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If you are in any doubt as to any aspect of this circular or as to the action you should take, you should consult your stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in Ausnutria Dairy Corporation Ltd, you should at once hand this circular together with the enclosed form of proxy to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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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)

**PROPOSED GENERAL MANDATES
TO ISSUE SHARES AND REPURCHASE SHARES,
PROPOSED RE-ELECTION OF THE RETIRING DIRECTORS,
PROPOSED FINAL DIVIDEND
AND
NOTICE OF ANNUAL GENERAL MEETING**

A notice convening an annual general meeting of Ausnutria Dairy Corporation Ltd (“AGM”) to be held at Chatham Room, Level 7, Conrad Hong Kong Hotel, Pacific Place, 88 Queensway, Hong Kong on Tuesday, 14 May 2019 at 10:00 a.m. is set out on pages 17 to 20 of this circular. Whether or not you are able to attend the AGM, you are requested to complete the enclosed form of proxy in accordance with the instructions printed thereon and return it to the Company’s branch share registrar, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong, as soon as possible and in any event not less than 48 hours before the commencement of the AGM or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the AGM or any adjourned meeting should you so wish.

4 April 2019

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DEFINITIONS

In this circular, unless the context otherwise requires, the following expressions have the following meanings:

“AGM”	the annual general meeting of the Company to be held at Chatham Room, Level 7, Conrad Hong Kong Hotel, Pacific Place, 88 Queensway, Hong Kong, on Tuesday, 14 May 2019 at 10:00 a.m.
“Annual Report”	the annual report of the Company for the year ended 31 December 2018 despatched to the Shareholders together with this circular
“Articles of Association”	the articles of association of the Company
“associates”	has the meaning ascribed to it under the Listing Rules
“Board”	the board of Directors
“Companies Law”	the Company Law, Chapter 22 (law 3 of 1961, as consolidated and revised) of the Cayman Islands
“Company”	Ausnutria Dairy Corporation Ltd (澳優乳業股份有限公司), a limited liability company incorporated and existing under the laws of the Cayman Islands on 8 June 2009 and the Shares are listed on the Stock Exchange (Stock code: 1717)
“Director(s)”	the director(s) of the Company
“Group”	the Company and its subsidiaries
“Hong Kong”	The Hong Kong Special Administrative Region of the PRC
“Issue Mandate”	subject to the conditions set out in the relevant proposed resolution, the general and unconditional mandate granted to the Board to exercise the power to allot, issue and deal with Shares up to a maximum of 20% of the aggregate nominal value of the issued share capital of the Company as at the date of the said resolution

DEFINITIONS

“Latest Practicable Date”	1 April 2019, being the latest practicable date of ascertaining certain information contained in this circular prior to its publication
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange, as amended or supplemented from time to time
“PRC”	the People’s Republic of China. For the purpose of this circular, excluding Hong Kong, Macau Special Administrative Region and Taiwan
“Repurchase Mandate”	subject to the conditions set out in the relevant proposed resolution, the general and unconditional mandate granted to the Board to exercise the power to repurchase Shares with an aggregate nominal value not exceeding 10% of the aggregate nominal value of the issued share capital of the Company as at the date of the said resolution
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	ordinary share(s) of nominal value of HK\$0.10 each in the capital of the Company
“Shareholder(s)”	registered shareholder(s) of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	The Hong Kong Code on Takeovers and Mergers
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“%”	per cent.

LETTER FROM THE BOARD



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)

Executive Directors:

Mr. Yan Weibin (*Chairman*)
Mr. Bartle van der Meer (*Chief Executive Officer*)
Ms. Ng Siu Hung

Non-executive Directors:

Mr. Shi Liang (*Vice-chairman*)
Mr. Qiao Baijun
Mr. Tsai Chang-Hai

Independent Non-executive Directors:

Mr. Jason Wan
Mr. Lau Chun Fai Douglas
Mr. Aidan Maurice Coleman

Registered Office:

Cricket Square
Hutchins Drive
P. O. Box 2681
Grand Cayman KY1-1111
Cayman Islands

Principal Place of Business

in Hong Kong:
Unit 16, 36/F., China Merchants Tower
Shun Tak Centre
168-200 Connaught Road Central
Hong Kong

4 April 2019

To the Shareholders

Dear Sir or Madam,

**PROPOSED GENERAL MANDATES
TO ISSUE SHARES AND REPURCHASE SHARES,
PROPOSED RE-ELECTION OF THE RETIRING DIRECTORS,
PROPOSED FINAL DIVIDEND
AND
NOTICE OF ANNUAL GENERAL MEETING**

INTRODUCTION

The purpose of this circular is to (i) provide you with information regarding the Issue Mandate and the Repurchase Mandate; (ii) provide you with information regarding the re-election of the retiring Directors; (iii) provide you with information regarding the proposed final dividend; and (iv) give you notice of the AGM.

