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LEYOU TECHNOLOGIES HOLDINGS LIMITED
樂遊科技控股有限公司

(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 1089)

**ANNOUNCEMENT PURSUANT TO RULE 3.7 OF
THE TAKEOVERS CODE, RULE 13.09(2) OF
THE LISTING RULES AND
INSIDE INFORMATION PROVISIONS OF
PART XIVA OF THE SECURITIES AND
FUTURES ORDINANCE**

This announcement is made by Leyou Technologies Holdings Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rule 3.7 of the Hong Kong Code on Takeovers and Mergers (the “**Takeovers Code**”), Rule 13.09(2) of the Rules (the “**Listing Rules**”) Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and the Inside Information Provisions (as defined in the Listing Rules) of Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The board (the “**Board**”) of directors (the “**Directors**”) of the Company wishes to announce that the Company is currently in preliminary discussions with various independent potential investors in connection with possible transactions, which may take the form of a possible acquisition of interests in the Company beneficially owned by Mr. Yuk Kwok Cheung Charles (“**Mr. Yuk**”), one of the controlling shareholders (as defined in the Listing Rules) of the Company (the “**Possible Share Disposal**”), or a possible acquisition of a substantial part of the business of the Group (the “**Possible Asset Disposal**”, together with the Possible Share Disposal, the “**Possible Transactions**”). The Company has appointed Moelis & Company Asia Limited as its financial advisor in relation to the Possible Transactions.

As at the date of this announcement, Mr. Yuk beneficially owns 1,613,994,522 ordinary shares of the Company (the “**Shares**”), representing approximately 52.37% of the issued share capital of the Company through (i) Port New Limited as to 1,539,894,522 Shares, or approximately 49.97%; and (ii) Novel New Limited as to 74,100,000, or approximately 2.40%. Each of Port New Limited and Novel New Limited is a company wholly controlled by Mr. Yuk.

The Possible Share Disposal, if materialised, may lead to a public takeover transaction under the Takeovers Code. The Possible Asset Disposal, if materialised, may constitute a very substantial disposal of the Company.

Such discussions are still in progress and no legally binding arrangements have been entered into in respect of any Possible Transactions at the date of this announcement. There is no certainty that any Possible Transactions will proceed or that it would lead to a public takeover or very substantial disposal of the Company.

In compliance with Rule 3.8 of the Takeovers Code, as at the date of this announcement, the Company has a total issued share capital of 3,081,695,000 Shares and 417,557,021 outstanding share options. Each share option shall entitle the holder to subscribe for one Share and the outstanding share options shall entitle the holders to subscribe for an aggregate of 417,557,021 Shares upon exercise. Save for the abovementioned Shares and outstanding share options, the Company has no other relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) as at the date of this announcement.

In compliance with Rule 3.7 of the Takeovers Code, monthly announcement(s) setting out the progress of the Possible Transactions will be made by the Company until an announcement is made of a firm intention to make an offer under Rule 3.5 of the Takeovers Code or of a decision not to proceed with an offer. Further announcement(s) will be made by the Company as and when appropriate or required in accordance with the Listing Rules and/or the Takeovers Code (as the case may be).

For the purposes of the Takeovers Code, the offer period has commenced on the date of this announcement. The respective associates of the Company (including, among others, shareholders of the Company holding interests of 5% or more in the relevant securities of the Company) are hereby reminded to disclose their dealings in the relevant securities of the Company under Rule 22 of the Takeovers Code.

In accordance with Rule 3.8 of the Takeovers Code, reproduced below is the full text of Note 11 to Rule 22 of the Takeovers Code:

“Responsibilities of stockbrokers, banks and other intermediaries

Stockbrokers, banks and others who deal in relevant securities on behalf of clients have a general duty to ensure, so far as they are able, that those clients are aware of the disclosure obligations attaching to associates of an offeror or the offeree company and other persons under Rule 22 and that those clients are willing to comply with them. Principal traders and dealers who deal directly with investors should, in appropriate cases, likewise draw attention to the relevant Rules. However, this does not apply when the total value of dealings (excluding stamp duty and commission) in any relevant security undertaken for a client during any 7 day period is less than \$1 million.

This dispensation does not alter the obligation of principals, associates and other persons themselves to initiate disclosure of their own dealings, whatever total value is involved.

Intermediaries are expected to co-operate with the Executive in its dealings enquiries. Therefore, those who deal in relevant securities should appreciate that stockbrokers and other intermediaries will supply the Executive with relevant information as to those dealings, including identities of clients, as part of that co-operation.”

There is no assurance that the Possible Transactions will materialise or eventually be consummated and the relevant discussions may or may not lead to a public takeover or a very substantial disposal of the Company. Shareholders and potential investors of the Company should be aware that the Possible Transactions may or may not proceed. Shareholders and/or potential investors of the Company are advised to exercise caution in dealing in the securities of the Company.

By order of the Board
Leyou Technologies Holdings Limited
Xu Yiran
Chairman and Chief Executive Officer

Hong Kong, 20 September 2019

As at the date of this announcement, the Board comprises Mr. Xu Yiran (Chairman and Chief Executive Officer), Mr. Li Yang (Deputy Chairman), Mr. Gu Zhenghao and Mr. Cao Bo as executive Directors, Mr. Eric Todd as non-executive Director, and Mr. Hu Chung Ming, Mr. Chan Chi Yuen and Mr. Kwan Ngai Kit as independent non-executive Directors.

The Directors jointly and severally accept full responsibility for the accuracy of the information contained in this announcement and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this announcement have been arrived at after due and careful consideration and there are no other facts not contained in this announcement, the omission of which would make any statement in this announcement misleading.