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**Lanzhou Zhuangyuan Pasture Co., Ltd.\***

**蘭州莊園牧場股份有限公司**

*(A joint stock limited company incorporated in the People's Republic of China)*

**(Stock code: 1533)**

**(1) PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION;  
(2) PROPOSED ALIGNMENT IN THE PREPARATION OF  
FINANCIAL STATEMENTS IN ACCORDANCE WITH CHINA  
ACCOUNTING STANDARDS FOR BUSINESS ENTERPRISES; AND  
(3) PROPOSED CESSATION OF APPOINTMENT OF  
INTERNATIONAL AUDITORS AND  
PROPOSED APPOINTMENT OF PRC AUDITORS**

**(1) PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION**

Reference is made to the announcement of the Company dated 30 October 2017 in relation to the completion of A Share offering.

According to the “Consultation Conclusions on Acceptance of Mainland Accounting and Auditing Standards and Mainland Audit Firms for Mainland Incorporated Companies Listed in Hong Kong” (《有關接受在香港上市的內地註冊成立公司採用內地的會計及審計準則以及聘用內地會計師事務所的諮詢總結》) published by the Stock Exchange in December 2010, PRC incorporated issuers listed in Hong Kong are allowed to prepare their financial statements in accordance with the CASBE and PRC audit firms approved by the MOF and the CSRC are allowed to audit these financial statements in accordance with the CASBE.

In view of such arrangement and the listing of the A Shares of the Company and in order to improve the efficiency and reduce the cost of disclosure and audit expenses, the Board has passed a resolution on 5 February 2018 to amend the Articles of Association in relation to the provisions of the preparation of financial statements (the “**Proposed Amendments to the Articles of Association**”). Please refer to the Appendix to this announcement for the full text of the Proposed Amendments to the Articles of Association.

The Proposed Amendments to the Articles of Association are subject to the approval of the Shareholders by passing a special resolution at the General Meeting. Save for the amendments as set out in the Proposed Amendments to the Articles of Association, the other provisions of the amended Articles of Association will remain unchanged. The Proposed Amendments to the Articles of Association will become effective upon the approval by the Shareholders at the General Meeting.

(2) **PROPOSED ALIGNMENT IN THE PREPARATION OF FINANCIAL STATEMENTS IN ACCORDANCE WITH CHINA ACCOUNTING STANDARDS FOR BUSINESS ENTERPRISES**

Since the date on which the H Shares of the Company became listed on the Stock Exchange, the Company has been preparing its financial statements under the International Financial Reporting Standards.

In light of the Proposed Amendments to the Articles of Association, the Board has passed a resolution on 5 February 2018, proposing to prepare only one set of financial statement for the Company under the CASBE (the “**Proposed Change of Accounting Standard**”). The Proposed Change of Accounting Standard will be subject to the approval by the Shareholders by way of an ordinary resolution at the General Meeting and the Shareholders’ approval on the proposed amendments to the Articles of Association as described in paragraph (2) above.

Subject to the approval of the Shareholders of the Proposed Amendments to the Articles of Association, it is expected that the final results of the Company for the year ended 31 December 2017 will be prepared in accordance with the CASBE. The Company believes that the Proposed Change of Accounting Standard will not have any material adverse effect on the publication of the Company’s final results for the year ended 31 December 2017.

(3) **PROPOSED CESSATION OF APPOINTMENT OF INTERNATIONAL AUDITORS AND PROPOSED APPOINTMENT OF PRC AUDITORS**

KPMG has been engaged by the Company as the international auditors to audit the financial statement of the Company prepared in accordance with the International Financial Reporting Standards. In light of the Proposed Change of Accounting Standard, the Board proposes to cease to appoint KPMG as the international auditors of the Company (the “**Proposed Cessation of Appointment**”), subject to the approval by the Shareholders by way of an ordinary resolution at the General Meeting.

KPMG has confirmed that there were no matters regarding the Proposed Cessation of Appointment that need to be brought to the attention of the Shareholders. The Board and the audit committee of the Company confirmed that there were no disagreement between the Company and KPMG regarding such Proposed Cessation of Appointment.

The Company believes that the change of auditor will not materially and adversely affect the publication of final results for the year ended 31 December 2017.

