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MODERN FARMING
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)

GRANT OF AWARDED SHARES UNDER RESTRICTED SHARE AWARD SCHEME

GRANT OF AWARDED SHARES

The Board has granted a total of 19,962,000 Awarded Shares under the Share Award Scheme 2018, representing approximately 0.33% of the issued share capital of the Company as at the date of this announcement, to fifty-one members of the middle and senior management of the members of the Group on 29 March 2019.

INTRODUCTION

The board of directors (the “**Board**”) of China Modern Dairy Holdings Limited (the “**Company**” together with its subsidiaries, the “**Group**”) is pleased to announce that, in order to recognize the satisfactory results achieved by the Group in 2018, and to provide incentives to the management team to devote to the future continuous growth of the Company, the Board has granted a total of 19,962,000 restricted awarded shares under the share award scheme adopted on 26 March 2018 (the “**Share Award Scheme 2018**”) to fifty-one members of the middle and senior management of the members of the Group on 29 March 2019.

* For identification purposes only

For further details of the Share Award Scheme 2018, please refer to the announcement of the Company dated 26 March 2018 (the “**Announcement**”). Unless otherwise defined herein, capitalized terms used in this announcement shall have the same meanings given to them in the Announcement.

GRANT OF AWARDED SHARES

The Board has granted a total of 19,962,000 Awarded Shares under the Share Award Scheme 2018 to fifty-one members of the middle and senior management of the members of the Group, details of which are set out as follows:

1. Grant Date: 29 March 2019
2. 19,962,000 Awarded Shares, representing approximately 0.33% of the issued share capital of the Company as at the date of this announcement, have been granted to the Selected Participants (the “**Grant**”). The Selected Participants include the directors of the Company, senior management and managers of departments of the Group, who contributed directly to the overall business performance in 2018 and will contribute to the sustainable development of the Group.

Among the Awarded Shares granted above, 2,954,376 Awarded Shares are granted to the following Directors:

Name of Director	Position(s) held with the Company	Number of Awarded Shares granted
Ms. GAO Lina	Deputy Chairman, Chief Executive Officer & executive Director	1,856,466
Mr. HAN Chunlin	Chief Operation Officer & executive Director	1,097,910

3. The vesting of the Awarded Shares are subject to the terms and condition of the Share Award Scheme and the fulfillment of all vesting conditions (if any) to the vesting of the Awarded Shares on such Selected Participant as specified in the Scheme Rules and the grant notice (as the case may be).

4. Lock-up Period

Within the twelve month-period following the Vesting Date (the “**Lock-up Period**”), a Selected Participant may only dispose of up to fifty percent (50%) of the Awarded Shares vested to such Selected Participant on the Vesting Date; and a Selected Participant may dispose of his/her remaining Vested Shares at any time following the expiry of Lock-up Period.

5. Limit of the Share Award Scheme 2018

The maximum number of Shares which may be purchased from open market by the Trustee, each year is set at no more than one percent (1%) of the number of issued Shares at the preceding annual general meeting of the Company.

The Board and the remuneration committee of the Company consider that the Grant, as a recognition to a satisfactory result achieved by the Group in 2018, is fair and reasonable, and is in the best interests of the Company and its shareholders as a whole.

The grant of Awarded Shares to the Directors forms part of the remuneration packages of the Directors under their respective letters of appointment with the Group and, accordingly, is exempt from the reporting, announcement and independent shareholders’ approval requirements under Rules 14A.73(6) and 14A.95 of the Rules (the “**Listing Rules**”) governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

The Share Award Scheme does not constitute a share option scheme or an arrangement analogous to a share option scheme for the purpose of Chapter 17 of the Listing Rules.

By order of the Board
China Modern Dairy Holdings Limited
Li Kwok Fat
Company Secretary

Hong Kong, 29 March 2019

As of the date of this announcement, the executive directors are Ms. GAO Lina and Mr. HAN Chunlin, the non-executive directors are Mr. LU Minfang (Chairman), Mr. WOLHARDT Julian Juul, Mr. ZHANG Ping and Mr. ZHAO Jiejun, the independent non-executive directors are Mr. LI Shengli, Mr. LEE Kong Wai Conway and Mr. KANG Yan.