
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

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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澳优·海普诺凯
Ausnutria
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 RE-ELECTION OF THE RETIRING DIRECTORS
AND
NOTICE OF 2012 ANNUAL GENERAL MEETING**

A notice convening an annual general meeting of Ausnutria Dairy Corporation Ltd (“AGM”) to be held at 8/F, XinDaXin Building A, 168 Huangxing Middle Road, Changsha, Hunan Province, the PRC, on Tuesday, 19 August 2014 at 10:30 a.m. is set out on pages 7 to 8 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.

17 July 2014

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DEFINITIONS

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

“2012 Annual Report”	the annual report of the Company for the financial year ended 31 December 2012 despatched to the Shareholders together with this circular
“AGM”	the annual general meeting of the Company to be held at 8/F, XinDaXin Building A, 168 Huangxing Middle Road, Changsha, Hunan Province, the PRC, on Tuesday, 19 August 2014 at 10:30 a.m.
“Articles of Association”	the articles of association of the Company
“Board”	the board of Directors of the Company
“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
“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
“Latest Practicable Date”	14 July 2014, 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
“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
“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

Independent Non-executive Directors:

Mr. Qiu Weifa

Mr. Jason Wan

Mr. Chan Yuk Tong

Registered Office:

Cricket Square

Hutchins Drive

P. O. Box 2681

Grand Cayman KY1-1111

Cayman Islands

Principal Place of Business in Hong Kong:

Room 2101, Beautiful Group Tower

77 Connaught Road Central

Central

Hong Kong

17 July 2014

To the Shareholders

Dear Sir or Madam,

**PROPOSED RE-ELECTION OF THE RETIRING DIRECTORS
AND
NOTICE OF 2012 ANNUAL GENERAL MEETING**

INTRODUCTION

The purpose of this circular is to (i) provide you with information regarding the re-election of the retiring Directors; and (ii) give you notice of the AGM.

LETTER FROM THE BOARD

A. RE-ELECTION OF THE RETIRING DIRECTORS

In accordance with Article 84 of the Articles of Association, Mr. Qiu Weifa and Mr. Jason Wan will retire by rotation at the conclusion of the AGM and, being eligible, offer themselves for re-election.

The biographical details of the aforesaid Directors proposed to be re-elected are set out in Appendix 1 to this circular. An ordinary resolution approving their re-elections will be proposed at the AGM.

B. AGM

A notice convening the AGM is set out on pages 7 to 8 of this circular.

The 2012 Annual Report incorporating the audited consolidated financial statements of the Group for the year ended 31 December 2012 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.

C. 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 date of the AGM.

LETTER FROM THE BOARD

D. RECOMMENDATION

The Directors believe that the resolution of the re-election of the retiring Directors to be proposed at the AGM is 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.

E. 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

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. Qiu Weifa (“**Mr. Qiu**”), aged 69, was appointed as the independent non-executive Director on 19 September 2009. Mr. Qiu graduated from the Central University of Finance and Economics* (中央財政金融學院) and has senior economist qualifications* (高級經濟師). Mr. Qiu was the vice general manager of the Bank of China (Singapore branch), the alternate general manager of the Bank of Guangdong province (Singapore branch) and the head of branch (行長) of the Bank of China (Hunan province branch). He has over 33 years of experience in the banking sector, holding management positions at various banking institutions.

Mr. Qiu was appointed as a member of the special review committee of the Company to look into the unresolved issues raised by the auditor of the Company, Ernst & Young, in their letter dated 29 March 2012.

Save as disclosed above, Mr. Qiu 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, Mr. Qiu does not have any relationship with other Directors, senior management, substantial or controlling shareholders of the Company and he had no interests in the Shares which are required to be disclosed pursuant to Part XV of the SFO.

There is a service contract between the Company and Mr. Qiu for a term of two years with effect from 1 October 2013 (which was renewed subsequent to the expiry of the two-year contract dated 1 October 2011). Mr. Qiu is entitled to an annual director’s fee of HK\$180,000 (Year 2012: HK\$100,000). Mr. Qiu’s remuneration is determined with reference to his qualifications, experience, duties and responsibilities with the Company as well as market rate.

Mr. Jason Wan (“**Mr. Wan**”), formerly known as Wan Xiansheng, aged 50, was appointed as the independent non-executive Director on 19 September 2009. Mr. Wan completed a PhD at Deakin University, Australia in 1992. Prior to that, he graduated with a Bachelor of Science at Hunan Agricultural University in 1983 and a Master of Science in dairy science and processing at Northeast Agricultural University in 1986. Mr. Wan was a lecturer in the department of food science and technology at the Northeast Agricultural University from 1986 to 1988, and a visiting scientist at the Food Research Institute at 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, a senior research scientist at CSIRO Food Science Australia from 1995 to 2009 and a research professor in food microbiology and biotechnology at the Illinois Institute of Technology, USA since 2009. Mr. Wan has extensive knowledge and expertise in the areas 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. Recently, he has gained research grants being a PhD scholarship relating to whey proteins and biological properties, as well as a major research grant 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.

Save as disclosed above, Mr. Wan does not have any relationship with other Directors, senior management, substantial or controlling shareholders of the Company and he had no interests in the Shares which are required to be disclosed pursuant to Part XV of the SFO.

There is a service contract between the Company and Mr. Wan for a term of two years with effect from 1 October 2013 (which was renewed subsequent to the expiry of the two-year contract dated 1 October 2011). Mr. Wan is entitled to an annual director’s fee of HK\$180,000 (Year 2012: HK\$100,000).

Mr. Wan’s remuneration is determined with reference to his qualifications, experience, duties and responsibilities with the Company as well as market rate.

* *For identification purposes only*



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 2012 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 8/F, XinDaXin Building A, 168 Huangxing Middle Road, Changsha, Hunan Province, the PRC, on Tuesday, 19 August 2014 at 10:30 a.m. for the following purposes:–

1. To receive and consider the audited consolidated financial statements and the reports of the directors (the “Directors”) of the Company and of the auditors for the year ended 31 December 2012;
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 re-appoint Ernst & Young as auditors and to authorise the Board to fix their remuneration.

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

Changsha City, People’s Republic of China, 17 July 2014

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. The register of members of the Company in Hong Kong will be closed from 15 August 2014 to 19 August 2014 (both dates inclusive) during which period no transfer of shares will be registered. To be qualified to attend the AGM, all transfers accompanied by the relevant share certificates must be lodged with 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 no later than 4:30 p.m. on 14 August 2014.
4. 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.
5. Information containing further details regarding the proposed Resolution 2 set out in the above notice is set out in Appendix 1 to this circular.