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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)



Yashili International Holdings Ltd

雅士利國際控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1230)

**CONNECTED TRANSACTION
DISPOSAL OF INTEREST IN
A SUBSIDIARY**

**DISCLOSEABLE AND
CONNECTED TRANSACTION
DISPOSAL OF INTEREST IN
A SUBSIDIARY**

TERMINATION OF THE SHARE PURCHASE AGREEMENT

Reference is made to (1) the joint announcement of Mengniu Dairy and Yashili dated 14 December 2018 in relation to the proposed disposal of Share Interest in Yashili New Zealand by Yashili (HK) to the Purchaser pursuant to the Share Purchase Agreement (the “**Disposal**”), and (2) the announcements of Yashili dated 10 January 2019, 28 February 2019, 10 May 2019 in relation to the delay in despatch of the circular in relation to the Disposal (the “**Announcements**”). Unless otherwise stipulated, terms used in this joint announcement shall have the same meanings given to them in the Announcements.

Pursuant to the Share Purchase Agreement, the Share Purchase Agreement may be terminated at any time prior to Completion by the mutual written consent of Yashili (HK) and the Purchaser.

The Mengniu Board and the Yashili Board announce that on 30 August 2019, Yashili (HK) and the Purchaser have agreed in writing to terminate the Share Purchase Agreement with immediate effect (the “**Termination**”). The Mengniu Board and the Yashili Board consider that the Termination (i) is in the interests of Mengniu Dairy and the Mengniu Shareholders as a whole, and Yashili and the Yashili

Shareholders as a whole, respectively; (ii) would have no material adverse impact on the business operation and financial position of the Mengniu Group and the Yashili Group, and (iii) would not affect the existing and future cooperation between the Yashili Group and Danone.

* *for identification purposes only*

By order of the Mengniu Board
China Mengniu Dairy Company Limited
中國蒙牛乳業有限公司*
Jeffrey, Minfang Lu
Chief Executive Officer and Executive Director

By order of the Yashili Board
Yashili International Holdings Ltd
雅士利國際控股有限公司
Chopin Zhang
Chief Executive Officer and Executive Director

Hong Kong, 30 August 2019

As at the date of this joint announcement, the Mengniu Board comprises: Mr. Jeffrey, Minfang LU, and Mr. MENG Fanjie as executive directors, Mr. CHEN Lang, Mr. NIU Gensheng, Mr. Tim Ørting JØRGENSEN and Mr. Pascal DE PETRINI as non-executive directors, Mr. JIAO Shuge (alias Jiao Zhen), Mr. Julian Juul WOLHARDT, Mr. ZHANG Xiaoya and Mr. YAU Ka Chi as independent non-executive directors.

As at the date of this joint announcement, the Yashili Board comprises: Mr. Jeffrey, Minfang Lu (Chairman), Mr. Qin Peng, Mr. Zhang Ping and Mr. Gu Peiji (alias Philip Gu) as non-executive directors; Mr. Chopin Zhang as executive director; and Mr. Mok Wai Bun Ben, Mr. Cheng Shoutai and Mr. Lee Kong Wai Conway as independent non-executive directors.