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AU STAR

奥星

Austar Lifesciences Limited

奥星生命科技有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 6118)

PROFIT WARNING

This announcement is made by Austar Lifesciences Limited (“**Company**” and together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (“**Listing Rules**”) and the Inside Information Provisions (as defined in the Listing Rules).

The board (“**Board**”) of directors (“**Directors**”, each a “**Director**”) of the Company wishes to inform the shareholders of the Company and potential investors that, based on a preliminary assessment of the unaudited consolidated management accounts of the Group for the year ended 31 December 2022 and the information currently available to the Board, it is expected that a profit attributable to the owners of the Company of not less than RMB50 million will be recorded for the year ended 31 December 2022, as compared with that of approximately RMB277.3 million for the year ended 31 December 2021.

The expected decrease in profit attributable to the owners of the Company is mainly attributable to the following reasons:

- (1) the absence in the year ended 31 December 2022 of the one-off net gain of approximately RMB176 million from the Group’s disposal of its 60% equity interest in a then joint venture of the Group which was recognised in the year ended 31 December 2021;
- (2) the increase in operating loss of a non-wholly owned subsidiary of the Group established in Europe for the year ended 31 December 2022 as compared with the year ended 31 December 2021; and
- (3) the negative impact on the operation of the Group for the year ended 31 December 2022 due to the COVID-19 pandemic outbreak in different regions in China, especially the lockdown in Shanghai and Shijiazhuang.

The Company wishes to emphasize despite the aforesaid challenges, the Group has maintained profitability through execution of its cost-saving program during the year; meanwhile, with the rapid recovery of China market from the COVID-19 pandemic, we are of confidence in the Group's future business prospects.

The information contained in this announcement is only based on the preliminary assessment by the management of the Company by information currently available to the Group including the unaudited consolidated management accounts of the Group for the year ended 31 December 2022 and is not based on any figure or information which has been audited or reviewed by the Company's auditors and may be subject to adjustments and changes. Details of the Group's financial information and performance will be disclosed when the Group's annual results for the year ended 31 December 2022 are announced, which is expected to be published in late March 2023.

Shareholders of the Company and potential investors should exercise caution when dealing in the shares of the Company.

On behalf of the Board
Austar Lifesciences Limited
Ho Kwok Keung, Mars
Chairman and Chief Executive Officer

Hong Kong, 3 February 2023

As at the date of this announcement, the Board comprises four executive Directors, namely Mr. Ho Kwok Keung, Mars, Mr. Ho Kin Hung, Mr. Chen Yuewu and Madam Zhou Ning; one non-executive Director, namely Madam Ji Lingling; and three independent non-executive Directors, namely Mr. Cheung Lap Kei, Madam Chiu Hoi Shan and Mr. Leung Oi Kin.