
**JOINT DESPATCH ANNOUNCEMENT
PROPOSED VOLUNTARY DELISTING OF
CHINA DAIRY GROUP LTD.
DESPATCH OF CIRCULAR, EXIT OFFER LETTER
AND ACCEPTANCE FORMS**

1. INTRODUCTION

Winner International Investments Limited (the “**Offeror**”) and China Dairy Group Ltd. (the “**Company**”) refer to:

- (a) the joint announcement dated 30 December 2015 made by the Company and the Offeror (“**Joint Announcement**”) in relation to the voluntary delisting of the Company (the “**Proposed Delisting**”) from the Official List of the Main Board of the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) pursuant to Rules 1307 and 1309 of the listing manual of the SGX-ST (the “**Listing Manual**”) and the cash offer (the “**Exit Offer**”) made by UOB Kay Hian Private Limited (“**UOBKH**”) for and on behalf of the Offeror, to acquire all the issued ordinary shares in the capital of the Company (the “**Shares**”) held by shareholders of the Company (the “**Shareholders**”), other than those Shares already owned, controlled or agreed to be acquired by the Offeror as at the date of the Exit Offer (the “**Offer Shares**”) (the “**Delisting Proposal**”); and
- (b) the announcement dated 31 March 2016 made by the Company in relation to the receipt by the Company of SGX-ST’s confirmation that it has no objection to the Proposed Delisting, subject to the approval by Shareholders in compliance with the requirements of Rule 1307 of the Listing Manual and fulfilment of all other conditions precedent to the Proposed Delisting. The SGX-ST’s decision is not to be taken as an indication of the merits of the Proposed Delisting.

All capitalised terms used and not defined herein shall have the same meanings given to them in the Joint Announcement, unless otherwise expressly stated or the context otherwise requires.

2. DESPATCH OF CIRCULAR, EXIT OFFER LETTER AND ACCEPTANCE FORMS TO THE SHAREHOLDERS

2.1 Despatch of Circular to the Shareholders

The circular dated 12 April 2016 (the “**Circular**”) to the Shareholders containing, *inter alia*, further information on the Proposed Delisting and the Exit Offer, the advice of Xandar Capital Pte. Ltd., the independent financial adviser (the “**IFA**”) to the directors of the Company who are considered independent for the purposes of the Exit Offer (the “**Independent Directors**”) and the recommendation of the Independent Directors to Shareholders in respect of the Exit Offer has been despatched to Shareholders today.

2.2 Despatch of Exit Offer Letter and Acceptance Forms

The exit offer letter dated 12 April 2016 issued by UOBKH for and on behalf of the Offeror containing, *inter alia*, the terms and conditions of the Exit Offer (the “**Exit Offer Letter**”) has also been despatched to Shareholders today with the following documents:

- (a) in the case of the Exit Offer Letter sent to Shareholders whose Offer Shares are deposited with The Central Depository (Pte) Limited (“**CDP**”), a Form of Acceptance and Authorisation for Offer Shares (the “**FAA**”) and a pre-addressed envelope; and
 - (b) in the case of the Exit Offer Letter sent to Shareholders whose Offer Shares are registered in their own names in the register of holders of the Shares as maintained by M&C Services Private Limited (“**Share Registrar**”), a Form of Acceptance and Transfer for Offer Shares (the “**FAT**”, and together with the FAA, collectively referred to as the “**Acceptance Forms**”) and a pre-addressed envelope.
- 2.3 Shareholders are advised to read and consider the Exit Offer Letter, the Acceptance Forms and the Circular (in particular, the advice of the IFA to the Independent Directors as well as the recommendation of the Independent Directors in respect of the Exit Offer) carefully in their entirety.
- 2.4 Any Shareholder who has not received the Circular, the Exit Offer Letter and/or the relevant Acceptance Forms within a week from the date of this Joint Despatch Announcement should contact CDP (in the case of Shareholders whose Offer Shares are deposited with CDP) or the Share Registrar, M&C Services Private Limited (in the case of Shareholders whose Offer Shares are not deposited with CDP), as the case may be, without delay at the following respective addresses:

The Central Depository (Pte) Limited
 9 North Buona Vista Drive
 #01-19/20 The Metropolis
 Singapore 138588

M&C Services Private Limited
 112 Robinson Road
 #05-01
 Singapore 068902

Copies of the FAA may be obtained by Shareholders whose Offer Shares are deposited with CDP upon production of satisfactory evidence that they are Shareholders.

