
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

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 Hubei Zhou Hei Ya Foods Industrial Park, No. 8-1 Huitong Road Zoumaling, Dongxihu District, Wuhan City, Hubei Province, PRC on Tuesday, May 31, 2022 at 10:00 a.m. is set out on pages 17 to 20 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 10:00 a.m. (Hong Kong time) on Sunday, May 29, 2022 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. Please refer to the section headed "PRECAUTIONARY MEASURES" on page 11 of this circular for information on important precautionary measures to be taken at the annual general meeting due to the COVID-19 pandemic.

Taking into account the recent development of the COVID-19 pandemic, Shareholders and/or their representatives may not be able to attend in person at the AGM venue depending on prevailing regulations of the Government. Shareholders are strongly encouraged by the Company to appoint the chairman of the AGM as their representatives to vote on the resolutions, instead of attending the AGM in person.

April 18, 2022

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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 Hubei Zhou Hei Ya Foods Industrial Park, No. 8-1 Huitong Road Zoumaling, Dongxihu District, Wuhan City, Hubei Province, PRC on Tuesday, May 31, 2022 at 10:00 a.m., or any adjournment thereof
“AGM Notice”	the notice for convening the AGM as set out on pages 17 to 20 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 Cantrust (Far East) Limited, ZHY X Holdings Co., Limited, 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=RMB0.81218, 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

DEFINITIONS

“Latest Practicable Date”	April 11, 2022, 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
“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 RMB1,434.9 million as at December 31, 2021 based on the audited consolidated financial statement of the Group as at December 31, 2021
“Shareholder(s)”	shareholder(s) of the Company

DEFINITIONS

“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 Codes on Takeovers and Mergers and Share Buy-backs
“US\$”	United States dollars, the lawful currency of the United States of America
“%”	per cent.

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. ZHANG Yuchen (*Chief Executive Officer*)
Mr. WEN Yong

Registered Office:

One Nexus Way
Camana Bay
Grand Cayman KY1-9005
Cayman Islands

Non-executive Director:

Mr. PAN Pan

Principal Place of Business in Hong Kong:

40th Floor, Dah Sing Financial Centre
No. 248 Queen's Road East
Wanchai
Hong Kong

Independent Non-executive Directors:

Mr. CHAN Kam Ching, Paul
Mr. LU Weidong
Mr. CHEN Chen

April 18, 2022

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 AGM Notice.

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.

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.

LETTER FROM THE BOARD

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=RMB0.81218, equivalent to RMB0.10 per Share), and payable in Hong Kong dollars out of the Share Premium Account for the year ended December 31, 2021, 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 RMB238,314,000. 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, 2021, based on the audited consolidated financial statements of the Group, the amount standing to the credit of the distributable Share Premium Account was approximately RMB1,434.9 million. Following the payment of the Final Dividend, there will be a remaining balance of approximately RMB1,196.6 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.

Subject to the fulfilment of the above conditions, it is expected that the Final Dividend will be paid in cash on or about Thursday, June 30, 2022.

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

LETTER FROM THE BOARD

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

For the year ended December 31, 2021, 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, May 26, 2022 to Tuesday, May 31, 2022 (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, May 25, 2022.

RE-ELECTION OF DIRECTORS

In accordance with article 108 of the Articles, Mr. ZHOU Fuyu, Mr. ZHANG Yuchen and Mr. WEN Yong shall retire by rotation at the AGM, and are eligible and offer themselves for re-election at the AGM.

In accordance with article 112 of the Articles, Mr. CHEN Chen shall retire at the AGM and he being eligible, offers himself for re-election at the AGM.

The Nomination Committee of the Company has reviewed the structure and composition of the Board, the confirmations and disclosures given by the retiring Directors, and the skills, experience, professional knowledge, time commitments and contribution of the retiring Directors with reference to the nomination principles and criteria set out in the Company's Board Diversity Policy and Director's Nomination Policy, as well as the Company's corporate strategies.

