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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)

DISCLOSEABLE TRANSACTION

SUBSCRIPTION OF FINANCIAL PRODUCTS

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We refer to the Company's announcement dated August 25, 2017 (the "**Announcement**") in relation to the subscription of two CGB Financial Products by the Company on August 23, 2017 and August 25, 2017. On August 30, 2017, the Company subscribed for another CGB Financial Product, the principal of which, when aggregated with the two CGB Financial Products disclosed in the Announcement, amounted to RMB405.0 million.

The Subscription of each of the CGB Financial Products does not constitute a notifiable transaction as all of the applicable percentage ratios calculated pursuant to Rule 14.07 of the Listing Rules in respect of each of the Subscriptions are below 5%. However, the Subscription of the CGB Financial Products, when aggregated under Rules 14.22 and 14.23 of the Listing Rules, would constitute a discloseable transaction of the Company under Chapter 14 of the Listing Rules as one of the applicable percentage ratios calculated pursuant to Rule 14.07 of the Listing Rules in respect of the Subscriptions, when aggregated, is more than 5% but less than 25% and hence are subject to the notification and announcement requirements set out under Rule 14.34 of the Listing Rules.

SUBSCRIPTION OF THE CGB FINANCIAL PRODUCTS

We refer to the Company's announcement dated August 25, 2017 (the "Announcement") in relation to the subscription of two CGB Financial Products by the Company on August 23, 2017 and August 25, 2017. On August 30, 2017, the Company subscribed for another CGB Financial Product, the principal of which, when aggregated with the two CGB Financial Products disclosed in the Announcement, amounted to RMB405.0 million. The CGB Financial Products remain outstanding as at the date of this announcement and the Company expects to receive the principals with the expected returns upon the maturity of the underlying CGB Financial Products. The major terms of the Subscription Agreements with China Guangfa Bank of these CGB Financial Products are set out as follows:

No.	Product Name	Principal Amount Subscribed (in RMB)	Expected Annual Return Rate %	Investment Term (days)	Subscription Date	Maturity Date	Expected Amount to be Received Upon Maturity (in RMB)
1	Xinjiaxin No. 16 Renminbi Financial Products (XJXSLJ6791) ("薪加薪16號"人民幣理財計劃 (XJXSLJ6791))	160,000,000	2.60 or 4.35*	90	August 23, 2017	November 21, 2017	161,025,753 in case of expected annual return rate being 2.60% or 161,716,164 in case of expected annual return rate being 4.35%
2	Xinjiaxin No. 16 Renminbi Financial Products (XJXSLJ6806) ("薪加薪16號"人民幣理財計劃 (XJXSLJ6806))	125,000,000	2.60 or 4.35*	90	August 25, 2017	November 23, 2017	125,801,370 in case of expected annual return rate being 2.60% or 126,340,753 in case of expected annual return rate being 4.35%
3	Xinjiaxin No. 16 Renminbi Financial Products (XJXSLJ6836) ("薪加薪16號"人民幣理財計劃 (XJXSLJ6836))	120,000,000	2.60 or 4.40**	90	August 30, 2017	November 28, 2017	120,769,315 in case of expected annual return rate being 2.60% or 121,301,918 in case of expected annual return rate being 4.40%
							407,596,438 in case of expected annual return rate being 2.60% or 409,358,836 in case of expected annual return rate being 4.35% or 4.40%
	Total	<u>405,000,000</u>					<u>407,596,438</u> <u>409,358,836</u>

*: According to the Subscription Agreements, the expected annual return rate is pegged to the exchange rate for U.S. Dollar to Hong Kong Dollar. If the exchange rate for U.S. Dollar to Hong Kong Dollar as quoted by Reuters on September 1, 2017 at 11:30 a.m. (Hong Kong time), or, if not available, such other reasonable exchange rate accepted by the market, is between 7.0000 (exclusive) to 9.0000(exclusive), the expected annual return rate shall be 4.35%; otherwise, the expected annual return rate shall be 2.60%.

** : According to the Subscription Agreement, the expected annual return rate is pegged to the exchange rate for U.S. Dollar to Hong Kong Dollar. If the exchange rate for U.S. Dollar to Hong Kong Dollar as quoted by Reuters on September 8, 2017 at 11:30 a.m. (Hong Kong time), or, if not available, such other reasonable exchange rate accepted by the market, is between 7.0000 (exclusive) to 9.0000(exclusive), the expected annual return rate shall be 4.40%; otherwise, the expected annual return rate shall be 2.60%.

Note 1: The Subscription of each of the CGB Financial Products does not constitute a notifiable transaction.

Note 2: Each CGB Financial Product is principal-protected.

Note 3: The Company funded each Subscription utilizing idle cash of the Group.

Note 4: The principal amount was paid on each subscription date.

Other salient terms of the Subscription Agreement with China Guangfa Bank

The investment of the CGB Financial Products represents the term commencing on the date of the Subscription Agreement and ending on the maturity date. China Guangfa Bank shall pay the principal amount and the return for the CGB Financial Products within two business days after the maturity date of the relevant CGB Financial Product. During the Investment Term, the Company may not redeem the Subscription amount prior to the maturity date of the CGB Financial Products. The Company may not terminate the Subscription Agreements prior to the maturity dates of the CGB Financial Products.

