

26 February 2021

COFCO (HONG KONG) LIMITED

and

ARLA FOODS AMBA

and

DANONE ASIA PTE LTD

**DEED OF TERMINATION
IN RESPECT OF THE
AMENDED AND RESTATED
CONCERT PARTY AGREEMENT**

This **DEED OF TERMINATION** (this *Deed*) is made on 26 February 2021

BETWEEN

- (1) **COFCO (HONG KONG) LIMITED**, a company incorporated in Hong Kong and whose registered office is at 33/F COFCO Tower, 262 Gloucester Road, Causeway Bay, Hong Kong (*COFCO*);
- (2) **ARLA FOODS AMBA**, a cooperative organised in Denmark and whose registered office is Sonderhoj 14 8260 Viby J, Denmark (*Arla*); and
- (3) **DANONE ASIA PTE LTD**, a company incorporated in Singapore, and whose registered office is 1 Wallich Street, Guoco Tower #18-01, Singapore 078881, Republic of Singapore (*DAPL*),

(collectively, the *Parties* and each a *Party*).

WHEREAS

- (A) On 28 June 2013, the Parties entered into a concert party agreement (the *Prior Concert Party Agreement*), to record their understanding concerning their direct and indirect shareholdings and interests in COFCO Dairy Holdings Limited (*COFCO Dairy*), Prominent Achiever Limited and China Mengniu Dairy Company Limited (*Mengniu*);
- (B) On 27 March 2014, the Parties entered into an amended and restated concert party agreement to amend and restate the Prior Concert Party Agreement in its entirety (the *Amended and Restated Concert Party Agreement*);
- (C) DAPL, COFCO Dairy Investments Limited (*CDI*), Colour Spring Limited and COFCO Dairy entered into a share repurchase agreement (the *Share Repurchase Agreement*) on 26 February 2021, pursuant to which CDI agreed to repurchase DAPL's entire holding of 387,526,454 shares in the share capital of CDI (the *Repurchase Shares*) out of capital, and in order to do so will conduct a reduction of its share capital. CDI and DAPL have agreed that the consideration due to DAPL in respect of the Repurchase Shares will be settled by the transfer by CDI to DAPL of 387,526,454 shares in Mengniu, 9,423,512 shares in China Modern Dairy Holdings Ltd. (together, being the *Conversion Shares*) and by a cash payment of HK\$76,789,718.83 from CDI to DAPL;
- (D) The Parties wish to terminate the Amended and Restated Concert Party Agreement in connection with the transactions contemplated by the Share Repurchase Agreement with respect to DAPL only; and
- (E) Capitalised terms used in this Deed shall, except where expressly defined otherwise or where the context otherwise requires, have the same meaning as given in the Amended and Restated Concert Party Agreement.

IT IS AGREED:

1. Waiver and Termination of the Amended and Restated Concert Party Agreement

1.1 With effect from Completion (as such term is defined in the Share Repurchase Agreement), and in consideration of the mutual undertakings provided by each Party under this Deed, each Party agrees that:

- (a) the Amended and Restated Concert Party Agreement shall, in respect of DAPL only, cease to have any further force or effect and shall terminate in its entirety;
- (b) DAPL shall not retain any rights to enforce any of the terms of the Amended and Restated Concert Party Agreement, subject to any rights of DAPL that have accrued prior to Completion or which thereafter may accrue in respect of any act or omission prior to Completion; and
- (c) DAPL is irrevocably released from any and all obligations and liabilities it has or may have to the other Parties pursuant to the Amended and Restated Concert Party Agreement, subject to any obligations and liabilities of DAPL that have accrued prior to Completion or which thereafter may accrue in respect of any act or omission prior to Completion.

1.2 Each Party agrees that notwithstanding the terms of the Amended and Restated Concert Party Agreement, the execution and performance of the Share Repurchase Agreement, including the transfer by CDI to DAPL of the Conversion Shares, shall not be subject to the terms of the Amended and Restated Concert Party Agreement.

1.3 The Parties confirm and acknowledge that, with effect from Completion, DAPL will no longer be acting in concert with COFCO and Arla (the ***Remaining Concert Parties***) for the purposes of the Codes. The Parties further confirm and undertake that, with effect from Completion:

- (a) there is no agreement or understanding (whether formal or informal) between DAPL (on the one hand) and the Remaining Concert Parties (on the other hand) to actively cooperate to obtain or consolidate “control” (as defined in the Codes) of Mengniu;
- (b) there is no other association between DAPL (on the one hand) and the Remaining Concert Parties (on the other hand) in respect of the Parties’ direct or indirect voting rights in Mengniu; and
- (c) DAPL (on the one hand) and the Remaining Concert Parties (on the other hand) will independently exercise their direct or indirect voting rights in relation to the shares of Mengniu.

2. Counterparts

This Deed may be executed in any number of counterparts, and by each Party on separate counterparts. Each counterpart is an original, but all counterparts shall together constitute one and the same instrument.

3. Variations

No amendment of this Deed shall be valid unless it is in writing and duly executed by or on behalf of all of the Parties to it.

4. Invalidity

Each of the provisions of this Deed is severable. If any such provision is held to be or becomes invalid or unenforceable under the law of any jurisdiction, the Parties shall use all reasonable efforts to replace it with a valid and enforceable substitute provision the effect of which is as close to its intended effect as possible.

5. Third Party Enforcement Rights

A person who is not a Party to this Deed shall have no right under the Contracts (Rights of Third Parties) Ordinance (Chapter 623 of the Laws of Hong Kong) to enforce any of its terms.

