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**AUSTASIA**

**AustAsia Group Ltd.**

**澳亞集團有限公司\***

*(Incorporated in the Republic of Singapore with limited liability)*

**(Stock Code: 2425)**

**ANNOUNCEMENT OF ANNUAL RESULTS  
FOR THE YEAR ENDED 31 DECEMBER 2025**

The board (the “**Board**”) of directors (the “**Directors**”) of AustAsia Group Ltd. (the “**Company**”, and together with its subsidiaries, the “**Group**”) presents the consolidated results of the Group for the year ended 31 December 2025 (the “**Reporting Year**”), together with comparative figures for the year ended 31 December 2024 (the “**FY2024**”).

**HIGHLIGHTS:**

**FOR THE YEAR ENDED 31 DECEMBER**

<b>FINANCIAL DATA</b>	<b>2025</b>	2024	
	<b>RMB'000</b>	RMB'000	Change
Revenue	<b>3,467,914</b>	3,683,841	-5.9%
Gross profit	<b>634,308</b>	491,036	+29.2%
Losses arising from changes in fair value less costs to sell of other biological assets	<b>(945,965)</b>	(1,260,646)	-25.0%
Loss attributable to owners of the Company	<b>(750,619)</b>	(1,269,287)	-40.9%
Basic loss per share (RMB)	<b>(0.92)</b>	(1.81)	-49.2%
Non-IFRS Financial Measures:			
Cash EBITDA <sup>Note 1</sup>	<b>708,681</b>	513,283	+38.1%
Profit/(loss) for the year (before biological assets fair value adjustments) <sup>Note 2</sup>	<b>195,346</b>	(8,641)	N/A
<b>KEY PERFORMANCE INDICATORS</b>	<b>2025</b>	2024	Change
Annualised average milk yield per milkable cow (tons)	<b>14.1</b>	14.0	+0.7%
Herd size of dairy cows (heads)	<b>112,172</b>	122,251	-8.2%
Herd size of beef cattle (heads)	<b>27,358</b>	35,707	-23.4%

\* For identification purpose only

*Note 1:* Cash EBITDA is defined as loss for the year excluding (i) finance costs, (ii) interest income, (iii) income tax expense, (iv) depreciation and amortisation, (v) losses arising from changes in fair value less costs to sell of other biological assets, (vi) foreign exchange difference, (vii) impairment losses on financial assets, and (viii) share-based payment expenses.

*Note 2:* Profit/(loss) for the year (before biological assets fair value adjustments) is derived from loss for the year excluding losses arising from changes in fair value less costs to sell of other biological assets.

For the Reporting Year, the Group recorded revenue of approximately RMB3,467.9 million, representing a drop of 5.9% as compared with FY2024.

The gross profit increased by 29.2%, from approximately RMB491.0 million for FY2024 to RMB634.3 million for the Reporting Year.

The Group recorded a net loss of approximately RMB750.6 million for the Reporting Year, this is mainly attributable to the losses arising from changes in the fair value less costs to sell of other biological assets of RMB946.0 million. The significant losses are mainly attributable to the decreases in selling price of raw milk used in the assumption to derive the fair value of biological assets.

During the Reporting Year, the annualised average milk yield per milkable cow, a key operational efficiency indicator, reached a new height of 14.1 tons, representing a 0.7% increase as compared with FY2024.

## FINANCIAL INFORMATION

### CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 31 December 2025

	<i>Notes</i>	<b>2025</b> <b>RMB'000</b>	2024 <b>RMB'000</b>
REVENUE	6	<b>3,467,914</b>	3,683,841
Cost of sales		<b>(3,446,638)</b>	(3,666,842)
Gains arising on initial recognition of raw milk at fair value less costs to sell at the point of harvest		<b>588,751</b>	564,084
Gains/(Losses) arising from changes in fair value less costs to sell of beef cattle		<b>24,281</b>	(90,047)
Gross profit		<b>634,308</b>	491,036
Other income and gains	7	<b>98,274</b>	66,961
Losses arising from changes in fair value less costs to sell of other biological assets		<b>(945,965)</b>	(1,260,646)
Selling and distribution expenses		<b>(6,013)</b>	(4,855)
Administrative expenses		<b>(210,852)</b>	(231,529)
Research and development expenses		<b>(6,014)</b>	(13,587)
Reversal of impairment on financial assets		–	20
Other expenses	7	<b>(12,501)</b>	(15,616)
Finance costs		<b>(282,725)</b>	(282,295)
LOSS BEFORE TAX	8	<b>(731,488)</b>	(1,250,511)
Income tax expense	9	<b>(19,131)</b>	(18,776)
LOSS AND TOTAL COMPREHENSIVE LOSS FOR THE YEAR		<b><u>(750,619)</u></b>	<b><u>(1,269,287)</u></b>
Attributable to:			
Owners of the parent		<b><u>(750,619)</u></b>	<b><u>(1,269,287)</u></b>
LOSS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT	<i>11</i>		
Basic			
– For loss for the year		<b><u>RMB(0.92)</u></b>	<b><u>RMB(1.81)</u></b>
Diluted			
– For loss for the year		<b><u>RMB(0.92)</u></b>	<b><u>RMB(1.81)</u></b>

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December 2025

	<i>Notes</i>	<b>31 December 2025 RMB'000</b>	31 December 2024 RMB'000
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment		<b>2,957,695</b>	3,159,924
Right-of-use assets		<b>1,358,427</b>	1,400,676
Other intangible assets		<b>2,165</b>	3,506
Biological assets		<b>2,351,065</b>	2,905,038
Other long-term assets		<b>7,848</b>	8,446
Long-term receivable		<b>3,852</b>	4,580
		<hr/>	<hr/>
Total non-current assets		<b>6,681,052</b>	7,482,170
<b>CURRENT ASSETS</b>			
Inventories		<b>1,002,105</b>	1,151,662
Biological assets		<b>368,575</b>	419,136
Trade receivables	<i>12</i>	<b>264,627</b>	296,703
Prepayments, other receivables and other assets		<b>175,774</b>	239,641
Cash and cash equivalents		<b>341,681</b>	281,921
Pledged deposits and restricted cash		<b>1,311</b>	842
		<hr/>	<hr/>
Total current assets		<b>2,154,073</b>	2,389,905
<b>CURRENT LIABILITIES</b>			
Trade payables	<i>13</i>	<b>723,573</b>	692,302
Other payables and accruals		<b>375,679</b>	390,991
Interest-bearing bank borrowings		<b>1,875,040</b>	2,462,495
Lease liabilities		<b>69,715</b>	84,536
Deferred income		<b>4,859</b>	4,871
Tax payable		<b>10,069</b>	6,864
		<hr/>	<hr/>
Total current liabilities		<b>3,058,935</b>	3,642,059

	<i>Notes</i>	<b>31 December 2025 RMB'000</b>	31 December 2024 RMB'000
<b>NET CURRENT LIABILITIES</b>		<b>(904,862)</b>	(1,252,154)
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<b>5,776,190</b>	6,230,016
<b>NON-CURRENT LIABILITIES</b>			
Interest-bearing bank borrowings		<b>1,050,130</b>	1,035,897
Deferred tax liabilities		<b>4,335</b>	4,335
Deferred income		<b>26,001</b>	25,769
Lease liabilities		<b>1,360,423</b>	1,356,503
Total non-current liabilities		<b>2,440,889</b>	2,422,504
Net assets		<b>3,335,301</b>	3,807,512
<b>EQUITY</b>			
<b>Equity attributable to owners of the parent</b>			
Share capital		<b>2,714,120</b>	2,435,712
Reserves		<b>621,181</b>	1,371,800
Total equity		<b>3,335,301</b>	3,807,512

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

## 1. GENERAL INFORMATION

AustAsia Group Ltd. (the “**Company**”) is a limited liability company incorporated and domiciled in Singapore. The registered office of the Company is located at 400 Orchard Road, Singapore 238875. The Company completed its initial public offering and was listed on the Main Board of The Stock Exchange of Hong Kong Limited (stock code: 2425.HK) on 30 December 2022. The principal activity of the Company is investment holding and its subsidiaries are mainly engaged in the production and sales of raw milk, beef cattle and feed products, and the distribution and sale of milk products in the Chinese mainland.

The group of controlling shareholders of the Company comprise Mr. Renaldo SANTOSA, Rangi Management Limited, Tasburgh Limited, Tallove Services Inc. and Japfa Pte. Ltd. who directly hold Shares, and Ms. Gabriella SANTOSA, the Scuderia Trust, Highvern Trustees Limited (as trustee of the Scuderia Trust), Magnus Nominees Limited (as bare trustee for Highvern Trustees Limited (as trustee of the Scuderia Trust)), Fidelis Nominees Limited (as bare trustee for Highvern Trustees Limited (as trustee of the Scuderia Trust)) and Fusion Investment Holdings Limited (together, the “**Controlling Shareholders**”).

## 2. BASIS OF PREPARATION

These financial statements have been prepared in accordance with IFRS Accounting Standards, which comprise all standards and interpretations approved by the International Accounting Standards Board (the “**IASB**”), and International Accounting Standards and Standing Interpretations Committee interpretations approved by the International Accounting Standards Committee that remain in effect and the disclosure requirements of the Hong Kong Companies Ordinance. They have been prepared under the historical cost convention, except for biological assets. These financial statements are presented in Renminbi (the “**RMB**”) and all values are rounded to the nearest thousand except when otherwise indicated.

