

**From:**

**Sent:**

**To:**

**Subject:**

Wednesday, 13 November 2013 4:15 p.m.

'Edirisuriya, Pavanie'

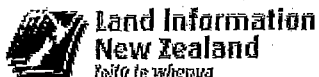
RE: China Mengniu Dairy Company Limited - Application 201320039 [DLANZ-CLIENT.FID112020]

Many thanks Pav,

Kind regards,

**Senior Solicitor  
Overseas Investment Office**

Wellington Office, Level 7, Radio New Zealand House, 155 The Terrace  
PO Box 5501, Wellington 6145, New Zealand | T 04 460 0110  
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**From:** Edirisuriya, Pavanie [mailto:Pavanie.Edirisuriya@dlapf.com]

**Sent:** Wednesday, 13 November 2013 4:12 p.m.

**To:**

**Cc:** Thomson, Martin; Ong, Michelle

**Subject:** China Mengniu Dairy Company Limited - Application 201320039 [DLANZ-CLIENT.FID112020]

Hi

As discussed, Mengniu has now completed the sell down of its interest in Yashili to the public as contemplated in paragraph 42 of the application. The purpose of the sell down was to meet public float requirements of the HK Stock Exchange. The sell down has resulted in China Mengniu International Company Limited (Holding Company as referred to in the application) decreasing its interest of 89.82% in Yashili International Holdings Ltd to 76.58%. Please see attached an updated structure diagram as well as the HK Stock Exchange announcement relating to the sell down.

A total of 471,135,389 Yashili shares were sold by China Mengniu International Company Limited. The shares were acquired by the following:

| Name of Purchaser                       | Number of Yashili Shares |
|---|--------------------------|
| Dunearn Investments (Mauritius) Pte Ltd | 220,225,000              |
| VITE Group Limited                      | 177,410,389              |
| Diverse Profits Limited                 | 13,000,000               |
| Lead Rich International Limited         | 24,500,000               |
| Wincon Capital Investment Limited       | 36,000,000               |
| <b>Aggregate Total</b>                  | <b>471,135,389</b>       |

Further details relating to the sell down (including the % acquired by each of the above purchasers) are contained in the attached announcement.

Please let me know if you require any further information in relation to the above. As mentioned, we are waiting to hear from Mengniu in relation to the OIO's queries of 1 November 2013. We will come back to you soon..

Kind regards

Pav

**Pavanie Edirisuriya**  
Senior Solicitor

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E



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**From:** Edirisuriya, Pavanie <Pavanie.Edirisuriya@dlapf.com>  
**Sent:** Wednesday, 13 November 2013 4:12 p.m.  
**To:** [REDACTED]  
**Cc:** Thomson, Martin; Ong, Michelle  
**Subject:** China Mengniu Dairy Company Limited --Application 201320039 [DLANZ-CLIENT.FID112020]  
**Attachments:** Yashili's ownership structure diagram following completion of sell down (PDF); 1187852\_1.pdf; EW02319ann.pdf.

Hi [REDACTED]

As discussed, Mengniu has now completed the sell down of its interest in Yashili to the public as contemplated in paragraph 42 of the application. The purpose of the sell down was to meet public float requirements of the HK Stock Exchange. The sell down has resulted in China Mengniu International Company Limited (Holding Company as referred to in the application) decreasing its interest of 89.82% in Yashili International Holdings Ltd to 76.58%. Please see attached an updated structure diagram as well as the HK Stock Exchange announcement relating to the sell down.

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| Diverse Profits Limited                 | 13,000,000               |
| Lead Rich International Limited         | 24,500,000               |
| Wincon Capital Investment Limited       | 36,000,000               |
| <b>Aggregate Total</b>                  | <b>471,135,389</b>       |

Further details relating to the sell down (including the % acquired by each of the above purchasers) are contained in the attached announcement.

Please let me know if you require any further information in relation to the above. As mentioned, we are waiting to hear from Mengniu in relation to the QO's queries of 1 November 2013. We will come back to you soon.

Kind regards

Pav

**Pavanie Edirisuriya**  
Senior Solicitor

T+64 9 300 3838  
F+64 9 303 2311  
[Epavanie.edirisuriya@dlapf.com](mailto:Epavanie.edirisuriya@dlapf.com)



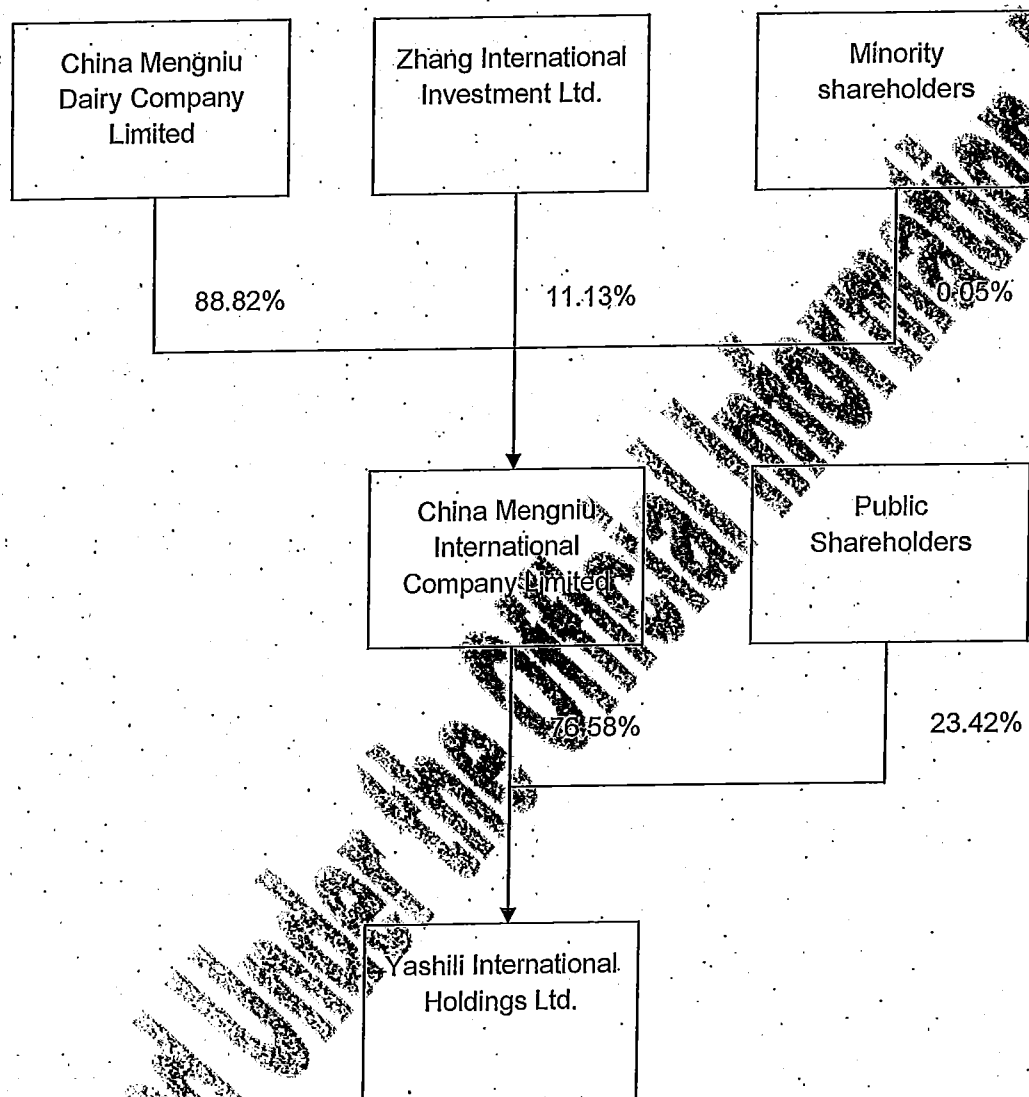
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Released Under the Official Information Act

# Yashili's ownership structure diagram following completion of sell down



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*This joint announcement is for information purposes only and does not constitute an invitation or offer to acquire, purchase or subscribe for securities of Yashili.*



蒙牛

**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)

雅士利

**Yashili International Holdings Ltd**

雅士利國際控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1230)

**China Mengniu International Company Limited**

(Incorporated in the British Virgin Islands with limited liability)

**Financial advisers to China Mengniu Dairy Company Limited**

HSBC



Standard  
Chartered



UBS



## JOINT ANNOUNCEMENT

### SALE OF EXISTING YASHILI SHARES AND RESUMPTION OF TRADING OF THE YASHILI SHARES

#### SALE OF EXISTING YASHILI SHARES

At or around 6:00 a.m. today, November 11, 2013, China Mengniu International entered into sale and purchase agreements with each of the Purchasers pursuant to which China Mengniu International has agreed to sell, and the Purchasers have agreed to purchase, in aggregate 471,135,389 Yashili Shares held by China Mengniu International at a price of HK\$3.50 per Yashili Share. The aggregate purchase price for all the Sale Shares shall be HK\$1,648,973,862. The Sales shall be completed simultaneously, otherwise neither China Mengniu International nor any of the Purchasers shall have any obligation to proceed to completion of the Sales. The Sales shall become unconditional immediately after the resumption of trading of the Yashili Share which shall take effect from 9:00 a.m. on the date of this joint announcement. Upon the Sales becoming unconditional, Yashili confirms that its public float will be restored to the level above the Prescribed Minimum Public Float Percentage.

\* For the purpose of identification only

Upon completion of the Sales, China Mengniu International will hold 2,725,612,556 Yashili Shares, representing approximately 76.58% of the existing issued share capital of Yashili and as a result, the public float of Yashili will be restored to the level above the Prescribed Minimum Public Float Percentage.

### **RESUMPTION OF TRADING OF THE YASHILI SHARES**

An application has been made by Yashili to the Stock Exchange for resumption of trading in the Yashili Shares on the Stock Exchange with effect from 9:00 a.m. today, November 11, 2013.

Reference is made to the announcement jointly issued by Yashili International Holdings Ltd (**"Yashili"**), China Mengniu Dairy Company Limited (the **"China Mengniu Dairy"**) and China Mengniu International Company Limited (the **"China Mengniu International"**) dated August 13, 2013 in relation to (1) Close of the Offers, (2) Settlement of the Offers, (3) Waiver of Public Float Requirement, (4) Suspension of Trading, (5) Resignations of Directors and (6) Change of Members of Audit Committee (the **"Announcement"**) and the clarification announcement jointly issued by Yashili, China Mengniu Dairy and China Mengniu International dated August 15, 2013 in relation to the date of suspension of trading in the Yashili Shares. Unless otherwise defined herein, capitalised terms used in this joint announcement shall have the same meanings as those defined in the Announcement.

### **SALE OF EXISTING YASHILI SHARES**

At or around 6:00 a.m. today, November 11, 2013, China Mengniu International entered into sale and purchase agreements with each of Dunearn Investments (Mauritius) Pte Ltd, VITEL Group Limited, Diverse Profits Limited, Lead Rich International Limited and Wincon Capital Investment Limited (each, a **"Purchaser"** and together, the **"Purchasers"**) (each, a **"Sale and Purchase Agreement"** and together, the **"Sale and Purchase Agreements"**) pursuant to which China Mengniu International has agreed to sell and the Purchasers have agreed to purchase in aggregate 471,135,389 Yashili Shares held by China Mengniu International (the **"Sale Shares"**) at a price of HK\$3.50 per Yashili Share (each, a **"Sale"** and together, the **"Sales"**). Each of the Sale and Purchase Agreements constitutes a legal, valid and binding obligation of China Mengniu International and the relevant Purchaser. The Sales shall become unconditional immediately after the resumption of trading of the Yashili Shares which shall take effect from 9:00 a.m. on the date of this joint announcement. Immediately after the signing of the Sale and Purchase Agreements, each of the Purchasers is free to on-sell the relevant Sale Shares. The aggregate purchase price for all the Sale Shares shall be HK\$1,648,973,862. The Sales shall be completed at the same time in order to ensure the public float of Yashili will be restored to the level above the Prescribed Minimum Public Float Percentage. Upon the Sales becoming unconditional, Yashili confirms that its public float will be restored to the level above the Prescribed Minimum Public Float Percentage.

Dunearn Investments (Mauritius) Pte Ltd is an indirect wholly-owned subsidiary of Singapore-based investment company Temasek. VITEL Group Limited is a company incorporated in the British Virgin Islands, which is indirectly and wholly-owned by Hopu fund, one of the leading private equity firms focusing on China-related investment opportunities. Diverse Profits Limited, Lead Rich International Limited and Wincon Capital Investment Limited are investment holding companies incorporated in the British Virgin Islands and are ultimately owned by individual investors, all of whom are independent from and not connected with each other.

To the best of the knowledge of China Mengniu Dairy, China Mengniu International and Yashili, none of the Purchasers is a connected person (as such term is defined in the Listing Rules) of Yashili.

## SALE AND PURCHASE AGREEMENTS

### Date

November 11, 2013

### The Sales

Pursuant to the respective Sale and Purchase Agreements, China Mengniu International has agreed to sell, and each of the Purchasers has agreed to purchase, such number of Yashili Shares as listed below that are held by China Mengniu International at a price of HK\$3.50 per Yashili Share:

| Name of Purchaser                       | Number of Yashili Shares to be sold by China Mengniu International and purchased by the relevant Purchaser |
|---|--|
| Dunearn Investments (Mauritius) Pte Ltd | 220,225,000  |
| VITEL Group Limited                     | 177,410,389  |
| Diverse Profits Limited                 | 13,000,000   |
| Lead Rich International Limited         | 24,500,000   |
| Wincon Capital Investment Limited       | 36,000,000   |
| Aggregate Total:                        | 471,135,389  |

### Conditions Precedent of the Sales

Completion of each of the Sales is conditional only upon the simultaneous signing of the Sale and Purchase Agreements. Such condition has been fulfilled as at 6:00 a.m. on the date of this joint announcement.



### **Restrictions on the Purchasers**

Each of the Purchasers agrees and undertakes, save with the prior written consent of Yashili, not to make any purchase of Yashili Shares which would result in its aggregate holding (direct and indirect) in the total issued share capital of Yashili being 10% or more of Yashili's entire issued share capital at any time, except where (i) such acquisition will not result in Yashili failing to comply with the Prescribed Minimum Public Float Percentage; or (ii) such acquisition relates to or will result in any general offer to be made by such Purchaser or in conjunction with other investors pursuant to the requirements under the Hong Kong Code on Takeovers and Mergers, provided that such undertaking shall not be binding on such Purchaser upon (a) China Mengniu International ceasing to be a controlling shareholder (as such term is defined in the Listing Rules) of Yashili or (b) such Purchaser ceasing to be a shareholder of Yashili.

### **Lock-Up**

For a period of 90 days following November 13, 2013, other than the exercise by the shareholders of China Mengniu International (other than China Mengniu Dairy) of their right to exchange their shares in China Mengniu International into Yashili Shares, China Mengniu International shall not dispose of any Yashili Shares (or securities convertible or exchangeable into Yashili Shares) held by it as at the date of this joint announcement at a price lower than HK\$3.50, without the prior consent of the Purchasers.

### **Representations and Warranties of the Purchasers**

Pursuant to each of the Sale and Purchase Agreements, each of the Purchasers represents and warrants to China Mengniu International that, among others:

- (a) it is not (and will not become as a result of the consummation of the relevant Sale) a connected person (as such term is defined in the Listing Rules) of Yashili and it does not have any actual knowledge that it will be deemed a connected person of Yashili pursuant to Rule 14A.11(4) of the Listing Rules as at the date of the relevant Sale and Purchase Agreement;
- (b) it is not financing the acquisition of the relevant Sale Shares directly or indirectly by a connected person (as such term is defined in the Listing Rules) of Yashili; and
- (c) it is not accustomed to taking instructions from a connected person (as such term is defined in the Listing Rules) of Yashili in relation to the acquisition, disposal, voting or other disposition of securities of Yashili registered in its name or otherwise held by it.

## Completion

The Sales are to be reported to the Stock Exchange as a crossing on the Stock Exchange on November 11, 2013 (the “**Trade Date**”) and settlement of the Sales shall take place on November 13, 2013. The reporting to the Stock Exchange as a crossing on the Stock Exchange is an administrative procedure to ensure the Sales can be reported to and recorded on the Stock Exchange. For the avoidance of doubt, if the Trade Date is delayed in the event of a tropical cyclone warning signal number 8 or above or a “black” rainstorm warning signal being in force in Hong Kong at any time between 9:00 a.m. and 12:00; then the date for settlement shall take place two business days (as such term is defined in the Listing Rules) following the new Trade Date.

## Termination

During the period between the signing of the Sale and Purchase Agreements until the resumption of trading of the Yashili Shares that is expected to take effect at 9:00 a.m. on the date of this joint announcement, each of the Purchasers may terminate the relevant Sale and Purchase Agreement if or upon, among other things, (i) the Stock Exchange definitively rules, orders or otherwise declares that it will not grant permission for the resumption of trading of the Yashili Shares, (ii) the Stock Exchange has not given permission for the resumption of trading in the Yashili Shares as evidenced by (A) the publication of this joint announcement on the Stock Exchange’s website and Yashili’s website, and (B) the resumption of trading of the Yashili Shares having taken effect in accordance with this joint announcement, or (iii) the occurrence of customary termination events relating to (A) any material breach of any of the representations, warranties or undertakings in the relevant Sale and Purchase Agreement by China Mengniu International; (B) the coming into effect of any laws, rules, regulations, among others, which prohibit the consummation of the transaction contemplated under the relevant Sale and Purchase Agreement; or (C) financial, political or economic events or changes in currency exchange rate or exchange controls which would materially affect Hong Kong, New York or London capital markets and would reasonably be expected to result in either the transaction contemplated under the relevant Sale and Purchase Agreement becoming impractical, inadvisable or inexpedient to proceed, the relevant Sale and Purchase Agreement becoming incapable of performance in accordance with its terms or China Mengniu International becoming unable to consummate the transaction or perform its material obligations under the relevant Sale and Purchase Agreement.

China Mengniu International may terminate the relevant Sale and Purchase Agreement if there is a material breach by the relevant Purchaser of the representations and warranties set out in the section headed “Representations and Warranties of the Purchasers” above.

## EFFECTS ON SHAREHOLDING STRUCTURE OF YASHILI

Upon completion of the Sales, the public float of Yashili will be restored to the level above the Prescribed Minimum Public Float Percentage. The shareholding structure of Yashili as at the date of this joint announcement and immediately after the completion of the Sales is as follows:

| Holder                                  | (i) As at the date of this joint announcement |                | (ii) Immediately after the completion of the Sales |                |
|---|---|----------------|--|----------------|
|   | Number of Yashili Shares                      | %              | Number of Yashili Shares                           | %              |
| China Mengniu International             | 3,196,747,945                                 | 89.82%         | 2,725,612,556                                      | 76.58%         |
| Dunearn Investments (Mauritius) Pte Ltd | 0   | 0%             | 220,223,000  | 6.19%          |
| VITEL Group Limited                     | 0   | 0%             | 177,410,389  | 4.98%          |
| Diverse Profits Limited                 | 0   | 0%             | 43,000,000   | 0.37%          |
| Lead Rich International Limited         | 0   | 0%             | 24,500,000   | 0.69%          |
| Wincon Capital Investment Limited       | 0   | 0%             | 36,000,000   | 1.01%          |
| Public Shareholders                     | 362,422,277                                   | 10.18%         | 362,422,277  | 10.18%*        |
| <b>Total</b>                            | <b>3,559,170,222</b>                          | <b>100.00%</b> | <b>3,559,170,222</b>                               | <b>100.00%</b> |

\* The percentage held by the public shareholders should be aggregated with the percentages to be held by the Purchasers in order to calculate the percentage of the shareholding held by the "public" immediately after the completion of the Sales. Hence, the percentage of the shareholding held by the "public" immediately after the completion of the Sales is 23.42% which complies with the Prescribed Minimum Public Float Percentage.

## USE OF PROCEEDS

The board of directors of China Mengniu International has resolved to distribute the net proceeds from the Sales to its shareholders in accordance with its articles of association, including, among others, China Mengniu Dairy and Zhang International Investment Ltd.. China Mengniu Dairy intends to use such net proceeds distributed to it to repay part of its indebtedness under the facility agreement dated June 17, 2013 among China Mengniu Dairy as borrower, China Mengniu International as offeror, The Hongkong and Shanghai Banking Corporation Limited ("HSBC") and Standard Chartered Bank (Hong Kong) Limited as mandated lead arrangers, and HSBC as facility agent and as security agent.

## RESUMPTION OF TRADING OF THE YASHILI SHARES

Yashili has applied to the Stock Exchange for resumption of trading in the Yashili Shares on the Stock Exchange with effect from 9:00 a.m. today, November 11, 2013. The Stock Exchange has accepted such application. Accordingly, trading of the Yashili Shares on the Stock Exchange will resume with effect from 9:00 a.m. today, November 11, 2013.

By order of the board of directors of  
**China Mengniu Dairy Company Limited**

中國蒙牛乳業有限公司

**Sun Yiping**

*Chief Executive Officer and Executive Director*

By order of the board of directors of  
**Yashili International Holdings Ltd.**

雅士利國際控股有限公司

**Sun Yiping**

*Chairman*

By order of the board of directors of  
**China Mengniu International Company Limited**

**Wu Jingshui**

*Director*

Hong Kong, November 11, 2013

*As at the date of this joint announcement, the board of directors of China Mengniu Dairy comprises: Ms. Sun Yiping, Mr. Bai Ying and Mr. Wu Jingshui as executive directors, Mr. Ning Gaoning, Mr. Yu Xubo, Mr. Niu Genshang, Mr. Ma Jianping, Mr. Finn S. Hansen, Ms. Liu Ding and Mr. Christian Neu as non-executive directors, Mr. Jiao Shuge (alias Jiao Zhen), Mr. Julian Juul Wolhardt, Mr. Liu Fuchun, Mr. Zhang Xiaoya, Mr. Andrew Y. Yan and Mr. Wu Kwok Keung Andrew as independent non-executive directors.*

*As at the date of this joint announcement, the board of directors of China Mengniu International comprises: Mr. Wu Jingshui, Mr. Kwok Wai Cheong and Mr. Zhang Yanpeng.*

*As at the date of this joint announcement, the board of directors of Yashili comprises: Ms. Sun Yiping (Chairman), Mr. Ding Sheng and Mr. Wu Jingshui as non-executive directors; Mr. Li Dongming, Mr. Zhang Lidian and Mr. Zhang Yanpeng as executive directors; and Mr. Yu Shimao, Mr. Samuel King On Wong and Mr. Liu Jinting as independent non-executive directors.*

*The English text of this joint announcement shall prevail over its Chinese text.*

[REDACTED]

---

**From:** [REDACTED]  
**Sent:** Friday, 1 November 2013 12:26 p.m.  
**To:** 'Edirisuriya, Pavanie'  
**Cc:** 'Thomson, Martin'; 'Ong, Michelle'  
**Subject:** RE: China Mengniu Dairy Company Limited - Application 201320039 [DLANZ-CLIENT.FID112020]

Thanks Pav,

Further to our discussion yesterday, as we require further information, the truth and correctness statutory declaration will not be able to be signed at this stage as it will not refer to all correspondence.

