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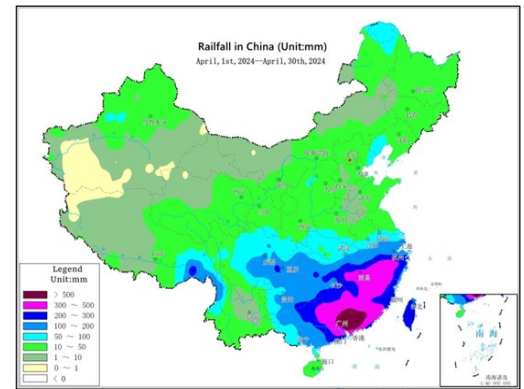
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Crop Update

Yunnan
Air temperatures increased significantly in April, with droughty conditions experienced in most tobacco-growing areas. These conditions have had an impact on the cultivation of FCV resulting in CNTC Yunnan and tobacco farmers taking drought-resistant transplanting measures. Approximately 60% of transplanting was completed by April 25th, and the FCV tobacco planting is expected to be completed by mid-May.
CNTC Yunnan has been promoting technological innovation, restructuring and improving the level of tobacco production and processing technology. They have created a digital industry and accelerated the development of new quality products.
Tobacco processing in Yunnan is nearing its end and is expected to be completed in early May.

Guizhou
The air temperature gradually increased this month, and dry conditions in the tobacco areas affected tobacco cultivation. Late rains in April did however offer some respite and facilitated cultivation of FCV tobacco. Tobacco transplanting from Guizhou began on April 6th, with approximately 80% of transplanting to be completed by the end of April. It is expected that tobacco transplanting will be completed by May 10th.
Guizhou tobacco areas have been promoting the reduction of labor costs in tobacco production, to create stability for the tobacco farmers and increase income.
Tobacco leaf resorting is complete, while leaf processing will continue till mid-May.

China Rainfall April 2024

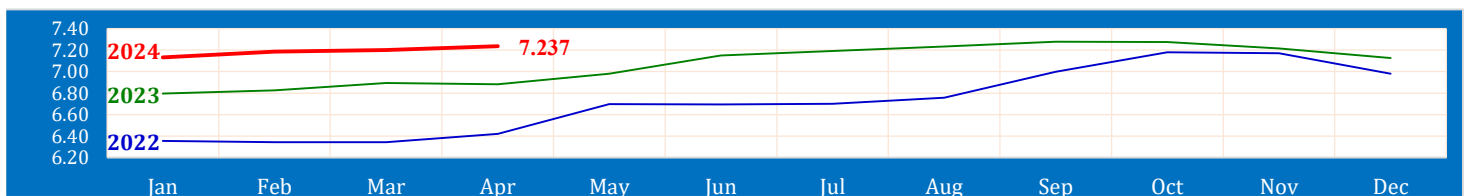


Currency Exchange (USD 1 : CNY x.xxx)

Monthly Average

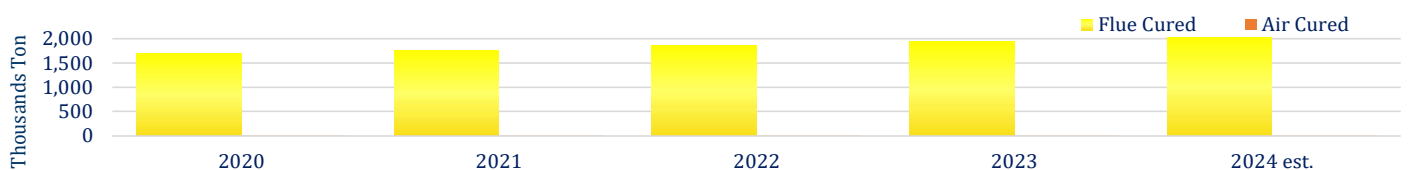
Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2024	7.133	7.186	7.202	7.237								
2023	6.797	6.826	6.894	6.883	6.980	7.149	7.192	7.233	7.278	7.276	7.217	7.126
2022	6.356	6.345	6.344	6.420	6.696	6.694	6.731	6.797	7.000	7.182	7.171	6.981

Currency Exchange



Crop Size (Metric Tons)

Variety	2020	2021	2022	2023	2024 est.
Flue Cured	1,701,500	1,750,000	1,853,000	1,933,000	2,019,000
Air Cured	6,000	6,000	8,000	10,000	10,000



2023 Crop Progress

Variety	Seedbed Sown	Transplanted	Harvested	Cured	Sold to date
Flue Cured	100 %	70 %	-	-	-
Burley	100 %	60 %	-	-	-