### Going concern basis

As at 31 December 2025, the Group had net current liabilities of approximately RMB905 million and the Group’s total bank borrowings amounted to RMB2,925 million, of which RMB1,875 million will be due for repayment within one year from 31 December 2025, while its cash and cash equivalents amounted to RMB342 million. The Group incurred a net loss of RMB751 million for the year ended 31 December 2025. These conditions indicate that a material uncertainty exists that may cast significant doubt on the Group’s ability to continue as a going concern.

In view of such circumstances, the directors of the Company have given consideration to the future liquidity of the Group and its available sources of finance in assessing whether the Group will have sufficient financial resources to continue as a going concern. Certain measures have been and are being taken by the directors of the Company to improve the Group’s liquidity and financial position which include the following:

- (i) The Group continues to improve the milk yield and the quality of raw milk, and negotiate with customers for better selling price in consideration of the market developments.
- (ii) The Group continues to enhance and streamline the procurement process to reduce purchasing costs in order to mitigate the impact of the decrease of selling price of raw milk. The Group’s in-house pre-mix feed mill will continue improving feed quality and help to control feed costs.
- (iii) The Group continues to take proactive financing measures to ensure sufficient facilities from financial institutions and shareholders are available in the foreseeable future. Up to the date of this announcement, consent letter from certain bank has been obtained regarding the amendments of certain financial covenants.

- (iv) The Group continues to monitor capital expenditure to balance and relieve cash resource to support operations.
- (v) The Group is exploring other debt financial arrangements.

The directors have reviewed the Group's cash flow forecast covering a period of twelve months from the end of the Reporting Year. They are of the opinion that, taking into account the above-mentioned plans and measures, the Group will have sufficient working capital to finance its operations and meet its financial obligations as and when they fall due in the foreseeable future. Accordingly, the directors believe it is appropriate to prepare the consolidated financial statements of the Group for the year ended 31 December 2025 on a going concern basis.

Notwithstanding the above, given the volatility of the dairy industry in the Chinese mainland, significant uncertainties exist as to whether the Group is able to achieve its plans and measures as described above.

Should the going concern assumption be inappropriate, adjustments may have to be made to the carrying values of the Group's assets to state them at their recoverable amounts, to provide for any further liabilities which might arise and to reclassify its non-current assets and non-current liabilities as current assets and current liabilities, respectively. The effect of these adjustments has not been reflected in the consolidated financial statements.

### **3. CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES**

The Group has adopted amendments to IFRS 21 Lack of Exchangeability for the first time for the current year's financial statements. The Group has not early adopted any other standard or amendment that has been issued but is not yet effective.

Amendments to IFRS 21 specify how an entity shall assess whether a currency is exchangeable into another currency and how it shall estimate a spot exchange rate at a measurement date when exchangeability is lacking. The amendments require disclosures of information that enable users of financial statements to understand the impact of a currency not being exchangeable. As the currencies that the Group had transacted in and the functional currencies of overseas subsidiaries and associates for translation into the Group's presentation currency were exchangeable, the amendments did not have any impact on the Group's financial statements.

In addition, the IASB has issued amendments to Illustrative Examples on IFRS 7, IFRS 18, IAS 1, IAS 8, IAS 36 and IAS 37 Disclosures about Uncertainties in the Financial Statements, which added illustrative examples in the corresponding IFRS Accounting Standards. These examples reflect existing requirements in the corresponding IFRS Accounting Standards to report the effects of uncertainties in the financial statements using climate-related examples. Therefore, the amendments do not have an effective date or transitional provisions.

#### 4. ISSUED BUT NOT YET EFFECTIVE IFRS ACCOUNTING STANDARDS

The Group has not applied the following new and amended IFRS Accounting Standards, that have been issued but are not yet effective, in these financial statements. The Group intends to apply these new and revised IFRS Accounting Standards, if applicable, when they become effective.

IFRS 18	<i>Presentation and Disclosure in Financial Statements<sup>2</sup></i>
IFRS 19 and its amendments	<i>Subsidiaries without Public Accountability: Disclosures<sup>2</sup></i>
Amendments to IFRS 9 and IFRS 7	<i>Amendments to the Classification and Measurement of Financial Instruments<sup>1</sup></i>
Amendments to IFRS 9 and IFRS 7	<i>Contracts Referencing Nature-dependent Electricity<sup>1</sup></i>
Amendments to IFRS 10 and IAS 28	<i>Sale or Contribution of Assets between an Investor and its Associate or Joint Venture<sup>3</sup></i>
Amendments to IAS 21	<i>Translation to a Hyperinflationary Presentation Currency<sup>2</sup></i>
<i>Annual Improvements to IFRS Accounting Standards – Volume 11</i>	<i>Amendments to IFRS 1, IFRS 7, IFRS 9, IFRS 10 and IAS 7<sup>1</sup></i>

<sup>1</sup> Effective for annual periods beginning on or after 1 January 2026

<sup>2</sup> Effective for annual/reporting periods beginning on or after 1 January 2027

<sup>3</sup> No mandatory effective date yet determined but available for adoption

The Group is in the process of making an assessment of the impact of these new and amended standards upon initial application. IFRS 18 introduces new requirements for presentation within the statement of profit or loss, including specified totals and subtotals. Entities are required to classify all income and expenses within the statement of profit or loss into one of the five categories: operating, investing, financing, income taxes and discontinued operations and to present two new defined subtotals. It also requires disclosures of management-defined performance measures in a note and introduces new requirements for aggregation and disaggregation of financial information. The new requirements are expected to impact the Group's presentation of the statement of profit or loss and disclosures of the Group's financial performance. So far, the Group considers that the new and amended IFRS Accounting standards are unlikely to have a significant impact on the Group's results of operations and financial position.

#### 5. OPERATING SEGMENT INFORMATION

For management purposes, the Group is organised into business units based on their products and services and has three reportable operating segments as follows: (1) raw milk business for the production and sale of raw milk; (2) beef cattle business for raising and sale of beef cattle; and (3) ancillary business for sales of milk products, feed products and others.

Management monitors the results of the Group's operating segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on reportable segment profit/loss, which is a measure of adjusted profit/loss before tax. The adjusted profit/loss before tax is measured consistently with the Group's profit before tax except that other income and expenses, non-lease-related finance costs from the Group's financial instruments, impairment of long-term receivable as well as head office or corporate administrative expenses are excluded from such measurement.

Intersegment sales and transfers are transacted with reference to the selling prices used for sales made to third parties at the then prevailing market prices.

**For the year ended 31 December 2025**

	<b>Raw milk RMB'000</b>	<b>Beef cattle RMB'000</b>	<b>Ancillary RMB'000</b>	<b>Total RMB'000</b>
<b>Segment revenue (Note 6)</b>				
Sales to external customers	2,678,295	451,484	338,135	3,467,914
Intersegment sales	<u>175,858</u>	<u>2,898</u>	<u>321,451</u>	<u>500,207</u>
	2,854,153	454,382	659,586	3,968,121
Elimination of intersegment sales				<u>(500,207)</u>
Revenue				<u><u>3,467,914</u></u>
<b>Segment results</b>	<b>(437,416)</b>	<b>18,968</b>	<b>9,182</b>	<b>(409,266)</b>
Finance costs (other than interest on lease liabilities)				(197,143)
Unallocated corporate and administrative expenses				(210,852)
Unallocated other income and expenses				<u>85,773</u>
Loss before tax				<u><u>(731,488)</u></u>

**For the year ended 31 December 2024**

	<b>Raw milk RMB'000</b>	<b>Beef cattle RMB'000</b>	<b>Ancillary RMB'000</b>	<b>Total RMB'000</b>
<b>Segment revenue (Note 6)</b>				
Sales to external customers	2,888,940	497,946	296,955	3,683,841
Intersegment sales	<u>194,459</u>	<u>64</u>	<u>376,954</u>	<u>571,477</u>
	3,083,399	498,010	673,909	4,255,318
Elimination of intersegment sales				<u>(571,477)</u>
Revenue				<u><u>3,683,841</u></u>
<b>Segment results</b>	<b>(772,255)</b>	<b>(95,609)</b>	<b>(1,431)</b>	<b>(869,295)</b>
Finance costs (other than interest on lease liabilities)				(201,032)
Unallocated corporate and administrative expenses				(231,529)
Unallocated other income and expenses				<u>51,345</u>
Loss before tax				<u><u>(1,250,511)</u></u>

The chief operating decision maker makes decisions according to operating results of each segment. No analysis of segment assets and segment liabilities is presented as the chief operating decision maker does not regularly review such information for the purposes of resource allocation and performance assessment. Therefore, only segment revenue and segment results are presented.

