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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)

**DISCLOSEABLE TRANSACTION  
INVOLVING AN ISSUE OF NEW SHARES  
IN RELATION TO ACQUISITION OF  
82% OF THE ISSUED SHARE CAPITAL IN EACH OF  
JVCO I AND JVCO II**

**THE SHARE PURCHASE AGREEMENT**

On July 6, 2015, the Company entered into the Share Purchase Agreement with Success Dairy, JVco I and JVco II pursuant to which the Company has agreed to purchase and Success Dairy has agreed to sell all of the Success Dairy Assets. Upon Closing, the Company will own as to 100% of the total issued share capital in each of JVco I and JVco II, and the financial results of JVco I and JVco II will be consolidated into the Company's consolidated financial statements.

Upon Closing, each of the JV Parties and JVco I shall concurrently release and discharge each party to the Joint Venture Agreement I from all its rights, obligations and liabilities under the Joint Venture Agreement I, and the Joint Venture Agreement I shall be terminated accordingly. Similarly, upon Closing, each of the JV Parties shall concurrently release and discharge each party to the Joint Venture Agreement II from all its rights, obligations and liabilities under the Joint Venture Agreement II, and the Joint Venture Agreement II shall be terminated accordingly.

## **LISTING RULES IMPLICATIONS**

As one or more of the applicable percentage ratios (as defined in the Listing Rules) in respect of the Acquisition exceed 5% but all the relevant percentage ratios are less than 25%, the transaction contemplated under the Share Purchase Agreement constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules. It is thus subject to the reporting and announcement requirements but is exempt from the requirements of circular and shareholders' approval.

Shareholders and potential investors in the Company should be aware that the Acquisition is subject to the satisfaction (or waiver, where applicable) of conditions and therefore the Acquisition may or may not take place. Shareholders and potential investors of the Company should exercise caution when dealing in the securities of the Company.

Reference is made to the announcement dated September 24, 2013 in relation to the formation of JVco I and JVco II by the Company and Success Dairy through the entry of the Joint Venture Agreement I and Joint Venture Agreement II, respectively. Unless defined otherwise, capitalized terms used herein shall have the same meanings as those defined in the abovementioned announcement.

## **MATERIAL TERMS OF THE SHARE PURCHASE AGREEMENT**

### **Date**

July 6, 2015

### **Parties**

- (1) Company;
- (2) Success Dairy;
- (3) JVco I; and
- (4) JVco II.

### **Assets to be acquired**

Pursuant to the Share Purchase Agreement, the Company has agreed to purchase and Success Dairy has agreed to sell the Success Dairy Assets, being 82% of the total issued share capital, together with all outstanding loans or borrowings owed to Success Dairy, of JVco I and 82% of the total issued share capital, together with all outstanding loans or borrowings owed to Success Dairy, of JVco II.

## **Consideration**

The total consideration payable by the Company for the Acquisition shall be the issuance of the Consideration Shares, being 477,429,132 CMD New Shares at the issue price of HK\$4.00 per CMD New Share, representing approximately nine (9) percent. of the enlarged issued share capital of the Company and approximately HK\$1,909,716,528.

The Consideration Shares will be issued at the issue price of HK\$4.00 per Consideration Share which represents:

- (i) a premium of approximately 37.46% to the average closing price of HK\$2.91 per Share as quoted on the Stock Exchange for the last thirty (30) trading days up to and including the Last Trading Day; and
- (ii) a premium of approximately 32.01% to the average closing price of HK\$3.03 per Share as quoted on the Stock Exchange for the last sixty (60) trading days up to and including the Last Trading Day.

The consideration for the Acquisition was determined based on arm's length negotiations between the Company and Success Dairy after taking into account, among others, the expected earnings of each of JVco I and JVco II.

An application will be made to the Listing Committee of the Stock Exchange for the listing of, and permission to deal in, the Consideration Shares. The Consideration Shares, when issued upon Closing, will rank *pari passu* in all respects with the existing Shares in issue.

