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## THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

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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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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)**

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

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A notice convening the Annual General Meeting of China Modern Dairy Holdings Ltd. to be held at Ballroom, Level 3, JW Marriott Hotel Hong Kong, Pacific Place, 88 Queensway, Hong Kong on (Wednesday) 3 June 2020 at 9:00 a.m. is set out on pages 15 to 19 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 branch 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 of the Annual General 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.

#### **PRECAUTIONARY MEASURES FOR THE ANNUAL GENERAL MEETING**

To safeguard the health and safety of the Shareholders and to prevent the spreading of the COVID-19 pandemic, the following precautionary measures will be implemented at the Annual General Meeting:

- (1) Compulsory body temperature screening/checks
- (2) Submission of Health Declaration Form
- (3) Wearing of surgical face mask
- (4) No provision of refreshments
- (5) Maintenance of appropriate distancing and spacing

Attendees who do not comply with the precautionary measures (1) to (3) above or is subject to any HKSAR Government prescribed quarantine may be denied entry to the meeting venue of the Annual General Meeting, at the absolute discretion of the Company as permitted by law.

**For the health and safety of the Shareholders, the Company would like to encourage the Shareholders to exercise their right to vote at the Annual General Meeting by appointing the Chairman of the Annual General Meeting as their proxy instead of attending the Annual General Meeting in person.**

**Completion and return of the proxy form will not preclude the Shareholders from attending and voting in person at the AGM or any adjournment thereof should they subsequently so wish.**

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## PRECAUTIONARY MEASURES FOR THE ANNUAL GENERAL MEETING

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The health of the Shareholders, staff and stakeholders of the Company is of paramount importance to the Company. With the outbreak and spreading of the COVID-19 pandemic and the heightened requirements for the prevention and control of its spreading, the Company will implement the following precautionary measures at the Annual General Meeting to protect attending Shareholders, staff and stakeholders from the risk of infection:

- (1) Compulsory body temperature screening/checks will be conducted on every Shareholder, proxy or other attendee at the entrance of the meeting venue. Any person with a body temperature above the reference range quoted by the Centre for Health Protection of the Department of Health from time to time, or is exhibiting flu-like symptoms may be denied entry into the meeting venue or be requested to leave the meeting venue.
- (2) Every attendee will have to submit a completed Health Declaration Form prior to entry into the meeting venue. Each attendee may be asked whether (i) he/she has travelled outside of Hong Kong within 14 days immediately before the AGM (“**recent travel history**”); (ii) he/she is subject to any HKSAR Government prescribed quarantine requirement; and (iii) he/she has any flu-like symptoms or close contact with any person under quarantine or with recent travel history. Anyone who responds positively to any of these questions may be denied entry into the meeting venue or be required to leave the meeting venue.
- (3) Every attendee will be required to wear a surgical face mask throughout the Annual General Meeting and sit at a distance from other attendees. Please note that no masks will be provided at the meeting venue and attendees should bring and wear their own masks.
- (4) No refreshment will be served, and there will be no corporate gift.
- (5) Appropriate distancing and spacing in line with any guidance from the HKSAR Government will be maintained and as such, the Company may limit the number of attendees at the Annual General Meeting as may be necessary to avoid over-crowding.

Attendees are requested to observe and practise good personal hygiene at all times at the venue of the Annual General Meeting.

To the extent permitted under law, the Company reserves the right to deny entry into the venue of the Annual General Meeting or require any person to leave the venue of the Annual General Meeting so as to ensure the health and safety of the attendees at the Annual General Meeting.

