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Unless otherwise defined in this announcement, terms defined in the prospectus dated 14 November 2013 (the “**Prospectus**”) issued by YuanShengTai Dairy Farm Limited (the “**Company**”) shall have the same meanings when used in this announcement.

This announcement is made pursuant to Section 9(2) of the Securities and Futures (Price Stabilizing) Rules (Chapter 571W of the Laws of Hong Kong).

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## **YuanShengTai Dairy Farm Limited**

**原生態牧業有限公司**

*(Incorporated in Bermuda with limited liability)*

**(Stock Code: 1431)**

### **PARTIAL EXERCISE OF OVER-ALLOTMENT OPTION, STABILISATION ACTIONS AND END OF STABILISATION PERIOD**

In connection with the Global Offering, the Company announces the following:

#### **PARTIAL EXERCISE OF OVER-ALLOTMENT OPTION**

The Over-allotment Option described in the Prospectus was partially exercised by the Joint Bookrunners on behalf of the International Underwriters, on 19 December 2013, requiring the Selling Shareholders to sell an aggregate of 77,291,000 Shares (the “**Over-allotment Shares**”), representing approximately 6.33% of the number of Shares initially available under the Global Offering before any exercise of the Over-allotment Option, at HK\$2.70 per Share (excluding the Prescribed Fees), being the Offer Price under the Global Offering.

## STABILISATION ACTIONS AND END OF STABILISATION PERIOD

The stabilisation period in connection with the Global Offering ended on 19 December 2013, being the 30th day after the last date for the lodging of applications under the Public Offer.

The Company was informed by the Stabilising Manager that the stabilisation actions undertaken during the stabilisation period involved:

- (1) over-allocations of an aggregate of 183,222,000 Shares in the International Offering, representing 15% of the number of Offer Shares initially available under the Global Offering before any exercise of the Over-allotment Option;
- (2) the borrowing of an aggregate of 183,222,000 Shares by the Stabilising Manager from ZHL Asia Limited pursuant to the Stock Borrowing Agreement, to cover over-allocations in the International Offering;
- (3) successive market purchases of an aggregate of 105,931,000 Shares in the price range of HK\$2.29 to HK\$2.64 per Share (excluding the Prescribed Fees) on the Stock Exchange; and
- (4) the partial exercise of the Over-allotment Option by the Joint Bookrunners, on behalf of the International Underwriters, on 19 December 2013 in respect of an aggregate of 77,291,000 Shares at the Offer Price.

The last purchase made by the Stabilising Manager on the market during the course of the stabilisation period was on 19 December 2013 at the price of HK\$2.32 per Share (excluding the Prescribed Fees).

In connection with the Global Offering, the Company announces the following:

### PARTIAL EXERCISE OF OVER-ALLOTMENT OPTION

Pursuant to the Stock Borrowing Agreement, Credit Suisse (Hong Kong) Limited as the stabilising manager (the “**Stabilising Manager**”) has borrowed 183,222,000 Shares from ZHL Asia Limited to cover over-allocations in the International Offering.

The Over-allotment Option described in the Prospectus was partially exercised by the Joint Bookrunners on behalf of the International Underwriters, on 19 December 2013, requiring the Selling Shareholders to sell an aggregate of 77,291,000 Over-allotment Shares, representing approximately 6.33% of the number of Shares initially available under the Global Offering before any exercise of the Over-allotment Option at HK\$2.70 per Share (excluding brokerage fee of 1%, SFC transaction levy of 0.003% and Stock Exchange trading fee of 0.005% (collectively, the “**Prescribed Fees**”), being the Offer Price under the Global Offering, to cover over-allocations under the International Offering.

The Over-allotment Shares will be sold by the Selling Shareholders at HK\$2.70 per Share (excluding the Prescribed Fees), being the Offer Price under the Global Offering. The Over-allotment Shares will be used to satisfy the Stabilising Manager's obligation to return to ZHL Asia Limited a certain portion of Shares borrowed under the Stock Borrowing Agreement.

Listing of and permission to deal in the Over-allotment Shares have already been granted by the Listing Committee of the Stock Exchange. As the Over-allotment Shares are existing Shares of the Company, dealings in such Shares have been commenced on the Stock Exchange at 9:00 a.m. on 26 November 2013.

