
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult your stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in Code Agriculture (Holdings) Limited (the “Company”), you should at once hand this circular, together with the enclosed proxy form, to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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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)

**(1) PROPOSED GRANT OF GENERAL MANDATE AND
REPURCHASE MANDATE TO ISSUE AND REPURCHASE SHARES;
(2) PROPOSED RE-ELECTION OF RETIRING DIRECTORS AND
CONTINUOUS APPOINTMENT OF
INDEPENDENT NON-EXECUTIVE DIRECTOR
WHO HAS SERVED FOR MORE THAN NINE YEARS;
(3) PROPOSED REFRESHMENT OF THE MANDATE LIMIT OF
THE EXISTING SHARE OPTION SCHEME;
AND
(4) NOTICE OF ANNUAL GENERAL MEETING**

A notice convening an annual general meeting of the Company to be held at Rooms 1120-26, 11th Floor, Sun Hung Kai Centre, 30 Harbour Road, Wanchai, Hong Kong on Tuesday, 10 December 2013 at 5:00 p.m. is set out on pages 20 to 25 of this circular. Whether or not you propose to attend the annual general meeting, you are requested to complete the accompanying proxy form in accordance with the instructions printed thereon and return it to the Company's branch share registrar in Hong Kong, Tricor Abacus Limited, at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for holding the annual general meeting or any adjournment thereof. The completion and return of the proxy form will not preclude you from subsequently attending and voting in person at the annual general meeting or any adjourned meeting should you so wish.

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

11 November 2013

CHARACTERISTICS OF GEM

GEM has been positioned as a market designed to accommodate companies to which a higher investment risk may be attached than other companies listed on the Stock Exchange. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration. The greater risk profile and other characteristics of GEM mean that it is a market more suited to professional and other sophisticated investors.

Given the emerging nature of companies listed on GEM, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the Main Board of the Stock Exchange and no assurance is given that there will be a liquid market in the securities traded on GEM.

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DEFINITIONS

In this circular, unless the context otherwise requires, the following expressions shall have the following meanings:

“Advisor”	any such person as shall have been designated by the Board as such, being a person who provides advisory services (in the areas of legal, technical, financial, corporate managerial or otherwise) to the Company or any Subsidiary
“AGM”	the annual general meeting of the Company to be convened and held on Tuesday, 10 December 2013 at 5:00 p.m. at Rooms 1120-26, 11th Floor, Sun Hung Kai Centre, 30 Harbour Road, Wanchai, Hong Kong
“AGM Notice”	the notice convening the AGM set out on pages 20 to 25 of this circular
“Associate”	has the meaning ascribed to it under the GEM Listing Rules
“Board”	the board of Directors
“Bye-laws(s)”	the bye-laws of the Company (as amended from time to time)
“CG Code”	the Corporate Governance Code and Corporate Governance Report as set out in Appendix 15 to the GEM Listing Rules
“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)
“Consultant”	any such person as shall have been designated by the Board as such, being a person who provides consultancy services (legal, technical, financial, corporate, managerial advice or services or otherwise) to the Company or any Subsidiary
“Director(s)”	any person who is a director (including non-executive director and independent non-executive director) of the Company

DEFINITIONS

“Eligible Person”	<p>any person who satisfies the eligibility requirements below:</p> <p>(A) the Board may, at its absolute discretion, grant options to an Employee, a Director, a supplier of goods or services, a customer of Company or any Subsidiary; an agent, Adviser, Consultant, strategist, contractor, sub-contractor, expert or entity that provides research, development or other technological support or any valuable services to Company or any Subsidiary; a shareholder of Company or any Subsidiary or a holder of any securities issued by Company or any Subsidiary; and</p> <p>(B) nothing in (A) above shall prevent the Directors to determine the basis of eligibility of any of the Eligible Persons to grant of any Options from time to time on the basis of their contribution to the development and the growth of the Company or any Subsidiary</p>
“Employee”	<p>a person who is in the full-time or part-time employment of the Company or any Subsidiary</p>
“Existing Scheme Limit”	<p>the existing Scheme Mandate Limit under the Existing Share Option Scheme, which set out the maximum number of Options that may be granted by the Company to the eligible Participants, being 10% of the issued share capital of the Company as at the date of the adoption of the Existing Share Option Scheme</p>
“Existing Share Option Scheme”	<p>the existing share option scheme of the Company adopted by the Company by way of Shareholders’ resolution on 2 February 2009</p>
“GEM”	<p>the Growth Enterprise Market of the Stock Exchange</p>
“GEM Listing Rules”	<p>the Rules Governing the Listing of Securities on GEM</p>

DEFINITIONS

“General Mandate”	the general mandate proposed to be granted to the Directors at the AGM to issue further new Shares not exceeding 20% of the issued share capital of the Company as at the date of granting of the General Mandate
“Group”	the Company and all of its Subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Latest Practicable Date”	6 November 2013, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information contained in this circular
“Old Share Option Scheme”	the share option scheme adopted by the Company by way of Shareholders’ resolution on 20 March 2001 and terminated on 2 February 2009
“Options”	the a right granted by the Company under the Existing Share Option Scheme and accepted by a Participant, which right permits (but does not obligate) a Participant to subscribe for Shares in accordance with the Existing Share Option Scheme
“Participant”	any Eligible Person who accepts the offer by a grant of an Option and who for the time being participates in the Existing Share Option Scheme (or, where applicable, his personal representatives) and where the context requires or permits any Eligible Person to whom the offer of a grant of Options is made by the Company and which offer has not been withdrawn or lapsed or rejected
“Proposed Refreshment”	the proposed refreshment of the Scheme Mandate Limit under the Existing Share Option Scheme at the AGM
“Repurchase Mandate”	the repurchase mandate proposed to be granted to the Directors at the AGM to repurchase up to 10% of the issued share capital of the Company as at the date of granting of the Repurchase Mandate

