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If you have sold or transferred all your shares in LEYOU TECHNOLOGIES HOLDINGS LIMITED, you should at once hand this circular and proxy form enclosed in this document to the purchaser or transferee or to the bank or stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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LE YOU

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)

PROPOSALS FOR GENERAL MANDATES TO ISSUE AND REPURCHASE SHARES, RE-ELECTION OF DIRECTORS, REFRESHMENT OF SCHEME MANDATE LIMIT AND NOTICE OF ANNUAL GENERAL MEETING

MEASURES TO BE IMPLEMENTED AT THE AGM IN LIGHT OF THE CORONAVIRUS DISEASE (“COVID-19”)

Please see page 1 of this circular for prevention and control measures to be implemented at the AGM against the spread of the COVID-19, including:

- **compulsory temperature check and health declaration**
- **prohibit attendance at the AGM if the attendee is with a body temperature of over 37.3 degrees Celsius. Persons exhibiting flu-like symptoms may also be refused admittance**
- **prohibit attendance at the AGM if the attendee has been to the countries in the 14-day period prior to the AGM as stated in page 1 of this circular and/or such other countries or time periods as may be required or recommended by any government agencies from time to time**
- **requirement to wear surgical face mask throughout the AGM**

Any person who does not comply with the precautionary measures may be denied entry into the AGM venue. The Company reminds Shareholders that they may appoint the Chairman of the meeting as their proxy to vote on the relevant resolutions at the AGM as an alternative to attending the AGM in person.

A notice convening the annual general meeting (“AGM”) of Leyou Technologies Holdings Limited to be held at Room 2, United Conference Centre, 10/F., United Centre, 95 Queensway, Admiralty, Hong Kong on Thursday, 21 May 2020 at 3:00 p.m. (Hong Kong time) is set out on pages 23 to 28 of this circular. A form of proxy for use by the shareholders of the Company at the AGM is enclosed herein.

Whether or not you are able to attend the AGM, please complete the accompanying form of proxy in accordance with the instructions printed on the form and return it to the Company’s branch share registrar in Hong Kong, Tricor Investor Services Limited, at Level 54, Hopewell Centre, 183 Queen’s Road East, Hong Kong as soon as possible and in any event not later than 48 hours before the time appointed for holding the AGM (i.e. not later than Tuesday, 19 May 2020 at 3:00 p.m. (Hong Kong time)) or any adjournment of such meeting. Completion and return of the form of proxy will not preclude you from attending and voting in person at the AGM or any adjournment of such meeting should you so wish.

17 April 2020

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PRECAUTIONARY MEASURES FOR THE ANNUAL GENERAL MEETING

In view of the Coronavirus Disease (“COVID-19”) situation, the Company will implement the following precautionary measures at the AGM:

- All attendees will be required to undergo a temperature check and sign a health declaration form before entering the AGM venue.
- Any person with a body temperature of over 37.3 degrees Celsius will not be permitted to attend the AGM. Persons exhibiting flu-like symptoms may also be refused admittance at the Company’s discretion.
- Any person, irrespective of nationality, who has been to France, Germany, Italy, Spain, Iran, Republic of Korea, Japan, ASEAN countries, Switzerland, United States of America, United Kingdom and Mainland China in the 14-day period prior to the AGM and/or such other countries or time periods as may be required or recommended by any government agencies from time to time, will not be permitted to attend the AGM.
- All attendees are required to wear surgical face mask throughout the AGM.

Shareholders who are feeling unwell or have been placed on leave of absence on the date of the AGM are advised not to attend the AGM.

Shareholders who prefer not to attend or are restricted from attending the AGM, may still vote by proxy and are advised to take note of the last date and time for the lodgement of the Proxy Form.

As the COVID-19 situation continues to evolve, the Company will closely monitor the situation and reserves the right to take further measures as appropriate in order to minimise any risk to Shareholders and others attending the AGM and to comply with any requirements or recommendations of any government agencies from time to time.

The Company seeks the understanding and cooperation of all Shareholders to minimise the risk of community spread of COVID-19.

The AGM will commence sharply at 3:00 p.m, and Shareholders are encouraged to arrive at the AGM venue at least half an hour prior to the meeting commencement time to avoid delays from precautionary measures mentioned above in the registration process. There will not be any vouchers or door gifts issued.

DEFINITIONS

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

“Adoption Date”	25 August 2017, being the date on which the Share Option Scheme was adopted by an ordinary resolution of the Shareholders
“AGM”	the annual general meeting of the Company to be held at Room 2, United Conference Centre, 10/F., United Centre, 95 Queensway, Admiralty, Hong Kong on Thursday, 21 May 2020 at 3:00 p.m. (Hong Kong time) or any adjournment thereof for the purpose of considering and, if thought fit, approving the resolutions proposed in the notice of the AGM
“Articles”	the articles of association of the Company as amended from time to time
“Board”	the board of Directors
“close associate(s)”	has the meaning ascribed to it under the Listing Rules
“Company”	Leyou Technologies Holdings Limited, a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the Stock Exchange (stock code: 1089)
“core connected person(s)”	has the meaning ascribed to it under the Listing Rules
“Director(s)”	the director(s) of the Company
“General Extension Mandate”	a general mandate to the Directors to add to the Issue Mandate any Shares representing the number of Shares repurchased under the Repurchase Mandate
“Grantee”	any Participant who accepts an Offer in accordance with the terms of the Share Option Scheme, or (where the context so permits) a person entitled to any such Option in consequence of the death of the original Grantee

