

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.

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

This announcement does not constitute an offer to sell or the solicitation of an offer to buy any securities in the United States or any other jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction. The securities referred to herein will not be registered under the United States Securities Act of 1933, as amended (the “Securities Act”), and may not be offered or sold in the United States except pursuant to an exemption from, or a transaction not subject to, the registration requirements of the Securities Act. Any public offering of securities to be made in the United States will be made by means of a prospectus. Such prospectus will contain detailed information about the company making the offer and its management and financial statements. The Company does not intend to make any public offering of securities in the United States.

You are cautioned not to place any undue reliance on the forward-looking statements (if any) contained herein. The Company cannot give any assurance that these forward-looking statements will prove to have been correct. These forward-looking statements are not guarantee of future performance and are subject to certain risks, assumptions and uncertainties. The Company undertakes no obligation to update or revise any forward-looking statements herein, whether as result of new information, future events or otherwise.



China Youzan Limited

中國有贊有限公司

(incorporated in Bermuda with limited liability)

(Stock Code: 8083)

**PROPOSED LISTING OF YOUZAN TECHNOLOGY INC.
ON THE MAIN BOARD OF THE STOCK EXCHANGE
OF HONG KONG LIMITED**

This announcement is made by the Company on a voluntary basis.

The Board would like to announce that an application was made to the Stock Exchange for the listing of Youzan Technology Shares on the Main Board of the Stock Exchange by way of introduction.

Reference is also made to the Joint Announcement made by BetaCafe Holdings Limited and the Company on the date of this announcement. Pursuant to the Joint Announcement, the Offeror requested the Board to, subject to the satisfaction of the Scheme Pre-Conditions, put forward the Proposal which comprises (i) the Distribution of the Youzan Technology Shares held by China Youzan to all China Youzan Shareholders (including the China Youzan Excluded Shareholders); and (ii) the taking private of China Youzan, after completion of the Distribution, by way of a scheme of arrangement under section 99 of the Companies Act. It is one of the Scheme Pre-Conditions that the Stock Exchange have granted its in-principle approval for the listing of Youzan Technology Shares on the Stock Exchange for the Youzan Technology Listing, and one of the Scheme Conditions that the Stock Exchange have granted its formal approval for the listing of, and permission to deal in, the Youzan Technology Shares on the Stock Exchange for the Youzan Technology Listing.

Unless otherwise defined herein, capitalized terms in this announcement shall have the same meaning as those defined in the Joint Announcement.

THE YOUZAN TECHNOLOGY LISTING

The purpose of the Youzan Technology Listing is to unlock the growth potential in the Youzan Technology Group and further develop the SaaS Business. As the Youzan Technology Listing is proposed to be carried out by way of introduction, there will be no public offering of Youzan Technology Shares in connection with the Youzan Technology Listing.

The Youzan Technology Listing will only take place if the Scheme becomes effective.

YOUZAN TECHNOLOGY

Youzan Technology is an investment holding company. The Youzan Technology Group is principally engaged in providing a variety of cloud-based commerce services to merchants through its subscription solutions and merchant solutions. Subscription solutions mainly comprise SaaS products designed for merchants of various industries including Youzan WeiMall (有贊微商城), Youzan Retail (有贊零售), Youzan Chain (有贊連鎖), Youzan Beauty (有贊美業), and Youzan Education (有贊教育). Merchant solutions mainly comprise value-added services offered to merchants to address their online and/or offline operational needs. Through its subscription solutions and merchant solutions, the Youzan Technology Group enables merchants to establish online presence, digitalise critical business operations, integrate online/offline activities, take ownership of and manage their online customer traffic, boost customer acquisition and repeat purchases, as well as enhance operating efficiency.

GENERAL

A redacted version of the application proof of Youzan Technology's listing document (the "**Application Proof**") is expected to be available for reviewing and downloading on the Stock Exchange's website at <http://www.hkexnews.hk/APP/SEHKAPPMainIndex.html>. The Application Proof contains, among others, certain business and unaudited financial information relating to Youzan Technology Group for the nine months ended and as of 30 September 2020 and certain up-to-date operating data of Youzan Technology Group. Shareholders should note that the Application Proof is in draft form, and the information contained in it is incomplete and is subject to change which may be material.

Shareholders and other investors are reminded that there is no assurance that the Listing Committee will approve the Youzan Technology Listing. The Company will make further announcement(s) in relation to the Youzan Technology Listing as and when appropriate.

As the Youzan Technology Listing is conditional upon, among others, the approval of the Listing Committee and the Scheme becoming effective, the Youzan Technology Listing may or may not occur. Shareholders and potential investors of the Company should also be aware that the making of the Proposal is subject to the satisfaction of the Scheme Pre-Conditions. Even if the Proposal is made, the implementation of the Proposal (including the effectiveness of the Scheme), is subject to the satisfaction or waiver (as applicable) of the Scheme Conditions, and therefore the Proposal may or may not be implemented and the Scheme may or may not become effective. Shareholders and other investors are reminded to exercise caution when dealing in the securities of the Company. Persons who are in doubt as to the action they should take should consult their stockbrokers, bank managers, solicitors or other professional advisers.