Copies of the FAT may be obtained by Shareholders whose Offer Shares are not deposited with CDP from the Share Registrar upon production of satisfactory evidence that they are Shareholders.

- 2.5 Electronic copies of the Exit Offer Letter, the Acceptance Forms and the Circular are available on the website of the SGX-ST at www.sgx.com.

3. OVERSEAS SHAREHOLDERS

- 3.1 The availability of the Exit Offer to Shareholders whose addresses are outside Singapore, as shown on the register of holders of the Shares, or as the case may be, in the records of CDP (each, an “**Overseas Shareholder**”) may be affected by the laws of the relevant overseas jurisdictions. Accordingly, all Overseas Shareholders should inform themselves about, and observe, any applicable legal requirements in their own jurisdictions.
- 3.2 Where there are potential restrictions on sending the Circular, the Exit Offer Letter and the Acceptance Forms to any overseas jurisdiction, the Offeror, UOBKH and the Company each reserves the right not to send such documents to the Shareholders in such overseas jurisdictions, as the case may be. For the avoidance of doubt, the Exit Offer shall be made to all Shareholders, including the Overseas Shareholders and those to whom the Exit Offer Letter, the Acceptance Forms, and any related documents (“**Delisting Materials**”) and the Circular will not be, or may not be sent, provided that the Exit Offer Letter does not constitute an offer or a solicitation to any person in any jurisdiction in which such offer or solicitation is unlawful and the Exit Offer is not proposed in any jurisdiction in which the introduction or implementation of the Exit Offer would not be in compliance with the laws of such jurisdiction. However, the Offeror may, in its sole discretion, take such action as it may deem necessary to extend the Exit Offer to Shareholders in any such jurisdiction.

- 3.3 Shareholders (including Overseas Shareholders) may obtain copies of the Delisting Materials and the Circular during normal business hours and up to the Closing Date (as defined below) from the Offeror through The Central Depository (Pte) Limited at 9 North Buona Vista Drive, #01-19/20 The Metropolis, Singapore 138588. Alternatively, Shareholders (including Overseas Shareholders) may write in to the Offeror at Winner International Investments Limited c/o M&C Services Private Limited, 112 Robinson Road #05-01 Singapore 068902 to request for the Delisting Materials and the Circular to be sent to an address in Singapore by ordinary post at the Overseas Shareholder's own risk prior to the Closing Date (as defined in paragraph 6 below).
- 3.4 Copies of the Delisting Materials and the Circular are not being, and must not be, directly or indirectly, mailed or otherwise forwarded, distributed or sent in or into or from any jurisdiction where the making of or the acceptance of the Exit Offer would violate the law of that jurisdiction (each, a "**Restricted Jurisdiction**") and will not be capable of acceptance by any such use, instrumentality or facility within any Restricted Jurisdiction and persons receiving such documents (including custodians, nominees and trustees) must not mail or otherwise forward, distribute or send them in or into or from any Restricted Jurisdiction. The Exit Offer (unless otherwise determined by the Offeror and permitted by applicable law and regulations) will not be made, directly or indirectly, in or into, or by the use of mails of, or by any means or instrumentality (including, without limitation, telephonically or electronically) of interstate or foreign commerce of, or any facility of a national, state or other securities exchange of, any Restricted Jurisdiction and the Exit Offer will not be capable of acceptance by any such use, means, instrumentality or facilities.
- 3.5 The Offeror and UOBKH each reserves the right to notify any matter, including the fact that the Exit Offer has been made, to any or all Shareholders with a registered address outside Singapore by announcement or paid advertisement in a daily newspaper published and circulated in Singapore, in which case such notice shall be deemed to have been sufficiently given notwithstanding any failure by any Shareholder to receive or see such announcement or advertisement.
- 3.6 It is the responsibility of any Shareholder outside Singapore who wishes to accept the Exit Offer to satisfy himself as to the full observance of the laws of the relevant jurisdictions in that connection, including the obtaining of any governmental or other consent which may be required, or compliance with other necessary formalities or legal requirements. Such Overseas Shareholder shall be liable for the payment of any taxes, imposts, duties or other requisite payments payable and the Offeror, its related corporations, UOBKH, CDP, the Share Registrar and any person acting on their behalf shall be fully indemnified and held harmless by such Overseas Shareholders for any such taxes, imposts, duties or other requisite payments as the Offeror, its related corporations, UOBKH, CDP, the Share Registrar and/or any person acting on their behalf may be required to pay. In accepting the Exit Offer, such Shareholder represents and warrants to the Offeror, UOBKH and CDP that he is in full observance of the laws of the relevant jurisdiction in that connection, and that he is in full compliance with all necessary formalities or legal requirements. If any Shareholder is in any doubt about his position, he should consult his professional adviser in the relevant jurisdiction.
- 3.7 Overseas Shareholders are advised to read, in their entirety, Section 13 of the Exit Offer Letter (entitled "*Overseas Shareholders*") and Section 16 of the Letter to Shareholders (entitled "*Overseas Shareholders*") of the Circular.

