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If you are in any doubt as to any aspect of this circular, you should consult your licensed securities dealer, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in Zhou Hei Ya International Holdings Company Limited, you should at once hand this circular and the accompanying form of proxy to the purchaser or the transferee or to the bank, licensed securities dealer or other agent through whom the sale or transfer was effected for transmission to the purchaser or the transferee.

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Zhou Hei Ya International Holdings Company Limited **周黑鴨國際控股有限公司**

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1458)

PROPOSED GRANT OF GENERAL MANDATES TO REPURCHASE AND TO ISSUE SHARES

PROPOSED DECLARATION AND PAYMENT OF FINAL DIVIDEND OUT OF SHARE PREMIUM ACCOUNT

PROPOSED RE-ELECTION OF DIRECTORS

NOTICE OF ANNUAL GENERAL MEETING

A notice convening the annual general meeting of the Company to be held at meeting room No. 1, 3rd floor, Sheraton Grand Wuhan Hankou Hotel, Fanhai City Square, No. 80 Fanhui Road, Wuhan city, Hubei province, China on Thursday, May 31, 2018 at 10:00 a.m. is set out on pages 14 to 17 of this circular. Whether or not you are able to attend the annual general meeting, you are requested to complete the accompanying form of proxy in accordance with the instructions printed thereon and return the same to 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 as soon as possible and in any event no later than 10 a.m. (Hong Kong time) on Tuesday, May 29, 2018 or 48 hours before the time appointed for holding any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the annual general meeting or any adjourned meeting should you so wish.

April 26, 2018

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DEFINITIONS

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

“AGM”	the annual general meeting of the Company to be held at meeting room No. 1, 3rd floor, Sheraton Grand Wuhan Hankou Hotel, Fanhai City Square, No. 80 Fanhu Road, Wuhan city, Hubei province, China on Thursday, May 31, 2018 at 10:00 a.m., or any adjournment thereof
“AGM Notice”	the notice for convening the AGM as set out on pages 14 to 17 of this circular
“Articles”	the articles of association of the Company
“Board”	the board of Directors
“Cayman Companies Law”	the Companies Law, Cap.22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands
“Company”	Zhou Hei Ya International Holdings Company Limited, a company incorporated in the Cayman Islands with limited liability, the issued Shares of which are listed on the main board of the Stock Exchange
“Controlling Shareholders”	has the meaning ascribed thereto in the Listing Rules and, unless the context otherwise requires, refers to Mr. Zhou Fuyu and Ms. Tang Jianfang and companies controlled by them, being Healthy Origin Holdings Limited, ZHY Holdings II Company Limited and ZHY Holdings IV Company Limited
“Directors”	the directors of the Company
“Final Dividend”	the proposed final dividend of HK\$0.12 per Share (adopting an exchange rate of HK\$1=RMB0.8081, equivalent to RMB0.10 per Share) and payable in Hong Kong dollars
“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 PRC
“Latest Practicable Date”	April 23, 2018, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information for inclusion in this circular
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited

DEFINITIONS

“Ordinary Resolution(s)”	the proposed ordinary resolution(s) as referred to in the AGM Notice
“PRC”	the People’s Republic of China, and for the purpose of this circular, excluding Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
“Repurchase Mandate”	a general mandate proposed to be granted to the Directors to exercise the powers of the Company to repurchase Shares, details of which are set out in Ordinary Resolution no. 5 of the AGM Notice
“RMB”	Renminbi, the lawful currency of the PRC
“SFC”	the Securities and Futures Commission of Hong Kong
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	share(s) of US\$0.000001 each in the share capital of the Company
“Share Buyback Rules”	the relevant rules set out in the Listing Rules to regulate the repurchase by companies listed on the main board of the Stock Exchange of their own securities
“Share Issue Mandate”	a general mandate proposed to be granted to the Directors to exercise the powers of the Company to allot, issue and deal with additional Shares, details of which are set out in Ordinary Resolution no. 6 of the AGM Notice
“Share Premium Account”	the distributable share premium account of the Company, the amount standing to the credit of which was approximately RMB2,407.1 million as at December 31, 2017 based on the audited consolidated financial statement of the Group as at December 31, 2017
“Shareholder(s)”	shareholder(s) of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subsidiary(ies)”	subsidiary(ies) within the meaning of the Companies Ordinance (chapter 622 of the laws of Hong Kong) as amended or supplemented from time to time
“Takeovers Code”	the Hong Kong Code on Takeovers and Mergers
“US\$”	United States dollars, the lawful currency of the United States of America

LETTER FROM THE BOARD



Zhou Hei Ya International Holdings Company Limited
周黑鴨國際控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1458)

