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If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult a stockbroker or other registered dealer in securities, a bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in **China Feihe Limited**, you should at once hand this circular, together with the enclosed form of proxy, to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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China Feihe Limited
中國飛鶴有限公司

(Incorporated in the Cayman Islands with limited liability)
(Stock code: 6186)

(I) PROPOSED RE-ELECTION OF DIRECTORS
(II) PROPOSED GRANTING OF GENERAL MANDATES TO
REPURCHASE SHARES AND TO ISSUE SHARES
AND
(III) NOTICE OF ANNUAL GENERAL MEETING

The notice convening the Annual General Meeting of China Feihe Limited to be held at Training Meeting Room, C-12th Floor, Star City International Building, 10 Jiuxianqiao Road, Chaoyang District, Beijing, China on Thursday, 8 June 2023 at 10:00 a.m. is set out in this circular.

Whether or not you are able to attend the Annual General Meeting, please complete and sign the enclosed form of proxy for use at the Annual General Meeting in accordance with the instructions printed thereon and return it to the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong as soon as possible but in any event not less than 48 hours before the time appointed for the Annual General Meeting (i.e. not later than 10:00 a.m. on Tuesday, 6 June 2023) or the adjourned meeting (as the case may be). Completion and return of the form of proxy will not preclude shareholders from attending and voting in person at the Annual General Meeting if they so wish.

This circular together with the form of proxy are also published on the websites of Hong Kong Exchanges and Clearing Limited (www.hkexnews.hk) and the Company (www.feihe.com).

References to time and dates in this circular are to Hong Kong time and dates.

27 April 2023

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DEFINITIONS

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

“Annual General Meeting”	the annual general meeting of the Company to be held at Training Meeting Room, C-12th Floor, Star City International Building, 10 Jiuxianqiao Road, Chaoyang District, Beijing, China on Thursday, 8 June 2023 at 10:00 a.m., to consider and, if appropriate, to approve the resolutions contained in the notice of the meeting which is set out on pages 17 to 20 of this circular, or any adjournment thereof
“Articles of Association”	the articles of association of the Company, as amended from time to time
“Board”	the board of Directors
“Company”	China Feihe Limited, an exempted company incorporated in Cayman Islands with limited liability, the Shares of which are listed on the Main Board of the Stock Exchange
“Director(s)”	the director(s) of the Company
“Feihe HLJ”	Heilongjiang Feihe Dairy Co., Limited (黑龍江飛鶴乳業有限公司), a wholly-owned subsidiary of the Company
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Issuance Mandate”	a general mandate proposed to be granted to the Directors to allot, issue or deal with additional Shares of not exceeding 20% of the total number of issued shares of the Company as at the date of passing of the proposed ordinary resolution contained in item 6 of the notice of the Annual General Meeting as set out in this circular

DEFINITIONS

“Latest Practicable Date”	20 April 2023, being the latest practicable date prior to the printing of this circular for ascertaining certain information in this circular
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange as amended from time to time
“Nomination Committee”	the nomination committee of the Board
“PRC” or “China”	the People’s Republic of China
“Remuneration Committee”	the remuneration committee of the Board
“SFO”	the Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong
“Share(s)”	ordinary share(s) of US\$0.000000025 each in the issued capital of the Company or if there has been a subsequent sub-division, consolidation, reclassification or reconstruction of the share capital of the Company, shares forming part of the ordinary equity share capital of the Company
“Share Repurchase Mandate”	a general mandate proposed to be granted to the Directors to repurchase Shares on the Stock Exchange of not exceeding 10% of the total number of issued shares of the Company as at the date of passing of the proposed ordinary resolution contained in item 5 of the notice of the Annual General Meeting as set out in this circular
“Shareholder(s)”	holder(s) of Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	The Code on Takeovers and Mergers and Share Buy-backs approved by the Securities and Futures Commission as amended from time to time
“Vitamin World USA”	Vitamin World USA Corporation, a corporation incorporated in the State of Delaware, the United States on 13 December 2017 and a wholly-owned subsidiary of the Company

DEFINITIONS

“YST”	YuanShengTai Dairy Farm Limited, a company incorporated in Bermuda with limited liability, the issued shares of which are listed and traded on the Main Board of the Stock Exchange (Stock Code: 1431)
“%”	per cent



China Feihe Limited
中國飛鶴有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 6186)

Executive Directors:

Mr. LENG Youbin
Mr. LIU Hua
Mr. CAI Fangliang
Ms. Judy Fong-Yee TU

Non-Executive Directors:

Mr. GAO Yu
Mr. Kingsley Kwok King CHAN
Mr. CHEUNG Kwok Wah

Independent Non-Executive Directors:

