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# China Youzan Limited

中國有贊有限公司

*(Incorporated in Bermuda with limited liability)*

**(Stock Code: 8083)**

## **(1) POLL RESULTS OF THE SPECIAL GENERAL MEETING HELD ON 27 DECEMBER 2023; AND (2) GRANT OF WHITEWASH WAIVER**

Reference is made to the circular of China Youzan Limited (the “**Company**”) dated 30 November 2023 (the “**Circular**”) and the notice of the special general meeting (the “**SGM Notice**”) dated 30 November 2023. Capitalised terms used herein shall have the same meanings as defined in the Circular unless otherwise specified.

### **POLL RESULTS OF THE SGM**

The Board is pleased to announce that the proposed resolutions as set out in the SGM Notice (the “**Resolutions**”) were duly passed by the Shareholders and/or the Independent Shareholders (as the case maybe) by way of poll at the SGM held on 27 December 2023.

As at the date of the SGM, the total number of issued Shares was 18,421,642,097. In accordance with the GEM Listing Rules and the Takeovers Code, (i) the Sellers and their respective associates; (ii) any parties acting in concert with each of the Sellers (including Mr. Zhu, Mr. Cui, Mr. Yu and Ms. Ying); (iii) Dr. Fong Chi Wah and Mr. Li Shaojie (both being the independent non-executive Directors and having approved the entering into of the Sale and Purchase Agreement prior to the publication of the Announcement); (iv) the Trustee (in respect of the vested Shares held on behalf of non-Independent Shareholders under the 2018 Share Award Scheme); and (v) any other Shareholder who is interested in or involved in the Acquisition were required to and had abstained from voting on the relevant resolutions approving the Acquisition and the Whitewash Waiver (i.e. Resolutions No. 1 and No. 3) at the SGM with respect to a total of 2,816,890,614 Shares held by the aforementioned parties. In addition, the Trustee (in respect of 66,843,440 unvested Shares held by it under the 2018 Share Award Scheme) was required to and had abstained from voting on all the resolutions at the SGM. Accordingly, the total number of Shares entitling the holders to attend the SGM and vote for or against (i) Resolutions No. 1 and No. 3 was 15,537,908,043 Shares, representing approximately 84.3% of the issued share capital of the Company as at the date of this announcement; and (ii) Resolution No. 2 was 18,354,798,657 Shares, representing approximately 99.6% of the issued share capital of the Company as at the date of this announcement.

Save as disclosed above, (i) there were no restrictions on any Shareholder casting votes on any of the resolutions at the SGM; (ii) there was no Share entitling the Shareholder to attend the SGM and only to vote against any of the resolutions at the SGM; and (iii) no Shareholder has stated the intention in the Circular to vote against or to abstain from voting on any of the resolutions at the SGM.

The Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, was appointed as the scrutineer for the purpose of vote-taking at the SGM.

Mr. Yu Tao (being an executive Director) and Dr. Fong Chi Wah (being an independent non-executive Director) attended the SGM in person, whilst the other Directors were unable to attend the SGM due to other work commitment. Dr. Fong Chi Wah (as the chairman of the SGM) did not exercise any discretion to vote, as proxy, on behalf of any Shareholder.

The poll results taken at the SGM in respect of the Resolutions were as follows:

<b>ORDINARY RESOLUTIONS</b> <i>(Note)</i>		<b>Number of votes (% of total number of votes cast)</b>	
		<b>For</b>	<b>Against</b>
1.	To approve the Sale and Purchase Agreement and the transactions contemplated thereunder (including but not limited to the Acquisition and the issue of the Consideration Shares in accordance with terms and conditions of the Sale and Purchase Agreement).	3,095,053,079 (98.22%)	56,068,318 (1.78%)

<b>ORDINARY RESOLUTIONS</b> <i>(Note)</i>		<b>Number of votes (% of total number of votes cast)</b>	
		<b>For</b>	<b>Against</b>
2.	Conditional upon the ordinary resolution designated “1” set out above being duly passed, to approve the grant of the Scheme Specific Mandate to the Directors for making the part of the Proposed Share Award Grant with 64,166,170 Shares in excess of the 2023 AGM Scheme Mandate Limit.	5,123,406,010 (98.59%)	73,372,318 (1.41%)
<b>SPECIAL RESOLUTION</b> <i>(Note)</i>		<b>For</b>	<b>Against</b>
3.	To approve the Whitewash Waiver and the transactions contemplated thereunder.	3,077,749,079 (97.67%)	73,372,318 (2.33%)

*Note:* The full texts of the Resolutions were set out in the SGM Notice.

As more than 50% of the votes were cast in favour of the above Resolutions No. 1 and No. 2, such Resolutions were duly passed as ordinary resolutions of the Company.

