

香港聯合交易所有限公司

(香港交易及結算所有限公司全資附屬公司)

THE STOCK EXCHANGE OF HONG KONG LIMITED

(A wholly-owned subsidiary of Hong Kong Exchanges and Clearing Limited)

STATEMENT OF DISCIPLINARY ACTION

Exchange's Disciplinary Action against Six Directors of Youyuan International Holdings Limited (delisted, previous Stock Code: 2268)

SANCTIONS

The Listing Committee of the Exchange (**Listing Committee**):

CENSURES

- (1) Mr Ke Wen Tuo (Mr W Ke);
- (2) Mr Ke Ji Xiong (Mr J Ke);
- (3) Mr Cao Xu (Mr Cao);
- (4) Ms Lian Bi Yu (Ms Lian);
- (5) Mr Zhang Guo Duan (Mr G Zhang); and
- (6) Mr Zhang Dao Pei (Mr D Zhang),

the current and former directors (**Relevant Directors**) of Youyuan International Holdings Limited (delisted, previous Stock Code: 2268) (**Company**)

AND STATES that, in the Exchange's opinion, by reason of the Relevant Directors' wilful and/or persistent failure to discharge their responsibilities under the Exchange Listing Rules, had the Company remained listed, their retention of office would have been prejudicial to the interests of investors.

SUMMARY OF FACTS

The Relevant Directors were in office as follows:

Directors	Position (at the date of delisting)	Date Appointed	Date Ended
Mr J Ke (CEO)	Executive Director	6 January 2010	-
Mr W Ke (Chairman)	Former Executive Directors	12 October 2009	9 March 2021
Mr Cao		6 January 2010	29 November 2019
Ms Lian		10 April 2018	2 September 2019
Mr G Zhang		6 January 2010	29 November 2019
Mr D Zhang	Former Independent Non-executive Director	6 January 2010	14 November 2019

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Each of the Relevant Directors has provided to the Exchange a Declaration and Undertaking with regard to Directors (**Undertaking**) in the form set out in Appendix 5B to the Listing Rules. The Undertaking provides that, among other things, they shall: (i) cooperate in any investigation conducted by the Listing Division (**Division**) and/or the Listing Committee; (ii) promptly and openly answer any questions addressed to them; and (iii) provide their up-to-date contact details to the Exchange for a period of three years from the date on which they cease to be a director of the Company, failing which any documents/notices sent by the Exchange shall be deemed to have been served on them.

The Division sought to conduct an investigation into whether the Relevant Directors had breached the Listing Rules (**Investigation**). For the purpose of the Investigation, investigation letters and reminder letters were sent by the Division to the Relevant Directors' correspondence and email addresses. Mr D Zhang confirmed that he had received the Division's correspondence during a telephone call with, and in an email to, the Division. However, he did not provide any submission to the Division despite repeated reminders. The remaining Relevant Directors did not respond to the enquiries made by the Division, nor did they notify the Exchange of any changes to their contact details.

LISTING COMMITTEE'S FINDINGS OF BREACH

The Listing Committee found as follows:

- (1) The Relevant Directors breached their Undertakings by failing to cooperate with the Division in its investigation, which constitutes a breach of the Listing Rules. The Relevant Directors' obligation to provide information reasonably requested by the Exchange does not lapse after they cease to be a director of the Company (as the case may be); and
- (2) The Relevant Directors' breach of their Undertakings is serious and their conduct shows their wilful and/or persistent failure to discharge their responsibilities under the Listing Rules.

CONCLUSION

The Listing Committee decided to impose the sanctions set out in this Statement of Disciplinary Action.

For the avoidance of doubt, the Exchange confirms that the above sanctions apply only to Relevant Directors, and not to any other past or present members of the board of directors of the Company.

Hong Kong, 13 May 2021