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(Continued into Bermuda with limited liability)

(Stock Code: 8166)

(I) FORMATION OF JOINT VENTURE;

(II) THE TRADEMARK LICENCE AGREEMENT;

**(III) CONTINUING CONNECTED TRANSACTION
THE SOLE DISTRIBUTION AGREEMENT;**

(IV) THE SHAREHOLDER LOAN AGREEMENT; AND

**(V) CONNECTED TRANSACTION
THE LOAN AGREEMENT**

FORMATION OF JOINT VENTURE

The Board is pleased to announce that on 4 February 2016 (after trading hours), Maxford Wealth, a wholly-owned subsidiary of the Company entered into the JV Agreement with Ms. Yoo (the spouse of Mr. Chan), Mr. Chan and the JV Company. Pursuant to the JV Agreement, Ms. Yoo and Mr. Chan shall procure Chan Kee to enter into the Trademark Licence Agreement and the Sole Distributorship Agreement with the JV Company, for the sole and exclusive sale and distribution of the Products within the Territories.

Upon the formation of the JV Company, the equity of the JV Company is held as to 51% by Maxford Wealth and 49% by Mr. Yoo. It is expected the JV Company will become a non-wholly owned subsidiary of the Company.

THE TRADEMARK LICENCE AGREEMENT AND THE SOLE DISTRIBUTORSHIP AGREEMENT

Following the formation of the JV Company, on 4 February 2016 (after trading hours), the JV Company and Chan Kee (a company held as to 90% by Mr. Chan) entered into the Trademark Licence Agreement and the Sole Distributorship Agreement.

Pursuant to the Trademark Licence Agreement and the Sole Distributorship Agreement, Chan Kee has agreed (i) to appoint the JV Company as its sole and exclusive distributor for promoting, marketing, distribution and sale or resale of the Products in the Territories, which the Products shall be supplied and sold to retailers including but not limited to supermarkets for retail distribution and (ii) to grant the JV Company exclusive licence and right to utilise the Trademark(s) and Tradenames in the Territories on and subject to the terms as set out in the Trademark Licence Agreement.

As at the date of this announcement, the equity of the JV Company is held as to 51% by Maxford Wealth and 49% by Ms. Yoo, Mr. Chan (the spouse of Ms. Yoo) and Chan Kee are therefore connected persons of the Company at subsidiary level under Rule 20.06(9) of the GEM Listing Rules and the sale and distribution of Products contemplated under the Sole Distributorship Agreement constitute continuing connected transactions of the Company subject to the reporting, announcement and annual review requirements but exempted from the circular, independent financial advice and shareholders' approval requirements in accordance with to Rule 20.99 of the GEM Listing Rules.

THE SHAREHOLDER LOAN AGREEMENT

On 4 February 2016 (after trading hours), the JV Company and Maxford Wealth, a wholly-owned subsidiary of the Company entered into the Shareholder Loan Agreement pursuant to which Maxford Wealth as the lender has agreed to advance the JV Company and the JV Company as the borrower will borrow from Maxford Wealth, a loan in the total sum of HK\$11,000,000 with a fixed rate of 5% per annum.

CONNECTED TRANSACTION – LOAN AGREEMENT

On 4 February 2016 (after trading hours), the JV Company, a non wholly-owned subsidiary of the Company, Chan Kee, Ms. Yoo and Mr. Chan entered into the Loan Agreement pursuant to which the JV Company has agreed to lend, and Chan Kee has agreed to borrow, the Loans in an total amount of HK\$6,000,000 with a term of 36 months.

Upon the formation of the JV Company, the JV Company is owned as to 51% by Maxford Wealth and 49% by Ms. Yoo. Chan Kee, which is owned as to 90% by Mr. Chan (the spouse of Ms. Yoo) is therefore a connected person of the Company at subsidiary level and the Loans constitutes a connected transaction of the Company under Chapter 20 of the GEM Listing Rules but exempted from the circular, independent financial advice and shareholders' approval requirements in accordance with Rule 20.99 of the GEM Listing Rules.

