MIGAO GROUP HOLDINGS LIMITED
米高集團控股有限公司

(incorporated in the Cayman Islands with limited liability)
(Stock Code: 9879)

INTERIM RESULTS ANNOUNCEMENT FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2025 AND UPDATE ON EXPECTED TIMELINE FOR USE OF PROCEEDS

FINANCIAL HIGHLIGHTS

- Total revenue for 6MFY2026 of approximately RMB2,352.0 million (6MFY2025: approximately RMB2,128.2 million), period-on-period increase of approximately 10.5%
- Profit for 6MFY2026 of approximately RMB92.0 million (6MFY2025: approximately RMB75.3 million), period-on-period increase of approximately 22.1%
- Basic earnings per Share for 6MFY2026 of approximately RMB0.10 (6MFY2025: approximately RMB0.09), period-on-period increase of approximately 11.1%

The Board is pleased to announce the interim results and the interim condensed consolidated financial statements of the Group for 6MFY2026, together with the comparative figures for 6MFY2025, as follows:

INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2025

	NOTES	**Six months ended 30 September**	
		2025	2024
		RMB'000	*RMB'000*
		(unaudited)	(unaudited)
Revenue	*4*	**2,352,022**	2,128,223
Cost of goods sold		**(2,118,395)**	(1,943,656)
Gross profit		**233,627**	184,567
Other income	*5*	**7,210**	12,103
Other gains and losses		**(4,449)**	3,490
Impairment losses, net of reversal		**(7,813)**	(580)
Distribution and selling expenses		**(9,955)**	(13,522)
General and administrative expenses		**(73,669)**	(63,069)
Research and development expenses		**(19,037)**	(16,789)
Share of result of a joint venture		**(2,391)**	(3,468)
Finance costs	*6*	**(12,139)**	(10,814)
Profit before tax		**111,384**	91,918
Income tax expense	*7*	**(19,372)**	(16,575)
Profit for the period	*8*	**92,012**	75,343
Other comprehensive income			
Item that may be reclassified subsequently to profit or loss:			
– Exchange difference arising on translation of a foreign operation		**1,579**	2,056
Total comprehensive income for the period		**93,591**	77,399
Profit (loss) for the period attributable to:			
– Owners of the Company		**94,842**	80,690
– Non-controlling interests		**(2,830)**	(5,347)
		92,012	75,343

INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME – continued
FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2025

		Six months ended 30 September	
	NOTE	**2025**	2024
		RMB'000	*RMB'000*
		(unaudited)	(unaudited)
Total comprehensive income (expense) for the period attributable to:			
– Owners of the Company		**96,421**	82,746
– Non-controlling interests		**(2,830)**	(5,347)
		93,591	77,399
Earnings per share	*10*		
– Basic (RMB)		**0.10**	0.09
– Diluted (RMB)		**0.10**	0.09

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 SEPTEMBER 2025

	NOTES	As at **30 September 2025** ***RMB'000*** **(unaudited)**	31 March 2025 *RMB'000* (audited)
Non-current assets			
Plant and equipment		**479,790**	474,018
Right-of-use assets		**153,445**	156,745
Prepayments and deposits	*11*	**59,336**	59,248
Goodwill		**12,069**	12,069
Intangible asset		**1,585**	2,377
Interest in a joint venture		**87,214**	89,605
Deferred tax assets		**8,198**	4,697
		801,637	798,759
Current assets			
Inventories		**188,433**	183,157
Trade and other receivables and prepayments	*11*	**2,872,647**	3,180,445
Amounts due from joint ventures		**19,570**	19,412
Financial assets at fair value through profit or loss ("FVTPL")	*12*	**–**	82,758
Restricted cash		**124,786**	222,785
Bank balances and cash		**787,949**	750,804
		3,993,385	4,439,361
Assets classified as held for sale		**8,356**	8,356
		4,001,741	4,447,717
Current liabilities			
Trade and other payables	*13*	**633,398**	734,213
Contract liabilities		**363,643**	764,789
Tax liabilities		**245,368**	231,683
Borrowings		**464,348**	428,010
Lease liabilities		**3,270**	3,232
		1,710,027	2,161,927
Net current assets		**2,291,714**	2,285,790
Total assets less current liabilities		**3,093,351**	3,084,549

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION – continued
AS AT 30 SEPTEMBER 2025

	As at	
	30 September 2025	31 March 2025
	RMB'000	*RMB'000*
	(unaudited)	(audited)
Capital and reserves		
Share capital	**64,496**	64,496
Reserves	**2,694,461**	2,666,211
Equity attributable to owners of the Company	**2,758,957**	2,730,707
Non-controlling interests	**181,248**	186,038
Total equity	**2,940,205**	2,916,745
Non-current liabilities		
Deferred tax liabilities	**2,176**	2,400
Borrowings	**141,561**	154,334
Lease liabilities	**9,409**	11,070
	153,146	167,804
	3,093,351	3,084,549

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2025

1. GENERAL INFORMATION

The Company was incorporated in the Cayman Islands as an exempted company with limited liability on 21 November 2017 under the Companies Act, Cap. 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands. The controlling shareholder of the Company is Mr. Liu Guocai. The shares of the Company had been listed on the Main Board of the Stock Exchange on 21 March 2024.

The Company is an investment holding company and its subsidiaries are principally engaged in the manufacturing and trading of specialty potash-based fertilizers in the PRC.

The condensed consolidated financial statements are presented in Renminbi ("RMB"), which is also the functional currency of the Company.

