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## CHINA MENGNIU DAIRY COMPANY LIMITED

中國蒙牛乳業有限公司\*

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

(Stock Code: 2319)

### PROPOSED AMENDMENTS TO ARTICLES OF ASSOCIATION

### PROPOSED APPOINTMENTS OF NON-EXECUTIVE DIRECTORS AND

### RESIGNATION OF EXECUTIVE DIRECTOR

The Board proposes (i) to amend the Articles to the effect that the maximum cap of 10 directors be removed and the minimum number of directors be set to 5; and (ii) subject to the passing of the special resolution regarding the amendments to Articles, to appoint Mr. Ning Gaoning, Mr. Yu Xubo, Mr. Ma Jianping and Mr. Fang Fenglei as non-executive directors of the Company. Such appointments, if approved by the shareholders, will take effect on the date of the EGM.

The Board announces that Mr. Sun Yubin has tendered a resignation from his position as an executive director with effect from the date of the EGM.

The Company also announces that there will be corresponding proposed changes in the board of directors and articles of association of 內蒙古蒙牛乳業（集團）股份有限公司 (Inner Mongolia Mengniu Dairy (Group) Company Limited), the main operating subsidiary of the Company.

The Company currently plans to convene the EGM on or around 26 August 2009 to consider and approve the proposed amendments to Articles and the proposed appointments of directors. A circular containing the details of the biographies of the proposed non-executive directors and the proposed amendments to the Articles, together with a notice of the EGM will be dispatched to shareholders in due course.

This announcement is issued by China Mengniu Dairy Company Limited (the **Company**) in compliance with Rule 13.51(1) and (2) of the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (the **Listing Rules**).

Reference is also made to the announcement of the Company dated 6 July 2009 regarding inter alia, the entering into by the Company of a subscription agreement (the **Subscription Agreement**) with COFCO (Hong Kong) Limited (**COFCO**) and HOPU Investment Management Co., Ltd (**HOPU**) in relation to the subscription of 173,800,000 new shares of the Company by a special purpose vehicle jointly controlled by COFCO and HOPU. The said

share subscription was completed on 27 July 2009, with Flowton Holdings Limited being the subscriber to the new shares.

### **Proposed Amendments to Articles of Association of the Company**

Pursuant to the Subscription Agreement, the Company has agreed to convene an extraordinary general meeting (the **EGM**) after completion of the Subscription Agreement to increase the maximum number of the board of directors (the **Board**) to at least 11. The articles of association of the Company (the **Articles**) currently provide that the number of directors on the Board be subject to a maximum of 10 directors. The Company proposes to seek the approval of the shareholders by way of passing a special resolution to be proposed at the EGM of the proposed amendments to the Articles, the effect of which are as follows:

- (i) the maximum cap of 10 directors be removed; and
- (ii) the minimum number of directors on the Board be set at 5 directors.

### **Proposed Appointments of Non-executive Directors of the Company**

Subject to the passing of the proposed amendments of the Articles at the EGM, the Board proposes the following proposed appointments (the **Proposed Appointments**) of non-executive directors of the Company, which have been considered and approved by the nomination committee of the Company. Such appointments if approved by the shareholders of the Company at the EGM, will take effect from the date of the EGM:

- (1) Mr. Ning Gaoning (寧高寧)
- (2) Mr. Yu Xubo (于旭波)
- (3) Mr. Ma Jianping (馬建平)
- (4) Mr. Fang Fenglei (方風雷)

(collectively, the **Proposed Non-executive Directors**).

The Proposed Appointments if approved, will take effect on the same day as the EGM and continue for a term of three years. The Proposed Non-executive Directors, if appointed, will be subject to rotation and be eligible for election in the general meeting of the Company pursuant to the requirements under the Articles.