Ms. LIU Jinping
Mr. SONG Jianwu
Mr. FAN Yonghong
Mr. Jacques Maurice LAFORGE

Registered Office:

Maricorp Services Ltd.
P.O. Box 2075
George Town
Grand Cayman
KY1-1105
Cayman Islands

*Headquarters and Principal Place of
Business in the PRC:*

C-16th Floor
Star City International Building
10 Jiuxianqiao Road
Chaoyang District
Beijing
PRC

*Principal Place of Business
in Hong Kong:*

5/F, Manulife Place
348 Kwun Tong Road
Kowloon, Hong Kong

27 April 2023

To the Shareholders

Dear Sir/Madam,

(I) PROPOSED RE-ELECTION OF DIRECTORS
(II) PROPOSED GRANTING OF GENERAL MANDATES TO
REPURCHASE SHARES AND TO ISSUE SHARES
AND
(III) NOTICE OF ANNUAL GENERAL MEETING

1. INTRODUCTION

The purpose of this circular is to provide the Shareholders with information in respect of certain resolutions to be proposed at the Annual General Meeting to be held on 8 June 2023.

LETTER FROM THE BOARD

2. PROPOSED RE-ELECTION OF DIRECTORS

In accordance with Article 109 of the Articles of Association, Mr. Liu Hua, Mr. Cai Fangliang, Mr. Cheung Kwok Wah and Mr. Fan Yonghong shall retire by rotation at the Annual General Meeting. All of the above Directors, being eligible, will offer themselves for re-election at the Annual General Meeting.

Mr. Fan Yonghong, being Independent Non-executive Director eligible for re-election at the Annual General Meeting, had made annual confirmation of independence pursuant to Rule 3.13 of the Listing Rules. The Company is of the view that Mr. Fan Yonghong meets the independence guidelines set out in Rule 3.13 of the Listing Rules and is independent in accordance with the terms of the guidelines.

The Nomination Committee has reviewed the structure and composition of the Board, the confirmations and disclosures given by the Directors, the qualifications, skills and experience, time commitment and contribution of the retiring Directors with reference to the nomination principles and criteria set out in the Company's Board diversity policy, Director nomination policy, the Company's corporate strategy and the independence of the retiring Independent Non-executive Director. The Nomination Committee has recommended to the Board on re-election of all the retiring Directors who are due to retire at the Annual General Meeting. The Company considers that the retiring Directors will continue to bring valuable business experience, knowledge and professionalism to the Board for its efficient and effective functioning and diversity.

Biographical details of the Directors to be re-elected at the Annual General Meeting that are required to be disclosed under the Listing Rules are set out in Appendix I to this circular.

3. PROPOSED GRANTING OF GENERAL MANDATE TO REPURCHASE SHARES

At the annual general meeting of the Company held on 28 June 2022, a general mandate was granted to the Directors to repurchase Shares. Such mandate will lapse at the conclusion of the Annual General Meeting. In order to give the Company the flexibility to repurchase Shares if and when appropriate, an ordinary resolution will be proposed at the Annual General Meeting to approve the granting of the Share Repurchase Mandate to the Directors to repurchase Shares on the Stock Exchange of not exceeding 10% of the total number of issued Shares of the Company as at the date of passing of the proposed ordinary resolution contained in item 5 of the notice of the Annual General Meeting (i.e. a total of 906,825,170 Shares on the basis that the issued share capital of the Company remains unchanged on the date of the Annual General Meeting).

An explanatory statement required by the Listing Rules to provide the Shareholders with requisite information reasonably necessary for them to make an informed decision on whether to vote for or against the granting of the Share Repurchase Mandate is set out in Appendix II to this circular.

LETTER FROM THE BOARD

4. PROPOSED GRANTING OF GENERAL MANDATE TO ISSUE SHARES

At the annual general meeting of the Company held on 28 June 2022, a general mandate was granted to the Directors to allot, issue or deal with Shares. Such mandate will lapse at the conclusion of the Annual General Meeting. In order to give the Company the flexibility to issue Shares if and when appropriate, an ordinary resolution will be proposed at the Annual General Meeting to approve the granting of the Issuance Mandate to the Directors to allot, issue or deal with additional Shares of not exceeding 20% of the total number of issued Shares of the Company as at the date of passing of the proposed ordinary resolution contained in item 6 of the notice of the Annual General Meeting (i.e. a total of 1,813,650,340 Shares on the basis that the issued share capital of the Company remains unchanged on the date of the Annual General Meeting). An ordinary resolution to extend the Issuance Mandate by adding the number of Shares repurchased by the Company pursuant to the Share Repurchase Mandate will also be proposed at the Annual General Meeting. The Directors wish to state that they have no immediate plan to issue any new Shares pursuant to the Issuance Mandate.

