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**THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION**

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**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 (“**Company**”), you should at once hand this circular with the enclosed form of proxy to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale was effected for transmission to the purchaser or transferee.

This circular appears for information only and does not constitute an invitation or offer to acquire, purchase or subscribe for any securities of the Company.

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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) PROPOSAL FOR ADOPTION OF NEW SHARE OPTION SCHEME;**  
**(2) PROPOSED CHANGE OF COMPANY NAME;**  
**AND**  
**(3) NOTICE OF SPECIAL GENERAL MEETING**

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A notice convening the special general meeting of the Company (the “**SGM**”) to be held at Conference Room, Room 2007, 20<sup>th</sup> Floor, C C Wu Building, 302-308 Hennessy Road, Wanchai, Hong Kong on Tuesday, 2 July 2019 at 11:00 a.m. is set out on pages SGM-1 to SGM-3 of this circular. Whether or not you intend to attend the SGM, you are requested to complete the enclosed form of proxy in accordance with the instructions printed thereon and return the same to the Company’s branch share registrar and transfer office in Hong Kong, Tricor Abacus Limited at Level 22, Hopewell Centre, 183 Queen’s Road East, Hong Kong as soon as possible but in any event not less than 48 hours before the time scheduled for the SGM or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending or voting in person at the SGM or any adjourned meeting thereof should you so wish.

This circular will remain on the GEM website at [www.hkgem.com](http://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.

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## CHARACTERISTICS OF GEM

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**GEM has been positioned as a market designed to accommodate small and mid-sized 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.**

**Given the companies listed on GEM are generally small and mid-sized companies, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the Main Board and no assurance is given that there will be a liquid market in the securities traded on GEM.**

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## DEFINITIONS

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

“2009 Share Option Scheme”	the share option scheme adopted by the Company on 2 February 2009
“associate(s)”	has the meaning ascribed to it in the GEM Listing Rules
“Board”	the board of directors of the Company (and, where appropriate, includes any committee or delegate of the Board appointed by the Board to perform any of its functions)
“Change of Company Name”	the proposed change of the English name of the Company from “Code Agriculture (Holdings) Limited” to “Chongyang 1886 Holdings Group Limited”, and the adoption of “崇陽一八八六控股集團有限公司” as the secondary name in Chinese to replace its existing Chinese name “科地農業控股有限公司”, subject to the approval of the Shareholders at the SGM
“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”	has the meaning ascribed thereto in the GEM Listing Rules
“core connected person”	has the meaning ascribed thereto in the GEM Listing Rules
“Directors”	The directors of the Company and each a “director”
“GEM”	GEM operated by the Stock Exchange
“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM
“Grantee”	any Participant who is granted the Option(s)
“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 PRC

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## DEFINITIONS

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“Latest Practicable Date”	3 June 2019, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained herein
“New Share Option Scheme”	the new share option scheme proposed to be adopted by the Company at the SGM, a summary of the principal terms of which is set out in the Appendix to this circular
“Option”	a right granted to the Participant to subscribe for Shares pursuant to the terms of the New Share Option Scheme
“Participant(s)”	Directors (including executive Directors, non-executive Directors and independent non-executive Directors) and employees of the Group and any advisors, consultants, distributors, contractors, suppliers, agents, customers, business partners, joint venture business partners, promoters, service providers of any member of the Group who the Board considers, in its sole discretion, have contributed or will contribute to the Group
“PRC”	the People’s Republic of China
“SGM”	the special general meeting of the Company to be convened to consider and, if thought fit, approve, among other things, approve the adoption of the New Share Option Scheme
“Share(s)”	ordinary shares of HK\$0.0004 each in the share capital of the Company (or of such other nominal amount as shall result from a subdivision, consolidation, reclassification or reconstruction of the share capital of the Company from time to time)
“Shareholder(s)”	the holder(s) of the issued Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“%”	per cent.

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LETTER FROM THE BOARD

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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)**

*Executive Directors:*

Mr. Wang Rongqian

Ms. Lin Yan Jenny

Mr. Hu Chao

*Non-executive Directors:*

Mr. Qian Gang (*Chairman*)

Mr. Wang Dequn

*Independent Non-executive Directors:*

Mr. Hau Chi Kit

Mr. Lee Chi Hwa Joshua

Mr. Wong Ching Keung

*Registered office:*

Clarendon House

2 Church Street

Hamilton HM 11

Bermuda

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

Room 2007, 20th Floor

C C Wu Building

302-308 Hennessy Road

Wan Chai, Hong Kong

6 June 2019

*To the Shareholders*

Dear Sir or Madam,

- (1) PROPOSAL FOR ADOPTION OF NEW SHARE OPTION SCHEME;  
(2) PROPOSED CHANGE OF COMPANY NAME;  
AND  
(3) NOTICE OF SPECIAL GENERAL MEETING**

**INTRODUCTION**

The purpose of this circular is to provide you with information on the resolutions regarding the proposed adoption of the New Share Option Scheme and the Change of Company Name to be proposed at the SGM and to set out the notice of SGM.

