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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)

**ANNOUNCEMENT
OF
CHANGES OF DIRECTORS AND AUTHORIZED REPRESENTATIVE
AND
CHANGES IN COMPOSITION OF BOARD COMMITTEES**

The Board is pleased to announce that, with effect from July 1, 2021:

- (i) Ms. GAO Lina will resign as an executive Director and cease to be the chief executive officer, the vice chairman and the Authorized Representative of the Company and the chairman of the Strategy and Development Committee;
- (ii) Mr. WOLHARDT Julian Juul will resign as an independent non-executive Director and cease to be a member of each of the Audit Committee, the Nomination Committee and the Remuneration Committee;
- (iii) Mr. ZHU Xiaohui will be appointed as a non-executive Director;
- (iv) Mr. CHOW Ming Sang will be appointed as an independent non-executive Director and a member of each of the Audit Committee, the Nomination Committee and the Remuneration Committee;

- (v) Mr. ZHAO Jiejun, a non-executive Director, will be appointed as the vice chairman of the Company and the chairman of the Strategy and Development Committee; and
- (vi) Mr. SUN Yugang, an executive Director, will be appointed as the acting chief executive officer and the Authorized Representative of the Company and a member of the Strategy and Development Committee.

The board (the “**Board**”) of directors (the “**Directors**”, and each a “**Director**”) of China Modern Dairy Holdings Ltd. (the “**Company**” or “**Modern Dairy**”, together with its subsidiaries, the “**Group**”) is pleased to announce the following changes in composition of the Board and Board committees with effect from July 1, 2021.

RESIGNATION OF DIRECTORS

Ms. GAO Lina will resign as an executive Director as she has reached the age for retirement. She will cease to be the chief executive officer, the vice chairman and the Authorized Representative (as defined below) of the Company and the chairman of the strategy and development committee of the Board (the “**Strategy and Development Committee**”).

Ms. GAO Lina has confirmed that she has no disagreement with the Board and she is not aware of any matter in relation to her resignation as an executive Director that should be brought to the attention of the shareholders of the Company (the “**Shareholders**”) or The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”).

Mr. WOLHARDT Julian Juul will resign as an independent non-executive Director in order to focus on his other business engagements. He will cease to be a member of the audit committee (the “**Audit Committee**”), the nomination committee (the “**Nomination Committee**”) and the remuneration committee (the “**Remuneration Committee**”) of the Board.

Mr. WOLHARDT Julian Juul has confirmed that he has no disagreement with the Board and he is not aware of any matter in relation to his resignation as an independent non-executive Director that should be brought to the attention of the Shareholders or the Stock Exchange.

APPOINTMENT OF DIRECTORS

With effect from July 1, 2021, (1) Mr. ZHU Xiaohui will be appointed as a non-executive Director; and (2) Mr. CHOW Ming Sang will be appointed as an independent non-executive Director and a member of each of the Audit Committee, the Nomination Committee and the Remuneration Committee.

The biographical details of each of Mr. ZHU Xiaohui and Mr. CHOW Ming Sang are set out below.

Mr. ZHU Xiaohui

Mr. ZHU Xiaohui (朱曉輝), aged 50, is currently the vice president and the secretary of the board of directors of Inner Mongolia Fuyuan International Industrial (Group) Co., Ltd. (“**Fuyuan**”). Mr. ZHU joined Fuyuan in August 2014 and has served as the vice president from August 2014 to December 2018, the senior vice president from December 2018 to June 2019 and the vice president and the secretary of the board of directors since March 2020. Prior to joining Fuyuan, Mr. ZHU had spent approximately 18 years with COFCO Group and approximately 4 years with Dalian Wanda Group Inc., Ltd. Mr. ZHU has over 29 years of experience in corporate management, in particular the management of large-scale enterprises, and has extensive experience in the dairy farming industry. Mr. ZHU graduated from Guangdong University of Foreign Studies with a bachelor’s degree in international business administration and the University of International Business and Economics with a master’s degree in business administration.

As of the date of this announcement, Fuyuan is indirectly owned as to 43.35% by China Mengniu Dairy Company Limited (“**Mengniu**”), a controlling shareholder of the Company. On March 22, 2021, the Company entered into a sale and purchase agreement with, among others, Mengniu and Fuyuan to acquire the entire equity interests in Fuyuan. Upon completion of the acquisition, Fuyuan will become a non-wholly owned subsidiary of the Company.