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## PRECAUTIONARY MEASURES FOR THE ANNUAL GENERAL MEETING

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**Shareholders are strongly encouraged to cast their votes by submitting a proxy form appointing the Chairman of the Annual General Meeting as their proxy**

The Company does not in any way wish to diminish the opportunity available to the Shareholders to exercise their rights and to vote, but is conscious of the pressing need to protect the Shareholders from possible exposure to the COVID-19 pandemic. For the health and safety of the Shareholders, the Company would like to encourage Shareholders to exercise their right to vote at the Annual General Meeting by appointing the Chairman of the Annual General Meeting as their proxy instead of attending the Annual General Meeting in person. Physical attendance is not necessary for the purpose of exercising Shareholders' rights. **Completion and return of the proxy form will not preclude the Shareholders from attending and voting in person at the Annual General Meeting or any adjournment thereof should they subsequently so wish.**

**The deadline to submit completed proxy forms is Monday, 1 June 2020 at 9:00 a.m.** or not less than 48 hours before the time of any adjournment of the Annual General Meeting (as the case may be). Completed proxy forms must be returned to the Company's branch share registrar, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong.

Non-registered Shareholders whose Shares are held through banks, brokers, custodians or the Hong Kong Securities Clearing Company Limited should consult directly with their banks or brokers or custodians (as the case may be) to assist them in the appointment of proxy.

Due to the constantly evolving COVID-19 pandemic situation in Hong Kong, the Company may be required to change the Annual General Meeting arrangements in short notice. Shareholders should check the Company's website (<http://www.moderndairyir.com>) for further announcements and updates on the Annual General Meeting arrangements.

If any Shareholder chooses not to attend the meeting in person but has any question about any resolution or about the Company, or has any matter for communication with the Board, by he/she is to welcome to send such question or matter in writing to the registered office of the Company or by email to [info@moderndairyir.com](mailto:info@moderndairyir.com).

If any Shareholder has any question relating to the meeting, please contact Computershare Hong Kong Investor Services Limited, the Company's branch share registrar as follows:

**Computershare Hong Kong Investor Services Limited**

17M Floor, Hopewell Centre  
183 Queen's Road East, Wanchai, Hong Kong  
Email: [hkinfo@computershare.com.hk](mailto:hkinfo@computershare.com.hk)  
Tel: 2862 8555  
Fax: 2865 0990

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## DEFINITIONS

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*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 the Ballroom, Level 3, JW Marriott Hotel Hong Kong, Pacific Place, 88 Queensway, Hong Kong on (Wednesday) 3 June 2020 at 9:00 a.m., the notice of which is set out on pages 15 to 19 of this circular, and any adjournment thereof
“Articles of Association”	the articles of association of the Company currently in force
“Audit Committee”	the audit committee of the Company
“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
“COVID-19”	Coronavirus Disease 2019
“Director(s)”	the director(s) of the Company
“Group”	the Company and its subsidiaries
“HKSAR Government”	the Government of the Hong Kong Special Administrative Region
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Latest Practicable Date”	17 April 2019, 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 Main Board of the Stock Exchange, which is a substantial shareholder of the Company
“Nomination Committee”	the nomination committee of the Company
“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

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## DEFINITIONS

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“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
“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 number of Shares 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 number of Shares in issue as at the date of passing of the relevant resolution at the Annual General Meeting
“Remuneration Committee”	the remuneration committee of the Company
“RMB”	Renminbi, the lawful currency of the PRC
“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
“Strategy and Development Committee”	the strategy and development committee of the Company
“substantial Shareholder(s)”	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

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## LETTER FROM THE BOARD

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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)**

*Executive Directors:*

Ms. GAO Lina

*(Vice Chairman and Chief Executive Officer)*

Mr. SUN Yugang *(Executive Vice President)*

*Non-executive Directors:*

Mr. LU Minfang *(Chairman of the Board)*

Mr. ZHANG Ping

Mr. ZHAO Jiejun

Ms. GAN Lu

*Independent Non-executive Directors:*

Mr. LI Shengli

Mr. LEE Kong Wai, Conway

Mr. WOLHARDT Julian Juul

*Registered office:*

Maples Corporate Services Limited

PO Box 309

Ugland House

Grand Cayman

KY1-1104

Cayman Islands

*Principal place of business in*

*Hong Kong:*

Room A, 32nd Floor, COFCO Tower

262 Gloucester Road

Causeway Bay

Hong Kong

23 April 2020

*To the Shareholders*

Dear Sir or Madam,

### **GENERAL MANDATES TO ISSUE SHARES AND TO REPURCHASE SHARES, RE-ELECTION OF DIRECTORS 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; and (iii) the notice of the Annual General Meeting.

