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China Youzan Limited

中國有贊有限公司

(Incorporated in Bermuda with limited liability)

(Stock Code: 8083)

COMPLETION OF PLACING OF NEW SHARES UNDER GENERAL MANDATE

Sole Global Coordinator, Sole Bookrunner and Placing Agent

Jefferies

Reference is made to the announcement of the Company dated 11 January 2022 in relation to, among other matters, the Placing (the “**Announcement**”). Capitalised terms used in this announcement shall have the same meanings as defined in the Announcement.

COMPLETION OF THE PLACING

The Board is pleased to announce that the conditions set out in the Placing Agreement have been fulfilled and the Placing was completed on 18 January 2022 in accordance with the terms and conditions of the Placing Agreement. A total of 810,792,000 Placing Shares have been successfully placed by the Placing Agent to not fewer than six (6) Placees at the Placing Price of HK\$0.385 per Placing Share pursuant to the Placing Agreement. The net proceeds from the Placing received by the Company, after deducting all related costs, fees, expenses and commission, amount to approximately HK\$309.01 million. The Company intends to apply the net proceeds from the Placing for (i) system upgrade, product development and marketing expenses; (ii) additional funding for potential strategic investments and acquisitions; and (iii) general working capital of the Group.

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, the Placees and whose ultimate beneficial owners are independent of and not connected with the Company and the connected persons of the Company.

EFFECTS ON SHAREHOLDING STRUCTURE OF THE COMPANY

The shareholding structure of the Company (i) immediately before completion of the Placing and (ii) immediately after completion of the Placing are as follows:

	Immediately before completion of the Placing		Immediately after completion of the Placing	
	<i>Number of Shares</i>	<i>Percentage (approx.)</i>	<i>Number of Shares</i>	<i>Percentage (approx.)</i>
Whitecrow Investment Ltd. (note 1)	1,440,601,703	8.35%	1,440,601,703	7.97%
Youzan Teamwork Inc. (note 2)	363,170,101	2.10%	363,170,101	2.01%
Dr. Fong Chi Wah	1,000,000	0.01%	1,000,000	0.01%
Mr. Cui Yusong	241,885,127	1.40%	241,885,127	1.34%
Ms. Ying Hangyan	852,000	0.005%	852,000	0.005%
<i>Public Shareholders</i>				
The Placees	–	–	810,792,000	4.49%
Other Public Shareholders	15,212,494,686	88.14%	15,212,494,686	84.18%
Total	<u>17,260,003,617</u>	<u>100.00%</u>	<u>18,070,795,617</u>	<u>100.00%</u>

Notes:

1. Whitecrow Investment Ltd. is a company incorporated in the British Virgin Islands with limited liability and is 100% beneficially owned by Mr. Zhu Ning, who is an executive Director.
2. Youzan Teamwork Inc. is incorporated in the British Virgin Islands and is owned as to 8% by Mr. Zhu Ning and 18% by Whitecrow Investment Ltd.

By order of the Board of
China Youzan Limited
Zhu Ning
Chairman

Hong Kong, 18 January 2022

As at the date of this announcement, the Board comprises four executive Directors, namely Mr. Zhu Ning, Mr. Cui Yusong, Mr. Yu Tao and Ms. Ying Hangyan; and two independent non-executive Directors, Dr. Fong Chi Wah and Mr. Deng Tao.

This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM 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 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