(I) THE FORMATION OF JOINT VENTURE

The Board is pleased to announce that on 4 February 2016 (after trading hours), Maxford Wealth, a wholly-owned subsidiary of the Company entered into the JV Agreement with Ms. Yoo (the spouse of Mr. Chan), Mr. Chan and the JV Company. Pursuant to the JV Agreement, Ms. Yoo and Mr. Chan shall procure Chan Kee to enter into the Trademark Licence Agreement and the Sole Distributorship Agreement with the JV Company, for the sole and exclusive sale and distribution of the Products within the Territories. Further, the JV Company, Chan Kee, Mr. Chan and Ms. Yoo shall also enter into the Shareholder Loan Agreement and Loan Agreement.

Pursuant to the JV Agreement, the Parties (as defined below) have agreed to make provision for the management and administration of the JV Company's organizational matters, and set out their respective obligations and rights on the terms and conditions set in the JV Agreement.

THE JV AGREEMENT

Date 4 February 2016 (after trading hours)

Parties

- (i) Maxford Wealth, a company incorporated in the British Virgin Islands and is a wholly-owned subsidiary of the Company
- (ii) Ms. Yoo
- (iii) Mr. Chan, as the guarantor
- (iv) The JV Company, a company incorporated in Hong Kong with limited liability

(collectively, the "**Parties**")

Mr. Chan, as the guarantor, unconditionally and irrevocably guarantees to Maxford Wealth the due and punctual performance and observance by Ms. Yoo of all its obligations, commitments, undertakings, warranties and representations under or pursuant to the JV Agreement.

Pursuant to the JV Agreement, Ms. Yoo and Mr. Chan shall procure Chan Kee to enter into the (i) Sole Distributorship Agreement under which Chan Kee shall appoint the JV Company as its sole and exclusive distributor for the sale and distribution of the Products within the territories of Hong Kong, Macau and Taiwan (collectively “**Territories**”) and (ii) a Trademark Licence Agreement with the Company which Chan Kee shall grant the Company a licence to utilise its Trademarks and Tradenames for the purpose of distribution and sale of the Products in the Territories.

Upon the formation of the JV Company, the equity of the JV Company is held as to 51% by Maxford Wealth and 49% by Mr. Yoo. It is expected the JV Company will become a non-wholly owned subsidiary of the Company.

Issued share capital of the JV Company

The issued share capital of the JV Company is HK\$10,000 with 10,000 issued ordinary shares of the JV Company.

Board composition and board resolutions

Pursuant to the JV Agreement, the board of directors of the JV Company shall comprise of 3 directors, of which 2 directors shall be appointed by Maxford Wealth and 1 director shall be appointed by Ms. Yoo.

(II) THE TRADEMARK LICENCE AGREEMENT AND (III) THE SOLE DISTRIBUTORSHIP AGREEMENT

Following the formation of the JV Company, on 4 February 2016 (after trading hours), the JV Company and Chan Kee (a company held as to 90% by Mr. Chan) entered into the Trademark Licence Agreement and the Sole Distributorship Agreement.

Pursuant to the Trademark Licence Agreement and the Sole Distributorship Agreement, Chan Kee has agreed (i) to appoint the JV Company as its sole and exclusive distributor for promoting, marketing, distribution and sale or resale of the Products in the Territories, which the Products shall be supplied and sold to retailers including but not limited to supermarkets for retail distribution and (ii) to grant the JV Company exclusive licence and right to utilise the Trademark(s) and Tradenames in the Territories on and subject to the terms as set out in the Trademark Licence Agreement.

Prices

In consideration of the rights and licences granted to the JV Company under the Trademark Licence Agreement, the JV Company will pay to Chan Kee HK\$1. Pursuant to the Sole Distributorship Agreement, and the JV Agreement, Maxford Wealth shall determine the wholesale prices for the sale of the Products to the retailers (“**Wholesale Prices**”). Ms. Yoo shall procure Chan Kee to fully and frankly disclose the cost of purchasing the Products from the respective manufacturers/suppliers to the JV Company on a periodic basis in accordance with the terms of the Sole Distributorship Agreement (“**Production Costs**”). The Wholesale Prices of the Products may be adjusted and agreed in writing between the Parties from time to time with reference to the prevailing market value of the products which are similar in nature to the Products or the Production Costs.

Pursuant to the Sole Distributorship Agreement, the Production Costs shall be equal to 1.05 times of the purchase price of Products to be paid by Chan Kee to the manufacturer/supplier of the Products.

