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Congyu Intelligent Agricultural Holdings Limited
從玉智農集團有限公司

(Incorporated in Bermuda with limited liability)

(Stock Code: 875)

INTERIM RESULTS ANNOUNCEMENT FOR THE SIX MONTHS ENDED 30 JUNE 2026

The board (the "**Board**") of directors (the "**Directors**") of Congyu Intelligent Agricultural Holdings Limited (the "**Company**") is pleased to present the unaudited consolidated interim results of the Company and its subsidiaries (collectively, the "**Group**") for the six months ended 30 June 2026 (the "**Reporting Period**"), along with the unaudited comparative figures for the six months ended 30 June 2025 (the "**Corresponding Period**") and selected explanatory notes as follows:

FINANCIAL HIGHLIGHTS

The financial highlights of the Group for the Reporting Period are summarised as follows:

– The Group recorded revenue of approximately HK$253.4 million for the Reporting Period, representing a decrease of approximately HK$311.6 million or 55.2%, from approximately HK$564.9 million for the Corresponding Period.

– Gross profit of the Group during the Reporting Period was approximately HK$1.0 million, representing a decrease of approximately HK$2.4 million or 70.4%, as compared with approximately HK$3.4 million for the Corresponding Period.

– Loss attributable to owners of the Company for the Reporting Period was approximately HK$9.7 million, as compared with profit attributable to owners of the Company of approximately HK$1.3 million for the Corresponding Period.

– Basic loss per share was HK1.76 cents for the Reporting Period, as compared with basic earnings per share of HK0.30 cents for the Corresponding Period.

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the six months ended 30 June 2026

	Note	Six months ended 30 June	
		2026	2025
		HK$'000	*HK$'000*
		(Unaudited)	(Unaudited)
Revenue	*4*	**253,379**	564,940
Cost of sales		**(252,375)**	(561,546)
Gross profit		**1,004**	3,394
Other income and gains	*5*	**833**	1,077
Selling and distribution expenses		**(2,213)**	(2,364)
Administrative and other expenses		**(12,862)**	(19,578)
Finance costs	*6*	**(9,659)**	(3,319)
Reversal of impairment losses on trade and other receivables		**12,500**	21,702
(Loss)/profit before tax	*7*	**(10,397)**	912
Income tax expense	*8*	**–**	–
(Loss)/profit for the period		**(10,397)**	912
Other comprehensive income/(expense), net of tax:			
Item that may be reclassified subsequently to profit or loss:			
– Exchange differences on translating foreign operations		**2,626**	(3,095)
Total comprehensive expense for the period		**(7,771)**	(2,183)
(Loss)/profit for the period attributable to:			
– Owners of the Company		**(9,739)**	1,262
– Non-controlling interests		**(658)**	(350)
		(10,397)	912

	Note	Six months ended 30 June **2026** *HK$'000* **(Unaudited)**	2025 *HK$'000* (Unaudited)
Total comprehensive (expense)/income for the period attributable to:			
– Owners of the Company		**(7,834)**	(1,708)
– Non-controlling interests		**63**	(475)
		(7,771)	(2,183)
(Loss)/earnings per share (HK cents)	*9*		
– Basic		**(1.76)**	0.30
– Diluted		**(1.76)**	0.30

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
At 30 June 2026

	Note	At 30 June 2026 HK$'000 (Unaudited)	At 31 December 2025 HK$'000 (Audited)
Non-current assets			
Property, plant and equipment		–	–
Right-of-use assets		–	–
Goodwill		–	–
Interests in associates		–	–
		–	–
Current assets			
Inventories		149	146
Trade and other receivables	*11*	1,328,592	2,135,639
Bank balances and cash		3,093	17,158
		1,331,834	2,152,943
Current liabilities			
Trade and other payables	*12*	700,742	1,562,165
Bank and other borrowings	*13*	430,928	454,353
Bond payable		27,720	27,720
Lease liabilities		2,019	1,874
Deferred income		970	1,672
Income tax payables		27,690	27,027
		1,190,069	2,074,811
Net current assets		141,765	78,132
Total assets less current liabilities		141,765	78,132

	Note	At **30 June 2026** *HK$'000* (Unaudited)	At 31 December 2025 *HK$'000* (Audited)
Non-current liabilities			
Lease liabilities		**13,598**	13,630
Deferred income		**10,226**	9,868
		23,824	23,498
Net assets		**117,941**	54,634
Capital and reserves			
Share capital	*14*	**7,020**	5,491
Reserves		**91,408**	29,693
Equity attributable to owners of the Company		**98,428**	35,184
Non-controlling interests		**19,513**	19,450
Total equity		**117,941**	54,634

NOTES

1 GENERAL INFORMATION AND BASIS OF PREPARATION

General information

Congyu Intelligent Agricultural Holdings Limited（從玉智農集團有限公司）(the "**Company**") was incorporated in Bermuda as an exempted company with limited liability and its shares are listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**"). The address of its registered office is Victoria Place, 5th Floor, 31 Victoria Street, Hamilton HM 10, Bermuda. The principal place of business in Hong Kong is Room 53, 6B/F., Liven House, 61-63 King Yip Street, Kwun Tong, Kowloon, Hong Kong.

The Company is an investment holding company. The principal activities of the Company and its subsidiaries (collectively referred to as the "**Group**") are growing, processing and trading of agricultural produce and bulk commodities.

In the opinion of the directors of the Company, the immediate and ultimate holding company of the Company is Sino Richest Investment Holdings Limited, a company incorporated in the British Virgin Islands, while the ultimate controlling party of the Company is Mr. Lin Yuhao ("**Mr. Lin**"), the executive director of the Company.

Basis of preparation

The unaudited condensed consolidated interim financial information of the Group for the six months ended 30 June 2026 has been prepared in accordance with Hong Kong Accounting Standard ("**HKAS**") 34 *Interim Financial Reporting* issued by the Hong Kong Institute of Certified Public Accountants (the "**HKICPA**"), as well as with the applicable disclosure requirements of the Rules Governing the Listing of Securities on the Stock Exchange.

The preparation of an unaudited condensed consolidated interim financial information in conformity with HKAS 34 requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates.

The unaudited condensed consolidated interim financial information contains condensed consolidated financial statements and selected explanatory notes. The notes include explanations of events and transactions that are significant to an understanding of the changes in consolidated financial position and consolidated financial performance of the Group since the consolidated financial statements for the year ended 31 December 2025. These condensed consolidated interim financial information and notes thereon do not include all of the information required for the preparation of full set of consolidated financial statements in accordance with HKFRS Accounting Standards issued by the HKICPA and should be read in conjunction with the consolidated financial statements for the year ended 31 December 2025.

The accounting policies and method of computation adopted in the preparation of the unaudited condensed consolidated interim financial information are consistent with those followed in the preparation of the Group's annual consolidated financial statements for the year ended 31 December 2025, except as described in note 2.

