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9 UNITED STATES DISTRICT COURT
10 CENTRAL DISTRICT OF CALIFORNIA

11 _____, Individually and on behalf of all
12 others similarly situated,

13 Plaintiff,

14 v.

15 GOLDEN HEAVEN GROUP
16 HOLDINGS LIMITED, QIONG JIN,
17 and JINGUANG GONG,

18 Defendants.
19

No.

**CLASS ACTION COMPLAINT
FOR VIOLATIONS OF THE
FEDERAL SECURITIES LAWS**

CLASS ACTION

JURY TRIAL DEMANDED

1 Plaintiff ____ (“Plaintiff”), individually and on behalf of all other persons
2 similarly situated, by Plaintiff’s undersigned attorneys, for Plaintiff’s complaint
3 against Defendants (defined below), alleges the following based upon personal
4 knowledge as to Plaintiff and Plaintiff’s own acts, and information and belief as to
5 all other matters, based upon, among other things, the investigation conducted by
6 and through his attorneys, which included, among other things, a review of the
7 Defendants’ public documents, public filings, wire and press releases published by
8 and regarding Golden Heaven Group Holdings Limited (“Golden Heaven” or the
9 “Company”), and information readily obtainable on the Internet. Plaintiff believes
10 that substantial evidentiary support will exist for the allegations set forth herein
11 after a reasonable opportunity for discovery.

12 **NATURE OF THE ACTION**

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14 1. This is a class action on behalf of persons or entities who purchased
15 or otherwise acquired publicly traded Golden Heaven securities between April 13,
16 2023 and November 13, 2023, inclusive (the “Class Period”). Plaintiff seeks to
17 recover compensable damages caused by Defendants’ violations of the federal
18 securities laws under the Securities Exchange Act of 1934 (the “Exchange Act”).

19 **JURISDICTION AND VENUE**

20 2. The claims asserted herein arise under and pursuant to Sections 10(b)
21 and 20(a) of the Exchange Act (15 U.S.C. §§ 78j(b) and 78t(a)) and Rule 10b-5
22 promulgated thereunder by the SEC (17 C.F.R. § 240.10b-5).

23 3. This Court has jurisdiction over the subject matter of this action
24 pursuant to 28 U.S.C. § 1331, and Section 27 of the Exchange Act (15 U.S.C.
25 §78aa).

26 4. Venue is proper in this judicial district pursuant to 28 U.S.C. §
27 1391(b) and Section 27 of the Exchange Act (15 U.S.C. § 78aa(c)) as the alleged
28

1 misstatements entered and the subsequent damages took place in this judicial
2 district.

3 5. In connection with the acts, conduct and other wrongs alleged in this
4 complaint, Defendants (defined below), directly or indirectly, used the means and
5 instrumentalities of interstate commerce, including but not limited to, the United
6 States mails, interstate telephone communications and the facilities of the national
7 securities exchange.

8 PARTIES

9 6. Plaintiff, as set forth in the accompanying certification, incorporated
10 by reference herein, purchased Golden Heaven securities during the Class Period
11 and was economically damaged thereby.

12 7. Golden Heaven has stated that it “manages and operates six properties
13 consisting of amusement parks, water parks, and complementary recreational
14 facilities. [. . .] The parks provide a wide range of exciting and entertaining
15 experiences, including thrilling rides, family-friendly attractions, gourmet
16 festivals, circus performances, and high-tech facilities.”

17 8. The Company is incorporated as an offshore holding company in the
18 Cayman Islands and has its principal places of business in Yanping District,
19 Nanping City, Fujian Province, People’s Republic of China (“China”). Golden
20 Heaven conducts its operations through operating entities in China.

21 9. Golden Heaven’s Shares trade on the NASDAQ exchange under the
22 ticker symbol "GDHG".

23 10. Defendant Qiong Jin (“Jin”) has served as Golden Heaven’s Chief
24 Executive Officer (“CEO”) and as Chairman of the Board of Directors since the
25 beginning of the Class Period.

26 11. Defendant Jinguang Gong (“Gong”) has served as the Company’s
27 Chief Financial Officer (“CFO”) since the beginning of the Class Period.

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1 12. Defendants Jin and Gong are collectively referred to herein as the
2 “Individual Defendants.”

