

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



(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 7 March 2023 to 3 August 2023, the Group has disposed of the Sale Shares, being an aggregate of 4,504,000 Excalibur Shares, on the open market for the Consideration of HK\$854,712 (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 7 March 2023 to 3 August 2023, the Group has disposed of the Sale Shares, being an aggregate of 4,504,000 Excalibur Shares, on the open market for the Consideration of HK\$854,712 (before transaction costs).

The prices at which the Disposals were made based on the prevailing market prices of Excalibur 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 8,408,000 Excalibur Shares. The Group may continue to dispose of the remaining Excalibur 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 0.56% of the issued share capital of Excalibur as at the date of this announcement.

Consideration

The Consideration of the Sale Shares were HK\$854,712 (before transaction costs), which were received in cash on settlement. The average selling price is approximately HK\$0.1898 per Excalibur Share. The Consideration represented the market price of Excalibur 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\$179,112, which is calculated on the basis of (i) the carrying amount of the Sale Shares of approximately HK\$675,600; and (ii) the Consideration of HK\$854,712.

INFORMATION ON EXCALIBUR

Excalibur is a company incorporated in Cayman Islands with limited liability and listed on the GEM Board of the Stock Exchange (stock code: 8350). Excalibur and its subsidiaries are principally engaged in provision of brokerage services for futures, securities and options traded on the exchanges in Hong Kong, the United States, Japan, Singapore and the United Kingdom. Excalibur also provides margin financing and money lending business in Hong Kong.

The financial information extracted from the audited financial statements of Excalibur for the two financial years ended 31 December 2022 and 31 December 2021 is as follows:

	Year ended 31 December 2022 Audited (HK\$'000)	Year ended 31 December 2021 Audited (HK\$'000)
Revenue	7,022	6,603
Loss before tax	(14,384)	(23,069)
Loss for the year	(12,740)	(20,167)
Net (Liabilities) Assets	(1,256)	11,484

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 Excalibur 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\$851,000 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 issued shares of which are listed on GEM Board of the Stock Exchange (stock code: 8166)
“Consideration”	the aggregate of HK\$854,712 received from the Disposals
“Director(s)”	the director(s) of the Company
“Disposals”	the disposals of the Sale Shares during the period from 7 March 2023 to 3 August 2023 at the Consideration
“Excalibur”	Excalibur Global Financial Holdings Limited, a company incorporated in Cayman Islands with limited liability, the issued shares of which are listed on GEM Board of the Stock Exchange (stock code: 8350)
“Excalibur Share(s)”	share(s) in the issued shares capital of Excalibur
“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 4,504,000 Excalibur Shares being disposed of under the Disposals
“Shareholders”	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
“HK\$”	Hong Kong dollar(s), the lawful currency of Hong Kong
“%”	per cent

CONTINUED SUSPENSION OF TRADING

Trading in the Company’s shares on the Stock Exchange, which was suspended with effect from 9:00 a.m. on 3 April 2023 remains suspended and will continue to be so until further notice.

Shareholders and potential investors of the Company are advised to exercise caution when dealing in the securities of the Company.

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

Hong Kong, 3 August, 2023

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

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.chinaeco-farming.com> and the “Latest Listed Company Information” page of the HKEx website at www.hkexnews.hk for at least 7 days from the date of its publication.