LETTER FROM THE BOARD

A. GRANTING OF GENERAL MANDATES TO ISSUE SHARES AND REPURCHASE SHARES

This circular gives details regarding the granting of general mandates to issue Shares and repurchase Shares in compliance with the Listing Rules.

1. General Mandate to Issue Shares

On 11 May 2018, a general mandate was granted to the Directors to exercise the powers of the Company to issue Shares. In accordance with conditions of the general mandate granted, such mandate will lapse at the conclusion of the forthcoming AGM and has not been renewed.

At the AGM, an ordinary resolution will be proposed for the Shareholders to consider and, if thought fit, the grant of the Issue Mandate to the Directors to allot, issue and deal with Shares up to 20% of the aggregate nominal value of the issued share capital of the Company on the date of passing this ordinary resolution (i.e. not exceeding 316,917,130 Shares based on the issued share capital of the Company of 1,584,585,653 Shares as at the Latest Practicable Date and assuming that there is no change in the issued share capital between the period from the Latest Practicable Date and the date of passing the resolution approving the Issue Mandate). In addition, an ordinary resolution will also be proposed for the Shareholders to consider and, if thought fit, approve the extension of the Issue Mandate by adding to the aggregate number of Shares which may be allotted or agreed conditionally or unconditionally to be allotted by the Directors pursuant to the Issue Mandate the number of Shares purchased under the Repurchase Mandate (refer to section 2 below), if granted.

Details of the Issue Mandate and the extension of the Issue Mandate are respectively set out in resolutions 6 and 8 in the notice of the AGM set out on pages 17 to 20 of this circular. The Issue Mandate will remain in effect until whichever is the earliest of (a) the conclusion of the next annual general meeting of the Company unless the mandate is renewed either unconditionally or subject to conditions by ordinary resolution passed at that meeting; or (b) the expiration of the period within which the next annual general meeting of the Company is required by Articles of Association or the applicable laws of the Cayman Islands to be held; or (c) the passing of an ordinary resolution by the Shareholders in a general meeting revoking or varying such mandate.

2. General Mandate to Repurchase Shares

A general mandate to repurchase Shares was granted by the Shareholders in the annual general meeting of the Company held on 11 May 2018 to the Directors to exercise the powers of the Company to repurchase Shares, and thereafter, such mandate will lapse at the conclusion of the forthcoming AGM and has not been renewed.

LETTER FROM THE BOARD

At the AGM, an ordinary resolution will be proposed for the Shareholders to consider and, if thought fit, renew the grant of the Repurchase Mandate to the Directors to repurchase Shares up to 10% of the issued share capital of the Company on the date of passing of the resolution approving the Repurchase Mandate.

As at the Latest Practicable Date, the issued share capital of the Company comprised 1,584,585,653 Shares. Assuming that there is no change in the issued share capital between the period from the Latest Practicable Date and the date of passing the resolution approving the Repurchase Mandate, the maximum number of Shares which may be repurchased pursuant to the Repurchase Mandate on the date of passing the resolution approving the Repurchase Mandate will be 158,458,565 Shares, which represent 10% of the then issued share capital of the Company.

Details of the Repurchase Mandate are set out in resolution 7 in the notice of the AGM set out on page 19 of this circular and the explanatory statement set out in Appendix 1 to this circular. The Repurchase Mandate will remain in effect until whichever is the earliest of (a) the conclusion of the next annual general meeting of the Company unless the mandate is renewed either unconditionally or subject to conditions by ordinary resolution passed at that meeting; or (b) the expiration of the period within which the next annual general meeting of the Company is required by Articles of Association or the applicable laws of the Cayman Islands to be held; or (c) the passing of an ordinary resolution by the Shareholders in a general meeting revoking or varying such mandate.

3. Explanatory Statement

An explanatory statement containing all relevant information relating to the proposed Repurchase Mandate is set out in the Appendix 1 to this circular. The information in the explanatory statement is to provide you with the information reasonable necessary to enable you to make an informed decision on whether to vote for or against the resolution to grant to the Directors the Repurchase Mandate.

B. RE-ELECTION OF THE RETIRING DIRECTORS

In accordance with Article 84 of the Articles of Association, Mr. Bartle van der Meer, Ms. Ng Siu Hung and Mr. Jason Wan will retire by rotation at the conclusion of the forthcoming AGM and, being eligible, offer themselves for re-election.

