

## **Ausnutria (1717.HK) 3Q2016 Result Highlights**

Ausnutria Dairy Corporation Ltd (“Ausnutria” or the “Company”, together with its subsidiaries, the “Group”; stock code: 1717.HK), a dairy company which specializes in the manufacture and distribution of infant formula and nutrition products with production facilities based in the Netherlands, the PRC and Australia, today announced its results for the three months ended September 30, 2016 (3Q2016).

### **The 3Q2016 Financial Highlights**

- Revenue of 3Q2016 was RMB1,893.2 million, presenting an increase of 28.8% YoY from RMB1,469.8 million in 3Q2015.
- Gross profit was RMB744.9 million in 3Q2016, which increased by 104.5% when compared to RMB364.2 million in 3Q2015. Excluding the one-off inventory write-off in 2015, the increment was 61.2%.
- Gross profit margin was 39.3% in 3Q2016, which shows a significant growth of 14.5 pts when compared to 24.8% in 3Q2015. Excluding the one-off inventory write-off in 2015, the increment was 7.9 pts.
- Profit attributable to the shareholders was RMB138.9 million in 3Q2016, which shows a significant growth of 13.3 times when compared to 3Q2015. Excluding the one-off inventory write-off in 2015, the increment was 194.9%.
- The sales of the Group’s own-branded cow and goat milk-based infant formula products in the PRC increase by 65.4% and 29.6% to RMB667.4 million and RMB461.2 million, respectively.

**Mr. Yan Weibin, Chairman of the Group**, said, “The performance of the Group are encouraging for the first three quarters of 2016. The high quality products, along with excellent brand positioning and marketing strategy, Ausnutria has gained the trust of consumers and thus business grows steadily. Looking forward, we will seize the significant opportunities brought by the national policies, proactively face the industry challenges and target in satisfying the needs of the consumers, in order to achieve further growth and maximize the value for our shareholders.”