

ANNOUNCEMENT OF OFFER PRICE AND ALLOTMENT RESULTS

SUMMARY

OFFER PRICE

- The Offer Price has been determined at HK\$6.40 per Offer Share (excluding brokerage of 1%, SFC transaction levy of 0.0027%, Stock Exchange trading fee of 0.005% and AFRC transaction levy of 0.00015%).

NET PROCEEDS FROM THE GLOBAL OFFERING

- Based on the Offer Price of HK\$6.40 per Offer Share, the net proceeds from the Global Offering to be received by the Company, after deduction of the underwriting commissions and other estimated expenses payable by the Company in connection with the Global Offering, are estimated to be approximately HK\$101.4 million, assuming the Over-allotment Option is not exercised. The Company intends to use the net proceeds from the Global Offering in the manner as set out in the paragraph headed “Net Proceeds from the Global Offering” in this announcement.
- If the Over-allotment Option is exercised in full, the Company will receive additional net proceeds of approximately HK\$19.6 million for 3,064,000 additional Shares to be issued and allotted upon the exercise of the Over-allotment Option after deduction of the underwriting commissions and other estimated expenses payable by the Company in connection with the Global Offering. The additional net proceeds will be allocated to the use of proceeds as set out in the paragraph headed “Net Proceeds from the Global Offering” in this announcement in the event that the Over-allotment Option is exercised.

APPLICATIONS AND INDICATIONS OF INTEREST RECEIVED

Hong Kong Public Offering

- The Hong Kong Offer Shares initially offered under the Hong Kong Public Offering have been moderately over-subscribed. A total of 1,971 valid applications had been received pursuant to the Hong Kong Public Offering through the White Form eIPO service and giving electronic application instructions to HKSCC for a total of 6,361,000 Hong Kong Offer Shares, representing approximately 2.08 times of the number of 3,064,000 Hong Kong Offer Shares initially available for subscription under the Hong Kong Public Offering.
- As the over-subscription in the Hong Kong Public Offering is less than 15 times of the number of Hong Kong Offer Shares initially available under the Hong Kong Public Offering, and the Overall Coordinators have decided not to exercise their authority to reallocate Offer Shares originally included in the International Offering to the Hong Kong Public Offering in accordance with the Guidance Letter HKEX-GL91-18, no reallocation procedure as described in the section headed “Structure of the Global Offering — The Hong Kong Public Offering — Reallocation” in the Prospectus has taken place. The final number of Offer Shares under the Hong Kong Public Offering is 3,064,000 Offer Shares, representing 10% of the total number of Offer Shares initially available under the Global Offering (before any exercise of the Over-allotment Option), which have been allocated to 1,491 successful applicants under the Hong Kong Public Offering, among which 1,238 applicants have been allotted with one board lot of Offer Shares.

International Offering

- The International Offer Shares have been slightly over-subscribed, representing approximately 1.16 times of the number of 27,576,000 International Offer Shares initially available under the International Offering. The final number of International Offer Shares available under the International Offering is 27,576,000 Shares, representing 90% of the total number of Offer Shares initially available under the Global Offering (before any exercise of the Over-allotment Option).
- There are a total of 107 places under the International Offering. There has been an over-allocation of 3,064,000 Offer Shares in the International Offering. Please refer to the paragraph headed “Applications and Indications of Interest Received — Over-allotment Option” in this announcement. A total of 78 places have been allotted five board lots of International Offer Shares or less, representing approximately 72.9% of the total number of places under the International Offering. These places have been allotted 82,000 Shares in total, representing approximately 0.30% of the International Offer Shares initially available under the International Offering (before any exercise of the Over-allotment Option) and 0.27% of the total number of Offer Shares under the Global Offering (before any exercise of the Over-allotment Option). A total of 74 places have been allotted one board lot of International Offer Shares, representing approximately 69.16% of the total number of places under the International Offering. These places have been allotted 74,000 Shares in total, representing approximately 0.27% of the International Offer Shares initially available under the International Offering (before any exercise of the Over-allotment Option) and 0.24% of the total number of Offer Shares under the Global Offering (before any exercise of the Over-allotment Option).

Cornerstone Investors

- Based on the Offer Price of HK\$6.40 per Offer Share (exclusive of brokerage of 1.0%, SFC transaction levy of 0.0027%, Stock Exchange trading fee of 0.005% and AFRC transaction levy of 0.00015%), pursuant to the relevant cornerstone investment agreements, the Cornerstone Investors have subscribed for a total of 24,308,000 Shares, representing in aggregate (a) approximately 3.47% of the issued share capital of the Company immediately upon completion of the Global Offering (assuming the Over-allotment Option is not exercised) and (b) approximately 79.33% of the total number of Offer Shares of the Global Offering (assuming the Over-allotment Option is not exercised). For details of the information about the identities of the Cornerstone Investors, the number of Offer Shares subscribed for by them, the confirmation about their independence, and the lock-up arrangement, please refer to the section headed “International Offering — Cornerstone Investors” below.

