

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 licensed securities dealer, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in Chaoda Modern Agriculture (Holdings) Limited 超大現代農業(控股)有限公司, you should at once hand this circular and the accompanying form of proxy to the purchaser or transferee or to the bank, licensed securities dealer or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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CHAODA MODERN AGRICULTURE (HOLDINGS) LIMITED
超大現代農業(控股)有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 682)

**GENERAL MANDATES TO ISSUE AND BUY-BACK SHARES;
RE-ELECTION OF DIRECTORS;
PROPOSED CAPITAL REORGANISATION;
CHANGE IN BOARD LOT SIZE;
PROPOSED ADOPTION OF THE SECOND AMENDED AND
RESTATED MEMORANDUM AND ARTICLES OF ASSOCIATION
AND
NOTICE OF ANNUAL GENERAL MEETING**

Financial Adviser to the Company



Elstone Capital Limited

A letter from the Board of Chaoda Modern Agriculture (Holdings) Limited 超大現代農業(控股)有限公司 is set out on pages 8 to 21 of this circular. A notice convening the Annual General Meeting to be held at 10/F, United Centre, 95 Queensway, Admiralty, Hong Kong on Friday, 13 December 2024 at 10:30 a.m. is set out on pages 29 to 35 of this circular.

Whether or not you are able to attend the Annual General Meeting, please complete and return the accompanying form of proxy in accordance with the instructions printed thereon to the Company's Hong Kong Branch Share Registrar, Tricor Abacus Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong as soon as possible and in any event not less than 48 hours (excluding any part of a day that is a public holiday in Hong Kong) before the time appointed for holding the Annual General Meeting (that is, by Wednesday, 11 December 2024 at 10:30 a.m.) or any adjournment thereof. Completion and return of the form of proxy shall not preclude you from attending and voting at the Annual General Meeting or any adjournment thereof should you so wish.

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DEFINITIONS

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

“Annual General Meeting”	the annual general meeting of the Company to be held at 10/F, United Centre, 95 Queensway, Admiralty, Hong Kong on Friday, 13 December 2024 at 10:30 a.m., the notice of which is set out on pages 29 to 35 of this circular, or any adjournment thereof;
“Articles of Association”	the articles of association of the Company in full force and effect as of the date hereof;
“associates”	has the meaning ascribed to it under the Listing Rules;
“Board”	the board of Directors;
“Business Day”	a day (excluding Saturday and Sunday and any day on which “extreme conditions” caused by super typhoons is announced by the Government of Hong Kong or a tropical cyclone warning signal no. 8 or above is hoisted or remains hoisted between 9:00 a.m. and 12:00 noon and is not lowered at or before 12:00 noon or on which a “black” rainstorm warning is hoisted or remains in effect between 9:00 a.m. and 12:00 noon and is not discontinued at or before 12:00 noon) on which licensed banks in Hong Kong are open for general business;
“Buy-back Mandate”	a general and unconditional mandate proposed to be granted to the Directors at the Annual General Meeting to enable them to buy back Shares, the aggregate number of which shall not exceed 10% of the aggregate number of Shares in issue as at the date of passing of the relevant resolution at the Annual General Meeting;
“Capital Reduction”	the proposed reduction of the issued share capital of the Company by (a) the cancellation of any fractional Consolidated Share in the issued share capital of the Company arising from the Share Consolidation, and (b) the cancellation of the paid-up share capital to the extent of HK\$1.99 per issued Consolidated Share such that the par value of each Consolidated Share shall be reduced from HK\$2.00 to HK\$0.01 each;
“Capital Reorganisation”	the Share Consolidation, the Capital Reduction and the Subdivision;

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“CCASS”	the Central Clearing and Settlement System established and operated by HKSCC;
“CCASS Operational Procedures”	the Operational Procedures of HKSCC in relation to CCASS, containing the practices, procedures and administrative requirements relating to operations and functions of CCASS, as from time to time;
“Change in Board Lot Size”	the proposed change in board lot size of the Shares for trading on the Stock Exchange from 2,000 Existing Shares to 10,000 Consolidated Shares;
“close associate(s)”	has the meaning ascribed to it under the Listing Rules;
“Companies Act”	the Companies Act (as revised) of the Cayman Islands;
“Company”	Chaoda Modern Agriculture (Holdings) Limited 超大大現代農業(控股)有限公司, a company incorporated in the Cayman Islands with limited liability, the issued Shares of which are listed on the main board of the Stock Exchange;
“Consolidated Share(s)”	ordinary share(s) of HK\$2.00 each in the share capital of the Company immediately following the Share Consolidation becoming effective;
“core connected person(s)”	has the meaning ascribed to it under the Listing Rules;
“Court”	the Grand Court of the Cayman Islands;
“Director(s)”	director(s) of the Company;
“Existing Share(s)”	ordinary share(s) with par value of HK\$0.10 each in the share capital of the Company prior to the Share Consolidation, the Capital Reduction and the Sub-division becoming effective;
“General Rules of CCASS”	the terms and conditions regulating the use of CCASS, as may be amended or modified from time to time and where the context so permits, shall include the CCASS Operational Procedures;
“Group”	the Company and its subsidiaries;

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“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong;
“HKSCC”	Hong Kong Securities Clearing Company Limited;
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC;
“Hong Kong Branch Share Registrar”	Tricor Abacus Limited, the branch share registrar and transfer office of the Company in Hong Kong;
“Latest Practicable Date”	31 October 2024, being the latest practicable date prior to the printing of this circular for ascertaining certain information in this circular;
“Listing Committee”	has the same meaning ascribed thereto under the Listing Rules;
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange;
“M&A”	the Memorandum and Articles of Association of the Company;
“Memorandum”	the memorandum of association of the Company in full force and effect as of the date hereof;
“New Share(s)”	ordinary share(s) with par value of HK\$0.01 each in the share capital of the Company immediately following the Capital Reduction and the Subdivision becoming effective;
“Nomination Committee”	the nomination committee established by the Board comprising Mr. Fung Chi Kin (Chairman of the Nomination Committee), Mr. Kwok Ho, Mr. Kuang Qiao, Mr. Tam Ching Ho and Professor Lin Shun Quan;
“PRC”	The People’s Republic of China, excluding for the purpose of this circular, Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan;
“Retiring Directors”	the Directors, namely Mr. Kwok Ho, Mr. Ip Chi Ming and Mr. Fung Chi Kin, who shall retire from office at the Annual General Meeting and being eligible, offer themselves for re-election;

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“RMB”	Renminbi, the lawful currency of the PRC;
“Second Amended and Restated Memorandum and Articles of Association”	the second amended and restated Memorandum of Association and Articles of Association of the Company incorporating the changes set out in Appendix III to this circular proposed to be approved by the Shareholders at the Annual General Meeting;
“SFO”	Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong;
“Share(s)”	the Existing Share(s), the Consolidated Share(s) and/or the New Share(s), as the case may be;
“Share Consolidation”	the proposed consolidation of every twenty (20) issued and unissued Existing Shares of HK\$0.10 each into one (1) Consolidated Share of HK\$2.00 each;
“Shareholder(s)”	holder(s) of the Share(s);
“Share Issue Mandate”	a general and unconditional mandate proposed to be granted to the Directors at the Annual General Meeting to allot, issue and deal with Shares not exceeding 20% of the aggregate number of Shares in issue as at the date of passing of the relevant resolution granting such mandate;
“Share Option(s)”	Share option(s) granted by the Company to eligible participants pursuant to its share option scheme adopted on 17 December 2015;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“Sub-division”	the proposed sub-division of each authorised but unissued Consolidated Share of HK\$2.00 each into 200 authorised but unissued New Shares of HK\$0.01 each;
“substantial shareholder(s)”	has the meaning ascribed to it under the Listing Rules;
“Takeovers Code”	The Code on Takeovers and Mergers;
“%”	per cent.

EXPECTED TIMETABLE

Set out below is the expected timetable for the implementation of the Capital Reorganisation and the Change in Board Lot Size. The expected timetable is subject to the results of the Annual General Meeting and satisfaction of the conditions to the Share Consolidation, Capital Reduction and the Subdivision, including the compliance with any additional requirement(s) imposed by the Court, and is therefore for indicative purpose only. Any change to the expected timetable will be announced in a separate announcement by the Company as and when appropriate. All times and dates herein refer to the Hong Kong local times and dates unless otherwise specified.