3 13. Each of the Individual Defendants:

4 (a) directly participated in the management of the Company;

5 (b) was directly involved in the day-to-day operations of the Company at
6 the highest levels;

7 (c) was privy to confidential proprietary information concerning the
8 Company and its business and operations;

9 (d) was directly or indirectly involved in drafting, producing, reviewing
10 and/or disseminating the false and misleading statements and information
11 alleged herein;

12 (e) was directly or indirectly involved in the oversight or implementation
13 of the Company’s internal controls;

14 (f) was aware of or recklessly disregarded the fact that the false and
15 misleading statements were being issued concerning the Company; and/or

16 (g) approved or ratified these statements in violation of the federal
17 securities laws.

18 14. The Company is liable for the acts of the Individual Defendants and
19 its employees under the doctrine of *respondeat superior* and common law
20 principles of agency because all of the wrongful acts complained of herein were
21 carried out within the scope of their employment.

22 15. The scienter of the Individual Defendants and other employees and
23 agents of the Company is similarly imputed to Golden Heaven under *respondeat*
24 *superior* and agency principles.

25 16. Defendant Golden Heaven and the Individual Defendants are
26 collectively referred to herein as “Defendants.”

27 **SUBSTANTIVE ALLEGATIONS**

28 **Materially False and Misleading Statements Issued During the Class Period**

1 17. On April 13, 2023, the Company filed with the SEC a prospectus
2 pursuant to Rule 424(b)(4) (the “April 13 Prospectus”).

3 18. In the April 13 Prospectus, the Company stated that it believed the
4 “following strengths contribute to our growth and differentiate us from our
5 competitors”:

- 6 • easily accessible amusement park locations;
- 7 • continued *guest commitment*;
- 8 • experienced senior management teams; and
- 9 • the *quality* and variety of cost-effective entertainment offerings.

10 (Emphasis added).

11 19. This statement was materially false and misleading because many of
12 the Company’s parks are in generally poor condition and do not attract high levels
13 of attendance.

14 20. The Company noted the following risk in the April 13 Prospectus:

15 ***Declines in discretionary guest spending and guest confidence, or changes***
16 ***in guest tastes and preferences, could affect the profitability of the***
17 ***operating entities’ business.***

18 The operating entities’ success depends to a significant extent on (i) ***their***
19 ***ability to provide quality entertainment products***, (ii) their ability to satisfy
20 changing guest preferences, and (iii) the availability of discretionary guest
21 spending. ***If the operating entities are unable to meet the changing***
22 ***preferences of the markets or the entertainment products that they offer***
23 ***do not achieve sufficient guest acceptance, they may not be able to***
24 ***maintain the existing guest patronage or attract new guests.*** In addition,
25 severe economic downturns coupled with high volatility and uncertainty as
26 to the future economic landscape could have an adverse effect on guests’
27 discretionary income and guest confidence. ***If the operating entities are***
28 ***unable to meet the changing guest demands, or if discretionary guest***
spending decreases, the operating entities’ business, and our financial
condition and results of operations could be materially and adversely
affected. (Emphasis added).

1 21. This statement was materially false and misleading because, due to
2 the poor condition of many of the amusement parks, the Company's operating
3 entities were at a heightened risk of being unable to attract guests.

4 22. The April 13 Prospectus contained the following risk disclosure on
5 reputational risk:

6 ***Incidents or adverse publicity concerning the parks or the amusement***
7 ***park industry in general could harm the brand, reputation or profitability***
8 ***of the operating entities.***

9 The park operation involves the risk of accidents, illnesses, environmental
10 issues, and other incidents which may cause a loss of guest confidence,
11 reduce guest attendance, and harm the operating entities' brand, reputation
12 or profitability. ***In addition, other types of adverse publicity concerning the***
13 ***operating entities' business, their management teams, or the amusement***
14 ***park industry in general could harm the business of the operating entities.***
15 The considerable expansion in the use of social media over recent years has
16 compounded the impact of negative publicity. There may be perception
17 issues and negative media attention that could materially adversely affect
18 the business of the operating entities, and, in turn, our financial condition,
19 and results of operations.

20 (Emphasis added).

21 23. This statement was materially false and misleading because it omitted
22 that the Company was at a heightened risk of negative publicity due to the poor
23 condition of many of its amusement parks.

24 24. The April 13 Prospectus contained the following regarding key
25 factors that affect operating results and, in particular, investment in new
26 amusement facilities:

27 ***We believe that innovative amusement facilities will enable us to maintain***
28 ***the existing guest patronage, attract new guests, and provide guests with***
better experiences. In the past 9 years, we have kept introducing new
facilities in our amusement parks. We have built one virtual reality science

1 lab and one virtual reality experience hall and will build additional similar
2 facilities in the future. We will introduce other new amusement facilities in
3 the future, which may require significant commitments of capital investment
4 and will likely cause short-term decrease in revenue.

