



This issue...

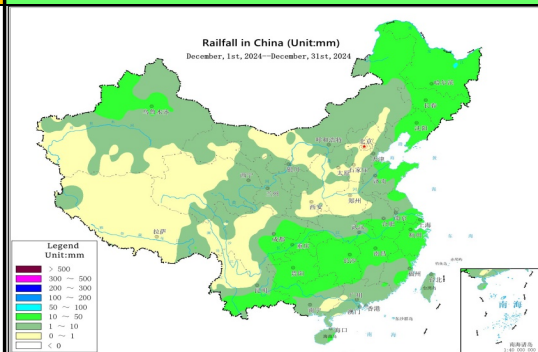
- Crop Update
- China Rainfall
- Currency Exchange (average)
- Crop Size
- Crop Progress
- General News

Crop Update

**Yunnan**  
 The entire region has experienced warm and sunny weather conditions throughout December, with less rainfall and big swings in the temperature variance.  
 At present, the whole province is leveling the land, ploughing tobacco fields, improving water conservancy facilities, building mechanized roads to improve tobacco fields, and is actively preparing for next year's tobacco growing. CNTC Yunnan have also sent technical personnel to villages and households to publicize next year's tobacco growing policies and sign preliminary contracts with farmers.  
 Transportation, green leaf re-sorting, and processing of tobacco leaves are underway.

**Guizhou**  
 The whole province has experienced low temperatures and heavy rainfall throughout the month of December.  
 According to this year's tobacco production summary, tobacco growing areas are planning for next year's tobacco production, including planning and implementing growing areas. All tobacco growing areas are ploughing in winter, preparing seedling materials, cleaning seedling areas, and preparing for next year's seedling sowing.  
 Tobacco leaf transportation, tobacco leaf re-sorting, and tobacco leaf processing are in progress. It is expected that tobacco leaf processing will complete 30% of the production plan by the end of this month.

China Rainfall December 2024

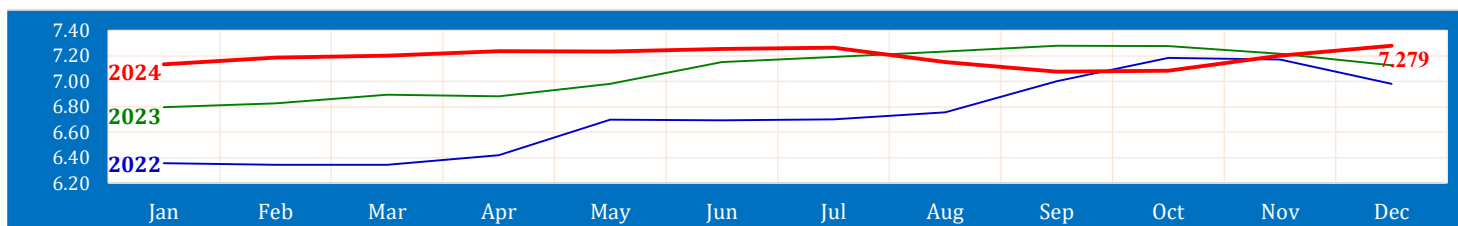


Currency Exchange (USD 1 : CNY x.xxx)

Monthly Average

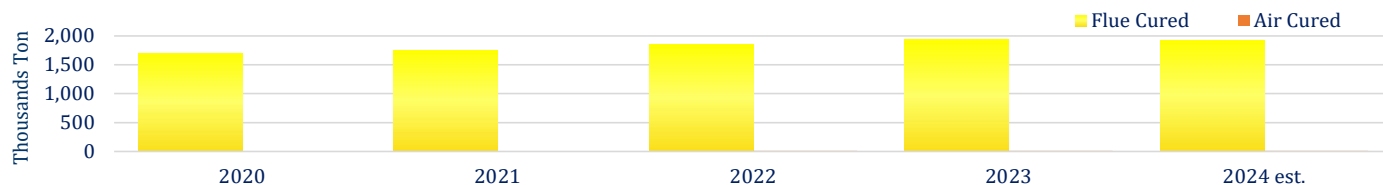
Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2024	7.133	7.186	7.202	7.237	7.233	7.253	7.263	7.151	7.076	7.082	7.202	7.279
2023	6.797	6.826	6.894	6.883	6.980	7.149	7.192	7.233	7.278	7.276	7.217	7.126
2022	6.356	6.345	6.344	6.420	6.696	6.694	6.731	6.797	7.000	7.182	7.171	6.981

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	1,922,000
Air Cured	6,000	6,000	8,000	10,000	10,000