Event	Time and date
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Latest time for lodging share transfer documents in order to qualify for attending and voting at the Annual General Meeting	4:30 p.m. on Monday, 9 December 2024
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Closure of register of members for determining the entitlement to attend and vote at the Annual General Meeting (both dates inclusive)	Tuesday, 10 December 2024 to Friday, 13 December 2024
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Latest time for lodging the form of proxy for the Annual General Meeting	10:30 a.m. on Wednesday, 11 December 2024
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Record date for attending and voting at the Annual General Meeting	Friday, 13 December 2024
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Expected date and time of the Annual General Meeting	10:30 a.m. on Friday, 13 December 2024
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Publication of announcement of poll results of the Annual General Meeting	Friday, 13 December 2024
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Register of members re-opens	Monday, 16 December 2024
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The following events are conditional on the fulfillment of the conditions for the implementation of the Share Consolidation and the Change in Board Lot Size, and therefore the dates are tentative only.

Effective date of the Share Consolidation	Tuesday, 17 December 2024
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First day for free exchange of existing share certificates for new share certificates of the Consolidated Shares	Tuesday, 17 December 2024
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Dealings in the Consolidated Shares commence	9:00 a.m. on Tuesday, 17 December 2024
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EXPECTED TIMETABLE

Original counter for trading in the Existing Shares in board lots of 2,000 Existing Shares (in the form of existing share certificates) temporarily closes	9:00 a.m. on Tuesday, 17 December 2024
Temporary counter for trading in the Consolidated Shares in board lots of 100 Consolidated Shares (in the form of existing share certificates) opens	9:00 a.m. on Tuesday, 17 December 2024
Effective date of the Change in Board Lot Size	9:00 a.m. on Friday, 3 January 2025
Original counter for trading in the Consolidated Shares in board lots of 10,000 Consolidated Shares (in the form of new share certificates for Consolidated Shares) re-opens	9:00 a.m. on Friday, 3 January 2025
Parallel trading in the Existing Shares and the Consolidated Shares (in the form of existing share certificates of the Existing Shares and new share certificates of the Consolidated Shares) commences	9:00 a.m. on Friday, 3 January 2025
Designated broker starts to stand in the market to provide matching services for the sale and purchase of odd lots of the Consolidated Shares	9:00 a.m. on Friday, 3 January 2025
Designated broker ceases to stand in the market to provide matching services for the sale and purchase of odd lots of the Consolidated Shares	4:00 p.m. on Thursday, 23 January 2025
Temporary counter for trading in the Consolidated Shares in temporary board lots of 100 Consolidated Shares (in the form of existing share certificates) closes	4:10 p.m. on Thursday, 23 January 2025
Parallel trading in the Existing Shares and the Consolidated Shares (in the form of existing share certificates of the Existing Shares and new share certificates of the Consolidated Shares) ends	4:10 p.m. on Thursday, 23 January 2025
Last day for free exchange of existing share certificates of the Existing Shares for new share certificates of the Consolidated Shares	4:30 p.m. on Monday, 27 January 2025

EXPECTED TIMETABLE

The following events are conditional on the fulfilment of the conditions for the implementation of the Capital Reduction and the Sub-division and therefore the dates are tentative only.

Expected effective date of the Capital Reduction and the Sub-division	Before 9:00 a.m. on Friday, 21 February 2025
Commencement of dealing in the New Shares	9:00 a.m. on Friday, 21 February 2025
First day of free exchange of existing share certificates of the Consolidated Shares for new share certificates of the New Shares	Friday, 21 February 2025
Last day of free exchange of existing share certificates of the Consolidated Shares for new share certificates of the New Shares	Friday, 28 March 2025



CHAODA MODERN AGRICULTURE (HOLDINGS) LIMITED

超大現代農業(控股)有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 682)

Executive Directors:

Mr. Kwok Ho (*Chairman*)

Mr. Kuang Qiao

Non-executive Director:

Mr. Ip Chi Ming

Independent Non-executive Directors:

Mr. Fung Chi Kin

Mr. Tam Ching Ho

Professor Lin Shun Quan

Ms. Li Ying

Registered Office:

P.O. Box 309

Ugland House

Grand Cayman

KY1-1104

Cayman Islands

Principal Place of Business

in Hong Kong:

Room B, 21/F

Times Media Centre

133 Wan Chai Road

Wanchai, Hong Kong

5 November 2024

To the Shareholders

Dear Sir or Madam,

**GENERAL MANDATES TO ISSUE AND BUY-BACK SHARES;
RE-ELECTION OF DIRECTORS;
PROPOSED CAPITAL REORGANISATION;
CHANGE IN BOARD LOT SIZE;
PROPOSED ADOPTION OF THE SECOND AMENDED AND
RESTATED MEMORANDUM AND ARTICLES OF ASSOCIATION
AND
NOTICE OF ANNUAL GENERAL MEETING**

1. INTRODUCTION

The purpose of this circular is to provide you with the notice of the Annual General Meeting together with information regarding the resolutions to be proposed and the matters to be considered at the Annual General Meeting for, among other matters, (i) the re-election of the Retiring Directors; (ii) the granting of the Buy-back Mandate and Share Issue Mandate to the

LETTER FROM THE BOARD

Directors; (iii) the Share Consolidation; (iv) the Capital Reduction and the Sub-division; (v) the Change in Board Lot Size; and (vi) the proposed adoption of the Second Amended and Restated Memorandum and Articles of Association. Reference is also made to the announcement of the Company dated 4 October 2024 in relation to the proposed Capital Reorganisation, the Change in Board Lot Size and the proposed adoption of the Second Amended and Restated Memorandum and Articles of Association.

2. RE-ELECTION OF RETIRING DIRECTORS

In accordance with Article 116A of the Articles of Association, every Director shall retire from office at an annual general meeting by rotation at least once for every three consecutive annual general meetings and such Director shall retain office until the close of the meeting at which he retires and shall be eligible for re-election. By virtue of Article 116A of the Articles of Association, Mr. Kwok Ho, Mr. Ip Chi Ming and Mr. Fung Chi Kin shall retire by rotation at the Annual General Meeting and, being eligible, offer themselves for re-election.

Code provision B.2.3 of the Corporate Governance Code as set out in Appendix C1 Part 2 of the Listing Rules provides that if an independent non-executive Director has served more than nine years, further appointment of such director should be subject to a separate resolution to be approved by the Shareholders.

Mr. Fung Chi Kin has served as independent non-executive Director for more than 9 years and his re-election will be subject to a separate resolution to be approved by the Shareholders. The Company has received from Mr. Fung Chi Kin a confirmation of independence pursuant to Rule 3.13 of the Listing Rules. As independent non-executive Director with in-depth understanding of the Company's operations and business, he has expressed objective views and given independent guidance to the Company since his appointment, and he continues demonstrating a firm commitment to his roles. The Board and the Nomination Committee had assessed the independence and performance of Mr. Fung Chi Kin and considered that the long service of Mr. Fung Chi Kin would not affect his exercise of independent judgement and are satisfied that Mr. Fung Chi Kin has the required character, integrity and experience to continue fulfilling the role of independent non-executive Director.

Besides, during his tenure of office, Mr. Fung Chi Kin had discharged his duties as independent non-executive Director to the satisfaction of the Board. Through exercising the scrutinizing and monitoring function of independent non-executive Director, he had contributed to an upright and efficient Board for the interest of Shareholders. The Board is of the view that Mr. Fung Chi Kin will continue to contribute to the Board with his comprehensive experience and knowledge in the in banking and finance.

In view of the above, the Board considers that the re-election of Mr. Fung Chi Kin as independent non-executive Director is beneficial to the Board, the Company and the Shareholders as a whole.

Mr. Fung Chi Kin had abstained from voting at the meeting of the Nomination Committee (as he is the Chairman and member of the Committee), and each of the Retiring Directors had abstained from voting at the Board meeting when his own nomination was being considered.

LETTER FROM THE BOARD

The biographical details as required to be disclosed under the Listing Rules of the Retiring Directors who are proposed for re-election at the Annual General Meeting are set out in Appendix I to this circular. A separate resolution for re-electing each of the Retiring Directors will be put forward at the Annual General Meeting.

3. GENERAL MANDATE TO BUY BACK SHARES

An ordinary resolution will be proposed at the Annual General Meeting for Shareholders' approval to give the Directors the Buy-back Mandate to buy back Shares up to 10% of the aggregate number of Shares in issue as at the date of passing of the resolution, for the period until the conclusion of the next annual general meeting of the Company or such earlier period as stated in the resolution.

An explanatory statement as required under the Listing Rules to provide the requisite information regarding the Buy-back Mandate is set out in Appendix II to this circular.

4. GENERAL MANDATE TO ISSUE SHARES

An ordinary resolution will be proposed at the Annual General Meeting for Shareholders' approval to give the Directors the Share Issue Mandate to allot, issue and deal with Shares up to 20% of the aggregate number of Shares in issue as at the date of passing of the resolution, for the period until the conclusion of the next annual general meeting of the Company or such earlier period as stated in the resolution.