Mr. CHEN Chen, the retiring independent non-executive Director, has confirmed his independence with reference to the factors set out in Rule 3.13 of the Listing Rules. Mr. CHEN Chen has demonstrated the ability to provide an independent, balanced and objective view to the Company's matters. The Nomination Committee and the Board thus considered that the retiring independent non-executive Director is independent in accordance with the independence guidelines set out in the Listing Rules.

LETTER FROM THE BOARD

In light of the background and work experience of the retiring Directors, the Nomination Committee and the Board believed that they will continue to bring valuable experience, knowledge and professionalism to the Board for its efficient functioning and diversity. The Nomination Committee and the Board therefore recommended the re-election of all the retiring Directors, including the independent non-executive Director, who are due to retire at the AGM.

The biographical details of Mr. ZHOU Fuyu, Mr. ZHANG Yuchen, Mr. WEN Yong and Mr. CHEN Chen are set out below:

Mr. ZHOU Fuyu (周富裕), aged 47, is the Chairman and an executive Director. Mr. Zhou founded our business with his wife, Ms. Tang Jianfang, in 2002 and established our previous holding company, Zhou Hei Ya Foods Joint Stock Limited Company (周黑鴨食品股份有限公司) (“**Wuhan ZHY Holdco**”), on June 13, 2006. He was appointed as our executive Director on June 8, 2016 and is primarily responsible for formulating the overall Group’s strategies and leading the product development. With approximately 20 years of experience in casual braised food industry, he is the key driver of our business strategies and achievements to date and continues to oversee the management of our operations, business, and the Group’s sales network.

Mr. Zhou has entered into a service contract with the Company for a term of three years commencing from October 24, 2019. He is subject to retirement by rotation and is eligible for re-election at the annual general meeting in accordance with the Listing Rules. Mr. Zhou’s current director’s fee is RMB360,000 per annum and he is also entitled to salary, allowance, benefits in kind and a discretionary bonus as may be determined by the Board and the Remuneration Committee based on the performance of his duties and the Company’s earnings. The remuneration of Mr. Zhou has been determined with reference to his duties, responsibilities and experience, and the prevailing market conditions.

As at the Latest Practicable Date, Mr. Zhou has the following interests in the Shares within the meaning of Part XV of the SFO:

Name	Capacity	Nature of Interest	Number of Underlying Shares	Approximate percentage of shareholding to total issued share capital
Mr. Zhou Fuyu	Interest of spouse ⁽¹⁾	Long position	1,352,417,440 ⁽²⁾	56.75%

Notes:

- (1) Mr. Zhou is the spouse of Ms. Tang Jianfang and is deemed to be interested in the Shares which are interested by Ms. Tang Jianfang under the SFO.
- (2) These 1,352,417,440 Shares represent 5,571,500 Shares held by Ms. Tang Jianfang, 1,191,838,500 Shares held by Healthy Origin Holdings Limited, 32,480,300 Shares held by ZHY Holdings II Company Limited and 122,527,140 Shares held by ZHY Holdings IV Company Limited.

The entire issued share capital of Healthy Origin Holdings Limited and ZHY Holdings II Company Limited are held by ZHY X Holdings Co., Limited which in turn is 100% held by Cantrust (Far East) Limited being the trustee of Fuyu Family Trust (the “**Trust**”). Ms. Tang Jianfang is the settlor of the Trust. Therefore, Ms. Tang Jianfang is deemed to be interested in 1,191,838,500 Shares and 32,480,300 Shares held by Healthy Origin Holdings Limited and ZHY Holdings II Company Limited, respectively. Since Ms. Tang Jianfang owns 100% of ZHY Holdings IV Company Limited, Ms. Tang Jianfang is also deemed to be interested in 122,527,140 Shares held by ZHY Holdings IV Company Limited.

LETTER FROM THE BOARD

Save as disclosed above, Mr. Zhou does not have any interest in the Shares within the meaning of Part XV of the SFO.