5. PROPOSED PAYMENT OF FINAL DIVIDEND AND CLOSURE OF REGISTER OF MEMBERS

The Board resolved to recommend a final dividend of HK\$0.1721 per Share for the year ended 31 December 2022 to Shareholders whose names are listed on the Company's register of members as at 15 June 2023, subject to the approval by the Shareholders at the Annual General Meeting. In order to ascertain Shareholders' entitlement to attend and vote at the Annual General Meeting and to the proposed final dividend, the register of members of the Company will be closed from Monday, 5 June 2023 to Thursday, 8 June 2023 (both days inclusive) and from Wednesday, 14 June 2023 to Thursday, 15 June 2023 (both days inclusive) respectively, during which periods no transfer of shares will be registered.

6. ANNUAL GENERAL MEETING AND PROXY ARRANGEMENT

The notice of the Annual General Meeting is set out on pages 17 to 20 of this circular.

Pursuant to the Listing Rules and the Articles of Association, any vote of Shareholders at a general meeting must be taken by poll save that the chairman of the meeting may, pursuant to the Listing Rules, allow a resolution relates purely to a procedural or administrative matter to be voted on by a show of hands. An announcement on the poll results will be published by the Company after the Annual General Meeting in the manner prescribed under the Listing Rules.

A form of proxy for use at the Annual General Meeting is enclosed with this circular and such form of proxy is also published on the websites of Hong Kong Exchanges and Clearing Limited (www.hkexnews.hk) and the Company (www.feihe.com). To be valid, the form of proxy must be completed and signed in accordance with the instructions printed thereon and deposited, together with the power of attorney or other authority (if any) under which it is signed or a certified copy of that power of attorney or authority at

LETTER FROM THE BOARD

the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong as soon as possible but in any event not less than 48 hours before the time appointed for the Annual General Meeting (i.e. not later than 10:00 a.m. on Tuesday, 6 June 2023) or the adjourned meeting (as the case may be). Completion and delivery of the form of proxy will not preclude you from attending and voting at the Annual General Meeting if you so wish and, in such event the form of proxy should be deemed to be revoked.

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, no Shareholder is required to abstain from voting on any resolution to be proposed at the Annual General Meeting.

7. RECOMMENDATION

The Directors consider that the proposed re-election of retiring Directors and the proposed granting of the Share Repurchase Mandate and the Issuance Mandate are in the best interests of the Company and the Shareholders. Accordingly, the Directors recommend the Shareholders to vote in favour of the relevant resolutions to be proposed at the Annual General Meeting.

Yours faithfully,
For and on behalf of the Board
China Feihe Limited
Leng Youbin
Chairman

The following are details of the Directors who will retire and being eligible, offer themselves for re-election at the Annual General Meeting.

(1) Mr. Liu Hua, Executive Director

Mr. Liu Hua (劉華), aged 50, is an executive Director, the vice chairman of the Board and the chief financial officer of the Company. He currently acts as a member of each of the Remuneration Committee and the environmental, social and governance committee of the Company. He joined Feihe HLJ in November 2000 and has been the chief financial officer of Feihe HLJ since then. He has been a Director, the vice chairman of the Board and the chief financial officer of the Company since June 2013, and was re-designated as an executive Director in April 2017. Mr. Liu has been a director of Vitamin World USA since December 2017. Mr. Liu has been involved in the financing activities of the Group, including the quotation of Flying Crane U.S. on the OTCBB in 2003, the listing of Flying Crane U.S. on the NYSE in 2009, and the listing of the Company on the Stock Exchange in 2019. Mr. Liu has been a non-executive director of YST since December 2020.

Mr. Liu received an EMBA degree in finance from the Advanced Institute of Finance of Shanghai Jiao Tong University (上海交通大學高級金融學院) in Shanghai, China in December 2015.

Pursuant to a letter of appointment, Mr. Liu has been appointed as an Executive Director of the Company for a term of three years commencing from 15 October 2022 which may be terminated by either party giving at least three months' written notice. Mr. Liu is subject to retirement by rotation and re-election at the annual general meeting at least once every three years in accordance with the Article of Association. Mr. Liu doesn't receive any remuneration according to the letter of appointment.

As at the Latest Practicable Date, Mr. Liu had or was deemed to have interests in 933,198,378 Shares by virtue of the SFO. Mr. Liu is a beneficial owner of LH Financial Holdings Limited. He is the settlor of LH Family Trust which beneficially owns LH Financial Holdings Limited. Accordingly, Mr. Liu deemed to be interested in 345,681,920 Shares directly held by LH Financial Holdings Limited by virtue of the SFO. Mr. Liu holds one-third of the equity interests in Dasheng Limited and therefore is deemed to be interested in 587,516,458 Shares directly held by Dasheng Limited by virtue of the SFO.