### Other segment information

#### For the year ended 31 December 2025

	<b>Raw milk</b> <i>RMB'000</i>	<b>Beef cattle</b> <i>RMB'000</i>	<b>Ancillary</b> <i>RMB'000</i>	<b>Total</b> <i>RMB'000</i>
Amounts included in the measure of segment results:				
Gains arising on initial recognition of raw milk at fair value less costs to sell at the point of harvest	588,751	–	–	588,751
Gains arising from changes in fair value less costs to sell of beef cattle	–	24,281	–	24,281
Losses arising from changes in fair value less costs to sell of other biological assets	945,585	380	–	945,965
Depreciation and amortisation charged to profit or loss	167,808	35,186	14,498	217,492
Interest on lease liabilities	80,582	4,933	67	85,582
Selling and distribution expenses	–	–	6,013	6,013
Research and development expenses	–	–	6,014	6,014
Capital expenditure	807,386	384,835	51	1,192,272

#### For the year ended 31 December 2024

	<b>Raw milk</b> <i>RMB'000</i>	<b>Beef cattle</b> <i>RMB'000</i>	<b>Ancillary</b> <i>RMB'000</i>	<b>Total</b> <i>RMB'000</i>
Amounts included in the measure of segment results:				
Gains arising on initial recognition of raw milk at fair value less costs to sell at the point of harvest	564,084	–	–	564,084
Losses arising from changes in fair value less costs to sell of beef cattle	–	90,047	–	90,047
Losses arising from changes in fair value less costs to sell of other biological assets	1,259,986	660	–	1,260,646
Depreciation and amortisation charged to profit or loss	170,612	30,994	14,810	216,416
Interest on lease liabilities	76,353	4,902	8	81,263
Selling and distribution expenses	–	–	4,855	4,855
Research and development expenses	–	–	13,587	13,587
Reversal of impairment on trade receivables	–	–	20	20
Capital expenditure	1,127,891	503,050	1,337	1,632,278

## Geographical information

### (a) Revenue from external customers

	For the year ended 31 December	
	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
Chinese mainland	<b>3,467,914</b>	3,683,841

The revenue information above is based on the locations of the customers.

### (b) Non-current assets

	31 December	31 December
	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
Chinese mainland	<b>6,677,200</b>	7,477,590

The non-current assets information above is based on the locations of the assets and excludes financial instruments.

## 6. REVENUE

An analysis of revenue is as follows:

	For the year ended 31 December	
	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
Revenue from contracts with customers		
Sales of raw milk	2,678,295	2,888,940
Sales of beef cattle	451,484	497,946
Sales of ancillary	338,135	296,955
<b>Total</b>	<b>3,467,914</b>	<b>3,683,841</b>
Timing of revenue recognition		
At a point in time	3,467,914	3,683,841

### Performance obligations

The Group sells raw milk to manufacturers of dairy products, beef cattle to food processing companies, milk products to cafes and other end customers and feed products to farms. For sales of raw milk, beef cattle, milk products and feed products to its customers, revenue is recognised when control of the goods has been transferred, being at the point the customer received the goods and was satisfied with the quality. Payment of the transaction price is determined based on market price. The credit period of sales of raw milk and feed products is generally 30 days since the invoice date. The credit period of sale of milk products is generally 30 to 45 days since the invoice date, extending up to 90 days for major customers. And no credit is provided for beef cattle customers.

## 7. OTHER INCOME AND GAINS

	For the year ended 31 December	
	2025	2024
	RMB'000	RMB'000
<b>Other income and gains</b>		
Government grants	45,533	26,412
Foreign exchange gains, net ( <i>Note 8</i> )	5,141	–
Gains on modification of leases	2,913	1,967
Insurance claims	30,946	23,627
Technical service fee	1,326	4,653
Interest income	872	1,652
Scrap sales	473	470
Material sales	10,032	6,206
Others	1,038	1,974
	<hr/>	<hr/>
Total other income and gains	<b>98,274</b>	<b>66,961</b>
	<hr/> <hr/>	<hr/> <hr/>
<b>Other expenses</b>		
Foreign exchange losses, net ( <i>Note 8</i> )	–	3,800
Losses on disposal of items of property, plant and equipment	7,463	10,246
Others	5,038	1,570
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Total	<b>12,501</b>	<b>15,616</b>
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## 8. LOSS BEFORE TAX

The Group's loss before tax is arrived at after charging/(crediting):

	<i>Notes</i>	<b>For the year ended 31 December</b>	
		<b>2025</b>	<b>2024</b>
		<b>RMB'000</b>	<b>RMB'000</b>
Costs of sale of raw milk		<b>2,678,295</b>	2,888,940
Costs of sale of beef cattle		<b>451,484</b>	497,946
Costs of sale of ancillary		<b>316,859</b>	279,956
Cost of sales		<b>3,446,638</b>	3,666,842
Depreciation of property, plant and equipment		<b>296,972</b>	314,953
Less: Capitalised in biological assets		<b>112,923</b>	130,844
Depreciation charged to profit or loss		<b>184,049</b>	184,109
Depreciation of right-of-use assets		<b>93,504</b>	96,311
Less: Capitalised in biological assets		<b>61,402</b>	65,601
Depreciation charged to profit or loss		<b>32,102</b>	30,710
Reversal of impairment on trade receivables		<b>–</b>	(20)
Amortisation of other intangible assets		<b>1,341</b>	1,597
Lease payments not included in the measurement of lease liabilities		<b>12,603</b>	17,779
Auditors' remuneration		<b>4,400</b>	4,805
Losses arising from changes in fair value less costs to sell of other biological assets		<b>945,965</b>	1,260,646
Employee benefit expenses (including directors' and chief executive's remuneration):			
Wages and salaries		<b>312,151</b>	308,644
Pension scheme contributions		<b>69,868</b>	69,534
Share-based payments expenses		<b>–</b>	2,309
		<b>382,019</b>	380,487
Foreign exchange differences, net	7	<b>(5,141)</b>	3,800

**9. INCOME TAX EXPENSE**

	<b>For the year ended 31 December</b>	
	<b>2025</b>	<b>2024</b>
	<b><i>RMB'000</i></b>	<b><i>RMB'000</i></b>
Current income tax		
Charge for the year	<b>2,859</b>	6,893
Underprovision/(Overprovision) in prior years	<b>633</b>	(1,737)
Withholding tax	<b>15,639</b>	13,620
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Total tax charge for the year	<b>19,131</b>	18,776
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**10. DIVIDENDS**

No dividend has been paid or declared by the Company for the year ended 31 December 2025 and 31 December 2024, respectively.

**11. LOSS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT**

The calculation of the basic loss per share amount is based on the loss for the year attributable to ordinary equity holders of the parent, and the weighted average number of ordinary shares of 815,607,733 (2024: 699,391,863) outstanding during the year.

The Group had no potentially diluted ordinary shares in issue during the year ended 31 December 2025 and 2024.

The calculations of basic and diluted loss per share are based on:

	<b>For the year ended 31 December</b>	
	<b>2025</b>	<b>2024</b>
	<b><i>RMB'000</i></b>	<b><i>RMB'000</i></b>
Loss		
Loss attributable to ordinary equity holders of the parent used in the basic and diluted loss per share calculation	<b>(750,619)</b>	(1,269,287)
	<hr/>	<hr/>
	<b>For the year ended 31 December</b>	
	<b>2025</b>	<b>2024</b>
Shares		
Weighted average number of ordinary shares outstanding during the year used in the basic loss per share calculation	<b>815,607,733</b>	699,391,863
	<hr/>	<hr/>

## 12. TRADE RECEIVABLES

	<b>31 December 2025 RMB'000</b>	31 December 2024 RMB'000
Trade receivables	<b>264,627</b>	303,927
Impairment	–	(7,224)
Net carrying amount	<b><u>264,627</u></b>	<b><u>296,703</u></b>

For sales of raw milk, milk products and feed products, the Group's trading terms with its customers are mainly on credit, except for new customers, where payment in advance is normally required. The credit period of sales of raw milk and feed products is 30 days since the invoice date. The credit period of sale of milk products is generally 30 to 45 days since the invoice date, extending up to 90 days for major customers. And no credit is provided for beef cattle customers. Each customer has a maximum credit limit. The Group seeks to maintain strict control over its outstanding receivables and has a credit control department to minimise credit risk. Overdue balances are reviewed regularly by senior management. In view of the aforementioned and the fact that the Group's trade receivables relate to a large number of diversified customers, there is no significant concentration of credit risk. The Group does not hold any collateral or other credit enhancements over its trade receivable balances. Trade receivables are non-interest-bearing.

An ageing analysis of the trade receivables as at the end of the Reporting Year, based on the invoice date and net of loss allowance, is as follows:

	<b>31 December 2025 RMB'000</b>	31 December 2024 RMB'000
Within 1 month	<b>250,639</b>	285,339
1 to 2 months	<b>10,793</b>	10,109
2 to 3 months	<b>2,462</b>	842
Over 3 months	<b>733</b>	413
	<b><u>264,627</u></b>	<b><u>296,703</u></b>

There was no trade receivables balance due from a related party as at 31 December 2025 (31 December 2024: RMB16,177,000), which are repayable on credit terms similar to those offered to the major customers of the Group.

As at 31 December 2025, trade receivables of RMB223,449,000 (31 December 2024: RMB277,019,000) were pledged to banks to secure certain bank borrowings granted to the Group.