Executive Directors:

Mr. ZHOU Fuyu (Chairman)
Mr. HAO Lixiao (Chief Executive Officer)
Mr. WEN Yong
Mr. HU Jiaqing
Ms. LI Ying

Registered Office:

190 Elgin Avenue
George Town
Grand Cayman KY1-9005
Cayman Islands

Non-executive Director:

Mr. PAN Pan

Principal Place of Business in Hong Kong:

18/F, Tesbury Centre
28 Queen's Road East
Wanchai
Hong Kong

Independent Non-executive Directors:

Mr. WU Chi Keung
Mr. CHAN Kam Ching, Paul
Mr. LU Weidong

April 26, 2018

To the Shareholders

Dear Sir or Madam,

**PROPOSED GRANT OF GENERAL MANDATES
TO REPURCHASE AND TO ISSUE SHARES**

**PROPOSED DECLARATION AND PAYMENT OF FINAL DIVIDEND OUT OF
SHARE PREMIUM ACCOUNT**

PROPOSED RE-ELECTION OF DIRECTORS

NOTICE OF ANNUAL GENERAL MEETING

INTRODUCTION

At the forthcoming AGM, Ordinary Resolutions will be proposed to seek Shareholders' approval for, among other things, (i) the granting of the Repurchase Mandate and the Share Issue Mandate to the Directors; (ii) the payment of Final Dividend; and (iii) the re-election of the retiring Directors.

LETTER FROM THE BOARD

The purpose of this circular is to provide you with information regarding the proposed grant of the Repurchase Mandate and the Share Issue Mandate, the proposed declaration and payment of Final Dividend out of the Share Premium Account, the proposed re-election of the retiring Directors, and the notice of AGM.

REPURCHASE MANDATE AND SHARE ISSUE MANDATE

At the AGM, the Directors propose to seek the approval of the Shareholders for the granting to the Directors of the Repurchase Mandate and the Share Issue Mandate.

Repurchase Mandate

At the AGM, an Ordinary Resolution will be proposed that the Directors be given an unconditional general mandate to repurchase Shares on the Stock Exchange or any other stock exchange on which the Shares may be listed and which is recognized by the SFC and the Stock Exchange for such purpose, of the total number of Shares of up to 10% of the total number of Shares in issue as at the date of approval of the Repurchase Mandate. Details of the Repurchase Mandate are set out in Ordinary Resolution no. 5 of the AGM Notice.

As at the Latest Practicable Date, the Company had an aggregate of 2,383,140,500 Shares in issue. Subject to the passing of the Ordinary Resolution for the approval of the Repurchase Mandate and on the basis that no further Shares are issued or repurchased between the Latest Practicable Date and the date of the AGM, the Company would be allowed under the Repurchase Mandate to repurchase a maximum of 238,314,050 Shares.

An explanatory statement as required under the Share Buyback Rules, giving certain information regarding the Repurchase Mandate, is set out in the appendix to this circular.

Share Issue Mandate

At the AGM, an Ordinary Resolution will also be proposed that the Directors be given an unconditional general mandate to allot, issue and deal with additional Shares of the total number of Shares up to 20% of the total number of Shares in issue as at the date of approval of the Share Issue Mandate.

An Ordinary Resolution will also be proposed to authorize the extension of the Share Issue Mandate by an addition thereto of an amount representing the total number of Shares in issue repurchased by the Company under the Repurchase Mandate (if granted).

Subject to the passing of the Ordinary Resolution for the approval of the Share Issue Mandate and on the basis that no further Shares are issued or repurchased between the Latest Practicable Date and the date of the AGM, the Company would be allowed under the Share Issue Mandate to allot, issue and deal with a maximum of 476,628,100 Shares.

LETTER FROM THE BOARD

Details of the Share Issue Mandate and the extension of the Share Issue Mandate are set out in Ordinary Resolutions nos. 6 and 7 of the AGM Notice, respectively.

The Repurchase Mandate and the Share Issue Mandate shall continue to be in force during the period from the date of passing of the Ordinary Resolutions for the approval of the Repurchase Mandate and the Share Issue Mandate up to (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 or any applicable law to be held; or (iii) the revocation or variation of the Repurchase Mandate or the Share Issue Mandate (as the case may be) by ordinary resolution of the Shareholders in general meeting, whichever occurs first.

PROPOSED DECLARATION AND PAYMENT OF FINAL DIVIDEND OUT OF SHARE PREMIUM ACCOUNT

The Board has recommended the declaration and payment of a final dividend of HK\$0.12 per Share (adopting an exchange rate of HK\$1=RMB0.8081, equivalent to RMB0.10 per Share), and payable in Hong Kong dollars out of the Share Premium Account for the year ended December 31, 2017, subject to the Shareholders' approval at the AGM.

