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China Feihe Limited
中國飛鶴有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 6186)



YuanShengTai Dairy Farm Limited
原生態牧業有限公司

(Incorporated in Bermuda with limited liability)

(Stock Code: 1431)

**JOINT ANNOUNCEMENT
DESPATCH OF THE COMPOSITE DOCUMENT
RELATING TO
CONDITIONAL VOLUNTARY GENERAL OFFER BY
CLSA LIMITED ON BEHALF OF
CHINA FEIHE LIMITED
FOR ALL OF THE OUTSTANDING SHARES OF
YUANSHENGTAI DAIRY FARM LIMITED
AND FOR THE CANCELLATION OF ALL OF
THE OUTSTANDING OPTIONS OF
YUANSHENGTAI DAIRY FARM LIMITED**

Exclusive Financial Adviser to the Offeror



Independent Financial Adviser to the Independent Board Committee



References are made to the joint announcement dated 6 September 2020 (the “**Rule 3.5 Announcement**”) and the composite document dated 30 October 2020 (the “**Composite Document**”) jointly issued by China Feihe Limited (the “**Offeror**”) and YuanShengTai Dairy Farm Limited (the “**Company**”). Capitalized terms used herein shall have the same meanings as those defined in the Rule 3.5 Announcement and the Composite Document, unless the context herein requires otherwise.

DESPATCH OF THE COMPOSITE DOCUMENT

The Composite Document, together with the Forms of Acceptance, containing, among others, (i) detailed terms and conditions of the Offers; (ii) the expected timetable in respect of the Offers; (iii) the letter from CLSA Limited; (iv) the letter from the Board; (v) the letter from the Independent Board Committee; and (vi) the letter from the Independent Financial Adviser in respect of the Offers, have been despatched to the Shareholders and Optionholders on Friday, 30 October 2020 in accordance with the Takeovers Code.

EXPECTED TIMETABLE OF THE OFFERS

Set out below is the expected timetable of the Offers as extracted from the Composite Document. The timetable set out below is indicative only and is subject to change. Further announcement(s) will be made by the Offeror and the Company in the event of any changes to the timetable as and when appropriate.

All references to dates and times contained in this announcement refer to Hong Kong dates and times.

Despatch date of the Composite Document and the accompanying Forms of Acceptance and commencement of the Offers (<i>Note 1</i>)	Friday, 30 October 2020
First Closing Date (<i>Note 2</i>)	Friday, 20 November 2020
Latest time for acceptance of the Offers on the first Closing Date (<i>Note 3</i>)	4:00 p.m. on Friday, 20 November 2020
Announcement of the results of the Offers on the first Closing Date	7:00 p.m. on Friday, 20 November 2020
Latest date for posting of remittances to Shareholders and Optionholders in respect of valid acceptances received by the first Closing Date, assuming the Share Offer and the Option Offer become, or are declared, unconditional in all respects on the first Closing Date (<i>Note 4</i>)	Tuesday, 1 December 2020

Latest time and date for acceptance of the Offers
assuming the Share Offer and the Option
Offer become, or are declared, unconditional
in all respects on the first Closing Date (*Note 5*) 4:00 p.m. on
Friday, 4 December 2020

Latest time and date for declaring the Share Offer
unconditional as to acceptance (*Note 5*) 7:00 p.m. on
Tuesday, 29 December 2020

Latest time and date by which the Share Offer
and the Option Offer can become or be declared unconditional
in all respects, assuming the Share Offer and the Option Offer become,
or are declared, unconditional as to acceptance on the latest time
and date for declaring the Share Offer
unconditional as to acceptance (*Note 5*) 7:00 p.m. on
Tuesday, 19 January 2021

Notes:

1. The Offers are made on Friday, 30 October 2020, being the date of posting of the Composite Document, and are capable of acceptance from and on that date.
2. The Share Offer and the Option Offer will close for acceptances at 4:00 p.m. on Friday, 20 November 2020 unless the Offeror revises or extends the Offers in accordance with the Takeovers Code. The Offeror has the right under the Takeovers Code to extend the Offers until such date as it may determine in accordance with the Takeovers Code (or as permitted by the Executive in accordance with the Takeovers Code). The Offeror will issue an announcement in relation to any extension of the Offers, which announcement will state either the next Closing Date or, if the Share Offer is at that time unconditional as to acceptances, a statement that the Offers will remain open until further notice. In the latter case, at least 14 days' notice in writing must be given before the Share Offer and the Option Offer are closed to those Shareholders and those Optionholders who have not accepted the Share Offer and the Option Offer, respectively.
3. Beneficial owners of the Shares who hold their Shares in CCASS directly as an investor participant or indirectly via a broker or custodian participant should note the timing requirements (set out in Appendix I to the Composite Document) for causing instructions to be made to CCASS in accordance with the General Rules of CCASS and CCASS Operational Procedures.