\* for identification purpose only

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## **LETTER FROM THE BOARD**

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### **1. GENERAL MANDATE TO ISSUE SHARES AND ITS EXTENSION**

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 number of issued Shares 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 repurchased 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.

As at the Latest Practicable Date, the Company had 6,407,635,115 Shares in issue. Subject to the passing of the ordinary resolution approving the Proposed General Mandate and on the basis that no further Shares are issued or repurchased prior to the Annual General Meeting, the exercise of the Proposed General Mandate in full would enable the Company to issue a maximum of 1,281,527,023 Shares, representing 20% of the issued Shares as at the Latest Practicable Date. The grant of the Proposed General Mandate will provide the Directors with flexibility to issue Shares when it is in the interest of the Company to do so.

### **2. 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 number of the issued Shares 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 640,763,511 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.

### **3. 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. Mr. Sun Yugang has been appointed by the Board as an executive Director with effect from 1 April 2020. Ms. Gan Lu has been appointed as a non-executive Director with effect from 1 April 2020. As such, Mr. Sun Yugang and Ms. Gan Lu shall be eligible to offer themselves for re-election at the Annual General Meeting.



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## LETTER FROM THE BOARD

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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. Following the review of the Board's composition by the Nomination Committee, Mr. Lu Minfang, Mr. Wolhardt Julian Juul and Mr. Zhang Ping were nominated to the Board for it to recommend to the Shareholders for re-election at the Annual General Meeting.

Each of the independent non-executive directors of the Company has given an annual confirmation of his independence in respect of the year ended 31 December 2019 pursuant to Rule 3.13 of the Listing Rules. The Nomination Committee assessed and reviewed the independence of all independent non-executive Directors including Mr. Wolhardt Julian Juul who will be re-elected at the Annual General Meeting. The Nomination Committee is of the view that all independent non-executive directors have satisfied all the criteria for independence set out in Rule 3.13 of the Listing Rules.

The Nomination Committee has also reviewed and considered the respective experience, skills and knowledge of each Director to be re-elected, in particular those of (1) Mr. Sun Yugang in financial management and corporate development; (2) Mr. Wolhardt Julian Juul in corporate strategies and international corporate governance; (3) Ms. Gan Lu in international businesses management and investments; (4) Mr. Lu Minfang in the management of fast-moving consumer products and dairy companies and in-depth knowledge of the PRC market; and (5) Mr. Zhang Ping in management of operation, finance and audit as well as risk control, and recommended to the Board that the re-election of all Directors mentioned in the foregoing be proposed for Shareholders' approval at the Annual General Meeting. In addition to the experience, skills and knowledge of Mr. Sun, Mr. Wolhardt, Ms. Gan, Mr. Lu and Mr. Zhang as mentioned above, the Board also considered that, with due regard of the Board's diversity policy, their cultural, educational background, age, gender and professional experience would contribute to the diversity of the Board.

All of the above 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.

#### **4. RE-APPOINTMENT OF AUDITORS**

In accordance with Rule 13.88 of the Listing Rules, an ordinary resolution will be proposed at the Annual General Meeting to re-appoint Deloitte Touche Tohmatsu as the external auditor of the Company to hold office from the conclusion of the Annual General Meeting until the next annual general meeting and to authorize the Board to fix its remuneration for the year ending 31 December 2020.

#### **5. ANNUAL GENERAL MEETING**

The notice convening the Annual General Meeting, which contains, inter alia, ordinary resolutions to approve the Proposed General Mandate, Proposed Repurchase Mandate, Proposed Extension Mandate and the re-election of Directors, is set out on pages 15 to 19 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.

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## LETTER FROM THE BOARD

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### 6. 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 the Listing Rules 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.

