

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.



Huishan

CHINA HUIZHAN DAIRY HOLDINGS COMPANY LIMITED

中國輝山乳業控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 06863)

VOLUNTARY ANNOUNCEMENT

This announcement is made by China Huishan Dairy Holdings Company Limited (the “**Company**”) on a voluntary basis.

Mr. Yang Kai (“**Mr. Yang**”), the chairman and executive director of the Company, has noted the allegations in the recent research reports issued by Muddy Waters Capital LLC and the Company’s announcements on 16 December 2016 and 19 December 2016.

The Company has been informed by Mr. Yang that on 27 December 2016, Champ Harvest Limited (“**Champ Harvest**”), a company controlled by Mr. Yang and a controlling shareholder of the Company, and Ping An Bank Company Limited (“**Ping An**”) entered into a supplemental agreement (the “**Supplemental Agreement**”) to, amongst other things, extend by one year the maturity date of a two-year term banking facility of an aggregate amount of HK\$2,400,000,000 (the “**Facility**”) entered into on 5 June 2015 in connection with the outstanding amount of the Facility of approximately HK\$2,141,039,800.

As the Facility has been secured by shares in the Company held by Champ Harvest, in light of the reduced outstanding amount due to previous repayment, a deed of release was executed on 22 December 2016 by Ping An in favour of Champ Harvest to release the shares of the Company (the

“Shares”) corresponding to the repayment amount that were being charged under a share charge dated 5 June 2015 entered into by the same parties to secure the indebtedness and liabilities of Champ Harvest represented by the Facility. As at the date of this announcement, the Shares that are still subject to the aforesaid share charge with Ping An amount to 3,434,000,000 Shares.

By order of the Board
China Huishan Dairy Holdings Company Limited
Yang Kai
Chairman

Hong Kong, 27 December 2016

As at the date of this announcement, the board of directors of the Company comprises Mr. Yang Kai, Ms. Ge Kun, Mr. So Wing Hoi, Mr. Xu Guangyi and Mr. Kwok Hok Yin as executive Directors; Mr. Li Kar Cheung as a non-executive Director; Mr. Song Kungang, Mr. Gu Ruixia, Mr. Tsui Kei Pang and Mr. Kan Yu Leung Peter as independent non-executive Directors.