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If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult your licensed securities dealer, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in China Mengniu Dairy Company Limited, you should at once hand this circular and the accompanying form of proxy to the purchaser or transferee or to the bank, licensed securities dealer or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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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)

**GENERAL MANDATES
TO REPURCHASE SHARES AND ISSUE NEW SHARES,
RE-ELECTION OF DIRECTORS,
RE-APPOINTMENT OF AUDITORS,
PROPOSED FINAL DIVIDEND
AND
NOTICE OF ANNUAL GENERAL MEETING**

A notice (the “**Notice of the Annual General Meeting**”) convening the annual general meeting of China Mengniu Dairy Company Limited (the “**Company**”) to be held at Ballroom, Level 3, JW Marriott Hotel Hong Kong, Pacific Place, 88 Queensway, Hong Kong on Friday, 6 June 2014 at 10:00 a.m. (the “**Annual General Meeting**”) is set out on pages 13 to 16 of this circular.

Whether or not you are able to attend the Annual General Meeting, please complete the accompanying form of proxy in accordance with the instructions printed thereon and return it to the Company’s branch share registrar, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong as soon as possible and in any event not later than 48 hours before the time of the Annual General Meeting or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the Annual General Meeting or at any adjournment meeting should you so wish.

LETTER FROM THE BOARD



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)

Directors:

Ms. Sun Yiping (*Chief Executive Officer*)
Mr. Bai Ying
Mr. Ning Gaoning[#] (*Chairman*)
Mr. Yu Xubo[#] (*Vice-Chairman*)
Mr. Niu Gensheng[#]
Mr. Finn S. Hansen[#]
Ms. Liu Ding[#] (*Vice-Chairwoman*)
Mr. Christian Neu[#]
Mr. Jiao Shuge (alias Jiao Zhen)* (*Vice-Chairman*)
Mr. Julian Juul Wolhardt*
Mr. Zhang Xiaoya*
Mr. Wu Kwok Keung Andrew*
Dr. Liao Jianwen*

Registered Office:

Maples Corporate Services Limited
P.O. Box 309
Ugland House
Grand Cayman KY1-1104
Cayman Islands

Principal Place of Business in

Hong Kong:
Suite 1602, 16th Floor
Top Glory Tower
262 Gloucester Road
Causeway Bay
Hong Kong

Company Secretary:

Mr. Kwok Wai Cheong, Chris

[#] *Non-executive Director*

* *Independent Non-executive Director*

30 April 2014

To the shareholders

Dear Sir or Madam,

**GENERAL MANDATES
TO REPURCHASE SHARES AND ISSUE NEW SHARES,
RE-ELECTION OF DIRECTORS,
RE-APPOINTMENT OF AUDITORS,
PROPOSED FINAL DIVIDEND
AND
NOTICE OF ANNUAL GENERAL MEETING**

* *For identification purpose only*

LETTER FROM THE BOARD

INTRODUCTION

The purpose of this circular is to provide you with information regarding, inter alia:

- (a) grant of the Share Issue Mandate (as defined below) to issue ordinary shares of HK\$0.10 each in the capital of the Company (the “**Shares**”);
- (b) grant of the Share Repurchase Mandate (as defined below) for repurchase by the Company of the Shares;
- (c) re-election of the relevant retiring directors of the Company (the “**Directors**”) and to authorise the board of directors (the “**Board**”) to fix their remuneration;
- (d) re-appointment of Ernst & Young as the auditors of the Company and to authorise the Board to fix the remuneration of the auditors for the year ending 31 December 2014; and
- (e) the payment of the final dividend for the year ended 31 December 2013.

1. General mandate to issue Shares

An ordinary resolution will be proposed at the Annual General Meeting for the shareholders to consider and, if thought fit, grant respectively, a general and unconditional mandate to the Directors to exercise the power of the Company to allot, issue and deal with new Shares not exceeding 20% of the issued share capital of the Company on the date of passing the resolution approving the Share Issue Mandate (the “**Share Issue Mandate**”).

As at 22 April 2014, the latest practicable date prior to the printing of this circular (the “**Latest Practicable Date**”), 1,958,045,450 Shares were issued. Assuming that there is no change in the issued share capital between the period from the Latest Practicable Date and the date of the Annual General Meeting, the maximum number of Shares which may be issued pursuant to the Share Issue Mandate will be 391,609,090 Shares.