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## LETTER FROM THE BOARD

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### ADOPTION OF THE NEW SHARE OPTION SCHEME

The 2009 Share Option Scheme had a term of 10 years and expired on 2 February 2019. The Directors propose to adopt the New Share Option Scheme, the principal terms of which are set out in the Appendix. Adoption of the New Share Option Scheme is conditional upon (i) the passing of the resolution by the Shareholders to approve and adopt the New Share Option Scheme and to authorise the Board to grant Options under the New Share Option Scheme and to allot and issue Shares pursuant to the exercise of any Options; and (ii) the Listing Committee of the Stock Exchange granting the approval of the listing of, and permission to deal in, the Shares which may fall to be issued pursuant to the exercise of any Options.

As at the Latest Practicable Date, the total number of Shares in issue was 3,563,279,602. Application will be made to the Stock Exchange for the approval of the listing of, and permission to deal in, 356,327,960 new Shares which may fall to be issued pursuant to the exercise of any Options, being 10% of the total number of Shares in issue as at the date of the SGM assuming that there being no further issue or repurchase of Shares between the Latest Practicable Date and the date of the SGM.

Since adoption of the 2009 Share Option Scheme, a total of 342,500,000 options were granted thereunder, 123,500,000 options were exercised and 219,000,000 options were lapsed. No further options were granted under the 2009 Share Option Scheme since its expiry on 2 February 2019. As at the Latest Practicable Date, there was no outstanding option granted under the 2009 Share Option Scheme.

The purpose of the New Share Option Scheme is to reward Participants who have contributed to the Group and to encourage Participants to work towards enhancing the value of the Company and its Shares for the benefit of the Company and its Shareholders as a whole. The Directors consider that the New Share Option Scheme will provide the Participants with the opportunity to participate in the growth of the Group. The eligibility of those parties other than employees and directors of the Group i.e. advisors, consultants, distributors, contractors, suppliers, agents, customers, business partners, joint venture business partners, promoters, service providers of any member of the Group, will be determined by the Board according to their potential and/or actual contribution to the business affairs and benefits of the Group. All such persons are expected to have business dealings with the Group and may therefore make contributions to the Group. For example, the Group may enter into long term cooperation with business partners and it may be appropriate to grant them Options which would allow such business partners to participate in the growth of the Group and to provide incentive for them to contribute to the success of the Group. The purpose of including such persons in the Share Option Scheme is to give more flexibility to the Company to incentivize and reward such persons who are expected to have a long term relationship with the Group so that they may participate in the growth of the Group and will continue to contribute to the benefit of the Group.

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## LETTER FROM THE BOARD

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The Directors believe that the authority given to the Directors under the New Share Option Scheme to specify any minimum holding period and/or performance targets as conditions in any Option granted and the requirement for a minimum subscription price as well as the authority to select the appropriate Participants as prescribed by the rules of the New Share Option Scheme will serve to protect the value of the Company as well as to achieve the purposes of the New Share Option Scheme.

The Directors consider it inappropriate to state the value of all options that can be granted pursuant to the New Share Option Scheme as if they had been granted at the Latest Practicable Date because a number of variables crucial for the calculation cannot be determined. Such variables include the exercise price, exercise period, any conditions which the Options are subject to and other relevant variables. The Directors believe that any statement regarding the value of the options based on a large number of assumptions will not be meaningful to the Shareholders.

The New Share Option Scheme has no trustees and it will be subject to the administration of the Directors.

In accordance with Rule 23.05 of the GEM Listing Rules, the Company may not grant any Options after inside information has come to its knowledge until it has announced the information. In particular, it may not grant any Option during the period commencing one month immediately before the earlier of:

- (1) the date of the board meeting (as such date is first notified to the Stock Exchange for approving the Company's results for any year, half-year or quarter-year period; and
- (2) the deadline for the Company to announce its results for any year, half year or quarter-year period under the GEM Listing Rules,

and ending on the date of the results announcement.