DEFINITIONS

“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollar, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Issue Mandate”	a general and unconditional mandate to be granted to the Directors to exercise the powers of the Company to allot, issue, and deal with Shares with an aggregate number not exceeding 20% of the aggregate number of the issued Shares as at the date of passing the resolution approving such mandate
“Latest Practicable Date”	7 April 2020, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information contained in this circular
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange as amended from time to time
“Memorandum”	the memorandum of association of the Company as amended from time to time
“Nomination Committee”	nomination committee of the Board
“Offer”	an offer to grant Option(s) made in accordance with the Share Option Scheme
“Option(s)”	an option to subscribe for Shares granted pursuant to the Share Option Scheme
“Participant(s)”	any employee, adviser, consultant, agent, contractor, client and supplier who in the sole discretion of the Board has contributed or is expected to contribute to the Group

DEFINITIONS

“Repurchase Mandate”	a general and unconditional mandate to be granted to the Directors to exercise all the powers of the Company to repurchase such number of Shares not exceeding 10% of the number of issued Shares as at the date of passing the relevant resolution approving such mandate
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) as amended, supplemented or otherwise modified from time to time
“Scheme Mandate Limit”	the maximum number of Shares which may be issued upon exercise of all share options to be granted under the Share Option Scheme and any other share option scheme(s) of the Company and which shall not in aggregate exceed 10% of the Shares in issue as at the Adoption Date
“Share(s)”	ordinary share(s) of HK\$0.10 each in the share capital of the Company
“Share Option Scheme”	the share option scheme adopted by the Company on the Adoption Date
“Shareholder(s)”	holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subscription Price”	the price per Share at which a Grantee may subscribe for Shares on the exercise of an Option
“Takeovers Codes”	The Codes on Takeovers and Mergers as amended from time to time, issued by the Securities and Futures Commission of Hong Kong
“%”	per cent

LETTER FROM THE BOARD



LE YOU

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)

Executive Directors:

Mr. Xu Yiran *(Chairman and Chief Executive Officer)*

Mr. Li Yang *(Deputy Chairman)*

Mr. Gu Zhenghao

Mr. Cao Bo

Registered Office:

Cricket Square

Hutchins Drive

P.O. Box 2681

Grand Cayman

KY1-1111

Cayman Islands

Non-executive Directors:

Mr. Eric Todd

Place of Business in Hong Kong:

Suite 3201, Tower Two

Lippo Centre

89 Queensway

Admiralty

Hong Kong

Independent non-executive Directors:

Mr. Hu Chung Ming

Mr. Chan Chi Yuen

Mr. Kwan Ngai Kit

17 April 2020

To the Shareholders

Dear Sir or Madam,

**PROPOSALS FOR
GENERAL MANDATES TO ISSUE AND REPURCHASE SHARES,
RE-ELECTION OF DIRECTORS
REFRESHMENT OF SCHEME MANDATE LIMIT
AND
NOTICE OF ANNUAL GENERAL MEETING**

1. INTRODUCTION

The purpose of this circular is to provide the Shareholders with the information regarding the following resolutions to be put forward at the AGM for the Shareholders' consideration and, if thought fit, approval:

- (a) to grant the Issue Mandate to the Directors;

LETTER FROM THE BOARD

- (b) to grant the Repurchase Mandate to the Directors;
- (c) to grant the General Extension Mandate to the Directors;
- (d) to refresh the Scheme Mandate Limit; and
- (e) to re-elect retiring Directors.

2. GENERAL MANDATES TO ISSUE AND REPURCHASE SHARES

At the last annual general meeting of the Company held on 28 June 2019, the Directors were given a general mandate to issue Shares and repurchase Shares respectively. Such general mandates to issue Shares and repurchase Shares will lapse at the conclusion of the AGM.

(a) Issue Mandate

An ordinary resolution will be proposed at the AGM to approve the grant of the Issue Mandate. The Issue Mandate, if granted, will allow the Directors to allot, issue and deal with further number Shares with an aggregate number not exceeding 20% of the aggregate number of the issued Shares (subject to adjustment in the case of subdivision and consolidation of Shares) as at the date of passing the relevant resolution.

As at the Latest Practicable Date, the total number of issued Shares was 3,081,845,000. Assuming no further Shares will be allotted and issued or repurchased from the Latest Practicable Date up to the date of the AGM, the exercise in full of the Issue Mandate could result in new issue of up to 616,369,000 Shares representing 20% of the issued Shares as at the date of passing of the relevant resolution (subject to adjustment in the case of subdivision and consolidation of Shares).

(b) Repurchase Mandate

An ordinary resolution will be proposed at the AGM to approve the grant of the Repurchase Mandate. The Repurchase Mandate, if granted, will allow the Directors to exercise all the powers of the Company to repurchase its own Shares with an aggregate number not exceeding 10% of the aggregate number of issued Shares (subject to adjustment in the case of subdivision and consolidation of Shares) as at the date of passing the relevant resolution.

LETTER FROM THE BOARD

Assuming no Shares will be issued or repurchased by the Company from the Latest Practicable Date up to the date of AGM, the Company will be allowed under the Repurchase Mandate to repurchase a maximum of 308,184,500 Shares (subject to adjustment in the case of subdivision and consolidation of Shares). There is no present intention for any repurchase of Shares pursuant to the Repurchase Mandate.

An explanatory statement required under Rule 10.06(1)(b) of the Listing Rules to be sent to the Shareholders in relation to the Repurchase Mandate is set out in Appendix I to this circular. The explanatory statement contains all the information reasonably necessary for Shareholders to make an informed decision on whether to approve the relevant resolution at the AGM.

(c) General Extension Mandate

It is recommended that the General Extension Mandate be granted to the Directors permitting them, after the grant of the Repurchase Mandate referred to above, to add to the Issue Mandate any Shares repurchased pursuant to the Repurchase Mandate.

