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YIHAI INTERNATIONAL HOLDING LTD.

頤海國際控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1579)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that the extraordinary general meeting (“**Extraordinary General Meeting**”) of Yihai International Holding Ltd. (“**the Company**”) will be held at Conference Room 206, 2nd Floor, Building 6, Songlei Office Building, Heng Song Yuan, Middle Road of South 3rd Ring Road, Fengtai District, Beijing, PRC on Thursday, 4 July 2019 at 10:00 a.m. for the following purposes:

AS ORDINARY RESOLUTIONS

1. “THAT

- (i) the purchase agreement (the “**Shuhai Purchase Agreement**”) dated 10 June 2019 entered into between the Company and Shuhai (Beijing) Supply Chain Management Co., Ltd. (“**Shuhai Supply Chain**”) in relation to the purchase of ingredients (“**Shuhai Ingredients**”), and the transactions contemplated thereunder be and are hereby approved, ratified and confirmed;
- (ii) the proposed annual caps in relation to the transactions contemplated under the Shuhai Purchase Agreement as specified below be and are hereby approved, ratified and confirmed;

For the year ending 31 December

	2019	2020
	<i>(RMB'000)</i>	<i>(RMB'000)</i>
Shuhai Ingredients	85,584	228,037

- (iii) any director of the Company be and is hereby authorized for and on behalf of the Company to sign, seal, execute, perfect, deliver and do all such documents, deeds, acts, matters and things as he may in his discretion consider necessary or desirable or expedient for the purpose of or in connection with the Shuhai Purchase Agreement and to make and agree such variations of a non-material nature in or to the terms of the Shuhai Purchase Agreement as he may in his discretion consider to be desirable and in the interests of the Company.”

2. “THAT

- (i) in relation to the sales agreement (the “**Shuhai Sales Agreement**”) dated 6 July 2018 entered into between Yihai Shanghai and Shuhai Supply Chain in relation to the sale of products customized for Shuhai Supply Chain Group’s customers who are catering service clients (“**Shuhai Customized Products**”) and products targeting at the retail market (“**Shuhai Retail Products**”), the proposed revised annual caps under the Shuhai Sales Agreement (the “**Revised Shuhai Annual Caps**”) as specified below be and are hereby approved, ratified and confirmed;

	For the year ending 31 December 2019 (RMB’000)	For the year ending 31 December 2020 (RMB’000)
Revised Annual Caps for the Shuhai Customized Products	79,800	130,060
Shuhai Retail Products	<u>1,060</u>	<u>1,600</u>
Aggregated amount	<u>80,860</u>	<u>131,660</u>

- (ii) any director of the Company be and is hereby authorized for and on behalf of the Company to sign, seal, execute, perfect, deliver and do all such documents, deeds, acts, matters and things as he may in his discretion consider necessary or desirable or expedient for the purpose of or in connection with the implementation and/or the giving effect to the Revised Shuhai Annual Caps.”

3. “THAT

- (i) in relation to the hot pot soup flavouring products sales agreements (the “**Hot Pot Soup Flavouring Products Sales Agreements**”) dated 18 September 2017 and 6 July 2018, respectively, entered into between Yihai Shanghai and Fuhai (Shanghai) Food Technology Co., Ltd. (the “**Joint Venture**”) in relation to the sale of hot pot soup flavouring products by Yihai Shanghai and its subsidiaries to the Joint Venture, and the self-serving small hot pot products sales agreements (the “**Small Hot Pot Products Sales Agreements**”) dated 18 September 2017 and 6 July 2018, respectively, entered into between the Joint Venture and Yihai Shanghai in relation to the sales of Small Hot Pot Products by the Joint Venture to Yihai Shanghai and its subsidiaries (the Hot Pot Soup Flavouring Products Sales Agreements and the Small Hot Pot Products Sales Agreements are collectively referred to as the “**Framework Sales and Purchase Agreements**”), the proposed annual caps under the Framework Sales and Purchase Agreements and the proposed revised annual caps for the Hot Pot Soup Flavouring Products Sales Agreements (the “**Revised Framework Annual Caps**”) as specified below be and are hereby approved, ratified and confirmed;

	For the year ending 31 December 2019 (RMB'000)	For the year ending 31 December 2020 (RMB'000)
Revised Annual Caps for the Hot Pot Soup		
Flavouring Products Sales Agreements	67,362	121,251
Small Hot Pot Products Sales Agreements	<u>191,000</u>	<u>331,066</u>
Aggregated amount	<u>258,362</u>	<u>452,317</u>

- (ii) any director of the Company be and is hereby authorized for and on behalf of the Company to sign, seal, execute, perfect, deliver and do all such documents, deeds, acts, matters and things as he may in his discretion consider necessary or desirable or expedient for the purpose of or in connection with the implementation and/or the giving effect to the Revised Framework Annual Caps.”

By order of the Board of Directors
Yihai International Holding Ltd.
Shi Yonghong
Chairman

Beijing, China
14 June 2019

Notes:

- (1) Any member entitled to attend and vote at the meeting is entitled to appoint one or more proxies (if such member is the holder of two or more shares) to attend and to vote instead of them. A proxy need not be a member of the Company. Completion and return of the form of proxy will not preclude a member of the Company from attending the Extraordinary General Meeting and vote in person. In such event, his form of proxy will be deemed to have been revoked.
- (2) Where there are joint holders of any share, any one of such joint holders may vote, either in person or by proxy, in respect of such share as if he were solely entitled thereto, but if more than one of such joint holders be present at any meeting, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders, and for this purpose, seniority shall be determined by the order in which the names stand in the register of members in respect of the joint holding.
- (3) A form of proxy for use at the meeting is enclosed.
- (4) To be valid, the form of proxy, together with the power of attorney or other authority, if any, under which it is signed or a certified copy of such power or authority, must be deposited at the Company's branch share registrar and transfer office in Hong Kong, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not less than 48 hours before the time appointed for holding the meeting or adjourned meeting.

- (5) The voting at the Extraordinary General Meeting will be taken by poll.
- (6) The register of members of the Company will be closed from Friday, 28 June 2019 to Thursday, 4 July 2019, both days inclusive, in order to determine the eligibility of the shareholders to attend and vote at the Extraordinary General Meeting. The shareholders whose names appear on the register of members of the Company at the close of business on Thursday, 27 June 2019 will be entitled to attend and vote at the Extraordinary General Meeting. In order to be eligible to attend and vote at the Extraordinary General Meeting, all transfers accompanied by the relevant share certificates and transfer forms must be lodged with the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong before 4:30 p.m. on Thursday, 27 June 2019.

As at the date of this announcement, the executive directors of the Company are Mr. Shi Yonghong, Ms. Dang Chunxiang, Mr. Sun Shengfeng, Ms. Shu Ping and Mr. Guo Qiang; the non-executive director of the Company is Mr. Zhang Yong; and the independent non-executive directors of the Company are Mr. Yau Ka Chi, Mr. Qian Mingxing and Ms. Ye Shujun.