Details of the Share Issue Mandate are set out in resolution 6 in the Notice of the Annual General Meeting set out on pages 13 to 16 of this circular. The Share Issue Mandate will expire upon whichever is the earliest of: (a) the conclusion of the next annual general meeting of the Company; (b) the expiration of the period within which the next annual general meeting of the Company is required to be convened by the articles of the association of the Company (the “**Articles**”) or by any applicable law(s); and (c) the date on which the authority is revoked or varied by an ordinary resolution of the shareholders of the Company (the “**Shareholders**”).

LETTER FROM THE BOARD

2. General mandate to repurchase Shares

At the last annual general meeting of the Company held on 7 June 2013, a general mandate was granted to the Directors to exercise the powers of the Company to repurchase Shares. Such mandate will lapse at the conclusion of the Annual General Meeting. An ordinary resolution will hence be proposed for the Shareholders to consider and, if thought fit, grant a general and unconditional mandate to the Directors to exercise the power of the Company to repurchase Shares up to 10% of the issued share capital of the Company on the date of passing the resolution approving the Share Repurchase Mandate (the “**Share Repurchase Mandate**”).

Assuming that there is no change in the issued share capital between the period from the Latest Practicable Date and the date of the Annual General Meeting, the maximum number of Shares which may be repurchased pursuant to the Share Repurchase Mandate will be 195,804,545 Shares.

An explanatory statement as required under the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) (the “**Listing Rules**”) regarding share repurchase, giving certain information in connection with the Share Repurchase Mandate is set out in Appendix I to this circular. The Share Repurchase Mandate will expire upon whichever is the earliest of: (a) the conclusion of the next annual general meeting of the Company; (b) the expiration of the period within which the next annual general meeting of the Company is required by the Articles or by any applicable law(s); and (c) the date on which the authority is revoked or varied by an ordinary resolution of the Shareholders.

3. Re-election of the Directors

Pursuant to article 112 of the Articles, one third of the Directors shall retire from office by rotation; Mr. Ning Gaoning, Mr. Yu Xubo and Mr. Zhang Xiaoya will retire by rotation. Pursuant to article 95 of the Articles, Mr. Christian Neu, whose appointment became effective on 1 September 2013 and Dr. Liao Jianwen, whose appointment became effective on 26 March 2014, will also retire. The abovementioned Directors will, being eligible, offer themselves for re-election at the Annual General Meeting.

Particulars of the Directors proposed to be re-elected at the Annual General Meeting are set out in Appendix II to this circular.

4. Re-appointment of auditors

In accordance with Rule 13.88 of the Listing Rules, an ordinary resolution will be proposed at the Annual General Meeting to re-appoint Ernst & Young as the external auditor of the Company to hold office from the conclusion of the Annual General Meeting until the next annual general meeting and to authorise the Board to fix its remuneration for the year ending 31 December 2014.

LETTER FROM THE BOARD

5. Final Dividend

The Board has recommended a final dividend of RMB0.20 per Share to be payable on or around Monday, 23 June 2014 to the Shareholders whose names appear on the register of members of the Company on Thursday, 12 June 2014 subject to approval by the Shareholders at the Annual General Meeting.

6. Annual General Meeting

A notice convening the Annual General Meeting to be held at Ballroom, Level 3, JW Marriott Hotel Hong Kong, Pacific Place, 88 Queensway, Hong Kong on Friday, 6 June 2014 at 10:00 a.m. is set out on pages 13 to 16 of this circular. At the Annual General Meeting, resolutions will be proposed to approve, inter alia, the grant of the Share Issue Mandate, the Share Repurchase Mandate and the re-election of Directors.

Pursuant to Rule 13.39 of the Listing Rules, all vote of the Shareholders at general meetings must be taken by poll.

A proxy form for use at the Annual General Meeting is enclosed. Whether or not you are able to attend the Annual General Meeting, you are requested to complete the accompanying proxy form in accordance with the instructions printed thereon and return the same to the Company's branch share registrar, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong as soon as possible and in any event not later than 48 hours before the time of the Annual General Meeting. Completion and return of the proxy form will not preclude you from attending and voting in person at the Annual General Meeting if you so wish.