The authority conferred on the Directors by the Issue Mandate, the Repurchase Mandate and the General Extension Mandate would continue in force until the earliest of (i) the conclusion of the next annual general meeting of the Company; (ii) the expiration of the period within which the next annual general meeting of the Company is required by law or the Articles to be held; and (iii) their respective revocation or variation by ordinary resolution of the Shareholders in a general meeting.

3. RE-ELECTION OF DIRECTORS

The Board currently consists of eight Directors, namely Mr. Xu Yiran, Mr. Li Yang, Mr. Gu Zhenghao, Mr. Cao Bo, Mr. Eric Todd, Mr. Hu Chung Ming, Mr. Chan Chi Yuen and Mr. Kwan Ngai Kit.

Pursuant to Article 84(1) of the Articles, Mr. Eric Todd, Mr. Chan Chi Yuen and Mr. Kwan Ngai Kit (collectively, the “Retiring Directors”) shall retire by rotation at the AGM and being eligible, offer themselves for re-election at the AGM.

LETTER FROM THE BOARD

In accordance with the terms of reference of the Nomination Committee and the Company's nomination policy, taking into account a wide range of diversity aspects (including but not limited to professional qualifications and experience, cultural and educational background, gender, age and length of service) and having due regard for the benefits of diversity on the Board as set out in the board diversity policy of the Company, the Nomination Committee:

- (a) has evaluated the performance and the contribution of each of the Retiring Directors for the year ended 31 December 2019 and found each of their performance satisfactory; and
- (b) has assessed the independence of each of Mr. Chan Chi Yuen and Mr. Kwan Ngai Kit and was satisfied that they have remained independent; and
- (c) was of the view that each of the Retiring Directors has provided valuable contributions and objective and balanced views to the Board in relation to the Company's affairs and, having considered the depth and breadth of professional experience, skills and knowledge of each of the Directors, was satisfied that each of them would continue to contribute to the diversity of the Board.

Therefore, the Nomination Committee recommended to the Board to propose to the Shareholders the re-election of the Retiring Directors at the AGM.

Accordingly, with the recommendation of the Nomination Committee, the Board has proposed that all the Retiring Directors, namely Mr. Eric Todd, Mr. Chan Chi Yuen and Mr. Kwan Ngai Kit, stand for re-election as Directors at the AGM.

Details of the Retiring Directors proposed to be re-elected at the AGM are set out in Appendix II to this circular.

Further information on the Board's composition as well as the attendance record of the Directors (including the Retiring Directors) at the meetings of the Board and/or its committees and the general meetings is disclosed in the Corporate Governance Report contained in the annual report of the Company for the year ended 31 December 2019.

LETTER FROM THE BOARD

4. REFRESHMENT OF THE SCHEME MANDATE LIMIT

At present, the Company has a Share Option Scheme which was adopted on the Adoption Date. The Share Option Scheme shall be valid and effective for a period of ten (10) years commencing from the Adoption Date. Apart from the Share Option Scheme, as at the Latest Practicable Date, the Company did not have any other share option scheme.

The purpose of the Share Option Scheme is to recognise and motivate the contribution of the Participants and to provide incentives and help the Company in retaining its existing employees and recruiting additional employees and to provide them with a direct economic interest in attaining the long-term business objectives of the Company.

Under the Listing Rules and the Share Option Scheme, the Company may refresh the Scheme Mandate Limit by an ordinary resolution of the Shareholders at general meeting provided that:

- (i) the Scheme Mandate Limit so refreshed must not exceed 10% of the total number of Shares in issue as at the date of the Shareholders' approval of the refreshment of the Scheme Mandate Limit (the "Refreshed Scheme Limit"); and
- (ii) options granted under the Share Option Scheme and any other share option scheme(s) of the Company (including those exercised, outstanding, cancelled, lapsed in accordance with the Share Option Scheme or any other share option scheme(s) of the Company) prior to the approval of the refreshment of the Scheme Mandate Limit shall not be counted for the purpose of calculating the Refreshed Scheme Limit.

Notwithstanding the above, the maximum number of Share which may be issued upon exercise of all outstanding options granted and yet to be exercised under the Share Option Scheme and any other share option scheme(s) of the Company shall not exceed 30% of the total number of Shares in issue from time to time.

Since the Adoption Date up to the Latest Practicable Date, the Company has granted a total of 432,324,484 Options, out of which 150,000 Options have been exercised, 16,715,476 Options have lapsed and hence, 415,459,008 Options remained outstanding.

LETTER FROM THE BOARD

The following table sets forth the details in relation to the Options granted under the Share Option Scheme:

Date of grant	Number of Options			
	Granted	Exercised	Lapsed	Outstanding
24 October 2017	277,844,600	150,000	(14,623,400)	263,071,200
2 May 2019	138,300,000	–	(1,800,000)	136,500,000
20 May 2019	13,679,884	–	(292,076)	13,387,808
5 June 2019	2,500,000	–	–	2,500,000
Total:	<u>432,324,484</u>	<u>150,000</u>	<u>(16,715,476)</u>	<u>415,459,008</u>

As the Scheme Mandate Limit has not been refreshed since the adoption of the Share Option Scheme, the Scheme Mandate Limit was 292,468,000 Shares, representing 10% of the Shares in issue as at the Adoption Date.

The Scheme Mandate Limit was partially utilised in the grant of 277,844,600 Options on 24 October 2017. Immediately preceding the grant of the Options on 2 May 2019, the remaining balance of the Scheme Mandate Limit was 29,246,800 Shares, after taking into account the lapse of certain Options in December 2018. Amongst the 138,300,000 Options granted on 2 May 2019, 29,246,800 Options were granted within the Scheme Mandate Limit and thereby exhausted the remaining balance of the Scheme Mandate Limit.