Acceptances of the Offers are irrevocable and are not capable of being withdrawn, except in the circumstances as set out in the section headed "7 Right of Withdrawal" in Appendix I of the Composite Document.

4. Remittances in respect of the consideration for the Shares tendered under the Share Offer will be posted to those Shareholders accepting the Share Offer as soon as possible, but in any event within seven (7) Business Days following the later of (i) the Unconditional Date and (ii) the date on which the duly completed acceptance of the Share Offer and the relevant documents of title in respect of such acceptance are received by the Offeror (or its agent).

Remittances in respect of consideration for the Options tendered under the Option Offer will be posted to those Optionholders accepting the Option Offer as soon as possible, but in any event within seven (7) Business Days following the later of (i) the Unconditional Date and (ii) the date on which the duly completed acceptance of the Option Offer and the relevant documents of title in respect of such acceptance are received by the Offeror (or its agent).

5. In accordance with the Takeovers Code, when the Share Offer and the Option Offer become or are declared unconditional in all respects, at least 14 days' notice in writing must be given before the Share Offer and the Option Offer are closed to those Shareholders and Optionholders who have not accepted the Share Offer and the Option Offer, respectively. In accordance with the Takeovers Code, except with the consent of the Executive, the Share Offer may not become or be declared unconditional as to acceptances after 7:00 p.m. on the 60th day after the day the Composite Document is posted. Accordingly, unless the Share Offer has previously become unconditional as to acceptances, the Share Offer and the Option Offer will lapse on Tuesday, 29 December 2020 unless extended with the consent of the Executive. The Option Offer is conditional on the Share Offer becoming or being declared unconditional in all respects and will remain open for so long as the Share Offer remains open for acceptance.

In accordance with Rule 15.7 of the Takeovers Code, except with the consent of the Executive, all conditions must be fulfilled, or the Offer must lapse within 21 days of the first Closing Date, or of the date the Offer becomes or is declared unconditional as to acceptances, whichever is later.

WARNING

Shareholders and Optionholders are strongly advised to read the Composite Document carefully, including the “Letter from the Independent Board Committee” and the “Letter from the Independent Financial Adviser”, before deciding whether or not to accept the Offers (as applicable).

Shareholders, Optionholders and/or potential investors of the Company should note that the Share Offer is subject to the satisfaction or waiver (where applicable) of the Conditions and the Option Offer is subject to and conditional upon the Share Offer becoming or being declared unconditional in all respects. Accordingly, the Offers may or may not become unconditional. Shareholders, Optionholders and/or potential investors of the Company should therefore exercise caution when dealing in the securities of the Company. Persons who are in doubt as to the action they should take should consult their licensed securities dealers or registered institutions in securities, bank managers, solicitors, professional accountants or other professional advisers. The respective associates (including a person who owns or controls 5% or more of any class of relevant securities) of the Offeror and the Company are reminded to disclose their dealings in the securities of the Company in accordance with Rule 22 of the Takeovers Code.

By Order of the Board
China Feihe Limited
Leng Youbin
Chairman

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

Hong Kong, 30 October 2020

As at the date of this joint announcement, the executive directors of the Offeror are Mr. LENG Youbin, Mr. LIU Hua, Mr. CAI Fangliang, Ms. Judy Fong-Yee TU and Mr. CHEUNG Kwok Wah; the non-executive directors of the Offeror are Mr. GAO Yu and Mr. Kingsley Kwok King CHAN; and the independent non-executive directors of the Offeror are Ms. LIU Jinping, Mr. SONG Jianwu, Mr. FAN Yonghong and Mr. Jacques Maurice LAFORGE.

The directors of the Offeror jointly and severally accept full responsibility for the accuracy of the information contained in this joint announcement (other than information in relation to the Company) and confirm, having made all reasonable inquiries, that to the best of their knowledge, opinions expressed in this joint announcement (other than those expressed by the Directors) have been arrived at after due and careful consideration and there are no other facts not contained in this joint announcement, the omission of which would make any statement in this joint announcement misleading.

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

The Directors jointly and severally accept full responsibility for the accuracy of the information contained in this joint announcement (other than information in relation to the Offeror) and confirm, having made all reasonable inquiries, that to the best of their knowledge, opinions expressed in this joint announcement (other than those expressed by the directors of the Offeror) have been arrived at after due and careful consideration and there are no other facts not contained in this joint announcement, the omission of which would make any statement in this joint announcement misleading.