2 ADOPTION OF THE AMENDMENTS TO HKFRS ACCOUNTING STANDARDS

In the current interim period, the Group has applied, for the first time, the following amendments to HKFRS Accounting Standards and Interpretation which are effective for the Group's financial year beginning 1 January 2026:

Amendments to HKFRS 9 and HKFRS 7	Amendments to the Classification and Measurement of Financial Instruments
Amendments to HKFRS Accounting Standards – Volume 11	Annual Improvements to HKFRS Accounting Standards
Amendments to HKFRS 9 and HKFRS 7	Amendments to Contracts Referencing Nature-dependent Electricity

The application of the amendments to HKFRSs and Interpretation in the current interim period has had no material impact on the Group's consolidated financial positions and financial performance for the current and prior periods and/or on the disclosures set out in these unaudited condensed consolidated interim financial information.

3 SEGMENT INFORMATION

Information reported to the most senior executive management, being the chief operating decision maker, for the purposes of resources allocation and assessment of segment performance focuses only on nature of revenue and geographical location of customers.

Since this is the only one operating and reporting segment of the Group, which is the growing, processing and trading of agricultural produce and bulk commodities, no segment information is presented other than entity-wide disclosures.

(i) Geographical information

Over 90% of the Group's non-current assets as at 30 June 2026 (31 December 2025: over 90%) and revenue for the six months ended 30 June 2026 (2025: over 90%) are located and generated in the PRC. Accordingly, no further geographical information of non-current assets and revenue were disclosed.

(ii) Information about major customers

The Group's customer base included four (2025: one) customers with whom transactions have exceed 10% of the Group's revenue during the six months ended 30 June 2026, which is set out below:

	Six months ended 30 June	
	2026	2025
	HK$'000	*HK$'000*
	(Unaudited)	(Unaudited)
Customer A	**–**	437,034
Customer B	**94,277**	–
Customer C	**59,270**	–
Customer D	**42,434**	–
Customer E	**34,372**	–

4 REVENUE

An analysis of revenue is as follows:

	Six months ended 30 June	
	2026	2025
	HK$'000	*HK$'000*
	(Unaudited)	(Unaudited)
Revenue from contracts with customers within the scope of HKFRS 15 and recognised at a point in time		
Sale of agricultural and bulk commodities	**253,379**	564,940

5 OTHER INCOME AND GAINS

	Six months ended 30 June	
	2026	2025
	HK$'000	*HK$'000*
	(Unaudited)	(Unaudited)
Bank interest income	**1**	2
Government grants *(note)*	**752**	537
Service income	**–**	370
Sundry income	**80**	168
	833	1,077

Note: The government grants represented the receipt of grants for (i) the construction of property, plant and equipment, which is amortised to profit or loss on a straight-line basis over the estimated useful life of the relevant assets; and (ii) the trading of food for the six months ended 30 June 2026 and 2025 with no unfulfilled conditions and other contingencies attached to the receipts of those government grants.

6 FINANCE COSTS

	Six months ended 30 June	
	2026	2025
	HK$'000	*HK$'000*
	(Unaudited)	(Unaudited)
Interest expenses on lease liabilities	**512**	664
Interest expenses on bank and other borrowings	**9,147**	2,655
	9,659	3,319

7 (LOSS)/PROFIT BEFORE TAX

(Loss)/profit before tax is arrived at after charging:

	Six months ended 30 June	
	2026	2025
	HK$'000	*HK$'000*
	(Unaudited)	(Unaudited)
Staff costs (including directors' emoluments):		
– Salaries and allowances	**3,848**	9,888
– Retirement benefit scheme contributions	**309**	468
Total staff costs	**4,157**	10,356
Cost of inventories recognised as an expense	**251,390**	559,732
Depreciation expense on:		
– property, plant and equipment	**–**	2,052
– right-of-use assets	**–**	1,891

8 INCOME TAX EXPENSE

The tax rate applicable to the Company and the subsidiaries of the Company incorporated in Hong Kong was 16.5% (2025: 16.5%) during the six months ended 30 June 2026 and 2025.

Under the two-tiered profits tax rates regime of Hong Kong Profits Tax, the first HK$2 million of profits of the qualifying group entity will be taxed at 8.25%, and profits above HK$2 million will be taxed at 16.5%. The profits of group entities not qualifying for the two-tiered profits tax rates regime will continue to be taxed at a flat rate of 16.5%.

No provision for Hong Kong Profits Tax from continuing operations has been made for the six months ended 30 June 2026 and 2025 as the Group did not generate any assessable profits arising in Hong Kong.

The CIT in the PRC was provided at the rates applicable to the subsidiaries in the PRC on the income for statutory reporting purpose, adjusted for income and expense items which are not assessable or deductible for income tax purposes based on existing PRC income tax regulations, practices and interpretations thereof.

According to the PRC tax law and its interpretation rules (the "PRC tax law"), enterprises engaged in qualifying agricultural business are eligible for full CIT exemption or half reduction of CIT on profits derived from such business. The Group's PRC subsidiaries engaged in qualifying agricultural business, which includes growing, processing and selling of vegetables, are thus entitled to full exemption of CIT.

The Group is not subject to taxation in other jurisdictions.

9 (LOSS)/EARNINGS PER SHARE

The calculation of the basic and diluted (loss)/earnings per share is as follows:

	Six months ended 30 June	
	2026	2025
	HK$'000	*HK$'000*
(Loss)/profit		
(Loss)/profit for the purpose of calculating basic and diluted (loss)/earnings per share attributable to owners of the Company	**(9,739)**	1,262

The weighted average number of ordinary shares for the purpose of calculating basic and diluted (loss)/earnings per share is adjusted as follows:

	Six months ended 30 June	
	2026	2025
Number of shares	**(Unaudited)**	(Unaudited)
Weighted average number of ordinary shares for the purpose of basic (loss)/earnings per share	**552,044,029**	423,259,235
Effect of dilutive potential ordinary shares arising from conversion of preference shares	**–**	15,150
Weighted average number of ordinary shares for the purpose of calculating diluted (loss)/earnings per share	**552,044,029**	423,274,385

The computation of diluted loss per share for the six months ended 30 June 2026 does not assume the conversion of preference shares and exercise of outstanding share options of the Company since their assumed exercise would result in a decrease in loss per share, which is anti-dilutive.

10 DIVIDEND

No dividend was paid or proposed during the six months ended 30 June 2026, nor has any dividend been proposed since the end of the reporting period (2025: nil).