Can you please provide us with the following:

1. The ultimate beneficial ownership of Arla Foods and Danone Group;
2. With regard to the 'Members of the Public' in Schedule 2, can you confirm the ultimate beneficial ownership of this (i.e. is this the general public of Hong Kong?);
3. At paragraph 57, the Applicant intends to continue to operate Yashili's business 'substantially in its current state'; can you elaborate on how this business operation will be operated differently to that of Yashili;

Kind regards,

[REDACTED]  
**Senior Solicitor**  
**Overseas Investment Office**

[REDACTED]  
Wellington Office, Level 7, Radio New Zealand House, 155 The Terrace  
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W [www.linz.govt.nz](http://www.linz.govt.nz) | [www.landonline.govt.nz](http://www.landonline.govt.nz) | [data.linz.govt.nz](http://data.linz.govt.nz)



**From:** Edirisuriya, Pavanie [mailto:Pavanie.Edirisuriya@dlapf.com]  
**Sent:** Wednesday, 30 October 2013 5:42 p.m.  
**To:** [REDACTED]  
**Cc:** Thomson, Martin; Ong, Michelle  
**Subject:** China Mengniu Dairy Company Limited - Application 201320039 [DLANZ-CLIENT.FID112020]

Hi [REDACTED]

Further to the email below, we have now received and attach signed copies of the good character declarations for the following persons, being all the persons (except for Mr Jiao Shuge) identified in your email as requiring such declarations:

- Ms Sun Yiping
- Mr Wu Jingshui
- Mr Bai Ying

- Mr Ning Gaoning
- Mr Yu Xubo
- Mr Niu Gensheng
- Mr Ma Jianping
- Mr Finn S. Hansen
- Ms Liu Ding
- Mr Julian Juul Wolhardt
- Mr Liu Fuchun
- Mr Zhang Xiaoya
- Mr Andrew Y. Yan
- Mr Wu Kwok Keung Andrew
- Mr Christian Neu

These declarations have all been witnessed by a Consular Officer at the New Zealand Embassy in Beijing (i.e. a Commonwealth representative). We will send through to you the originals of these declarations promptly when we have them at hand.

As noted above, we are still waiting to receive a signed good character declaration from Mr Jiao Shuge (alias Jiao Zhen).

We are aware that the OIO will also require Mengniu to provide a statutory declaration as to the accuracy and truthfulness of the information provided in support of Mengniu's OIO application. As you know, this statutory declaration will also have to be duly witnessed by an acceptable individual under the Oaths and Declarations Act. Given the logistical difficulties in arranging for an acceptable witness in China, Mengniu has requested that Mr Jiao Shuge (being the director who has yet to sign the good character declaration) sign this declaration on behalf of Mengniu at the same time as he signs his good character declaration. This will allow Mengniu to arrange for an appropriate individual to witness both the declarations in one instance instead of having to make such arrangements in two separate instances.

We would appreciate it if you could let us know if this is possible as well as update us on how Mengniu's OIO application is progressing. As always, please let us know if there is anything we can do to assist your review of the application.

I look forward to hearing from you.

Kind regards

Pav

**Pavanie Edirisuriya**  
Senior Solicitor

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F +64 9 303 2311

[Epavanie.edirisuriya@dlapf.com](mailto:Epavanie.edirisuriya@dlapf.com)



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**From:** Edirisuriya, Pavanie  
**Sent:** Thursday, 17 October 2013 11:25 a.m.  
**To:** [REDACTED]  
**Cc:** Thomson, Martin; Ong, Michelle  
**Subject:** RE: China Mengniu Dairy Company Limited - Application 201320039 [DLANZ-CLIENT.FID112020]

Thanks [REDACTED]

**Pavanie Edirisuriya**  
Senior Solicitor

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**From:** [REDACTED]  
**Sent:** Thursday, 17 October 2013 11:14 a.m.  
**To:** Edirisuriya, Pavanie  
**Cc:** Thomson, Martin; Ong, Michelle  
**Subject:** RE: China Mengniu Dairy Company Limited - Application 201320039 [DLANZ-CLIENT.FID112020]

Thanks Pav,

That looks fine (no changes required).

If the declarations are made before a Commonwealth representative, we are happy with the declarations being made before the Consulate General of New Zealand in Hong Kong.

We will come back to you in due course in relation to the statutory declaration as to the accuracy and truthfulness of the information provided in support of Mengniu's application.

Kind regards,

[REDACTED]  
**Senior Solicitor**  
**Overseas Investment Office**

Wellington Office, Level 7, Radio New Zealand House, 155 The Terrace  
PO Box 5501, Wellington 6145, New Zealand | T 04 460 0110  
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---

**From:** Edirisuriya, Pavanie [<mailto:Pavanie.Edirisuriya@dlapf.com>]  
**Sent:** Wednesday, 16 October 2013 11:52 a.m.  
**To:** [REDACTED]  
**Cc:** Thomson, Martin; Ong, Michelle  
**Subject:** China Mengniu Dairy Company Limited - Application 201320039 [DLANZ-CLIENT.FID112020]

Hi [REDACTED]

Thank you for your email below.

As suggested, we have amended the draft good character statutory declaration and attach a draft template for your review and comment.

Some of the directors for the Yashili application made their declaration before the Consulate General of New Zealand in Hong Kong (i.e. a Commonwealth representative). We assume that some directors may do the same here and that this approach is acceptable for these declarations.

We look forward to your comments on the draft template. We will await your instructions as to when the statutory declaration as to the accuracy and truthfulness of the information provided in support of Mengniu's OIO application should be signed and provided.

As always, please let us know if there is anything we can do to assist your review of the application.

Kind regards

Pav

**Pavanie Edirisuriya**

Senior Solicitor

T+64 9 300 3838

F+64 9 303 2311

[Epavanie.edirisuriya@dlapf.com](mailto:Epavanie.edirisuriya@dlapf.com)



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---

**From:** [REDACTED]

**Sent:** Tuesday, 15 October 2013 4:38 p.m.

**To:** Edirisuriya, Pavanie

**Cc:** Thomson, Martin

**Subject:** RE: China Mengniu Dairy Company Limited - Application 201320039 [DLANZ-CLIENT.FID112020]

Hi Pav,

Further to the below, we have identified the relevant overseas person as China Mengniu Dairy Company Limited, and the individuals with control of the relevant overseas person as Mengniu's directors:

Ms Sun Yiping  
Mr Wu Jingshui  
Mr Bai Ying  
Mr Ning Gaoning  
Mr Yu Xubo  
Mr Niu Gensheng  
Mr Ma Jianping  
Mr Finn S. Hansen  
Ms Liu Ding  
Mr Jiao Shuge (alias Jiao Zhen)  
Mr Julian Juul Wolhardt  
Mr Liu Fuchun  
Mr Zhang Xiaoya  
Mr Andrew Y. Yan  
Mr Wu Kwok Keung Andrew  
Mr Christian Neu



Each of the above directors will need to execute a good character statutory declaration. The declaration, as attached at schedule 7, will therefore need to be amended accordingly. In light of the Allegations and Responses report that you have provided, can you please insert a further sentence into the good character statutory declarations which addresses and acknowledges these allegations and responses. We suggest you email us draft declarations so that we can review them before they are signed.

As discussed, given the logistics of having these signed, we have addressed the good character statutory declarations at this stage to allow for plenty of time for execution. We note, however, that we are still reviewing the application and will be in touch soon with any further information we may require.

Kind regards,

**Senior Solicitor**  
**Overseas Investment Office**

Wellington Office, Level 7, Radio New Zealand House, 155 The Terrace  
PO Box 5501, Wellington 6145, New Zealand | T 04 460 0110  
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**From:** Edirisuriya, Pavanie [<mailto:Pavanie.Edirisuriya@dlapf.com>]  
**Sent:** Wednesday, 9 October 2013 2:51 p.m.  
**To:** [REDACTED]  
**Subject:** RE: China Mengniu Dairy Company Limited - Application 201320039 [DLANZ-CLIENT.FID112020]

Thanks [REDACTED] We look forward to hearing from you

Kind regards

Pav

**Pavanie Edirisuriya**  
Senior Solicitor

T +64 9 300 3838  
F +64 9 303 2311  
E [pavanie.edirisuriya@dlapf.com](mailto:pavanie.edirisuriya@dlapf.com)



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**From:** [REDACTED]  
**Sent:** Tuesday, 8 October 2013 6:17 p.m.  
**To:** Edirisuriya, Pavanie  
**Cc:** Thomson, Martin; Ong, Michelle  
**Subject:** RE: China Mengniu Dairy Company Limited - Application 201320039 [DLANZ-CLIENT.FID112020]

Thanks Pav,

We will review this and come back to you soon with any further information we require.

We note, as similar to the Yashili application, we will require each individual with control of the relevant overseas person to sign a good character statutory declaration. These statutory declarations will also need to be amended to acknowledge the information set out in the allegations and responses report that you have provided. Given the logistics of having these signed, we will come back to you soon with who we have identified as the individuals with control of the relevant overseas person.

Kind regards,

**Senior Solicitor  
Overseas Investment Office**

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**From:** Edirisuriya, Pavanie [<mailto:Pavanie.Edirisuriya@dlapf.com>]

**Sent:** Tuesday, 8 October 2013 4:31 p.m.

**To:**

**Cc:** Thomson, Martin; Ong, Michelle

**Subject:** FW: China Mengniu Dairy Company Limited - Application 201320039 [DLANZ-CLIENT.FID112020]

Hi

Thank you for your email below.

Mengniu has confirmed that since the OIO application was submitted the only changes to its board of directors are as follows:

**Director resignations:**

- Mr Ding Sheng
- Mr Tim Orting Jorgensen

**New director appointment:**

- Mr Christian Neu (as non-executive director)

We attach a copy of Mr Christian Neu's passport photo page and set out his relevant details below:

- Address
- Citizenship
- Residency

**Brief CV:** Christian Neu, aged 57, has over 30 years of experience in the management of fast-moving consumer goods with outstanding performance particularly in sales, marketing, integrated management and international business management. Mr. Neu joined Danone SA, a multi-national corporation and global leader in food products, including fresh dairy products and other health and nutrition food products, in July 1986, where he was initially engaged in sales and marketing activities and later became the general manager of various local and regional companies of Danone SA (the Danone Group). Between November 2007 and January 2011, he was the president of baby nutrition division and a member of the executive committee of the Danone Group. Since February 2011, Mr. Neu has been a strategic consultant of the Danone Group. Prior to joining the Danone Group, he served in the sales departments of various international companies including Procter & Gamble, the Ferrero Group and Lindner & Fischer GmbH from 1979 to 1986. He graduated with a Bachelor's degree from Fachhochschule Saarbrücken University in Germany with a major in Sales and Marketing in 1979 and obtained a Master's degree in Marketing Management from University of St. Gallen in

Switzerland in 1993. Mr. Neu is currently a director of Yakult Honsha Co., Ltd., a company listed on the Tokyo Stock Exchange in Japan, engaging in food and beverages (probiotics drinks, yoghurt and other beverages) and pharmaceutical businesses and ARC International, a company headquartered in France which engages in the businesses of tableware, cookware and wine and dining products.

Please let us know if you have any further queries or if we can assist in any way to progress the application.

We look forward to hearing from you.

Kind regards

Pav

**Pavanie Edirisuriya**  
Senior Solicitor

T+64 9 300 3838  
F+64 9 303 2311  
[Epavanie.edirisuriya@dlapf.com](mailto:Epavanie.edirisuriya@dlapf.com)



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---

**From:** [REDACTED]  
**Sent:** Wednesday, 2 October 2013 5:06 p.m.  
**To:** Edirisuriya, Pavanie  
**Subject:** China Mengniu Dairy Company Limited - Application 201320039

Dear Pavanie,

We are in the process of reviewing the application and will be in touch in due course with any further information that we may require.

In the interim, it would appear that one of the directors of the Applicant has resigned. We note from the Applicant's website that Mr Ding Sheng no longer appears to be a director. Can you accordingly confirm the current directors of the Applicant and, if there are any new directors which have not been noted in the Application, provide us with the relevant details for those directors, including CV and passport (it appears Mr Christian Neu is now a director).

We look forward to your response.

Kind regards

[REDACTED]  
**Senior Solicitor**  
**Overseas Investment Office**

[REDACTED]  
Wellington Office, Level 7, Radio New Zealand House, 155 The Terrace  
PO Box 5501, Wellington 6145, New Zealand | T 04 460 0110



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Released Under the Official Information Act

[REDACTED]

---

**From:** Edirisuriya, Pavanie <Pavanie.Edirisuriya@dlapf.com>  
**Sent:** Wednesday, 30 October 2013 5:42 p.m.  
**To:** [REDACTED]  
**Cc:** Thomson, Martin; Ong, Michelle  
**Subject:** China Mengniu Dairy Company Limited - Application 201320039 [DLANZ-CLIENT.FID112020]  
**Attachments:** 30102013173451-0001.pdf

Hi [REDACTED]

Further to the email below, we have now received and attach signed copies of the good character declarations for the following persons, being all the persons (except for Mr Jiao Shuge) identified in your email as requiring such declarations:

- Ms Sun Yiping
- Mr Wu Jingshui
- Mr Bai Ying
- Mr Ning Gaoning
- Mr Yu Xubo
- Mr Niu Gensheng
- Mr Ma Jianping
- Mr Finn S. Hansen
- Ms Liu Ding
- Mr Julian Juul Wolhardt
- Mr Liu Fuchun
- Mr Zhang Xiaoya
- Mr Andrew Y. Yan
- Mr Wu Kwok Keung Andrew
- Mr Christian Neu

These declarations have all been witnessed by a Consular Officer at the New Zealand Embassy in Beijing (i.e. a Commonwealth representative). We will send through to you the originals of these declarations promptly when we have them at hand.

As noted above, we are still waiting to receive a signed good character declaration from Mr Jiao Shuge (alias Jiao Zhen).

We are aware that the OIO will also require Mengniu to provide a statutory declaration as to the accuracy and truthfulness of the information provided in support of Mengniu's OIO application. As you know, this statutory declaration will also have to be duly witnessed by an acceptable individual under the Oaths and Declarations Act. Given the logistical difficulties in arranging for an acceptable witness in China, Mengniu has requested that Mr Jiao Shuge (being the director who has yet to sign the good character declaration) sign this declaration on behalf of Mengniu at the same time as he signs his good character declaration. This will allow Mengniu to arrange for an appropriate individual to witness both the declarations in one instance instead of having to make such arrangements in two separate instances.

We would appreciate it if you could let us know if this is possible as well as update us on how Mengniu's OIO application is progressing. As always, please let us know if there is anything we can do to assist your review of the application.

I look forward to hearing from you.

Kind regards

Pav

**Pavanie Edirisuriya**  
Senior Solicitor

T+64 9 300 3838  
F+64 9 303 2311  
[Epavanie.edirisuriya@dlapf.com](mailto:Epavanie.edirisuriya@dlapf.com)



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**From:** Edirisuriya, Pavanie  
**Sent:** Thursday, 17 October 2013 11:25 a.m.  
**To:** [REDACTED]  
**Cc:** Thomson, Martin; Ong, Michelle  
**Subject:** RE: China Mengniu Dairy Company Limited - Application 201320039 [DLANZ-CLIENT.FID112020]

Thanks [REDACTED]

**Pavanie Edirisuriya**  
Senior Solicitor

T+64 9 300 3838  
F+64 9 303 2311  
[Epavanie.edirisuriya@dlapf.com](mailto:Epavanie.edirisuriya@dlapf.com)



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**From:** [REDACTED]  
**Sent:** Thursday, 17 October 2013 11:14 a.m.  
**To:** Edirisuriya, Pavanie  
**Cc:** Thomson, Martin; Ong, Michelle  
**Subject:** RE: China Mengniu Dairy Company Limited - Application 201320039 [DLANZ-CLIENT.FID112020]

Thanks Pav,

That looks fine (no changes required).

If the declarations are made before a Commonwealth representative, we are happy with the declarations being made before the Consulate General of New Zealand in Hong Kong.

We will come back to you in due course in relation to the statutory declaration as to the accuracy and truthfulness of the information provided in support of Mengniu's application.

Kind regards,

**Senior Solicitor  
Overseas Investment Office**

Wellington Office, Level 7, Radio New Zealand House, 155 The Terrace  
PO Box 5501, Wellington 6145, New Zealand | T 04 460 0110  
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**Land Information  
New Zealand**  
*taio te whenua*

**From:** Edirisuriya, Pavanie [mailto:Pavanie.Edirisuriya@dlapf.com]  
**Sent:** Wednesday, 16 October 2013 11:52 a.m.  
**To:** [REDACTED]  
**Cc:** Thomson, Martin; Ong, Michelle  
**Subject:** China Mengniu Dairy Company Limited - Application 201320039 [DLANZ-CLIENT.FID112020]

Hi [REDACTED]

Thank you for your email below.

As suggested, we have amended the draft good character statutory declaration and attach a draft template for your review and comment.

Some of the directors for the Yashili application made their declaration before the Consulate General of New Zealand in Hong Kong (i.e. a Commonwealth representative). We assume that some directors may do the same here and that this approach is acceptable for these declarations.

We look forward to your comments on the draft template. We will await your instructions as to when the statutory declaration as to the accuracy and truthfulness of the information provided in support of Mengniu's OIO application should be signed and provided.

As always, please let us know if there is anything we can do to assist your review of the application.

Kind regards

Pav

**Pavanie Edirisuriya**  
Senior Solicitor

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---

**From:** [REDACTED]  
**Sent:** Tuesday, 15 October 2013 4:38 p.m.  
**To:** Edirisuriya, Pavanie  
**Cc:** Thomson, Martin  
**Subject:** RE: China Mengniu Dairy Company Limited - Application 201320039 [DLANZ-CLIENT.FID112020]

Hi Pav,

Further to the below, we have identified the relevant overseas person as China Mengniu Dairy Company Limited, and the individuals with control of the relevant overseas person as Mengniu's directors:

Ms Sun Yiping  
Mr Wu Jingshui  
Mr Bai Ying  
Mr Ning Gaoning  
Mr Yu Xubo  
Mr Niu Gensheng  
Mr Ma Jianping  
Mr Finn S. Hansen  
Ms Liu Ding  
Mr Jiao Shuge (alias Jiao Zhen)  
Mr Julian Juul Wolhardt  
Mr Liu Fuchun  
Mr Zhang Xiaoya  
Mr Andrew Y. Yan  
Mr Wu Kwok Keung Andrew  
Mr Christian Neu

Each of the above directors will need to execute a good character statutory declaration. The declaration, as attached at schedule 7, will therefore need to be amended accordingly. In light of the Allegations and Responses report that you have provided, can you please insert a further sentence into the good character statutory declarations which addresses and acknowledges these allegations and responses. We suggest you email us draft declarations so that we can review them before they are signed.

As discussed, given the logistics of having these signed, we have addressed the good character statutory declarations at this stage to allow for plenty of time for execution. We note, however, that we are still reviewing the application and will be in touch soon with any further information we may require.

Kind regards,

**Senior Solicitor**  
**Overseas Investment Office**

Wellington Office, Level 7, Radio New Zealand House, 155 The Terrace  
PO Box 5501, Wellington 6145, New Zealand | T 04 460 0110  
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**From:** Edirisuriya, Pavanie [<mailto:Pavanie.Edirisuriya@dlapf.com>]

**Sent:** Wednesday, 9 October 2013 2:51 p.m.

**To:**

**Subject:** RE: China Mengniu Dairy Company Limited - Application 201320039 [DLANZ-CLIENT,FID112020]

Thanks [REDACTED] We look forward to hearing from you.

Kind regards

Pav



**Pavanie Edirisuriya**  
Senior Solicitor

T+64 9 300 3838  
F+64 9 303 2311  
[Epavanie.edirisuriya@dlapf.com](mailto:Epavanie.edirisuriya@dlapf.com)



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**From:** [REDACTED]  
**Sent:** Tuesday, 8 October 2013 6:17 p.m.  
**To:** Edirisuriya, Pavanie  
**Cc:** Thomson, Martin; Ong, Michelle  
**Subject:** RE: China Mengniu Dairy Company Limited - Application 201320039 [DLANZ-CLIENT.FID112020]

Thanks Pav,

We will review this and come back to you soon with any further information we require.

We note, as similar to the Yashili application, we will require each individual with control of the relevant overseas person to sign a good character statutory declaration. These statutory declarations will also need to be amended to acknowledge the information set out in the allegations and responses report that you have provided. Given the logistics of having these signed, we will come back to you soon with who we have identified as the individuals with control of the relevant overseas person.

Kind regards,

[REDACTED]  
**Senior Solicitor**  
**Overseas Investment Office**

[REDACTED]  
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---

**From:** Edirisuriya, Pavanie [<mailto:Pavanie.Edirisuriya@dlapf.com>]  
**Sent:** Tuesday, 8 October 2013 4:31 p.m.  
**To:** [REDACTED]  
**Cc:** Thomson, Martin; Ong, Michelle  
**Subject:** FW: China Mengniu Dairy Company Limited - Application 201320039 [DLANZ-CLIENT.FID112020]

Hi [REDACTED]

Thank you for your email below.

Mengniu has confirmed that since the OIO application was submitted the only changes to its board of directors are as follows:

**Director resignations:**

- Mr Ding Sheng
- Mr Tim Orting Jorgensen

**New director appointment:**

- Mr Christian Neu (as non-executive director)

We attach a copy of Mr Christian Neu's passport photo page and set out his relevant details below:

- *Address:*
- *Citizenship:*
- *Residency:*
- *Brief CV:* Christian Neu, aged 57, has over 30 years of experience in the management of fast-moving consumer goods with outstanding performance particularly in sales, marketing, integrated management and international business management. Mr. Neu joined Danone SA, a multi-national corporation and global leader in food products, including fresh dairy products and other health and nutrition food products, in July 1986, where he was initially engaged in sales and marketing activities and later became the general manager of various local and regional companies of Danone SA (the Danone Group). Between November 2007 and January 2011, he was the president of baby nutrition division and a member of the executive committee of the Danone Group. Since February 2011, Mr. Neu has been a strategic consultant of the Danone Group. Prior to joining the Danone Group, he served in the sales departments of various international companies including Procter & Gamble, the Ferrero Group and Lindner & Fischer GmbH from 1979 to 1986. He graduated with a Bachelor's degree from Fachhochschule Saarbrücken University in Germany with a major in Sales and Marketing in 1979 and obtained a Master's degree in Marketing Management from University of St. Gallen in Switzerland in 1993. Mr. Neu is currently a director of Yakult Honsha Co., Ltd., a company listed on the Tokyo Stock Exchange in Japan, engaging in food and beverages (probiotics drinks, yoghurt and other beverages) and pharmaceutical businesses and ARC International, a company headquartered in France which engages in the businesses of tableware, cookware and wine and dining products.