As at the Latest Practicable Date, a total of 3,295,582,491 Shares were in issue. Assuming that there is no change in the number of issued Shares prior to the date of passing of the resolution approving the Share Issue Mandate, the maximum number of Shares which may be issued pursuant to the Share Issue Mandate will be 659,116,498 Shares. In addition, subject to the passing of the ordinary resolutions of the Buy-back Mandate and the Share Issue Mandate, an ordinary resolution will also be proposed to extend the Share Issue Mandate by adding to it the number of Shares bought back by the Company under the Buy-back Mandate.

5. PROPOSED SHARE CONSOLIDATION

On 4 October 2024, the Board proposed to implement the Share Consolidation on the basis that every twenty (20) issued and unissued Existing Shares with par value of HK\$0.10 each be consolidated into one (1) Consolidated Share with par value of HK\$2.00 each.

Effect of the Share Consolidation

As at the Latest Practicable Date, the authorised share capital of the Company was HK\$500,000,000 divided into 5,000,000,000 Existing Shares with par value of HK\$0.10 each, of which 3,295,582,491 Existing Shares have been issued and are fully paid or credited as fully paid.

Immediately upon the Share Consolidation becoming effective but prior to the Capital Reduction and the Sub-division becoming effective, and assuming there will be no change in the number of Existing Shares in issue from the Latest Practicable Date to the

LETTER FROM THE BOARD

effective date of the Share Consolidation, the authorised share capital of the Company will become HK\$500,000,000 divided into 250,000,000 Consolidated Shares with par value of HK\$2.00 each, of which 164,779,124 Consolidated Shares (which are fully paid or credited as fully paid) will be in issue.

Upon the Share Consolidation becoming effective, all the Consolidated Shares will rank pari passu in all respects with each other in accordance with the memorandum and articles of association of the Company.

The implementation of the Share Consolidation will not alter the underlying assets, business operation, management or financial position of the Group and the interests and rights of the Shareholders, save that any fractional Consolidated Shares will not be allocated to Shareholders who may otherwise be entitled thereto.

Conditions of the Share Consolidation

The Share Consolidation is conditional on the following conditions being fulfilled:

- (i) the passing of an ordinary resolution by the Shareholders at the Annual General Meeting to approve the Share Consolidation;
- (ii) the Listing Committee of the Stock Exchange granting approval for the listing of, and permission to deal in, the Consolidated Shares in issue and to be issued upon the Share Consolidation becoming effective; and
- (iii) the compliance with the relevant procedures and requirements under the applicable laws of the Cayman Islands and the Listing Rules to effect the Share Consolidation.

Subject to the fulfilment of the conditions of the Share Consolidation, the effective date of the Share Consolidation is expected to be on Tuesday, 17 December 2024, being one clear Business Day immediately after the date of the Annual General Meeting.

As at the Latest Practicable Date, none of the above conditions has been fulfilled.

LETTER FROM THE BOARD

Adjustments in relation to other securities of the Company

As at the Latest Practicable Date, there were 241,230,000 outstanding Share Options conferring rights to holders of such share options to subscribe for 241,230,000 Existing Shares at the exercise price of HK\$0.187 per Existing Share. As result of the Share Consolidation and in accordance with the Share Option Scheme, the exercise price and the number of Consolidated Shares to be issued upon exercise of the outstanding Share Options will be adjusted as follows with effect from the effective date of the Share Consolidation (i.e. on 17 December 2024):

Date of grant	Before adjustment		After adjustment	
	Exercise price per Existing Share HK\$	Number of Existing Shares to be issued upon exercise of the outstanding Share Options	Exercise price per Consolidated Share HK\$	Number of Consolidated Shares to be issued upon exercise of the outstanding Share Options
13 July 2016	0.187	241,230,000	3.74	12,061,500

The Company will appoint an auditor or an independent financial adviser to confirm in writing that the adjustments are (i) in compliance with the requirements set out in the terms and conditions of the Share Option Scheme and (ii) satisfy the requirement under Rule 17.03(13) of the Listing Rules. The Company will make further announcement on such adjustments as and when appropriate.

Save for the above adjustments, all other terms and conditions of the Share Option Scheme remain unchanged. As a result of the Share Consolidation, the total number of Shares available for grant under any of the Company's share option scheme are 249 and 12 before and after the Share Consolidation respectively.

Save as disclosed above, as at the Latest Practicable Date, the Company had no outstanding convertible bonds, options, derivatives, warrants, conversion rights or other similar rights entitling holders thereof to subscribe for or convert into or exchange into Existing Shares, Consolidated Shares or New Shares, as the case may be.

Fractional entitlement to the Consolidated Shares

Any fractional Consolidated Share arising from the Share Consolidation, if any, will be aggregated and, if possible, sold for the benefit of the Company and will not be allocated to the Shareholders otherwise entitled thereto. Fractional Consolidated Shares will only arise in respect of the entire shareholding of a holder of the Existing Shares regardless of the number of share certificates held by such holder.

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Shareholders who are concerned about losing out on any fractional entitlement are recommended to consult their licensed securities dealer, bank manager, solicitor, professional accountant or other professional advisers the possibility of buying or selling the Shares in a number sufficient to make up an entitlement to receive a whole number of Consolidated Shares.

Odd lots arrangements and matching services

In order to alleviate the difficulties arising from the existence of odd lots of the Consolidated Shares arising from the Share Consolidation, the Company appointed Elstone Securities Limited to stand in the market to provide matching services for sale and purchase of odd lots of the Consolidated Shares on a best effort basis. Shareholders who wishes to take advantage of this facility should contact Mr. Tim Yeung of Elstone Securities Limited at Suite 1604, 16/F, West Tower, Shun Tak Centre, 168-200 Connaught Road Central, Hong Kong or at telephone number (852) 3725 4311 during the period from 9:00 a.m. on Friday, 3 January 2025 to 4:00 p.m. on Thursday, 23 January 2025.

Holders of odd lots of the Consolidated Shares should note that successful matching of the sale and purchase of odd lots of the Consolidated Shares are not warranted. Any Shareholder who is in any doubt about the odd lots arrangements is recommended to consult his/her/its own professional advisers.

Exchange of share certificates for Consolidated Shares

Subject to the Share Consolidation having become effective, Shareholders may, during the specified period from Tuesday, 17 December 2024 to Monday, 27 January 2025 (both days inclusive), submit the existing share certificates for the Existing Shares to the Hong Kong Branch Share Registrar, Tricor Abacus Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, in exchange, at the expense of the Company, for new share certificates for the Consolidated Shares.

Thereafter, existing share certificates for Existing Shares will continue to be good evidence of legal title and may be exchanged for new share certificates for Consolidated Shares at the expense of the Shareholders on payment of a fee of HK\$2.50 (or such higher amount as may be allowed by the Stock Exchange from time to time) for each existing share certificate cancelled or each new share certificate issued for Consolidated Shares (whichever is higher) but are not acceptable for trading, settlement and registration purposes.

The new share certificates for the Consolidated Shares will be issued in yellow colour in order to distinguish them from the existing share certificates in blue colour.

Listing and dealings

Application will be made to the Listing Committee of the Stock Exchange for the listing of, and permission to deal in, the Consolidated Shares in issue and to be issued upon the Share Consolidation becoming effective.

LETTER FROM THE BOARD

The Consolidated Shares will be identical in all respects and rank pari passu in all respects with each other as to all future dividends and distributions which are declared, made or paid. Subject to the granting of the listing of, and permission to deal in, the Consolidated Shares on the Stock Exchange, the Consolidated Shares will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the commencement date of dealings in the Consolidated Shares on the Stock Exchange or such other date as determined by HKSCC. Settlement of transactions between participants of the Stock Exchange on any trading day is required to take place in CCASS on the second trading day thereafter. All activities under CCASS are subject to the General Rules of CCASS and CCASS Operational Procedures in effect from time to time.

None of the Existing Shares or any debt securities of the Company are listed or dealt in on any other stock exchange other than the Stock Exchange, and at the time the Share Consolidation becomes effective, the Consolidated Shares in issue will not be listed or dealt in on any stock exchange other than the Stock Exchange, and no such listing or permission to deal is being or is proposed to be sought.

6. CHANGE IN BOARD LOT SIZE

The Existing Shares are currently traded on the Stock Exchange in board lot size of 2,000 Existing Shares. The Board proposes to change the board lot size for trading from 2,000 Existing Shares to 10,000 Consolidated Shares per board lot upon the Share Consolidation becoming effective.

Based on the closing price of HK\$0.015 per Existing Share (equivalent to the theoretical closing price of HK\$0.30 per Consolidated Share) as at the Latest Practicable Date, (i) the value per board lot of 2,000 Existing Shares is HK\$30; (ii) the value of each board lot of 2,000 Consolidated Shares would be HK\$600 assuming the Share Consolidation becoming effective; and (iii) the estimated value per board lot of 10,000 Consolidated Shares would be HK\$3,000.