11 TRADE AND OTHER RECEIVABLES

	Notes	At 30 June 2026 HK$'000 (Unaudited)	At 31 December 2025 HK$'000 (Audited)
Trade receivables		**417,115**	1,741,505
Less: Provision for impairment losses	*(a)*	**(151,181)**	(192,313)
Trade receivables, net	*(a)*	**265,934**	1,549,192
Other receivables		**311,723**	310,417
Less: Provision for impairment losses	*(b)*	**(158,846)**	(144,246)
Other receivables, net		**152,877**	166,171
Trade deposits		**1,100,103**	596,991
Less: Provision for impairment losses	*(c)*	**(190,859)**	(176,859)
Trade deposits, net		**909,244**	420,132
Rental and utilities deposits		**233**	190
Less: Provision for impairment losses	*(d)*	**(49)**	(46)
Rental and utilities deposits, net		**184**	144
Prepayments		**813**	423
Less: Provision for impairment losses	*(e)*	**(460)**	(423)
Total Prepayments, net		**353**	–
Total trade and other receivables		**1,328,592**	2,135,639

Notes:

(a) The average credit period on sales of agricultural produce and bulk commodities is 60 days (31 December 2025: 60 days). As at 30 June 2026 and 31 December 2025, the ageing analysis of trade receivables, based on the invoice date and net of provision for impairment losses, is as follows:

	At 30 June 2026 HK$'000 (Unaudited)	At 31 December 2025 HK$'000 (Audited)
0–60 days	**10,298**	1,437,718
61–120 days	**37,862**	5,167
121–365 days	**100,964**	106,307
Over 365 days	**116,810**	–
	265,934	1,549,192

The movements of provision for impairment losses on trade receivables are as follows:

	At 30 June 2026 *HK$'000* (Unaudited)	At 31 December 2025 *HK$'000* (Audited)
At the beginning of the reporting period	**192,313**	95,216
(Reversal of)/provision for impairment losses	**(41,140)**	97,085
Exchange realignment	**8**	12
At the end of the reporting period	**151,181**	192,313

(b) Other receivables included (i) amounts due from Shenzhen Taihengfeng Technology Company Limited, a former subsidiary of the Group and its subsidiaries (the "Taihengfeng Group") of approximately HK$55,230,000 (31 December 2025: HK$53,295,000), which were unsecured, interest-free and repayable within 1 year (31 December 2025: repayable within 1 year); (ii) consideration receivables of HK$109,000 (2025: HK$109,000) arising from disposal of subsidiaries in previous years; and (iii) amount due from a director of a subsidiary of approximately HK$10,625,000, which was unsecured, interest-free and repayable within 1 year (31 December 2025: HK$10,583,000).

The movements of provision for impairment losses on other receivables are as follows:

	At 30 June 2026 *HK$'000* (Unaudited)	At 31 December 2025 *HK$'000* (Audited)
At the beginning of the reporting period	**144,246**	35,206
Impairment losses recognised	**14,600**	109,040
At the end of the reporting period	**158,846**	144,246

(c) Trade deposits are related to payments to suppliers for purchase of goods which was not yet delivered to the Group. The Group pays deposits upon acceptance of orders by suppliers on a case-by-case basis and before receipts of goods. Purchase is recognised when goods are received.

The movement of provision for impairment losses on trade deposits are as follows:

	At 30 June 2026 *HK$'000* (Unaudited)	At 31 December 2025 *HK$'000* (Audited)
At the beginning of the reporting period	**176,859**	62,215
Impairment losses recognised	**14,000**	114,644
At the end of the reporting period	**190,859**	176,859

(d) The movement of provision for impairment losses on rental and utilities deposits are as follows:

	At 30 June 2026 HK$'000 (Unaudited)	At 31 December 2025 HK$'000 (Audited)
At the beginning of the reporting period	**46**	14
Impairment losses recognised	**3**	32
At the end of the reporting period	**49**	46

(e) The movement of accumulated impairment on prepayments are as follows:

	At 30 June 2026 HK$'000 (Unaudited)	At 31 December 2025 HK$'000 (Audited)
At the beginning of the reporting period	**423**	–
Impairment losses recognised	**37**	423
At the end of the reporting period	**460**	423

12 TRADE AND OTHER PAYABLES

	Notes	At 30 June 2026 HK$'000 (Unaudited)	At 31 December 2025 HK$'000 (Audited)
Trade payables	*(a)*	**533,043**	1,283,424
Accruals	*(b)*	**28,302**	26,584
Other payables	*(c)*	**31,065**	33,253
Receipt in advance	*(d)*	**76,319**	188,014
Provision for litigation	*(e)*	**32,013**	30,890
		700,742	1,562,165

Notes:

(a) Trade payables arising from trading of agricultural and bulk commodities principally comprise amounts outstanding for trade purchases and have an average credit period of 30 days (31 December 2025: 30 days). The ageing analysis of trade payables, based on the invoice date, as at 30 June 2026 and 31 December 2025 is as follows:

	At 30 June 2026	At 31 December 2025
	HK$'000	*HK$'000*
	(Unaudited)	(Audited)
0–60 days	**83,125**	1,231,043
61–120 days	**107,542**	51,137
Over 120 days	**342,376**	1,244
	533,043	1,283,424

(b) Amount mainly represents accrued salary of approximately HK$25,003,000 (31 December 2025: HK$23,026,000).

(c) Other payables included amount due to a director of a subsidiary of the Group of approximately HK$4,667,000 (31 December 2025: HK$4,503,000), which was unsecured, interest free and repayable on demand.

(d) Receipt in advance represents the contract considerations that relate to advance payments received by the Group from customer in relation to the trading of agricultural produce and bulk commodities.

(e) The amount represents provision for litigation costs:

	HK$'000
At 1 January 2025 (Audited)	–
Additional provision made during the year	30,061
Exchange realignment	829
At 31 December 2025 (Audited) and 1 January 2026 (Audited)	30,890
Exchange realignment	1,123
At 30 June 2026 (Unaudited)	32,013

13 BANK AND OTHER BORROWINGS

	Notes	At 30 June 2026 HK$'000 (Unaudited)	At 31 December 2025 HK$'000 (Audited)
Secured bank loans	*(a)*	**356,000**	341,456
Unsecured other loans	*(b)*	**74,928**	112,897
		430,928	454,353
Repayable:			
Within one year or on demand		**430,928**	454,353

Notes:

(a) The bank loans bear fixed interest rate at 4%–8% (31 December 2025: 3%–8%) per annum.

As at 30 June 2026 and 31 December 2025, the Group's bank loans are secured by the properties owned by Mr. Lin Yuhao, an executive director and substantial shareholder of the Company; and guaranteed by corporate guarantee from related companies, which are owned by a director of certain subsidiaries of the Group and by an executive director and chairman of the Company, Mr. Lin Yuhao.

(b) As at 30 June 2026, other loans of approximately HK$11,308,000 (31 December 2025: HK$10,911,000) were provided by the director of certain subsidiaries of the Group, namely Mr. Lin Yupa, HK$564,000 (31 December 2025: HK$557,000) were provided by a wholly-owned company of Mr. Lin Yupa and approximately HK$39,875,000 (31 December 2025: HK$39,769,000) were provided by an executive director and chairman, namely Mr. Lin Yuhao, which are unsecured, interest free and repayable on demand. The remaining balance of other loans were provided by independent third parties, which are unsecured, with interest rate of 3% to 12.4% and repayable within 1 year.