No Option may be granted during any period of delay in publishing a results announcement.

In accordance with Rule 23.06A of the GEM Listing Rules, as soon as possible upon the granting by the Company of an Option, the Company must publish an announcement in accordance with the requirements of the GEM Listing Rules setting out the following details:

- (1) date of grant;
- (2) exercise price of Options granted;
- (3) number of Options granted;
- (4) market price of the Shares on the date of grant;



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## LETTER FROM THE BOARD

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- (5) where any of the grantees is a director, chief executive or substantial shareholder of the Company, or an associate of any of them, the names of such grantees and the number of options granted to each of them; and
- (6) validity period of the Options.

The Company will comply with all applicable requirements under Chapter 23 of the GEM Listing Rules in respect of the operation of the New Share Option Scheme.

### **PROPOSED CHANGE OF COMPANY NAME**

The Board announced on 3 May 2019 that it proposed to change the English name of the Company from “Code Agriculture (Holdings) Limited” to “Chongyang 1886 Holdings Group Limited”, and to adopt “崇陽一八八六控股集團有限公司” as the secondary name of the Company in Chinese to replace its existing Chinese name “科地農業控股有限公司”.

### **Conditions for the Change of Company Name**

The proposed Change of Company Name is subject to the fulfillment of the following conditions:

- (i) the passing of a special resolution by the Shareholders at the SGM to approve, among others, the Change of Company Name; and
- (ii) the Registrar of Companies in Bermuda having approved the Change of Company Name.

The relevant filing with the Registrar of Companies in Bermuda will be made after the passing of the special resolution regarding the Change of Company Name at the SGM. The Change of Company Name will take effect from the date on which the Registrar of Companies in Bermuda enters the new Chinese and English names of the Company on the register of companies in place of the former Chinese and English names and issues a certificate of incorporation on change of name. The Company will then carry out the necessary filing procedures with the Companies Registry in Hong Kong.

### **Reasons for the Change of Company Name**

The Board considers that the Change of Company Name will provide the Company with a new corporate image which will benefit the future business development of the Group. Therefore, the Board considers that the Change of Company Name is in the best interests of the Company and the Shareholders as a whole.

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## LETTER FROM THE BOARD

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### **Effects of the Change of Company Name**

The proposed Change of Company Name will not affect any of the rights of the Shareholders or daily business operation of the Company and its financial position.

All existing share certificates in issue bearing the existing name of the Company will, after the Change of Company Name becoming effective, continue to be evidence of legal title and valid for all purposes (including for the purposes of trading, settlement, registration and delivery). Accordingly, there will not be any arrangement for free exchange of the existing share certificates of the Company for new share certificates under the new name of the Company. Once the Change of Company Name becomes effective, the share certificates of the Company will be issued in the new name of the Company.

In addition, subject to the confirmation by the Stock Exchange, the Company will change the English and Chinese stock short names of the Company for trading in the securities on the GEM after the Change of Company Name becomes effective. Subject to the Change of Company Name becoming effective, the Company will also adopt a new company logo. Further announcement relating to the effective date of the Change of Company Name and the new English and Chinese stock short names of the Company for trading in the Shares on GEM will be made as and when appropriate.

### **SPECIAL GENERAL MEETING**

The SGM is to be convened and held at Conference Room, Room 2007, 20<sup>th</sup> Floor, C C Wu Building, 302-308 Hennessy Road, Wan Chai, Hong Kong, on 2 July 2019 at 11:00 a.m. for the purposes of seeking the approval of the Shareholders of the adoption of the New Share Option Scheme and the Change of Company Name.

To the best knowledge of the Directors having made all reasonable enquiries, no Shareholders has a material interest in the New Share Option Scheme, the Change of Company Name and accordingly, no Shareholders will have to abstain from voting at the SGM in respect of the resolution thereto.

The notice convening the SGM is set out on pages SGM-1 to SGM-3 of this circular. A form of proxy for use at the SGM is enclosed. Whether or not you are intend to attend the SGM, you are requested to complete the enclosed form of proxy in accordance with the instructions printed thereon and return the same to the Company's branch share registrar and transfer office in Hong Kong, Tricor Abacus Limited at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong as soon as possible but in any event not less than 48 hours before the time scheduled for the SGM or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending or voting in person at the SGM or any adjourned meeting thereof should you so wish, and in such case, the form of proxy submitted by you shall be deemed to be revoked.