Some of the Options granted on 2 May 2019 (109,053,200 out of 138,300,000 Options) and all of the Options granted on 20 May 2019 and 5 June 2019 entitling the holders thereof to subscribe for an aggregate number of 125,233,084 Shares of the Company were granted in excess of the Scheme Mandate Limit. Subsequently in June 2019, 144,063 of such Options lapsed. Accordingly, 125,089,021 Options outstanding in June 2019 were in excess of the Scheme Mandate Limit. These 125,089,021 Options were subsequently approved, confirmed and ratified by the Shareholders at the extraordinary general meeting of the Company held on 16 December 2019.

As at the Latest Practicable Date, the Scheme Mandate Limit was fully utilised.

LETTER FROM THE BOARD

The Board considers that the Share Option Scheme will motivate more persons to make contribute to the Group and facilitate the retention and the recruitment of high-calibre staff of the Group. The Board considers it important that employees (whether full-time or part-time), directors (whether executive or non-executive), advisers, consultants, agents, contractors, clients and suppliers of each member of the Group be given incentive to work towards enhancing the value and attaining the long-term objectives of the Group. In determining the basis of eligibility of each Participant, the Board would take into account such factors as the Board may at its absolute discretion consider appropriate.

The Board further considers that the Company should refresh the Scheme Mandate Limit so that the Company could have more flexibility to reward and motivate the Participants by way of granting share options to them to strive for the future developments and success of the Group, which shall be in the interests of the Company and the Shareholders as a whole.

As at the Latest Practicable Date, the total number of issued Shares was 3,081,845,000. Assuming no Share will be issued or repurchased by the Company from the Latest Practicable Date up to the date of the AGM, if the refreshment of the Scheme Mandate Limit is approved by the Shareholders at the AGM, the Company will be allowed to grant further Options entitling holders thereof to subscribe for up to a maximum of 308,184,500 Shares (representing 10% of the Shares in issue as at the date of passing the resolution approving the said refreshment), which together with the 415,459,008 Shares that may fall to be allotted and issued upon exercise in full of the outstanding Options granted under the Share Option Scheme, represents approximately 23.48% of the total number of Shares in issue and accordingly, does not exceed the overall 30% limit prescribed under the Listing Rules as at the Latest Practicable Date.

The refreshment of the Scheme Mandate Limit is conditional upon:

- (a) the passing of an ordinary resolution by the Shareholders at the AGM to approve the refreshment of the Scheme Mandate Limit; and
- (b) the Listing Committee of the Stock Exchange granting approval of the listing of, and permission to deal in, the new Shares to be issued upon the exercise of any Options that may be granted under the Refreshed Scheme Limit of the Share Option Scheme up to 10% of the Shares in issue as at the date of passing the relevant ordinary resolution at the AGM (the "Listing Approval").

An application will be made by the Company to the Stock Exchange for the Listing Approval.

LETTER FROM THE BOARD

5. AGM

The notice of AGM is set out on pages 23 to 28 of this circular and a form of proxy for use at the AGM is enclosed in this circular.

Whether or not you are able to attend the AGM, please complete the accompanying form of proxy in accordance with the instructions printed on the form and return it to the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited, at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong as soon as possible and in any event not later than 48 hours before the time appointed for holding the AGM or any adjournment of such meeting. Completion and return of the form of proxy will not preclude you from attending and voting in person at the AGM or any adjournment of such meeting should you so wish.

6. VOTING BY POLL

In accordance with Rule 13.39(4) of the Listing Rules, any vote of shareholders at a general meeting must be taken by poll. Accordingly, the voting on all resolutions at the AGM will be conducted by way of poll.

7. RECOMMENDATION

The Board believes that the resolutions proposed in the notice of AGM are in the best interests of the Company and its Shareholders as a whole. The Board recommends the Shareholders to vote in favour of all resolutions to be proposed at the AGM.

After the conclusion of the AGM, the poll results will be published on the website of the Stock Exchange and the website of the Company.

LETTER FROM THE BOARD

8. RESPONSIBILITY OF THE DIRECTORS

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.

Yours faithfully,

By order of the Board

Leyou Technologies Holdings Limited

Xu Yiran

Chairman and Chief Executive Officer

This explanatory statement contains all the information required pursuant to Rule 10.06(1)(b) and other relevant provisions of the Listing Rules to enable the Shareholders to make an informed decision on whether to vote for or against the ordinary resolutions to be proposed at the AGM in relation to the Repurchase Mandate.

1. EXERCISE OF THE REPURCHASE MANDATE

As at the Latest Practicable Date, the total number of issued Shares was 3,081,845,000.

Subject to the passing of the resolution granting the Repurchase Mandate and on the basis that no further Shares will be allotted and issued or repurchased from the Latest Practicable Date and to the date of the AGM, the Directors would be allowed under the Repurchase Mandate to repurchase up to 308,184,500 Shares, representing 10% of the aggregate number of issued Shares, during the period from the date of resolution granting the Repurchase Mandate until the earliest of (i) the conclusion of the next annual general meeting of the Company; (ii) the expiration of the period within which the next annual general meeting of the Company is required by law or the Articles to be held; and (iii) its revocation or variation by ordinary resolution of the Shareholders in general meeting.

2. REASONS FOR REPURCHASES

The Directors believe that it is in the best interests of the Company and its Shareholders as a whole to have a general authority from Shareholders to enable the Directors to repurchase Shares in the market. Such repurchases may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net value of the Company and its assets and/or earnings per Share and will only be made if the Directors believe that such repurchases will benefit the Company and its Shareholders as a whole.

3. FUNDING OF REPURCHASES

In repurchasing Shares, the Company may apply funds legally available for such purpose from distributable profit or funds from a new issue in accordance with its Memorandum and Articles and the laws of the Cayman Islands.