Save as disclosed above, Mr. Liu (i) does not hold any other positions in the Group, (ii) does not have any relationship with any other Directors, senior management, substantial shareholders or controlling shareholders (as defined in the Listing Rules) of the Company, and (iii) does not and has not held any directorship in any public companies, the securities of which are listed on any securities market in Hong Kong or overseas in the last three years.

Save for the information disclosed above, there is no information to be disclosed pursuant to any of the requirements under Rule 13.51(2)(h) to (v) of the Listing Rules and there are no other matters concerning Mr. Liu that need to be brought to the attention of the Shareholders.

(2) Mr. Cai Fangliang, Executive Director

Mr. Cai Fangliang (蔡方良), aged 54, is an executive Director and the President of the Company. He joined Feihe HLJ in November 2010 and has been the president of Feihe HLJ since then. He has been a Director and the President of the Company since June 2013, and was re-designated as an executive Director in April 2017. He has been a director of Vitamin World USA since December 2017. Mr. Cai has focused on the marketing management of the Group and the overall management and business development of the Company. He has been a non-executive director of YST (listed on Hong Kong Stock Exchange, Stock Code: 1431) since December 2020. Before joining the Group, Mr. Cai worked at Jiangxi Meilu Dairy Co., Ltd. (江西美廬乳業有限公司) from December 2008 to October 2010. Before that, Mr. Cai worked at Yashili Group Co., Ltd. (廣東雅士利集團有限公司).

Pursuant to a letter of appointment, Mr. Cai has been appointed as an Executive Director of the Company for a term of three years commencing from 15 October 2022 which may be terminated by either party giving at least three months' written notice. Mr. Cai is subject to retirement by rotation and re-election at the annual general meeting at least once every three years in accordance with the Article of Association. Mr. Cai doesn't receive any remuneration according to the letter of appointment.

As at the Latest Practicable Date, Mr. Cai had or was deemed to have interests in 101,647,734 Shares by virtue of the SFO. The 101,647,734 Shares were held by Adroit Shipping Limited which is wholly owned by Mr. Cai. Jilin Green Energy Ecological Livestock Co., Limited is held as to 40% by the Company and therefore is an associated corporation of the Company under the SFO. As at the Latest Practicable Date, Jilin Green Energy Ecological Livestock Co., Limited was held as to 7.66% by Mr. Cai.

Save as disclosed above, Mr. Cai (i) does not hold any other positions in the Group, (ii) does not have any relationship with any other Directors, senior management, substantial shareholders or controlling shareholders (as defined in the Listing Rules) of the Company, and (iii) does not and has not held any directorship in any public companies, the securities of which are listed on any securities market in Hong Kong or overseas in the last three years.

Save for the information disclosed above, there is no information to be disclosed pursuant to any of the requirements under Rule 13.51(2)(h) to (v) of the Listing Rules and there are no other matters concerning Mr. Cai that need to be brought to the attention of the Shareholders.

(3) Mr. Cheung Kwok Wah, Non-executive Director

Mr. Cheung Kwok Wah (張國華), aged 58, is a non-executive director of the Company and was re-designated from an executive Director to non-executive Director on 1 April 2021. From April 2019 to March 2021, he served as the Chairman of Vitamin World International and the Chairman of Vitamin World USA, and responsible for the development of the overseas infant nutrition market of the Group. He serves as the chief executive officer of Zhejiang Supor Co., Ltd. (浙江蘇泊爾股份有限公司) (listed on the Shenzhen Stock Exchange, Stock Code: 002032) since April 2021 and an independent non-executive director of Tate & Lyle PLC (listed on the London Stock Exchange, LSE: TATE) since January 2021. Before joining the Group, Mr. Cheung held various senior positions within the Nestle Group from 2012 to 2018, including the global business head of Wyeth Infant Nutrition from 2016 to 2018, the chairman and chief executive officer of Nestle Greater China Region from 2014 to 2016, and a regional president of Wyeth Nutrition, Greater China Region from 2012 to 2014. Before that, Mr. Cheung also took the following positions within the Wyeth Nutrition, including the regional president of China and Hong Kong of Pfizer Nutritionals and the associate vice president of Wyeth Nutritional (China) Co., Ltd. Mr. Cheung worked at the Coca-Cola China Company Limited, a subsidiary of The Coca-Cola Company (listed on the New York Stock Exchange, Stock Code: KO) from 1997 to 2004 and was appointed as the vice president and director of Strategic Marketing of Coca-Cola in 2000. Before that, Mr. Cheung worked in the marketing department of Procter & Gamble (listed on the New York Stock Exchange, Stock Code: PG) until 1996.