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## LETTER FROM THE BOARD

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### DOCUMENT AVAILABLE FOR INSPECTION

A copy of the rules of the New Share Option Scheme is available for inspection at the Company's head office and principal place of business in Hong Kong, Room 2007, 20<sup>th</sup> Floor, C C Wu Building, 302-308 Hennessy Road, Wan Chai, Hong Kong at normal business hours from the date of this circular up to and including the date of the SGM, which is a period of not less than 14 days before the date of the SGM.

### RECOMMENDATION

The Directors consider that the adoption of the New Share Option Scheme and the Change of Company Name is in the best interests of the Company and the Shareholders as a whole. Accordingly, the Directors recommend that all Shareholders should vote in favour of the resolutions to be proposed at the SGM.

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 SGM.

### 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 Group. 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.

By Order of the Board of  
**CODE AGRICULTURE (HOLDINGS) LIMITED**  
**Hu Chao**  
*Executive Director*

*The following is a summary of the principal terms of the New Share Option Scheme to be approved at the SGM. It does not form part of, nor is it intended to be part of the rules of the New Share Option Scheme and it should not be taken as affecting the interpretation of the rules of the New Share Option Scheme.*

**(A) PURPOSE**

The purpose of the New Share Option Scheme is to reward Participants who have contributed to the Group and to encourage Participants to work towards enhancing the value of the Company and its Shares for the benefit of the Company and its Shareholders as a whole.

**(B) WHO MAY JOIN**

The Directors may at their absolute discretion grant Options to any Directors (including executive Directors, non-executive Directors and independent non-executive Directors) and employees of the Group and any advisors, consultants, distributors, contractors, suppliers, agents, customers, business partners, joint venture business partners, promoters, service providers of any member of the Group who the Board considers, in its sole discretion, have contributed or will contribute to the Group.

**(C) DURATION OF NEW SHARE OPTION SCHEME**

The New Share Option Scheme shall be valid and effective for a period of 10 years commencing on the date it was adopted.

**(D) ACCEPTANCE AND EXERCISE OF OPTION**

An offer of the grant of an Option may be accepted within 28 days from the date of grant together with a remittance of HK\$1.00 by way of consideration for the grant thereof. An Option may be exercised during such period as the Board may in its absolute discretion determine, save that such period shall not be more than ten (10) years from the date of grant.

**(E) EXERCISE PRICE**

The exercise price of the Option shall be determined at the discretion of the Directors which shall not be less than the higher of (i) the closing price of the Shares as stated in the Stock Exchange's daily quotations sheet on the date of grant which must be a business day; (ii) the average closing price of the Shares as stated in the Stock Exchange's daily quotations sheets for the five trading days immediately preceding the date of grant, and (iii) the nominal value of the Shares.

**(F) MINIMUM HOLDING PERIOD**

Save as determined at the discretion of the Board, there is no minimum holding period before an Option is exercisable.

**(G) PERFORMANCE TARGET**

Save as determined at the discretion of the Board, there is no performance target that must be achieved before any Options can be exercised.

**(H) TRANSFERABILITY OF OPTIONS**

An Option shall be personal to the Grantee and shall not be assignable or transferable and no Grantee shall in any way sell, transfer, charge, mortgage, encumber or create any interest in favour of any other person over or in relation to any Option. Any breach of the foregoing by the Grantee shall entitle the Company to cancel any outstanding Option or any part thereof granted to such Grantee to the extent not already exercised without incurring any liability on the part of the Company.

**(I) RIGHTS ON CEASING TO BE A PARTICIPANT**

- (1) in the event of the Grantee ceasing to be a Participant by reason of his death before exercising his Option in full and none of the events which would be a ground for termination of his employment as specified in paragraph (O)(4) below having arisen, his legal personal representative(s) may exercise the Option up to the Grantee's entitlement as at the date of death (to the extent not already exercised) within the period of 12 months following his death provided that where any of the events set out in paragraph (J), (K), (L) and (M) below occurs prior to his death or within such period of 6 months following his death, then his personal representative(s) may so exercise the Option only within such of the various periods respectively set out in such paragraphs provided further that if within a period of 3 years prior to the Grantee's death, the Grantee had committed any of the acts specified in paragraph (O)(4) below which would have entitled the Company to terminate his employment prior to his death, the Board may at any time forthwith terminate his Option (to the extent not already exercised) by written notice to the Grantee's legal personal representative(s) and/or to the extent the Option has been exercised in whole or in part by his legal personal representative(s), but Shares have not been allotted, he shall be deemed not to have so exercised such Option and the Company shall return to him the amount of the Subscription Price for the Shares received by the Company in respect of the purported exercise of such Option;