As at the Latest Practicable Date, the Company has 2,383,140,500 Shares in issue. Based on the number of issued Shares as at the Latest Practicable Date, the Final Dividend, if declared and paid, will amount to an aggregate amount of approximately RMB231.1 million. Subject to the fulfilment of the conditions set out in the paragraph headed "Conditions of the Payment of Final Dividend out of Share Premium Account" below, the Final Dividend is intended to be paid out of the Share Premium Account pursuant to the Articles and in accordance with the Cayman Companies Law.

As at December 31, 2017, based on the audited consolidated financial statements of the Group, the amount standing to the credit of the distributable Share Premium Account was approximately RMB2,407.1 million. Following the payment of the Final Dividend, there will be a remaining balance of approximately RMB2,176.0 million standing to the credit of the Share Premium Account.

Conditions of the Payment of Final Dividend out of Share Premium Account

The payment of the Final Dividend out of the Share Premium Account is conditional upon the satisfaction of the following conditions:

- (a) the passing of an ordinary resolution by the Shareholders at the AGM declaring and approving the payment of the Final Dividend out of the Share Premium Account pursuant to the Articles of Association; and
- (b) the Directors being satisfied that there are no reasonable grounds for believing that the Company is, immediately following the date on which the Final Dividend is paid, unable to pay its debts as they fall due in the ordinary course of business.

LETTER FROM THE BOARD

Subject to the fulfilment of the above conditions, it is expected that the Final Dividend will be paid in cash on or about Monday, June 25, 2018 to those Shareholders whose names appear on the register of members of the Company at close of business on Monday, June 11, 2018, being the record date for determination of entitlements to the Final Dividend.

The conditions set out above cannot be waived. If the conditions set out above are not satisfied, the Final Dividend will not be paid.

Reasons for and Effect of the Payment of Final Dividend out of Share Premium Account

For the year ended December 31, 2017, the business and operations of the Group have generated positive earnings and cash flow. The Board considers it appropriate to distribute the Final Dividend in recognition of Shareholders' support.

The Company is a holding company and a significant part of the Group's business is carried out through operating subsidiaries of the Company at which level earnings are retained. As such, the Company may not have sufficient retained earnings to pay the Final Dividend at the holding company level. After taking into account a number of factors including cash flow and financial condition of the Company, the Board considers it appropriate and proposes that Final Dividend be paid out of the Share Premium Account in accordance with the Articles and the Cayman Companies Law. The Board considers such arrangement to be in the interests of the Company and its Shareholders as a whole.

The Board believes that the payment of the Final Dividend will not have any material adverse effect on the underlying assets, business, operations or financial position of the Group and does not involve any reduction in the authorized or issued share capital of the Company or reduction in the nominal value of the Shares or result in any change in the trading arrangements in respect of the Shares.

Closure of Register of Members

The Register of Members will be closed from Thursday, June 7, 2018 to Monday, June 11, 2018 (both days inclusive), for the purpose of determining the entitlements of the Shareholders to the Final Dividend, during which period no transfer of shares of the Company will be registered. In order to qualify for the proposed Final Dividend, all transfer of shares accompanied by the relevant share certificates must be lodged with the Company's Hong Kong share registrar, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, no later than 4:30 p.m. (Hong Kong time) on Wednesday, June 6, 2018.

RE-ELECTION OF DIRECTORS

In accordance with article 108 of the Articles, Mr. Wen Yong, Mr. Wu Chi Keung and Mr. Pan Pan shall retire by rotation at the AGM and they being eligible, offer themselves for re-election at the AGM.

LETTER FROM THE BOARD

In accordance with article 112 of the Articles, Ms. Li Ying shall retire by rotation at the AGM and she being eligible, offer herself for re-election at the AGM.

The biographical details of Mr. Wen Yong, Mr. Wu Chi Keung, Mr. Pan Pan and Ms. Li Ying are set out below:

Mr. WEN Yong (文勇), aged 35, was appointed as an executive Director on June 8, 2016 and is the member of strategic development committee of the Company. Mr. Wen is primarily responsible for the supply chain management of the Group. He was the deputy general manager of Zhou Hei Ya Foods Joint Stock Limited Company (周黑鴨食品股份有限公司) (“**Wuhan ZHY Holdco**”) from March 2015 to July 2015 and is a deputy general manager of Hubei Zhou Hei Ya Enterprise Development Co., Ltd. (湖北周黑鴨企業發展有限公司) (“**ZHY Development**”). Mr. Wen was the manager of procurement and supply department and the manager of supply chain center of Wuhan ZHY Holdco from June 2006 to April 2011 and from April 2011 to August 2011, respectively, where he was primarily responsible for the overall operation of the respective departments. Mr. Wen was also the general manager of Shenzhen Zhou Hei Ya Foods Co., Ltd. (深圳市周黑鴨食品有限公司) from August 2011 to March 2015.