Furthermore, in accordance with Article 83(3) of the Articles of Association, the newly appointed Directors, namely, Mr. Shi Liang, Mr. Qiao Baijun and Mr. Aidan Maurice Coleman, will also retire by rotation at the conclusion of the forthcoming AGM and, being eligible, offer themselves for re-election. An ordinary resolution approving their re-elections will be proposed at the forthcoming AGM.

LETTER FROM THE BOARD

Pursuant to the code provision set out in A.4.3 of Appendix 14 of the Listing Rules, any further appointment of independent non-executive director serving more than nine years should be subject to a separate resolution to be approved by shareholders. Notwithstanding that Mr. Jason Wan has served as the Company for more than nine years since his appointment as an independent non-executive Director on 19 September 2009, the Company has received from Mr. Jason Wan a confirmation of his independence according to Rule 3.13 of the Listing Rules. Throughout his directorship with the Company, Mr. Jason Wan has participated in Board meetings to give impartial advice and exercise independent judgement, served on various committees of the Board but has never engaged in any executive management. Taking into consideration of the independent nature of his role and duties in the past years, the Board considers Mr. Jason Wan to be independent under the Listing Rules. The Board also believes that the continuous appointment of Mr. Jason Wan as an independent non-executive Director will benefit the Company and the Shareholders as a whole as Mr. Jason Wan has valuable knowledge and experience in processing technologies for food safety, dairy processing and the functionality of various ingredients of dairy products, and has gained valuable insights and experience in the Group's business over time.

The biographical details of the aforesaid Directors proposed to be re-elected are set out in Appendix 2 to this circular. An ordinary resolution approving their re-elections will be proposed at the AGM.

C. FINAL DIVIDEND

The Board has recommended a final dividend of HK\$0.15 per Share for the year ended 31 December 2018 to be distributed from the Company's share premium account to the Shareholders whose names appear on the register of members of the Company on 11 June 2019. Subject to the approval of the Shareholders at the forthcoming AGM, the proposed final dividend is expected to be paid on or around 27 June 2019.

D. AGM

A notice convening the AGM is set out on pages 17 to 20 of this circular.

The Annual Report incorporating, among other things, the audited consolidated financial statements of the Group for the year ended 31 December 2018 and the reports of the Directors and the auditors thereon are despatched to the Shareholders together with this circular.

A proxy form for use at the AGM is enclosed, a copy of which can also be obtained via the website of the Company at www.ausnutria.com.hk or the website of the Stock Exchange at www.hkexnews.hk.

Whether or not you are able to attend the AGM, you are requested to complete the enclosed proxy form in accordance with the instructions printed thereon and return the same to the Company's branch share registrar, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong as soon as possible and in any event not less than 48 hours before the commencement of the AGM or any adjournment thereof. Completion and return of the proxy form will not preclude you from attending in person and voting at the AGM or any adjourned meeting if you so wish.

LETTER FROM THE BOARD

E. PROCEDURES AND RESULTS FOR POLL VOTING

Pursuant to Rule 13.39(4) of the Listing Rules and Article 66 of the Articles of Association, at any general meeting, a resolution put to the vote of a meeting shall be taken by poll.

On a poll, every Shareholder present in person or by proxy or, in the case of a Shareholder being a corporation, by its duly authorised representative, shall have one vote for every Share held which is fully paid or credited as fully paid.

The results of the poll on all the resolutions as set out in the notice of the AGM in both English and Chinese will be published on the website of the Company at www.ausnutria.com.hk and the website of the Stock Exchange at www.hkexnews.hk after 4:00 p.m. on the AGM date.

F. RECOMMENDATION

The Directors believe that the resolutions of (i) the granting of the Issue Mandate and Repurchase Mandate; (ii) the re-election of the retiring Directors; and (iii) the final dividend to be proposed at the AGM are in the interests of the Company and the Shareholders as a whole. Accordingly, the Board recommends you to vote in favour of the resolutions to be proposed at the AGM.

G. MISCELLANEOUS

The English text of this circular shall prevail over the Chinese text for the purpose of interpretation.

Yours faithfully
By Order of the Board
Ausnutria Dairy Corporation Ltd
Yan Weibin
Chairman

This Explanatory Statement includes information required under Rule 10.06(1)(b) of the Listing Rules to be given to the Shareholders in connection with the proposed Repurchase Mandate.

(I) LISTING RULES

The Listing Rules permit companies with a primary listing on the Stock Exchange to repurchase their fully-paid up shares on the Stock Exchange subject to certain restrictions.

(II) SHAREHOLDER'S APPROVAL

The Listing Rules provide that all on-market share repurchases by a company with its primary listing on the Stock Exchange must be approved in advance by an ordinary resolution, either by specific approval of a particular transaction or by a general mandate to the directors of the company to make such repurchases and that the shares to be repurchased must be fully paid up.

