

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



AUSNUTRIA DAIRY CORPORATION LTD

澳優乳業股份有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 1717)

DELAY IN PUBLICATION OF THE INTERIM AND ANNUAL RESULTS

DELAY IN DESPATCH OF THE INTERIM AND ANNUAL REPORTS

AND

UPDATE ON RECENT DEVELOPMENT OF SUSPENSION OF TRADING

INTRODUCTION

References are made to (i) the announcements published by Ausnutria Dairy Corporation Ltd (the “**Company**”) between 29 March 2012 and 3 March 2014 in relation to, *among other things*, the Unresolved Issues, the Review, the preliminary management responses and remedial actions taken or to be taken by the Company, delay in the publication of the Company’s annual results announcement and despatch of the Company’s annual report for the year ended 31 December 2012, and delay in publication of the Company’s interim results announcements and despatch of the Company’s interim reports for the six months ended 30 June 2012 and 30 June 2013; and (ii) the Company’s announcement dated 11 November 2013 in relation to the internal control review conducted by PKF. Unless otherwise stated, capitalised terms used herein shall bear the same meanings as those defined in the Company’s announcement dated 18 August 2013.

DELAY IN PUBLICATION OF THE INTERIM AND ANNUAL RESULTS AND DESPATCH OF THE INTERIM AND ANNUAL REPORTS

Pursuant to Rules 13.49(1), 13.46(1), 13.49(6) and 13.48(1) of the Listing Rules, the Company is, *among other things*, required to publish its preliminary annual results for the year ended 31 December 2013 on a date not later than three months after the end of the financial year, i.e. on or before 31 March 2014. Despite the best efforts made by the Board and the management of the Company in cooperating with EY’s audit, EY informed the Company that more time is required to finalise their audit of the Group’s consolidated financial statements for the years ended 31 December 2012 (the “**Year 2012**”) and 31 December 2013 (the “**Year 2013**”), including but not limited to addressing therein all the previous issues they identified during the audit for the financial

year ended 2011. As a result, (i) the publication of the annual results for the Year 2012 and the Year 2013 and the despatch of the annual report for the Year 2012; and (ii) the publication of the Group's interim results for the six months ended 30 June 2012 and 2013 and the despatch of the related interim reports for the respective periods will be delayed.

The Company will inform the Shareholders and the potential investors of the date of publication of the above-mentioned outstanding interim and annual results of the Group, and the despatch of the related interim and annual reports as soon as possible.

UPDATE ON RECENT DEVELOPMENT OF SUSPENSION OF TRADING

The Company announced on 11 November 2013 the results of the review by PKF on the internal control systems of the Company and Ausnutria China between 27 May 2013 and 9 June 2013 (the **"2013 Internal Control Review"**). In view of the results of the 2013 Internal Control Review, the Special Review Committee and the Board consider that the material internal control weaknesses that might have given rise to the Unresolved Issues have already been rectified. In order to maintain sound and effective internal controls to safeguard the Shareholders' investment and the Group's assets and to fulfill one of the conditions imposed by the Stock Exchange for the resumption of trading of the Shares, the Company has engaged PKF to conduct a comprehensive review of the Group's internal control systems, including the Group's internal control components which are not related to the Unresolved Issues and not covered by the 2013 Internal Control Review carried out by PKF. Further announcement will be made by the Company when this further internal control review is completed.

At the Company's request, trading in the Shares was suspended from 9:00 a.m. on 29 March 2012, and will remain suspended until further notice.

By order of the Board
Ausnutria Dairy Corporation Ltd
Yan Weibin
Chairman

Changsha City, the People's Republic of China, 20 March 2014

As at the date of this announcement, the Board comprises three executive directors, namely Mr. Yan Weibin (Chairman), Mr. Bartle van der Meer (Chief Executive Officer) and Ms. Ng Siu Hung, and three independent non-executive directors, namely Mr. Qiu Weifa, Mr. Jason Wan and Mr. Chan Yuk Tong.