### **Proposed Appointments of Directors of Inner Mongolia Mengniu Dairy (Group) Company Limited**

內蒙古蒙牛乳業（集團）股份有限公司 (Inner Mongolia Mengniu Dairy (Group) Company Limited) (**IM Mengniu**), the main operating subsidiary of the Company, currently has the same number of directors and composition as the Board. Corresponding changes to mirror the Proposed Appointments at the level of the Board will take place in the board of IM Mengniu in accordance with its articles of association, or amendments thereto.

### **Extraordinary General Meeting**

The Company currently plans to convene the EGM on or around 26 August 2009. A circular containing the details of the biographies of the Proposed Non-executive Directors and the proposed amendments to the Articles, together with a notice of the EGM will be dispatched to shareholders in due course.

## **Biographies of Proposed Non-executive Directors**

### **Ning Gaoning (寧高寧)**

Mr. Ning, aged 50, is the chairman of COFCO Limited and COFCO (Hong Kong) Limited. Mr. Ning is also an executive director and chairman of China Foods Limited, a company listed in Hong Kong, a non-executive director and chairman of China Agri-Industries Holdings Limited, a company listed in Hong Kong, a non-executive director of Lippo China Resources Limited, a company listed in Hong Kong, an independent director of Hua Yuan Property Co. Ltd, a company listed in Shanghai, and a director of Smithfield Foods, Inc., a company listed in New York. Mr. Ning is also a director of BOC International Holdings Limited.

Before joining COFCO Limited, Mr. Ning held various positions such as vice-chairman, director and general manager of China Resources (Holdings) Company Limited. Mr. Ning has over 20 years of experience in corporate management, investment and corporate finance, business restructurings and governmental relations.

Mr. Ning graduated from Shandong University in China with a Bachelor's degree in Economics and from the University of Pittsburgh in the United States with a Master of Business Administration degree in Finance.

Mr. Ning will enter into a service contract with the Company for a term of three years, subject to retirement by rotation and election at the general meeting of the Company. Mr. Ning is entitled to a remuneration to be determined in accordance with the existing policies of the Company.

As at the date of this announcement, Mr. Ning is not a connected person of or save as disclosed herein, related to any directors, senior management or substantial or controlling shareholders of the Company and he does not have any interests in the shares of the Company within the meaning of Part XV of the Securities and Futures Ordinance. Mr. Ning is not aware of any matters that are required to be disclosed pursuant to Rules 13.51(2)(h) to 13.51(2)(v) of the Listing Rules or any other matters that need to be brought to the attention of the shareholders of the Company.

### **Yu Xubo (于旭波)**

Mr. Yu, aged 43, is currently the president of COFCO Limited and a director of COFCO (Hong Kong) Limited. He is also an executive director and the managing director of China Agri-Industries Holdings Limited, a company listed company in Hong Kong. Mr. Yu was an executive director of China Foods Limited, a company listed company in Hong Kong, from January 2006 to March 2007.

Mr. Yu holds a Bachelor's degree in Economics from the University of International Business and Economics in Beijing and an Executive Master of Business Administration degree from China Europe International Business School in Shanghai.

Mr. Yu will enter into a service contract with the Company for a term of three years, subject to retirement by rotation and election at the general meeting of the Company. Mr. Yu is entitled to a remuneration to be determined in accordance with the existing policies of the Company.

As at the date of this announcement, Mr. Yu is not a connected person of or save as disclosed herein, related to any directors, senior management or substantial or controlling shareholders of the Company and he does not have any interests in the shares of the Company within the meaning of Part XV of the Securities and Futures Ordinance. Mr. Yu is not aware of any matters that are required to be disclosed pursuant to Rules 13.51(2)(h) to 13.51(2)(v) of the Listing Rules or any other matters that need to be brought to the attention of the shareholders of the Company.

### **Ma Jianping (馬建平)**

Mr. Ma, aged 45, is currently the director of the strategy department of COFCO Limited. He is also a non-executive director of China Foods Limited, a company listed in Hong Kong, and a director of COFCO Property (Group) Co., Ltd., a company listed in Shenzhen.