DEFINITIONS

In this announcement, the following expressions have the meanings set out below unless the context requires otherwise:

"Joint Announcement"	the joint announcement issued by the Offeror and China Youzan dated 26 February 2021
"Board"	the board of directors of China Youzan
"China Youzan" or "Company"	China Youzan Limited, a company incorporated in Bermuda with limited liability, the shares of which are listed on GEM of the Stock Exchange (stock code: 8083)

“China Youzan Excluded Shareholders”	Mr. Zhu Ning, Mr. Cui Yusong, Mr. Cao Chunmeng, Mr. Yan Xiaotian, Mr. Yu Tao, Ms. Ying Hangyan (each being an executive Director), Mr. Guan Guisen (a former Director), Mr. Huang Rongrong (being a former director of Youzan Technology), Mr. Huan Fang (a director of Youzan Technology), Mr. Zhou Kai and Youzan Teamwork, each being a party acting in concert or presumed to be acting in concert with the Offeror under the definition of “acting in concert” under the Takeovers Code, and “China Youzan Excluded Shareholder” means any of them
“China Youzan Shareholders” or “Shareholders”	registered holder(s) of China Youzan Shares
“China Youzan Share(s)”	share(s) of HK\$0.01 each in the share capital of China Youzan
“Companies Act”	the Companies Act 1981 of Bermuda (as amended)
“Court Order”	the order of the Court pursuant to Section 99(2) of the Companies Act sanctioning the Scheme
“Director(s)”	the director(s) of China Youzan
“Distribution”	the distribution in specie by China Youzan of all the Youzan Technology Shares directly held by China Youzan to all China Youzan Shareholders (including the China Youzan Excluded Shareholders) whose names appear on the register of members of China Youzan as at the Record Date, details of which are as set out in the Joint Announcement
“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM of the Stock Exchange
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Listing Committee”	the Listing Committee of The Stock Exchange of Hong Kong Limited
“Offeror”	BetaCafe Holdings Limited, a company incorporated in the British Virgin Islands with limited liability and is 100% beneficially owned by Mr. Zhu Ning
“PRC”	the People’s Republic of China

“Proposal”	the proposal by the Offeror to take China Youzan private by way of the Scheme and the Option Offer, comprising both the Scheme and the Distribution, and the withdrawal of listing of the China Youzan Shares, on the terms and subject to the conditions as set out in the Joint Announcement
“SaaS Business”	the provision of cloud-based commerce services by offering a wide variety of cloud-based commerce services to merchants through subscription solutions and merchant solutions which carried out through the Youzan Technology Group
“Scheme”	a scheme of arrangement under Section 99 of the Companies Act, involving, among other matters, the cancellation of all of the Scheme Shares and the restoration of the issued share capital of China Youzan to the amount immediately prior to the cancellation of the Scheme Shares by the issuance to the Offeror such number of new China Youzan Shares as is equal to the number of Scheme Shares cancelled, credited as fully paid at par by applying the reserve created in the books of accounts of China Youzan as a result of the cancellation of the Scheme Shares, details of which are as set out in the Joint Announcement
“Scheme Condition(s)”	the condition(s) of the Scheme as described in the paragraph headed “2. TERMS OF THE PROPOSAL – 2.7 Scheme Conditions” of the Joint Announcement
“Scheme Pre-Condition(s)”	the pre-condition(s) to the making of the Proposal as described in the paragraph headed “2. TERMS OF THE PROPOSAL – 2.6 Scheme Pre-Conditions” of the Joint Announcement
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	the Hong Kong Code on Takeovers and Mergers
“Youzan Technology”	Youzan Technology Inc. (有贊科技有限公司) (formerly known as Qima Holdings Ltd.), a company incorporated in the Cayman Islands with limited liability, and is a non-wholly owned subsidiary of China Youzan
“Youzan Technology Group”	Youzan Technology and its subsidiaries
“Youzan Technology Listing”	the proposed listing of all of the Youzan Technology Shares on the Main Board of the Stock Exchange by way of introduction

“Youzan Technology
Shares”

ordinary share(s) of a par value of US\$0.00001 each in the share
capital of Youzan Technology

By Order of the Board
China Youzan Limited
Zhu Ning
Chairman

Hong Kong, 26 February 2021

As at the date of this announcement, the Board comprises six executive Directors, Mr. Cao Chunmeng, Mr. Yan Xiaotian, Mr. Zhu Ning, Mr. Cui Yusong, Mr. Yu Tao and Ms. Ying Hangyan; and four independent non-executive Directors, Dr. Fong Chi Wah, Mr. Gu Jiawang, Mr. Xu Yanqing and Mr. Deng Tao.

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.

This announcement will remain on the “Latest Company Announcements” page of the GEM website for at least 7 days from the date of its posting and on the Company’s website at www.chinayouzan.com.