Please let us know if you have any further queries or if we can assist in any way to progress the application.

We look forward to hearing from you.

Kind regards

Pav

**Pavanie Edirisuriya**

Senior Solicitor

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+64 9 303 2311

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**From:** [REDACTED]

**Sent:** Wednesday, 2 October 2013 5:06 p.m.

**To:** Edirisuriya, Pavanie

**Subject:** China Mengniu Dairy Company Limited - Application 201320039

Dear Pavanie,

We are in the process of reviewing the application and will be in touch in due course with any further information that we may require.

In the interim, it would appear that one of the directors of the Applicant has resigned. We note from the Applicant's website that Mr Ding Sheng no longer appears to be a director. Can you accordingly confirm the current directors of the Applicant and, if there are any new directors which have not been noted in the Application, provide us with the relevant details for those directors, including CV and passport (it appears Mr Christian Neu is now a director).

We look forward to your response.

Kind regards,

Senior Solicitor  
Overseas Investment Office

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The Manager  
Overseas Investment Office  
Land Information New Zealand  
Private Box 5501  
Wellington

**Statutory declaration in support of an application by China Mengniu Dairy Company Limited**

I, Sun Yiping, of Inner Mongolia, People's Republic of China, Director declare:

- 1 I have never committed an offence or contravened the law and no entity in which I had a 25% or more ownership or control interest at the time has committed an offence or contravened the law.
- 2 I know of no other matter that reflects adversely on my fitness to have the particular overseas investment.
- 3 I am of good character.
- 4 I am not an individual of the kind referred to in section 15 and 16 of the Immigration Act 2009.
- 5 I acknowledge the matters set out in the allegations and responses document relating to the allegations involving China Mengniu Dairy Company Limited provided to the Overseas Investment Office on 13 September 2013.

And I make this declaration conscientiously believing the same to be true and by virtue of the Oaths and Declarations Act 1957.

Declared at *Wangfujing Plaza, Beijing*

on *27 Oct* 2013 )

before me ) \_\_\_\_\_

Sun Yiping

Commonwealth representative /  
Judge /  
Notary public /  
Solicitor of the High Court of New Zealand

Chase Nicholas Wiremu-Williams  
Consular Officer  
New Zealand Embassy, Beijing  
PR China



1155984\_1

The Manager  
Overseas Investment Office  
Land Information New Zealand  
Private Box 5501  
Wellington

**Statutory declaration in support of an application by China Mengniu Dairy Company Limited**

I, Wu Jingshui, of Inner Mongolia, People's Republic of China, Director, declare:

- 1 I have never committed an offence or contravened the law and no entity in which I had a 25% or more ownership or control interest at the time has committed an offence or contravened the law.
- 2 I know of no other matter that reflects adversely on my fitness to have the particular overseas investment.
- 3 I am of good character.
- 4 I am not an individual of the kind referred to in section 15 and 16 of the Immigration Act 2009.
- 5 I acknowledge the matters set out in the allegations and responses document relating to the allegations involving China Mengniu Dairy Company Limited provided to the Overseas Investment Office on 13 September 2013.

And I make this declaration conscientiously believing the same to be true and by virtue of the Oaths and Declarations Act 1957.

Declared at

on

2013

before me

Wu Jingshui

Commonwealth representative /  
Judge /  
Notary public /  
Solicitor of the High Court of New Zealand

Chase Nicholas Wiremu-Williams  
Consular Officer  
New Zealand Embassy, Beijing  
PR China



1155986\_1

The Manager  
Overseas Investment Office  
Land Information New Zealand  
Private Box 5501  
Wellington

**Statutory declaration in support of an application by China Mengniu Dairy Company Limited**

I, Bai Ying, of Inner Mongolia, People's Republic of China, Director declare:

- 1 I have never committed an offence or contravened the law and no entity in which I had a 25% or more ownership or control interest at the time has committed an offence or contravened the law.
- 2 I know of no other matter that reflects adversely on my fitness to have the particular overseas investment.
- 3 I am of good character.
- 4 I am not an individual of the kind referred to in section 15 and 16 of the Immigration Act 2009.
- 5 I acknowledge the matters set out in the allegations and responses document relating to the allegations involving China Mengniu Dairy Company Limited provided to the Overseas Investment Office on 16 September 2013.

And I make this declaration conscientiously believing the same to be true and by virtue of the Oaths and Declarations Act 1957.

Declared at China, Beijing

on 5.10.13 2013 )

before me ) \_\_\_\_\_

Bai Ying

Commonwealth representative /  
Judge /  
Notary public /  
Solicitor of the High Court of New Zealand

Chase Nicholas Wiremu-Williams  
Consular Officer  
New Zealand Embassy, Beijing  
PR China



1155990\_1

The Manager  
Overseas Investment Office  
Land Information New Zealand  
Private Box 5501  
Wellington

**Statutory declaration in support of an application by China Mengniu Dairy Company Limited**

I, Ning Gaoning, of Beijing, People's Republic of China, Director, declare:

- 1 I have never committed an offence or contravened the law and no entity in which I had a 25% or more ownership or control interest at the time has committed an offence or contravened the law.
- 2 I know of no other matter that reflects adversely on my fitness to have the particular overseas investment.
- 3 I am of good character.
- 4 I am not an individual of the kind referred to in section 15 and 16 of the Immigration Act 2009.
- 5 I acknowledge the matters set out in the allegations and responses document relating to the allegations involving China Mengniu Dairy Company Limited provided to the Overseas Investment Office on 18 September 2013.

And I make this declaration conscientiously believing the same to be true and by virtue of the Oaths and Declarations Act 1957.

Declared at

*CIFCO Plaza, Beijing*

on

*23 Oct* 2013

before me

Ning Gaoning

Commonwealth representative /  
Judge /  
Notary public /  
Solicitor of the High Court of New Zealand

Chloe Nicholas Whitem-Williams  
Consular Officer  
New Zealand Embassy, Beijing  
PR China



The Manager  
Overseas Investment Office  
Land Information New Zealand  
Private Box 5501  
Wellington

**Statutory declaration in support of an application by China Mengniu Dairy Company Limited**

I, Yu Xubo, of Hong Kong; People's Republic of China, Director, declare:

- 1 I have never committed an offence or contravened the law and no entity in which I had a 25% or more ownership or control interest at the time has committed an offence or contravened the law.
- 2 I know of no other matter that reflects adversely on my fitness to have the particular overseas investment.
- 3 I am of good character.
- 4 I am not an individual of the kind referred to in section 15 and 16 of the Immigration Act 2009.
- 5 I acknowledge the matters set out in the allegations and responses document relating to the allegations involving China Mengniu Dairy Company Limited provided to the Overseas Investment Office on 13 September 2013.

And I make this declaration conscientiously believing the same to be true and by virtue of the Oaths and Declarations Act 1957.

Declared at *CSFCA Plaza, Beijing*

on *23* *9* / 2013 )

before me )

Yu Xubo

Commonwealth representative /  
Judge /  
Notary public /  
Solicitor of the High Court of New Zealand

Chase Nicholas Wiremu-Williams  
Consular Officer  
New Zealand Embassy, Beijing  
PR China





The Manager  
Overseas Investment Office  
Land Information New Zealand  
Private Box 5501  
Wellington

**Statutory declaration in support of an application by China Mengniu Dairy Company Limited**

I, Niu Gensheng, of Inner Mongolia, People's Republic of China, Director, declare:

- 1 I have never committed an offence or contravened the law and no entity in which I had a 25% or more ownership or control interest at the time has committed an offence or contravened the law.
- 2 I know of no other matter that reflects adversely on my fitness to have the particular overseas investment.
- 3 I am of good character.
- 4 I am not an individual of the kind referred to in section 15 and 16 of the Immigration Act 2009.
- 5 I acknowledge the matters set out in the allegations and responses document relating to the allegations involving China Mengniu Dairy Company Limited provided to the Overseas Investment Office on 13 September 2013.

And I make this declaration conscientiously believing the same to be true and by virtue of the Oaths and Declarations Act 1957.

Declared at Cotec Plaza, Beijing )

on 23 Oct 2013 )

before me ) \_\_\_\_\_

Niu Gensheng

Commonwealth representative /  
Judge /  
Notary public /  
Solicitor of the High Court of New Zealand

Chase Nicholas Wiremu Williams  
Consular Officer  
New Zealand Embassy, Beijing  
PR China



The Manager  
Overseas Investment Office  
Land Information New Zealand  
Private Box 5501  
Wellington

**Statutory declaration in support of an application by China Mengniu Dairy Company Limited**

I, Ma Jianping, of Beijing, People's Republic of China, Director, declare:

- 1 I have never committed an offence or contravened the law and no entity in which I had a 25% or more ownership or control interest at the time has committed an offence or contravened the law.
- 2 I know of no other matter that reflects adversely on my fitness to have the particular overseas investment.
- 3 I am of good character.
- 4 I am not an individual of the kind referred to in section 15 and 16 of the Immigration Act 2009.
- 5 I acknowledge the matters set out in the allegations and responses document relating to the allegations involving China Mengniu Dairy Company Limited provided to the Overseas Investment Office on 18 September 2013.

And I make this declaration conscientiously believing the same to be true and by virtue of the Oaths and Declarations Act 1957.

Declared at

*Chinco Plaza, Beijing*

on

*23.9.2013*

2013

)

before me

)

Ma Jianping

Commonwealth representative /  
Judge /  
Notary public /  
Solicitor of the High Court of New Zealand.

Chase Nicholas Wiremu-Williams  
Consular Officer  
New Zealand Embassy, Beijing  
PR China



The Manager  
Overseas Investment Office  
Land Information New Zealand  
Private Box 5501  
Wellington

**Statutory declaration in support of an application by China Mengniu Dairy Company Limited**

I, Finn S. Hansen, of Glumsoe, Denmark, Director, declare:

- 1 I have never committed an offence or contravened the law and no entity in which I had a 25% or more ownership or control interest at the time has committed an offence or contravened the law.
- 2 I know of no other matter that reflects adversely on my fitness to have the particular overseas investment.
- 3 I am of good character.
- 4 I am not an individual of the kind referred to in section 15 and 16 of the Immigration Act 2009.
- 5 I acknowledge the matters set out in the allegations and responses document relating to the allegations involving China Mengniu Dairy Company Limited provided to the Overseas Investment Office on 13 September 2013.

And I make this declaration conscientiously believing the same to be true and by virtue of the Oaths and Declarations Act 1957.

Declared at *COPCO Plaza, Beijing*

on *23/09/2013* 2013

before me )

Finn S. Hansen

Commonwealth representative /  
Judge /  
Notary public /  
Solicitor of the High Court of New Zealand

Chase Nicholas Wiremu-Williams  
Consular Officer  
New Zealand Embassy, Beijing  
PR China



1156014\_1

The Manager  
Overseas Investment Office  
Land Information New Zealand  
Private Box 5501  
Wellington

**Statutory declaration in support of an application by China Mengniu Dairy Company Limited**

I, Liu Ding, of Beijing, People's Republic of China, Director, declare

- 1 I have never committed an offence or contravened the law and no entity in which I had a 25% or more ownership or control interest at the time has committed an offence or contravened the law.
- 2 I know of no other matter that reflects adversely on my fitness to have the particular overseas investment.
- 3 I am of good character.
- 4 I am not an individual of the kind referred to in section 15 and 16 of the Immigration Act 2009.
- 5 I acknowledge the matters set out in the allegations and responses document relating to the allegations involving China Mengniu Dairy Company Limited provided to the Overseas Investment Office on 13 September 2013.

And I make this declaration conscientiously believing the same to be true and by virtue of the Oaths and Declarations Act 1957.

Declared at *CIFCO Plaza, Beijing* )

on *25 Oct* 2013 )

before me ) \_\_\_\_\_

Liu Ding

Commonwealth representative /  
Judge /  
Notary public /  
Solicitor of the High Court of New Zealand

Chase Nicholas Wivenu-Williams  
Consular Officer  
New Zealand Embassy, Beijing  
PR China



1156016\_1

The Manager  
Overseas Investment Office  
Land Information New Zealand  
Private Box 5501  
Wellington

**Statutory declaration in support of an application by China Mengniu Dairy Company Limited**

I, Julian Juul Wolhardt, of Hong Kong, People's Republic of China, Director, declare:

- 1 I have never committed an offence or contravened the law and no entity in which I had a 25% or more ownership or control interest at the time has committed an offence or contravened the law.
- 2 I know of no other matter that reflects adversely on my fitness to have the particular overseas investment.
- 3 I am of good character.
- 4 I am not an individual of the kind referred to in section 15 and 16 of the Immigration Act 2009.
- 5 I acknowledge the matters set out in the allegations and responses document relating to the allegations involving China Mengniu Dairy Company Limited provided to the Overseas Investment Office on 13 September 2013.

And I make this declaration conscientiously believing the same to be true and by virtue of the Oaths and Declarations Act 1957.

Declared at

*Copco Plaza, Beijing*

on

*23 Oct*

2013

before me

Julian Juul Wolhardt

Commonwealth representative /  
Judge /  
Notary public /  
Solicitor of the High Court of New Zealand

Chase Nicholas Wiremu-Williams  
Consular Officer  
New Zealand Embassy, Beijing  
PR China



1156022\_1

The Manager  
Overseas Investment Office  
Land Information New Zealand  
Private Box 5501  
Wellington

**Statutory declaration in support of an application by China Mengniu Dairy Company Limited**

I, Liu Fuchun, of Beijing, People's Republic of China, Director, declare

- 1 I have never committed an offence or contravened the law and no entity in which I had a 25% or more ownership or control interest at the time has committed an offence or contravened the law.
- 2 I know of no other matter that reflects adversely on my fitness to have the particular overseas investment.
- 3 I am of good character.
- 4 I am not an individual of the kind referred to in section 15 and 16 of the Immigration Act 2009.
- 5 I acknowledge the matters set out in the allegations and responses document relating to the allegations involving China Mengniu Dairy Company Limited provided to the Overseas Investment Office on 13 September 2013.

And I make this declaration conscientiously believing the same to be true and by virtue of the Oaths and Declarations Act 1957.

Declared at *COFCO Plaza, Beijing*

on *23 Oct* 2013

before me

Liu Fuchun

Commonwealth representative /  
Judge /  
Notary public /  
Solicitor of the High Court of New Zealand.

Chase Nicholas Wiremu Williams  
Consular Officer  
New Zealand Embassy, Beijing,  
PR China



The Manager  
Overseas Investment Office  
Land Information New Zealand  
Private Box 5501  
Wellington

**Statutory declaration in support of an application by China Mengniu Dairy Company Limited**

I, Zhang Xiaoya, of Beijing, People's Republic of China, Director, declare:

- 1 I have never committed an offence or contravened the law and no entity in which I had a 25% or more ownership or control interest at the time has committed an offence or contravened the law.
- 2 I know of no other matter that reflects adversely on my fitness to have the particular overseas investment.
- 3 I am of good character.
- 4 I am not an individual of the kind referred to in section 15 and 16 of the Immigration Act 2009.
- 5 I acknowledge the matters set out in the allegations and responses document relating to the allegations involving China Mengniu Dairy Company Limited provided to the Overseas Investment Office on 13 September 2013.

And I make this declaration conscientiously believing the same to be true and by virtue of the Oaths and Declarations Act 1957

Declared at *Cotec Plaza, Beijing*

on *2 October* 2013 )

before me )

Zhang Xiaoya

Commonwealth representative /  
Judge /  
Notary public /  
Solicitor of the High Court of New Zealand

Chase Nicholas Wiremu Williams  
Consular Officer  
New Zealand Embassy, Beijing  
PR China



The Manager  
Overseas Investment Office  
Land Information New Zealand  
Private Box 5501  
Wellington

**Statutory declaration in support of an application by China Mengniu Dairy Company Limited**

I, Andrew Y. Yan, of Hong Kong, People's Republic of China, Director, declare:

- 1 I have never committed an offence or contravened the law and no entity in which I had a 25% or more ownership or control interest at the time has committed an offence or contravened the law.
- 2 I know of no other matter that reflects adversely on my fitness to have the particular overseas investment.
- 3 I am of good character.
- 4 I am not an individual of the kind referred to in section 15 and 16 of the Immigration Act 2009.
- 5 I acknowledge the matters set out in the allegations and responses document relating to the allegations involving China Mengniu Dairy Company Limited provided to the Overseas Investment Office on 13 September 2013.

And I make this declaration conscientiously believing the same to be true and by virtue of the Oaths and Declarations Act 1957.

Declared at

*CSF 10, Place, Beijing*

on

21 OCT 2013

before me

Andrew Y. Yan

Commonwealth representative /  
Judge /  
Notary public /  
Solicitor of the High Court of New Zealand

Chase Nicholas Wiremu-Williams  
Consular Officer  
New Zealand Embassy, Beijing  
PR China





The Manager  
Overseas Investment Office  
Land Information New Zealand  
Private Box 5501  
Wellington

**Statutory declaration in support of an application by China Mengniu Dairy Company Limited**

I, Wu Kwok Keung Andrew, of Hong Kong, People's Republic of China, Director, declare:

- 1 I have never committed an offence or contravened the law and no entity in which I had a 25% or more ownership or control interest at the time has committed an offence or contravened the law.
- 2 I know of no other matter that reflects adversely on my fitness to have the particular overseas investment.
- 3 I am of good character.
- 4 I am not an individual of the kind referred to in section 15 and 16 of the Immigration Act 2009.
- 5 I acknowledge the matters set out in the allegations and responses document relating to the allegations involving China Mengniu Dairy Company Limited provided to the Overseas Investment Office on 10 September 2013.

And I make this declaration conscientiously believing the same to be true and by virtue of the Oaths and Declarations Act 1957.

Declared at *Coffee Plaza, Beijing*

on *27 Oct* 2013 )

before me )

Wu Kwok Keung Andrew

Commonwealth representative /  
Judge /  
Notary public /  
Solicitor of the High Court of New Zealand

Chase Nicholas Wiremu Williams  
Consular Officer  
New Zealand Embassy, Beijing  
PR China



The Manager  
Overseas Investment Office  
Land Information New Zealand  
Private Box 5501  
Wellington

**Statutory declaration in support of an application by China Mengniu Dairy Company Limited**

I, Christian Neu, of München, Germany, Director, declare:

- 1 I have never committed an offence or contravened the law and no entity in which I had a 25% or more ownership or control interest at the time has committed an offence or contravened the law.
- 2 I know of no other matter that reflects adversely on my fitness to have the particular overseas investment.
- 3 I am of good character.
- 4 I am not an individual of the kind referred to in section 15 and 16 of the Immigration Act 2009.
- 5 I acknowledge the matters set out in the allegations and responses document relating to the allegations involving China Mengniu Dairy Company Limited provided to the Overseas Investment Office on 18 September 2013.

And I make this declaration conscientiously believing the same to be true and by virtue of the Oaths and Declarations Act 1957.

Declared at Cotec Plaza, Beijing )

on 23/10 2013 )

before me )

Christian Neu

Commonwealth representative /  
Judge /  
Notary public /  
Solicitor of the High Court of New Zealand

Chase Nicholas Wyren Williams  
Consular Officer  
New Zealand Embassy, Beijing  
PR China



[REDACTED]

---

**From:** [REDACTED]  
**Sent:** Thursday, 17 October 2013 11:14 a.m.  
**To:** 'Edirisuriya, Pavanie'  
**Cc:** 'Thomson, Martin'; 'Ong, Michelle'  
**Subject:** RE: China Mengniu Dairy Company Limited - Application 201320039 [DLANZ-CLIENT.FID112020]

Thanks Pav,

That looks fine (no changes required).

If the declarations are made before a Commonwealth representative, we are happy with the declarations being made before the Consulate General of New Zealand in Hong Kong.

We will come back to you in due course in relation to the statutory declaration as to the accuracy and truthfulness of the information provided in support of Mengniu's application.

Kind regards,

[REDACTED]  
**Senior Solicitor**  
**Overseas Investment Office**

[REDACTED]

Wellington Office, Level 7, Radio New Zealand House, 155 The Terrace  
PO Box 5501, Wellington 6145, New Zealand | T 04 4600 110  
W [www.linz.govt.nz](http://www.linz.govt.nz) | [www.landonline.govt.nz](http://www.landonline.govt.nz) | [data@linz.govt.nz](mailto:data@linz.govt.nz)



**From:** Edirisuriya, Pavanie [mailto:Pavanie.Edirisuriya@dlapf.com]  
**Sent:** Wednesday, 16 October 2013 11:52 a.m.  
**To:** [REDACTED]  
**Cc:** Thomson, Martin; Ong, Michelle  
**Subject:** China Mengniu Dairy Company Limited - Application 201320039 [DLANZ-CLIENT.FID112020]

Hi [REDACTED]

Thank you for your email below.

As suggested, we have amended the draft good character statutory declaration and attach a draft template for your review and comment.

Some of the directors for the Yashili application made their declaration before the Consulate General of New Zealand in Hong Kong (i.e. a Commonwealth representative). We assume that some directors may do the same here and that this approach is acceptable for these declarations.

We look forward to your comments on the draft template. We will await your instructions as to when the statutory declaration as to the accuracy and truthfulness of the information provided in support of Mengniu's OIO application should be signed and provided.

As always, please let us know if there is anything we can do to assist your review of the application.

Kind regards

Pav

**Pavanie Edirisuriya**

Senior Solicitor

T+64 9 300 3838

F+64 9 303 2311

E



**DLA PHILLIPS FOX**

DLA Phillips Fox

<http://www.dlapf.com>

DLA Phillips Fox is a member of DLA Piper Group, an alliance of independent legal practices.  
Please consider the environment before printing this email.

**From:** [REDACTED]

**Sent:** Tuesday, 15 October 2013 4:38 p.m.

**To:** Edirisuriya, Pavanie

**Cc:** Thomson, Martin

**Subject:** RE: China Mengniu Dairy Company Limited - Application 201320039 [DLANZ-CLIENT.FID112020]

Hi Pav,

Further to the below, we have identified the relevant overseas person as China Mengniu Dairy Company Limited, and the individuals with control of the relevant overseas person as Mengniu's directors:

Ms Sun Yiping

Mr Wu Jingshui

Mr Bai Ying

Mr Ning Gaoning

Mr Yu Xubo

Mr Niu Gensheng

Mr Ma Jianping

Mr Finn S. Hansen

Ms Liu Ding

Mr Jiao Shuge (alias Jiao Zhen)

Mr Julian Juul Wolhardt

Mr Liu Fuchun

Mr Zhang Xiaoya

Mr Andrew Y. Yan

Mr Wu Kwok Keung Andrew

Mr Christian Neufuss

Each of the above directors will need to execute a good character statutory declaration. The declaration, as attached at schedule 7, will therefore need to be amended accordingly. In light of the Allegations and Responses report that you have provided, can you please insert a further sentence into the good character statutory declarations which addresses and acknowledges these allegations and responses. We suggest you email us draft declarations so that we can review them before they are signed.