Compliance with Placing Guidelines of the Listing Rules

- The International Offering is in compliance with Appendix 6 to the Listing Rules (the “**Placing Guidelines**”). To the best knowledge, information and belief of the Directors, (i) none of the Offer Shares subscribed by public Shareholders in the Hong Kong Public Offering and places in the International Offering has been financed directly or indirectly by the Company, any of the Directors, chief executives, Controlling Shareholders, substantial Shareholders, existing Shareholders of the Company or of any of its subsidiaries or their respective close associates; (ii) none of the public Shareholders in the Hong Kong Public Offering and places in the International Offering who have subscribed for the Offer Shares is accustomed to taking instructions from the Company, any of the Directors, chief executives, Controlling Shareholders, substantial Shareholders, existing Shareholders of the Company or of any of its subsidiaries or their respective close associates in relation to the acquisition, disposal, voting or other disposition of the Shares registered in their name or otherwise held by them; (iii) no Offer Shares placed by or through the Overall Coordinators, the Joint Global Coordinators, the Joint Bookrunners, the Joint Lead Managers or the Underwriters under the Global Offering have been placed with applicants who are core connected persons (as defined in the Listing Rules) of the Company, or to any connected clients (as set out in paragraph 5(1) of the Placing Guidelines), or persons set out in paragraph 5(2) of the Placing Guidelines, whether in their own names or through nominees; and (iv) there is no side agreement or arrangement between the Company, any of the Directors, chief executives, Controlling Shareholders, substantial Shareholders, existing Shareholders of the Company or any of its subsidiaries or their respective close associates, on one hand, and the public subscribers or the places who have subscribed for the Offer Shares, on the other hand.
- The Directors further confirm that, to the best of their knowledge, information and belief, all places under the International Offering and their ultimate beneficial owners are not and are independent of any of (a) the core connected persons (as defined in the Listing Rules) of the Company, (b) the directors or existing shareholders of the Company or any of the Company’s subsidiaries, and (c) the close associates (as defined in the Listing Rules) of (a) and/or (b) above, whether in their own names or through nominees.
- None of the Joint Sponsors, the Overall Coordinators, the Joint Global Coordinators, the Joint Bookrunners, the Joint Lead Managers, the Underwriters and their respective affiliated companies and connected clients of the lead broker or of any distributors (as defined in the Placing Guidelines) have taken up any Offer Shares for their own benefit under the Global Offering.

Over-allotment Option

In connection with the Global Offering, the Company have granted the Over-allotment Option to the International Underwriters, exercisable by the Overall Coordinators (on behalf of the International Underwriters) at any time from the Listing Date until Friday, 20 January 2023, being the 30th day after the last day for lodging applications under the Hong Kong Public Offering, to require the Company to allot and issue up to an aggregate of 3,064,000 additional Shares, representing 10% of the total number of Offer Shares initially available under the Global Offering, at the Offer Price to cover over-allocations in the International Offering, if any.

There has been an over-allocation of 3,064,000 Offer Shares in the International Offering. Such over-allocation will be covered by delayed delivery of part of the Offer Shares subscribed by Well Alliance under its Cornerstone Investment and the settlement of such over-allocation may be effected by (i) exercising the Over-allotment Option, which will be exercisable by the Overall Coordinators, or (ii) making purchases in the secondary market at prices that do not exceed the Offer Price or (iii) a combination of these means. Notwithstanding the delayed delivery of part of the Offer Shares, Well Alliance has agreed that it shall nevertheless pay for the relevant Offer Shares before dealings in the Shares on the Stock Exchange commence. In the event the Over-allotment Option is exercised, an announcement will be made on the Stock Exchange's website at www.hkexnews.hk and the Company's website at www.austasiadairy.com. As at the date of this announcement, the Over-allotment Option has not been exercised.

Lock-up Obligations

- The Company, the Controlling Shareholders, a substantial Shareholder and the Cornerstone Investors are subject to certain lock-up obligations as set out in the paragraph headed "Lock-up Obligations" in this announcement.

Results of Allocations

The final Offer Price, the level of indications of interest in the International Offering, the level of applications in the Hong Kong Public Offering and the basis of allocations of the Hong Kong Offer Shares are published on Thursday, 29 December 2022 on the Company's website at www.austasiadairy.com and the Stock Exchange's website at www.hkexnews.hk.

The results of allocations of the Hong Kong Offer Shares under the Hong Kong Public Offering successfully applied for through the **White Form eIPO** service or through the **CCASS EIPO** service, including the Hong Kong identity card numbers, passport numbers, Hong Kong business registration numbers or certificate of incorporation numbers of successful applicants (where applicable), and the number of Hong Kong Offer Shares successfully applied for, will be made available at the times and dates and in the manner set out below:

- in the announcement to be posted on the websites of the Company and the Stock Exchange at www.austasiadairy.com and www.hkexnews.hk, respectively, by no later than 9:00 a.m. on Thursday, 29 December 2022;
- from the designated results of allocation website at www.iporesults.com.hk (alternatively: English <https://www.eipo.com.hk/en/Allotment>; Chinese <https://www.eipo.com.hk/zh-hk/Allotment>) with a "search by ID" function on a 24-hour basis from 8:00 a.m., Thursday, 29 December 2022 to 12:00 midnight, Wednesday, 4 January, 2023; and
- from the allocation results telephone enquiry line by calling +852 2862 8555 between 9:00 a.m. and 6:00 p.m. from Thursday, 29 December 2022 to Wednesday, 4 January, 2023 (except Saturday, Sunday and Hong Kong Public Holiday).

This announcement contains a list of identification document numbers. Identification document numbers shown in the section headed "Results of Applications Made by **White Form eIPO**" in this announcement refer to Hong Kong identity card numbers/passport numbers/Hong Kong business registration numbers/certificate of incorporation numbers/beneficial owner identification codes (if such applications are made by nominees as agent for the benefit of another person) whereas those displayed in the section headed "Results of Applications Made by Giving **Electronic Application Instructions** to HKSCC via CCASS" in this announcement are provided by CCASS Participants via CCASS. Therefore, the identification document numbers shown in the two sections are different in nature.

Please note that the list of identification document numbers set out in this announcement may not be a complete list of successful applicants, since only successful applicants whose identification document numbers are provided to HKSCC by CCASS Participants are disclosed. Applicants with beneficial names only but not identification document numbers are not disclosed due to personal privacy issue as elaborated below. Applicants who applied for the Hong Kong Offer Shares through their brokers can consult their brokers to enquire about their application results.

Since applications are subject to Personal Information Collection Statements, beneficial owner identification codes displayed in the sections headed “Results of Applications Made by **White Form eIPO**” and “Results of Applications Made by Giving **Electronic Application Instructions** to HKSCC via CCASS” are redacted and not all details of applications are disclosed in this announcement.

