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**LEYOU TECHNOLOGIES HOLDINGS LIMITED**  
**樂遊科技控股有限公司**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 1089)**

**(1) ANNOUNCEMENT PURSUANT TO RULE 3.7  
OF THE TAKEOVERS CODE,  
RULE 13.09 OF THE LISTING RULES AND  
THE INSIDE INFORMATION PROVISION AND  
(2) RESUMPTION OF TRADING**

This announcement is made by Leyou Technologies Holdings Limited (the “**Company**”) pursuant to Rule 3.7 of the Hong Kong Code on Takeovers and Mergers (the “**Takeovers Code**”), Rule 13.09 of the Rules Governing the Listing of Securities (the “**Listing Rules**”) on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) and the Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

Reference is made to the announcements of the Company dated 20 September 2019, 16 October 2019, 13 November 2019, 22 November 2019, 29 November 2019, 9 December 2019, 20 December 2019, 3 January 2020, 13 January 2020, 22 January 2020, 30 January 2020, 17 February 2020, 10 March 2020, 12 March 2020, 9 April 2020, 4 May 2020, 19 May 2020, 17 June 2020 and 9 July 2020 (the “**Announcements**”) in relation to, among others, the Possible Offer and New Possible Share Disposal. Unless otherwise defined, capitalised terms used herein shall have the same meanings as those defined in the Announcements.

## **TERMINATION OF THE NEW MOU IN RELATION TO THE NEW POSSIBLE SHARE DISPOSAL**

The Board has been informed by the Selling Shareholders that on 9 July 2020 (after trading hours), the Selling Shareholders and Mr. Yuk entered into a termination deed with the Potential Buyer (the “**Termination Deed**”), pursuant to which the parties have agreed to terminate the New MOU (as supplemented by a supplemental confirmation dated 19 May 2020) as the parties were unable to reach agreement on the terms of the formal sale and purchase agreement. Pursuant to the Termination Deed, the Selling Shareholders shall return the Earnest Money to the Potential Buyer in full. Following the entering into of the Termination Deed, the Selling Shareholders, Mr. Yuk and the Potential Buyer have ceased their negotiations in respect of, and will not proceed with, the New Possible Share Disposal.

The Board considers that the termination of the New MOU has no material adverse impact on the business operation and financial position of the Group.

## **ENTERING INTO OF THE PRIVATIZATION EXCLUSIVITY AGREEMENT**

The Board announces that on 10 July 2020 (before trading hours), Mr. Yuk and the Company entered into an exclusivity agreement (the “**Privatization Exclusivity Agreement**”) with Tencent Mobility Limited (the “**Potential Acquiror**”), a wholly-owned subsidiary of Tencent Holdings Limited, a company whose shares are listed on the Stock Exchange (stock code: 700), regarding a possible acquisition and privatization of the Company (the “**Possible Privatization**”).

### **Principal terms of the Privatization Exclusivity Agreement**

Pursuant to the Privatization Exclusivity Agreement, the Potential Acquiror has been granted an exclusivity period beginning on the date of the Privatization Exclusivity Agreement and ending on the earlier of (a) three months from the date of the Privatization Exclusivity Agreement, and (b) the date that the Potential Acquiror notifies Mr. Yuk and the Company in writing that it no longer intends to participate in the Possible Privatization (the “**Privatization Exclusivity Period**”).