## **Conditions precedent**

Closing is subject to the satisfaction of each of the following conditions, unless and to the extent waived in writing by the Company or Success Dairy (as the case may be) prior to Closing (except the condition precedent set out in paragraph (viii) below):

- (i) the representations and warranties of Success Dairy contained in the Share Purchase Agreement being true, correct, complete and not misleading in all material respects when made, and shall be true, correct, complete and not misleading in all material respects as of the date of the Share Purchase Agreement and as of Closing with the same effect as though such representations and warranties had been made on and as of Closing Date;

- (ii) the representations and warranties of the Company contained in the Share Purchase Agreement being true, correct, complete and not misleading in all material respects when made, and shall be true, correct, complete and not misleading in all material respects as of the date of the Share Purchase Agreement and as of Closing with the same effect as though such representations and warranties had been made on and as of the Closing Date;
- (iii) Success Dairy having performed and complied with all covenants, obligations and other agreements contained in the Share Purchase Agreement on or before Closing as contemplated therein provided that the Company shall not be entitled to terminate the Share Purchase Agreement unless (a) the Company has, promptly upon its occurrence, provided written notice to Success Dairy of the material breach by Success Dairy under the Share Purchase Agreement; and (b) Success Dairy fails to remedy such non-performance or non-compliance within thirty (30) days after the Company gives written notice to Success Dairy;
- (iv) the Company having performed and complied with all covenants, obligations and other agreements contained in the Share Purchase Agreement in all material respects, as amended thereby, that are required to be performed or complied with by it on or before Closing as contemplated therein provided that Success Dairy shall not be entitled to terminate the Share Purchase Agreement unless (a) Success Dairy has, promptly upon its occurrence, provided written notice to the Company of the material breach by the Company under the Share Purchase Agreement; and (b) the Company fails to remedy such non-performance or non-compliance within thirty (30) days after Success Dairy gives written notice to the Company;
- (v) all corporate and other proceedings of Success Dairy, including approval by Success Dairy's board of directors or similar body, in connection with the transactions contemplated at Closing and all documents incidental thereto having been obtained;
- (vi) all corporate and other proceedings of the Company, including approval by the Company's board of directors, in connection with the transactions contemplated at Closing and all documents incidental thereto having been obtained;
- (vii) Success Dairy having ensured settlement of all outstanding Encumbrances in respect of the issued share capital in each of JVco I and JVco II; and
- (viii) the Listing Committee of the Stock Exchange having granted the listing of, and permission to deal in the Consideration Shares.

## **Closing**

Closing shall take place as soon as practicable but in any event no later than ten (10) Business Days after the date of the Share Purchase Agreement, or such other date as may be agreed upon by the Parties following the satisfaction or waiver (by the applicable Party) of the conditions set forth in the paragraph headed “Conditions precedent” above.

Upon Closing, the Company will own 100% of the total issued share capital in each of JVco I and JVco II, and the financial results of JVco I and JVco II will be consolidated into the Company’s consolidated financial statements.

## **Lock-up Undertaking**

Pursuant to the Share Purchase Agreement, Success Dairy has undertaken to the Company that it shall not, and will procure that none of its affiliates will, at any time during the Lock-up Period:

- (i) sell, offer to sell, contract or agree to sell, mortgage, charge, pledge, lend, grant or sell any option, warrant, contract or right to purchase, grant or purchase any option, warrant, contract or right to sell, or otherwise transfer or dispose of, or agree to transfer or dispose of, either directly or indirectly, conditionally or unconditionally, any Consideration Shares (including, without limitation, any securities convertible into or exchangeable or exercisable for or that represent the right to receive, or any warrants or other rights to purchase, any Consideration Shares or such other securities or any interest in any of the foregoing);
- (ii) enter into any swap or other arrangement that transfers to another, in whole or in part, any of the economic consequences of ownership of any Consideration Shares;
- (iii) enter into any transaction with the same economic effect as any transaction specified in (i) or (ii) above; or
- (iv) offer to or agree to or announce any intention to effect any transaction specified in (i), (ii) or (iii) above, in each case, whether any of the transactions specified in (i), (ii) or (iii) above is to be settled by delivery of Consideration Shares or in cash or otherwise (whether or not the delivery of such Consideration Shares will be completed within the Lock-up Period),

except that the restrictions as set out in (i) to (iv) above shall not apply to (A) the sale of any Consideration Shares by way of an acceptance of a general offer made in accordance with the Takeovers Code, and (B) any pledge or charge of any Consideration Shares as security for a bona fide commercial loan.

