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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: 1007)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that the extraordinary general meeting (the “**Meeting**”) of Daqing Dairy Holdings Limited (the “**Company**”) will be held at Dynasty I of the Dynasty Club, 7/F., South West Tower, Convention Plaza, 1 Harbour Road, Wanchai, Hong Kong on Monday, 28 May 2018 at 11:00 a.m. for the purpose of considering and, if thought fit, passing the following resolutions as ordinary resolutions, with or without amendment:

ORDINARY RESOLUTIONS

1. “**THAT:**

- (a) subject to and conditional upon the Listing Committee of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) granting the listing of, and permission to deal in, the Consolidated Shares (as defined below) and with effect from the business day immediately following the date of passing of this resolution, every two (2) issued and unissued existing shares of HK\$0.00001 each in the share capital of the Company (the “**Share(s)**”) be consolidated into one (1) share of HK\$0.00002 (the “**Consolidated Share(s)**”, the consolidation the “**Share Consolidation**”); and
- (b) any one director of the Company (the “**Director**”) be and is hereby authorised generally to sign, execute and deliver such documents (including the affixation of the common seal of the Company where required) and do all such acts and things and to take all such steps as he or she may consider necessary, expedient or desirable in connection with or to give effect to the Share Consolidation.”

2. “**THAT:**

- (a) subject to and conditional upon the Listing Committee of the Stock Exchange granting the listing of, and permission to deal in, the Consideration Shares (as defined below) and the Conversion Shares (as defined below), the conditional sale and purchase agreement dated 21 November 2016 (as amended and restated on 20 February 2017 and as supplemented on 30 June 2017, 30 October 2017 and 2 May 2018 (the “**Acquisition Agreement**”)) and entered into between Mr. Hung Shui Chak, Ms. Hung Ying, Mr. Ho, Roy Poon Kwong, Mr. So Kam Chuen and Ms. Sezto Yuen Man (collectively the “**Vendors**”) as vendors and the Company as purchaser, in relation to the sale and purchase of the entire issued share capital of Longhui International Catering Management Holdings Limited at a total consideration of HK\$517,881,250 (a copy of which is marked “**A**” and produced at the Meeting and signed by the chairman of the Meeting for identification purpose) and the transactions contemplated thereunder, including:
- (i) the allotment and issue of an aggregate of 3,789,375,000 new Consolidated Shares at the issue price of HK\$0.1025 each (the “**Consideration Shares**”), credited as fully paid, to the Vendors (or their respective nominees) pursuant to the terms and conditions of the Acquisition Agreement;
 - (ii) the issue of 5-year zero coupon convertible bonds in the aggregate principal amount of HK\$129,470,312.50 (the “**Convertible Bonds**”) to the Vendors (or their respective nominees) pursuant to the terms and conditions of the Acquisition Agreement, which are convertible into new Consolidated Shares (the “**Conversion Shares**”) at the initial conversion price of HK\$0.1025 per Conversion Share (subject to adjustments) and the issue of Conversion Shares upon the exercise of the conversion rights attaching thereto; and
 - (iii) all other transactions contemplated under the Acquisition Agreement;
- be and are hereby approved, ratified and confirmed; and
- (b) any one Director be and is hereby authorised generally to do all such acts and things and to sign, execute and deliver all such documents (including the affixation of the common seal of the Company where required) as he or she may, in his/her absolute discretion, consider necessary, desirable or expedient to give effect, determine, implement or complete any matters relating to or in connection with the implementation of and giving effect to the Acquisition Agreement and the transactions contemplated thereunder including the issue of the Consideration Shares, the Convertible Bonds and the Conversion Shares and to agree to such variation, amendment or waiver as are, in his/her opinion, in the interests of the Company.”

3. “**THAT:**

the terms of the application for a waiver (the “**Whitewash Waiver**”) granted or to be granted by the Executive Director of the Corporate Finance Division of the Securities and Futures Commission to the Vendors pursuant to Note 1 on the Dispensations from Rule 26 of the Code on Takeovers and Mergers of Hong Kong from an obligation to make a mandatory general offer to other shareholders of the Company in respect of the Consolidated Shares (other than those already owned or agreed to be acquired by the Vendors) as a result of the allotment and issue of the Consideration Shares be and are hereby approved and any one Director be and is hereby authorised generally to do all such acts and things and execute and deliver all such documents as he or she may, in his/her absolute discretion, consider necessary, desirable or expedient to give effect, determine, implement or complete any matters relating to the Whitewash Waiver.”

