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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)

QUARTERLY UPDATE ON IMPLEMENTATION OF ACTION PLANS TO RESOLVE DISCLAIMER OF OPINION

Reference is made to the annual report of Congyu Intelligent Agricultural Holdings Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) for the year ended 31 December 2025 published on 29 April 2026 (the “**Annual Report**”). Unless otherwise defined, capitalised terms used herein shall have the same meanings as those defined in the Annual Report.

As disclosed in the 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 (the “**Disclaimer of Opinion**”). The Group has adopted various plans and measures to address the matters giving rise to the Disclaimer of Opinion and to improve its liquidity and financial position (the “**Action Plans**”).

The board (the “**Board**”) of directors (the “**Directors**”) of the Company would like to provide the shareholders and potential investors of the Company with the first quarterly progress update on the implementation of the Action Plans.

UPDATE ON IMPLEMENTATION OF ACTION PLANS

Since the publication of the Annual Report and up to the date of this announcement, the Group has continued to implement the Action Plans. In relation to equity financing, following the publication of the circular of the Company dated 20 May 2026 and the approval by the shareholders of the Company at the special general meeting held on 5 June 2026, the placing of 152,916,437 new shares of the Company at the placing price of HK\$0.45 per share (the “**Placing**”) was completed on 24 June 2026. The net proceeds from the Placing amounted to approximately HK\$67.3 million, of which approximately HK\$60.0 million has been applied towards partial repayment of the Group’s bank and other borrowings that were in default as at 31 December 2025 or became in default thereafter and up to the date of publication of the annual results announcement of the Company on 31 March 2026

(collectively, the “**Defaulted Borrowings**”). The remaining balance of approximately HK\$7.3 million is intended to be used as general working capital of the Group. The completion of the Placing and the repayment of part of the Defaulted Borrowings represent progress in the implementation of the equity financing and debt repayment measures under the Action Plans.

Notwithstanding the completion of the Placing, the management of the Group will continue to actively seek and engage in discussions with potential investors to explore further opportunities for equity financing with a view to further improving the cash position of the Group and strengthening its capital structure.

The management of the Group has also continued to actively negotiate with the relevant lenders regarding the renewal, extension and/or restructuring of the remaining Defaulted Borrowings and other outstanding borrowings, including those with overdue principal and interest, with a view to reaching mutually acceptable arrangements. As at the date of this announcement, such negotiations remain ongoing.

In addition, the Group has continued to implement stringent cost control measures, expedite the collection of trade receivables and defer non-essential capital expenditure with a view to preserving working capital and improving its operating cash flows. The Group has also continued to closely monitor its liquidity, cash position and working capital requirements.

Save as disclosed above, there has been no material change to the Action Plans or the basis of the Group’s going concern assessment since the publication of the Annual Report.

CONTINUED IMPLEMENTATION OF THE ACTION PLANS

Notwithstanding the progress set out above, the matters giving rise to the Disclaimer of Opinion have not yet been fully resolved as at the date of this announcement. The Group will continue to implement the Action Plans and closely monitor its liquidity, cash position and outstanding borrowings.

The eventual removal of the Disclaimer of Opinion will depend on, among other things, the successful implementation of the Action Plans and the assessment of the auditor of the Company based on the relevant facts, circumstances and audit evidence available at the relevant time.

The Company will publish further quarterly progress update announcements at intervals of not more than three months to keep the shareholders and potential investors of the Company informed of the implementation progress of the Action Plans.

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

Hong Kong, 31 July 2026

As at the date of this announcement, the board of Directors 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.