In light of the Proposed Change of Accounting Standard, the Board proposes to appoint KPMG Huazhen LLP as the Company's PRC auditors. KPMG Huazhen LLP will be the only auditor auditing the Company's financial statements in accordance with the CASBE and undertaking the role of international auditors in compliance with the Listing Rules. KPMG Huazhen LLP is a PRC audit firm approved by the MOF and the CSRC to provide auditing services in accordance with the CASBE to PRC incorporated issuers.

In this regard, an ordinary resolution will be proposed at the General Meeting to approve the (i) Proposed Cessation of Appointment; and (ii) appointment of KPMG Huazhen LLP as the Company's PRC auditors which will hold office until annual general meeting for 2017 of the Company (the "**Proposed Appointment**").

A circular containing, amongst others, further details of (1) the Proposed Amendments to the Articles of Association; (2) the proposed alignment in the preparation of financial statements in accordance with CASBE; and (3) the Proposed Cessation of Appointment and the Proposed Appointment together with a notice convening the General Meeting, will be despatched to the Shareholders in due course.

## DEFINITIONS

In this announcement, the following expressions shall have the following meanings unless the context requires otherwise:

"A Share(s)"	Renminbi-denominated ordinary share(s) of the Company of RMB1.00 each, all of which are issued in the PRC, subscribed in Renminbi and listed on the Shenzhen Stock Exchange (stock code: 002910)
"A Share Offering"	the Company's initial public offering of 46,840,000 A Shares listed on the Shenzhen Stock Exchange, which has completed on 31 October 2017
"Articles of Association"	the articles of association of the Company, as amended from time to time
"Board"	the board of Directors of the Company
"CASBE"	the China Accounting Standards for Business Enterprises (中國企業會計準則)
"Company"	Lanzhou Zhuangyuan Pasture Co., Ltd.* (蘭州莊園牧場股份有限公司), a joint stock company established in the PRC with limited liability and the H Shares of which are listed on the main board of the Stock Exchange (Stock Code: 1533)
"CSRC"	China Securities Regulatory Commission (中國證券監督管理委員會)

“Director(s)”	the director(s) of the Company
“General Meeting”	the extraordinary general meeting to be convened by the Company to approve, amongst others, the Proposed Amendments to the Articles of Association, the Proposed Cessation of Appointment and the Proposed Appointment
“H Share(s)”	overseas-listed foreign share(s) in the share capital of the company, with a nominal value of RMB1.00 each, which are listed on the Main Board of the Stock Exchange
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“MOF”	Ministry of Finance of the PRC (中國財政部)
“PRC”	the People’s Republic of China; for the purposes of this announcement, excludes Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
“Shareholders”	the shareholders of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

By Order of the Board  
**Lanzhou Zhuangyuan Pasture Co., Ltd.\***  
蘭州莊園牧場股份有限公司  
**Ma Hongfu**  
*Chairman of the Board*

Lanzhou, the PRC, 5 February 2018

*As at the date of this announcement, the executive directors of the Company are Mr. Ma Hongfu, Mr. Wang Guofu, Mr. Chen Yuhai and Mr. Yan Bin; the non-executive directors of the Company are Mr. Yap Kean Chong and Mr. Song Xiaopeng; and the independent non-executive directors of the Company are Ms. Liu Zhijun, Ms. Xin Shihua and Mr. Wong Cho Hang Stanley.*

\* For identification purpose only

## APPENDIX – PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

### Original Provisions

### Amended Provisions

#### *Article 183*

The financial statements of the Company shall, in addition to being prepared in accordance with PRC accounting standards and regulations, be prepared in accordance with either international accounting standards, or that of the overseas place outside the PRC where the shares are listed. If there is any material difference between the financial statements prepared respectively in accordance with the two accounting standards, such difference shall be stated in the financial statements. In distributing its after-tax profits, the lower of the two amounts shown in the financial statements shall be adopted.

#### *Article 183*

The financial statements of the Company shall be prepared in accordance with the China Accounting Standards for Business Enterprises and regulations.

#### *Article 184*

Any interim results or financial information published or disclosed by the Company must also be prepared and presented in accordance with PRC accounting standards and regulations, and also in accordance with either international accounting standards or that of the overseas place where the shares are listed.

#### *Article 184*

The interim results or financial information announced or disclosed by the Company shall be prepared in accordance with the China Accounting Standards for Business Enterprises and regulations.