As more than 75% of the votes were cast in favour of Resolution No. 3, such Resolution was duly passed as a special resolution of the Company.

## **GRANT OF WHITEWASH WAIVER**

The Executive has, on 22 December 2023, granted the Whitewash Waiver, subject to the fulfilment of the conditions that (1) the Whitewash Waiver and the Acquisition being separately approved by (a) at least 75% and (b) more than 50% respectively, of the independent vote (as defined in Note 1 on dispensations from Rule 26 of the Takeovers Code) that are cast either in person or by proxy at a general meeting of the Company, to be taken on a poll; and (2) unless the Executive gives prior consent, no acquisition or disposal of voting rights being made by the Sellers and parties acting in concert with any of them between the date of the Announcement and the Completion Date.

The aforementioned condition (1) imposed by the Executive has been duly fulfilled as at the date of this announcement. Further announcement(s) in relation to the progress of the Acquisition will be made by the Company as and when appropriate in accordance with the GEM Listing Rules and the Takeovers Code.

## EFFECTS ON THE SHAREHOLDING STRUCTURE OF THE COMPANY

Assuming there is no other change to the issued share capital of, and the shareholding in, the Company from the date of this announcement up to and including the Completion Date and the date of grant of Awards under the Proposed Share Award Grant, the table below sets out the shareholding structure of the Company (i) as at the date of this announcement; (ii) immediately after the issuance of the Fee Shares; (iii) immediately after the issuance of the Consideration Shares and the Fee Shares; and (iv) immediately after the grant of Awards under the Proposed Share Award Grant.

Name of the Shareholders	As at the date of this announcement <i>(Note 1)</i>		Immediately after the allotment and issuance of the Fee Shares <i>(Note 2)</i>		Immediately after the allotment and issuance of the Consideration Shares and the Fee Shares <i>(Note 3)</i>		Immediately after the grant of Awards under the Proposed Share Award Grant <i>(Note 11)</i>	
	<i>Number of Shares held</i>	<i>Approximate shareholding %</i>	<i>Number of Shares held</i>	<i>Approximate shareholding %</i>	<i>Number of Shares held</i>	<i>Approximate shareholding %</i>	<i>Number of Shares held</i>	<i>Approximate shareholding %</i>
<b>Sellers and parties acting in concert with them (comprising public and non-public Shareholders)</b>								
<i>Sellers</i>								
Whitecrow Investment	1,440,601,703	7.82	1,440,601,703	7.82	5,744,205,768	17.42	5,744,205,768	17.42
V5.Cui Investment	241,885,127	1.31	241,885,127	1.31	710,553,962	2.15	710,553,962	2.15
Rory Huang <i>(Note 10)</i>	–	0.00	–	0.00	94,727,656	0.29	94,727,656	0.29
Youzan Teamwork	363,170,101	1.97	363,170,101	1.97	1,560,326,314	4.73	1,560,326,314	4.73
Qima Teamwork	–	0.00	–	0.00	1,906,330,379	5.78	–	–
Xincheng Investment	118,959,335	0.65	118,959,335	0.65	693,961,941	2.10	693,961,941	2.10
Baidu Hong Kong	–	0.00	–	0.00	317,712,161	0.96	317,712,161	0.96
Aves Capital	1,123,478	0.01	1,123,478	0.01	390,813,855	1.19	390,813,855	1.19
HKDWD Holdings	–	0.00	–	0.00	1,357,941,446	4.12	1,357,941,446	4.12
Ralston Global	–	0.00	–	0.00	150,484,552	0.46	150,484,552	0.46
Hangzhou San Ren Yan Xing	–	0.00	–	0.00	150,484,552	0.46	150,484,552	0.46
Franchise Fund	–	0.00	–	0.00	549,170,212	1.67	549,170,212	1.67
Happy Zan	–	0.00	–	0.00	59,700,173	0.18	59,700,173	0.18
Tembusu HZ	100,000,000	0.54	100,000,000	0.54	1,716,882,271	5.21	1,716,882,271	5.21
Matrix Partners China III	180,000,000	0.98	180,000,000	0.98	863,306,288	2.62	863,306,288	2.62
Matrix Partners China III-A	20,000,000	0.11	20,000,000	0.11	95,922,926	0.29	95,922,926	0.29
GCYZ Holdings	257,735,849	1.40	257,735,849	1.40	367,321,948	1.11	367,321,948	1.11
GCQM Holdings	–	0.00	–	0.00	543,629,178	1.65	543,629,178	1.65
<b>Subtotal</b>	<b>2,723,475,593</b>	<b>14.78</b>	<b>2,723,475,593</b>	<b>14.78</b>	<b>17,273,475,582</b>	<b>52.39</b>	<b>15,367,145,203</b>	<b>46.60</b>