As at during the six months ended 30 June 2026, in respect of the principal amount of bank borrowings of approximately RMB249,009,000 (31 December 2025: RMB12,475,000) as at 30 June 2026, the Group was default in repayment and certain banks have commenced litigations against the Group to settle the outstanding balances. The cases were heard in the Shenzhen Nanshan District People's Court and Shenzhen Luohu District People's Court, the Courts issued a first instance judgement against the Group, following which the Group promptly filed an appeal. The directors of the Company commenced to discuss the terms of the borrowings with the relevant banks. Up to the date of approval of these unaudited condensed consolidated interim financial information, the negotiations are still in progress and no assets of the Group has been seized.

14 SHARE CAPITAL

	Notes	At 30 June 2026 HK$'000 (Unaudited)	At 31 December 2025 HK$'000 (Audited)
Authorised:			
150,000,000,000 (31 December 2025: 150,000,000,000) ordinary shares of HK$0.01 each		**1,500,000**	1,500,000
10,000,000,000 (31 December 2025: 10,000,000,000) preference shares of HK$0.01 each		**100,000**	100,000
Issued and fully paid:			
699,046,571 (31 December 2025: 546,130,134) ordinary shares of HK$0.01 each		**6,990**	5,461
3,030,000 (31 December 2025: 3,030,000) preference shares of HK$0.01 each *(note (a))*		**30**	30
Total amount		**7,020**	5,491

The movement of the issued ordinary shares are as follows:

	No. of shares *HK$'000*	Amount *HK$'000*
At 1 January 2025, 31 December 2025 and 1 January 2026 (Audited)	546,130,134	5,461
Issuance of shares under special mandate *(note (b))*	152,916,437	1,529
At 30 June 2026 (Unaudited)	699,046,571	6,990

Notes:

(a) The preference shares, which are non-redeemable with par value of HK$0.01 each credited as fully paid up, were issued and allotted to vendors as part of the considerations for the acquisitions occurred during the year ended 31 December 2012. According to the terms of the preference share policy, one preference share is eligible to convert into one new ordinary share (adjusted from 3,030,000 ordinary shares to 15,150 ordinary shares as a result of capital reorganisations effective on 25 June 2018 and 15 April 2019) any time not earlier than one year from the date of issue. As at 30 June 2026 and 31 December 2025, the conversion option was still valid. The preference shares have no right to share in any surplus assets or profit and no voting rights. The preference shares rank in priority to the ordinary shares of the Company as to a return of the nominal amount paid up on the preference shares and thereafter pari passu with the ordinary shares on liquidation. The preference shares shall not confer on the holders thereof the right to receive notice of, or to attend and vote at, a general meeting of the Company, unless a resolution is to be proposed at a general meeting for winding up the Company or a resolution is to be proposed which if passed, would vary or abrogate the rights or privileges of the holders of the preference shares.

(b) On 1 April 2026, the Company and Funderstone Securities Limited (the "Placing Agent") entered into a placing agreement pursuant to which the Company agreed to place through the Placing Agent, for an aggregate of 152,916,437 Placing Shares at the Placing Price of HK$0.450 per Share. The Placing was completed on 24 June 2026 under which 152,916,437 ordinary shares were duly allotted and issued as fully-paid by the Company to not less than six independent third parties at the placing price of HK$0.450 per placing share. The transaction costs for the placing was approximately HK$816,000 and reduced from the share premium. Details of the above were set out in the Company's announcements dated 1 April 2026 and 24 June 2026.

15 POTENTIAL LITIGATION

(i) During 2024, two wholly-owned subsidiaries of the Group were named as defendants in a lawsuit filed by an independent third party, alleging that the Group failed to deliver agricultural produce in accordance with a procurement agreement entered into in January 2023. The plaintiff claimed that it had made full payment of the consideration of approximately RMB25.1 million, and is seeking claims with an aggregate amount of approximately RMB45.8 million from the Group.

The case was heard in the People's Court of Shunde District, Foshan City, Guangdong Province. Following a first-instance judgment against the Group in 2024, the Group promptly filed an appeal. The second instance hearing was held on 26 February 2025, and the Court subsequently issued a second-instance judgment against the Group. Despite the current ruling, the Group is actively seeking professional legal advice and plans to file a further appeal (or pursue further legal recourse) to vigorously defend its position. As at 30 June 2026 and up to the date of this announcement, the Group remains committed to safeguarding its legal rights and interests and will continue to respond proactively to the litigation in full compliance with applicable laws and regulations.

In light of the latest development of the litigation and based on the preliminary assessment by the management, out of prudence, the Group has recognised a provision for litigation of approximately HK$30.1 million in the consolidated financial information for the year ended 31 December 2025. However, as the Group is pursuing further legal avenues, the ultimate outcome and its final financial impact remain subject to uncertainties.

The Group remains committed to safeguarding its legal rights and interests and will continue to respond proactively to the litigation in full compliance with applicable laws and regulations. Further updates regarding the case will be provided in a timely manner as developments arise.

(ii) During the six months ended 30 June 2026, the Group experienced temporary delays in meeting the original repayment schedules for certain bank borrowings with a carrying amount of approximately RMB249.0 million, equivalent to approximately HK$287.6 million (31 December 2025: RMB72.8 million, equivalent to approximately HK$81.1 million). Consequently, certain banks initiated legal proceedings to facilitate the settlement of the outstanding balances.

The case was heard in the Shenzhen Nanshan District People's Court. Following a first-instance judgment issued by the Court, the Group has promptly filed an appeal to protect its legitimate interests.

While the lenders have the right to demand immediate repayment under the relevant loan agreements, the directors of the Company have been actively engaging in constructive dialogues with the respective banks to explore amicable solutions, including the potential restructuring or extension of the borrowing terms. Up to the date of approval for issuance of the unaudited condensed consolidated interim financial information, such negotiations are progressing and remain ongoing.

The Group remains committed to safeguarding its legal rights and interests and will continue to respond proactively to the litigation in full compliance with applicable laws and regulations. Further updates regarding the case will be provided in a timely manner as developments arise.

16 RELATED PARTY TRANSACTIONS

In addition to the transactions detailed elsewhere in these unaudited condensed consolidated interim financial information, the Group had the following material transactions with related parties:

Compensation of key management personnel of the Group, who were the directors of the Company, was as follow:

	Six months ended 30 June	
	2026	2025
	HK$'000	*HK$'000*
	(Unaudited)	(Unaudited)
Short-term employee benefits	**1,521**	1,473

MANAGEMENT DISCUSSION AND ANALYSIS

The Group was principally engaged in growing of agricultural produce, trading of agricultural and meat produce, poultry, seafood, prepared food and bulk commodities in the People's Republic of China (the "**PRC**") (the "**Agricultural and Bulk Commodities Business**") during the Reporting Period.