2. BASIS OF PREPARATION

The condensed consolidated financial statements have been prepared in accordance with Hong Kong Accounting Standard 34 ("HKAS 34") "Interim Financial Reporting" issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA") as well as the applicable disclosure requirements of the Rules Governing the Listing of Securities on the Stock Exchange.

3. PRINCIPAL ACCOUNTING POLICIES

The condensed consolidated financial statements have been prepared on the historical cost basis, except for certain financial instruments, which are measured at fair values, as appropriate.

Other than additional/change in accounting policies resulting from application of amendments to HKFRS Accounting Standards, the accounting policies and methods of computation used in the condensed consolidated financial statements for the six months ended 30 September 2025 are the same as those presented in the Group's annual consolidated financial statements for the year ended 31 March 2025.

Application of amendments to HKFRS Accounting Standards

In the current interim period, the Group has applied the following amendments to a HKFRS Accounting Standard issued by the HKICPA, for the first time, which are mandatorily effective for the Group's annual period beginning on 1 April 2025 for the preparation of the Group's condensed consolidated financial statements:

Amendments to HKAS 21	Lack of Exchangeability

The application of the amendments to a HKFRS Accounting Standard in the current interim period has had no material impact on the Group's financial positions and performance for the current and prior periods and/or on the disclosures set out in these condensed consolidated financial statements.

4. REVENUE AND SEGMENT INFORMATION

The Group primarily recognizes revenue from sales of specialty potash-based fertilizers in the PRC and recognizes at a point of time. The Group purchases KCL from both overseas and domestic suppliers. The Group then processes majority of the purchased KCL for sales to its customers or use as raw materials for its manufacturing activities. Besides, part of the KCL, together with other raw materials, are used to manufacture into SOP and compound fertilizers for sales to customers. In addition, the Group also sources and resells KCL, SOP, NOP and compound fertilizers to customers without further manufacturing or processing.

The Group also provides production services to its customers for processing the principal raw materials provided by customers into compound fertilizers in accordance with their product specifications. Revenue from provision of production services is recognized over time.

4. REVENUE AND SEGMENT INFORMATION – continued

(i) Disaggregation of revenue from contracts with customers

Revenue by types of products or service

	Six months ended 30 September	
	2025	2024
	RMB'000	*RMB'000*
	(unaudited)	(unaudited)
Sales of products		
KCL	**2,170,456**	1,911,006
SOP	**157,175**	192,611
NOP	**851**	7,064
Compound fertilizer	**8,825**	5,657
Others	**13,160**	10,570
	2,350,467	2,126,908
Provision of production services	**1,555**	1,315
Total	**2,352,022**	2,128,223

Timing of revenue recognition

	Six months ended 30 September	
	2025	2024
	RMB'000	*RMB'000*
	(unaudited)	(unaudited)
At a point in time	**2,350,467**	2,126,908
Over-time	**1,555**	1,315
Total	**2,352,022**	2,128,223

(ii) Segment information

Information reported to the executive directors of the Company, being the chief operating decision maker, for the purpose of resources allocation and performance assessment, is the consolidated results of the Group as a whole. No other discrete financial information is provided. Accordingly, the directors of the Company consider there is only one operating segment under the requirements of HKFRS 8 *Operating Segments*. In this regard, only entity-wide disclosures are presented.

No geographic information is presented as the revenue, non-current assets and operations of the Group are primarily derived from its activities located in the PRC.

5. OTHER INCOME

	Six months ended 30 September	
	2025	2024
	RMB'000	*RMB'000*
	(unaudited)	(unaudited)
Extra deduction of input value-added tax	**3,342**	9,692
Bank interest income	**1,622**	1,327
Rental income	**329**	248
Government grants *(Note)*	**1,527**	–
Others	**390**	836
	7,210	12,103

Note: The amounts mainly represented the incentive subsidies provided by the PRC government to encourage business operation in the PRC. There were no unfulfilled conditions attached to these grants and the Group has recognized the grants upon receipts.

6. FINANCE COSTS

	Six months ended 30 September	
	2025	2024
	RMB'000	*RMB'000*
	(unaudited)	(unaudited)
Interest expenses on borrowings	**11,830**	10,709
Interest expenses on lease liabilities	**309**	105
	12,139	10,814

7. INCOME TAX EXPENSE

	Six months ended 30 September	
	2025	2024
	RMB'000	*RMB'000*
	(unaudited)	(unaudited)
Income tax expense comprised of:		
Current tax:		
Hong Kong Profits Tax	**1,147**	–
PRC Enterprise Income Tax ("EIT")	**21,949**	20,755
Total Current tax	**23,096**	20,755
Deferred tax	**(3,724)**	(4,180)
	19,372	16,575

7. INCOME TAX EXPENSE – continued

The Group is not subject to any income tax in the Cayman Islands pursuant to the rules and regulations in the jurisdiction.

Under the two-tiered profits tax rates regime in Hong Kong, 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%. Accordingly, the Hong Kong Profits Tax of the qualifying group entity is calculated at 8.25% on the first HK$2 million of the estimated assessable profits and at 16.5% on the estimated assessable profits above HK$2 million for the six months ended 30 September 2025. No provision for Hong Kong Profits Tax as there is no assessable profit subject to Hong Kong Profits Tax for the six months ended 30 September 2024.

PRC EIT is calculated at the applicable rates of tax prevailing in the areas in which the Group operates, based on the existing legislation, interpretations and practices.

Pursuant to the PRC EIT law and its detailed implementation rules, the standard income tax rate is 25%. Besides, if the subsidiaries are qualified as high and new-technology enterprises (under the PRC EIT law), the subsidiaries would be entitled to a reduced income tax rate of 15% and such qualification is subject to renewal every three years. Certain of group entities in the PRC are entitled to the reduced income tax rate of 15% for both periods.

