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SHEN YOU HOLDINGS LIMITED

申酉控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8377)

DISCLOSEABLE TRANSACTION ACQUISITIONS OF HORSES

Reference is made to the announcement of Shen You Holdings Limited dated 31 May 2021 (the “**Announcement**”) in relation to, among other things, the Acquisitions of Horses. Unless otherwise defined, capitalised terms used herein shall have the same meanings as those defined in the Announcement.

As disclosed in the Announcement, to the best of the Directors’ knowledge, information and belief, having made all reasonable enquiries, the Vendors are different parties which are not connected or otherwise associated with one another, and each of the Vendors and its ultimate beneficial owner(s) (where applicable) and the Auctioneer and its ultimate beneficial owner(s) is an Independent Third Party.

Considering that, among other things, (i) each of the Acquisitions was entered into with different Vendors, which, to the best of the Directors’ knowledge, information and belief having made all reasonable enquiries, were not connected or otherwise associated with one another, at the 2021 Gold Coast National Broodmare Sale, which was a public auction during which over 800 horses were offered for sale; (ii) each of the Horses did not form part of one asset; (iii) the Acquisitions will not lead to substantial involvement by the Company in a business activity which did not previously form part of the Company’s principal business activities as (a) the Existing Businesses will continue to be the core businesses of the Group, (b) the revenue expected to be generated and the operating expenses expected to be incurred in respect of the New Business will not be material as compared to that of the Existing Businesses as a whole, and (c) no further capital commitment is required in respect of each of the Acquisitions; (iv) the completions of the Acquisitions were not inter-conditional; and (v) at the time of each of the Acquisitions, the Company was uncertain as to whether it would be successful in its bid for each of the Horses, the Company initially assessed that the Acquisitions did not constitute a series of transactions and shall therefore not be aggregated under Rule 19.22 of the GEM Listing Rules.

However, as advised by the Stock Exchange, since the Acquisitions were entered into within a 12-month period and for the purpose of facilitating the development of the New Business which did not previously form part of the Existing Businesses, the Acquisitions shall be aggregated under Rules 19.22 and 19.23 of the GEM Listing Rules. As the applicable percentage ratio(s) (as defined under the GEM Listing Rules) in respect of the Acquisitions, when aggregated, is more than 5% but less than 25%, the Acquisitions constitute a discloseable transaction on the part of the Company under the GEM Listing Rules and is subject to the notification and announcement requirements but is exempt from the Shareholders' approval requirement under Chapter 19 of the GEM Listing Rules.

The information set out above does not affect other information contained in the Announcement and the contents in the Announcement remain unchanged and are in compliance with the disclosure requirements under Chapter 19 of the GEM Listing Rules.

By order of the Board
Shen You Holdings Limited
Wong Kwok Wai, Albert
*Chairman, chief executive officer
and executive Director*

Hong Kong, 11 June 2021

As at the date of this announcement, the Board comprises four executive Directors, namely, Mr. Wong Kwok Wai, Albert, Mr. Chan Yiu Tung, Enoch, Mr. Leung King Yue, Alex and Mr. Ma Pok Man Josiah; and three independent non-executive Directors, namely, Mr. Sung Alfred Lee Ming, Mr. Chan Tsun Choi, Arnold and Mr. Chow Chin Hang, Joel.

This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on GEM of The Stock Exchange of Hong Kong Limited 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 Listed Company Information" page of the GEM website at www.hkgem.com for at least 7 days from the date of its posting and be posted on the website of the Company at www.shenyoutholdings.com.