2 million for the year ended 31 March 2022 (the "Previous Year") to approximately HK\$3,952.2 million for the year ended 31 March 2023 (the "Current Year"). Increase in the Group's revenue was mainly attributable to the increase in sales volume of dried cassava chips in the mainland China and average selling price during the Current Year. On the other hand, the Group's revenue from hotel and serviced apartment operation amounted to approximately HK\$11.3 million for the Current Year, representing a decrease of approximately 49.9% from approximately HK\$22.5 million for the Previous Year. Such decrease was mainly attributable to (i) the effect of the coronavirus epidemic in China and the slowdown in China's macro-economic growth and (ii) the fact that the Group sub-contracted certain catering facilities in the PRC hotel to independent catering service provider to achieve a stable monetary return from hotel operation.

The Group's gross profit from procurement and sales of dried cassava chips increased by approximately HK\$20.1 million from approximately HK\$415.4 million for the Previous Year to approximately HK\$435.5 million for the Current Year, mainly due to the increase in revenue from procurement and sales of dried cassava chips and increase in average selling price. However, the Group's gross profit margin from procurement and sales of dried cassava chips for the Current Year slightly decreased to approximately 11.0% from approximately 11.7% for the Previous Year.

During the Current Year, the Group's selling and distribution expenses of approximately HK\$280.4 million (2022: approximately HK\$281.3 million) comprised mainly (a) ocean freight costs of approximately HK\$91.3 million (2022: approximately HK\$116.7 million), (b) warehouse, handling and inland transportation expenses of approximately HK\$182.7 million (2022: approximately HK\$153.2 million) and (c) those related to hotel operation of approximately HK\$3.6 million (2022: approximately HK\$9.4 million). The Group's selling and distribution expenses increased mainly due to increase in sales volume and increase in unit ocean freight costs during the Current Year.

The Group's general and administrative expenses increased from approximately HK\$82.4 million for the Previous Year to approximately HK\$152.7 million in the Current Year, mainly due to (i) the inclusion of expected credit loss on accounts receivable of hotel operation of approximately HK\$8.0 million; and (ii) the inclusion of impairment loss on the segment of hotel and serviced apartment operations of approximately HK\$57.7 million.

The Group's finance expenses increased from approximately HK\$13.1 million for the Previous Year to approximately HK\$35.9 million for the Current Year. The increase in finance costs was mainly due to significant increase in average interest rates of the trade financing loans and bank borrowing during the Current Year as compared with the previous year.

In view of the above, the Group's loss for the Current Year attributable to the owner of the Company amounted to approximately HK\$94.7 million (2022: profit of HK\$45.0 million).

As at 31 March 2023, the Group had cash and bank balances of approximately HK\$264.2 million (2022: HK\$100.6 million). The Group expresses its gearing ratio as a percentage of borrowings over total assets. As at 31 March 2023, the Group had a gearing ratio of 47.1% (2022: 49.2%).

The Group believes that 2023 will be a challenging year to the Group in view of the negative economic outlook in the mainland China and uncertainties in the external environment around the world impacted by the COVID-19. The Group is monitoring the economic environment closely and will formulate the appropriate strategies to cope with it. Apart from that the Group will control the operating costs and expenses, it will also explore other opportunities, but not limiting to trading of other commodities, in order to broaden the revenue sources and maximize returns for our shareholders.

1. INTRODUCTION

The accompanying unaudited pro forma consolidated statement of assets and liabilities (the “**Unaudited Pro Forma Financial Information**”) of the Group have been prepared by the director of the Company (the “**Directors**”) in accordance with paragraph 4.29 of the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) for the purpose of illustrating the effects on the historical consolidated statement of assets and liabilities of the Group upon the completion of the Acquisitions by the Company.

The Unaudited Pro Forma Financial Information has been prepared based on the audited consolidated statement of assets and liabilities of the Group as at 31 March 2023, which has been extracted from the Group’s published annual report for the year ended 31 March 2023 dated 31 July 2023 and after taking into account the pro forma adjustments relating to the Acquisitions as described in the notes thereto, that are (i) clearly shown and explained; (ii) directly attributable to the Acquisitions and not relating to future events or decisions; and (iii) factually supportable, as explained in the accompanying notes, as if the Acquisitions had been effected on 31 March 2023.

