

TARGET

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CHAODA MODERN AGRICULTURE (HOLDINGS) LTD: RAISE THE BANNER HIGH, BOYS!

For the past decade, Senior Management of Chaoda Modern Agriculture (Holdings) Ltd (超大現代農業[控股]有限公司) (Code: 682, Main Board, The Stock Exchange of Hongkong Ltd) has not produced a single renminbi (RMB) for its shareholders.

According to the database of TOLFIN (泰達資訊), the Computerised, Online Financial Intelligence Service and Web-Based, Credit-Checking Provider, the aggregate Net Losses Attributable to Shareholders of Chaoda Modern Agriculture (Holdings) Ltd with regard to the past 10 Financial Years, amounted to not less than RMB20,998,950,000.00 (approximately \$HK23,962,932,420.03 as at today's exchange rate).

The 2021-2022 Annual Report Of Chaoda Modern Agriculture (Holdings) Ltd

On or about Thursday, October 20, 2022, Management of Chaoda Modern Agriculture (Holdings) Ltd produced and disseminated its 2021-2022 Annual Report in respect of the Financial Year, ended June 30, 2022.

The 138-Page Annual Report was disseminated in the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC).

As most shareholders, no doubt, had expected, Chaoda Modern Agriculture (Holdings) Ltd reported, in its latest communiqué, another Net Loss Attributable to Shareholders.

To be totally fair to the seemingly struggling Senior Management of the Company, the Net Loss Attributable to Shareholders with regard to 2022 Financial Year was only RMB17,065,000.00.

At Pages Four and Five of the 2021-2022 Annual Report, Mr Kwok Ho (郭浩), the Chairman of the Board of Directors of the Company, made no mention, at all, of the Financial Year's losses, or even bothered to touch on the matter of the acerbic financials of the Company.

In his '**REVIEW**', however, Chairman Ho did state the following:

‘At the beginning of 2022, the central government released the “No. 1 document” (一號文件), “Opinions of focus on doing well in Comprehensive Promotion of Rural Revitalization in 2022”, pointed out that in order to cope with the epidemic and other changes unseen in a century, and promote sound economic and social development, it is necessary to focus on the major strategic needs of the country, kept the fundamentals of the agriculture stable, do a good job in Agriculture, Rural Areas and Rural People, continue to comprehensively promote rural revitalization, and ensure stabilize and increase agricultural production, steadily raise farmers’ incomes, ensure stability in China’s rural areas.

‘Regarding the above strategic actions proposed by the central government (referring to the Government of the People’s Republic of China) to ensure food production and the supply of important agricultural products, and to stabilize the number of vegetable fields in large and medium-sized cities throughout the year, etc., being a national key leading enterprise that has been rooted in China for 30 years, Chaoda has taken an initiative role in structural reforms on the supply side of agriculture. The Chaoda new business operation model was highly consistent with national guidelines and policies, which emphasize in protection of food safety, the realization of customized production of agricultural products by connecting the production and consumption, and the effective linkage mechanism between small farmers and modern agriculture. Once again it proves the forward-looking nature, correctness, great development prospects and potential of Chaoda new business operation model.

‘The outbreak of novel coronavirus disease (“COVID-19”) keeps affecting the structural reforms on the supply side of agriculture mentioned above, resulting in the Group need to suspends (sic) the pilot work of Chaoda’s new business model. Nonetheless, in July 2022, Chaoda was continuously recognised as “China’s 500 Most Valuable Brands” by the World Brand Laboratory, ranking 88th with a brand value of RMB76.7 billion.

‘FUTURE OUTLOOK

‘In addition to continuing study and test the new business model, the Group has been constantly reviewing its operations and exploring other investment opportunities that have earning potentials in order to strengthen its income base to maximize the interests of the Group and the shareholders as a whole.

‘Looking forward, the Group will keep abreast of the development of COVID-19 and adjust its development strategies in response to the challenges in a timely manner to create value in a sustainable manner over the long term for its shareholders, and achieve the vision of “better livelihood with Chaoda environmental”.’

(Chairman Ho’s statements have been copied, verbatim; this medium determined not to attempt to make any alterations and/or corrections to spelling or grammar in respect of the above-mentioned five paragraphs.)

At this juncture, **TARGET** (泰達財經) would like to go on record, stating that this medium makes no suggestion, whatever, that Chaoda Modern Agriculture (Holdings) Ltd is suffering any financial stress.

It would be totally unreasonable even to think that the Company has any financial problems because, inter alia, it has nine very powerful, China-domiciled banks supporting it.

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