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MODERN FARMING
现代牧业

中国圣牧
CHINA SHENGMU

China Modern Dairy Holdings Ltd.
中國現代牧業控股有限公司
(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 1117)

China Shengmu Organic Milk Limited
中國聖牧有機奶業有限公司
(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 1432)

JOINT ANNOUNCEMENT

MANDATORY CONDITIONAL CASH OFFER BY CLSA LIMITED FOR AND ON BEHALF OF CHINA MODERN DAIRY HOLDINGS LTD. TO ACQUIRE ALL THE ISSUED SHARES OF CHINA SHENGMU ORGANIC MILK LIMITED (OTHER THAN THOSE ALREADY OWNED OR AGREED TO BE ACQUIRED BY CHINA MODERN DAIRY HOLDINGS LTD. AND START GREAT)

(1) LEVEL OF ACCEPTANCE OF THE OFFER ON THE FIRST CLOSING DATE

AND

(2) OFFER REMAINING OPEN FOR ACCEPTANCE

Exclusive Financial Adviser to CMD

CITIC SECURITIES

CITIC Securities (Hong Kong) Limited

CSM Independent Financial Adviser to the CSM Independent Board Committee

Gram Capital Limited
嘉林資本有限公司

Reference is made to (i) the announcement issued by China Modern Dairy Holdings Ltd. ("**CMD**") on 30 October 2025 regarding, among others, the possible mandatory conditional cash offer by CLSA Limited, for and on behalf of CMD, to acquire all the issued shares of China Shengmu Organic Milk Limited ("**CSM**") (other than those already owned or agreed to be acquired by CMD and Start Great Holdings Limited), (ii) the composite document jointly issued by CMD and CSM in relation to the Offer on 30 June 2026 (the "**Composite Document**"), (iii) the supplemental announcement issued by CSM in relation to the Composite Document on 3 July 2026 and (iv) the announcement in relation to the Offer becoming unconditional in all respects on 20 July 2026 (the "**Unconditional Announcement**"). Unless otherwise defined herein, capitalised terms used herein shall have the same meanings as those defined in the Composite Document.

LEVEL OF ACCEPTANCE OF THE OFFER ON THE FIRST CLOSING DATE

As at 4:00 p.m. on Tuesday, 21 July 2026 (i.e. the First Closing Date), CMD has received valid acceptance in respect of 4,182,348,204 CSM Shares under the Offer (the "**Acceptance Shares**"), representing approximately 49.90% of all the issued CSM Shares as at the date of this joint announcement. Taking into account: (i) the 2,620,378,555 CSM Shares held by CMD and the parties acting in concert with it immediately after the SPA Completion under all the Share Purchase Agreements; and (ii) the Acceptance Shares, CMD and the parties acting in concert with it will hold an aggregate of 6,802,726,759 CSM Shares, representing approximately 81.17% of all the issued CSM Shares as at the date of this joint announcement. Based on the current level of acceptances, CSM's public float may not comply with Rule 13.32B of the Listing Rules. Further updates relating to CSM's public float will be made on the final Closing Date.

Immediately prior to the commencement of the Offer Period, CMD and the parties acting in concert with it held, controlled or directed 2,513,178,555 CSM Shares, representing approximately 29.99% of all the issued CSM Shares. Save for the Acceptance Shares, the aggregate of 107,200,000 CSM Shares acquired under the Share Purchase Agreements and the arrangements under the Voting Rights Agreement, CMD and the parties acting in concert with it did not acquire or agree to acquire any CSM Shares or rights over CSM Shares during the Offer Period. CMD and the parties acting in concert with it did not borrow or lend any relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) of CSM during the Offer Period.

OFFER REMAINING OPEN FOR ACCEPTANCE

As disclosed in the Unconditional Announcement, the Offer will remain open for acceptance until 4:00 p.m. on 3 August 2026 (or such later time and/or date as CMD may decide in accordance with the Takeovers Code).

Offer Shareholders are advised to refer to the Composite Document and the Form of Acceptance for details of the acceptance procedures if they wish to accept the Offer.

Offer Shareholders are encouraged to read the Composite Document and Form of Acceptance carefully before deciding whether or not to accept the Offer. Shareholders and potential investors of CMD and CSM are advised to exercise caution when dealing in the respective shares of CMD and CSM. If shareholders and potential investors of CMD and CSM are in any doubt about their position, they should consult their professional advisers.

By order of the board of
China Modern Dairy Holdings Ltd.
Sun Yugang
Chief executive officer and executive director

By order of the board of
China Shengmu Organic Milk Limited
Chen Yiyi
Chairman

Hong Kong, 21 July 2026

As at the date of this joint announcement, the executive directors of CMD are Mr. Sun Yugang and Mr. Zhu Xiaohui, the non-executive directors of CMD are Mr. Chen Yiyi (Chairman), Mr. Shen Xinwen, Mr. Wen Yongping and Ms. Gan Lu, the independent non-executive directors of CMD are Mr. Li Shengli, Mr. Lee Kong Wai, Conway and Mr. Chow Ming Sang. The directors of CMD jointly and severally accept full responsibility for the accuracy of the information contained in this joint announcement (other than those in relation to the CSM Group) and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this joint announcement (other than those expressed by the directors of CSM in their capacity as such) have been arrived at after due and careful consideration and there are no other facts not contained in this joint announcement the omission of which would make any of the statements in this joint announcement misleading.

As at the date of this joint announcement, the board of directors of CSM comprises Mr. Zhang Jiawang, as executive director; Mr. Chen Yiyi, Mr. Zhang Ping, Mr. Bai Fengming, Mr. Sun Qian and Ms. Shao Lijun, as non-executive directors; Mr. Wang Liyan, Mr. Wu Liang and Mr. Sun Yansheng, as independent non-executive directors. The directors of CSM jointly and severally accept full responsibility for the accuracy of information contained in this joint announcement relating to the CSM Group and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this joint announcement (other than those expressed by the directors of CMD in their capacity as such) have been arrived at after due and careful consideration and there are no other facts not contained in this joint announcement the omission of which would make any statement in this joint announcement misleading.