### 7. RECOMMENDATION

The Directors consider that the proposed resolutions for the granting to the Directors of the Proposed General Mandate, Proposed Repurchase Mandate, Proposed Extension Mandate 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.

### 8. CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed from Friday, 29 May 2020 to Wednesday, 3 June 2020, 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 Thursday, 28 May 2020.

### 9. 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.

Yours faithfully,  
By order of the Board of  
**China Modern Dairy Holdings Ltd.**  
**LU Minfang**  
*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.*

**(A) SHARE CAPITAL**

As at the Latest Practicable Date, the issued share capital of the Company comprised 6,407,635,115 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 647,063,511 Shares, which are fully paid-up and represent 10% of the aggregate number of issued Shares of the Company as at the date of the Annual General Meeting, during the period from the passing of the aforementioned resolution and 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.

**(B) SHAREHOLDERS' APPROVAL**

The Listing Rules provide that all proposed repurchases of shares by a company with its primary listing on the Stock Exchange must be approved in advance by an ordinary resolution, either by way of a specific approval of a particular transaction or by a general mandate to the directors of the company to make such repurchases. The shares proposed to be repurchased by the company must be fully paid up.

**(C) REASONS FOR THE REPURCHASES**

The Directors believe that it is in the best interests of the Company and the Shareholders to seek a general mandate 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. As at the Latest Practicable Date, the Directors have no present intention to repurchase any Shares.

**(D) 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 2019) in the event that the proposed Share repurchases were to be carried out in full at any time during the proposed repurchase period. However, the Directors do not propose to exercise the Proposed Repurchase Mandate to such extent as would, in the circumstances, have a material adverse effect on the working capital of the Company or the gearing levels.

**(E) 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 a 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 controlling Shareholder, and its concert party Future Discovery Limited, held an aggregate of 3,725,769,412 Shares, representing approximately 58.15% of the entire issued share capital of the Company.

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 and its concert party Future Discovery Limited would increase to approximately 64.61% of the issued share capital of the Company. The Directors anticipate that such proportionate increase will not give rise to an obligation to make a mandatory general offer under Rules 26 and 32 of the Takeovers Code.

The Directors have no intention to exercise the Proposed Repurchase Mandate to such an extent that will result in takeover obligations or the number of Shares in the hands of the public falling below the prescribed minimum requirement of 25% of the entire issued share capital of the Company.

**(F) 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.

**(G) 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:

<b>Month</b>	<b>Highest traded Prices <i>HK\$</i></b>	<b>Lowest traded Prices <i>HK\$</i></b>
<b>2019</b>		
April	1.27	1.13
May	1.25	1.01
June	1.18	1.00
July	1.43	1.13
August	1.31	1.00
September	1.27	1.07
October	1.16	1.01
November	1.27	1.09
December	1.23	1.10
<b>2020</b>		
January	1.18	0.96
February	1.08	0.90
March	1.05	0.66
April (up to the Latest Practicable Date)	0.85	0.70

**(H) UNDERTAKING**

None of the Directors nor, to the best of their knowledge, having made all reasonable enquiries, their respective close associates (as defined in the Listing Rules), have any present intention, if the Proposed Repurchase Mandate is approved by the Shareholders, to sell any of the Shares to the Company.

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

The Company has not been notified by any core connected persons (as defined in the Listing Rules) that they have a present intention to sell any Shares to the Company, or that they have undertaken not to sell any Shares held by them to the Company in the event that the granting of the Proposed Repurchase Mandate is approved by the Shareholders.