DEFINITIONS

“Scheme Mandate Limit”	the maximum number of Shares which may be allotted and issued upon the exercise of all Options which initially shall not in aggregate exceed 10% of the Shares in issue as at the date of adoption of the Existing Share Option Scheme and thereafter, if refreshed shall not exceed 10% of the Shares in issue as at the date of approval of the refreshed limit by the Shareholders
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	ordinary share(s) of HK\$0.01 each in the share capital of the Company
“Shareholder(s)”	holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subsidiary(ies)”	means a company which is for the time being and from time to time a subsidiary (within the meaning of the section 2 of the Companies Ordinance (Chapter 32 of the Laws of Hong Kong) as modified from time to time) of the Company
“Takeovers Code”	the Hong Kong Code on Takeovers and Mergers and Share Repurchases
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“%”	per cent.

LETTER FROM THE BOARD



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

(Incorporated in Bermuda with limited liability)

(Stock code: 8153)

Executive Directors:

Ms. Jingquan Yingzi (*Chairman*)
Mr. Wong Man Hung Patrick
Mr. Wu Zhongxin
Mr. Stephen William Frostick

Registered office:

Clarendon House
2 Church Street
Hamilton HM11
Bermuda

Non-executive Director:

Prof. Liu Guoshun

*Head office and principal place of
business in Hong Kong:*

Rooms 1120-26
11th Floor, Sun Hung Kai Centre
30 Harbour Road
Wanchai, Hong Kong

Independent non-executive Directors:

Mr. Sousa Richard Alvaro
Mr. Lee Chi Hwa Joshua
Mr. Zhao Zhizheng

11 November 2013

To the Shareholders,

Dear Sirs or Madams,

**(1) PROPOSED GRANT OF GENERAL MANDATE AND
REPURCHASE MANDATE TO ISSUE AND REPURCHASE SHARES;
(2) PROPOSED RE-ELECTION OF RETIRING DIRECTORS AND
CONTINUOUS APPOINTMENT OF
INDEPENDENT NON-EXECUTIVE DIRECTOR
WHO HAS SERVED FOR MORE THAN NINE YEARS;
(3) PROPOSED REFRESHMENT OF THE MANDATE LIMIT OF THE
EXISTING SHARE OPTION SCHEME;
AND
(4) NOTICE OF ANNUAL GENERAL MEETING**

INTRODUCTION

The purpose of this circular is to provide you with information relating to (i) the proposed General Mandate and Repurchase Mandate to issue and repurchase Shares; (ii) the proposed retirement and re-election of Directors and continuous appointment of Mr. Sousa Richard Alvaro (“**Mr. Sousa**”) as independent non-executive Director; (iii) the Proposed Refreshment of the Existing Mandate Limit of the Existing Share Option Scheme; and (iv) the notice of the AGM.

LETTER FROM THE BOARD

GENERAL MANDATE TO ISSUE SHARES

At the AGM, an ordinary resolution no. 4 will be proposed such that the Directors be given an unconditional general mandate (i.e. the General Mandate) to allot, issue and deal with unissued Shares or underlying Shares (other than by way of rights or pursuant to a share option scheme for employees of the Company or Directors and/or any of its Subsidiaries or pursuant to any scrip dividend scheme or similar arrangements providing for the allotment and issue of Shares in lieu of whole or part of the dividend on Shares in accordance with the Bye-laws) or make or grant offers, agreements, options and warrants which might require the exercise of such power, of an aggregate nominal amount of up to 20% of the issued Shares as at the date of granting of the General Mandate.

In addition, a separate ordinary resolution no. 6 will further be proposed for extending the General Mandate authorising the Directors to allot, issue and deal with Shares to the extent of the Shares repurchased pursuant to the Repurchase Mandate. Details on the Repurchase Mandate are further elaborated below.

As at the Latest Practicable Date, the Company has an aggregate of 2,713,798,244 Shares in issue. Subject to the passing of the resolutions for the approval of the General Mandate and on the basis that no further Shares are issued or repurchased between the Latest Practicable Date and the date of the AGM, the Company would be allowed under the General Mandate to allot, issue and deal with a maximum of 542,759,648 Shares.

REPURCHASE MANDATE TO REPURCHASE SHARES

At the AGM, an ordinary resolution no. 5 will also be proposed such that the Directors be given an unconditional general mandate to repurchase Shares (i.e. the Repurchase Mandate) on the Stock Exchange of an aggregate amount of up to 10% of the issued share capital of the Company as at the date of granting of the Repurchase Mandate.

Subject to the passing of the resolution for the approval of the Repurchase Mandate and on the basis that no further Shares are issued or repurchased between the Latest Practicable Date and the date of the AGM, the Company would be allowed under the Repurchase Mandate to repurchase a maximum of 271,379,824 Shares.

LETTER FROM THE BOARD

The General Mandate (including the extended General Mandate) and the Repurchase Mandate shall continue to be in force during the period from the date of passing of the resolutions for the approval of the General Mandate (including the extended General Mandate) and the Repurchase Mandate up to (i) the conclusion of the next annual general meeting of the Company; (ii) the expiration of the period within which the next annual general meeting of the Company is required by the Bye-laws, the Companies Act 1981 of Bermuda (as amended) or any applicable laws of Bermuda to be held; or (iii) the revocation or variation of the General Mandate (including the extended General Mandate) or the Repurchase Mandate (as the case may be) by ordinary resolution of the Shareholders in general meeting, whichever occurs first.

