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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)

PLACING OF NEW SHARES UNDER GENERAL MANDATE

Placing Agent

FUNDERSTONE

Funderstone Securities Limited

PLACING OF NEW SHARES UNDER GENERAL MANDATE

The Board is pleased to announce that on 12 September 2025 (after trading hours of the Stock Exchange), the Company entered into the Placing Agreement with the Placing Agent pursuant to which the Company has conditionally agreed to place through the Placing Agent, on a best effort basis, up to 91,021,689 Placing Shares to not less than six (6) Placees at the Placing Price of HK\$0.29 per Placing Share who and whose ultimate beneficial owners shall be Independent Third Parties. The Placing Shares will be allotted and issued pursuant to the General Mandate granted to the Directors at the AGM. The allotment and issue of the Placing Shares is not subject to the approval of the Shareholders.

The Placing Shares represent (i) approximately 20% of the existing total number of issued Shares as at the date of this announcement; and (ii) approximately 16.7% of the total number of issued Shares as enlarged by the allotment and issue of the Placing Shares in full, assuming there will be no change in the issued share capital of the Company between the date of this announcement and the Placing Completion Date. The aggregate nominal value of the maximum number of Placing Shares under the Placing will be HK\$910,216.89.

Assuming that all the Placing Shares are successfully placed by the Placing Agent, the maximum gross proceeds from the Placing are estimated to be approximately HK\$26.4 million, and the maximum net proceeds, after deducting the placing commission, professional fees and all related expenses which may be borne by the Company, from the Placing are estimated to be approximately HK\$25.9 million.

The Company intends to apply the net proceeds from the Placing for (i) repayment of loan in the amount of approximately HK\$15.0 million (being approximately 57.9% of the net proceeds); (ii) development of an agricultural vertical e-commerce platform and agricultural low-altitude economy in the amount of approximately HK\$8.0 million (being approximately 30.9% of the net proceeds); and (iii) general working capital of the Group in the amount of approximately HK\$2.9 million (being approximately 11.2% of the net proceeds).

Completion of the Placing is subject to the satisfaction of the conditions precedent under the Placing Agreement. As the Placing may or may not proceed, Shareholders and potential investors are advised to exercise caution when dealing in the Shares.

THE PLACING AGREEMENT

The principal terms of the Placing Agreement are summarised below:

Date: 12 September 2025 (after trading hours)

Parties: Issuer: The Company

Placing Agent: Funderstone Securities Limited

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, the Placing Agent and its ultimate beneficial owner(s) is an Independent Third Party as at the date of this announcement.

Pursuant to the terms of the Placing Agreement, the Company has conditionally agreed to place through the Placing Agent, on a best effort basis, a maximum of 91,021,689 Placing Shares to not less than six (6) Placees who and whose ultimate beneficial owners are third parties independent of the Company and its connected persons.

Placing Commission

The Placing Agent will charge the Company a placing commission of 1% of the aggregate amount equal to the Placing Price multiplied by the number of the Placing Shares being placed by the Placing Agent. The placing commission in respect of the Placing was negotiated on arm's length basis between the Company and the Placing Agent under normal commercial terms and with reference to the prevailing market conditions, and the Directors are of the view that the placing commission is fair and reasonable.

Placees

The Placing Agent will, on a best efforts basis, place the Placing Shares to currently expected to be not less than six (6) Placees who and whose ultimate beneficial owner(s) (if applicable) shall be Independent Third Parties.

The Placing Agent will use its best endeavours and make all reasonable enquiries to ensure that (i) the Placees and their respective ultimate beneficial owner(s) (if applicable) will be third parties independent of, and not connected with or acting in concert with, the Company, its connected persons and their respective associates; and (ii) none of the Placees will, immediately upon the completion of the Placing, become a substantial shareholder of the Company.

Number of Placing Shares

Assuming there will be no change in the issued share capital of the Company between the date of this announcement and the completion of the Placing, the maximum number of Placing Shares under the Placing represent (i) approximately 20.0% of the existing total number of issued Shares as at the date of this announcement; and (ii) approximately 16.7% of the total number of issued Shares as enlarged by the allotment and issue of the Placing Shares. The aggregate nominal value of the maximum number of Placing Shares under the Placing will be HK\$910,216.89.

