

HIGHLIGHTS

- Turnover increased by 325% to approximately RMB285 million
- Profit for the period increased by 767% to approximately RMB186 million
- Low seasonality brought to a lesser output in the first-half year, contributing to approximately 45% of the full year operating profit according to the past record.
- Gross profit margin being 75.5%

The Board of Directors of Chaoda Modern Agriculture (Holdings) Limited (the "Company") is pleased to present the interim report for the six months ended 31st December, 2000 of the Company and its subsidiaries (collectively the "Group"). The consolidated profit and loss account, cash flow statement and statement of recognised gains and losses for the six months ended 31st December, 2000 and the consolidated balance sheet of the Group as at 31st December 2000 (the "interim financial statements"), which are all unaudited and certain are condensed along with selected explanatory notes, are set out below and have been reviewed by the Company's audit committee and the Company's independent auditors, PricewaterhouseCoopers and Charles Chan, Ip & Fung CPA Ltd.

INTERIM FINANCIAL STATEMENTS
UNAUDITED CONSOLIDATED PROFIT AND LOSS ACCOUNT

	<i>Notes</i>	Six months ended 31st December, 2000 RMB'000
Turnover		
Sales of crops		275,671
Sales of livestock		6,718
Sales of ancillary food products		2,177
		<hr/> 284,566
Cost of sales		<hr/> (69,588)
Gross profit		214,978
Other revenues		2,579
Selling and distribution expenses		(20,902)
General and administrative expenses		(8,853)
Net other operating expenses		(60)
		<hr/> 187,742
Operating profit	5	187,742
Finance costs		(313)
		<hr/> 187,429
Profit before taxation		187,429
Taxation	6	(1,652)
		<hr/> 185,777
Profit for the period		<hr/> <hr/> 185,777
Earnings per share	7	<hr/> <hr/> RMB15 cents