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YIHAI INTERNATIONAL HOLDING LTD.

頤海國際控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1579)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that the extraordinary general meeting (“**Extraordinary General Meeting**”) of Yihai International Holding Ltd. (“**the Company**”) will be held at Conference Room 1, 2nd Floor, Building 6, Songlei Office Building, Heng Song Yuan, Middle Road of South 3rd Ring Road, Fengtai District, Beijing, PRC on Monday, 6 November 2017 at 2:00 p.m. for the following purposes:

AS ORDINARY RESOLUTIONS

1. “**THAT**

- (i) the hotpot soup flavouring products sales agreement (the “**Hotpot Soup Flavouring Products Sales Agreement**”) dated 18 September 2017 entered into between Yihai (Shanghai) Food Co., Ltd. (“**Yihai Shanghai**”) and Fuhai (Shanghai) Food Co., Ltd. (the “**Joint Venture**”) in relation to the sale of hotpot soup flavouring products by Yihai Shanghai and its subsidiaries to the Joint Venture, and the self-serving small hotpot products sales agreement (the “**Small Hotpot Products Sales Agreement**”) dated 18 September 2017 entered into between the Joint Venture and Yihai Shanghai in relation to the sales of self-serving small hotpot products (the “**Small Hotpot Products**”) by the Joint Venture to Yihai Shanghai and its subsidiaries (the Hotpot Soup Flavouring Products Sales Agreement and the Small Hotpot Products Sales Agreement are collectively referred to as the “**Framework Sales and Purchase Agreements**”), and the transactions contemplated thereunder be and are hereby approved, ratified and confirmed;
- (ii) the proposed annual caps in relation to the transactions contemplated under the Framework Sales and Purchase Agreements as specified below be and are hereby approved, ratified and confirmed;

	For the year ending 31 December			For the eight months ending
	2017	2018	2019	31 August 2020
	(RMB'000)	(RMB'000)	(RMB'000)	(RMB'000)
Sale of hotpot soup flavouring products	2,400	9,500	14,500	12,800
Purchase of Small Hotpot Products	48,300	131,800	191,000	165,533
Aggregated amount	50,700	141,300	205,500	178,333

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

2. “THAT

- (i) the supplemental master sales agreement (the “**Supplemental Master Sales Agreement**”) dated 18 September 2017 entered into between Sichuan Haidilao Catering Corporation Ltd. (“**Sichuan Haidilao**”), HAI DI LAO HOLDINGS PTE. LTD. (“**Singapore Haidilao**” and, together with Sichuan Haidilao and their respective subsidiaries, the “**Haidilao Group**”) and Yihai Shanghai to regulate the sale of Small Hotpot Products by Yihai Shanghai and its subsidiaries to the Haidilao Group, and the transactions contemplated thereunder be and are hereby approved, ratified and confirmed;
- (ii) any director of the Company be and is hereby authorized for and on behalf of the Company to sign, seal, execute, perfect, deliver and do all such documents, deeds, acts, matters and things as he may in his discretion consider necessary or desirable or expedient for the purpose of or in connection with the Supplemental Master Sales Agreement and to make and agree such variations of a non-material nature in or to the terms of the Supplemental Master Sales Agreement as he may in his discretion consider to be desirable and in the interests of the Company.”

3. “THAT

- (i) in relation to the master sales agreement dated 24 June 2016 entered into between Sichuan Haidilao, Singapore Haidilao and Yihai Shanghai (as supplemented by the Supplemental Master Sales Agreement) governing (a) the sale of hotpot soup flavouring and Chinese-style compound condiment products manufactured using formulas owned by the Haidilao Group for use in its hot pot restaurants (the “**Haidilao Customized Products**”); (b) the sale of retail hotpot soup flavouring, hotpot dipping sauce and Chinese-style compound condiment products manufactured using formulas owned by Yihai Shanghai for display and sale to consumers in hot pot restaurants of the Haidilao Group (the “**Haidilao Retail Products**”); (c) the sale of the Small Hotpot

Products, the proposed annual caps for the sale of the Small Hotpot Products and the proposed revised annual caps for the Haidilao Customized Products (collectively, the “**Revised Annual Caps**”) as specified below be and are hereby approved, ratified and confirmed;

	For the year ending	
	31 December	
	2017	2018
	<i>(RMB'000)</i>	<i>(RMB'000)</i>
Revised Annual Caps	994,800	1,569,700
Haidilao Customized Products	968,000	1,526,000
Haidilao Retail Products	24,000	30,000
Small Hotpot Products	2,800	13,700

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

By order of the Board of Directors
Yihai International Holding Ltd.
Mr. Gou Yiqun
Chairman

Beijing, China
18 October 2017

Notes:

- (1) Any member entitled to attend and vote at the meeting is entitled to appoint one or more proxies (if such member is the holder of two or more shares) to attend and to vote instead of them. A proxy need not be a member of the Company. Completion and return of the form of proxy will not preclude a member of the Company from attending the Extraordinary General Meeting and vote in person. In such event, his form of proxy will be deemed to have been revoked.
- (2) Where there are joint holders of any share, any one of such joint holders may vote, either in person or by proxy, in respect of such share as if he were solely entitled thereto, but if more than one of such joint holders be present at any meeting, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders, and for this purpose, seniority shall be determined by the order in which the names stand in the register of members in respect of the joint holding.
- (3) A form of proxy for use at the meeting is enclosed.
- (4) To be valid, the form of proxy, together with the power of attorney or other authority, if any, under which it is signed or a certified copy of such power or authority, must be deposited at the Company's branch share registrar and transfer office in Hong Kong, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not less than 48 hours before the time appointed for holding the meeting or adjourned meeting.
- (5) The voting at the Extraordinary General Meeting will be taken by poll.
- (6) The register of members of the Company will be closed from Wednesday, 1 November 2017 to Monday, 6 November 2017, both days inclusive, in order to determine the eligibility of the shareholders to attend and vote at the Extraordinary General Meeting. The shareholders whose names appear on the register of members of the Company at the close of business on Tuesday, 31 October 2017 will be entitled to attend and vote at the Extraordinary General Meeting. In order to be eligible to attend and vote at the Extraordinary General Meeting, all transfers accompanied by the relevant share certificates and transfer forms must be lodged with the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong before 4:30 p.m. on Tuesday, 31 October 2017.

As at the date of this notice, the executive directors of the Company are Ms. Dang Chunxiang and Mr. Sun Shengfeng; the non-executive directors of the Company are Mr. Gou Yiqun, Mr. Zhang Yong, Mr. Shi Yonghong and Mr. Pan Di; and the independent non-executive directors of the Company are Mr. Yau Ka Chi, Mr. Qian Mingxing and Ms. Ye Shujun.