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Daqing Dairy Holdings Limited

大慶乳業控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 01007)

APPOINTMENT OF A NEW EXECUTIVE DIRECTOR AND CHANGE OF CHAIRMAN AND CHIEF EXECUTIVE OFFICER

The Board is pleased to announce that Mr Wang Delin has been appointed as a new executive director of the Company and the CEO with effect from 18 August 2011.

The Board also wishes to announce that Mr Zhao Chuan Wen has stepped down as the Chairman but remained as an executive director of the Company to focus on upstream integration and Mr Zhao Yu has been redesignated from the CEO to the Chairman, all with effect from 18 August 2011.

APPOINTMENT OF A NEW EXECUTIVE DIRECTOR

The board of directors (the “Board”) of Daqing Dairy Holdings Limited (the “Company”) is pleased to announce that Mr Wang Delin has been appointed as an executive director of the Company with effect from 18 August 2011.

Mr Wang Delin (“Mr Wang”), aged 54, has extensive experience in the dairy industry and outstanding corporate management skills. During his term of office in Gong Da Group Heilongjiang Dairy Group (工大集團黑龍江乳業集團), the annual income of that company has been surged from RMB1 billion (with net loss of RMB0.1 billion) to RMB3.5 billion (with net profit of RMB0.3 billion) under his leadership. Currently, Heilongjiang Dairy Group (黑龍江乳業集團), being the only new high-tech enterprise approved and recognized by the Ministry of Science and Technology of the PRC and Chinese Academy of Sciences, is identified as the leading industrialized agricultural enterprise of Heilongjiang Province, national pioneer enterprise in special industry (全國特產行業先進龍頭企業) and one of the top ten dairy enterprises in the PRC, with a total assets of RMB0.9

billion, 2,200 staff and 30 production lines of dairy products. With an aggregate daily productivity of processing milk of 1,000 tonnes, its primary scopes of operation include the production and sales of dairy products and raising dairy cows, while its main products include nearly 100 items in the four key categories, namely milk powder, liquid milk, fermented milk, and juices. There are four brands under the group, namely “Longdan (龍丹)”, “Jinxing (金星)”, “Morinaga (森永)” “Baisui (百歲)” “Songhuajiang (松花江)”, and “Linmei (林梅)”, among which, “Longdan (龍丹)” and “Jinxing (金星)” are well-known brands in China and “State-designated Products Exempted from Quality Surveillance Inspection”. Dairy products of the group is popular in over 30 provinces in China, and its standards of productions, sales, and management are of high level compared with its peers. Between July 1985 and May 1988, Mr Wang studied in Harbin Ship Engineering Institute (哈爾濱船舶工程學院) and graduated in moral and education profession (思想政治教育專業) of the Faculty of Social Sciences. During 1989 to 1996, he worked in Harbin Wood Integrated Processing Factory (哈爾濱木材綜合加工廠) as the deputy manager. During 1996 to July 2011, he held positions as the chairman and general manager in Gong Da Group Heilongjiang Dairy Group (工大集團黑龍江乳業集團).

Mr Wang has entered into a service agreement with the Company for an initial fixed term commencing from 18 August 2011 to 27 October 2013 as an executive director of the Company which may only be terminated in accordance with the provisions of the service agreement or by either party giving to the other not less than three months’ notice in writing.

Mr Wang is entitled to a director’s emolument at RMB50,000 per month which was determined upon negotiation between Mr Wang and the Company at arm’s length on the basis of his previous experience, professional qualifications, responsibilities to be involved in the Company and the amount of time devoted to the Company’s business as well as the current financial position of the Company and the prevailing market condition.

In addition, Mr Wang is entitled to participate at the discretion of the Board in the Company’s share option scheme (or other share option or incentive scheme for the time being) on such terms as may be determined by the Board from time to time. Mr Wang is also entitled to a discretionary bonus, provided that the aggregate amount of the bonuses payable to all the executive directors of the Company in respect of any financial year may not exceed 5% of the audited consolidated or combined net profit (after taxation and minority interests and payment of such bonuses but excluding extraordinary and exceptional items) in respect of that financial year. The bonus shall be of such amount as the Board may determine, in its absolute discretion.

As at the date of this announcement, Mr Wang does not have any interests in shares, underlying shares and debentures of the Company within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

Save as disclosed above, (i) Mr Wang has not held any other directorships in any public companies the securities of which are listed on any securities market in Hong Kong or overseas in the past three years; (ii) he has not held any other positions in the Company and its subsidiaries; and (iii) he does not have any relationship with any directors, senior management, substantial shareholders or controlling shareholders of the Company.

Save as disclosed above, the Board is not aware of any other matter in relation to the appointment of Mr Wang that need to be brought to the attention of the shareholders of the Company or any information about Mr Wang that shall be disclosed pursuant to Rule 13.51 (2)(h) to (v) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”).

CHANGE OF CHAIRMAN AND CHIEF EXECUTIVE OFFICER

The Board further announces that Mr Zhao Chuan Wen has stepped down as the chairman of the Board of the Company (the “Chairman”) but remained as an executive director of the Company with effect from 18 August 2011, to focus on upstream integration.

Following the stepping down of Mr Zhao Chuan Wen as the Chairman, Mr Zhao Yu has been appointed as the Chairman, stepped down as the chief executive officer of the Company (the “CEO”) and remained as an executive director of the Company. The newly appointed executive director, Mr Wang, has been appointed as the CEO.

Save as disclosed above, there are no other matters that need to be brought to the attention of the shareholders of the Company in connection with the above appointments and redesignations and there is no other information to be disclosed pursuant to Rule 13.51(2) of the Listing Rules.

The Board would like to extend its warmest welcome to Mr Wang on his appointment as an executive director and chief executive officer of the Company, and wishes to extend its sincere congratulations to the new appointments of Mr Zhao Chuan Wen and Mr Zhao Yu in their new capacities and looking forward to the long term relationship ahead.

By Order of the Board
Daqing Dairy Holdings Limited
Zhao Yu
Chairman

Hong Kong, 18 August 2011

As at the date of this announcement, the executive directors of the Company are Mr Zhao Chuan Wen, Mr Zhao Yu, Mr Xia Yuan Jun, Mr Fu Chong, Mr Fong Pin Jan and Mr Wang Delin; and the independent non-executive directors of the Company are Mr Cheung Hok Fung Alexander, Ms Chan Wah Man Carman and Mr Zhang Zhou.