Name of the Shareholders	As at the date of this announcement (Note 1)		Immediately after the allotment and issuance of the Fee Shares (Note 2)		Immediately after the allotment and issuance of the Consideration Shares and the Fee Shares (Note 3)		Immediately after the grant of Awards under the Proposed Share Award Grant (Note 11)	
	Number of Shares held	Approximate shareholding %	Number of Shares held	Approximate shareholding %	Number of Shares held	Approximate shareholding %	Number of Shares held	Approximate shareholding %
<i>Parties acting in concert with the Sellers</i>								
Mr. Zhu (Note 4)	28,000,000	0.15	28,000,000	0.15	28,000,000	0.08	28,000,000	0.08
Mr. Cui (Note 5)	8,900,000	0.05	8,900,000	0.05	8,900,000	0.03	8,900,000	0.03
Mr. Yu (Note 6)	13,848,000	0.08	13,848,000	0.08	13,848,000	0.04	13,848,000	0.04
Ms. Ying (Note 6)	852,000	0.00	852,000	0.00	852,000	0.00	852,000	0.00
Mr. Zhou Kai (Note 7)	1,000,000	0.01	1,000,000	0.01	1,000,000	0.00	1,000,000	0.00
<b>Subtotal for the Sellers and parties acting in concert with them</b>	<b>2,776,075,593</b>	<b>15.07</b>	<b>2,776,075,593</b>	<b>15.07</b>	<b>17,326,075,582</b>	<b>52.54</b>	<b>15,419,745,203</b>	<b>46.76</b>
<b>Non-public Shareholders</b>								
Trustee of the 2018 Share Award Scheme (Note 8)	600,089,053	3.26	600,089,053	3.26	600,089,053	1.82	600,089,053	1.82
Proposed trustee of the Youzan Technology Share Award Plan A	–	0.00	–	0.00	–	0.00	1,906,330,379	5.78
Dr. Fong Chi Wah (Note 9)	1,000,000	0.01	1,000,000	0.01	1,000,000	0.00	1,000,000	0.00
Mr. Li Shaojie (Note 9)	1,000,000	0.01	1,000,000	0.01	1,000,000	0.00	1,000,000	0.00
<b>Subtotal</b>	<b>602,089,053</b>	<b>3.27</b>	<b>602,089,053</b>	<b>3.27</b>	<b>602,089,053</b>	<b>1.82</b>	<b>2,508,419,432</b>	<b>7.61</b>
<b>Public Shareholders</b>								
Oriental Patron	–	–	6,666,666	0.04	6,666,666	0.02	6,666,666	0.02
Other public Shareholders	15,043,477,451	81.66	15,043,477,451	81.63	15,043,477,451	45.62	15,043,477,451	45.62
<b>Total</b>	<b>18,421,642,097</b>	<b>100.00</b>	<b>18,428,308,763</b>	<b>100.00</b>	<b>32,978,308,752</b>	<b>100.00</b>	<b>32,978,308,752</b>	<b>100.00</b>

*Notes:*

1. The percentage was calculated on the basis of 18,421,642,097 Shares in issue as at the date of this announcement and is rounded to the nearest 2 decimal places. Numbers may not add up to 100% due to rounding.
2. The percentage was calculated on the enlarged issued share capital of the Company as a result of the issue of the Fee Shares comprising a total of 18,428,308,763 Shares and is rounded to the nearest 2 decimal places. Numbers may not add up to 100% due to rounding. The allotment and issuance of the Fee Shares are not contingent upon the status or development of the Acquisition and transactions contemplated thereunder.
3. The percentage was calculated on the enlarged issued share capital of the Company as a result of the issue of the Consideration Shares and the Fee Shares comprising a total of 32,978,308,752 Shares and is rounded to the nearest 2 decimal places. Numbers may not add up to 100% due to rounding.

