

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.



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

(Incorporated in Bermuda with limited liability)

(Stock code: 8153)

VOLUNTARY ANNOUNCEMENT **SUBSCRIPTION OF BONDS**

SUBSCRIPTIONS OF BONDS

On 22 October 2019 (after trading hours), the Company entered into subscription agreements with the Subscribers, pursuant to which the Company agreed to issue and the Subscribers agreed to subscribe for the 6% coupon unlisted bonds to be issued by the Company in an aggregate principal amount of HK\$5,000,000 of the Bond.

Shareholders and potential investors should exercise caution when dealing in the securities of the Company.

SUBSCRIPTIONS OF BONDS

On 22 October 2019 (after trading hours), the Company entered into a Subscription Agreements, pursuant to which the Company agreed to issue and the Subscribers agreed to subscribe for the 6% coupon unlisted bonds to be issued by the Company in an aggregate principal amount of HK\$5,000,000 of the Bond. To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, the Subscribers is an Independent Third Party.

PRINCIPAL TERMS OF THE BONDS

Principal amount:	HK\$5,000,000
Denomination:	In denomination of HK\$5,000,000
Issue price:	100% of principal amount of the Bonds.
Interest:	6% per annum on the principal amount of the Bonds accrued from the issue date of the Bonds to the earlier of the redemption date of the Bonds and the maturity date of the Bonds (exclusive of such issue date of the Bonds and the redemption date or maturity date of the Bonds (as the case may be)). Such interest shall be payable on (i) each anniversary of the issue of the Bonds prior to the earlier of the maturity date of the Bonds and the redemption date of the Bonds; and (ii) the earlier of the maturity date of the Bonds and the redemption date of the Bonds.
Maturity date:	Four (4) years from the relevant date of issue.
Status of Bonds:	The Bonds will constitute direct, unconditional, unsubordinated and unsecured contractual obligations of the Company which will rank <i>pari passu</i> among themselves and at all times rank at least <i>pari passu</i> with all other present and future unsecured and unsubordinated obligations of the Company, other than those obligation required by laws to be preferential.
Listing:	No application will be made for the listing of the Bonds.

REASONS FOR THE ISSUE OF BOND AND USE OF PROCEEDS

The net proceeds from the subscription of the Bonds by the Subscribers (after deducting the related costs and expenses) from the issue of the Bonds is HK\$3.7million and it is intended that HK\$1 million would be used to repay outstanding loans and the balance would be used as working capital for the Company which includes operating expenses such as professional fees, employees' remuneration and interest expenses. The Board is of the view that the subscription of Bonds provide a good opportunity to strengthen the Company's financial position and the terms of the Subscription Agreements entered into between the Company and the Subscriber and the transactions contemplated thereunder are on normal commercial terms, and are fair and reasonable, and in the interest of the Company and its shareholders as a whole.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following terms shall have the following meanings:

“Board”	the board of Directors
“Bond(s)”	6% coupon unlisted bonds to be issued by the Company in a principal amount of HK\$5,000,000 maturing on, in respect of each Bond, the day on which the four (4) years immediately following the date of issue of the relevant Bond (excluding such day of issue) expires
“Bondholder(s)”	the holder(s) of the Bonds
“Company”	Code Agriculture (Holdings) Limited, a company incorporated under the laws of Bermuda with limited liability, the Shares of which are listed on GEM (stock code: 8153)
“connected person(s)”	has the meaning as defined under the Listing Rules
“Director(s)”	director(s) of the Company
“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)”	a party which/who is not a connected person of the Company and is independent of the Company and its connected persons
“Subscribers”	a private investor subscribing the Bonds under the Subscription Agreement
“Subscription Agreements”	the subscription agreements each dated 22 October 2019 entered between the Company and the Subscribers in connection with the Subscription of Bond
“%”	per cent.

By order of the Board
Code Agriculture (Holdings) Limited
Tsang King Sun
Executive Director

Hong Kong, 23 October 2019

As of the date of this announcement, the executive directors are Mr. Chow Chi Wah Vincent, Mr. Tsang King Sun, Mr. Wang Rongqian, Mr. Hu Chao; the non-executive directors of the Company are Mr. Qian Gang, Mr. Wang Dequn; and the independent non-executive directors of the Company are Mr. Lee Chi Hwa Joshua, Mr. Wong Ching Keung, Ms. Ng Yin Ling Elaine and Dr. Antonio Maria Santos.

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 <http://www.hkgem.com> for at least 7 days from the date of its publication. This announcement will also be published on the Company’s website at <http://www.code-hk.com>.