That is to say, any repurchase of Shares may be purchased out of capital paid up on the repurchased Shares or out of funds of the Company which would otherwise be available for dividend or distribution or out of the proceeds of a fresh issue of Shares and, in the case of any premium payable on such repurchase, out of funds of the Company which would otherwise be available for dividend or distribution or out of the Company's share premium account before the Shares are repurchased.

The Directors consider that there would be a material adverse impact on the working capital or gearing position of the Company (as compared with the position disclosed in the audited consolidated financial statements contained in the annual report of the Company for the year ended 31 December 2019) in the event that the Repurchase Mandate was to be exercised in full at any time during the proposed purchase period. The Directors do not propose to exercise the Repurchase Mandate to such extent as would, in the circumstances, have a material adverse impact on the working capital or the gearing level of the Company, which in the opinion of the Directors are from time to time appropriate for the Company. The number of the Shares to be repurchased on any occasion and the price and other terms upon which the same are purchased will be decided by the Directors at the relevant time having regard to the circumstances then pertaining.

4. TAKEOVERS CODES

If, as a result of a Share repurchase by the Company, a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition of voting rights for the purpose of Rule 32 of the Takeovers Codes. In certain circumstances, a Shareholder or a group of Shareholders acting in concert (within the meaning under the Takeovers Codes) (depending on the level of increase of the Shareholders' interest) could as a result of an increase in its or their interest, obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Codes.

On the basis that no further Shares will be allotted and issued or repurchased from the Latest Practicable Date to the date of the AGM, on exercise in full of the Repurchase Mandate, the number of issued Shares will decrease from 3,081,845,000 to 2,773,660,500.

As at the Latest Practicable Date, according to the register kept by the Company pursuant to section 336 of the SFO and so far as is known to, or can be ascertained after reasonable enquiry by the Directors:

- (i) Port New Limited and Novel New Limited, both companies being wholly-owned and controlled by Mr. Yuk Kwok Cheung Charles (“Mr. Yuk”), were interested in 2,058,594,522 Shares and 74,100,000 Shares, respectively, representing approximately 66.80% and 2.40% of the issued share capital of the Company;
- (ii) each of Kingston Finance Limited, Ample Cheer Limited, Best Forth Limited and Mrs. Chu Yuet Wah is taken to have an interest in the same block of 1,539,894,522 Shares, representing approximately 49.97% of the issued share capital of the Company; and
- (iii) each of LaGuardia Venture Limited, Alpha Frontier Limited, Giant Investment(HK) Limited, 巨人網絡集團股份有限公司 and Mr. Shi Yuzhu is taken to have an interest in the same block of 518,700,000 Shares, representing approximately 16.83% of the issued share capital of the Company.

The decrease in issued Shares resulting from the full exercise of the Repurchase Mandate will cause the percentage shareholding of (i) Mr. Yuk to increase from approximately 69.20% to approximately 76.89%; (ii) each of Kingston Finance Limited, Ample Cheer Limited, Best Forth Limited and Mrs. Chu Yuet Wah to increase from approximately 49.97% to approximately 55.52%; and (iii) each of LaGuardia Venture Limited, Alpha Frontier Limited, Giant Investment(HK) Limited, 巨人網絡集團股份有限公司 and Mr. Shi Yuzhu to increase from approximately 16.83% to approximately 18.70%. However, the Directors do not intend to exercise the power to repurchase Shares to an extent which would render any Shareholder or group of Shareholders obliged to make a mandatory offer under Rule 26 of the Takeovers Codes.

The Directors have no present intention to exercise the Repurchase Mandate. The Directors believe that based on the aforesaid shareholdings, the Repurchase Mandate, if exercised in full, would not reduce the amount held by the public to less than 25% of the number of Shares in issue of the Company (subject to adjustment in the case of subdivision and consolidation of Shares).

Save for the above, the Directors are not aware of any consequences which would arise under the Takeovers Codes as a consequence of any repurchases pursuant to the Repurchase Mandate.

5. SHARE PRICE

The highest and lowest closing prices of the Shares as quoted on the Stock Exchange in each of the previous twelve months and up to the Latest Practicable Date are as follows:

	Share Price	
	Highest (HK\$)	Lowest (HK\$)
2019		
April	2.60	2.13
May	2.37	2.13
June	2.38	2.23
July	2.28	2.03
August	2.25	1.99
September	2.60	2.05
October	2.74	2.48
November	2.64	2.36
December	2.57	2.31
2020		
January	2.69	2.38
February	2.75	2.46
March	2.79	1.57
April (up to the Latest Practicable Date)	2.37	2.28

6. REPURCHASE OF SHARES BY THE COMPANY

The Company has not purchased any Shares in the six months preceding the Latest Practicable Date, whether on the Stock Exchange or otherwise.

7. GENERAL

None of the Directors nor, to the best of their knowledge having made all reasonable enquiries, any close associate of any Director has any present intention in the event that the Repurchase Mandate is approved by the Shareholders to sell any Shares to the Company.

No core connected person has notified the Company that he has a present intention to sell Shares to the Company, or has undertaken not to do so, if the Repurchase Mandate is approved by the Shareholders.

The Directors have undertaken to the Stock Exchange to exercise the power of the Company to make purchases pursuant to the Repurchase Mandate in accordance with the Listing Rules and the applicable laws of the Cayman Islands.

Set out below are details of the Directors who are proposed to be re-elected at the AGM.

1. Mr. Eric Todd (“Mr. Todd”)

Mr. Todd, aged 58, has been a non-executive Director since 24 July 2015.

Mr. Todd possesses extensive professional experience in the auditing, financial management, investment and media industry. Mr. Todd holds a Bachelor’s degree in Business Administration in Accounting and Finance from the School of Management of Boston University in Massachusetts, USA. Mr. Todd qualified as an U.S. Certified Public Accountant in 1989 and was a member of the American Institute of Certified Public Accountants from 1989 to 2010.

