

To: Business Editor
[For immediate release]



AUSNUTRIA DAIRY CORPORATION LTD

澳優乳業股份有限公司

Ausnutria Announces 1Q 2019 Results
Adjusted Profit Attributable to Company Equity holders Soared by 87.2%

Ten Years of Pursuance for Quality
Bringing Wide Recognition on Own-branded Products

Result Highlights

	Three months ended 31 March		Changes
	2019 RMB Million (Unaudited)	2018 RMB Million (Unaudited)	
Revenue	1,519.2	1,177.8	↑29.0%
Gross Profit	747.5	545.1	↑37.1%
EBTIDA			
- Reported	222.7	168.7	↑32.0%
- Adjusted*	265.6	168.7	↑57.4%
Profit Attributable to Equity Holders of the Company			
- Reported	151.6	103.9	↑45.9%
- Adjusted*	194.5	103.9	↑87.2%

* Adjusted for the loss on the fair value change of derivative financial instruments in 1Q 2019

(Hong Kong, 14 May 2019) **Ausnutria Dairy Corporation Ltd** (“Ausnutria” or the “Company”, together with its subsidiaries, the “Group”; stock code: 1717.HK), a company engages in the research and development, production and distribution of all dairy products (including infant formula) and nutrition products with production facilities principally based in the Netherlands, the PRC, Australia and New Zealand, is pleased to announce its unaudited consolidated results of the Group for the three months ended 31 March 2019 (“1Q 2019” or the “Period”).

For 1Q 2019, the Group recorded revenue of RMB1,519.2 million, representing an increase of 29.0% as compared with the corresponding period in 2018. Among others, owned-branded cow and goat formula milk powder business, as the Group’s core business segment, continued to grow healthily and positively with revenue increased by 21.1% and 47.2% year-on-year, respectively.

During the Period, the Group have achieved progressive improvement in operational efficiency through the strategic steps taken during 2018 to optimize the Group's business chain. Meanwhile, driven by the continuous increase in the sales of above-mentioned high-premium own-branded cow and goat infant milk formula products, the Group has recorded significant growth in profit. The Group's EBITDA and profit attributable to equity holders of the Company for the 1Q 2019 amounted to RMB222.7 million and RMB151.6 million, increasing by 32.0% and 45.9% respectively as compared with the corresponding period last year. Excluding the loss of approximately RMB42.9 million on the fair value change of derivative financial instruments arising from the Group's acquisition of the remaining 15% equity interest in a subsidiary in May 2018, the Group recorded the adjusted EBITDA and adjusted profit attributable to equity holders of the Company of RMB265.6 million and RMB194.5 million, a soar of 57.4% and 87.2% respectively when compared with 1Q 2018.

With its existing products enjoying a wide recognition in the market, the Group also strives to enrich its product portfolio, aiming to strengthen its market position. Under the new Formulas Registration Requirement, all infant milk formula series in the PRC must be registered with the State Administration for Market Regulation of the PRC (the "SAMR"). During the Period, the Group has completed the registration of three additional series of infant formula in late March 2019, recording a total of fifteen series of the Group's infant formula registered with the SAMR.

Mr. Yan Weibin, Chairman of the Group, said: "During sixteen years of development, Ausnutria has been building up strengths in its R&D, supply, market servicing and logistics support. While optimizing the Company itself, all these efforts have earned it a high market popularity and a positive brand reputation. Thus, the quality and nutritional value of the Group's own-branded products are enjoying a growing recognition among customers. We believe that **quality is the best strategy**. This year, as Ausnutria's 10th anniversary since listed in Hong Kong, will still be a year of pursuance for quality and craftsmanship, another testimony for our mission to 'nourish life and growth', and vision to "become the world's most trustworthy formula and nutrition health company".

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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 Netherlands, the PRC, Australia and New Zealand. The Company is engaged in the worldwide production, R&D, and sales of infant formula, adult milk formula and other dairy and nutrition products. It owns several famous infant formula brands, including “*Kabrita*”, “*Allnutria*” and “*Hyproca*”. 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 factories in the Netherlands and Australia of Ausnutria were also among of the first infant milk formula manufacturers to obtain import licenses for overseas products under the new policy in the PRC.

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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