Mr. ZHANG Yuchen (張宇晨), aged 46, is an executive Director and the Chief Executive Officer. Mr. Zhang was appointed as an executive Director on November 15, 2019 and the Chief Executive Officer on August 27, 2019. He has over 21 years of operational and management experience in the consumer goods sector, and has served several leading multinational consumer goods enterprises in management position. From 1997 to 2003, Mr. Zhang served at Procter & Gamble (Guangzhou) Ltd. (“P&G”), as a distributor channel unit manager, after which Mr. Zhang served in the WalMart team of P&G from 2003 to 2005 and in the Greater China market Strategy & Planning of haircare division of P&G from 2005 to 2006. Mr. Zhang then served as distributor channel market director at P&G from 2006 to 2009, and Mr. Zhang’s last held position was National Trade Marketing Director of Pampers from 2009 to 2011. Later on, Mr. Zhang served as National Sales Director at L’OREAL (China) Co., Ltd.’s active cosmetic division from 2011 to 2013. From 2013 to 2016, Mr. Zhang served as Sales Director (China) at Mattel Barbie (Shanghai) Trading Co., Ltd., a children’s products trading company. Mr. Zhang then served as the Country Manager (China) at Hasbro Trading (China) Co., Ltd., a toy trading company, from 2016 to 2019. In May 2019, Mr. Zhang joined the Group, serving as Executive Vice President of Hubei Zhouheiya Enterprises Development Co., Ltd. Mr. Zhang, received his bachelor’s degree in electrical engineering from Southeast University in June 1997.

Mr. Zhang has entered into a service contract with the Company for a term of three years commencing from November 15, 2019. He is subject to retirement by rotation and is eligible for re-election at the annual general meeting in accordance with the Listing Rules. Mr. Zhang’s current director’s fee is HK\$200,000 per annum and he is also entitled to salary, allowance, benefits in kind and a discretionary bonus as may be determined by the Board and the Remuneration Committee based on the performance of his duties and the Company’s earnings. The remuneration of Mr. Zhang has been determined with reference to his duties, responsibilities and experience, and the prevailing market conditions.

As at the Latest Practicable Date, Mr. Zhang is interested in restricted share units adopted by the Company (“RSUs”), representing 2,685,078 Shares held on trust on his behalf by Computershare Hong Kong Trustees Limited (the “RSU Trustee”). Save as aforesaid, Mr. Zhang does not have any interest in the Shares within the meaning of Part XV of the SFO.

Mr. WEN Yong (文勇), aged 39, was appointed as an executive Director on June 8, 2016 and is primarily responsible for the supply chain management of the Group. He was the deputy general manager of Wuhan ZHY Holdco from March 2015 to July 2015 and is a deputy general manager of Zhou Hei Ya Enterprise Development Co., Ltd.. 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.

LETTER FROM THE BOARD

Mr. Wen has entered into a service contract with the Company for a term of three years commencing from October 24, 2019. He is subject to retirement by rotation and is eligible for re-election at the annual general meeting in accordance with the Listing Rules. Mr. Wen's current director's fee is RMB360,000 per annum and he is also entitled to salary, allowance, benefits in kind and a discretionary bonus as may be determined by the Board and 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 is interested in RSUs representing 556,091 Shares held on trust on his behalf by the RSU Trustee. Save as aforesaid, Mr. Wen does not have any interest in the Shares within the meaning of Part XV of the SFO.

Mr. CHEN Chen (陳晨), aged 41, was appointed as an independent non-executive Director on December 10, 2021. Mr. Chen has been the chief financial officer of ATRenew Inc., a company listed on the NASDAQ stock market ("NASDAQ") (ticker symbol: RERE), since January 2021 and is responsible for finance, legal and investment related matters as well as investor relations, and he has been its director since May 2021. He has also been an independent director of Q&K International Group Limited, a company listed on NASDAQ (ticker symbol: QK), since November 2019. From May 2018 to December 2020, Mr. Chen was the chief financial officer of Yunji Inc., a company listed on NASDAQ (ticker symbol: YJ). Prior to joining Yunji Inc., he was a partner at Deloitte Touche Tohmatsu CPA LLP, where he had served and had held various positions since July 2002. Mr. Chen received his bachelor's degree in naval engineering from Shanghai Jiaotong University in China in June 2002. He is also a member of the Chinese Institute of Certified Public Accountants (CICPA) and the American Institute of Certified Public Accountants (AICPA).