The accompanying Unaudited Pro Forma Financial Information of the Group is prepared by the Directors based on a number of assumptions, estimates, uncertainties and currently available information to provide information of the Group upon completion of the Acquisitions. As the Unaudited Pro Forma Financial Information of the Group is prepared for illustrative purpose only, and because of its hypothetical nature, it may not give a true picture of the assets and liabilities of the Group following the completion of the Acquisitions and does not purport to describe the actual assets and liabilities of the Group that would have been attained had the Acquisitions been effected on the dates indicated herein. Further, the accompanying Unaudited Pro Forma Financial Information of the Group does not purport to predict the future assets and liabilities of the Group after the completion of the Acquisitions.

The Unaudited Pro Forma Financial Information of the Group has been prepared in accordance with paragraph 4.29 and paragraph 14.69(4)(a)(ii) of the Listing Rules. The Unaudited Pro Forma Financial Information of the Group should be read in conjunction with the financial information of the Group as set out in Appendix I to the circular and other financial information included elsewhere in the circular.

2. UNAUDITED PRO FORMA CONSOLIDATED STATEMENT OF ASSETS AND
LIABILITIES

	Audited consolidated statement of assets and liabilities of the Group as at 31 March 2023 HK\$'000 (Note 1)	Pro forma adjustments HK\$'000 (Note 2)		HK\$'000 (Note 3)	Unaudited pro forma consolidated statement of assets and liabilities of the Group as if the Acquisition had taken place on 31 March 2023 HK\$'000
Non-current assets					
Property, plant and equipment	525,376				525,376
Investment properties	510,900	50,561			561,461
Right-of-use assets	34,323				34,323
Equity investments at fair value through other comprehensive income	25,851				25,851
Prepayments, deposits and other receivables	9,510				9,510
Club membership	2,240				2,240
Deferred tax assets	69				69
	<u>1,108,269</u>				<u>1,158,830</u>
Current assets					
Inventories	390,831				390,831
Trade and bills receivables	209,276				209,276
Prepayments, deposits and other receivables	58,934				58,934
Debt investments at fair value through other comprehensive income	1,823				1,823
Financial assets at fair value through profit or loss	5,527				5,527
Restricted bank balance	2,945				2,945
Cash and cash equivalents	264,174	(50,561)	(2,496)		<u>211,117</u>
	<u>933,510</u>				<u>880,453</u>

	Audited consolidated statement of assets and liabilities of the Group as at 31 March 2023 HK\$'000 (Note 1)	Pro forma adjustments HK\$'000 (Note 2)		HK\$'000 (Note 3)	Unaudited pro forma consolidated statement of assets and liabilities of the Group as if the Acquisition had taken place on 31 March 2023 HK\$'000
Current liabilities					
Trade and other payables and accruals	34,039				34,039
Derivative financial instruments	2,138				2,138
Interest-bearing bank borrowings	549,266				549,266
Lease liabilities	23				23
Tax payables	93,877				93,877
	<u>679,343</u>				<u>679,343</u>
Net current assets	<u>254,167</u>				<u>201,110</u>
Total assets less current liabilities	1,362,436				1,359,940
Non-current liabilities					
Deferred tax liabilities	12,058				12,058
Amount due to a non-controlling interest of a subsidiary	275,828				275,828
Interest-bearing bank borrowings	412,000				412,000
	<u>699,886</u>				<u>699,886</u>
Net assets	<u><u>662,550</u></u>				<u><u>660,054</u></u>

Notes to the Unaudited Pro Forma Financial Information:

1. The Group's financial information is based upon the consolidated statement of assets and liabilities of the Group for the year ended 31 March 2023, which has been extracted from the Group's published annual report for the year ended 31 March 2023 dated 31 July 2023.
2. The adjustment reflects the Consideration for the Acquisitions of approximately HK\$50,561,000 as if the Acquisitions had taken place on 31 March 2023. The Properties are classified as investment properties as the Group intends to lease out the Properties for the purpose of earning rental income after the completion of the Acquisition. The Consideration is expected to be funded by the Company's internal resources.
3. The adjustment reflects the provision for (i) stamp duty and legal costs and (ii) professional fees and other expenses related to the Acquisition amounting to approximately HK\$2,496,000, which are recognised as expenses into consolidated statement of profit or loss.
4. No adjustment has been made to the unaudited pro forma financial information to reflect any trading results or other transactions of the Group entered into subsequent to 31 March 2023.