Mr. Cheung obtained an honours bachelor's degree of social science from the Chinese University of Hong Kong in 1987, and an MBA degree from Kelley School of Business in Indiana University in the United States in 1989.

Pursuant to a service contract, Mr. Cheung has been appointed as a Non-executive Director of the Company for a term of three years commencing from 1 April 2021 which may be terminated by either party giving at least one month' written notice. Mr. Cheung is subject to retirement by rotation and re-election at the annual general meeting at least once every three years in accordance with the Article of Association.

Pursuant to the service contract, Mr. Cheung is entitled to an annual director's fee of HK\$200,000, which is recommended by the Remuneration Committee and determined by the Board based on his qualification, experience, duties and responsibilities in the Company and the prevailing market conditions.

As at the Latest Practicable Date, Mr. Cheung was interested in 326,000 Shares by virtue of the SFO.

Save as disclosed above, Mr. Cheung (i) does not hold any other positions in the Group, (ii) does not have any relationship with any other Directors, senior management, substantial shareholders or controlling shareholders (as defined in the Listing Rules) of the Company, and (iii) does not and has not held any directorship in any public companies, the securities of which are listed on any securities market in Hong Kong or overseas in the last three years.

Save for the information disclosed above, there is no information to be disclosed pursuant to any of the requirements under Rule 13.51(2)(h) to (v) of the Listing Rules and there are no other matters concerning Mr. Cheung that need to be brought to the attention of the Shareholders.

(4) Mr. Fan Yonghong, Independent Non-executive Director

Mr. Fan Yonghong (范勇宏, former name: 范永红), aged 55, was appointed as an independent non-executive Director in June 2019, with effect from October 2019. He currently acts as the chairman of the audit committee of the Board. He has extensive experience in financial management. Mr. Fan served as an independent director and a member of the audit committee of Yintech Investment Holdings Limited (銀科投資控股有限公司, listed on the Nasdaq Stock Exchange, Stock Code: YIN) from May 2018 to November 2020, and is responsible for, among other things, reviewing the financial statements of Yintech Investment Holdings Limited. Mr. Fan has been an independent director and a member of the Audit committee, Compensation Committee and Nominating and Corporate Governance Committee of Puxin Limited (listed on the New York Stock Exchange, Stock Code: NEW) since June 2019. Mr. Fan used to serve as the general manager of Hongshi Capital Management Co., Ltd., (宏實資本管理有限公司) and is responsible for, among other things, overseeing the overall financial performance of the company since March 2016. He also held various management positions in China Construction Bank Corporation (中國建設銀行) and Huaxia Securities Co., Ltd. (華夏證券股份有限公司) from 1988 to 1998. Mr. Fan served as the general manager of China Asset Management Co., Ltd. (華夏基金管理有限公司) and then the chairman of the board of China Asset (Hong Kong) Co., Ltd. (華夏基金(香港)有限公司) from 1998 to 2013. Mr. Fan served as the chief investment officer (首席投資執行官) of China Life Asset Management Company Limited (中國人壽資產管理有限公司) from December 2013 to April 2015. Mr. Fan has also accumulated extensive experience in financial management (including reviewing financial statements) during his work as the general manager of China Asset Management Co., Ltd. and the chief investment officer of China Life Asset Management Company Limited.

Mr. Fan served as the vice chairman of Asset Management Association of China (中國證券投資基金業協會) from 2007 to 2011 and a member of the third and fourth sessions of Issuance Examination Committee of China Securities Regulatory Commission (中國證券監督管理委員會發行審核委員會) from 1997 to 2001, where he was involved in the review of listing applications from all aspects (including financial) of PRC companies.

Mr. Fan graduated from the Postgraduate Department of Institute of Fiscal Finance under the Ministry of Finance (財政部財政科學研究所, renamed as Chinese Academy of Fiscal Sciences (中國財政科學研究院) in 2016) in July 1998 and obtained a doctor's degree in economics. Mr. Fan currently serves as an external postgraduate supervisor (外聘研究生導師) of Chinese Academy of Fiscal Sciences.

Pursuant to a letter of appointment, Mr. Fan has been appointed as an Independent Non-executive Director of the Company for a term of three years commencing from 15 October 2022 which may be terminated by either party giving at least three months' written notice. Mr. Fan is subject to retirement by rotation and re-election at the annual general meeting at least once every three years in accordance with the Article of Association.