The Change in Board Lot Size will not result in any change in the relative rights of the Shareholders.

Reasons for the Share Consolidation and the Change in Board Lots Size

Pursuant to Rule 13.64 of the Listing Rules, where the market price of the share approaches the extremities of HK\$0.01 or HK\$9,995.00, the Stock Exchange reserves the right to require the listed issuer to either change the trading method or to proceed with a consolidation or splitting of the Existing Shares. The “Guide on Trading Arrangements for Selected Types of Corporate Actions” issued by the Hong Kong Exchanges and Clearing Limited on 28 November 2008 (and updated in September 2024) has further stated that (i) market price of the share at a level less than HK\$0.10 each will be considered as trading at extremity as referred to under Rule 13.64 of the Listing Rules; and (ii) taking into account that the minimum transaction costs for a securities trade, the expected value per board lot should be greater than HK\$2,000.

LETTER FROM THE BOARD

In view of the recent trading price of the Shares at a level below HK\$0.10 and the value per board lot being substantially less than HK\$2,000, the Board considers that upon the Share Consolidation becoming effective, the share price of the Company would be adjusted to HK\$0.30 per Consolidated Share (based on the closing price of HK\$0.015 per Existing Share as at the Latest Practicable Date); and with a board lot size of 10,000 Consolidated Shares, the new board lot value would be HK\$3,000, which would enable the Company to comply with the trading requirements under the Listing Rules. Further, it is expected that the Share Consolidation will increase the nominal value of the Shares. Accordingly, the Share Consolidation will bring about a corresponding upward adjustment in the trading price per board lot of the Consolidated Shares on the Stock Exchange, which will reduce the overall transaction and handling costs of dealings in the Consolidated Shares. As a result, the Share Consolidation would not only enable the Company to comply with the trading requirements under the Listing Rules, but would also attract more investors and hence broaden the Shareholder base.

The Share Consolidation and the Change in Board Lot Size will not have any material adverse effect on the financial position of the Company nor result in change in the relative rights of the Shareholders and are in the interests of the Company and the Shareholders as a whole.

7. PROPOSED CAPITAL REDUCTION AND THE SUB-DIVISION

The Board further proposes that immediately following the Share Consolidation becoming effective, the Capital Reduction and the Sub-division be implemented in the following manner:

- (i) the Capital Reduction whereby (a) any fractional Consolidated Share in the issued share capital of the Company arising from the Share Consolidation will be cancelled, and (b) the issued share capital of the Company be reduced by the cancellation of the paid-up capital of the Company to the extent of HK\$1.99 per issued Consolidated Share, so that following such reduction, the par value of each issued Consolidated Share shall be reduced from HK\$2.00 to HK\$0.01 each to become one New Share;
- (ii) the credit arising from the Capital Reduction will be applied towards offsetting the accumulated losses of the Company as at the effective date of the Capital Reduction, thereby reducing the accumulated losses of the Company;
- (iii) immediately following the Capital Reduction becoming effective, each authorised but unissued Consolidated Share will be subdivided into 200 authorised but unissued New Shares with par value of HK\$0.01 each; and
- (iv) each of the New Shares arising from the Capital Reduction and the Sub-division shall rank *pari passu* in all respects with each other and will have rights and privileges and be subject to the restrictions contained in the memorandum and articles of association of the Company.

LETTER FROM THE BOARD

Conditions of the Capital Reduction and the Sub-division

The Capital Reduction and the Sub-division are conditional on the following conditions being fulfilled:

- (i) the Share Consolidation being approved at the Annual General Meeting and becoming effective;
- (ii) the passing of a special resolution by the Shareholders at the Annual General Meeting approving the Capital Reduction;
- (iii) the passing of an ordinary resolution by the Shareholders at the Annual General Meeting approving the Sub-division;
- (iv) the Court granting an order confirming the Capital Reduction;
- (v) compliance with any terms and conditions which the Court may impose in relation to the Capital Reduction;
- (vi) registration by the Registrar of Companies of the Cayman Islands of a copy of the order of the Court confirming the Capital Reduction and the minutes approved by the Court containing the particulars required under the Companies Act with respect to the Capital Reduction; and
- (vii) the Listing Committee of the Stock Exchange granting the listing of, and permission to deal in, the New Shares arising from the Capital Reduction and the Sub-division.

The Capital Reduction and the Sub-division will become effective when the conditions mentioned above are fulfilled. Upon the approval by the Shareholders of the Capital Reduction and the Sub-division at the Annual General Meeting, the legal advisors to the Company (as to the Cayman Islands law) will apply to the Court for hearing date(s) to confirm the Capital Reduction and a further announcement will be made by the Company as soon as practicable after the Court hearing date(s) is confirmed.

As at the Latest Practicable Date, none of the above conditions have been fulfilled.

LETTER FROM THE BOARD

Effects of the Capital Reduction and the Sub-division

As at the Latest Practicable Date, 3,295,582,491 Existing Shares had been issued and are fully paid or credited as fully paid. Assuming no further Existing Shares or (as the case may be) Consolidated Shares will be issued or repurchased from the Latest Practicable Date up to and including the date of which the Share Consolidation, the Capital Reduction and the Sub-division shall become effective, the authorised share capital of the Company shall be HK\$500,000,000 divided into 50,000,000,000 New Shares with par value of HK\$0.01 each, of which 164,779,124 New Shares will be in issue and fully paid or credited as fully paid.

Assuming that the par value of each of the 164,779,124 issued Consolidated Shares will be reduced from HK\$2.00 to HK\$0.01 per issued New Share by cancelling the paid-up share capital to the extent of HK\$1.99 per issued Consolidated Share by way of a reduction of capital, so as to form issued New Shares with par value of HK\$0.01 each, the Company's existing issued share capital of HK\$329,558,248 will be reduced by HK\$327,910,456.76 to HK\$1,647,791.24. The proposed Capital Reduction and Sub-division (assuming the Share Consolidation becomes effective) will enable the par value of the Shares to be reduced from HK\$2.00 to HK\$0.01 each, resulting in a credit amounting to approximately HK\$327,910,456.76. The credit arising from the Capital Reduction will be applied towards offsetting the accumulated losses of the Company as at the effective date of the Capital Reduction, thereby reducing the accumulated losses of the Company.

Save for applying the credit arising from the Capital Reduction towards offsetting the accumulated losses of the Company and the expenses to be incurred in relation to the Capital Reduction and the Sub-division, the Directors consider that the Capital Reduction and the Sub-division will have no effect on the underlying assets, business operations, management or financial position of the Company or the proportional interests of the Shareholders in the Company.

As at the Latest Practicable Date, the Company had no intention to carry out other corporate action or arrangement, including share consolidation, share sub-division and capital reduction, in the next 12 months. Nevertheless, the Directors cannot rule out the possibility that the Company may conduct debt and/or fund raising exercises when suitable fund-raising opportunities arise in order to support future development of the Group.

LETTER FROM THE BOARD

Assuming there will be no change in the issued share capital of the Company from the Latest Practicable Date up to the date on which the Capital Reorganisation becomes effective, the share capital structure of the Company (i) as at the Latest Practicable Date; (ii) immediately after the Share Consolidation becoming effective; and (iii) immediately upon the Capital Reduction and the Sub-division becoming effective are summarised as follows:

	As at the Latest Practicable Date	Immediately after the Share Consolidation becoming effective but prior to the Capital Reduction and Sub-division becoming effective	Immediately after the Capital Reduction and the Sub-division becoming effective
Par value	HK\$0.10 per Existing Share	HK\$2.00 per Consolidated Share	HK\$0.01 per New Share
Amount of the authorised share capital	HK\$500,000,000	HK\$500,000,000	HK\$500,000,000
Number of authorised Shares	5,000,000,000	250,000,000	50,000,000,000
Amount of issued share capital	HK\$329,558,249.10	HK\$329,558,248.00	HK\$1,647,791.24
Number of issued Shares	3,295,582,491	164,779,124	164,779,124

All New Shares in issue immediately following the Capital Reorganisation becoming effective will rank pari passu in all respects with each other in accordance with the second amended and restated memorandum and articles of association of the Company.

Other than the expenses to be incurred in relation to the Share Consolidation, the Capital Reduction and the Sub-division, the implementation thereof will not alter the underlying assets, business operations, management or financial position of the Company or the proportionate interests or rights of the Shareholders, save for any fractional Consolidated Shares will not be allocated to the Shareholders who may otherwise be entitled. The Directors are of the view that the Capital Reorganisation will not have any material adverse effect on the financial position of the Group and is in the interest of the Company and the Shareholders as a whole.

Listing of and dealings in the New Shares

Application will be made to the Listing Committee of the Stock Exchange for the listing of, and permission to deal in, the New Shares arising from the Capital Reduction and the Subdivision.