7. Recommendation

The Directors believe that the grant of the Share Issue Mandate and the Share Repurchase Mandate, the re-election of Directors, the re-appointment of the auditors and the recommendation of the final dividend be proposed at the Annual General Meeting are in the best interests of the Company and the Shareholders. Accordingly, the Directors recommend you to vote in favour of the resolutions in relation to the above proposals to be proposed at the Annual General Meeting.

8. Closure of Register of Members

The register of members of the Company will be closed during the following periods:

- (i) from Wednesday, 4 June 2014 to Friday, 6 June 2014, both days inclusive, for the purpose of ascertaining shareholders' eligibility to attend and vote at the Annual General Meeting. In order to be eligible to attend and vote at the Annual General Meeting, all transfer documents accompanied by the relevant share certificates must be lodged for registration with the Company's branch share registrar, Computershare Hong Kong Investor Services Limited at Shops

LETTER FROM THE BOARD

1712–1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong not later than 4:30 p.m. on Tuesday, 3 June 2014; and

- (ii) on Thursday, 12 June 2014, for the purpose of ascertaining shareholders’ entitlement to the proposed final dividend. In order to establish entitlements to the proposed final dividend, all transfer documents accompanied by the relevant share certificates must be lodged for registration with the Company’s branch share registrar, Computershare Hong Kong Investor Services Limited at the address as set out in sub-paragraph (i) above not later than 4:30 p.m. on Wednesday, 11 June 2014.

9. Responsibility Statement

This circular includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors collectively and individually accept full responsibility for the accuracy of the information contained in this circular and confirm, having made all reasonable enquiries, that to the best of their knowledge and belief, there are no other facts the omission of which would make any statement herein misleading.

Yours faithfully,
Sun Yiping
Chief Executive Officer

(A) LISTING RULES

The Listing Rules permit companies with a primary listing on the Stock Exchange to repurchase their fully-paid up shares on the Stock Exchange subject to certain restrictions.

(B) SHAREHOLDERS' APPROVAL

The Listing Rules provide that all on-market share repurchases by a company with its primary listing on the Stock Exchange must be approved in advance by an ordinary resolution, or alternatively by specific approval of a particular transaction or by a general mandate to the directors of the company to make such repurchases.

(C) EXERCISE OF THE SHARE REPURCHASE MANDATE

As at the Latest Practicable Date, there were 1,958,045,450 Shares in issue. Subject to the passing of the ordinary resolution approving the Share Repurchase Mandate and on the basis that no further Shares are issued or no Shares are repurchased prior to the Annual General Meeting, the Company would be allowed under the Share Repurchase Mandate to repurchase a maximum of 195,804,545 Shares, representing 10% of the issued share capital of the Company as at the date of passing of such resolution.

(D) REASONS FOR THE REPURCHASE OF SHARES

The Directors believe that the Share Repurchase Mandate is in the best interest of the Company and the Shareholders. Repurchases may, depending on the circumstances, result in an increase in net assets and/or earnings per share. The Directors are seeking the grant of the Share Repurchase Mandate to give the Company flexibility to do so if and when appropriate. The timing and the number(s), the price and other terms upon which the same are repurchased will be decided by the Directors at the relevant time having regard to the circumstances then prevailing.

(E) SOURCE OF FUNDS

The Company is empowered by its memorandum and articles of association to purchase Shares. In accordance with the laws of the Cayman Islands and the Company's memorandum and articles of association, Shares may only be redeemed or purchased out of the profits of the Company or out of the proceeds of a fresh issue of Shares made for the purposes of the redemption or purchase or, if authorised by the Articles and subject to the laws of the Cayman Islands, out of capital. The premium, if any, payable on purchase must be provided for out of the profits of the Company or out of the Company's share premium account before or at the time the Shares are purchased or, subject to the statutory test of solvency, out of capital. Under the laws of the Cayman Islands, the Shares so repurchased will be treated as cancelled but the aggregate amount of authorised share capital will not be reduced.