Mr. Wen has entered into a service contract with the Company for a term of three years commencing from October 24, 2016, which can be renewed upon mutual agreement unless terminated by not less than two months’ written notice.

Mr. Wen’s current basic salary is RMB360,000 per annum and he is also entitled to a discretionary bonus as may be determined by the Board and the remuneration committee of the Board (the “**Remuneration Committee**”) based on the performance of his duties and the Company’s earnings. The remuneration of Mr. Wen has been determined with reference to his duties, responsibilities and experience, and the prevailing market conditions.

As at the Latest Practicable Date, Mr. Wen does not have any interest in the Shares within the meaning of Part XV of the SFO.

Mr. WU Chi Keung (胡志強), aged 61, was appointed as an independent non-executive Director on October 24, 2016 and he is the chairman of the audit committee and the member of nomination committee of the Company. Mr. Wu has more than 30 years of experience in financial audit and specializes in providing auditing and assurance services, financial due diligence reviews, support services for merger and acquisitions, corporate restructuring and fund raising engagements. Mr. Wu was a partner of Deloitte Touche Tohmatsu until he retired in December 2008. Mr. Wu is currently a director of a family-owned private company, Born Best Company Limited, engaging in business dealings and investment business. He is also an independent non-executive director of China Medical System Holdings Limited (stock code: 867), Jinchuan Group International Resources Co. Ltd. (stock code: 2362), Zhong Fa Zhan Holdings Limited (stock code: 475), Huabao International Holdings Limited (stock code: 336), YuanShengTai Dairy Farm Limited (stock code: 1431), and Huajin International Holding Limited (stock code: 2738), all of which are companies listed on the Stock Exchange. Mr. Wu was also an independent non-executive director of COFCO Meat Holdings Limited (Stock code: 1610), a company listed on the Stock Exchange, from June 23, 2016 to December 12, 2017.

LETTER FROM THE BOARD

The Company has issued letters of appointment to Mr. Wu for a term of three years commencing from October 24, 2016, which can be renewed upon mutual agreement unless terminated by not less than two months' written notice.

Mr. Wu's current basic salary is RMB173,000 per annum and he is also entitled to a discretionary bonus as may be determined by the Board and the Remuneration Committee based on the performance of her duties and the Company's earnings. The remuneration of Mr. Wu has been determined with reference to his duties, responsibilities and experience, and the prevailing market conditions.

As at the Latest Practicable Date, Mr. Wu does not have any interest in the Shares within the meaning of Part XV of the SFO.

Mr. PAN Pan (潘攀), aged 38, was appointed as a non-executive Director on June 8, 2016. He has been the non-executive director of Wuhan ZHY Holdco from March 25, 2014 to November 24, 2017 and at the same time a director representative of Shenzhen Tiantu Investment Management Co., Ltd. (深圳市天圖投資管理有限公司) (currently known as Tian Tu Capital Co., Ltd. (深圳市天圖投資管理股份有限公司)), a shareholder of Wuhan ZHY Holdco. He is also a director representative of Tiantu Investments Limited, a shareholder of the Company. He is primarily responsible for giving strategic advice and making recommendation on the operation of the Group. He was the managing director of Tiantu Capital Management Center LLP (深圳天圖資本管理中心(有限合夥)) from February 2014 to January 2016 and has been the partner since February 2016. Mr. Pan also worked at Guoxin Hongchuang Venture Investment Co., Ltd. (國信弘盛創業投資有限公司), an investment company. Mr. Pan obtained a bachelor's degree in currency banking from Hunan University (湖南大學) in July 2003 and a master's degree in finance from Hunan University in December 2004.

The Company has issued letters of appointment to Mr. Pan for a term of three years commencing from October 24, 2016, which can be renewed upon mutual agreement unless terminated by not less than two months' written notice.

Mr. Pan's current basic salary is RMB9,000 per annum and he is also entitled to a discretionary bonus as may be determined by the Board and the Remuneration Committee based on the performance of her duties and the Company's earnings. The remuneration of Mr. Pan has been determined with reference to his duties, responsibilities and experience, and the prevailing market conditions.