Mr. Ma graduated from University of International Business and Economics in Beijing with a degree of Executive Master of Business Administration. Mr. Ma has extensive experience in corporate finance, investment, strategic planning and management and worked in Japan for over 5 years.

Mr. Ma will enter into a service contract with the Company for a term of three years, subject to retirement by rotation and election at the general meeting of the Company. Mr. Ma is entitled to a remuneration to be determined in accordance with the existing policies of the Company.

As at the date of this announcement, Mr. Ma is not a connected person of or save as disclosed herein, related to any directors, senior management or substantial or controlling shareholders of the Company and he does not have any interests in the shares of the Company within the meaning of Part XV of the Securities and Futures Ordinance. Mr. Ma is not aware of any matters that are required to be disclosed pursuant to Rules 13.51(2)(h) to 13.51(2)(v) of the Listing Rules or any other matters that need to be brought to the attention of the shareholders of the Company.

#### **Fang Fenglei (方風雷)**

Mr. Fang, aged 57, Chairman of HOPU Investment Management Co., Ltd. and Goldman Sachs Gaohua Securities Company Limited. Previously, Mr. Fang was a deputy CEO of China International Capital Corporation Limited (**CICC**) and CEO of BOC International Holdings Limited (**BOCI**) and ICEA Finance Holdings Limited.

Mr. Fang holds a Bachelor's degree in Chinese language and literature from Sun Yat-sen University.

Mr. Fang will enter into a service contract with the Company for a term of three years, subject to retirement by rotation and election at the general meeting of the Company. Mr. Fang is entitled to a remuneration to be determined in accordance with the existing policies of the Company.

As at the date of this announcement, save as disclosed herein, Mr. Fang is not related to any directors, senior management or substantial or controlling shareholders of the Company. Under Part XV of the Securities and Futures Ordinance, Mr. Fang is deemed to have an interest in any shares in the Company in which HOPU has an interest. As of the date of this announcement, HOPU is interested in 347,600,000 shares in the Company, representing approximately 20.03% of the issued share capital of the Company. Mr. Fang is not aware of any matters that are required to be disclosed pursuant to Rules 13.51(2)(h) to 13.51(2)(v) of the Listing Rules or any other matters that need to be brought to the attention of the shareholders of the Company.

Upon the proposed appointments of Mr. Ning, Mr. Yu, Mr. Ma and Mr. Fang becoming effective, the Company will have six non-executive directors. The Board would like to take this opportunity to welcome Mr. Ning, Mr. Yu, Mr. Ma and Mr. Fang in joining the Board.

#### **Resignation of Mr. Sun Yubin**

The Board also announces that Mr. Sun Yubin (**Mr. Sun**) has tendered a resignation from his position as an executive director of the Company and IM Mengniu with effect from the date of the EGM. Mr. Sun has been working in the dairy industry in China for nearly 30 years and has served the Board and IM Mengniu diligently over the years. He has decided to take a break from his career and therefore, resign from directorship of the Company to pursue personal interests. He currently does not have any concrete career plan. The Board wishes to express its gratitude to Mr. Sun for his valuable contribution to the Company during his term

of office.

The Board and Mr. Sun confirmed that they have no disagreement with each other and there is not anything relating to Mr. Sun's resignation which is required to be brought to the attention of the shareholders of the Company.

By Order of the Board of  
**China Mengniu Dairy Company Limited**  
Kwok Wai Cheong, Chris  
Company Secretary

Hong Kong, 3 August 2009

*As at the date of this announcement, the Board comprises: Mr. Niu Gensheng, Mr. Yang Wenjun, Mr. Sun Yubin, Mr. Yao Tongshan and Mr. Bai Ying as executive directors, Mr. Jiao Shuge (alias Jiao Zhen) and Mr. Julian Juul Wolhardt as non-executive directors and Mr. Zhang Julin, Mr. Zhang Xiaoya and Mr. Liu Fuchun as independent non-executive directors.*

\* For identification purposes only