

About Ausnutria

CORPORATE PROFILE

Established in September 2003 in Changsha City, Hunan Province, the PRC, Ausnutria has emerged as a leading manufacturer of premium dairy and nutrition products globally. In October 2009, the Company achieved a milestone by becoming the first IMF company to be publicly listed on the Stock Exchange (stock code: 1717). Operating a comprehensive business network across the international dairy and nutrition sector, the Group manages the entire value chain, spanning R&D, procurement, production, marketing and distribution.

Ausnutria runs eleven factories worldwide, comprising three in the PRC, six in the Netherlands and two in Australia. These factories collectively produce a diverse array of goods for more than sixty different countries or regions, establishing a comprehensive care system that encompasses products such as IMF, dietary supplement, FSMP, tailored nutrition products, and services providing comprehensive nutrition care throughout all stages of life.

In 2024, Ausnutria unveiled a range of novel products as a component of its continued initiative to broaden its product lineup, including Hyproca Huanzhi, Hyproca Hypure, Hyproca Neolac, Hyproca Hyeaze, the Jade version of Hyproca Hollory, and Kabrita Beibeigao. Ausnutria also achieved significant milestones in scientific research, particularly in nutritional health studies. The Group actively participated in key national R&D projects focusing on innovative key ingredients for IMF, new generation IMF manufacturing technology based on Chinese breast milk research, and the creation of formulated foods for specific medical conditions. Additionally, Ausnutria contributed to initiatives like the Demineralised Whey Product Supply Capacity Improvement Task Unveiling Project. These efforts led to accolades such as the recognition of its “Basic Life & Nutrition Science Research Center” and the advancement of the “Pro59 Comprehensive Nutrition Formula”. Furthermore, the Group strategically established a comprehensive digital operating system to improve operational efficiency, customer service and corporate management. The Group aims to maintain its focus on the Own-branded Goat Milk Formulas and premium cow milk formula businesses, investing in brand-building activities to solidify its position as a top goat milk formula brand and premium imported cow milk formula brand, while also fostering sustainable business development and sustaining healthy growth momentum. The Group will continue to introduce high-quality and sustainable dairy and nutrition products to revitalise the nutrition business comprehensively. The Group aspires to establish itself as the preferred choice for consumers seeking IMF and toddler formula, as well as high-end nutrition and healthcare products.

THE GROUP'S OWN BRANDS

kabrita®
佳贝艾特®

海普诺凯 1897®
全面营养 百年精研

NC
Nutrition Care®

Bioflag
锦旗生物

康素得®



MEMBERSHIPS

Ausnutria is committed to promoting the development of the nutrition and dairy industries and takes an active role in multiple international associations and voluntary initiatives. Moreover, the company engages in constructive discussions with industry partners and peers, fostering a culture of sustainable advancement and operational enhancement within the Group.



China Dairy Industry Association

Being one of the vice-president units of the China Dairy Industry Association, Ausnutria attributes to the industry guideline development and administrative work to promote high-standard dairy products.



China Nutrition and Health Food Association (“CNHFA”)

Serving as a member, Ausnutria is committed to promoting the development of nutritional and health food and special food in China.



Hunan Academy of Agricultural Sciences (“HUNAAS”)

Ausnutria has developed the strategic partnership with HUNAAS and established the Institute of Academician Shan Yang's Innovation Team.



Dairy Association of China (“DAC”)

As a board member of DAC, Ausnutria hopes to make contribution to the promotion of dairy products and development of the Chinese dairy industry.



Dutch Dairy Association (“NZO”)

Being involved in the working groups of the NZO, Ausnutria encourages knowledge exchange and continuous advancement in Dutch milk processing.



Dutch Goat Dairy Association (“NGZO”)

Being involved in the working groups, Ausnutria promotes better industry image, environmental sustainability and animal welfare. Ausnutria supports NGZO's “KwaliGeit”, by collaborating with its goat milk suppliers. Please refer to Better Nutrition for more details.



European Union Chamber of Commerce in China

As a member of the Pediatric Nutrition Desk of the European Union Chamber of Commerce in China, Ausnutria encourages the appropriate use and marketing of pediatric nutrition products and breastfeeding.



Platform Melkgeitenhouderij (Dairy Goat Farming Platform)

The Dairy Goat Farming Platform initiates sector-specific projects in the field of market information, food safety, animal health and sustainability. The Dairy Goat Farming Platform also provides direction for research that adds value to the goat dairy chain.



