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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)

SUBSCRIPTIONS OF NEW SHARES UNDER GENERAL MANDATE AND PLACING OF NEW SHARES UNDER GENERAL MANDATE

Placing Agent



新城晉峰證券有限公司
SEAZEN RESOURCES SECURITIES LIMITED

SUBSCRIPTIONS OF NEW SHARES UNDER GENERAL MANDATE

On 29 June 2021 (after trading hours of the Stock Exchange), the Company entered into the Subscription Agreements with the Subscribers, pursuant to which the Subscribers have conditionally agreed to subscribe for and the Company has conditionally agreed to allot and issue an aggregate of 6,700,000 new Shares at the Subscription Price of HK\$0.60 per Subscription Share.

Assuming that there will be no change in the issued share capital of the Company between the date of this announcement and the completion of the Subscriptions and the Placing, the 6,700,000 Subscription Shares represent (i) approximately 1.88% of the existing issued share capital of the Company of 355,441,860 Shares as at the date of this announcement; and (ii) approximately 1.64% of the issued share capital of the Company as enlarged by the allotment and issue of the Subscription Shares and the Placing Shares.

The Subscription Price of HK\$0.60 per Subscription Share represents (i) a discount of approximately 1.64% to the closing price of HK\$0.610 per Share as quoted on the Stock Exchange on the date of the Subscription Agreements; and (ii) a discount of approximately 0.99% to the average closing price of HK\$0.606 per Share as quoted on the Stock Exchange for the last five consecutive trading days prior to the date of the Subscription Agreements.

PLACING OF NEW SHARES UNDER GENERAL MANDATE

On 29 June 2021 (after trading hours of the Stock Exchange), the Placing Agent and the Company entered into the Placing Agreement, pursuant to which the Company has conditionally agreed to place through the Placing Agent, on a best effort basis, up to 47,000,000 Placing Shares at the placing price of HK\$0.60 per Placing Share to not less than six Placees who and whose beneficial owners shall be Independent Third Parties.

Assuming that there will be no change in the issued share capital of the Company between the date of this announcement and the completion of the Subscriptions and the Placing, the maximum number of Placing Shares under the Placing represents (i) approximately 13.22% of the existing issued share capital of the Company of 355,441,860 Shares as at the date of this announcement; and (ii) approximately 11.49% of the issued share capital of the Company as enlarged by the allotment and issue of the Placing Shares and Subscription Shares. The aggregate nominal value of the maximum number of Placing Shares under the Placing will be HK\$2,350,000.

The placing price of HK\$0.60 per Placing Share represents (i) a discount of approximately 1.64% to the closing price of HK\$0.610 per Share as quoted on the Stock Exchange on the date of the Placing Agreement; and (ii) a discount of approximately 0.99% to the average closing price of HK\$0.606 per Share as quoted on the Stock Exchange for the last five consecutive trading days prior to the date of the Placing Agreement.

GENERAL

Subject to completion of the Subscriptions and the Placing, and assuming all the Placing Shares are successfully placed by the Placing Agent, it is expected that the maximum gross proceeds and net proceeds from the Subscriptions and the Placing will be approximately HK\$32,220,000 and HK\$31,320,000, respectively. On such basis, the maximum net price raised per Subscription Share or Placing Share upon completion of the Subscriptions and the Placing will be approximately HK\$0.583. The net proceeds from the Placing and the Subscriptions are intended to be used (i) as to approximately HK\$19,320,000 for the development of the existing business of the Group and/or possible acquisition of and/or possible investment in business(es); (ii) as to approximately HK\$5,800,000 for the development of horse breeding business; and (iii) as to approximately HK\$6,200,000 for the general working capital of the Group.

The Subscription Shares and the Placing Shares will be allotted and issued under the General Mandate granted to the Directors by a resolution of the Shareholders passed at the AGM.

Since completion of the Subscriptions and the Placing are subject to the fulfillment of the conditions as set out in the Subscription Agreements and the Placing Agreement, respectively, the Subscriptions and/or the Placing may or may not proceed. Shareholders and potential investors are reminded to exercise caution when dealing in the Shares.