### **Valuation Adjustment**

Upon expiry of the Lock-up Period, in the event that:

- (i) the Weighted Consideration Shares Value is less than US\$308 million, as soon as practicable but in any event no later than ten (10) Business Days after the Lock-up Expiry Date, the Company shall pay Success Dairy in Further Issuance and/or in immediately available funds the difference between the Weighted Consideration Shares Value and US\$308 million, *provided that*:
  - (a) the Company shall have the sole and absolute discretion to choose between the payment of either the Further Issuance and/or in immediately available funds;
  - (b) each Party shall use its best endeavors to ensure that the Further Issuance, in addition to the Consideration Shares, shall not trigger a general offer requirement pursuant to the Takeovers Code. For the avoidance of doubt, the provision of this section does not include any Shares that may be acquired by Success Dairy other than pursuant to the Share Purchase Agreement; and
  - (c) the Company shall undertake to ensure that:
    - (A) the Further Issuance shall not be subject to any CMD Shareholders' Resolution and in the event that the CMD Shareholders' Resolution is required for the purpose of consummating the transfer of the Further Issuance, the Company shall take all reasonable steps to obtain such CMD Shareholders' Resolution as soon as practicable but in any event no later than sixty (60) Business Days after the Lock-up Expiry Date, failing which the Company shall pay Success Dairy in immediately available funds the difference between the Weighted Consideration Shares Value and US\$308 million;
    - (B) the Company's representation and warranty in relation to the title to the Consideration Shares (as set out in the Share Purchase Agreement) shall remain true, correct, complete and not misleading with respect to the Further Issuance; and

- (C) an application will be made to the Listing Committee of the Stock Exchange for the listing of, and permission to deal in, Further Issuance; or
- (ii) the Weighted Consideration Shares Value is more than US\$363 million, as soon as practicable but in any event no later than the Transfer Date, Success Dairy shall pay the Company in cash or shall transfer the Returned Shares to the Escrow Agent equivalent in value to twenty (20) percent. of the difference between the Weighted Consideration Shares Value and US\$363 million to the Company, *provided that*:
  - (a) Success Dairy shall have the sole and absolute discretion to choose between the payment of cash and/or Sale Proceeds to the Company;
  - (b) in the event that Success Dairy chooses to transfer the Returned Shares to the Escrow Agent:
    - (A) upon the joint instructions of the Company and Success Dairy, the Escrow Agent shall be instructed to sell the Returned Shares and to pay the Company with the Sale Proceeds; and
    - (B) the Company shall be entitled to all income or distributions (including but not limited to cash income, dividends, non-cash and non-scrip distribution, bonus Shares and scrip Shares) derived from the Returned Shares during the period from the Transfer Date to the date on which the Sale Proceeds are received by the Company.

### **Termination of Joint Venture Agreement I and Joint Venture Agreement II**

Upon Closing, each of the JV Parties and JVco I shall concurrently release and discharge each party to the Joint Venture Agreement I from all its rights, obligations and liabilities under the Joint Venture Agreement I, and the Joint Venture Agreement I shall be terminated accordingly. Similarly, upon Closing, each of the JV Parties shall concurrently release and discharge each party to the Joint Venture Agreement II from all its rights, obligations and liabilities under the Joint Venture Agreement II, and the Joint Venture Agreement II shall be terminated accordingly.

## **REASONS FOR AND BENEFITS OF THE ACQUISITION**

The Directors believe that the Acquisition would strengthen the Group's market position as a leading dairy farming company and raw milk producer in the PRC for the following reasons:

- (i) the Acquisition would drive the future growth of the Company as JVco I and JVco II are both in the phase of fast ramp-up and dairy herd expansion. By gaining sole control of each of JVco I and JVco II, there is potential for accelerated growth in the production of milk for the Group;
- (ii) the Acquisition would be able to create synergy effects with the Group's overall businesses and increase the Group's productivity. Moreover, the Acquisition would acquire a first-class management team and facilitate integrated planning of the Group's business, enhance management efficiency and improve overall operational performance of the Group; and
- (iii) the Acquisition would allow the Group to improve its gearing ratio and enhance capability for bank financing to fund further business expansion, as both JVco I and JVco II are debt-free.