Despatch/Collection of Share Certificates/e-Refund Payment Instructions/Refund Cheques

For each applicant applying for Hong Kong Offer Shares through the **White Form eIPO** service:

- Where an application has been made for 1,000,000 Hong Kong Offer Shares or more and the application is wholly or partially successful, Share certificate(s) may be collected in person from the Hong Kong Share Registrar, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wan Chai, Hong Kong, from 9:00 a.m. to 1:00 p.m. on Thursday, 29 December 2022, or any other place or date as notified by the Company.

An individual who is eligible for personal collection must not authorize any other person(s) to make collection on his behalf. A corporate applicant which is eligible for personal collection must attend by its authorized representative(s) bearing a letter of authorisation on from such corporation stamped with the corporation’s chop. Both an individual and authorized representative(s) (if applicable) must produce, at the time of collection, evidence of identity acceptable to the Hong Kong Share Registrar.

If Share certificate(s) are not collected personally within the time specified for collection, they will be sent to the address specified in the application instructions by ordinary post at the applicant’s own risk on or before Thursday, 29 December 2022.

- Where an application has been made for less than 1,000,000 Hong Kong Offer Shares, the Share certificate(s) (where applicable) will be sent to the address specified in the application instructions on or before Thursday, 29 December 2022 by ordinary post at the applicant’s own risk.
- Where the application monies have been paid from a single bank account, any refund monies will be despatched to that bank account in the form of e-Refund payment instructions.
- Where the application monies have been paid from multiple bank accounts, any refund monies will be despatched to the address as specified in the application instructions in the form of refund cheque(s) in favour of the applicant (or, in the case of joint applications, the first-named applicant) by ordinary post at the own risk of the applicant(s).

For each applicant applying for Hong Kong Offer Shares through the **CCASS EIPO** service:

- For the purposes of allocating Hong Kong Offer Shares, HKSCC Nominees will not be treated as an applicant. Instead, each CCASS Participant who gives **electronic application instructions** or each person for whose benefit instructions are given will be treated as an applicant.
- Where the application is wholly or partially successful, the Share certificate(s) will be issued in the name of HKSCC Nominees Limited and deposited into CCASS for the credit of the designated CCASS Participant's stock account or the applicant's CCASS Investor Participant stock account on Thursday, 29 December 2022, or on any other date determined by HKSCC or HKSCC Nominees.
- The applicant should check the application results of CCASS Participants (and where the CCASS Participant is a broker or custodian, information relating to the relevant beneficial owner is included) and the successful applicants' Hong Kong identity card number/passport number or other identification code (Hong Kong business registration number/certificate of incorporation number for corporations) published by the Company on Thursday, 29 December 2022 in the manners specified in "Results of Allocation" in this announcement, and report any discrepancies to HKSCC before 5:00 p.m. on Thursday, 29 December 2022 or such other date as determined by HKSCC or HKSCC Nominees.
- Where the applicant has instructed a broker or custodian to give **electronic application instructions** on his/her/its behalf, the applicant can also check the number of Hong Kong Offer Shares allotted to him/her/it and the amount of refund monies (if any) payable to him/it with that broker or custodian.
- Where the applicant has applied as a CCASS Investor Participant, he/she/it can also check the number of Hong Kong Offer Shares allotted to him/her/it and the amount of refund monies (if any) payable to him/her/it via the CCASS Phone System and the CCASS Internet System (under the procedures contained in HKSCC's "An Operating Guide for Investor Participants" in effect from time to time) on Thursday, 29 December 2022. Immediately following the credit of the Hong Kong Offer Shares to the applicant's stock account and the credit of refund monies to his/its bank account, HKSCC will also make available to him/her/it an activity statement showing the number of Hong Kong Offer Shares credited to his/her/its CCASS Investor Participant stock account and the amount of refund monies (if any) credited to his/her/its designated bank account.
- Refund of the application monies (if any) in respect of wholly and partially unsuccessful applications and/or difference between the Offer Price and the maximum Offer Price per Offer Share initially paid on application (including brokerage, SFC transaction levy, Stock Exchange trading fee and Accounting and Financial Reporting Council transaction levy but without interest) will be credited to the applicant's designated bank account or the designated bank account of the applicant's broker or custodian on Thursday, 29 December 2022.

Share certificates will only become valid at 8:00 a.m. on Friday, 30 December, 2022 provided that the Global Offering has become unconditional in all respects at or before that time and the right of termination described in “Underwriting — Underwriting Arrangements and Expenses — Hong Kong Public Offering — Grounds for termination” in the Prospectus has not been exercised.

No temporary document of title will be issued in respect of the Offer Shares. No receipt will be issued for sums paid on application.

Capitalisation Issue

As disclosed in the Prospectus, the Company will capitalise all of the outstanding loans from Japfa in the aggregate amount of approximately US\$25.54 million by way of the issue of new Shares to Japfa (the “**Capitalisation Issue**”). The number of Shares to be issued pursuant to the Capitalisation Issue (the “**Capitalisation Shares**”) is 31,041,673 (which was calculated by dividing the outstanding loan amount by the final Offer Price of HK\$6.40). The Capitalisation Shares, which will be issued to Japfa prior to the Listing Date, will form part of the Japfa Distribution and will be distributed to the Entitled Japfa Shareholders pursuant to the Japfa Distribution. See “Financial Information - Indebtedness - Loans from a Shareholder” in the Prospectus for further details.

Share Award Issuance

As disclosed in the Prospectus, the Company will issue (a) new Shares (the number of which is calculated by reference to the final Offer Price and the share price set by the Company for the relevant vesting year of the SARs) on the Listing Date in settlement of the outstanding SARs granted by the Company and (b) 16,187,500 Shares in settlement of the single initial grant awards made under the AAG PSP (the “**Share Award Issuance**”). The number of Shares to be issued upon Listing to the participants holding SARs is 180,800, including 9,200 Shares to be issued to Mr. Edgar Dowse COLLINS and 6,500 Shares to be issued to Mr. YANG Ku, both of whom are Executive Directors. See “Appendix V – Statutory and General Information – C. Share Plans” in the Prospectus for further details.

