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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)**

### **TERMINATION OF DEED OF SETTLEMENT AND RECEIPT OF NOTICE OF TERMINATION AND DEMAND LETTER**

Reference is made to the announcement of Code Agriculture (Holdings) Limited (the “**Company**”) dated 8 December 2017 (the “**Announcement**”) in relation to, among others, the entering into of a deed of settlement between the Company and Artic Blue Corporation (the “**Lender**”). Unless otherwise defined, terms defined herein shall have the same meanings as those defined in the Announcement.

The Board announces that on 11 January 2018, the Company received a notice of termination and demand letter (the “**Termination Notice**”) dated 11 January 2018 issued by the legal representative of the Lender:

- (i) for terminating the Deed as the Company failed to pay the agreed sum of HK\$10,000,000 on or before 30 December 2017 in cash to the Lender pursuant to the Deed and as at the date of the Termination Notice. Accordingly, the Deed has been terminated and ceased to have further effect as from 31 December 2017; and
- (ii) demanding for the immediate repayment of all outstanding amount due by the Company to the Lender, which being HK\$53,412,244.19, within the next three business days from the date of the Termination Notice in immediate available funds. It was stated in the Termination Notice that if the Company failed to pay the said outstanding sum, the Lender would take any further action, including but not limited to legal proceedings.

As disclosed in the Announcement, the outstanding principal owed and due by the Company to the Lender under the Loan Agreement as at the date of the Announcement was HK\$38,222,638.97. Given that the Company had effected payment of HK\$5,000,000 pursuant to the Deed, the total outstanding amount owed by the Company to the Lender as at the date of this announcement should be HK\$33,315,480.32 which comprises outstanding principal amount of HK\$33,222,638.97 and accrued and outstanding interests of HK\$92,841.35 according to the records of the Company.

The Company is actively negotiating with the Lender (i) to ascertain the total outstanding amount under the Loan Agreement; and (ii) to request the Lender to withdraw the Termination Notice and to seek indulgence of time for the Company from the Lender to effect payment of the sum of HK\$10,000,000 and other possible repayment schedule and method(s) to settle the Company's obligations and liabilities towards the Lender under the Loan Agreement. Further announcement will be made as and when appropriate.

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

Hong Kong, 11 January 2018

*As at the date of this announcement, the executive Directors are Ms. Wu Meirong, Ms. Jingquan Yingzi, Mr. Chin Wai Keung Richard, Mr. Wang Anyuan, Mr. Wang Rongqian, Mr. Hu Chao and Ms. Lin Yan Jenny; and the independent non-executive Directors are Mr. Hau Chi Kit, Mr. Lee Chi Hwa Joshua, Mr. Liu Ping and Mr. Zhao Zhizheng.*

*This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this announcement misleading.*

*This announcement will remain on the "Latest Company Announcements" page of the GEM website at [www.hkgem.com](http://www.hkgem.com) for at least 7 days from the date of its publication and on the Company's website at <http://www.code-hk.com>.*