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If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult a stockbroker, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in **China Modern Dairy Holdings Ltd.**, you should at once hand this circular and the accompanying form of proxy to the purchaser(s) or transferee(s) or to the bank, licensed securities dealer or other agent through whom the sale or transfer was effected for transmission to the purchaser(s) or transferee(s).

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CHINA MODERN DAIRY HOLDINGS LTD.

中國現代牧業控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1117)

**GENERAL MANDATES TO ISSUE SHARES AND
TO REPURCHASE SHARES,
RE-ELECTION OF DIRECTORS, PROPOSED FINAL DIVIDEND
AND NOTICE OF ANNUAL GENERAL MEETING**

A notice convening the Annual General Meeting of China Modern Dairy Holdings Ltd. to be held at Atrium Room, 39/F, Island Shangri-La, Pacific Place, Supreme Court Road, Central, Hong Kong on (Friday) 5 June 2015 at 3:00 p.m. is set out on pages 15 to 18 of this circular. Whether or not you are able to attend the Annual General Meeting, you are requested to complete the enclosed form of proxy in accordance with the instructions printed thereon and deliver it to the Company's share registrar, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for the holding of the meeting or any adjournment thereof (as the case may be). Completion and delivery of the form of proxy will not preclude you from attending and voting in person at the Annual General Meeting or any adjournment thereof (as the case may be) should you so wish.

30 April 2015

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DEFINITIONS

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

“Annual General Meeting”	the annual general meeting of the Company to be held at Atrium Room, 39/F, Island Shangri-La, Pacific Place, Supreme Court Road, Central, Hong Kong on (Friday) 5 June 2015 at 3:00 p.m., the notice of which is set out on pages 15 to 18 of this circular, and any adjournment thereof
“Articles of Association”	the articles of association of the Company currently in force
“Associate”	has the meaning set out in Chapter 1 of the Listing Rules
“Board”	the board of Directors
“Company”	China Modern Dairy Holdings Ltd., a company incorporated in the Cayman Islands with limited liability, whose shares are listed on the main board of the Stock Exchange
“Connected person”	has the meaning set out in Chapter 1 of the Listing Rules
“Director(s)”	the director(s) of the Company
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Invested Entity”	any entity in which Company or any Subsidiary holds any equity interest
“Latest Practicable Date”	24 April 2015, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information contained in this circular
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange (as amended from time to time)
“Mengniu”	China Mengniu Dairy Company Limited (stock code: 2319, a company incorporated in the Cayman Islands whose shares are listed on the Hong Kong Stock Exchange, which is the holding company of Mengniu (Inner Mongolia) and Mengniu Dairy (Maanshan) Company Limited
“Mengniu (Inner Mongolia)”	Inner Mongolia Mengniu Dairy (Group) Company Limited, a limited liability company incorporated in the PRC

DEFINITIONS

“PRC”	the People’s Republic of China and for the sole purpose of this circular shall exclude Hong Kong, Macau Special Administrative Region and Taiwan
“Proposed General Mandate”	a general and unconditional mandate proposed to be granted to the Directors to exercise all powers of the Company to allot, issue or otherwise deal with new Shares for up to a maximum of 20% of the aggregate nominal amount of the share capital of the Company in issue as at the date of passing of the relevant resolution at the Annual General Meeting
“Proposed Repurchase Mandate”	a general and unconditional mandate proposed to be granted to the Directors to exercise all powers of the Company to repurchase the Shares not exceeding 10% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing of the relevant resolution at the Annual General Meeting
“Proposed Extension Mandate”	a general and unconditional mandate proposed to be granted to the Directors to the effect that any Shares repurchased under the Proposed Repurchase Mandate will be added to the total number of Shares which may be allotted and issued under the Proposed General Mandate
“RMB”	Renminbi, the lawful currency of the PRC
“Remuneration Committee”	The remuneration committee of the Company
“Share(s)”	ordinary share(s) of nominal value of HK\$0.10 each in the share capital of the Company
“Shareholder(s)”	the holder(s) of the Share(s) from time to time
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subsidiary”	a company which is for the time being and from time to time a subsidiary (within the meaning set out in Chapter 1 of the Listing Rules of the Company)
“Substantial Shareholder”	has the meaning set out in Chapter 1 of the Listing Rules
“Takeovers Code”	the Code on Takeovers and Mergers published by the Securities and Futures Commission of Hong Kong
“HK\$”	Hong Kong dollar, the lawful currency of Hong Kong
“%”	per cent

LETTER FROM THE BOARD



现代牧业

CHINA MODERN DAIRY HOLDINGS LTD.