It is possible that, if the Share Repurchase Mandate were to be carried out in full at any time during the proposed repurchase period, there might be a material adverse impact on the working capital or gearing position of the Company as compared with the position disclosed in the audited accounts contained in the annual report of the Company for the year ended 31 December 2013 (“**2013 Annual Report**”). However, the Directors do not propose to exercise the Share Repurchase Mandate to the extent that the repurchase would, in the circumstances, have a material adverse effect on the working capital position of the Company or its gearing levels which, in the opinion of the Directors, are from time to time appropriate for the Company.

(F) SHARE PRICES

The monthly highest and lowest prices at which the Shares had traded on the Stock Exchange in the last twelve months up to the Latest Practicable Date were as follows:

| | Share Prices (per Share) | |
|--|--------------------------|-----------------------|
| | Highest <i>HK\$</i> | Lowest <i>HK\$</i> |
| 2013 | | |
| April | 23.20 | 21.30 |
| May | 27.30 | 21.55 |
| June | 29.35 | 25.40 |
| July | 32.50 | 27.50 |
| August | 33.70 | 29.70 |
| September | 36.35 | 31.70 |
| October | 38.45 | 33.65 |
| November | 36.10 | 31.10 |
| December | 37.15 | 34.45 |
| 2014 | | |
| January | 38.75 | 34.50 |
| February | 40.45 | 34.75 |
| March | 41.50 | 35.05 |
| April (up to and including the Latest Practicable Date) | 43.80 | 38.60 |

(G) UNDERTAKING

The Directors have undertaken to the Stock Exchange that, so far as the same may be applicable, they will exercise the Share Repurchase Mandate in accordance with the Listing Rules and the applicable laws of the Cayman Islands.

None of the Directors nor, to the best of their knowledge having made all reasonable enquiries, any of their associates (as defined in the Listing Rules), currently intends to sell Shares to the Company or its subsidiaries in the event that the Share Repurchase Mandate is approved by the Shareholders.

No connected person (as defined in the Listing Rules) has notified the Company that he has a present intention to sell Shares to the Company, or has undertaken not to sell any of the Shares held by him to the Company in the event that the Company is authorised to make repurchases of Shares.

(H) THE TAKEOVERS CODE

If, as a result of a repurchase of Shares by the Company, a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition for the purpose of the Codes on Takeovers and Mergers and Share Buy-backs (the "**Takeovers Code**"). Accordingly, a Shareholder, or group of Shareholders acting in concert, could, depending on the level of increase of shareholding interest, obtain or consolidate control of the Company or become obliged to make a mandatory offer in accordance with Rules 26 and 32 of the Takeovers Code.

In the event that the Share Repurchase Mandate is exercised in full and there are no new Shares issued by the Company, the aggregate shareholdings of COFCO Corporation and parties acting in concert with it, would be increased from approximately 31.52% to approximately 35.03% of the issued share capital of the Company as at the Latest Practicable Date and such increase would give rise to an obligation to make a mandatory offer under Rules 26 and 32 of the Takeovers Code.

The Company has no present intention to exercise the Share Repurchase Mandate to such an extent that an obligation to make a mandatory offer under the Takeovers Code will be triggered. Save as aforesaid and as at the Latest Practicable Date, the Directors were not aware of any consequence which would arise under Rules 26 and 32 of the Takeovers Code as a result of any repurchase to be made under the Share Repurchase Mandate.

(I) SHARES PURCHASED BY THE COMPANY

The Company did not repurchase any Shares in the six months prior to the Latest Practicable Date (whether on the Stock Exchange or otherwise).

Set out below are details of the Directors who will retire at the conclusion of the Annual General Meeting and will be proposed to be re-elected at the Annual General Meeting.