An explanatory statement in connection with the Repurchase Mandate is set out in Appendix I to this circular. The explanatory statement contains all the requisite information required under the GEM Listing Rules to be given to the Shareholders to enable them to make an informed decision on whether to vote for or against the resolution approving the Repurchase Mandate.

RE-ELECTION OF RETIRING DIRECTORS AND CONTINUOUS APPOINTMENT OF MR. SOUSA RICHARD ALVARO

Pursuant to Bye-laws 87(1), at each annual general meeting one-third of the Directors for the time being (or, if their number is not a multiple of three, the number nearest to but not greater than one-third) shall retire from office by rotation. Pursuant to Bye-laws 87(2), a retiring Director shall eligible for re-election. The Directors to retire by rotation shall include (so far as necessary to ascertain the number of directors to retire by rotation) any Director who wishes to retire and not to offer himself for re-election. Any further Directors so to retire shall be those of the other Directors subject to retirement by rotation who have been longest in office since their last re-elected Directors on the same day those to retire shall (unless they otherwise agree among themselves) be determined by lot.

In accordance with Bye-law 87(1) and 87(2), Mr. Wu Zhongxin, Mr. Stephen William Frostick and Prof. Liu Guoshun shall retire as Directors from office by rotation at the AGM. Being eligible, Mr. Wu Zhongxin and Mr. Stephen William Frostick will offer themselves for re-election as executive Directors and Pro. Liu Guoshun will offer himself for re-election as non-executive Director at the AGM.

According to Appendix 15 to the GEM Listing Rules, it is recommended that serving more than nine years could be relevant to the determination of a non-executive director's independence. If an independent non-executive director serves more than nine years, any further appointment of such independent non-executive director should be subject to a separate resolution to be approved by shareholders.

LETTER FROM THE BOARD

Mr. Sousa has been appointed as an independent non-executive Directors for more than nine years. The Company has received from Mr. Sousa confirmation of independence according to Rule 5.09 of the GEM Listing Rules. Mr. Sousa has not engaged in any executive management of the Group. Taking into consideration of his independent scope of work in the past years, the Directors consider Mr. Sousa to be independent under the GEM Listing Rules despite the fact that he has served the Company for more than nine years. The Board believes that Mr. Sousa's continued tenure brings considerable stability to the Board and the Board has benefited greatly from the presence of Mr. Sousa who has over time gained valuable insight into the Group.

At the AGM, ordinary resolutions will be proposed to re-elect each of Mr. Wu Zhongxin and Mr. Stephen William Frostick as executive Director, Prof. Liu Guoshun as non-executive Director and Mr. Sousa Richard Alvaro as independent non-executive Director.

Details of the retiring Directors who are proposed to be re-elected at the AGM are set out in Appendix II to this circular.

PROPOSED REFRESHMENT OF THE MANDATE LIMIT OF THE EXISTING SHARE OPTION SCHEME

The Existing Share Option Scheme was adopted by the Company pursuant to an ordinary resolution of the Company passed on 2 February 2009. The Old Share Option Scheme has been replaced by the Existing Share Option Scheme on 2 February 2009. The options granted under the Old Share Option Scheme has been exercised or lapsed and no options under the Old Share Option Scheme were outstanding. The Scheme Mandate Limit was set at 10% of the Shares in issue as at the date of adoption of the Existing Share Option Scheme in compliance with the GEM Listing Rules. Subject to prior Shareholders' approval, the Company may, at any time thereafter, refresh the Scheme Mandate Limit to the extent not exceeding 10% of the Shares in issue as at the date of the aforesaid Shareholders' approval. Options previously granted under the Existing Share Option Scheme or any other share option scheme(s) of the Company (including options outstanding, cancelled, lapsed or exercised in accordance with the relevant scheme rules) shall not be counted for the purpose of calculating the limit as refreshed.

Pursuant to the GEM Listing Rules, the Shares which may be issued upon exercise of all outstanding Options granted and yet to be exercised under the Existing Share Option Scheme or other schemes at any time will not exceed 30% of the Shares in issue from time to time. The Board undertakes that no Options shall be granted under the Existing Share Option Scheme or any scheme(s) of the Company if this will result in the 30% limit being exceeded.

LETTER FROM THE BOARD

The Board considers that it is in the interests of the Company to refresh the Scheme Mandate Limit to permit the granting of further Options so as to provide incentives to, and recognise the contributions of, the Eligible Participants. The Board therefore decided to seek the approval of the Shareholders at the AGM to refresh the Scheme Mandate Limit.

Since the adoption of the Existing Share Option Scheme, the Scheme Mandate Limit has not been refreshed.

As the time of the adoption of the Existing Share Option Scheme on 2 February 2009, the Directors were entitled to grant Options to subscribe for up to 110,501,824 Shares, representing 10% of the then Shares in issue. As at the Latest Practicable Date, the Company has 2,713,798,244 Shares currently in issue. On 10 December 2010, a total of 60,000,000 Options were granted under the Existing Share Option Scheme entitling the holders thereof to subscribe for up to an aggregate of 60,000,000 Shares. On 7 October 2011, a total of 7,000,000 Options were granted under the Existing Share Option Scheme entitling the holder thereof to subscribe for up to an aggregate of 7,000,000 Shares and the 7,000,000 Options were subsequently forfeited following the resignation of the holder thereof. On 3 October 2012, a total of 142,000,000 Options were granted under the Existing Share Option Scheme entitling the holders thereof to subscribe for up to an aggregate 142,000,000 Shares. Save as the 7,000,000 Options being forfeited, no Options granted under the Existing Share Option Scheme have been exercised, cancelled or lapsed as at the Latest Practicable Date and 202,000,000 Options remain outstanding, representing approximately 7.44% of the Shares in issue. The Company has complied with Rule 23.03(4) of the GEM Listing Rules for the aforesaid Options granted.