Mr. Todd is currently an executive director of DeTai New Energy Group Limited (stock code: 559) Chinese Food and Beverage Group Limited (stock code: 8272) and Shi Shi Services Limited (formerly known as Heng Sheng Holdings Limited and Kong Shum Union Property Management (Holding) Limited) (stock code: 8181). He was an executive director of Hsin Chong Group Holdings Limited (previous stock code: 404; delisted now) (“Hsin Chong”) from March 2017 to March 2019. Mr. Todd was an independent non-executive director of Boill Healthcare Holdings Limited (formally known as “Ngai Shun Holdings Limited”) (stock code: 1246) from July 2016 to August 2017. Mr. Todd worked for the international accounting firm KPMG and the Standard Chartered Group respectively between 1985 and 1995. He was the finance director for several manufacturing and media production and distribution companies from 1999 to 2008. Mr. Todd has been working as a business consultant since 2009 specializing in the finance, investment and media sectors. Save as disclosed above, Mr. Todd has not held any directorship in any other listed companies during the past three years and does not hold any other position in the Group.

Hsin Chong was a company incorporated in Bermuda with limited liability the securities of which were listed on the Main Board of the Stock Exchange until 31 December 2019. Hsin Chong, together with its subsidiaries, were principally engaged in building construction, civil engineering, electrical and mechanical installation, property development and investment. Reference is made to the announcements of Hsin Chong dated 21 January 2019, 24 January 2019 and 21 February 2019. By the orders granted by the Supreme Court of Bermuda on 18 January 2019 and 19 February 2019 respectively, joint provisional liquidators were appointed to Hsin Chong. Following the winding-up petitions made by a creditor of Hsin Chong which commenced in January 2019, Hsin Chong was wound up by an order of the Supreme Court of Bermuda dated 20 January 2020 (“Winding-up Order”). During the time when Mr. Todd was a director of Hsin Chong, he was mainly responsible for the corporate rescue of Hsin Chong including negotiations with the creditors and potential investors. After Mr. Todd’s resignation as a director of Hsin Chong in March 2019, he had not received any further update on the winding-up petitions and only became aware of the Winding-up Order on his own accord in March 2020. Mr. Todd has confirmed that he was not a party to such winding-up proceedings and is not aware of any actual or potential claim that has been or will be made against him as a result thereof.

Mr. Todd has entered into a service agreement with the Company for a term of 3 years commencing from 24 July 2018. His appointment is subject to retirement by rotation and re-election at annual general meetings of the Company in accordance with the Articles. Mr. Todd is entitled to a director's remuneration of HK\$15,000 per month, which has been determined by the Remuneration Committee with reference to the experience and responsibilities of Mr. Todd and the prevailing market conditions and is subject to review from time to time.

As at the Latest Practicable Date, Mr. Todd did not have any interest in the Shares within the meaning of Part XV of the SFO. Mr. Todd does not have any relationship with any Directors, senior management or substantial or controlling shareholders (as defined under the Listing Rules) of the Company.

2. Mr. Chan Chi Yuen (“Mr. Chan”)

Mr. Chan, aged 53, has been an independent non-executive Director since 24 July 2015. He is also a member of each of the audit committee, remuneration committee and nomination committee of the Company. He obtained a Bachelor's degree with honours in Business Administration in January 1992 and a Master of Science with distinction in Corporate Governance and Directorship in November 2007. He is a fellow of the Hong Kong Institute of Certified Public Accountants, The Association of Chartered Certified Accountants and The Institute of Chartered Accountants in England and Wales. Mr. Chan Chi Yuen is a practising certified public accountant and has extensive experience in financial management, corporate development, corporate finance and corporate governance.

Mr. Chan is currently an executive director and the chief executive officer of Hong Kong ChaoShang Group Limited (formerly known as Noble Century Investment Holdings Limited) (stock code: 2322), an executive director and the chairman of Royal Century Resources Holdings Limited (stock code: 8125), an independent non-executive director of Asia Energy Logistics Group Limited (stock code: 351).

Mr. Chan was an executive director of Great Wall Belt & Road Holdings Limited (formerly e-Kong Group Limited) (stock code: 524) (“GWB&R”) from June 2015 to October 2019, an independent non-executive director of U-RIGHT International Holdings Limited (now known as Fullsun International Holdings Group Co., Limited) (stock code: 627) from November 2010 to December 2017, an independent non-executive director of Jun Yang Financial Holdings Limited (now known as Power Financial Group Limited) (stock code: 397) from January 2005 to October 2017, an independent non-executive director of Affluent Partners Holdings Limited (stock code: 1466) from December 2016 to September 2018, an independent non-executive director of China Baoli Technologies Holdings Limited (stock code: 164) from April 2006 to September 2019, an independent non-executive director of Media Asia Group Holdings Limited (stock code: 8075) from September 2019 to March 2020 and an independent non-executive director of New Times Energy Corporation Limited (stock code: 166) from May 2006 to March 2020. The shares of all the aforesaid companies are listed and traded on the Stock Exchange. Save as disclosed above, Mr. Chan has not held any directorship in any other listed companies during the past three years and does not hold any other position in the Group.

Mr. Chan entered into a service agreement with the Company for a term of 3 years commencing from 24 July 2018. His appointment is subject to retirement by rotation and re-election at annual general meetings of the Company in accordance with the Articles. Mr. Chan is entitled to a director’s remuneration of HK\$15,000 per month, which has been determined by the Remuneration Committee with reference to the experience and responsibilities of Mr. Chan and the prevailing market conditions and is subject to review from time to time.