(III) EXERCISE OF THE REPURCHASE MANDATE

As at the Latest Practicable Date, there were 1,584,585,653 Shares in issue. Subject to the passing of the ordinary resolution approving the Repurchase Mandate and on the basis that no further Shares are issued and no Shares are repurchased prior to the AGM, the Directors would be authorised under the Repurchase Mandate to repurchase a maximum of 158,458,565 Shares, which represent 10% of the then issued share capital of the Company.

(IV) REASONS FOR THE REPURCHASE OF SHARES

The Directors believe that the Repurchase Mandate is in the best interests of the Company and the Shareholders. Repurchases may, depending on the circumstances, result in an increase in net assets and/or earnings per Share. The Directors are seeking in the grant of Repurchase Mandate to give the Company flexibility to do so if and when appropriate. The timing and the numbers(s), the price and other terms upon which the same are repurchased will be decided by the Directors at the relevant time having regard to the circumstances then prevailing.

(V) SOURCE OF FUNDS

Repurchases must be made out of funds which are legally available for such purpose in accordance with all applicable laws of the Cayman Islands and the Articles of Association. It is envisaged that the funds required for any repurchase would be derived from the distributable profits of the Company.

Under the Companies Law, repurchases by the Company may only be made out of the reserves of the Company or out of the proceeds of a fresh issue of Shares made for the purpose, or, if so authorised by the Articles of Association and subject to the provisions of the Companies Law, out of capital. Any premium payable on a redemption or purchase over the par value of the Shares to be purchased must be provided for out of profits of the Company or out of the Company's share premium account, or, if so authorised by the Articles of Association and subject to the provisions of the Companies Law, out of capital.

There could be adverse impact on the working capital or gearing position of the Company (as compared with the position disclosed in the audited consolidated financial statements of the Group contained in the Annual Report) in the event that the proposed Share repurchases were to be carried out in full at any time during the proposed repurchase period. However, the Directors do not propose to exercise the Repurchase Mandate to such an extent as would, in the circumstances, have a material adverse effect on the working capital of the Company or its gearing level.

(VI) SHARE PRICES

The highest and lowest prices at which the Shares had been traded on the Stock Exchange during each of the previous twelve months and up to the Latest Practicable Date were as follows:

	Share prices	
	Highest <i>HK\$</i>	Lowest <i>HK\$</i>
2018		
April	8.85	6.29
May	10.64	8.21
June	10.30	8.12
July	11.76	7.50
August	11.82	8.66
September	9.56	7.55
October	8.55	6.78
November	9.85	7.11
December	10.04	7.82
2019		
January	9.00	7.65
February	10.42	8.95
March	10.80	9.37
April (up to the Latest Practicable Date)	10.70	10.50

(VII) UNDERTAKING

The Directors have undertaken to the Stock Exchange that, so far as the same may be applicable, they will exercise the Repurchase Mandate in accordance with the Listing Rules and the applicable laws of the Cayman Islands. The Directors have also undertaken not to repurchase any Shares if there is less than a minimum of 25% of the total issued share capital of the Company in public hands.

None of the Directors nor, to the best of their knowledge having made all reasonable enquires, any of their close associate(s), currently intends to sell the Shares to the Company or its subsidiaries in the event that the Repurchase Mandate is approved by the Shareholders.

No core connected person (as defined in the Listing Rules) has notified the Company that he has a present intention to sell the Shares to the Company, or has undertaken not to do so in the event that the Company is authorised to make repurchases of the Shares.

(VIII) TAKEOVERS CODE

Pursuant to Rule 32 of the Takeovers Code, if as a result of a Share repurchase, a Shareholder's proportionate interest in the voting capital of the Company increases, such increase will be treated as an acquisition for the purposes of the Takeovers Code and may in certain circumstances give rise to an obligation to make a mandatory offer for the Shares under Rule 26 or Rule 32 of the Takeovers Code.

As at the Latest Practicable Date, nothing has come to the attention of the Directors that there will be any consequences arise under the Takeovers Code if the Repurchase Mandate is exercised.

(IX) SHARES REPURCHASE BY THE COMPANY

The Company did not repurchase any Shares (whether on the Stock Exchange or otherwise) in the six months prior to the Latest Practicable Date.

