

ASX Announcement

21 November 2016

Financial update for the 3 months ending 30 September 2016

China Modern Agricultural Information Inc. (“**CMCI**”) is listed on OTC Markets Group (“**OTC**”) in the US and through its wholly owned subsidiary, Hope Dairy Holdings Ltd., is the majority shareholder in CDC.

On 18 November 2016 (Eastern Standard Time), CMCI filed a Form 10-Q (Quarterly Report) for the period ended 30 September 2016 with the U.S. Securities and Exchange Commission and OTC.

CMCI’s results have been adjusted to represent the financial position of CDC for the 3 months ended 30 September 2016. The financial information presented is unaudited, but is accompanied by a review report from Wei, Wei & Co., LLP, the Company’s independent registered public accounting firm.

The financial information presented below has been prepared under US GAAP.

For and on behalf of China Dairy Corporation Limited,



David Paul Batten

Independent Director and Local Agent

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Profit and Loss for the 3 months ending 30 September 2016 presented in \$US

Unaudited Profit and Loss	3 months ending 30 September 2015	3 months ending 30 September 2016
Revenues		
Milk sales	15,954,007	26,193,405
Sales commissions	5,192,856	3,823,005
Total revenues	21,146,863	30,016,410
Cost of goods sold	(8,760,384)	(19,113,652)
Gross profit	12,386,479	10,902,758
Operating expenses		
Selling and marketing	(428,024)	(531,857)
General and administrative	(442,014)	(919,665)
Total operating expenses	(870,038)	(1,451,522)
Operating income	11,516,441	9,451,236
Other income and expenses		
Interest income on notes receivable	199,914	123,663
Gain (loss) on disposal of non-current assets	(34,818)	(21,425)
Other non-operating income	55,508	-
Other income and expenses	220,604	102,238
Income before provision for income taxes	11,737,045	9,553,474
Provision for income taxes	(2,464,645)	-
Net income before non-controlling interests	9,272,400	9,553,474
Non-controlling interests	(90,862)	(76,616)
Net income attributable to common shareholders	9,181,538	9,476,858
Other comprehensive income		
Foreign currency translation adjustment	(5,040,228)	(176,288)
Total comprehensive income	4,141,310	9,300,570

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Balance Sheet as at 30 September 2016 presented in \$US

Unaudited Balance Sheet	30 June 2016	30 September 2016
Assets		
Current Assets		
Cash	27,713,067	30,123,572
Accounts receivable	24,783,720	24,576,312
Inventories	1,122,843	945,664
Prepayments	1,216,963	1,278,596
Advance to supplier	-	1,697,479
Interest receivable	474,803	587,435
Notes receivable	2,097,363	1,919,317
Total Current Assets	57,408,759	61,128,375
Non-Current Assets		
Property, plant and equipment	34,327,757	34,832,413
Notes receivable	4,943,622	4,466,759
Prepayments	45,483,513	44,876,365
Biological assets	64,136,851	67,252,678
Total Non-Current Assets	148,891,743	151,428,215
Total Assets	206,300,502	212,556,590
Liabilities		
Current Liabilities		
Accrued expenses and other payables	401,430	571,228
Dividend payable	3,116,969	-
Related party loans	1,430,707	1,470,120
Total Current Liabilities	4,949,106	2,041,348
Non-Current Liabilities		
Deferred income taxes	40,876,903	40,719,080
Total Non-Current Liabilities	40,876,903	40,719,080
Total Liabilities	45,826,009	42,760,428
Net Assets	160,474,493	169,796,162
Equity		
Issued and paid-up capital	51,522,467	51,522,467
Retained earnings	113,387,170	122,864,028
Statutory reserve fund	792,174	792,174
Non-controlling interests	1,570,315	1,591,414
Foreign currency translation reserve	(6,797,633)	(6,973,921)
Total Equity	160,474,493	169,796,162

CHINA DAIRY CORPORATION LIMITED

ARBN: 607 996 449

Hong Kong Company Registration Number: 2190508

Level 36, Gateway Tower, 1 Macquarie Place, Sydney NSW 2000

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CHINA DAIRY CORPORATION LIMITED

Review report from Wei, Wei & Co. LLP on 3 months ending 30 September 2016



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REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Directors and
Stockholders of China Dairy Corporation Limited

We have reviewed the condensed consolidated balance sheet of China Dairy Corporation Limited, and subsidiaries (the "Company") as of September 30, 2016 and the related condensed consolidated statements of income for the three-month period September 30, 2016. These condensed consolidated financial statements are the responsibility of the Company's management.

We conducted our review in accordance with the standards of the Public Company Accounting Oversight Board (United States). A review of interim financial information consists principally of applying analytical procedures and making inquiries of persons responsible for financial and accounting matters. It is substantially less in scope than an audit conducted in accordance with standards of the Public Company Accounting Oversight Board (United States), the objective of which is the expression of an opinion regarding the financial statements taken as a whole. Accordingly, we do not express such an opinion.

Based on our review, we are not aware of any material modifications that should be made to the accompanying interim financial statements referred to above for them to be in conformity with accounting principles generally accepted in the United States of America.

Wei, Wei & Co., LLP
Flushing, New York
November 18, 2016

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About China Dairy Corporation Limited

China Dairy Corporation Limited (ASX: CDC) is a company primarily engaged in the production and wholesale of raw milk and the rearing, breeding and sale of dairy cows in Heilongjiang province, China.

CDC generates revenue through two primary business models;

- the sale of raw milk from cows that are owned by the company; and
- milk sale commissions on the sale of raw milk from cows the company has sold to farmers.

As at 30 September 2016, CDC owned 35,759 cows and partnered with farmers with an additional 13,480 cows from which CDC makes a sales commission on the milk sold.

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