4. “**THAT:**

- (a) the placing agreement dated 2 May 2018 and entered into between the Company as issuer and Enhanced Securities Limited as placing agent (the “**Placing Agreement**”) for the placing of 757,875,000 new Consolidated Shares (the “**Placing Share(s)**”) at a placing price of HK\$0.1025 per Placing Share on a fully underwritten basis (a copy of which is marked “**B**” and produced at the Meeting and signed by the chairman of the Meeting for identification purpose) and the transactions contemplated thereunder, including the allotment and issue of the Placing Shares in accordance with the terms of the Placing Agreement, be and are hereby approved, ratified and confirmed; and
- (b) any one Director be and is hereby authorised generally to do all such acts and things and to sign, execute and deliver all such documents (including the affixation of the common seal of the Company where required) as he or she may, in its absolute discretion, consider necessary, desirable or expedient to give effect, determine, implement or complete any matters relating to or in connection with the implementation of and giving effect to the Placing Agreement and the transactions contemplated thereunder including the issue of the Placing Shares and to agree to such variation, amendment or waiver as are, in his/her opinion, in the interests of the Company.”

5. “**THAT:**

- (a) the sale and purchase agreement (the “**Disposal Agreement**”) dated 21 November 2016 (and as supplemented on 30 June 2017, 30 October 2017 and 2 May 2018) and entered into between the Company as vendor and Mr. Jiang Jianhui as purchaser in relation to the sale and purchase of the entire issued share capital of Global Milk Singapore Pte. Ltd. at a cash consideration of HK\$1.00 (a copy of which is marked “**C**” and produced at the Meeting and signed by the

chairman of the Meeting for identification purpose) and the transactions contemplated thereunder be and are hereby approved, ratified and confirmed; and

- (b) any one Director be and is hereby authorised generally to do all such acts and things and to sign, execute and deliver all such documents (including the affixation of the common seal of the Company where required) as he or she may, in his/her absolute discretion, consider necessary, desirable or expedient to give effect, determine, implement or complete any matters relating to or in connection with the implementation of and giving effect to the Disposal Agreement and the transactions contemplated thereunder, and to agree to such variation, amendment or waiver as are, in his/her opinion, in the interests of the Company.”

6. “**THAT:**

- (a) conditional upon completion of the Acquisition Agreement, the appointment of the following candidates as directors of the Company with effect from the date of resumption of trading in the shares of the Company on the Stock Exchange be and is hereby approved:
 - (i) Mr. Hung Shui Chak as an executive Director;
 - (ii) Mr. So Kam Chuen as an executive Director;
 - (iii) Mr. Yuan Mingjie as an executive Director;
 - (iv) Mr. Chen Jun as an executive Director;
 - (v) Mr. Chan Chun Yiu Thomas as an independent non-executive Director; and
 - (vi) Mr. Mai Guangfan as an independent non-executive Director;
- (b) any one Director be and is hereby authorised to fix the Directors’ remuneration and to do all such acts and things and execute all such documents as he or she may, in his/her absolute discretion, consider necessary, desirable or expedient in connection with the appointment of Directors set out in paragraph (a) above.”

By order of the Board
Daqing Dairy Holdings Limited
Choi Chiu Fai Stanley
Chairman

Hong Kong, 9 May 2018

Executive Directors

Dr. Choi Chiu Fai Stanley (*Chairman and Chief Executive Officer*)

Mr. Choi Ka Wai

Independent non-executive Directors

Mr. Ha Kee Choy Eugene

Mr. Szeto Tat Kwan

Mr. Fok Wai Ming Eddie

Registered office

Cricket Square

Hutchins Drive

P.O. Box 2681

Grand Cayman KY1-1111

Cayman Islands

Principal place of business in Hong Kong

Room 2512, 25/F.

Cosco Tower

183 Queen's Road Central

Hong Kong

Notes:

1. Any member of the Company entitled to attend and vote at the meeting convened shall be entitled to appoint another person as his/her proxy to attend and vote in his/her stead. A member who is the holder of two or more shares may appoint more than one proxy to represent him/her and vote on his/her behalf at the above meeting of the Company. If more than one proxy is so appointed, the appointment shall specify the number of shares in respect of which each such proxy is so appointed. A proxy need not be a member of the Company, but must attend the meeting in person to represent the member. In addition, a proxy or proxies representing either a member who is an individual or a member which is a corporation shall be entitled to exercise the same powers on behalf of the member which he/she/they represent as such member could exercise.
2. To be valid, the form of proxy together with the power of attorney or other authority (if any), under which it is signed or a certified copy of that power or authority must be deposited at the Company's Hong Kong branch share registrar and transfer office, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17/F, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong not less than 48 hours before the appointed time for holding the meeting or any adjournment thereof.
3. Completion and delivery of an instrument appointing a proxy should not preclude a member from attending and voting in person at the meeting or any adjournment thereof and, in such event, the instrument appointing a proxy shall be deemed to be revoked.

4. In the case of joint holders of a share, any one of such joint holders may vote, either in person or by proxy, in respect of such share as if he/she were solely entitled thereto; but if more than one of such joint holders are present at the above meeting, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders. For this purpose, seniority shall be determined by the order in which the names stand in the register of members of the Company in respect of the joint holding.
5. Pursuant to Rule 13.39(4) of the Listing Rules, any votes of shareholders at a general meeting must be taken by poll (except for those relating purely to a procedural or administrative matter which may be voted on by a show of hands). Therefore, the resolutions proposed at the meeting shall be voted by poll.