Mr. Ning Gaoning, Non-Executive Director

Mr. Ning Gaoning, aged 55, was appointed as a non-executive Director of the Company in August 2009 and the Chairman of the Board of Directors of the Company in June 2011. Mr. Ning is currently the chairman of COFCO Corporation and COFCO (Hong Kong) Limited, a non-executive director of China Foods Limited, a company listed in Hong Kong (Stock Code 0506), a non-executive director of China Agri-Industries Holdings Limited, a company listed in Hong Kong (Stock Code 0606), a non-executive director of CPMC Holdings Limited, a company listed in Hong Kong (Stock Code 0906), and an independent director of Huayuan Property Co., Ltd., a company listed in Shanghai (Stock Code 600743). Mr. Ning is also a director of BOC International Holdings Limited, an independent non-executive director of Bank of China (Hong Kong) Limited and an independent non-executive director of BOC Hong Kong (Holdings) Limited, a company listed in Hong Kong (Stock Code 2388). Mr. Ning was a director of Smithfield Foods, Inc., a company listed in New York, from 27 August 2008 to 2 March 2011. Before joining COFCO Group, Mr. Ning held various positions such as vice chairman, director and general manager of China Resources (Holdings) Company Limited. Mr. Ning has more than 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 has entered into a letter of appointment with the Company for a term of three years. His directorship is subject to retirement by rotation and re-election at the annual general meetings of the Company in accordance with the Articles. Mr. Ning is entitled to receive a director's fee of RMB150,000 per annum. His emoluments are determined with reference to his duties and responsibilities in the Company and its subsidiaries (the "Group"), and prevailing market conditions and will be reviewed by the remuneration committee of the Company.

Save as disclosed above, Mr. Ning has not held any directorships in other public companies the securities of which are listed on the Stock Exchange or any securities market overseas in the last three years.

Save as disclosed above, Mr. Ning does not have any relationship with any Directors, senior management, substantial shareholders or controlling shareholders of the Company. He does not have any interests in the shares or underlying shares of the Company or its associated corporations within the meaning of Part XV of the Securities and Futures Ordinance (Cap. 571, Laws of Hong Kong (the "SFO")) as at the Latest Practicable Date.

Mr. Yu Xubo, Non-Executive Director

Mr. Yu Xubo, aged 48, was appointed as a non-executive Director of the Company in August 2009 and a Vice Chairman of the Board of Directors of the Company in June 2011. Mr. Yu is currently the president of COFCO Corporation and a director of COFCO (Hong Kong) Limited, a non-executive director and the chairman of the board of directors of China Foods Limited, a company listed in Hong Kong, an executive director and the chairman of the board of directors of China Agri-Industries Holdings Limited, a company listed in Hong Kong and a non-executive director and the chairman of the board of directors of Modern Dairy. Mr. Yu was a director of Glory River Holdings Limited, convertible bonds of which are listed and quoted in Singapore, until May 2013 and the chairman of COFCO Meat Investment Company Limited until August 2013. 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 from China Europe International Business School.

Mr. Yu has entered into a letter of appointment with the Company for a term of three years. His directorship is subject to retirement by rotation and re-election at the annual general meetings of the Company in accordance with the Articles. Mr. Yu is entitled to receive a director's fee of RMB150,000 per annum. His emoluments are determined with reference to his duties and responsibilities in the Group and prevailing market conditions and will be reviewed by the remuneration committee of the Company.

Save as disclosed above, Mr. Yu has not held any directorships in other public companies the securities of which are listed on the Stock Exchange or any securities market overseas in the last three years.

Save as disclosed above, Mr. Yu does not have any relationship with any Directors, senior management, substantial shareholders or controlling shareholders of the Company. He does not have any interests in the shares or underlying shares of the Company or its associated corporations within the meaning of Part XV of the SFO as at the Latest Practicable Date.

Mr. Christian Neu, Non-Executive Director

Mr. Christian Neu, aged 58, was appointed as a non-executive Director in September 2013. Mr. Neu joined Danone in July 1986, where he was initially engaged in sales and marketing activities and later became the general manager of various local and regional companies of the Danone Group. Between November 2007 and January 2011, he was the president of the baby nutrition division and a member of the executive committee of the Danone Group. Since February 2011, Mr. Neu has been a strategic consultant of the Danone Group. Prior to joining the Danone Group, he served in the sales departments of various international companies including Procter & Gamble, the Ferrero Group and Lindner & Fischer GmbH from 1979 to 1986. Mr. Neu has over 30 years of experience in the management of fast-moving consumer goods with outstanding performance particularly in sales, marketing, integrated management and international business management. He graduated with a Bachelor's degree from Fachhochschule Saarbrücken University in Germany with a major in Sales and Marketing in 1979 and obtained a Master's degree in Marketing Management from University of St. Gallen in Switzerland in 1993. Mr. Neu currently serves as a director of Yakult Honsha Co., Ltd., a company listed on the Tokyo Stock Exchange.