SUBSCRIPTIONS OF NEW SHARES UNDER GENERAL MANDATE

The Board announces that on 29 June 2021 (after trading hours of the Stock Exchange), the Company entered into the Subscription Agreements with the Subscribers, pursuant to which the Subscribers have conditionally agreed to subscribe for and the Company has conditionally agreed to allot and issue an aggregate of 6,700,000 new Shares at the Subscription Price of HK\$0.60 per Subscription Share.

THE SUBSCRIPTION AGREEMENTS

The Subscription Agreement 1

Date: 29 June 2021

Parties: (i) the Company, as the issuer; and
(ii) the Subscriber 1 — Mr. Mok Yuen Bill, as the subscriber

To the best of the knowledge, information and belief of the Directors and having made all reasonable enquiries, the Subscriber 1 is an Independent Third Party.

Pursuant to terms and conditions of the Subscription Agreement 1, the Company has conditionally agreed to allot and issue and the Subscriber 1 has conditionally agreed to subscribe for in cash of HK\$2,040,000 for a total of 3,400,000 new Shares (being part of the Subscription Shares) at the Subscription Price of HK\$0.60 per Subscription Share. Assuming that there will be no change in the issued share capital of the Company between the date of this announcement and the completion of the Subscriptions and the Placing, the 3,400,000 Subscription Shares represent (i) approximately 0.96% of the existing issued share capital of the Company as at the date of this announcement; and (ii) approximately 0.83% of the issued share capital of the Company as enlarged by the allotment and issue of the Subscription Shares and the Placing Shares.

The Subscription Agreement 2

Date: 29 June 2021

Parties: (i) the Company, as the issuer; and
(ii) the Subscriber 2 — United Sky Corporation Limited, as the subscriber

To the best of the knowledge, information and belief of the Directors and having made all reasonable enquiries, the Subscriber 2 is principally engaged in investment, dealing in arts and operation of art gallery. To the best of the knowledge, information and belief of the Directors and having made all reasonable enquiries, each of the Subscriber 2 and its ultimate beneficial owner(s) is an Independent Third Party.

Pursuant to the terms and conditions of the Subscription Agreement 2, the Company has conditionally agreed to allot and issue and the Subscriber 2 has conditionally agreed to subscribe for in cash of HK\$1,980,000 for a total of 3,300,000 new Shares (being part of the Subscription Shares) at the Subscription Price of HK\$0.60 per Subscription Share. Assuming that there will be no change in the issued share capital of the Company between the date of this announcement and the completion of the Subscriptions and the Placing, the 3,300,000 Subscription Shares represent (i) approximately 0.93% of the existing issued share capital of the Company as at the date of this announcement; and (ii) approximately 0.81% of the issued share capital of the Company as enlarged by the allotment and issue of the Subscription Shares and the Placing Shares.

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, each of the Subscribers is independent of each other.

Subscription Shares

Assuming that there will be no change in the issued share capital of the Company between the date of this announcement and the completion of the Subscriptions and the Placing, the 6,700,000 Subscription Shares represent (i) approximately 1.88% of the existing issued share capital of the Company of 355,441,860 Shares as at the date of this announcement; and (ii) approximately 1.64% of the issued share capital of the Company as enlarged by the allotment and issue of the Subscription Shares and Placing Shares. The aggregate nominal value of the Subscription Shares is HK\$335,000.

PRINCIPAL TERMS OF EACH OF THE SUBSCRIPTION AGREEMENTS

Apart from the identities of the Subscribers and the number of the Subscription Shares to be subscribed for by each of the Subscribers set out above, the terms of each of the Subscription Agreements are the same. Set out below are the principal terms of the Subscription Agreements.