*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 Yugang (孫玉剛先生) (“Mr. Sun”)**

**Mr. Sun**, aged 39, is an executive Director and executive vice president of the Group.

Mr. Sun was a manager of the Finance and Investment Department of Inner Mongolia Mengniu Dairy (Group) Co., Ltd. between May 2002 and March 2007. Mr. Sun was the chief financial officer, executive director and vice president of the Company from March 2007 to September 2016 and the non-executive director of the Company from October 2016 to March 2017. Subsequently, Mr. Sun worked for Hebei Yinong Network Technology Co., Ltd.\* (河北宜農網絡科技有限公司) as a director, vice president and chief financial officer from October 2016 to August 2018 and for Jiangsu Yuguan Modern Agricultural Technology Co., Ltd.\* (江蘇裕灌現代農業科技有限公司) as a vice president and chief financial officer from August 2018 to October 2019. Mr. Sun re-joined the Group in November 2019 and served as the executive vice president of the Group. Mr. Sun graduated from Inner Mongolia Finance and Economics College, majoring in accounting. Mr. Sun has extensive experience in financial management and corporate development.

Mr. Sun has entered into a letter of appointment with the Company as an executive Director for a term of three years commencing on 1 April 2020, subject to retirement by rotation and re-election at annual general meeting of the Company in accordance with the Articles of Association and the Listing Rule. According to Mr. Sun’s letter of appointment, he will not receive any director’s fee. Nevertheless, Mr. Sun is entitled to an annual remuneration of RMB1,200,000 for his role as the executive vice president of the Group, which has been determined by reference to his qualifications, experience, level of responsibilities undertaken with the Group, the financial performance of the Group and the prevailing market conditions.

As far as the Directors are aware, within the meaning of Part XV of the Securities and Future Ordinance, as at the Latest Practicable Date, Mr. Sun has beneficial interests in 1,087,000 awarded shares granted but not yet vested under the share award scheme of the Company adopted on 26 March 2018, representing approximately 0.017% of the issued shares capital of the Company.

Save as disclosed above, Mr. Sun (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 other public companies the securities of which are listed on any securities market in Hong Kong or overseas in the last three years; (iii) does not have any interest in the Shares within the meaning of Part XV of the Securities and Futures Ordinance; and (iv) there is no other 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)(v) of the Listing Rules.

**Mr. Wolhardt Julian Juul (“Mr. Wolhardt”)**

**Mr. Wolhardt**, aged 46, is an independent non-executive Director and a member of the Audit Committee, Nomination Committee and Remuneration Committee. Mr. Wolhardt joined the Group in July 2008 and, prior to the re-designation on 1 April 2020, has been a non-executive Director of the Company since 30 July 2008, and has been advising on the corporate development and strategic planning of the Group. Mr. Wolhardt was the Chairman of the Company from 17 September 2012 to 28 June 2013. Mr. Wolhardt is currently the chief executive officer of DCP Advisors, Limited, an international private equity firm that focuses on opportunities in Asia. Prior to joining DCP Advisors, Limited, Mr. Wolhardt had been a partner of KKR Asia Limited from July 2006 to August 2016 and worked for Morgan Stanley Private Equity Asia from 1998 to 2006 responsible for its private equity business in China. Mr. Wolhardt is currently an independent director of Niu Technologies, a company listed on Nasdaq and a director of Fujian Sunner Development Co., Ltd., a company listed on the Shenzhen Stock Exchange. Mr. Wolhardt is also an independent non-executive director of Mengniu and a non-executive director of COFCO Meat Holdings Limited, both listed on the Stock Exchange. Mr. Wolhardt is a certified public accountant and certified management accountant. Mr. Wolhardt received a bachelor’s degree in Accounting from the University of Illinois (Urbana-Champaign) in the United States.

Mr. Wolhardt 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 1 April 2020, subject to retirement by rotation and re-election at annual general meeting of the Company in accordance with the Articles of Association and the Listing Rules. According to Mr. Wolhardt’s letter of appointment, he has waived the rights to receive any remuneration in respect of the new appointment.

Save as disclosed above, Mr. Wolhardt (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 other public companies the securities of which are listed on any securities market in Hong Kong or overseas in the last three years; (iii) does not have any interest in the Shares within the meaning of Part XV of the Securities and Futures Ordinance; and (iv) there is no other 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)(v) of the Listing Rules.