中國現代牧業控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1117)

Executive Directors:

Ms. GAO Lina

(Deputy Chairman and Chief Executive Officer)

Mr. HAN Chunlin (Chief Operation Officer)

Mr. SUN Yugang (Chief Financial Officer)

Non-executive Directors:

Mr. YU Xubo (Chairman)

Mr. WOLHARDT Julian Juul

Mr. HUI Chi Kin, Max

Mr. WU Jingshui

Independent Non-executive Directors:

Mr. LI Shengli

Mr. LEE Kong Wai, Conway

Mr. KANG Yan

Mr. ZOU Fei

Registered office:

Maples Corporate Services Limited

PO Box 309

Ugland House

Grand Cayman

KY1-1104

Cayman Islands

Principal place of business in

Hong Kong:

Office B, 24th Floor, Alliance Building

130-136 Connaught Road Central

Sheung Wan

Hong Kong

30 April 2015

To the Shareholders

Dear Sir or Madam

**GENERAL MANDATES TO ISSUE SHARES AND
REPURCHASE SHARES,
RE-ELECTION OF DIRECTORS, PROPOSED FINAL DIVIDEND AND
NOTICE OF ANNUAL GENERAL MEETING**

INTRODUCTION

The purpose of this circular is to provide you with: (i) details of the Proposed General Mandate, the Proposed Repurchase Mandate and the Proposed Extension Mandate (collectively the “**Mandates**”); (ii) details of re-election of Directors; (iii) details of the payment of the final dividend for the year ended 31 December 2014; and (iv) the notice of Annual General Meeting.

LETTER FROM THE BOARD

GENERAL MANDATE TO ISSUE SHARES

At the Annual General Meeting, an ordinary resolution will be proposed to grant the Proposed General Mandate to the Directors to exercise all powers of the Company to allot, issue and deal with new Shares in the share capital of the Company up to 20% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing of the resolution in relation to such general mandate. In addition, subject to approval of the ordinary resolutions in relation to the Proposed General Mandate and the Proposed Repurchase Mandate, the number of Shares re-purchased by the Company under the Proposed Repurchase Mandate will also be added to the aggregate number of Shares which may be allotted or agreed conditionally or unconditionally to be allotted under the Proposed General Mandate.

GENERAL MANDATE TO REPURCHASE SHARES

In addition, an ordinary resolution will be proposed to approve the granting of the Proposed Repurchase Mandate to the Directors to exercise the powers of the Company to repurchase Shares representing up to 10% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing of the resolution in relation to such general mandate. On the basis that no further Shares are issued or repurchased before the Annual General Meeting, the Company will be allowed to repurchase a maximum of 482,733,875 Shares which are fully paid-up.

An explanatory statement as required by the Listing Rules to be sent to the Shareholders in connection with the Proposed Repurchase Mandate is set out in Appendix I to this circular. This explanatory statement contains all information reasonably necessary to enable the Shareholders to make an informed decision on whether to vote for or against the relevant resolution at the Annual General Meeting.

RE-ELECTION OF DIRECTORS

By virtue of Article 17.2 of the Articles of Association, the Board shall have power from time to time and at any time to appoint any person as a Director either to fill a casual vacancy or as an addition to the Board. Any Director so appointed shall hold office only until the next following annual general meeting of the Company and shall then be eligible for re-election at that meeting. As such, Mr. WU Jingshui and Mr. ZOU Fei shall retire and be eligible to offer themselves for re-election at the Annual General Meeting.

By virtue of Article 17.18 of the Articles of Association, at every annual general meeting of the Company one-third of the Directors for the time being (or, if their number is not three or a multiple of three, then the number nearest to, but no less than, one-third) shall retire from office by rotation provided that every Director (including those appointed for a specific term) shall be subject to retirement by rotation at least once every three years. As such, Mr. SUN Yugang, Mr. WU Jingshui, Mr. LI Shengli, Mr. LEE Kong Wai, Conway, and Mr. ZOU Fei shall retire and be eligible to offer themselves for re-election at the Annual General Meeting.

LETTER FROM THE BOARD

All of the retiring Directors, being eligible, will offer themselves for re-election at the Annual General Meeting. The particulars of these directors which are required to be disclosed by the Listing Rules are set out in Appendix II to this circular.

FINAL DIVIDEND

The Board has recommended a final dividend of RMB0.01 per Share to be payable on or around Friday, 26 June 2015 to the Shareholders whose names appear on the register of members of the Company on Tuesday, 16 June 2015 subject to approval by the Shareholders at the Annual General Meeting and are payable in Hong Kong Dollars based on the official exchange rate of Renminbi against Hong Kong dollars as quoted by the People's Bank of China on 5 June 2015.