- (2) in the event of a Grantee who is an employee or a Director of the Company or another member of the Group ceasing to be a Participant for any reason other than his death or the termination of his employment or directorship on one or more of the grounds specified in paragraph (O)(4) below, his Option (to the extent not already exercised) shall lapse and shall not be exercisable on the date falling three months after cessation or termination of such employment (which date shall be the Grantee's last actual working day with the Company or the relevant Subsidiary whether salary is paid in lieu of notice or not) or on such later date as the Directors may determine;
- (3) in the event of a Grantee who is not an employee or a Director of the Company or another member of the Group ceasing to be a Participant as and when determined by the Board by resolution for any reason other than his death his Option (to the extent not already exercised) shall lapse and shall not be exercisable on the date falling three months after such cessation or on such later date as the Directors may determine;
- (4) in the event of the Grantee ceasing to be a Participant by reason of the termination of his employment or directorship on one or more of the grounds specified in paragraph (O)(4) below, his Option shall lapse automatically (to the extent not already exercised) and shall not be exercisable on or after the date of termination of his employment and to the extent the Grantee has exercised his Option in whole or in part, but Shares have not been allotted to him, the Grantee shall be deemed not to have so exercised such Option and the Company shall return to the Grantee the amount of the Subscription Price for the Shares received by the Company in respect of the purported exercise of such Option;

**(J) RIGHTS ON A TAKEOVER**

In the event a general offer by way of takeover or otherwise (other than by way of scheme of arrangement pursuant to paragraph (K) below) is made to all the Shareholders (or all such Shareholders other than the offeror and/or any person controlled by the offeror and/or any person acting in association or concert with the offeror) and such offer becomes or is declared unconditional prior to the expiry date of the relevant Option, the Company shall forthwith notify all Grantees and any Grantee (or his legal personal representative) shall be entitled to exercise his Option in full (to the extent not already exercised) or to the extent as notified by the Company at any time within such period as shall be notified by the Company;

**(K) RIGHTS ON A SCHEME OF ARRANGEMENT**

In the event a general offer for Shares by way of scheme of arrangement is made to all the Shareholders and has been approved by the necessary number of Shareholders at the requisite meetings, the Company shall forthwith notify all Grantees and any Grantee (or his legal personal representative) may at any time thereafter (but before such time as shall be notified by the Company) exercise his Option to its full extent or to the extent notified by the Company;

**(L) RIGHTS ON WINDING UP**

In the event a notice is given by the Company to its Shareholders to convene a Shareholders' meeting for the purpose of considering and, if thought fit, approving a resolution to voluntarily wind-up the Company, the Company shall forthwith give notice thereof to all Grantees and any Grantee (or his legal personal representative) may at any time thereafter (but before such time as shall be notified by the Company) exercise his Option to its full extent or to the extent notified by the Company, and the Company shall as soon as possible and in any event no later than three days prior to the date of the proposed Shareholders' meeting, allot, issue and register in the name of the Grantee such number of Shares to the Grantee which fall to be issued on such exercise;

**(M) RIGHTS ON COMPROMISE OR ARRANGEMENT**

In the event of a compromise or arrangement, other than a scheme of arrangement contemplated in paragraph (K) above, between the Company and its members or creditors is proposed in connection with a scheme for the reconstruction or amalgamation of the Company, the Company shall give notice thereof to all Grantees on the same date as it gives notice of the meeting to its members or creditors to consider such compromise or arrangement and the Grantee (or his legal personal representative) may at any time thereafter but before such time as shall be notified by the Company exercise his Option either to its full extent or to the extent notified by the Company, and the Company shall as soon as possible and in any event no later than three days prior to the date of the proposed Shareholders' meeting, allot, issue and register in the name of the Grantee such number of Shares which fall to be issued on such exercise.

**(N) RANKING OF THE SHARE**

The Shares to be allotted upon the exercise of an Option shall be subject to all the provisions of the bye-laws of the Company for the time being in force and shall rank *pari passu* in all respects (including the rights arising on a liquidation of the Company) with the existing fully paid Shares in issue on the date on which those Shares are allotted on exercise of the Option and accordingly shall entitle the holders to participate in all dividends or other distributions paid or made after the date on which Shares are allotted other than any dividends or distributions previously declared or recommended or resolved to be paid or made if the record date thereof shall be on or before the date on which the Shares are allotted. An Option may be exercised by a Grantee by giving written notice together with the remittance to the Company. The Company shall within 10 Business Days allot and issue the relevant number of Shares to the Grantee. In the event that the proposed allotment date falls on a date the register of members is closed, the allotment will take place as soon as the register of members is reopen.