8. PROFIT FOR THE PERIOD

	Six months ended 30 September	
	2025	2024
	RMB'000	*RMB'000*
	(unaudited)	(unaudited)
Profit for the period has been arrived at after charging:		
Cost of inventories recognized as an expense	**2,117,251**	1,942,601
Amortization of intangible asset	**792**	792
Depreciation of plant and equipment	**21,441**	22,473
Depreciation of right-of-use assets	**3,300**	4,404
Total depreciation and amortization	**25,533**	27,669
Less: capitalized as cost of inventories	**(17,907)**	(17,424)
	7,626	10,245
Staff costs (including directors' emoluments)		
– Directors' emoluments	**5,085**	3,883
– Salaries and other benefits	**25,370**	25,552
– Retirement benefit scheme contributions (excluding directors)	**1,756**	1,801
	32,211	31,236
Less: capitalized as cost of inventories	**(5,581)**	(6,293)
	26,630	24,943

9. DIVIDENDS

During the current interim period, a final dividend of RMB0.075 per share in respect of the year ended 31 March 2025 (six months ended 30 September 2024: a final dividend of RMB0.061 per share in respect of the year ended 31 March 2024) was declared to owners of the Company. The aggregate amount of the final dividend declared in the interim period amounted to RMB68,171,000 (six months ended 30 September 2024: RMB55,445,000) and was paid to the shareholders of the Company in October 2025.

The directors of the Company have determined that no dividend will be declared in respect of the current interim period.

10. EARNINGS PER SHARE

	Six months ended 30 September	
	2025	2024
	RMB'000	*RMB'000*
	(unaudited)	(unaudited)
Earnings for the purpose of calculating basic and diluted earnings per share for the period attributable to the owners of the Company	**94,842**	80,690
	No.of Shares	No. of Shares
Weighted average number of ordinary shares for the purpose of calculating basic earnings per share	**908,940,000**	908,158,361
Effect of dilutive potential ordinary shares:		
Over-allotment options	**–**	1,967,213
Weighted average number of ordinary shares for the purpose of calculating diluted earnings per share	**908,940,000**	910,125,574

The weighted average number of ordinary shares for the purpose of calculating basic earnings per share for the period ended 30 September 2024 has been determined based on the assumption that the share subdivision and capitalization issue had been effective on 1 April 2024.

No diluted earnings per share for the period ended 30 September 2025 was presented as there was no potential dilutive ordinary shares in issue.

11. TRADE AND OTHER RECEIVABLES AND PREPAYMENTS

	As at 30 September 2025 *RMB'000* **(unaudited)**	As at 31 March 2025 *RMB'000* (audited)
Trade receivables	**165,404**	260,622
Unbilled receivables *(Note a)*	**45,868**	70,496
Less: allowance for credit losses	**(26,609)**	(18,796)
	184,663	312,322
Bills receivables	**260,606**	130,234
	445,269	442,556
Inventories prepayment *(Note b)*		
– third parties	**2,348,713**	2,616,974
– a joint venture	**–**	22,487
	2,348,713	2,639,461
Value-added tax receivables	**25,207**	42,799
Prepayments for plant and equipment	**49,651**	49,561
Other receivables, deposits and prepayments	**63,143**	65,316
	2,486,714	2,797,137
	2,931,983	3,239,693
Analyzed as:		
Current	**2,872,647**	3,180,445
Non-current	**59,336**	59,248
	2,931,983	3,239,693

Notes:

(a) Unbilled receivables represents accrued sales for goods delivered by the Group but yet to bill. The Group has unconditional right to the payment of the unbilled receivables which is expected to be billed within 180 days and received within 12 months from the end of the reporting period.

(b) As at 30 September 2025, the Group made inventory prepayment to various suppliers of approximately RMB18,078,000 (31 March 2025: RMB1,019,000) by endorsed billed for which the maturity dates of the bills receivables have not yet fallen due.

The Group generally allows credit period ranging from 0 to 180 days. The Group will assess the credit quality of each potential customer and define rating and credit limit for each customer.

11. TRADE AND OTHER RECEIVABLES AND PREPAYMENTS – continued

The following is an analysis of trade receivables by age, net of allowance for credit losses, presented based on the invoice date at the end of the reporting period:

	As at 30 September 2025 ***RMB'000*** **(unaudited)**	As at 31 March 2025 *RMB'000* (audited)
Trade receivables		
Within 90 days	**30,029**	111,030
91-180 days	**15,752**	95,369
181-365 days	**61,455**	35,761
Over 1 year	**33,264**	1,086
	140,500	243,246

As at 30 September 2025, total bills received amounting to approximately RMB203,313,000 (31 March 2025: RMB129,937,000), was further discounted or endorsed by the Group. The Group continues to recognize their full carrying amounts at the end of the reporting period. All bills received by the Group are with a maturity period of less than one year (31 March 2025: less than one year).

12. FINANCIAL ASSETS AT FVTPL

	As at 30 September 2025 ***RMB'000*** **(unaudited)**	As at 31 March 2025 *RMB'000* (audited)
Unlisted investment funds *(Note)*	**–**	82,758

Note: As at 31 March 2025, the Group invested in unlisted investment funds for short-term investment purpose. The return of investment funds is determined by reference to the return of their underlying investments. During the six months ended 30 September 2025, the balance as at 31 March 2025 has been redeemed in full by the Group at an amount approximated to the fair value as at 31 March 2025.