Public float

The Directors confirm that:

- (i) no placee will, individually, hold more than 10% of the enlarged issued share capital of the Company immediately after the Capitalisation Issue, the Share Award Issuance and the Global Offering;
- (ii) there will not be any new substantial shareholder (as defined in the Listing Rules) of the Company immediately after the Capitalisation Issue, the Share Award Issuance and the Global Offering;
- (iii) immediately upon the Japfa Distribution becoming effective and the completion of the Capitalisation Issue, the Share Award Issuance and the Global Offering (assuming no exercise of the Over-allotment Option), at least 25% of the total number of issued Shares will be held by the public, in compliance with the requirement under Rule 8.08(1) of the Listing Rules;

- (iv) the Shares will be held by at least 300 Shareholders at the time of Listing, in compliance with Rule 8.08(2) of the Listing Rules; and
- (v) the three largest public Shareholders will not hold more than 50% of the Shares held in public hands at the time of Listing, in compliance with Rule 8.08(3) of the Listing Rules.

Commencement of Dealings

Assuming the Global Offering becomes unconditional at or before 8:00 a.m. on Friday, 30 December 2022 (Hong Kong time), dealings in the Shares on the Stock Exchange are expected to commence at 9:00 a.m. on Friday, 30 December 2022 (Hong Kong time). The Shares shall be traded in board lots of 1,000 Shares each. The stock code of the Shares is 2425.

In view of the high concentration of shareholding in a small number of Shareholders, Shareholders and prospective investors should be aware that the price of the Shares could move substantially even with a small number of Shares traded, and should exercise extreme caution when dealing in the Shares.

OFFER PRICE

The Offer Price has been determined at HK\$6.40 per Offer Share (excluding brokerage of 1.0%, SFC transaction levy of 0.0027%, Stock Exchange trading fee of 0.005% and AFRC transaction levy of 0.00015%).

NET PROCEEDS FROM THE GLOBAL OFFERING

Based on the Offer Price of HK\$6.40 per Offer Share, the net proceeds from the Global Offering to be received by the Company, after deduction of the underwriting commissions and other estimated expenses payable by the Company in connection with the Global Offering, are estimated to be approximately HK\$101.4 million, assuming the Over-allotment Option is not exercised.

The Company intends to use the net proceeds of HK\$101.4 million from the Global Offering in building farm facilities and purchasing equipment for Pure Source Farm 4 (Farm 12), where construction is expected to commence in April 2023 and full milking capacity is expected to be reached by November 2024. The main facilities and equipment will include (i) two milking equipment, (ii) 37 vehicle equipment for cow raising and feeding, (iii) cooling equipment and other breeding ancillary equipment and facilities, (iv) cow manure treatment facilities, (v) testing and inspection equipment, (vi) power generating equipment, and (vii) logistic support equipment and facilities. This farm is located in Shandong and is expected to have total capacity for 12,500 dairy cows and milking capacity for 5,700 dairy cows. Once full milking capacity is reached, this farm is expected to produce raw milk of approximately 80,000 tons/year, which will increase the Group's total raw milk production volume by 13%.

If the Over-allotment Option is exercised in full, the Company will receive additional net proceeds of approximately HK\$19.6 million for 3,064,000 additional Shares to be issued and allotted upon the exercise of the Over-allotment Option after deduction of the underwriting commissions and other estimated expenses payable by the Company in connection with the Global Offering. The additional net proceeds will be allocated to the purposes set out above in the event that the Over-allotment Option is exercised. For further information, please refer to the section headed "Future Plans and Use of Proceeds" in the Prospectus.

APPLICATIONS AND INDICATIONS OF INTEREST RECEIVED

Hong Kong Public Offering

The Company announces that the Hong Kong Offer Shares initially available under the Hong Kong Public Offering have been moderately over-subscribed. At the close of the application lists at 12:00 noon on Wednesday, 21 December 2022, a total of 1,971 valid applications had been received pursuant to the Hong Kong Public Offering for a total of 6,361,000 Hong Kong Offer Shares, representing approximately 2.08 times of the number of 3,064,000 Hong Kong Offer Shares initially available for subscription under the Hong Kong Public Offering, among which:

- 1,970 valid applications were made in respect of a total of 5,561,000 Hong Kong Offer Shares under the Hong Kong Public Offering, each with an aggregate subscription amount based on the Offer Price of HK\$7.00 per Offer Share (excluding brokerage of 1%, SFC transaction levy of 0.0027%, Stock Exchange trading fee of 0.005% and AFRC transaction levy of 0.00015%) of HK\$5 million or less, representing approximately 3.63 times of the number of 1,532,000 Hong Kong Offer Shares initially available in Pool A of the Hong Kong Public Offering; and
- 1 valid application was made in respect of a total of 800,000 Hong Kong Offer Shares under the Hong Kong Public Offering, with an aggregate subscription amount based on the Offer Price of HK\$7.00 per Offer Share (excluding brokerage of 1%, SFC transaction levy of 0.0027%, Stock Exchange trading fee of 0.005% and AFRC transaction levy of 0.00015%) of more than HK\$5 million, representing approximately 0.52 times of the number of 1,532,000 Hong Kong Offer Shares initially available in Pool B of the Hong Kong Public Offering.

Under the Hong Kong Public Offering, (i) no application has been rejected due to dishonored payments; (ii) no invalid application has been identified and rejected; (iii) no multiple application or suspected multiple application has been identified and rejected; and (iv) no application for more than 1,532,000 Shares (being 50% of the 3,064,000 Hong Kong Offer Shares initially available under the Hong Kong Public Offering) has been identified.