ANNUAL GENERAL MEETING

The notice convening the Annual General Meeting, which contains, inter alia, ordinary resolutions to approve the Mandates and the re-election of Directors, is set out on pages 15 to 18 of this circular. Shareholders are advised to read the notice and to complete and deliver the accompanying form of proxy for use at the Annual General Meeting in accordance with the instructions printed thereon.

VOTING BY WAY OF POLL

Pursuant to Article 14.6 of the Articles of Association, a resolution put to the vote of a general meeting shall be decided by way of poll. It is also the requirement under Listing Rule 13.39(4) that any vote of shareholders at a general meeting must be taken by poll. Therefore, the chairman of the meeting will demand a poll for every resolution put to the vote at the Annual General Meeting and the Company will announce the results of the poll in the manner prescribed under Rule 13.95(5) of the Listing Rules.

RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters, the omission of which would make any statement herein or this circular misleading.

RECOMMENDATION

The Directors consider that the proposed resolutions for the granting to the Directors of the Mandates and the re-election of Directors are in the interests of the Group and the Shareholders as a whole. The Directors therefore recommend the Shareholders to vote in favour of all the resolutions to be proposed at the Annual General Meeting.

LETTER FROM THE BOARD

CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed during the following periods:

- (i) from Wednesday, 3 June 2015 to Friday, 5 June 2015, both days inclusive, for the purpose of ascertaining shareholders' eligibility to attend and vote at the Annual General Meeting. In order to be eligible to attend and vote at the Annual General Meeting, all transfer documents accompanied by the relevant share certificates must be lodged for registration with the Company's branch share registrar, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not later than 4:30 p.m. on Tuesday, 2 June 2015; and
- (ii) from Friday, 12 June 2015 to Tuesday, 16 June 2015, for the purpose of ascertaining shareholders' entitlement to the proposed final dividend. In order to establish entitlements to the proposed final dividend, all transfer documents accompanied by the relevant share certificates must be lodged for registration with the Company's branch share registrar, Computershare Hong Kong Investor Services Limited at the address as set out in sub-paragraph (i) above not later than 4:30 p.m. on Thursday, 11 June 2015.

Yours faithfully

By order of the Board of

China Modern Dairy Holdings Ltd.

Yu Xubo

Chairman

The following is an explanatory statement required to be sent to the Shareholders under the Listing Rules in connection with the Proposed Repurchase Mandate.

SHARE CAPITAL

As at the Latest Practicable Date, the issued share capital of the Company comprised 4,827,338,751 Shares of nominal value of HK\$0.10 each.

Subject to the passing of the resolution granting the Proposed Repurchase Mandate and on the basis that no further Shares are issued or repurchased before the Annual General Meeting, the Company will be allowed to repurchase a maximum of 482,733,875 Shares, which are fully paid-up and represent 10% of the issued share capital of the Company as at the Annual General Meeting, during the period ending on the earliest of the conclusion of the next annual general meeting of the Company or the date by which the next annual general meeting of the Company is required to be held by law or the date upon which such authority is revoked or varied by a resolution of the Shareholders in a general meeting.

REASONS FOR THE REPURCHASES

The Directors believe that it is in the best interests of the Company and the Shareholders to seek a general authority from the Shareholders to enable the Company to repurchase its Shares on the Stock Exchange. Such repurchases may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net asset value per Share and/or its earnings per Share, and will only be made when the Directors believe that such a repurchase will benefit the Company and the Shareholders.

FUNDING OF REPURCHASES

Repurchases of Shares will be financed out of funds legally available for the purpose and in accordance with the Articles of Association, the Listing Rules and the applicable laws of the Cayman Islands.

There could be an adverse impact on the working capital or gearing position of the Company (as compared with the position disclosed in the audited accounts of the Company for the year ended 31 December 2014) in the event that the proposed share repurchases were to be carried out in full at any time during the proposed repurchase period. The Directors do not propose to exercise the mandate to repurchase Shares to such extent as would, in the circumstances, have a material adverse effect on the working capital of the Company or the gearing levels.

THE TAKEOVERS CODE AND MINIMUM PUBLIC HOLDING

If as a result of a repurchase of Shares, a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition for the purposes of Rule 32 of the Takeovers Code. Accordingly, a Shareholder, or group of Shareholders acting in concert, depending on the level of increase in the Shareholder's interest, could obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code.

