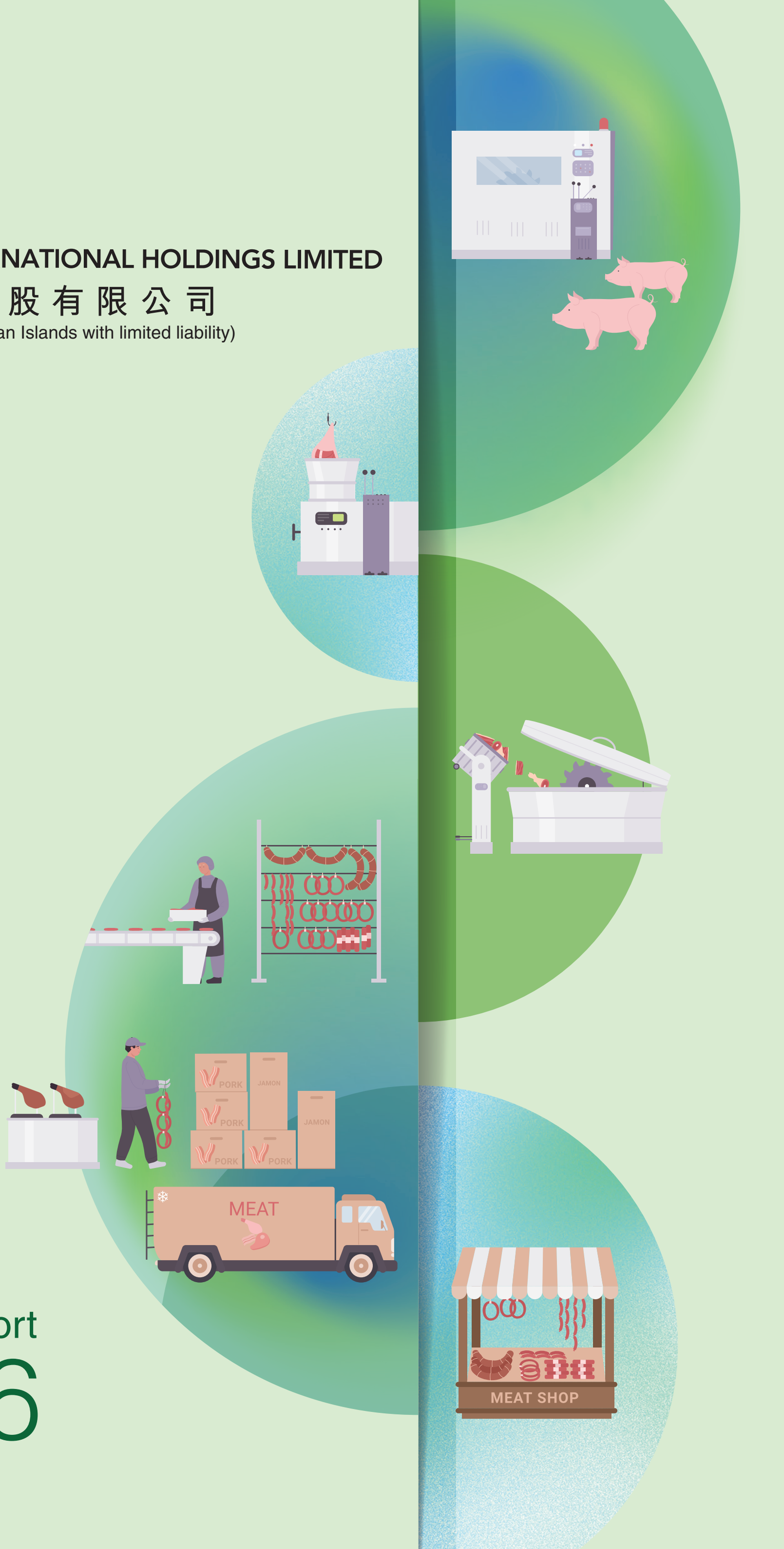
HUISHENG INTERNATIONAL HOLDINGS LIMITED

惠 生 國 際 控 股 有 限 公 司

(Incorporated in the Cayman Islands with limited liability)

Stock Code : 1340



Interim Report 2026

The board (the "**Board**") of directors (the "**Directors**") of Huisheng International Holdings Limited (the "**Company**") announces the unaudited condensed consolidated interim financial statements of the Company and its subsidiaries (collectively referred to as the "**Group**") for the six months ended 30 June 2026 with the unaudited comparative figures for the corresponding period in 2025. These condensed consolidated interim financial statements have not been audited but have been reviewed by the audit committee (the "**Audit Committee**") of the Company.

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the six months ended 30 June 2026

	Notes	Six months ended 30 June **2026** **RMB'000** **(Unaudited)**	2025 RMB'000 (Unaudited)
Revenue	3	**5,328**	7,386
Cost of sales		**(5,108)**	(7,040)
Gross profit		**220**	346
Other income	3	**1,661**	1,803
Net loss arising from change in fair value of financial assets at fair value through profit or loss		**(135)**	(624)
Allowance for expected credit losses, net		**(7,335)**	(3,254)
Selling and distribution expenses		**(78)**	(23)
Administrative expenses		**(4,696)**	(4,816)
Finance costs	4	**–**	(5)
Loss before taxation		**(10,363)**	(6,573)
Taxation	5	**–**	–
Loss for the period	6	**(10,363)**	(6,573)

	Notes	Six months ended 30 June 2026 RMB'000 (Unaudited)	2025 RMB'000 (Unaudited)
Other comprehensive income/(expense) for the period:			
Item that may be reclassified subsequently to profit or loss:			
Exchange differences on translating foreign operations		**920**	(1,544)
Other comprehensive income/(expense) for the period, net of income tax		**920**	(1,544)
Total comprehensive expense for the period		**(9,443)**	(8,117)
Loss for the period attributable to:			
Owners of the Company		**(10,259)**	(6,667)
Non-controlling interests		**(104)**	94
		(10,363)	(6,573)
Total comprehensive expense for the period attributable to:			
Owners of the Company		**(8,837)**	(6,802)
Non-controlling interests		**(606)**	(1,315)
		(9,443)	(8,117)
Loss per share attributable to owners of the Company	7		
Basic and diluted (RMB cents per share)		**(1.09)**	(0.72)

The accompanying notes form an integral part of these condensed consolidated financial statements.