13. TRADE AND OTHER PAYABLES

	As at 30 September 2025 *RMB'000* (unaudited)	As at 31 March 2025 *RMB'000* (audited)
Trade payables	**37,106**	47,366
Bills payables	**365,170**	485,170
Other tax payables	**123,625**	160,360
Payables for plant and equipment	**3,161**	10,000
Amount due to a related company	**12,686**	7,755
Accrued employee expense	**2,965**	3,829
Payables for transportation costs	**730**	1,803
Dividend payables	**68,171**	–
Amount due to non-controlling interest	**1,960**	–
Others	**17,824**	17,930
	633,398	734,213

The Group normally receives credit terms of 90 to 180 days from its suppliers. The following is an analysis of the trade and bills payables by age, presented based on the invoice date or bills issue date at the end of the reporting period:

	As at 30 September 2025 *RMB'000* (unaudited)	As at 31 March 2025 *RMB'000* (audited)
Trade payables		
0 – 90 days	**23,240**	30,435
91 – 180 days	**6,912**	9,522
181 – 360 days	**4,807**	2,811
Over 1 year	**2,147**	4,598
	37,106	47,366
Bills payables		
0 – 90 days	**141,600**	191,600
91 – 180 days	**108,570**	203,570
181 – 360 days	**115,000**	90,000
	365,170	485,170

Included in the trade and other payables, are RMB9,903,000 (31 March 2025: RMB13,618,000) which had been settled by endorsed bills for which the maturity dates of the bills receivables have not yet fallen due as at the end of the reporting period.

MANAGEMENT DISCUSSION AND ANALYSIS

Business Review

In 6MFY2026, the Group continued to solidify its position as a leading potash fertilizer company in China. During the period, the Group's revenue increased by approximately 10.5% to RMB2,352.0 million, compared to RMB2,128.2 million in 6MFY2025. This growth was principally driven by a higher overall average selling price of the Group's products in the potash fertilizer market, which more than offset a decline in total sales volume of the Group's products and production services by approximately 15.0%, from around 1,037,000 tonnes in 6MFY2025 to approximately 881,000 tonnes in 6MFY2026. The growth in revenue reflects the sustained high market demand for the Group's products and production service, despite our higher overall average selling price of potash fertilizer products in response to the global potash market dynamics.

With over 20 years of experience in China's potash fertilizer industry, the Group has established comprehensive KCL procurement channels, ensuring a stable supply from major overseas potash fertilizer producers at competitive costs. The Group continues to expand its market share to further strengthen its leadership position in the potash market.

Furthermore, in 6MFY2026, the Group's profit for the period increased by approximately 22.1% to approximately RMB92.0 million as compared to 6MFY2025. This growth was mainly due to the increase in the Group's revenue and gross profit.

Business Updates and Future Prospects

Looking ahead, the Group aims to navigate market fluctuations by driving growth through innovation and expanding the Group's product offerings. The Group will continue exploring new markets to support the increasing global demand for high-efficiency fertilizers, while maintaining its focus on operational efficiency and customer satisfaction. The Group's strategic investments in new facilities and technologies are expected to enhance its supply capacity and bolster its position as a reliable partner in the agricultural industry. In line with these goals, the Group will continue to explore different investment opportunities, improve production capacity and bring values to the Group's customers in the PRC as well as in Asia, the Middle East and Europe.

The Group is planning to establish a subsidiary in Vietnam, which will operate a new production facility (the "**Vietnam Facility**"), which is expected to cover the aforesaid emerging Asia markets. The Group has signed a memorandum of understanding to sublease the site and the Group is currently pursuing necessary local approvals and is addressing feedback from local authorities. As at the date of this announcement, the Group has obtained certain necessary approvals from the competent authorities in Ho Chi Minh City, including the In-Principle Investment Approval for the investment project of Vietnam Facility. In addition, the Group is evaluating and considering strategic business development opportunities in the Middle East. Such initiatives align with the Group's long-term global growth strategy, focusing on tapping into the overseas dynamic market potential, improving continuous technology utilization and innovation and fostering mutually beneficial collaborations. During 6MFY2026, the Group completed the incorporation of subsidiaries and office lease in the Dubai International Financial Centre free zone and the Dubai Multi Commodities Centre free zone in the United Arab Emirates.

In view of the Group's development plans in Vietnam and to streamline its corporate structure in the South East Asia, we are in the process of dissolving our two subsidiaries in Malaysia – Migao International (Malaysia) Sdn. Bhd. ("**Malaysia Migao International**") and Migao Holding (Malaysia) Sdn. Bhd. ("**Malaysia Migao**"). Since their incorporation, neither company has commenced material operation in Malaysia nor held any material assets and liabilities in Malaysia. On 28 February 2025, Malaysia Migao International applied for striking off under Section 550 of the Malaysian Companies Act 2016 pursuant to a members' resolution, and was accordingly dissolved as of August 2025. Malaysia Migao is preparing to submit an application for dissolution by striking off to the Companies Commission of Malaysia. As a result, Mr. Liu Guocai and Mr. Sun Pingfu, both executive Directors, have ceased, or will cease, to act as directors of both Malaysia Migao International and Malaysia Migao. Both Mr. Liu and Mr. Sun have confirmed that there was, or is, no misconduct on their part leading to the dissolution or proposed dissolution of these companies, and they are not aware of any actual or potential claims arising from such dissolution or proposed dissolution.

