



Dairy Farm International Holdings Ltd

Jardine House, 33-35 Reid Street
Hamilton HM EX, Bermuda

To: Business Editor

For immediate release

**DAIRY FARM TO SUBSCRIBE FOR FURTHER SHARES IN YONGHUI
SUPERSTORES CO., LIMITED**

7th August 2015 – Dairy Farm International Holdings Limited today announced that its wholly-owned subsidiary, The Dairy Farm Company, Limited ('DFCL'), has agreed to acquire a further 143,467,220 shares in a placement by Yonghui Superstores Co., Limited ('Yonghui') for a consideration of approximately US\$210 million. The investment by DFCL is being made in conjunction with JD.com acquiring a 10% interest for consideration of approximately US\$700 million.

Following completion of the placement, DFCL will continue to hold a 19.99% interest and JD.com will hold a 10% interest. In addition, Mr. Zhang Xuansong, the Chairman of Yonghui, who is acquiring a 2% interest in the enlarged share capital in the placement for US\$140 million, and his brother, Mr. Zhang Xuanning, the Deputy Chairman of Yonghui, will between them hold a reduced 29.15% interest.

Commenting on the proposals, Dairy Farm Group Chief Executive, Graham Allan, said, "We are delighted to support Yonghui and its leadership team with this transaction. The co-operation with JD.com will accelerate Yonghui's participation in the rapidly expanding e-commerce space in China and offer significant opportunities for Yonghui. The related capital raising will strengthen Yonghui further as it implements its store development plans, builds a leading food supply chain in China and invests in an integrated online-to-offline ("O2O") business model."

The placement to JD.com includes its affiliates. The placement requires the approval of Yonghui's shareholders and certain regulatory approvals in the PRC. The regulatory approval process is expected to take approximately six months to complete. DFCL's investment will be financed by the Group through a combination of existing cash resources and new borrowings.

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Issued by: **Dairy Farm Management Services Ltd**

Incorporated in Bermuda with limited liability

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Yonghui is a Shanghai-listed hypermarket and supermarket operator based in Fuzhou, Fujian province in mainland China. As at 30th June 2015, Yonghui operated 351 retail outlets across 17 provinces in China.

Dairy Farm is a leading pan-Asian retailer. The Group, together with its associates and joint ventures, operates over 6,400 outlets – including supermarkets, hypermarkets, convenience stores, health and beauty stores, home furnishings stores and restaurants – employing over 170,000 people, and had total annual sales in 2014 exceeding US\$13 billion. Dairy Farm International Holdings Limited is incorporated in Bermuda and has a standard listing on the London Stock Exchange as its primary listing, with secondary listings in Bermuda and Singapore. It is a member of the Jardine Matheson Group.

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This and other Group announcements can be accessed through the Internet at 'www.dairyfarmgroup.com'.