LETTER FROM THE BOARD

The New Shares will be identical in all respects and rank pari passu in all respects with each other as to all future dividends and distributions which are declared, made or paid. Subject to the granting of the listing of, and permission to deal in, the New Shares on the Stock Exchange, the New Shares will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the commencement date of dealings in the New Shares on the Stock Exchange or such other date as determined by HKSCC. Settlement of transactions between participants of the Stock Exchange on any trading day is required to take place in CCASS on the second settlement day thereafter. All activities under CCASS are subject to the General Rules of CCASS and CCASS Operational Procedures in effect from time to time.

None of the share capital or debt securities of the Company is listed or dealt in on any other stock exchange other than the Stock Exchange and no such listing or permission to deal is being or is proposed to be sought.

Exchange of share certificates for the New Shares

As the Court hearing date(s) has yet to be fixed, the effective date of the Capital Reduction is not ascertainable at present. Should the Capital Reduction and the Sub-division become effective, Shareholders may submit existing share certificates for the Existing Shares and/or Consolidated Shares to the Hong Kong Branch Share Registrar, Tricor Abacus Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong for exchange, at the expense of the Company, within about one month from the effective date of the Capital Reduction and the Sub-division, for share certificates for the New Shares.

Details of such free exchange of share certificates will be announced as soon as the Court hearing date(s) and the effective date of the Capital Reduction and the Sub-division are ascertained.

Thereafter, all existing share certificates of the Existing Shares and/or the Consolidated Shares will continue to be good evidence of title to the New Shares, and may be accepted for exchange only on payment of a fee of HK\$2.50 (or such other amount as may from time to time be specified by the Stock Exchange) by the Shareholders for each share certificate for the Existing Shares and/or the Consolidated Shares submitted for cancellation or each new share certificate issued for the New Shares, whichever is higher. The existing share certificates of the Consolidated Shares will only be valid for delivery, trading and settlement purposes and thereafter will not be accepted for delivery, trading and settlement purposes.

The new share certificates for the New Shares will be issued in green in order to distinguish them from the existing share certificates of the Existing Shares in blue and the share certificates of the Consolidated Shares in yellow.

LETTER FROM THE BOARD

Reasons for the Capital Reduction and the Sub-division

The proposed Capital Reduction and the Sub-division (assuming the Share Consolidation becomes effective) will enable the par value of the Consolidated Shares to be reduced from HK\$2.00 to HK\$0.01 each, resulting in an approximate credit amount of HK\$327,910,456.76. The credit arising from the Capital Reduction will be applied towards offsetting the accumulated losses of the Company as at the effective date of the Capital Reduction, thereby reducing the accumulated losses of the Company.

The Directors are of the opinion that the proposed Capital Reduction and the Sub-division will:

- (i) give greater flexibility to the Company to declare dividends and/or to undertake any corporate exercise which requires the use of distributable reserves in the future, subject to the Company's performance and when the Board considers that it is appropriate to do so in the future; and
- (ii) enable the nominal or par value of the Shares to be reduced from HK\$2.00 (assuming the Share Consolidation becomes effective) to a lower level of HK\$0.01 each, thus giving greater flexibility to the Company to issue new Shares in the future given that the Company is not permitted, without order of the Court, to issue new Shares below their nominal or par value.

As such, the Directors are of the view that the Capital Reduction and the Sub-division are in the best interests of the Company and its Shareholders as a whole.

8. PROPOSED ADOPTION OF THE SECOND AMENDED AND RESTATED MEMORANDUM AND ARTICLES OF ASSOCIATION

In view of the proposed Capital Reorganisation, on 4 October 2024, the Board proposed to amend the current memorandum and articles of association to reflect, inter alia, the changes in the authorised share capital of the Company from HK\$500,000,000 divided into 5,000,000,000 Existing Shares to HK\$500,000,000 divided into 50,000,000,000 New Shares; and to adopt the second amended and restated memorandum and articles of association of the Company reflecting the new authorised share capital of the Company. A special resolution will be proposed at the Annual General Meeting to approve the adoption of the Second Amended and Restated Memorandum and Articles of Association of the Company.

9. ANNUAL GENERAL MEETING

The notice convening the Annual General Meeting is set out on pages 29 to 35 of this circular. A form of proxy is enclosed for use at the Annual General Meeting. Whether or not you are able to attend the Annual General Meeting, you are requested to complete and sign the form of proxy as instructed thereon and return it to the Company's Hong Kong Branch Share Registrar, Tricor Abacus Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong as soon as possible and in any event not less than 48 hours (excluding any part of a day that is a public holiday in Hong Kong) before the time appointed for holding the Annual General Meeting (that is, by Wednesday, 11 December 2024 at 10:30 a.m.) or any adjournment thereof.

LETTER FROM THE BOARD

Delivery of the form of proxy will not preclude you from attending and voting in person at the Annual General Meeting and, in such event, the instrument appointing a proxy shall be deemed to be revoked.

Pursuant to Rule 13.39(4) of the Listing Rules, any vote of Shareholders at a general meeting must be taken by poll. The Chairman of the Annual General Meeting will exercise his power under Article 80 of the Articles of Association to put the resolutions to be proposed at the Annual General Meeting to vote by way of poll. The results of the poll will be published on the websites of the Company and the Stock Exchange in accordance with Rule 13.39(5) of the Listing Rules.

10. CLOSURE OF REGISTER OF MEMBERS OF THE COMPANY

To ascertain the eligibility of the Shareholders to attend and vote at the Annual General Meeting, the register of members of the Company will be closed from Tuesday, 10 December 2024 to Friday, 13 December 2024 (both days inclusive), during which period no transfer of Shares will be registered. All properly completed transfer documents accompanied by the relevant share certificates must be lodged for registration with the Company's Hong Kong Branch Share Registrar, Tricor Abacus Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, not later than 4:30 p.m. (Hong Kong time) on Monday, 9 December 2024. The Shareholders whose names appear on the register of members of the Company on Friday, 13 December 2024 are entitled to attend and vote at the Annual General Meeting.

11. RECOMMENDATION

The Directors consider that the proposed resolutions to be transacted at the Annual General Meeting are in the best interests of the Company and the Shareholders as a whole. Accordingly, the Board recommends the Shareholders to vote in favour of the proposed resolutions.

12. RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the 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.

Yours faithfully,
For and on behalf of the Board
Chaoda Modern Agriculture (Holdings) Limited
Kwok Ho
Chairman

APPENDIX I BIOGRAPHICAL DETAILS OF THE RETIRING DIRECTORS PROPOSED FOR RE-ELECTION

The particulars of the Retiring Directors as referred to in resolution numbered 2 of the notice of the Annual General Meeting, proposed for re-election, are as follows:

Mr. KWOK Ho, aged 69, is the founder of the Group and is also the Chairman of the Board, the Chief Executive Officer (the “CEO”) and a member of the Nomination Committee of the Company. Mr. Kwok is also a director and the legal representative of some of the subsidiaries of the Company. Mr. Kwok is primarily responsible for the formulation and deployment of the overall strategy of the Group. He holds an Honorary Doctor of Business Administration and has over 41 years of experience in commercial trading in the PRC, particularly in the areas of strategic planning, management, business development, product strategy, sales and marketing. Mr. Kwok was granted by the Fujian Provincial Committee and People’s Government of Fujian Province the award of “Outstanding Contribution Entrepreneur of Fujian Province” for two consecutive terms, and was named “Model Worker of Fujian Province” and “Fujian Province First of May Medal Winner”. Mr. Kwok is a member of the Ninth and the Tenth Fujian Provincial Committee of the Chinese People’s Political Consultative Conference (“CPPCC”), a member of the Eleventh National Committee of CPPCC, Chairman of China Food Safety Alliance, Officer of China Green Food Association Food Safety Integrity Professional Committee, the Vice President of China Association of Agricultural Leading Enterprises, the Deputy Chairman of Integration of Primary, Secondary and Tertiary Industries Development Alliance, Branch President of China Vegetable Marketing Association, and Presidents of Fujian Agricultural Industrialization Leading Enterprise Association.

Mr. Kwok has no specific term of service with the Company, which may be terminated by either party by a written notice of not less than three months. He is, however, subject to retirement from office by rotation and re-election at the annual general meeting in accordance with the Articles of Association. The total emoluments paid and payable to Mr. Kwok for the financial year ended 30 June 2024 were RMB180,000, which was determined with reference to his duties and responsibilities with the Group and the market rate.

As at the Latest Practicable Date, Mr. Kwok held interests in 645,092,644 Shares within the meaning of Part XV of the SFO. Among the aggregate interests of Mr. Kwok in the Company, 643,064,644 Shares were held by Kailey Investment Ltd., which were beneficially and wholly owned by Mr. Kwok and 2,028,000 Shares were held by him personally. Mr. Kwok has not held other directorships in any listed public companies in the last three years. He is a substantial shareholder of the Company, while he is not connected, and does not have any relationship with, any directors, senior management or controlling shareholders of the Company.

