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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)

VOLUNTARY ANNOUNCEMENT ACQUISITION OF ENVIRONMENTAL PROTECTION AND RELATED BUSINESSES

This announcement is made by Code Agriculture (Holdings) Limited (the “**Company**”, together with its subsidiaries as the “**Group**”) on a voluntary basis to inform the shareholders (the “**Shareholders**”) and potential investors of the Company the latest business development of the Group.

THE ACQUISITION

The board (the “**Board**”) of directors (the “**Directors**”) of the Company is pleased to announce that on 19 June 2018, the Company has entered into a share acquisition agreement with a vendor (the “**Vendor**”), pursuant to which, the Company will establish a wholly-owned subsidiary in the People’s Republic of China (the “**PRC**”) to acquire the entire equity interests of Guangdong Huatai Energy Co., Limited* (廣東華太能源有限公司) (“**Guangdong Energy**”) for a consideration of RMB10,000 (the “**Acquisition**”). Immediately after the completion of the Acquisition, Guangdong Energy shall become an indirect wholly-owned subsidiary of the Company.

Following the Acquisition, the Group intends to commence environmental protection (“**EP**”) and related businesses which may include production and sale of EP construction materials and EP construction engineering projects (collectively, the “**New Business Activities**”).

INFORMATION OF GUANGDONG ENERGY

Guangdong Energy is a company incorporated in the PRC with limited liability. The scope of business of Guangdong Energy include, amongst others, production and sale of EP construction materials and EP construction engineering projects. Its main products include EP cement and aggregates. Guangdong Energy may cooperate with Guangdong Daxie Lianfeng Environmental Protection Cement Co., Limited* (廣東達晟聯峰環保水泥有限公司) to further reduce the cost of EP Construction materials in the future.

To the best of the knowledge, information and belief of the Directors after making reasonable enquiries, the Vendor and its ultimate beneficial owner(s) is a third party independent of the Company and its connected persons (as defined in the Rules Governing the Listing of Securities on GEM of The Stock Exchange of Hong Kong Limited (the “**GEM Listing Rules**”)).

REASONS FOR AND BENEFITS OF THE ACQUISITION

The Board considers that the EP industry in the PRC and Hong Kong is full of vitality and EP cement is in great demand. The New Business Activities will enable the Group to expand its business portfolio, provide a good opportunity for the Group to diversify its revenue stream and possibly enhance its financial position. Notwithstanding the Group’s intention to explore the New Business Activities, the Group will continue to develop its existing principal business.

The Board is of the view that the terms of the share acquisition agreement are normal commercial terms, fair and reasonable and in the interest of the Company and the Shareholders as a whole.

LISTING RULES IMPLICATION

As none of the applicable percentage ratios in respect of the share acquisition agreement and the transactions contemplated thereunder exceed 5%, the share acquisition agreement does not constitute a notifiable transaction under Chapter 19 of the GEM Listing Rules. This announcement is made on a voluntary basis by the Company to provide its Shareholders and potential investors with updated information in relation to the latest business development of the Group.

By order of the Board
Code Agriculture (Holdings) Limited
Wu Meirong
Chairlady

Hong Kong, 19 June 2018

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

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

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

** for identification purposes only*