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2026

	Notes	**As at 30 June 2026 RMB'000 (Unaudited)**	As at 31 December 2025 RMB'000 (Audited)
Non-current assets			
Property, plant and equipment	9	**34,180**	36,184
Right-of-use assets	9	**8,146**	8,263
Financial assets at fair value through other comprehensive income		**1,868**	1,868
		44,194	46,315
Current assets			
Financial assets at fair value through profit or loss	10	**4,053**	4,401
Inventories		**30,847**	19,632
Trade receivables	11	**114,771**	176,184
Loan receivables	12	**–**	–
Prepayments, deposits and other receivables	12	**174,906**	182,078
Bank balances and cash		**85,123**	24,601
		409,700	406,896
Current liabilities			
Trade payables	13	**10,279**	10,148
Accruals and other payables		**66,922**	64,092
Deferred revenue		**25**	25
		77,226	74,265

	Notes	As at 30 June 2026 RMB'000 (Unaudited)	As at 31 December 2025 RMB'000 (Audited)
Net current assets		**332,474**	332,631
Total assets less current liabilities		**376,668**	378,946
Non-current liabilities			
Deferred revenue		**115**	127
		115	127
Net assets		**376,553**	378,819
Equity			
Share capital	14	**9,294**	7,698
Reserves		**371,637**	374,893
Equity attributable to owners of the Company		**380,931**	382,591
Non-controlling interests		**(4,378)**	(3,772)
Total equity		**376,553**	378,819

The accompanying notes form an integral part of these condensed consolidated financial statements.

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 June 2026

	Equity attributable to owners of the Company									
	Share capital RMB'000	Share premium RMB'000	Exchange reserve RMB'000	Statutory surplus reserve RMB'000	Other reserve RMB'000	Revaluation reserve RMB'000	Retained earnings RMB'000	Equity attributable to owners of the Company RMB'000	Non-controlling interests RMB'000	Total RMB'000
As at 1 January 2025 (Audited)	7,698	446,928	4,065	43,233	16,329	(350)	(120,863)	397,040	(3,336)	393,704
Loss for the period	–	–	–	–	–	–	(6,667)	(6,667)	94	(6,573)
Other comprehensive expense for the period	–	–	(135)	–	–	–	–	(135)	(1,409)	(1,544)
Total comprehensive expense for the period	–	–	(135)	–	–	–	(6,667)	(6,802)	(1,315)	(8,117)
As at 30 June 2025 (Unaudited)	7,698	446,928	3,930	43,233	16,329	(350)	(127,530)	390,238	(4,651)	385,587
As at 1 January 2026 (Audited)	**7,698**	**446,928**	**4,454**	**43,233**	**16,329**	**368**	**(136,419)**	**382,591**	**(3,772)**	**378,819**
Loss for the period	**–**	**–**	**–**	**–**	**–**	**–**	**(10,259)**	**(10,259)**	**(104)**	**(10,363)**
Other comprehensive income for the period	**–**	**–**	**1,422**	**–**	**–**	**–**	**–**	**1,422**	**(502)**	**920**
Total comprehensive expense for the period	**–**	**–**	**1,422**	**–**	**–**	**–**	**(10,259)**	**(8,837)**	**(606)**	**(9,443)**
Issue of shares under placing (Note 14 (a))	**1,596**	**5,745**	**–**	**–**	**–**	**–**	**–**	**7,341**	**–**	**7,341**
Transaction cost attributable to issue of new shares under placing	**–**	**(164)**	**–**	**–**	**–**	**–**	**–**	**(164)**	**–**	**(164)**
As at 30 June 2026 (Unaudited)	**9,294**	**452,509**	**5,876**	**43,233**	**16,329**	**368**	**(146,678)**	**380,931**	**(4,378)**	**376,553**

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended 30 June 2026

	Six months ended 30 June	
	2026	2025
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Net cash generated from/(used in) operating activities	**53,493**	(81,572)
Cash flows from investing activity		
Interest received	**10**	196
Net cash generated from investing activity	**10**	196
Cash flows from financing activities		
Proceeds from issuance of shares under placing	**7,341**	–
Share issue expenses	**(164)**	–
Net cash generated from financing activities	**7,177**	–
Net increase/(decrease) in cash and cash equivalents	**60,680**	(81,376)
Cash and cash equivalents at the beginning of the period	**24,601**	397,768
Effect of foreign exchange rate changes, net	**(158)**	(410)
Cash and cash equivalents at the end of the period	**85,123**	315,982

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

For the six months ended 30 June 2026

1. BASIS OF PREPARATION

The Group's condensed consolidated interim financial statements for the six months ended 30 June 2026 have 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**") and the disclosure requirements of Appendix 16 to the Rules Governing the Listing of Securities (the "**Listing Rules**") on The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**"). They have been prepared under the historical cost convention, except for certain financial instruments that are measured at fair value at the end of each reporting period. The condensed consolidated interim financial statements are presented in Renminbi ("**RMB**") and all values are rounded to the nearest thousand except when otherwise indicated.

The accounting policies and method of computation used in preparing the condensed consolidated interim financial statements for the six months ended 30 June 2026 are consistent with those used in the annual financial statements for the year ended 31 December 2025 except as described below.

The preparation of the condensed consolidated interim financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates.

Other than the changes in accounting policies resulting from application of new HKFRS Accounting Standards, in preparing these condensed consolidated interim financial statements, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimate uncertainty were the same as those that applied to the consolidated financial statements for the year ended 31 December 2025.

Application of new and amendments to HKFRS Accounting Standards

The accounting policies used in the preparation of the unaudited condensed consolidated interim financial statements are consistent with those used in the annual financial statements for the year ended 31 December 2025, except for the impact of the adoption of the new and revised HKASs, HKFRS Accounting Standards, amendments and interpretations described below.

Amendments to HKFRS Accounting Standards adopted by the Group

In the current interim period, the Group has adopted the following amendments to HKFRS Accounting Standards as issued by the HKICPA, for the first time, which are mandatorily effective for the annual periods beginning on or after 1 January 2026 for the preparation of the Group's condensed consolidated interim financial statements:

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

The application of the amendments to HKFRS Accounting Standards 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 interim financial statements.

2. SEGMENT INFORMATION

Operating segments are identified on the basis of internal reports about components of the Group that are regularly reviewed by the chief operating decision makers ("**CODMs**"), being the executive director of the Company, in order to allocate resources to segments and to assess their performance.

The Group is principally engaged in slaughtering and trading of pork products and pipe system products.