Pursuant to the letter of appointment, Mr. Fan receives an annual remuneration of HK\$400,000, which is recommended by the Remuneration Committee and determined by the Board based on his qualification, experience, duties and responsibilities in the Company and the prevailing market conditions.

As at the Latest Practicable Date, Mr. Fan did not have any interests or short positions in the Shares, underlying Shares and debentures (as defined under Part XV of the SFO) of the Company or any of its associated corporations pursuant to Part XV of the SFO. Mr. Fan meets the independence guidelines as set out in Rule 3.13 of the Listing Rules.

Save as disclosed above, Mr. Fan (i) does not hold other positions in the Group, (ii) does not have any relationship with any other Directors, senior management, substantial shareholders or controlling shareholders (as defined in the Listing Rules) of the Company, and (iii) has not held any directorship in any public companies, the securities of which are listed on any securities market in Hong Kong or overseas in the last three years.

Save for the information disclosed above, there is no information to be disclosed pursuant to any of the requirements under Rule 13.51(2)(h) to (v) of the Listing Rules and there are no other matters concerning Mr. Fan that need to be brought to the attention of the Shareholders.

The following is an explanatory statement required by the Listing Rules to provide the Shareholders with requisite information reasonably necessary for them to make an informed decision on whether to vote for or against the ordinary resolution to be proposed at the Annual General Meeting in relation to the granting of the Share Repurchase Mandate.

1. SHARE CAPITAL

As at the Latest Practicable Date, the issued share capital of the Company comprised 9,068,251,704 Shares.

Subject to the passing of the ordinary resolution set out in item 5 of the notice of the Annual General Meeting in respect of the granting of the Share Repurchase Mandate and on the basis that the issued share capital of the Company remains unchanged on the date of the Annual General Meeting, i.e. being 9,068,251,704 Shares, the Directors would be authorized under the Share Repurchase Mandate to repurchase, during the period in which the Share Repurchase Mandate remains in force, a total of 906,825,170 Shares, representing 10% of the total number of Shares in issue as at the date of the Annual General Meeting.

2. REASONS FOR SHARE REPURCHASE

The Directors believe that the granting of the Share Repurchase Mandate is in the best interests of the Company and the Shareholders.

Shares repurchase may, depending on the market conditions and funding arrangements at the time, lead to an enhancement of the net asset value per Share and/or earnings per Share and will only be made when the Directors believe that such a repurchase will benefit the Company and the Shareholders.

3. FUNDING OF SHARE REPURCHASE

The Company may only apply funds legally available for share repurchase in accordance with its memorandum and articles of association, the laws of Cayman Islands and/or any other applicable laws, as the case may be.

4. IMPACT OF SHARE REPURCHASE

There might be a material adverse impact on the working capital or gearing position of the Company (as compared with the position disclosed in the audited accounts contained in the annual report of the Company for the year ended 31 December 2022) in the event that the Share Repurchase Mandate was to be carried out in full at any time during the proposed repurchase period. However, the Directors do not intend to exercise the Share Repurchase Mandate to such extent as would, in the circumstances, have a material adverse effect on the working capital requirements of the Company or the gearing levels which in the opinion of the Directors are from time to time appropriate for the Company.

5. MARKET PRICES OF SHARES

The highest and lowest prices per Share at which Shares have traded on the Stock Exchange during each of the previous 12 months were as follows:

Month	Highest <i>HK\$</i>	Lowest <i>HK\$</i>
April, 2022	8.46	6.96
May, 2022	7.94	6.77
June, 2022	9.17	7.75
July, 2022	9.00	6.85
August, 2022	7.21	6.27
September, 2022	6.58	5.50
October, 2022	5.79	4.46
November, 2022	6.34	4.56
December, 2022	7.55	6.18
January, 2023	8.29	6.44
February, 2023	7.68	6.26
March, 2023	6.65	5.55
April, 2023 (<i>up to the Latest Practicable Date</i>)	6.10	5.35

6. GENERAL

To the best of their knowledge and having made all reasonable enquiries, none of the Directors nor any of their respective close associates (as defined in the Listing Rules) have any present intention to sell any Shares to the Company in the event that the granting of the Share Repurchase Mandate is approved by the Shareholders.

The Company has not been notified by any core connected persons (as defined in the Listing Rules) of the Company that they have a present intention to sell any Shares to the Company, or that they have undertaken not to sell any Shares held by them to the Company in the event that the granting of the Share Repurchase Mandate is approved by the Shareholders.

The Directors have undertaken to the Stock Exchange to exercise the power of the Company to repurchase Shares pursuant to the Share Repurchase Mandate in accordance with the Listing Rules and the applicable laws of Cayman Islands.