If the refreshment of the Existing Scheme Limit is approved at the AGM, based on the 2,713,798,244 Shares in issue as at the Latest Practicable Date and assuming no further Shares will be allotted and issued up to the date of the AGM, the Company will be authorised to grant Options under the Existing Share Option Scheme for subscription of up to a total of 271,379,824 Shares, representing approximately 10% of the issued share capital of the Company as at the date of the AGM. Any remaining available Options that are not granted under the Existing Scheme Limit, will not be granted in the future upon the approval of the Proposed Refreshment at the AGM. The total number of Shares which may be issued upon exercise of the “refreshed” Scheme Limit of 271,379,824 Shares together with all outstanding Options as at the Latest Practicable Date carrying the right to subscribe for 202,000,000 Shares is 473,379,824 Shares, representing approximately 17.44% of the total number of Shares in issue as at the date of AGM. No Options may be granted if this will result in the number of Shares which may be issued upon exercise of all Options granted and yet to be exercised under the Existing Share Option Scheme and any other schemes of the Company exceeds the 30% limit. As at the Latest Practicable Date, the Company has not adopted any share option schemes other than the Existing Share Option Scheme.

LETTER FROM THE BOARD

Conditions of the Proposed Refreshment

The Proposed Refreshment is conditional upon:

1. the passing of the ordinary resolution by the Shareholders at the AGM to approve the Proposed Refreshment; and
2. the Listing Committee of the Stock Exchange granting the listing of, and permission to deal in any new Shares which may be issued and allotted upon the exercise of the subscription rights attaching to the Options that may be granted under the refreshed limit of the Existing Share Option Scheme, up to 10% of the issued share capital of the Company as at the date of passing of the relevant resolution at the AGM.

Application will be made to the Listing Committee of the Stock Exchange for the listing of, and permission to deal in, the Shares to be issued pursuant to the exercise of Options to be granted under the refreshed Existing Scheme Limit.

Reasons for the Refreshment of Scheme Mandate Limit

The Refreshment of Scheme Mandate Limit will enable the Company to grant further Options to Eligible Participants so as to provide opportunities and incentives to them to work towards enhancing the values of the Company and Shares for the benefit of the Company and Shareholders as a whole.

AGM

A notice convening the AGM to be held at Rooms 1120-26, 11th Floor, Sun Hung Kai Centre, 30 Harbour Road, Wanchai, Hong Kong on Tuesday, 10 December 2013 at 5:00 p.m. is set out on pages 20 to 25 of this circular. Ordinary resolutions will be proposed at the AGM to approve, among other things, the proposed General Mandate (including the extended General Mandate) and Repurchase Mandate, the proposed re-election of Directors and the Proposed Refreshment.

LETTER FROM THE BOARD

A form of proxy for use at the AGM is enclosed with this circular and such form of proxy is also published at the website of the Stock Exchange at www.hkex.com.hk. Whether or not you are able to attend the AGM, you are requested to complete the accompanying form of proxy in accordance with the instructions printed thereon and return it to the Company's branch share registrar in Hong Kong, Tricor Abacus Limited, at 26/F, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for the holding of the AGM or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the AGM or any adjournment thereof should you so wish.

All the resolutions proposed to be approved at the AGM will be taken by poll and an announcement will be made by the Company after the AGM on the results of the AGM.

RESPONSIBILITY STATEMENT

This circular, 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 circular 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 circular misleading.

RECOMMENDATION

The Board believes that the proposed General Mandate (including the extended General Mandate) and Repurchase Mandate, the proposed re-election of retiring Directors and the Proposed Refreshment as set out in the AGM Notice are all in the best interests of the Company and the Shareholders as a whole. The Board recommends that the Shareholders vote in favour of the relevant resolutions to be proposed at the AGM.

GENERAL

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, no Shareholder is required to abstain from voting on the resolutions to be proposed at the AGM.

Yours faithfully
For and on behalf of the Board of
CODE AGRICULTURE (HOLDINGS) LIMITED
Jingquan Yingzi
Chairman

This Appendix serves as an explanatory statement, as required by the GEM Listing Rules, to provide requisite information to you for your consideration of the Repurchase Mandate.

1. REPURCHASE OF SECURITIES FROM CONNECTED PARTIES

The GEM Listing Rules prohibit the Company from knowingly purchasing its securities on the Stock Exchange from a “connected person”, that is, a director, chief executive or substantial shareholder of the Company or any of its subsidiaries or their respective associates (as defined in the GEM Listing Rules) and a connected person is prohibited from knowingly selling to the Company his/her/its securities of the Company.

No connected person of the Company has notified the Company that he/she/it has a present intention to sell any Shares to the Company nor has any such connected person undertaken not to sell any of the Shares held by him/her/it to the Company in the event that the Repurchase Mandate is passed.

2. SHARE CAPITAL

As at the Latest Practicable Date, the issued share capital of the Company comprised 2,713,798,244 fully paid Shares.

Subject to the passing of the proposed resolution for the approval of the Repurchase Mandate and on the basis that no further Shares are issued or repurchased by the Company prior to the AGM, the Company will be allowed under the Repurchase Mandate to repurchase a maximum of 271,379,824 fully paid Shares, representing approximately 10% of the issued share capital of the Company as at the date of passing of the resolution.