FCV Crop Summary	2021	2022	2023	2024 est.
Crop Size - M/Tons	1,754,000	1,853,000	1,933,000	2,019,000
Planting Area - Hectares	897,467	950,000	986,228	
Number of Growers	746,000	735,000	724,680	
Average Plot Size/Grower - Hectares	1.19	1.29	1.36	
Average Income/Grower	RMB 81,000 USD 12,768	RMB 108,700 USD 15,575	RMB 108,200 USD 15,135	

General News

Yunnan	<p>Xuanwei, is a high-quality tobacco leaf base for Shanghai Tobacco Group and China Tobacco Yunnan Industry Co. Ltd. Xuanwei held an on-site tobacco transplant meeting on April 7th, summarizing the work in the previous phase and planning for the next. Xuanwei government officials, CNTC Xuanwei managers and buying station technicians attended an on-site meeting and visited numerous tobacco plantation plots. As of April 11th, Xuanwei has completed 41.5% of FCV tobacco transplanting. Xuanwei completed tobacco planting on 16,691 hectares on April 25th, which has laid a solid foundation for further tobacco production.</p> <p>On April 2nd, CNTC and domestic cigarette manufacturers held a communication meeting at CNTC Xundian branch, with about 50 tobacco industry representatives from the country attending the meeting. The meeting discussed and communicated the latest research progress in the development of custom tobacco supplies. Liu Xinmin, a researcher at the Tobacco Research Institute of the Chinese Academy of Agricultural Sciences advised participants with the progress, significance and current results of tobacco leaf customized supply.</p> <p>The development of custom tobacco production is a new trend in the modernization of tobacco agriculture. This exchange meeting not only showcased the latest achievements in the development of custom leaf production, but also explored the future development of the tobacco industry. The representative said that the development of custom tobacco production is set to increase year on year. The tobacco industry is expected to offer further personalized developments with greater effectiveness and more sustainability in the future.</p> <p>Earlier this month, CNTC Baoshan held a tobacco production training session. The training invited tobacco industry experts to lecture on tobacco cultivation, pest and disease control, curing tobacco leaves, leaf grading, leaf purchasing, etc.</p> <p>The training session required participants to understand the training content fully, develop comprehensive tobacco production skills, and offer a summary of local best practices, and contribute to the high-quality development of tobacco production.</p>
Guizhou	<p>A village in Cengong Town of Tianma, Guizhou Province, has been cited for poor agronomic practices. Roads have reported to be congested, full of tricycles and agricultural vehicles transporting tobacco seedlings and irrigation water. CNTC Cengong and purchasing station technicians are guiding tobacco farmers on good agronomic practices and proper planting, fertilizing and plastic covering.</p> <p>FCV tobacco cultivation has always been one of the leading industries in Tianma City and FCV tobacco cultivation creates more than 1,100 jobs every year and is an important way for residents to increase their income. As of April 23rd, Tianma City has completed a 200-hectare FCV tobacco transplantation plan and will generate a net income of 5 million yuan for local tobacco farmers.</p> <p>Since the beginning of April, dry weather conditions have continued in Pinba District of Anshun City. CNTC Pinba Branch has made preliminary drought preparations. As of April 12th, Pinba District has 101 tobacco farmers purchasing drought relief equipment, building 56 reservoirs and preparing 15 water trucks.</p> <p>Pinba District began tobacco transplanting work on April 13th and fortunately, it started raining on April 20th, and the tobacco transplanting proceeded smoothly. It is expected that FCV tobacco transplanting in the 502-hectare Pinba district will be completed by the end of April.</p> <p>Kaiyan, Guizhou is the main flue-cured tobacco production area in Guiyang City. It plans to grow to 1,907 hectares in 2024. In recent years, CNTC has developed biological pest control technology.</p> <p>The "Taiwan Chelonus Reproduction and Release Technology Research" project was launched in 2021 with great success. It is jointly developed by CNTC Kaiyang branch and Guizhou University. Taiwan Chelonus insect control includes caterpillar and tobacco budworms. Taiwan Chelonus controls pests by parasitizing insect eggs. A female wasp can parasitize about 1,000 eggs. Taiwanese Chelonus are good at flying and flight distances can reach 7 kilometers in 12 hours, so only 15 to 75 heads need to be released in one hectare to achieve a significant coverage. They have now successfully determined the population and this year plan to expand to 50,000 heads.</p>

End of Report

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