

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)

POSITIVE PROFIT ALERT

This announcement is made pursuant to Rule 13.09(2)(a) of the Listing Rules and Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance.

The Board wishes to inform shareholders of the Company and potential investors that the Group is expected to have a significant growth in results and to record an increase of approximately 140% in its net profit for the six months ended 30 June 2014 as compared to that for the six months ended 30 June 2013.

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

This announcement is made by YuanShengTai Dairy Farm Limited (“**Company**”, together with its subsidiaries, collectively referred to as the “**Group**”) pursuant to Rule 13.09 (2)(a) of the Rules (“**Listing Rules**”) Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (“**Hong Kong Stock Exchange**”) 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) (“**SFO**”).

The board (“**Board**”) of directors (“**Directors**”) of the Company wishes to inform shareholders of the Company and potential investors that the Group is expected to have a significant growth in results and to record an increase of approximately 140% in its net profit for the six months ended 30 June 2014 (“**Current Period**”) as compared to that for the six months ended 30 June 2013 (“**Corresponding Period**”).

Benefit from the increase in production volume of raw milk of the Group, the revenue of the Group in the Current Period increased by not less than approximately 40% as compared to that of the Corresponding Period. Our capability to increase the selling price of raw milk also helps to further improve our gross profit margin. Other major factors attributable to the increase in net profit in the Current Period include (i) a positive fair value gain less costs to sales of biological assets as compared to a loss in the Corresponding Period; and (ii) no listing expense charges in the Current Period was incurred while there was a total amount of RMB14 million in the Corresponding Period.

The Group is still in the process of preparing its unaudited consolidated results for the Current Period. The information contained in this announcement is only based on the internal management accounts of the Group, information currently available and preliminary assessment by the management of the Company. The unaudited consolidated interim results for the Current Period will be published by the Company within the timeframe as stipulated under the Listing Rules.

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

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

Hong Kong, 29 July 2014

As at the date of this announcement, the Board 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.