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YuanShengTai Dairy Farm Limited
原生态牧業有限公司

(Incorporated in Bermuda with limited liability)

(Stock Code: 1431)

INSIDE INFORMATION

This announcement is made by YuanShengTai Dairy Farm Limited (the “**Company**”, together with its subsidiaries, collectively referred to as the “**Group**”) pursuant to Rule 13.09(2) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and the Inside Information Provisions (as defined in the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

References are made to the announcements of the Company dated 1 March 2019, 15 March 2019 and 25 February 2020 (the “**Announcements**”) in relation to, among other things, notices received by Baiquan Ruixincheng Dairy Farming Co., Ltd. (拜泉瑞信誠牧業有限公司) (“**Baiquan Ruixincheng**”), an indirect wholly owned subsidiary of the Company, from government authorities in relation to the Baiquan Ruixincheng Farm. Capitalised terms used herein shall have the same meanings as defined in the Announcements unless the context requires otherwise.

The board (the “**Board**”) of directors of the Company wishes to inform the shareholders of the Company (the “**Shareholders**”) and potential investors that, on 31 March 2020, Baiquan Ruixincheng received notice (the “**Notice**”) from the Qiqihar City Baiquan County Department of Ecology and Environment (齊齊哈爾市拜泉縣生態環境局) conveying its request (the “**Removal Request**”) for Baiquan Ruixincheng to remove the Baiquan Ruixincheng Farm from its current location at Baiquan County, Heilongjian Province, the PRC in 15 days.

Pursuant to the Notice, Baiquan Ruixincheng may within 60 days from the date of the Notice appeal to the Qiqihar City Department of Ecology and Environment (齊齊哈爾市生態環境局) or the Baiquan County People’s Government (拜泉縣人民政府) against the Removal Request. Baiquan Ruixincheng may also commence administrative proceedings at the People’s Court of the PRC within six months from the date of the Notice.

The Board is assessing the potential impact of the Removal Request and has engaged professional advisers to prepare an appeal application to the Removal Request (the “**Appeal**”). In the event that the Appeal is unsuccessful, the Board is of the view that we can relocate the dairy cows, inventory and part of the property, plant and equipment in the Baiquan Ruixincheng Farm to our other farms and resume operations without material interruption to our business.

Baiquan Ruixincheng Farm is located at Baiquan County, Heilongjian Province, the PRC, with an area of approximately 994,000 sq.m. As disclosed in the annual results announcement of Company for the year ended 31 December 2019, as at 31 December 2019, (i) Baiquan Ruixincheng Farm had approximately 7,564 dairy cows, and (ii) the Group had approximately 63,640 dairy cows in aggregate.

Further announcement(s) will be made by the Company in accordance with the Listing Rules in relation the status and progress in connection with the Removal Request as and when appropriate.

Shareholders and potential investors are advised to exercise caution when dealing in the shares of the Company.

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

Hong Kong, 2 April 2020

As at the date of this announcement, the Board comprises four executive Directors, namely Mr. Zhao Hongliang (Chairman), Mr. Fu Wenguo (Chief Executive Officer), Mr. Chen Xiangqing (Chief Financial Officer) and Mr. Liu Gang; and three independent non-executive Directors, namely Mr. Meng Jingzong (alias Owens Meng), Mr. Zhang Yuezhou and Mr. Zhu Zhanbo.