At the AGM, an ordinary resolution to re-elect the following persons as Directors will be proposed. In compliance with Rule 13.51(2) of the Listing Rules, details of the relevant persons are as follows:

**MR. BARTLE VAN DER MEER (“MR. VAN DER MEER”)
EXECUTIVE DIRECTOR, CHIEF EXECUTIVE OFFICER**

Mr. van der Meer, aged 73, was appointed as an executive Director and chief executive officer on 7 June 2013. Mr. van der Meer is one of the founders of Ausnutria B.V. and has been involved in the strategic management since the establishment of Ausnutria B.V. in 1994. He was also a member of the board of directors and chief executive officer of Ausnutria B.V. since 2012 to April 2015 and from August 2016 until now, Mr. van der Meer is primarily responsible for managing and executing the Group’s overall business directions and corporate operation decisions. He graduated with a business administration degree in the Netherlands with a major in banking in 1966. He worked for Rabobank, a multinational banking and financial services group in the Netherlands for more than 25 years. He is serving as the executive director of Fan Deming B.V., a private equity company which owned 100% equity interests in Dutch Dairy Investments B.V., a substantial Shareholder, since 1994. Mr. van der Meer has been the chairman of supervisory board of sc Heerenveen NV (a soccer club which plays in the premier division in the Netherlands) since 1998 to 2012, and a member of Foundation Accell Group (a company listed on Euronext Amsterdam (formerly known as Amsterdam Stock Exchange) since 1998.

Saved as disclosed above, Mr. van der Meer did not hold any directorship in other public companies the securities of which are listed on any securities market in Hong Kong or overseas in the last three years or any other position with the Company and other members of the Group or other major appointments and professional qualifications.

As at the Latest Practicable Date, Mr. van der Meer did not have any relationship with other Directors, senior management, substantial or controlling Shareholders. The details of Mr. van der Meer’s interests in the Shares within the meaning of Part XV of the SFO are set out in the section headed “Directors’ and Chief Executive’s Interests and Short Positions in Shares and Underlying Shares” of the Annual Report.

There is a service contract between the Company and Mr. van der Meer for a term of three years with effect from 8 October 2018. Mr. van der Meer is entitled to an annual director’s fee of HK\$300,000 and annual emoluments of HK\$1,657,032. Mr. van der Meer’s remuneration is determined with reference to his qualifications, experience, duties and responsibilities with the Company as well as market rate.

**MS. NG SIU HUNG (“MS. NG”)
EXECUTIVE DIRECTOR**

Ms. Ng, aged 50, was appointed as an executive Director on 19 September 2009. Ms. Ng is also an executive director of Ausnutria Dairy (China) Co, Ltd. and oversees the brand and public relations division, primarily responsible for the brand building, and public relations affairs of the Group in the PRC region. She graduated at University of Westminster, the United Kingdom with a master of arts degree in human resource management. Ms. Ng has been a director of Hunan Yukai Real Estate Co., Ltd* (湖南宇凱房地產有限公司) since 2004.

Save as disclosed above, Ms. Ng did not hold any directorship in other public companies the securities of which are listed on any securities market in Hong Kong or overseas in the last three years or any other position with the Company and other members of the Group or other major appointments and professional qualifications.

As at the Latest Practicable Date, Ms. Ng did not have any relationship with other Directors, senior management, substantial or controlling Shareholders. The details of Ms. Ng’s interests in the Shares within the meaning of Part XV of the SFO are set out in the section headed “Directors’ and Chief Executive’s Interests and Short Positions in Shares and Underlying Shares” of the Annual Report.

There is a service contract between the Company and Ms. Ng for a term of three years with effect from 8 October 2018. Ms. Ng is entitled to an annual director’s fee of HK\$300,000 and annual emoluments of RMB1,172,484. Ms. Ng’s remuneration is determined with reference to her qualifications, experience, duties and responsibilities with the Company as well as market rate.

MR. JASON WAN (“MR. WAN”)**INDEPENDENT NON-EXECUTIVE DIRECTOR**

Mr. Wan, aged 55, was appointed as an independent non-executive Director on 19 September 2009. Mr. Wan is currently a tenured full professor, Associate Chair for the Department of Food Science and Nutrition, and Associate Director for the Institute for Food Safety and Health, Illinois Institute of Technology, the United States. Mr. Wan completed a PhD at Deakin University, Australia in 1992. Prior to that, he graduated with a bachelor of science degree from Hunan Agricultural University in 1983 and a master of science degree in dairy science and processing from Northeast Agricultural University in 1986. Mr. Wan was a lecturer in the Department of Food Science and Technology at Northeast Agricultural University from 1986 to 1988 and a visiting scientist at the Food Research Institute of the Department of Agriculture in Victoria, Australia in 1989. Mr. Wan was a post-doctoral researcher in the Department of Biochemistry at the University of Melbourne from 1992 to 1995 and a senior research scientist at CSIRO Food Science Australia from 1995 to 2009. Prior to his current position, Mr. Wan was a research professor in food microbiology and biotechnology at Illinois Institute of Technology, the United States from 2009 to 2015. Mr. Wan has extensive knowledge and expertise in the area of processing technologies for food safety, dairy processing and the functionality of various ingredients of dairy products. He has written many articles over the years on various subjects, including microbiology and biotechnology, and continues to develop his expertise in these subjects. Mr. Wan has also received numerous scholarships and research grants, including those supporting a number of PhD scholars relating to whey proteins and biological properties, as well as major research grants for research relating to dairy processing.