As discussed, given the logistics of having these signed, we have addressed the good character statutory declarations at this stage to allow for plenty of time for execution. We note, however, that we are still reviewing the application and will be in touch soon with any further information we may require.

Kind regards,

**Senior Solicitor  
Overseas Investment Office**

Wellington Office, Level 7, Radio New Zealand House, 155 The Terrace  
PO Box 5501, Wellington 6145, New Zealand | T 04 460 0110  
W [www.linz.govt.nz](http://www.linz.govt.nz) | [www.landonline.govt.nz](http://www.landonline.govt.nz) | [data.linz.govt.nz](http://data.linz.govt.nz)



**Land Information  
New Zealand**  
*toho te whenua*

**From:** Edirisuriya, Pavanie [<mailto:Pavanie.Edirisuriya@dlapf.com>]

**Sent:** Wednesday, 9 October 2013 2:51 p.m.

**To:**

**Subject:** RE: China Mengniu Dairy Company Limited - Application 201320039 [DLANZ-CLIENT.FID112020]

Thanks [REDACTED] We look forward to hearing from you.

Kind regards

Pav

**Pavanie Edirisuriya**  
Senior Solicitor

T+64 9 300 3838

F+64 9 303 2311

[Epavanie.edirisuriya@dlapf.com](mailto:Epavanie.edirisuriya@dlapf.com)



**DLA PHILLIPS FOX**

DLA Phillips Fox

<http://www.dlapf.com>

DLA Phillips Fox is a member of DLA Piper Group, an alliance of independent legal practices.  
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**From:** [REDACTED]

**Sent:** Tuesday, 8 October 2013 6:17 p.m.

**To:** Edirisuriya, Pavanie

**Cc:** Thomson, Martin, Ong, Michelle

**Subject:** RE: China Mengniu Dairy Company Limited - Application 201320039 [DLANZ-CLIENT.FID112020]

Thanks Pav

We will review this and come back to you soon with any further information we require.

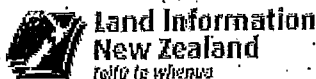
We note, as similar to the Yashili application, we will require each individual with control of the relevant overseas person to sign a good character statutory declaration. These statutory declarations will also need to be amended to acknowledge the information set out in the allegations and responses report that you have provided. Given the logistics of having these signed, we will come back to you soon with who we have identified as the individuals with control of the relevant overseas person.

Kind regards,

Ref #132114.

Senior Solicitor  
Overseas Investment Office

Wellington Office, Level 7, Radio New Zealand House, 155 The Terrace  
PO Box 5501, Wellington 6145, New Zealand | T 04 460 0110  
W [www.linz.govt.nz](http://www.linz.govt.nz) | [www.landonline.govt.nz](http://www.landonline.govt.nz) | [data.linz.govt.nz](http://data.linz.govt.nz)



**From:** Edirisuriya, Pavanie [<mailto:Pavanie.Edirisuriya@dlapf.com>]

**Sent:** Tuesday, 8 October 2013 4:31 p.m.

**To:**

**Cc:** Thomson, Martin; Ong, Michelle

**Subject:** FW: China Mengniu Dairy Company Limited - Application 201320039 [DLANZ-CLIENT.FID112020]

Hi

Thank you for your email below.

Mengniu has confirmed that since the OIO application was submitted the only changes to its board of directors are as follows:

**Director resignations:**

- Mr Ding Sheng
- Mr Tim Orting Jorgensen

**New director appointment:**

- Mr Christian Neu (as non-executive director)

We attach a copy of Mr Christian Neu's passport photo page and set out his relevant details below:

- **Address:**
- **Citizenship:**
- **Residency:**
- **Brief CV:** Christian Neu, aged 57, has over 30 years of experience in the management of fast-moving consumer goods with outstanding performance particularly in sales, marketing, integrated management and international business management. Mr. Neu joined Danone SA, a multi-national corporation and global leader in food products, including fresh dairy products and other health and nutrition food products, in July 1986, where he was initially engaged in sales and marketing activities and later became the general manager of various local and regional companies of Danone SA (the Danone Group). Between November 2007 and January 2011, he was the president of baby nutrition division and a member of the executive committee of the Danone Group. Since February 2011, Mr. Neu has been a strategic consultant of the Danone Group. Prior to joining the Danone Group, he served in the sales departments of various international companies including Procter & Gamble, the Ferrero Group and Lindner & Fischer GmbH from 1979 to 1986. He graduated with a Bachelor's degree from Fachhochschule Saarbrücken University in Germany with a major in Sales and Marketing in 1979 and obtained a Master's degree in Marketing Management from University of St. Gallen in Switzerland in 1993. Mr. Neu is currently a director of Yakult Honsha Co., Ltd., a company listed on the Tokyo Stock Exchange in Japan, engaging in food and beverages (probiotics drinks, yoghurt and other beverages) and pharmaceutical businesses and ARC International, a company headquartered in France which engages in the businesses of tableware, cookware and wine and dining products.

Please let us know if you have any further queries or if we can assist in any way to progress the application.

We look forward to hearing from you.

Kind regards

Pav

**Pavanie Edirisuriya**  
Senior Solicitor

T+64 9 300 3838  
F+64 9 303 2311  
E [pavanie.edirisuriya@dlapf.com](mailto:pavanie.edirisuriya@dlapf.com)



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---

**From:** [REDACTED]  
**Sent:** Wednesday, 2 October 2013 5:06 p.m.  
**To:** Edirisuriya, Pavanie  
**Subject:** China Mengniu Dairy Company Limited - Application 201320039

Dear Pavanie,

We are in the process of reviewing the application and will be in touch in due course with any further information that we may require.

In the interim, it would appear that one of the directors of the Applicant has resigned. We note from the Applicant's website that Mr Ding Sheng no longer appears to be a director. Can you accordingly confirm the current directors of the Applicant and, if there are any new directors which have not been noted in the Application, provide us with the relevant details for those directors, including CV and passport (it appears Mr Christian Neu is now a director).

We look forward to your response.

Kind regards,

[REDACTED]  
**Senior Solicitor**  
**Overseas Investment Office**

[REDACTED]  
Wellington Office Level 7, Radio New Zealand House, 155 The Terrace  
PO Box 5501, Wellington 6145, New Zealand | T 04 460 0110  
W [www.linz.govt.nz](http://www.linz.govt.nz) | [www.landonline.govt.nz](http://www.landonline.govt.nz) | [data.linz.govt.nz](http://data.linz.govt.nz)



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Released Under the Official Information Act



**Peter R Hill**

---

**From:** Edirisuriya, Pavanie <Pavanie.Edirisuriya@dlapf.com>  
**Sent:** Wednesday, 16 October 2013 11:52 a.m.  
**To:** [REDACTED]  
**Cc:** Thomson, Martin; Ong, Michelle  
**Subject:** China Mengniu Dairy Company Limited - Application 201320039 [DLANZ-CLIENT.FID112020]  
**Attachments:** Certificate of good character - template\_1153743\_1.DOC

Hi [REDACTED]

Thank you for your email below.

As suggested, we have amended the draft good character statutory declaration and attach a draft template for your review and comment.

Some of the directors for the Yashili application made their declaration before the Consulate General of New Zealand in Hong Kong (i.e. a Commonwealth representative). We assume that some directors may do the same here and that this approach is acceptable for these declarations.

We look forward to your comments on the draft template. We will await your instructions as to when the statutory declaration as to the accuracy and truthfulness of the information provided in support of Mengniu's OIO application should be signed and provided.

As always, please let us know if there is anything we can do to assist your review of the application.

Kind regards

Pav

**Pavanie Edirisuriya**  
Senior Solicitor

T+64 9 300 3838  
F+64 9 303 2311  
E



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<http://www.dlapf.com>

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Please consider the environment before printing this email.

---

**From:** [REDACTED]  
**Sent:** Tuesday, 15 October 2013 4:38 p.m.  
**To:** Edirisuriya, Pavanie  
**Cc:** Thomson, Martin  
**Subject:** RE: China Mengniu Dairy Company Limited - Application 201320039 [DLANZ-CLIENT.FID112020]

Hi Pav,

Further to the below, we have identified the relevant overseas person as China Mengniu Dairy Company Limited, and the individuals with control of the relevant overseas person as Mengniu's directors:

Ms Sun Yiping  
Mr Wu Jingshui  
Mr Bai Ying  
Mr Ning Gaoning  
Mr Yu Xubo  
Mr Niu Gensheng  
Mr Ma Jianping  
Mr Finn S. Hansen  
Ms Liu Ding  
Mr Jiao Shuge (alias Jiao Zhen)  
Mr Julian Juul Wöhardt  
Mr Liu Fuchun  
Mr Zhang Xiaoya  
Mr Andrew Y. Yan  
Mr Wu Kwok Keung Andrew  
Mr Christian Neu

Each of the above directors will need to execute a good character statutory declaration. The declaration, as attached at schedule 7, will therefore need to be amended accordingly. In light of the Allegations and Responses report that you have provided, can you please insert a further sentence into the good character statutory declarations which addresses and acknowledges these allegations and responses. We suggest you email us draft declarations so that we can review them before they are signed.

As discussed, given the logistics of having these signed, we have addressed the good character statutory declarations at this stage to allow for plenty of time for execution. We note, however, that we are still reviewing the application and will be in touch soon with any further information we may require.

Kind regards,

**Senior Solicitor**  
**Overseas Investment Office**

Wellington Office, Level 7, Radio New Zealand House, 155 The Terrace  
PO Box 5501, Wellington 6145, New Zealand | T 04 460 0110  
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Land Information  
New Zealand  
*Teitū te Whenua*

**From:** Edirisuriya, Pavanie [<mailto:Pavanie.Edirisuriya@dlapf.com>]

**Sent:** Wednesday, 9 October 2013 2:51 p.m.

**To:**

**Subject:** RE: China Mengniu Dairy Company Limited - Application 201320039 [DLANZ-CLIENT.FID112020]

Thanks [REDACTED] We look forward to hearing from you.

Kind regards

Pav

**Pavanie Edirisuriya**  
Senior Solicitor

T+64 9 300 3838  
F+64 9 303 2311  
E [pavanie.edirisuriya@dlapf.com](mailto:pavanie.edirisuriya@dlapf.com)



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**From:** [REDACTED]  
**Sent:** Tuesday, 8 October 2013 6:17 p.m.  
**To:** Edirisuriya, Pavanie  
**Cc:** Thomson, Martin; Ong, Michelle  
**Subject:** RE: China Mengniu Dairy Company Limited - Application 201320039 [DLANZ-CLIENT.FID112020]

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We note, as similar to the Yashili application, we will require each individual with control of the relevant overseas person to sign a good character statutory declaration. These statutory declarations will also need to be amended to acknowledge the information set out in the allegations and responses report that you have provided. Given the logistics of having these signed, we will come back to you soon with who we have identified as the individuals with control of the relevant overseas person.

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**Land Information  
New Zealand**  
*hōia te whenua*

**From:** Edirisuriya, Pavanie [mailto:Pavanie.Edirisuriya@dlapf.com]  
**Sent:** Tuesday, 8 October 2013 4:31 p.m.  
**To:** [REDACTED]  
**Cc:** Thomson, Martin; Ong, Michelle  
**Subject:** FW: China Mengniu Dairy Company Limited - Application 201320039 [DLANZ-CLIENT.FID112020]

Hi [REDACTED]

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**Director resignations:**

- Mr Ding Sheng
- Mr Tim Orting Jorgensen

**New director appointment:**

- Mr Christian Neu (as non-executive director)

We attach a copy of Mr Christian Neu's passport photo page and set out his relevant details below:

- **Address:**
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- **Residency:**
- **Brief CV:** Christian Neu, aged 57, has over 30 years of experience in the management of fast-moving consumer goods with outstanding performance particularly in sales, marketing, integrated management and international business management. Mr. Neu joined Danone SA, a multi-national corporation and global leader in food products, including fresh dairy products and other health and nutrition food products. In July 1986, where he was initially engaged in sales and marketing activities and later became the general manager of various local and regional companies of Danone SA (the Danone Group). Between November 2007 and January 2011, he was the president of baby nutrition division and a member of the executive committee of the Danone Group. Since February 2011, Mr. Neu has been a strategic consultant of the Danone Group. Prior to joining the Danone Group, he served in the sales departments of various international companies including Procter & Gamble, the Ferrero Group and Lindner & Fischer GmbH from 1979 to 1986. He graduated with a Bachelor's degree from Fachhochschule Saarbrücken University in Germany with a major in Sales and Marketing in 1979 and obtained a Master's degree in Marketing Management from University of St. Gallen in Switzerland in 1993. Mr. Neu is currently a director of Yakult Honsha Co., Ltd., a company listed on the Tokyo Stock Exchange in Japan, engaging in food and beverages (probiotics drinks, yoghurt and other beverages) and pharmaceutical businesses and ARC International, a company headquartered in France which engages in the businesses of tableware, cookware and wine and dining products.

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We look forward to hearing from you.

Kind regards

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Senior Solicitor

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**From:** [REDACTED]  
**Sent:** Wednesday, 2 October 2013 5:06 p.m.  
**To:** Edirisuriya, Pavanie  
**Subject:** China Mengniu Dairy Company Limited - Application 201320039

Dear Pavanie,

We are in the process of reviewing the application and will be in touch in due course with any further information that we may require.

In the interim, it would appear that one of the directors of the Applicant has resigned. We note from the Applicant's website that Mr Ding Sheng no longer appears to be a director. Can you accordingly confirm the current directors of

the Applicant and, if there are any new directors which have not been noted in the Application, provide us with the relevant details for those directors, including CV and passport (it appears Mr Christian Neu is now a director).

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The Manager  
Overseas Investment Office  
Land Information New Zealand  
Private Box 5501  
Wellington

**Statutory declaration in support of an application by China Mengniu Dairy Company Limited**

I, [insert name], of [address], Director, declare:

- 1 I have never committed an offence or contravened the law and no entity in which I had a 25% or more ownership or control interest at the time has committed an offence or contravened the law.
- 2 I know of no other matter that reflects adversely on my fitness to have the particular overseas investment.
- 3 I am of good character.
- 4 I am not an individual of the kind referred to in section 15 and 16 of the Immigration Act 2009.
- 5 I acknowledge the matters set out in the allegations and responses document relating to the allegations involving China Mengniu Dairy Company Limited provided to the Overseas Investment Office on 13 September 2013.

And I make this declaration conscientiously believing the same to be true and by virtue of the Oaths and Declarations Act 1957.

Declared at

on

2013

before me

[insert name]

Commonwealth representative /  
Judge /  
Notary public /  
Solicitor of the High Court of New Zealand

**From:**

**Sent:**

**To:**

**Cc:**

**Subject:**

Tuesday, 15 October 2013 4:38 p.m.

'Edirisuriya, Pavanie'

'Thomson, Martin'

RE: China Mengniu Dairy Company Limited - Application 201320039 [DI ANZ-CLIENT.FID112020]

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Mr Bai Ying  
Mr Ning Gaoning  
Mr Yu Xubo  
Mr Niu Gensheng  
Mr Ma Jianping  
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Ms Liu Ding  
Mr Jiao Shuge (alias Jiao Zhèn)  
Mr Julian Juul Wolhardt  
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Mr Zhang Xiaoya  
Mr Andrew Y. Yan  
Mr Wu Kwok Keung Andrew  
Mr Christian Neu

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Kind regards

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Overseas Investment Office**

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PO Box 5501, Wellington 6145, New Zealand | T 04 460 0110



**From:** Edirisuriya, Pavanie [mailto:Pavanie.Edirisuriya@dlapf.com]

**Sent:** Wednesday, 9 October 2013 2:51 p.m.

**To:** [REDACTED]

**Subject:** RE: China Mengniu Dairy Company Limited - Application 201320039 [DLANZ-CLIENT.FID112020]

Thanks [REDACTED] We look forward to hearing from you.

Kind regards

Pav

**Pavanie Edirisuriya**  
Senior Solicitor

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F+64 9 303 2311

E



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**From:** [REDACTED]

**Sent:** Tuesday, 8 October 2013 6:17 p.m.

**To:** Edirisuriya, Pavanie

**Cc:** Thomson, Martin; Ong, Michelle

**Subject:** RE: China Mengniu Dairy Company Limited - Application 201320039 [DLANZ-CLIENT.FID112020]

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**Overseas Investment Office**

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PO Box 5501, Wellington 6145, New Zealand | T 04 460 0110





**From:** Edirisuriya, Pavanie [mailto:Pavanie.Edirisuriya@dlapf.com]

**Sent:** Tuesday, 8 October 2013 4:31 p.m.

**To:** [REDACTED]

**Cc:** Thomson, Martin; Ong, Michelle

**Subject:** FW: China Mengniu Dairy Company Limited - Application 201320039 [DLANZ-CLIENT.FID112020]

Hi [REDACTED]

Thank you for your email below.

Mengniu has confirmed that since the OIO application was submitted the only changes to its board of directors are as follows:

**Director resignations:**

- Mr Ding Sheng
- Mr Tim Orting Jorgensen

**New director appointment:**

- Mr Christian Neu (as non-executive director)

We attach a copy of Mr Christian Neu's passport photo page and set out his relevant details below:

- **Address:**
- **Citizenship:**
- **Residency:**
- **Brief CV:** Christian Neu, aged 57, has over 30 years of experience in the management of fast-moving consumer goods with outstanding performance particularly in sales, marketing, integrated management and international business management. Mr. Neu joined Danone SA, a multi-national corporation and global leader in food products, including fresh dairy products and other health and nutrition food products, in July 1986, where he was initially engaged in sales and marketing activities and later became the general manager of various local and regional companies of Danone SA (the Danone Group). Between November 2007 and January 2011, he was the president of baby nutrition division and a member of the executive committee of the Danone Group. Since February 2011, Mr. Neu has been a strategic consultant of the Danone Group. Prior to joining the Danone Group, he served in the sales departments of various international companies including Procter & Gamble, the Ferrero Group and Lindner & Fischer GmbH from 1979 to 1986. He graduated with a Bachelor's degree from Fachhochschule Saarbrücken University in Germany with a major in Sales and Marketing in 1979 and obtained a Master's degree in Marketing Management from University of St. Gallen in Switzerland in 1993. Mr. Neu is currently a director of Yakult Honsha Co., Ltd., a company listed on the Tokyo Stock Exchange in Japan, engaging in food and beverages (probiotics drinks, yoghurt and other beverages) and pharmaceutical businesses and ARC International, a company headquartered in France which engages in the businesses of tableware, cookware and wine and dining products.

Please let us know if you have any further queries or if we can assist in any way to progress the application.

We look forward to hearing from you.

Kind regards

Pav

**Pavanie Edirisuriya**  
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F+64 9 303 2311

[Epavanie.edirisuriya@dlapf.com](mailto:Epavanie.edirisuriya@dlapf.com)



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**From:** [REDACTED]  
**Sent:** Wednesday, 2 October 2013 5:06 p.m.  
**To:** Edirisuriya, Pavanie  
**Subject:** China Merigniu Dairy Company Limited - Application 201320039

Dear Pavanie,

We are in the process of reviewing the application and will be in touch in due course with any further information that we may require.

In the interim, it would appear that one of the directors of the Applicant has resigned. We note from the Applicant's website that Mr Ding Sheng no longer appears to be a director. Can you accordingly confirm the current directors of the Applicant and, if there are any new directors which have not been noted in the Application, provide us with the relevant details for those directors, including CV and passport (it appears Mr Christian Neu is now a director).

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Kind regards,

[REDACTED]  
**Senior Solicitor**  
**Overseas Investment Office**

[REDACTED]  
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**Peter R Hill**

---

**From:** Edirisuriya, Pavanie <Pavanie.Edirisuriya@dlapf.com>  
**Sent:** Wednesday, 9 October 2013 2:51 p.m.  
**To:** [REDACTED]  
**Subject:** RE: China Mengniu Dairy Company Limited - Application 201320039 [DLANZ-CLIENT.FID112020]

Thanks [REDACTED] We look forward to hearing from you.

Kind regards

Pav

**Pavanie Edirisuriya**  
Senior Solicitor

T+64 9 300 3838  
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E



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**From:** [REDACTED]  
**Sent:** Tuesday, 8 October 2013 6:17 p.m.  
**To:** Edirisuriya, Pavanie  
**Cc:** Thomson, Martin; Ong, Michelle  
**Subject:** RE: China Mengniu Dairy Company Limited - Application 201320039 [DLANZ-CLIENT.FID112020]

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**Overseas Investment Office**

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PO Box 5501, Wellington 6145, New Zealand | T 04 460 0110



**From:** Edirisuriya, Pavanie [mailto:Pavanie.Edirisuriya@dlapf.com]

**Sent:** Tuesday, 8 October 2013 4:31 p.m.

**To:** [REDACTED]

**Cc:** Thomson, Martin; Ong, Michelle

**Subject:** FW: China Mengniu Dairy Company Limited - Application 201320039 [DLANZ-CLIENT.FID112020]

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**Subject:** China Mengniu Dairy Company Limited - Application 201320039

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[REDACTED]

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Ref #132114

[REDACTED]  
**Senior Solicitor**  
**Overseas Investment Office**

[REDACTED]  
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[REDACTED]

---

**From:** Edirisuriya, Pavanie <Pavanie.Edirisuriya@dlapf.com>  
**Sent:** Tuesday, 8 October 2013 4:31 p.m.  
**To:** [REDACTED]  
**Cc:** Thomson, Martin; Ong, Michelle  
**Subject:** FW: China Mengniu Dairy Company Limited - Application.201320039 [DLANZ-CLIENT.FID112020]  
**Attachments:** Christian Neu passport.pdf

Hi [REDACTED]

Thank you for your email below.

Mengniu has confirmed that since the OIO application was submitted the only changes to its board of directors are as follows:

**Director resignations:**

- Mr Ding Sheng
- Mr Tim Orting Jorgensen

**New director appointment:**

- Mr Christian Neu (as non-executive director)

We attach a copy of Mr Christian Neu's passport photo page and set out his relevant details below:

- **Address:**
- **Citizenship:**
- **Residency:**
- **Brief CV:** Christian Neu, aged 57, has over 30 years of experience in the management of fast-moving consumer goods with outstanding performance particularly in sales, marketing, integrated management and international business management. Mr Neu joined Danone SA, a multi-national corporation and global leader in food products, including fresh dairy products and other health and nutrition food products, in July 1986, where he was initially engaged in sales and marketing activities and later became the general manager of various local and regional companies of Danone SA (the Danone Group). Between November 2007 and January 2011, he was the president of baby nutrition division and a member of the executive committee of the Danone Group. Since February 2011, Mr. Neu has been a strategic consultant of the Danone Group. Prior to joining the Danone Group, he served in the sales departments of various international companies including Procter & Gamble, the Ferrero Group and Lindner & Fischer GmbH from 1979 to 1986. He graduated with a Bachelor's degree from Fachhochschule Saarbrücken University in Germany with a major in Sales and Marketing in 1979 and obtained a Master's degree in Marketing Management from University of St. Gallen in Switzerland in 1993. Mr. Neu is currently a director of Yakult Honsha Co., Ltd., a company listed on the Tokyo Stock Exchange in Japan, engaging in food and beverages (probiotics drinks, yoghurt and other beverages) and pharmaceutical businesses and ARC International, a company headquartered in France which engages in the businesses of tableware, cookware and wine and dining products.