Subscription Price

The Subscription Price of HK\$0.60 per Subscription Share represents:

- (i) a discount of approximately 1.64% to the closing price of HK\$0.610 per Share as quoted on the Stock Exchange on the date of the Subscription Agreements; and
- (ii) a discount of approximately 0.99% to the average closing price of HK\$0.606 per Share as quoted on the Stock Exchange for the last five consecutive trading days prior to the date of the Subscription Agreements.

The net Subscription Price, after deduction of relevant expenses, is estimated to be approximately HK\$0.583 per Subscription Share.

The Subscription Price was determined with reference to the prevailing market prices of the Shares and financial position of the Group and was negotiated on an arm's length basis between the Company and the Subscribers. The Directors consider that the Subscription Price and the terms of the Subscription Agreements are fair and reasonable and are in the interests of the Company and the Shareholders as a whole.

Condition precedent of the Subscription Agreements

Completion of each of the Subscriptions is conditional upon the GEM Listing Committee of the Stock Exchange granting the listing of, and permission to deal in, the Subscription Shares.

The condition above is not waivable. In the event the condition above is not fulfilled by 5:00 p.m. on 20 July 2021 (or such other time and date as may be agreed by the Company and the Subscribers), all rights, obligations and liabilities of the parties to the Subscription Agreements shall cease and determine and neither party thereto shall have any claim against the other, save for any antecedent breaches of the terms thereof.

Each of the Subscription Agreements is not conditional upon the other.

Completion of the Subscriptions

Completion of the Subscriptions shall take place on the fifth Business Day (or such other date and time as may be agreed by the Company and the Subscribers) after the satisfaction of the condition set out above.

Ranking of the Subscription Shares

The Subscription Shares, when allotted and issued, will rank *pari passu* in all respects among themselves and with the Shares in issue on the date of allotment and issue of the Subscription Shares.

PLACING OF NEW SHARES UNDER GENERAL MANDATE

The Board announces that on 29 June 2021 (after trading hours of the Stock Exchange), the Placing Agent and the Company entered into the Placing Agreement, pursuant to which the Company has conditionally agreed to place through the Placing Agent, on a best effort basis, up to 47,000,000 Placing Shares at the placing price of HK\$0.60 per Placing Share to not less than six Placees who and whose beneficial owners shall be Independent Third Parties.

THE PLACING AGREEMENT

The principal terms of the Placing Agreement are set out below:

Date: 29 June 2021

Parties: (i) the Company, as the issuer; and
(ii) Seazen Resources Securities Limited, as the Placing Agent

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, the Placing Agent and its ultimate beneficial owner(s) are Independent Third Parties.

Pursuant to the terms and conditions of the Placing Agreement, the Company has conditionally agreed to place through the Placing Agent, on a best effort basis, up to 47,000,000 Placing Shares at the placing price of HK\$0.60 per Placing Share to not less than six Placees who and whose beneficial owners shall be Independent Third Parties.

Placing commission

In consideration of the services of the Placing Agent in relation to the Placing and provided that completion of the Placing occurs in accordance with the terms and conditions of the Placing Agreement, the Company shall pay to the Placing Agent a commission of 2.5% of the aggregate Placing Price in respect of such number of Placing Shares successfully placed by the Placing Agent plus any other out-of-pocket charges and expenses by the Placing Agent in relation to the Placing.

The Placing commission was negotiated on arm's length basis between the Company and the Placing Agent and determined with reference to the prevailing market rates.

Placees

The Placing Agent will, on a best effort basis, place the Placing Shares to not less than six Placees, who and whose ultimate beneficial owner(s) (if applicable) shall be Independent Third Parties.

Number of Placing Shares

Assuming that there will be no change in the issued share capital of the Company between the date of this announcement and the completion of the Placing and the Subscriptions, the maximum number of Placing Shares under the Placing represents (i) approximately 13.22% of the existing issued share capital of the Company of 355,441,860 Shares as at the date of this announcement; and (ii) approximately 11.49% of the issued share capital of the Company as enlarged by the allotment and issue of the Placing Shares and the Subscription Shares. The aggregate nominal value of the maximum number of Placing Shares under the Placing will be HK\$2,350,000.