**(O) LAPSE OF OPTIONS**

An Option shall lapse automatically and not be exercisable (to the extent not already exercised) on the earliest of:

- (1) the expiry of the period referred to in paragraph (D) above;
- (2) the expiry of the periods referred to in paragraphs (I), (J), (K), (L) and (M) above;
- (3) the date of the commencement of the winding-up of the Company;
- (4) the date on which the Grantee (if an employee or Director of the Company or another member of the Group) ceases to be a Participant by reason of the termination of his employment or directorship on the grounds that he has been guilty of serious misconduct, or has committed any act of bankruptcy or has become insolvent or has made any arrangements or compromise with his creditors generally, or has been convicted of any criminal offence involving his integrity or honesty or on any other grounds on which an employer would be entitled to terminate his employment summarily;
- (5) the date on which the Grantee commits a breach of paragraph (H) above; and
- (6) the date the Grantee ceases to be a Participant for any other reason.



**(P) CANCELLATION OF OPTIONS**

Any Options granted but not exercised may be cancelled if the Participant so agrees and new Options may only be granted to such Participant provided that such new Options fall within the available limits approved by Shareholders, excluding the cancelled Options.

**(Q) MAXIMUM NUMBER OF SHARE**

The maximum number of Shares which may be issued upon exercise of all Options to be granted under the New Share Option Scheme and any other share option schemes of the Company shall not in aggregate exceed 10% of the aggregate number of Shares in issue on the date of approval of the New Share Option Scheme (the “**Scheme Mandate Limit**”). Options lapsed will not be counted for the purpose of calculating the Scheme Mandate Limit.

The Scheme Mandate Limit may be renewed subject to prior Shareholders’ approval but the total number of Shares which may be issued upon exercise of all Options to be granted under the New Share Option Scheme and any other share option schemes of the Company under the limit as refreshed must not exceed 10% of the Shares in issue as at the date of approval of the renewed limit. Options previously granted under the New Share Option Scheme or any other share option schemes of the Company (including those outstanding, cancelled, lapsed in accordance with the terms or exercised options) will not be counted for the purpose of calculating the limit as renewed.

In accordance with note 3 to Rule 23.03(3) of the GEM Listing Rules, if the Company conducts a share consolidation or subdivision after the Scheme Mandate Limit has been approved, the maximum number of Share that may be issued upon exercise of all Options to be granted under the New Share option Scheme and all other share option scheme of the Company under the Scheme Mandate Limit as a percentage of the total number of issued Shares at the date immediately before and after such consolidation or subdivision shall be the same.

The Company may grant Options beyond the Scheme Mandate Limit to Participants if separate Shareholders’ approval in general meeting has been obtained for granting Options beyond the Scheme Mandate Limit to Participants specifically identified by the Company before such Shareholders’ approval is sought; and the Company should sent a circular to Shareholders containing such information as required by the GEM Listing Rules then prevailing to be included in such circular.

At any time, the maximum number of Shares which may be issued upon exercise of all Options which then has been granted and have yet to be exercised under the New Share Option Scheme and any other share option schemes of the Company shall not in aggregate exceed 30% of the Shares in issue from time to time. No Options may be granted under any schemes of the Company (or its subsidiary) if this will result in the limit being exceeded.

**(R) MAXIMUM ENTITLEMENT OF EACH PARTICIPANT**

The maximum number of Shares issued and to be issued upon exercise of the Options granted to each Grantee under the New Share Option Scheme and any other share option scheme (including both exercised and outstanding Options) in any 12-month period up to the date of grant shall not exceed 1% of the Shares in issue for the time being (the “**Individual Limit**”). Any further grant of Options exceeding the Individual Limit must be separately approved by Shareholders in general meeting with such Participant and his close associates (or his associates if the Participant is a connected person) abstaining from voting. The Company must send a circular to the Shareholders disclosing the identity of the Participant in question, the number and terms of the Options to be granted (and Options previously granted to such Participant) and such other information required under the GEM Listing Rules. In accordance with Rule 23.03(4) of the GEM Listing Rules, the number and terms (including the exercise price) of the Options to be granted to such Participant must be fixed before Shareholders’ approval and the date of board meeting for proposing such further grant should be taken as the date of grant for the purpose of calculating the exercise price.

