

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



從玉

Congyu Intelligent Agricultural Holdings Limited

從玉智農集團有限公司

(Incorporated in Bermuda with limited liability)

(Stock Code: 875)

INTERIM RESULTS ANNOUNCEMENT FOR THE SIX MONTHS ENDED 30 JUNE 2025

The board (the “**Board**”) of directors (the “**Directors**”) of Congyu Intelligent Agricultural Holdings Limited (the “**Company**”) is pleased to present the unaudited consolidated interim results of the Company and its subsidiaries (collectively, the “**Group**”) for the six months ended 30 June 2025 (the “**Reporting Period**”), along with the unaudited comparative figures for the six months ended 30 June 2024 (the “**Corresponding Period**”) and selected explanatory notes as follows:

FINANCIAL HIGHLIGHTS

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

- The Group recorded a revenue of approximately HK\$564.9 million for the Reporting Period, representing a increase of approximately HK\$265.2 million or 88.5%, from approximately HK\$299.7 million for the Corresponding Period.
- Gross profit of the Group during the Reporting Period was approximately HK\$3.4 million, representing a decrease of approximately HK\$1.6 million or 32.6%, as compared approximately HK\$5.0 million for the Corresponding Period.
- Net profit of the Group for the Reporting Period was approximately HK\$0.9 million as compared to the net profit of approximately HK\$5.0 million for the Corresponding Period.
- Basic earnings per share was HK0.30 cents for the Reporting Period (Corresponding Period: HK2.45 cents).

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the six months ended 30 June 2025

		Six months ended 30 June	
		2025	2024
	Notes	HK\$'000	HK\$'000
		(Unaudited)	(Unaudited)
Revenue	4	564,940	299,739
Cost of sales		<u>(561,546)</u>	<u>(294,700)</u>
Gross profit		3,394	5,039
Other income	5	1,077	5,472
Selling and distribution expenses		(2,364)	(3,483)
Administrative and other expenses		(19,578)	(21,120)
Finance costs	6	(3,319)	(8,418)
Reversal of impairment losses/(impairment losses) on trade receivables		28,753	(4,383)
Reversal of impairment losses on other receivables (Impairment losses)/reversal of impairment losses on deposits and prepayments		5,109	8,117
		<u>(12,160)</u>	<u>23,794</u>
Profit before taxation	7	912	5,018
Income tax expense	8	<u>–</u>	<u>(71)</u>
Profit for the period		912	4,947
Other comprehensive expense:			
Item that may be reclassified subsequently to profit or loss:			
– Exchange differences on translating foreign operations		<u>(3,095)</u>	<u>(12,051)</u>
Total comprehensive expense for the period		<u><u>(2,183)</u></u>	<u><u>(7,104)</u></u>

		Six months ended 30 June	
		2025	2024
<i>Notes</i>		<i>HK\$'000</i>	<i>HK\$'000</i>
		(Unaudited)	(Unaudited)
Profit for the period attributable to:			
Owners of the Company		1,262	9,281
Non-controlling interests		(350)	(4,334)
		<u>912</u>	<u>4,947</u>
Total comprehensive expense for the period attributable to:			
Owners of the Company		(1,708)	(2,754)
Non-controlling interests		(475)	(4,350)
		<u>(2,183)</u>	<u>(7,104)</u>
Earnings per share (HK cents)			
Basic	9	<u>0.30</u>	<u>2.45</u>
Diluted		<u>0.30</u>	<u>2.42</u>

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 30 June 2025

		At 30 June 2025 HK\$'000 (Unaudited)	At 31 December 2024 HK\$'000 (Audited)
	<i>Notes</i>		
Non-current assets			
Property, plant and equipment		18,738	20,739
Right-of-use assets		17,498	18,774
Goodwill		–	–
Interests in associates		296	286
		<u>36,532</u>	<u>39,799</u>
Current assets			
Inventories		2,260	134
Trade and other receivables	11	1,050,088	911,212
Bank balances and cash		9,645	4,575
		<u>1,061,993</u>	<u>915,921</u>
Current liabilities			
Trade and other payables	12	208,614	165,687
Bank and other borrowings	13	406,337	382,293
Lease liabilities		3,994	3,740
Deferred income		8,695	1,247
Income tax payables		16,654	15,593
		<u>644,294</u>	<u>568,560</u>
Net current assets		<u>417,699</u>	<u>347,361</u>
Total assets less current liabilities		<u>454,231</u>	<u>387,160</u>

		At 30 June 2025 HK\$'000 (Unaudited)	At 31 December 2024 HK\$'000 (Audited)
	<i>Notes</i>		
Non-current liabilities			
Bank and other borrowings	13	34,677	7,209
Lease liabilities		16,937	17,713
Deferred income		7,835	7,573
		<u>59,449</u>	<u>32,495</u>
Net assets		<u>394,782</u>	<u>354,665</u>
Capital and reserves			
Share capital	14	4,581	3,823
Reserves		<u>389,498</u>	<u>349,664</u>
Equity attributable to owners of the Company		394,079	353,487
Non-controlling interests		<u>703</u>	<u>1,178</u>
Total equity		<u>394,782</u>	<u>354,665</u>