The following is the text of a report prepared for the sole purpose of inclusion in this circular, received from the independent reporting accountants, Ascenda Cachet CPA Limited. Terms defined herein apply to this report only.



10F, Tien Chu Commercial Building,
173 Gloucester Road, Wanchai, Hong Kong
香港灣仔告士打道173號天廚商業大廈10樓

INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON THE COMPILATION OF PRO FORMA FINANCIAL INFORMATION

26 October 2023

To the directors of Asia Cassava Resources Holdings Limited

We have completed our assurance engagement to report on the compilation of the unaudited pro forma consolidated statement of assets and liabilities (the “**Unaudited Pro Forma Financial Information**”) of Asia Cassava Resources Holdings Limited (the “**Company**”) and its subsidiaries (hereinafter collectively referred to as the “**Group**”) by the directors of the Company (the “**Directors**”) for illustrative purposes only. The Unaudited Pro Forma Financial Information consists of the unaudited pro forma consolidated statement of assets and liabilities of the Group as at 31 March 2023, and related notes as set out in Appendix II of the circular (the “**Circular**”) dated 26 October 2023 issued by the Company. The applicable criteria on the basis of which the Directors have compiled the Unaudited Pro Forma Financial Information are described in Appendix II of the Circular.

The Unaudited Pro Forma Financial Information has been compiled by the Directors to illustrate the impact of the proposed acquisition (the “**Acquisitions**”) of the properties located at Unit Nos. 3, 4 and 9 on 11th Floor, Houston Centre, No. 63 Mody Road Kowloon (the “**Properties**”) at a total consideration (the “**Consideration**”) of HK\$50,560,900 payable in cash as if the Acquisitions had taken place at 31 March 2023. As part of this process, information about the Group’s consolidated statement of assets and liabilities has been extracted by the Directors from the Group’s audited financial statements for the year ended 31 March 2023 as set out in the published annual report of the Company dated 31 July 2023.

Directors’ responsibility 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 of 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* (“**AG 7**”) issued by the Hong Kong Institute of Certified Public Accountants (“**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 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 1, 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 accountants' 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 assets and liabilities Included in a Prospectus* issued by HKICPA. This standard requires that the reporting accountants 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 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 the Unaudited Pro Forma Financial Information included in the Circular is solely to illustrate the impact of the Acquisitions on unadjusted financial information of the Group as if the Acquisitions 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 transaction at 31 March 2023 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 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 accountants' judgment, having regard to the reporting accountants' 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 purpose of the Unaudited Pro Forma Financial Information as disclosed pursuant to paragraph 4.29(1) of the Listing Rules.

Yours faithfully,

ASCENDA CACHET CPA LIMITED
Certified Public Accountants

Wan Kin Man Tony
Practising Certificate Number: P05506
Hong Kong

The following is the text of a letter and valuation certificate, prepared for the purpose of incorporation in this circular received from Asset Appraisal Limited, an independent valuer, in connection with its valuation of the Property as at 30 September 2023.



Asset Appraisal Limited
中誠達資產評估顧問有限公司

Rm 901, 9/F., On Hong Commercial Building
145 Hennessy Road, Wanchai, Hong Kong
香港灣仔軒尼詩道145號安康商業大廈9字樓901室
Tel: (852) 2529 9448 Fax: (852) 3544 5854

26 October 2023

The Board of Directors
Asia Cassava Resources Holdings Limited
Unit 612-3, Houston Centre
No. 63 Mody Road
Tsim Sha Tsui East
Kowloon
Hong Kong

Dear Sirs,

Re: Valuation of Unit Nos. 3, 4 and 9 on 11th Floor, Houston Centre, No. 63 Mody Road, Kowloon, Hong Kong

In accordance with the instructions from **Asia Cassava Resources Holdings Limited** (the “**Company**”) to value the captioned property interests (the “**Property**”) situated in Hong Kong, we confirm that we have carried out inspection of the Property, made relevant enquiries and obtained such further information as we consider necessary for the purpose of providing you with our opinion of the market value of the Property as at 30 September 2023 (the “**date of valuation**”).

BASIS OF VALUATION

Our valuation of the Property represents the market value which is defined as “*the estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm’s length transaction, after proper marketing where the parties had each acted knowledgeably, prudently and without compulsion*”.

