



AUSNUTRIA DAIRY CORPORATION LTD
澳優乳業股份有限公司

Ausnutria Announces 3Q 2017 Results
Revenue and Profit Attributable to Equity Holders Increased
YoY 44.2% and 58.9% Respectively

***Achieved Continuous Success in Securing Premium Milk Source
by Focusing on the Group's Strategic Plan for Core Business of its
Own-branded Infant Formula***

	Nine months ended 30 September		Change
	2017 RMB Million (Unaudited)	2016 RMB Million (Unaudited)	
Revenue	2,729.8	1,893.2	+44.2%
Gross Profit	1,127.7	744.9	+51.4%
Profit Attributable to Equity Holders of the Company	220.7	138.9	+58.9%

(Hong Kong, 13 November 2017) **Ausnutria Dairy Corporation Ltd** (“Ausnutria” or the “Company”, together with its subsidiaries, the “Group”; stock code: 1717.HK), a leading dairy industry company with production facilities principally based in the PRC, the Netherlands, Australia and New Zealand, is engaged in the production and distribution of all dairy (including infant formula) and nutrition products. Today, the Group is pleased to announce its unaudited consolidated results of the Group for the nine months ended 30 September 2017 (the “period under review” or “3Q 2017”).

For the period under review, the Group recorded revenue of RMB2,729.8 million, representing an increase of RMB836.6 million, or 44.2% when compared with the corresponding period in 2016. The Group's profit attributable to equity holders of the Company amounted to RMB227.0 million, representing an increase of RMB81.8 million or 58.9%, when compared with the corresponding period in 2016.

The Group's continuous improvement in the Group's financial performance was mainly attributable to (i) the effective marketing strategies implemented by the Group, in particular, on the Group's core business, the own-branded infant formula; (ii) the continuous expansion in the Group's sales network; (iii) the unique and leading market position of the Group's goat milk infant formula business; and (iv) the clear brand positioning which facilitated the Group to penetrate into different sectors and hence

cater for different demands in the markets effectively.

Mr. Yan Weibin, Chairman of the Group, said “2017 is the second year of Ausnutria’s ‘Golden Decade’ strategy. In accordance with the established plan, the Group will continue to accelerate research and development activities of its upstream supply chain. As to core business, own-branded infant formula recorded a healthy growth. Our two new plants in the Netherlands, included in the total 9 registered plants, have also been certified by Certification and Accreditation Administration of the People’s Republic of China and listed into the ‘Infant Formula Dairy Manufacturers from the Netherlands Registered in the PRC’. The continuous growth in sales of the Company, together with the contribution of capacity from the newly certified plants in the Netherlands, caters for the continuous increase in the demand for our high quality products. As to new nutrition product business, the PRC sales network as well as new global business areas have also developed as planned. Demand for infant formula maintains steady growth across the PRC. With an encouraging market potential for the Group, we already have gained valuable market and consumer recognition of our high-quality infant formula there. ”

Looking forward, **Mr. Yan** added “Since 2016, the Group has achieved continual increases in the sales of own-branded premium goat milk and cow milk infant formula products, which have been driven by a revised business strategy as well as enhanced business development and various breakthroughs. In the future, we will continue to consolidate the Group’s solid foundations while maintaining high quality control and bolstering our R&D capacity in order to fully implement Ausnutria’s ‘Golden Decade’ strategy and move forward towards achieving our vision - ‘To become a leading infant formula supplier in the world as well as the most trustworthy nutrition product supplier and nutritional and health adviser in the PRC’. We firmly believe that our excellent brand positioning coupled with on-going expanded sales of our own-branded infant formula will allow us to achieve ever-expanding growth results to create greater value for our consumers and shareholders.”

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About Ausnutria Dairy Corporation Ltd.

Ausnutria Dairy Corporation Ltd is a leading infant milk formula company with production facilities principally based in the PRC, the Netherlands, Australia and New Zealand. The Company is engaged in the worldwide production, research, and sales of infant formula, adult milk and other dairy and nutrition products. It owns several famous infant formula and milk powder brands, among which *Ausnutria* and *Kabrita* are widely recognized as famous Chinese trademarks. Ausnutria's factories in the PRC were among that first batch of factories that had been granted with the National Infant Formula Enterprise Production Permit. The factory in the Netherlands is also one of the first infant milk formula manufacturers to obtain import licenses for overseas products under the new policy.

Issued by Porda Havas International Finance Communications Group for and on behalf of **Ausnutria Dairy Corporation Ltd.** For further information, please contact us at ausnutria@pordahavas.com, or as below:

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