NOTES

1 GENERAL INFORMATION AND BASIS OF PREPARATION

General information

Congyu Intelligent Agricultural Holdings Limited (從玉智農集團有限公司) (the “**Company**”) was incorporated in Bermuda as an exempted company with limited liability and its shares are listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”). The address of its registered office is Victoria Place, 5th Floor, 31 Victoria Street, Hamilton HM 10, Bermuda. The principal place of business in Hong Kong is Room B, 1/F, Shun Cheung Industrial Building, No. 26 Wing Hong Street, Cheung Sha Wan, Kowloon, Hong Kong.

The Company is an investment holding company. The principal activities of the Company and its subsidiaries (collectively referred to as the “**Group**”) are growing of agricultural produce, trading of agricultural and meat produce, poultry, seafood and prepared food in the People’s Republic of China (the “**PRC**”) (the “**Agricultural and Meat Business**”).

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

Basis of preparation

The unaudited condensed consolidated interim financial information of the Group for the six months ended 30 June 2025 has been prepared in accordance with Hong Kong Accounting Standard (“**HKAS**”) 34 *Interim Financial Reporting* issued by the Hong Kong Institute of Certified Public Accountants (the “**HKICPA**”), as well as with the applicable disclosure requirements of the Rules Governing the Listing of Securities on the Stock Exchange.

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

The unaudited condensed consolidated interim financial information contains condensed consolidated financial statements and selected explanatory notes. The notes include explanations of events and transactions that are significant to an understanding of the changes in consolidated financial position and consolidated financial performance of the Group since the consolidated financial statements for the year ended 31 December 2024. These condensed consolidated interim financial information and notes thereon do not include all of the information required for the preparation of full set of consolidated financial statements in accordance with Hong Kong Financial Reporting Standards (“**HKFRSs**”) issued by the HKICPA and should be read in conjunction with the consolidated financial statements for the year ended 31 December 2024.

The accounting policies and method of computation adopted in the preparation of the unaudited condensed consolidated interim financial information are consistent with those followed in the preparation of the Group’s annual consolidated financial statements for the year ended 31 December 2024, except as described in note 2.

2 ADOPTION OF THE AMENDMENTS TO HKFRSs

In the current interim period, the Group has applied, for the first time, the following amendments to HKFRSs and Interpretation which are effective for the Group's financial year beginning 1 January 2025:

Amendments to HKAS 7 and HKFRS 7 Supplier Finance Arrangements

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

3 SEGMENT INFORMATION

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

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

(i) Geographical information

Over 90% of the Group's non-current assets as at 30 June 2025 (31 December 2024: over 90%) and revenue for the six months ended 30 June 2025 (2024: over 90%) are located and generated in the PRC. Accordingly, no further geographical information of non-current assets and revenue were disclosed.

(ii) Information about major customers

The Group's customer base included one (2024: one) customer with whom transactions have exceed 10% (2024: 10%) of the Group's revenue during the six months ended 30 June 2025, which is set out below:

	Six months ended 30 June	
	2025	2024
	HK\$'000	HK\$'000
	(Unaudited)	(Unaudited)
Customer A	437,034	N/A*
Customer B	N/A*	58,298

* The revenue of the corresponding customer is not disclosed as the revenue individually did not account for 10% or more of the Group's revenue for the corresponding period.

4 REVENUE

An analysis of revenue is as follows:

	Six months ended 30 June	
	2025	2024
	HK\$'000	HK\$'000
	(Unaudited)	(Unaudited)
Revenue from contracts with customers within the scope of HKFRS 15 and recognised at a point in time		
Sales of agricultural, seafood and meat produce	<u>564,940</u>	<u>299,739</u>

5 OTHER INCOME

	Six months ended 30 June	
	2025	2024
	HK\$'000	HK\$'000
	(Unaudited)	(Unaudited)
Government grants (<i>note (a)</i>)	537	3,160
Bank interest income	2	19
Other interest income (<i>note (b)</i>)	–	1,453
Service income	370	575
Sundry income	<u>168</u>	<u>265</u>
	<u>1,077</u>	<u>5,472</u>

Notes:

- (a) The government grants represented the receipt of grants for (i) the construction of property, plant and equipment, which is amortised to profit or loss on a straight-line basis over the estimated useful life of the relevant assets; and (ii) the trading of food for the six months ended 30 June 2025 with no unfulfilled conditions and other contingencies attached to the receipts of those government grants.
- (b) Included in other interest income was the imputed interest income of HK\$ nil (2024: HK\$1,453,000) on the consideration receivables, which was included in other receivables, of approximately HK\$55,227,000 as at 30 June 2024.