Placing Price

The Placing Price of HK\$0.29 per Placing Share represents:

- (i) a discount of approximately 13.4% to the closing price of HK\$0.335 per Share as quoted on the Stock Exchange on the date of the Placing Agreement; and
- (ii) a discount of approximately 17.38% to the average of the closing prices per Share of approximately HK\$0.351 as quoted on the Stock Exchange for the last five (5) consecutive trading days immediately preceding the date of the Placing Agreement.

The Placing Price was determined with reference to the prevailing market price of the Shares and was negotiated on an arm's length basis between the Company and the Placing Agent. The Directors consider that the terms of the Placing Agreement are on normal commercial terms and are fair and reasonable based on the current market conditions. Hence, the Directors consider that the Placing is in the interests of the Company and the Shareholders as a whole.

Ranking of Placing Shares

The Placing Shares under the Placing, when issued and fully paid, shall rank pari passu in all respects with the existing Shares in issue on the date of allotment and issue of the Placing Shares.

General Mandate

The Placing Shares will be allotted and issued pursuant to the General Mandate. The maximum number of Shares that can be issued under the General Mandate is 91,021,689 Shares. As at the date of this announcement, no new Shares have been allotted and issued under the General Mandate. Accordingly, the General Mandate is sufficient for the allotment and issue of all the Placing Shares and the issue of the Placing Shares is not subject to Shareholders' approval. The General Mandate will be fully utilised upon the allotment and issue of all the Placing Shares.

Application for listing

Application will be made by the Company to the Listing Committee of the Stock Exchange for the grant of the listing of, and permission to deal in, the Placing Shares.

Conditions precedents of the Placing

Completion of the Placing is conditional upon fulfilment of the following conditions:

- (i) the Listing Committee of the Stock Exchange granting the approval for the listing of, and the permission to deal in, the Placing Shares; and
- (ii) all necessary consents and approvals to be obtained on the part of each of the Placing Agent and the Company in respect of the Placing Agreement and the transactions contemplated thereunder having been obtained.

In the event that any of the above conditions is not fulfilled on or before 30 September 2025 (or such later date as may be agreed between the parties to the Placing Agreement in writing), all rights, obligations and liabilities of the parties to the Placing Agreement shall cease and terminate and neither of the parties thereto shall have any claim against the other save for any antecedent breach under the Placing Agreement prior to such termination.

Completion of the Placing

Completion of the Placing will take place within four (4) Business Days after the fulfillment of the above conditions precedent or such other date to be agreed between the Company and the Placing Agent in writing.

Termination

The Placing Agent may terminate the Placing Agreement without any liability to the Company save for antecedent breach under the Placing Agreement prior to such termination, by notice in writing given to the Company at any time prior to 8:00 a.m. on the Placing Completion Date upon the occurrence of the following events:

- (i) the occurrence of any event, development or change (whether or not local, national or international or forming part of a series of events, developments or changes occurring or continuing before, on and/or after the date of the Placing Agreement) and including an event or change in relation to or a development of an existing state of affairs of a political, military, industrial, financial, economic, fiscal, regulatory or other nature, resulting in a change in, or which may result in a change in, political, economic, fiscal, financial, regulatory or stock market conditions and which in the Placing Agent's absolute opinion would adversely affect the success of the Placing; or
- (ii) the imposition of any moratorium, suspension (for more than seven (7) trading days) or restriction on trading in the securities generally on the Stock Exchange occurring due to exceptional financial circumstances or otherwise and which in the Placing Agent's absolute opinion, would adversely affect the success of the Placing; or
- (iii) any new law or regulation or change in existing laws or regulations or any change in the interpretation or application thereof by any court or other competent authority in Hong Kong or any other jurisdiction relevant to the Group and if in the Placing Agent's absolute opinion any such new law or change may adversely affect the business or financial prospects of the Group and/or the success of the Placing; or
- (iv) any litigation or claim being instigated against any member of the Group, which has or may have an adverse effect on the business or financial position of the Group and which in the Placing Agent's absolute opinion would adversely affect the success of the Placing; or
- (v) any material adverse change in the business or in the financial or trading position or prospects of the Group as a whole; or
- (vi) any breach of any of the representations and warranties of the Company to the Placing Agent under the Placing Agreement comes to the knowledge of the Placing Agent or any event occurs or any matter arises on or after the date of the Placing Agreement and prior to the Placing Completion Date which if had occurred or arisen before the date of the Placing Agreement would have rendered any of such representations and warranties untrue or incorrect or there has been a breach by the Company of any other provision of the Placing Agreement; or
- (vii) any material change (whether or not forming part of a series of changes) in market conditions which in the absolute opinion of the Placing Agent would materially and prejudicially affect the Placing or makes it inadvisable or inexpedient for the Placing to proceed.