Ranking of Placing Shares

The Placing Shares under the Placing, when issued and fully paid up, will rank *pari passu* in all respects with the Shares in issue on the date of allotment and issue of the Placing Shares.

Placing Price

The placing price of HK\$0.60 per Placing Share represents (i) a discount of approximately 1.64% to the closing price of HK\$0.610 per Share as quoted on the Stock Exchange on the date of the Placing Agreement; and (ii) a discount of approximately 0.99% to the average closing price of HK\$0.606 per Share as quoted on the Stock Exchange for the last five trading days prior to the date of the Placing Agreement.

The Placing Price was determined with reference to the prevailing market prices of the Shares and financial position of the Group and was negotiated on an arm's length basis between the Company and the Placing Agent. The Directors consider that the terms of the Placing are on normal commercial terms and are fair and reasonable based on the current market conditions. Hence, the Placing is in the interests of the Company and the Shareholders as a whole.

Condition precedent of the Placing Agreement

Completion of the Placing is conditional upon the GEM Listing Committee of the Stock Exchange granting the listing of, and permission to deal in, all of the Placing Shares to be placed pursuant to the Placing Agreement on or before 20 July 2021 (or such later date as the Placing Agent and the Company may agree in writing) ("**Long Stop Date**").

If the above condition is not satisfied on or before the Long Stop Date, all obligations of the Placing Agent and of the Company under the Placing Agreement shall cease and determine and neither the Placing Agent nor the Company shall have any claim against the other in relation to the Placing Agreement (save in respect of (i) any antecedent breaches of any obligation thereunder; and (ii) any liabilities in respect of the representations and warranties made by the Company, undertakings by the Placing Agent, indemnity and reimbursements).

Completion of the Placing

Completion of the Placing shall take place on the third Business Day after the fulfillment of the above condition (or on such other date as the Company and the Placing Agent may agree in writing).

Force majeure

The Placing Agent may, in its reasonable opinion, after consultation with the Company, terminate the Placing Agreement by notice in writing to the Company at any time up to 9:00 a.m. on the Completion Date if:

- (1) there is any change in national, international, financial, exchange control, political, economic conditions in Hong Kong which in the reasonable opinion of the Placing Agent would be materially adverse in the consummation of the Placing; or
- (2) there is any breach of the warranties, representations and undertakings given by the Company in the Placing Agreement and such breach is considered by the Placing Agent on reasonable grounds to be material in the context of the Placing; or

- (3) there is any material change (whether or not forming part of a series of changes) in market conditions which in the reasonable opinion of the Placing Agent would materially and prejudicially affect the Placing or makes it inadvisable or inexpedient for the Placing to proceed; or
- (4) any statement contained in this announcement has become or been discovered to be untrue, incorrect or misleading in any material respect which in the opinion of the Placing Agent would be materially adverse in the consummation of the Placing; or
- (5) there is any suspension of dealings in the Shares on the Stock Exchange for more than five consecutive Business Days (other than as a result of or in connection with the Placing); or
- (6) any event of force majeure (being an event beyond the control of the parties and which is unforeseeable or unavoidable), including but without limiting the generality hereof, any act of God, war, riot, public disorder, civil commotion, fire, flood, explosion, epidemic, terrorism, strike or lock-out, occurs which prevents the performance of the contractual obligations of the parties under the Placing Agreement.

Upon termination of the Placing Agreement as described above, all liabilities of the parties to the Placing Agreement shall cease and determine and no party thereto shall have any claim against the other party in respect of any matter or thing arising out of or in connection with the Placing Agreement save in respect of (i) any antecedent breach of any obligation under the Placing Agreement; and (ii) any liabilities in respect of the representations and warranties made by the Company, undertakings by the Placing Agent, indemnity and reimbursements.

The Directors are not aware of the occurrence of any of such events as at the date of this announcement.