Financial Review

Revenue

The Group's revenue for 6MFY2026 consisted of sales of products and provision of production services. The following table sets forth a breakdown of the Group's revenue by sales of each type of products and the provision of production services, for each period indicated:

	For the six months ended 30 September		Period-on-period change
	2025	2024	
	RMB'000	*RMB'000*	
Sales of products			
KCL	**2,170,456**	1,911,006	13.6%
SOP	**157,175**	192,611	(18.4)%
NOP	**851**	7,064	(88.0)%
Compound fertilizer	**8,825**	5,657	56.0%
Others	**13,160**	10,570	24.5%
	2,350,467	2,126,908	10.5%
Provision of production services	**1,555**	1,315	18.3%
Total	**2,352,022**	**2,128,223**	10.5%

During 6MFY2026, the sales of KCL and SOP contributed the top two portions of the revenue of the Group, accounting for approximately 92.3% and 6.7%, respectively, of the total revenue of the Group. The Group's revenue for 6MFY2026 was approximately RMB2,352.0 million, representing an increase of approximately 10.5% from approximately RMB2,128.2 million for 6MFY2025. The increase in revenue was primarily attributable to an increase in overall average selling price of the Group's products in the potash fertilizer market, partially offset by a decrease in sales volume during the period.

Cost of Goods Sold

For 6MFY2026, the cost of goods sold was approximately RMB2,118.4 million, representing an increase of approximately 9.0% from approximately RMB1,943.7 million for 6MFY2025, primarily attributable to an increase in average potash unit costs, which outweighed the impact of a decrease of sales volume during the period.

Gross Profit and Gross Profit Margin

The Group's gross profit increased to approximately RMB233.6 million in 6MFY2026, compared to RMB184.6 million in 6MFY2025. The gross profit margin increased from approximately 8.7% in 6MFY2025 to approximately 9.9% in 6MFY2026, primarily as a result of higher market prices of the Group's products and production services in 6MFY2026.

Other Income

The Group's other income decreased by approximately 40.4% from approximately RMB12.1 million for 6MFY2025 to approximately RMB7.2 million for 6MFY2026, primarily due to a decrease of approximately RMB6.4 million in extra deduction of input value-added tax in 6MFY2026.

Other Gains and Losses

The Group recorded a decrease in other gains and losses from a gain of approximately RMB3.5 million in 6MFY2025 to a loss of approximately RMB4.4 million in 6MFY2026. This decrease was primarily attributable to fair value losses on financial assets at FVTPL of approximately RMB2.9 million in 6MFY2026, compared to a gain of approximately RMB6.3 million in 6MFY2025.

Impairment Losses, Net of Reversal

The Group recognised an impairment loss of approximately RMB7.8 million in 6MFY2026, as compared to a loss of approximately RMB0.6 million in 6MFY2025. The increase of impairment loss was attributable to the increase in provision of expected credit losses on certain trade receivables.

Distribution and Selling Expenses

The Group's distribution and selling expenses decreased from approximately RMB13.5 million for 6MFY2025 to approximately RMB10.0 million in 6MFY2026, primarily attributable to a decrease in the overall sales volume of the Group's products and production services during the period.

General and Administrative Expenses

The Group's general and administrative expenses increased from approximately RMB63.1 million for 6MFY2025 to approximately RMB73.7 million for 6MFY2026, representing an increase of approximately 16.8%. The increase was primarily attributable to higher professional fees and business travelling expenses, which were in line with the Group's business expansion.

Research and Development Expenses

The Group's research and development expenses increased from approximately RMB16.8 million for 6MFY2025 to approximately RMB19.0 million for 6MFY2026, representing an increase of approximately 13.4%. This increase was attributable to the Group's continued investment in research and development activities.

Share of Result of A Joint Venture

The Group's share of result of a joint venture improved by approximately 31.1%, with the loss narrowing from approximately RMB3.5 million in 6MFY2025 to approximately RMB2.4 million in 6MFY2026. This improvement was primarily attributable to enhanced cost control measures implemented by the joint venture.

Finance Costs

The Group's finance costs increased by approximately 12.3% from approximately RMB10.8 million in 6MFY2025 to approximately RMB12.1 million in 6MFY2026, primarily due to an increase in overall borrowings of the Group during the period.

Income Tax Expense

The Group's income tax expenses increased by approximately 16.9% from approximately RMB16.6 million in 6MFY2025 to approximately RMB19.4 million in 6MFY2026, primarily due to an increase in profit before tax.

Profit for 6MFY2026

The Group's net profit for 6MFY2026 was approximately RMB92.0 million, representing an increase of approximately 22.1% compared to approximately RMB75.3 million in 6MFY2025 The increase was mainly due to: (i) an increase in the Group's revenue and gross profit; (ii) a decrease in distribution and selling expenses; and partially offset by (iii) an increase in general and administrative expenses related to business development; and (iv) an increase in impairment losses, net of reversal.

Liquidity and Capital Resources

The Group's total cash and restricted cash balances was approximately RMB912.7 million and RMB973.6 million as at 30 September 2025 and 31 March 2025, respectively. The Group maintained sufficient bank balances and cash to meet its operational needs.

As at 30 September 2025, the Group's current assets amounted to approximately RMB4,001.7 million, mainly consisting of trade and other receivables and prepayments of approximately RMB2,872.6 million, and cash and restricted cash balances of approximately RMB912.7 million. The Group's current liabilities were approximately RMB1,710.0 million, mainly consisting of trade and other payables of approximately RMB633.4 million and borrowings of approximately RMB464.3 million. As at 30 September 2025, the current ratio (the current assets to current liabilities ratio) of the Group was 2.3 (31 March 2025: 2.1).

