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YuanShengTai Dairy Farm Limited
原生态牧业有限公司

(Incorporated in Bermuda with limited liability)

(Stock Code: 1431)

POSITIVE PROFIT ALERT

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).

The board of directors of the Company (the “**Board**”) wishes to inform shareholders of the Company (the “**Shareholders**”) and potential investors that, based on the Board’s preliminary review of the latest unaudited consolidated management accounts of the Group and the information currently available to the Board, the Group is expected to record a net profit of approximately RMB560.0 million to RMB600.0 million for the year ended 31 December 2020 (the “**Current Year**”), as compared with the net profit of approximately RMB223.1 million for the year ended 31 December 2019 (the “**Corresponding Year**”).

The Board reached this view after taking into account the following principal factors:

- i. the reversal of impairment losses and accrued expenses during the Current Year related to the removal of Baiquan Ruixincheng Farm, a farm operated by Baiquan Ruixincheng Dairy Farming Co., Ltd., an indirect wholly owned subsidiary of the Company; and
- ii. gross profit increased as compared to that of the Corresponding Year due to the increase in the price, as well as sales volume, of domestic raw milk.

The Group is still in the process of preparing its consolidated financial results for the Current Year. The information contained in this announcement is only based on the Board's preliminary review of the latest unaudited consolidated management accounts of the Group and information currently available to the Board and is not based on any financial figures or information which have been audited or reviewed by the Company's auditor. Detailed financial information and performance of the Group for the Current Year will be disclosed in the Company's annual results announcement for the Current Year, which is expected to be published by the end of March 2021.

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

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

Hong Kong, 10 February 2021

As at the date of this announcement, the executive Directors of the Company are Mr. Zhao Hongliang, Mr. Fu Wenguo, Mr. Chen Xiangqing and Mr. Liu Gang; the non-executive Directors of the Company are Mr. Leng Youbin, Mr. Liu Hua and Mr. Cai Fangliang and the independent non-executive Directors of the Company are Mr. Meng Jingzong (alias Owens Meng), Mr. Zhang Yuezhou, Mr. Zhu Zhanbo and Ms. Liu Jinping.