The two reportable segments of the Group under HKFRS 8 are as follows:

(a) Slaughtering and trading of pork products – slaughtering and trading of pork products

(b) Pipe system products – provision of technical advisory services on the design, application, implementation and installation, and selling and distributing of pipe system products

Segment revenue and results

The following is an analysis of the Group's revenue and results by reportable and operating segments:

	Slaughtering and trading of pork products RMB'000 (Unaudited)	Pipe system products RMB'000 (Unaudited)	Total RMB'000 (Unaudited)
Six months ended 30 June 2026			
Segment revenue	**5,328**	**–**	**5,328**
Segment results	**(8,785)**	**–**	**(8,785)**
Net loss arising from change in fair value of financial assets at fair value through profit or loss			**(135)**
Unallocated corporate income			**–***
Unallocated corporate expenses			**(1,443)**
Loss before taxation			**(10,363)**

* The amount represents less than RMB1,000.

2. SEGMENT INFORMATION (CONTINUED)

Segment revenue and results (Continued)

	Slaughtering and trading of pork products RMB'000 (Unaudited)	Pipe system products RMB'000 (Unaudited)	Total RMB'000 (Unaudited)
Six months ended 30 June 2025			
Segment revenue	7,386	–	7,386
Segment results	(4,026)	–	(4,026)
Net loss arising from change in fair value of financial assets at fair value through profit or loss			(624)
Unallocated corporate income			–*
Unallocated corporate expenses			(1,918)
Finance costs			(5)
Loss before taxation			(6,573)

* *The amount represents less than RMB1,000.*

Segment results represent the profit earned by or loss from each segment without allocation of net loss arising from change in fair value of financial assets at fair value through profit or loss, allowance for expected credit losses, net, unallocated corporate income, unallocated corporate expenses and finance costs. This is the measure reported to the CODM for the purposes of resources allocation and performance assessment.

Segment revenue reported above represents revenue generated from external customers. There were no inter-segment sales in both periods.

2. **SEGMENT INFORMATION (CONTINUED)**

Segment assets and liabilities

	Slaughtering and trading of pork products RMB'000 (Unaudited)	Pipe system products RMB'000 (Unaudited)	Total RMB'000 (Unaudited)
At 30 June 2026			
Segment assets	**438,052**	**183**	**438,235**
Segment liabilities	**(39,236)**	**(12,383)**	**(51,619)**

	Slaughtering and trading of pork products RMB'000 (Audited)	Pipe system products RMB'000 (Audited)	Total RMB'000 (Audited)
At 31 December 2025			
Segment assets	447,132	186	447,318
Segment liabilities	(39,530)	(12,518)	(52,048)

2. SEGMENT INFORMATION (CONTINUED)

Segment assets and liabilities (Continued)

Reconciliation of reportable segments' assets and liabilities:

	As at 30 June 2026 RMB'000 (Unaudited)	As at 31 December 2025 RMB'000 (Audited)
Assets		
Total assets of reportable segments	**438,235**	447,318
Unallocated and other corporate assets:		
Financial assets at fair value through profit or loss	**4,053**	4,401
Prepayments, deposits and other receivables	**734**	1,241
Bank balances and cash	**10,872**	251
Consolidated total assets	**453,894**	453,211
Liabilities		
Total liabilities of reportable segments	**51,619**	52,048
Unallocated and other corporate liabilities:		
Accruals and other payables	**25,722**	22,344
Consolidated total liabilities	**77,341**	74,392

For the purposes of monitoring segment performance and allocating resources between segments:

- all assets are allocated to operating segments other than unallocated and other corporate assets (mainly comprising financial assets at fair value through profit or loss, prepayments, deposits and other receivables and bank balances and cash); and

- all liabilities are allocated to operating segments other than unallocated and other corporate liabilities (mainly comprising accruals and other payables).

2. SEGMENT INFORMATION (CONTINUED)

Information about geographical areas

During the reporting period, the Group was mainly operating in the People's Republic of China (the "**PRC**") (six months ended 30 June 2025: the PRC). The Group's revenue from external customers based on the location of the operation by geographical location is presented below.

	Six months ended 30 June	
	2026	2025
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Revenue		
– The PRC	**5,328**	7,386

Information about major customers

For the six months ended 30 June 2026, revenue generated from three customers which have individually accounted for over 10% of the Group's total revenue (six months ended 30 June 2025: one).

Revenue from major customers, which contributed to 10% or more of the Group's revenue is set out below:

	Six months ended 30 June	
	2026	2025
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Customer A from slaughtering and trading of pork products *(note)*	**1,988**	6,642
Customer B from slaughtering and trading of pork products *(note)*	**1,210**	N/A
Customer C from slaughtering and trading of pork products *(note)*	**1,071**	N/A

Note:

The corresponding revenue did not contribute over 10% of the total revenue of the Group.

3. REVENUE AND OTHER INCOME

The reconciliation of revenue from contracts with customers for the reporting period is as follows:

	Six months ended 30 June	
	2026	2025
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Revenue from contracts with customers		
Recognition at a point in time		
Sale of pork products	**5,328**	7,386

	Six months ended 30 June	
	2026	2025
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Other income		
Interest income on:		
Bank deposits	**10**	196
Amortisation of deferred revenue	**12**	12
Total interest income	**22**	208
Dividend income from equity investment	**150**	105
Rental income	**1,486**	1,486
Sundry income	**3**	4
	1,661	1,803

4. FINANCE COSTS

	Six months ended 30 June	
	2026	2025
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Interest on:		
– Lease liabilities	**–**	5

5. TAXATION

	Six months ended 30 June	
	2026	2025
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Current tax – Japan		
Charge for the period	**–**	–
Current tax – PRC		
Charge for the period	**–**	–
Income tax charge	**–**	–

Hong Kong

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%. 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.

PRC

The PRC Enterprise Income Tax (the "**PRC EIT**") is calculated at the applicable tax rates in accordance with the relevant laws and regulations in the PRC.

Under the PRC Enterprise Income Tax Law (the "**EIT Law**") and Implementation Regulations of the EIT Law, the tax rate of a PRC subsidiary is 25% from 1 January 2008 onwards.

Meat processing of primary produce is on the list of The Range of Processing of Primary Agricultural Produces to Be Given Preferential Enterprise Income Tax Treatment (Trial Implementation) (2008 version) (享受企業所得稅優惠政策的農產品初加工範圍 (試行) (2008年版)) promulgated by the Ministry of Finance (財政部) and the State Administration of Taxation (國家稅務總局) on 20 November 2008. Hunan Huisheng Meat Products Company Limited (湖南惠生肉業有限公司) ("**Hunan Huisheng**") meets the required standard for preferential PRC EIT treatment.