BUSINESS REVIEW

Agricultural and Bulk Commodities Business

During the Reporting Period, the Group's Agricultural and Bulk Commodities Business recorded a significant decrease in revenue as compared with the Corresponding Period. The substantial revenue growth recorded in the previous financial year was primarily driven by the Group's active expansion into bulk commodities trading. While such expansion contributed significantly to the Group's revenue, bulk commodities trading generally operates on relatively thin profit margins and requires a comparatively higher level of working capital.

During the Reporting Period, the operating environment remained challenging. Intensified market competition, fluctuations in commodity prices, geopolitical uncertainties and changes in import and export policies continued to affect transaction pricing, profit margins and supply chain arrangements. In addition, following the commencement of legal proceedings by certain banks against the Group in respect of outstanding amounts under the relevant loan agreements, the availability of new bank financing to the Group became significantly more constrained. The resulting reduction in financing flexibility limited the additional working capital that the Group could deploy to support the further development of its businesses, particularly bulk commodities trading.

Having regard to its available financial resources and the prevailing market conditions, the Group adopted a more prudent and selective approach when undertaking new transactions, with greater emphasis on transaction quality, profit margins, payment terms and credit risk management. Consequently, the volume and scale of bulk commodities transactions undertaken by the Group decreased during the Reporting Period, resulting in a significant reduction in revenue from the Agricultural and Bulk Commodities Business.

Meanwhile, the Group continued to supply food produce, including agricultural and meat produce, poultry and seafood, to supermarkets and other customers in the PRC, as well as to develop its online sales channels. The Group also continued to explore the application of digital technologies, including artificial intelligence, the Internet of Things and low-altitude technologies, to enhance agricultural production, supply chain management, product traceability and operational efficiency. Nevertheless, revenue generated from these activities was insufficient to offset the decrease in revenue from bulk commodities trading.

As a result, during the Reporting Period, revenue from the Agricultural and Bulk Commodities Business decreased by approximately 55.2%, from approximately HK$564.9 million for the Corresponding Period to approximately HK$253.4 million for the Reporting Period. During the Reporting Period, the Agricultural and Bulk Commodities Business recorded a gross profit of approximately HK$1.0 million (Corresponding Period: HK$3.4 million).

Looking ahead, the Group expects the overall operating environment to remain challenging. The Group will continue to exercise prudence in developing its Agricultural and Bulk Commodities Business and will focus on the quality and sustainability of its business operations rather than transaction scale alone. The Group will strengthen its cost, working capital and credit risk management, make effective use of its existing resources and business network, and selectively pursue business opportunities with reasonable profit margins and manageable risks.

The Group will also continue to collaborate with its business partners to develop the cultivation and trading of agricultural, poultry, seafood and prepared food products with development potential. Having regard to its available resources and market conditions, the Group will continue to advance its agricultural vertical e-commerce platform and agricultural low-altitude economy ecosystem at a measured pace, with a view to improving operational efficiency and developing new growth opportunities for the Group.

Interests in associates

The Group held 40% equity interests in each of Shenzhen Congyu Wanxing Technology Agriculture Co. Ltd.* (深圳市從玉萬興科技農業有限公司) ("**Congyu Wanxing**") and Jiamusi Congyu Modern Agriculture Co. Ltd.* (佳木斯從玉現代農業有限公司) ("**Jiamusi Congyu**").

During the Reporting Period, no revenue was recorded (2025: nil) as no business operation was conducted by Congyu Wanxing and Jiamusi Congyu (2025: nil).

FINANCIAL REVIEW

During the Reporting Period, the Group's revenue amounted to approximately HK$253.4 million, representing a decrease of approximately HK$311.6 million or 55.2%, from approximately HK$564.9 million for the Corresponding Period.

Gross profit of the Group during the Reporting Period was approximately HK$1.0 million, representing a decrease of approximately HK$2.4 million or 70.4%, as compared to approximately HK$3.4 million for the Corresponding Period. The decrease in gross profit was mainly attributable to the decrease in revenue during the Reporting Period.

The Group recorded other income of approximately HK$0.8 million during the Reporting Period, representing a decrease of approximately HK$0.3 million or 22.7%, as compared to approximately HK$1.1 million for the Corresponding Period. Such decrease was mainly attributable to the absence of service income during the Reporting Period (2025: HK$0.4 million), partially offset by an increase in government grants of approximately HK$0.2 million.

During the Reporting Period, selling and distribution expenses decreased by approximately HK$0.2 million or 6.4% to approximately HK$2.2 million (2025: HK$2.4 million). Such decrease was mainly due to a decrease in marketing and promotional activities for the Agricultural and Bulk Commodities Business during the Reporting Period.

Administrative and other expenses decreased by approximately HK$6.7 million or 34.3% to approximately HK$12.9 million during the Reporting Period (2025: HK$19.6 million). Such decrease was mainly attributable to the decrease in staff costs from approximately HK$10.4 million for the Corresponding Period to approximately HK$4.2 million for the Reporting Period.

A net reversal of impairment losses on trade and other receivables of approximately HK$12.5 million was recognised during the Reporting Period (2025: HK$21.7 million), representing a decrease of approximately HK$9.2 million or 42.4%. The net reversal for the Reporting Period mainly comprised a reversal of impairment losses on trade receivables of approximately HK$41.1 million, partially offset by impairment losses recognised on other receivables and trade deposits of approximately HK $14.6 million and HK$14.0 million, respectively.

Finance costs increased by approximately HK$6.3 million or 191.0% to approximately HK$9.7 million during the Reporting Period (2025: approximately HK$3.3 million). Such increase was mainly attributable to the recognition of accrued interest expenses in respect of certain bank and other borrowings during the Reporting Period.

The Group recorded a net loss of approximately HK$10.4 million for the Reporting Period, as compared with a net profit of approximately HK$0.9 million for the Corresponding Period.

The turnaround from net profit to net loss was mainly attributable to (i) the decrease in gross profit of approximately HK$2.4 million; (ii) the decrease in the net reversal of impairment losses on trade and other receivables of approximately HK$9.2 million; and (iii) the increase in finance costs of approximately HK$6.3 million, partially offset by the decrease in administrative and other expenses of approximately HK$6.7 million.

LIQUIDITY AND FINANCIAL RESOURCES

The Group mainly finances its business operations with internally generated cash flows and general banking facilities.

As at 30 June 2026, the Group had bank balances and cash of approximately HK$3.1 million (31 December 2025: HK$17.2 million), mainly denominated in Hong Kong dollars ("**HK$**") and Renminbi ("**RMB**"). The Group's quick ratio (measured by total current assets less inventories, deposits and prepayments divided by total current liabilities) was approximately 0.35 times (31 December 2025: 0.84 times).

