



# CHINA MENGNIU DAIRY COMPANY LIMITED

*(Incorporated in the Cayman Islands with limited liability)*

(Stock Code: 2319)

## NOTICE OF ANNUAL GENERAL MEETING

**NOTICE IS HEREBY GIVEN** that an Annual General Meeting of the shareholders of China Mengniu Dairy Company Limited (the “Company”) will be held at Salon 4, 3/F., JW Marriot Hotel, Pacific Place, 88 Queensway, Hong Kong on Friday, 23 June 2006 at 10:30 a.m. for the following purposes:

1. To receive and consider the audited financial statements and the report of directors and auditors for the year ended 31 December 2005.
2. To approve the proposed final dividend.
3. To re-elect directors and authorise the board of directors of the Company to fix their remuneration.
4. To re-appoint auditors and authorise the board of directors of the Company to fix their remuneration.

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

### ORDINARY RESOLUTIONS

5. “**THAT**”
  - (a) subject to paragraph (b) below, the exercise by the directors of the Company (the “**Directors**”) during the Relevant Period (as defined below) of all the powers of the Company to repurchase shares of HK\$0.10 each in the capital of the Company (“**Shares**”) on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) or on any other stock exchange on which the securities of the Company may be listed and recognised by the Securities and Futures Commission of Hong Kong and the Stock Exchange for this purpose, subject to and in accordance with applicable laws and the requirements of the Rules Governing the Listing of Securities on the Stock Exchange or of any other stock exchange as amended from time to time, be and is hereby generally and unconditionally approved;
  - (b) the aggregate nominal amount of the Shares which may be repurchased pursuant to the approval in paragraph (a) above shall not exceed ten per cent (10%) of the aggregate nominal amount of the share capital of the Company in issue at the date of passing this resolution number 5 set out in this notice of annual general meeting (“**Resolution 5**”) and the said approval shall be limited accordingly; and
  - (c) for the purpose of this Resolution 5:

“Relevant Period” means the period from the passing of this Resolution 5 until whichever is the earliest of:

    - (i) the conclusion of the next annual general meeting of the Company; or

- (ii) the expiration of the period within which the next annual general meeting of the Company is required by its articles of association or by any applicable law(s) to be held; or
- (iii) the revocation or variation of the authority given to the Directors under this Resolution 5 by the passing of an ordinary resolution by the shareholders in general meeting.”

6. “**THAT**”

- (a) subject to paragraph (c) below, the exercise by the Directors during the Relevant Period (as defined in paragraph (d) below) of all the powers of the Company to allot, issue and deal with additional Shares and to make or grant offers, agreements, options and warrants which might require the exercise of such power be and is hereby generally and unconditionally approved;
- (b) the approval in paragraph (a) of this resolution set out in this notice of annual general meeting (“**Resolution 6**”) shall authorise the Directors during the Relevant Period to make or grant offers, agreements, options and warrants which might require the exercise of such power after the end of the Relevant Period;
- (c) the aggregate nominal amount of share capital allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) by the Directors pursuant to the approval in paragraph (a) of this Resolution 6, otherwise than pursuant to, (i) a Rights Issue (as hereinafter defined), (ii) any option scheme or similar arrangement for the time being adopted for the grant or issue to officers and/or employees of the Company and/or any of its subsidiaries of Shares or rights to acquire Shares or (iii) any scrip dividend or similar arrangement providing for the allotment of Shares in lieu of the whole or part of a dividend on Shares in accordance with the articles of association of the Company, shall not exceed of 20 per cent (20%) of the aggregate nominal amount of the share capital of the Company in issue at the date of passing this Resolution 6, and the said approval shall be limited accordingly.
- (d) for the purpose of this Resolution 6:

“Relevant Period” means the period from the passing of this Resolution 6 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 its articles of association or by any applicable law(s) to be held; or
- (iii) the revocation or variation of the authority given to the Directors under this Resolution 6 by the passing of an ordinary resolution by the shareholders in general meeting.

“Rights Issue” means an offer of shares open for a period fixed by the Directors to the holders of the Shares 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 legal or practical problems having regard to any restrictions or obligations under the laws of, or the requirements of any recognised regulatory body or any stock exchange in, any territory outside Hong Kong applicable to the Company).”

7. “**THAT** subject to the passing of Resolutions 5 and 6, the general mandate referred to in Resolution 6 above be and is hereby extended by the addition to the aggregate nominal amount of the share capital of the Company which may be allotted or agreed to be allotted by the Directors of the Company pursuant to such general mandate an amount representing the aggregate nominal amount of Shares repurchased by the Company pursuant to the general mandate referred to in Resolution 5 above provided that such amount shall not exceed ten per cent (10%) of the existing issued share capital of the Company at the date of passing this Resolution 7.”

