

香港聯合交易所有限公司
(香港交易及結算所有限公司全資附屬公司)

THE STOCK EXCHANGE OF HONG KONG LIMITED
(A wholly-owned subsidiary of Hong Kong Exchanges and Clearing Limited)

ANNOUNCEMENT

In relation to the matter of Daqing Dairy Holdings Limited (Stock Code: 1007) Proceeding to third stage of delisting procedures

The Stock Exchange of Hong Kong Limited (the “Exchange”) places Daqing Dairy Holdings Limited (the “Company”) into the third delisting stage today. If no viable resumption proposal is received by the end of the third delisting stage (i.e. 6 December 2016), the Company’s listing will be cancelled.

Trading of the Company’s shares was suspended on 22 March 2012 after its auditors resigned. The auditors expressed concerns over certain potentially fraudulent transactions of the Company in its resignation letter.

By 14 May 2015 the Exchange was of the view that the Company did not comply with the requirement to have sufficient operations or assets under Rule 13.24. The Exchange placed the Company into the first and second delisting stages on 14 May and 19 November 2015 respectively. At the end of the second delisting stage on 18 May 2016, the Company did not provide a viable resumption proposal. Therefore, the Exchange has decided to place the Company into the third delisting stage under Practice Note 17 to the Listing Rules.

The Company will have a final six months to provide a viable resumption proposal to demonstrate sufficient operations or assets as required under Rule 13.24.

The Company must also:

- (a) conduct forensic investigation on the issues raised by its former auditors, disclose the findings of the investigation and take any remedial actions;
- (b) demonstrate that there is no reasonable regulatory concern about the integrity of the Company’s management which will pose a risk to investors and damage market confidence;

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- (c) demonstrate that the Company has put in place adequate financial reporting procedures and internal control systems to meet obligations under the Listing Rules; and
- (d) inform the market of material information for the shareholders and the investors to appraise the group's position.

If no viable resumption proposal is received by the end of the third delisting stage (i.e. 6 December 2016), the Company's listing will be cancelled. The Exchange will make a further announcement if the delisting takes place.

Hong Kong, 7 June 2016