As at the Latest Practicable Date, Mr. Pan does not have any interest in the Shares within the meaning of Part XV of the SFO.

Ms. LI Ying (李瑩), aged 40, was appointed as an executive Director since 23 April 2018 and is a member of Remuneration Committee. Ms. Li is the chief human resources officer and assistant to the chairman of the Board of the Company since April 11, 2016, and is primarily responsible for managing human resources matters and training programs of our Group. She held various positions at Wuhan ZHY Holdco from September 2008 to July 2015 in relation to human resources management, and was the chief human resources officer of Wuhan ZHY Holdco from May 2014 to July 2015. She

LETTER FROM THE BOARD

has been the chief human resources officer of ZHY Development since July 2015. Prior to joining our Group, she worked as human resources manager of Shanlv Agricultural Products Group Joint Stock Company (山綠農產品集團股份有限公司) (“Shanlv”) from June 2005 to January 2007, where she was primarily responsible for managing human resources of Shanlv.

Ms. Li obtained a master’s degree in management science and engineering from Wuhan University of Science and Technology in 2016. She was awarded the PRC bar by the Ministry of Justice of the PRC in Hubei Province in August 2010 and the Human Resources Administrator (Class II) (人力資源師(二級)) by Occupational Skill Testing Authority of the Ministry of Human Resources and Social Security of the PRC in March 2005.

Ms. Li has entered into a service agreement with the Company for a term of 3 years commencing from April 23, 2018, which can be renewed upon mutual agreement unless terminated by not less than two months’ written notice.

Ms. Li’s current basic salary is RMB360,000 per annum and she is also entitled to a discretionary bonus as may be determined by the Board and the Remuneration Committee based on the performance of her duties and the Company’s earnings. The remuneration of Ms. Li has been determined with reference to her duties, responsibilities and experience, and the prevailing market conditions.

As at the Latest Practicable Date, Ms. Li does not have any interest in the Shares within the meaning of Part XV of the SFO.

Save as disclosed above, none of the retiring Directors has any relationship with any other Directors, senior management or substantial or controlling shareholders (as defined in the Listing Rules) of the Company nor has any of them held any other directorships in any public companies the securities of which are listed on any securities market in Hong Kong or overseas in the three years prior to the Latest Practicable Date.

Save as disclosed above, there are no other matters concerning the retiring Directors that need to be brought to the attention of the Shareholders nor is there any other information relating to the retiring Directors that is required to be disclosed pursuant to Rule 13.51(2) of the Listing Rules.

AGM

A notice convening the AGM to be held at meeting room No. 1, 3rd floor, Sheraton Grand Wuhan Hankou Hotel, Fanhai City Square, No. 80 Fanhu Road, Wuhan city, Hubei province, China on Thursday, May 31, 2018 at 10:00 a.m. is set out on pages 14 to 17 of this circular. At the AGM, Ordinary Resolutions will be proposed to approve, among other things, the proposed grant of the Repurchase Mandate and the Share Issue Mandate, the proposed declaration and payment of Final Dividend out of the Share Premium Account and the proposed re-election of the retiring Directors.

LETTER FROM THE BOARD

ACTIONS TO BE TAKEN

A form of proxy for use at the AGM is enclosed with this circular. Whether or not you are able to attend the AGM, you are requested to complete the accompanying form of proxy in accordance with the instructions printed thereon and return the same to 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 as soon as possible and in any event no later than 10:00 a.m. (Hong Kong time) on Tuesday, May 29, 2018 or 48 hours before the time appointed for holding any adjournment thereof.

Completion and return of the form of proxy will not preclude you from attending and voting in person at the AGM or any adjourned meeting should you so wish.

VOTING BY WAY OF POLL

Pursuant to Rule 13.39(4) of the Listing Rules, all votes at the AGM will be taken by poll and the Company will announce the results of the poll in the manner prescribed under Rule 13.39(5) of the Listing Rules.

RECOMMENDATION

The Directors consider the proposed grant of the Repurchase Mandate and the Share Issue Mandate, the proposed declaration and payment of Final Dividend out of the Share Premium Account and the proposed re-election of the retiring Directors are all in the interests of the Company and its Shareholders as a whole. Accordingly, the Directors recommend the Shareholders to vote in favor of the relevant Ordinary Resolutions to be proposed at the AGM.

FURTHER INFORMATION

Your attention is also drawn to the additional information set out in the appendix to this circular.