3. REASONS FOR THE REPURCHASE

The Directors believe that the Repurchase Mandate is in the best interests of the Company and its Shareholders as a whole. An exercise of the Repurchase Mandate may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net assets per Share and/or earnings per Share and will only be made when the Directors believe that a repurchase will benefit the Company and the Shareholders as a whole.

4. FUNDING OF REPURCHASES

Repurchases would be funded entirely from the Company's available cash flow or working capital facilities which will be funds legally available under Bermuda law and the memorandum of association of the Company and the Bye-laws and for such purpose.

An exercise of the Repurchase Mandate in full may have a material adverse impact on the working capital and gearing position of the Company compared with those as at 31 March 2013, being the date of its latest published audited consolidated accounts. The Directors do not, however, intend to make any repurchase in circumstances that would have a material adverse impact on the working capital or gearing position of the Company.

5. SHARE PRICES

The highest and lowest prices at which the Shares have traded on the Stock Exchange in each of the previous twelve calendar months immediately prior to the Latest Practicable Date were as follows:

	Highest <i>HK\$</i>	Lowest <i>HK\$</i>
2012		
November	0.180	0.143
December	0.155	0.131
2013		
January	0.155	0.082
February	0.118	0.093
March	0.102	0.078
April	0.078	0.050
May	0.092	0.048
June	0.080	0.055
July	suspended	suspended
August	suspended	suspended
September	suspended	suspended
October	suspended	suspended
November (up to the Latest Practicable Date)	suspended	suspended

Note:

Trading in Shares has been suspended since 24 June 2013 and remained suspended up to the date of the circular pending the publication or despatch (as the case may be) of the annual results announcement for the year ended 31 March 2013 (the “2013 Annual Results”), the annual report for the year ended 31 March 2013 (the “Annual Report”), the first quarterly results announcement for the three months ended 30 June 2013, the first quarterly report for the three months ended 30 June 2013, the interim results announcement for the six months ended 30 September 2013 and the interim report for the six months ended 30 September 2013. The 2013 Annual Results and the Annual Reports were published or despatch on 8 October 2013. Trading in Shares will continue to be suspended until further notice.

6. DISCLOSURE OF INTERESTS AND MINIMUM PUBLIC HOLDING

None of the Directors or, to the best of their knowledge having made all reasonable enquiries, their associates, have any present intention to sell to the Company or its subsidiaries any of the Shares in the Company if the Repurchase Mandate is approved at the AGM.

The Directors have undertaken to the Stock Exchange that, so far as the same may be applicable, they will exercise the powers of the Company to make repurchases pursuant to the Repurchase Mandate in accordance with the GEM Listing Rules and applicable laws of Bermuda.

If a Shareholder’s proportionate interest in the voting rights of the Company increases on the Company exercising its powers to repurchase Shares pursuant to the Repurchase Mandate, such increase will be treated as an acquisition for the purposes of Rule 32 of the Takeovers Code. As a result, a Shareholder or group of Shareholders acting in concert could obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rules 26 and 32 of the Takeovers Code.

As at the Latest Practicable Date, the register maintained by the Company pursuant to Section 336 of SFO showed the following interests in Share:

Name of shareholder	Number of Shares held as at the Latest Practicable Date	Approximate Percentage of the Company’s issued share capital
Mr. Lee Yuk Lun	219,298,244	8.08%

In the event that the Directors exercise in full the power to repurchase Shares in accordance with the Repurchase Mandate, the total interests of the above Shareholder in the Shares would be increased to:

Name of shareholder	Approximate Percentage holding if the Repurchase Mandate is exercised in full
Mr. Lee Yuk Lun	8.98%

On the basis of the current shareholdings of the above Shareholder, an exercise of the Repurchase Mandate in full will not result in him becoming obliged to make a mandatory offer under Rule 26 of the Takeovers Code.

Save as disclosed, the Directors are not aware of any consequences which may arise under the Takeovers Code as consequences of any purchase made under the Repurchase Mandate.

The Directors have no intention to exercise the Repurchase Mandate to such an extent that will result in a requirement of any of the above Shareholder, or any other persons to make a general offer under the Takeovers Code or the number of Shares in the hands of public falling below the prescribed minimum percentage of 25%.

7. SHARES REPURCHASE MADE BY THE COMPANY

The Company had not purchased any of its Shares (whether on the Stock Exchange or otherwise) during the previous six months immediately prior to the Latest Practicable Date.

The following are the particulars of the Directors, who will retire at the AGM and being eligible, will offer themselves for re-election at the AGM.

Mr. Wu Zhongxin

Executive Director

Mr. Wu Zhongxin (“**Mr. Wu**”), aged 49, joined Jiangsu Kedi Modern Agriculture Co., Ltd, (“**Jiangsu Kedi**”) a directly wholly owned subsidiary of the Company, in July 2006 and was appointed as an Executive Director on 22 November 2010. Mr. Wu is responsible for overseeing the management and operation of Jiangsu Kedi. After earned his Master degree from the Institute of Virology Chinese Academy of Science, he worked in the agricultural related education sectors and directed a series of research in tobacco for almost 10 years in Northeast Agricultural University and Henan Tobacco Research Institute respectively. During his time with these two academies, he had successfully completed a project awarded with the second prize in technology development in Henan Province and has over 20 thesis published. Mr. Wu had extensive experiences in the area of research and development and promotion, sales and market management. Mr. Wu is also a director of certain subsidiaries of the Company.

Save as disclosed above, Mr. Wu did not hold any directorships in any listed public companies where the securities of which are listed on any securities market in Hong Kong or overseas in the last three years and does not hold any other positions with the Company or other members of the Group.