Save as disclosed above, Mr. Wan did not hold any directorship in other public companies the securities of which are listed on any securities market in Hong Kong or overseas in the last three years or any other position with the Company and other members of the Group or other major appointments and professional qualifications.

As at the Latest Practicable Date, Mr. Wan did not have any relationship with other Directors, senior management, substantial or controlling Shareholders. The details of Mr. Wan’s interests in the Shares within the meaning of Part XV of the SFO are set out in the section headed “Directors’ and Chief Executive’s Interests and Short Positions in Shares and Underlying Shares” of the Annual Report.

There is a service contract between the Company and Mr. Wan for a term of two years with effect from 1 October 2017. Mr. Wan is entitled to an annual director’s fee of HK\$350,000. Mr. Wan’s remuneration is determined with reference to his qualifications, experience, duties and responsibilities with the Company as well as market rate.

**MR. SHI LIANG (“MR. SHI”)
NON-EXECUTIVE DIRECTOR, VICE-CHAIRMAN**

Mr. Shi, aged 35, was appointed as a non-executive Director and elected as the vice-Chairman on 6 December 2018. Mr. Shi graduated with a bachelor’s degree and a master’s degree in management science and engineering from China Agricultural University in 2005 and 2008 respectively. He is currently a director, general manager and a member of the fund investment committee of the CITIC Agri Fund Management Co., Ltd. Mr. Shi joined CITIC Securities Company Limited (“**CITIC Securities**”), a company listed on both the Stock Exchange (stock code: 6030.HK) and the Shanghai Stock Exchange (stock code: 600030.SH) in 2008. He once served as the senior manager of the research department, the chief analyst in agriculture, forestry, animal husbandry and fishery industries and the director of the research department of CITIC Securities. Mr. Shi was awarded the number one of the best analyst in agriculture, forestry, animal husbandry and fishery industries by The New Fortune (新財富) in 2010, 2011 and 2014. Mr. Shi was also awarded “China Securities Analyst – Golden Bull Award” by the China Securities Journal (中國證券報) from 2010 to 2014 consecutively.

Save as disclosed above, Mr. Shi did not hold any directorship in other public companies the securities of which are listed on any securities market in Hong Kong or overseas in the last three years or any other position with the Company and other members of the Group or other major appointments and professional qualifications.

Save as disclosed above, as at the Latest Practicable Date, Mr. Shi did not have any relationship with other Directors, senior management, substantial or controlling Shareholders. The details of Mr. Shi’s interests in the Shares within the meaning of Part XV of the SFO are set out in the section headed “Directors’ and Chief Executive’s Interests and Short Positions in Shares and Underlying Shares” of the Annual Report.

There is a service contract between the Company and Mr. Shi for a term of two years with effect from 6 December 2018. Mr. Shi is entitled to an annual director’s fee of HK\$300,000. Mr. Shi’s remuneration is determined with reference to his qualifications, experience, duties and responsibilities with the Company as well as market rate.

**MR. QIAO BAIJUN (“MR. QIAO”)
NON-EXECUTIVE DIRECTOR**

Mr. Qiao, aged 48, was appointed as a NED on 6 December 2018. Mr. Qiao graduated with a Bachelor of Science degree from the Faculty of Biology of China Agricultural University in 1993 and graduated with a master of economics degree from the Faculty of Agriculture and Economics from Renmin University of China in 1999. He is currently the deputy general manager and chairman of the investment committee of CITIC Agri Fund Management Co., Ltd. Mr. Qiao joined COFCO Corporation in 2006 and once served as the senior manager of the strategic investment management department, the head of the research department, the general manager of the strategic management department. Prior to joining COFCO Corporation, Mr. Qiao was engaged in the research in agriculture, food and beverage industry in China Galaxy Securities Co Ltd (stock code: 6881.HK) and CITIC Securities.

Save as disclosed above, Mr. Qiao did not hold any directorship in other public companies the securities of which are listed on any securities market in Hong Kong or overseas in the last three years or any other position with the Company and other members of the Group or other major appointments and professional qualifications.