Yours faithfully
For and on behalf of the Board
Zhou Hei Ya International Holdings Company Limited
ZHOU Fuyu
Chairman

LISTING RULES

The Listing Rules permit listed companies to repurchase their own shares on the Stock Exchange or any other stock exchange on which their shares may be listed and which is recognized by the SFC and the Stock Exchange for such purpose, subject to certain restrictions. This appendix serves as an explanatory statement, as required by the Share Buyback Rules to be sent to Shareholders in connection with the proposed grant of the Repurchase Mandate, to provide the requisite information to Shareholders for their consideration of the Repurchase Mandate.

EXERCISE OF THE REPURCHASE MANDATE

Whilst the Directors do not presently intend to repurchase any Shares immediately, they believe that the flexibility afforded by the Repurchase Mandate granted to them if the Ordinary Resolution set out as Ordinary Resolution no. 5 of the AGM Notice is passed would be beneficial to the Company and its Shareholders as a whole. It is proposed that up to 10% of the issued and outstanding Shares on the date of the passing of the resolution to approve the Repurchase Mandate may be repurchased. As at the Latest Practicable Date, 2,383,140,500 Shares were issued and outstanding. On the basis of such figures, the Directors would be authorized to repurchase up to 238,314,050 Shares during the period up to the date of the next annual general meeting in 2019, or the expiration of the period within which the next annual general meeting of the Company is required by the Articles or any applicable law to be held, or the revocation or variation of the Repurchase Mandate by an ordinary resolution of the shareholders at a general meeting of the Company, whichever of these three events occurs first.

REASONS FOR REPURCHASES

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

FUNDING OF REPURCHASES

Repurchases pursuant to the Repurchase Mandate would be financed entirely from the Company's available cash flow or working capital facilities. Any repurchases will be made out of funds of the Company legally permitted to be utilized in this connection in accordance with its memorandum of association, the Articles, the Listing Rules and the applicable laws of the Cayman Islands. The Company may not repurchase its own Shares on the Stock Exchange for a consideration other than cash or for settlement otherwise than in accordance with the trading rules of the Stock Exchange from time to time.

There might be a material adverse impact on the working capital or gearing position of the Company (as compared with the position disclosed in its most recent published audited accounts for the year ended December 31, 2017) in the event that the Repurchase Mandate is exercised in full.

However, the Directors do not propose to exercise the Repurchase Mandate to such an 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.

DISCLOSURE OF INTERESTS

None of the Directors, and to the best of their knowledge, having made all reasonable enquiries, none of their close associates (as defined in the Listing Rules), have any present intention, if the Repurchase Mandate is exercised, to sell any Shares to the Company or its subsidiaries.

No core connected persons (as defined in the Listing Rules) have notified the Company that they have a present intention to sell Shares to the Company, nor have they undertaken not to do so, if the Repurchase Mandate is exercised.

DIRECTORS' UNDERTAKING

The Directors have undertaken to the Stock Exchange that, so far as the same may be applicable, they will exercise the Repurchase Mandate in accordance with the Company's memorandum of association, the Articles, the Listing Rules and the applicable laws of the Cayman Islands.

SHARE REPURCHASE MADE BY THE COMPANY

No repurchases of Shares have been made by the Company in the six months preceding the Latest Practicable Date.

TAKEOVERS CODE CONSEQUENCES

If as a result of a repurchase of Shares by the Company, a Shareholder's proportionate interest in the voting rights of the Company increases, such increases will be treated as an acquisition for the purpose of the Takeovers Code. As a result, a Shareholder, or group of Shareholders acting in concert (within the meaning of the Takeovers Code), depending on the level of increase of its or their shareholding, could obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code. The Directors are aware of the consequences arising under the Takeovers Code of any repurchase.

As at the Latest Practicable Date, to the best knowledge and belief of the Directors, the Controlling Shareholders acting in concert and together controlled 1,473,693,500 Shares representing approximately 61.84% of the total issued share capital of the Company. Based on the said interest of the Controlling Shareholders as at the Latest Practicable Date, in the event that the Directors exercise in full their powers under the Proposed Repurchase Mandate to repurchase Shares, the interest of the Controlling Shareholders in the issued share capital of the Company will be increased to approximately 68.71%. To the best of the knowledge and belief of the Directors, such increase would not give rise to an obligation to make a mandatory offer under the Takeovers Code. The Directors have no present intention to repurchase Shares to an extent that will trigger the obligations under the

Takeovers Code to make a mandatory offer. In addition, in exercising the Repurchase Mandate (whether in full or otherwise), the Directors will ensure that the Company shall comply with the requirements of the Listing Rules, including the minimum percentage of Shares being held in public hands.