Please let us know if you have any further queries or if we can assist in any way to progress the application.

We look forward to hearing from you.

Kind regards

Pav

**Pavanie Edirisuriya**  
Senior Solicitor

T+64 9 300 3838  
F+64 9 303 2311  
Epavanie.edirisuriya@dlapf.com



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**From:** [REDACTED]  
**Sent:** Wednesday, 2 October 2013 5:06 p.m.  
**To:** Edirisuriya, Pavanie  
**Subject:** China Mengniu Dairy Company Limited - Application 201320039

Dear Pavanie,

We are in the process of reviewing the application and will be in touch in due course with any further information that we may require.

In the interim, it would appear that one of the directors of the Applicant has resigned. We note from the Applicant's website that Mr Ding Sheng no longer appears to be a director. Can you accordingly confirm the current directors of the Applicant and, if there are any new directors which have not been noted in the Application, provide us with the relevant details for those directors, including CV and passport (it appears Mr Christian Neu is now a director).

We look forward to your response.

Kind regards,

[REDACTED]  
**Senior Solicitor**  
**Overseas Investment Office**

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# **DOCUMENTS WITHHELD UNDER THE OFFICIAL INFORMATION ACT 1982**

being excerpts from the passports of the directors of the applicant

**Peter R Hill**

---

**From:** Edirisuriya, Pavanie <Pavanie.Edirisuriya@dlapf.com>  
**Sent:** Wednesday, 2 October 2013 6:00 p.m.  
**To:** [REDACTED]  
**Subject:** RE: China Mengniu Dairy Company Limited - Application 201320039 [DLANZ-CLIENT.FID112020]

Thanks [REDACTED]

We will come back to you as soon as possible.

Kind regards

Pav

**Pavanie Edirisuriya**  
Senior Solicitor

T+64 9 300 3838  
F+64 9 303 2311  
[Epavanie.edirisuriya@dlapf.com](mailto:Epavanie.edirisuriya@dlapf.com)



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---

**From:** [REDACTED]  
**Sent:** Wednesday, 2 October 2013 5:06 p.m.  
**To:** Edirisuriya, Pavanie  
**Subject:** China Mengniu Dairy Company Limited - Application 201320039

Dear Pavanie,

We are in the process of reviewing the application and will be in touch in due course with any further information that we may require.

In the interim, it would appear that one of the directors of the Applicant has resigned. We note from the Applicant's website that Mr Ding Sheng no longer appears to be a director. Can you accordingly confirm the current directors of the Applicant and if there are any new directors which have not been noted in the Application, provide us with the relevant details for those directors, including CV and passport (it appears Mr Christian Neu is now a director).

We look forward to your response.

Kind regards,

[REDACTED]  
**Senior Solicitor**  
**Overseas Investment Office**

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**Peter R Hill**

---

**From:** [REDACTED]  
**Sent:** Wednesday, 2 October 2013 5:06 p.m.  
**To:** 'Pavanie.Edirisuriya@dlapf.com'  
**Subject:** China Mengniu Dairy Company Limited - Application 201320039

Dear Pavanie,

We are in the process of reviewing the application and will be in touch in due course with any further information that we may require.

In the interim, it would appear that one of the directors of the Applicant has resigned. We note from the Applicant's website that Mr Ding Sheng no longer appears to be a director. Can you accordingly confirm the current directors of the Applicant and, if there are any new directors which have not been noted in the Application, provide us with the relevant details for those directors, including CV and passport (it appears Mr Christian Neo is now a director).

We look forward to your response.

Kind regards,

[REDACTED]  
**Senior Solicitor  
Overseas Investment Office**

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[REDACTED]

**From:** [REDACTED]  
**Sent:** Friday, 20 September 2013 3:13 p.m.  
**To:** 'Edirisuriya, Pavanie'  
**Cc:** [REDACTED] Thomson, Martin'  
**Subject:** RE: Mangniu Dairy Company Limited application 201320039 [DLANZ-CLIENT.FID112020]

Pavanie

Thank you for your email. We will get back to you once we have had a chance to review your response and the application in greater detail.

Regards

[REDACTED]  
Team Manager  
Overseas Investment Office

[REDACTED]

Wellington Office, Level 7, Radio New Zealand House, 155 The Terrace  
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**From:** Edirisuriya, Pavanie [mailto:Pavanie.Edirisuriya@dlapf.com]  
**Sent:** Friday, 20 September 2013 2:45 p.m.  
**To:** [REDACTED]  
**Cc:** [REDACTED] Thomson, Martin  
**Subject:** RE: Mangniu Dairy Company Limited application 201320039 [DLANZ-CLIENT.FID112020]

[REDACTED]

Thank you for your letter dated 17 September 2013.

The original executed copy of the application has now been sent to the OIO by post.

With regards to your query in paragraph 3(a) we advise as follows.

As mentioned in the application, the Takeover is proceeding as proposed and some aspects of the Takeover have already been completed. For example, the two majority shareholders that had executed the irrevocable undertaking to accept the Offer have now transferred their shares in Yashili to the Holding Company and the Yashili board has been restructured. While the Takeover offer documents contained broad conditions relating to obtaining all regulatory consents necessary for the Takeover to proceed, there was no specific condition requiring New Zealand OIO consent to be obtained for the Takeover.

The Takeover is not captured by sections 13 (1) (a) or 13 (1) (c) of the Overseas Investment Act 2005 (Act). No value was attributed to Yashili NZ in the Takeover and the value of assets of Yashili NZ is significantly less than \$100 million.

In our view, section 13 (1) (b) is unclear as to the point in time at which consent should be sought for the 'establishment of a business'. This section also does not address if consent is required in a situation where an overseas person purchases a controlling interest in an entity that has obtained OIO consent to establish (but has not yet established) a business. We have previously discussed these issues with Andrew.

Mengniu will not complete the establishment of the business (i.e. construction of the plant) unless OIO consent is granted to Mengniu, and appreciates that if OIO consent is not granted Yashili NZ will be required to abandon the construction of the plant. As mentioned in the application, the construction of the plant has not yet commenced. Yashili NZ is able to terminate the main construction contract under which it will incur the majority of the expenditure if OIO consent is not granted to Mengniu for the establishment of the business. Yashili NZ has not yet completed the land purchase, the vendor is required to complete the subdivision prior to the land purchase can be completed. Yashili NZ only recently obtained the land use consent and the discharge resource consents under the RMA, and the period in which a party could file an appeal in respect of granting of these resource consents only expired on 18 September.

Please let us know if you require any further information.

Kind regards

Pav

**Pavanie Edirisuriya**  
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Epavanie.edirisuriya@dlapf.com



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**From:** [REDACTED]  
**Sent:** Tuesday, 17 September 2013 5:49 p.m.  
**To:** Thomson, Martin; Edirisuriya, Pavanie  
**Cc:** Angela Moran  
**Subject:** Mangniu Dairy Company Limited application 201320039

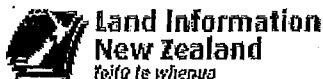
Dear Martin and Pavanie

Please see the attached letter

Regards

[REDACTED]  
[REDACTED]  
**Team Manager**  
**Overseas Investment Office**

[REDACTED]  
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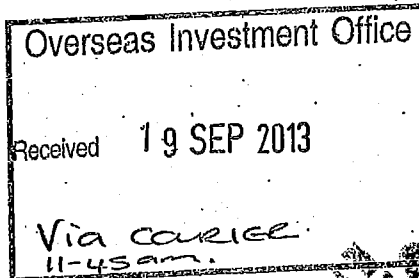
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Our ref: 1007284

17 September 2013

Overseas Investment Office  
Land Information New Zealand  
Level 7, Radio New Zealand House  
155 The Terrace  
WELLINGTON  
By courier



Dear [REDACTED]

**China Mengniu Dairy Company Limited (Case 201320039) -  
application for consent - investment in significant business assets**

We refer to our letter to Andrew Morris dated 10 September 2013.

Further to that letter, we enclose the original executed copy of the China Mengniu Dairy Company Limited's application for consent.

Please let us know if we can do anything further to assist the OIO in making its decision.

We look forward to hearing from you.

Yours sincerely,

**Pavanie Edirisuriya**  
Senior Solicitor  
Direct +64 9 300 3838  
pavanie.edirisuriya@dlapf.com  
Encl

**Martin Thomson**  
Partner  
Direct +64 9 300 3850  
martin.thomson@dlapf.com



蒙牛

Suite 1602, 16<sup>th</sup> Floor, Top Glory Tower, 262 Gloucester Road, Causeway Bay, Hong Kong

30 August 2013

The Manager  
Overseas Investment Office  
Land Information New Zealand  
Level 7, Radio New Zealand House  
155 The Terrace  
WELLINGTON

By courier

**Application for consent pursuant to the Overseas Investment Act 2005 (Act) and Overseas Investment Regulations 2005 (Regulations) to an investment in significant business assets**

**Introduction**

- 1 This letter comprises the application of China Mengniu Dairy Company Limited (**Applicant**) for consent under the Act and Regulations to an investment in significant business assets.
- 2 The Applicant is an overseas person for the purposes of the Act as it is 25% or more owned by an overseas person.
- 3 On 23 July 2013, the Applicant offered to acquire all of the shares in Yashili International Holdings Ltd (**Yashili**) from its existing shareholders and, on 15 August 2013, the Applicant announced that it had received valid acceptances amounting to approximately 89.82% of the Yashili share capital (**Takeover**). The structure of the offer pursuant to the Takeover required all the shareholders who accepted the Applicant's offer to transfer their relevant shares in Yashili to China Mengniu International Company Limited, a private company controlled by the Applicant that was established for the sole purpose of holding shares in Yashili (**Holding Company**). Following completion of all the share transfers pursuant to the Takeover, the Holding Company will hold approximately 89.82% of Yashili's issued share capital, and the Applicant will control approximately 79.78% of the Yashili share capital through its 88.82% shareholding in the Holding Company.
- 4 It is expected that the Applicant's attributable equity interest in Yashili's issued share capital will decrease to approximately 65% within the next three months. Further details of this decrease in control are set out in paragraph 43.
- 5 Yashili is the ultimate parent company of Yashili New Zealand Dairy Co., Limited (**Yashili NZ**). Yashili NZ was granted consent under the Act to the establishment of a business in New Zealand, being the construction and operation of a greenfields milk processing plant in Pokeno (**Business**) (Decision number 201220086). The Applicant intends to continue establishing the Business, the total expenditure which is expected to be incurred before commencing the Business, in establishing the Business, exceeds \$100 million.

- 6 As previously indicated to the OIO, the construction of the proposed plant at Pokeno is still very much at its initial stage, and actual construction of the plant has not yet commenced due to the timing of the resource consent process.
- 7 On the basis of the above, the Applicant is writing to seek consent pursuant to section 10(1)(b) of the Act in relation to the overseas investment in significant business assets following the Takeover.
- 8 Relevant information relating to the proposed investment is set out below.
- 9 Further information is provided in the Schedules to this letter listed below:
- 9.1 Schedule 1 - Certificate of incorporation
  - 9.2 Schedule 2 - Applicant's ownership structure diagram
  - 9.3 Schedule 3 - Applicant's financial statements
  - 9.4 Schedule 4 - Identification pages
  - 9.5 Schedule 5 - Yashili's ownership structure diagram following completion of the share transfers pursuant to the Takeover
  - 9.6 Schedule 6 - Curriculum vitae of persons exercising control
  - 9.7 Schedule 7 - Certificate of good character
  - 9.8 Schedule 8 - Statutory declaration

## **Applicant**

### **Entity and details of incorporation**

- 10 The Applicant is a limited liability company incorporated in the Cayman Islands on 16 February 2004. A copy of the certificate of incorporation of the Applicant is attached as Schedule 1.
- 11 The Applicant's registered office is C/- maples Corporate Services Limited, P.O. Box 309, Ugland House, Grand Cayman KY1-1104, Cayman Islands.

### **Ownership of the Applicant**

- 12 The Applicant is listed on the Stock Exchange of Hong Kong (Ticker: 2319). The Applicant is either directly or indirectly 17.52% owned by Chinese state owned agricultural and food industry supplier China National Cereals, Oils and Foodstuffs Corp. (COFCO). COFCO is one of the largest state-owned enterprise of the 49 directly administered by China's State Council. COFCO's shareholding in the Applicant comes from:
- 12.1 0.02% shareholding through COFCO (BVI) No. 9 Limited;
  - 12.2 13.36% shareholding through COFCO Dairy Investments Limited, which holds a 19.09% shareholding in the Applicant. COFCO Dairy Investments Limited is 30% owned by Arla Foods and 70% owned by the COFCO Group. As such, Arla Foods holds a 5.73% shareholding in the Applicant through COFCO Dairy Investments Limited. Arla Foods is primarily engaged in the business of manufacturing dairy products; and
  - 12.3 4.15% shareholding through Prominent Achiever Limited, which holds a 8.13% shareholding in the Applicant. Prominent Achiever Limited is 51% owned by the COFCO Group and 49% owned by Danone Group. As such, Danone Group holds a 3.98% shareholding in the Applicant through Prominent Achiever. Danone Group is a multi-national corporation and a global leader in food

products, including fresh dairy products and other health and nutrition food products.

13 The remaining shares are split between the Commonwealth Bank of Australia as an institutional investor with a 8.78% shareholding, and other members of the public from various jurisdictions who, together, hold a 63.98% shareholding.

14 An ownership structure diagram of the Applicant is attached as Schedule 2.

#### **Previous applications**

15 The Applicant has made no previous acquisitions in New Zealand. Therefore, no previous applications for consent have been made.

#### **Business activities**

16 The Applicant and its subsidiaries manufacture and distribute quality dairy products in China. It is one of the leading dairy product manufacturers in China with MENGNIU as its core brand. The Applicant's diversified products range includes liquid milk products, such as UHT milk, milk beverages and yogurt, ice cream and other dairy products such as milk powder. According to China Industrial Information Issuing Centre, the Applicant's liquid milk products ranked first, in terms of sales volume and sales value, among similar products in China in 2012. In December 2012, the Applicant's annual production capacity of dairy products reached 7.58 million tonnes.

17 Further information on the Applicant can be found at:  
<http://www.mengniur.com/c/index.php>.

#### **Financial accounts**

18 Copies of the audited financial statements for the Applicant are attached as Schedule 3. The financial statements have been prepared by the directors and audited by Ernst & Young, Hong Kong for the period ending 31 December 2012.

#### **Persons exercising control over the Applicant**

##### *Applicant's directors*

19 The persons exercising control over the Applicant are its directors. The Applicant has 17 directors, including four executive directors, seven non-executive directors and six independent non-executive directors:

20 The directors' details are as follows:

| Name of Director                            | Address of Director | Citizenship/Residency |
|---|---------------------|-----------------------|
| <i>Executive Directors</i>                  |                     |                       |
| Ms Sun Yiping<br>(Chief Executive Officer)  |                     |                       |
| Mr Wu Jingshui<br>(Chief Financial Officer) |                     |                       |

|  |  |
|--|--|
| Mr Bai Ying                                |  |
| Mr Ding Sheng                              |  |
| <i>Non-Executive Directors</i>             |  |
| Mr Ning Gaoning (Chairman)                 |  |
| Mr Yu Xubo (Vice-Chairman)                 |  |
| Mr Niu Gensheng                            |  |
| Mr Ma Jianping                             |  |
| Mr Tim Ørting Jørgensen                    |  |
| Mr Finn S. Hansen                          |  |
| Ms Liu Ding                                |  |
| <i>Independent Non- Executive Director</i> |  |
| Mr Jiao Shuge (alias Jiao Zhen)            |  |

|                         |  |
|-------------------------|--|
| Mr Julian Juul Wolhardt |  |
| Mr Liu Fuchun           |  |
| Mr Zhang Xiaoya         |  |
| Mr Andrew Y. Yan        |  |
| Mr Wu Kwok Keung Andrew |  |

- 21 No directors of the Applicant are resident in New Zealand.
- 22 Copies of the relevant forms of identification for each person exercising control over the Applicant are attached to this application as Schedule 4.

*Yashili and Yashili NZ's directors*

- 23 Details of all persons exercising control over Yashili and Yashili NZ at the time of the Yashili NZ application dated 13 December 2012 (**Yashili NZ Application**) were provided in the same application. However, as part of the Takeover, the membership of the board of directors for Yashili was restructured. In summary, Mr Zhang Likun, Mr Zhang Liming, Mr Zhang Libo, Mr Chang Herman Hsiu-Guo and Mr Zhang Chi were required to resign from the board of Yashili. Ms Sun Yiping, Mr Ding Sheng, Mr Wu Jingshui, Mr Li Dongming, and Mr Liu Jintong were appointed as new directors of Yashili. Ms Sun Yiping replaces Mr Zhang Lidian as the Chairman of the Yashili board, but Mr Zhang Lidian remains an executive director of Yashili.
- 24 The details of the current directors of Yashili are set out below.

| Name of Director           | Address of Director | Citizenship/Residency |
|----------------------------|---------------------|-----------------------|
| <i>Executive Directors</i> |                     |                       |
| Mr Li Dongming             |                     |                       |
| Mr Zhang Lidian            |                     |                       |
| Mr Zhang Yanpeng           |                     |                       |

|   |  |
|---|--|
|   |  |
| <i>Non-Executive Directors</i>              |  |
| Ms Sun Yiping<br>(Chairman)                 |  |
| Mr Ding Sheng                               |  |
| Mr Wu Jingshui<br>(Chief Financial Officer) |  |
| <i>Independent Non- Executive Director</i>  |  |
| Mr Yu Shimao                                |  |
| Mr Chen Yongquan                            |  |
| Mr Samuel King On Wong                      |  |
| Mr Liu Jinting                              |  |

- 25 Copies of the relevant forms of identification for Mr Li Dongming and Mr Liu Jinting are attached to this application as Schedule 4. Note that the forms of Identification for the other directors were provided in the Yashili NZ Application or are already provided under paragraph 22 of this application.
- 26 The current sole director of Yashili NZ will also change as part of the Takeover. Mr Zhao Yingxiang, the current general manager of Yashili NZ, will replace Mr Zhang Likun as the sole director of Yashili NZ shortly.



27 The details of Mr Zhao Yingxiang are set out below.

| Name of Proposed Director | Address of Proposed Director | Citizenship/Residency |
|---------------------------|------------------------------|-----------------------|
| Mr Zhao Yingxiang         |                              |                       |

28 A copy of the relevant form of identification for Mr Zhao Yingxiang is attached to this application as Schedule 4.

#### Contact details for the Applicant

29 The Applicant's contact details, address for service and the contact details for the Applicant's solicitors, are as follows:

##### Address

DLA Phillips Fox  
Level 22  
205 Queen Street  
Auckland  
Attention: Martin Thomson

##### Email

Martin.Thomson@dlapf.com

##### Phone

09 300 3850

#### Why the Applicant requires consent

30 As discussed above, following completion of all the share transfers pursuant to the Takeover, the Applicant will control approximately 79.78% of the shares in Yashili. It is expected that the Applicant's attributable equity interest in Yashili's issued share capital will decrease to approximately 65% within the next three months. Further details of this decrease are set out in paragraph 42. Yashili NZ was granted consent under the Act to establish the Business (Decision number 201220086). The Applicant intends to continue establishing the Business. As such, the Applicant is required to obtain consent pursuant to section 10(1)(b) of the Act, being an overseas investment in significant business assets under section 13(1)(b) of the Act, as:

30.1 The total expenditure expected to be incurred, before commencing the Business, in establishing the Business, exceeds \$100 million; and

30.2 The Business will be carried on for more than 90 days in any year.

31 As mentioned above, the construction of the proposed plant at Pokeno is still very much at its initial stage, and actual construction of the plant has not yet commenced due to the timing of the resource consent process.

#### Details relating to the Takeover

##### Takeover

32 On 23 July 2013, the Applicant launched a general offer to all shareholders of Yashili to purchase all of the outstanding shares in Yashili encompassing the Yashili Group (**Offer**).

33 As set out in the Yashili NZ Application, Yashili is listed on the Stock Exchange of Hong Kong (Ticker 01230) and, at the time of the Yashili NZ application, was owned by Zhang

International Investment Limited, CA Dairy Holdings and various other public shareholders.

34 Under the Offer, for each Yashili share, the Yashili shareholders had a choice of either accepting:

34.1 HK\$3.50 in cash (**Cash Option**) or

34.2 HK\$2.82 in cash and 0.68 share in the Holding Company (**Cash and Share Option**).

35 Under the Offer, shareholders who accepted the Offer were required to transfer their relevant shares in Yashili to the Holding Company.

36 The Offer closed on 13 August 2013. The Applicant received valid acceptances of the Offer amounting to approximately 89.82% (3,196,747,945 shares) of the Yashili share capital. These acceptances consisted of:

36.1 Approximately 38.28% (1,362,434,185 shares) of the shareholders accepting the Cash Option; and

36.2 Approximately 51.54% (1,834,313,760 shares) of the shareholders accepting the Cash and Share Option.

37 The Offer was made subject to various conditions, including obtaining all consents including regulatory consents necessary for the consummation of the Offer. As these conditions have all been satisfied, the Takeover will proceed as proposed.

38 Prior to the Offer being launched, Zhang International Investment Limited executed an irrevocable undertaking to accept the Cash and Share Option, should the Offer be made, in respect of all the shares in Yashili held by Zhang International Investment Limited. At the same time, CA Dairy Holdings also executed an irrevocable undertaking to accept the Cash Option, should the Offer be made in respect of all the shares in Yashili held by CA Dairy Holdings.

39 On 2 August 2013, Zhang International Investment Limited and CA Dairy Holdings transferred all their shares in Yashili to the Holding Company pursuant to their respective irrevocable undertakings. The share transfers by the other shareholders who accepted the Offer have not yet been completed.

40 Following completion of all the share transfers pursuant to the Takeover, the Holding Company will hold approximately 89.82% of the Yashili share capital, and the Applicant will control approximately 79.78% of the Yashili share capital through its 88.82% shareholding in the Holding Company. Zhang International Investment Limited will control approximately 10% of the Yashili share capital through its 11.13% shareholding in the Holding Company, and other minority shareholders will control approximately 0.04% of the Yashili share capital through their 0.05% shareholding in the Holding Company.

41 We attach an ownership structure diagram of Yashili post completion of the share transfers pursuant to the Takeover as Schedule 5.