6 FINANCE COSTS

	Six months ended 30 June	
	2025	2024
	HK\$'000	HK\$'000
	(Unaudited)	(Unaudited)
Interest expense on bank and other borrowings	2,655	7,596
Interest expense on lease liabilities	<u>664</u>	<u>822</u>
	<u>3,319</u>	<u>8,418</u>

7 PROFIT BEFORE TAXATION

Profit before taxation is arrived at after charging:

	Six months ended 30 June	
	2025	2024
	HK\$'000	HK\$'000
	(Unaudited)	(Unaudited)
Staff costs (including directors' emoluments):		
– Salaries and allowances	9,888	4,258
– Retirement benefit scheme contributions	468	428
	<hr/>	<hr/>
Total staff costs	10,356	4,686
Cost of inventories recognised as an expense	559,732	291,793
Depreciation expense on:		
– property, plant and equipment	2,052	3,245
– right-of-use assets	1,891	2,189
Short-term lease expenses	–	195
	<hr/> <hr/>	<hr/> <hr/>

8 INCOME TAX EXPENSE

	Six months ended 30 June	
	2025	2024
	HK\$'000	HK\$'000
	(Unaudited)	(Unaudited)
Enterprise Income Tax (“EIT”) of the PRC		
– Charge for the year	–	–
– Under-provision in prior years	–	71
	<hr/>	<hr/>
	–	71
	<hr/> <hr/>	<hr/> <hr/>

9 EARNINGS PER SHARE

The calculation of the basic and diluted earnings per share is as follows:

The calculation of basic earnings per share is based on the Group's profit for the period attributable to owners of the Company of approximately HK\$1,262,000 (2024: HK\$9,281,000) for the six months ended 30 June 2025.

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

Number of shares	Six months ended 30 June	
	2025 (Unaudited)	2024 (Unaudited)
Weighted average number of ordinary shares for the purpose of calculating basic earnings per share	423,259,235	379,257,038
Effect of dilutive potential ordinary shares arising from conversion of preference shares	15,150	15,150
Effect of dilutive potential ordinary shares arising from share options issued by the Company	—	3,546,725
Weighted average number of ordinary shares for the purpose of calculating diluted earnings per share	<u>423,274,385</u>	<u>382,818,913</u>

10 DIVIDEND

No dividend was paid or proposed during the six months ended 30 June 2025, nor has any dividend been proposed since the end of the reporting period (2024: nil).

11 TRADE AND OTHER RECEIVABLES

		At 30 June 2025 HK\$'000 (Unaudited)	At 31 December 2024 HK\$'000 (Audited)
	<i>Notes</i>		
Trade receivables arising from trading of agricultural, seafood and meat produce		259,865	333,693
Less: accumulated impairment		<u>(66,463)</u>	<u>(95,216)</u>
Total trade receivables	(a)	<u>193,402</u>	<u>238,477</u>
Other receivables		428,494	314,925
Less: accumulated impairment		<u>(30,097)</u>	<u>(35,206)</u>
Total other receivables		<u>398,397</u>	<u>279,719</u>
Trade deposits		531,062	455,245
Less: accumulated impairment		<u>(74,389)</u>	<u>(62,229)</u>
Total trade deposits		<u>456,673</u>	<u>392,372</u>
Rental and utilities deposits		560	382
Less: accumulated impairment		<u>(14)</u>	<u>(14)</u>
Total rental and utilities deposits		<u>546</u>	<u>368</u>
Prepayments		<u>1,070</u>	<u>276</u>
Total trade and other receivables		<u><u>1,050,088</u></u>	<u><u>911,212</u></u>

Notes:

- (a) The average credit period on sales of agricultural, seafood and meat produce is 60 days (31 December 2024: 60 days). As at 30 June 2025 and 31 December 2024, the ageing analysis of trade receivables, based on the invoice date, which approximates the respective revenue recognition dates, and net of accumulated impairment, is as follows:

	At 30 June 2025 HK\$'000 (Unaudited)	At 31 December 2024 HK\$'000 (Audited)
0–60 days	132,694	167,977
61–120 days	2,691	4,176
121–356 days	38,290	28,734
Over 365 days	<u>19,727</u>	<u>37,590</u>
	<u><u>193,402</u></u>	<u><u>238,477</u></u>

12 TRADE AND OTHER PAYABLES

		At 30 June 2025 <i>HK\$'000</i> (Unaudited)	At 31 December 2024 <i>HK\$'000</i> (Audited)
	<i>Notes</i>		
Trade payables arising from trading of agricultural, seafood and meat produce	(a)	79,874	40,536
Accruals		24,070	17,041
Other payables		104,670	108,110
		<u>208,614</u>	<u>165,687</u>