According to the prevailing tax rules and regulations, Hunan Huisheng is operating in the business of primary processing of agriculture products, was exempted from the PRC EIT during the period under review.

According to the prevailing tax rules and regulations, the Group is operating in agricultural business, which is exempted from the PRC EIT, and no deferred taxation impact was considered for the reporting period.

5. TAXATION (CONTINUED)

Japan

Japan corporate income tax has been calculated on the estimated assessable profit at the rates of taxations prevailing in Japan in which the Group operates. The Group is subject to national corporate income tax, inhabitant tax, and enterprise tax in Japan, which in aggregate, resulted in effective statutory income tax rates of approximately 30.6%.

The income tax expense for the period can be reconciled to the loss before taxation per condensed consolidated statement of profit or loss and other comprehensive income as follows:

	Six months ended 30 June	
	2026	2025
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Loss before taxation	**(10,363)**	(6,573)
Tax at the applicable income tax rate	**(2,457)**	(1,427)
Tax effect of income not taxable for tax purpose	**(37)**	(230)
Tax effect of expenses not deductible for tax purpose	**402**	427
Tax effect of tax loss not recognised	**258**	416
Temporary difference not recognised	**1,834**	814
Income tax expense	**–**	–

6. LOSS FOR THE PERIOD

Loss for the period has been arrived at after charging:

	Six months ended 30 June	
	2026	2025
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Directors' emoluments	**159**	137
Other staff costs:		
Salaries and other benefits	**624**	231
Retirement scheme contributions	**66**	29
Total staff costs	**849**	397
Depreciation of property, plant and equipment *(note)*	**2,004**	2,011
Depreciation of right-of-use assets	**117**	120
Cost of inventories recognised as expenses	**5,108**	7,040

Note: During the six month ended 30 June 2026, depreciation of property, plant and equipment of approximately RMB119,000 was included in cost of sales (six months ended 30 June 2025: approximately RMB119,000).

7. LOSS PER SHARE ATTRIBUTABLE TO OWNERS OF THE COMPANY

The calculation of basic loss per share is based on the loss attributable to owners of the Company for the six months ended 30 June 2026 of approximately RMB10,259,000 (six months ended 30 June 2025 approximately RMB6,667,000) and the weighted average number of 942,212,499 (six months ended 30 June 2025: 922,838,000) ordinary shares in issue during the reporting period.

The diluted loss per share was same as the basic loss per share as there were no potential dilutive ordinary shares in existence during the periods under review.

8. DIVIDENDS

No interim dividend has been paid or declared by the Company for the six months ended 30 June 2026 (six months ended 30 June 2025: nil).

9. MOVEMENTS IN PROPERTY, PLANT AND EQUIPMENT AND RIGHT-OF-USE ASSETS

During the current interim period, no additions to property, plant and equipment (31 December 2025: nil) and no additions of right-of-use assets was recognised (31 December 2025: nil).

10. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	As at 30 June 2026 RMB'000 (Unaudited)	As at 31 December 2025 RMB'000 (Audited)
Held-for-trading investments:		
Equity securities listed in Hong Kong *(note)*	**4,053**	4,401

Note:

As at 30 June 2026, the fair value of the listed equity securities, amounting to approximately RMB4,053,000 (31 December 2025: approximately RMB4,401,000), was determined based on the quoted market bid prices available on the Stock Exchange.

11. TRADE RECEIVABLES

	As at 30 June 2026 RMB'000 (Unaudited)	As at 31 December 2025 RMB'000 (Audited)
Trade receivables	**139,650**	201,745
Less: Allowance for expected credit losses	**(24,879)**	(25,561)
	114,771	176,184

The Group offered credit period on sale of pork products and pipe system products ranged from 30 to 180 days. The aging analysis of trade receivables, net of allowance for expected credit losses, based on the invoice date, is as follows:

	As at 30 June 2026 RMB'000 (Unaudited)	As at 31 December 2025 RMB'000 (Audited)
Within 30 days	**396**	24,792
31 to 60 days	**198**	21,514
61 to 90 days	**387**	30,937
91 to 180 days	**4,283**	97,921
181 to 365 days	**109,507**	1,020
	114,771	176,184

Movement in the allowance for expected credit losses on trade receivables, is as follow:

	As at 30 June 2026 RMB'000 (Unaudited)	As at 31 December 2025 RMB'000 (Audited)
Balance at the beginning of the period/year	**25,561**	12,763
Allowance for expected credit losses recognised	**1,053**	15,906
Reversal of allowance for expected credit losses	**(1,660)**	(3,574)
Exchange realignment	**(75)**	466
Balance at the end of the period/year	**24,879**	25,561

The Group's policy for impairment loss on trade receivables is based on an evaluation of collectability and aging analysis of the receivables which requires the use of judgement and estimates. Provisions would apply to the trade receivables when there are events or changes in circumstances indicate that the balances may not be collectible. The management closely reviews the trade receivables balances and any overdue balances on an ongoing basis and assessments are made by the management of the Group on the collectability of overdue balances.

12. LOAN RECEIVABLES, PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES

	As at 30 June 2026 RMB'000 (Unaudited)	As at 31 December 2025 RMB'000 (Audited)
Loan receivables *(note (a))*	**2,463**	2,590
Other receivables *(note (b))*	**22,160**	20,968
Deposits *(note (c))*	**9,036**	9,136
Prepayments *(note (d))*	**167,893**	168,384
	201,552	201,078
Less: Allowance for expected credit losses	**(26,646)**	(19,000)
	174,906	182,078

Notes:

(a) As at 30 June 2026, there were loan receivables of approximately RMB2,463,000 (31 December 2025: approximately RMB2,590,000) net of allowances for expected credit losses of approximately RMB2,463,000 (31 December 2025: approximately RMB2,590,000). The loan receivables were unsecured, weighted average interest bearing at 12.0% per annum (31 December 2025: 12.0% per annum) and repayable within one year (31 December 2025: one year).

(b) As at 30 June 2026, there were other receivables of approximately RMB22,160,000 (31 December 2025: approximately RMB20,968,000) net of allowances for expected credit losses of approximately RMB15,160,000 (31 December 2025: approximately RMB7,288,000).

(c) As at 30 June 2026, included in the deposits mainly represented the deposit paid for inventories of approximately RMB9,009,000 (31 December 2025: approximately RMB9,108,000) net of allowances for expected credit losses of approximately RMB9,009,000 (31 December 2025: approximately RMB9,108,000).