(Emphasis added).

5 25. This statement was materially false and misleading because it omitted
6 that the Company's facilities have been poorly maintained and sparsely visited,
7 even on weekends.

8 26. The April 13 Prospectus contained the following about Yueyang
9 Amusement World (the "Yueyang Park"):

10 Yueyang Amusement World features a double-decker carousel, pirate ship,
11 pendulum ride, sky-high swing ride, ice rink, bumper cars, boat rides, and
12 the Dongting Eye Ferris wheel. As of the date of this prospectus, its
13 management team consists of approximately 135 members and it can
14 accommodate approximately 1,100 guests at the full operating capacity. In
15 the fiscal years ended September 30, 2021 and 2022, it attracted
16 approximately 930,000 and 890,000 guests, respectively, representing a
17 decrease of 4.3%. It is managed by Yueyang Jinsheng Amusement
18 Development Co., Ltd., one of the operating entities.

19 27. This statement was materially false and misleading because it omitted
20 that the Yueyang Park is not a well-maintained facility. In pertinent part, the
21 Yueyang Park contained a "large pond full of trash" as of November 13, 2023.

22 28. The April 13 Prospectus contained the following about the Tongling
23 West Lake Amusement World ("Tongling West Lake"):

24 Tongling West Lake Amusement World features a double-decker carousel,
25 roller coaster, pirate ship, pendulum ride, sky-high swing ride, water coaster,
26 children's park, and bumper cars. As of the date of this prospectus, its
27 management team consists of approximately 115 members and it can
28 accommodate approximately 700 guests at full operating capacity. In the
fiscal years ended September 30, 2021 and 2022, it attracted approximately
350,000 and 350,000 guests, respectively, representing a growth rate of nil.
It is managed by Tongling Jinsheng Amusement Investment Co., Ltd., one
of the operating entities.

1 29. This statement was materially false and misleading because it omitted
2 that Tongling West Lake is not a well-maintained facility. In particular, as of
3 November 13, 2023, Tongling West Lake had a large empty swimming pool that
4 had a blow-up swimming pool within it, which contained visibly dirty water.

5 30. The April 13 Prospectus contained the following about the Mangshi
6 Jinsheng Amusement Park:

7 Mangshi Jinsheng Amusement Park features a Ferris wheel, luxury carousel,
8 pirate ship, and pendulum ride. As of the date of this prospectus, its
9 management team consists of approximately 60 members and it can
10 accommodate approximately 740 guests at full operating capacity. In the
11 fiscal years ended September 30, 2021 and 2022, it attracted approximately
12 120,000 and 110,000 guests, respectively, representing a decrease of 8.3%.
It is managed by Mangshi Jinsheng Amusement Park Co., Ltd., one of the
operating entities.

13 31. This statement was materially false and misleading because it omitted
14 that the Mangshi Jinsheng Amusement Park is in generally poor condition.

15 32. The April 13 Prospectus contained the following statement about the
16 Company's business model:

17 Each of our six operating entities manages one amusement park in their
18 respective locations. Under our current business model, the operating
19 entities conduct their business in progressive steps. They begin by selecting
20 and leasing the real property appropriate for amusement park development,
21 and then construct the park infrastructure in coordination with various
22 support from the local governments in China. In the course of park
23 construction and development, the operating entities plan the rides and
24 attractions to be installed, assess amusement facility suppliers, and source
25 quality rides and attractions from select suppliers. Such suppliers assemble,
26 deliver, install, and test-run the rides and attractions in accordance with the
27 applicable national and industrial safety standards, as well as the operating
28 entities' requirements. After the park infrastructure are constructed and the
amusement facilities are installed, the operating entities then open the parks
for guest visits. ***In the ordinary course of business, the operating entities
inspect the rides and attractions according to regular schedules and seek***

1 *ways to upgrade their entertainment offerings and improve their business*
2 *operations.*

3 (Emphasis added).

4 33. This statement was materially false and misleading because the
5 operating entities have, in actuality, allowed many of the Company's facilities to
6 fall into poor condition.