Notes:

- (a) Trade payables arising from trading of agricultural, seafood and meat produce principally comprise amounts outstanding for trade purchases and have an average credit period of 30 days (31 December 2024: 30 days). The ageing analysis of trade payables, based on the invoice date, as at 30 June 2025 and 31 December 2024 is as follows:

	At 30 June 2025 <i>HK\$'000</i> (Unaudited)	At 31 December 2024 <i>HK\$'000</i> (Audited)
0–60 days	5,627	1,207
61–120 days	20,914	288
Over 120 days	53,333	39,041
	<u>79,874</u>	<u>40,536</u>

13 BANK AND OTHER BORROWINGS

		At 30 June 2025 <i>HK\$'000</i> (Unaudited)	At 31 December 2024 <i>HK\$'000</i> (Audited)
	<i>Notes</i>		
Secured bank loans	(a)	357,942	317,923
Unsecured other loans	(b)	83,072	71,579
		<u>441,014</u>	<u>389,502</u>
Repayable:			
Within one year		406,337	382,293
In the second to fifth years		34,677	7,209
		<u>441,014</u>	<u>389,502</u>

The bank and other borrowings bear effective interest rates ranging from 3%–8% per annum (31 December 2024: 4%–8% per annum), except for PN2 and PN3 as detailed in note (b).

Notes:

- (a) As at 30 June 2025 and 31 December 2024, the Group's bank loans were secured by (i) a fully depreciated building of the Group; and (ii) the properties owned by Mr. Lin; and were guaranteed by corporate guarantee provided by related companies.
- (b) As at 30 June 2025 and 31 December 2024, included in unsecured other loans was the aggregate carrying amount of PN2 and PN3 of approximately HK\$10,911,000, which were payable to Mr. Lin Yupa with maturity date on 31 July 2020, interest-free and repayable on demand. Details are set out in note 16.

14 SHARE CAPITAL

	At 30 June 2025 HK\$'000 (Unaudited)	At 31 December 2024 HK\$'000 (Audited)
Authorised:		
150,000,000,000 (31 December 2024: 150,000,000,000) ordinary shares of HK\$0.01 each	<u>1,500,000</u>	<u>1,500,000</u>
10,000,000,000 (31 December 2024: 10,000,000,000) preference shares of HK\$0.01 each	<u>100,000</u>	<u>100,000</u>
Issued and fully paid:		
455,108,445 (31 December 2024: 379,257,038) ordinary shares of HK\$0.01 each (<i>note 1</i>)	4,551	3,793
3,030,000 (31 December 2024: 3,030,000) preference shares of HK\$0.01 each (<i>note 2</i>)	<u>30</u>	<u>30</u>
Total amount	<u><u>4,581</u></u>	<u><u>3,823</u></u>

Notes:

1. A summary of the transactions during the Reporting Period with reference to the movements in the Company's issued ordinary share capital is as follows:

	<i>Notes</i>	No. of shares HK\$'000	Amount HK\$'000
At 31 December 2024 and 1 January 2025 (Audited)		379,257,038	3,793
Issue of ordinary share under general mandate subscription	(a)	<u>75,851,407</u>	<u>758</u>
At 30 June 2025 (Unaudited)		<u><u>455,108,445</u></u>	<u><u>4,551</u></u>

- (a) On 21 February 2025, the Company and the Subscribers entered into the Subscription Agreements pursuant to which the Company agreed to issue (pursuant to the General Mandate), and the Subscribers agreed to subscribe for, an aggregate of 75,851,407 Subscription Shares at the Subscription Price of HK\$0.560 per Share. On 24 February 2025, the Company entered into supplemental agreements to the Subscription Agreements (the “**Supplemental Agreements**”) with each of the Subscribers, pursuant to which the Company and each of the Subscribers have agreed to amend the Subscription Agreements that the Subscription Price per Subscription Share be changed from HK\$0.560 to HK\$0.565. The Subscription was completed on 18 March 2025 under which 75,851,407 ordinary shares were duly allotted and issued as fully-paid by the Company to the Subscriber at the subscription price of HK\$0.565 per subscription share. Details of the above were set out in the Company’s announcements dated 21 February 2025, 24 February 2025, 12 March 2025 and 18 March 2025.
2. The preference shares, which are non-redeemable with par value of HK\$0.01 each credited as fully paid up, were issued and allotted to vendors as part of the considerations for the acquisitions occurred during the year ended 31 December 2012. According to the terms of the preference share policy, one preference share is eligible to convert into one new ordinary share (adjusted from 3,030,000 ordinary shares to 15,150 ordinary shares as a result of capital reorganisations effective on 25 June 2018 and 25 April 2019) any time no earlier than one year from the date of issue. The preference shares have no right to share in any surplus assets or profit and no voting rights.

