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LANZHOU ZHUANGYUAN PASTURE COMPANY LTD:
IT PAYS DIVIDENDS TO LEARN HOW TO READ BETWEEN THE LINES

After two attempts to transform itself from a privately held corporate entity into a publicly listed company, Lanzhou Zhuangyuan Pasture Company Ltd () (Code: 1533, Main Board, The Stock Exchange of Hongkong Ltd) announced, yesterday, that it has raised $HK147.70 million by selling 35.13 million, one renminbi '*H*' Shares in a Global Offering.

As such, this Company may now don the purple toga of office, a company, listed on the premier equity market of the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC).

Lanzhou Zhuangyuan published and disseminated its Global Offering Prospectus on September 30, 2015 and, yesterday, it announced that the Offer Price Per Share had been struck at $HK5.30.

The Company had set aside 3,513,000 '*H*' Shares for HKSAR Investors and sought International Investors for the remaining 31,617,000 '*H*' Shares.

Management had made it clear, from the outset, that the minimum Offer Price Per Share that it would accept was $HK4.98 and it capped the maximum Offer Price Per Share at $HK7.83.

Management of this dairy company struck pay dirt, according to yesterday's missive to shareholders, making what it termed a full announcement with regard to the results of this Global Offering.

But it has not been all beer and skittles for Management in its hunt for the Golden Fleece, a symbol of authority and kingship.

In January 2013, the Company approached The Shenzhen Stock Exchange with a view to being listed on this equity market of the PRC.

About four months later, it withdrew its application for a listing on The Shenzhen Stock Exchange, due to Management's plan to acquire 18 percent of the Issued and Fully Paid-Up Share Capital of Xi'an Dongfang Dairy Company Ltd ().

A little less than five years earlier from the date of the Company's aborted application to be listed on The Shenzhen Stock Exchange, that was back in March of 2008, it had approached The Singapore Exchange Ltd with a view to obtain a listing on that equity market.

Due to the financial crisis that gripped the world in 2008, Management of Lanzhou Zhuangyuan withdrew its intention to list on the lone, Singapore equity market, obviously sensing that the time for such an **I**nitial **P**ublic **O**ffering (**IPO**) would be ill-timed.

At Page 108 of the Global Offering Prospectus of Lanzhou Zhuangyuan, the reason for the withdrawal of its plans to list on the Singapore equity market is given as follows:

> '… *we changed our listing plan due to the global financial crisis outbreak in 2008 as we believe* (sic) *the global financial crisis could severely affect our ability to raise sufficient*

capital through a public offering.'

Obviously, it is very apparent, on reading about the two aborted attempts to obtain a listing on two equity markets of Asia, that senior Management of Lanzhou Zhuangyuan has been hot to trot, during the past five years, to obtain a material injection of cash, the type of cash that does not have to be repaid to the lender(s).

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