If notice is given pursuant to this section, the Placing Agreement shall terminate and be of no further effect and neither party shall be under any liability to the other party in respect of the Placing Agreement save for any antecedent breach under the Placing Agreement prior to such termination.

REASONS FOR AND BENEFITS OF THE PLACING AND USE OF PROCEEDS

The Group is principally engaged in growing of agricultural produce, trading of agricultural and meat produce, poultry, seafood and prepared food in the PRC.

Subject to completion of the Placing, it is expected that the maximum gross proceeds and net proceeds (after deduction of placing commission and other expenses of the Placing) from the Placing will be approximately HK\$26.4 million and HK\$25.9 million respectively. The net price per Placing Share will be approximately HK\$0.28.

As disclosed in the Company's interim result announcement published on 29 August 2025 (the **"2025 Interim Results Announcement"**), as at 30 June 2025, the Company had cash balance of approximately HK\$9.6 million. With total borrowings of approximately HK\$441.0 million and of which approximately HK\$406.3 million are due within one year, the Company may require additional cash to meet its upcoming loan repayment obligations.

Further, as disclosed in the 2025 Interim Results Announcement, the Group intends to diversify its income streams. In view of the global trend towards increased use of e-commerce platforms and advanced technology, the Board believes that it is beneficial for the Group to explore various cooperative models with e-commerce operators and online sales platforms. The Group is committed to developing an integrated agricultural vertical e-commerce platform and supporting the agricultural low-altitude economy by leveraging advanced technologies, including AI and low-altitude IoT devices. By drawing on these technologies, the Group aims to enhance management efficiency, product quality, and traceability, while expanding market reach in line with its strategy to diversify revenue streams and promote sustainable growth in the agricultural sector.

In view of the above, the Company intends to apply the net proceeds from the Placing for (i) repayment of loan in the amount of approximately HK\$15.0 million (being approximately 57.9% of the net proceeds); (ii) development of an agricultural vertical e-commerce platform and agricultural low-altitude economy in the amount of approximately HK\$8.0 million (being approximately 30.9% of the net proceeds); and (iii) general working capital of the Group in the amount of approximately HK\$2.9 million (being approximately 11.2% of the net proceeds).

The Board is of the view that the Placing will enlarge the shareholder base and the capital base of the Company. In addition, the net proceeds of the Placing will strengthen the Group's financial position, enhance the liquidity of the Group and fulfil the aforementioned purposes. Accordingly, the Board considers that the Placing is in the interests of the Company and the Shareholders as a whole and the terms of the Placing Agreement are fair and reasonable so far as the Shareholders are concerned.

FUND RAISING ACTIVITIES OF THE COMPANY IN THE PAST TWELVE MONTHS

The Company had carried out the following equity fund raising activities in the twelve (12) months immediately preceding the date of this announcement.

Date of relevant announcements	Event	Net proceeds raised	Intended use of proceeds	Actual use of proceeds as at the date of this announcement
21 February 2025, 24 February 2025, 12 March 2025 and 18 March 2025	Subscription of new shares under general mandate	Approximately HK\$42.3 million	(i) Approximately HK\$25.0 million for procurement, including the purchase of agricultural and meat produce, poultry, seafood, and prepared food in the Group's ordinary and usual course of business;	(i) Approximately HK\$25.0 million for procurement, including the purchase of agricultural and meat produce, poultry, seafood, and prepared food;
			(ii) Approximately HK\$14.0 million will be used for repayment of other borrowings and other payables; and	(ii) Approximately HK\$14.0 million for repayment of other borrowings and other payables; and
			(iii) Approximately HK\$3.3 million will be used for the other general working capital purposes of the Group.	(iii) Approximately HK\$3.3 million for the other general working capital purposes of the Group.

Save as disclosed above, the Company had not conducted any other equity fund raising activities in the past twelve (12) months immediately preceding the date of this announcement.

EFFECT ON SHAREHOLDING STRUCTURE OF THE COMPANY

Assuming there being no other changes in the share capital of the Company from the date of this announcement and up to completion of the Placing, set out below is the shareholding structure of the Company (i) as at the date of this announcement and (ii) immediately after completion of the Placing.