GENERAL MANDATE TO ALLOT AND ISSUE THE SUBSCRIPTION SHARES AND THE PLACING SHARES

The Subscription Shares and the Placing Shares will be allotted and issued under the General Mandate to allot, issue and deal with Shares granted to the Directors by resolution of the Shareholders passed at the AGM subject to the limit up to 20% of the then issued share capital of the Company as at the date of the AGM.

Under the General Mandate, the Company is authorised to issue up to 71,088,372 Shares under the General Mandate. Up to the date of this announcement, no new Share has been issued under the General Mandate. The 6,700,000 Subscription Shares and the maximum of 47,000,000 Placing Shares to be allotted and issued will utilise approximately 75.54% of the General Mandate. Accordingly, the allotment and issue of the Subscription Shares and the Placing Shares are not subject to the further approval of the Shareholders.

APPLICATIONS FOR LISTING OF THE SUBSCRIPTION SHARES AND THE PLACING SHARES

Applications will be made by the Company to the GEM Listing Committee of the Stock Exchange for the grant of the listing of, and permission to deal in, the Subscription Shares and the Placing Shares.

Since completion of the Subscriptions and the Placing are subject to the fulfillment of the conditions as set out in the Subscription Agreements and the Placing Agreement, respectively, the Subscriptions and/or the Placing may or may not proceed. Shareholders and potential investors are reminded to exercise caution when dealing in the Shares.

REASONS FOR THE SUBSCRIPTIONS AND THE PLACING AND USE OF PROCEEDS

The Group is principally engaged in the manufacture and trading of sewing threads and broad categories of garment accessories and also in the provision of interior design, fitting out and decoration services.

Subject to completion of the Subscriptions and the Placing, and assuming all the Placing Shares are successfully placed by the Placing Agent, it is expected that the maximum gross proceeds and net proceeds from the Subscriptions and the Placing will be approximately HK\$32,220,000 and HK\$31,320,000, respectively. On such basis, the maximum net price raised per Subscription Share or Placing Share upon completion of the Subscriptions and the Placing will be approximately HK\$0.583. The net proceeds from the Subscriptions and the Placing are intended to be used (i) as to approximately HK\$19,320,000 for the development of the existing business of the Group and/or possible acquisition of and/or possible

investment in business(es); (ii) as to approximately HK\$5,800,000 for the development of horse breeding business; and (iii) as to approximately HK\$6,200,000 for the general working capital of the Group.

The Directors are of the view that the Subscriptions and Placing can strengthen the financial position of the Group, provide funding to the Group for the development of its existing business and the horse breeding business, and enhance the Group's flexibility in future business developments or investments as and when opportunities arise. The Subscriptions and the Placing also represent good opportunities to broaden the Shareholders' base and the capital base of the Company.

The Directors have also considered other ways of fund raising such as debt financing, bank borrowing, rights issue or open offer. As regards to debt financing and bank borrowing, having considered that it would increase the gearing level of the Group and the interest expenses and finance costs would impose additional financial burden to the Group's future cash flow, the Board considers that such fund raising method is currently not the most appropriate method to the Group. As regards to the viability of a rights issue or an open offer, the Directors consider that the rights issue or open offer would incur higher legal cost and the cost for the preparation of the documents and the process would be relatively time consuming.

The Directors consider that the Subscriptions reflect the confidence and commitment of the Subscribers towards the long-term and sustainable development of the Company. In light of the above, the Board is of the view that the Subscriptions and the Placing are the most appropriate fund raising method and are beneficial to the Company.

The Directors (including the independent non-executive Directors) consider that the terms and conditions of each of the Subscription Agreements and the Placing Agreement (including the Subscription Price and Placing Price) are fair and reasonable and are on normal commercial terms and the Subscriptions and the Placing are in the interests of the Company and the Shareholders as a whole.

