

Huaxia Dairy Raises US\$106 Million of Additional Capital to Fund its Growth Plan

Investor Group Led by GIC and Olympus Capital Asia

July 2, 2014

Sanhe, China, July 2, 2014 – Huaxia Dairy Farm Limited (“Huaxia Dairy”), a high-quality milk producer headquartered in Sanhe, China, announced today that an investor group led by GIC, Singapore’s sovereign wealth fund, and Olympus Capital Asia, a leading regional middle market private equity firm focused on Asia, has invested an additional US\$106 million in the company. The investment proceeds will be used to fund the expansion of the company’s farming operations as well as its retail dairy products business.

In this round of financing, GIC is investing US\$70 million and Olympus Capital Asia is investing US\$30 million. Other existing shareholders, including Grand River Capital, are investing the remaining US\$6 million. Combined with its previous investments, Olympus Capital Asia has now invested \$108 million in the company and is its largest shareholder.

Huaxia Dairy was established in 2004 by a group of entrepreneurs focused on creating a world-class dairy farm in China. The company currently operates three farms in the Sanhe area, just outside of Beijing, with over 13,500 cows. The milk produced at Huaxia Dairy meets international best standards and is used to supply major dairy products companies in China for their premium products, as well as for the production of Huaxia Dairy’s own Wondermilk-branded products.

To meet the rapidly increasing demand for its high-quality raw milk, the company is currently in the process of building a farm in Xinghua, Jiangsu which will be completed later this year and bring the total number of farms to four. This new location will position the company to serve both the Beijing and Shanghai markets with fresh, chilled milk from its strategically-based farms in Sanhe and Xinghua, respectively.

In addition to expanding its farming bases, the proceeds from this financing will be used to further develop the company’s industry-leading farm management technology, import additional heifers and drive the expansion of the Wondermilk brand.

Charles Shao, founder and Chairman of Huaxia Dairy, commented: “This financing marks another key milestone for Huaxia Dairy and will provide the capital to support our growth plans. We appreciate the continued support and partnership with Olympus Capital Asia and welcome GIC as a new investor.”

Peter Cimmet, Managing Director at Olympus Capital Asia and a Huaxia Dairy Board member, added: “We are pleased to have GIC join as a shareholder of Huaxia Dairy. GIC supports the company’s strategy to become the leading premium player in the China dairy market and is an ideal partner to help drive the further expansion of the company.”

Chin Kiong Goh, Senior Vice President, GIC Special Investments, commented: “We are excited to be an investor in Huaxia Dairy, a leading dairy farming company focused on the premium dairy market in China. As a long-term value investor, we are confident in the growth prospects of the company and we look forward to working with Charles Shao, the management team, Olympus Capital Asia and the other shareholders to continue to drive the company’s success in this fast-growing sector.”

About Huaxia Dairy

Huaxia Dairy is a world-class dairy farming company in China which produces premium, chilled milk and dairy products to meet fast-growing demand in China's Tier 1 cities such as Beijing and Shanghai. Its Wondermilk brand is well-known in Beijing in the premium segment. With three farms located in Sanhe and a new one being built in Xinghua, it has strategically-located bases from which to serve the Beijing and Shanghai markets. Led by an experienced team, Huaxia employs leading farm management technology to ensure consistent production of high-quality milk. Huaxia's over 13,500 cows have one of the best genetic profiles of any dairy herd in China.

About GIC

GIC is a leading global investment firm with well over US\$100 billion in assets under management. Established in 1981, the firm manages Singapore's foreign reserves and is uniquely positioned for long-term and flexible investments across a wide range of asset classes, including public equities, private equity, infrastructure, fixed income, and real estate. In private equity, GIC invests through funds as well as directly in companies, partnering with our fund managers and management teams to help world class businesses achieve their objectives. GIC employs more than 1,200 people across offices in Singapore, Beijing, London, Mumbai, New York, San Francisco, Sao Paulo, Seoul, Shanghai, and Tokyo. For more information, please visit www.gic.com.sg.

About Olympus Capital Asia

Olympus Capital Asia is a leading regional middle market private equity firm focused on Asia. The firm focuses on three industry verticals – agribusiness & food, financial & business services and environmental & clean energy. Since its founding in 1997, Olympus Capital Asia has successfully invested approximately US\$1.8 billion on behalf of its funds and co-investors in over 40 portfolio companies throughout Asia, including China, India, Japan, South Korea, and Southeast Asia. The firm has a team of experienced investment professionals and advisors located in Hong Kong, New Delhi, Seoul, Shanghai, Singapore, Tokyo, and New York. In addition to helping companies grow in their home markets, Olympus Capital Asia seeks to leverage its regional platform to help its portfolio companies drive cross-border expansion.

www.olympuscap.com

Safe Harbour

Some of the statements in this press release that are not historical facts are forward-looking statements. These forward-looking statements include our financial and growth projections as well as statements concerning our plans, strategies, intentions and beliefs concerning our business and the markets in which we operate. These statements are based on information currently available to us, and we assume no obligation to update these statements as circumstances change. There are risks and uncertainties that could cause actual events to differ materially from these forward-looking statements. These risks include, but are not limited to, the level of market demand for our services, the highly-competitive market for the types of services that we offer, market conditions that could cause our customers to reduce their spending for our services, our ability to create, acquire and build new businesses and to grow our existing businesses, our ability to attract and retain qualified personnel, currency fluctuations and market conditions, and other risks not specifically mentioned herein but those that are common to industry.