**Ms. Gan Lu (甘璐女士) (“Ms. Gan”)**

**Ms. Gan**, aged 37, is a non-executive Director of the Company and a member of the Strategy and Development Committee. She is the chief investment officer of Beijing Hosen Capital Management, LLP (“**Hosen Capital**”), one of the first private equity management institutions registered with the China National Development and Reform Commission pursuant to the new equity investment regulations. Ms. Gan is also the person-in-charge of the office of Hosen Capital in Hong Kong. Ms. Gan joined Hosen Capital in 2018. Ms Gan has over twelve years experience in the financial and investment sectors. Before joining Hosen Capital, Ms. Gan worked for the Hong Kong office of New Hope Group Co., Ltd, for four years as head of its Hong Kong office and chief investment officer of its financial division. Ms. Gan also worked for China International Capital Corporation Limited (CICC) in Beijing

and Hong Kong for six years as the head of the Hong Kong operations support coordination department. Ms. Gan graduated from The University of Hong Kong with a master's degree in business administration.

The Company has entered into a letter of appointment with Ms. Gan for her appointment as a non-executive director for a term of three years subject to retirement by rotation and re-election at annual general meeting of the Company in accordance with the articles of association of the Company and the Listing Rules. Ms. Gan will not receive any director's fee.

Save as disclosed above, Ms. Gan (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 other public companies the securities of which are listed on any securities market in Hong Kong or overseas in the last three years; (iii) does not have any interest in the Shares within the meaning of Part XV of the Securities and Futures Ordinance; and (iv) there is no other 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)(v) of the Listing Rules.

**Mr. Lu Minfang (盧敏放先生) (“Mr. Lu”)**

**Mr. LU**, aged 51, was appointed as a non-executive Director and chairman of the board of Directors of the Company in March 2017. Mr. Lu is currently the executive director and chief executive officer of Mengniu and is a member of the strategy and development committee of Mengniu. Mengniu is the controlling shareholder of the Company. Mr. Lu is also a director of International Dairy Federation. Mr. Lu is also the chairman and a non-executive director of Yashili International Holdings Ltd (stock code: 1230.HK) (“**Yashili**”), a subsidiary of Mengniu. He was the executive director and chief executive officer of Yashili before his appointment as chairman of the board of directors of Yashili. Mr. Lu was also a director of the following subsidiaries of Yashili, namely Yashili International Ltd., Yashili International Group Limited, Newou Hong Kong International Co., Limited and Scient International Group Limited. Mr. Lu was the vice president (Greater China) of Danone Early Life Nutrition Greater China and had been with the Danone Group and Dumex Baby Food Co. Ltd. for over 10 years. During his tenure at the Danone Group, Mr. Lu demonstrated strong strategic business and market planning capabilities. With strong leadership, management skills and in-depth knowledge of markets, Mr. Lu had contributed significantly to the success of the Danone Group's baby nutrition business in China. Prior to joining the Danone Group, Mr. Lu spent 9 years with Johnson & Johnson (China) Company Limited and approximately 4 years with General Electric Company (China). Mr. Lu has over 18 years of experience in sales and marketing and has been serving in general manager or executive level roles for over 7 years. Mr. Lu has extensive experience in the management of fast-moving consumer products and dairy companies and has an excellent grasp and in-depth knowledge of the PRC market. Mr. Lu obtained his bachelor's degree from Fudan University in Shanghai.

Mr. Lu 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 29 March 2020, subject to retirement by rotation and re-election at annual general meeting of the Company in accordance with the Articles of Association and the Listing Rules. According to Mr. Lu's letter of appointment, he is not entitled to any remuneration.



As mentioned above, Mr. Lu is the executive director and chief executive officer of Mengniu, which is engaged in the dairy industry, and thus Mr. Lu has interests in the business of Mengniu which are considered to compete or likely to compete, either directly or indirectly, with the business of the Group.

The above-mentioned competing business is managed by separate entities with independent management and administration. The Directors are of the view that the Group is capable of carrying on its businesses independently of, and at arm's length from, the businesses of these entities. When making decisions, Mr. Lu, in performance of his duty as a Director, has acted and will continue to act in the best interests of the Group.