6. Notices

6.1 Any notice to be given by one Party to another Party in connection with this Deed shall be in writing in English and signed by or on behalf of the party giving it. It shall be delivered by hand, email, registered post or courier.

6.2 A notice shall be effective upon receipt and shall be deemed to have been received: (i) at the time of delivery, if delivered by hand, registered post or courier or (ii) at the time of transmission if delivered by email.

6.3 The addresses and email addresses of the Parties for the purpose of clause 6.1 are:

COFCO

Address 中国北京朝阳区朝阳门外南大街8号中粮福临门大厦18层中粮集团战略部

Email: longchen@cofco.com

Attention: Chen Lang

And

Address: 33rd Floor, COFCO Tower, 262 Gloucester Road, Causeway Bay, Hong Kong

Email: gongqi@cofco.com

Attention: Legal Department

Arla

Address Sønderhøj 14 8260 Viby J, Denmark

Email: sf@arlafoods.com and fthoe@arlafoods.com

Attention: Steen Futtrup or Frank Thøgersen

DAPL

Address: 1 Wallich St., #18-01 Guoco Tower, Singapore
078881
Email: aspamelegal@danone.com and
Samantha.Loh@danone.com
Attention: Legal Department

with copy to Danone S.A. (which shall not constitute notice)
Address: 17 boulevard Haussmann, Paris, France
Attention: General Counsel

6.4 Each party shall notify the other party in writing of a change to its details in clause 6.3 from time to time.

7. Governing Law and Arbitration

7.1 This Deed shall be governed by, and interpreted in accordance with, Hong Kong laws.

7.2 Any Party may give notice of any dispute, controversy, difference or claim arising out of or relating to this Deed (a **Dispute**), including the existence, validity, interpretation, performance, breach or termination thereof, or any dispute regarding non-contractual obligations arising out of or relating to such Deed to all of the other Parties (a **Dispute Notice**). The Dispute Notice shall include a detailed description of the Dispute, the Parties involved in the Dispute (the **Dispute Parties**) and any steps taken by the Dispute Parties to resolve it.

7.3 The Dispute Parties shall within 30 Days after the date that the Dispute Notice was received (the **Resolution Period**) take steps to attempt to resolve the Dispute in good faith through face-to-face meeting(s) or telephone conference call(s).

7.4 If the Dispute Parties for any reason do not resolve the Dispute within the Resolution Period, such Dispute shall be referred to and finally resolved by arbitration administered by the Hong Kong International Arbitration Centre under the Hong Kong International Arbitration Centre Administered Arbitration Rules in force when the notice of arbitration is submitted (**HKIIAC Rules**). The law of this arbitration clause shall be Hong Kong law. The seat of the arbitration shall be Hong Kong. The number of arbitrators shall be three. The arbitration proceedings shall be conducted in the English language. Unless otherwise specified in the arbitral award, the expenses of the arbitration (including witness fees and reasonable legal expenses) shall be borne by the losing Dispute Party. Where there are two or more arbitrations commenced pursuant to this Clause 7.4, the Dispute Parties agree to consolidate such arbitrations pursuant to the HKIIAC Rules.

7.5 Any arbitral award issued in accordance with this Clause 7 shall be final and binding on the Dispute Parties thereto and shall be enforceable on its terms. None of the Dispute Parties shall seek to commence any judicial proceeding with a view to appealing or reviewing any such arbitral award. All such rights

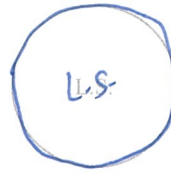
of appeal or judicial review of any such arbitral award as would otherwise be exercisable by the Dispute Parties are hereby excluded to the fullest extent permitted under applicable law.

- 7.6 Any arbitral award issued in accordance with this Clause 7 may be enforced by filing as a judgment in any court of competent jurisdiction or by any competent application or proceeding in any such court for the enforcement of the arbitral award, as the case may be.
- 7.7 DAPL shall at all times maintain an agent for service of process and any other documents in proceedings in Hong Kong or any other proceedings in connection with this Agreement. Such agent shall be Danone Nutricia Early Life Nutrition (Hong Kong) Limited and any claim form, judgment or other notice of legal process shall be sufficiently served on DAPL if delivered to such agent at its address for the time being (which, as at the date of this Agreement is 26/F, Lee & Man Commercial Centre, 169 Electric Road, North Point, Hong Kong). DAPL waives any objection to such service.
- 7.8 Arla shall at all times maintain an agent for service of process and any other documents in proceedings in Hong Kong or any other proceedings in connection with this Agreement. Such agent shall be Arla Foods Trading and Procurement Limited and any claim form, judgment or other notice of legal process shall be sufficiently served on Arla if delivered to such agent at its address for the time being (which, as at the date of this Agreement is Unit 1003-1004, 10/F, Kinwick Centre, 32 Hollywood Road, Central, Hong Kong). Arla waives any objection to such service.

[Signature Pages to Follow]

EXECUTED as a **DEED** by)
DANONE ASIA PTE LTD)
and signed and delivered as a deed)
on its behalf by)
Loh Shiao Mien)
as attorney under a power of)
attorney dated)
25 January 2021)
in the presence of:)

Angeline Neo



Loh Shiao Mien

Signature of witness:

Name of witness: Angeline Neo

Address: 1 Wallich Street, #18-01, Guoco Tower, Singapore 078881

Occupation: Legal Counsel

Place of signing: Singapore