

*These procedures are prepared in Chinese and English. In the event that there is any discrepancy or inconsistency between the two version, the English version shall prevail.*

## **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)

### **Procedures for shareholders to propose a person for election as a Director**

#### **1. Shareholder's proposal for electing a person as a director**

The procedures for proposing a person for election as a director of the Company (the “**Director**”) as laid down in Article 16.4 of the Company's Articles of Association are set out below.

- A shareholder of the Company who wishes to propose a person for election as a Director shall deposit a notice in writing indicating his/her intention to do so.
- The person proposed for election as a Director shall also prepare a notice in writing indicating his/her willingness to be elected.
- Such notices shall have been lodged at the address of the Company's principal place of business in Hong Kong at Room 606-607, 6/F, China Merchants Building, 152-155 Connaught Road Central, Hong Kong.
- The period for lodgment of the notices required under this Article will commence no earlier than the day after the despatch of the notice of the general meeting appointed for such election and end no later than 7 days prior to the date of such general meeting and the minimum length of the period during which such notices to the Company may be given will be at least 7 days.

#### **2. Shareholders' requisition for convening an extraordinary general meeting**

- Shareholders may request the Company to convene an extraordinary general meeting for the purpose of nominating a person as a director of the Company.
- Pursuant to Article 12.3 of the Company's Articles of Association, extraordinary general meetings may be convened by the Board on requisition of two or more shareholders holding not less than one-tenth of the paid up capital of the Company or by such shareholders who made the requisition (as the case may be). The objects of the meeting must be set out in the related requisition deposited at the Company's principal place of business in Hong Kong.

Date: 15 July 2014