Term and termination

Both the Trademark Licence Agreement and the Sole Distributorship Agreement shall have a term of three years commencing on the Effective Date, unless terminated earlier upon six-month prior written notice by either party.

Proposed annual caps

The Directors anticipate that the aggregate annual fee payable by the JV Company to Chan Kee under the Sole Distributorship Agreement shall not exceed HK\$25 million, HK\$35 million) and HK\$40 million for the years ending 31 December 2016, 31 December 2017 and 31 December 2018, respectively. These annual caps have been estimated by the Directors (i) by reference to the Group’s estimated demand for supply of Products for each of the years ending 31 December 2016, 31 December 2017 and 31 December 2018, respectively; (ii) by reference to expected expansion on variety of Products; and (iii) on the assumption that the sourcing costs for the Products will increase at an annual inflation rate of 4%.

Reasons for and benefits for entering into the JV Agreement, the Trademark Licence Agreement and the Sole Distributorship Agreement

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

Reference is made to the announcements of the Company on 28 October 2015 and 30 November 2015. The Company has completed the acquisition of 70% of the entire issued share capital of YIHE Enterprise Holding Limited and has commenced its grocery food business.

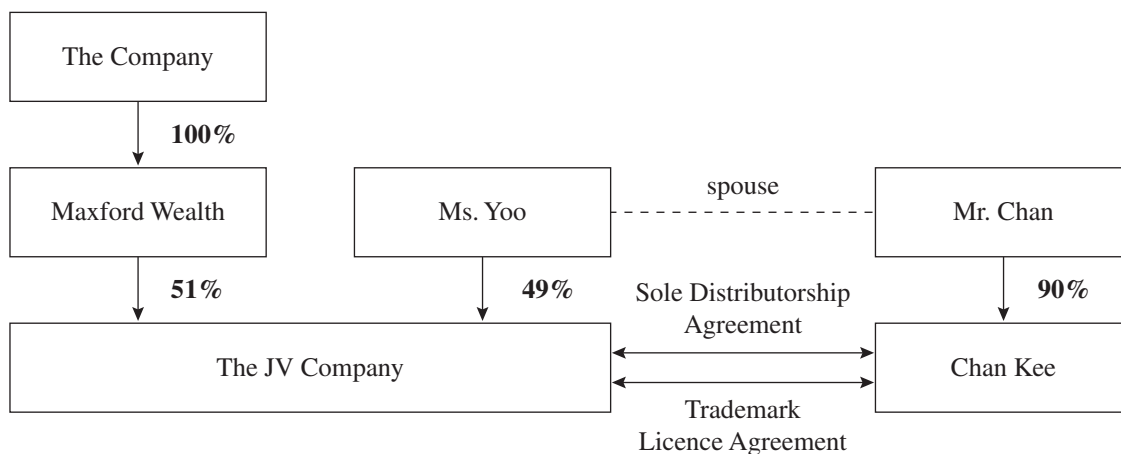
The Directors are of the view that entering into the JV Agreement, Trademark Licence Agreement and Sole Distributorship Agreement could increase revenue to the grocery food business of the Group. The Directors are also of the view that the provision of the Products could create synergy effect and opportunities with the existing business of the Group and to further expand and develop its scope of business.

The Directors (including the independent non-executive Directors) are of the view that the transactions contemplated under the JV Agreement, Trademark Licence Agreement and the Sole Distributorship Agreement have been entered on normal commercial terms, and that the terms of JV Agreement, Trademark Licence Agreement, the Sole Distributorship and the annual caps are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

None of the Directors have any material interest in the transactions contemplated under the JV Agreement, the Trademark Licence Agreement and the Sole Distributorship Agreement.

Shareholding Structure of the JV Company

Set out below are the shareholdings of the JV Company immediately after the formation of the JV Company, the Trademark Licence Agreement and the Sole Distributorship Agreement:



Listing Rules Implication

As at the date of this announcement, the equity of the JV Company is held as to 51% by Maxford Wealth and 49% by Ms. Yoo. Mr. Chan (the spouse of Ms. Yoo) and Chan Kee are therefore connected persons of the Company at the subsidiary level under Rule 20.06(9) of the GEM Listing Rules and the distribution of Products contemplated under the Sole Distributorship Agreement constitute continuing connected transactions of the Company subject to the reporting, announcement and annual review requirements.