(d) As at 30 June 2026, included in the Prepayments mainly represented the prepayment for biological assets of approximately RMB166,975,000 (31 December 2025: 166,975,000).

13. TRADE PAYABLES

	As at 30 June 2026 RMB'000 (Unaudited)	As at 31 December 2025 RMB'000 (Audited)
Trade payables	**10,279**	10,148

The Group was offered credit period on purchase of goods within 60 days. The following is an aging analysis of trade payables presented based on the invoice date at the end of the reporting period:

	As at 30 June 2026 RMB'000 (Unaudited)	As at 31 December 2025 RMB'000 (Audited)
Within 30 days	**2,229**	561
31 to 90 days	**–**	454
Over 90 days	**8,050**	9,133
	10,279	10,148

14. SHARE CAPITAL

Details of movements of share capital of the Company are as follows:

	Number of shares	**Amount** HK$'000	RMB'000
Authorised:			
Balances as at 1 January 2025, 31 December 2025, 1 January 2026 and 30 June 2026 of HK$0.01 each	1,500,000,000	15,000	11,810
Issued and fully paid:			
Balances as at 1 January 2025, 31 December 2025 and 1 January 2026 of HK$0.01 each	922,838,000	9,228	7,698
Issue of shares under placing *(note (a))*	184,567,600	1,846	1,596
Balance as at 30 June 2026 of HK$0.01 each	1,107,405,600	11,074	9,294

14. SHARE CAPITAL (CONTINUED)

Note: (a) On 12 June 2026, the Company completed the placing of an aggregate of 184,567,600 new shares of the Company at a placing price of HK$0.046 each to independent third parties. The net proceeds (after deducting directly related expenses) from the placing amounted to approximately HK$8,111,000, which are intended to be used as to 20% for general working capital and 80% for procurement of frozen meat to expand the Group's frozen meat trading business in Hong Kong. Details of the placing are set out in the Company's announcements dated 20 May 2026 and 12 June 2026.

15. MATERIAL RELATED PARTY TRANSACTIONS

Disclosed elsewhere in the condensed consolidated interim financial statements, the Group had entered into transactions with related parties which in the opinion of directors were carried out on normal commercial terms and in the ordinary course of the Group's business, as shown below:

Compensation of key management personnel

The directors of the Company are identified as key management members of the Group and their compensation during the six months ended 30 June 2026 and 2025 is set out in note 6.

16. EVENTS AFTER THE REPORTING PERIOD

(a) On 20 May 2026, the Board proposed a share consolidation (the "**Share Consolidation**") on the basis that every eight (8) issued and unissued existing shares of par value of HK$0.01 each be consolidated into one (1) consolidated share of par value of HK$0.08 each. The proposed Share Consolidation was approved by the Shareholders and has become effective on 10 July 2026. As at the date of this report, the authorised share capital of the Company is HK$15,000,000 divided into 187,500,000 consolidated shares of par value of HK$0.08 each, of which 138,425,700 consolidated shares are in issue and fully paid. The change in board lot size from 4,000 existing shares to 10,000 consolidated shares became effective on 24 July 2026. Details of the share consolidation and change in Board Lot Size are set out in the Company's Circular dated 18 June 2026 and announcements dated 20 May 2026 and 8 July 2026.

(b) On 15 September 2026 (after trading hours), the Company entered into subscription agreements with two independent third parties, pursuant to which the Company has conditionally agreed to issue, and the subscribers have agreed to subscribe for, a total of 11,000,000 new shares at HK$0.48 per share. The subscription shares represent approximately 7.95% of the existing issued share capital as at 15 September 2026 and approximately 7.36% of the enlarged issued share capital, resulting in a dilution effect on the shareholding of the existing shareholders of approximately 7.36%. The gross proceeds will be HK$5,280,000 and the estimated net proceeds will be approximately HK$5,100,000 (after deducting directly related expenses), representing a net price of approximately HK$0.464 per share, which are intended to be used as general working capital of the Group, including the repayment of indebtedness. Completion is conditional upon the fulfilment of the conditions under the subscription agreements, including the Stock Exchange having granted the listing of, and permission to deal in, the subscription shares. The subscribers are independent third parties and are not connected persons of the Company. Details are set out in the announcement dated 15 September 2026.

Save as disclosed above, there is no other material subsequent event undertaken by the Company or by the Group after 30 June 2026 and up to the date of this report.

17. APPROVAL OF THE INTERIM FINANCIAL STATEMENTS

This condensed consolidated interim financial statements were approved and authorised for issue by the Board on 31 August 2026.

* For identification purpose only

Business Review

During the period of review, the Group is principally engaged in the slaughtering of livestock and trading of pork products, including the production and sale of fresh, chilled and frozen pork, pork byproducts and processed pork products (such as bacon and sausages). In addition, the Group has also been engaged in the sale of pipeline system products and related technical consulting services in the past.

Slaughtering and Pork Product Trading Business

During the first half of 2026, the PRC hog and pork markets continued to undergo profound price and structural adjustments. Affected by intensified competition in surrounding markets and the overall downturn of the industry cycle, the Group's business revenue during the reporting period was under pressures. Facing challenges on the revenue side, the Group adhered to the principle of prudent operation, placed greater emphasis on cost control and quality management measures, and successfully improved its gross profit margin, reflecting the preliminary results of internal operational adjustments and cost optimization.

To address the pressures facing the traditional hog breeding and slaughtering business, the Group continued its strategic direction of developing frozen pork trading since the second half of 2025. Entering the first half of 2026, the Group successfully completed the placing of new shares, planning to apply the majority of the net proceeds to the procurement of frozen meat from overseas and domestic suppliers, in order to develop the local frozen meat market in Hong Kong and expand the Group's frozen meat trading business. This initiative aims to open up stable new business growth points for the Group, optimize the overall product mix, and enhance risk-resistance capabilities.

Pipe System Business

Affected by both the overall macroeconomic environment and exchange rate fluctuations, the pipeline system products business still faced immense pressure in the first half of 2026. Due to the continuous decline of the Japanese Yen exchange rate and the impact of tariff policies, the cost of imported goods settled in US dollars surged significantly, squeezing profit margins. To effectively control financial risks and concentrate resources to leverage the advantages of core businesses, the Group adopted a cautious stance and continued to suspend the operation of this business during the reporting period.