42 The Applicant's attributable equity interest in Yashili's issued share capital is expected to decrease within the next three months. It is expected that either the Holding Company may sell approximately 14% of its shares in Yashili to the public or Yashili may issue new shares to the public, the purposes of which are to maintain sufficient liquidity in the trading of Yashili. In each case, there will be a decrease of the Holding Company's equity interest in Yashili to approximately 75%. The Applicant's attributable shareholding in the Holding Company will also decrease from 89.82% to approximately 87%. This will consequently reduce the Applicant's attributable interest in Yashili's issued share capital to approximately 65%.

- 43 The Applicant will provide to the OIO further details of the final ownership structure of Yashili once they are known, together with an updated ownership structure diagram of Yashili.

#### **Establishment of the Business**

- 44 As set out in the Yashili NZ Application, Yashili NZ and, following the completion of the Takeover, the Applicant, intend to construct and operate a greenfields milk processing facility in New Zealand. The Applicant will be implementing Yashili's current plans in relation to the Business. Please refer to the Yashili NZ Application for further information on the establishment of the Business.

#### **Rationale for the investment**

- 45 The Proposed Investment is an attractive investment for the Applicant for the reasons set out below.
- 46 The dairy market in China has continued to grow over the past few years driven by factors such as strong economic growth, increasing disposable income and rising rates of urbanization, as well as industry-specific factors including increasing health awareness, consumer preferences and improved dairy product distribution. As one of the key components of the dairy market in China, the pediatric milk formula market has been expanding rapidly as well. The increasing trend towards double income families and the related increase in the number of working mothers in the China, coupled with the convenience and comprehensive nutritional benefits offered by infant formula products, has resulted in a growing popularity among mothers in China to choose infant formulas for their children. In recent years, pediatric milk formula powder brands with high quality raw milk sourcing from overseas (such as New Zealand) and quality local large-scale farms have secured increasingly large market shares, especially in the high-end pediatric milk formula powder segment. For the dairy industry, the government and society continue to reinforce regulated development through both stringent supervision and increased media coverage.
- 47 Establishing a partnership between the Applicant, a leading dairy brand in China and the Yashili, one of the successful pediatric milk powder brands in China would enable both parties to leverage each other's capabilities and resources in product offering, product innovation, upstream sourcing, distribution and sales channel development, product quality control and consumer marketing to capture the rapid growth of pediatric milk formula market in China.
- 48 While the Applicant's Group will explore and leverage each other's strengths in the dairy industry and explore aforementioned areas of cooperation to create synergy, the Applicant's Group intends to work with the Yashili Group with a view to maintaining Yashili Group's independent operating platform for the pediatric milk powder business.
- 49 The Applicant is one of the best-known dairy companies in China and one of the largest dairy companies engaged in manufacturing and distributing quality dairy products in China. The Yashili Group is a renowned domestic brand and a leading domestic pediatric milk powder manufacturer in China. The Yashili Group's business model integrates high brand recognition, imported premium dairy raw materials and a proprietary formula, and commitment to establish a high standard of quality supervision and quality assurance system.
- 50 Yashili currently sources from New Zealand its raw milk powder used in the paediatric milk powder products. The stable financial environment, quality of available assets, capability of employees, and efficiency of management and information systems of dairy

companies in New Zealand are all factors that have led Yashili to identify New Zealand as an optimal location for the establishment of the Business.

- 51 The Applicant envisions no change in the Yashili Group's sourcing policy to ensure that consumers continue to enjoy unchanged quality commitment and brand value from the Yashili Group's products.
- 52 The Applicant believes that, through this cooperation, both companies will be able to offer more consumers with more choices in dairy products that are safe, healthy and of the highest quality.

## **Investment Criteria**

### **Business experience and acumen**

- 53 The persons exercising control over the Applicant are set out above. The persons in control of the Applicant have extensive qualifications and experience in the food industry in particular in the dairy industry, as well as experience in strategic planning, business development, accounting and finance, marketing, direct investment, food science and research. This is evident from the curriculum vitae of these persons set out in Schedule 6 attached to this application.
- 54 The persons exercising control over Yashili NZ are set out in paragraphs 23 to 28 of this application. As set out in the Yashili NZ application, the individuals who have remained in control of Yashili NZ also have extensive experience in the food and dairy industry, as well as experience in strategic planning, business development, accounting and finance, marketing, direct investment, food science and research. As further outlined in the curriculum vitae set out in Schedule 6 of this application, the new directors appointed to the boards of Yashili and Yashili NZ under the Takeover also have all the necessary experience and expertise to manage the Business effectively.
- 55 As outlined in the curriculum vitae and set out above, it is clear that the individuals exercising control over the Applicant together with the individuals in control of Yashili have all the necessary experience and expertise to establish and manage the Business effectively and efficiently, and the ability to maximise the potential of the Business.

### **Demonstrated financial commitment**

- 56 As set out in the Yashili NZ application, Yashili had incurred costs in planning for the establishment and the future development and management of the Business (being approximately \$300,000). Since consent was granted to Yashili NZ, it has further incurred approximately \$15 million in progressing the planning for the construction of the plant.
- 57 As mentioned above, the Applicant intends to continue to operate Yashili's business, including Yashili NZ's operations, substantially in its current state. Therefore, the Applicant intends to continue to establish the Business as planned (as set out in Yashili NZ's Application).
- 58 The Applicant intends to finance the total consideration for the Takeover from third party financing. As mentioned in Yashili NZ Application, Yashili group has sufficient cash reserves (over RMB1.4 billion) to fund the expenditure in establishing and operating the Business. However, as part of the cash reserves are locked in long term fixed deposits, Yashili may seek loans from lenders.
- 59 As evident from the Applicant's financial statements attached as Schedule 3, the Applicant has sufficient funds to establish the Business.

### **Persons controlling the Applicant of good character**

- 61 The Applicant confirms that the persons in control of the Applicant are of good character and are not persons of the kind referred to in section 15 and 16 of the Immigration Act 2009. We attach as Schedule 7 a form of the statutory declaration attesting to the above. The declarations will be provided when requested by the OIO.
- 62 As the OIO would be aware, there have been several matters concerning the quality and safety of milk products manufactured in China. The Applicant is in the process of identifying any allegations made against the Applicant in relation to their involvement in such matters, including their involvement in the 2008 melamine contamination incident. Shortly following submission of this application, the Applicant will provide to the OIO a document setting out these identified allegations and the Applicant's response to each allegation.

### **Declaration in support of application**

- 63 Pursuant to section 23(1)(d) of the Act, attached as Schedule 8 is a copy of the statutory declaration form verifying that the information contained in this application is true and correct. This declaration will be provided once we have received confirmation from the OIO that there are no further documents or particulars required by the OIO for its consideration of this application.

### **General**

#### **Confidentiality**

- 64 This application and the information contained in it are commercially sensitive. The release of sensitive information would have an adverse effect on the Applicant and its business. Accordingly, we request pursuant to section 9(2)(b)(ii) of the Official Information Act 1982 that:
- 65 The fact that this application has been made be kept confidential until it has been publicly announced by the Applicant.
- 66 The contents of this application (including the information and documentation set out in each of its schedules and the level of consideration) be kept confidential indefinitely.
- 67 We would be grateful if you would notify us immediately should you receive a request under the Official Information Act 1982 for disclosure of any information relating to this application. In such event, we would also ask that the Applicant be given an opportunity to be heard before any decision is made regarding the release of such information.

#### **Application fee**

- 68 We enclose a cheque for \$13,186.67 for the application fee. We would ask that your tax invoice is addressed to Yashili New Zealand Dairy Co., Limited.

#### **Further information**

- 69 Should you have any questions in relation to this application please contact Martin Thomson at the address set out in paragraph 30 of this application.

Signed for and on behalf of  
China Mengniu Dairy Company Limited

Kwok Wai Cheong

Financial Controller & Company Secretary

[REDACTED]

---

**From:** [REDACTED]  
**Sent:** Tuesday, 17 September 2013 5:49 p.m.  
**To:** 'martin.thomson@dlapf.com'; 'pavanie.edirisuriya@dlapf.com'  
**Cc:** [REDACTED]  
**Subject:** Mangniu Dairy Company Limited application 201320039  
**Attachments:** 20130917174341.pdf

Dear Martin and Pavanie

Please see the attached letter.

Regards  
[REDACTED]

[REDACTED]  
**Team Manager**  
**Overseas Investment Office**

[REDACTED]  
Wellington Office, Level 7, Radio New Zealand House, 155 The Terrace  
PO Box 5501, Wellington 6145, New Zealand | T 04 460 0110  
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**Land Information  
New Zealand**  
*Toitū te whenua*

Our Ref: 201320039

17 September 2013

DLA Phillips Fox (Auckland)  
PO Box 160  
AUCKLAND

**Overseas Investment Office**  
Radio New Zealand House  
155 The Terrace  
PO Box 5501  
Wellington 6145  
New Zealand  
+64 4 460 0110  
[www.lin.govt.nz](http://www.lin.govt.nz)

**BY EMAIL**

Attention: Martin Thomson

**China Mengniu Dairy Company Limited - Application for consent**

1. We refer to the above application dated 10 September 2013.
2. The Overseas Investment Office (OIO) has now completed its initial review of the application and confirms that it has been accepted for assessment. A GST receipt for the application fee paid by the applicant will be sent to you shortly.

Further information

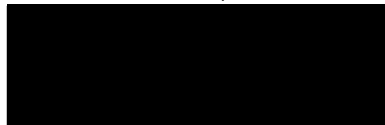
3. Our initial review of the application identified the following matters that need to be addressed:
  - (a) As discussed with Pavanle, can you please provide a view on whether the transaction has been given effect in the light of paragraphs 37 to 40 of the application letter and whether the transaction was subject to OIO consent.
  - (b) We look forward to receiving the original executed copy of the application.

Timeframes for assessment

4. The Overseas Investment Office categorises applications into one of three categories according to the estimated time to process them. These categories provide a guide for how long it may take for a decision to be made. Set out below is the provisional categorisation for this application and the contact details of the Senior Solicitor to whom it has been allocated:<sup>1</sup>

*Provisional Categorisation:* Category 1 (30 working days of active consideration by the OIO)

*Allocated to:*

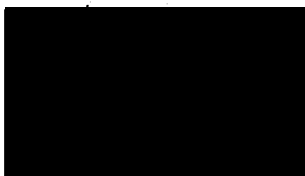


5. Please note that the timeframe **excludes** the time where the Overseas Investment Office is waiting for the applicant to provide further information and time spent consulting with third parties. Please refer to our website for further information on the assessment process and assessment timeframes.

<sup>1</sup> Categorisation and allocation details are subject to change.

6. Tyne will be in contact with you once a full analysis of the application has been completed or if any further information is required.

Yours sincerely



Team Manager  
Overseas Investment Office



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OFFICIAL  
INFORMATION  
ACT 1982**

being a letter from DLA Phillips Fox dated 16 September  
2013 and attachments

A1562231

**From:** [REDACTED]  
**Sent:** Friday, 13 September 2013 6:48 p.m.  
**To:** 'Edirisuriya, Pavanie'  
**Cc:** [REDACTED]  
**Subject:** RE: China Mengniu Dairy Company Limited [DLANZ-CLIENT.FID112020]

Hi Pavanie

Thank you for your email. Your client's application is currently undergoing an initial assessment to check that the application can be accepted for processing.

Kindly provide hard copies of the attachments to your email.

Please note that the assessment of the application has not yet been allocated to a senior solicitor and it is not likely that it will be allocated to Andrew Morris. Please address future emails to me or to the Overseas Investment Office general email address. If the application is accepted for assessment you will be notified of the senior solicitor who will be responsible for the assessment.

Regards

[REDACTED]  
[REDACTED]  
**Team Manager**  
**Overseas Investment Office**

Wellington Office, Level 7, Radio New Zealand House, 155 The Terrace  
PO Box 5501, Wellington 6145, New Zealand | T 04 460 0140  
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**From:** Edirisuriya, Pavanie [mailto:Pavanie.Edirisuriya@dlapf.com]  
**Sent:** Friday, 13 September 2013 5:04 p.m.  
**To:** [REDACTED]  
**Cc:** [REDACTED] Thomson, Martin; Ong, Michelle  
**Subject:** RE: China Mengniu Dairy Company Limited [DLANZ-CLIENT.FID112020]

Hi [REDACTED]

Please let us know if you have any questions.

Kind regards,

Pav

**Pavanie Edirisuriya**  
Senior Solicitor

T+64 9 300 3838  
F+64 9 303 2311  
[Epavanie.edirisuriya@dlapf.com](mailto:Epavanie.edirisuriya@dlapf.com)



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**From:** [REDACTED]  
**Sent:** Tuesday, 10 September 2013 5:00 p.m.  
**To:** Edirisuriya, Pavanie  
**Cc:** [REDACTED]  
**Subject:** RE: China Mengniu Dairy Company Limited [DLANZ-CLIENT.FID112020]

Thanks Pav.

[REDACTED]  
**Senior Solicitor**  
**Overseas Investment Office**

[REDACTED]  
Wellington Office, Level 7, Radio New Zealand House, 155 The Terrace  
PO Box 5501, Wellington 6145, New Zealand | T 04 460 0110  
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---

**From:** Edirisuriya, Pavanie [<mailto:Pavanie.Edirisuriya@dlapf.com>]  
**Sent:** Tuesday, 10 September 2013 4:48 p.m.  
**To:** [REDACTED]  
**Cc:** Ong, Michelle; Thomson, Martin; Annelies McClure  
**Subject:** China Mengniu Dairy Company Limited [DLANZ-CLIENT.FID112020]

Hi [REDACTED]

As you know, we act for China Mengniu Dairy Company Limited (Mengniu).

Please find attached a PDF version of Mengniu's application for consent, of which a hard copy has been couriered to you today. A CD will accompany the hard copy of the application, which will contain electronic versions of all schedules.

We have deposited the application fee of \$13,186.67 into the OIO's account on behalf of Mengniu.

I look forward to receiving confirmation that the application has been accepted for processing.

Kind regards

Pav

**Pavanie Edirisuriya**  
Senior Solicitor

T+64 9 300 3838  
F+64 9 303 2311  
[Epavanie.edirisuriya@dlapf.com](mailto:Epavanie.edirisuriya@dlapf.com)



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INFORMATION  
ACT 1982**

being an email from DLA Phillips Fox dated 13 September  
2013 and attachments

**Peter R Hill**

**From:** [REDACTED]  
**Sent:** Tuesday, 10 September 2013 5:00 p.m.  
**To:** 'Edirisuriya, Pavanie'  
**Cc:** [REDACTED]  
**Subject:** RE: China Mengniu Dairy Company Limited [DLANZ-CLIENT.FID112020]

Thanks Pav.

[REDACTED]  
**Senior Solicitor  
Overseas Investment Office**  
[REDACTED]

Wellington Office, Level 7, Radio New Zealand House, 155 The Terrace  
PO Box 5501, Wellington 6145, New Zealand | T 04 460 0110  
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**Land Information  
New Zealand**  
*Te taiao te whenua*

**From:** Edirisuriya, Pavanie [<mailto:Pavanie.Edirisuriya@dlapf.com>]  
**Sent:** Tuesday, 10 September 2013 4:48 p.m.  
**To:** [REDACTED]  
**Cc:** Ong, Michelle; Thomson, Martin; Annelies McClure  
**Subject:** China-Mengniu Dairy Company Limited [DLANZ-CLIENT.FID112020]

Hi [REDACTED]

As you know, we act for China Mengniu Dairy Company Limited (**Mengniu**).

Please find attached a PDF version of Mengniu's application for consent, of which a hard copy has been couriered to you today. A CD will accompany the hard copy of the application, which will contain electronic versions of all schedules.

We have deposited the application fee of \$13,186.67 into the OIO's account on behalf of Mengniu.

I look forward to receiving confirmation that the application has been accepted for processing.

Kind regards

Pav

**Pavanie Edirisuriya**  
Senior Solicitor

T+64 9 300 3838  
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E [pavanie.edirisuriya@dlapf.com](mailto:pavanie.edirisuriya@dlapf.com)



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**DLA PHILLIPS FOX**

H2-100-CMD

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Auckland 1140  
New Zealand  
DX CP24027 AKLD  
Tel +64 9 303 2019  
Fax +64 9 303 2311  
www.dlapf.com

Our ref: 1007584

10 September 2013

Overseas Investment Office  
Land Information New Zealand  
Level 7, Radio New Zealand House  
155 The Terrace  
WELLINGTON  
By courier

Dear [REDACTED]

**China Mengniu Dairy Company Limited - application for consent -  
investment in significant business assets**

We act for China Mengniu Dairy Company Limited (Mengniu).

Further to my email, please find enclosed Mengniu's application for consent to an investment in significant business assets together with the schedules referred to in the application. We have enclosed a hard copy of the application and a CD containing PDF versions of the application and the schedules.

We are currently waiting on the original executed copy of the application. This will be sent to the OIO as soon we receive it.

We have paid the application fee of \$13,186.67 into the OIO's bank account.

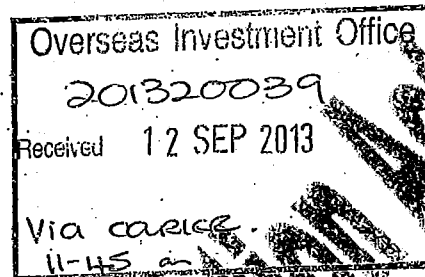
Please let us know if we can do anything further to assist the OIO in making its decision.

We look forward to hearing from you.

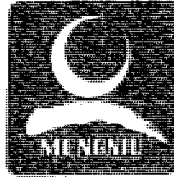
Yours sincerely

**Pavanie Edirisuriya**  
Senior Solicitor  
Direct +64 9 300 3838  
pavanie.edirisuriya@dlapf.com

**Martin Thomson**  
Partner  
Direct +64 9 300 3850  
martin.thomson@dlapf.com







蒙牛

Suite 1602, 16<sup>th</sup> Floor, Top Glory Tower, 262 Gloucester Road, Causeway Bay, Hong Kong

30 August 2013

The Manager  
Overseas Investment Office  
Land Information New Zealand  
Level 7, Radio New Zealand House  
155 The Terrace  
WELLINGTON

By courier

**Application for consent pursuant to the Overseas Investment Act 2005 (Act) and Overseas Investment Regulations 2005 (Regulations) to an investment in significant business assets**

**Introduction**

- 1 This letter comprises the application of China Mengniu Dairy Company Limited (**Applicant**) for consent under the Act and Regulations to an investment in significant business assets.
- 2 The Applicant is an overseas person for the purposes of the Act as it is 25% or more owned by an overseas person.
- 3 On 23 July 2013, the Applicant offered to acquire all of the shares in Yashili International Holdings Ltd (**Yashili**) from its existing shareholders and, on 15 August 2013, the Applicant announced that it had received valid acceptances amounting to approximately 89.82% of the Yashili share capital (**Takeover**). The structure of the offer pursuant to the Takeover required all the shareholders who accepted the Applicant's offer to transfer their relevant shares in Yashili to China Mengniu International Company Limited, a private company controlled by the Applicant that was established for the sole purpose of holding shares in Yashili (**Holding Company**). Following completion of all the share transfers pursuant to the Takeover, the Holding Company will hold approximately 89.82% of Yashili's issued share capital, and the Applicant will control approximately 79.78% of the Yashili share capital through its 88.82% shareholding in the Holding Company.

It is expected that the Applicant's attributable equity interest in Yashili's issued share capital will decrease to approximately 65% within the next three months. Further details of this decrease in control are set out in paragraph 42.

- 5 Yashili is the ultimate parent company of Yashili New Zealand Dairy Co., Limited (**Yashili NZ**). Yashili NZ was granted consent under the Act to the establishment of a business in New Zealand, being the construction and operation of a greenfield's milk processing plant in Pokeno (**Business**) (Decision number 201220086). The Applicant intends to continue establishing the Business, the total expenditure which is expected to be incurred before commencing the Business, in establishing the Business, exceeds \$100 million.

6 As previously indicated to the OIO, the construction of the proposed plant at Pokeno is still very much at its initial stage, and actual construction of the plant has not yet commenced due to the timing of the resource consent process.

7 On the basis of the above, the Applicant is writing to seek consent pursuant to section 10(1)(b) of the Act in relation to the overseas investment in significant business assets following the Takeover.

8 Relevant information relating to the proposed investment is set out below.

9 Further information is provided in the Schedules to this letter listed below:

- 9.1 Schedule 1 - Certificate of incorporation
- 9.2 Schedule 2 - Applicant's ownership structure diagram
- 9.3 Schedule 3 - Applicant's financial statements
- 9.4 Schedule 4 - Identification pages
- 9.5 Schedule 5 - Yashili's ownership structure diagram following completion of the share transfers pursuant to the Takeover
- 9.6 Schedule 6 - Curriculum vitae of persons exercising control
- 9.7 Schedule 7 - Certificate of good character
- 9.8 Schedule 8 - Statutory declaration

## **Applicant**

### **Entity and details of Incorporation**

- 10 The Applicant is a limited liability company incorporated in the Cayman Islands on 16 February 2004. A copy of the certificate of incorporation of the Applicant is attached as Schedule 1.
- 11 The Applicant's registered office is C/- maples Corporate Services Limited, P.O. Box 309, Ugland House, Grand Cayman KY1-1104, Cayman Islands.

### **Ownership of the Applicant**

- 12 The Applicant is listed on the Stock Exchange of Hong Kong (Ticker: 2319). The Applicant is either directly or indirectly 17.52% owned by Chinese state owned agricultural and food industry supplier China National Cereals, Oils and Foodstuffs Corp. (COFCO). COFCO is one of the largest state-owned enterprise of the 49 directly administered by China's State Council. COFCO's shareholding in the Applicant comes from:

12.1 0.02% shareholding through COFCO (BVI) No. 9 Limited;

12.2 13.36% shareholding through COFCO Dairy Investments Limited, which holds a 19.09% shareholding in the Applicant. COFCO Dairy Investments Limited is 30% owned by Arla Foods and 70% owned by the COFCO Group. As such, Arla Foods holds a 5.73% shareholding in the Applicant through COFCO Dairy Investments Limited. Arla Foods is primarily engaged in the business of manufacturing dairy products; and

12.3 4.15% shareholding through Prominent Achiever Limited, which holds a 8.13% shareholding in the Applicant. Prominent Achiever Limited is 51% owned by the COFCO Group and 49% owned by Danone Group. As such, Danone Group holds a 3.98% shareholding in the Applicant through Prominent Achiever. Danone Group is a multi-national corporation and a global leader in food

products, including fresh dairy products and other health and nutrition food products.

13 The remaining shares are split between the Commonwealth Bank of Australia as an institutional investor with a 8.78% shareholding, and other members of the public from various jurisdictions who, together, hold a 63.98% shareholding.

14 An ownership structure diagram of the Applicant is attached as Schedule 2.

#### Previous applications

15 The Applicant has made no previous acquisitions in New Zealand. Therefore, no previous applications for consent have been made.

