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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)

CHANGE OF JOINT COMPANY SECRETARY

The Board announces that with effect from December 4, 2015,

(1) Mr. Li Yundong has resigned as a joint company secretary of the Company;
and

(2) Mr. Cui Ruicheng has been appointed as a joint company secretary of the Company.

RESIGNATION OF JOINT COMPANY SECRETARY

The board of directors (the “**Board**”) of China Shengmu Organic Milk Limited (the “**Company**”, collectively with its subsidiaries, the “**Group**”) announces that Mr. Li Yundong (“**Mr. Li**”) has resigned as a joint company secretary and vice president of the Company due to personal reasons, with effect from December 4, 2015.

Mr. Li has confirmed that he has no disagreement with the Board and there are no circumstances related to his resignation which need to be brought to the attention of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) and the shareholders of the Company.

APPOINTMENT OF NEW JOINT COMPANY SECRETARY

Following Mr. Li’s resignation, the Board announces that Mr. Cui Ruicheng (“**Mr. Cui**”), one of the directors of the Company (“the “**Directors**”), has been appointed as the new joint company secretary with effect from December 4, 2015. He will be assisted by Mr. Au Wai Keung (“**Mr. Au**”), the other joint company secretary of the Company, to perform his duties as joint Company Secretary of the Company.

Mr. Cui is the vice president, chief financial officer and executive Director of the Company. He is primarily responsible for the financial management of the Group. Mr. Cui was appointed to the Board on March 26, 2014. For position with other members of the Group, Mr. Cui is also the director of Inner Mongolia Shengmu High-tech Farming Co., Ltd. (內蒙古聖牧高科牧業有限公司) (“**Shengmu Holding**”). He has over 10 years of experience in the dairy industry and financial management. Mr. Cui joined the Group since its establishment in October 2009. He has served as the vice president (finance) and chief financial officer of Shengmu Holding since January 2014. Prior to joining the Group, Mr. Cui held various financial and accounting positions with Inner Mongolia Mengniu Dairy (Group) Company Limited (內蒙古蒙牛乳業(集團)股份有限公司), including accountant and listing administrator between July 2003 and August 2006, and was the finance department head with Inner Mongolia Mengniu Shengwu Zhineng Company Limited (內蒙古蒙牛生物質能有限公司) between August 2006 and September 2009. Mr. Cui passed the final exams (self-learning) with Inner Mongolia University of Finance and Economics (內蒙古財經大學) (formerly known as Inner Mongolia Finance and Economics College (內蒙古財經學院)) and was awarded a college graduate certificate (專科) in December 2005 and obtained the bachelor’s degree from China University of Geosciences (中國地質大學) in July 2009 majoring in business administration (on-line study). Mr. Cui is a qualified accountant in the PRC since May 2006. The Directors consider that his background and experience is not readily available in the employment market.

WAIVER IN RESPECT OF RULES 3.28 AND 8.17 OF THE LISTING RULES

Given that Mr. Cui does not fulfill the qualification requirements under Rules 3.28 and 8.17 of the Rules Governing the Listing of Securities on the Stock Exchange (the “**Listing Rules**”), the Company has made an application to the Stock Exchange and the Stock Exchange has granted a waiver (the “**New Waiver**”) to the Company from strict compliance with the requirements under Rules 3.28 and 8.17 of the Listing Rules for a period of three years (the “**New Waiver Period**”) commencing from December 4, 2015, on the following conditions:

- (i) Mr. Cui will be assisted by Mr. Au, the other joint company secretary, during the New Waiver Period and the New Waiver will be revoked immediately if and when Mr. Au ceases to be a joint company secretary of the Company;

- (ii) the Company shall notify the Stock Exchange at the end of the New Waiver Period for the Stock Exchange to re-visit the situation. The Stock Exchange expects that after the end of the New Waiver Period, the Company is able to demonstrate that Mr. Cui can satisfy Rule 3.28 of the Listing Rule after having the benefit of Mr. Au's assistance such that a further waiver will not be necessary; and
- (iii) the Company will disclose details of the New Waiver, including reasons for the New Waiver and the waiver conditions, by way of announcement.

The Board would like to take this opportunity to express its appreciation and gratitude to Mr. Li for his contribution and services to the Company during his tenure of office, and would like to express its warmest welcome to Mr. Cui for taking up the appointment.

By Order of the Board
China Shengmu Organic Milk Limited
Yao Tongshan
Chairman

Hong Kong, December 4, 2015

As at the date of this announcement, the executive directors of the Company are Mr. Yao Tongshan, Mr. Wu Jianye, Ms. Gao Lingfeng and Mr. Cui Ruicheng; and the non-executive directors of the Company are Mr. Wu Jingshui, Mr. Fan Xiang, Mr. Cui Guiyong and Mr. Sun Qian; and the independent non-executive directors of the Company are Mr. Wong Kun Kau, Mr. Li Changqing, Ms. Ge Xiaoping and Mr. Yuan Qing.