As the over-subscription in the Hong Kong Public Offering is less than 15 times of the number of Hong Kong Offer Shares initially available under the Hong Kong Public Offering, and the Overall Coordinators have decided not to exercise their authority to reallocate Offer Shares originally included in the International Offering to the Hong Kong Public Offering in accordance with the Guidance Letter HKEX-GL91-18, no reallocation procedure as described in the section headed “Structure of the Global Offering — The Hong Kong Public Offering — Reallocation” in the Prospectus has taken place. The final number of Offer Shares under the Hong Kong Public Offering is 3,064,000 Offer Shares, representing 10% of the total number of Offer Shares initially available under the Global Offering (before any exercise of the Over-allotment Option), which have been allocated to 1,491 successful applicants under the Hong Kong Public Offering, among which 1,238 applicants have been allotted with one board lot of Offer Shares. The Offer Shares offered in the Hong Kong Public Offering were conditionally allocated on the basis set out in the paragraph headed “Basis of Allocation under the Hong Kong Public Offering” below.

International Offering

The International Offer Shares have been slightly over-subscribed, representing approximately 1.16 times of the number of 27,576,000 International Offer Shares initially available under the International Offering. The final number of International Offer Shares available under the International Offering is 27,576,000 Shares, representing 90% of the total number of Offer Shares initially available under the Global Offering (before any exercise of the Over-allotment Option).

There are a total of 107 places under the International Offering. There has been an over-allocation of 3,064,000 Offer Shares in the International Offering. Please refer to the paragraph headed “Applications and Indications of Interest Received — Over-allotment Option” in this announcement. A total of 78 places have been allotted five board lots of International Offer Shares or less, representing approximately 72.9% of the total number of places under the International Offering. These places have been allotted 82,000 Shares in total, representing approximately 0.30% of the International Offer Shares initially available under the International Offering (before any exercise of the Over-allotment Option) and 0.27% of the total number of Offer Shares under the Global Offering (before any exercise of the Over-allotment Option). A total of 74 places have been allotted one board lot of International Offer Shares, representing approximately 69.16% of the total number of places under the International Offering. These places have been allotted 74,000 Shares in total, representing approximately 0.27% of the International Offer Shares initially available under the International Offering (before any exercise of the Over-allotment Option) and 0.24% of the total number of Offer Shares under the Global Offering (before any exercise of the Over-allotment Option).

Cornerstone Investors

Based on the Offer Price of HK\$6.40 per Offer Share (exclusive of brokerage of 1%, SFC transaction levy of 0.0027%, Stock Exchange trading fee of 0.005% and AFRC transaction levy of 0.00015%), the number of Offer Shares subscribed for by the Cornerstone Investors is determined as set out below:

Cornerstone Investor	Subscription amount (USD)	Number of Offer Shares subscribed⁽¹⁾	Approximate % of Offer Shares in the Global Offering⁽²⁾	Approximate percentage of total issued share capital immediately following the completion of the Capitalisation Issue, the Share Award Issuance and the Global Offering⁽²⁾
Well Alliance	10,000,000	12,154,000	39.67%	1.74%
Proterra Asia Food Fund 3 VCC (on behalf of and for the account of its sub-fund Proterra Asia Food Fund 3 LP SF)	<u>10,000,000</u>	<u>12,154,000</u>	<u>39.67%</u>	<u>1.74%</u>
Total⁽³⁾	<u><u>20,000,000</u></u>	<u><u>24,308,000</u></u>	<u><u>79.33%</u></u>	<u><u>3.47%</u></u>

Notes:

- (1) The number of the Offer Shares allotted to each of the Cornerstone Investors was calculated based on an exchange rate of US\$1.00:HK\$7.77862 and rounded down to the nearest whole board lot of 1,000 Shares.
- (2) Assuming the Over-allotment Option is not exercised.
- (3) Any discrepancies in the tables above between the amounts identified as total amounts and the sum of the amounts listed therein are due to rounding.

The Cornerstone Placing forms part of the International Offering, and the Cornerstone Investors will not acquire any Offer Shares under the Global Offering other than pursuant to the cornerstone investment agreements. The Offer Shares to be subscribed by the Cornerstone Investors will rank *pari passu* in all respects with the other fully paid Shares in issue following the completion of the Global Offering and for the purpose of Rule 8.08 of the Listing Rules, will be counted towards the public float of the Company.

Immediately upon the Japfa Distribution becoming effective and the completion of the Capitalisation Issue, the Share Award Issuance and the Global Offering, the Cornerstone Investors will not become a substantial Shareholder (as defined in the Listing Rules) of the Company and will not have any Board representation in the Company.

To the best knowledge of the Company, (i) each Cornerstone Investor is an independent third party, is not a connected person of the Company, is not an existing Shareholder or their close associates, and is independent of the other Cornerstone Investor; (ii) none of the Cornerstone Investors is accustomed to taking instructions from the Company, the directors, the chief executives, the Controlling Shareholders or the substantial shareholders of the Company or of any of its subsidiaries, the existing Shareholders or their respective close associates in relation to the acquisition, disposal, voting or other disposition of securities of the Company; and (iii) none of the subscription of the relevant Offer Shares by any of the Cornerstone Investors is financed by the Company, the directors, the chief executives, the Controlling Shareholders or the substantial shareholders of the Company or of any of its subsidiaries, the existing Shareholders or their respective close associates. There are no side agreements or arrangements between the Company and the Cornerstone Investors or any benefit, direct or indirect, conferred on the Cornerstone Investors by virtue of or in relation to the Cornerstone Investments. The Cornerstone Investors do not have any preferential rights in the cornerstone investment agreements compared with other public Shareholders, other than a guaranteed allocation of the relevant Offer Shares at the Offer Price. The investment amount for the Offer Shares subscribed for by the Cornerstone Investors under the Cornerstone Placing will be paid by 8:00 a.m. (Hong Kong time) on the Listing Date.