Mr. Chen has entered into a letter of appointment with the Company for a term of three years commencing from December 10, 2021. He is subject to retirement by rotation and is eligible for re-election at the annual general meeting in accordance with the Listing Rules. Mr. Chen is entitled to a director's fee of HK\$200,000 per annum, which was determined with reference to his duties, responsibilities and experience, and the prevailing market conditions.

As at the Latest Practicable Date, Mr. Chen 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.

LETTER FROM THE BOARD

AGM

A notice convening the AGM to be held at Hubei Zhou Hei Ya Foods Industrial Park, No. 8-1 Huitong Road Zoumaling, Dongxihu District, Wuhan City, Hubei Province, PRC on Tuesday, May 31, 2022 at 10:00 a.m. is set out on pages 17 to 20 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.

PRECAUTIONARY MEASURES

Taking into account the recent development of the COVID-19 pandemic, Shareholders and/or their representatives may not be able to attend in person at the AGM venue depending on prevailing regulations of the Government. Shareholders are strongly encouraged by the Company to appoint the chairman of the AGM as their representatives to vote on the resolutions, instead of attending the AGM in person.

The Company will hold an online Q&A session. Shareholders who would like to view, speak and listen to the Q&A session through the live webcast will need to register by sending an email to the Company at zhouheiya.invite@wsfg.hk by no later than 10:00 a.m. on May 29, 2022 (being less than forty-eight (48) hours before the time appointed for holding the AGM) to enable the Company to verify the Shareholders' status.

Authenticated Shareholders will receive an email confirmation by May 30, 2022, which contains a link to join the Q&A session of the AGM via ZOOM MEETING. Shareholders MUST NOT forward the link to other persons who are not the Shareholders and who are not entitled to attend the AGM.

The Company will also implement the following precautionary measures at the AGM against the pandemic to protect the attendees from the risk of infection:

- (i) **compulsory body temperature check** will be conducted for every attendee at the entrance of the venue. Any person with a body temperature of over 37.3 degrees Celsius will not be admitted to the venue;
- (ii) every attendee is required to **wear surgical facial mask throughout the meeting**;
- (iii) **no refreshment** will be served; and
- (iv) any other additional precautionary measures in accordance with the prevailing requirements or guidelines of the Government and/or regulatory authorities, or as considered appropriate in light of the development of the Covid-19 pandemic.

LETTER FROM THE BOARD

Any attendee, who (a) refuses to comply with the precautionary measures; (b) is subject to the Government's quarantine requirements or has close contact with any person under quarantine; (c) is subject to the Government's prescribed testing requirement or direction and has not tested negative; or (d) feels unwell or has any symptoms of Covid-19, will be denied entry into or be required to leave the AGM venue at the absolute discretion of the Company as permitted by law.

Shareholders are requested (a) to consider carefully the risk of attending the AGM, which will be held in an enclosed environment, (b) to follow any prevailing requirements or guidelines of the Government relating to Covid-19 in deciding whether or not to attend the AGM, and (c) not to attend the AGM if they have contracted or are suspected to have contracted Covid-19 or have been in close contact with anybody who has contracted or is suspected to have contracted Covid-19.

It is possible that Shareholders and/or their representatives may not be able to attend in person at the AGM venue depending on prevailing Government regulations. Shareholders are strongly encouraged to appoint the chairman of the AGM as their proxy to vote on the resolutions, instead of attending the AGM in person.