TITLESHIP

We have caused searches to be made at the Hong Kong Land Registry for the Property. However, we have not verified ownerships of the Property or to verify the existence of any amendments which do not appear on the registration details retrieved by us from the Hong Kong Land Registry. All registration details have been disclosed herein for reference only. We do not accept liability for any interpretation that we have placed on such registration details which is more properly within the sphere of the legal advisers. No responsibility is assumed for any legal matters concerning legal title to the Property set out in this report.

VALUATION METHODOLOGY

The Property is valued by the comparison method where comparison based on prices realised or market prices of comparable properties is made. Comparable properties of similar size, character and location are analysed and carefully weighed against all the respective advantages and disadvantages of each property in order to arrive at a fair comparison of capital values.

ASSUMPTIONS

Our valuation has been made on the assumption that the Group sell the Property on the market in their existing states without the benefit of deferred terms contracts, leaseback, joint ventures, management agreements or any similar arrangement which would serve to affect the value of the Property.

As the Property is held by the owner by means of long term Government lease, we have assumed that the owner has a free and uninterrupted right to use the Property for the whole of the unexpired term of its Government Lease.

Other special assumptions for our valuation (if any) would be stated out in the footnotes of the valuation certificate attached herewith.

LIMITING CONDITIONS

No allowance has been made in our report for any charges, mortgages or amounts owing on the Property nor for any expenses or taxation which may be incurred in effecting a sale. Unless otherwise stated, it is assumed that the Property is free from encumbrances, restrictions and outgoings of an onerous nature, which could affect its value.

We have relied to a very considerable extent on the information given by the Group and have accepted advice given to us on such matters as tenure, planning approvals, statutory notices, easements, particulars of occupancy, lettings, and all other relevant matters.

We have not carried out detailed site measurements to verify the correctness of the floor areas in respect of the Property but have assumed that the areas shown on the documents and official plans handed to us are correct. All documents and contracts have been used as reference only and all dimensions, measurements and areas are approximations.

The Property was last inspected on 13 October 2023 by the undersigned. She has inspected the exterior and, where possible, the interior of the buildings and structures of the Property. However, no structural survey has been made for them. We are not, however, able to report whether the buildings and structures inspected by us are free of rot, infestation or any structural defect. No test was carried out on any of the building services and equipment. During the site inspection, he has ascertained the following matters of the Property as at the date of site inspection:

- the general environment and development conditions of the area in which the Property is situated;
- the existing use of the Property;
- the occupancy of the Property;
- the facilities provided by the Property;
- the existence of any non-conformity use within the Property;
- the repair and maintenance conditions of the Property; and
- the existence of any closure order and resumption order affixed to the Property.

The market value estimate contained within this report specifically excludes the impact of environmental contamination resulting from abnormal soil movement or other causes. It is recommended that the reader of this report consult a qualified environmental auditor for the evaluation of possible environmental defects, the existence of which could have a material impact on market value.

No soil analysis or geological studies were ordered or made in conjunction with this report, nor were any water, oil, gas, or other subsurface minerals use rights or conditions investigated.

We have had no reason to doubt the truth and accuracy of the information provided to us by the Group. We have also sought confirmation from the Group that no material factors have been omitted from the information supplied. We consider that we have been provided with sufficient information to reach an informed view, and we have no reason to suspect that any material information has been withheld.

In valuing the Property, we have complied with all the requirements contained in Chapter 5 of the Rules Governing the Listing of Securities issued by The Stock Exchange of Hong Kong Limited; the HKIS Valuation Standards (2020 Edition) published by The Hong Kong Institute of Surveyors.

We enclose herewith our valuation certificate.

Yours faithfully,
for and on behalf of
Asset Appraisal Limited

Sandra Lau

MHKIS AAPI RPS(GP)

Director

Sandra Lau is a member of the Hong Kong Institute of Surveyors, an Associate of the Australian Property Institute and a Registered Professional Surveyor in General Practice. She is on the list of Property Valuers for Undertaking Valuations for Incorporation or Reference in Listing Particulars and Circulars and Valuations in Connection with Takeovers and Mergers of the Hong Kong Institute of Surveyors, Registered Business Valuer under the Hong Kong Business Valuation Forum and has over 10 years' experience in valuation of properties in Hong Kong, in Macau and in the PRC.