EQUITY FUND RAISING ACTIVITIES OF THE COMPANY DURING THE PAST 12 MONTHS

The following are details of the equity fund raising activity of the Company conducted during the past 12 months immediately preceding the date of this announcement:

Date of announcement	Fund raising activity	Net proceeds raised (approximately)	Intended use of net proceeds	Actual use of net proceeds
19 January 2021 (completed on 11 February 2021)	Issue of 24,000,000 subscription Shares at HK\$0.30 per subscription share; and Placing of 24,000,000 placing Shares at HK\$0.30 per placing share	HK\$13,950,000	(i) as to approximately HK\$2.79 million for the general working capital of the Group; and (ii) as to approximately HK\$11.16 million for possible investment(s)	(i) as to approximately HK\$2.79 million was used as intended for the general working capital of the Group; and (ii) as to approximately HK\$3.52 million was used as intended and approximately HK\$7.64 million will be used for possible investment(s)

Save as disclosed above, the Company has not conducted any other equity fund raising activities during the past 12 months immediately preceding the date of this announcement.

EFFECTS ON SHAREHOLDING STRUCTURE OF THE COMPANY

To the best of the Directors' knowledge, information and belief after having made all reasonable enquiries, the existing shareholding structure of the Company and the effect on the shareholding structure of the Company upon completion of the Subscriptions and the Placing (subject to completion of the Subscriptions and Placing and assuming that the Placing Shares are subscribed in full and there is no other change in the shareholding structure of the Company between the date of this announcement and completion of the Subscriptions and Placing) are set out below:

Shareholders	As at the date of this announcement		Immediately upon completion of the Subscriptions and the Placing (assuming the Placing Shares are subscribed in full)	
	Number of issued Shares	Approximate percentage	Number of issued Shares	Approximate percentage
Three Gates ^(Note 1)	120,000,000	33.76%	120,000,000	29.33%
Mr. Leung King Yue, Alex ("Mr. Leung") ^(Note 2)	10,000,000	2.81%	10,000,000	2.44%
<i>Public Shareholders</i>				
Subscribers	—	—	6,700,000	1.64%
Placees	—	—	47,000,000	11.49%
Other public Shareholders	225,441,860	63.43%	225,441,860	55.10%
Total:	<u>355,441,860</u>	<u>100.00%</u>	<u>409,141,860</u>	<u>100.00%</u>

Notes:

1. Three Gates, a company incorporated in the British Virgin Islands, is wholly and beneficially owned by Mr. Wong, who is the executive Director, Chairman, Chief Executive Officer and controlling shareholder of the Company. 80,000,000 Shares held by Three Gates have been charged in favour of Gold-Face Finance Limited (“**Gold-Face**”) as security for a loan granted in favour of Mr. Wong. Gold-Face is direct wholly-owned by Upbest Credit and Mortgage Limited, which is in turn owned as to 50% by Good Foundation Company Limited (“**Good Foundation**”) and 50% by Upbest Strategic Company Limited (“**Upbest Strategic**”). Each of Good Foundation and Upbest Strategic is a direct wholly-owned subsidiary of Upbest Financial Holdings Limited (“**Upbest Financial**”), which is in turn wholly-owned by Upbest Group Limited (“**Upbest Group**”). As such, Upbest Credit and Mortgage, Upbest Strategic, Good Foundation, Upbest Financial and Upbest Group are all deemed to be interested in the security interest in the 80,000,000 Shares charged in favour of Gold-Face by virtue of the SFO.
2. Mr. Leung is an executive Director.
3. Certain percentage figures in the above table are subject to rounding adjustments. Accordingly, figures shown as totals may not be an arithmetic aggregation of the figures preceding them.