Mr. Neu has entered into a letter of appointment with the Company for a term of three years commencing on 1 September 2013. His directorship is subject to retirement by rotation and re-election at the annual general meetings of the Company in accordance with the Articles. Mr. Neu is entitled to receive a director's fee of RMB150,000 per annum. His emoluments are determined with reference to his duties and responsibilities in the Group and prevailing market conditions and will be reviewed by the remuneration committee of the Company.

Save as disclosed above, Mr. Neu has not held any directorships in other public companies the securities of which are listed on the Stock Exchange or any securities market overseas in the last three years.

Save as disclosed above, Mr. Neu does not have any relationship with any Directors, senior management, substantial shareholders or controlling shareholders of the Company. He does not have any interests in the shares or underlying shares of the Company or its associated corporations within the meaning of Part XV of the SFO as at the Latest Practicable Date.

Mr. Zhang Xiaoya, Independent Non-Executive Director

Mr. Zhang Xiaoya, aged 51, was appointed as an independent non-executive Director of the Company in May 2009. Mr. Zhang is a graduate of the Shandong University and the school of management at the Beijing University of Aeronautics and Astronautics and is a senior engineer. Mr. Zhang is the chairman of Unibank Media, and is also an independent director of SYSWIN INC., which was listed on the New York Stock Exchange until April 2013, and an independent director of Guangzhou Zhujiang Digital Group. Mr. Zhang previously served as a director and president of AirMedia, which was listed on NASDAQ, and is experienced in the management of media operations and initial public offering.

Mr. Zhang has entered into a letter of appointment with the Company for a term of three years. His directorship is subject to retirement by rotation and re-election at the annual general meetings of the Company in accordance with the Articles. Mr. Zhang is entitled to receive a director's fee of HK\$300,000 per annum. His emoluments are determined with reference to his duties and responsibilities in the Group and prevailing market conditions and will be reviewed by the remuneration committee of the Company.

Save as disclosed above, Mr. Zhang has not held any directorships in other public companies the securities of which are listed on the Stock Exchange or any securities market overseas in the last three years.

Mr. Zhang does not have any relationship with any Directors, senior management, substantial shareholders or controlling shareholders of the Company. He does not have any interests in the shares or underlying shares of the Company or its associated corporations within the meaning of Part XV of the SFO as at the Latest Practicable Date.

Dr. Liao Jianwen, Independent Non-Executive Director

Dr. Liao Jianwen, aged 47, was appointed as an independent non-executive Director of the Company on 26 March 2014. Dr. Liao received his Bachelor of Engineering from Northeastern University in July 1988, his Master of Economics from Renmin University of China in February 1991 and his Ph.D of Business Administration from Southern Illinois University at Carbondale in August 1996. He is an Associate Dean and Professor of Managerial Practice, Strategy, Innovation and Entrepreneurship at the Cheung Kong Graduate School of Business. His professional experience spans across North America and Asia. He was a tenured associate professor at the Stuart School of Business, Illinois Institute of Technology during 2006 to 2012. Additionally, he held various visiting professor positions at Hong Kong University of Science and Technology (2001), China European International Business School (2002) and Peking University (2007, 2008, 2009, 2010, 2011). Dr. Liao is primarily engaged in cross disciplinary research in strategy, innovation and entrepreneurship, and in particular the interactions between new economy and traditional economy. He has won several awards for his research and teaching, including the research grant awards from the US Small Business Administration (2007, 2008) and the Excellence in Teaching Award in 2009 at Stuart School of Business at Illinois Institute of Technology.

Dr. Liao will enter into a letter of appointment with the Company for a term of three years commencing on 26 March 2014. His directorship is subject to retirement by rotation and re-election at the annual general meetings of the Company in accordance with the Articles. Dr. Liao is entitled to receive a director's fee of HK\$300,000 per annum. His emoluments are determined with reference to his duties and responsibilities in the Group and prevailing market conditions and will be reviewed by the remuneration committee of the Company.