VALUATION CERTIFICATE

Property being acquired by the Group for investment purpose

Property	Description and tenure	Particulars of occupancy	Market value in existing state as at 30 September 2023 HK\$
Unit Nos. 3, 4 and 9 on 11 th Floor Houston Centre No. 63 Mody Road Kowloon Hong Kong	The Property comprises 3 contiguous office units on 11 th floor of a 17-storey (including 3 basement levels) commercial building of reinforced concrete construction. The subject building was completed in 1981.	The Property was being used as offices under the tradenames "California Costume International Ltd.", "Mega Toys (HK) Ltd.", "Mega Resources Ltd." and "Megatoys International Ltd." as at the date of valuation.	50,560,000
99/8410 th shares of and in Kowloon Inland Lot No. 10588	The total gross floor area of the Property is 5,681 square feet. The property is held under Conditions of Sale No. 11183 for a term of 75 years renewable for 75 years commencing on 3 March 1978. The annual Government rent of Kowloon Inland Lot No. 10588 is HK\$1,000.		

Notes:

1. As at the date of valuation, the registered owner of Unit No. 3 of the Property is Mega Toys (H.K.) Limited vide memorial no. 05122000860025 21 November 2005.
2. As at the date of valuation, the registered owner of Unit No. 4 of the Property is California Costume International Limited vide memorial no. 05111900520020 21 October 2005.
3. As at the date of valuation, the registered owner of Unit No. 9 of the Property is Mega Toys (H.K.) Limited vide memorial no. 05111900520046 21 October 2005.
4. The Certificate of Compliance was issued by the Director of Public Work to the subject development on 15 July 1981 and was registered vide memorial no. UB2113717.
5. The Certificate of Compliance was issued by Land Officer, the Land Office, the Registrar General's Department to the subject development on 15 July 1981 and was registered vide memorial no. UB2113718.
6. The following salient encumbrances were registered in the land registry against the Property as at the date of valuation:
 - i. Deed of Mutual Covenant registered via memorial no. UB2154935 dated 24 September 1981;
 - ii. Three-Party Mortgage Deed in favour of Cathay Bank Hong Kong Branch registered against Unit No. 3 of the Property via memorial no. 15110400990011 dated 26 October 2015;
 - iii. Three-Party Mortgage Deed in favour of Cathay Bank Hong Kong Branch registered against Unit No. 4 of the Property via memorial no. 15110400990029 dated 26 October 2015; and
 - iv. Three-Party Mortgage Deed in favour of Cathay Bank Hong Kong Branch registered against Unit No. 9 of the Property via memorial no. 15110400990033 dated 26 October 2015.
 - v. Agreement for Sale and Purchase in favour of Win Global Shipping Limited registered against Unit No. 3 of the Property via memorial no. 23060801170051 dated 1 June 2023.
 - vi. Agreement for Sale and Purchase in favour of Win Global Shipping Limited registered against Unit No. 4 of the Property via memorial no. 23060801170036 dated 1 June 2023.
 - vii. Agreement for Sale and Purchase in favour of Win Global Shipping Limited registered against Unit No. 9 of the Property via memorial no. 23060801170044 dated 1 June 2023.

7. The property falls within an area zoned as “Commercial” under Tsim Sha Tsui Outline Zoning Plan No. S/K1/28 exhibited for public inspection on 3 December 2013.
8. The locality is an established commercial area lying at the harbour-front area nearby the Cross Harbour Tunnel. Developments in the vicinity are predominated with medium- rise commercial buildings intermingling with some medium-rise hotels of various ages. Shopping facilities are available within the lower floors of the commercial developments. Public transports serving the vicinity include buses, mini-buses and taxi. Both MTR Tsim Sha Tsui Station and MTR Hunghom Station are within walking distance of the subject development.

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 regard to the Company. 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 herein or this circular misleading.

2. DISCLOSURE OF DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS

As at the Latest Practicable Date, the interests and short positions of the Directors and chief executive of the Company 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 as set out in Appendix 10 to the Listing Rules ("**Model Code**") to be notified to the Company and the Stock Exchange, were as follows:

Interests in shares of the Company

Name of Director	Number of ordinary shares of the Company		Total (long position)	Approximate percentage of all the issued shares of the Company
	Directly beneficially owned (long position)	Through a controlled corporation (long position)		
Mr. Chu	135,520,715	225,000,000 (Note (i))	360,520,715	61.66%