Mr. IP Chi Ming, aged 63, was formerly an executive Director until 8 January 2010 when he was re-designated as a non-executive Director. Mr. Ip is a director of some of the subsidiaries of the Company. Mr. Ip has over 36 years of experience in trading and marketing in the food products industry as well as extensive experience in corporate strategic planning, overall management, business development, sales and marketing. Mr. Ip has not held other directorships in any listed public companies in the last three years. He is not connected, and does not have any relationship with any directors, senior management or substantial or controlling shareholders of the Company.

APPENDIX I BIOGRAPHICAL DETAILS OF THE RETIRING DIRECTORS PROPOSED FOR RE-ELECTION

Mr. Ip has been appointed by the Company for a term of one year until 7 January 2025. Such an appointment may be terminated by either party by a written notice of not less than three months. He is, however, subject to retirement from office by rotation and re-election at annual general meeting in accordance with the Articles of Association. The total director's fee paid to Mr. Ip for the financial year ended 30 June 2024 were HK\$300,000, which was determined with reference to his duties and responsibilities with the Group and the market rate.

As at the Latest Practicable Date, Mr. Ip held interests in Share Options to subscribe for 6,000,000 Shares at an exercise price of HK\$0.187 within the meaning of Part XV of the SFO.

Save as disclosed above, there are no other matters that need to be brought to the attention of the Shareholders or any other information required to be disclosed pursuant to any of the requirements of Rules 13.51(2)(h) to 13.51(2)(v) of the Listing Rules in relation to the proposed re-election of Mr. Ip as non-executive Director.

Mr. FUNG Chi Kin, aged 75, has been an independent non-executive director of the Company since September 2003. He is also the Chairman of the Remuneration Committee and Nomination Committee as well as a member of the Audit Committee of the Board. Mr. Fung is the Honorary Permanent President of The Chinese Gold & Silver Exchange Society, and the director of Fung Chi Kin Consulting Limited. He was conferred on an Honorary Senior Fellowship by Asian College of Knowledge Management. Mr. Fung has over 40 years of experience in banking and finance. Prior to his retirement, he was the director and the Deputy General Manager of Po Sang Bank Limited (merged into Bank of China (Hong Kong) Limited in 2001), the Managing Director of BOCI Securities Limited and the Chief Administration Officer of BOC International Holdings Limited. From October 1998 to June 2000, Mr. Fung served as a Council Member of the First Legislative Council of the HKSAR. He also held offices in various public organisations and was the Vice Chairman of The Stock Exchange of Hong Kong Limited, the director of Hong Kong Futures Exchange Limited, the director of Hong Kong Securities Clearing Company Limited and Hong Kong Affairs Advisor. Mr. Fung is currently an executive director of LOCO Hong Kong Holdings Limited (stock code: 8162), listed on GEM Board of The Stock Exchange of Hong Kong Limited. Mr. Fung also served as an executive director and compliance officer of China Trustful Group Limited (formerly known as Powerwell Pacific Holdings Limited) (Stock Code: 8265) from March 2019 to October 2019 and from September 2014 to May 2017, the shares of which are listed on GEM Board of The Stock Exchange of Hong Kong Limited. He is also an independent non-executive director of Geotech Holdings Limited (stock code: 1707) from September 2017 to August 2020 and a non-executive director of Sang Hing Holdings (International) Limited (Stock Code: 1472) from July 2018 to September 2023, the shares of which are listed on the Main Board of the Stock Exchange. Mr. Fung was appointed as a non-executive director of Poly Property Group Co., Limited (Stock Code: 119), the shares of which are listed on the Main Board of the Stock Exchange, since May 2021.

Mr. Fung has been appointed by the Company for a term of one year until 31 August 2025. Such an appointment may be terminated by either party by a written notice of not less than three months. He is, however, subject to retirement from office by rotation and re-election at the annual general meeting in accordance with the Articles of Association. The total emoluments paid and payable to Mr. Fung for the financial year ended 30 June 2024 were RMB89,000, which was determined with reference to his duties and responsibilities with the Group and the market rate.

**APPENDIX I BIOGRAPHICAL DETAILS OF THE RETIRING DIRECTORS
PROPOSED FOR RE-ELECTION**

As at the Latest Practicable Date, Mr. Fung held interests in Share Options to subscribe for 3,000,000 Shares at an exercise price of HK\$0.187 with in the meaning of Part XV of the SFO. He is not connected, and does not have any relationship with any directors, senior management or substantial or controlling shareholders of the Company.

Save as disclosed above, there are no other matters that need to be brought to the attention of the Shareholders or any other information required to be disclosed pursuant to any of the requirements of Rules 13.51(2)(h) to 13.51(2)(v) of the Listing Rules in relation to the proposed re-election of Mr. Fung as independent non-executive Director.

This explanatory statement contains the information required under Rule 10.06(1)(b) of the Listing Rules. Its purpose is to provide the Shareholders with information reasonably necessary to enable them to make an informed decision on whether to vote for or against the resolution approving the Buy-back Mandate.

1. SHARE CAPITAL

As at the Latest Practicable Date, the issued share capital of the Company was 3,295,582,491 Shares. Subject to the passing of the ordinary resolution granting the Buy-back Mandate and on the basis that no further Shares are issued or bought back prior to the Annual General Meeting, the Company would be allowed under the Buy-back Mandate to buy back a maximum of 329,558,249 Shares, representing 10% of the Shares in issue as at the Latest Practicable Date.

2. REASONS FOR BUY-BACKS

The Directors believe that the Buy-back Mandate is in the best interests of the Company and the Shareholders as a whole. Whilst it is not possible to anticipate in advance any specific circumstance in which the Directors might think that it is appropriate to buy back Shares, they believe that an ability to do so would give the Company additional flexibility that would be beneficial to the Company and the Shareholders as such buy-backs may, depending on market conditions and funding arrangements at that time, lead to an enhancement of the net asset value per Share and/or earnings per Share.

3. FUNDING OF BUY-BACKS

In making buy-backs of securities, the Company may only apply funds legally available for such purposes in accordance with its memorandum of association and the Articles of Association, the Listing Rules and the applicable laws of the Cayman Islands. Under the laws of the Cayman Islands, buy-backs by the Company may only be made out of profits of the Company or out of the proceeds of a fresh issue of Shares made for the purpose, or, if so authorised by the Articles of Association and subject to the provisions of the laws of the Cayman Islands, out of capital.

There might be a material adverse impact on the working capital or gearing position of the Company (as compared with the position disclosed in the audited consolidated financial statements for the financial year ended 30 June 2024 contained in the 2023/2024 annual report of the Company) in the event that the buy-backs of all the Shares under the Buy-back Mandate were to be carried out in full at any time during the period of the Buy-back Mandate.

The Directors do not propose to exercise the Buy-back Mandate to such extent as would, in the circumstances, have a material adverse impact on the working capital requirements or the gearing position of the Company which, in the opinion of the Directors, are from time to time appropriate for the Company.

4. SHARE PRICES

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

Month	Price per Share	
	Highest <i>HK\$</i>	Lowest <i>HK\$</i>
November 2023	0.019	0.011
December 2023	0.022	0.011
January 2024	0.019	0.013
February 2024	0.039	0.012
March 2024	0.042	0.028
April 2024	0.039	0.028
May 2024	0.036	0.027
June 2024	0.035	0.026
July 2024	0.030	0.012
August 2024	0.013	0.011
September 2024	0.024	0.011
October 2024 (up to the Latest Practicable Date)	0.029	0.014

5. UNDERTAKING OF THE DIRECTORS

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 buy-backs pursuant to the Buy-back Mandate in accordance with the Listing Rules, its memorandum of association and the Articles of Association and the laws of the Cayman Islands. The Directors confirm that neither this explanatory statement nor the proposed Buy-back Mandate has any unusual features.

The Company will cancel such buy-back Shares following settlement of any such buy-back.

None of the Directors nor, to the best of their knowledge having made all reasonable enquiries, any of their close associates, have any present intention to sell any Shares to the Company in the event that the Buy-back Mandate is approved by the Shareholders at the Annual General Meeting.

No core connected persons of the Company have notified the Company that they have a present intention to sell Shares to the Company, or have undertaken not to do so, in the event that the Buy-back Mandate is approved by the Shareholders at the Annual General Meeting.

6. TAKEOVERS CODE AND MINIMUM PUBLIC SHAREHOLDING

If a Shareholder's proportionate interest in the voting rights of the Company increases as a result of buy-back(s) of Shares by the Company, such increase will be treated as an acquisition of voting rights for the purposes of the Takeovers Code. As a result, a Shareholder or a group of Shareholders acting in concert (as defined in the Takeovers Code) could, depending on the level of increase in his or their interest, obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code.