Save as disclosed above, as at the Latest Practicable Date, Mr. Qiao did not have any relationship with other Directors, senior management, substantial or controlling Shareholders. The details of Mr. Qiao’s interests in the Shares within the meaning of Part XV of the SFO are set out in the section headed “Directors’ and Chief Executive’s Interests and Short Positions in Shares and Underlying Shares” of the Annual Report.

There is a service contract between the Company and Mr. Qiao for a term of two years with effect from 6 December 2018. Mr. Qiao is entitled to an annual director’s fee of HK\$300,000. Mr. Qiao’s remuneration is determined with reference to his qualifications, experience, duties and responsibilities with the Company as well as market rate.

**MR. AIDAN MAURICE COLEMAN (“MR. COLEMAN”)
INDEPENDENT NON-EXECUTIVE DIRECTOR**

Mr. Coleman, aged 63, was appointed as an independent non-executive Director on 6 December 2018. Mr. Coleman graduated with a Bachelor of Arts degree in Economics and Psychology from The University of Auckland in 1978 and a Bachelor of Business Studies degree in marketing from The Massey University of New Zealand in 1991. He is a founder and currently the managing director of Longpoint Consulting Pty. Ltd., which provides private consulting and advisory services to various companies in Australia and New Zealand including retailers, dairy trading companies and FMCG marketing businesses. He has over 30 years of extensive experience in the manufacturing and marketing of consumer and food-service food and agricultural product. Prior to joining Longpoint Consulting Pty. Ltd., Mr. Coleman was the chief executive officer of Bega Cheese Limited (stock code: BGA.ASX), a company listed on the Australian Securities Exchange, until 2017. He was also the chief executive officer of Tatura Milk Industries Ltd. (“**Tatura**”), a wholly owned subsidiary of Bega Cheese Limited, from 2008 to 2011 and an executive director of Tatura from 2011 to 2017. Prior to joining Tatura, he was the managing director of Fonterra Brands (Australia) Pty. Ltd from 2005 to 2007, an Australian company which manufactures, markets and distributes dairy and non-dairy products.

Save as disclosed above, Mr. Coleman did not hold any directorship in other public companies the securities of which are listed on any securities market in Hong Kong or overseas in the last three years or any other position with the Company and other members of the Group or other major appointments and professional qualifications.

As at the Latest Practicable Date, Mr. Coleman did not have any relationship with other Directors, senior management, substantial or controlling Shareholders. The details of Mr. Coleman’s interests in the Shares within the meaning of Part XV of the SFO are set out in the section headed “Directors’ and Chief Executive’s Interests and Short Positions in Shares and Underlying Shares” of the Annual Report.

There is a service contract between the Company and Mr. Coleman for a term of two years with effect from 6 December 2018. Mr. Coleman is entitled to an annual director’s fee of HK\$350,000. Mr. Coleman’s remuneration is determined with reference to his qualifications, experience, duties and responsibilities with the Company as well as market rate.

**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)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the annual general meeting (the “**AGM**”) of Ausnutria Dairy Corporation Ltd (the “**Company**”) will be held at Chatham Room, Level 7, Conrad Hong Kong Hotel, Pacific Place, 88 Queensway, Hong Kong, on Tuesday, 14 May 2019 at 10:00 a.m. for the following purposes:–

1. To receive and consider the audited consolidated financial statements and the reports of the directors of the Company (the “**Directors**”) and of the auditors for the year ended 31 December 2018;
2. To re-elect the retiring Directors;
3. To authorise the board of Directors (the “**Board**”) to fix the Directors’ remuneration and emolument;
4. To declare a final dividend of HK\$0.15 per share for the year ended 31 December 2018 from the share premium account of the Company;
5. To re-appoint Ernst & Young as auditors and to authorise the Board to fix their remuneration;
6. “**THAT:**
 - (a) subject to paragraph (c) of this resolution, a general mandate be and is hereby unconditionally granted to the Directors to exercise during the Relevant Period (as defined below) all the powers of the Company to allot, issue and dispose of shares of the Company (the “**Shares**”) of HK\$0.10 each in the share capital of the Company and to make or grant offers, agreements, options or warrants which would or might require the exercise of such powers;

- (b) the mandate in paragraph (a) of this resolution shall authorise the Directors during the Relevant Period to make or grant offers, agreements and options which would or might require the exercise of such powers after the end of the Relevant Period;
- (c) the aggregate nominal value of share capital allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) by the Directors pursuant to the mandate in paragraph (a) of this resolution, otherwise than pursuant to (i) a Rights Issue (as defined below), or (ii) any option scheme or similar arrangement for the time being adopted for the grant or issue to the officers and/or employees of the Company and/or any of its subsidiaries of shares or rights to acquire Shares, or (iii) any scrip dividend or similar arrangement pursuant to the articles of association of the Company (the “**Articles of Association**”) from time to time, or (iv) any issue of Shares upon the exercise of rights of subscription or conversion under the terms of any warrants of the Company or any securities which are convertible into Shares, shall not exceed twenty per cent (20%) of the aggregate nominal amount of the share capital of the Company in issue at the date of passing this resolution and the said mandate shall be limited accordingly; and
- (d) for the purpose of this resolution:

