

*Unless otherwise defined herein, capitalised terms in this announcement shall have the same meanings as those defined in the prospectus dated 30 June 2016 (the “**Prospectus**”) issued by Yihai International Holding Ltd. (the “**Company**”).*

*Hong Kong Exchanges and Clearing Limited, The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) and Hong Kong Securities Clearing Company Limited (“**HKSCC**”) take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.*

This announcement is for information purposes only and does not constitute an offer or an invitation to induce an offer by any person to acquire, purchase or subscribe for securities. Potential investors should read the Prospectus for detailed information about the Hong Kong Public Offering and the International Offering described below before deciding whether or not to invest in the Shares thereby offered.

*This announcement is not for release, publication, distribution, directly or indirectly, in or into the United States (including its territories and possessions, any state of the United States and the District of Columbia). This announcement does not constitute or form a part of any offer or solicitation to purchase or subscribe for securities in the United States. The Shares have not been, and will not be, registered under the United States Securities Act of 1933, as amended from time to time (the “**U.S. Securities Act**”). The securities may not be offered or sold in the United States except pursuant to registration or an exemption from the registration requirements of the U.S. Securities Act. There will be no public offer of securities in the United States.*

*In connection with the Global Offering, China International Capital Corporation Hong Kong Securities Limited, as stabilizing manager (the “**Stabilizing Manager**”), its affiliates or any person acting for it, on behalf of the Underwriters, may effect transactions with a view to stabilizing or supporting the market price of the Shares at a level higher than that which might otherwise prevail for a limited period after Listing Date. However, there is no obligation on the Stabilizing Manager, its affiliates or any person acting for it, to conduct any such stabilizing action, which, if commenced, will be done at the sole and absolute discretion of the Stabilizing Manager, its affiliates or any person acting for it, and may be discontinued at any time. Any such stabilizing activity is required to be brought to an end on the 30th day after the last day for the lodging of applications under the Hong Kong Public Offering. Such stabilization action, if commenced, may be effected in all jurisdictions where it is permissible to do so, in each case in compliance with all applicable laws, rules and regulatory requirements, including the Securities and Futures (Price Stabilizing) Rules, as amended, made under the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong).*

Potential investors should be aware that stabilizing action cannot be taken to support the price of the Shares for longer than the stabilization period which begins on the Listing Date and is expected to expire on the 30th day after the date of closing of the application lists under the Hong Kong Public Offering. After this date, no further stabilizing action may be taken, demand for the Shares, and therefore the price of the Shares, could fall.



YIHAI INTERNATIONAL HOLDING LTD.

頤海國際控股有限公司

(Incorporated in the Cayman Islands with limited liability)

GLOBAL OFFERING

Number of Offer Shares under the Global Offering	:	260,000,000 Shares (subject to the Over-allotment Option)
Number of Hong Kong Offer Shares	:	26,000,000 Shares (subject to reallocation)
Number of International Offer Shares	:	234,000,000 Shares (subject to reallocation and the Over-allotment Option)
Maximum Offer Price	:	HK\$3.42 per Offer Share, plus brokerage of 1%, SFC transaction levy of 0.0027%, and Hong Kong Stock Exchange trading fee of 0.005% (payable in full on application in Hong Kong dollars and subject to refund)
Nominal value	:	US\$0.00001 per Share
Stock code	:	1579

Sole Sponsor



Joint Global Coordinators



Joint Bookrunners and Joint Lead Managers



Application has been made by the Company to the Listing Committee for the listing of, and permission to deal in, the Shares in issue and to be issued pursuant to the Capitalization Issue, the Global Offering (including any additional Shares which may be issued pursuant to the exercise of the Over-allotment Option) and conversion of the series A Preferred Shares upon completion of the Global Offering. Assuming the

Hong Kong Public Offering becomes unconditional at or before 8:00 a.m. in Hong Kong on Wednesday, 13 July 2016, it is expected that dealings in the Shares on the Stock Exchange commence at 9:00 a.m. on Wednesday, 13 July 2016. In the event the Over-allotment Option is exercised, an announcement will be made by the Company on the Company's website at www.yihchina.com and the website of the Stock Exchange at www.hkexnews.hk.