The Company will enter into a letter of appointment with Mr. ZHU for his service as a non-executive Director for a term of three years commencing from July 1, 2021, subject to retirement by rotation and re-election at annual general meetings of the Company in accordance with the articles of association of the Company (the “**Articles of Association**”) and the Rules Governing the Listing of Securities on the Stock Exchange (the “**Listing Rules**”). In accordance with Mr. ZHU’s letter of appointment, he will not receive any remuneration or allowance from the Company in relation to his position as a non-executive Director.

Save as disclosed above, as at the date of this announcement, Mr. ZHU (i) has not held any directorship in any listed public companies in the last three years, the securities of which are listed on any securities market in Hong Kong or overseas; (ii) does not have any other major appointment or professional qualification; (iii) does not have any interest or is not deemed to be interested in any shares or underlying shares of the Company within the meaning of Part XV of the Securities and Future Ordinance (Chapter 571 of the Laws of Hong Kong) (the “SFO”); and (iv) does not have any relationship with any other directors, senior management or substantial or controlling shareholders of the Company or its subsidiaries.

Save as disclosed above, there is no other matter in relation to the appointment of Mr. ZHU that needs to be brought to the attention of the Shareholders or the Stock Exchange, nor any information required to be disclosed pursuant to Rule 13.51(2) of the Listing Rules.

Mr. CHOW Ming Sang

Mr. CHOW Ming Sang (周明笙), aged 48, obtained his bachelor degree in Business Administration (Accounting) from Hong Kong University of Science and Technology in 1995. Mr. CHOW is a fellow member of the Hong Kong Institute of Certified Public Accountants, a fellow member of the Association of Chartered Certified Accountants and a Certified Internal Auditors. Mr. CHOW has over 26 years working experience in various industries in auditing, corporate governance and risk management advisory where he was the advisory partner of Ernst & Young (China) Advisory Limited since 2007 and was responsible for managing the Risk Advisory sub-service line’s strategic growth and development in various regions of Mainland China since 2011. From 2014 to 2016, Mr. CHOW became the Committee member of The Internal Controls General Standards Committee of The Ministry of Finance (PRC) (中國財政部內部控制標準委員會委員), the only Hong Kong resident and Big Four partner being appointed as a committee member. Mr. CHOW is also involved in promoting innovation where he acts as start-up coach of over 20 incubators and accelerators in China and Hong Kong to assist young entrepreneurs in enhancing their business from financial and strategic development perspectives. Prior to joining the Company, Mr. CHOW was the general manager of the Risk and Control Department of the Tahoe Group (the shares of which are listed on the Shenzhen Stock Exchange with stock code 000732) from October 2018 to June 2019, overseeing the company’s risk management and corporate governance of all business sectors like residential, commercial, hotel, education, insurance, medical, estate management and ageing care. Mr. CHOW is currently the managing director of Beijing Xinshi Anye Management Consulting Co., Ltd., an independent non-executive director of Teamway International Group Holdings Limited (the shares of which are listed on the Main Board of the Stock Exchange with stock code 01239), and an independent non-executive director of China Rundong Auto Group Limited (the shares of which are listed on the Main Board of the Stock Exchange with stock code 01365).

The Company will enter into a letter of appointment with Mr. CHOW for his service as an independent non-executive Director for a term of three years commencing from July 1, 2021, subject to retirement by rotation and re-election at annual general meetings of the Company in accordance with the Articles of Association and the Listing Rules. In accordance with Mr. CHOW's letter of appointment, he will receive an annual remuneration of HKD240,000 from the Company in relation to his position as an independent non-executive Director, 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.

Mr. CHOW has confirmed that he has satisfied the independence requirements to act as an independent non-executive Director under Rule 3.13 of the Listing Rules. The Board has assessed his independence and considers that he meets the independence guidelines set out in Rule 3.13 of the Listing Rules and is independent in accordance with the terms of the guidelines. In addition, the Board believes that Mr. CHOW, with his extensive experiences and knowledge, will contribute to and enhance the corporate governance of the Company.

Save as disclosed above, as at the date of this announcement, Mr. CHOW (i) has not held any directorship in any listed public companies in the last three years, the securities of which are listed on any securities market in Hong Kong or overseas; (ii) does not have any other major appointment or professional qualification; (iii) does not have any interest or is not deemed to be interested in any shares or underlying shares of the Company within the meaning of Part XV of the SFO; and (iv) does not have any relationship with any other directors, senior management or substantial or controlling shareholders of the Company or its subsidiaries.

Save as disclosed above, there is no other matter in relation to the appointment of Mr. CHOW that needs to be brought to the attention of the Shareholders or the Stock Exchange, nor any information required to be disclosed pursuant to Rule 13.51(2) of the Listing Rules.