15 POTENTIAL LITIGATION

During 2024, two wholly-owned subsidiaries of the Company were named as defendants (each a “**Defendant**” and collectively the “**Defendants**”) in a civil complaint* (民事起訴狀)(the “**Civil Complaint**”) filed with the District People’s Court of Shunde District, Foshan City by an independent third party (the “**Independent Third Party**”) in respect of a dispute arising from the failure of delivering agricultural produce in accordance with a procurement agreement (the “**Agreement**”) entered into between one of the Defendants (“**D1**”) and the Independent Third Party in January 2023. In accordance with the Agreement, agricultural produce with a consideration of approximately RMB25,084,000 (the “**Consideration**”) shall be delivered by D1 to the Independent Third Party within five days after signing of the Agreement. The Independent Third Party claimed in the Civil Complaint that D1 failed to deliver the agricultural produce after the Independent Third Party made full payment of the Consideration and requested a claim with an aggregate amount of approximately RMB45,845,000 from D1. The other Defendant, as the sole shareholder of D1, shall assume joint liabilities according to the Civil Complaint. As at 30 June 2025 and up to the date of this report, the legal proceeding is still in progress.

The case was heard in the People’s Court of Shunde District (the “**Court**”), Foshan City, Guangdong Province. In 2024, the Court issued a first instance judgment against the Group, following which the Group promptly filed an appeal. The second-instance hearing was held on 26 February 2025, the Court issued a second instance judgment against the Group. The Group is seeking legal advice and plans to file an appeal.

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

16 RELATED PARTY TRANSACTIONS

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

The remuneration of key management personnel, who were the directors of the Company, was as follow:

	Six months ended 30 June	
	2025	2024
	HK\$’000	HK\$’000
	(Unaudited)	(Unaudited)
Short-term employee benefits	1,473	1,071

MANAGEMENT DISCUSSION AND ANALYSIS

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

BUSINESS REVIEW

Agricultural and Meat Business

The Group has been actively developing its trading of poultry and seafood business, and has strengthened its revenue stream and enlarged its customer base by commencing to supply produce, including agricultural and meat produce, poultry and seafood, to supermarkets and other customers in the PRC and commencing online sales during the Reporting Period, revenue from the Agricultural and Meat Business increased by approximately 88.5%, from approximately HK\$299.7 million for the Corresponding Period to approximately HK\$564.9 million, and the Group recorded a gross profit of approximately HK\$3.4 million for the Reporting Period (2024: HK\$5.0 million).

Looking ahead, the Group will continue to control its costs, utilise its existing resources and collaborate with its business partners to further strengthen the cultivation of agricultural produce, trading of agricultural and meat produce, poultry, seafood and prepared food with high potential for development, or pursue acquisitions when opportunities arise.

Interests in associates

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

During the Reporting Period, no revenue was recorded (2024: nil) as no business operation was conducted by Congyu Wanxing and Jiamusi Congyu (2024: nil).

FINANCIAL REVIEW

During the Reporting Period, the Group's revenue amounted to approximately HK\$564.9 million, representing an increase of approximately HK\$265.2 million or 88.5%, from approximately HK\$299.7 million for the Corresponding Period.

Gross profit of the Group during the Reporting Period was approximately HK\$3.4 million, representing a decrease of approximately HK\$1.6 million or 32.6%, as compared to approximately HK\$5.0 million for the Corresponding Period. The decrease in gross profit was mainly due to an increase in sales of product with lower profit margin during the Reporting Period. As result, the overall gross profit of the Group decreased during the Reporting Period.

The Group recorded other income of approximately HK\$1.1 million during the Reporting Period, representing a decrease of approximately HK\$4.4 million or 80.3%, as compared to approximately HK\$5.5 million for the Corresponding Period. Such decrease was mainly attributable to (i) absence of other interest income of approximately HK\$1.5 million during the Reporting Period; and (ii) decrease in government grants of approximately HK\$2.6 million during the Reporting Period.

During the Reporting Period, selling and distribution expenses decreased by approximately HK\$1.1 million or 32.1% to approximately HK\$2.4 million (2024: HK\$3.5 million). Such decrease was mainly due to a decrease in marketing and promotional activities for the Agricultural and Meat Business during the Reporting Period.

Administrative and other expenses decreased by approximately HK\$1.5 million or 7.3% to approximately HK\$19.6 million during the Reporting Period (2024: HK\$21.1 million). Such decrease was mainly attributable to a decrease in consultancy fees for the business development strategy design services provided to the Agricultural and Meat Business during the Reporting Period.

Reversal of impairment losses on trade receivables of approximately HK\$28.8 million (2024: impairment losses of approximately HK\$4.4 million) have been made for the Reporting Period. The reversal impairment losses was due to the settlement of long-aged trade receivables during the Reporting Period. Impairment losses on deposits and prepayments of approximately HK\$12.2 million (2024: reversal impairment losses of approximately HK\$23.8 million) has been made during the Reporting Period. A reversal of impairment losses on other receivables of approximately HK\$5.1 million (2024: reversal impairment losses of approximately HK\$8.1 million) has been made during the Reporting Period.