Interests in shares of associated corporation of the Company

Name of associated corporation	Name of Director	Nature of interest	Number of shares (long position)	Percentage of all the issued shares of the associated corporation
Art Rich (Note (ii))	Mr. Chu	Directly beneficially owned	970	97%
		Deemed interest	30	3%

Notes:

- (i) The entire issued share capital of Art Rich is legally and beneficially owned as to 97% by Mr. Chu and 3% by Ms. Ng Nai Nar (“Mrs. Chu”). By virtue of the SFO, Mr. Chu is deemed to be interested in the 225,000,000 shares held by Art Rich.
- (ii) Art Rich is the holding company of the Company and is owned as to 97% by Mr. Chu and 3% by Mrs. Chu. Mr. Chu is also deemed to be interested in the shares of Art Rich held by Mrs. Chu.

Save as disclosed above, as at the Latest Practicable Date, none of the Directors nor chief executive of the Company had or was deemed to have any interests or short positions in the shares, underlying shares or 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 or short positions which they are taken or deemed to have under such provisions of the SFO); or (b) pursuant to section 352 of the SFO, to be entered into the register referred to therein; or (c) pursuant to the Model Code to be notified to the Company and the Stock Exchange.

As at the Latest Practicable Date, none of the Directors had any interest, direct or indirect, in any assets which had been, since 31 March 2023, being the date to which the latest published audited financial statements of the Company were made up, acquired or disposed of by or leased to any member of the Group, or are proposed to be acquired or disposed of by or leased to any member of the Group.

None of the Directors is materially interested in any contract or arrangement subsisting at the date of this circular which is significant in relation to the business of the Group as a whole.

As at the Latest Practicable Date, none of the Directors had entered into any service contract with any member of the Group which is not expiring or determinable by the employer within one year without payment of compensation other than statutory compensation.

As at the Latest Practicable Date, none of the Directors nor any of their respective close associates had any interest in a business apart from the business of the Group, which competed or was likely to compete, either directly or indirectly, with that of the Group.

3. MATERIAL CONTRACTS

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

- the Preliminary Agreements;
- Formal agreement dated 1 June 2023 between Seller I and Purchaser I in relation to acquisition of Property I;
- Formal agreement dated 1 June 2023 between Seller II and Purchaser II in relation to acquisition of Property II; and
- Formal agreement dated 1 June 2023 between Seller I and Purchaser I in relation to acquisition of Property III.

4. EXPERT(S) AND CONSENT(S)

The qualifications of the experts (“**Experts**”) who have given their opinions in this circular are as follows:

Name	Qualifications
Ascenda Cachet CPA Limited	Certified Public Accountants
Asset Appraisal Limited	independent property valuer

The letter and/or report from each of the Experts is given as of the date of this circular for incorporation in this circular. Each of the Experts has given and has not withdrawn its written consent to the issue of this circular with the inclusion herein of its letter and/or report and/or references to its name, in the form and context in which they respectively appear.

As at the Latest Practicable Date, each of the Experts had no shareholding in any member of the Group or the right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in any member of the Group and had no direct or indirect interest in any assets which have been, since 31 March 2023, being the date to which the latest published audited financial statements of the Company were made up, acquired or disposed of by or leased to any member of the Group, or are proposed to be acquired or disposed of by or leased to any member of the Group.

5. GENERAL

- (a) The secretary of the Company is Mr. Shum Shing Kei (“**Mr. Shum**”). Mr. Shum is a fellow member of the Hong Kong Institute of Certified Public Accountants.
- (b) The registered office of the Company is situated at Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman, KY1-1111, Cayman Islands.
- (c) The share registrar and transfer office of the Company is Tricor Investor Services Limited at 17/F., Far East Finance Centre, 16 Harcourt Road, Hong Kong.
- (d) As at the Latest Practicable Date, there was no litigation or claim of material importance known to the Directors to be pending or threatened against any member of the Group.
- (e) In case of inconsistency, the English text of this circular shall prevail over the Chinese text.

6. DOCUMENTS ON DISPLAY

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

- the Letter from the Board;
- the report on the unaudited pro forma financial information of the Group upon completion of the Acquisitions, the text of which is set out in Appendix II to this circular;
- the valuation report of the Properties, the text of which is set out in Appendix III to this circular;
- a copy of each of the material contracts referred to in the paragraph headed “3. Material Contracts” in this Appendix;
- the written consents referred to in the paragraph headed “4. Expert(s) and Consent(s)” in this Appendix; and
- this circular.