As at the Latest Practicable Date, to the best of the knowledge of the Company, Mr. Kwok Ho and his associates were deemed to be interested in 645,092,644 Shares, representing approximately 19.57% of the issued share capital of the Company. On the assumption that the issued Shares remain 3,295,582,491 Shares and in the event that the Directors exercise the power to buy back Shares in full pursuant to the Buy-back Mandate, the shareholding of Mr. Kwok Ho and his associates in the Company will be increased to approximately 21.75%. In the opinion of Directors, such increase may not give rise to an obligation to make a mandatory offer under Rules 26 and 32 of the Takeovers Code and will not result in the issued share capital of the Company being held by the public as required by Rule 8.08 of the Listing Rules be reduced to less than 25%.

7. SHARE BUY-BACK MADE BY THE COMPANY

During the six months preceding the Latest Practicable Date, the Company had not bought back any of its Shares (whether on the Stock Exchange or otherwise).

The Board proposes to (i) amend the M&A to, inter alia, reflect the change in the authorised share capital of the Company in view of the proposed Capital Reorganisation; and (ii) adopt the Second Amended and Restated Memorandum and Articles of Association of the Company incorporating the Proposed Amendments, which is subject to the approval by the Shareholders at the Annual General Meeting.

Particulars of the Proposed Amendments are as follow:

Existing Memorandum of Association of the Company	Proposed Amendments
<p>Clause 6</p> <p>The share capital of the Company is HK\$500,000,000 divided into 5,000,000,000 shares of a nominal or par value of HK\$0.10 each with power for the Company insofar as is permitted by law, to redeem or purchase any of its shares and to increase or reduce the said capital subject to the provisions of the Companies Act (As Revised) and the Articles of Association and to issue any part of its capital, whether original, redeemed or increased with or without any preference, priority or special privilege or subject to any postponement of rights or to any conditions or restrictions and so that unless the conditions of issue shall otherwise expressly declare every issue of shares whether declared to be preference or otherwise shall be subject to the powers hereinbefore contained.</p>	<p>Clause 6</p> <p>The share capital of the Company is HK\$500,000,000 divided into <u>50</u>,000,000,000 shares of a nominal or par value of HK\$<u>0.01</u> each with power for the Company insofar as is permitted by law, to redeem or purchase any of its shares and to increase or reduce the said capital subject to the provisions of the Companies Act (As Revised) and the Articles of Association and to issue any part of its capital, whether original, redeemed or increased with or without any preference, priority or special privilege or subject to any postponement of rights or to any conditions or restrictions and so that unless the conditions of issue shall otherwise expressly declare every issue of shares whether declared to be preference or otherwise shall be subject to the powers hereinbefore contained.</p>

Existing Articles of Association of the Company	Proposed Amendments
<p>Article 3</p> <p>The authorised share capital of the Company at the date of the adoption of these Articles is HK\$500,000,000 divided into 5,000,000,000 shares of HK\$0.10 each.</p>	<p>Article 3</p> <p>The authorised share capital of the Company at the date of the adoption of these Articles is HK\$500,000,000 divided into <u>50</u>,000,000,000 shares of HK\$<u>0.01</u> each.</p>

NOTICE OF ANNUAL GENERAL MEETING



CHAODA MODERN AGRICULTURE (HOLDINGS) LIMITED 超大現代農業(控股)有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 682)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the annual general meeting (the “**Annual General Meeting**”) of Chaoda Modern Agriculture (Holdings) Limited (the “**Company**”) will be held at 10/F, United Centre, 95 Queensway, Admiralty, Hong Kong on Friday, 13 December 2024 at 10:30 a.m. for the following purposes:

1. To receive and consider the audited consolidated financial statements of the Company and its subsidiaries and the reports of directors and the auditors of the Company for the financial year ended 30 June 2024.
2. (A) To re-elect Mr. Kwok Ho as an executive director of the Company.
(B) To re-elect Mr. Ip Chi Ming as a non-executive director of the Company.
(C) To re-elect Mr. Fung Chi Kin as an independent non-executive director of the Company.
(D) To authorise the board of directors of the Company (the “**Board**”) to fix the remuneration of the directors of the Company (the “**Directors**”).
3. To re-appoint Elite Partners CPA Limited as the auditors of the Company and to authorise the Board to fix their remuneration.

and to consider, if thought fit, pass with or without modifications, the following resolutions of the Company. Capitalised terms not defined herein shall have the meanings ascribed to them in the circular of the Company dated 5 November 2024 (the “**Circular**”) of which this notice forms part.

NOTICE OF ANNUAL GENERAL MEETING

ORDINARY RESOLUTIONS

4. To consider and, if thought fit, pass with or without modification the following ordinary resolutions:

(A) **“THAT**

- (i) subject to paragraph (ii) below, the exercise by the Directors during the Relevant Period (as defined below) of all the powers of the Company to buy back or otherwise acquire the shares of HK\$0.10 each in the capital of the Company (the **“Shares”**) on The Stock Exchange of Hong Kong Limited (the **“Stock Exchange”**) or on any other stock exchange on which the Shares may be listed and recognised by the Securities and Futures Commission of Hong Kong and the Stock Exchange for this purpose, subject to and in accordance with all applicable laws and the requirements of the Rules Governing the Listing of Securities (the **“Listing Rules”**) on the Stock Exchange (as amended from time to time), be and is hereby generally and unconditionally approved;
- (ii) the aggregate number of Shares which are authorised to be bought back pursuant to the approval in paragraph (i) above shall not exceed 10% of the aggregate number of Shares in issue as at the date of passing of this resolution, and the said approval shall be limited accordingly; and
- (iii) for the purposes of this resolution:

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

- (a) the conclusion of the next annual general meeting of the Company;
- (b) the expiration of the period within which the next annual general meeting of the Company is required by the articles of association of the Company or any applicable laws to be held; and
- (c) the date on which the authority set out in this resolution is revoked or varied by an ordinary resolution of the Company in general meeting.”

(B) **“THAT**

- (i) subject to paragraph (iii) below, 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 additional Shares in the capital of the Company and to make or grant offers, agreements, options (including bonds, warrants, debentures, notes and other securities convertible into Shares) and rights of exchange or conversion which might require the exercise of such powers, be and is hereby generally and unconditionally approved;

NOTICE OF ANNUAL GENERAL MEETING

- (ii) the approval in paragraph (i) above shall authorise the Directors during the Relevant Period to make or grant offers, agreements, options (including bonds, warrants, debentures, notes and other securities convertible into Shares) and rights of exchange or conversion which might require the exercise of such powers after the end of the Relevant Period;
- (iii) the aggregate number of Shares allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) by the Directors pursuant to the approval granted in paragraph (i) above, otherwise than pursuant to or in consequence of:
 - (a) a Rights Issue (as defined below);
 - (b) the exercise of options under any share option scheme or similar arrangement for the time being adopted by the Company for the grant or issue to option holders of Shares;
 - (c) an issue of Shares upon the exercise of any rights of subscription or conversion attaching to any warrants, call options, convertible bonds, debentures or notes issued and may be issued by the Company; and/or
 - (d) any scrip dividend, and/or other similar arrangement provided for the allotment of Shares in lieu of the whole or part of a dividend on Shares in accordance with the articles of association of the Company from time to time,

shall not exceed 20% of the aggregate number of Shares in issue as at the date of passing of this resolution, and the said approval shall be limited accordingly; and

- (iv) for the purposes of this resolution:

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

- (a) the conclusion of the next annual general meeting of the Company;
- (b) the expiration of the period within which the next annual general meeting of the Company is required by the articles of association of the Company or any applicable laws to be held; and
- (c) the date on which the authority set out in this resolution is revoked or varied by an ordinary resolution of the Company in general meeting.

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“**Rights Issue**” means an offer of Shares open for a period fixed by the Directors to holders of Shares on the register of members of the Company on a fixed record date in proportion to their then holdings of such Shares (subject to such exclusions 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 any relevant jurisdiction, or the requirements of any recognised regulatory body or any stock exchange, in any territory outside Hong Kong).”

(C) “**THAT**

conditional upon the passing of the resolutions in Nos. 4(A) and 4(B) of this notice, the general mandate granted to the Directors to exercise the powers of the Company to allot, issue and otherwise deal with the Shares pursuant to the resolution in No. 4(B) of this notice be and is hereby extended by the addition thereto of an amount representing the aggregate number of Shares bought back or otherwise acquired by the Company pursuant to the authority granted to the Directors under the resolution in No. 4(A) of this notice, provided that such number shall not exceed 10% of the aggregate number of Shares in issue as at the date of passing of this resolution.”