4. PROCEDURES FOR ACCEPTANCES

Full details of the procedures for acceptance and other details of the Exit Offer are set out in Appendix 1 of the Exit Offer Letter and in the relevant Acceptance Form(s), and Shareholders are advised to read the Exit Offer Letter and the respective Acceptance Form(s) in their entirety.

Shareholders who wish to accept the Exit Offer may do so by completing, signing and returning the relevant Acceptance Form(s) in accordance with the provisions and instructions stated in the Exit Offer Letter and the relevant Acceptance Form(s).

5. NOTICE OF EXTRAORDINARY GENERAL MEETING

Shareholders should refer to the announcement made by the Company today in respect of the Notice of Extraordinary General Meeting dated 12 April 2016 relating to the extraordinary general meeting (“**EGM**”) to be convened by the Company to seek the approval of Shareholders for the Proposed Delisting. Please note that the EGM will be held on 4 May 2016 at 10.30 a.m. at 8 Wilkie Road #03-01, Wilkie Edge Singapore 228095.

Accordingly, the last date and time for the lodgement of the proxy form for the EGM (if required) is on 2 May 2016 at 10.30 a.m.

6. CLOSING DATE

Shareholders may choose to accept the Exit Offer from 12 April 2016, being the date of despatch of the Exit Offer Letter and the Circular (“**Despatch Date**”) before the EGM. However, such acceptances would be conditional on the Delisting Resolution Approval Condition being satisfied at the EGM and to the Offeror having received, by the Closing Date, valid acceptances in respect of such number of Offer Shares which, together with Shares owned, controlled or agreed to be acquired by the Offeror either before or during the Exit Offer, pursuant to the Exit Offer or otherwise, will result in the Offeror and persons acting in concert with it holding such number of Shares carrying **more than 50%** of the voting rights attributable to the issued share capital of the Company as at the Closing Date (the “**Minimum Acceptance Condition**”). If the Delisting Resolution Approval Condition is not satisfied at the EGM, one of the conditions to the Proposed Delisting and the Exit Offer will not be satisfied and the Exit Offer will lapse, and both the Shareholders and the Offeror will cease to be bound by any prior acceptance of the Exit Offer by any Shareholder.

If the Delisting Resolution Approval Condition is satisfied at the EGM, the Exit Offer will remain open for acceptance by the Shareholders for a period of at least 14 days after the date of announcement of the Shareholders’ approval of the Proposed Delisting. Accordingly, the Exit Offer will close at **5.30 p.m. (Singapore time) on 18 May 2016** or such later date(s) as may be announced from time to time by or on behalf of the Offeror (“**Closing Date**”).