### **SPECIAL RESOLUTIONS**

8. “**THAT** the existing articles of association of the Company be and are hereby amended in the following manner:

- (a) Article 95 be deleted and replaced with the following:

“The Board shall have power from time to time and at any time to appoint any person so nominated by the Nomination Committee as a Director either to fill a casual vacancy or as an addition to the Board. Any Director so appointed by the Board shall hold office only until the next following general meeting of the Company (in case of filling a casual vacancy) or until the next following annual general meeting of the Company (in the case of an addition to the existing Board), and shall then be eligible for re-election at that meeting, provided that any Director who so retires at an annual general meeting of the Company shall not be taken into account in determining the number of Directors who are to retire at such meeting by rotation pursuant to Article 112. Director being re-elected need not have been nominated by the Nomination Committee if they are retiring due to rotation pursuant to Article 112 and are being nominated for re-election at a general meeting.”

- (b) Article 102

By deleting the words “special resolution” in paragraph (vii) of the existing article 102 and replacing the same with the words “ordinary resolution”.

- (c) Article 115

The sentence in the existing article 115, “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, but shall not be taken into account in determining the Directors who are to retire by rotation at such meeting” be deleted and substituted with “Any Director so appointed shall hold office until the next following general meeting of the Company (in the case of filling a casual vacancy) or until the next following annual general meeting of the Company (in the case of an addition to the existing Board), and shall then be eligible for re-election, but shall not be taken into account in determining the Directors who are to retire by rotation at such meeting”

- (d) Article 118 (a)

The first sentence of the existing article 118(a) be deleted and replaced with “The Company may by ordinary resolution at any time remove any Director (including a Managing Director or other executive Director) before the expiration of his period of office notwithstanding anything in these Articles or in any agreement between the Company and such Director and may by ordinary resolution elect another person in his stead.” The words “special resolution” in the existing margin note be deleted and substituted with the words “ordinary resolution”.

By Order of the Board  
**Lo Ka Wai, Claudia**  
*Company Secretary*

Hong Kong, 29 May 2006

*As at the date of this announcement, the Executive Directors are Mr. Niu Gensheng, Ms. Lu Jun, Mr. Yang Wenjun and Mr. Sun Yubin. The Non-executive Directors are Mr. Jiao Shuge (alias Jiao Zhen) and Mr. Julian Juul Wolhardt. The Independent Non-executive Directors are Mr. Wang Huaibao, Mr. Zhang Julin and Mr. Li Jianxin.*

*Notes:*

- (1) Any member entitled to attend and vote at the meeting convened by the above notice is entitled to appoint one or more proxies to attend and, on a poll, vote instead of him. A proxy need not be a member of the Company. All proxies, together with powers of attorney or other authorities, if any, under which they are signed or notarially certified copies thereof, must be deposited with the Company's Share Registrars, Computershare Hong Kong Investor Services Limited, 46th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, not less than 48 hours before the time appointed for the meeting. Completion and return of the form of proxy will not preclude a member from attending and voting in person at the meeting.
- (2) The Register of Members will be closed from 20 June 2006 to 23 June 2006 (both days inclusive). In order to establish entitlements to the proposed final dividend, all transfers accompanied by the relevant share certificates must be lodged with the Company's Share Registrars, Computershare Hong Kong Investor Services Limited, 1712-16, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not later than 4:00 p.m. on 19 June 2006.
- (3) Where there are joint registered holders of any Share, any one of such persons may vote at any meeting, either personally or by proxy, in respect of such Share as if he were solely entitled thereto; but if more than one of such joint holders are present at any meeting personally or by proxy, that one of the said persons so present being the most or, as the case may be, the more senior shall alone be entitled to vote in respect of the relevant joint holding and, for this purpose, seniority shall be determined by reference to the other in which the names of the joint holders stand on the register of the relevant joint holding.
- (4) With reference to Resolution 3 above, Yang Wenjun, Julian Juul Wolhardt and Zhang Julin will retire by rotation and, being eligible, offer themselves for re-election at the Annual General Meeting. Details of the above Directors are set out in Appendix III to the circular dated 29 May 2006.
- (5) With reference to Resolutions 5, 6 and 7 above, the Directors wish to state that they have no immediate plans to repurchase any existing Shares or to issue any new Shares or warrants pursuant to the relevant mandate.

“Please also refer to the published version of this announcement in The Standard.”