Dr. Liao has not held any directorships in other public companies the securities of which are listed on the Stock Exchange or any securities market overseas in the last three years.

Dr. Liao does not have any relationship with any Directors, senior management, substantial shareholders or controlling shareholders of the Company. He does not have any interests in the shares or underlying shares of the Company or its associated corporations within the meaning of Part XV of the SFO as at the Latest Practicable Date.

Each of Mr. Ning Gaoning, Mr. Yu Xubo, Mr. Christian Neu, Mr. Zhang Xiaoya and Dr. Liao Jianwen has confirmed that there are no other matters that need to be brought to the attention of the shareholders in relation to their re-election and that no other information needs to be disclosed under paragraphs (h) to (v) of Rule 13.51(2) of the Listing Rules.

NOTICE OF ANNUAL GENERAL MEETING



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)

NOTICE IS HEREBY GIVEN that the annual general meeting (the “**Annual General Meeting**”) of the shareholders of China Mengniu Dairy Company Limited (the “**Company**”) will be held at Ballroom, Level 3, JW Marriott Hotel Hong Kong, Pacific Place, 88 Queensway, Hong Kong on Friday, 6 June 2014 at 10:00 a.m. for the following purposes:

1. To review and consider the audited financial statements and the reports of the directors and the independent auditors for the year ended 31 December 2013.
2. To approve the proposed final dividend.
3. To re-elect the following directors and authorise the board of directors of the Company to fix their remuneration:
 - (a) Mr. Ning Gaoning;
 - (b) Mr. Yu Xubo;
 - (c) Mr. Christian Neu;
 - (d) Mr. Zhang Xiaoya; and
 - (e) Dr. Liao Jianwen.
4. To re-appoint Ernst and Young as the auditors of the Company 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 in

* For identification purpose only

NOTICE OF ANNUAL GENERAL MEETING

paragraph (c) below) of all the powers of the Company to repurchase ordinary 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;
- (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; and
- (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;

NOTICE OF ANNUAL GENERAL MEETING

- (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 and issued (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, (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 or (iv) any issue of Shares upon the exercise of rights of subscription or conversion under the terms of any warrants of the Company or any securities which are convertible into Shares, 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; and
- (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 or offer or issue of warrants, options or other securities giving rights to subscribe for 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

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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).”

By order of the Board
Kwok Wai Cheong, Chris
Company Secretary

Hong Kong, 30 April 2014

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 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 branch share registrar, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong, not later than 48 hours before the time of the Annual General Meeting. Completion and delivery of the proxy form will not preclude a member from attending and voting in person at the meeting if he so wishes.
- (2) The register of members of the Company will be closed during the following periods:-
 - (i) from Wednesday, 4 June 2014 to Friday, 6 June 2014 both days inclusive, for the purpose of ascertaining shareholders’ eligibility to attend and vote at the Annual General Meeting. In order to be eligible to attend and vote at the Annual General Meeting, all transfer documents accompanied by the relevant share certificates must be lodged for registration with the Company’s branch share registrar, Computershare Hong Kong Investor Services Limited at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong not later than 4:30 p.m. on Tuesday, 3 June 2014; and
 - (ii) on Thursday, 12 June 2014, for the purpose of ascertaining shareholders’ entitlement to the proposed final dividend. In order to establish entitlements to the proposed final dividend, all transfer documents accompanied by the relevant share certificates must be lodged for registration with the Company’s branch share registrar, Computershare Hong Kong Investor Services Limited at the address as set out in sub-paragraph (i) above not later than 4:30 p.m. on Wednesday, 11 June 2014.
- (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 the more senior shall alone be entitled to vote in respect of such Share and, for this purpose, seniority shall be determined by the order in which the names of the joint holders stand on the register of the relevant joint holding.
- (4) With reference to Resolution 3 above, Mr. Ning Gaoning, Mr. Yu Xubo, and Mr. Zhang Xiaoya will retire by rotation, and Mr. Christian Neu and Dr. Liao Jianwen will also retire in accordance with the articles of association of the Company. The abovementioned Directors will, being eligible, offer themselves for re-election at the Annual General Meeting. Details of the above Directors are set out in Appendix II to the circular dated 30 April 2014.