If the Exit Offer is extended, an announcement will be made of such extension and the Exit Offer will remain open for acceptance for such period as may be announced.

Shareholders should note that in addition to the Delisting Resolution Approval Condition, the Exit Offer is also conditional upon the Minimum Acceptance Condition being satisfied before the Closing Date. If the Minimum Acceptance Condition is not satisfied, both the Shareholders and the Offeror will cease to be bound by any prior acceptance of the Exit Offer by any Shareholder.

7. RESPONSIBILITY STATEMENTS

- 7.1 **The Offeror.** The Offeror Directors (including any Offeror Director who may have delegated detailed supervision of the preparation of this Joint Despatch Announcement) have taken all reasonable care to ensure that the facts stated and opinions expressed in this Joint Despatch Announcement (excluding information relating to the Company and its subsidiaries) are fair and accurate and that, where appropriate, no material facts have been omitted from this Joint Despatch Announcement, the omission of which would make any statement in this Joint Despatch Announcement misleading.

Where any information in this Joint Despatch Announcement relating to the Offeror has been extracted or reproduced from published or otherwise publicly available sources or obtained from the Company, the sole responsibility of the Offeror Directors have been to ensure, through reasonable enquiries, that such information has been accurately extracted from such sources or, as the case may be, accurately reflected or reproduced in this Joint Despatch Announcement. The Offeror Directors jointly and severally accept responsibility accordingly.

7.2 **The Company.** The directors of the Company (“**Directors**”) (including any Director who may have delegated detailed supervision of the preparation of this Joint Despatch Announcement) have taken all reasonable care to ensure that the facts stated and opinions expressed in this Joint Despatch Announcement relating to the Company (excluding information relating to the Delisting Proposal, the Exit Offer, the Exit Offer Letter, the Offeror, including the Relevant Persons, and the Irrevocable Undertaking) are fair and accurate and that, where appropriate, no material facts have been omitted from this Joint Despatch Announcement, the omission of which would make any statement in this Joint Despatch Announcement misleading.

Where any information in this Joint Despatch Announcement relating to the Company has been extracted or reproduced from published or otherwise publicly available sources or obtained from the Offeror, an Offeror Director or the Undertaking Shareholder, the sole responsibility of the Directors has been to ensure, through reasonable enquiries, that such information is accurately extracted from such sources or, as the case may be, accurately reflected or reproduced in this Joint Despatch Announcement. The Directors jointly and severally accept responsibility accordingly.

12 April 2016

By Order of the Board of Directors

By Order of the Board of Directors

**WINNER INTERNATIONAL INVESTMENTS
LIMITED**

CHINA DAIRY GROUP LTD.

Forward-Looking Statements

All statements other than statements of historical facts included in this Joint Despatch Announcement are or may be forward-looking statements. Forward-looking statements include but are not limited to, those using words such as “expect”, “seek”, “anticipate”, “estimate”, “believe”, “intend”, “project”, “plan”, “strategy”, “forecast” and similar expressions or future or conditional verbs such as “will”, “if”, “would”, “should”, “could”, “may” and “might”. These statements reflect the Offeror’s current expectations, beliefs, hopes, intentions or strategies regarding the future and assumptions in light of currently available information as at the Latest Practicable Date. Such forward-looking statements are not guarantees of future performance or events and involve known and unknown risks and uncertainties. Accordingly, actual results or outcomes may differ materially from those described in such forward-looking statements. Shareholders and investors should not place undue reliance on such forward-looking statements, and none of the Company, the Offeror and/or UOBKH undertakes any obligation to update publicly or revise any forward-looking statements.

Disclosure of Dealings

The associates (as defined under the Code, and which includes all substantial shareholders) of the Company and the Offeror are hereby reminded to disclose their dealings in any securities of the Company in accordance with Rule 12 of the Code.