7. TAKEOVERS CODE

If as a result of a repurchase of Shares pursuant to the Share Repurchase Mandate, a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition of voting rights for the purposes of the Takeovers Code. Accordingly, a Shareholder or a group of Shareholders acting in concert (within the meaning under the Takeovers Code), depending on the level of increase in the Shareholder's interest, could obtain or consolidate control of the Company and thereby become obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code.

As at the Latest Practicable Date, each of Garland Glory Holdings Limited, LYB International Holdings Limited (which wholly owns Garland Glory Holdings Limited), Harneys Trustees Limited (as the trustee of Leng Family Trust which beneficially owns LYB International Holdings Limited), and Mr. Leng Youbin (as settlor of Leng Family Trust) is taken to have an interest under the SFO in the same block of 3,889,911,881 Shares, representing approximately 42.90% of the total number of Shares then in issue. Apart from the foregoing, Mr. Leng Youbin holds one-third of the equity interests in Dasheng Limited. Dasheng Limited holds 587,516,458 Shares. In the event that the Directors exercise in full the power to repurchase Shares under the Share Repurchase Mandate, then (assuming the present shareholdings remain the same) the attributable shareholding of Mr. Leng Youbin would be increased by more than 2% of the issued share capital of the Company. The Directors consider that such increase in shareholding would give rise to an obligation to make a mandatory offer under Rule 26 of the Takeovers Code.

The Directors have no present intention to exercise the Share Repurchase Mandate to such an extent as would, in the circumstances, give rise to an obligation to make a mandatory offer in accordance with Rule 26 of the Takeovers Code and/or result in the aggregate number of Shares held by the public shareholders falling below the prescribed minimum percentage required by the Stock Exchange.

8. SHARE REPURCHASE MADE BY THE COMPANY

During the six months prior to the Latest Practicable Date, the Company has repurchased a total of 7,000,000 Shares of the Company on the Stock Exchange and the details are set out below.

Date of Repurchase	No. of Shares	Price Per Share	
		Highest HK\$	Lowest HK\$
17 October 2022	1,000,000	5.00	4.97
13 October 2022	1,000,000	5.10	5.08
12 October 2022	1,000,000	5.21	5.20
11 October 2022	1,000,000	5.25	5.15
10 October 2022	1,000,000	5.10	5.08
07 October 2022	1,000,000	5.30	5.30
03 October 2022	1,000,000	5.30	5.26
Total	<u>7,000,000</u>		



China Feihe Limited
中國飛鶴有限公司

(Incorporated in the Cayman Islands with limited liability)
(Stock code: 6186)

Notice is hereby given that the annual general meeting (the “AGM”) of China Feihe Limited (the “Company”) will be held at Training Meeting Room, C-12th Floor, Star City International Building, 10 Jiuxianqiao Road, Chaoyang District, Beijing, China on Thursday, 8 June 2023 at 10:00 a.m. for the following purposes:

1. To receive and adopt the audited consolidated financial statements of the Company and the reports of the directors and auditors for the year ended 31 December 2022.
2. To declare a final dividend of HK\$0.1721 per share for the year ended 31 December 2022.
3.
 - (a) To re-elect Mr. Liu Hua as an Executive Director of the Company.
 - (b) To re-elect Mr. Cai Fangliang as an Executive Director of the Company.
 - (c) To re-elect Mr. Cheung Kwok Wah as a Non-executive Director of the Company.
 - (d) To re-elect Mr. Fan Yonghong as an Independent Non-executive Director of the Company.
 - (e) To authorise the board of directors of the Company to fix the respective directors’ remuneration.
4. To re-appoint Ernst & Young as the auditor of the Company and to authorize the board of directors of the Company to fix its remuneration.
5. To consider and, if thought fit, pass with or without amendments, the following resolution as an ordinary resolution:

“THAT:

- (a) subject to compliance with the prevailing requirements of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and paragraph (b) below, a general mandate be and is hereby generally and unconditionally given to the directors of the

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Company to exercise during the Relevant Period (as defined below) all the powers of the Company to repurchase its shares in accordance with all applicable laws, rules and regulations;

- (b) the total number of shares of the Company to be repurchased pursuant to the mandate in paragraph (a) above shall not exceed 10% of the total number of issued shares of the Company as at the date of passing of this resolution (subject to adjustment in the case of any consolidation or subdivision of shares of the Company after the date of passing of this resolution); and
- (c) for the purposes of this resolution:

“**Relevant Period**” means the period from the passing of this resolution until whichever is the earliest of:

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the articles of association of the Company or any applicable laws to be held; and
- (iii) the date on which the mandate set out in this resolution is revoked or varied by an ordinary resolution of the shareholders in general meeting.”