The Board (including the independent non-executive Directors) considers the terms of the Acquisition to be on normal commercial terms, are fair and reasonable and in the interests of the Company and its Shareholders as a whole.

## **INFORMATION OF JVco I**

JVco I was incorporated on September 16, 2013 under the laws of the Cayman Islands. As of July 2, 2015, JVco I owns and operates 1 dairy farm with approximately 9,085 cattle in the Shandong province of the PRC which engages in, amongst others, breeding, raising and sale of dairy cattle, production, processing and sale of raw milk, production of processed milk under OEM contracts for other processors and the sale of fertilizers.



According to the unaudited consolidated accounts of JVco I, the net profit before and after taxation of JVco I for the year ended December 31, 2014 and the five months ended May 31, 2015 were as follows:

	<b>For the year ended December 31, 2013 (unaudited) (RMB)</b>	<b>For the year ended December 31, 2014 (unaudited) (RMB)</b>	<b>For the 5 months ended May 31, 2015 (unaudited) (RMB)</b>
Net profit before taxation	Not applicable	37,596,831.66	26,039,798.69
Net profit after taxation	Not applicable	37,596,831.66	26,039,798.69

According to the unaudited consolidated accounts of JVco I, the net assets of JVco I as at December 31, 2014 was RMB343,037,451.05, and the net assets of JVco I as at May 31, 2015 was RMB495,714,841.05.

## **INFORMATION OF JVCO II**

JVco II was incorporated on January 3, 2014 under the laws of the Cayman Islands. As of July 2, 2015, JVco II owns and operates 1 dairy farm with approximately 7,183 cattle in the Shandong province of the PRC which engages in, amongst others, breeding, raising and sale of dairy cattle, production, processing and sale of raw milk, production of processed milk under OEM contracts for other processors and the sale of fertilizers.

According to the unaudited consolidated accounts of JVco II, the net profit before and after taxation of JVco II for the year ended December 31, 2014 and the five months ended May 31, 2015 were as follows:

	<b>For the year ended December 31, 2013 (unaudited) (RMB)</b>	<b>For the year ended December 31, 2014 (unaudited) (RMB)</b>	<b>For the five months ended May 31, 2015 (unaudited) (RMB)</b>
Net profit before taxation	Not applicable	1,309,593.04	18,533,235.83
Net profit after taxation	Not applicable	1,309,593.04	18,533,235.83

According to the unaudited consolidated accounts of JVco II, the net assets of JVco II as at December 31, 2014 was RMB185,893,599.19, and the net assets of JVco II as at May 31, 2015 was RMB452,427,744.19.

## **INFORMATION OF THE COMPANY**

The Group is the largest dairy farming company in terms of herd size as well as the largest raw milk producer in China. It is headquartered in China's eastern province of Anhui, and its primary business is raising dairy cows and selling raw milk to branded dairy companies for processing into consumer dairy products. As of July 2, 2015, the Group had 24 farms in operation and 1 farm under construction in China with approximately 197,865 dairy cows in total. The Group's farms are situated across the PRC in strategic geographical locations that are close to downstream dairy product processing plants and feed supply sources.

## **INFORMATION OF SUCCESS DAIRY**

Success Dairy is a joint venture entity ultimately held by New Dairy Investment and Crown Dairy Holdings.

Mr. Wolhardt Julian Juul, a non-executive Director, is a member of KKR Asia Limited, which is an affiliate of KKR China Growth Fund L.P., which wholly-owns New Dairy Investment. Further, Mr. Hui Chi Kin Max, a non-executive Director, is a managing director of CDH China Management Company Limited, the manager of CDH Fund IV, L.P., which wholly-owns Crown Dairy Holdings.

Both Mr. Wolhardt and Mr. Hui have abstained from voting on the resolutions of the Board for approving this transaction. Save as disclosed above, to the best of the Directors' knowledge, information and belief having made all reasonable enquiries, New Dairy Investment and Crown Dairy Holdings and its ultimate beneficial owner are third parties independent of the Company and its Connected Persons.