No impairment losses on goodwill and allowance for inventories were made during the Reporting Period (2024: nil).

Net profit of the Group for the Reporting Period was approximately HK\$0.9 million, as compared to the net profit of approximately HK\$4.9 million for the Corresponding Period.

The decrease in net profit of the Group is mainly attributable to (i) a decrease in gross profit due to an increase in sales of products with lower profit margin during the Reporting Period; and (ii) a decrease in other income during the Reporting Period.

LIQUIDITY AND FINANCIAL RESOURCES

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

As at 30 June 2025, the Group had bank balances (including pledged bank deposits) and cash of approximately HK\$9.6 million (31 December 2024: HK\$4.6 million), mainly denominated in Hong Kong dollars (“**HK\$**”) and Renminbi (“**RMB**”). The Group’s quick ratio (measured by total current assets less inventories, deposits and prepayments divided by total current liabilities) was approximately 0.32 times (31 December 2024: 1.10 times).

As at 30 June 2025, the total borrowings of the Group, which comprised of bank and other borrowings, amounted to approximately HK\$441.0 million (31 December 2024: HK\$389.5 million). As at 30 June 2025, borrowings of approximately HK\$406.3 million (31 December 2024: HK\$382.3 million) were repayable within one year. As at 30 June 2025, borrowings of approximately HK\$44.9 million (31 December 2024: HK\$40.9 million) and HK\$396.1 million (31 December 2024: HK\$348.6 million) were denominated in HK\$ and RMB respectively. As at 30 June 2025, borrowings of approximately HK\$328.9 million (31 December 2024: HK\$317.9 million) were charged at fixed interest rates.

Lease liabilities represented rental payable by the Group for office premises and farmlands. Leases were negotiated for fixed terms ranging from 2 to 26 years.

The Group will continue adopting a positive yet prudent approach in managing its financial resources. Should other opportunities arise, thus prompting the need for additional funding, the management believes that the Group is well-positioned to obtain financing on favourable terms.

CAPITAL STRUCTURE AND GEARING RATIO

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

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

Fund raising activities

Save as the placing of new shares as disclosed in note 14 to the unaudited condensed financial statement and under the heading of “Subscription of New Shares” below, there was no significant change in the Group’s capital structure for the six months ended 30 June 2025.

Subscription of New Shares

Reference are made to the announcements of the Company dated 21 February 2025, 24 February 2025, 12 March 2025 and 18 March 2025, respectively (the “**Announcements**”) in relation to, amongst others, the Subscription. Unless otherwise defined, capitalised terms used herein shall have the same meanings as those defined in the Announcements.

After trading hours on 21 February 2025, the Company and the Subscribers entered into the Subscription Agreements pursuant to which the Company agreed to issue (pursuant to the General Mandate), and the Subscribers agreed to subscribe for, an aggregate of 75,851,407 Subscription Shares at the Subscription Price of HK\$0.560 per Share. The closing price per share of the Company as quoted on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) on 21 February 2025, the date of the Subscription Agreements, was HK\$0.70. On 24 February 2025, the Company entered into supplemental agreements to the Subscription Agreements (the “**Supplemental Agreements**”) with each of the Subscribers, pursuant to which the Company and each of the Subscribers have agreed to amend the Subscription Agreements that the Subscription Price per Subscription Share be changed from HK\$0.560 to HK\$0.565. The gross proceeds from the Subscription were approximately HK\$42.9 million and the net proceeds were approximately HK\$42.3 million. It was intended that the net proceeds from the Subscription would be utilized approximately (i) HK\$25.0 million for procurement, including the purchase of agricultural and meat produce, poultry, seafood, and prepared food; (ii) HK\$14.0 million will be used for repayment of other borrowings and other payables; and (iii) HK\$3.3 million will be used for the other general working capital purposes of the Group.

Details of the Subscription, Subscription Agreements and Supplemental Agreements were set out in the Announcements.

As at 30 June 2025, detailed breakdown and description of the utilisation of the net proceeds from the Subscription were as follows:

Date of announcement	Event	Net proceeds raised	Intended use of net proceeds	Actual use of proceeds
21 February 2025 (completed on 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;	(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 will be used 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 will be used for the other general working capital purposes of the Group.

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

The Company has 455,108,445 (31 December 2024: 379,257,038) issued ordinary shares and 3,030,000 (31 December 2024: 3,030,000) issued preference shares as at 30 June 2025.

As at 30 June 2025, the net debt to adjusted equity ratio was 0.52 (31 December 2024: 0.42). The Group's gearing ratio as at 30 June 2025 was 1.12 (31 December 2024: 0.73), which was measured as total debt to total shareholders' equity.