If Shareholders have any questions relating to the AGM, please contact the Company's registrar, Hong Kong Registrars Limited, as follows:

Hong Kong Registrars Limited
17M Floor, Hopewell Centre
183 Queen's Road East
Wanchai, Hong Kong
Tel: +852 2862 8555
Fax: +852 2865 0990
Enquiries: www.computershare.com/hk/en/online_feedback

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 Sunday, May 29, 2022 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.

LETTER FROM THE BOARD

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 2023, 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, 2021) 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 1,352,417,440 Shares representing approximately 56.75% 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 63.05%. 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>
2021		
April	9.70	7.96
May	10.34	9.11
June	11.86	9.15
July	9.60	6.35
August	8.22	5.50
September	8.74	6.98
October	8.06	6.71
November	7.87	6.61
December	7.36	5.53
2022		
January	5.93	4.85
February	6.40	5.10
March	5.32	3.27
April (up to and including the Latest Practicable Date)	4.64	4.05

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 Tuesday, May 31, 2022 at 10:00 a.m. at Hubei Zhou Hei Ya Foods Industrial Park, No. 8-1 Huitong Road Zoumaling, Dongxihu District, Wuhan City, Hubei Province, PRC 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, 2021.
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, 2021 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. ZHOU Fuyu as an executive Director;
 - (ii) Mr. ZHANG Yuchen as an executive Director;
 - (iii) Mr. WEN Yong as an executive Director; and
 - (iv) Mr. CHEN Chen as an independent non-executive Director.
 - (b) To authorize the Board to fix the remuneration of the Directors.
4. To re-appoint Ernst & Young as the auditors of the Company and authorize the Board to fix their remuneration.

NOTICE OF ANNUAL GENERAL MEETING

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. 5 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. 6, 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 18, 2022

Registered office:
One Nexus Way
Camana Bay
Grand Cayman KY1-9005
Cayman Islands

Principal place of business in Hong Kong:
40th Floor, Dah Sing Financial Centre
No. 248 Queen’s Road
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.
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 Sunday, May 29, 2022 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.

NOTICE OF ANNUAL GENERAL MEETING

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 Thursday, June 30, 2022.
7. To ascertain shareholders’ eligibility to attend and vote at the AGM, the register of members of the Company will be closed from Thursday, May 26, 2022 to Tuesday, May 31, 2022 (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 Wednesday, May 25, 2022.

To ascertain shareholders’ entitlement to the proposed final dividend upon passing resolution no. 2, the Register of Members will be closed from Tuesday, June 7, 2022 to Thursday, June 9, 2022 (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 Monday, June 6, 2022.

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 18, 2022.
9. Taking into account of the recent development of the COVID-19 pandemic, the Company recommends Shareholders to **vote by filling in and submitting the proxy form**, i.e. indicate your voting intention and designate the chairman of the AGM as your proxy to vote on your behalf, instead of attending the AGM in person.

The Company will also implement the following precautionary measures at the AGM against the pandemic to protect the attendees from the risk of infection:

- (i) **compulsory body temperature check** will be conducted for every attendee at the entrance of the venue. Any person with a body temperature of over 37.3 degrees Celsius will not be admitted to the venue;
 - (ii) every attendee is required to **wear surgical facial mask throughout the meeting**;
 - (iii) **no refreshment** will be served; and
 - (iv) any other additional precautionary measures in accordance with the prevailing requirements or guidelines of the Government and/or regulatory authorities, or as considered appropriate in light of the development of the Covid-19 pandemic.
10. The Company will hold an online Q&A session. Shareholders who would like to view, speak and listen to the Q&A session through the live webcast will need to register by sending an email to the Company at zhouheiya.invite@wsfg.hk by no later than 10:00 a.m. on May 29, 2022 (being less than forty-eight (48) hours before the time appointed for holding the AGM) to enable the Company to verify the Shareholders’ status.

Authenticated Shareholders will receive an email confirmation by May 30, 2022, which contains a link to join the Q&A session of the AGM via ZOOM MEETING. Shareholders MUST NOT forward the link to other persons who are not the Shareholders and who are not entitled to attend the AGM.