

*Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited 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.*



**YuanShengTai Dairy Farm Limited**  
**原生態牧業有限公司**  
*(Incorporated in Bermuda with limited liability)*  
**(Stock Code: 1431)**

**DISCLOSEABLE TRANSACTION**  
**PROVISION OF GUARANTEE**

**PROVISION OF GUARANTEE**

On 11 December 2025, Kedong Heping YST (an indirect wholly-owned subsidiary of the Company), as guarantor, entered into the Guarantee Agreement in favour of the Bank, pursuant to which, Kedong Heping YST has agreed to provide guarantee for the due performance of the repayment obligations of Xinneng Bio to the Bank under the Loan Agreement.

**LISTING RULES IMPLICATIONS**

As the highest of the applicable percentage ratios (as defined in Rule 14.07 of the Listing Rules) in respect of the provision of guarantee under the Guarantee Agreement is more than 5% but is less than 25%, the provision of guarantee under the Guarantee Agreement constitutes a discloseable transaction for the Company under Chapter 14 of the Listing Rules and is subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

## **PROVISION OF GUARANTEE**

On 11 December 2025, Kedong Heping YST (an indirect wholly-owned subsidiary of the Company), as guarantor, entered into the Guarantee Agreement in favour of the Bank, pursuant to which, Kedong Heping YST has agreed to provide guarantee for the due performance of the repayment obligations of Xinneng Bio to the Bank under the Loan Agreement.

### **Principal terms of the Guarantee Agreement**

Date:	11 December 2025
Parties:	(1) Kedong Heping YST, as guarantor; and (2) The Bank
Guarantee:	Kedong Heping YST, as guarantor, has agreed to provide guarantee of up to RMB94,000,000, made available to Xinneng Bio under the Loan Agreement, in favour of the Bank to secure the due performance of Xinneng Bio's repayment obligations under the Loan Agreement, including, without limitation, with respect to the principal amount under the Loan Agreement together with any interest, default interest, penalty, compensations, liquidated damages and other expenses incurred by the Bank in enforcing its rights under the Guarantee Agreement
Guarantee method:	the guarantee method is joint liability guarantee. When Xinneng Bio fails to perform the repayment obligation as stipulated in the Loan Agreement, the Bank has the right to directly seek repayment from Kedong Heping YST
Term of guarantee:	commencing from the effective date of the Guarantee Agreement and ending on the date which is three years after the expiry of the term of the Loan Agreement
Effective date of the Guarantee Agreement:	the Guarantee Agreement shall become effective upon due execution, being 11 December 2025

## **REASONS FOR AND BENEFITS OF THE PROVISION OF GUARANTEE**

The Group has historically incurred costs in transporting and disposing of solid cow manure generated from its operations. Xinneng Bio provides free manure treatment services, collecting the manure directly from the Group's farms with its own vehicles. This arrangement reduces disposal expenses for the Group while providing Xinneng Bio with a source of raw materials.

Through fermentation, Xinneng Bio processes cow manure together with corn husks, wheat straw, and other agricultural by-products to produce natural gas. The solid biogas residue from production is dried and compressed into bedding material for dairy cows, which is supplied back to the Group. This reduces the Group's reliance on other, more costly bedding materials such as rice husks and helps lower operating expenses.

The cooperation between the Group and Xinneng Bio represents a practical recycling model in which agricultural waste is converted into energy and reusable products, generating cost savings and environmental benefits.

Under the Loan Agreement, the loan may only be applied to projects involving the recycling and utilization of bio-organic fertilizer and biogas as bioenergy by Xinneng Bio. Given the established relationship between the Group and Xinneng Bio, and the fact that the loan purpose is directly connected to the supply of bedding materials to the Group, the Directors consider that the provision of the guarantee is on normal commercial terms and that the terms are fair, reasonable, and in the interests of the Company and its Shareholders as a whole.

## **INFORMATION ON THE PARTIES INVOLVED**

### **The Company**

The Company is a dairy farming company in the PRC dedicated to the production of super premium raw milk.

