



18/F, One Pacific Place
88 Queensway
Hong Kong

30 June 2026

The Board of Directors
China Modern Dairy Holdings Limited
Room A, 32/F., COFCO Tower
262 Gloucester Road
Causeway Bay
Hong Kong

Dear Sirs,

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)

We refer to the composite offer document and response document of even date jointly issued by CMD and CSM to all the Offer Shareholders in relation to the Offer (the “**Composite Document**”). Unless otherwise defined or the context otherwise requires, capitalised terms used herein shall have the same meanings as defined in the Composite Document.

For the sole purpose of purchase price allocation of the Acquisition and the Offer by CMD, which was referred to in the pro forma financial information of the enlarged CMD Group prepared for the information of the shareholders or potential investors of CMD in the CMD Circular only for the sole purpose of their voting decision at the CMD EGM, CMD has engaged Jones Lang LaSalle Corporate Appraisal and Advisory Limited (the “**Valuer**”) as the independent valuer to assess the fair value of the identifiable tangible and intangible assets and liabilities belonging to CSM (the “**Valuation**”), contained in the Valuation Report dated 30 June 2026 prepared by the Valuer as set out in Appendix VII to the Composite Document. The Valuer is a professional valuation firm specializing in provision of various valuation services for companies worldwide, especially listed companies in Hong Kong.

We, in our capacity as the financial adviser solely to CMD in respect of the Offer, are required to report on the Valuation and the qualifications and experience of the Valuer pursuant to the requirements of Rule 11.1 of the Takeovers Code.

OUR REVIEW

For the purpose of providing this letter, we have conducted the following due diligence:

- (a) conducted reasonable checks to assess the relevant qualifications, experience and expertise of the Valuer, including reviewing the supporting documents on the qualifications of the Valuer and discussing the Valuer's qualifications, experience and expertise with you and the Valuer;
- (b) reviewed the Valuation, for which you and the Valuer are solely responsible; and
- (c) discussed, in our capacity as, and from the perspective of, the financial adviser to CMD, the Valuation and the bases and assumptions underlying the Valuation with the Valuer.

Based on the information provided by the Valuer, we are satisfied that (i) the Valuer is suitably qualified and experienced to prepare the Valuation and (ii) the valuation approach, as well as the bases and assumptions adopted in deriving the Valuation, has been made with due care, consideration and objectivity, and on a reasonable basis.

We have not independently verified the computations leading to the determination of the Valuation and have assumed the computations to be true, accurate and complete. The valuation of identifiable tangible and intangible assets is inherently imprecise and subject to the underlying assumptions, which are in turn subject to uncertainties and affected by market and environmental conditions. In addition, our view is necessarily based on prevailing economic, market and other conditions which generally affect the financial condition of identifiable tangible and intangible assets available to us as of the date of this letter. In accordance with Rule 9.1 of the Code on Takeovers and Mergers, it is our responsibility to ensure this letter remains accurate and up to date throughout the Offer Period. The Offer Shareholders will be notified as soon as possible of any material changes to the information contained herein as well as our view, if any, after the date of the Composite Document and throughout the Offer Period.

GENERAL

This letter has been provided to the directors of CMD only and solely for the purposes of Rule 11.1 of the Takeovers Code and shall not be used or relied upon for any other purpose whatsoever. It is not addressed to and may not be relied upon by any third party for any purpose whatsoever and we expressly disclaim any duty or liability to any third party with respect to the contents of this letter.

We are not the independent appraiser of the Valuation, which was determined by the Valuer. We are acting as the financial adviser to CMD in connection with the Offer. We will not be responsible to any person other than CMD for providing advice in connection with the Offer, nor will we owe any responsibility to any person other than CMD.

We have assumed that all information, materials and representations provided to us by the Valuer were true, accurate, complete and not misleading at the time they were supplied or made, and remained so throughout the Offer Period and that no material fact or information has been omitted from the information and materials supplied. No representation or warranty, whether express or implied, is made by us on the accuracy, truth or completeness of such information, materials or representations. Accordingly, we accept no responsibility, whether expressly or implicitly, on the Valuation as set out in the Composite Document.

In providing this letter, we express no opinion or recommendation to any person as to how such person should act on any matters relating to the Offer or as to the fairness of the financial terms of the Offer. Offer Shareholders are recommended to seek their own independent financial advice.

Yours faithfully,
For and on behalf of
CITIC Securities (Hong Kong) Limited



Edmund Chan
Managing Director, Head of M&A