Mr. Wu does not have any relationships with any directors, senior management, substantial or controlling Shareholder of the Company nor any interests in the Shares within the meaning of Part XV of the SFO as at the Latest Practicable Date.

Mr. Wu has entered into a service contract with the Company for an initial term of two years commencing from 1 January 2013. The service contracts may be terminated by either party thereto by giving to the other three months’ prior notice in writing. Save that Mr. Wu’s directorship with the Company is subject to retirement by rotation and re-election at annual general meetings of the Company in accordance with the Bye-Laws. Mr. Wu will not receive any remuneration for his acting as the executive director of the Company. Mr. Wu may be entitled to a bonus for each financial year of the Company which is at the discretion of the Board and determined by reference to Mr. Wu’s performance and the Group’s performance for the financial year concerned. Mr. Wu shall retire from office by rotation at the AGM and being eligible, offer himself for re-election.

Save as disclosed above, Mr. Wu is not aware of any other matters that need to be brought to the attention of the holders of securities of the Company nor is there any information to be disclosed by the Company pursuant to any of the requirements under the rule 17.50(2)(h) to 17.50(2)(v) of the GEM Listing Rules.

APPENDIX II DETAILS OF DIRECTORS PROPOSED FOR RE-ELECTION

Mr. Stephen William Frostick

Executive Director

Mr. Stephen William Frostick (“**Mr. Frostick**”), aged 64, joined the Group and was appointed as an Executive Director on 3 December 2008. Mr. Frostick has extensive experience in the areas of strategic planning, operational management and corporate development. Mr. Frostick earned his juris doctorate degree from Nevada’s Old College School of Law in the United States in 1984. In addition, Mr. Frostick graduated from the University of Nevada, Las Vegas in the United States with a Master of Public Administration degree and a Bachelor of Science in Business Administration in 1976 and 1974 respectively. Mr. Frostick is the Chief Executive Officer and President with Compeer Group (Macau) and Grey Eagle Group (Hong Kong). Prior to joining the Company, Mr. Frostick has over 35 years of experience in leading capacities from the State Government of Nevada in the United States, large corporations and international consulting organisations. During his employment with Kepner Tregoe Inc., Mr. Frostick was involved in the design, development and the implementation of “Team Concept” for Chrysler Motors Inc. and was participated in the negotiations with respect to the labour agreements between the United Auto Workers Union and Chrysler Motors Inc. Mr. Frostick currently serves as an executive director and the Chairman of China Public Healthcare (Holding) Limited (Stock Code: 8116), a company listed on the GEM. Mr. Frostick is also a director of certain subsidiaries of the Company.

Save as disclosed above, Mr. Frostick did not hold any directorships in any listed public companies where the securities of which are listed on any securities market in Hong Kong or overseas in the last three years and does not hold any other positions with the Company or other members of the Group.

Mr. Frostick does not have any relationships with any directors, senior management, substantial or controlling Shareholder of the Company nor any interests in the Shares within the meaning of Part XV of the SFO as at the Latest Practicable Date.

Mr. Frostick has entered into a service contract with the Company for an initial term of two years commencing from 15 January 2013. The service contracts may be terminated by either party thereto by giving to the other three months’ prior notice in writing. Mr. Frostick is entitled to a director’s fee of HK\$360,000 per annum for the financial year starting from 1 April 2013 of the Company. His director’s fee and annual salary shall be determined by the Board from time to time with reference to his contribution in terms of time, effort and his expertise and will be reviewed on an annual basis. Mr. Frostick shall retire from office by rotation at the AGM and being eligible, offer himself for re-election.

Save as disclosed above, Mr. Frostick is not aware of any other matters that need to be brought to the attention of the holders of securities of the Company nor is there any information to be disclosed by the Company pursuant to any of the requirements under the rule 17.50(2)(h) to 17.50(2)(v) of the GEM Listing Rules.

APPENDIX II DETAILS OF DIRECTORS PROPOSED FOR RE-ELECTION

Professor Liu Guoshun

Non-Executive Director

Prof. Liu Guoshun (“**Prof. Liu**”), aged 59, joined the Company as a Non-Executive Director on 22 November 2010. Prof. Liu is the Dean of the school in tobacco science and a tutor of the doctoral program students at the Henan Agricultural University. Prof. Liu is a supervisor in national tobacco cultivation, physiology and biochemistry research centre and regard as one of the leading expert in the PRC tobacco agricultural industry. Prof. Liu currently serves as the manager of the major projects from the State Tobacco Monopoly Administration.

Save as disclosed above, Prof. Liu did not hold any directorships in any listed public companies where the securities of which are listed on any securities market in Hong Kong or overseas in the last three years and does not hold any other positions with the Company or other members of the Group.

Prof. Liu does not have any relationships with any directors, senior management, substantial or controlling Shareholder of the Company nor any interests in the Shares within the meaning of Part XV of the SFO as at the Latest Practicable Date.

Prof. Liu has not entered into any service contract with the Company and has no fixed term of service with the Company save that Prof. Liu’s directorship with the Company is subject to retirement by rotation and re-election at annual general meetings of the Company in accordance with the Bye-Laws. Prof. Liu is entitled to a director’s fee of HK\$51,600 per annum for the financial year commencing from 1 April 2013, and a bonus for each financial year of the Company which is at the discretion of the Board and determined by reference to Prof. Liu’s performance and the Group’s performance for the financial year concerned. Prof. Liu shall retire from office by rotation at the AGM and being eligible, offer himself for re-election.