## 2024 Crop Progress

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

FCV Crop Summary	2021	2022	2023	2024 est.
Crop Size - M/Tons	1,754,000	1,853,000	1,933,000	1,922,000
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>In order to continuously improve the ability to guarantee high-quality tobacco leaves, recently, the CNTC Xiangyun Branch of Yunnan Province has carried out mechanized agriculture through land leveling, water conservancy facilities improvement, mechanized road construction and other projects in strict accordance with the standards and production requirements, accelerating the construction of high-standard tobacco fields this year, integrating existing land resources and improving the irrigation facilities in farmland.</p> <p>CNTC Xiangyun Branch has integrated the planning of tobacco planting areas and land transfer situations, focusing on the planning and construction of two high-standard tobacco planting project areas in Liuchang and Xiazhuan in the pilot project of the county's modern tobacco production system, focusing closely on the goal of "appropriate mechanization" transformation, carrying out the integration of light and medium-scale areas, and improving facilities to ensure the availability of tobacco production technology, emphasizing the effect of the comprehensive demonstration enterprise model, and pushing forward the overall improvement of the implementation rate of tobacco production technology in the county.</p> <p>In recent years, CNTC Zhaoyang Branch in Zhaotong City, Yunnan Province has been adhering to the principle of proper production, high-quality and sustainable development, aiming to establish a healthy soil ecology for tobacco planting, and promoting the improvement of soil for tobacco planting, reducing link barriers, and maintaining healthy soil microecology as the core. Optimize the layout and improve soil suitability.</p> <p>They make full use of the results of tobacco field planning, promote the optimal production pattern of FCV, promote crop rotation and fallow system, and reduce the loss of soil nutrients. Plough and dry the soil in winter to improve soil permeability. By ploughing green manure and deep ploughing, the content of nitrogen, phosphorus, potassium and other elements and the content of organic matter can be effectively increased, so that the insoluble soil can be loosened after being eroded by wind, rain and snow, and improve soil permeability. Different types of fertilization are introduced to improve soil efficiency. According to the results of soil testing, tobacco farmers are advised to carry out different fertilization methods according to different levels of organic matter loss.</p> <p>Zhaoyang County has achieved comprehensive utilization of organic fertilizers, and the amount of manure used on farms has been increasing year by year. In addition, they have actively carried out measures such as returning straw to the fields and returning dry oil to the fields, to replenish soil organic matter and improve soil fertility and activity. Recycling residual film promotes green development. It is recommended that tobacco farmers remove waste mulch film from tobacco fields, improve the soil in tobacco fields and the surrounding environment, promote circular farming and clean production, and promote the sustainable development of tobacco production.</p>
Guizhou	<p>To promote a good start to tobacco production in 2025, CNTC Tongxi, Guizhou Province has made advanced multi-dimensional planning. Field research has made a "road map" into the villages, disseminated tobacco production policies to tobacco farmers through mass meetings, daily discussions, etc., listened to the problems of tobacco farmers, answered their questions, took the initiative to calculate the "economic accounts" for tobacco farmers, made every effort to support the policy, and strived to maintain the stability of the tobacco farming team. Highlight key points and set "missions".</p> <p>The 2024 tobacco production summary will be held to conduct in-depth analysis of the entire tobacco production process, identify shortcomings, meet challenges, learn from experience, enhance advantages, and propose methods and measures to improve existing problems, and include it in the 2025 tobacco procurement major tasks, laying a solid foundation for production quality. Make overall arrangements and make a clear "schedule".</p>

Guizhou	<p>According to the main tasks, a plan has been set, from seedling preparation, soil preparation and digging, transplanting, field management, to ripe harvest. Each link has a specific person in charge, and the construction schedule is set, and the construction period is staggered, ensuring that all links are connected. Establish closed-loop management and establish a consistent evaluation and supervision system to ensure that all tasks are completed on time and efficiently. Personnel are diligent, and winter ploughing yields high results.</p> <p>Recently, CNTC Longli in Guizhou Province, has guided tobacco farmers to prepare their tobacco fields for winter ploughing, to prepare for a good start to next year's tobacco production. Actively publicize and gain public support. They have cooperated with local government departments to go to villages and households to widely publicize the advantages of winter ploughing, guide tobacco farmers to fully understand the importance of winter ploughing preparation, effectively enhance the enthusiasm of winter ploughing in tobacco fields and ensure that the depth and ploughing of tobacco fields are completed on time, in both quality and quantity.</p> <p>Precise guidance and technology delivered to your home. They have arranged technical personnel to go deep into the fields and set up a "field classroom" to guide tobacco farmers on-site to learn the technical points and timing of deep ploughing, rotary ploughing, dredging and fertilization of tobacco fields, to ensure that each household's techniques and measures are implemented to improve the cured tobacco next year.</p>
---------	--

#### End of Report

The views expressed in this report are those of the Company's representative unless specifically attributed. ATC Worldwide Limited makes no representation concerning and does not guarantee the source, originality, accuracy, completeness or reliability of any statement, information, data, finding, interpretation, advice, opinion, or view represented.