### **Xinneng Bio**

Xinneng Bio is a company established in the PRC which is principally engaged in production and sales of fertilizer, research and development of organic fertilizer and manure and sewage treatment of livestock. Xinneng Bio is a supplier of bedding material for dairy cows to the Group.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, Xinneng Bio and their ultimate beneficial owner(s) are Independent Third Parties.

### **The Bank**

The Bank is a licensed bank established under the laws of the PRC which is principally engaged in, among others, the provision of financing services in the PRC.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, the Bank and their ultimate beneficial owner(s) are Independent Third Parties.

## **LISTING RULES IMPLICATIONS**

As the highest of the applicable percentage ratios (as defined in Rule 14.07 of the Listing Rules) in respect of the provision of guarantee under the Guarantee Agreement is more than 5% but is less than 25%, the provision of guarantee under the Guarantee Agreement constitutes a discloseable transaction for the Company under Chapter 14 of the Listing Rules and is subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

## DEFINITIONS

In this announcement, unless the context otherwise requires, the following words and expressions shall have the following meanings ascribed to them respectively:

“associate(s)”	has the meaning ascribed to it under the Listing Rules
“Bank”	Agricultural Development Bank of China Yi’an County Branch (中國農業發展銀行依安縣支行), a licensed bank established under the laws of the PRC
“Board”	the board of Directors
“Company”	YuanShengTai Dairy Farm Limited (原生態牧業有限公司), an exempted company incorporated with limited liability under Bermuda Law, the ordinary shares of which are listed on the main board of the Stock Exchange
“connected person”	has the same meaning ascribed to it under the Listing Rules
“Director(s)”	the director(s) of the Company
“Group”	the Company together with its subsidiaries
“Guarantee Agreement”	the guarantee agreement dated 11 December 2025 and entered into by Kedong Heping YST, as guarantor, and the Bank, pursuant to which Kedong Heping YST has agreed to provide guarantee in favour of the Bank to secure the due performance of the repayment obligations of Xinneng Bio under the Loan Agreement
“Independent Third Party(ies)”	third party(ies) independent of the Group and not connected person(s) of the Company
“Kedong Heping YST”	Heilongjiang Kedong Heping YuanShengTai Dairy Farming Co., Ltd.* (黑龍江克東和平原生態牧業有限公司), a company established in the PRC and an indirect wholly-owned subsidiary of the Company
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange

“Loan Agreement”	the fixed asset loan agreement dated 26 November 2025 entered into between Xinneng Bio and the Bank in relation to the grant of a loan up to a maximum principal amount of RMB94,000,000 by the Bank to Xinneng Bio for a term commencing from 26 November 2025 to 25 November 2030
“PRC”	the People’s Republic of China, which for the purposes of this announcement only, excludes Hong Kong, Macao Special Administrative Region and Taiwan
“RMB”	Renminbi, the lawful currency of the PRC
“shareholder(s)”	registered holder(s) of ordinary share(s) of HK\$0.01 each in the capital of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“subsidiary(ies)”	has the same meaning ascribed to it under the Listing Rules
“Xinneng Bio”	Yi’an County Xinneng Biotechnology Co., Ltd.* (依安縣薪能生物科技有限公司), a company established in the PRC
“%” or “per cent.”	percentage or per centum

\* *For identification purposes only*

By Order of the Board  
**YuanShengTai Dairy Farm Limited**  
**Zhang Yongjiu**  
*Chairman*

Hong Kong, 11 December 2025

*As at the date of this announcement, the Board comprises three executive Directors, namely Mr. Zhang Yongjiu (Chairman and Chief Executive Officer), Mr. Chen Xiangqing (Chief Financial Officer) and Mr. Liu Gang; three non-executive Directors, namely Mr. Leng Youbin, Mr. Liu Hua and Mr. Cai Fangliang; and three independent non-executive Directors, namely Mr. Meng Jingzong (alias Owens Meng), Mr. Zhang Yuezhou and Ms. Liu Jinping.*