As at 30 June 2025, the outstanding balances of unsecured promissory notes issued by the Company to Mr. Lin Yuhao, an executive Director and Mr. Lin Yupa, a former Director, were HK\$16.3 million and HK\$10.9 million (classified as other borrowings) (31 December 2024: HK\$16.3 million and HK\$10.9 million), respectively.

SIGNIFICANT INVESTMENTS

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

MATERIAL ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES AND ASSOCIATED COMPANIES

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

CHARGES ON GROUP'S ASSETS

As at 30 June 2025, bank deposits of approximately HK\$ nil million (31 December 2024: HK\$0.4 million) were pledged to secure bills payables of the Group and a fully depreciated building was pledged to secure banking facilities granted to the Group.

FOREIGN EXCHANGE EXPOSURE

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

CONTINGENT LIABILITIES

As at 30 June 2025, the Group did not have any material contingent liabilities.

EMPLOYEE AND REMUNERATION POLICY

As at 30 June 2025, the Group had a total of 71 (31 December 2024: 51) full time employees in Hong Kong and the PRC. Total staff costs (including Directors' remuneration) for the Reporting Period amounted to HK\$10.4 million (2024: HK\$4.7 million). The employees are remunerated with reference to each individual's qualification, experience, responsibility and performance, the performance of the Group and market practices. Apart from the basic remuneration package, staff benefits offered by the Group to its employees include contribution to discretionary bonus, the mandatory provident fund scheme (the "**MPF Scheme**") in Hong Kong and the central provident fund scheme (the "**Retirement Benefit Scheme**") in the PRC. The Group operates the MPF Scheme under the Mandatory Provident Fund Schemes Ordinance (Chapter 485 of the Laws of Hong Kong) for employees employed under the jurisdiction of the Employment Ordinance (Chapter 57 of the Laws of Hong Kong). The MPF Scheme is a defined contribution retirement plan administered by independent trustees. Under the MPF Scheme, the employer and its employees are each required to make contributions to the MPF Scheme at 5% of the employees' relevant income, subject to a cap of monthly relevant income of HK\$30,000. Contributions to the MPF Scheme vest immediately. Pursuant to the relevant labour laws, rules and regulations in the PRC, the Group participates in the Retirement Benefit Scheme organised by the relevant local government authorities in the PRC whereby the Group is required to make contributions to the Retirement Benefit Scheme at a certain rate of the standard wages determined by the relevant authorities in the PRC during the Reporting Period. Contributions to the Retirement Benefit Scheme vest immediately. As at 30 June 2025, there was no lapsed contribution under the MPF Scheme and the Retirement Benefit Scheme which may be used by the Group to reduce the contribution payable in the future years. The Company adopted a share option scheme on 6 June 2013 (the "**Scheme**") with a valid period of 10 years. Pursuant to the Scheme, the Board may, at its discretion, grant options to eligible employees, executive and non-executive Directors (including independent non-executive Directors) of the Group. The Scheme expired on 6 June 2023 and no further options should be offered or granted under the Scheme on or after 6 June 2023.

LITIGATION

In 2024, a subsidiary of the Group was served with a lawsuit filed by a customer, alleging that the Group failed to deliver goods in accordance with the terms of a signed procurement contract. The customer is seeking claims for the total procurement order amount of RMB25.1 million, along with interest losses incurred during the period of fund occupation. The legal proceeding is still in progress and there is still uncertainty about the result of the legal proceeding, therefore the impact on the Group's profit for the Reporting Period or the subsequent periods cannot be ascertained at the present stage.

The case was heard in the People's Court of Shunde District (the "**Court**"), Foshan City, Guangdong Province. In 2024, the Court issued a first instance judgment against the Group, following which the Group promptly filed an appeal. The second-instance hearing was held on 26 February 2025, the Court issued a second instance judgment against the Group. The Group is seeking legal advice and plans to file an appeal.

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

PROSPECTS

The Group will seek suitable investment opportunities from time to time to develop its existing business portfolio and engage in new lines of business with growth potential. The Group will pursue diversification in its business and income streams by exploring opportunities with exciting prospects which could complement or create potential synergies to its existing core operations.

To diversify its income streams and counter balance the cyclical nature of the Group's Agricultural and Meat Business, the Group has been actively developing its trading of agricultural and meat produce, poultry, seafood, prepared food and sale of tea leaves business and commencing supplying produce to supermarkets and online platforms in the PRC.

In order to expand its agricultural bases, the Group has established stable and long-term cooperation with various neighborhood farms and agricultural companies as well as agricultural companies in other provinces of the PRC, under which the Group is responsible for brand promotion, quality assurance, sales empowerment for these farms, agricultural companies and farmers. The Group implements "Farmers-Companies-Governments" model to achieve common prosperity and provide traceable green food from farm-to-table. The Group strives to build a food supply base in Guangdong-Hong Kong-Macau Greater Bay Area (the "**Greater Bay Area**") to ensure safety and adequate food supply for the 120 million people in the Greater Bay Area. Meanwhile, the Group procures, processes and packs the agricultural produce supplied by farms and agricultural companies and then sells them to its customers through its established network of customers.