Infant Nutritional Council (“INC”)

Ausnutria actively participates in discussions and exchanges opinions with other members through the INC platform on different industry policies.



Duurzame GeitenZuivel Keten (Sustainable Goat Dairy Chain, “DGZK”)

Ausnutria participates in the DGZK, an initiative that aims to further improve sustainability and animal welfare within the goat dairy sector.



The Association of Dutch Manufacturers of Children and Dietary Nutrition (“VNFKD”)

Ausnutria supports the VNFKD to represent the collective industry interests in advancing the best production and responsible marketing practices for IMF.



Sustainable Dairy Chain

Ausnutria pledged to support Sustainable Dairy Chain's 2020 goals of the cow milk sector by introducing and implementing environmental best practices in its operations.



IFOAM Organics International

In 2023, Ausnutria became a member of IFOAM, the global umbrella organisation for the organic agriculture and food sector. The organisation represents almost 800 affiliated umbrella organisations in 117 countries.

CORPORATE GOVERNANCE

The Board pledges to uphold the utmost levels of corporate governance excellence, and promoting transparency, independence and integrity within the Group to ensure enduring success and safeguard the shareholders' interests.

In accordance with the Corporate Governance Code in Appendix C1 to the Listing Rules, Ausnutria implemented robust governance principles. The Board holds the responsibility of pinpointing strategic business prospects for the Group and offering oversight, insight, and foresight of the Group's overall strategy and business activities. Additionally, the Board is responsible for regularly monitoring, evaluating and advising on corporate governance policies to ensure adherence to the most recent standards. To mitigate governance risks associated with bribery, extortion, fraud and money laundering, a Performing Behaviour Guide was formulated in the PRC, delineating the duties and obligations of middle to senior management in establishing robust corporate governance and corporate ethos.

The Group has established a Risk Management and Internal Control ("RMIC") Framework based on COSO ERM and ISO 31000, tailored for internal use, utilising the "Three Lines" model to allocate and coordinate risk-related tasks. The framework aims to manage risks related to business objectives, offering reasonable assurance against significant misstatements or losses. Key aspects of the RMIC systems include a defined governance structure, policies, procedures, and reporting mechanisms to aid in risk management throughout the Group's operations. For additional information on the Group's risk management approach, please refer to the corporate governance report section in the Company's Annual Report for the Year 2024.

Ausnutria acknowledges the significance of diversity and inclusiveness in the Group's future growth. The Board's makeup is carefully structured to encompass a blend of gender, age, ethnicity, educational background, professional skills, industry experience, management roles, and tenure. As at the date of this report, the Board consists of nine Directors, comprising three executive Directors, three non-executive Directors and three independent non-executive directors, each bringing a mix of diverse backgrounds, ethnicities, experiences and expertise. This diverse composition enriches the Group's inclusivity and promotes a multicultural setting.

ANTI-CORRUPTION

The Group's integrity is fundamental to maintaining its reputation as a trusted producer of dairy and nutrition products and a reliable business partner. Ausnutria adheres to the highest integrity standards to root out corruption across all operations. Every employee is required to adhere to and conduct themselves in line with the Code of Conduct, which outlines the Group's expectations regarding workplace conduct and behaviour involving conflicts of interest, bribery and corruption, and integrity violations. Regular training is provided to employees and Directors to enhance their knowledge of anti-corruption practices. In order to promote business ethics, leadership training and development programmes are offered to managerial positions in mainland China, focusing on behavioural learning and self-awareness evaluation. Additionally, department-led training sessions are organised to cater to individual needs, including experience sharing sessions and meetings, covering topics such as quality and integrity in our production processes.

Failure to comply with regulations may result in verbal warning, formal warning or other disciplinary and/or legal actions. Ausnutria has established a whistleblowing and anti-fraud mechanism enabling employees to report any suspected breaches of ethical business practices to management. External consultants will be engaged, as needed, to assess the Group's internal control, workflows, and the management systems, providing recommendations for system improvement. Furthermore, the Group's internal audit scrutinises financial and operational data to detect potential risks related to bribery, conflicts of interest, or corruption. The Board oversees the efficacy of these procedures and ensures that all reported cases are met with suitable and fitting action.

For more details regarding the Group's corporate governance policies, please refer to the corporate governance report section in the Company's Annual Report for the Year 2024.