The movements in the loss allowance for impairment of trade receivables are as follows:

	<b>31 December 2025 RMB'000</b>	31 December 2024 RMB'000
At beginning of the year	<b>7,224</b>	7,244
Reversal of impairment loss	–	(20)
Amount written off as uncollectible	<b>(7,224)</b>	–
At end of the year	<b><u>–</u></b>	<b><u>7,224</u></b>

### 13. TRADE PAYABLES

	<b>31 December 2025 RMB'000</b>	31 December 2024 RMB'000
Trade payables	<b>723,573</b>	692,302

An ageing analysis of the trade payables as at the end of the Reporting Year, based on the invoice date, is as follows:

	<b>31 December 2025 RMB'000</b>	31 December 2024 RMB'000
Within 2 months	<b>404,262</b>	386,290
2 to 6 months	<b>199,579</b>	182,871
6 to 12 months	<b>89,341</b>	89,392
Over 1 year	<b>30,391</b>	33,749
	<b>723,573</b>	692,302

As at 31 December 2025, the trade payables of RMB406,000 (31 December 2024: RMB55,083,000), which are due to a related party, are repayable on credit terms similar to those offered by the major suppliers of the Group.

### 14. EVENTS AFTER THE REPORTING YEAR

There are no material subsequent events undertaken by the Company or by the Group after 31 December 2025.

## MANAGEMENT DISCUSSION AND ANALYSIS

### INDUSTRY OVERVIEW

2025 marked a crucial turning point for China's animal husbandry and breeding industry, transitioning from in-depth restructuring to steady recovery. Driven by the stabilized rebound of the macroeconomy and targeted industrial policies, the industry's supply and demand structure was continuously optimized, with a significant improvement in development quality. China's gross domestic product (GDP) achieved a steady year-on-year growth of 5.0%. According to data from the National Bureau of Statistics, Nielsen IQ and relevant industry research, consumer confidence in 2025 rebounded compared with 2024, and the proportion of household consumption expenditure on high-quality food products increased. Categories such as dairy products and high-end beef demonstrated a sound consumption upgrading trend.

China's dairy farming industry has experienced an almost complete industrial cycle from 2018 to 2025. During this period, substantial improvements have been made in the scale of dairy farming, milk yield per cow, raw milk output, and industrial quality. In the second half of the cycle, constrained by sustained consumption decline and excessive capacity expansion in the early stage, the dairy farming industry witnessed a continuous decline in raw milk prices and in-depth losses for more than three years. Some pastures faced severe survival challenges or were forced to withdraw from the industry due to tight capital chains, and the structure of dairy farming continued to evolve.

Undeniably, despite undergoing the cycle, the resilience and competitiveness of China's dairy farming industry have been continuously enhanced.

In 2025, the dairy industry achieved remarkable results in rebalancing supply and demand. According to industry estimates by Holstein Farmer magazine, the national stock of Holstein dairy cows at the end of 2025 was approximately 5.9 million heads, a decrease of 200,000 heads from 6.1 million heads in 2024, representing a year-on-year decrease of 3%. The national stock of Holstein dairy cows declined in tandem with the total cattle stock, while the increase in milk yield per cow offset part of the impact of reduced stock. The annual raw milk output reached 40.91 million tons, a year-on-year increase of 0.3% compared with 2024. This development model of "reducing quantity while improving quality" fully reflects the efficiency gains across the entire industry. In terms of prices, the national average purchase price of raw milk recovered from the low in 2024, and the improved supply and demand relationship effectively alleviated the long-term loss pressure on the industry.

Policy support at the national level and the upgrading of industry standards have formed a synergistic effect, laying a solid foundation for the high-quality development of the dairy industry: the Ministry of Agriculture and Rural Affairs issued the “Notice on Accelerating the Relief of Difficulties in the Dairy Industry and Improving the Level of High-Quality Development of the Dairy Industry” (Nongban Mu [2025] No. 23). Through central financial support policies such as the conversion of grain to forage and the county-wide promotion of dairy production capacity enhancement, it focuses on core areas including pasture facility upgrading, promotion of green breeding technologies, and fine breed cultivation, strengthening the precise empowerment of policy funds; the revised “National Food Safety Standard – Sterilized Milk” jointly issued by the National Health Commission and the State Administration for Market Regulation was officially implemented on 16 September 2025, clarifying that sterilized milk production shall only use raw milk as the sole raw material and prohibiting the addition of reconstituted milk, which effectively regulates the market competition order and creates a fair competitive environment for domestic raw milk producers; the “Outline of National Food and Nutrition Development (2025-2030)” jointly issued by three ministries including the Ministry of Agriculture and Rural Affairs proposes that the national per capita dairy consumption volume should reach 47 kilograms by 2030, representing a remaining growth space of 16.1% compared with 40.5 kilograms in 2024, providing clear policy guidance for the long-term development of the industry.

The competitive landscape of the industry is accelerating towards concentration, with inefficient small and medium-sized pastures continuously withdrawing amid cost pressures and market adjustments. The industry has become increasingly characterized by large-scale and intensive operations. According to industry statistics released by the China Dairy Industry Association, the large-scale level of domestic dairy farming further improved in 2025, reflecting the core trend of the industry towards large-scale and efficient transformation. Leading enterprises have achieved continuous breakthroughs in milk yield per cow through advanced genetic breeding technologies, precision feeding systems, and lean management capabilities. Coupled with the cost control advantages brought by centralized procurement and full industrial chain synergy, they have further consolidated their dominant market positions.

In 2025, China’s beef cattle industry achieved significant recovery, emerging as an important growth highlight in the field of animal husbandry and breeding, with the overall operating environment of the industry significantly improved compared with the previous year. Driven by the steady recovery of domestic consumer demand and import trade control policies, the industry presented an import pattern of “decreased volume and increased price”, and domestic beef cattle production capacity was effectively released. According to the 2025 import and export statistical data released by the General Administration of Customs, the import volume of beef in the Chinese mainland in 2025 was approximately 2.8 million tons, a year-on-year decrease of 2.5%. The main source countries for imports were Brazil, Argentina, and Australia, accounting for 79.8% of the total annual import volume.

In terms of prices, the downward trend in industry prices has been effectively curbed, showing an overall stable and recovery trend. According to monitoring data from the National Bureau of Statistics and the Department of Animal Husbandry and Veterinary Medicine of the Ministry of Agriculture and Rural Affairs, the average price of live cattle (medium grade) in national wholesale markets in 2025 was RMB27.54 per kilogram, a year-on-year decrease of 1.0%, which was a significant narrowing compared with the 20.0% year-on-year decrease in 2024; the average price of beef in national wholesale markets was RMB68.73 per kilogram, a year-on-year decrease of 2.0%, and the decline rate was significantly narrowed compared with 15.0% in 2024, with prices operating stably overall. With the improvement of the industry's operating environment, the income from fattening cattle breeding has been able to fully cover the breeding costs, most fattening entities have turned losses into profits, and the profitability of the industry has been significantly improved compared with the previous year.

In terms of production scale, the industry has shown a development trend of simultaneous capacity recovery and structural optimization. According to the annual statistical communiqué of the National Bureau of Statistics, the national cattle slaughter volume in 2025 reached 51.33 million heads, a year-on-year increase of 0.7%; the beef output reached 8.01 million tons, a year-on-year increase of 2.8%, achieving year-on-year growth for five consecutive years. Sufficient market supply not only effectively meets domestic consumer demand but also provides stable raw material guarantee for upstream and downstream enterprises in the industrial chain. At the same time, the problem of declining stock of breeding cows in the industry has been alleviated, and the population structure has been continuously optimized, laying a foundation for the long-term sustainable development of the industry.

At the policy support level, the government has continuously introduced a number of supportive policies to assist the high-quality development of the industry, focusing on promoting the optimization of breed structure and industrial upgrading. During the Reporting Year, the government launched a number of supportive measures such as interest-free loans for population upgrading and subsidies for the cultivation of high-quality breeds. Among them, the breeding subsidy standards for high-end beef cattle breeds such as Wagyu and Angus have been significantly increased. At the same time, the construction of the national beef cattle breeding database has been accelerated, directly driving the optimization of the industry's breed structure and the upgrading of breeding technologies, and providing strong policy support for the long-term healthy development of the industry.

## **BUSINESS OVERVIEW**

The Group is mainly engaged in dairy farming business of producing and selling high-quality raw milk to dairy products manufacturers and processors, and beef cattle farming and fattening business. In 2024, according to Holstein Farmer Magazine, we were the 4th largest raw milk producer in China in terms of production volume.

We provide raw milk to a diversified group of customers, including leading national and regional dairy product manufacturers and brands. We are not reliant on the group of controlling shareholders of the Company (the “**Controlling Shareholders**”) as our customers. We provide our customers with stable supply of high quality and traceable raw milk (including A2 milk) in large scale, which enables them to market and develop high-end and innovative dairy products, catering various needs of end customers.

Through the skills, knowledge and experience gained from raw milk business, we operate beef cattle business with synergy. We raise beef cattle at our own feedlots and sell these cattle to food service companies and premium beef processors for further processing into beef products.

Other than the two main business segments, namely raw milk business and beef cattle business, we also engage in ancillary business, including the sales of dairy products and feed products under self-owned brands “AustAsia 澳亞牧場” and “AustAsia 澳亞飼料” respectively.

## **OPERATIONAL REVIEW**

### **Raw Milk Business**

We breed and raise dairy cows in our large-scale and modernized dairy farms. We produce and sell raw milk to downstream dairy product manufacturers and processors. During the Reporting Year, we continue to provide high-quality and reliable raw milk to our customers, who further process those raw milk into healthy and high-quality dairy products to satisfy the needs of end customers.