As (i) the Sole Distributorship Agreement and the transactions contemplated thereunder constitute connected transactions between the Company and connected persons at the subsidiary level of the Company on normal commercial terms; (ii) the Board has approved the Sole Distributorship Agreement and the transactions contemplated thereunder; and (iii) the independent non-executive Directors have confirmed that the terms of the Sole Distributorship Agreement and the transactions contemplated thereunder are fair and reasonable, the Sole Distributorship Agreement and the transactions contemplated thereunder are on normal commercial terms and in the interests of the Company and the shareholders of the Company as a whole, the Sole Distributorship Agreement and the transactions contemplated thereunder are subject to the reporting and announcement requirements but exempted from the circular, independent financial advice and shareholders' approval requirements in accordance with Rule 20.99 of the GEM Listing Rules.

(IV) THE SHAREHOLDER LOAN AGREEMENT

On 4 February 2016 (after trading hours), the JV Company and Maxford Wealth, a wholly-owned subsidiary of the Company entered into the Shareholder Loan Agreement pursuant to which Maxford Wealth as the lender has agreed to advance to the JV Company and the JV Company as the borrower will borrow from Maxford Wealth, a loan in the total sum of HK\$11,000,000 with a fixed rate of 5% per annum (the "**Shareholder Loan**").

The Shareholder Loan will be utilised by the JV Company as (i) a sum of HK\$5,000,000 of the Shareholder Loan shall be applied and utilised by the JV Company as capital for its business operation and (ii) the balance of the Shareholder Loan in the sum of HK\$6,000,000 shall be advanced as a loan by the JV Company to Chan Kee subject to the terms and conditions of the Loan Agreement set out in below.

Maxford Wealth shall have the overriding right to demand the immediate repayment/payment of the Shareholder Loan and all outstanding accrued interest at any time and the JV Company shall fully repay to Maxford Wealth the same upon such demand by Maxford Wealth.

(V) THE LOAN AGREEMENT

- Date** 4 February 2016 (after trading hours)
- Parties**
- (i) The JV Company, a company incorporated in Hong Kong with limited liability, as the (“**Lender**”)
 - (ii) Chan Kee, a company incorporated in Hong Kong with limited liability, as the (“**Borrower**”)
 - (iii) Mr. Chan, as the guarantor
 - (iv) Ms. Yoo, as the guarantor

Loan Amount

Loan A (HK\$3,000,000) and Loan B (HK\$3,000,000) with a total sum of HK\$6,000,000 (collectively, the “**Loans**”).

The Lender shall advance the Loans to the Borrower in the following manners: (i) on the date of the Loan Agreement or as soon as practicable, the Lender shall advance Loan A to the Borrower; and (ii) subject to the Lender generating a minimum revenue of HK\$3,000,000 within the first three months immediately from the date of the Loan Agreement (“**Minimum Revenue**”), the Lender shall advance Loan B to the Borrower as soon as practicable after the Lender produces evidence of achievement of the Minimum Revenue to the satisfaction of the Lender.

Term

The Borrower shall fully repay the principal sum of Loan A and pay the interest accrued thereon to the Lender in the following manners:

- (a) on the date falling on 12 months after drawdown of Loan A: HK\$1,143,155;
- (b) on the date falling on 24 months after drawdown of Loan A: HK\$1,143,155;
- (c) on the date falling on 36 months after drawdown of Loan A: HK\$1,143,155.

The Borrower shall fully repay the principal sum of Loan B and pay the interest accrued thereon to the Lender in the following manners:

- (a) on the date falling on 12 months after drawdown of Loan B: HK\$1,143,155;
- (b) on the date falling on 24 months after drawdown of Loan B: HK\$1,143,155;
- (c) on the date falling on 36 months after drawdown of Loan B: HK\$1,143,155.

Interest Rate

The Loans bear simple interest which shall accrue from day to day on the outstanding amount of the Loans at the fixed rate of 7% per annum.

Guarantee and Indemnity

The guarantors of the Loan Agreement unconditionally and irrevocably, jointly and severally guarantee to the Lender the due and punctual performance and observance by the Borrower of all its obligations, commitments, undertakings, warranties and representations under or pursuant to the Loan Agreement (including without limitation the repayment of the Loan in accordance with the terms hereunder) so that if the Borrower defaults in performing or complying with any of such obligations, the guarantors of the Loan Agreement shall make good such default on demand from the Lender and/or its authorised person(s) and a demand may be made at any time and from time to time.