#### Business activities

16 The Applicant and its subsidiaries manufacture and distribute quality dairy products in China. It is one of the leading dairy product manufacturers in China, with MENGNIU as its core brand. The Applicant's diversified products range includes liquid milk products, such as UHT milk, milk beverages and yogurt, ice cream and other dairy products such as milk powder. According to China Industrial Information Issuing Centre, the Applicant's liquid milk products ranked first, in terms of sales volume and sales value, among similar products in China in 2012. In December 2012, the Applicant's annual production capacity of dairy products reached 7.58 million tonnes.

17 Further information on the Applicant can be found at <http://www.mengniu.com/c/index.php>.

#### Financial accounts

18 Copies of the audited financial statements for the Applicant are attached as Schedule 3. The financial statements have been prepared by the directors and audited by Ernst & Young, Hong Kong for the period ending 31 December 2012.

#### Persons exercising control over the Applicant

##### *Applicant's directors*

19 The persons exercising control over the Applicant are its directors. The Applicant has 17 directors, including four executive directors, seven non-executive directors and six independent non-executive directors.

20 The directors' details are as follows:

| Name of Director                            | Address of Director | Citizenship/Residency |
|---|---------------------|-----------------------|
| <i>Executive Directors</i>                  |                     |                       |
| Ms Sun Jing<br>(Chief Executive Officer)    |                     |                       |
| Mr Wu Jingshui<br>(Chief Financial Officer) |                     |                       |

|  |  |
|--|--|
| Mr Bai Ying                                |  |
| Mr Ding Sheng                              |  |
| <i>Non-Executive Directors</i>             |  |
| Mr Ning Gaoning (Chairman)                 |  |
| Mr Yu Xubo (Vice-Chairman)                 |  |
| Mr Niu Gensheng                            |  |
| Mr Ma Jianping                             |  |
| Mr Tim Ørting Jørgensen                    |  |
| Mr Finn St. Hansen                         |  |
| Ms Liu Ding                                |  |
| <i>Independent Non- Executive Director</i> |  |
| Mr Jiao Shuge (alias Jiao Zhen)            |  |

|                         |  |
|-------------------------|--|
| Mr Julian Juul Wolhardt |  |
| Mr Liu Fuchun           |  |
| Mr Zhang Xiaoya         |  |
| Mr Andrew Y. Yan        |  |
| Mr Wu Kwok Keung Andrew |  |

21 No directors of the Applicant are resident in New Zealand.

22 Copies of the relevant forms of identification for each person exercising control over the Applicant are attached to this application as Schedule 4.

*Yashili and Yashili NZ's directors*

23 Details of all persons exercising control over Yashili and Yashili NZ at the time of the Yashili NZ application dated 13 December 2012 (**Yashili NZ Application**) were provided in the same application. However, as part of the Takeover, the membership of the board of directors for Yashili was restructured. In summary, Mr Zhang Likun, Mr Zhang Liming, Mr Zhang Libo, Mr Chang Herman Hsiu-Guo and Mr Zhang Chi were required to resign from the board of Yashili. Ms Sun Yiping, Mr Ding Sheng, Mr Wu Jingshui, Mr Li Dongming, and Mr Liu Jintong were appointed as new directors of Yashili. Ms Sun Yiping replaces Mr Zhang Likun as the Chairman of the Yashili board, but Mr Zhang Likun remains an executive director of Yashili.

24 The details of the current directors of Yashili are set out below.

| Name of Director           | Address of Director | Citizenship/Residency |
|----------------------------|---------------------|-----------------------|
| <i>Executive Directors</i> |                     |                       |
| Mr Li Dongming             |                     |                       |
| Mr Zhang Lidian            |                     |                       |
| Mr Zhang Yanpeng           |                     |                       |

|   |  |
|---|--|
|   |  |
| <i>Non-Executive Directors</i>              |  |
| Ms Sun Yiping<br>(Chairman)                 |  |
| Mr Ding Sheng                               |  |
| Mr Wu Jingshui<br>(Chief Financial Officer) |  |
| <i>Independent Non-Executive Director</i>   |  |
| Mr Yu Shimao                                |  |
| Mr Chen Yongquan                            |  |
| Mr Samuel King On Wong                      |  |
| Mr Liu Jinting                              |  |

- 25 Copies of the relevant forms of identification for Mr Li Dongming and Mr Liu Jinting are attached to this application as Schedule 4. Note that the forms of identification for the other directors were provided in the Yashili NZ Application or are already provided under paragraph 22 of this application.
- 26 The current sole director of Yashili NZ will also change as part of the Takeover. Mr Zhao Yingxiang, the current general manager of Yashili NZ, will replace Mr Zhang Likun as the sole director of Yashili NZ shortly.

27 The details of Mr Zhao Yingxiang are set out below.

| Name of Proposed Director | Address of Proposed Director | Citizenship/Residency |
|---------------------------|------------------------------|-----------------------|
| Mr Zhao Yingxiang         |                              |                       |

28 A copy of the relevant form of identification for Mr Zhao Yingxiang is attached to this application as Schedule 4.

#### Contact details for the Applicant

29 The Applicant's contact details, address for service and the contact details for the Applicant's solicitors, are as follows:

##### Address

DLA Phillips Fox  
Level 22  
205 Queen Street  
Auckland  
Attention: Martin Thomson

##### Email

Martin.Thomson@dlapf.com

##### Phone

09 300 3850

#### Why the Applicant requires consent

30 As discussed above, following completion of all the share transfers pursuant to the Takeover, the Applicant will control approximately 79.78% of the shares in Yashili. It is expected that the Applicant's attributable equity interest in Yashili's issued share capital will decrease to approximately 65% within the next three months. Further details of this decrease are set out in paragraph 42. Yashili NZ was granted consent under the Act to establish the Business (Decision number 201220086). The Applicant intends to continue establishing the Business. As such, the Applicant is required to obtain consent pursuant to section 10(1)(b) of the Act, being an overseas investment in significant business assets under section 13(1)(b) of the Act, as:

30.1 The total expenditure expected to be incurred, before commencing the Business, in establishing the Business, exceeds \$100 million; and

30.2 The Business will be carried on for more than 90 days in any year.

30.3 As mentioned above, the construction of the proposed plant at Pokeno is still very much at its initial stage, and actual construction of the plant has not yet commenced due to the timing of the resource consent process.

#### Details relating to the Takeover

##### Takeover

32 On 23 July 2013, the Applicant launched a general offer to all shareholders of Yashili to purchase all of the outstanding shares in Yashili encompassing the Yashili Group (**Offer**).

33 As set out in the Yashili NZ Application, Yashili is listed on the Stock Exchange of Hong Kong (Ticker 01230) and, at the time of the Yashili NZ application, was owned by Zhang

International Investment Limited, CA Dairy Holdings and various other public shareholders.

- 34 Under the Offer, for each Yashili share, the Yashili shareholders had a choice of either accepting:

34.1 HK\$3.50 in cash (**Cash Option**) or

34.2 HK\$2.82 in cash and 0.68 share in the Holding Company (**Cash and Share Option**).

- 35 Under the Offer, shareholders who accepted the Offer were required to transfer their relevant shares in Yashili to the Holding Company.

- 36 The Offer closed on 13 August 2013. The Applicant received valid acceptances of the Offer amounting to approximately 89.82% (3,196,747,945 shares) of the Yashili share capital. These acceptances consisted of:

36.1 Approximately 38.28% (1,362,434,185 shares) of the shareholders accepting the Cash Option; and

36.2 Approximately 51.54% (1,834,313,760 shares) of the shareholders accepting the Cash and Share Option.

- 37 The Offer was made subject to various conditions, including obtaining all consents including regulatory consents necessary for the consummation of the Offer. As these conditions have all been satisfied, the Takeover will proceed as proposed.

- 38 Prior to the Offer being launched, Zhang International Investment Limited executed an irrevocable undertaking to accept the Cash and Share Option, should the Offer be made, in respect of all the shares in Yashili held by Zhang International Investment Limited. At the same time, CA Dairy Holdings also executed an irrevocable undertaking to accept the Cash Option, should the Offer be made, in respect of all the shares in Yashili held by CA Dairy Holdings.

- 39 On 2 August 2013, Zhang International Investment Limited and CA Dairy Holdings transferred all their shares in Yashili to the Holding Company pursuant to their respective irrevocable undertakings. The share transfers by the other shareholders who accepted the Offer have not yet been completed.

- 40 Following completion of all the share transfers pursuant to the Takeover, the Holding Company will hold approximately 89.82% of the Yashili share capital, and the Applicant will control approximately 79.78% of the Yashili share capital through its 88.82% shareholding in the Holding Company. Zhang International Investment Limited will control approximately 10% of the Yashili share capital through its 11.13% shareholding in the Holding Company, and other minority shareholders will control approximately 0.04% of the Yashili share capital through their 0.05% shareholding in the Holding Company.

- 41 We attach an ownership structure diagram of Yashili post completion of the share transfers pursuant to the Takeover as Schedule 5.

- 42 The Applicant's attributable equity interest in Yashili's issued share capital is expected to decrease within the next three months. It is expected that either the Holding Company may sell approximately 14% of its shares in Yashili to the public or Yashili may issue new shares to the public, the purposes of which are to maintain sufficient liquidity in the trading of Yashili. In each case, there will be a decrease of the Holding Company's equity interest in Yashili to approximately 75%. The Applicant's attributable shareholding in the Holding Company will also decrease from 89.82% to approximately 87%. This will consequently reduce the Applicant's attributable interest in Yashili's issued share capital to approximately 65%.



- 43 The Applicant will provide to the OIO further details of the final ownership structure of Yashili once they are known, together with an updated ownership structure diagram of Yashili.

#### **Establishment of the Business**

- 44 As set out in the Yashili NZ Application, Yashili NZ and, following the completion of the Takeover, the Applicant, intend to construct and operate a greenfields milk processing facility in New Zealand. The Applicant will be implementing Yashili's current plans in relation to the Business. Please refer to the Yashili NZ Application for further information on the establishment of the Business.

#### **Rationale for the investment**

- 45 The Proposed Investment is an attractive investment for the Applicant for the reasons set out below.
- 46 The dairy market in China has continued to grow over the past few years driven by factors such as strong economic growth, increasing disposable income and rising rates of urbanization, as well as industry-specific factors including increasing health awareness, consumer preferences and improved dairy product distribution. As one of the key components of the dairy market in China, the paediatric milk formula market has been expanding rapidly as well. The increasing trend towards double income families and the related increase in the number of working mothers in the China, coupled with the convenience and comprehensive nutritional benefits offered by infant formula products, has resulted in a growing popularity among mothers in China to choose infant formulas for their children. In recent years, paediatric milk formula powder brands with high quality raw milk sourcing from overseas (such as New Zealand) and quality local large-scale farms have secured increasingly large market shares, especially in the high-end paediatric milk formula powder segment. For the dairy industry, the government and society continue to reinforce regulated development through both stringent supervision and increased media coverage.
- 47 Establishing a partnership between the Applicant, a leading dairy brand in China and the Yashili, one of the successful paediatric milk powder brands in China would enable both parties to leverage each other's capabilities and resources in product offering, product innovation, upstream sourcing, distribution and sales channel development, product quality control and consumer marketing to capture the rapid growth of paediatric milk formula market in China.
- 48 While the Applicant's Group will explore and leverage each other's strengths in the dairy industry and explore aforementioned areas of cooperation to create synergy, the Applicant's Group intends to work with the Yashili Group with a view to maintaining Yashili Group's independent operating platform for the paediatric milk powder business.
- 49 The Applicant is one of the best-known dairy companies in China and one of the largest dairy companies engaged in manufacturing and distributing quality dairy products in China. The Yashili Group is a renowned domestic brand and a leading domestic paediatric milk powder manufacturer in China. The Yashili Group's business model integrates high brand recognition, imported premium dairy raw materials and a proprietary formula, and commitment to establish a high standard of quality supervision and quality assurance system.
- 50 Yashili currently sources from New Zealand its raw milk powder used in the paediatric milk powder products. The stable financial environment, quality of available assets, capability of employees, and efficiency of management and information systems of dairy

companies in New Zealand are all factors that have led Yashili to identify New Zealand as an optimal location for the establishment of the Business.

51 The Applicant envisions no change in the Yashili Group's sourcing policy to ensure that consumers continue to enjoy unchanged quality commitment and brand value from the Yashili Group's products.

52 The Applicant believes that, through this cooperation, both companies will be able to offer more consumers with more choices in dairy products that are safe, healthy and of the highest quality.

## **Investment Criteria**

### **Business experience and acumen**

53 The persons exercising control over the Applicant are set out above. The persons in control of the Applicant have extensive qualifications and experience in the food industry in particular in the dairy industry, as well as experience in strategic planning, business development, accounting and finance, marketing, direct investment, food science and research. This is evident from the curriculum vitae of these persons set out in Schedule 6 attached to this application.

54 The persons exercising control over Yashili NZ are set out in paragraphs 23 to 28 of this application. As set out in the Yashili NZ application, the individuals who have remained in control of Yashili NZ also have extensive experience in the food and dairy industry, as well as experience in strategic planning, business development, accounting and finance, marketing, direct investment, food science and research. As further outlined in the curriculum vitae set out in Schedule 6 of this application, the new directors appointed to the boards of Yashili and Yashili NZ under the Takeover also have all the necessary experience and expertise to manage the Business effectively.

55 As outlined in the curriculum vitae and set out above, it is clear that the individuals exercising control over the Applicant together with the individuals in control of Yashili have all the necessary experience and expertise to establish and manage the Business effectively and efficiently, and the ability to maximise the potential of the Business.

### **Demonstrated financial commitment**

56 As set out in the Yashili NZ application, Yashili had incurred costs in planning for the establishment and the future development and management of the Business (being approximately \$300,000). Since consent was granted to Yashili NZ, it has further incurred approximately \$15 million in progressing the planning for the construction of the plant.

57 As mentioned above, the Applicant intends to continue to operate Yashili's business, including Yashili NZ's operations, substantially in its current state. Therefore, the Applicant intends to continue to establish the Business as planned (as set out in Yashili NZ's Application).

58 The Applicant intends to finance the total consideration for the Takeover from third party financing. As mentioned in Yashili NZ Application, Yashili group has sufficient cash reserves (over RMB1.4 billion) to fund the expenditure in establishing and operating the Business. However, as part of the cash reserves are locked in long term fixed deposits, Yashili may seek loans from lenders.

59 As evident from the Applicant's financial statements attached as Schedule 3, the Applicant has sufficient funds to establish the Business.

### **Persons controlling the Applicant of good character**

- 61 The Applicant confirms that the persons in control of the Applicant are of good character and are not persons of the kind referred to in section 15 and 16 of the Immigration Act 2009. We attach as Schedule 7 a form of the statutory declaration attesting to the above. The declarations will be provided when requested by the OIO.

62

### **Declaration in support of application**

- 63 Pursuant to section 23(1)(d) of the Act, attached as Schedule 8 is a copy of the statutory declaration form verifying that the information contained in this application is true and correct. This declaration will be provided once we have received confirmation from the OIO that there are no further documents or particulars required by the OIO for its consideration of this application.

### **General**

#### **Confidentiality**

- 64 This application and the information contained in it are commercially sensitive. The release of sensitive information would have an adverse effect on the Applicant and its business. Accordingly, we request pursuant to section 9(2)(b)(ii) of the Official Information Act 1982 that:
- 65 The fact that this application has been made be kept confidential until it has been publicly announced by the Applicant.
- 66 The contents of this application (including the information and documentation set out in each of its schedules and the level of consideration) be kept confidential indefinitely.
- 67 We would be grateful if you would notify us immediately should you receive a request under the Official Information Act 1982 for disclosure of any information relating to this application. In such event, we would also ask that the Applicant be given an opportunity to be heard before any decision is made regarding the release of such information.

#### **Application fee**

- 68 We enclose a cheque for \$13,186.67 for the application fee. We would ask that your tax invoice is addressed to Yashili New Zealand Dairy Co., Limited.

#### **Further information**

- 69 Should you have any questions in relation to this application please contact Martin Thomson at the address set out in paragraph 30 of this application.

Signed for and on behalf of  
China Mengniu Dairy Company Limited

Kwok Wei Cheong

Financial Controller & Company Secretary

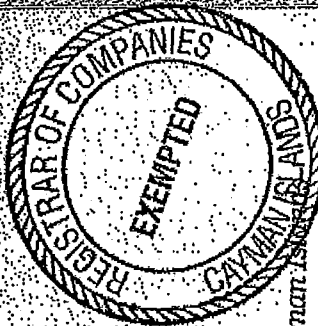
**Schedule 1**

**Certificate of Incorporation**

}

Released Under the Official Information Act

# Certificate Of Incorporation



J. JOYA A. RANKINE

DO HEREBY CERTIFY, pursuant to the Companies Law (Cap. 22) that all requirements of the said Law in respect of registration were complied with by

China Mengniu Dairy Company

an Exempted Company incorporated in the Cayman Islands with limited liability with effect from the 16th day of February Two Thousand Four

Given under my hand and Seal at George Town in the Island of Grand Cayman this 16th day of February Two Thousand Four

CERTIFIED TO BE A TRUE AND CORRECT COPY

Sig.

*J. Joya A. Rankine*

Joy A. Rankine

Assistant Registrar

Date 16 February 2004

Assistant Registrar of Companies,  
Cayman Islands, B.W.I.

# Certificate of Incorporation on Change of Name

having by Special resolution dated 18th day of February Two Thousand Four changed its name, is now incorporated under name of

**China Mengniu Dairy Company Limited**

GIVEN UNDER MY HAND AND SEAL at George Town in the Island of Grand Cayman this 19th day of February Two Thousand Four

CERTIFIED TO BE A TRUE AND CORRECT COPY

Sig.

*Cindy Y. Jefferson-Bullfin*  
Cindy Y. Jefferson-Bullfin  
Deputy Registrar

Date 19 February 2004

An Authorised Officer,  
Registry of Companies,  
Cayman Islands, B.W.I.





No. F13299

編號

COMPANIES ORDINANCE  
(CHAPTER 32)

香港法例第32章  
公司條例

CERTIFICATE OF REGISTRATION  
OF OVERSEA COMPANY

海外公司登記證明書

\*\*\*

I hereby certify that  
本人謹此證明

China Mengniu Dairy Company Limited  
also known as:-

又名為:-

中國蒙牛乳業有限公司

which was incorporated in Cayman Islands  
是在開曼群島

is registered in Hong Kong under Part XI of the Companies Ordinance.  
註冊成立並根據香港公司條例第XI部在香港登記。

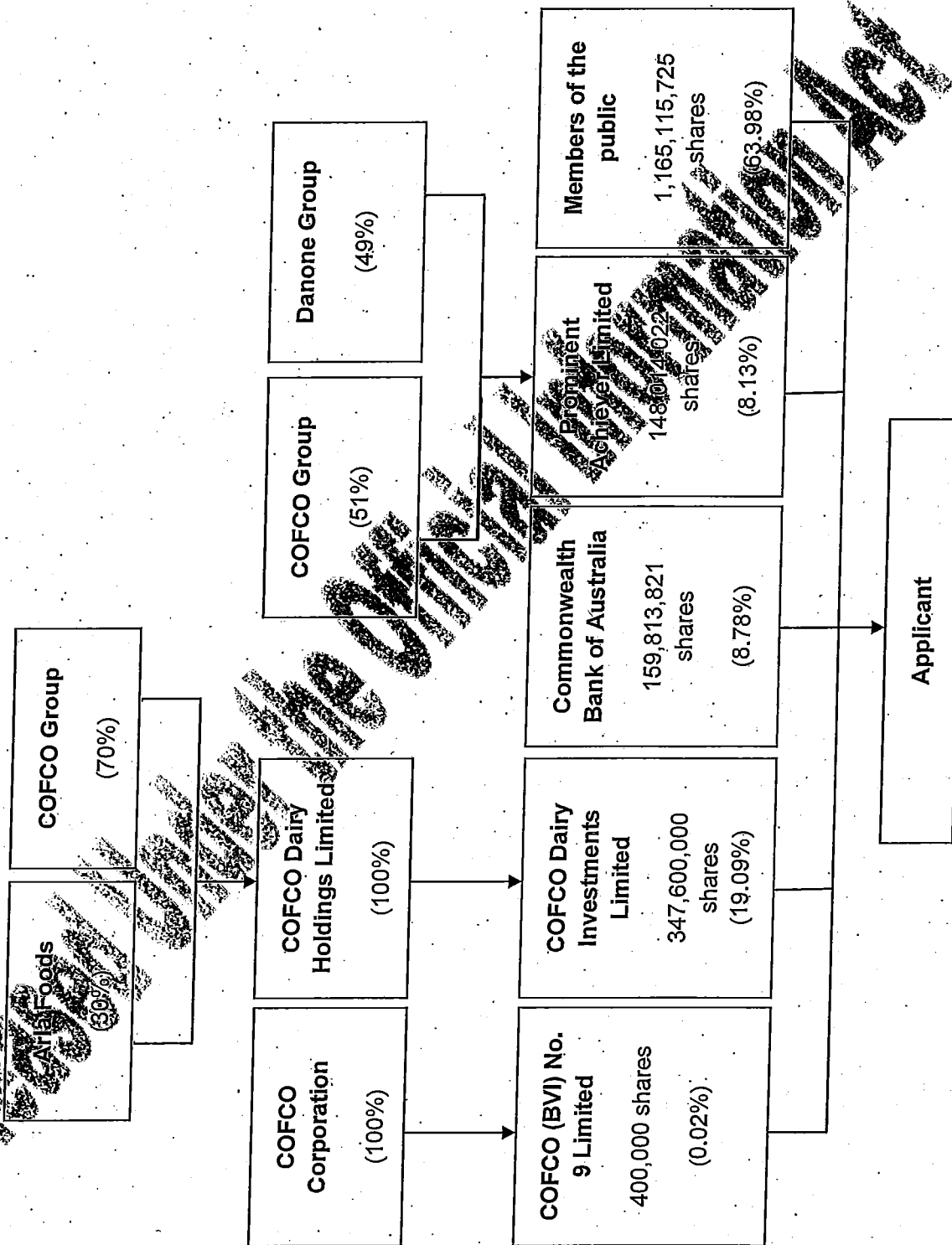
Issued by the undersigned on 28 April 2004.

特此證明書於二〇〇四年四月二十八日簽發。

MISS I. POON  
for Registrar of Companies  
Hong Kong  
香港公司註冊處處長  
(公司註冊主任 潘敏思 代行)



## Ownership structure diagram of the Applicant





**Schedule 3**

**The Applicant's financial statements**

**Released Under the Official Information Act**



只為點滴幸福

China Mengniu Dairy Company Limited

中國蒙牛乳業有限公司\*

(Incorporated in the Cayman Islands with limited liability)  
(於開曼群島註冊成立之有限公司)

Stock Code 股份代號: 2319

2012 年報  
ANNUAL REPORT



\* For identification purpose only. 僅供識別



只為點滴幸福

## Corporate Profile 公司簡介

China Mengniu Dairy Company Limited (Stock Code: 2319) and its subsidiaries (the "Group" or "Mengniu") manufacture and distribute quality dairy products in China. It is one of the leading dairy product manufacturers in China, with **MENGNIU** as its core brand.

