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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)

ANNOUNCEMENT

This announcement is made by the board (“**Board**”) of directors (“**Directors**”) of Code Agriculture (Holdings) Limited (the “**Company**”).

Jiangsu Kedi Modern Agriculture Company Limited[#] (“**Jiangsu Kedi**”) (江蘇科地現代農業有限公司), an indirectly wholly-owned subsidiary of the Company, and other parties, had been named as defendants in a legal proceedings in the People’s Republic of China (“**PRC**”), in which it was alleged that the respective defendants have default in repayment of debts.

The Board has sent its representatives to make inquiries with the local management of Jiangsu Kedi in PRC. The Board has taken over the conduct of the legal proceedings and appointed PRC legal advisors and sought their advice on the relevant matters.

According to the documents and information currently available, the summary of the proceedings is stated as below:

Xi Min Chu Zi No. 0005[#] (錫民初字第0005號)

Plaintiff and Defendants

(a) Plaintiff: Mei Jinsong[#] (梅勁松) ;

(b) Defendants:

Jiangsu Yonglu Fertilizer Company Limited[#] (江蘇永祿肥料有限公司) as the first defendant (“D1”);

Jiangsu Kedi as the second defendant (“D2”);

Jiangsu Zhongsai Environment Technology Company Limited[#] (中賽環境科技有限公司) as the third defendant (“D3”);

Shan Xiaochang[#] (單曉昌) as the fourth defendant (“D4”); and

Shan Zhuojun[#] (單苗君) as the fifth defendant (“D5”);

- (c) Reliefs sought: A claim for approximate RMB30 million together with the interests incurred thereon;
- (d) Court: Intermediate People’s Court of Wuxi City, Jiangsu Province[#] (江蘇省無錫市中級人民法院).

Alleged Facts

It is alleged that the Plaintiff had advanced RMB111.5 million (“**Alleged Loan**”) indirectly to D1 which was wholly owned and controlled by Shan Xiaochang (D4) before October 2012. D2, D3, D4 and D5 are alleged to be the guarantors of the Alleged Loan. D4 resigned as an executive director of the Company on 2 November 2013 and legal representative of Jiangsu Kedi on 14 June 2013.

According to the advice of the PRC legal advisor, the court will invite two more parties, namely, Yixing Guida Supplies Limited[#] (宜興市貴達物資有限公司) and Yixing Huai Cheng Trade Limited[#] (宜興市懷程貿易有限公司), which were alleged to be instructed by the Plaintiff to transfer the Alleged Loan to D1, to attend the trial. The date and time of the hearing will be decided upon further notification from the court.

The Board, with the assistance of the PRC legal advisors, is gathering further information with respect to the case. The PRC legal advisors have also been instructed to ascertain and confirm the current status of and to handle all incidental matters in relation to the case so as to ensure that the Company has sufficient time under the relevant court rules to deal with the case properly and to safeguard the interests of the Company and Jiangsu Kedi.

The Company will closely monitor the case and evaluate its impact to the Company and keep the shareholders updated on the development of the case . The Company will make further announcement(s) on any significant development regarding the case in due course.

By order of the Board
Code Agriculture (Holdings) Limited
Jingquan Yingzi
Chairman

Hong Kong, 18 June 2015

As of the date of this announcement, the executive directors of the Company 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 of the Company collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on the GEM for the purpose of giving information with regard to the Company. The directors of the Company, 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>.

The English name in this announcement is for reference only. The official name is in Chinese.