As at 31 December 2025, we owned and operated 11 large-scale and modernised dairy farms in Shandong and Inner Mongolia of the PRC. The population of our dairy cow was 112,172 heads (as at 31 December 2024: 122,251 heads), including 64,219 heads of milkable cows (as at 31 December 2024: 65,282 heads). The aggregate gross land area of our dairy farms was approximately 16,992 Chinese mu. Our dairy farms are located strategically, 3 of them are within the “Golden Raw Milk Belt” in Inner Mongolia, where the mild climate, wide grassland and ample feed provide an ideal farming environment for dairy farms to generate high milk yield with good quality. The remaining 8 dairy farms are located in Shandong with close proximities to both major dairy product processing plants and major dairy consumption markets such as the Beijing-Tianjin region and the down-stream Yangzi River Delta region, including Shanghai.

During the Reporting Year, we continued lowering the feed costs and have achieved significant improvement. We have adopted systematic and timely review of the whole feeding and milking process, and took measures to adjust the feed formula to strike the optimal balance between milk yield and feed costs. In doing so, our operating teams and nutritionists make best effort to switch to compatible additives with similar output enhancement effects and to improve the absorbance level and feed conversion rate of dairy cows. We also leveraged on our centralized procurement activities. As a result, we have achieved notable improvements in the control of feed cost per kg of raw milk.

During the Reporting Year, the Group recorded annualised milk yield per milkable cow (the “AMY”) of 14.1 tons (FY2024: 14.0 tons), representing a YoY increase of 0.7%. The continued improvements in milk yield were attributable to in-depth understanding of every detail of herd management, accumulated upgrades in our genetic breeding technologies over the years, and increase in the number of dairy cows reaching peak lactation phases.

### **Beef Cattle Business**

Through the skills, knowledge and experience gained from raw milk business, we operate beef cattle business with synergy. In addition, we capitalize on our expertise in genetic breeding of dairy cattle to improve the quality and productivities of our beef cattle. As at 31 December 2025, we owned and operated 2 large-scale beef cattle feedlots in Shandong and Inner Mongolia and total herd size was approximately 27,358 heads (as at 31 December 2024: 35,707 heads).

For the Reporting Year, benefiting from the decline in feed costs and the increase in selling prices, the gross profit margin of the beef cattle business has turned from negative to positive.

### **Ancillary Business**

For the Reporting Year, revenue from the ancillary business was RMB338.1 million (FY2024: RMB297.0 million), representing an increase of 13.9%.

### **Breeding**

We have implemented a genetic improvement program to enhance the breed of our dairy cows. As compared to the common industry practice of relying on imported bovine semen, we use in vitro fertilisation (the “**IVF**”) and embryo transfer (the “**ET**”) breeding technologies to breed better dairy cows. To achieve genetic improvement of dairy cattle breeds, a high genomic female core herd is fundamental. With the high genomic female core herd that our farms were able to provide, we can improve the herd genetic traits from both parental sides, compared to the common industry practices used by most of other large-scale farms operators which only improve the paternal side with semen. As at 31 December 2025, we had a core herd of over 12,009 dairy cows. For the Reporting Year, we have successfully transferred 21,689 IVF embryos.

### **Milk Quality**

We put product quality as the highest priority throughout our operations. All of our 11 dairy farms are currently certified with the Safe Quality Food (the “**SQF**”), which is a rigorous and credible food safety and quality program that is recognized by retailers, brand owners, and food service providers world-wide. We implement a rigorous internal quality control system to ensure the highest standards for our raw milk and beef cattle. We have established a set of standard operating procedures for each business operating procedure throughout the process of production of raw milk and beef cattle, including breeding and reproduction, feeding, milking, identification and treatment of disease, veterinary assistance, and inventory management.

### **Customers**

Unlike many of our competitors in the dairy farming and raw milk production industry, we are independent of our Controlling Shareholders and our customer development processes are fully autonomous. We have a well-diversified spectrum of customers and serve both leading national and regional dairy product manufacturers. For the Reporting Year, sales to the 5 largest raw milk customers accounted for 75.1% of our raw milk revenue.

## FINANCIAL REVIEW

### Revenue

The following table sets forth the details of the Group's consolidated revenue during the years indicated:

	For the year ended 31 December	
	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
Types of goods		
Raw milk	2,678,295	2,888,940
Beef cattle	451,484	497,946
Ancillary	338,135	296,955
	<u>3,467,914</u>	<u>3,683,841</u>

During the Reporting Year, the Group's revenue decreased by 5.9% YoY to RMB3,467.9 million (FY2024: RMB3,683.8 million), which was mainly due to the decrease in selling prices of raw milk.

### Cost of Sales

The Group's cost of sales primarily consisted of cost of raw milk and beef cattle. The following table sets forth the breakdown of the cost of sales for the years indicated:

	For the year ended 31 December	
	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
Costs of sales of raw milk	2,678,295	2,888,940
Costs of sales of beef cattle	451,484	497,946
Costs of sales of ancillary	316,859	279,956
Cost of sales	<u>3,446,638</u>	<u>3,666,842</u>

### ***Raw Milk Business***

The following table sets forth the breakdown of the cost of sales of the raw milk business before raw milk fair value adjustments for the years indicated:

	For the year ended 31 December			
	2025		2024	
	<i>RMB'000</i>	<i>%</i>	<i>RMB'000</i>	<i>%</i>
Direct Materials	<b>1,448,587</b>	<b>69.3%</b>	1,673,947	72.0%
Labor Costs	<b>151,395</b>	<b>7.2%</b>	143,675	6.2%
Overhead costs	<b>257,326</b>	<b>12.3%</b>	273,906	11.7%
Depreciation of property, plant and equipment	<b>122,658</b>	<b>5.9%</b>	122,476	5.3%
Transportation fees	<b>109,578</b>	<b>5.3%</b>	110,852	4.8%
Total	<b><u>2,089,544</u></b>	<b><u>100.0%</u></b>	<b><u>2,324,856</u></b>	<b><u>100.0%</u></b>

During the Reporting Year, costs of direct materials (mainly from silage, forage grass, corn and soy-bean products) of raw milk business amounted to RMB1,448.6 million (FY2024: RMB1,673.9 million), representing a YoY decrease of 13.5%, mainly due to the decrease in feed cost.

### ***Beef Cattle Business***

The following table sets forth the breakdown of the cost of sales of the beef cattle business before beef cattle fair value adjustments for the years indicated:

	For the year ended 31 December			
	2025		2024	
	<i>RMB'000</i>	<i>%</i>	<i>RMB'000</i>	<i>%</i>
Direct Materials	<b>351,550</b>	<b>79.1%</b>	456,172	81.0%
Labor Costs and Overhead costs	<b>65,436</b>	<b>14.7%</b>	75,635	13.5%
Depreciation of property, plant and equipment	<b>27,263</b>	<b>6.2%</b>	31,046	5.5%
Total	<b><u>444,249</u></b>	<b><u>100.0%</u></b>	<b><u>562,853</u></b>	<b><u>100.0%</u></b>

During the Reporting Year, costs of direct materials (mainly from silage, forage grass, corn and soy-bean products) of the beef cattle business amounted to RMB351.6 million (FY2024: RMB456.2 million), representing a YoY decrease of 22.9%, mainly due to the decrease in sales volume and feed cost.

## Gross Profit

The following table sets forth the breakdown of gross profit and gross profit margin of our business for the years indicated:

	For the year ended 31 December			
	2025		2024	
	Gross profit <i>RMB'000</i>	Gross profit <i>margin</i>	Gross profit <i>RMB'000</i>	Gross profit <i>margin</i>
Raw milk	588,751	22.0%	564,084	19.5%
Beef cattle	24,281	5.4%	(90,047)	(18.1%)
Ancillary	21,276	6.3%	16,999	5.7%
Total	<u>634,308</u>	<u>18.3%</u>	<u>491,036</u>	<u>13.3%</u>

In general, when milk prices decrease, the Group's profitability will decrease correspondingly under normal operational conditions.

During the Reporting Year, gross profit of the Group's raw milk business amounted to RMB588.8 million (FY2024: RMB564.1 million), representing an increase of 4.4% YoY, which was mainly due to a decrease in feed cost in the Reporting Year.

During the Reporting Year, gross profit of the Group's beef cattle business amounted to RMB24.3 million (FY2024: gross loss of RMB90.0 million), which was mainly due to the decrease in feed cost and the increase in selling prices in the Reporting Year.

## Losses Arising from Changes in Fair Value Less Costs to Sell of Other Biological Assets

As at 31 December 2025, the biological assets of the Group were valued by an independent qualified professional valuer, Jones Lang LaSalle Corporate Appraisal and Advisory Limited.

Losses arising from changes in the fair value less costs to sell of other biological assets were RMB946.0 million (FY2024: RMB1,260.6 million). The significant losses are mainly due to lower raw milk price used in the assumption to derive the fair value of biological assets.

## Other Income and Gains

During the Reporting Year, other income and gains amounted to RMB98.3 million (FY2024: RMB67.0 million) which mainly consisted of government grants, insurance claims, and technical service fees. The higher amount recorded in the Reporting Year was mainly due to the increases in the government grants by RMB19.1 million and insurance claims by RMB7.3 million.