As at 30 September 2025, the borrowings of the Group amounted to approximately RMB605.9 million (31 March 2025: approximately RMB582.3 million). The Group's borrowings maintained at a stable level for its business operation. During 6MFY2026, the Group newly obtained and repaid bank loans and other loans of approximately RMB336.2 million and approximately RMB197.4 million, respectively (6MFY2025: approximately RMB197.0 million and approximately RMB244.3 million, respectively). For details (including the interest rates and maturity profile) of the Group's bank loans newly obtained during 6MFY2026, please refer to the condensed consolidated financial statements in the interim report of the Company for 6MFY2026 to be published in due course.

As at 30 September 2025, the Group's gearing ratio, which was calculated on the basis of the amount of total debt as a percentage of the total equity attributable to the Company's owners, was approximately 22.0% (31 March 2025: 21.3%).

Capital Expenditures

For 6MFY2026, the Group's capital expenditures amounted to approximately RMB34.5 million, primarily used for construction and development of a warehousing and production centre of the Group in Heilongjiang Province, the PRC.

Contingent Liabilities

The Group had no material contingent liabilities as at 30 September 2025.

Pledge of Assets

As at 30 September 2025, the aggregate carrying value of the plant and equipment, right-of-use assets and restricted cash of the Group pledged for the Group's bills payables and/or deposits for letter of credits and/or the sale and leaseback transactions was approximately RMB337.0 million (31 March 2025: approximately RMB451.3 million).

Future Plan for Material Investments and Capital Assets

Save as disclosed in the Prospectus and this announcement, the Group did not have other plans for material investments and capital assets.

The Group continues to explore different investment opportunities that will add value, with future plans focused on enhancing production capacity and operational efficiency. The Group will make additional announcements as and when appropriate and necessary for future material investments.

Significant Investments, Acquisitions and Disposals

Save as disclosed in this announcement, there were no significant investments held, no material acquisitions or disposals of subsidiaries, associates and joint ventures, nor was there any plan authorised by the Board for other material investments or additions of capital assets during 6MFY2026.

Foreign Exchange Risk Management

The Group's functional currency is RMB, with most revenues and expenditures denominated in RMB. The Group also has certain cash and bank balances and financial assets at FVTPL denominated in United States dollars and Hong Kong dollars, which would expose the Group to foreign exchange risk. The Group currently does not have any foreign currency hedging policies. The management will continue to monitor the Group's foreign exchange risk exposure and consider adopting prudent measures as appropriate.

SIGNIFICANT EVENTS AFTER THE REPORTING PERIOD

Save as disclosed in this announcement, the Group did not have any significant events after 30 September 2025 and up to the date of this announcement.

USE OF PROCEEDS AND UPDATE ON EXPECTED TIMELINE FOR USE OF PROCEEDS

On 21 March 2024, the Shares were listed on the Stock Exchange, with 225,000,000 Shares issued at an offer price of HK$4.08 per Share. An additional 8,940,000 Shares were issued at the same price pursuant to the partial exercise of the over-allotment option on 17 April 2024. The net proceeds from the listing of the Shares on the Stock Exchange and the net proceeds from the partial exercise of the over-allotment option (after deducting underwriting fees and other related expenses) amounted to approximately HK$798.6 million (the "**Net Proceeds**").

As disclosed in the Company's announcement dated 22 October 2024 and the supplemental announcement dated 8 November 2024, to utilize the Net Proceeds more efficiently and facilitate the Group's development, the Board resolved on 22 October 2024 to change the use of the Net Proceeds, considering the infeasibility of the original plan to establish the New Sichuan Production Facility, the Group's need and strategy to expand in Asia and the industrialization of the Group's research achievements. In particular, the funds originally designated for the "New Sichuan Production Facility" were allocated to the "Vietnam Expansion", and the scope of the "Upgrading and Replacement of Equipment and Machinery" was broadened to cover upgrades of and for all production facilities of the Group other than the Vietnam Facility.

On 27 November 2025, the Board resolved to extend the expected timeline for the utilization of the Net Proceeds relating to the Heilongjiang Warehousing and Production Centre, the Research and Development Centre, and the Upgrading and Replacement of Equipment and Machinery. The original expected timeline for utilization of the Net Proceeds in these areas was on or before 31 March 2026. The revised expected timeline for the application of the unutilized Net Proceeds is set out below. The expected timeline to use the Net Proceeds is based on the Directors' best estimation, barring any unforeseen circumstances, and it may be subject to change based on the future development of market conditions.

The following table sets forth a summary of the utilization of the Net Proceeds as at 30 September 2025:

Intended Use of Net Proceeds	Purpose for Which They Are Used	Revised Allocation of Net Proceeds *HK$'000*	Approximate Percentage of Net Proceeds *%*	Unutilized Amount as of 1 April 2025 *HK$'000*	Utilized Amount during 6MFY2026 *HK$'000*	Utilized Amount up to 30 September 2025 *HK$'000*	Unutilized Amount as at 30 September 2025 *HK$'000*	Revised Expected Timeline for Utilization
Heilongjiang Warehousing and Production Centre	Construction of the Heilongjiang Warehousing and Production Centre, including land acquisition, railway connecting lines construction, facilities construction, equipment and machinery acquisition and installation, and miscellaneous costs	360,975	45.2	246,690	26,394	140,679	220,296	By 31 March 2028