The Group's diversified products range includes liquid milk products, such as UHT milk, milk beverages and yogurt, ice cream and other dairy products such as milk powder. In December 2012, the Group's annual production capacity of dairy products reached 7.58 million tons.

中國蒙牛乳業有限公司(股份代號: 2319)及其子公司(統稱「本集團」或「蒙牛」)於中國生產及銷售優質乳製品。憑藉其主要品牌蒙牛, 本集團已成為中國領先的乳製品生產商之一。

本集團提供多元化的產品, 包括液體奶(如UHT奶、乳飲料及酸奶)、冰淇淋及其他乳製品(如奶粉)。於二零一二年十二月, 本集團乳製品的年生產能力達758萬噸。

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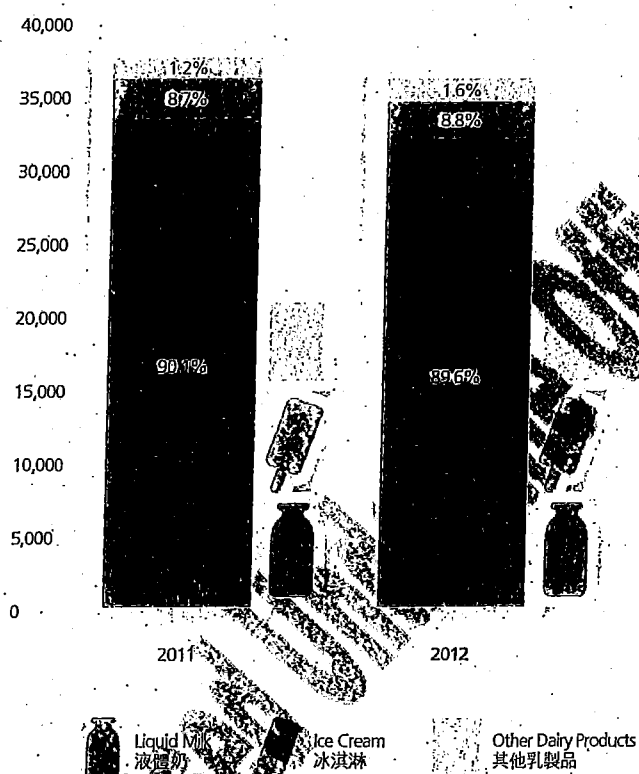
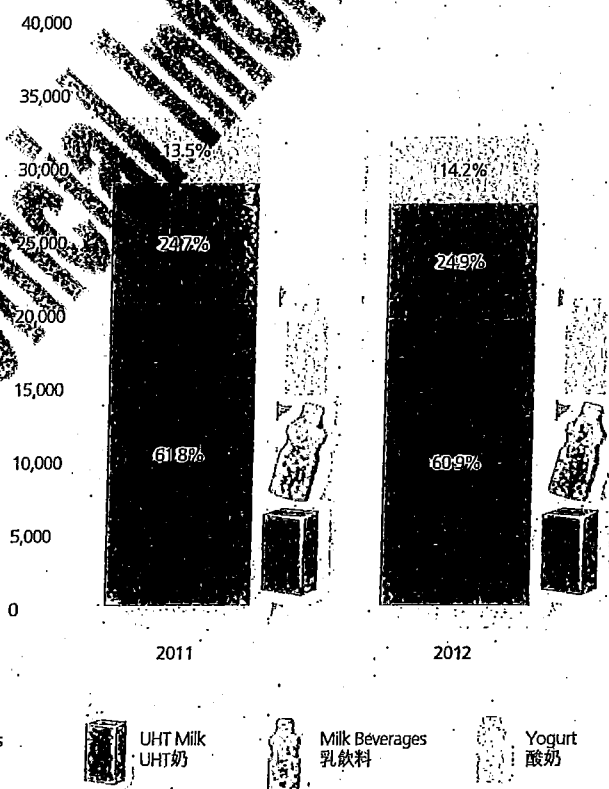
# Highlights

## 摘要

| For the year ended 31 December               | 截至十二月三十一日止年度 | 2012<br>二零一二年<br>RMB'000<br>人民幣千元 | 2011<br>二零一一年<br>RMB'000<br>人民幣千元 |
|--|--------------|-----------------------------------|-----------------------------------|
| Revenue                                      | 收入           | 36,080,353                        | 37,337,844                        |
| Gross profit                                 | 毛利           | 9,054,567                         | 9,592,152                         |
| Profit attributable to owners of the Company | 本公司擁有人應佔利潤   | 1,257,148                         | 1,589,274                         |
| Net cash flows from operating activities     | 經營業務產生的淨現金流量 | 2,006,296                         | 2,520,057                         |
| Earnings per share (RMB)                     | 每股盈利(人民幣元)   |                                   |                                   |
| – Basic                                      | – 基本         | 0.714                             | 0.908                             |
| – Diluted                                    | – 攤薄         | 0.714                             | 0.905                             |

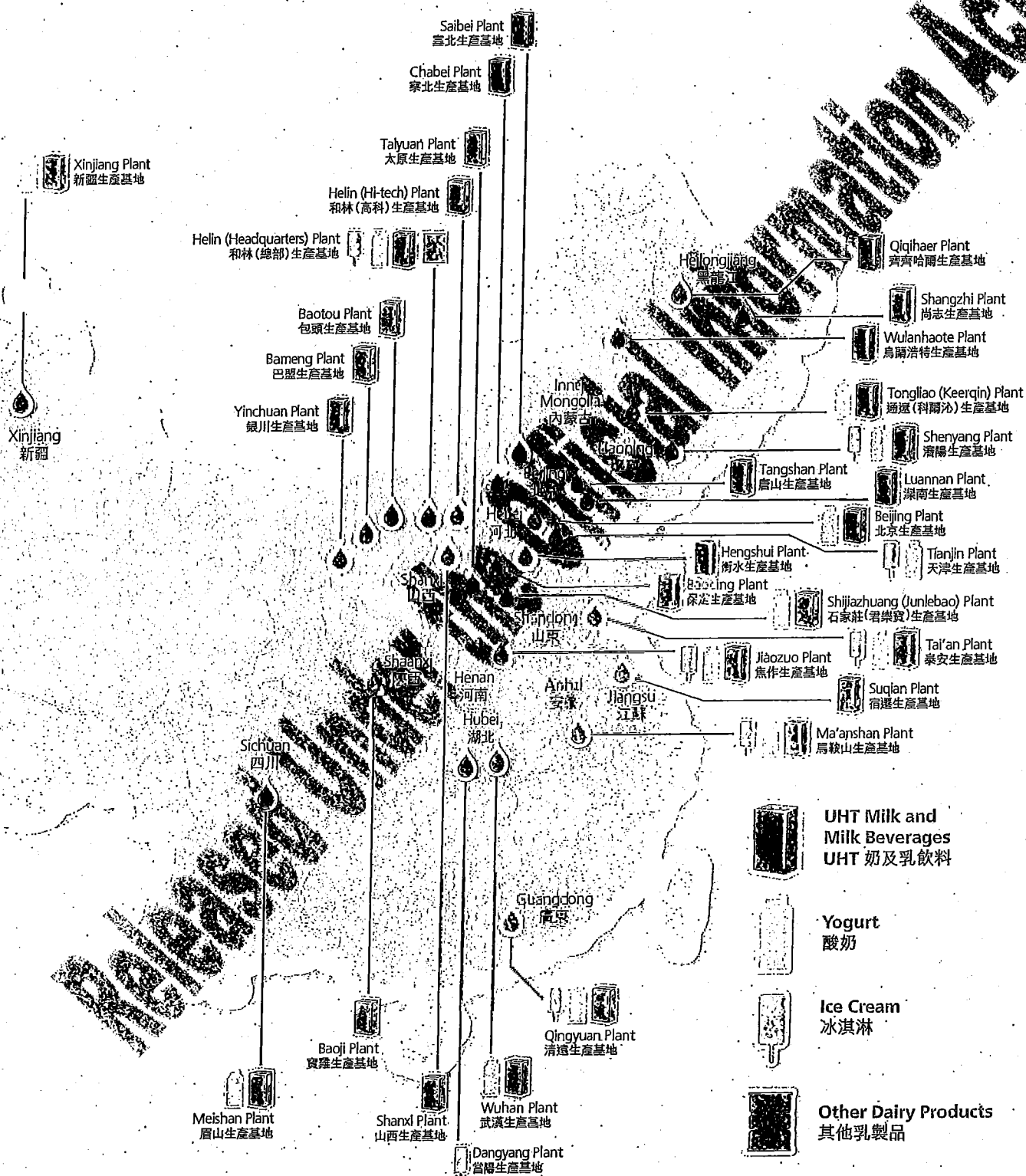
- Through continuous optimisation of product structure and stringent cost control measures, Mengniu's business remained stable during 2012. Revenue of the year amounted to RMB36,080.4 million, and profit attributable to owners of the Company was RMB1,257.1 million.
- In response to the market demand, Mengniu's annual production capacity increased by 0.53 million tons, amounting to a total of 7.58 million tons by December 2012.
- In alliance with international market-leading counterparts, Mengniu built up a new quality and safety management structure, bringing quality control into full play across every detail of the entire production chain.
- Continued to enhance the strength in milk sources by promoting scaled ranching. The proportion of milk sources provided by ranches and scaled farms further increased to 93%, a leading position within the industry. Mengniu also proceeded with eight self-built ranches.
- Introduced Arla Foods, a dairy enterprise in Europe, as its second largest strategic shareholder and established long-term strategic collaboration; co-established the China-Denmark Milk Technology and Cooperation Centre, extending collaboration on technology, talents' exchange, etc, to boost the development of the whole industry.
- Launched the new brand concept focusing on "Quality" and "Happiness", marking the birth of a brand-oriented vision driven by consumer needs.
- Consolidated the sales channels aiming at better control over sales terminals and increasing overall efficiency; adjusted its branding strategies to focus on key brands and launched sales activities accordingly.
- 通過持續優化產品結構及嚴控成本等措施，蒙牛各項業務維持較為穩定的發展；於二零一二年實現收入人民幣360.804億元，本公司擁有人應佔利潤為人民幣12.571億元。
- 根據市場需求佈局產能，截至二零一二年十二月，合計年產能達758萬噸，按年增加53萬噸。
- 對標國際領先企業，建立新的質量安全管理架構，深度覆蓋全產業鏈，將嚴控質量的理念深入至每一個生產細節中。
- 繼續加強奶源資源優勢，推廣規模化養殖模式，蒙牛來自規模化、集約化牧場奶源比例進一步提高到93%，居於行業領先地位；同時開始建設八座自建牧場。
- 引入歐洲乳品企業Arla Foods為第二大戰略股東並建立長期戰略合作關係；共同成立中國丹麥乳品技術合作中心，促進技術、人才等多方面的合作及交流，推動行業整體發展。
- 發佈以「品質」和「幸福」為中心的品牌新理念，以消費者需求為驅動的品牌理念破繭而出。
- 對銷售渠道體系進行全面調整，以掌控終端為目標，提升銷售渠道整體效率；配合品牌策略調整，聚焦於重點品牌開展銷售活動。

## Highlights 摘要

Revenue by Product Mix  
For the year ended 31 December按產品劃分之收入  
截至十二月三十一日止年度RMB Million  
人民幣百萬元Revenue by Product Mix in  
Liquid Milk Segment  
For the year ended 31 December按液體奶產品劃分之收入  
截至十二月三十一日止年度RMB Million  
人民幣百萬元

# Plant Map

## 生產基地位置圖



# Major Awards and Achievements

## 主要獎項及殊榮

### The Group

- Garnered the "Technology Innovation Award" from the Chinese Institute of Food Science and Technology
- Received the "2012 Dedication to Poverty Alleviation Award" from China Foundation for Poverty Alleviation
- Became a member of STCE (全國節能減排標準化技術聯盟)
- Named a "Leading Enterprise in Product After-sales (Public) Service Quality" by the China Association for Quality Promotion

### Mengniu Brand

- Ranked among the "Most Influential Brands over the Last 20 Years in the China Consumer Market" by the China General Chamber of Commerce and China National Commercial Information Centre
- Mengniu's liquid milk products were honoured as "2012 Most Trustworthy Brand among Consumers" by the China Industrial Information Issuing Centre

### Mengniu Products

- Mengniu's liquid milk products ranked first, in terms of sales volume and sales value, among similar products in China in 2012, according to China Industrial Information Issuing Centre
- Fruit Milk Drink (真果粒) garnered the "2012 First Prize of Technological Innovation Award" from the China Dairy Industry Association
- Future Star Milk (未來星兒童成長牛奶), Xinyangdao Zhenyang Milk (新養道珍養牛奶), Champion Fermented Yogurt (冠益乳發酵乳), Youyi C (優益C) and Mango Flavoured Ice+ (冰+芒果雪泥) etc. were named "2012 Outstanding New Products" by the China Dairy Industry Association
- Junlebao (君樂寶) La Smooth (斯濃布丁) and Mei Ri Huo Jun (每日活菌) were honoured as "Innovative Products" at the 13th SIAL China; La Smooth (斯濃布丁) was the only product to garner the "Special Award" at the exhibition

### 本集團

- 獲中國食品科學技術學會頒發「科技創新獎」
- 獲中國扶貧基金會頒發「2012年度扶貧愛心獎」
- 成為全國節能減排標準化技術聯盟成員單位
- 獲中國質量萬里行促進會授予「產品售後(公眾)服務質量先進企業」之榮譽

### 蒙牛品牌

- 獲中國商業聯合會、中華全國商業信息中心評選為「中國消費市場20年最具影響力品牌」之一
- 蒙牛牌液體奶獲中國行業企業信息發佈中心評為「2012年度消費者最信賴品牌」

### 蒙牛產品

- 根據中國行業企業信息發佈中心的資料，蒙牛液體奶榮列2012年度全國市場同類產品銷量、銷售額第一名
- 真果粒獲中國乳製品工業協會評為「2012年度技術創新一等獎」
- 未來星兒童成長牛奶、新養道珍養牛奶、冠益乳發酵乳、優益C、冰+芒果雪泥等產品獲中國乳製品工業協會評為「2012年度優秀新產品」
- 君樂寶斯濃布丁及每日活菌榮膺第十三屆中國國際食品和飲料展覽會「創新產品」稱號，斯濃布丁同時摘得展會唯一「特別獎」



# 2012 Milestones

## 二零一二年大事記

12/4



Ms. Sun Yiping was appointed as the new CEO of Mengniu.

孫伊萍女士獲委任為蒙牛新任總裁。

12/6



Hong Kong and Macau media visited a production plant of Mengniu.

港澳媒體代表參觀蒙牛生產基地。

15/6



A strategic cooperation agreement was signed with Arla Foods, an European dairy industry leader.

蒙牛與歐洲乳業巨頭Arla Foods簽署戰略合作協議。

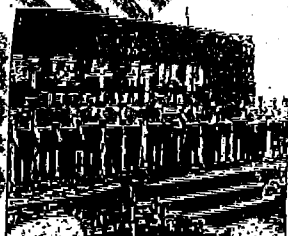
19/6



A press conference with the theme "The New Mengniu Listens with Heart" (新蒙牛·心溝通) was held.

舉辦「新蒙牛·心溝通」媒體溝通會。

22/8



Hengshui Plant was inaugurated and commenced production; phase two of Baoding Plant commenced operation.

衡水事業部投產開業及保定事業部二期投產。

14/9



The campaign "Looking for the Most Beautiful Teachers in Rural Areas" (尋找最美鄉村教師) was launched to spread love and hope.

啟動「尋找最美鄉村教師」活動，播灑愛與希望。

20/9



Mengniu revamped its slogan as "A Little Happiness Matters" (只為點滴幸福), and launched new product packages.

發佈「只為點滴幸福」新品品牌形象，產品新包裝上市。

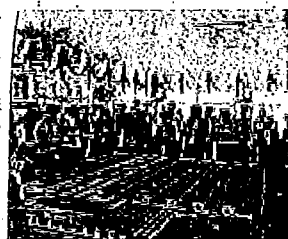
15/7



Organisational restructure was launched to enhance execution capabilities.

啟動組織結構變革，強化系統執行能力。

26/7



Investors visited a production plant of Mengniu on Investor Day.

舉辦「投資者關係日」，投資機構代表參觀蒙牛生產基地。

20/8



Mr. Li Changchun, Member of the Central Politburo Standing Committee of the Communist Party in China at the time, visited Mengniu and showed support for its prospects.

時任中國共產黨中央政治局常委李長春先生視察蒙牛，關懷企業發展。

21/9



Four divisions (四駕馬車) related to quality management were established to enhance quality control across the entire production chain.

「四駕馬車」帶動全面質量管理。

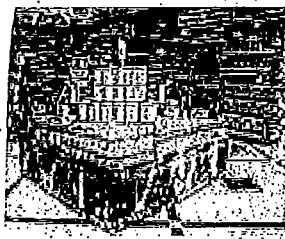
26/11



The China-Denmark Milk Technology and Cooperation Centre was officially inaugurated.

中國丹麥乳品技術合作中心正式揭幕。

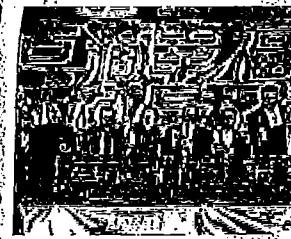
8/12



The Arla Foods (愛氏晨曦) brand was launched in China.

愛氏晨曦品牌登陸中國。

20/12



Started the new Five-Year Strategic Plan to illustrate Mengniu's future direction.

啟動新的五年戰略規劃，明確未來方向。

## CEO's Statement

### 總裁報告書

## Dedicate Every Effort to Create Value

### 點滴行動 創造價值

Ms. Sun Yiping  
孫伊萍  
Chief Executive Officer  
總裁



Thanks to the trust of the Board of Directors, I have been invited to join the family of Mengniu in April 2012. During the challenging year, I could feel every effort exerted by my colleagues to constantly drive the progress of Mengniu each and every day. Starting from every small detail, and working hand-in-hand with my colleagues, I also dedicated my best effort to leading the transformation and development of Mengniu. I am very grateful to my predecessors and all of our staff for building up such a dedicated, united and passionate team, which has contributed to the constant progress and the steady improvement in the overall results of Mengniu in recent years.

Looking back into 2012, while food safety incidents had made impacts on Mengniu's brand image and sales performance, the hard lessons have urged us to reflect deeply on ourselves. We continued to make improvements in reconstructing our quality management system, optimising our product structure, improving penetration into new markets and advancing brand management as a modern fast-moving consumer goods enterprise. Looking ahead, with the core value of "becoming a dairy enterprise that delivers products of the best quality and in the most professional and devoted manner in China", it is of utmost importance that Mengniu strengthens its foundation and devotes every bit of attention to every detail. As such, we will persistently strive for stable development, exert our social value as a leading dairy enterprise and find room for further development.

二零一二年四月，我有幸獲得董事會的信任，加入蒙牛大家庭。在這將近一年富有挑戰性的工作中，我每一天都能感受到我的同事們為推動蒙牛不斷進步而付出的點點滴滴努力。我並和他們從一點一滴做起，全力以赴地推動蒙牛的轉變和發展。非常感謝我的前任和所有同事們，是他們打造了這支團結優秀的隊伍，帶領蒙牛不斷進步，使整體業績在過去幾年中保持穩步上升的良好態勢。

回顧二零一二年，食品安全事件給蒙牛帶來了從品牌形象到市場銷售的全面沖擊。但同時，沉重的教訓也促使我們展開深刻的自我反思，並在質量體系建設、產品結構優化、新市場渠道滲透以及現代快消品企業的品牌管理等方面，不斷完善和改進。面向未來，蒙牛必須把「成為中國質量最好、最專注、最專業的乳品企業」作為我們的核心目標，不斷的夯實基礎、鑽研細節、務實點滴。只有這樣，我們才能獲得穩健發展的持久動力，實現乳製品企業的社會價值，並從中尋找到蒙牛自身的發展空間。

## CEO's Statement 總裁報告書

During the year, Mengniu reformed thoroughly in different aspects ranging from corporate culture to quality control and from milk sources to marketing. We launched the "Sunshine Campaign" (陽光行動) to rebuild Mengniu's culture and proclaimed the motto "The New Mengniu Listens with Heart" (新蒙牛·心溝通). It promoted open and transparent communications, encouraged all staff members and business partners to re-ignite their passion for reviving the business and fully released their positive power. Arla Foods, a renowned dairy enterprise in Europe, was introduced to Mengniu as a strategic shareholder. With the support of the Ministry of Agriculture of the PRC, the two parties have co-established the China-Denmark Milk Technology and Cooperation Centre ("China-Denmark Cooperation Centre"), through which collaboration has been extended from the management of ranches and milk sources to the management of dairy product production, product development, activities related to clients and consumers, etc. We also re-rationalised the quality management system by setting up a head office of quality and safety management system as well as three quality centres on milk sources, operations and sales, through these four divisions, quality control is being implemented across the production chain and quality standards are applied to every detail. We focused on the brand concept of "A Little Happiness Matters" (只為點滴幸福), and renewed our brand image for the first time in 13 years. We rationalised the brand categories of Mengniu, established a branding strategy driven by market demand and formulated development plans with emphasis on the key brands. In addition, we boldly reformed the sales channels and sales strategy, and sent the sales team to the frontline to enhance our understanding of the market and serve our clients in a more professional manner.

在這一年中，蒙牛從企業文化到質量，從奶源到市場等不同層面重新進行了全面梳理。我們啟動了「陽光行動」以重建蒙牛文化，提出「新蒙牛·心溝通」的口號，倡導透明的高通態度，激發全體員工和合作夥伴「二次創業」的激情，充分釋放正能量；我們引入歐洲知名乳品企業Arla Foods成為戰略股東，並在中國農業部的支持下與其展開合作，共同成立「中國丹麥乳品技術合作中心」（「中丹合作中心」），使雙方的交流與合作從牧場和奶源管理擴展到企業乳製品生產管理、產品研發、客戶與消費者的相關活動等多個方面；我們重新梳理質量管理體系，設立總部質量安全管理系統和奶源、營運、銷售三大質量管理中心，借助「四馬車」實現了質量監控工作的全產業鏈式覆蓋，把質量標準落實到每一個細節；我們強調「只為點滴幸福」的品牌理念，13年來首度更新了品牌形象；我們梳理了蒙牛的品牌類別，確立了以市場需求為導向的品牌戰略，制訂出聚焦重點品牌的發展計劃；我們對銷售渠道和銷售策略進行了大膽改革，讓我們的銷售團隊深入市場最前沿，實現了更了解市場、更專業服務客戶的戰略目標。

