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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)

GRANT OF RESTRICTED SHARE UNITS UNDER RESTRICTED SHARE UNIT SCHEME

This announcement is made pursuant to Rules 17.06A, 17.06B and 17.06C of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”).

The Board announces that on 23 November 2023 (the “**Date of Grant**”), the Company, based on the recommendation of the Remuneration Committee, pursuant to the RSU Scheme, approved and granted 125,000 RSUs, representing 125,000 Shares, to one eligible participant (the “**Grantee**”) who is an employee of the Group, subject to acceptance of the Grantee. The underlying Shares involved represent approximately 0.01% of the total issued Shares as at the date of this announcement.

Details of the RSUs granted are as follows:

Date of Grant: 23 November 2023

Grantee: A full-time employee of the Group, being an eligible participant pursuant to the RSU Scheme

The Grantee is not (i) a Director, chief executive or substantial Shareholder, nor a connected person or an associate (as defined under the Listing Rules) of any of them; (ii) a participant with options and awards granted and to be granted exceeding the 1% individual limit under Rule 17.03D of the Listing Rules; or (iii) a related entity participant or service provider with options and awards granted and to be granted in any 12-month period exceeding 0.1% of the total issued Shares, as at the date of this announcement.

Number of RSUs granted: 125,000

Purchase price of RSUs granted:	Nil. In consideration of the services provided, the Grantee is not required to pay for the grant of RSUs under the RSU Scheme.
Closing price of the Shares on the Date of Grant:	HK\$14.040 per Share
Average closing price of the Shares for the five business days immediately preceding the Date of Grant:	HK\$13.464 per Share
Vesting period of the RSUs granted:	The RSUs granted shall vest upon the first anniversary of the Date of Grant.
Performance targets:	There are no additional performance targets attached to the RSUs granted above. The Remuneration Committee is of the view that the grant without performance targets is more market competitive and align with the original purpose of setting up the RSU Scheme as it incentivizes the Grantee to work towards enhancing the value of the Company and its Shares.
Clawback mechanism:	The RSUs granted are subject to the clawback mechanism as set out in the terms of the RSU Scheme. In particular, (i) the employment with the Grantee is terminated in advance due to personal reason, or (ii) the Company is materially adversely affected by the Grantee's material and serious misconduct, the RSUs granted shall not vest and will automatically lapse. For details, please refer to the section headed "Appendix IV — Statutory and General Information — D. RSU Scheme" in the prospectus of the Company dated 30 June 2016.
Financial assistance:	The Group has not provided any financial assistance to the Grantee to facilitate the purchase of the Shares under the RSU Scheme.

REASONS FOR AND BENEFITS OF THE GRANT OF RSUs

The RSU Scheme aims to recognize and reward eligible participants for their contribution to the Group, to attract suitable personnel, and to provide incentives to such persons to remain with and further contribute to the Group. By granting RSUs to the Grantee, the connection between the Grantee and the Group is enhanced, and the unity of interests is achieved, which is in line with the Group's management principle of interest alignment and management lock-in.

After the above grant of RSUs, the number of Shares available for future grants under the mandate of the RSU Scheme is 66,443,000. As at the date of this announcement, all the relevant Shares underlying the RSUs granted are directly held by JLJH YIHAI Ltd, a subsidiary of the Trustee, for the benefit of the Grantee.

DEFINITIONS

“Board”	the board of directors of the Company
“Company”	YIHAI INTERNATIONAL HOLDING LTD. (頤海國際控股有限公司), an exempted company with limited liability incorporated in the Cayman Islands on 18 October 2013
“Director(s)”	director(s) of the Company
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars and cents respectively, the lawful currency of Hong Kong
“Remuneration Committee”	the remuneration committee of the Board
“RSU(s)”	the restricted share unit(s) granted to RSU participants pursuant to the RSU Scheme
“RSU Scheme”	the RSU scheme approved and adopted by the Company on 24 February 2016
“Share(s)”	ordinary share(s) in the share capital of the Company with nominal value of US\$0.00001 each
“Shareholder(s)”	shareholder(s) of the Company
“Trustee”	Vistra Trust (Hong Kong) Limited, the trustee to administer the granting and vesting of RSUs granted pursuant to the RSU Scheme
“%”	percentage

By Order of the Board
Yihai International Holding Ltd.
Sean Shi
Chairman

Anhui, the PRC
23 November 2023

As at the date of this announcement, the executive Directors of the Company are Mr. Sean Shi, Mr. Guo Qiang, Mr. Sun Shengfeng, Ms. Shu Ping and Mr. Zhao Xiaokai; the non-executive Director of the Company is Mr. Zhang Yong; and the independent non-executive Directors of the Company are Mr. Yau Ka Chi, Mr. Qian Mingxing and Ms. Ye Shujun.