Intended Use of Net Proceeds	Purpose for Which They Are Used	Revised Allocation of Net Proceeds *HK$'000*	Approximate Percentage of Net Proceeds *%*	Unutilized Amount as of 1 April 2025 *HK$'000*	Utilized Amount during 6MFY2026 *HK$'000*	Utilized Amount up to 30 September 2025 *HK$'000*	Unutilized Amount as at 30 September 2025 *HK$'000*	Revised Expected Timeline for Utilization
Vietnam Expansion	Construction and development of the Vietnam Facility, including land acquisition, facilities construction, and equipment and machinery acquisition and installation	196,459	24.6	190,577	144	6,026	190,433	By 31 March 2027
Research and Development Centre	Funding for establishing the Group's R&D Centre in Sichuan Province, including land acquisition, construction costs and equipment and machinery acquisition	113,403	14.2	113,403	–	–	113,403	By 31 March 2027
Upgrading and Replacement of Equipment and Machinery	Upgrading of and for all production facilities of the Group other than the Vietnam Facility	47,917	6.0	24,371	12,357	35,903	12,014	By 31 March 2027
General Working Capital	Allocation for additional working capital and other general corporate purposes	79,862	10.0	–	–	79,862	–	Not applicable
Total	**–**	**798,616**	**100.0**	**575,041**	**38,895**	**262,470**	**536,146**	**–**

Reasons for Extending the Expected Timeline for Utilization of Net Proceeds

The Board announces that, after careful consideration of the latest progress of the Group's key projects – including the Heilongjiang Warehousing and Production Centre, the Research and Development Centre, and the Upgrading and Replacement of Equipment and Machinery, it has resolved to further extend the expected timeline for the utilization of the relevant Net Proceeds to 31 March 2027 or 31 March 2028.

This extension is primarily attributable to a number of objective factors affecting project implementation. First, the progress of certain projects in areas such as tendering, and construction has been delayed compared to the original schedule, mainly due to prevailing market conditions and the time required for completion of relevant processes. Second, in connection with procurement of equipment, technology upgrades, and site selection for research and development purposes, the Group has conducted more extensive assessments and due diligence to ensure the quality and sustainability of procurement plans and cooperation with business partners. Third, in order to optimize operational efficiency and resource allocation, the Group has dynamically adjusted the sequencing and pace of certain projects. These factors collectively necessitate an extension of the timeline for project execution and fund utilization, to ensure that capital outlays are made in a manner that supports the Group's long-term strategy and business development objectives.

The Board believes that the extension of the expected timeline will allow the Group to optimize project management, maintain operational flexibility, and better respond to evolving market conditions, without any material adverse impact on the Group's existing operations or financial position. The Board remains committed to the prudent and efficient use of the Net Proceeds in alignment with the Group's long-term development strategy and in the best interests of the Company and its Shareholders as a whole.

The Board will continue to monitor the progress of the relevant projects and review the plans for utilization of the unutilized Net Proceeds. Where necessary, the Board may further revise or amend the plans for use of the Net Proceeds in light of changing circumstances, to ensure optimal deployment of resources.

Save as disclosed above, there have been no other changes to the intended use or expected timeline for the use of the Net Proceeds as of the date of this announcement.

EMPLOYEE REMUNERATION AND RELATIONS

As at 30 September 2025, the Group had a total of 423 employees (428 employees as at 31 March 2025). The total staff cost for 6MFY2026 was approximately RMB32.2 million, compared to approximately RMB31.2 million for 6MFY2025. The remuneration packages of the Group's employees are determined with reference to individual qualification, experience, performance, contribution to the Group and prevailing market rate. The Group remunerates its employees with basic salaries as well as performance-based bonuses. The Group participates in a variety of social security plans for its employees that are administered by PRC local governments, including housing, pension, medical insurance and unemployment insurance, and the Group made contributions to employee benefit plans for its employees as required by local authorities in accordance with applicable PRC laws and regulations in all material respects.

To ensure equal opportunities for all the Group's employees, the Group has implemented merit-based promotion mechanism. The Group examines its employees' performance regularly and promotes its employees based on their job performance. The Group also provides its employees with a variety of trainings, which are tailored to each job functions and a set of responsibilities to enhance performance. Furthermore, the Group has established a labor union for its employees, and each production facility has a labor union head to collect feedback from local employees.

INTERIM DIVIDEND

The Board did not resolve to declare any interim dividend for 6MFY2026 (for 6MFY2025: Nil).

At the Board meeting held on 26 June 2025, the Board proposed the payment of a final dividend of RMB0.075 per Share for the year ended 31 March 2025. The aforesaid final dividend was approved by the Shareholders at the annual general meeting of the Company held on 22 August 2025 and was paid on 10 October 2025.

CORPORATE GOVERNANCE CODE

The Company is committed to the establishment of good corporate governance practices and procedures with a view to being a transparent and responsible organization which is open and accountable to the Shareholders. The Company has adopted the code provisions as set out in the Corporate Governance Code as its own code of corporate governance practices.

In the opinion of the Directors, the Company has complied with the relevant code provisions contained in the Corporate Governance Code during 6MFY2026, save for deviation from Code Provision C.2.1 of the Corporate Governance Code. The Board will continue to review and monitor the practices of the Company with an aim of maintaining a high standard of corporate governance.