As at the Latest Practicable Date, to the best of the knowledge and belief of the Directors, Mengniu, being the Company's single largest shareholder and held 1,347,903,000 Shares, representing approximately 27.92% of the entire issued share capital of the Company at the Latest Practicable Date.

In the event that the Directors should exercise in full the power to repurchase Shares which is proposed to be granted pursuant to the Proposed Repurchase Mandate, the percentage of voting rights at a general meeting of the Company held by Mengniu would increase to approximately 31.02% of the issued share capital of the Company. Such an increase of shareholding would give rise to an obligation for Mengniu to make a mandatory offer under the Takeovers Code. Save as aforesaid, the Directors are not aware of any consequences which may arise under the Takeovers Code as a result of any repurchase of Shares pursuant to the Proposed Repurchase Mandate. In any event, the Directors have no present intention to repurchase Shares to such extent which will trigger the mandatory offer requirement pursuant to the Takeovers Code.

The Directors have no intention to exercise the Repurchase Mandate to such an extent that will result in the number of Shares in the hands of the public falling below the prescribed minimum percentage of 25%.

SHARE REPURCHASE MADE BY THE COMPANY

No repurchase of Shares (whether on the Stock Exchange or otherwise) has been made by the Company during the six months prior to the Latest Practicable Date.

SHARE PRICES

The Shares are trading on the Stock Exchange and the highest and lowest traded prices for Shares recorded on the Stock Exchange in each of the twelve months immediately preceding the Latest Practicable Date were as follows:

Month	Highest traded	Lowest traded
	Prices	Prices
	<i>HK\$</i>	<i>HK\$</i>
2014		
April	3.90	3.31
May	3.65	3.06
June	3.49	3.01
July	3.85	3.07
August	3.92	3.42
September	4.19	3.52
October	3.56	3.05
November	3.50	2.48
December	2.56	1.88
2015		
January	2.62	2.14
February	3.11	2.41
March	2.84	2.42
April (up to the Latest Practicable Date)	3.50	2.58

UNDERTAKING

To the best of their knowledge, having made all reasonable enquiries, none of the Directors or any of their Associates currently intends to sell any Shares to the Company or its subsidiaries, if the Proposed Repurchase Mandate is exercised.

The Directors have undertaken to the Stock Exchange that, so far as the same may be applicable, they will exercise the Proposed Repurchase Mandate in accordance with the Listing Rules and the applicable laws of the Cayman Islands.

No Connected person has notified the Company that he has a present intention to sell any Shares to the Company, or has undertaken not to do so, if the Proposed Repurchase Mandate is exercised.

APPENDIX II PARTICULARS OF DIRECTORS SUBJECT TO RE-ELECTION

The particulars of Directors who are subject to re-election at the Annual General Meeting and which are required to be disclosed by the Listing Rules are set out below:

MR. SUN YU GANG (“MR. SUN”)

Mr. Sun Yugang (孫玉剛), aged 34, is an executive Director and the Chief Financial Officer of the Company. Mr. Sun is also a supervisor of 14 other subsidiaries of the Company and a director of Modern Farming (Group) Co., Ltd. and 3 of other subsidiaries. Prior to joining the Company in March 2007, Mr. Sun was a manager of the Finance and Investment Department of Inner Mongolia Mengniu Milk Industry (Group) Co., Ltd. from May 2002 to March 2007. Mr. Sun graduated from Inner Mongolia Finance and Economics College in December 2003.

Mr. Sun has entered into a service agreement with the Company for a term of three years commencing on 28 June 2013, which may be terminated in accordance with the provisions of the service agreement or by either party by giving to the other party not less than three months’ prior notice in writing at any time during the term of appointment. His term of office is subject to retirement by rotation and re-election in accordance with the Articles of Association.

Mr. Sun is at present entitled to receive a fixed salary of RMB1,000,000 per annum. Mr. Sun is also eligible to participate in the share option scheme of the Company. The emoluments of Mr. Sun have been approved, and are subject to annual review, by the Remuneration Committee, with reference to prevailing market conditions and to his duties and responsibilities at the Company.

As far as the Directors are aware, as at the Latest Practicable Date, Mr. Sun was interested in options to subscribe for 16,064,990 Shares within the meaning of Part XV of the SFO.

Save as disclosed above, (i) Mr. Sun has not held any directorships in any other listed public companies in the last three years immediately prior to the issue of this circular; (ii) he does not have any relationships with any Directors, senior management or substantial or controlling shareholders (as defined in the Listing Rules) of the Company or its subsidiaries; (iii) he does not have or was not deemed to have any interests in the shares or underlying shares of the Company within the meaning of Part XV of the SFO; and (iv) there is no information required to be disclosed in relation to him pursuant to any of the requirements under the provisions of Rules 13.51(2)(h) to 13.51(2)(w) of the Listing Rules.