To the best knowledge of the Company and as confirmed by the Cornerstone Investors, their subscription pursuant to the relevant cornerstone investment agreements would be financed by their own internal financial resources. The Cornerstone Investors have confirmed that all necessary approvals have been obtained with respect to their subscription pursuant to the relevant cornerstone investment agreements, and that no specific approval from any stock exchange (if relevant) or their shareholders is required for the relevant cornerstone investment. None of the Cornerstone Investor or its affiliates, directors, officers, employees, agents or representatives, has accepted or entered into any agreement or arrangement to accept any direct or indirect benefits by side letter or otherwise, from the Company, its Controlling Shareholders, any member of the Group, or any of their respective affiliates, directors, officers, employees, agents or representatives in the Global Offering or otherwise has engaged in any conduct or activity inconsistent with, or in contravention of, Guidance Letter HKEX-GL51-13.

Each of the Cornerstone Investors has agreed that without the prior written consent of each of the Company, the Overall Coordinators and the Joint Sponsors, it will not, whether directly or indirectly, at any time during the period of six months following the Listing Date (the “**Lock-up Period**”), dispose of (as defined in the relevant cornerstone investment agreements) any of the Shares subscribed by it pursuant to the relevant cornerstone investment agreements and any other securities of the Company which are derived therefrom (the “**Relevant Shares**”) or any interest in any company or entity holding any of the Relevant Shares, save for certain limited circumstances as set out in the relevant cornerstone investment agreements, such as transfers to any of its wholly-owned subsidiaries who undertakes to be bound by the same obligations of such Cornerstone Investor, including the Lock-up Period restriction. Please refer to the section headed “Cornerstone Investors” in the Prospectus for further details relating to the Cornerstone Investors.

Compliance with Placing Guidelines of the Listing Rules

The International Offering is in compliance with the Placing Guidelines. To the best knowledge of the Directors, (i) none of the Offer Shares subscribed by public Shareholders in the Hong Kong Public Offering and places in the International Offering has been financed directly or indirectly

by the Company, any of the Directors, chief executives, Controlling Shareholders, substantial Shareholders, existing Shareholders of the Company or of any of its subsidiaries or their respective close associates; (ii) none of the public Shareholders in the Hong Kong Public Offering and placees in the International Offering who has subscribed for the Offer Shares is accustomed to taking instructions from the Company, any of the Directors, chief executives, Controlling Shareholders, substantial Shareholders, existing Shareholders of the Company or of any of its subsidiaries or their respective close associates in relation to the acquisition, disposal, voting or other disposition of the Shares registered in their name or otherwise held by them; (iii) no Offer Shares placed by or through the Overall Coordinators, the Joint Global Coordinators, the Joint Bookrunners, the Joint Lead Managers or the Underwriters under the Global Offering have been placed with applicants who are core connected persons (as defined in the Listing Rules) of the Company, or to any connected clients (as set out in paragraph 5(1) of the Placing Guidelines), or persons set out in paragraph 5(2) of the Placing Guidelines, whether in their own names or through nominees; and (iv) there is no side agreement or arrangement between the Company, any of the Directors, chief executive, Controlling Shareholders, substantial shareholders, existing Shareholders of the Company or any of their subsidiaries or their respective close associates, on one hand, and the public subscribers or the placees who have subscribed for the Offer Shares, on the other hand.

The Directors further confirm that, to the best of their knowledge, information and belief, all placees under the International Offering and their ultimate beneficial owners are not and are independent of any of (a) the core connected persons (as defined in the Listing Rules) of the Company, (b) the directors or existing shareholders of the Company or any of the Company's subsidiaries, and (c) the close associates (as defined in the Listing Rules) of (a) and/or (b) above, whether in their own names or through nominees.

None of the Joint Sponsors, the Overall Coordinators, the Joint Global Coordinators, the Joint Bookrunners, the Joint Lead Managers, the Underwriters and their respective affiliated companies and connected clients of the lead broker or of any distributors (as defined in the Placing Guidelines) has taken up any Offer Shares for its own benefit under the Global Offering.

Over-allotment Option

In connection with the Global Offering, the Company have granted the Over-allotment Option to the International Underwriters, exercisable by the Overall Coordinators (on behalf of the International Underwriters) at any time from the Listing Date until Friday, 20 January 2023, being the 30th day after the last day for lodging applications under the Hong Kong Public Offering, to require the Company to allot and issue up to an aggregate of 3,064,000 additional Shares, representing 10% of the total number of Offer Shares initially available under the Global Offering, at the Offer Price to cover over-allocations in the International Offering, if any.

There has been an over-allocation of 3,064,000 Offer Shares in the International Offering. Such over-allocation will be covered by delayed delivery of part of the Offer Shares subscribed by Well Alliance under its Cornerstone Investment and the settlement of such over-allocation may be effected by (i) exercising the Over-allotment Option, which will be exercisable by the Overall Coordinators, or (ii) making purchases in the secondary market at prices that do not exceed the Offer Price or (iii) a combination of these means. Notwithstanding the delayed delivery of part of the Offer Shares, Well Alliance has agreed that it shall nevertheless pay for the relevant Offer Shares before dealings in the Shares on the Stock Exchange commence. In the event the Over-allotment Option is exercised, an announcement will be made on the Stock Exchange's website at www.hkexnews.hk and the Company's website at www.austasiadairy.com. As at the date of this announcement, the Over-allotment Option has not been exercised.

LOCK-UP OBLIGATIONS

The Company, the Controlling Shareholders a substantial Shareholder and the Cornerstone Investors have provided certain lock-up undertakings (the “**Lock-up Undertakings**”) in respect of the Shares. The major terms of the Lock-up Undertakings are set out as follows:

Name	Number of Shares subject to the lock-up undertakings upon Listing	Approximate percentage of shareholding in the Company following the completion of the Global Offering subject to the lock-up undertakings after Listing ⁽¹⁾	Last day of the lock-up period
The Company <i>(subject to lock-up obligations pursuant to the Listing Rules and the Hong Kong Underwriting Agreement)</i>	N/A	N/A	29 June 2023 ⁽²⁾
Controlling Shareholders <i>(subject to lock-up obligations pursuant to Rule 10.07 of the Listing Rules and the Lock-up Undertakings)</i>	247,635,035	35.38%	29 June 2023 (First Six-Month Period) and 29 December 2023 (Second Six-Month Period) ⁽³⁾
Meiji China <i>(subject to lock-up obligations pursuant to the Lock-up Undertakings)</i>	155,451,785	22.21%	29 June 2023 ⁽⁵⁾
The Cornerstone Investors <i>(subject to lock-up obligation pursuant to the cornerstone investment agreements)</i>	24,308,000	3.47%	29 June 2023 ⁽⁴⁾

