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## **SHEN YOU HOLDINGS LIMITED**

**申酉控股有限公司**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 8377)**

### **COMPLETION OF MAJOR TRANSACTION IN RELATION TO THE ACQUISITION OF THE ENTIRE ISSUED SHARE CAPITAL OF AND SALE LOANS DUE BY THE TARGET COMPANY INVOLVING ISSUE OF CONSIDERATION SHARES UNDER SPECIFIC MANDATE**

References are made to (i) the announcements of Shen You Holdings Limited (the “**Company**”) dated 18 August 2020, 7 September 2020, 28 September 2020, 17 November 2020, 12 January 2021 and 2 February 2021, (ii) the circular of the Company dated 13 January 2021 (the “**Circular**”) in relation to, among others, the Acquisition; and (iii) the announcement of the Company dated 19 January 2021 (the “**Announcement**”) in relation to, among others, the Subscription and the Placing. Unless the context otherwise requires, capitalised terms used herein shall have the same meanings as those defined in the Circular and the Announcement.

#### **COMPLETION OF THE ACQUISITION**

The Board is pleased to announce that all conditions set out in the Sale and Purchase Agreement have been fulfilled and Completion took place on 9 February 2021 in accordance with the terms and conditions of the Sale and Purchase Agreement. Upon Completion, the Target Company has become a wholly-owned subsidiary of the Company and the financial information of the Target Group will be consolidated into the consolidated financial statements of the Group.

Pursuant to the terms and conditions of the Sale and Purchase Agreement, an aggregate of 67,441,860 Consideration Shares were allotted and issued at the issue price of HK\$0.215 per Consideration Share under the Specific Mandate upon Completion in the following manner:

- (a) 15,860,466 Consideration Shares were allotted and issued by the Company to Vendor A and retained by the Escrow Agent jointly appointed by Vendor A and the Company in accordance with the terms and conditions of the Sale and Purchase Agreement and the Escrow Letter;

- (b) 16,852,711 Consideration Shares were allotted and issued by the Company to Vendor B;
- (c) 16,852,711 Consideration Shares were allotted and issued by the Company to Vendor C; and
- (d) 17,875,972 Consideration Shares were allotted and issued by the Company to Vendor D.

## EFFECT ON SHAREHOLDING STRUCTURE OF THE COMPANY

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, the shareholding structure of the Company (i) immediately prior to Completion; (ii) immediately after Completion and the allotment and issue of the Consideration Shares; and (iii) immediately after completion of the Acquisition, Subscription and Placing (assuming that the Placing Shares are subscribed in full and there is no other change in the shareholding structure of the Company from the date of this announcement and immediately after Completion to the date of completion of the Subscription and Placing) are set out below:

Shareholders	Immediately prior to Completion		Immediately after Completion and the allotment and issue of the Consideration Shares		Immediately after completion of the Acquisition, Subscription and Placing (assuming the Placing Shares are subscribed in full)	
	Number of Shares	Approx. %	Number of Shares	Approx. %	Number of Shares	Approx. %
Three Gates Investment Limited ("Three Gates") (Note 1)	120,000,000	50.00	120,000,000	39.03	120,000,000	33.76
Mr. Leung (Note 2)	10,000,000	4.17	10,000,000	3.25	10,000,000	2.81
Vendor A (Notes 3 and 4)	1,600,000	0.67	17,460,466	5.68	17,460,466	4.91
Vendor B (Note 3)	—	—	16,852,711	5.48	16,852,711	4.74
Vendor C (Note 3)	—	—	16,852,711	5.48	16,852,711	4.74
Vendor D (Note 3)	—	—	17,875,972	5.82	17,875,972	5.03
Subscriber (Note 3)	—	—	—	—	24,000,000	6.75
Placees	—	—	—	—	24,000,000	6.75
Other public Shareholders	<u>108,400,000</u>	<u>45.16</u>	<u>108,400,000</u>	<u>35.26</u>	<u>108,400,000</u>	<u>30.50</u>
<b>Total</b>	<b><u>240,000,000</u></b>	<b><u>100.00</u></b>	<b><u>307,441,860</u></b>	<b><u>100.00</u></b>	<b><u>355,441,860</u></b>	<b><u>100.00</u></b>

Notes:

- Three Gates, a company incorporated in the British Virgin Islands, is wholly and beneficially owned by Mr. Wong, who is the executive Director, Chairman, Chief Executive Officer and controlling shareholder of the Company. 80,000,000 Shares held by Three Gates have been charged in favour of Gold-Face Finance Limited ("Gold-Face") as security for a loan granted in favour of Mr. Wong. Gold-Face is direct wholly-owned by Upbest Credit and Mortgage Limited ("Upbest Credit and Mortgage"), which is in turn owned as to 50% by Good Foundation Company Limited ("Good Foundation") and 50% by Upbest Strategic Company Limited ("Upbest Strategic"). Each of Good Foundation and Upbest Strategic is a direct wholly-owned subsidiary of Upbest Financial Holdings Limited ("Upbest Financial"), which is in turn wholly-owned by Upbest Group Limited ("Upbest Group"). As such,

Upbest Credit and Mortgage, Upbest Strategic, Good Foundation, Upbest Financial and Upbest Group are all deemed to be interested in the security interest in the 80,000,000 Shares charged in favour of Gold-Face by virtue of the SFO.

2. Mr. Leung is an executive Director.
3. To the best of the knowledge, information and belief of the Directors, having made all reasonable enquiries, there is no relationship (shareholding, financial, business or otherwise) between the Vendors and/or their respective associates on the one hand and the Subscriber and/or his associates on the other hand.
4. As security for the performance of the obligations of Vendor A in respect of the profit guarantee, Vendor A and the Company have jointly appointed the Escrow Agent to hold the share certificates in relation to the 15,860,466 Consideration Shares on and subject to the terms and conditions of the Escrow Letter. For details of the arrangement, please refer to the paragraph headed “Profit guarantee” under the section “The Sale and Purchase Agreement” in the Circular.
5. Certain percentage figures in the above table are subject to rounding adjustments. Accordingly, figures shown as totals may not be an arithmetic aggregation of the figures preceding them.

By order of the Board  
**Shen You Holdings Limited**  
**Wong Kwok Wai, Albert**  
*Chairman, Chief Executive Officer and Executive Director*

Hong Kong, 9 February 2021

*As at the date of this announcement, the Board comprises three executive Directors, namely, Mr. Wong Kwok Wai, Albert, Mr. Chan Yiu Tung, Enoch and Mr. Leung King Yue, Alex; and three independent non-executive Directors, namely, Mr. Sung Alfred Lee Ming, Mr. Chan Tsun Choi, Arnold and Mr. Chow Chin Hang, Joel.*

*This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on GEM of The Stock Exchange of Hong Kong Limited 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 announcement 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 announcement misleading.*

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