MR. WU JINGSHUI (“MR. WU”)

Mr. WU Jingshui (吳景水), aged 48, is a non-executive Director of the Company. Mr. Wu served as executive director of Mengniu, a company listed on the Stock Exchange (stock code: 2319), from March 2010 to March 2014, and also served as Chief Financial Officer of Mengniu from March 2010 to August 2013. Mr. Wu was appointed Vice President (in charge of financial issues from April 2008 to May 2014) of Mengniu (Inner Mongolia) in April 2008, and before that served as the Financial General Manager of the liquid milk division and the Chief Financial Officer of Mengniu (Inner Mongolia). In 2010, Mr. Wu was honoured as a “Labour Model (Progressive Staff) of Hohhot.” Mr. Wu is currently a non-executive Director of Yashili International Holdings Ltd. (stock code: 1230) and China Shengmu Organic Milk Limited (stock code: 1432), companies listed on the Main Board of

APPENDIX II PARTICULARS OF DIRECTORS SUBJECT TO RE-ELECTION

Stock Exchange. Mr. Wu graduated from Inner Mongolia Light Industry Institute majoring in industrial enterprise financial accounting. Mr. Wu also holds a Master's degree from Inner Mongolia Agricultural University and a Master of Business Administration degree from China Europe International Business School. He also holds a PRC senior accountant qualification and has extensive experience in financial management.

Mr. Wu has entered into a letter of appointment with the Company for his appointment as a non-executive Director for a term of three years commencing on 26 June 2014, subject to retirement by rotation and re-election at the general meeting of shareholders of the Company in accordance with the Articles of Association. According to Mr. Wu's letter of appointment, he is not entitled to any remuneration.

As far as the Directors are aware, as at the Latest Practicable Date, Mr. Wu holds approximately 3.64% of the equity interests in Youmu Dairy Holding Co. Ltd., which in turn holds 165,662,125 Shares of the Company.

Save as disclosed above, Mr. Wu (i) has not held any other positions in the Company and its subsidiaries, and does not have any relationships with any Directors, senior management members or substantial or controlling shareholders of the Company or its subsidiaries; and (ii) has not held any other directorships in any listed public companies in the last three years; (iii) does not have any interest in shares within the meaning of Part XV of the Securities and Futures Ordinance; and (iv) there is no information required to be disclosed in relation to him pursuant to any of the requirements under the provisions of Rules 13.51(2)(h) to 13.51(2)(w) of the Listing Rules..

MR. LI SHENGLI (“MR. LI”)

Mr. Li Shengli (李勝利), aged 49, is an independent non-executive Director of the Company. Mr. Li graduated from Shihezi Agricultural College (石河子農學院) with a bachelor's degree in animal husbandry and veterinary science in July 1987. He then obtained his doctorate degree in animal nutrition science from China Agricultural University in July 1996. Since 2003, Mr. Li has been with China Agricultural University, working at various times as an assistant professor and professor. Mr. Li is currently vice-director (Animal Nutrition) of the State Key Laboratories, Director of the council of the directors' association of the Sino-US Dairy Research Center, Director of the Sino-Dutch Dairy Development Center, chief scientist in national dairy products industry technology system (國家奶牛產業技術體系), an advisor to the China School Milk Programme (國家學生飲用奶計劃) and a specialist in the Cattle and Poultry Research Centre of Beijing Sanyuan Breeding Technology Co., Ltd. (北京三元種業科技股份有限公司畜牧研究院). Mr. Li is a member of the Eighth Committee of the Technology Committee of the Ministry of Agriculture (第8屆農業部科技委員會) and an advisor to the Beijing Municipal Government in the development of agricultural sciences and technologies and the Working Committee of National Dairy Herd Improvement Programme (DHI) (全國奶牛生產性能測定工作委員會) of the Dairy Association of China (中國奶業協會) and the chairman of China Institute of Animal Husbandry and Veterinary Cattle Chapter (中國畜牧獸醫學會養牛分會). In 2007, Mr. Li obtained a patent on Rubeili (乳倍利), a type of high-energy and high-protein supplementary feed for dairy cows. Mr. Li was awarded the Second Prize and a Prize of the Beijing Science and Technology Award (北京市科學技術獎) in 2000 and 2007 respectively, and was recognized by the Beijing Municipal Government as “Top 10 Scientists with Contribution to the Economic Development

in Rural Villages of Beijing” (對北京農村經濟發展作出貢獻的「十佳」科學家) in 2009 and received the first prize for advancement in science and technology awarded by the Education Department (教育部科技進步一等獎) in 2012 and the first prize for Chinese Agricultural Science awarded by the Ministry of Agriculture (農業部中華農業科技獎一等獎) in 2013 and the second prize of National Scientific and Technological Progress Award (國家科技進步二等獎) in 2014. Mr. Li was appointed as an independent director of Modern Farming (Group) Co., Ltd. in October 2006 and resigned in June 2009. He has been appointed as an independent director of Xinjiang Western Animal Husbandry Co., Ltd. (新疆西部牧業股份有限公司) a company listed on China Venture Exchange (stock code: 300106) since July 2009.