## Other Expenses

During the Reporting Year, other expenses were RMB12.5 million (FY2024: RMB15.6 million), representing a decrease of 19.9% YoY. The lower amount recorded in the Reporting Year was mainly due to the decrease in foreign exchange losses recognized by RMB3.8 million and loss on disposal of property, plant and equipment by RMB2.8 million.

## Administrative Expenses

During the Reporting Year, administrative expenses amounted to RMB210.9 million (FY2024: RMB231.5 million), representing a YoY decrease of 8.9%.

## Finance Costs

During the Reporting Year, finance costs amounted to RMB282.7 million (FY2024: RMB282.3 million), representing a YoY increase of 0.2%.

## Loss before Tax and Loss Attributable to Owners of the Parent

Loss before tax was RMB731.5 million in the Reporting Year (FY2024: RMB1,250.5 million). Loss attributable to owners of the Parent amounted to RMB750.6 million during the Reporting Year (FY2024: RMB1,269.3 million). This reduction in loss was mainly due to:

- a) an increase in gross profit of the Group's business to RMB634.3 million (FY2024: RMB491.0 million), representing an increase of 29.2% or RMB143.3 million. The increase in gross profit is mainly due to a decrease in feed cost in the Reporting Year; and
- b) lower losses arising from changes in fair value less costs to sell of other biological assets. The Group recorded a loss of RMB946.0 million (FY2024: RMB1,260.6 million), representing a YoY decrease of 25.0% or RMB314.6 million.

During the Reporting Year, basic and diluted losses per Share of the Company (the "Share") was RMB0.92 (FY2024: RMB1.81 loss per Share).

## Non-IFRS Financial Measures

To supplement our consolidated financial information presented in accordance with IFRSs, we also use certain non-IFRS financial measures which reflect the Group's normal operating results by adjusting for the potential impacts of certain non-recurring items. We believe that such non-IFRS measures can provide useful information to the shareholders of the Company (the "Shareholders") in understanding and evaluating our consolidated financial results. However, the use of such non-IFRS measures has limitations as an analytical tool, and Shareholders should consider it in conjunction with the Group's consolidated financial information.

The Group uses following non-IFRS financial measures:

- i. Cash EBITDA is defined as loss for the year excluding (i) finance costs, (ii) interest income, (iii) income tax expense, (iv) depreciation and amortisation, (v) losses arising from changes in fair value less costs to sell of other biological assets, (vi) foreign exchange difference, (vii) impairment losses on financial assets, and (viii) share-based payment expenses; and
- ii. Profit/(loss) for the year (before biological assets fair value adjustments) is derived from loss for the year excluding losses arising from changes in fair value less costs to sell of other biological assets.

The following tables reconcile the non-IFRS financial measures from the most directly comparable financial measures presented in accordance with IFRSs.

## **Cash EBITDA**

**For the year ended 31 December**

	<b>2025</b>	<b>2024</b>
	<b>RMB'000</b>	<b>RMB'000</b>
<b>Loss for the year</b>	<b>(750,619)</b>	<b>(1,269,287)</b>
<b>Adjustments:</b>		
Depreciation of property, plant and equipment	<b>184,049</b>	184,109
Depreciation of right-of-use assets	<b>32,102</b>	30,710
Amortisation of intangible assets	<b>1,341</b>	1,597
Interest expenses	<b>282,725</b>	282,295
Income taxes	<b>19,131</b>	18,776
Interest income	<b>(872)</b>	(1,652)
Share-based payment expenses	<b>–</b>	2,309
Losses arising from changes in fair value less costs to sell of other biological assets	<b>945,965</b>	1,260,646
Reversal of impairment on financial assets	<b>–</b>	(20)
Foreign exchange difference, net	<b>(5,141)</b>	3,800
<b>Cash EBITDA</b>	<b>708,681</b>	<b>513,283</b>

## ***Profit/(loss) for the year (before biological assets fair value adjustments)***

**For the year ended 31 December**

	<b>2025</b>	<b>2024</b>
	<b>RMB'000</b>	<b>RMB'000</b>
<b>Loss for the year</b>	<b>(750,619)</b>	<b>(1,269,287)</b>
<b>Adjustments:</b>		
Losses arising from changes in fair value less costs to sell of other biological assets	<b>945,965</b>	1,260,646
<b>Profit/(loss) for the year (before biological assets fair value adjustments)</b>	<b>195,346</b>	<b>(8,641)</b>

## Liquidity and Capital Resources

During the Reporting Year, the Group funded its cash requirements principally through a combination of cash generated from operating activities and bank borrowings.

The following table sets forth our cash flows for the Reporting Years indicated:

	For the year ended 31 December	
	2025	2024
	RMB'000	RMB'000
Net cash flows from operating activities	1,013,324	813,551
Net cash flows used in investing activities	(319,718)	(561,032)
Net cash flows used in financing activities	(633,732)	(244,700)
Net increase in cash and cash equivalents	59,874	7,819
Effects of foreign exchange rate changes, net	(114)	103
Cash and cash equivalents at the beginning of the year	281,921	273,999
Cash and cash equivalents at the end of the year	341,681	281,921

### *Net Cash Flows from Operating Activities*

During the Reporting Year, net cash flows from operating activities was RMB1,013.3 million. For FY2024, net cash flows from operating activities were RMB813.6 million.

### *Net Cash Flows Used in Investing Activities*

During the Reporting Year, net cash flows used in investing activities was RMB319.7 million, which was mainly attributable to (i) payments for biological assets of RMB537.6 million and (ii) payments for purchases of property, plant and equipment of RMB108.2 million, partially offset by the proceeds from the disposal of biological assets of RMB325.1 million.

For FY2024, net cash flows used in investing activities was RMB561.0 million, which was mainly attributable to (i) payments for biological assets of RMB803.5 million and (ii) payments for purchases of property, plant and equipment of RMB139.7 million, partially offset by the proceeds from the disposal of biological assets of RMB377.2 million.

### *Net Cash Flows Used in Financing Activities*

During the Reporting Year, net cash flows used in financing activities was RMB633.7 million which was mainly attributable to (i) Proceeds from issuance of new shares RMB278.4 million, (ii) repayment of interest-bearing bank borrowings of RMB4,561.8 million, (iii) principal portion of lease payments of RMB144.8 million, and (iv) interest payment of RMB179.0 million, partially offset by new interest-bearing bank borrowings of RMB3,973.4 million.

For FY2024, net cash flows used in financing activities was RMB244.7 million which was mainly attributable to (i) repayment of interest-bearing bank borrowings of RMB3,125.2 million, (ii) principal portion of lease payments of RMB121.9 million, and (iii) interest paid of RMB202.7 million, partially offset by the new interest-bearing bank borrowings of RMB3,206.2 million.

## Interest-Bearing Bank Borrowings

	31 December 2025			31 December 2024		
	Effective interest rate (%)	Maturity	<i>RMB'000</i>	Effective interest rate (%)	Maturity	<i>RMB'000</i>
<b>Current</b>						
Bank loans – secured	2.60-4.35	2026	1,613,262	3.90-4.80	2025	2,031,410
Current portion of long-term bank loans – secured	2.85-8.05	2026	<u>261,778</u>	3.30-9.56	2025	<u>431,085</u>
			<u><b>1,875,040</b></u>			<u><b>2,462,495</b></u>
<b>Non-current</b>						
Bank loans – secured	2.85-8.05	2027-2030	<u>1,050,130</u>	3.30-9.56	2026-2028	<u>1,035,897</u>
			<u><b>2,925,170</b></u>			<u><b>3,498,392</b></u>

	31 December 2025	31 December 2024
	<i>RMB'000</i>	<i>RMB'000</i>

Analysed into:

Bank loans:

Within one year or on demand	<b>1,875,040</b>	2,462,495
In the second year	<b>324,980</b>	461,863
In the third to fifth years, inclusive	<b>725,150</b>	574,034
	<u><b>2,925,170</b></u>	<u><b>3,498,392</b></u>

## Contingent Liabilities and Pledge of Assets

As at 31 December 2025, some of the Group's bank and other borrowings had been secured by the pledge of the Group's assets.

The Group's bank loans are secured by:

- (i) As at 31 December 2025, no deposits were pledged to banks to secure bank borrowings granted to the Group (31 December 2024: RMB15,000);
- (ii) As at 31 December 2025, trade receivables of RMB223,449,000 were pledged to banks to secure certain bank borrowings granted to the Group (31 December 2024: RMB277,019,000);
- (iii) As at 31 December 2025, inventories of RMB876,037,000 were pledged to banks to secure certain bank borrowings granted to the Group (31 December 2024: RMB1,026,713,000);
- (iv) As at 31 December 2025, property, plant and equipment of RMB323,092,000 were pledged to banks to secure certain bank borrowings granted to the Group (31 December 2024: RMB509,805,000);
- (v) As at 31 December 2025, biological assets of RMB2,719,640,000 were pledged to banks to secure certain bank borrowings granted to the Group (31 December 2024: RMB3,324,174,000);
- (vi) As at 31 December 2025, right-of-use assets of RMB12,582,000 were pledged to banks to secure certain bank borrowings granted to the Group (31 December 2024: RMB12,858,000);
- (vii) As at 31 December 2025, shares of a subsidiary of RMB582,000,000 were pledged to banks to secure certain bank borrowings granted to the Group (31 December 2024: RMB562,000,000);
- (viii) As at 31 December 2025, investments in certain subsidiaries of RMB1,529,996,000 were pledged to banks to secure certain bank borrowings granted to the Group (31 December 2024: RMB1,517,996,000);
- (ix) As at 31 December 2025, certain of the Group's bank loans amounting to RMB2,900,989,000 were guaranteed by the Company and certain subsidiaries of the Group (31 December 2024: RMB3,476,940,000); and
- (x) As at 31 December 2025, certain of the Group's bank loans amounting to RMB56,660,000 were guaranteed by an external company, Inner Mongolia Niuxiangrong Financing Guarantee Co., Ltd. (31 December 2024: RMB24,940,000).

