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(Continued into Bermuda with limited liability)

(Stock Code: 8166)

DISCLOSEABLE TRANSACTION IN RELATION TO DISPOSALS OF LISTED SECURITIES

The Board wishes to announce that during the period from 22 June 2021 to 13 April 2022, the Group has disposed of the Sale Shares, being an aggregate of 185,000 United Strength, on the open market for the Consideration of HK\$2,140,250 (before transaction costs).

As one of the applicable percentage ratios (as defined in the GEM Listing Rules) of the Disposals, when aggregated, is more than 5% but less than 25%, the Disposals constitute a discloseable transaction of the Company and are subject to the reporting and announcement requirements pursuant to Chapter 19 of the GEM Listing Rules.

THE DISPOSALS

The Board wishes to announce that during the period from 22 June 2021 to 13 April 2022, the Group has disposed of the Sale Shares, being an aggregate of 185,000 United Strength, on the open market for the Consideration of HK\$2,140,250 (before transaction costs).

The prices at which the Disposals were made based on the prevailing market prices of United Strength Shares as quoted on the Stock Exchange at the relevant times of the Disposals. As the Disposals were conducted on the open market, the identities of the counterparties to each of the Disposals or their respective principal business activities could not be ascertained and were unknown to the Group. To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, each of the counterparties and their respective ultimate beneficial owners is a third party independent of and not connected with the Company and its connected persons.

Upon the completion of the Disposals, the Group holds 35,000 of United Strength Shares. The Group may continue to dispose of the remaining United Strength Shares held by the Group. The Company will comply with the applicable requirements of the GEM Listings Rules in respect of any further disposal of it if and when required.

Disposed assets

The Sale Shares, representing approximately 0.049% of the issued share capital of United Strength as at the date of this announcement.

Consideration

The Consideration of the Sale Shares were HK\$2,140,250 (before transaction costs), which were received in cash on settlement. The average selling price is approximately HK\$11.57 per United Strength Share. The Consideration represented the market price of United Strength Shares at the time of the Disposals.

FINANCIAL EFFECT OF THE DISPOSALS

Subject to audit, the Group expects to recognise an unaudited gain from the Disposals (before transaction costs) of approximately HK\$503,600, which is calculated on the basis of (i) the carrying amount of the Sale Shares of approximately HK\$1,636,650; and (ii) the Consideration of HK\$2,140,250.

INFORMATION ON UNITED STRENGTH

United Strength is a company incorporated in Cayman Islands with limited liability and listed on the Stock Exchange (stock code: 2337). United Strength and its subsidiaries are principally engaged in the retail sale of refined oil and natural gas by operating refuelling stations and storage facilities, wholesale of refined oil and the provision of transportation of petroleum and natural gas services.

The financial information extracted from the audited financial statements of United Strength for the two financial years ended 31 December 2021 and 31 December 2020 is as follows:

	Year ended 31 December 2021 Audited (RMB\$'000)	Year ended 31 December 2020 Audited (RMB\$'000)
Revenue	5,830,081	3,481,322
Profit before taxation	252,124	170,814
Profit for the year	181,924	124,363
Net assets	448,661	285,109

REASONS FOR AND BENEFITS OF THE DISPOSALS AND USE OF PROCEEDS

The Group is principally engaged in the business of one-stop value chain services, property investment, trading of consumable and agricultural products, trading of grocery food products, provision of money lending services and provision of financial services.

Based on the recent market prices of United Strength Shares, the Directors are of the view that the Disposals represented an opportunity to realise the Company's investments in the Sale Shares so as to enhance the cash flow of the Group. As the Disposals were conducted in the open market, the Directors consider that the Disposals are fair and reasonable and the Disposals are in the interests of the Company and its Shareholders as a whole.

The Directors expect that the net proceeds from the Disposals of approximately HK\$2.13 million will be used for the general working capital of the Group.

IMPLICATIONS UNDER THE GEM LISTING RULES

As one of the applicable percentage ratios (as defined in the GEM Listing Rules) of the Disposals, when aggregated, is more than 5% but less than 25%, the Disposals constitute a discloseable transaction of the Company and are subject to the reporting and announcement requirements pursuant to Chapter 19 of the GEM Listing Rules.

DEFINITIONS

In this announcement, unless the context otherwise requires, capitalised terms used shall have the following meanings:

“Board”	the board of Directors
“Company”	China Eco-Farming Limited, a company continued into Bermuda with limited liability, the shares of which are listed on GEM
“Consideration”	the aggregate of HK\$2,140,250 received from the Disposals
“Director(s)”	the director(s) of the Company
“Disposals”	the disposals of the Sale Shares during the period from 22 June 2021 to 13 April 2022 at the Consideration

“GEM”	the GEM of the Stock Exchange
“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM
“Group”	collectively, the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Sale Shares”	a total of 185,000 United Strength Shares being disposed of under the Disposals
“Shareholder(s)”	holder(s) of the Share(s)
“Shares”	ordinary shares of HK\$0.01 each of the share capital of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“United Strength”	United Strength Power Holdings Limited, a company incorporated in Cayman Islands as an exempted company with limited liability, the issued shares of which are listed on Main Board of the Stock Exchange (Stock code: 2337)
“United Strength Share(s)”	share(s) in the issued shares capital of United Strength
“HK\$”	Hong Kong dollar(s), the lawful currency of Hong Kong
“%”	per cent.

By Order of the Board
China Eco-Farming Limited
Liu Chun Fai
Chairman & Executive Director

Hong Kong, 26 April 2022

As at the date of this announcement, the executive Directors of the Company are Mr. Liu Chun Fai (Chairman), Mr. Tin Ka Pak, Timmy (Chief Executive Officer), Mr. So David Tat Man and Mr. Ng Cheuk Fan, Keith; the independent non-executive Directors of the Company are Mr. Yick Ting Fai, Jeffrey, Mr. Zhang Min and Ms. Yuen Wai Man.

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 Company's website at <http://www.aplushk.com/clients/8166chinaeco-farming/index.html> and the "Latest Listed Company Information" page of the GEM website for at least 7 days from the date of its publication.