Mr. Li has entered into a letter of appointment with the Company for his appointment as an Independent non-executive Director for a term of three years commencing on 26 November 2014 subject to retirement by rotation and re-election at the general meeting of shareholders of the Company in accordance with the Articles of Association. According to Mr. Li's letter of appointment, he is entitled to an annual remuneration of RMB200,000. The remuneration of Mr. Li is determined after considering the remuneration policy of the Company, his duties and the prevailing market remuneration of executives in similar positions.

Save as disclosed above, Mr. Li (i) has not held any other positions in the Company and its subsidiaries, and does not have any relationships with any Directors, senior management members or substantial or controlling shareholders of the Company or its subsidiaries; (ii) has not held any other directorships in any listed public companies in the last three years; (iii) does not have any interest in shares within the meaning of Part XV of the Securities and Futures Ordinance; and (iv) there is no information required to be disclosed in relation to him pursuant to any of the requirements under the provisions of Rules 13.51(2)(h) to 13.51(2)(w) of the Listing Rules.

Mr. LEE KONG WAI, CONWAY (“MR. LEE”)

Mr. LEE Kong Wai Conway (李港衛), aged 60, is an independent non-executive Director of the Company. Mr. Lee graduated from Kingston University (formerly known as Kingston Polytechnic) in London with a bachelor's degree in business studies in July 1980 and further obtained his post graduate diploma in business at Curtin University of Technology in Australia in February 1988. Mr. Lee has over 30 years of experience in public accounting and auditing, corporate finance, merger and acquisition and initial public offerings. From September 1980 to September 2009, Mr. Lee served as a partner of Ernst & Young and held key leadership positions in the development of his firm in China. Mr. Lee is currently an independent non-executive director of West China Cement Limited (stock code: 2233), Chaowei Power Holdings Limited (stock code: 951), GOME Electrical Appliances Holding Limited (stock code: 493), Tibet 5100 Water Resources Holdings Ltd (stock code: 1115), NVC Lighting Holding Limited (stock code: 2222), Yashili International Holdings Limited (stock code: 1230), GSL New Energy Holdings Limited (stock code: 451), WH Group Limited (stock code: 288), China Rundong Auto Group Limited (stock code: 1365). companies listed on the Main Board of the Stock Exchange, and CITIC Securities Company Limited, a company listed on the Stock Exchange (stock code: 6030) and Shanghai Stock Exchange (stock code: 600030). Mr. Lee is currently a non-executive Director and the Deputy Chairman of Merry Garden Holdings Limited, a company listed on the Stock Exchange (stock code: 1237). Mr. Lee is a member of the Institute of Chartered

APPENDIX II PARTICULARS OF DIRECTORS SUBJECT TO RE-ELECTION

Accountants in England and Wales, the Institutes of Chartered Accountants in Australia and New Zealand, the Association of Chartered Certified Accountants, the Hong Kong Institute of Certified Public Accountants and the Macau Society of Certified Practising Accountants. Since 2008, Mr. Lee has been a member of Chinese People's Political Consultative Conference of Hunan Province.

Mr. Lee has entered into a letter of appointment with the Company for his appointment as an Independent non-executive Director for a term of three years commencing on 26 November 2014 subject to retirement by rotation and re-election at the general meeting of shareholders of the Company in accordance with the Articles of Association. According to Mr. Lee's letter of appointment, he is entitled to an annual remuneration of RMB200,000. The remuneration of Mr. Lee is determined after considering the remuneration policy of the Company, his duties and the prevailing market remuneration of executives in similar positions.

Save as disclosed above, Mr. Lee (i) has not held any other positions in the Company and its subsidiaries, and does not have any relationships with any Directors, senior management members or substantial or controlling shareholders of the Company or its subsidiaries; and (ii) has not held any other directorships in any listed public companies in the last three years; (iii) does not have any interest in shares within the meaning of Part XV of the Securities and Futures Ordinance; and (iv) there is no information required to be disclosed in relation to him pursuant to any of the requirements under the provisions of Rules 13.51(2)(h) to 13.51(2)(w) of the Listing Rules.