Placing of New Shares Under General Mandate

On 20 May 2026, the Company and Grand China Securities Limited (the "**Placing Agent**") entered into the placing agreement (the "**Placing Agreement**"), pursuant to which the Company has conditionally agreed to place, through the Placing Agent on a best effort basis, a maximum of 184,567,600 placing shares (the "**Placing Share(s)**") at the placing price (the "**Placing Price**") of HK$0.046 per Placing Share to not less than six placees who and whose ultimate beneficial owner(s) are independent third parties (the "**Placing**").

The 184,567,600 Placing Shares represent (i) 20% of the existing issued share capital of the Company of 922,838,000 shares of the Company of par value of HK$0.01 each (the "**Existing Share(s)**"); and (ii) approximately 16.67% of the issued share capital of the Company of 1,107,405,600 Existing Shares as enlarged by the allotment and issue of the Placing Shares, assuming no further change in the share capital structure of the Company prior to completion of the Placing (the "**Completion**"). The maximum aggregate nominal value of the Placing Shares under the Placing will be approximately HK$1,845,676.

The closing price of the Company's shares on 20 May 2026 was HK$0.057. The Directors consider that the Placing Agreement is entered into upon normal commercial terms following arm's length negotiations between the Company and the Placing Agent and the terms of the Placing Agreement (including the Placing Price and the placing commission) are fair and reasonable and are in the interests of the Company and the Shareholders as a whole.

On 12 June 2026, all the conditions set out in the Placing Agreement had been fulfilled. The Placing was completed on 12 June 2026 in accordance with the terms of the Placing Agreement. An aggregate of 184,567,600 Placing Shares, representing 20% of the issued share capital of the Company immediately before Completion and approximately 16.67% of the issued share capital of the Company as enlarged by the allotment and issue of the Placing Shares immediately after Completion, have been successfully placed to not less than six placees, at the Placing Price of HK$0.046 per Placing Share pursuant to the terms of the Placing Agreement.

The net proceeds from the Placing (after deducting the placing commission and other related expenses) were approximately HK$8,220,000 (the "**Net Proceeds**"). The Company intends to apply the Net Proceeds as (i) 20% of the Net Proceeds (approximately HK$1,644,000) will be used as general working capital to support the daily operations and ongoing business development of the Group; and (ii) 80% of the Net Proceeds (approximately HK$6,576,000) will be used to finance the procurement of frozen meat from both overseas and domestic suppliers to conduct and expand the Group's local frozen meat trading business in Hong Kong. As at 30 June 2026, the Net Proceeds have not been utilised.

Details of the Placing and Placing Agreement are set out in the announcements dated 20 May 2026, 26 May 2026 and 12 June 2026.

Use of Net Proceeds from the Placing

Intended use of Net Proceeds	Proposed approximate amount to be used	Actual approximate amount utilised as at 30 June 2026	Actual approximate amount utilised up to the date of the report	Unutilised amount up to the date of the report
general working capital to support the daily operations and ongoing business development of the Group	HK$1,644,000	–	HK$1,644,000	–
finance the procurement of frozen meat from both overseas and domestic suppliers	HK$6,576,000	–	HK$6,576,000	–
Total	**HK$8,220,000**	**–**	**HK$8,220,000**	**–**

Financial Review

For the period ended 30 June 2026, the Group recorded revenue of approximately RMB5.3 million, representing a decrease of approximately 28.4%, or approximately RMB2.1 million, as compared with the same period last year of approximately RMB7.4 million. The decrease in revenue was primarily attributable to the lower average selling prices of pork and meat products resulting from market price fluctuations. Despite the reduction in revenue, benefiting from effective procurement cost controls and an optimized product mix, the Group still recorded a gross profit of approximately RMB220,000 for the period (2025: RMB346,000).

For the slaughtering and trading of pork products business, the revenue decreased by approximately RMB2.1 million, or 28.4%, to approximately RMB5.3 million. The revenue from the pipe system products business was nil (2025: nil).

The selling and distribution expenses of the Group for the six months ended 30 June 2026 were approximately RMB78,000 (2025: approximately RMB23,000).

The administrative expenses of the Group for the six months ended 30 June 2026 were approximately RMB4.7 million (2025: approximately RMB4.8 million).

The finance cost of the Group for the six months ended 30 June 2026 was nil (2025: approximately RMB5,000).

Net loss for the six months ended 30 June 2026 was increased by approximately RMB3.8 million to approximately RMB10.4 million (2025: approximately RMB6.6 million), primarily due to the increase in the allowance for expected credit loss by approximately RMB4.1 million.

Liquidity, Financial Resources and Funding and Treasury Policy

As at 30 June 2026, the Group had bank balances and cash of approximately RMB85.1 million (31 December 2025: approximately RMB24.6 million). The Group also had net current assets of approximately RMB332.5 million as at 30 June 2026, while it was approximately RMB332.6 million as at 31 December 2025.

The Group intends to finance its operations and investing activities principally with funds generating from its operating revenue, internal resources and bank facilities. The Directors believe that the Group has a healthy financial position and has sufficient resources to satisfy its capital expenditure and working capital requirement.

Most of the Group's trading transactions, assets and liabilities were denominated in Renminbi, Japanese Yen and Hong Kong dollars for the six months ended 30 June 2026. The Group adopted a conservative treasury policy with most of the bank deposits being kept in Hong Kong dollars, or in the local currencies of the operating subsidiaries to minimise exposure to foreign exchange risks. As at 30 June 2026, the Group had no foreign exchange contracts, interest or currency swaps or other financial derivatives for hedging purposes.

Gearing Ratio

As at 30 June 2026, the Group's gearing ratio (being its total debts, which are the summation of borrowings divided by its total equity and multiplied by 100%) was nil (31 December 2025: nil).

Foreign Exchange Exposure

The Group's assets, liabilities and cash flow from operations are mainly denominated in Hong Kong dollars, Renminbi and Japanese Yen. The Group currently does not have any related foreign exchange hedges, however the Company monitors its foreign exchange exposure and will consider hedges should the need arise.

Capital Commitments and Contingent Liabilities

Save as disclosed elsewhere in the condensed consolidated interim financial statements, for the six months ended 30 June 2026, the Directors were not aware of any material capital commitments and contingent liabilities.

Material Acquisition and Disposal

Save as disclosed elsewhere in the condensed consolidated interim financial statements, during the period under review, the Group did not have any material acquisition and disposal of subsidiaries, associates or joint ventures.

Significant Investment

During the period under review, there was no other significant investment.