The guarantors of the Loan Agreement jointly and severally undertake and agree that they will indemnify and keep indemnified the lender in respect of all losses, costs and expenses sustained by the Lender by reason or in consequence of any default by the borrower in respect of any such obligations, commitments, undertakings, warranties and representations.

Event of Defaults

The Loans will become immediately repayable in the following events of default:

- (i) any representation, warranty or statement made by the Borrower in the Loan Agreement or in any notice or other document delivered under or pursuant to the Loan Agreement is or proves to have been incorrect or misleading when made or repeated;

- (ii) the Borrower fails to perform or comply with any of its obligations under the Loan Agreement and, if that failure is capable of remedy and is not a failure to pay money, does not remedy such failure to the Lender's satisfaction within 14 days after receipt of notice from the Lender requiring it to do so;
- (iii) any other indebtedness of the Borrower or any material indebtedness relating to borrowed money of the borrower is not paid when due, is declared to be or otherwise becomes due and payable prior to its specified maturity or any encumbrance over any of its assets in respect of such indebtedness is or becomes enforceable;
- (iv) any litigation, administrative or arbitration proceeding is current, pending or threatened against the Borrower or its subsidiaries which proceedings the Lender in its reasonable opinion considers to have or likely to have a material adverse effect on the Borrower;
- (v) the Borrower is insolvent or unable to pay its debts as they fall due, suspends or threatens to suspend payment of all or a material part of its indebtedness, commences negotiations with any one or more of its creditors with a view to the general readjustment or rescheduling of its indebtedness or makes a general assignment, an arrangement or a composition with or for the benefit of the relevant creditors;
- (vi) a creditor takes possession of or any execution, distress, attachment or other legal process is levied, enforced or sued out on or against the whole or any part of the assets of the Borrower;
- (vii) the Borrower ceases or threatens to cease to carry on its business or a substantial part of it;
- (viii) the Loan Agreement or any of its provisions ceases for any reason to be valid, binding or enforceable or it becomes impossible or unlawful for the Borrower to perform or comply with any of its obligations under the Loan Agreement or for the Lender to exercise all or any of its rights, powers and remedies under the Loan Agreement;
- (ix) any event or circumstance arises which the Lender considers to have reasonable grounds for believing that a material adverse effect has occurred on the Borrower;
- (x) any consent obtained for the performance by the Borrower of its obligations under the Loan Agreement is withdrawn or otherwise ceases to be in full force and effect; and
- (xi) a petition is presented, a proceeding is commenced, an order is made, an effective resolution is passed for or any step is taken by any person with a view to the winding-up of the Borrower.

Reasons for and benefits for entering into the Loan Agreement

The terms of the Loan Agreement, including the applicable interest rate and repayment term, were agreed by the parties of the Loan Agreement after arm's length negotiations having taken into account the prevailing market interest rates and practices.

Taking into account that (i) provision of the Loans to Chan Kee will provide it with addition working capital to expand the sourcing of grocery products so as to the JV Company may also benefit from it; and (ii) the interest income generated from the grant of the Loans, the Directors consider that the terms of the Loan Agreement are on normal commercial terms and are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

None of the Directors have any material interest in the transactions contemplated under the Loan Agreement.

Listing Rules Implication

Upon the formation of the JV Company, the JV Company is owned as to 51% by Maxford Wealth and 49% by Ms. Yoo. Chan Kee, which is owned as to 90% by Mr. Chan (the spouse of Ms. Yoo) is therefore a connected person of the Company at subsidiary level and the Loans constitutes a connected transaction of the Company under Chapter 20 of the GEM Listing Rules.

As (i) the Loan Agreement and the transactions contemplated thereunder constitute connected transactions between the Company and connected persons at the subsidiary level of the Company on normal commercial terms; (ii) the Board has approved the Loan Agreement and the transactions contemplated thereunder; and (iii) the independent non-executive Directors have confirmed that the terms of the Loan Agreement and the transactions contemplated thereunder are fair and reasonable, the Loan Agreement and the transactions contemplated thereunder are on normal commercial terms and in the interests of the Company and the shareholders of the Company as a whole, the Loan Agreement and the transactions contemplated thereunder are subject to the reporting and announcement requirements but exempted from the circular, independent financial advice and shareholders' approval requirements in accordance with Rule 20.99 of the GEM Listing Rules.

