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BetaCafe Holdings Limited

(incorporated in the British Virgin Islands with limited liability)

China Youzan Limited

中國有贊有限公司

(Incorporated in Bermuda with limited liability)

(Stock Code: 8083)

JOINT ANNOUNCEMENT

MONTHLY UPDATE ON

(1) TAKE PRIVATE PROPOSAL FOR CHINA YOUZAN LIMITED BY BETACAFE HOLDINGS LIMITED BY WAY OF A SCHEME OF ARRANGEMENT UNDER SECTION 99 OF THE COMPANIES ACT

(2) PROPOSED DISTRIBUTION IN SPECIE OF YOUZAN TECHNOLOGY SHARES

AND

(3) PROPOSED WITHDRAWAL OF LISTING OF CHINA YOUZAN

1. INTRODUCTION

Reference is made to (i) the joint announcement dated 26 February 2021 issued by the Offeror and China Youzan (the “**Rule 3.5 Announcement**”) in relation to the Proposal pursuant to Rule 3.5 of the Takeovers Code, (ii) the joint announcement dated 19 March 2021 issued by the Offeror and China Youzan in relation to the extension

of time for despatch of the Scheme Document, (iii) the joint announcement dated 16 April 2021 issued by the Offeror and China Youzan regarding the fulfilment of Scheme Pre-Condition relating to the Optionholder Irrevocable Undertakings, (iv) the joint announcement dated 6 May 2021 issued by the Offeror and China Youzan regarding, amongst others, (a) the poll results of the First SGM, (b) fulfilment of Scheme Pre-Conditions relating to the approval of the Rollover Arrangement and the Youzan Technology Share Incentive Plans and (c) fulfilment of certain effectiveness conditions relating to the Youzan Technology Share Incentive Plans, (v) the joint announcements respectively dated 4 June 2021, 15 July 2021 and 13 August 2021 issued by the Offeror and China Youzan in relation to a monthly update on the Proposal, (vi) the joint announcement dated 15 June 2021 issued by the Offeror and China Youzan in relation to the extension of the Scheme Pre-Condition Longstop Date and the Scheme Longstop Date and a further extension of the time limit for the despatch of the Scheme Document, (vii) the joint announcement dated 30 August 2021 issued by the Offeror and China Youzan (the “**Update Announcement**”) in relation to the updates on the proposed Youzan Technology Listing, (viii) the announcement dated 30 August 2021 issued by China Youzan in relation to the proposed listing of Youzan Technology on the Main Board of the Stock Exchange, (ix) the joint announcement dated 19 October 2021 issued by the Offeror and China Youzan in relation to a further extension of the Scheme Longstop Date and a further extension of the time limit for the despatch of the Scheme Document, and (x) the announcements respectively dated 2 November 2021 and 14 November 2021 issued by China Youzan pursuant to Rule 3.8 of the Takeovers Code.

Unless otherwise defined, capitalised terms used in this joint announcement have the same meanings as defined in the Update Announcement.

2. MONTHLY UPDATE ON THE PROGRESS OF THE PROPOSAL

The Offeror and China Youzan would like to update the Scheme Shareholders and potential investors that, as at the date of this joint announcement, the Offeror and China Youzan are in the course of preparing the Scheme Document. The Offeror and China Youzan further understands that Youzan Technology is in the course of addressing the comments from the Stock Exchange in respect of its application for the listing of the Youzan Technology Shares on the Stock Exchange pursuant to the Youzan Technology Listing.

Further announcement(s) will be made if and when appropriate in compliance with the Takeovers Code upon the despatch of the Scheme Document.

WARNING: Shareholders and potential investors of China Youzan should be aware that the implementation of the Proposal (including the effectiveness of the Scheme and the making of the Distribution), is subject to the satisfaction or waiver (as applicable) of the Scheme Conditions and the Distribution Conditions, and therefore the Proposal may or may not be implemented, the Youzan Technology Listing may or may not take place, the Scheme may or may not become effective and the Distribution may or may not be made.

Shareholders and potential investors of China Youzan should therefore exercise caution when dealing in the securities of China Youzan. Persons who are in doubt as to the action they should take should consult their stockbrokers, bank managers, solicitors or other professional advisers.

By Order of the sole director of
BetaCafe Holdings Limited
Zhu Ning
Director

By Order of the Board of
China Youzan Limited
Yu Tao
Director

Hong Kong, 19 November 2021

As at the date of this joint announcement, the sole director of the Offeror is Mr. Zhu Ning.

The sole director of the Offeror accepts full responsibility for the accuracy of the information contained in this joint announcement (other than any information relating to China Youzan) and confirms, having made all reasonable inquiries, that to the best of his knowledge, opinions expressed in this joint announcement (other than those expressed by the directors of China Youzan) have been arrived at after due and careful consideration and there are no other facts not contained in this joint announcement, the omission of which would make any statement in this joint announcement misleading.

As at the date of this joint announcement, the executive Directors are Mr. Cao Chunmeng, Mr. Yan Xiaotian, Mr. Zhu Ning, Mr. Cui Yusong, Mr. Yu Tao and Ms. Ying Hangyan; and the independent non-executive Directors are Dr. Fong Chi Wah, Mr. Gu Jiawang, Mr. Xu Yanqing and Mr. Deng Tao.

The Directors jointly and severally accept full responsibility for the accuracy of the information contained in this joint announcement (other than any information relating to the Offeror) and confirm, having made all reasonable inquiries, that to the best of their knowledge, opinions expressed in this joint announcement (other than those expressed by the sole director of the Offeror) have been arrived at after due and careful consideration and there are no other facts not contained in this joint announcement, the omission of which would make any statement in this joint announcement misleading.

This joint 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 China Youzan. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this joint 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 joint announcement misleading.

This joint 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 China Youzan’s website at www.chinayouzan.com.