Event after the Reporting Date

Share Consolidation and Change in Board Lot Size

On 20 May 2026, the Board proposed to implement the share consolidation (the "**Share Consolidation**") on the basis that every eight (8) issued and unissued shares of the Company of par value of HK$0.01 each in the share capital of the Company (the "**Existing Share(s)**") be consolidated into one (1) consolidated share (the "**Consolidated Share(s)**") of par value of HK$0.08 each. The authorised share capital of the Company was HK$15,000,000, divided into 1,500,000,000 Existing Shares of par value of HK$0.01 each, of which 1,107,405,600 Existing Shares had been allotted and issued as fully paid as at 30 June 2026 and the Company holds no treasury shares.

On 8 July 2026, an extraordinary general meeting ("**EGM**") has taken place and the proposed ordinary resolution of Share Consolidation was duly passed by the Shareholders at the EGM by way of poll. The Share Consolidation has become effective on Friday, 10 July 2026. Dealing in the Consolidated Shares has commenced at 9:00 a.m. on Friday, 10 July 2026. As at the date of this report, the authorised share capital of the Company is HK$15,000,000 divided into 187,500,000 Consolidated Shares of par value of HK$0.08 each, of which 138,425,700 Consolidated Shares is in issue and fully paid or credited as fully paid.

On 20 May 2026, the Board also proposed the board lot size for trading on the Stock Exchange be changed from 4,000 Existing Shares to 10,000 Consolidated Shares (the "**Change in Board Lot Size**"). As a result of the Share Consolidation becoming effective, the Change in Board Lot Size become effective on Friday, 24 July 2026. The original counter for trading in the Consolidated Shares in the new board lot size of 10,000 Consolidated Shares re-opened at 9:00 a.m. on Friday, 24 July 2026.

Please refer to the Circular published on 18 June 2026 and announcements dated 20 May 2026, 10 June 2026 and 8 July 2026 for the details in connection with the Share Consolidation and Change in Board Lot Size.

Subscription of New Shares under General Mandate

On 15 September 2026 (after trading hours), the Company entered into the subscription agreements (the "**Subscription Agreements**") with two independent investors respectively named Mr. Li Gang (李剛) (the "**Subscriber A**") and Ms. Mok So Wing (莫素穎) (the "**Subscriber B**", together with Subscriber A, the "**Subscribers**"), pursuant to which, the Company has conditionally agreed to allot and issue, and the Subscribers have conditionally agreed to subscribe for, a total of 11,000,000 (5,500,000 each) subscription shares (the "**Subscription Shares**") at the subscription price of HK$0.48 per Subscription Share (the "**Subscription**"). The total number of 11,000,000 Subscription Shares to be allotted and issued under the Subscription Agreements represents (i) approximately 7.95% of the issued share capital of the Company as at 15 September 2026; and (ii) approximately 7.36% of the issued share capital of the Company immediately upon completion of the Subscription (assuming that there is no change in the issued share capital of the Company from 15 September 2026 and up to the completion date save for the issue of the Subscription Shares) as enlarged by the allotment and issue of the Subscription Shares.

The Directors considered that the Subscriptions represent an opportunity to raise capital for the business operations of the Group while broadening the Shareholder base of the Company. The gross proceeds of the Subscriptions will be HK$5.28 million. After taking into account the estimated expenses related to the Subscriptions, the estimated net proceeds of the Subscriptions will be approximately HK$5.10 million, representing the net price of approximately HK$0.464 per Subscription Share. The Company intends to use the net proceeds of approximately HK$5.10 million from the issue of the Subscription Shares as the general working capital of the Group (including the repayment of indebtedness).

Completion of each of the Subscriptions is conditional upon the fulfilment of the conditions under the Subscription Agreements including the Stock Exchange having granted the listing of, and permission to deal in, the Subscription Shares.

Please refer to the announcement dated 15 September 2026 for the details in connection with the Subscription.

Save as disclosed above, there is no material subsequent event undertaken by the Company or by the Group after 30 June 2026 and up to the date of this report.

Interim Dividend

The Board has resolved not to declare any interim dividend for the six months ended 30 June 2026 (2025: nil).

Employees and Remuneration Policy

As at 30 June 2026, the Group employed 30 staff members in Hong Kong, Japan and the PRC (31 December 2025: 29). The Group remunerates its employees based on their performance and experience, and their remuneration package will be reviewed periodically by the management. Other employee benefits include contributions to social security, medical insurance and retirement schemes and provision of appropriate training program.

The Company has adopted a new share option scheme on 30 June 2023 which enables it to grant share options to, among others, eligible participants as incentives or rewards for their contributions to the Group.

Capital Structure

During the six months ended 30 June 2026, the share capital of the Company increased from 922,838,000 shares as at 1 January 2026 to 1,107,405,600 shares as at 30 June 2026. On 12 June 2026, 184,567,600 shares were issued and allotted pursuant to the Placing Agreement dated 20 May 2026, details of which are disclosed in the announcements of the Company dated 20 May 2026, 26 May 2026 and 12 June 2026.

On 10 July 2026, the Share Consolidation on the basis that every eight (8) issued and unissued shares of the Company of par value of HK$0.01 each in the share capital of the Company be consolidated into one (1) Consolidated Share of par value of HK$0.08 each became effective. As a result, the authorised share capital of the Company is HK$15,000,000 divided into 187,500,000 Consolidated Shares of par value of HK$0.08 each, of which 138,425,700 Consolidated Shares is in issue and fully paid or credited as fully paid as at the date of this report.

Save as disclosed above, there is no other change in the capital structure of the Company during the six months ended 30 June 2026 and up to the date of this report.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY

Neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities during the six months ended 30 June 2026.

COMPETING INTERESTS OF DIRECTORS AND CONTROLLING SHAREHOLDERS

None of the Directors, the controlling shareholders or substantial shareholders (as defined in the Listing Rules) of the Company or any of his/her respective close associates (as defined in the Listing Rules) were considered to have interests in a business which competes or is likely to compete, either directly or indirectly, with the business of the Group during the six months ended 30 June 2026.

DIRECTORS' INTERESTS IN CONTRACTS

Save for the service contracts and letters of appointment entered with the respective Directors, no contract of significance to which the Company or any of its subsidiaries was a party and in which a Director had a material interest, whether directly or indirectly, subsisted at the end of or any time during the reporting period.

OUTLOOK AND FUTURE PROSPECTS

Looking ahead, as a city highly dependent on imported food, Hong Kong has a massive and rigid daily demand for high-quality frozen meat. With the successful implementation of the placing of new shares in June 2026, the Group will accelerate its layout in the local Hong Kong frozen meat supply chain, give full play to resource procurement and trading flexibility, and actively expand its market share.

