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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)

GRANT OF SHARE OPTIONS UNDER SHARE OPTION SCHEME

On 1 April 2020, the Company offered to grant an aggregate of 1,016,887 Options to eligible grantees under its Share Option Scheme.

This announcement is made pursuant to Rule 17.06A of the Listing Rules.

INTRODUCTION

The board of directors (the “**Board**”) of China Mengniu Dairy Company Limited (the “**Company**”) is pleased to announce that, in order to provide incentives to the core management team to devote to the future continuous competitiveness and growth of the Company leveraging on the current market trends of consumer confidence recovery on domestic dairy, consumption upgrade and the booming of new retail model in the PRC, as well as to re-inforce the management team’s commitment to long term services for the Company, the Company has approved to make grants of share options under its share option scheme adopted on 3 June 2016 (the “**Share Option Scheme**”).

GRANT OF SHARE OPTIONS

On 1 April 2020, the Company offered to grant an aggregate of 1,016,887 share options (the “**Options**”) to eligible grantees (the “**Option Grantees**”), subject to acceptance by the Option Grantees, to subscribe for ordinary shares of HK\$0.10 each in the capital of the Company (the “**Shares**”) under its Share Option Scheme.

The following are the details of the Options granted:-

Grant Date:	1 April 2020
Exercise price of the Options granted:	HK\$26.54, which is the highest of (i) HK\$0.10, being the nominal value of the Shares; (ii) HK\$26.3, being the closing price per Share as stated in the Stock Exchange's daily quotations sheet on the Grant Date; and (iii) HK\$26.54, being the average closing price per Share as stated in the Stock Exchange's daily quotations sheets for the five business days immediately preceding the Grant Date.
Number of Options granted:	1,016,887
Validity period of the Options:	Five (5) years commencing from the Grant Date, subject to vesting.
Vesting period of the Options:	Subject to the fulfillment of the relevant vesting conditions, in relation to:- <ul style="list-style-type: none"> (i) 627,283 Options granted – approximately 70% of such Options (being an aggregate of 439,285 Options) will be vested in their entirety on 1 April 2021, and the remaining approximately 30% of such Options (being an aggregate of 187,998 Options) will be vested in their entirety on 1 April 2022; and (ii) the remaining 389,604 Options granted – 100% of such Options will be vested in their entirety on 1 April 2021, each subject to publication of the Company's annual results announcement for the immediately preceding financial year in respect of each vesting date in accordance with the Listing Rules.

The Company confirms none of the Option Grantees is a Director, chief executive or a substantial shareholder (as defined in the Listing Rules) of the Company, or an associate (as defined in the Listing Rules) of any of them.

Reference is also made to the announcement of the Company dated 24 December 2018 in relation to the grant of an aggregate of 37,248,880 Options to eligible grantees under the Share Option Scheme. With respect to the remaining approximately 30% of the Options granted (being an aggregate of 11,081,290 Options) which were scheduled to vest in their entirety on 1 April 2021, the Board has resolved that such Options will be vested in their entirety on 1 April 2022, instead of 1 April 2021. Save as disclosed above, the other terms of the grant as disclosed in the previous announcement remain unchanged.

By order of the Board
China Mengniu Dairy Company Limited
Kwok Wai Cheong
Company Secretary

Hong Kong, 1 April 2020

As at the date of this announcement, the 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; and Mr. Jiao Shuge (alias Jiao Zhen), Mr. Julian Juul Wolhardt, Mr. Zhang Xiaoya and Mr. Yau Ka Chi as independent non-executive directors.

** For identification purpose only*