INFORMATION OF CHAN KEE, MR. CHAN AND MS. YOO

Chan Kee Holdings Limited, a a company held as to 90% by Mr. Chan, is a company incorporated in Hong Kong with limited liability, and is the owner of the brand name/trade name and goodwill of "Nittin" and "日丁" which specializes in the distribution and sale of various products being ramen and udon noodles.

Ms. Yoo, who owns 49% of the issued share capital of the JV Company, is the spouse of Mr. Chan.

DEFINITIONS

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

“Board”	the board of Directors
“Chan Kee”	Chan Kee Holdings Limited, a company incorporated in Hong Kong with limited liability, is the owner of the brand name/trade name and goodwill of “Nittin” and “日丁” which specializes in the distribution and sale of various products being ramen and udon noodles.
“Company”	China Eco-Farming Limited, a company continued into Bermuda with limited liability, the shares of which are listed on GEM
“Director(s)”	the director(s) of the Company
“Effective Day”	The date of the Trademark Licence Agreement and the Sole Distributorship Agreement, being 4 February 2016
“GEM Listing Rules”	the Rules Governing the Listing of Securities on the Growth Enterprise Market of the Stock Exchange
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“JV Agreement”	The joint venture agreement dated 4 February 2016 entered into between the Maxford Wealth, Ms. Yoo, Mr. Chan and the JV Company
“JV Company”	Right Ocean Asia Limited, a company incorporated in Hong Kong with limited liability, which is owned as to 51% by Maxford Wealth and 49% by Ms. Yoo at the date of this announcement
“Loan Agreement”	the loan agreement dated 4 February 2016 entered into between the JV Company, Chan Kee, Mr. Chan and Ms. Yoo in relation to the loan with a total sum of HK\$6,000,000.

“Maxford Wealth”	Maxford Wealth Limited, a company incorporated in the British Virgin Islands with limited liability, and is a wholly-owned subsidiary of the Company
“Mr. Chan”	Mr. Chan Yung Chin, who owns 90% of the issued share capital of Chan Kee
“Ms. Yoo”	Ms. Yoo Young Jun, the spouse of Mr. Chan
“Products”	packaged ramen and udon noodles products distributed and sold with the brand name/tradename “NITTIN” and “日丁”
“Share(s)”	ordinary share(s) of HK\$0.02 each in the issued share capital of the Company as at the date of this announcement
“Shareholder(s)”	holder(s) of the Share(s)
“Shareholder Loan Agreement”	the shareholder loan agreement dated 4 February 2016 entered into between Maxford Wealth and the the JV Company in relation to the shareholder loan with a total sum of HK\$11,000,000.
“Sole Distributorship Agreement”	the sole distributorship agreement dated 4 February 2016 entered into between Chan Kee and the JV Company in relation to the sale and distribution of the Products within the Territories
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Territories”	The territories of Hong Kong, Macau and Taiwan
“Trademarks”	trademark of “NITTIN” and “日丁” registered at the Trade Marks Registry (Trade Mark No.:301432638; Class No.: 30) and such trademarks (including without limitation all such trademarks related to “NITTIN”/“日丁”) licensed by Chan Kee for the use of the JV Company in connection with distribution and sale of the Products in the Territories or otherwise in accordance with the terms and conditions set out in the JV Agreement

“Trademark Licence Agreement”	the trademark licence agreement dated 4 February 2016 entered into between Chan Kee and the the JV Company in relation to the Trademarks and Tradenames for the purpose of distribution and sale of the Products in the Territories
“Tradenames”	Means “NITTIN” and “日丁”
“HK\$”	Hong Kong dollar(s), the lawful currency of Hong Kong
“%”	per cent.

By Order of the Board
China Eco-Farming Limited
So David Tat Man
Executive Director

Hong Kong, 4 February 2016

As at the date of this announcement, the executive directors of the Company are Mr. So David Tat Man, Mr. Lai Yick Fung and Mr. Au Yeung Po Leung; and the independent non-executive directors of the Company are Mr. Ng Cheuk Fan, Keith, 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.aplushk.com/clients/8166chinaeco-farming/index.html> and the “Latest Company Announcements” page of the GEM website for at least 7 days from the date of its publication.