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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)

INSIDE INFORMATION

The board (the “**Board**”) of directors (the “**Director(s)**”) of Code Agriculture (Holdings) Limited (the “**Company**”) announces that the Company discovered today (26 April 2018) while trying to gain access to its bank account online that its bank account has been suspended as a result of a winding-up petition being presented against the Company. Upon further enquiry by the Company it has come to the knowledge of the Company that a winding up petition (the “**Petition**”) under case number HCCW107/2018 was presented by Artic Blue Corporation (“**Artic Blue**”) to the High Court of the Hong Kong Special Administrative Region (the “**Court**”) on 24 April 2018 for winding up of the Company.

The Petition has never been served on the Company by Artic Blue as such the Company has no knowledge as to the existence and the particulars of the Petition until the Company made enquiry with Artic Blue today (26 April 2018). Artic Blue alleged that the Company was indebted to it in the sum of HK\$33,178,092.13. The Company denies that it is indebted to Artic Blue in the sum of HK\$33,178,092.19 as claimed by it, however, having learnt of the Petition being presented by Artic Blue to the Court, the Company has engaged in immediate discussion and negotiation with Artic Blue to attempt to settle the dispute between Artic Blue and the Company.

The Board is pleased to announce that the Company and Artic Blue have reached a settlement and entered into a deed of settlement (“**Deed of Settlement**”) on 26 April 2018 (after trading hour) whereby:–

1. the Company has agreed to effect payment of HK\$25,000,000 (the “**Settlement Sum**”) to Artic Blue in full and final settlement of all of Artic Blue’s claims against the Company;
2. the Company shall pay HK\$10,000,000 of the Settlement Sum to Artic Blue or its nominee upon the signing of the Deed of Settlement;

3. the Company shall use its best endeavour to cause a payment of HK\$5,000,000 of the Settlement Sum to Artic Blue or its nominee on or before 31 May 2018;
4. the Company shall pay the remaining balance of the Settlement Sum to Artic Blue or its nominee on or before 30 June 2018; and
5. Artic Blue undertakes that upon signing the Deed of Settlement it shall as soon as practicable cause the Petition to be dismissed or withdrawn with no order as to costs against the Company and the Company shall render all reasonable assistance to Artic Blue to procure the dismissal and withdrawal of the Petition.

The Company has upon signing of the Deed of Settlement effected payment of HK\$10,000,000 of the Settlement Sum to Artic Blue's nominee on 26 April 2018 by means of cheque and Artic Blue has undertaken to the Company that it will as soon as practicable cause of the Petition to be dismissed or withdrawn with no order as to costs against the Company pursuant to the Deed of Settlement. The Company will make further announcement on the progress and development of Artic Blue's application to the Court to dismiss and withdraw the Petition as and when appropriate.

Shareholders and potential investors of the Company are advised to exercise caution when dealing in the shares of the Company.

By order of the Board
Code Agriculture (Holdings) Limited
Hu Chao
Executive Director

Hong Kong, 26 April 2018

As of the date of this announcement, the executive Directors are Ms. Wu Meirong, Ms. Jingquan Yingzi, Mr. Chin Wai Keung Richard, Mr. Wang Rongqian, Mr. Hu Chao and Ms. Lin Yan Jenny; and the independent non-executive Directors are Mr. Hau Chi Kit, 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 Rules Governing the Listing of Securities on GEM of the Stock Exchange 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 at www.hkgem.com for at least 7 days from the date of its publication and on the Company's website at <http://www.code-hk.com>.