

**PROPOSED VOLUNTARY DELISTING OF CHINA DAIRY GROUP LTD.**

**WAIVER FROM COMPLIANCE WITH RULE 707(1) OF THE LISTING MANUAL  
OF THE SINGAPORE EXCHANGE SECURITIES TRADING LIMITED**

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**1. INTRODUCTION**

The board of directors (the “**Board**”, or “**Directors**”) of China Dairy Group Ltd. (the “**Company**”) refers to the following:

- (i) the joint announcement dated 30 December 2015 (the “**Joint Announcement**”) made by the Company and Winner International Investments Limited (the “**Offeror**”) in relation to the proposed 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 (“**Listing Manual**”) of the SGX-ST (the “**Delisting Proposal**”); and
- (ii) the announcement dated 2 March 2016 made by the Company entitled “*Application for the Waiver of Compliance with Rules 707(1) and 707(2) of the Listing Manual of the Singapore Exchange Securities Trading Limited*” (“**Waiver Application Announcement**”).

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

**2. GRANT OF THE WAIVER BY THE SGX-ST**

The Board wishes to announce that the SGX-ST has in its letter dated 31 March 2016 informed the Company that the SGX-ST has no objection to the Company’s application for the Waiver with regard to compliance with Rule 707(1) of the Listing Manual, subject to the following:

- (a) the Company announcing the waiver granted, the reasons for seeking the Waiver and the conditions as required under Rule 107 of the Listing Manual;
- (b) submission of a written confirmation from the Company that the Waiver does not contravene any laws and regulations governing the Company and the articles of association of the Company;
- (c) the Company announcing the audited financial statements for the financial year ended 31 December 2015 by 30 April 2016; and
- (d) the Proposed Delisting being approved by Shareholders in compliance with Rule 1307 of the Listing Manual and all other conditions precedent to the Proposed Delisting be met, failing which the Company will be granted an extension of time until 30 June 2016 to hold its AGM.

The Waiver is not to be taken as an indication of the merits of the Proposed Delisting.

The Company has satisfied the condition set out in paragraph 2(a) by the release of this announcement and the Waiver Application Announcement. The Company will in due course

submit the written confirmation referred to in paragraph 2(b) above to the SGX-ST. The Company will by 30 April 2016 announce its audited financial statements for the financial year ended 31 December 2015 in satisfaction of paragraph 2(c) above. The condition set out in paragraph 2(d) above is expected to be fulfilled on 3 May 2016 following the EGM to be convened to obtain Shareholders' approval on the Proposed Delisting.

The Board wishes to inform its Shareholders that notwithstanding the grant of the Waiver by the SGX-ST, as at the date of this announcement, the Company's auditors are in the process of completing the audit of the Company's financial results for the year ended 31 December 2015. The management of the Company is working closely with the Company's auditors to finalise the Company's financial statements and will continue to keep its Shareholders updated of any material developments.

### 3. OTHERS

Further information on the Proposed Delisting, the advice of the independent financial advisor (the "IFA") to the Directors who are considered independent for the purposes of the Delisting Proposal and the Exit Offer (the "**Independent Directors**"), and the recommendation of the Independent Directors in relation to the Exit Offer and the Delisting Proposal, will be set out in the circular to be issued by the Company in connection with the Proposed Delisting (the "**Circular**") to Shareholders to be despatched by the Company in due course.

**In the meantime, Shareholders are advised to exercise caution when dealing in their Shares and refrain from taking any action in relation to their Shares which may be prejudicial to their interests until they or their advisers have considered the recommendation of the Independent Directors as well as the advice of the IFA as set out in the Circular.**

### 4. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors (including any Director who may have delegated detailed supervision of the preparation of this announcement) have taken all reasonable care to ensure that the facts stated and opinions expressed in this announcement relating to the Company (excluding information relating to the Delisting Proposal, the Exit Offer, 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 announcement, the omission of which would make any statement in this announcement misleading.

Where any information in this announcement 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 announcement. The Directors jointly and severally accept responsibility accordingly.

By Order of the Board

**CHINA DAIRY GROUP LTD.**

Liu Huaguo  
Executive Chairman  
31 March 2016