Pursuant to Code Provision C.2.1 of the Corporate Governance Code, the responsibilities between the chairperson and the chief executive officer should be segregated and should not be performed by the same individual. The Group does not have a separate chairperson and chief executive officer as Mr. Liu Guocai currently performs these two roles. The Board believes that vesting the roles of both chairperson and chief executive officer in the same person has the benefit of ensuring consistent leadership within the Group and enables more effective and efficient overall strategic planning for the Group. The Board considers that the balance of power and authority for the present arrangement will not be impaired and this structure will enable the Company to make and implement decisions promptly and effectively given that (i) decisions to be made by the Board requires approval by at least a majority of the Directors and that the Board comprises three independent non-executive Directors out of six Directors and the Group believes there is sufficient check and balance on the Board; (ii) Mr. Liu Guocai and the other Directors are aware of and undertake to fulfil their fiduciary duties as Directors, which require, among other things, that he/she acts for the benefit and in the best interests of the Company and will make decisions of the Group accordingly; and (iii) the balance of power and authority is ensured by the operations of the Board which comprises experienced and high calibre individuals who meet regularly to discuss issues affecting the operations of the Group. The Board will continue to review and consider splitting the roles of chairperson of the Board and chief executive officer of the Company at a time when it is appropriate and suitable by taking into account the circumstances of the Group as a whole.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS OF LISTED ISSUERS

The Company has adopted the Model Code as its code of conduct regarding securities transactions by the Directors. Having made specific enquiry with all Directors, all Directors confirmed that they have complied with the required standard set out in the Model Code throughout 6MFY2026.

AUDIT COMMITTEE AND REVIEW OF INTERIM RESULTS

The Company established the Audit Committee with written terms of reference in compliance with the Listing Rules. The Audit Committee comprises three members, namely, Mr. Chen Guofu, Ms. Huang Shasha and Ms. Qing Meyerson, all of whom are independent non-executive Directors. Ms. Qing Meyerson is the chairperson of the Audit Committee.

The Audit Committee has reviewed the Group's unaudited condensed consolidated interim results for 6MFY2026 and confirms that the applicable accounting principles, standards and requirements have been complied with, and that adequate disclosures have been made.

The interim results for 6MFY2026 are unaudited, but have been reviewed by the Group's auditor, Messrs. Deloitte Touche Tohmatsu in accordance with Hong Kong Standard on Review Engagements 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity".

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

Neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company's listed securities (including the sale of treasury shares (as defined under the Listing Rules), if any) for 6MFY2026. As at 30 September 2025, the Company did not hold any treasury shares (as defined under the Listing Rules).

DIRECTORS' INTERESTS IN COMPETING BUSINESS

For 6MFY2026, none of the Directors had any interest in a business that competed or was likely to complete, either directly or indirectly, with the business of the Group, other than being a director of the Company and/or its subsidiaries.

SHARE SCHEMES

The Company conditionally adopted a Pre-IPO Share Option Scheme on 23 March 2022 and it was subsequently terminated pursuant to the written resolution of the Directors on 18 April 2023. No option had been granted or agreed to be granted by the Company pursuant to the Pre-IPO Share Option Scheme. No other share schemes have been adopted by the Company as at the date of this announcement.

PUBLICATION OF INTERIM RESULTS ANNOUNCEMENT AND INTERIM REPORT

This interim results announcement is published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.migaogroup.com). The interim report of the Company for 6MFY2026 containing all the information required by the Listing Rules will be available on the same websites in due course, and will be despatched to the Shareholders who have already provided instructions indicating their preference to receive hard copies in due course.

DEFINITIONS

In this announcement, the following expressions shall have the following meanings unless the context requires otherwise:

"Audit Committee"	the audit committee of the Board
"Board"	the Board of Directors of the Company
"China" or "PRC"	the People's Republic of China excluding for the purpose of this announcement, Hong Kong, Macau and Taiwan
"Company"	Migao Group Holdings Limited (米高集團控股有限公司), an exempted company incorporated in the Cayman Islands with limited liability on 21 November 2017
"compound fertilizer"	a kind of fertilizer with three-components, providing nitrogen, phosphorus and potassium. Compound fertilizer can be used for balanced fertilization and can increase the utilization rate of fertilizers
"Corporate Governance Code"	corporate governance code contained in Appendix C1 to the Listing Rules
"Director(s)"	the director(s) of the Company
"FVTPL"	the fair value through profit or loss
"Group"	collectively, the Company and its subsidiaries
"HK$", and "cents"	Hong Kong dollars and cents respectively, the lawful currency of Hong Kong
"Hong Kong" or "HK"	the Hong Kong Special Administrative Region of the PRC
"HKFRS"	Hong Kong Financial Reporting Standards

"KCL"	potassium chloride, a compound with the chemical formula KCl containing around 60% potassium oxide equivalent, which can be used as a fertilizer
"Listing Rules"	The Rules Governing the Listing of Securities on the Main Board of the Stock Exchange
"Model Code"	the model code for securities transactions by directors of listed issuers as set out in Appendix C3 to the Listing Rules
"NOP"	potassium nitrate, a compound with the chemical formula KNO3 containing potassium, oxygen, and nitrogen, which can be used as a fertilizer
"Prospectus"	the prospectus of the Company dated 13 March 2024
"RMB"	Renminbi, the lawful currency of the PRC
"Share(s)"	ordinary share(s) of US$0.01 each in the share capital of the Company
"Shareholder(s)"	the shareholder(s) of the Company
"SOP"	potassium sulphate, a compound with the chemical formula K2SO4 containing around 50% potassium oxide equivalent, which can be used as a fertilizer
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"subsidiary(ies)"	has the meaning ascribed to it under the Listing Rules
"6MFY2025"	six months ended 30 September 2024
"6MFY2026"	six months ended 30 September 2025
"%"	per cent

By Order of the Board
Migao Group Holdings Limited
米高集團控股有限公司
Mr. Liu Guocai
Chairperson and Executive Director

Hong Kong, 27 November 2025

As at the date of this announcement, the Board comprises Mr. Liu Guocai, Mr. Sun Pingfu and Mr. Dong Benzi as executive Directors; and Mr. Chen Guofu, Ms. Huang Shasha and Ms. Qing Meyerson as independent non-executive Directors.