MARKET PRICES

The highest and lowest prices at which the Shares have traded on the Stock Exchange during each of the previous twelve months preceding the Latest Practicable Date were:

	Traded Market Price	
	Highest <i>HK\$</i>	Lowest <i>HK\$</i>
2017		
April	8.53	7.46
May	9.30	7.91
June	8.44	7.64
July	8.35	7.52
August	8.72	7.00
September	8.25	7.00
October	7.97	7.28
November	7.66	7.09
December	8.20	6.58
2018		
January	8.59	7.76
February	9.00	7.52
March	8.65	7.00
April (up to and including the Latest Practicable Date)	7.34	6.84

EXTENSION OF SHARE ISSUE MANDATE

A resolution as set out in Ordinary Resolution no. 7 of the AGM Notice will also be proposed at the AGM authorizing the Directors to increase the maximum number of new Shares which may be issued under the general mandate for the issuance and allotment of Shares by adding to it the total number of any Shares repurchased pursuant to the Repurchase Mandate.

NOTICE OF ANNUAL GENERAL MEETING



Zhou Hei Ya International Holdings Company Limited 周黑鴨國際控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1458)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the annual general meeting (the “AGM” or “Meeting”) of Zhou Hei Ya International Holdings Company Limited (the “Company”) will be held on Thursday, May 31, 2018 at 10:00 a.m. at meeting room No. 1, 3rd floor, Sheraton Grand Wuhan Hankou Hotel, Fanhai City Square, No. 80 Fanhuh Road, Wuhan city, Hubei province, China for the following purposes:

As ordinary business:

1. To receive and consider the audited consolidated financial statements and the reports of the directors (the “Directors”) and auditors of the Company and its subsidiaries for the year ended December 31, 2017.
2.
 - (a) To declare and pay a final dividend of HK\$0.12 per ordinary share of US\$0.000001 each of the Company out of the share premium account of the Company (the “Final Dividend”) for the year ended December 31, 2017 to shareholders of the Company whose names appear on the register of members of the Company on the record date fixed by the board of Directors (the “Board”) for determining the entitlements to the Final Dividend; and
 - (b) To authorize any director of the Company to take such action, do such things and execute such further documents as the director may at his absolute discretion consider necessary or desirable for the purpose of or in connection with the implementation of the payment of the Final Dividend.
3.
 - (a) To re-elect the following retiring Directors:
 - (i) Mr. WEN Yong as an executive Director;
 - (ii) Mr. WU Chi Keung as an independent non-executive Director;
 - (iii) Mr. PAN Pan as a non-executive Director; and
 - (iv) Ms. LI Ying as an executive Director.
 - (b) To authorize the Board to fix the remuneration of the Directors.

NOTICE OF ANNUAL GENERAL MEETING

4. To re-appoint Ernst & Young as the auditors of the Company and authorize the Board to fix their remuneration.

5. **“THAT:**

(a) subject to paragraph (b) below, the exercise by the Directors during the Relevant Period of all the powers of the Company to purchase shares of US\$0.000001 each in the capital of the Company (the **“Shares”**) be and is hereby generally and unconditionally approved;

(b) the total number of Shares which may be purchased on The Stock Exchange of Hong Kong Limited or any other stock exchange on which securities of the Company may be listed and which is recognized for this purpose by the Securities and Futures Commission of Hong Kong and The Stock Exchange of Hong Kong Limited pursuant to the approval in paragraph (a) above shall not exceed or represent more than 10 per cent. of the total number of Shares in issue at the date of passing this resolution, and the said approval shall be limited accordingly;

for the purpose 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; or

(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 law to be held; or

(iii) the revocation or variation of the authority given under this resolution by ordinary resolution of the shareholders of the Company in general meeting.”

6. **“THAT** a general mandate be and is hereby unconditionally given to the Directors to exercise full powers of the Company to allot, issue and deal with additional Shares (including the making and granting of offers, agreements and options which might require Shares to be allotted, whether during the continuance of such mandate or thereafter) provided that, otherwise than pursuant to (i) a rights issue where Shares are offered to shareholders on a fixed record date in proportion to their then holdings of Shares; (ii) an issue of Shares pursuant to the exercise of rights of subscription or conversion under the terms of any existing warrants, bonds, debentures, notes or other securities which carry rights to subscribe for or are convertible into Shares; (iii) the exercise of options granted under any share incentive plan adopted by the Company; (iv) an issue of Shares pursuant to any restricted share award scheme adopted by the Company or (v) any scrip dividend or similar arrangement providing for the allotment of Shares in lieu of the whole or part of a dividend in accordance with the articles of association of the Company, the total number of the Shares allotted shall not exceed the aggregate of:

(a) 20 per cent. of the total number of Shares in issue as at the date of the passing of this resolution, plus

NOTICE OF ANNUAL GENERAL MEETING

- (b) (if the Directors are so authorized by a separate ordinary resolution of the shareholders of the Company) the total number of Shares repurchased by the Company subsequent to the passing of this resolution (up to a maximum equivalent to 10 per cent. of the total number of Shares in issue as at the date of the passing of ordinary resolution no. 7).

