

FY23 FINANCIAL RESULTS UPDATE - INVENTORY IMPAIRMENT

As part of Australian Dairy Nutritionals Limited's (**AHF** or the **Group**) audit of its financial results for the year ended 30 June 2023, AHF advises there will be a \$917k inventory impairment.

Previously the Group advised the market it expected a \$150k-250k impairment in respect of inventory of the future Gradulac Gentle range however, as part of the audit process the Board has concluded additional impairment is necessary as domestic sales of the range have not reached expectations.

The Group will lodge its Appendix 4E and Annual Report on Thursday 31 August 2023. Subject to final sign off by the auditor and the Board, there will be a net loss from continuing operations of \$6.9m, a net loss from discontinued operations of \$2.3m, net fair value gains of \$1.0m and a total comprehensive loss of \$8.2m. Obviously, this is a very disappointing result and further commentary will be provided to the market on release of the Appendix 4E and Annual Report.

The release of this announcement was authorised by the Board of AHF.

Ends

Further Details

For additional company information or media enquiries, please contact:

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About Australian Dairy Nutritionals Group

Australian Dairy Nutritionals Group (AHF) is a vertically integrated Australian dairy group which owns high quality organic and organic A2 dairy farms, and a manufacturing facility located in Southwestern Victoria, the 'Golden Triangle' of Australia's dairy industry. AHF manufactures the Ocean Road Dairies infant formula range, Australia's first organic A2 protein infant formula made with farm fresh Australian milk, sourced directly from our organic certified dairy farms.

Disclaimer – Forward Looking Statements

This announcement may include "forward looking statements" within the meaning of securities laws of applicable jurisdictions. These forward-looking statements are not historical facts but are based on AHF's current expectation, estimates and projections about the industry, in which it operates, and beliefs and assumptions. Readers are cautioned not to place undue reliance on forward looking statements.