

[For Immediate Release]



Chaoda Modern Agriculture (Holdings) Ltd.
超大現代農業（控股）有限公司

Chaoda Modern Agriculture (Holdings) Limited
announces 2006/07 Annual Results

Highlights:

- Turnover increased 38% to RMB 3,850 million
- Profit from operations increased 35% to RMB 2,008 million
- Profit attributable to shareholders (excluding changes in fair value of biological assets and convertible bonds) increased 51% to RMB1,831 million
- Earnings per share (diluted) increased from RMB 0.56 to RMB 0.71
- A final dividend of HK\$0.056 per share and bonus shares issue of one new share for every 80 existing shares was proposed

Hong Kong, October 16, 2007 – Chaoda Modern Agriculture (Holdings) Limited (the “Group” or “Chaoda”, HKSE: 682), a modern integrated farming enterprise engaged in the production and distribution of ecologically grown vegetables, today announced its annual results for the year ended June 30, 2007.

During the year under review, the Group continued to achieve remarkable results. Both turnover and profit attributable to shareholders (excluding changes in fair value of biological assets and convertible bonds) posted strong growth and reached RMB 3,850 million and RMB 1,831 million, representing an increase of 38% and 51% respectively. Profit attributable to shareholders was RMB 1,733 million. Land under cultivation increased to 363,656 mu and crop sales increased to 1,554,799 tonnes. The Board of Directors proposed a final dividend of HK\$0.056 per share and bonus shares issue of one new share for every 80 existing shares.

The gross profit margin of sales of crops was 69%, similar as last year. The vegetable yield per mu increased 6.1% to 5.88 tonnes from 5.54 tonnes in last year. The average sales unit price per kilogram was RMB 2.45, up 1.7% over RMB 2.41 in last year.

While achieving good performance in its financial results, Chaoda also earned government recognition for its efforts in addressing the “Three Rural Issues”. The Group was presented with various awards. For example, in April 2007, the eight state departments and commissions jointly named Chaoda as one of the “National-level Dragon Head Leading Agricultural Enterprises”.

We believe that brand building is a cornerstone for the development of modern agriculture. The Group has attached great importance to the development and strengthening of its brand. In June 2007, the World Brand Laboratory ranked Chaoda among “China’s 500 Most Valuable Brands” for the fourth time. With a brand value of RMB 4.88 billion, Chaoda’s ranking improved to 123. In September 2007, Chaoda was once again ranked among “Asia’s 500 Most Influential Brands of the Year 2007”. It was the only brand to be presented the award amongst its Asian peers. The awards that Chaoda won symbolized the prominence, sustainable quality, credibility and competitive edge of the agricultural icon of the Group.

Prospects

Development of production bases

With strong support from the government, we firmly believe that the agriculture operating environment in China will continuously improve. Chaoda will treasure this opportunity and focus on developing its core operations. Our key areas for development will remain in four major regions: Northeast China, North China, the Yangtze River area and South China. We will actively look for supplementary production bases in other areas that are endowed with rich land resources. While expanding our production bases, we will further improve the facilities at our existing bases.

Strengthening team building

Human resources are an enterprise’s most important assets. The Group emphasizes the importance of training its management team. It has cooperated with higher education and professional institutions to provide job training to the management team. In September 2006, the Group initiated a professional training program for its management team with a series of training courses on management hierarchy and corporate coaching. The overall standard and working capabilities of the management team were improved through the acquisition of management knowledge, management skills training and drill training. Meanwhile, the Group arranged for the management staff to practise at its bases. This enabled them to have closer contacts with farmers and thus better understand them. Operational management skills were further enhanced. The group also emphasizes on training new devoted talents for both management and R&D

positions.

“The Group’s achievements are attributable to its advanced business model and management commitments. It is a great honour for me to have started Chaoda and become a member of its outstanding management team. My commitment to and enthusiasm for the Company have never waned. With this team and our passion, I believe that Chaoda will continue to experience rapid growth in the vegetable and fruit market. As a corporate citizen, we are committed to its sustainable growth. We aim to share the fruits of our development with customers, employees and investors and create mutual prosperity for the long run,” concluded Chairman Mr. Kwok Ho.

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About Chaoda Modern Agriculture (Holdings) Limited

Chaoda is a leading enterprise in the production and distribution of ecologically grown vegetables and other agricultural products. It was listed on the main board of the Stock Exchange of Hong Kong in 2000. Devoted to the establishment of large-scale and standardized production bases in various areas, Chaoda ensures year-round supplies of high-quality products to domestic and international customers through wholesale, institutional delivery and export trading. Being a modernized agricultural enterprise, Chaoda’s mission is to supply healthy and nutritious products to consumers globally.

For more information, please visit www.chaoda.com.hk or www.irasia.com/listco/hk/chaoda.

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