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CODE AGRICULTURE (HOLDINGS) LIMITED **科地農業控股有限公司**

(Incorporated in Bermuda with limited liability)

(Stock code: 8153)

SUPPLEMENTAL PLACING AGREEMENT IN RELATION TO PLACING OF NEW SHARES UNDER GENERAL MANDATE

Reference is made to the announcements dated 4 March 2015 and 17 March 2015 (the “Announcements”) of Code Agriculture (Holdings) Limited (the “Company”) in relation to the Placing and the conversion of convertible bond, respectively. Unless otherwise defined, capitalised terms used herein shall have the same meanings as ascribed to them in the Announcements.

As disclosed in the Announcements, if the conditions to the Placing are not fulfilled on or prior to 17 March 2015 (the “Long Stop Date”) or such later date as may be agreed between the Company and the Placing Agent, the Placing Agreement shall terminate and none of the parties shall have any claim against the others for costs, damages, compensation or otherwise (save in respect of any antecedent breach).

On 17 March 2015 (after trading hours), the Company and the Placing Agent entered into the supplement placing agreement (the “Supplemental Placing Agreement”) pursuant to which the parties have agreed that (i) the Long Stop Date shall be extended to 31 March 2015 or such later date as may be agreed between the Company and the Placing Agent; and (ii) the Placing Price shall be changed from HK\$0.083 per Placing Share to HK\$0.065 per Placing Share (the “New Placing Price”).

Save as to the changes to the Long Stop Date and the Placing Price, all other terms and conditions in relation to the Placing as stated in the Announcements remain unchanged.

The New Placing Price was agreed after arm's length negotiations between the Company and the Placing Agent, with reference to, among other things, the recent trading price of the Shares on GEM. The New Placing Price represents:

- (a) a discount of approximately 7.14% to the closing price of HK\$0.07 per Share as quoted on the GEM on 17 March 2015, being the date of the Supplemental Placing Agreement; and
- (b) a discount of approximately 3.27% to the average closing price of approximately HK\$0.0672 per Share as quoted on the GEM for the last 5 full trading days of the Shares immediately before 17 March 2015, being the date of the Supplemental Placing Agreement.

Completion of the Placing taken place after the conversion of CB and allotment and issue of the Conversion Shares, the shareholding in the Company as at the date of this announcement, immediately after the conversion of the CB and allotment and issue of the Conversion Shares, and immediately after completion of the Placing, and assuming all the Placing Shares are fully placed, is and will be as follows:

Shareholder(s)	As at the date of this announcement		Immediately after the conversion of the CB and allotment and issue of the Conversion Shares		Immediately upon completion of the Placing assuming all the Placing Shares are fully placed	
	Number of Shares	Approximate %	Number of Shares	Approximate %	Number of Shares	Approximate %
Jingquan Yingzi (<i>Note</i>)	45,220,000	1.67	45,220,000	1.20	45,220,000	1.05
Cyberland (China) Limited (<i>Note</i>)	–	–	1,069,140,697	28.26	1,069,140,697	24.72
Placees	–	–	–	–	542,000,000	12.53
Public Shareholders	2,668,578,244	98.33	2,668,578,244	70.54	2,668,578,244	61.70
Total	<u>2,713,798,244</u>	<u>100.00</u>	<u>3,782,938,941</u>	<u>100.00</u>	<u>4,324,938,941</u>	<u>100.00</u>

Note:

Ms. Jingquan Yingzi ("Ms. Jingquan") is the chairman and an executive director of the Company. There will be totally 1,069,140,697 Shares held by Cyberland (China) Limited which is legally and beneficially owned as to 30.37% by Rise Enterprises Limited ("Rise Enterprises") and 15% by Wealth Way Investment Limited ("Wealth Way"), respectively. Rise Enterprises is beneficially owned as to 62.96% by Eagle Bliss Limited which in turn is wholly owned by Ms. Jingquan, while Wealth Way is directly and wholly owned by Ms. Jingquan. Cyberland (China) Limited is in aggregate indirectly 34.12% owned by Ms. Jingquan. For the purpose of Part XV of Securities and Future Ordinance (Chapter 571 of the Laws of Hong Kong), Ms. Jingquan is deemed to be interested in the Shares to be held by Cyberland (China) Limited.

In view of the current market conditions, the Directors consider the terms of the Supplemental Placing Agreement to be fair and reasonable and in the interests of the Group and the Shareholders as a whole. Assuming all the Placing Shares are successfully placed by the Placing Agent, the gross proceeds from the Placing will be approximately HK\$35.23 million. The Company will bear the costs and expenses (including the Placing commission) of approximately HK\$1.11 million in connection with the Placing. The net proceeds of approximately HK\$34.12 million from the Placing (assuming all the Placing Shares are fully placed) will be used for general working capital of the Group.

GENERAL

Shareholders and potential investors should note that the completion of the Placing is subject to the fulfillment of 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.

By Order of the Board of
CODE AGRICULTURE (HOLDINGS) LIMITED
Jingquan Yingzi
Chairman

Hong Kong, 17 March 2015

As of the date of this announcement, the executive Directors are Ms. Jingquan Yingzi (Chairman), Mr. Chin Wai Keung Richard, Mr. Wu Zhongxin and Mr. Stephen William Frostick; the non-executive Director is Prof. Liu Guoshun; and the independent non-executive Directors are Mr. Sousa Richard Alvaro, Mr. Lee Chi Hwa Joshua and Mr. Zhao Zhizheng.

This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief, the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive and there are no other matters the omission of which would make any statement herein or this announcement misleading.

This announcement will remain on the “Latest Company Announcements” page of the GEM website for 7 days from the date of its publication and on the Company’s website at <http://www.code-hk.com>.