



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)

10 February 2022

To Independent Shareholders and Optionholders:

Dear Sir or Madam,

**MANDATORY CONDITIONAL CASH OFFERS
BY CLSA LIMITED FOR AND ON BEHALF OF
HONGKONG JINGANG TRADE HOLDING CO., LIMITED
TO ACQUIRE ALL THE ISSUED SHARES OF
AUSNUTRIA DAIRY CORPORATION LTD
(OTHER THAN THOSE ALREADY OWNED AND/OR
AGREED TO BE ACQUIRED BY THE OFFEROR AND/OR
THE PARTIES ACTING IN CONCERT WITH IT) AND
FOR THE CANCELLATION OF ALL THE OUTSTANDING OPTIONS OF
AUSNUTRIA DAIRY CORPORATION LTD**

1. INTRODUCTION

We refer to the Composite Document dated 10 February 2022 issued jointly by the Offeror and the Company of which this letter forms part. Unless the context otherwise requires, terms defined in the Composite Document shall have the same meanings when used in this letter.

We have been appointed by the Board to form the Independent Board Committee to make recommendation to you as to whether, in our opinion, the terms of the Offers are fair and reasonable so far as Offer Shareholders and Optionholders are concerned and as to acceptance of the Offers.

Optima Capital, with the approval of the Independent Board Committee, has been appointed as the Independent Financial Adviser to advise the Independent Board Committee in connection with the Offers and in particular as to whether the Offers are, or are not, fair and reasonable and as to acceptance and voting. Details of its advice and recommendation are set out in the “Letter from the Independent Financial Adviser” set out in the Composite Document.

We also wish to draw your attention to the “Letter from CLSA Limited”, the “Letter from the Board” and the additional information set out in the Composite Document, including the Appendices to the Composite Document and the accompanying Form of Acceptance.

2. RECOMMENDATION

Having taken into account the advice and recommendation of the Independent Financial Adviser, in particular the factors, reasons and recommendations as set out in the “Letter from the Independent Financial Adviser”, we concur with the view of the Independent Financial Adviser and consider that the terms of the Offers (being the Share Offer and the Option Offer) are fair and reasonable so far as Offer Shareholders and Optionholders are concerned, and recommend (i) the Independent Shareholders to accept the Share Offer; and (ii) the Optionholders to accept the Option Offer.

Notwithstanding our recommendation, Offer Shareholders and Optionholders are strongly advised that their decision to realise or hold their investment in the Company depends on their own individual circumstances and investment objectives. If in any doubt, Offer Shareholders and Optionholders should consult their own professional advisers for professional advice.

For and on behalf of the
**Independent Board Committee of
Ausuntria Dairy Corporation Ltd**



Mr. Jason Wan
*Independent Non-executive
Director*

Mr. Lau Chun Fai Douglas
*Independent Non-executive
Director*

Mr. Aidan Maurice Coleman
*Independent Non-executive
Director*

For and on behalf of the
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Ausnutria Dairy Corporation Ltd

Mr. Jason Wan
Independent Non-executive
Director

Mr. Lau Chun Fai Douglas
Independent Non-executive
Director


Mr. Aidan Maurice Coleman
Independent Non-executive
Director
09/02/2022

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