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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 20,000,000 Awarded Shares under the Share Award Scheme 2018, representing approximately 0.31% of the issued share capital of the Company as at the date of this announcement, to 58 members of the middle and senior management of the members of the Group on January 8, 2020.

### **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 2019, 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 20,000,000 restricted awarded shares under the share award scheme adopted on 26 March 2018 (the “**Share Award Scheme 2018**”) to 58 members of the middle and senior management of the members of the Group on January 8, 2020.

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.

\* *For identification purposes only*

## GRANT OF AWARDED SHARES

The Board has granted a total of 20,000,000 Awarded Shares under the Share Award Scheme 2018 to 58 members of the middle and senior management of the members of the Group, details of which are set out as follows:

1. Grant Date: January 8, 2020
2. 20,000,000 Awarded Shares, representing approximately 0.31% 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 2019 and will contribute to the sustainable development of the Group.

Among the Awarded Shares granted above, 2,800,000 Awarded Shares were granted to Directors, details of which are as follows:

<b>Name of Director</b>	<b>Position(s) held with the Company</b>	<b>Number of Awarded Shares granted</b>
Ms. GAO Lina	Vice Chairman, Chief Executive Officer & Executive Director	1,800,000
Mr. HAN Chunlin	Deputy Chief Executive Officer, Chief Operation Officer & Executive Director	1,000,000

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. For the avoidance of doubt, only half of the Awarded Shares to be vested will be subject to the 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 2019, 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 Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**").

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, January 8, 2020

*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.*