As far as the Director are aware, within the meaning of Part XV of the Securities and Future Ordinance, as at the Latest Practicable Date, Mr. Lu has beneficial interests in 11,269,457 shares of Mengniu, an associated corporation of the Company.

Save as disclosed above, Mr. Lu (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 other public companies the securities of which are listed on any securities market in Hong Kong or overseas in the last three years; (iii) does not have any interest in the Shares within the meaning of Part XV of the Securities and Futures Ordinance; and (iv) there is no other 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)(v) of the Listing Rules.

**Mr. Zhang Ping (張平先生) (“Mr. Zhang”)**

**Mr. Zhang**, aged 55, joined the Group as a non-executive Director of the Company in March 2016. Mr. Zhang is a vice president and the chief financial officer of Mengniu. Mr. Zhang holds several directorships in certain subsidiaries of Mengniu including the director of Inner Mongolia Mengniu and Inner Mongolia Mengniu Danone Dairy Co., Ltd.. Mr. Zhang has also taken the position of non-executive director of Yashili since 27 April 2015. Mr. Zhang graduated from Beijing Information Science and Technology University with master's degree in management engineering, and has over 24 years of experience in the industry of fast-moving consumer goods, specializing in the management of operation, finance and audit as well as risk control. He successively worked as manager of internal audit and system development, finance director of Swire Beverages Co., Ltd, general manager of its bottler manufacturing company and chief executive officer of Coca-Cola Bottler Manufacturing Holdings Limited.

Mr. Zhang 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 22 March 2019, subject to retirement by rotation and re-election at annual general meeting of the Company in accordance with the Articles of Association and the Listing Rules. According to Mr. Zhang's letter of appointment, he is not entitled to any remuneration.

As mentioned above, Mr. Zhang is a vice president and chief financial officer of Mengniu, which is engaged in the dairy industry, and thus Mr. Zhang has interests in the business of Mengniu which are considered to compete or likely to compete, either directly or indirectly, with the business of the Group.

The above-mentioned competing business is managed by separate entities with independent management and administration. The Directors are of the view that the Group is capable of carrying on its businesses independently of, and at arm's length from, the businesses of these entities. When making decisions, Mr. Zhang, in performance of his duty as a Director, has acted and will continue to act in the best interests of the Group.

As far as the Director are aware, within the meaning of Part XV of the Securities and Future Ordinance, as at the Latest Practicable Date, Mr. Zhang has beneficial interests in 1,940,500 shares of Mengniu, an associated corporation of the Company.

Save as disclosed above, Mr. Zhang (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 other public companies the securities of which are listed on any securities market in Hong Kong or overseas in the last three years; (iii) does not have any interest in the Shares within the meaning of Part XV of the Securities and Futures Ordinance; and (iv) there is no other 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)(v) of the Listing Rules.

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# NOTICE OF ANNUAL GENERAL MEETING

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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)**

**NOTICE IS HEREBY GIVEN THAT** the Annual General Meeting of China Modern Dairy Holdings Ltd. (the “**Company**”) will be held at Ballroom, Level 3, JW Marriott Hotel Hong Kong, Pacific Place, 88 Queensway, Hong Kong on (Wednesday) 3 June 2020 at 9:00 a.m. for the following purposes:

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 2019.
2. To re-elect the following directors of the Company (“**Directors**”) and authorize the board of Directors to fix directors’ fees, including:
  - (A) to re-elect Mr. Sun Yugang as a Director;
  - (B) to re-elect Mr. Wolhardt Julian Juul as a Director;
  - (C) to re-elect Ms. Gan Lu as a Director;
  - (D) to re-elect Mr. Lu Minfang as a Director;
  - (E) to re-elect Mr. Zhang Ping as a Director; and
  - (F) to authorize the board of Directors to fix directors’ fees.
3. 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.