The Global Offering comprises the Hong Kong Public Offering of 26,000,000 Shares (subject to reallocation) representing 10% of the total number of Offer Shares under the Global Offering, and the International Offering of 234,000,000 Shares (subject to reallocation and the Over-allotment Option) representing 90% of the total number of Offer Shares under the Global Offering. The allocation of the Offer Shares between the Hong Kong Public Offering and the International Offering will be subject to adjustment as described in the section "Structure of the Global Offering" in the Prospectus.

Subject to the granting of the approval for listing of, and permission to deal in, the Shares on the Stock Exchange and compliance with the stock admission requirements of HKSCC, the Shares will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the date of commencement of dealings in the Shares on the Stock Exchange or such other date as may be determined by HKSCC. Settlement of transactions between participants of the Stock Exchange is required to take place in CCASS on the second business day after any trading day. All activities under CCASS are subject to the General Rules of CCASS and CCASS Operational Procedures in effect from time to time. All necessary arrangements have been made to enable the Shares to be admitted into CCASS.

Pursuant to the Over-allotment Option, the International Underwriters have the right, exercisable by the Underwriters' Representative (on behalf of the International Underwriters) at any time from the day on which trading of the Shares commences on the Hong Kong Stock Exchange until the 30th day from the last day for lodging applications under the Hong Kong Public Offering, to require Company to allot and issue up to an aggregate of 39,000,000 additional Shares, representing no more than 15% of the Offer Shares initially available under the Global Offering, at the same price per Share under the International Offering, to cover over-allocations in the International Offering (if any).

The Offer Price will not be more than HK\$3.42 per Offer Share and is currently expected to be not less than HK\$2.98 per Offer Share, unless otherwise announced. Applicants for the Hong Kong Offer Shares are required to pay, on application, the maximum Offer Price of HK\$3.42 per Offer Share together with brokerage fee of 1.0%, SFC transaction levy of 0.0027% and Stock Exchange trading fee of 0.005%, subject to refund if the Offer Price as finally determined is less than HK\$3.42 per Offer Share.

Applications for the Hong Kong Offer Shares will only be considered on the basis of the terms and conditions set out in the Prospectus and the Application Forms.

Applicants who would like to have the allotted Hong Kong Public Offer Shares registered in their own names should either (i) complete and sign the **WHITE** Application Forms, or (ii) submit applications online through the designated website of the **White Form eIPO** Service Provider at **www.eipo.com.hk** under the **White Form eIPO** service. Applicants who would like to have the allotted Hong Kong Public Offer Shares registered in the name of HKSCC Nominees and deposited directly into CCASS for credit to their CCASS Investor Participant stock accounts or the stock accounts of their designated CCASS Participants maintained in CCASS should either (i) complete and sign the **YELLOW** Application Forms, or (ii) give **electronic application instructions** to HKSCC via CCASS.

Copies of the Prospectus, together with the **WHITE** Application Forms, may be obtained during normal business hours from 9:00 a.m. on Thursday, 30 June 2016, until 12:00 noon on Wednesday, 6 July 2016 from:

1. the following offices of the Joint Global Coordinators:

China International Capital Corporation Hong Kong Securities Limited	29th Floor, One International Finance Centre 1 Harbour View Street Central, Hong Kong
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Macquarie Capital Limited	Level 18, One International Finance Centre 1 Harbour View Street Central, Hong Kong
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2. any of the following branches of the receiving bank:

Bank of China (Hong Kong) Limited

	Branch Name	Address
Hong Kong Island	Bank of China Tower Branch	3/F, 1 Garden Road
	Connaught Road Central Branch	13-14 Connaught Road Central
	Causeway Bay Branch	505 Hennessy Road, Causeway Bay
	North Point (King's Centre) Branch	193-209 King's Road, North Point

	Branch Name	Address
Kowloon	Tsim Sha Tsui Branch	24-28 Carnarvon Road, Tsim Sha Tsui
	Mei Foo Mount Sterling Mall Branch	Shop N47-49 Mount Sterling Mall, Mei Foo Sun Chuen
	Waterloo Road Branch	Shop A2, Man Kee Mansion, 86 Waterloo Road
	Wong Tai Sin Branch	Shop G13, Wong Tai Sin Plaza, Wong Tai Sin
	Lam Tin Branch	Shop 12, 49 Kai Tin Road, Lam Tin
New Territories	Ma On Shan Plaza Branch	Shop 2103, Level 2, Ma On Shan Plaza, Sai Sha Road, Ma On Shan
	Tuen Mun San Hui Branch	G13-G14 Eldo Court, Heung Sze Wui Road, Tuen Mun
	Kau Yuk Road Branch	18-24 Kau Yuk Road, Yuen Long