On 13 March 2020, Mr. Chan was criticised by the Stock Exchange in relation to his breach of Rule 3.08(f) of the Listing Rules and his obligations under the Declaration and Undertaking given to the Stock Exchange in the form set out in Form B of Appendix 5 to the Listing Rules for failing to comply with the Listing Rules to the best of his ability and to use his best endeavours to procure GWB&R to comply with the Listing Rules during his tenure as an executive director of GWB&R (“Criticism”). In view of the nature of the Criticism which was one that did not involve any fraud or dishonesty or cast doubt on Mr. Chan’s integrity and taking into account that, to the best knowledge, information and belief of the Board, the Criticism did not relate to the affairs of the Group and would not have any impact on the Group, the Board considers that Mr. Chan is suitable to act as an independent non-executive director of the Company.

As at the Latest Practicable Date, Mr. Chan did not have any interests in the Shares within the meaning of Part XV of the SFO. Mr. Chan does not have any relationship with any Directors, senior management or substantial or controlling shareholders (as defined under the Listing Rules) of the Company.

3. Mr. Kwan Ngai Kit (“Mr. Kwan”)

Mr. Kwan, aged 40, has been an independent non-executive Director and a member of the audit committee of the Company since 5 July 2017.

Mr. Kwan has been the chief financial officer and the company secretary of Modern Dental Group Limited (stock code: 3600) since 26 October 2016, and is responsible for corporate finance, merger and acquisition matters, financial and accounting management, investor relations, corporate governance as well as compliance affairs. Prior to March 2014, he worked as a senior manager in both the assurance department and the professional practice department of Ernst & Young during which he acquired extensive capital market transaction experience. He has been an independent non-executive director of Rare Earth Magnesium Technology Group Limited (formerly known as Group Sense (International) Limited) (stock code: 601) since 6 June 2016, Lai Group Holding Company Limited (stock code: 8455) since 24 March 2017 and A & S Group (Holdings) Limited (stock code: 1737) since 21 February 2018 respectively. Mr. Kwan is a fellow member of the Association of Chartered Certified Accountants and a member of the Hong Kong Institute of Certified Public Accountants. Mr. Kwan obtained a Master’s degree in Business Administration from The Chinese University of Hong Kong in November 2014 and a Bachelor’s degree from The Hong Kong Polytechnic University in November 2002. Save as disclosed above, Mr. Kwan has not held any directorship in any other listed companies during the past three years and does not hold any other position in the Group.

Mr. Kwan entered into a service agreement with the Company for a term of 3 years commencing from 5 September 2017. His appointment is subject to retirement by rotation and re-election at annual general meetings of the Company in accordance with the Articles. Mr. Kwan is entitled to a director’s remuneration of HK\$15,000 per month, which has been determined by the Remuneration Committee with reference to the experience and responsibilities of Mr. Kwan and the prevailing market conditions and is subject to review from time to time.

As at the Latest Practicable Date, Mr. Kwan did not have any interests in the Shares within the meaning of Part XV of the SFO. Mr. Kwan does not have any relationship with any Directors, senior management or substantial or controlling shareholders (as defined under the Listing Rules) of the Company.

Save as disclosed in this circular, as at the Latest Practicable Date, there are no other matters concerning the above Directors that need to be brought to the attention of the Shareholders and there is no information which is required to be disclosed pursuant to any of the requirements of the Rules 13.51(2)(h) to 13.51(2)(v) of the Listing Rules.

NOTICE OF ANNUAL GENERAL MEETING



LE YOU

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)

NOTICE IS HEREBY GIVEN that the annual general meeting (the “AGM”) of Leyou Technologies Holdings Limited (the “Company”) will be held at Room 2, United Conference Centre, 10/F., United Centre, 95 Queensway, Admiralty, Hong Kong on Thursday, 21 May 2020 at 3:00 p.m. for the purpose of transacting the following business:

ORDINARY RESOLUTIONS

1. To receive, consider and adopt the audited consolidated financial statements for the year ended 31 December 2019 and the reports of the directors of the Company (the “Directors”) and the independent auditor of the Company (the “Independent Auditor”) for the year ended 31 December 2019.
2. To re-appoint HLB Hodgson Impey Cheng Limited as the Independent Auditor and authorise the board of Directors (the “Board”) to fix their remuneration.
3.
 - (a) To re-elect Mr. Eric Todd as a non-executive Director.
 - (b) To re-elect Mr. Chan Chi Yuen as an independent non-executive Director.
 - (c) To re-elect Mr. Kwan Ngai Kit as an independent non-executive Director.
 - (d) To authorise the Board to fix the respective Directors’ remuneration.

NOTICE OF ANNUAL GENERAL MEETING

To consider and, if thought fit, pass with or without amendments the following resolutions as ordinary resolutions:

4. (A) **“THAT**
- (a) a general mandate be and is hereby unconditionally given to the Directors to exercise during the Relevant Period (as hereinafter defined) all the powers of the Company to allot, issue and deal with unissued shares of the Company (“Share(s)”) or securities convertible into Shares or options, warrants or similar rights to subscribe for any Shares or such convertible securities and to make or grant offers, agreements or options which would or might require the exercise of such powers either during or after the Relevant Period, in addition to any Shares which may be issued from time to time (i) on a Rights Issue (as hereinafter defined) or (ii) upon the exercise of any options under any option scheme or similar arrangement for the time being adopted for the grant or issue of Shares or rights to acquire Shares or (iii) upon the exercise of rights of subscription or conversion attaching to any warrants or convertible bonds issued by the Company or any securities which are convertible into Shares the issue of which warrants and other securities has previously been approved by shareholders of the Company or (iv) as any scrip dividend or similar arrangements pursuant to the articles of association of the Company (the “Articles”), not exceeding twenty per cent of the issued Shares as at the date of this resolution; and
 - (b) for the purpose of this resolution, “Relevant Period” means the period from the passing of this resolution until whichever is the earliest of:
 - (i) the conclusion of the next annual general meeting of the Company;
 - (ii) the expiration of the period within which the next annual general meeting of the Company is required by any applicable law or the Articles to be held; or

NOTICE OF ANNUAL GENERAL MEETING

- (iii) the revocation or variation of the authority given under this resolution by an ordinary resolution of the shareholders of the Company in general meeting;

and “Rights Issue” means an offer of Shares open for a period fixed by the Directors to holders of Shares on the register of members of the Company on a fixed record date in proportion to their then holdings of such Shares (subject to such exclusions or other arrangements as the Directors may deem necessary or expedient in relation to fractions entitlements or having regard to any restrictions or obligations under the laws of any relevant jurisdiction, or of the requirements of any recognised regulatory body or any stock exchange applicable to the Company).”