Such mandate shall expire at the earliest of:

- (i) the conclusion of the next annual general meeting of the Company; or
- (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 law to be held; or
- (iii) the date of any revocation or variation of the mandate given under this resolution by ordinary resolution of the shareholders of the Company at a general meeting.”
7. “**THAT** subject to ordinary resolutions nos. 5 and 6 being duly passed, the general mandate granted to the Directors to exercise the powers of the Company to allot, issue and deal with additional Shares pursuant to ordinary resolution no. 6 be and is hereby extended by the addition thereto of an amount representing the total number of Shares repurchased by the Company under the authority granted pursuant to ordinary resolution no. 5, provided that such extended amount shall not exceed 10 per cent. of the total number of Shares in issue as at the date of the passing of this resolution.”

By Order of the Board
Zhou Hei Ya International Holdings Company Limited
ZHOU Fuyu
Chairman

Hong Kong, April 26, 2018

Registered office:
190 Elgin Avenue
George Town
Grand Cayman KY1-9005
Cayman Islands

Principal place of business in Hong Kong:
18/F, Tesbury Centre
28 Queen’s Road East
Wanchai
Hong Kong

Notes:

1. Any member entitled to attend and vote at the above Meeting is entitled to appoint one or more proxies to attend and vote in his stead. A proxy need not be a member of the Company.

NOTICE OF ANNUAL GENERAL MEETING

2. In order to be valid, a form of proxy together with the power of attorney or other authority (if any) under which it is signed, or a notarially certified copy thereof, must be deposited at the Company's branch 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 no later than 10:00 a.m. (Hong Kong time) on Tuesday, May 29, 2018 or 48 hours before the time appointed for holding any adjournment thereof. Completion and return of a form of proxy will not preclude a member from attending and voting in person if he is subsequently able to be present.
3. A form of proxy must be signed by you or your attorney duly authorized in writing or, in the case of a corporation, must be either executed under its seal or under the hand of an officer, attorney or other person duly authorized to sign the same.
4. In the case of joint holders of any Shares, any one of such joint holders may vote at the above Meeting, either personally or by proxy, in respect of such Shares as if he were solely entitled thereto. However, if more than one of such joint holders is present at the Meeting, either personally or by proxy, the vote of the joint holder whose name stands first in the register of members of the Company (the "**Register of Members**") and who tenders a vote, whether in person or by proxy, will be accepted to the exclusion of the votes of the other joint holder(s).
5. On a poll, every member present in person or by proxy shall be entitled to one vote for each Share registered in his name. The result of such poll shall be deemed to be the resolution of the Meeting at which the poll was so taken.
6. If the proposed final dividend is declared by the members passing resolution no. 2, it is expected to be paid on or about Monday, June 25, 2018 to those shareholders whose names appear on the Register of Members on Monday, June 11, 2018.
7. To ascertain shareholders' eligibility to attend and vote at the AGM, the register of members of the Company will be closed from Monday, May 28, 2018 to Thursday, May 31, 2018 (both days inclusive), during which period no transfer of Shares will be registered. In order to be entitled to attend and vote at AGM, all transfer of Shares accompanied by the relevant share certificates must be lodged with the Company's Hong Kong share registrar, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, no later than 4:30 p.m. (Hong Kong time) on Friday, May 25, 2018.

To ascertain shareholders' entitlement to the proposed final dividend upon passing resolution no. 2, the Register of Members will be closed from Thursday, June 7, 2018 to Monday, June 11, 2018 (both days inclusive), during which period no transfer of Shares will be effected. In order to be qualified for the proposed final dividend, all transfers of Shares accompanied by the relevant share certificates must be lodged with the Company's Hong Kong share registrar, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, no later than 4:30 p.m. (Hong Kong time) on Wednesday, June 6, 2018.

8. Concerning resolution no. 5 above, the Directors wish to state that they will exercise the powers conferred thereby to repurchase Shares of the Company in circumstances which they deem appropriate for the benefit of the shareholders. The explanatory statement containing the information necessary to enable the shareholders to make an informed decision on whether to vote for or against the resolution to approve the repurchase by the Company of its own Shares, as required by the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited is set out in the appendix to the circular of the Company dated April 26, 2018.