**(S) GRANT OF OPTIONS TO CONNECTED PERSONS**

Any grant of Options to any Director, chief executive or substantial shareholder (as such term as defined in the GEM Listing Rules) of the Company, or any of their respective associates shall be subject to the prior approval of the independent non-executive Directors (excluding independent non-executive Directors who are the proposed Grantees of the Options in question). In the event of any change in the terms of Options granted to a substantial shareholder or an independent non-executive Director of the Company, or any of their respective associates or where any grant of Options to a substantial shareholder or an independent non-executive Director of the Company, or any of their respective associates, would result in the Shares issued and to be issued upon exercise of all Options already granted and to be granted (including Options exercised, cancelled or outstanding) to such person in the 12 month period up to and including the date of such grant:-

- (i) representing in aggregate over 0.1% of the Shares in issue on the date of such grant; and
- (ii) having an aggregate value, based on the closing price of the Shares as stated in the daily quotations sheets issued by the Stock Exchange on the date of grant, in excess of HK\$5 million,

such change in terms or further grant of Options shall be subject to prior approval by resolution of the Shareholders. The Company shall send a circular to the Shareholders in accordance with the GEM Listing Rules and such Grantee and his associates and all core connected persons of the Company shall abstain from voting in favour of the resolution at such general meeting of the Shareholders. In accordance with Rule 23.04 of the GEM Listing Rules, the circular must contain, among others, details of the number and terms (including the exercise price) of the Options to be granted to each Participant, which must be fixed before the Shareholders' meeting and the date of the board meeting for proposing such further grant is to be taken as the date of grant for the purpose of calculating the exercise price, a recommendation from the independent non-executive Directors (excluding independent non-executive Director who is the Grantee) to the independent Shareholders as to voting, the information required under GEM Listing Rules 23.02(2)(c) and (d) and the disclaimer required under GEM Listing Rule 23.02(4) and the information required under GEM Listing Rule 2.28.

**(T) ADJUSTMENTS**

In the event of a capitalisation issue, rights issue, sub-division or consolidation of shares or reduction of capital of the Company (other than issue of securities as consideration in a transaction), adjustments shall be made to the exercise price or the number of Shares subject to options already granted and to the New Share Option Scheme, provided that any such adjustment must give the Grantee the same proportion of the equity capital as that to which that person was previously entitled, but no such adjustments may be made to the extent that a Share would be issued at less than its nominal value.

The Company shall engage the auditors of the Company for the time being or an independent financial advisor to confirm in writing that the adjustments made by the Company satisfy the requirements set out in the GEM Listing Rules.

**(U) VARIATIONS**

Those specific provisions of the New Share Option Scheme which relate to the matters set out in Rule 23.03 of the GEM Listing Rules cannot be altered to the advantage of the Participants, and changes to the authority of the Board in relation to any alteration of the terms of the New Share Option Scheme or the Options shall not be made, in either case, without the prior approval of Shareholders in general meeting. Any alterations to the terms and conditions of the New Share Option Scheme which are of a material nature, or any change to the terms of Options granted, must also, to be effective, be approved by the Shareholders in general meeting, except where the alterations take effect automatically under the existing terms of the New Share Option Scheme. The terms of the New Share Option Scheme or the Options so altered must comply with Chapter 23 of the GEM Listing Rules.

**(V) TERMINATION**

The Company by ordinary resolution in general meeting or the Board may at any time terminate the New Share Option Scheme and in such event no further Options may be granted but in all other respects the provisions of the New Share Option Scheme shall remain in full force and effect in respect of Options which are granted during the life of the New Share Option Scheme and which remain unexpired immediately prior to the termination of the operation of the New Share Option Scheme. In accordance with the note to Rule 23.03(16) of the GEM Listing Rules, details of the Options granted, including Options exercised or outstanding, under the New Share Option Scheme and (if applicable) Options that become void or non-exercisable as a result of the termination must be disclosed in the circular to Shareholders seeking approval of the first new scheme to be established after such termination.