The respective shareholding structures of the Company immediately before and immediately after the sale of the Over-allotment Shares by the Company are as follows:

Shareholder	Immediately before the sale of the Over-allotment Shares		Immediately after the sale of the Over-allotment Shares	
	<i>Number of Shares</i>	<i>Approximate percentage of the Company's issued share capital</i>	<i>Number of Shares</i>	<i>Approximate percentage of the Company's issued share capital</i>
1 ZHL Asia Limited	1,163,400,000	29.76%	1,163,400,000	29.76%
2 ZHY Asia Limited	170,200,000	4.35%	170,200,000	4.35%
3 YHW Asia Limited	44,698,913	1.14%	23,062,608	0.59%
4 ZSY Asia Limited	53,200,000	1.36%	30,757,930	0.79%
5 SB Asia Limited	42,463,968	1.09%	33,793,191	0.86%
6 SXY Asia Limited	29,200,000	0.75%	23,115,762	0.59%
7 MFQ Asia Limited	0	0%	0	0%
8 Ares	188,496,265	4.82%	188,496,265	4.82%
9 OCBC	182,216,265	4.66%	172,987,460	4.43%
10 KNI	182,216,265	4.66%	172,987,460	4.43%
11 Other public shareholders	<u>1,852,655,324</u>	<u>47.40%</u>	<u>1,929,946,324</u>	<u>49.38%</u>
<b>Total</b>	<u><u>3,908,747,000</u></u>	<u><u>100%</u></u>	<u><u>3,908,747,000</u></u>	<u><u>100%</u></u>

As the Over-allotment Option is granted by the Selling Shareholders (and not the Company), the Company will not receive any proceeds from the partial exercise of the Over-allotment Option. Therefore, the amount of the net proceeds received by the Company from the Global Offering has not been affected by the partial exercise of the Over-allotment Option. The net proceeds to be received by the Selling Shareholders from the sale of the Over-allotment Shares is, in aggregate, estimated to be approximately HK\$202.0 million.

The Company continues to observe the public float requirements under Rule 8.08(1)(a) of the Listing Rules immediately after the partial exercise of Over-allotment Option.

## **STABILISATION ACTIONS**

The stabilisation period in connection with the Global Offering ended on 19 December 2013, being the 30th day after the last date for the lodging of applications under the Public Offer.

The Company was informed by the Stabilising Manager that the stabilisation actions undertaken during the stabilisation period involved:

- (1) over-allocations of an aggregate of 183,222,000 Shares in the International Offering, representing 15% of the number of Offer Shares initially available under the Global Offering before any exercise of the Over-allotment Option;
- (2) the borrowing of an aggregate of 183,222,000 Shares by the Stabilising Manager from ZHL Asia Limited pursuant to the Stock Borrowing Agreement, to cover over-allocations in the International Offering;
- (3) successive market purchases of an aggregate of 105,931,000 Shares in the price range of HK\$2.29 to HK\$2.64 per Share (excluding the Prescribed Fees) on the Stock Exchange; and
- (4) the partial exercise of the Over-allotment Option by the Joint Bookrunners, on behalf of the International Underwriters, on 19 December 2013 in respect of an aggregate of 77,291,000 Shares at the Offer Price.

The 183,222,000 Shares borrowed by the Stabilising Manager will be returned to ZHL Asia Limited pursuant to the Stock Borrowing Agreement.

The last purchase made by the Stabilising Manager on the market during the course of the stabilisation period was on 19 December 2013 at the price of HK\$2.32 per Share (excluding the Prescribed Fees).

## **END OF STABILISATION PERIOD**

The Company makes this announcement pursuant to section 9(2) of the Securities and Futures (Price Stabilising) Rules (Chapter 571W of the Laws of Hong Kong) and announces that the stabilisation period in connection with the Global Offering ended on Thursday, 19 December 2013, being the 30th day after the last day for lodging of applications under the Hong Kong Public Offering.

By Order of the Board  
**YuanShengTai Dairy Farm Limited**  
**Mr. Zhao Hongliang**  
*Chairman*

Hong Kong, 19 December 2013

*As at the date of this announcement, the Board of the Company comprises four Executive Directors namely, Mr. Zhao Hongliang, Mr. Wang Shaogang, Mr. Fu Wenguo, and Ms. Su Shiqin; two Non-executive Directors namely, Mr. Sun Wei and Mr. Lau Ho Fung; and three Independent Non-executive Directors namely, Mr. Wu Chi Keung, Mr. Zhang Yuezhou and Mr. Zhu Zhanbo.*