Notes:

- (1) Assuming the Over-allotment Option is not exercised.
- (2) The Company may not issue Shares on or before the indicated date except otherwise permitted by the Listing Rules.
- (3) Pursuant to the Listing Rules, the group of Controlling Shareholders stated herein shall not (a) dispose of, nor enter into any agreement to dispose of or otherwise create any options, rights, interests or encumbrances in respect of, any of the Shares held or controlled by them in respect of which they are identified in the Prospectus to be beneficial owners (the “**Relevant Shares**”) in the first six months from the date on which dealings in the Shares commence on the Stock Exchange (“**First Six-Month Period**”); and (b) dispose of, nor enter into any agreement to dispose of or otherwise create any options, rights, interests or encumbrances in respect of, any of the Relevant Shares in the period of a further six months commencing from the date on which the First Six-Month Period expires (“**Second Six-Month Period**”) if, immediately following such disposal or upon the exercise or enforcement of such options, rights, interests or encumbrances, the Controlling Shareholders would cease to be a controlling shareholder (as defined in the Listing Rules) of the Company or a member of a group of the Controlling Shareholders of the Company or together with the other Controlling Shareholders cease to be controlling shareholders (as defined in the Listing Rules) of the Company. Notwithstanding the above, the group of Controlling Shareholders is permitted to pledge or charge its Shares beneficially owned by him/it in favour of an authorised institution (as defined in the Banking Ordinance (Chapter 155 of the Laws of Hong Kong)) for a bona fide commercial loan pursuant to Note (2) to Rule 10.07(2) of the Listing Rules. One of the Controlling Shareholders has obtained a bona fide commercial loan from an authorised institution and upon completion of the Listing, it will grant security over a portion of the Shares held by it to such authorised institution.

- (4) The Cornerstone Investors shall not dispose of any of the Offer Shares acquired in the Global Offering prior to the indicated date. For more details, please refer to the paragraph headed “Cornerstone Investors” in this announcement.
- (5) For details of the lock-up arrangement of Meiji China, please refer to the section headed “Underwriting – Underwriting Arrangements and Expenses – Hong Kong Public Offering – Undertakings by Meiji China Pursuant to the Lock-up Undertaking” in the Prospectus.

BASIS OF ALLOCATION UNDER THE HONG KONG PUBLIC OFFERING

Subject to satisfaction of the conditions set out in “Structure of the Global Offering — Conditions of the Global Offering” in the Prospectus, 1,971 valid applications made by the public through the **White Form eIPO** service or the **CCASS EIPO** service will be conditionally allocated on the basis set out below:

Pool A

Number of shares applied for	Number of valid applications	Basis of allotment/ballot	Approximate percentage allotted of the total number of Shares applied for
1,000	1,602	1,122 out of 1,602 to receive 1,000 Shares	70.04%
2,000	87	1,000 Shares	50.00%
3,000	35	1,000 Shares plus 13 out of 35 to receive additional 1,000 Shares	45.71%
4,000	30	1,000 Shares plus 23 out of 30 to receive additional 1,000 Shares	44.17%
5,000	48	2,000 Shares plus 2 out of 48 to receive additional 1,000 Shares	40.83%
6,000	14	2,000 Shares plus 6 out of 14 to receive additional 1,000 Shares	40.48%
7,000	36	2,000 Shares plus 28 out of 36 to receive additional 1,000 Shares	39.68%
8,000	7	3,000 Shares plus 1 out of 7 to receive additional 1,000 Shares	39.29%
9,000	2	3,000 Shares plus 1 out of 2 to receive additional 1,000 Shares	38.89%
10,000	58	3,000 Shares plus 35 out of 58 to receive additional 1,000 Shares	36.03%
15,000	12	5,000 Shares	33.33%
20,000	4	6,000 Shares	30.00%
25,000	15	7,000 Shares	28.00%
30,000	5	8,000 Shares	26.67%
40,000	1	10,000 Shares	25.00%
45,000	1	11,000 Shares	24.44%
50,000	2	12,000 Shares	24.00%
60,000	4	14,000 Shares	23.33%
70,000	1	15,000 Shares	21.43%
100,000	1	20,000 Shares	20.00%
150,000	2	23,000 Shares	15.33%
200,000	2	24,000 Shares	12.00%
250,000	1	25,000 Shares	10.00%
	<u>1,970</u>	Total number of Pool A successful applicants: 1,490	

Pool B

Number of shares applied for	Number of valid applications	Basis of allotment/ballot	Approximate percentage allotted of the total number of Shares applied for
800,000	1	800,000 Shares	100.00%
	1	Total number of Pool B successful applicants: 1	

The final number of Hong Kong Offer Shares available under the Hong Kong Public Offering is 3,064,000 Shares, representing 10% of the total number of Offer Shares initially available under the Global Offering (before any exercise of the Over-allotment Option).

RESULTS OF ALLOCATIONS

The final Offer Price, the level of indications of interest in the International Offering, the level of applications in the Hong Kong Public Offering and the basis of allocations of the Hong Kong Offer Shares are published on Thursday, 29 December 2022 on the Company's website at www.austasiadairy.com and the Stock Exchange's website at www.hkexnews.hk.