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## NOTICE OF SGM

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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)**

### NOTICE OF SPECIAL GENERAL MEETING

**NOTICE IS HEREBY GIVEN** that the special general meeting (“SGM”) of Code Agriculture (Holdings) Limited (the “Company”) will be held at Conference Room, Room 2007, 20<sup>th</sup> Floor, C C Wu Building, 302-308 Hennessy Road, Wan Chai, Hong Kong on Tuesday, 2 July 2019 at 11:00 a.m. for the purposes of considering and, if thought fit, passing (with or without amendments) the following resolutions of the Company:

#### ORDINARY RESOLUTION

1. “**THAT** subject to and conditional upon the Listing Committee of The Stock Exchange of Hong Kong Limited granting the listing of, and permission to deal in, the ordinary share(s) of HK\$0.0004 each in the capital of the Company (the “Shares”) to be issued and allotted pursuant to the exercise of any options granted under the new share option scheme of the Company (the “**New Share Option Scheme**”), the rules of which are contained in the document marked “A” produced to the meeting and signed by the chairman of the meeting for the purpose of identification, the New Share Option Scheme be and is hereby approved and adopted and the board of directors of the Company be and are hereby authorised to grant options thereunder and to issue and allot from time to time such number of Shares as may be required to be issued pursuant to the exercise of the options under the New Share Option Scheme and to do all such acts and to enter into all such transactions, arrangements and agreements as may be necessary or expedient in order to give full effect to the New Share Option Scheme.”

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## NOTICE OF SGM

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### SPECIAL RESOLUTION

2. “**THAT** subject to and conditional upon the approval of the Registrar of Companies in Bermuda being obtained, the English name of the Company to be changed from “Code Agriculture (Holdings) Limited” to “Chongyang 1886 Holdings Group Limited”, and “崇陽一八八六控股集團有限公司” to be adopted as the secondary name of the Company in Chinese to replace its existing Chinese name “科地農業控股有限公司”, with effect from the date of issue of the Certificate of Incorporation on Change of Name by the Registrar of Companies in Bermuda and the directors of the Company be are hereby authorised to do all such acts, and execute all such documents as their absolute discretion, deem fit in order to effect such change of name.”

By Order of the Board  
**CODE AGRICULTURE (HOLDINGS) LIMITED**  
**Hu Chao**  
*Executive Director*

Hong Kong, 6 June 2019

*Registered office:*  
Clarendon House  
2 Church Street  
Hamilton HM 11  
Bermuda

*Head office and principal place of  
business in Hong Kong:*  
Room 2007, 20<sup>th</sup> Floor  
C C Wu Building  
302-308 Hennessy Road, Wan Chai  
Hong Kong

*Notes:*

1. Any shareholder of the Company entitled to attend and vote at the SGM shall be entitled to appoint another person as his/her/its proxy to attend and vote instead of him/her/it. A shareholder who is the holder of two or more shares may appoint more than one proxy(ies) to represent him/her/it and vote on his/her/its behalf. A proxy need not to be a shareholder of the Company.
2. In order to be valid, a form of proxy together with the power of attorney or other authority (if any) under which it is signed, or a certified copy thereof, must be deposited at the Company’s branch share registrar and transfer office in Hong Kong, Tricor Abacus Limited, at Level 22, Hopewell Centre, 183 Queen’s Road East, Hong Kong not less than 48 hours before the time appointed for the SGM (or any adjournment thereof).
3. Completion and delivery of a form of proxy shall not preclude a shareholder of the Company from attending and voting in person at the SGM, and in such event, such form of proxy shall be deemed to be revoked.
4. Where there are joint holders of any shares, any one of such joint holder may vote, either in person or by proxy, in respect of such shares as if he/she/it was solely entitled thereto; but if more than one of such joint holders be present at the SGM, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders, and for this purpose seniority shall be determined by the order in which the names stand in the register of members of the Company in respect of such joint holding.

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## NOTICE OF SGM

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5. A form of proxy for use at the SGM is attached herewith.
6. Any voting at the SGM shall be taken by poll.
7. The form of proxy shall be signed by the shareholder of the Company or his/her attorney duly authorised in writing or, in the case of a corporation, must be either executed under its seal or under the hand of an officer, attorney or other person authorised to sign the same.
8. In order to qualify for attending and voting at the SGM, all share transfers accompanied by the relevant share certificate must be lodged with the Company's branch share registrar in Hong Kong, Tricor Abacus Limited at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong for registration not later than 4:30 p.m. on 25 June 2019 for such purpose.

*As of the date of this notice, the executive Directors are Ms. Lin Yan Jenny, Mr. Wang Rongqian and Mr. Hu Chao; the non-executive Directors are Mr. Qian Gang and Mr. Wang Dequn; and the independent non-executive Directors are Mr. Hau Chi Kit, Mr. Lee Chi Hwa Joshua and Mr. Wong Ching Keung.*