“**Relevant Period**” means the period from the passing of this resolution until whichever is the earliest of:

- (i) the conclusion of the next AGM unless the mandate is renewed either unconditionally or subject to conditions by ordinary resolution passed at that meeting;
- (ii) the expiration of the period within which the next AGM is required by the Articles of Association or the applicable laws of the Cayman Islands to be held; or
- (iii) the passing of an ordinary resolution by the shareholders of the Company in a general meeting revoking or varying such mandate.

“**Rights Issue**” means an offer of Shares open for a period fixed by the Directors to holders of Shares or any class thereof on the register on a fixed record date in proportion to their then holdings of such Shares or class thereof (subject to such exclusion or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements or having regard to any jurisdiction outside Hong Kong, any restrictions or obligations under the laws of, or the requirements of any recognised regulatory body or any stock exchange in, any territory outside Hong Kong).”;

7. “**THAT:**

- (a) a general mandate be and is hereby unconditionally granted to the Directors to exercise during the Relevant Period (as defined below) all the powers of the Company to purchase or otherwise acquire shares in the capital of the Company in accordance with all applicable laws and the requirements of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, provided that the aggregate nominal amount of shares so purchased or otherwise acquired shall not exceed ten per cent (10%) of the aggregate nominal amount of the share capital of the Company in issue at the date of passing this resolution; and
- (b) for the purpose of this resolution;

“**Relevant Period**” means the period from the passing of this resolution until whichever is the earliest of:

- (i) the conclusion of the next AGM unless the mandate is renewed either unconditionally or subject to conditions by ordinary resolution passed at that meeting;
- (ii) the expiration of the period within which the next AGM is required by the Articles of Association or the applicable laws of the Cayman Islands to be held; or
- (iii) the passing of an ordinary resolution by the shareholders of the Company in a general meeting revoking or varying such mandate.”;

8. “**THAT:**

conditional upon the passing of resolutions 6 and 7 set out in the notice convening this meeting, the aggregate nominal amount of the shares which are purchased or otherwise acquired by the Company pursuant to resolution 7 shall be added to the aggregate nominal amount of the shares which may be issued pursuant to resolution 6.”

Yours faithfully
By Order of the Board
Ausnutria Dairy Corporation Ltd
Yan Weibin
Chairman

People’s Republic of China, 4 April 2019

Notes:

1. Any member entitled to attend and vote at the AGM is entitled to appoint one or more person(s) as his proxy to attend and vote instead of him. A proxy need not be a member of the Company.
2. To be valid, a form of proxy, together with the power of attorney or other authority, if any, under which it is signed, or a certified copy of that power of attorney, must be deposited not less than 48 hours before the time appointed for the holding of the AGM at the Company's branch share registrar, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong.
3. Completion and delivery of the form of proxy will not preclude a member from attending and voting in person at the AGM if the member so desires, and in such event, the instrument appointing a proxy shall be deemed to be revoked.
4. Information containing further details regarding the proposed Resolutions 2 and 6 set out in the above notice as required by the Listing Rules are set out in Appendices 2 and 1 to this circular respectively.
5. The register of members of the Company in Hong Kong will be closed for the following periods:
 - (a) Entitlement to attend and vote at the forthcoming AGM

For the purpose of determining shareholders of the Company who are eligible to attend and vote and the forthcoming AGM, the register of members of the Company will be closed from 8 May 2019 to 14 May 2019 (both dates inclusive) during which period no transfer of Shares will be registered. To be qualified to attend the forthcoming AGM, all transfers of Shares accompanied by the relevant share certificates must be lodged with the Company's branch share registrar, Computershare Hong Kong Investors Services Limited at Shops 1712-1716, 17 Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong no later than 4:30 p.m. on 7 May 2019.

- (b) Entitlement for the proposed final dividend

For the purpose of determining shareholders of the Company who are qualified for the proposed final dividend, the register of members of the Company will be closed from 12 June 2019 to 14 June 2019 (both dates inclusive) during which period no transfer of Shares will be registered. To be qualified for the proposed final dividend, all transfers of Shares accompanied by the relevant share certificates must be lodged with the Company's branch share registrar, Computershare Hong Kong Investors Services Limited at Shops 1712-1716, 17 Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong no later than 4:30 p.m. on 11 June 2019.