

To: Business Editor

[For immediate release]



AUSNUTRIA DAIRY CORPORATION LTD

澳優乳業股份有限公司

**3Q 2019 Results Continues to Record a Significant Growth
Announces the Positive Profit Alert for Thirteenth Consecutive Times**

**Steadily Implementing Strategic Plan
Continuously Improving in Business Structure**

Revenue	<p>Approximately RMB4,654.0 million to RMB4,710.0 million, representing an anticipated increase of 23.0% to 24.5% when compared with the 3Q 2018 (RMB3,782.3 million)</p> <p><i>Among which:</i></p> <ul style="list-style-type: none"> <i>Own-branded goat milk powder</i> – approximately RMB1,991.0 million to RMB2,005.0 million, representing an increase of 40.0% to 41.0% when compared with the 3Q 2018 (RMB1,422.0 million) <i>Own-branded cow milk powder</i> – approximately RMB2,106.0 million to RMB2,122.0 million, representing an increase of 30.0% to 31.0% when compared with the 3Q 2018 (RMB1,619.9 million) <i>Private label and others</i> – approximately RMB557.0 million to RMB583.0 million, representing a decrease of 21.3% to 24.8% when compared with the 3Q 2018 (RMB740.4 million)
Profit attributable to equity holders of the Company	<p>Approximately RMB612.4 million to RMB627.4 million, representing an anticipated increase of 34.4% to 37.7% when compared with the 3Q 2018 (RMB455.7 million)</p>

Adjusted profit attributable to equity holders of the Company ¹	Approximately RMB650.0 million to RMB665.0 million, representing an anticipated increase of 64.4% to 68.2% when compared with the 3Q 2018 (RMB395.3 million)
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(Hong Kong, 31 October 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 that it is anticipated that the Group will record a significant increase in financial performance for the nine months ended 30 September 2019 (the “3Q 2019” or the “Period”), marking the Company’s thirteenth consecutive time announcing a positive profit alert.

The Group’s revenue for the 3Q 2019 is anticipated to increase by not less than 23.0% when compared with the corresponding figure for the 3Q 2018. The Group considers such increase in revenue is mainly driven by the increase in sales of the Group’s own-branded goat and cow milk formula products by at least 40.0% and 30.0% respectively, when compared with that of the 3Q 2018, as a result of the continuous strengthening of sales network and brand building.

Excluding the effect of accounting loss, it is anticipated that the Group will record an adjusted profit attributable to the equity holders of the Company of not less than RMB650.0 million, representing an increase of not less than 64.4% when compared with the corresponding figure for the 3Q 2018. Such increase was spurred by (i) the implementation of the Group’s strategic plans, in particular, continuous improvement of the upstream operational efficiency, streamlining of the global supply chain and enhancement in the product mix; and (ii) the improvement in business structure as a result of the rising proportion of the sales of the Group’s own-branded goat and cow milk formula products.

Mr. Yan Weibin, Chairman of the Group, said “In the first 3 quarters of 2019, Ausnutria has witnessed our solid steps implementing the Group’s strategic plan and improving business structure. The year 2019 signifies the tenth anniversary of Ausnutria’s public listing. The Group has achieved a rationalized business structure, gradually enhanced our business scale and various core competitive strengths, and constantly improved our corporate governance. Looking forward, we will continue to adhere to quality and craftsmanship and bear in mind 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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¹ Adjusted for the loss on the fair value change of derivative financial instruments in the 3Q 2019 of RMB37.6 million (3Q 2018: gain of RMB29.5 million). In the 3Q 2018, also adjusted for a one-off gain arising from the re-measurement of an asset of RMB30.9 million.

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 the 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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