- (B) “**THAT** there be granted to the Directors an unconditional general mandate to repurchase Shares, and that the exercise by the Directors of all powers of the Company to purchase Shares subject to and in accordance with all applicable laws, be and is hereby generally and unconditionally approved, subject to the following conditions:
 - (a) such mandate shall not extend beyond the Relevant Period;
 - (b) such mandate shall authorise the Directors to procure the Company to repurchase Shares at such price as the Directors may at their discretion determine;
 - (c) the aggregate number of the Shares to be repurchased by the Company pursuant to paragraph (a) of this resolution during the Relevant Period shall be no more than ten per cent of the aggregate number of Shares in issue at the date of passing this resolution; and

NOTICE OF ANNUAL GENERAL MEETING

- (d) for the purposes of this resolution, “Relevant Period” means the period from the passing of this resolution until whichever is the earliest of:
 - i. the conclusion of the next annual general meeting of the Company;
 - ii. the expiration of the period within which the next annual general meeting of the Company is required by any applicable law or the Articles to be held; or
 - iii. the revocation or variation of the authority given under this resolution by an ordinary resolution of the shareholders of the Company in general meeting.”
- (C) “**THAT** subject to the availability of unissued share capital and conditional upon the resolution nos. 4(A) and 4(B) above being passed, the number of Shares which are repurchased by the Company pursuant to and in accordance with resolution no. 4(B) above shall be added to the number of Shares that may be allotted or agreed conditionally or unconditionally to be allotted by the Directors pursuant to and in accordance with resolution no. 4(A) above.”
- 5. “**THAT** subject to and conditional upon the Listing Committee of The Stock Exchange of Hong Kong Limited granting approval of the listing of, and permission to deal in, the additional Shares to be issued upon the exercise of any options that may be granted under the Refreshed Scheme Limit (as defined below) of the share option scheme adopted by the Company on 25 August 2017 (the “Share Option Scheme”), the refreshment of the existing limit in respect of the granting of options to subscribe for Shares under the Share Option Scheme be and is hereby approved, and that the Directors be and are hereby authorised to grant options under the Share Option Scheme up to the Refreshed Scheme Limit and to exercise all powers of the Company to allot, issue and deal with the Shares upon the exercise of such options, provided that:
 - (a) the total number of Shares in respect of which options may be granted under the Share Option Scheme shall not exceed 10% of the total number of Shares in issue as at the date of passing this resolution (the “Refreshed Scheme Limit”);

NOTICE OF ANNUAL GENERAL MEETING

- (b) options previously granted under the Share Option Scheme (including those outstanding, cancelled, lapsed or exercised in accordance with the terms of the Share Option Scheme) will not be counted for the purpose of calculating the Refreshed Scheme Limit; and
- (c) such increase in the Refreshed Scheme Limit shall in no event result in the number of Shares which may be issued upon exercise of all outstanding options granted and yet to be exercised under the Share Option Scheme and any other schemes of the Company exceed 30% of the number of Shares in issue from time to time.”

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

Hong Kong, 17 April 2020

Principal place of business in Hong Kong:

Suite 3201, Tower Two
Lippo Centre
89 Queensway
Admiralty
Hong Kong

Notes:

1. All times stated in this notice refer to Hong Kong time.
2. A member of the Company who is a holder of two or more shares of the Company, and who is entitled to attend and vote at the AGM is entitled to appoint more than one proxy to attend and vote in his stead. A proxy need not be a member of the Company. Completion and return of the form of proxy will not preclude a member of the Company from attending and voting in person at the AGM and any adjournment thereof. In such event, his form of proxy will be deemed to have been revoked.

NOTICE OF ANNUAL GENERAL MEETING

3. A form of proxy for the AGM is enclosed with the Company's circular dated 17 April 2020. In order to be valid, the form of proxy duly completed and signed in accordance with the instructions printed on the form together with a valid power of attorney or other authority, if any, under which it is signed, or a notarially certified copy of such power or authority, must be deposited at the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited, at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong not less than 48 hours before the time appointed for holding the AGM (i.e. not later than Tuesday, 19 May 2020 at 3:00 p.m.) or any adjournment of such meeting.
4. The Hong Kong branch register of members of the Company will be closed from Monday, 18 May 2020 to Thursday, 21 May 2020 (both dates inclusive), for the purposes of determining the entitlements of the members of the Company to attend and vote at the AGM. No transfers of Shares may be registered during the said period. In order to qualify to attend and vote at the AGM, all transfers accompanied by the relevant share certificates must be lodged with the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited, at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong, no later than 4:30 p.m. on Friday, 15 May 2020.
5. If Typhoon Signal No. 8 or above, or extreme conditions caused by super typhoons, or a "black" rainstorm warning is in effect any time after 7:00 a.m. on the date of the AGM, the AGM will be postponed. The Company will post an announcement on the website of the Company at <http://www.leyoutech.com.hk> and on the HKExnews website of the Stock Exchange at www.hkexnews.hk to notify Shareholders of the date, time and place of the rescheduled meeting.

As at the date of this notice, 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.