Mr. ZOU FEI (“MR. ZOU”)

Mr. ZOU Fei (鄒飛), aged 41, is an independent non-executive Director of the Company. Mr. Zou previously served in various positions such as a fund manager of American Century Investments, a managing director of special investment department of China Investment Corporation, the former chairman of the board of Chinese Finance Association of America and the board observer of Noble Group in Singapore. He is currently serving in positions such as the president of Synergy Capital and is an independent director of Delta Dunia Makmur TBK PT in Indonesia, senior consultant of Louis Dreyfus Commodities in France. Mr. Zou is currently an independent non-executive director of BYD Company Limited (a company listed on the Stock Exchange (stock code: 1211) and the Shenzhen Stock Exchange (stock code: 002594). Mr. Zou holds a master's degree in economics and a doctor's degree in finance from University of Texas of the United States of America. He is also a chartered financial analyst, a member of Chinese Finance Association of America and one of the experts listed in “Thousand Talents Program” launched by the PRC.

Mr. Zou has entered into a letter of appointment with the Company for his appointment as an Independent non-executive Director for a term of three years commencing on 25 August 2014, subject to retirement by rotation and re-election at the general meeting of shareholders of the Company in accordance with the Articles of Association. According to Mr. Zou's letter of appointment, he is entitled to an annual remuneration of RMB200,000. The remuneration of Mr. Zou is determined after considering the remuneration policy of the Company, his duties and the prevailing market remuneration of executives in similar positions.

APPENDIX II PARTICULARS OF DIRECTORS SUBJECT TO RE-ELECTION

Save as disclosed above, Mr. Zou (i) has not held any other positions in the Company and its subsidiaries, and does not have any relationships with any Directors, senior management members or substantial or controlling shareholders of the Company or its subsidiaries; (ii) has not held any other directorships in any listed public companies in the last three years; (iii) does not have any interest in shares within the meaning of Part XV of the Securities and Futures Ordinance; and (iv) there is no information required to be disclosed in relation to him pursuant to any of the requirements under the provisions of Rules 13.51(2)(h) to 13.51(2)(w) of the Listing Rules.

NOTICE OF ANNUAL GENERAL MEETING



现代牧业

CHINA MODERN DAIRY HOLDINGS LTD.

中國現代牧業控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1117)

NOTICE IS HEREBY GIVEN THAT the Annual General Meeting of China Modern Dairy Holdings Ltd. will be held at Atrium Room, 39/F, Island Shangri-La, Pacific Place, Supreme Court Road, Central, Hong Kong on (Friday) 5 June 2015 at 3:00 p.m. for the members to consider and, if thought fit, to pass with or without modification, the following resolutions as ordinary resolutions:

1. To receive and consider the audited consolidated financial statements of the Company and its subsidiaries and the reports of the directors and auditors of the Company for the year ended 31 December 2014.
2. To approve the proposed final dividend.
3. To re-elect the following retiring Directors:
 - (i) Mr. SUN Yugang
 - (ii) Mr. WU Jingshui
 - (iii) Mr. LI Shengli
 - (iv) Mr. LEE Kong Wai, Conway
 - (v) Mr. ZOU Feiand to authorize the board of directors of the Company to fix the directors' remuneration.
4. To re-appoint Deloitte Touche Tohmatsu as the Company's auditors and to authorize the board of directors of the Company to fix their remuneration.

NOTICE OF ANNUAL GENERAL MEETING

5. “**THAT:**

- (a) subject to paragraph 5(c) below, a general mandate be and is hereby unconditionally granted to the directors of the Company (the “**Directors**”) to exercise during the Relevant Period (as defined in paragraph 5(d) below) all the powers of the Company to allot, issue and deal with new shares in the Company and to make or grant offers, agreements, options or warrants which would or might require the exercise of such powers;
- (b) the mandate in paragraph 5(a) shall authorize the Directors during the Relevant Period (as defined in paragraph 5(d) below) to make or grant offers, agreements and options which would or might require the exercise of such powers after the end of the Relevant Period (as defined in paragraph 5(d) below);
- (c) the aggregate nominal value of shares of the Company allotted and issued or agreed conditionally or unconditionally to be allotted and issued (whether pursuant to an option or otherwise) by the Directors pursuant to the mandate in paragraph (a), otherwise than pursuant to (i) a Right Issue (as defined in paragraph (d) below); (ii) any option scheme or similar arrangement for the time being adopted by the Company for the purpose of granting or issuing shares or rights to acquire shares of the Company to the Directors, officers and/or employees of the Company and/or any of its subsidiaries, or (iii) any scrip dividend or similar arrangement pursuant to the Articles of Association from time to time, shall not exceed 20% of the aggregate nominal amount of the share capital of the Company in issue as at the date of the passing of this resolution and the said mandate shall be limited accordingly;
- (d) for the purpose of this resolution:

“**Relevant Period**” means the period from the passing of this resolution until whichever is the earliest of:

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the Company’s articles of association or any applicable law to be held; or
- (iii) the date on which authority set out in this resolution is revoked or varied by an ordinary resolution of the shareholders of the Company in general meeting.