As at 30 June 2026, the total borrowings of the Group, which comprised bond payable, bank and other borrowings denominated in Hong Kong dollars and RMB, amounted to approximately HK$458.6 million (31 December 2025: HK$482.1 million). As at 30 June 2026, borrowings of approximately HK$458.6 million (31 December 2025: HK$482.1 million) were repayable within one year. As at 30 June 2026, borrowings of approximately HK$48.9 million (31 December 2025: HK$98.9 million) and HK$409.7 million (31 December 2025: HK$383.2 million) were denominated in HK$ and RMB, respectively. As at 30 June 2026, borrowings of approximately HK$419.0 million (31 December 2025: HK$413.0 million) were charged at fixed interest rates.

Lease liabilities represented rental payable by the Group for office premises and farmlands. Leases were negotiated for fixed terms ranging from 10 to 11 years.

The Group will continue adopting a positive yet prudent approach in managing its financial resources. In view of the constraints on the availability of new bank financing, management will closely monitor the Group's liquidity position, cash flows and repayment obligations and will continue to explore appropriate financing and repayment arrangements.

As disclosed in the 2025 Annual Report, the auditor of the Company issued a disclaimer of opinion on the consolidated financial statements of the Group for the year ended 31 December 2025 due to material uncertainties relating to the Group's ability to continue as a going concern.

As at 30 June 2026, certain bank borrowings of the Group remained in default or had become immediately repayable, and certain lenders had commenced legal proceedings against members of the Group. The Group has continued to engage with the relevant lenders regarding possible repayment, restructuring or extension arrangements.

The Group has continued to implement the action plans previously disclosed by the Company to improve its liquidity and financial position, including pursuing equity financing, applying proceeds from fund-raising activities towards repayment of borrowings, negotiating with lenders regarding repayment arrangements, monitoring operating cash flows and adopting a more prudent approach to undertaking new business transactions.

Further details of the progress in implementing the action plans to address the disclaimer of opinion are set out in the Company's announcement dated 31 July 2026.

CAPITAL STRUCTURE AND GEARING RATIO

The Group assumes management of its capital so as to ensure that it will continue as a going concern whilst maximising the return to shareholders of the Company (the "**Shareholders**") through the optimisation of its debt and equity balance. The Group's overall strategy remains unchanged from the prior year.

The Group reviews its capital structure on a regular basis. As part of such review, the Group monitors capital on the basis of net debt to adjusted equity ratio, which is calculated as net debt divided by total capital. Net debt is calculated as total borrowings less cash and cash equivalents. Total capital is calculated as "adjusted equity", as shown in the condensed consolidated statement of financial position, plus net debt. The Group considers the cost of capital and the risks associated with issued share capital. To maintain or adjust the capital structure, the Group may adjust the ratio through dividend payments, issuing new shares, raising new debt financing or selling assets to reduce existing debts.

Fund raising activities

Save as the placing of new shares as disclosed in the unaudited condensed consolidated interim financial information and under the heading of "Placing of New Shares" below, there was no significant change in the Group's capital structure for the six months ended 30 June 2026.

Placing of New Shares

Reference is made to the announcements of the Company dated 1 April 2026, 5 June 2026 and 24 June 2026, respectively (the "**Announcements**") and the circular dated 20 May 2026 (the "**Circular**") in relation to, amongst others, the Placing. Unless otherwise defined, capitalised terms used herein shall have the same meanings as those defined in the Announcements and the Circular.

After trading hours on 1 April 2026, the Company and the Placing Agent entered into the Placing Agreement pursuant to which the Company conditionally agreed to place through the Placing Agent, on a best effort basis, not less than six placees, who are professional, institutional, and/or other investors that are third parties independent of the Company, up to 152,916,437 Placing Shares (pursuant to the Specific Mandate) at the Placing Price of HK$0.45 per Share. The closing price per share of the Company as quoted on The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") on 1 April 2026, the date of the Placing Agreement, was HK$0.51. The gross proceeds from the Placing were approximately HK$68.8 million and the net proceeds were approximately HK$67.3 million. The Placing was undertaken to relieve the Group's repayment obligations under its borrowings and to improve and strengthen the Group's financial position. It was intended that the net proceeds from the Placing would be utilized approximately (i) HK$60.0 million for repayment of borrowings and (ii) HK$7.3 million would be used as general working capital of the Group.

Details of the Placing, Placing Agreement were set out in the Announcements and the Circular.

As at 30 June 2026, detailed breakdown and description of the utilisation of the net proceeds from the Placing were as follows:

Date of announcement	Event	Net proceeds raised	Intended use of net proceeds	Actual use of proceeds
1 April 2026 (completed on 24 June 2026)	Placing of new shares under specific mandate	Approximately HK$67.3 million	(i) Approximately HK$60.0 million would be used for repayment of borrowings; and	(i) Approximately HK$51.0 million had been utilised for repayment of borrowings, and the remaining balance of approximately HK$9.0 million was expected to be utilised as intended on or before 31 December 2026; and
			(ii) Approximately HK$7.3 million would be used for the general working capital of the Group.	(ii) Approximately HK$0.1 million had been utilised for operating expenses, and the remaining balance of approximately HK$7.2 million was expected to be utilised as intended on or before 31 December 2026.

Save as disclosed above, the Group had no equity fund raising activity during the Reporting Period and no ordinary shares of the Company were issued and allotted upon the exercise of share options granted by the Company.

In light of the above, during the Reporting Period, the Company issued and allotted a total of 152,916,437 ordinary shares of HK$0.01 each with aggregate nominal value of HK$1,529,164.

The Company has 699,046,571 (31 December 2025: 546,130,134) issued ordinary shares and 3,030,000 (31 December 2025: 3,030,000) issued preference shares as at 30 June 2026.

As at 30 June 2026, the net debt to adjusted equity ratio was 0.79 (31 December 2025: 0.93). The Group's gearing ratio as at 30 June 2026 was 3.89 (31 December 2025: 13.70), which was measured as total debt to total shareholders' equity.

As at 30 June 2026, the outstanding balances of unsecured promissory notes issued by the Company to Mr. Lin Yuhao, an executive Director and Mr. Lin Yupa, a former Director, who is a close family member of a key management personnel of the Company, were HK$16.3 million and HK$10.9 million (classified as other borrowings) (31 December 2025: HK$16.3 million and HK$10.9 million), respectively.

SIGNIFICANT INVESTMENTS

During the Reporting Period, the Group did not have any significant investments.

MATERIAL ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES AND ASSOCIATED COMPANIES

The Group did not have material acquisitions or disposals of subsidiaries and associated companies during the Reporting Period.

CHARGES ON GROUP'S ASSETS

As at 30 June 2026, no bank deposits (31 December 2025: nil) were pledged to secure bills payables of the Group. As at 30 June 2026 and 31 December 2025, fully depreciated buildings were pledged to secure banking facilities granted to the Group.

FOREIGN EXCHANGE EXPOSURE

The Group mainly earns revenue and incurs costs with the functional currency of the respective subsidiaries of the Company, i.e. either HK$ or RMB, and considers that the foreign exchange exposure is not significant. The management is aware of the possible exchange rate exposure due to the continuing fluctuation of RMB and will closely monitor its impact on the performance of the Group to determine if any hedging policy is necessary.