Save as disclosed above, Prof. Liu is not aware of any other matters that need to be brought to the attention of the holders of securities of the Company nor is there any information to be disclosed by the Company pursuant to any of the requirements under the rule 17.50(2)(h) to 17.50(2)(v) of the GEM Listing Rules.

APPENDIX II DETAILS OF DIRECTORS PROPOSED FOR RE-ELECTION

Mr. Sousa Richard Alvaro

Independent Non-Executive Director

Mr. Sousa Richard Alvaro (“**Mr. Sousa**”), aged 52, was appointed as an Independent Non-Executive Director of the Company on 30 January 2001. Mr. Sousa was admitted as a solicitor of the Supreme Court of Hong Kong in 1996 and has been practicing as a solicitor in Hong Kong and is a partner in Messrs. Chan, Lau and Wai. He is also the chairman of the audit committee and the remuneration committee and a member of the nomination committee.

Save as disclosed above, Mr. Sousa did not hold any directorships in any listed public companies where the securities of which are listed on any securities market in Hong Kong or overseas in the last three years and does not hold any other positions with the Company or other members of the Group.

Mr. Sousa does not have any relationships with any directors, senior management, substantial or controlling Shareholder of the Company nor any interests in the Shares within the meaning of Part XV of the SFO as at the Latest Practicable Date.

Mr. Sousa has entered into an initial term of two years service contract with the Company commencing from 28 December 2012. Mr. Sousa is entitled to a director’s fee of HK\$102,000 per annum for the financial year starting from 1 April 2013. His director’s fee and annual salary is determined and approved by the Board with reference to his contribution in terms of time, effort and his expertise and will be reviewed on an annual basis. Save as the Director’s emoluments disclosed herein, Mr. Sousa is not entitled to any other benefits. Mr. Sousa shall retire from office by rotation at the AGM and being eligible, offer himself for re-election, who has served the Company for more than nine years.

Save as disclosed above, Mr. Sousa is not aware of any other matters that need to be brought to the attention of the holders of securities of the Company nor is there any information to be disclosed by the Company pursuant to any of the requirements under the rule 17.50(2)(h) to 17.50(2)(v) of the GEM Listing Rules.

NOTICE OF AGM



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

(Incorporated in Bermuda with limited liability)

(Stock code: 8153)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that an annual general meeting of Code Agriculture (Holdings) Limited (the “**Company**”) will be held at Rooms 1120-26, 11th Floor, Sun Hung Kai Centre, 30 Harbour Road, Wanchai, Hong Kong on Tuesday, 10 December 2013 at 5:00 p.m. for the following purposes:

AS ORDINARY RESOLUTIONS:

1. To receive and approve the audited consolidated financial statements and the reports of the directors (the “**Directors**”) and auditor of the Company for the year ended 31 March 2013;
2.
 - (a) To re-elect Mr. Wu Zhongxin as executive Director;
 - (b) To re-elect Mr. Stephen William Frostick as executive Director;
 - (c) To re-elect Prof. Liu Guoshun as non-executive Director;
 - (d) To re-elect, approve, and confirm the retiring Director, namely Mr. Sousa Richard Alvaro as independent non-executive Director who has served the Company for more than nine years as an independent non-executive Director; and
 - (e) To authorise the board of Directors to fix the Directors’ remuneration;
3. To re-appoint Baker Tilly Hong Kong Limited as the auditors of the Company and to authorise the board of Directors to fix auditors’ remuneration;

NOTICE OF AGM

4. To, as special business, consider and, if thought fit, pass the following resolution as an ordinary resolution:

“**THAT:**

- (a) subject to paragraph (c) below, pursuant to the Rules (the “**GEM Listing Rules**”) Governing the Listing of Securities on the Growth Enterprise Markets (the “**GEM**”) of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”), the exercise by the Directors during the Relevant Period (as defined below) of all the powers of the Company to allot, issue and deal with unissued shares of the Company (the “**Shares**”) and to make or grant offers, agreements and options, including warrants to subscribe for Shares, which might require the exercise of such powers be and the same is hereby generally and unconditionally approved;
- (b) the approval in paragraph (a) above shall authorise the Directors during the Relevant Period to make or grant offers, agreements and options which might require the exercise of such powers after the end of the Relevant Period;
- (c) the aggregate nominal amount of share capital allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to options or otherwise) by the Directors pursuant to the approval in paragraph (a) above, otherwise than pursuant to (i) a Rights Issue (as defined below); or (ii) the exercise of any options granted under the existing share option scheme of the Company; or (iii) any scrip dividend or similar arrangements providing for the allotment and issue of Shares in lieu of the whole or part of a dividend on Shares in accordance with the bye-laws of the Company (the “**Bye-laws**”) in force from time to time; or (iv) any issue of Shares upon the exercise of rights of subscription or conversion under the terms of any warrants of the Company or any securities which are convertible into Shares, shall not exceed the aggregate of:
 - (aa) 20 per cent. of the aggregate nominal amount of the share capital of the Company in issue on the date of the passing of this resolution; and

NOTICE OF AGM

- (bb) (if the Directors are so authorised by a separate ordinary resolution of the shareholders of the Company) the nominal amount of any share capital of the Company repurchased by the Company subsequent to the passing of this resolution (up to a maximum equivalent to 10 per cent. of the aggregate nominal amount of the share capital of the Company in issue on the date of the passing of resolution no. 5),

and the authority pursuant to paragraph (a) of this resolution shall be limited accordingly; and

- (d) for the purposes of this resolution:

“**Relevant Period**” means the period from the date of the passing of this resolution until whichever is the earliest of:

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the Bye-laws, the Companies Act 1981 of Bermuda (as amended) (the “**Companies Act**”) or any other applicable law of Bermuda to be held; and
- (iii) the passing of an ordinary resolution by the shareholders of the Company in general meeting revoking or varying the authority given to the Directors by this resolution;

“**Rights Issue**” means an offer of Shares, or offer or issue of warrants, options or other securities giving rights to subscribe for Shares open for a period fixed by the Directors to holders of Shares on the register on a fixed record date in proportion to their then holdings of Shares (subject to such exclusion or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements, or having regard to any restrictions or obligations under the laws of, or the requirements of, or the expense or delay which may be involved in determining the existence or extent of any restrictions or obligations under the laws of, or the requirements of, any jurisdiction outside Hong Kong or any recognised regulatory body or any stock exchange outside Hong Kong).”