Recently, Guangdong Cypress Jade Agricultural Group Company Limited, a wholly-owned subsidiary of the Company, successfully secured the lease for Macun Reservoir and Longtan Reservoir in Conghua, PRC, ensuring essential resources for advancing ecological fishery development. The Group is strategically positioned to employ cutting-edge ecological breeding techniques to elevate these reservoirs into top-tier, eco-friendly fishery hubs. Through the fusion of scientific management principles and sustainable methodologies, the Group is dedicated to crafting superior green aquatic products that cater to evolving market preferences while safeguarding the ecological environment. This strategic initiative not only bolsters the Group's market standing but also fosters local economic progress and rural rejuvenation, heralding a promising future for ecological fisheries.

The Group has launched the development of an agricultural vertical e-commerce platform and agricultural low-altitude economy in the first half of the year. The front end leveraged drones, low-altitude IoT, and large AI models as the foundation to build a real-time monitoring and precise management system. It continuously collected multivariate data on pests, diseases, climate, and soil, thereby enabling plant protection, irrigation, fertilization, and HuangLongBing prevention and control in one step. It also has significantly reduced orchard operating costs and improved fruit quality, while also establishing a complete data chain encompassing "production-management-sales-finance" to enable traceability from field to

table within seconds and dynamic quality control. The back end used the agricultural vertical e-commerce platform to obtain data and deliver standards, technologies, and integrated solutions to promote contract agriculture and brand building, create a world-class benchmark for modern agriculture and lead the industry towards efficient, green, and sustainable new quality productive forces. The Group will first launch the products data of its own base on all platforms, and then replicate them for external customers to expand the business scale.

In order to broaden the sales channels of its agricultural produce, the Group has been exploring different cooperation models with various e-commerce operators and online sales platforms. Through such cooperation, the Group is expected to enhance the online sales of its agricultural and meat produce, poultry, seafood and prepared food, thus diversifying the revenue stream of the Group.

The Group primarily focuses on agricultural products, with a particular emphasis on landmark products that represent the core of agricultural and local specialties. By connecting cooperative bases across the country and collaborating with the Ten Thousand Stores Alliance, the Group targets to reach thousands of households in the Greater Bay Area, with the objectives of contributing to the revitalisation of rural areas nationwide, promoting the “Vegetable Basket” and “Rice Bag” programmes and facilitating the distribution of other high-quality agricultural products to households in the Greater Bay Area. This undertaking also marks a significant milestone in the Group’s digital transformation journey.

Meanwhile, the Group is seeking any vertical integration business opportunity to enhance its revenue stream, including but not limited to provisions of door-to-door delivery services for its agricultural, seafood and meat produce in the PRC.

Apart from the aforesaid, the Group will also consider other potential profitable businesses which could boost profitability in the future, including but not limited to, the Agricultural and Meat Business in the PRC and Hong Kong.

INTERIM DIVIDEND

No dividend was paid, declared or proposed during the Reporting Period. The Directors do not recommend the payment of an interim dividend for the Reporting Period (2024: nil).

OTHER INFORMATION

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

During the Reporting Period, neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the listed securities of the Company (including treasury shares (as defined under the Listing Rules)). As at 30 June 2025, the Company did not hold any treasury shares.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

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

CORPORATE GOVERNANCE CODE

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

Code Provision C.1.5 of Part 2 of the CG Code provides that independent non-executive directors and other non-executive directors should attend general meetings to gain and develop a balanced understanding of the views of shareholders. The independent non-executive Director, Ms. Li Yang was unable to attend the annual general meeting of the Company held on 2 June 2025 due to other commitments.

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

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

EVENTS AFTER THE REPORTING PERIOD

The Board are not aware of any significant event after the Reporting Period and up to the date of this announcement.

SUFFICIENCY OF PUBLIC FLOAT

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

REVIEW BY AUDIT COMMITTEE

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

As at the date of this announcement, the Audit Committee comprises all independent nonexecutive Directors, namely Ms. Li Yang (Committee Chairlady), Mr. Li Shaohua and Ms. Zhu Rouxiang.

PUBLICATION OF INTERIM RESULTS AND INTERIM REPORT

This results announcement is published on the websites of the Company (www.cyia.hk) and the Stock Exchange (www.hkexnews.hk). The interim report of the Company for the six months ended 30 June 2025 will be despatched to the Shareholders who have chosen to receive printed version and will be available at the above websites in due course.

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

Hong Kong, 29 August 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.

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

* For identification purpose only