The Group did not have any significant contingent liabilities as at 31 December 2025 and 31 December 2024.

## Capital Management

The Group monitors capital using a gearing ratio, which is debt divided by capital. Debt includes interest-bearing bank borrowings and lease liabilities. Capital includes equity attributable to owners of the parent. The gearing ratios as at the end of each reporting year were as follows:

	<b>31 December 2025 RMB'000</b>	31 December 2024 RMB'000
Interest-bearing bank borrowings (current and non-current)	<b>2,925,170</b>	3,498,392
Lease liabilities (current and non-current)	<b>1,430,138</b>	1,441,039
Debt	<b>4,355,308</b>	4,939,431
Equity attributable to owners of the parent	<b>3,335,301</b>	3,807,512
Gearing ratio	<b>131%</b>	130%

## Loan Agreements with Covenants Relating to Specific Performance of Controlling Shareholders

The Company and its subsidiaries have entered into certain facility agreements with several banks for term loan facilities, which provide, among other things, that it would constitute an event of default or the Group would need to obtain prior written consent of the lending bank if the Controlling Shareholders of the Company and certain other persons (taken as a group) ceases to (i) own at least 30 percent (whether owned directly or indirectly) of the issued share capital in the Company and/or be the single largest shareholder of the Company or (ii) have (a) the de facto ability to direct the affairs of the Company and (b) the de facto right to determine the composition of the Board, in each case, except with prior written consent of the facility agents (acting on the instructions of the financial institutions and such consent not to be unreasonably withheld).

As at 31 December 2025, the aggregate amount of loan facilities of the Group that may be affected by a breach of covenants tied to the Controlling Shareholders of the Company is approximately USD399 million (equivalent to approximately RMB2,810 million). The life of such loan facilities ranges from 6 months to 5 years.

Save as disclosed above, none of the Directors or Controlling Shareholders has an interest, directly or indirectly, in the above transaction, save through their shareholdings (if any) in the Company.

## Foreign Currency Risk

The Group's exposure to foreign currency risk principally mainly relates to the Group's subsidiaries in the Chinese mainland and Singapore where some of the transactions are denominated in USD and SGD. The Company generally holds its cash and cash equivalents in RMB and make its borrowings mainly in RMB. In addition, the group has a USD5.0 million working capital loan and USD27.8 million term loan outstanding as at 31 December 2025.

Though the fluctuations in the exchange rates could affect the Group's results of operations, the exposure to foreign currency was immaterial to the Group's size of operation, in the opinion of management, the Group does not face any significant foreign currency risk.

The Group currently does not have a foreign exchange hedging policy. The management of the Group monitors foreign exchange exposure closely and will consider hedging any significant foreign exchange exposure should the needs arise.

## **Employees**

Our success depends on our ability to attract, retain and motivate talented employees. To this end, as part of our human resource strategy, we are committed to building the most competitive talent team in our industry. We primarily recruit our employees through on-campus job fairs, recruitment agencies and online channels. We provide regular training and guidance to our employees to continuously upgrade their skills in line with the industry trends and enhance their performance. Therefore, we can attract and retain talented employees and maintain a stable core management and technical team.

The remuneration package of the employees including salary, bonus, allowance, benefits in kind (including contributions to pension schemes), and pension or allowance on the retirement. In addition, the Company also adopts various share schemes as set out in the annual report for the year ended 31 December 2025.

The total employee remuneration expenses (including Directors and chief executives' remuneration, pension scheme contributions and share-based payments expenses) for the Reporting Year were approximately RMB382.02 million (FY2024: RMB380.49 million), representing an increase of 0.4% YoY.

## **STRATEGIES AND PROSPECTS**

Although China's economy and the dairy industry face huge challenges in the short term, we still believe that the foundation of China's huge consumer market remains solid. We are confident that with the continuous recovery and advancement of China's economy, the dairy industry downturn is approaching a turning point.

Our vision is to become one of the TOP 3 dairy farm operators in the world in terms of OPERATIONAL EFFICIENCY and ECO-SUSTAINABILITY. We focus on creating long-term value for our stakeholders in a responsible and sustainable way. To achieve our vision, we intend to pursue a comprehensive strategy focusing on the following:

### **Continuously Improving Operational Efficiency and Diversifying Customer Base**

As the dairy industry's capacity rationalization continues, we anticipate that a significant number of less efficient small to medium-sized dairy farms will be phased out. Large-scale and highly efficient farming operators like us will consequently gain and solidify a stronger competitive position.

Although the industry is still facing challenges at present, we remain confident in the long-term prospects of consumer demand for raw milk and dairy products in China. Given the current industry dynamics, we will continue focusing on enhancing operational efficiency and will refrain from pursuing capital-intensive investments at this stage.

We will further diversify our customer base and increase the number of customers. While diversifying customers, we will also expand channel diversification and cultivate new sales channels to reduce our operational risks.

### **Upgrading Beef Cattle Business and Exploring Mid-to-premium Sales Channels**

As the world's second-largest beef consumer, China exhibits substantial beef consumption. However, the per capita beef consumption remains significantly lower than other developed and developing countries. Driven by growing health consciousness, rising demand for high-protein diets, and diversification of dining scenarios, China possesses immense untapped potential for beef consumption growth.

We anticipate rising demand for premium beef products, particularly high-end varieties like Wagyu. Moving forward, we will continue Wagyu and Angus in vitro embryo production and transplantation to gradually expand our herd size of these premium cattle breeds.

We will further diversify our customer base and expand downstream sales channels with branded beef products, which will solidify our position as a premium beef supplier and develop a more resilient and profitable beef cattle operation.

### **Enhancing In-house Integration and Improving Operational Efficiency through Genetic Breeding Technology and Feed Mill Operation**

Animal breeding and their genetic characteristics form the foundation of efficient dairy and beef cattle operations. As an industry leader, we have accumulated extensive expertise in this domain. We will continue advancing the commercial application of IVF and ET technologies to expand our core herd with characteristics of higher AMY, stable raw milk nutritional profile, higher feed digestibility, more lactations, lower morbidity and longevity. Supported by robust genetic improvement program, we aim to achieve significant improvements in operational efficiency and product quality across our farms.

Since commencing operations in 2023, our feed mill has consistently supplied high-quality feed for both dairy and beef cattle operations. We will continue optimising feed quality and enhancing management over feeding costs.

### **Embedding Sustainability to Power Operations**

Sustainable development has never been an option, but a necessary pathway towards our future development. Through years of learning and training, we have successfully embedded environmental, social and governance (the “ESG”) concepts into daily operations, ways of thinking and long-term planning. Guided by our vision, we have established an effective governance structure to ensure sustainability in our business. The ESG committee, ESG management committee and sustainability department of the Company have been working closely and effectively in managing daily and long-term ESG matters. More details can be found in our ESG report which is published together with the 2025 annual report in due course.

## **Actions for 2026**

Despite persistent industry headwinds and challenges, we anticipate positive market shifts in the near future. We will maintain our focus on enhancing operational efficiency; advancing customer and channel diversification; reducing cost of raw milk per kilogram through effective measures to managing costs and strengthening cost competitiveness; executing the strategic beef cattle transition from Holstein to Wagyu and Angus; expanding sales volume to third-party customers in our feed business; enhancing our genetic improvement program and maintaining our leading position in the dairy and beef breeding business in China.

We firmly believe that with the policy support and structural transformation, the Chinese economy will demonstrate resilience and drive the recovery of consumption. After the dairy industry goes through the tough period, we will surely embrace new development opportunities.

## **RIGHTS ISSUE**

On 16 April 2025, the Company announced that the Board proposed to implement the rights issue on the basis of two (2) rights shares for every five (5) existing shares held on the record date at the subscription price of HK\$1.12 per rights share, to raise up to approximately HK\$313.81 million before expenses by way of issuing up to 280,185,244 rights shares (the “**Rights Issue**”). The Rights Issue allows the Group to improve its financial position and enlarge its capital base to support the long-term development of the Group without subject to additional interest burden.

The result of the Rights Issue was announced on 4 August 2025 and 280,185,244 rights shares were allotted and issued on 5 August 2025. Details of the Rights Issue are set out in the announcements of the Company dated 16 April 2025, 27 June 2025 and 4 August 2025, the circular of the Company dated 5 June 2025, and the prospectus of the Company dated 14 July 2025 (the “**Rights Issue Prospectus**”).