From the perspective of overall market trends, the second half of the year is the traditional peak period for frozen goods shipment, and enterprises' need to recover funds will prompt the gradual release of low-priced inventories accumulated previously, exerting continuous suppression on the short-term price rebound space. Overall, the market generally expects that pork prices will rise slightly amidst fluctuations in the second half of the year, but the possibility of a unilateral surge is low, and it will still take time for the industry to achieve a trend reversal. Against this backdrop, the Group will continue to promote "cost reduction and efficiency enhancement" and multi-track business layout, and while waiting for the dawn of industry recovery, effectively enhance the Group's survival and development capabilities to weather through cycles.

Directors' and Chief Executive's Interests and Short Positions in Shares, Underlying Shares and Debentures of the Company and its Associated Corporations

As at 30 June 2026, none of the Directors or chief executive of the Company had any interests and short positions in the shares, underlying shares and debentures of the Company or any of its associated corporation (within the meaning of Part XV of the Securities and Futures Ordinance ("**SFO**") which were required (i) to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of SFO); or (ii) pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (iii) pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers to be notified to the Company and the Stock Exchange.

SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS IN THE SHARES AND UNDERLYING SHARES OF THE COMPANY

As at 30 June 2026, no person (other than the Directors and chief executive of the Company) had interests and short positions in the shares and underlying shares of the Company which were required to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO or as recorded in the register required to be kept under Section 336 of the SFO.

SHARE OPTION SCHEME

The share option scheme adopted by the Company on 11 February 2014 was terminated with effect from 30 June 2023 and no more share options may be granted under the 2014 Share Option Scheme. The Company adopted a new share option scheme at the annual general meeting held on 30 June 2023 (the "**2023 Share Option Scheme**") reflecting the latest changes and requirements under Chapter 17 of the Listing Rules.

The total number of securities available for issue under the 2023 Share Option Scheme as at 30 June 2026 was 88,083,800 shares (31 December 2025: 88,083,800 shares) which represented approximately 8.0% (31 December 2025: approximately 9.5%) of the issued share capital of the Company as at 30 June 2026.

On 10 July 2026, as a result of the share consolidation on the basis that every eight (8) issued and unissued shares of the Company of par value of HK$0.01 each in the share capital of the Company be consolidated into one (1) consolidated share (the "**Consolidated Share(s)**") of par value of HK$0.08 each becoming effective, the total number of securities available for issue under the 2023 Share Option Scheme is adjusted to 11,010,475 Consolidated Shares.

The 2023 Share Option Scheme provides the grantees with an opportunity to have a personal stake in the Company with the view to achieving the following objectives:

(1) to attract and retain the best quality personnel for the development of the Group's businesses;

(2) to provide additional incentives or rewards to selected eligible participants for their contribution to the creation of the Company's value; and

(3) to promote the long-term financial success of the Group by aligning the interest of grantees to those of the shareholders.

A summary of the principal terms of rules of the 2023 Share Option Scheme is set out in the circular of the Company dated 30 May 2023.

There was no share option outstanding as at 30 June 2026. During the six months ended 30 June 2026, no share option was granted (31 December 2025: Nil), lapsed (31 December 2025: Nil) or cancelled (31 December 2025: Nil).

Save for the share option scheme as disclosed above, at no time during the six months ended 30 June 2026 was the Company or any of its subsidiaries a party to any arrangement to enable the Directors of the Company to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.

COMPLIANCE WITH THE MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "**Model Code**") as set out in Appendix C3 of the Listing Rules as the code of conduct regarding securities transactions of the Directors. The Company has confirmed, after making specific enquiries with the Directors in accordance with the code of practice, that all the Directors have complied with the Model Code during the six months ended 30 June 2026.

CODE ON CORPORATE GOVERNANCE PRACTICES

The Company has adopted the code provisions (the "**Code Provision(s)**") and certain recommended best practices contained in the Corporate Governance Code set out in Appendix C1 to the Listing Rules as the code of the Company. The Board also reviews and monitors the practices of the Company from time to time with an aim to maintain and improve the Company's standards of corporate governance practices.

During the six months ended 30 June 2026, the Company has complied with the Code Provisions.

CHANGES IN INFORMATION OF DIRECTORS

Pursuant to the Rule 13.51B(1) of the Listing Rules, the changes in information of Directors during the six months ended 30 June 2026 and up to the date of this report are set out below:

On 26 August 2026, with the approval of the Board, Ms. Zhang Cuicui ("**Ms. Zhang**") was appointed as an independent non-executive Director and the member of each of the audit committee (the "**Audit Committee**"), the remuneration committee (the "**Remuneration Committee**"), the nomination committee (the "**Nomination Committee**") of the Board.

Mr. Luo Mingsheng ("**Mr. Luo**") has resigned as an independent non-executive Director and ceased to be the chairman of each of the Audit Committee, the Remuneration Committee, the Nomination Committee and the investment and treasury committee (the "**Investment and Treasury Committee**") of the Board with effect from 9 September 2026. Mr. Luo has confirmed that there is no disagreement with the Board and there is no matter in relation to his resignation from the position that needs to be brought to the attention of the Shareholders or the Stock Exchange.

Following the resignation of Mr. Luo, with effect from 9 September 2026, Mr. Huang Ruilin, an independent non-executive Director, has been designated as the chairman of the Remuneration Committee; Ms. Zhang Cuicui, an independent non-executive Director, has been designated as the chairman of each of the Audit Committee and the Investment and Treasury Committee; and Dr. Wang Guiping, an independent non-executive Director, has been designated as the chairman of the Nomination Committee.

Save as disclosed above, there is no other change in information regarding the Directors, supervisors or chief executives of the Company that is required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules.

AUDIT COMMITTEE AND REVIEW OF FINANCIAL STATEMENTS

The Audit Committee is primarily responsible for, among other things, reviewing the Group's financial controls, risk management and internal control systems and monitoring the integrity of its financial statements and financial reports. The Audit Committee has reviewed with the management the financial and accounting policies adopted by the Group and the unaudited condensed consolidated financial statements of the Group for the six months ended 30 June 2026. It has also discussed the financial reporting process and the risk management and internal control systems of the Company with the management. As at the date of this report, the Audit Committee comprises three independent non-executive Directors, namely Ms. Zhang Cuicui, Dr. Wang Guiping and Mr. Huang Ruilin, with Ms. Zhang Cuicui as its chairwoman.

By order of the Board
HUISHENG INTERNATIONAL HOLDINGS LIMITED
Zhang Zhenghua
Executive Director

Hong Kong, 31 August 2026