

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



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)

VOLUNTARY ANNOUNCEMENT CHANGE IN SHAREHOLDING OF SUBSTANTIAL SHAREHOLDERS

This is a voluntary announcement made by Ausnutria Dairy Corporation Ltd (the “**Company**”, together with its subsidiary, the “**Group**”).

THE TRANSFER

The board (the “**Board**”) of directors (the “**Directors**”) of the Company was informed that, on 20 December 2019 (after trading hours), Center Laboratories Inc. (“**Center Lab**”), BioEngine Capital Inc. (“**BioEngine**”) and a shareholder of the Company (the “**Independent Selling Shareholder**”) have agreed to transfer 15,000,000 ordinary shares of the Company (“**Shares**”), 10,000,000 Shares and 10,000,000 Shares (collectively, the “**Transfer Shares**”) to Infinite Perfection Group Limited (“**IPG**”) respectively, at a price of HK\$9.0 per Share for a total consideration of HK\$315.0 million (the “**Transfer**”).

Completion of the Transfer is subject to, among others, the granting of necessary consents from relevant governmental or regulatory authorities.

INFORMATION ON PARTIES TO THE TRANSFER AND REASONS FOR THE TRANSFER

Center Lab is a company incorporated under the laws of Taiwan with limited liability. The shares of Center Lab have been listed on the Taipei Exchange in Taiwan (stock code: 4123.TW) since 2003. Center Lab is a leading biotechnology investment company which specialises in medical and healthcare field and has been one of the Company’s substantial shareholders since 2015. BioEngine is a non-wholly-owned subsidiary of Center Lab.

IPG is a newly incorporated company established in the British Virgin Islands for the purpose of holding the Transfer Shares. Based on information available to the Company, as at the date of this announcement, IPG is owned by the various investment platforms of Changsha City and the Wang Cheng District of the Changsha City of the People’s Republic of China, and Mr. Yan Weibin (“**Mr. Yan**”) (the Chairman and an executive Director of the Company). Despite Mr. Yan’s equity interests in IPG, he is not required to file notice under Part XV of the Securities and Futures Ordinance (Chapter 571 of the laws of Hong Kong) (the “**SFO**”).

Based on information available to the Company, the Independent Selling Shareholder is a company incorporated in the British Virgin Islands and is independent from the Group, Center Lab, BioEngine and IPG.

As informed by respective concerned parties, the Transfer was carried out in view of respective parties' (i) recognition of the development of the Company; (ii) expression of their confidence on the continuous healthy growth in the nutrition food industry; and (iii) the support and for strengthening the management control and interest of Mr. Yan, as a core management member in the Company, to facilitate the future development of the Group in long run.

IMPACT TO THE COMPANY'S SHAREHOLDING STRUCTURE

As at the date of this announcement, Center Lab and BioEngine are interested in 327,940,089 Shares and 47,991,683 Shares respectively. Upon completion of the Transfer, Center Lab and BioEngine will be interested in 312,940,089 Shares and 37,991,683 Shares respectively. Save for the Transfer, Center Lab indicates that it has no intention or plan to further dispose of its shareholding in the Company.

For illustrative purpose only, the following table sets out the shareholding structure of the Company (i) as at the date of this announcement; and (ii) immediately upon completion of the Transfer, assuming there will be no change in the total number of issued Shares, after the date of this announcement and prior to the completion of the Transfer.

	As at the date of this announcement		Immediately upon completion of the Transfer	
	Number of Shares	Approximate %	Number of Shares	Approximate %
Citagri Easter Limited	379,000,000	23.5	379,000,000	23.5
Center Lab (<i>Note 1</i>)	327,940,089	20.3	312,940,089	19.4
BioEngine (<i>Note 1</i>)	47,991,683	3.0	37,991,683	2.4
Mr. Yan (<i>Note 2</i>)	119,939,085	7.4	119,939,085	7.4
Mr. Bartle van der Meer (<i>Note 3</i>)	125,605,230	7.8	125,605,230	7.8
IPG	–	–	35,000,000	2.2
Public Shareholders (including the Independent Selling Shareholder)	611,630,212	38.0	601,630,212	37.3
	<u>1,612,106,299</u>	<u>100.0</u>	<u>1,612,106,299</u>	<u>100.0</u>

Notes:

1. As at the date of this announcement, Center Lab beneficially owns 327,940,089 Shares. BioEngine, which holds 47,991,683 Shares, is a non-wholly-owned subsidiary of Center Lab. Accordingly, Center Lab is deemed to be interested in a total of 375,931,772 Shares under the SFO.
2. The amount represents the number of Shares Mr. Yan beneficially owns is deemed to be interested in under the SFO as at the date of this announcement, and comprises (i) 1,200,000 Shares he beneficially owns; and (ii) 118,739,085 Shares held by Ausnutria Holding Co. Ltd., a corporation which is wholly-owned by him. Accordingly, Mr. Yan is deemed to be interested in a total of 119,939,085 Shares under the SFO. Apart from these, Mr. Yan also holds share options granted by the Company on 15 January 2019 (under the share option scheme of the Company approved by the Shareholders on 19 September 2009) which enable him to further subscribe for 1,500,000 Shares.
3. The amount represents the number of Shares Mr. Bartle van der Meer beneficially owns is deemed to be interested in under the SFO as at the date of this announcement, and comprises (i) 1,200,000 Shares he beneficially owns; and (ii) 124,405,230 Shares held by Dutch Dairy Investments HK Limited, a corporation which is wholly-owned by Dutch Dairy Investments B.V.. Dutch Dairy Investments B.V. is wholly-owned by Fan Deming B.V., which is wholly-owned by Mr. Bartle van der Meer. Accordingly, Mr. Bartle van der Meer is deemed to be interested in a total of 125,605,230 Shares under the SFO. Apart from these, Mr. Bartle van der Meer also holds share options granted by the Company on 15 January 2019 (under the share option scheme of the Company approved by the Shareholders on 19 September 2009) which enable him to further subscribe for 1,500,000 Shares.

Shareholders of the Company and potential investors are advised to exercise caution when dealing in the shares of the Company.

By order of the Board
Ausnutria Dairy Corporation Ltd
Yan Weibin
Chairman

The People's Republic of China, 23 December 2019

As at the date of this announcement, the Board comprises three executive Directors, namely Mr. Yan Weibin (Chairman), Mr. Bartle van der Meer (Chief Executive Officer) and Ms. Ng Siu Hung; three non-executive Directors, namely Mr. Shi Liang (Vice-Chairman), Mr. Qiao Baijun and Mr. Tsai Chang-Hai; and three independent non-executive Directors, namely Mr. Jason Wan, Mr. Lau Chun Fai Douglas and Mr. Aidan Maurice Coleman.