5. “**THAT**

subject to and conditional upon, (i) the Listing Committee of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) granting approval for the listing of, and permission to deal in, the Consolidated Shares (as defined below) in issue and to be issued upon the Share Consolidation becoming effective; and (ii) the compliance with the relevant procedures and requirements under the applicable laws of the Cayman Islands and the Rules Governing the Listing of Securities on the Stock Exchange to effect the Share Consolidation (the “**Listing Rules**”), with effect from one clear Business Day immediately following the date on which this resolution is passed:

- (i) every twenty (20) existing issued and unissued ordinary share with par value of HK\$0.10 each in the share capital of the Company be consolidated (the “**Share Consolidation**”) into one (1) consolidated share of HK\$2.00 each (the “**Consolidated Shares**”), such Consolidated Shares shall rank pari passu in all respects with each other in accordance with the memorandum and articles of association of the Company;
- (ii) all fractional Consolidated Shares resulting from the Share Consolidation will be disregarded and will not be issued to the holders of the same but all such fractional Consolidated Shares will be aggregated and, if possible, sold for the benefit of the Company; and
- (iii) any one Director be and is hereby authorised to do all such acts and things and execute and deliver all such documents whether under the common seal of the Company or otherwise as may be necessary, desirable or expedient to carry out or give effect to any or all of the foregoing arrangements in respect of the Share Consolidation.”

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6. **“THAT**

subject to and conditional upon (i) the passing of the resolutions numbered 5 and 7 in this notice; (ii) the Share Consolidation becoming effective; and (iii) the Capital Reduction (as defined below) becoming effective, immediately following the Capital Reduction, each authorised but unissued Consolidated Shares will be subdivided into 200 authorised but unissued new shares (the **“New Shares”**) with a par value of HK\$0.01 each (the **“Sub-division”**), each of the New Shares arising from the Sub-division shall rank pari passu in all respects with each other and will have the rights and privileges and be subject to the restrictions as contained in the memorandum and the articles of association of the Company and any one Director be and is hereby authorised to do all such acts and things and execute and deliver all such documents whether under the common seal of the Company or otherwise as may be necessary, desirable or expedient to carry out or give effect to any or all of the foregoing arrangements in respect of the Sub-division.”

SPECIAL RESOLUTIONS

7. **“THAT**

subject to and conditional upon (i) the passing of the ordinary resolutions numbered 5 and 6 in this notice; (ii) the Share Consolidation becoming effective; (iii) the Grand Court of the Cayman Islands (the **“Court”**) granting an order confirming the Capital Reduction; (iv) the compliance with any terms and conditions which the Court may impose in relation to the Capital Reduction; (v) registration by the Registrar of Companies of the Cayman Islands of a copy of the order of the Court confirming the Capital Reduction and the minutes approved by the Court containing the particulars required under the Companies Act (as revised) of the Cayman Islands in respect of the Capital Reduction; and (vi) the Listing Committee of the Stock Exchange granting approval for the listing of, and permission to deal in, the New Shares arising from the Capital Reduction and the Sub-division:

- (i) (a) any fractional Consolidated Share in the issued share capital of the Company arising from the Share Consolidation will be cancelled; and (b) the issued share capital of the Company be reduced by the cancellation of the paid-up capital of the Company to the extent of HK\$1.99 per issued Consolidated Share (the **“Capital Reduction”**), so that following such reduction, the par value of each issued Consolidated Share shall be reduced from HK\$2.00 to HK\$0.01 each to become one New Share;
- (ii) the credit arising from the Capital Reduction will be applied towards offsetting the accumulated losses of the Company as at the effective date of the Capital Reduction, thereby reducing the accumulated losses of the Company;
- (iii) each of the New Shares arising from the Capital Reduction shall rank pari passu in all respects with each other and will have the rights and privileges and be subject to the restrictions as contained in the memorandum and the articles of association of the Company; and

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- (iv) any one Director be and is hereby authorised to agree the execution forms and execute all such documents on behalf of the Company for the purpose of making the necessary application(s) to the Court and to do all such acts and things and execute all such documents, which are ancillary to the Capital Reduction, on behalf of the Company, including under seal where applicable, as they may consider necessary or expedient to give effect to, implement and complete the Capital Reduction.”
8. “**THAT** in connection with the Capital Reorganisation:
- (i) the proposed amendments to the existing memorandum and articles of association of the Company (a copy of which will be produced to the AGM and marked “A” and initialled by the chairman of the AGM for the purpose of identification, and the same is also set out in Appendix III to the Circular (the “**Proposed Amendments**”) be and are hereby approved;
- (ii) the second amended and restated memorandum and articles of association of the Company (a copy of which will be produced to the AGM and marked “B” and initialled by the chairman of the AGM for the purpose of identification) be and is hereby approved and adopted in substitution for and to the exclusion of the existing memorandum and articles of association of the Company with effect immediately upon the Capital Reorganisation becoming effective;
- (iii) any Director and/or the registered office provider of the Company be and are hereby authorised to do all such acts and things and execute all such documents and make all such arrangements (including but not limited to making filings in the Cayman Islands and Hong Kong) as they shall, in their absolute discretion, deem necessary or expedient in connection with the implementation of or giving effect to the Proposed Amendments and the adoption of the second amended and restated memorandum and articles of association of the Company.”

By Order of the Board
Chaoda Modern Agriculture (Holdings) Limited
Kwok Ho
Chairman

Hong Kong, 5 November 2024

Notes:

1. Any member of the Company entitled to attend and vote at the Annual General Meeting is entitled to appoint one or more proxy(ies) to attend and, subject to the provisions of the articles of association of the Company, vote in his stead. A proxy needs not be a member of the Company.

NOTICE OF ANNUAL GENERAL MEETING

2. To be valid, a form of proxy for the Annual General Meeting, together with the power of attorney or other authority (if any) under which it is signed (or a notarially certified copy thereof) must be deposited at the Company's branch share registrar and transfer office in Hong Kong, Tricor Abacus Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong not later than 48 hours (excluding any part of a day that is a public holiday in Hong Kong) before the time appointed for holding the Annual General Meeting (that is, by Wednesday, 11 December 2024 at 10:30 a.m.) or any adjournment thereof. Delivery of the form of proxy shall not preclude a member of the Company from attending and voting in person at the Annual General Meeting and, in such event, the instrument appointing a proxy shall be deemed to be revoked.
3. Where there are joint registered holders of any Share, any one of such persons may vote at the Annual General Meeting, either personally or by proxy, in respect of such Share as if he were solely entitled thereto, but if more than one of such joint registered holders are present at the Annual General Meeting personally or by proxy, then one of the registered holders so present whose name stands first in the register of members of the Company in respect of such Share, or his proxy, shall alone be entitled to vote and will be accepted to the exclusion of other joint registered holders in respect thereof.
4. To ascertain the eligibility of the members of the Company to attend and vote at the forthcoming Annual General Meeting, the register of members of the Company will be closed from Tuesday, 10 December 2024 to Friday, 13 December 2024 (both days inclusive), during which period no transfer of Shares will be registered. All properly completed transfer documents accompanied by the relevant share certificates must be lodged for registration with the Company's branch share registrar and transfer office in Hong Kong, Tricor Abacus Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, not later than 4:30 p.m. (Hong Kong time) on Monday, 9 December 2024.
5. At the Annual General Meeting, the Chairman of the Annual General Meeting will exercise his power under Article 80 of the articles of association of the Company to put any resolution to be proposed at the meeting to a vote by way of poll as required under the Listing Rules. The poll results will be published on the websites of the Company and the Stock Exchange in accordance with the Listing Rules.
6. As regards the resolutions in No. 2 of this notice, the biographical details of the retiring directors proposed for re-election are set out in Appendix I to the circular of the Company dated 5 November 2024 (the "**Circular**").
7. As regards the resolution in No. 4(A) of this notice, the directors of the Company wish to state that they will exercise the powers conferred thereby to buy back Shares in circumstances which they deem appropriate for the benefit of the members of the Company. An explanatory statement containing the information necessary to enable the shareholders of the Company to make an informed decision to vote on the resolution in No. 4(A) as required under the Listing Rules is set out in Appendix II to the Circular of which this notice forms part.
8. As regards the resolutions in Nos. 4(B) and 4(C) of this notice, approval is being sought from members of the Company for the grant to the Directors of a general mandate to authorise the allotment and issue of Shares. The Directors have no immediate plans to issue any new Shares other than Shares which may fall to be issued upon exercise of the subscription rights attached to the options granted under the share option scheme of the Company or any scrip dividend scheme which may be approved by members of the Company.

As at the date hereof, the board of directors of the Company comprises:

Executive directors : *Mr. Kwok Ho and Mr. Kuang Qiao*

Non-executive director : *Mr. Ip Chi Ming*

Independent non-executive directors : *Mr. Fung Chi Kin, Mr. Tam Ching Ho, Professor Lin Shun Quan and Ms. Li Ying*