## CHANGES IN SHAREHOLDING STRUCTURE OF THE COMPANY

The following illustrates the Company's shareholding structure, assuming there is no further change to the share capital of the Company: (i) as at the date of this announcement; and (ii) immediately upon the allotment and issue of the Consideration Shares:

	As at the date of this announcement		Immediately after completion of the Acquisition	
	No. of Shares <i>Shares</i>	Approximate shareholding percentage %	No. of Shares <i>Shares</i>	Approximate shareholding percentage %
China Mengniu Dairy Holdings Ltd.	1,347,903,000	27.92%	1,347,903,000	25.41%
Xinmu Holdings Co Ltd.	671,021,025	13.90%	671,021,025	12.65%
Yinmu Holdings Co Ltd.	446,465,419	9.25%	446,465,419	8.42%
The Capital Group Companies, Inc.	246,924,000	5.12%	246,924,000	4.65%
Jinmu Holdings Co Ltd.	221,581,733	4.59%	221,581,733	4.18%
Ms. Gao Lina	4,800,000	0.10%	4,800,000	0.09%
Success Dairy	—	—	477,429,132	9.00%
Public	<u>1,888,643,574</u>	<u>39.12%</u>	<u>1,888,643,574</u>	<u>35.60%</u>
<b>Total</b>	<b><u>4,827,338,751</u></b>	<b><u>100%</u></b>	<b><u>5,304,767,883</u></b>	<b><u>100%</u></b>

## LISTING RULES IMPLICATIONS

As one or more of the applicable percentage ratios (as defined in the Listing Rules) in respect of the Acquisition exceed 5% but all the relevant percentage ratios are less than 25%, the transaction contemplated under the Share Purchase Agreement constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules. It is thus subject to the reporting and announcement requirements but is exempt from the requirements of circular and shareholders' approval.

Shareholders and potential investors in the Company should be aware that the Acquisition is subject to the satisfaction (or waiver, where applicable) of conditions and therefore the Acquisition may or may not take place. Shareholders and potential investors of the Company should exercise caution when dealing in the securities of the Company.

## DEFINITIONS

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

“%”	percent
“Acquisition”	the proposed acquisition of the Success Dairy Assets by the Company in accordance with the terms and conditions of the Share Purchase Agreement
“Board”	the board of Directors of the Company
“Business Day”	any day other than a Saturday, Sunday or other day on which commercial banks in the PRC, New York or Hong Kong are required or authorized by law to be closed
“Closing”	the completion of sale and purchase of the Success Dairy Assets pursuant to the Share Purchase Agreement
“Closing Date”	the date on which Closing shall take place
“CMD New Shares”	the Shares to be issued by the Company pursuant to the terms and conditions of the Share Purchase Agreement
“CMD Shareholders’ Resolution”	a shareholders’ resolution of the Company as required by the Listing Rules in connection with the issuance of CMD New Shares.
“Company”	China Modern Dairy Holdings Ltd. (中國現代牧業控股有限公司), an exempted company incorporated in the Cayman Islands on July 30, 2008 with limited liability under the laws of Hong Kong, the ordinary shares of which are listed on the Main Board of the Stock Exchange
“Connected Person”	has the meaning given to it in the Listing Rules
“Consideration Shares”	477,429,132 CMD New Shares at the issue price of HK\$4.00 per CMD New Share, representing approximately nine (9) percent of the enlarged issued share capital of CMD and approximately HK\$1,909,716,528

“Crown Dairy Holdings”	Crown Dairy Holdings Limited, a wholly-owned subsidiary of CDH Fund IV, L.P., which focuses on private equity investments. The general partner of CDH Fund IV, L.P. is CDH IV Holdings Company Limited. CDH Fund IV, L.P. is managed by CDH China Management Company Limited
“Director(s)”	the director(s) of the Company
“Encumbrance”	any mortgage, pledge, lien, option, power of sale, right of pre-emption or security interest of any kind or any other claim against a proprietary right
“Escrow Agent”	an escrow agent to be appointed jointly by the Company and Success Dairy
“Further Issuance”	such number of additional CMD New Shares (if any) issued at a valuation equal, on a per Share basis, to the Weighted Consideration Shares Value, pursuant to the Valuation Adjustment
“Group”	the Company and its subsidiaries
“Hong Kong”	Hong Kong Special Administrative Region of the PRC
“Joint Venture Agreement I”	the subscription and joint venture agreement entered into between the Company, Success Dairy and JVco I dated September 23, 2013
“Joint Venture Agreement II”	the subscription and joint venture agreement entered into between the Company and Success Dairy dated September 23, 2013 on substantially the same terms as the Joint Venture Agreement I
“JV Parties”	the Company and Success Dairy
“JVco I”	Asia Dairy Holdings, an exempted company organized under the laws of the Cayman Islands with its registered office at Maples Corporate Services Limited, PO Box 309, Ugland House, Grand Cayman, KY1-1104, Cayman Islands

