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)

QUOTATION OF AN ASSOCIATED COMPANY ON AIM OF THE LONDON STOCK EXCHANGE

Further to the announcement dated 20 June 2005 issued by the Company, the Board announces that the issued share capital of Asian Citrus Holdings, an associated company of the Group, will be quoted on AIM of the London Stock Exchange on 3 August 2005 subject to, among other things, the completion of the Placing (as defined herein).

Following the Quotation (as defined herein), the Group's shareholding interest in Asian Citrus Holdings will be reduced by approximately 8.69% from 49% to approximately 40.31% and Asian Citrus Holdings will remain as an associated company of the Group.

Huge Market (as defined herein), a direct wholly-owned subsidiary of the Company, entered into a lock-up agreement dated 28 July 2005 with Asian Citrus Holdings and others pursuant to which Huge Market has undertaken to Asian Citrus Holdings and Evolution Securities Limited, the nominated adviser to Asian Citrus Holdings in relation to the Quotation (as defined herein), not to dispose the Relevant Asian Shares (as defined herein) before the business day following the publication of Asian Citrus Holdings's reports and accounts for the financial year ending 30 June 2006.

Reference is made to the announcement dated 20 June 2005 issued by the Company (the "**Announcement**"). The words and terms defined in the Announcement have the same meanings when used herein, unless stated otherwise.

The Board announces that the issued share capital of Asian Citrus Holdings, an associated company of the Group, will be quoted on AIM of the London Stock Exchange (the "**Quotation**") on 3 August 2005 subject to, among other things, the completion of the placing of Asian Shares (comprising of 9,072,813 new Asian Shares and 1,703,049 existing Asian Shares) at a placing price of £1.12 (being equivalent to approximately HK$15.15) per Asian Share (the "**Placing**"). The net proceeds to be raised by Asian Citrus Holdings pursuant to the Placing, after deduction of related costs and expenses payable by Asian Citrus Holdings, will amount to approximately £8.16 million (being equivalent to approximately HK$110.40 million).

The Group will not sell or purchase any Asian Shares under the Placing. As a result of the issue of new shares by Asian Citrus Holdings pursuant to the Reorganisation and the Placing, the Group's shareholding interest in Asian Citrus Holdings will be reduced by approximately 8.69%. Following the Quotation, Huge Market Investments Limited ("**Huge Market**"), a direct wholly-owned subsidiary of the Company, will hold 24,500,000 Asian Shares (the "**Relevant Asian Shares**"), representing approximately 40.31% of the then issued share capital of Asian Citrus Holdings comprising 60,775,862 Asian Shares. Asian Citrus Holdings will remain as an associated company of the Group following the Quotation.

Huge Market entered into a lock-up agreement dated 28 July 2005 with Asian Citrus Holdings and others (the "**Lock-up Agreement**") pursuant to which Huge Market has undertaken to Asian Citrus Holdings and Evolution Securities Limited, the nominated adviser to Asian Citrus Holdings in relation to the Quotation, not to dispose the Relevant Asian Shares before the business day following the publication of Asian Citrus Holdings's reports and accounts for the financial year ending 30 June 2006. Following the Quotation, according to the AIM Rules For Companies published by the London Stock Exchange, Asian Citrus Holdings is required to send to its shareholders its audited accounts for the financial year ending 30 June 2006 not later than 31 December 2006. The Directors however expect that Asian Citrus Holdings will publish its annual reports and accounts for the year ending 30 June 2006 in or around October 2006. The obligations of Huge Market to the Lock-up Agreement are conditional upon admission of the Asian Shares to AIM of the London Stock Exchange occurring on or before 28 July 2005 (or such later date as Asian Citrus Holdings and Evolution Securities Limited may agree). The Directors consider that the lock-up arrangement relating to Huge Market under the Lock-up Agreement will not have any material adverse effect on the operational or financial position of the Group.

The Asian Citrus Group is currently engaged in the cultivation and sales of oranges. The Board believes that the Quotation will provide further funding for the expansion and development of the business of the Asian Citrus Group and hence will enhance the Group's investment in the Asian Citrus Group.

This announcement is made pursuant to Rule 13.09 of the Listing Rules.

As at the date of this announcement, the Board comprises five executive directors, namely, Mr Kwok Ho, Mr Ip Chi Ming, Dr Lee Yan, Ms Wong Hip Ying and Mr Fong Jao and four independent non-executive directors namely, Mr Fung Chi Kin, Mr Tam Ching Ho, Professor Lin Shun Quan and Madam Luan Yue Wen.

By order of the Board
Kwok Ho
Chairman

Hong Kong 28 July 2005

In this announcement, amounts denominated in £ have been translated for the purpose of illustration only into HK$ at the rate of £1: HK$13.53

Please also refer to the published version of this announcement in the South China Morning Post.