CHANGE OF AUTHORIZED REPRESENTATIVE

With effect from July 1, 2021, (1) Ms. GAO Lina will cease to be an authorized representative of the Company as required under Rule 3.05 of the Listing Rules and an authorized representative of the Company to accept service of process or notices in Hong Kong on behalf of the Company as required under Rule 19.05(2) of the Listing Rules and Part 16 of the Companies Ordinance (Chapter 622 of the Laws of Hong Kong) (the “**Authorized Representative**”) due to her retirement; and (2) Mr. SUN Yugang, an executive Director, will be appointed as the Authorized Representative.

CHANGE OF EXECUTIVE FUNCTIONS

With effect from July 1, 2021, (1) Ms. GAO Lina will cease to be the chief executive officer and vice chairman of the Company; (2) Mr. ZHAO Jiejun, a non-executive Director, will be appointed as the vice chairman of the Company; and (3) Mr. SUN Yugang, an executive Director, will be appointed as the acting chief executive officer of the Company.

CHANGE IN COMPOSITION OF BOARD COMMITTEES

Subsequent to the resignation and appointment of Directors as disclosed above, the composition of the Audit Committee, the Nomination Committee, the Remuneration Committee and the Strategy and Development Committee will be changed as follows, with effect from July 1, 2021:

Audit Committee

Mr. WOLHARDT Julian Juul will cease to be a member of the Audit Committee and Mr. CHOW Ming Sang will be appointed as a member of the Audit Committee.

Nomination Committee

Mr. WOLHARDT Julian Juul will cease to be a member of the Nomination Committee and Mr. CHOW Ming Sang will be appointed as a member of the Nomination Committee.

Remuneration Committee

Mr. WOLHARDT Julian Juul will cease to be a member of the Remuneration Committee and Mr. CHOW Ming Sang will be appointed as a member of the Remuneration Committee.

Strategy and Development Committee

Ms. GAO Lina will cease to be the chairman of the Strategy and Development Committee. Mr. ZHAO Jiejun, a non-executive Director, will be appointed as the chairman of the Strategy and Development Committee and Mr. SUN Yugang, an executive Director, will be appointed as a member of the Strategy and Development Committee.

ACKNOWLEDGEMENT

As one of the founders of the Group, Ms. GAO Lina has made extraordinary contributions to promoting the high-quality development of the Group during her tenure. Modern Dairy pioneered large-scale farming in China's dairy industry, and promoted the development of dairy industry in China towards intensification, standardization, and industrialization. In 2010, the Group was successfully listed on the Stock Exchange as the world's first company listed with dairy farming resources. At the same time, the Group has tailored an innovative production model of "Zero-distance Integration of Forage Grass Planting, Cows Breeding and Milk Processing within Two Hours". The Company is the first dairy farming group in China that passed the "Quality Milk Project (Premium Milk)". In 2014, the Company's branded milk won the Gold Prize of Monde Selection for the first time, and has won the Gold Prize for eight consecutive years as of 2021. At the Company's 15th anniversary ceremony, Ms. GAO led the Group to officially launch the Five-year Lead Plan. In 2021, the Company announced the acquisition of Fuyuan and Zhongyuan Muye Company Limited. The Group has gained industry awareness and reputation, and further enhanced its brand awareness from these acquisitions. During her tenure in the Group, Ms. GAO, with her superb management skills and charisma, led the employees to summarize and precipitate unique dairy farming corporate culture and spirit, and to form the "Standards, Principles, Implementation, Details and Efficiency" policy and the "Si Xin" culture of "Initial Intention, Ingenuity, Innovation and Confidence", which motivate the development and growth of the employees and are praised by the industry. Since the founding of the Company, Ms. GAO has made great contributions to China's dairy farming industry and dairy industry. In view of these, Ms. GAO is highly regarded in the industry and known as the "Iron Lady of the Dairy Industry".

Mr. WOLHARDT Julian Juul is perceptive and forward-looking. With his vision and extensive experience, he has brought capital and resource in support of Modern Dairy. With his brilliant talent, he has contributed many objective and impartial suggestions and opinions on compliance, risk management and business development of Modern Dairy. His dedication, diligence, expertise and enthusiasm have significantly inspired, assisted and touched the Group and the team.

The Board would like to express its sincere gratitude to Ms. GAO Lina and Mr. WOLHARDT Julian Juul for their contributions to the Group during their term of service as executive Director and independent non-executive Director, respectively, and would like to extend its warmest welcome to Mr. ZHU Xiaohui and Mr. CHOW Ming Sang on their new appointments.

For and on behalf of the Board
China Modern Dairy Holdings Ltd.
LU Minfang
Chairman

Hong Kong, June 28, 2021

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