DEFINITIONS

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

“AGM”	the annual general meeting of the Company held on 7 May 2021
“associates”	has the meaning ascribed to this term under the GEM Listing Rules
“Board”	the board of Directors
“Business Day(s)”	any day (not being a Saturday, Sunday or public holiday) on which licensed banks are generally open for business in Hong Kong throughout their normal business hours
“Company”	Shen You Holdings Limited, a company incorporated in the Cayman Islands with limited liability, the issued shares of which are listed on GEM (stock code: 8377)
“connected person”	has the meaning ascribed to this term under the GEM Listing Rules
“Director(s)”	director(s) of the Company

“GEM”	GEM as operated by the Stock Exchange
“GEM Listing Committee”	has the meaning ascribed to this term under the GEM Listing Rules
“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM
“General Mandate”	the general mandate granted to the Directors at the AGM to allot, issue or deal with up to 20% of the then issued share capital of the Company as at the date of the AGM
“Group”	the Company and its subsidiaries
“Hong Kong”	Hong Kong Special Administrative Region of the People’s Republic of China
“Independent Third Party(ies)”	third party(ies) independent of and not connected with the Company and its connected persons and is not acting in concert (as defined in the Codes on Takeovers and Mergers and Share Buy-backs) with any of the connected persons of the Company or any of their respective associates (as defined under the GEM Listing Rules)
“Mr. Wong”	Mr. Wong Kwok Wai, Albert, the Chairman, an executive Director and the chief executive officer of the Company
“Placee(s)”	any individuals, corporates, institutional investors or other investors to be procured by or on behalf of the Placing Agent under the Placing
“Placing”	the offer by way of private placing of the Placing Shares by or on behalf of the Placing Agent to the Placee(s) on the terms and subject to the conditions set out in the Placing Agreement
“Placing Agent”	Seazen Resources Securities Limited, a company incorporated in Hong Kong with limited liability and a corporation licensed to carry out Type 1 (dealing in securities) regulated activity under the SFO
“Placing Agreement”	the conditional placing agreement dated 29 June 2021 and entered into between the Company and the Placing Agent in relation to the Placing under the General Mandate
“Placing Price”	HK\$0.60 per Placing Share

“Placing Shares”	an aggregate of up to 47,000,000 new Shares to be placed pursuant to the terms and conditions of the Placing Agreement and each a “Placing Share”
“PRC”	the People’s Republic of China, which for the purpose of this announcement excludes Hong Kong, Macau Special Administrative Region of the PRC and Taiwan
“SFO”	Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	ordinary share(s) of HK\$0.05 each in the share capital of the Company
“Shareholder(s)”	holder(s) of the Share(s)
“Share Charge”	a share charge over 80,000,000 Shares held by Three Gates executed on 1 April 2019 in favour of Gold-Face Finance Limited as security for a loan granted to Mr. Wong
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subscriber 1”	Mr. Mok Yuen Bill, an Independent Third Party
“Subscriber 2”	United Sky Corporation Limited, a company incorporated in Hong Kong with limited liability and an Independent Third Party
“Subscribers”	the Subscriber 1 and the Subscriber 2, collectively
“Subscription 1”	the subscription for 3,400,000 new Shares by the Subscriber 1 at the Subscription Price pursuant to the terms and conditions of the Subscription Agreement 1
“Subscription 2”	the subscription for 3,300,000 new Shares by the Subscriber 2 at the Subscription Price pursuant to the terms and conditions of the Subscription Agreement 2
“Subscriptions”	the Subscription 1 and the Subscription 2, collectively
“Subscription Agreement 1”	the conditional subscription agreement dated 29 June 2021 and entered into between the Company and the Subscriber 1 in respect of the Subscription 1

“Subscription Agreement 2”	the conditional subscription agreement dated 29 June 2021 and entered into between the Company and the Subscriber 2 in respect of the Subscription 2
“Subscription Agreements”	the Subscription Agreement 1 and the Subscription Agreement 2, collectively
“Subscription Price”	HK\$0.60 per Subscription Share
“Subscription Shares”	an aggregate of 6,700,000 new Shares to be allotted and issued by the Company to the Subscribers under the Subscriptions and each a “Subscription Share”
“Three Gates”	Three Gates Investment Limited, a company incorporated in the British Virgin Islands, which is the legal and beneficial owner of 120,000,000 Shares, and is wholly-owned by Mr. Wong as at the date of this announcement
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“%”	per cent.

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

Hong Kong, 29 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 Announcements” 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.