CONTINGENT LIABILITIES

As at 30 June 2026, the Group did not have any material contingent liabilities.

CAPITAL COMMITMENTS

As at 30 June 2026, the Group did not have any material capital commitments (31 December 2025: nil).

EMPLOYEE AND REMUNERATION POLICY

As at 30 June 2026, the Group had a total of 19 (31 December 2025: 33) full time employees in Hong Kong and the PRC. Total staff costs (including Directors' remuneration) for the Reporting Period amounted to HK$4.2 million (2025: HK$10.4 million). The employees are remunerated with reference to each individual's qualification, experience, responsibility and performance, the performance of the Group and market practices. Apart from the basic remuneration package, staff benefits offered by the Group to its employees include contribution to discretionary bonus, the mandatory provident fund scheme (the "**MPF**

Scheme") in Hong Kong and the central provident fund scheme (the "**Retirement Benefit Scheme**") in the PRC. The Group operates the MPF Scheme under the Mandatory Provident Fund Schemes Ordinance (Chapter 485 of the Laws of Hong Kong) for employees employed under the jurisdiction of the Employment Ordinance (Chapter 57 of the Laws of Hong Kong). The MPF Scheme is a defined contribution retirement plan administered by independent trustees. Under the MPF Scheme, the employer and its employees are each required to make contributions to the MPF Scheme at 5% of the employees' relevant income, subject to a cap of monthly relevant income of HK$30,000. Contributions to the MPF Scheme vest immediately. Pursuant to the relevant labour laws, rules and regulations in the PRC, the Group participates in the Retirement Benefit Scheme organised by the relevant local government authorities in the PRC whereby the Group is required to make contributions to the Retirement Benefit Scheme at a certain rate of the standard wages determined by the relevant authorities in the PRC during the Reporting Period. Contributions to the Retirement Benefit Scheme vest immediately. As at 30 June 2026, there was no forfeited contribution under the MPF Scheme and the Retirement Benefit Scheme which may be used by the Group to reduce the contribution payable in the future years. The Company adopted a share option scheme on 29 January 2026 (the "**2026 Share Option Scheme**") with a valid period of 10 years. Pursuant to the 2026 Share Option Scheme, the Board may, at its discretion, grant options to eligible employees, executive and non-executive Directors (including independent non-executive Directors) of the Group. During the Reporting Period, 54,613,013 share options were granted under the 2026 Share Option Scheme. As at 30 June 2026, a total of 72,568,639 share options remained outstanding under the share option schemes of the Company. The 2026 Share Option Scheme will remain valid until 29 January 2036, unless otherwise terminated in accordance with its terms.

LITIGATION

(i) During 2024, two wholly-owned subsidiaries of the Group were named as defendants in a lawsuit filed by an independent third party, alleging that the Group failed to deliver agricultural produce in accordance with a procurement agreement entered into in January 2023. The plaintiff claimed that it had made full payment of the consideration of approximately RMB25.1 million, and is seeking claims with an aggregate amount of approximately RMB45.8 million from the Group.

The case was heard in the People's Court of Shunde District, Foshan City, Guangdong Province. Following a first-instance judgment against the Group in 2024, the Group promptly filed an appeal. The second instance hearing was held on 26 February 2025, and the Court subsequently issued a second-instance judgment against the Group. Despite the current ruling, the Group is actively seeking professional legal advice and plans to file a further appeal (or pursue further legal recourse) to vigorously defend its position. As at 30 June 2026 and up to the date of this announcement, the Group remains committed to safeguarding its legal rights and interests and will continue to respond proactively to the litigation in full compliance with applicable laws and regulations.

In light of the latest development of the litigation and based on the preliminary assessment by the management, out of prudence, the Group has recognised a provision for litigation of approximately HK$30.1 million in the consolidated financial information for the year ended 31 December 2025. However, as the Group is pursuing further legal avenues, the ultimate outcome and its final financial impact remain subject to uncertainties.

The Group remains committed to safeguarding its legal rights and interests and will continue to respond proactively to the litigation in full compliance with applicable laws and regulations. Further updates regarding the case will be provided in a timely manner as developments arise.

(ii) During the six months ended 30 June 2026, the Group experienced temporary delays in meeting the original repayment schedules for certain bank borrowings with a carrying amount of approximately RMB249.0 million, equivalent to approximately HK$287.6 million (31 December 2025: RMB72.8 million, equivalent to approximately HK$81.1 million). Consequently, certain banks initiated legal proceedings to facilitate the settlement of the outstanding balances.

The case was heard in the Shenzhen Nanshan District People's Court. Following a first-instance judgment issued by the Court, the Group has promptly filed an appeal to protect its legitimate interests.

While the lenders have the right to demand immediate repayment under the relevant loan agreements, the directors of the Company have been actively engaging in constructive dialogues with the respective banks to explore amicable solutions, including the potential restructuring or extension of the borrowing terms. Up to the date of approval for issuance of this unaudited condensed consolidated interim financial information, such negotiations are progressing and remain ongoing.

PROSPECTS

Looking ahead, the Group expects the operating environment of the Agricultural and Bulk Commodities Business to remain challenging. Market competition, fluctuations in commodity prices, geopolitical uncertainties and changes in import and export policies may continue to affect market demand, transaction pricing, profit margins and supply chain arrangements. The Group will therefore remain prudent and responsive to changes in market conditions.

In view of the more constrained availability of new bank financing, the Group will place greater emphasis on the effective allocation of its available financial resources and the management of working capital. The Group will adopt a more prudent and selective approach when undertaking new transactions and will prioritise business opportunities with clearer customer demand, reasonable profit margins, acceptable payment terms and manageable credit risks. The Group will focus on the quality and sustainability of its business operations rather than pursuing growth in transaction scale and revenue alone.

The Group will continue to develop its Agricultural and Bulk Commodities Business by supplying agricultural and meat produce, poultry, seafood and pre-prepared food products to supermarkets, retail chains and other customers in the PRC, as well as through online sales channels. By utilising its existing customer network and collaborating with farms, agricultural cooperatives, suppliers and other business partners, the Group will seek to broaden its product offerings and strengthen its supply chain capabilities in a manner commensurate with its available resources.

The Group remains committed to the digitalisation and technological development of its agricultural operations. Subject to its available financial and operational resources, the Group will continue to optimise and explore the broader application of AI-based agricultural technologies, Internet of Things sensing networks and agricultural low-altitude economy solutions. These technologies may be applied to crop monitoring, precision cultivation, pest and disease detection, production forecasting, quality control and product traceability, with a view to improving production efficiency and reducing operating costs.