Copies of the Prospectus, together with the **YELLOW** Application Forms, may be obtained during normal business hours from 9:00 a.m. on Thursday, 30 June 2016 until 12:00 noon on Wednesday, 6 July 2016 from the Depository Counter of HKSCC at 1/F One & Two Exchange Square, 8 Connaught Place, Central, Hong Kong or your stockbroker, who may have such Application Forms and the Prospectus available.

The **WHITE** or **YELLOW** Application Form completed in accordance with the instructions printed thereon, together with a cheque or banker's cashier order payable to "**Bank of China (Hong Kong) Nominees Limited — Yihai International Public Offer**" attached, should be deposited in the special collection boxes provided at any of the branches of the receiving bank referred to above on the following dates during the following times:

Thursday, 30 June 2016 — 9:00 a.m. to 5:00 p.m.
Saturday, 2 July 2016 — 9:00 a.m. to 1:00 p.m.
Monday, 4 July 2016 — 9:00 a.m. to 5:00 p.m.
Tuesday, 5 July 2016 — 9:00 a.m. to 5:00 p.m.
Wednesday, 6 July 2016 — 9:00 a.m. to 12:00 noon

The latest time lodging your application is 12:00 noon on Wednesday, 6 July 2016. The application lists will be open between 11:45 a.m. to 12:00 noon on that day, subject only the weather conditions as described in “10. Effect of Bad Weather on the Opening of the Application Lists” in the “How to Apply for Hong Kong Offer Shares” section of the Prospectus.

Applicants applying through **White Form eIPO** service may submit applications through the **White Form eIPO** Service Provider at www.eipo.com.hk from 9:00 a.m. on Thursday, 30 June 2016 until 11:30 a.m. on Wednesday, 6 July 2016 or such later time as described in the section “How to Apply for Hong Kong Public Offer Shares — 10. Effect of Bad Weather on the Opening of the Application Lists” in the Prospectus (24 hours daily, except on the last application day).

CCASS Participants can input **electronic application instructions** from 9:00 a.m. on Thursday, 30 June 2016 until 12:00 noon on Wednesday, 6 July 2016 or such later time as described in the section “How to Apply for Hong Kong Public Offer Shares — 10. Effect of Bad Weather on the Opening of the Application Lists” in the Prospectus.

Please refer to the sections “Structure of the Global Offering” and “How to Apply for Hong Kong Public Offer Shares” in the Prospectus for details of the conditions and procedures of the Global Offering.

The Company expects to publish the announcement on the final Offer Price, the indication of the level of interest in the International Offering, the level of applications under the Hong Kong Public Offering and the basis of allocation of the Hong Kong Public Offer Shares under the Hong Kong Public Offering (i) in the South China Morning Post (in English); (ii) in the Hong Kong Economic Times (in Chinese); (iii) on the website of the Stock Exchange (www.hkexnews.hk) and (iv) on Company’s website (www.yihchina.com) on Tuesday, 12 July 2016. The results of allocations and the Hong Kong identity card/passport/Hong Kong business registration numbers of successful applicants under the Hong Kong Public Offering will be available through a variety of channels from Tuesday, 12 July 2016 as described in the section “How to Apply for Hong Kong Public Offer Shares — 11. Publication of Results” in the Prospectus.

The Company will not issue temporary documents of title. Share certificates will only become valid at 8:00 a.m. on Wednesday, 13 July 2016 provided that the Global Offering has become unconditional and the right of termination described in the section “Underwriting — Underwriting Arrangements and Expenses — Hong Kong Public Offering — Hong Kong Underwriting Agreement — Grounds for Termination” in the Prospectus has not been exercised. No receipt will be issued for application monies received. Dealings in the Shares on the Stock Exchange are expected to commence at 9:00 a.m. on Wednesday, 13 July 2016. The Shares will be traded in board lots of 1,000 Shares each. The stock code of the Shares is 1579.

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

Hong Kong, 30 June 2016

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

*Please also refer to the published version of this announcement in the **South China Morning Post** (in English) and the **Hong Kong Economic Times** (in Chinese).*