\* for identification purpose only

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## NOTICE OF ANNUAL GENERAL MEETING

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As special business, to consider and, if thought fit, to pass with or without amendments the following ordinary resolutions:

### ORDINARY RESOLUTIONS

4. **“THAT:**

- (a) subject to paragraph 4(c) below, a general mandate be and is hereby unconditionally granted to the Directors to exercise during the Relevant Period (as defined in paragraph 4(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 4(a) shall authorize the Directors during the Relevant Period (as defined in paragraph 4(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 4(d) below);
- (c) the aggregate number 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 4(a), otherwise than pursuant to (i) a Rights Issue (as defined in paragraph 4(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 number of the share 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.

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## NOTICE OF ANNUAL GENERAL MEETING

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“**Rights 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).”

5. **“THAT:**

- (a) a general mandate be and is hereby unconditionally given to the Directors to exercise during the Relevant Period (as defined in paragraph 5(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 number of shares so repurchased or otherwise acquired shall not exceed 10% of the aggregate number of the share 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.”
6. **“THAT**, conditional upon the passing of resolutions numbered 4 and numbered 5 set out in this notice, the aggregate number of the shares in the Company which are repurchased or otherwise acquired by the Company pursuant to resolution numbered 5 shall be added to the aggregate number of the shares which may be issued pursuant to resolution numbered 4.”

By order of the Board of  
**China Modern Dairy Holdings Ltd.**  
**LI Kwok Fat**  
*Company Secretary*

Hong Kong, 23 April 2020

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## NOTICE OF ANNUAL GENERAL MEETING

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*Registered office:*

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

*Principal place of business in Hong Kong:*

Room A, 32nd Floor, COFCO Tower  
262 Gloucester Road  
Causeway Bay  
Hong Kong

*Notes:*

1. Any shareholder 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 shareholder of the Company.
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 branch 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 shareholder 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 Wednesday, 3 June 2020 are entitled to attend and vote at the Annual General Meeting. The register of members of the Company will be closed from Friday, 29 May 2020 to Wednesday, 3 June 2020, 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 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, no later than 4:30 p.m. on Thursday, 28 May 2020, for registration.
5. Concerning resolution numbered 4 above, the approval is being sought from shareholders 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 total issued shares 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 this notice is for reference only. In case of any discrepancies, the English version shall prevail.
7. If typhoon signal no. 8 or above remains hoisted or a black rainstorm warning signal is in force at 9:00 a.m. on the date of the meeting by the above notice, the meeting will be postponed or adjourned. Shareholders are requested to visit the Company's website (<http://www.moderndairyir.com>) and Hong Kong Exchanges and Clearing Limited's website ([www.hkex.com.hk](http://www.hkex.com.hk)) for details of alternative meeting arrangements.

The meeting by the above notice will be held as scheduled when an amber or a red rainstorm warning signal is in force. Shareholders should make their own decision as to whether they would attend the meeting under the bad weather conditions bearing in mind their own situation and if they should choose to do so, they are advised to exercise care and caution.

8. To safeguard the health and safety of the Shareholders and to prevent the spreading of the COVID-19 pandemic, the following precautionary measures will be implemented at the Annual General Meeting:
  - (1) Compulsory body temperature screening/checks
  - (2) Submission of Health Declaration Form

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## NOTICE OF ANNUAL GENERAL MEETING

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- (3) Wearing of surgical face mask
- (4) No provision of refreshments
- (5) Maintenance of appropriate distancing and spacing

Attendees who do not comply with the precautionary measures (1) to (3) above or is subject to any HKSAR Government prescribed quarantine may be denied entry to the meeting venue of the Annual General Meeting, at the absolute discretion of the Company as permitted by law.

- 9. For the health and safety of the Shareholders, the Company would like to encourage Shareholders to exercise their right to vote at the Annual General Meeting by appointing the Chairman of the Annual General Meeting as their proxy instead of attending the Annual General Meeting in person. Physical attendance is not necessary for the purpose of exercising Shareholders' rights.