NOTICE OF AGM

5. To, as special business, consider and, if thought fit, pass the following resolution as an ordinary resolution:

“**THAT:**

- (a) the exercise by the Directors during the Relevant Period (as defined below) of all powers of the Company to purchase the Shares on the Stock Exchange or any other stock exchange on which the Shares may be listed and recognised by the Securities and Futures Commission and the Stock Exchange for such purpose, and otherwise in accordance with the rules and regulations of the Securities and Futures Commission, the Stock Exchange, the Companies Act and all other applicable laws in this regard, be and the same is hereby generally and unconditionally approved;
- (b) the aggregate nominal amount of Shares which may be purchased by the Company pursuant to the approval in paragraph (a) during the Relevant Period shall not exceed 10 per cent. of the aggregate nominal amount of the issued share capital of the Company as at the date of the passing of this resolution and the authority pursuant to paragraph (a) of this resolution shall be limited accordingly; and
- (c) for the purposes of this resolution, “**Relevant Period**” means the period from the date of the passing of this resolution until whichever is the earliest of:
 - (i) the conclusion of the next annual general meeting of the Company;
 - (ii) the expiration of the period within which the next annual general meeting of the Company is required by the Bye-laws, the Companies Act or any other applicable law of Bermuda to be held; and
 - (iii) the passing of an ordinary resolution by the shareholders of the Company in general meeting revoking or varying the authority given to the Directors by this resolution.”

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6. To, as special business, consider and, if thought fit, pass the following resolution as an ordinary resolution:

“**THAT** the Directors be and they are hereby authorised to exercise the authority referred to in paragraph (a) of resolution no. 4 above in respect of the share capital of the Company referred to in sub-paragraph (bb) of paragraph (c) of such resolution.”

7. To, as special business, consider and, if thought fit, pass the following resolution as an ordinary resolution:

“**THAT** subject to and conditional upon the granting by the Listing Committee of the Stock Exchange of, the listing of, and permission to deal in, the Shares to be issued pursuant to the exercise of options which may be granted under the refreshed scheme mandate limit (the “**Scheme Mandate Limit**”) under the share option scheme adopted by an ordinary resolution of the Company passed on 2 February 2009 in the manner as set out in paragraph (a) of this resolution below,

- (a) the refreshment of the Scheme Mandate Limit of up to 10 per cent. of the Shares in issue as at the date of passing of this resolution be and is hereby approved, and
- (b) the Directors be and are hereby authorised to do all such acts and things and execute all such documents, including under seal where applicable, as they consider necessary or expedient to give effect to the foregoing arrangement.”

Yours faithfully

For and on behalf of the Board of

CODE AGRICULTURE (HOLDINGS) LIMITED

Jingquan Yingzi

Chairman

Hong Kong, 11 November 2013

Registered office:

Clarendon House
2 Church Street
Hamilton HM11
Bermuda

Head office and principal place of

business in Hong Kong:
Rooms 1120-26
11th Floor, Sun Hung Kai Centre
30 Harbour Road
Wanchai, Hong Kong

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Notes:

1. A member entitled to attend and vote at the annual general meeting convened by the above notice is entitled to appoint one or more proxy to attend and, subject to the provisions of the Bye-laws, to vote on his behalf. A proxy need not be a member of the Company but must be present in person at the annual general meeting to represent the member. If more than one proxy is so appointed, the appointment shall specify the number and class of Shares in respect of which each such proxy is so appointed.
2. In order to be valid, the form of proxy must be deposited together with a power of attorney or other authority, if any, under which it is signed or a notarially certified copy of that power or authority, at the offices of the Company's branch share registrar in Hong Kong, Tricor Abacus Limited at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong not less than 48 hours before the time for holding the annual general meeting or any adjournment thereof. Completion and return of a form of proxy will not preclude a shareholder of the Company from attending in person and voting at the annual general meeting or any adjournment thereof, should he so wish.
3. In relation to proposed resolutions nos. 4 and 6 above, approval is being sought from the shareholders for the grant to the Directors of a general mandate to authorise the allotment and issue of Shares under the GEM Listing Rules. The Directors have no immediate plans to issue any new Shares other than Shares which may fall to be issued under the share option scheme of the Company or any scrip dividend scheme which may be approved by shareholders.
4. In relation to proposed resolution no. 5 above, the Directors wish to state that they will exercise the powers conferred thereby to repurchase Shares in circumstances which they deem appropriate for the benefit of the shareholders of the Company. An explanatory statement containing the information necessary to enable the shareholders to make an informed decision to vote on the proposed resolution as required by the GEM Listing Rules is set out in Appendix I to this circular.
5. Any voting at the annual general meeting shall be taken by poll.
6. As at the date hereof, the executive directors of the Company are Ms. Jingquan Yingzi (Chairman), Mr. Wong Man Hung Patrick, 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.