- 6. To consider and, if thought fit, pass with or without amendments, the following resolution as an ordinary resolution:

“**THAT:**

- (a) subject to compliance with the prevailing requirements of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and paragraph (b) below, a general mandate be and is hereby generally and unconditionally given to the directors of the Company to allot, issue and deal with additional shares in the capital of the Company and to make or grant offers, agreements and options which would or might require the exercise of such powers during or after the end of the Relevant Period (as defined below) in accordance with all applicable laws, rules and regulations;
- (b) the aggregate number of shares allotted or agreed conditionally or unconditionally to be allotted by the directors pursuant to the mandate in paragraph (a) above, otherwise than pursuant to:
 - (i) a Rights Issue (as defined below);
 - (ii) the exercise of options or awards under a share scheme of the Company; and

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- (iii) any scrip dividend scheme or similar arrangement providing for the allotment of shares in lieu of the whole or part of a dividend on shares of the Company in accordance with the articles of association of the Company,

shall not exceed 20% of the total number of issued shares of the Company as at the date of passing of this resolution (subject to adjustment in the case of any consolidation or subdivision of shares of the Company after the date of passing of this resolution); and

- (c) for the purposes of this resolution:

“Relevant Period” means the period from the passing of this resolution until whichever is the earliest of:

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the articles of association of the Company or any applicable laws to be held; and
- (iii) the date on which the mandate set out in this resolution is revoked or varied by an ordinary resolution of the shareholders in general meeting.

“Rights Issue” means an offer of shares open for a period fixed by the directors to holders of shares of the Company or any class thereof on the register on a fixed record date in proportion to their then holdings of such shares or class thereof (subject to such exclusions or other arrangements as the directors may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of any relevant jurisdiction or the requirements of any recognized regulatory body or any stock exchange).”

- 7. To consider and, if thought fit, pass with or without amendments, the following resolution as an ordinary resolution:

“THAT conditional upon the passing of the resolutions set out in items 5 and 6 of the notice convening this meeting (the **“Notice”**), the general mandate referred to in the resolution set out in item 6 of the Notice be and is hereby extended by the addition to the aggregate number of shares which may be allotted and issued or agreed conditionally or unconditionally to be allotted and issued by the directors pursuant to such general mandate of the number of shares repurchased by the Company pursuant to the mandate referred to in resolution set out in item 5 of the Notice, provided that such number of

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shares shall not exceed 10% of the total number of issued shares of the Company as at the date of passing of this resolution (subject to adjustment in the case of any consolidation or subdivision of shares of the Company after the date of passing of this resolution).”

By Order of the Board
China Feihe Limited
Leng Youbin
Chairman

Beijing, China, 27 April 2023

Notes:

1. All resolutions at the meeting will be taken by poll (except where the chairman decides to allow a resolution relating to a procedural or administrative matter to be voted on by a show of hands) pursuant to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”). The results of the poll will be published on the websites of Hong Kong Exchanges and Clearing Limited and the Company in accordance with the Listing Rules.
2. Any shareholder of the Company entitled to attend and vote at the meeting is entitled to appoint a proxy (or more than one proxy if he/she is the holder of two or more shares of the Company) to attend and vote on his/her behalf. A proxy need not be a shareholder of the Company. If more than one proxy is appointed, the number of shares in respect of which each such proxy so appointed must be specified in the relevant form of proxy. Every shareholder present in person or by proxy shall be entitled to one vote for each share held by him/her.
3. In order 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 that power of attorney or authority, must be deposited the Company’s branch share registrar 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 the meeting (i.e. not later than 10:00 a.m. on Tuesday, 6 June 2023) or any adjourned meeting (as the case may be). Completion and return of the form of proxy shall not preclude a shareholder of the Company from attending and voting in person at the meeting and, in such event, the instrument appointing a proxy shall be deemed to be revoked.
4. For determining the entitlement to attend and vote at the meeting, the register of members of the Company will be closed from Monday, 5 June 2023 to Thursday, 8 June 2023, both dates inclusive, during which period no transfer of shares will be registered. In order to be eligible to attend and vote at the AGM, all transfer documents accompanied by the relevant share certificates 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 for registration not later than 4:30 p.m. on Friday, 2 June 2023.
5. For determining the entitlement to the proposed final dividend (subject to approval by the shareholders at the AGM), the register of members of the Company will be closed from Wednesday, 14 June 2023 to Thursday, 15 June, 2023, both dates inclusive, during which period no transfer of shares will be registered. In order to qualify for the proposed final dividend, all transfer documents accompanied by the relevant share certificates 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 for registration not later than 4:30 p.m. on Tuesday, 13 June 2023.
6. References to time and dates in this notice are to Hong Kong time and dates.