AUSTASIA

AustAsia Group Ltd.

澳亞集團有限公司 *

(Incorporated in the Republic of Singapore with limited liability)

(Stock Code: 2425)

PROFIT WARNING

This announcement is made by AustAsia Group Ltd. (the "**Company**", together with its subsidiaries, the "**Group**") pursuant to Rule 13.09(2) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**") and the Inside Information Provisions (as defined in the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The Company's board of directors (the "**Board**") wishes to inform the Company's shareholders (the "**Shareholders**") and potential investors that based on the preliminary assessment of the Group's unaudited consolidated management accounts (the "**Management Accounts**") for the year ended 31 December 2024 ("**FY2024**"), the Group expects to record a consolidated net loss of approximately RMB1,170 million to RMB1,380 million, compared with the net loss of approximately RMB489 million for the year ended 31 December 2023 ("**FY2023**").

The expected increase in loss is attributable principally to:

(i) An increase in the loss arising from changes in fair value less costs to sell of other biological assets (the "**Revaluation Loss**"). For FY2024, the Revaluation Loss is expected to be ranging from approximately RMB1,180 million to RMB1,390 million, as compared to approximately RMB668 million for FY2023. The increase in Revaluation Loss was mainly attributable to the decreases in selling price of raw milk and culling cattle; and

(ii) Decreases in the selling prices for both raw milk and beef cattle. During FY2024, the Group's average selling price of raw milk and beef cattle were approximately 17% and 16% lower respectively, compared with that for FY2023.

Despite all the difficulties, the Group has implemented effective measures to reduce costs and has obtained significant cost saving effects throughout FY2024. Compared to FY2023, the cost of sales per kg of raw milk and the feed cost per kg of raw milk in FY2024 were lowered by approximately 16% and 19% respectively. Additionally, the Group is continuously improving milk yield efficiency and the annualised average milk yield per milkable cow in FY2024 reached a new record of 14.0 tons (FY2023: 13.6 tons), representing an increase of approximately 2.9%.

* *For identification purpose only*

Mainly due to the Revaluation Loss, as referred to in the paragraph (i) above, the Group expects to record a consolidated net loss of approximately RMB1,170 million to RMB1,380 million for FY2024.

The Company would like to remind Shareholders and potential investors that the information set out in this announcement is based on a preliminary assessment with reference to the Management Accounts and the information currently available to the Board and has not been reviewed by the audit committee and the independent auditor of the Company, and may differ with the actual final results for FY2024 of the Group. Shareholders and potential investors are advised to carefully read the final results announcement of the Group for FY2024, which is expected to be published in March 2025 in accordance with the Listing Rules.

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

By order of the Board
AustAsia Group Ltd.
Edgar Dowse COLLINS
CEO and Executive Director

Hong Kong, 11 February 2025

As at the date of this announcement, the Board comprises Mr. TAN Yong Nang as Executive Chairman, Mr. Edgar Dowse COLLINS as CEO and Executive Director and Mr. YANG Ku as COO and Executive Director, Ms. GAO Lina, Mr. Tamotsu MATSUI and Ms. Gabriella SANTOSA as Non-executive Directors and Messrs. SUN Patrick, CHANG Pan, Peter and LI Shengli as Independent Non-executive Directors.