As disclosed in the Rights Issue Prospectus, the Group intends to use the net proceeds of the Rights Issue (the “**Net Proceeds**”) in the following manner:

- (i) about 63.15% of the net proceeds (approximately HK\$195 million which is equivalent to approximately US\$25 million) to fully repay a short-term loan facility of US\$25 million with a financial institution for the purpose of providing working capital for the Group. The loan facility was utilised on 27 February 2025 and is due on 26 August 2025, with an option to extend for a further three months, which is subject to the lender’s sole discretion. The proceeds of the loan facility have been used to provide short-term liquidity to the Group’s farm operations in the Chinese mainland;
- (ii) about 27.37% of the net proceeds (approximately HK\$84.53 million which is equivalent to approximately RMB79.46 million) to be used for the repayment of onshore working capital facilities and interests with a financial institution in the Chinese Mainland. Such loan facilities were utilized on 17 January 2025 and were used as working capital in our dairy farms located in Shandong and Inner-Mongolia of the Chinese mainland. The original due date of the loan facilities is on 17 July 2025 and it will be subsequently rolled over to 17 January 2026; and

- (iii) the remaining 9.48% of the net proceeds (approximately HK\$29.28 million) to be used for the Group's general working capital purposes, including, but not limited to, normal feed material procurement, purchase of silages and other working capital needs.

The Board, after careful consideration, has resolved to change the use of unutilised portion of the Net Proceeds and details were disclosed in the announcement of the Company dated 26 September 2025 and the interim report of the Company published on 29 September 2025. Given the Group's cash flow position and loan repayment schedule, the Board considered that it was in the interest of the Group to allocate unutilised Net Proceeds for repaying offshore loans and related interests rather than using them for general working capital. Such adjustment can minimise foreign exchange losses and reduce the lead time for funds remittance.

As at 31 December 2025, the Net Proceeds (after deducting the expenses) amounted to HK\$307.19 million, which had been fully utilised. The table below sets forth the detailed breakdown.

<b>Net Proceeds allocation</b>	<b>Intended use of Net Proceeds as disclosed in the Rights Issue Prospectus HK\$'million</b>	<b>Utilised Net Proceeds up to the date of this announcement HK\$'million</b>	<b>Unutilised Net Proceeds up to the date of this announcement HK\$'million</b>
(i) Repayment of a short-term loan facility	195.00	195.00	–
(ii) Repayment of onshore working capital facilities and related interests	84.53	80.00	–
(iii) Payment of general working capital	29.28	–	–
(iv) Repayment of offshore loans and related interests	–	32.19	–
<b>Total</b>	<b>308.81<sup>(1)</sup></b>	<b>307.19<sup>(1)</sup></b>	<b>–</b>

- (1) The Net Proceeds amounted to HK\$307.19 million (after deducting the expenses), which was less than the estimated amount of HK\$308.81 million. The Group has utilised the Net Proceeds in accordance with the sequence disclosed in the Rights Issue Prospectus.

## **SIGNIFICANT INVESTMENTS AND MATERIAL ACQUISITIONS OR DISPOSAL**

During the Reporting Year and up to the date of this announcement, the Group held no significant investments, nor did it make any material acquisitions or disposals of subsidiaries, associates or joint ventures.

The Board confirmed that the Group's transactions in financial assets during the Reporting Year, on a standalone basis and aggregate basis, did not constitute notifiable transactions under Chapter 14 of the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules").

## **SIGNIFICANT EVENTS AFTER THE REPORTING YEAR**

There have been no significant events affecting the Group subsequent to the year ended 31 December 2025 and up to the date of this announcement.

## **FUTURE PLANS FOR MATERIAL INVESTMENTS AND CAPITAL ASSETS**

The Group has no other plans for material investments or capital assets.

## **PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY**

Neither the Company nor its subsidiaries purchased, sold or redeemed any of the Company's listed securities (including treasury shares as defined in the Listing Rules) during the Reporting Year and up to the date of this announcement. The Company did not hold any treasury shares as at 31 December 2025.

## **FINAL DIVIDEND**

The Board has resolved not to recommend the payment of a final dividend for the year ended 31 December 2025 (FY2024: nil).

## **PUBLIC FLOAT**

Based on the information publicly available to the Company and to the knowledge of the Directors, the Company has maintained sufficient public float as required by the Listing Rules as at the date of this announcement. The Company maintained the minimum level of public float of 25% of its total number of issued Shares.

## **COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE**

The Company is committed to maintaining good corporate governance so as to deliver long-term and sustained value for the Shareholders.

The Company has adopted the principles and code provisions of the Corporate Governance Code (the "CG Code") as set out in the Appendix C1 to the Listing Rules as the basis of corporate governance practices, and the CG Code has been applicable to the Company with effect from the listing date on 30 December 2022.

The Company will continue reviewing and monitoring its corporate governance practices regularly to ensure compliance with the CG Code, and maintain a high standard of corporate governance practices. To the best knowledge of the Directors, the Company has complied with the applicable code provisions as set out in the CG Code during the Reporting Year and up to the date of this announcement.

## **COMPLIANCE WITH THE MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS**

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the “**Model Code**”) as set out in the Appendix C3 to the Listing Rules as its code of conduct regarding Directors’ securities transactions, and the Model Code has been applicable to the Company with effect from the listing date on 30 December 2022.

All Directors have confirmed, following specific enquiry made by the Company, that they have complied with the guidelines contained in the Model Code during the Reporting Year.

No incident of non-compliance of the Model Code was noted by the Company during the Reporting Year and up to the date of this announcement.

## **ANNUAL GENERAL MEETING**

The annual general meeting of the Company (the “**AGM**”) will be scheduled on Wednesday, 3 June 2026. A notice convening the AGM will be issued and dispatched (if requested) to the Shareholders in due course.

## **CLOSURE OF REGISTER OF MEMBERS**

In order to determine the entitlement to attend and vote at the AGM, the record date will be Wednesday, 3 June 2026 and the register of members of the Company will be closed from Friday, 29 May 2026 to Wednesday, 3 June 2026 (both days inclusive), during which period no transfer of Shares will be registered. All transfer documents of the Company accompanied by the relevant share certificates must be lodged with the share registrar of the Company in Hong Kong, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wan Chai, Hong Kong, for registration not later than 4:30 p.m. on Thursday, 28 May 2026.

## **SCOPE OF WORK OF THE AUDITOR**

The figures in respect of the Group’s consolidated statement of financial position, consolidated statement of profit or loss and other comprehensive income, the related notes thereto for the year ended 31 December 2025 as set out in the announcement have been agreed by the Group’s independent auditor, Ernst & Young, to the amounts set out in the Group’s consolidated financial statements for the Reporting Year. The work performed by Ernst & Young in this respect did not constitute an assurance engagement in accordance with the Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the Hong Kong Institute of Certified Public Accountants and consequently no assurance has been expressed by Ernst & Young on the announcement.

## **EXTRACT OF INDEPENDENT AUDITOR’S REPORT**

The following is an extract of the independent auditor’s report on the Group’s consolidated financial statements for the year ended 31 December 2025:

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 2025, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (the “IASB”) and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

## **MATERIAL UNCERTAINTIES RELATED TO GOING CONCERN**

We draw attention to note 2 to the consolidated financial statements, which indicates that as at 31 December 2025, the Group had net current liabilities of approximately RMB905 million and the Group’s total bank borrowings amounted to RMB2,925 million, of which RMB1,875 million will be due for repayment within one year from 31 December 2025, while its cash and cash equivalents amounted to RMB342 million. The Group incurred a net loss of RMB751 million for the year ended 31 December 2025. These conditions, along with other matters as set forth in note 2 to the consolidated financial statements, indicate that a material uncertainty exists that may cast significant doubt on the Group’s ability to continue as a going concern. Our opinion is not modified in respect of this matter.

## **AUDIT COMMITTEE**

The Company has established an audit committee (the “**Audit Committee**”) with written terms of reference in compliance with rule 3.21 of the Listing Rules and the CG Code. The primary duties of the Audit Committee are to review and supervise the financial reporting process and internal controls system of our Group, review and approve connected transactions (if any) and provide advices and comments to the Board. The Audit Committee consists of one non-executive Director, namely Ms. Gabriella SANTOSA, and two independent non-executive Directors, namely Messrs. SUN Patrick and CHANG Pan, Peter. Mr. SUN Patrick, possessing the appropriate professional qualifications, serves as the chairman of the Audit Committee.

The Audit Committee had, together with the management of the Company, reviewed the consolidated financial statements of the Group for the year ended 31 December 2025 and the accounting principles and policies adopted by the Group.

## **PUBLICATION OF THE ANNUAL RESULTS ANNOUNCEMENT AND ANNUAL REPORT**

This announcement is published on the website of the Stock Exchange at [www.hkexnews.hk](http://www.hkexnews.hk) as well as the website of the Company at [www.austasiadairy.com](http://www.austasiadairy.com). The Company’s annual report for the year ended 31 December 2025 will be published on the aforementioned websites and will be dispatched (if requested) to the Shareholders in due course.

## **APPRECIATION**

The Company would like to thank our shareholders, customers, and business partners for their support. We also take this opportunity to express our gratitude to the management and our employees for the contributions made towards the Group's continued progress.

By order of the Board  
**AustAsia Group Ltd.**  
**Edgar Dowse COLLINS**  
*Executive Director and Chief Executive Officer*

Hong Kong, 27 March 2026

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