The results of allocations of the Hong Kong Offer Shares under the Hong Kong Public Offering successfully applied for through the **White Form eIPO** service or through the **CCASS EIPO** service, including the Hong Kong identity card numbers, passport numbers, Hong Kong business registration numbers or certificate of incorporation numbers of successful applicants (where applicable), and the number of Hong Kong Offer Shares successfully applied for, will be made available at the times and dates and in the manner set out below:

- in the announcement to be posted on the websites of the Company and the Stock Exchange at www.austasiadairy.com and www.hkexnews.hk, respectively, by no later than 9:00 a.m. on Thursday, 29 December 2022;
- from the designated results of allocation website at www.iporesults.com.hk (alternatively: English <https://www.eipo.com.hk/en/Allotment>; Chinese <https://www.eipo.com.hk/zh-hk/Allotment>) with a "search by ID" function on a 24-hour basis from 8:00 a.m., Thursday, 29 December 2022 to 12:00 midnight, Wednesday, 4 January, 2023; and
- from the allocation results telephone enquiry line by calling +852 2862 8555 between 9:00 a.m. and 6:00 p.m. from Thursday, 29 December 2022 to Wednesday, 4 January, 2023 (except Saturday, Sunday and Hong Kong Public Holiday).

This announcement contains a list of identification document numbers. Identification document numbers shown in the section headed "Results of Applications Made by **White Form eIPO**" in this announcement refer to Hong Kong identity card numbers/passport numbers/Hong Kong business registration numbers/certificate of incorporation numbers/beneficial owner identification codes (if such applications are made by nominees as agent for the benefit of another person) whereas those displayed in the section headed "Results of Applications Made by Giving **Electronic Application Instructions** to HKSCC via CCASS" in this announcement are provided by CCASS Participants via CCASS. Therefore, the identification document numbers shown in the two sections are different in nature.

Please note that the list of identification document numbers set out in this announcement may not be a complete list of successful applicants, since only successful applicants whose identification document numbers are provided to HKSCC by CCASS Participants are disclosed. Applicants with beneficial names only but not identification document numbers are not disclosed due to personal privacy issue as elaborated below. Applicants who applied for the Hong Kong Offer Shares through their brokers can consult their brokers to enquire about their application results.

Since applications are subject to Personal Information Collection Statements, beneficial owner identification codes displayed in the sections headed “Results of Applications Made by **White Form eIPO**” and “Results of Applications Made by Giving **Electronic Application Instructions** to HKSCC via CCASS” are redacted and not all details of applications are disclosed in this announcement.

SHAREHOLDING CONCENTRATION ANALYSIS

Set out below is the analysis of shareholding concentration under the International Offering and immediately following the Global Offering:

- Top 1, 5, 10, 20 and 25 places in the International Offering:

Placee	Subscription	Total number of Shares held upon Listing	Subscription as % of International Offering (assuming no exercise of Over-allotment Option)	Subscription as % of International Offering (assuming full exercise of Over-allotment Option)	Subscription as % of total Offer Shares (assuming no exercise of Over-allotment Option)	Subscription as % of total Offer Shares (assuming full exercise of Over-allotment Option)	Total shareholding as % of total issued share capital upon Listing (assuming no exercise of the Over-allotment Option)	Total shareholding as % of total issued share capital upon Listing (assuming the Over-allotment Option is exercised in full)
Top 1	12,154,000	12,154,000	44.07%	39.67%	39.67%	36.06%	1.74%	1.73%
Top 5	29,153,000	29,153,000	105.72%	95.15%	95.15%	86.50%	4.17%	4.15%
Top 10	30,444,000	30,444,000	110.40%	99.36%	99.36%	90.33%	4.35%	4.33%
Top 20	30,504,000	30,504,000	110.62%	99.56%	99.56%	90.51%	4.36%	4.34%
Top 25	30,534,000	30,534,000	110.73%	99.65%	99.65%	90.59%	4.36%	4.34%

- Top 1, 5, 10, 20 and 25 Shareholder of all the Shareholders upon Listing:

Shareholder	Subscription	Number of Shares held upon Listing	Subscription as % of International Offering (assuming no exercise of Over-allotment Option)	Subscription as % of International Offering (assuming full exercise of Over-allotment Option)	Subscription as % of total Offer Shares (assuming no exercise of Over-allotment Option)	Subscription as % of total Offer Shares (assuming full exercise of Over-allotment Option)	Total shareholding as % of total issued share capital upon Listing (assuming no exercise of the Over-allotment Option)	Total shareholding as % of total issued share capital upon Listing (assuming the Over-allotment Option is exercised in full)
Top 1	-	247,635,035	0.00%	0.00%	0.00%	0.00%	35.38%	35.23%
Top 5	-	527,423,490	0.00%	0.00%	0.00%	0.00%	75.36%	75.03%
Top 10	24,308,000	610,567,811	88.15%	79.33%	79.33%	72.12%	87.24%	86.86%
Top 20	24,308,000	664,646,503	88.15%	79.33%	79.33%	72.12%	94.97%	94.55%
Top 25	29,153,000	672,880,874	105.72%	95.15%	95.15%	86.50%	96.15%	95.73%

In view of the high concentration of shareholding in a small number of Shareholders, Shareholders and prospective investors should be aware that the price of the Shares could move substantially even with a small number of Shares traded, and should exercise extreme caution when dealing in the Shares.

PUBLIC FLOAT

The Directors confirm that:

- (i) no placee will, individually, hold more than 10% of the enlarged issued share capital of the Company immediately after the Capitalisation Issue, the Share Award Issuance and the Global Offering;
- (ii) there will not be any new substantial shareholder (as defined in the Listing Rules) of the Company immediately after the Capitalisation Issue, the Share Award Issuance and the Global Offering;
- (iii) immediately upon the Japfa Distribution becoming effective and the completion of the Capitalisation Issue, the Share Award Issuance and the Global Offering (assuming no exercise of the Over-allotment Option), at least 25% of the total number of issued Shares will be held by the public, in compliance with the requirement under Rule 8.08(1) of the Listing Rules;
- (iv) the Shares will be held by at least 300 Shareholders at the time of Listing, in compliance with Rule 8.08(2) of the Listing Rules; and
- (v) the three largest public Shareholders will not hold more than 50% of the Shares held in public hands at the time of Listing, in compliance with Rule 8.08(3) of the Listing Rules.