“JVco I Assets”	82% of the total issued share capital, together with all outstanding loans or borrowings owed to Success Dairy, of JVco I
“JVco II”	Asia Dairy Holdings II, an exempted company organized under the laws of the Cayman Islands with its registered office at Maples Corporate Services Limited, PO Box 309, Uglan House, Grand Cayman, KY1-1104, Cayman Islands
“JVco II Assets”	82% of the total issued share capital, together with all outstanding loans or borrowings owed to Success Dairy, of JVco II
“Last Trading Day”	July 3, 2015
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Lock-up Expiry Date”	the date on which the Lock-up Period is expired
“Lock-up Period”	a three-year period from the Closing Date
“Main Board”	the stock exchange (excluding the option market) operated by the Stock Exchange which is independent from and operated in parallel with the Growth Enterprise Market of the Stock Exchange
“New Dairy Investment”	New Dairy Investment Ltd, a subsidiary of KKR China Growth Fund L.P., which focuses on growth investment opportunities in Greater China, which includes China, Hong Kong and Taiwan. The general partner of KKR China Growth Fund L.P. is KKR Associates China Growth L.P. KKR China Growth Fund L.P. is advised by Kohlberg Kravis Roberts & Co. L.P., a subsidiary of KKR & Co. L.P., whose common units are traded on the New York Stock Exchange
“OEM”	Original equipment manufacturers
“Parties”	the Company, Success Dairy, JVco I and JVco II

“PRC” or “China”	the People’s Republic of China, and for the purposes of this announcement, excludes, Hong Kong, Taiwan and Macau Special Administrative Region
“Returned Shares”	the Shares then held by Success Dairy to be transferred to the Company at a valuation equal, on a per Share basis, to the Weighted Consideration Share Value, pursuant to the valuation adjustment as set out in the paragraph headed “Valuation Adjustment” above
“Sale Proceeds”	the proceeds of the sale of the Return Shares or any portion thereof by the Escrow Agent
“Shares”	shares of a par value of HK\$0.10 each in the Company
“Shareholders”	the holder of the shares of the Company
“Share Purchase Agreement”	the share purchase agreement dated July 6, 2015 entered into among the JV Parties, JVco I and JVco II in connection with the Acquisition
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Success Dairy”	Success Dairy II Limited, an exempted company organized under the laws of the Cayman Islands with its registered office at Maples Corporate Services Limited, PO Box 309, Uglan House, Grand Cayman, KY1-1104, Cayman Islands
“Success Dairy Assets”	JVco I Assets and JVco II Assets
“Takeovers Code”	The Code on Takeovers and Mergers of Hong Kong
“Transfer Date”	ten (10) Business Days after the Lock-up Expiry Date
“US\$”	United States dollars, the lawful currency of the United States
“Weighted Consideration Shares Value”	the value of the Consideration Shares calculated based on the volume weighted average closing price of the Shares for a period of forty-five (45) trading days immediately preceding the Lock-up Expiry Date

“Valuation Adjustment” the adjustments (if any) to be made to the consideration of the Acquisition upon the expiry of the Lock-up Period pursuant to the Weighted Consideration Shares Value

By order of the Board  
**China Modern Dairy Holdings Ltd.**  
**Ms. Gao Lina**  
*Deputy Chairman,  
Chief Executive Officer and  
Executive Director*

Hong Kong, July 6, 2015

*As of the date of this announcement, the executive Directors are Ms. GAO Lina, Mr. HAN Chunlin and Mr. SUN Yugang, the non-executive Directors are Mr. YU Xubo, Mr. WOLHARDT Julian Juul, Mr. HUI Chi Kin Max and Mr. WU Jingshui, the independent non-executive Directors are Mr. LI Shengli, Mr. LEE Kong Wai Conway, Mr. KANG Yan and Mr. ZOU Fei.*