“**Right Issue**” means an offer of shares open for a period fixed by the Directors to holders of shares of the Company or any class thereof on the register on a fixed record date in proportion to their then holdings of such shares or class thereof (subject to such exclusion or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of, or the requirements of any recognized regulatory body or any stock exchange in, any territory applicable to the Company).”

NOTICE OF ANNUAL GENERAL MEETING

6. **“THAT:**

- (a) a general mandate be and is hereby unconditionally given to the Directors to exercise during the Relevant Period (as defined in paragraph 6(b) below) all the powers of the Company to repurchase or otherwise acquire shares in the Company in accordance with all applicable laws and the requirements of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, provided that the aggregate nominal amount of shares so repurchased or otherwise acquired shall not exceed 10% of the aggregate nominal amount of the share capital of the Company in issue as at the date of the passing of this resolution;
- (b) for the purpose of this resolution:

“Relevant Period” means the period from the passing of this Resolution until whichever is the earliest of:

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the Company’s articles of association or any applicable law to be held; or
- (iii) the date on which the authority set out in this resolution is revoked or varied by an ordinary resolution of the shareholders of the Company in a general meeting.”
7. **“THAT**, conditional upon the passing of resolutions numbered 5 and numbered 6 set out in the notice convening this meeting, the aggregate nominal amount of the shares in the Company which are repurchased or otherwise acquired by the Company pursuant to resolution numbered 6 shall be added to the aggregate nominal amount of the shares which may be issued pursuant to resolution numbered 5.”

By order of the Board of
China Modern Dairy Holdings Ltd.
Yu Xubo
Chairman

Hong Kong, 30 April 2015

Registered office:

Maples Corporate Services Limited
PO Box 309
Ugland House Grand Cayman KY1-1104
Cayman Islands

Principal place of business in Hong Kong:

Office B, 24th Floor, Alliance Building
130-136 Connaught Road Central
Sheung Wan
Hong Kong

Notes:

1. Any member of the Company entitled to attend and vote at the meeting by the above notice is entitled to appoint one or more proxies to attend and, on a poll, vote instead of him/her. A proxy need not be a member of the Company.

NOTICE OF ANNUAL GENERAL MEETING

2. In order to be valid, a proxy form and the power of attorney or other authority (if any) under which it is signed, or a notarially certified copy of such power of attorney or authority, must be delivered at the Company's share registrar, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not less than 48 hours before the time appointed for the holding of the meeting or any adjournment thereof (as the case may be).

Completion and delivery of the proxy form will not preclude any member from attending and voting in person at the meeting or any adjourned meeting (as the case may be) should he so wish.

3. In case of joint shareholding, the vote of the senior joint shareholder who tenders a vote, whether in person or by proxy, will be accepted to the exclusion of the votes of the other joint shareholder(s) and for this purpose seniority will be determined by the order in which the names stand in the register of members of the Company in respect of the joint shareholding.
4. **Shareholders whose names appear on the register of members of the Company on Friday, 5 June 2015 are entitled to attend and vote at the Annual General Meeting. The register of members of the Company will be closed from Wednesday, 3 June 2015 to Friday, 5 June 2015, both days inclusive, and during such period no share transfer will be registered. In order to qualify for voting at the meeting convened by the above notice, properly completed transfer forms accompanied by the relevant share certificates must be lodged with the Company's share registrar, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, no later than 4:30 p.m. on Tuesday, 2 June 2015, for registration.**
5. Concerning resolution 5 above, the approval is being sought from members for a general mandate to authorize allotment of shares, in order to ensure flexibility and discretion to the Directors in the event that it becomes desirable to issue any shares of the Company up to 20% of the issued share capital of the Company. The Directors wish to state that they have no immediate plans to issue new shares in the Company other than shares which may fall to be allotted and issued upon the exercise of any options which may be granted under the share option scheme of the Company.
6. The translation into Chinese language of the notice is for reference only. In case of any discrepancies, the English version shall prevail.