	As at the date of this announcement		Immediately after completion of the Placing (assuming all the Placing Shares are fully placed)	
	<i>Number of Shares</i>	<i>Approximate %²</i>	<i>Number of Shares</i>	<i>Approximate %²</i>
Mr. Lin Yuhao ¹	266,215,087	58.5	266,215,087	48.7
Placees	—	—	91,021,689	16.7
Public Shareholders	188,893,358	41.5	188,893,358	34.6
Total	<u>455,108,445</u>	<u>100.00</u>	<u>546,130,134</u>	<u>100.00</u>

Notes:

1. 264,731,087 out of 266,215,087 shares are held by Sino Richest Investment Holding. Mr. Lin Yuhao is 100% interested in Sino Richest Investment Holding. Mr. Lin Yuhao is therefore deemed to be interested in 264,731,087 Shares held by Sino Richest Investment Holding under the Securities and Futures Ordinance (Cap 571 of the laws of Hong Kong).
2. Certain percentage figures included in the table above have been subject to rounding adjustments. Accordingly, figures shown as totals may not be an arithmetic aggregation of the figures preceding them.

Shareholders and potential investors of the Company should note that the completion of the Placing is subject to the fulfillment of the conditions as set out in the Placing Agreement, the Placing may or may not proceed. Shareholders and potential investors are reminded to exercise caution when dealing in the Shares.

DEFINITIONS

Unless the context requires otherwise, the following terms have the following meanings in this announcement:

“acting in concert”	has the same meaning ascribed to it under the Takeovers Code
“AFRC”	the Accounting and Financial Reporting Council of Hong Kong
“AGM”	the annual general meeting of the Company held on 2 June 2025
“Board”	the board of Directors
“Business Day(s)”	a day (excluding Saturday, Sunday, public holiday and any day on which “extreme conditions” caused by super typhoons is announced by the Government of Hong Kong or a tropical cyclone warning signal no. 8 or above is hoisted or remains hoisted between 9:00 a.m. and 12:00 noon and is not lowered at or before 12:00 noon or on which a “black” rainstorm warning signal is hoisted or remains in effect between 9:00 a.m. and 12:00 noon and is not discontinued at or before 12:00 noon) on which licensed banks in Hong Kong are open for business throughout their normal business hours
“Company”	Congyu Intelligent Agricultural Holdings Limited (Stock Code: 875), a company incorporated in Bermuda with limited liability, the Shares of which are listed on the Main Board of the Stock Exchange
“connected person(s)”	has the same meaning ascribed to it under the Listing Rules
“Director(s)”	director(s) of the Company
“General Mandate”	the general mandate granted to the Directors by the Shareholders at the AGM, pursuant to which the Directors are authorised to allot, issue and deal in not more than 91,021,689 new Shares, representing 20% of the issued share capital of the Company as at the date of the AGM
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	Hong Kong Special Administrative Region of the People’s Republic of China

“Independent Third Party(ies)”	independent third party(ies), to the best of the Directors’ knowledge, information and belief having made all reasonable enquiry, who is not connected with the Company and its connected persons (as defined under the Listing Rules)
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Placee(s)”	any person or entity procured by the Placing Agent or its agent(s) to subscribe for any Placing Share
“Placing”	the placing of the Placing Shares on and subject to the terms and condition set out in the Placing Agreement
“Placing Agent”	Funderstone Securities Limited, a licensed corporation to carry out Type 1 (dealing in securities), Type 4 (advising on securities), Type 6 (advising on corporate finance) and Type 9 (asset management) regulated activities under the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Placing Agreement”	the agreement entered into between the Company and the Placing Agent dated 12 September 2025 in respect of the Placing
“Placing Completion Date”	a date falling within four (4) Business Days after the day on which the condition set out in the section headed “Conditions precedents of the Placing” of this announcement have been fulfilled (or such later date as may be agreed between the parties hereto in writing)
“Placing Price”	HK\$0.29 per Placing Share (exclusive of any brokerage, SFC transaction levy, AFRC transaction levy and Stock Exchange trading fee as may be payable)
“Placing Share(s)”	up to 91,021,689 new Shares to be placed pursuant to the Placing Agreement
“SFC”	the Securities and Futures Commission of Hong Kong
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the laws of Hong Kong), as amended and supplemented from time to time
“Share(s)”	ordinary shares of HK\$0.01 each in the share capital of the Company

“Shareholder(s)”	holder(s) of the Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“substantial shareholder(s)”	has the same meaning ascribed to it under the Listing Rules
“Takeovers Code”	the Hong Kong Code on Takeovers and Mergers issued by the SFC (as amended and supplemented from time to time)
“%”	per cent.

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

Hong Kong, 12 September 2025

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