The CGB Financial Products are principal-protected financial products without guaranteed return. The underlying investment of the principals of the CGB Financial Products shall primarily consist of bank deposits, interbank borrowing and other money market funds, government bonds, central bank bills, financial bonds, short-term financing bonds, corporate bonds, and other financial products, provided that each kind of underlying investment shall not exceed certain percentage, of the total amount of investment in the portfolio. The returns from the CGB Financial Products shall be invested in financial derivative products which are pegged to the exchange rate for U.S. Dollar to Hong Kong Dollar.

The custodian fee and other relevant fees shall be borne by the relevant financial product, and the manager responsible for the CGB Financial Products shall be entitled to the management fees in the amount of the returns in excess of the highest expected annual return rate and other relevant returns.

Listing Rules implications

The Subscription of each of the CGB Financial Products does not constitute a notifiable transaction as all of the applicable percentage ratios calculated pursuant to Rule 14.07 of the Listing Rules in respect of each of the Subscriptions are below 5%. However, the Subscription of the CGB Financial Products, when aggregated under Rules 14.22 and 14.23 of the Listing Rules, would constitute a discloseable transaction of the Company under Chapter 14 of the Listing Rules as one of the applicable percentage ratios calculated pursuant to Rule 14.07 of the Listing Rules in respect of the Subscriptions, when aggregated, is more than 5% but less than 25% and hence are subject to the notification and announcement requirements set out under Rule 14.34 of the Listing Rules. Save as disclosed in this announcement, the Company does not hold any other outstanding financial product issued by China Guangfa Bank as of the date of this announcement.

REASONS FOR AND BENEFITS OF THE SUBSCRIPTIONS OF THE CGB FINANCIAL PRODUCTS

Subscriptions of the CGB Financial Products were made for treasury management purpose to maximize the return on the unutilized funds of the Company after taking into account, among others, the level of risk, return on investment and the term to maturity. Prior to making an investment, the Company had also ensured that there remains sufficient working capital for the Group's business needs, operating activities and capital expenditures even after making the investments in such financial products.

The CGB Financial Products are short-term principal-protected financial products that have relatively low associated risks issued by a reputable commercial bank. Although the CGB Financial Products are marketed as wealth management products without pre-determined or guaranteed return, the underlying investments were considered to have relatively low risk and are also in line with the internal risk management, cash management and investment policies of the Group.

In view of an upside of earning a more attractive return than current saving or fixed deposit rate under the low interest rate trend, as well as the low risk nature and relatively short term of maturity of the CGB Financial Products, the Directors are of the view that the CGB Financial Products pose little risk to the Group and the terms and conditions of each of the Subscription Agreements are fair and reasonable and are in the interests of the Company and its shareholders as a whole.

GENERAL INFORMATION ON THE PARTIES

Information on the Company

The Company is a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the main board of the Stock Exchange. The Company is a leading brand and retailer of casual braised food in the PRC.

Information on China Guangfa Bank

China Guangfa Bank is a joint-stock company incorporated in the PRC with limited liability and an independent third party. China Guangfa Bank and its subsidiaries are principally engaged in the commercial banking business which provides services such as accepting deposits, making loans and offering basic investment products.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiry, China Guangfa Bank and its ultimate substantial beneficial owners as publicly disclosed by China Guangfa Bank are third parties independent of the Company and its connected persons.

DEFINITIONS

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

“Board”	the board of Directors
“CGB Financial Product(s)”	the financial products issued by China Guangfa Bank and subscribed for by the Company in accordance with relevant Subscription Agreements and which in aggregate constitute discloseable transactions of the Company under Chapter 14 of the Listing Rules, and a “CGB Financial Product” shall mean each and any one of them
“China Guangfa Bank”	China Guangfa Bank Co., Ltd. (廣發銀行股份有限公司), a joint-stock company incorporated in the PRC with limited liability, a commercial bank established under the laws of the PRC and an independent third party

“Company”	Zhou Hei Ya International Holdings Company Limited, a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the main board of the Stock Exchange
“connected person”	has the meaning ascribed thereto in the Listing Rules
“Directors”	the director(s) of the Company
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Hong Kong Dollar”	the lawful currency of Hong Kong
“independent third party(ies)”	an individual(s) or a company(ies) who or which, to the best of our Directors’ knowledge, information and belief, having made all reasonable enquiries, is(are) not a connected person of our Company within the meaning of the Listing Rules
“Investment Term”	the term of the relevant CGB Financial Product, during which the CGB Financial Product is expected to generate return, if any
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“PRC”	The People’s Republic of China, which for the purpose of this announcement, excludes Hong Kong, the Macau Special Administrative Region and Taiwan
“RMB”	Renminbi, the lawful currency of the PRC
“Subscription”	the subscription by the Company of a CGB Financial Product in accordance with the relevant Subscription Agreement
“Subscription Agreement”	the subscription agreement entered into between the Company and China Guangfa Bank in respect of a Subscription, together with the product descriptions and the risk disclosure statements

“Stock Exchange”

The Stock Exchange of Hong Kong Limited

“U.S. Dollar”

the lawful currency of the United States

By order of the Board

Zhou Hei Ya International Holdings Company Limited

Zhou Fuyu

Chairman

Hong Kong, August 30, 2017

As at the date of this announcement, Mr. Zhou Fuyu, Mr. Hao Lixiao, Mr. Zhu Yulong, Mr. Wen Yong and Mr. Hu Jiaqing are the executive Directors; Mr. Pan Pan is the non-executive Director; and Mr. Wu Chi Keung, Mr. Chan Kam Ching, Paul and Mr. Lu Weidong are the independent non-executive Directors.