The Group will also explore suitable application scenarios for low-altitude technologies, including drone-assisted agricultural inspection, crop protection, mapping, data collection and logistics. By integrating such technologies with its agricultural vertical e-commerce platform and supply chain network, the Group aims to enhance the digitalisation and intelligent management of its agricultural operations. These initiatives will be advanced at a measured pace, with priority given to practical applications with commercial potential and having regard to the Group's available resources. Where appropriate, the Group may collaborate with technology providers, agricultural enterprises and cooperative farms to explore the wider application and commercialisation of such solutions.

Meanwhile, the Group will continue to explore appropriate financing channels and engage in discussions with potential investors and strategic business partners, including opportunities for equity financing, with a view to enhancing its financing flexibility and strengthening its capital structure. Subject to its financial resources, market conditions and appropriate risk assessment, the Group will also remain open to suitable investment, cooperation and business opportunities that complement its existing operations, create potential synergies and support the Group's long-term sustainable development.

NON-COMPLIANCE WITH LISTING RULES

On 15 January 2026, following the resignation of Mr. Li Shaohua as the independent non-executive Director, the Company failed to meet the requirements of (i) having at least three independent non-executive Directors on the Board under Rule 3.10(1) of the Listing Rules; and (ii) the Audit Committee comprising a minimum of three members under Rule 3.21 of the Listing Rules.

Following the appointment of Mr. Fu Yan Ming as an independent non-executive Director and a member of each of the Audit Committee, Remuneration Committee, Nomination Committee and Corporate Governance Committee of the Company with effect from 14 April 2026, the Company has re-complied with the requirements of Rules 3.10(1) and 3.21 of the Listing Rules.

INTERIM DIVIDEND

No dividend was paid, declared or proposed during the Reporting Period. The Directors do not recommend the payment of an interim dividend for the Reporting Period (2025: nil).

OTHER INFORMATION

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

During the Reporting Period, neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the listed securities of the Company (including treasury shares (as defined under the Listing Rules)). As at 30 June 2026, the Company did not hold any treasury shares.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted a code of conduct regarding Directors' securities transactions on terms no less exacting than the Model Code. Having made specific enquiries with the Directors, all the Directors confirmed that they had complied with the required standards of the said code during the Reporting Period.

CORPORATE GOVERNANCE CODE

The Company's corporate governance practices are based on the principles and the code provisions (the "**Code Provisions**") as set out in the Corporate Governance Code (the "**CG Code**") contained in Appendix C1 to the Listing Rules. During the Reporting Period, the Company has complied with the Code Provisions and mandatory disclosure requirements as set out in the CG Code except the deviations from Code Provisions C.1.5 and C.2.1 of Part 2 of the CG Code.

Code Provision C.1.5 of Part 2 of the CG Code provides that independent non-executive directors and other non-executive directors should attend general meetings to gain and develop a balanced understanding of the views of shareholders. The independent non-executive Director, Ms. Li Yang was unable to attend the annual general meeting of the Company held on 26 June 2026 and special general meeting of the Company held on 9 January 2026 and 5 June 2026 respectively, due to her other commitments.

As Mr. Lin Yuhao is the chairman of the Board and has served as the chief executive officer of the Company since 15 October 2021, such practice deviates from Code Provision C.2.1 of Part 2 of the CG Code. The Board believes that vesting the roles of both the chairman of the Board and the chief executive officer of the Company in the same person can facilitate the execution of the Group's business strategies and boost effectiveness of its operation. Therefore, the Board considers that the deviation from Code Provision C.2.1 of Part 2 of the CG Code is appropriate in such circumstance. In addition, under the supervision of the Board which comprises two executive Directors and three independent non-executive Directors, the Board is appropriately structured with balance of power to provide sufficient checks to protect the interests of the Company and the Shareholders. Mr. Lin Yuhao and Mr. Wu Ya jointly serving as the co-chief executive officers of the Company can also share the responsibilities of the Group's overall business development, operation and management work.

The Company periodically reviewed its corporate governance practices to ensure that the requirements of the CG Code are continuously satisfied.

EVENTS AFTER THE REPORTING PERIOD

Placing of New Shares

After trading hours on 17 August 2026, the Company and the placing agent (the "**Placing Agent 2**") entered into the placing agreement (the "**Placing Agreement 2**") pursuant to which the Company has appointed the Placing Agent 2 to procure, on a best effort basis, not less than six placees, who are professional, institutional, and/or other investors that are third parties independent of the Company, to subscribe for up to 139,809,314 new shares at a price of HK$0.24 per placing share (the "**Placing 2**"). Assuming that all the placing shares are successfully placed, the gross proceeds from the Placing 2 are estimated to be approximately HK$33.6 million and the net proceeds are estimated to be approximately HK$32.9 million. The Company intends to apply the net proceeds from the Placing 2 for (i) repayment of borrowings in the amount of approximately HK$30.0 million (being approximately 91.2% of the net proceeds); and (ii) approximately HK$2.9 million (being approximately 8.8% of the net proceeds) as general working capital of the Group.

Completion of the placing is subject to the fulfilment of the conditions precedent under the Placing Agreement 2 and the placing may or may not proceed. Details of the Placing 2 and Placing Agreement 2 were set out in the announcement of the Company dated 17 August 2026.

SUFFICIENCY OF PUBLIC FLOAT

Based on the information that is publicly available to the Company, and within the knowledge of the Directors, the Company has maintained the prescribed public float under the Listing Rules and at least 25% of the Company's total number of issued shares were held by the public as at the date of this announcement.

REVIEW BY AUDIT COMMITTEE

The condensed consolidated interim financial information of the Group for the Reporting Period has not been reviewed nor audited by the Company's auditor, Infinity CPA Limited. The audit committee of the Company (the "**Audit Committee**") and the management have reviewed the accounting principles and practices adopted by the Group and have discussed internal controls and financial reporting matters including reviewing the unaudited condensed consolidated interim financial information of the Group for the Reporting Period. The Audit Committee is of the opinion that such financial information complies with the applicable accounting standards, the Listing Rules and legal requirements, and that adequate disclosures have been made.

As at the date of this announcement, the Audit Committee comprises all independent non-executive Directors, namely Ms. Li Yang (Committee Chairlady), Mr. Fu Yan Ming and Ms. Zhu Rouxiang.

PUBLICATION OF INTERIM RESULTS AND INTERIM REPORT

This results announcement is published on the websites of the Company (www.cyia.hk) and the Stock Exchange (www.hkexnews.hk). The interim report of the Company for the six months ended 30 June 2026 will be despatched to the Shareholders who have chosen to receive a printed version and will be available at the above websites in due course.

By order of the Board
Congyu Intelligent Agricultural Holdings Limited
Lin Yuhao
Chairman and Co-Chief Executive Officer

Hong Kong, 31 August 2026

As at the date of this announcement, the Board comprises five Directors, including two executive Directors, namely Mr. Lin Yuhao and Ms. Yang Yan, and three independent non-executive Directors, namely Ms. Zhu Rouxiang, Ms. Li Yang and Mr. Fu Yan Ming.

In the case of any inconsistency, the English text of this announcement shall prevail over the Chinese text.

* *For identification purpose only*