



**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)**

**CLARIFICATION ANNOUNCEMENT REGARDING NEW AUDITORS**

Reference is made to the announcements of Chaoda Modern Agriculture (Holdings) Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) dated 21 June 2007 and 25 June 2007.

The recently appointed auditor, Grant Thornton, is one of the world's leading organizations of independently owned and managed accounting and consulting firms with operations in 113 countries in 521 offices worldwide. The Board believe that the change of auditors will not cause any significant impact on the audit work or timing of delivery in respect of the financial report of the Group for the year ending 30 June 2007. As stated previously, the resignation of our former auditors were not as a result of any disagreement and they indicated in their resignation letter that there are no circumstances connected with their resignation which should be brought to the attention of the shareholders or creditors of the Company. Our former auditors have also issued a formal letter to Grant Thornton advising that they are not aware of any professional reason that should preclude Grant Thornton from accepting the nomination as auditors of the Company. In addition, we have also appointed CCIF CPA Limited, being one of our former auditors, as internal control consultant to our Group. The Board wish to state that at present, the Group is operating its business in its usual manner and we are optimistic about the future prospect of the Group.

As stated in the announcement dated 21 June 2007, Mr. Kwok Ho (“**Mr. Kwok**”), the chairman and controlling shareholder of the Company placed a holding of 120,000,000 shares (the “**Shares**”) in the Company on 21 June 2007 to independent investors through his wholly-owned company, Kailey Investment Ltd. The sale of the Shares by Mr. Kwok was for personal reasons. Furthermore, we would like to bring to your attention that Mr. Kwok at the time of the placement agreed to lock-up his shareholding in the Company for a period of 18 months from 25 June 2007.

Made by the order of the Board, the directors of which individually and jointly accept responsibility for the accuracy of this statement.

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

Hong Kong, 28 June 2007

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

*Executive directors: Mr. Kwok Ho, Mr. Ip Chi Ming, Dr. Lee Yan, Ms. Wong Hip Ying, Mr. Fong Jao, Mr. Chen Jun Hua, Mr. Chan Chi Po, Andy; and*

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