During the Privatization Exclusivity Period:

- (a) Mr. Yuk will not, and will procure his affiliates not to, directly or indirectly through any person, solicit or encourage any proposals, engage in any discussions or negotiation, or enter into any agreement, arrangement or understanding, with any person other than the Potential Acquiror (or any person designated by the Potential Acquiror) regarding the acquisition of any interest in or any assets or business from, any investment into or any cooperation with the Company or any of its subsidiaries (including Certain Affinity, Inc.) (collectively with the Company, the “**Leyou Group**”);
- (b) Mr. Yuk will not, and will procure his affiliates not to, directly or indirectly through any person, sell, transfer, encumber or dispose of (or agree to sell, transfer, encumber or dispose of) any shares of the Company or any other member of the Leyou Group or any interest therein (other than encumbrances which are existing as at the date of the Privatization Exclusivity Agreement and which Mr. Yuk and the Company have notified the Potential Acquiror prior to the date of the Privatization Exclusivity Agreement) or any assets or business of any member of the Leyou Group, except to the Potential Acquiror (or any person designated by the Potential Acquiror);
- (c) Mr. Yuk will not, and will procure his affiliates not to, directly or indirectly, take any action (including voting at any shareholders or board meeting of the Company) that conflicts with the restrictions set out in (a) and (b) above (together with (a) and (b) above, “**Mr. Yuk’s Privatization Lock-up**”);
- (d) the Company will not, and will procure all the subsidiaries, directors, employees, consultants, agents or representatives of each member of the Leyou Group not to, participate in any discussions or negotiations with any person, or inform any person in any other way (other than the Potential Acquiror and any person designated by the Potential Acquiror and its respective directors, employees, consultant, agents or representatives) to, directly or indirectly, sell, transfer or dispose of assets and businesses of or equity interest in any member of the Leyou Group (unless such sale is in the ordinary course of business of the Company and such sale will not constitute a frustrating action under Rule 4 of the Takeovers Code); and

- (e) the Company will not, and will procure all the subsidiaries, directors, employees, consultants, agents or representatives of each member of the Leyou Group not to, directly or indirectly, take any action (including voting at any shareholders or board meeting of the Company) that conflicts with the restrictions set out in (d) above.

The Privatization Exclusivity Agreement is legally binding on the parties.

**As at the date of this announcement, negotiations are still in progress and there is no certainty (a) as to the terms of the Possible Privatization and (b) that the Possible Privatization will proceed or that it will result in a binding agreement. There is no assurance that any negotiations mentioned in this announcement will either materialize or eventually be consummated and the negotiations may or may not lead to a possible acquisition and privatization of the Company.**

## **MONTHLY UPDATE**

In compliance with Rule 3.7 of the Takeovers Code, monthly announcement(s) setting out the progress of the Possible Offer and/or the Possible Privatization will be made by the Company until an announcement is made of a firm intention to make an offer under Rule 3.5 of the Takeovers Code or of a decision not to proceed with an offer. Further announcement(s) will be made by the Company as and when appropriate or required in accordance with the Listing Rules and/or the Takeovers Code (as the case may be).

## **RESUMPTION OF TRADING**

At the request of the Company, trading in the Shares on the Main Board of the Stock Exchange was halted with effect from 9:00 a.m. on 10 July 2020 pending the release of this announcement. An application has been made by the Company to the Stock Exchange for the resumption of trading in the Shares on the Stock Exchange with effect from 9:00 a.m. on 13 July 2020.

**Shareholders and potential investors of the Company should be aware that the Possible Offer and/or the Possible Privatization may or may not proceed. Shareholders and/or potential investors of the Company are advised to exercise caution in dealing in the securities of the Company.**

By order of the board of  
**Leyou Technologies Holdings Limited**  
**Xu Yiran**  
*Chairman and Chief Executive Officer*

Hong Kong, 10 July 2020

*As at the date of this announcement, the Directors are Mr. Xu Yiran (Chairman and Chief Executive Officer), Mr. Li Yang (Deputy Chairman), Dr. Alan Chen (Chief Operating Officer), Mr. Gu Zhenghao, and Mr. Cao Bo as executive Directors, Mr. Eric Todd as non-executive Director, and Mr. Hu Chung Ming, Mr. Chan Chi Yuen and Mr. Kwan Ngai Kit as independent non-executive Directors.*

*The Directors jointly and severally accept full responsibility for the accuracy of 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 omission of which would make any statement in the announcement misleading.*