4. As at the date of this announcement, Mr. Zhu holds the Shares on his own and through Whitecrow Investment. In addition, Mr. Zhu held share options issued by the Company for which (a) 100,000,000 new Shares may be issued at the exercise price of HK\$1.00 per Share and (b) 1,000,000 new Shares may be issued at the exercise price of HK\$0.385 pursuant to the terms and conditions of such share options.
5. As at the date of this announcement, Mr. Cui holds the Shares on his own and through V5.Cui Investment, a company wholly-owned by him; in addition, Mr. Cui held share options issued by the Company for which (a) 20,000,000 new Shares may be issued at the exercise price of HK\$0.90 per Share and (b) 1,000,000 new Shares may be issued at the exercise price of HK\$0.385 pursuant to the terms and conditions of such share options.
6. Each of Mr. Yu and Ms. Ying is an executive Director. As at the date of this announcement, Mr. Yu holds share options issued by the Company for which (a) 15,000,000 new Shares may be issued at the exercise price of HK\$0.90 per Share and (b) 1,000,000 new Shares may be issued at the exercise price of HK\$0.385 pursuant to the terms and conditions of such share options. In addition, as at the date of this announcement, Ms. Ying holds share options issued by the Company for which (a) 15,000,000 new Shares may be issued at the exercise price of HK\$0.90 per Share and (b) 1,000,000 new Shares may be issued at the exercise price of HK\$0.385 per Share pursuant to the terms and conditions of such share options.
7. As at the date of this announcement, Mr. Zhou Kai holds 6% in Youzan Teamwork and as a result is presumed to be acting in concert with the Sellers. In addition, as at the date of this announcement, Mr. Zhou Kai also held share options issued by the Company for which (a) 10,000,000 new Shares may be issued at the exercise price of HK\$0.75 per Share and (b) 1,000,000 new Shares may be issued at the exercise price of HK\$0.385 per Share pursuant to the terms and conditions of such share options, and Mr. Zhou Kai also had interest in 10,000,000 Shares underlying the vested awards granted under the 2018 Share Award Scheme which were currently held by the Trustee on his behalf.
8. Such Shares represent the Shares which are held by the Trustee under the 2018 Share Award Scheme for the purposes of satisfying unvested awards involving 66,843,440 underlying Shares (representing approximately 0.36% of the total issued Shares as at the date of this announcement) or vested awards held on behalf of the relevant grantees involving 533,245,613 underlying Shares (representing approximately 2.89% of the total issued Shares as at the date of this announcement).

Pursuant to the relevant trust deed for the 2018 Share Award Scheme, the Trustee shall not exercise the voting rights in respect of awarded Shares held under the trust which have not been vested in the relevant grantees. After the awarded Shares are vested, the relevant grantee shall be entitled to exercise the voting rights in respect of such Shares through giving instructions to the Trustee. As part of an arrangement implemented by the Company to ensure that the flow of sale proceeds to the relevant grantees (who had received the awards under the 2018 Share Award Scheme and who are located in the PRC) is in compliance with relevant foreign exchange control laws and regulations in the PRC, the awarded Shares are held by the Trustee for and on behalf of the relevant grantees and the Trustee will dispose of the Shares as directed by such grantees and will facilitate the transfer of the sale proceeds into the PRC for onward transfer to such grantees. There is no limitation period within which the disposal of vested Shares held on behalf of the relevant grantees by the Trustee should be made.

9. Each of Dr. Fong Chi Wah and Mr. Li Shaojie is an independent non-executive Director.

10. Mr. Huang is the sole ultimate beneficial owner of Rory Huang and presumed to be acting in concert with the Sellers as a result. As at the date of this announcement, Mr. Huang holds share options for which 1,000,000 new Shares may be issued at the exercise price of HK\$0.385 per Share pursuant to the terms and conditions of such share options.
11. The figures are calculated on the assumptions that (i) 1,906,330,379 Shares held by Qima Teamwork after Completion have been transferred to the proposed trustee of the Youzan Technology Share Award Plan A for the purpose of satisfying the Awards granted thereunder; and (ii) the relevant trustee has not transferred or disposed of the Shares underlying the relevant Awards which will be immediately vested in the relevant Grantees under the Proposed Share Award Grant. For the avoidance of doubt, the Proposed Share Award Grant will not proceed in the event that Completion of the Acquisition does not take place.

**WARNING: Shareholders and potential investors of the Company should note that Completion of the Acquisition is conditional upon the satisfaction (or waiver, where applicable) of the conditions precedent set out in the section headed “THE ACQUISITION – Conditions to the Completion under the Sale and Purchase Agreement” in the letter from the board of the Circular. Accordingly, the Acquisition may or may not proceed. Shareholders and potential investors of the Company are advised to exercise caution when dealing in the Shares, and are recommended to consult their own professional adviser(s) if they are in any doubt about their position or any action to be taken.**

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

Hong Kong, 27 December 2023

*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 three independent non-executive Directors, namely Dr. Fong Chi Wah, Mr. Deng Tao and Mr. Li Shaojie.*

*All Directors jointly and severally accept full responsibility for the accuracy of the information contained in this announcement and confirm, having made all reasonable inquiries, 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 omissions of which would make any statement in this announcement misleading.*

*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 Stock Exchange’s website at [www.hkexnews.hk](http://www.hkexnews.hk) on the “Latest Listed Company Information” page for at least 7 days from the date of its publication and on the Company’s website at [www.chinayouzan.com](http://www.chinayouzan.com).*