7 34. On June 6, 2023, Golden Heaven posted a press release on its website
8 entitled "Golden Heaven Group Holdings Ltd. Achieves an Approximately 30%
9 Year-over-Year Traffic Growth During China's Labor Day Holiday." It stated, in
10 pertinent part:

11 Since China has eased its COVID-19 pandemic control measures, *the*
12 *Company believes that demand for travel has increased, and amusement*
13 *parks have become attractive destinations for local families.* To seize the
14 business opportunity of China's Labor Day holiday, *the Company adopted*
15 *various measures to improve tourist experience and promote consumption,*
16 *such as holding food festivals, circus performances and other activities.*
17 *Pendulum rides, sky-high swing rides, and bumper cars remain the most*
18 *popular rides in the Company's parks.* The Company strives to provide
19 visitors with immersive experiences integrating entertainment, catering, and
20 shopping in a variety of forms.

21 Ms. Qiong Jin, the CEO and Chairman of the Company, commented, "We
22 are excited to see excellent growth during the Labor Day holiday. *The*
23 *recovery of the domestic tourism market and its potential are expected to*
24 *lay a solid foundation for growing our business.* Looking forward, we will
25 speed up equipment upgrades and continue to innovate services to better
26 meet the consumers' demand for entertainment."

27 (Emphasis added).

28 35. This statement was materially false and misleading because it omitted
that Golden Heaven's theme parks are in generally poor condition, hindering the
Company's growth prospects.

1 36. On July 5, 2023, Golden Heaven posted a press release on its website
2 entitled “Golden Heaven Group Holdings Ltd. Holds Summer Carnival with Free
3 Entry in One of its Amusement Parks from July 1 to August 12, 2023”. It stated,
4 in pertinent part:

5 Golden Heaven Group Holdings Ltd. (the "Company" or "Golden Heaven")
6 (Nasdaq: GDHG), an amusement park operator in China, announced today
7 that the Company is holding a summer carnival (the "Summer Carnival")
8 from July 1 to August 12, 2023 in one of its amusement parks, Tongling
9 West Lake Amusement World (the "Park"). *The Park features a double-*
10 *decker carousel, roller coaster, pirate ship, pendulum ride, sky-high swing*
11 *ride, water coaster, children's park, and bumper cars.* The Park can
accommodate approximately 700 guests at full operating capacity and
attracted approximately 350,000 guests in 2021 and 2022.

12 The Summer Carnival features four events, including the Adorable Sea Lion
13 Show, Starry Galaxy Light Show, Clown Carnival, and Amusement
14 Carnival. All the events provide a highly immersive and interactive
15 experience, with distinct themes and technologies catering to the diverse
16 needs of visitors. The Summer Carnival mainly targets local residents,
especially teenagers and children. The Company waives the entry fee for the
17 Summer Carnival. *As part of the Company's strategic initiative, the*
18 *Company believes that the Summer Carnival will attract more visitors to*
19 *the Park and increase the Company's brand awareness in China's*
amusement park market.

20 Ms. Qiong Jin, the CEO and Chairman of the Company, commented, "We
21 are thrilled to unveil our plan for the Summer Carnival to the public this
22 year. The Summer Carnival will last approximately one month and a half
23 and offer free entry to the visitors. We expect that the Summer Carnival will
24 not only contribute to the local community, but also attract more visitors to
25 the Park during the peak season of summer vacation. We welcome adults,
26 teenagers and children to join us in this fun event. We believe that the
Summer Carnival will spur our growth by encouraging word-of-mouth
referrals and attracting more guests, which is expected to eventually turn
into long-term value for our shareholders."

27
28 (Emphasis added).

1 37. This statement was materially false and misleading because it omitted
2 that Tongling West Lake has a water feature that is simply a large blow-up pool
3 within an empty swimming pool, which at times is filled with dirty water.

4 38. On August 3, 2023, before the market opened, Defendants Jin and
5 Gong participated in the Company’s First Half of Fiscal Year 2023 Earnings
6 Conference Call.

7 39. On this call, Defendant Jin stated the following about the Company’s
8 prospects in light of industry recovery from the effects of the COVID-19 pandemic:
9 “[a]s the tourism and entertainment industries are recovering, *we expect an*
10 *increasing number of tourists*. Especially during the summer holiday, we look
11 forward to seeing more young people and their friends and families visit our
12 amusements and water parks. We will make every effort to ensure they enjoy their
13 visit.”

14 40. This statement was materially false and misleading because it
15 overstated the extent to which the Company could reasonably expect increasing
16 numbers of tourists, given the poor conditions at many of the Company’s parks.

17 41. Defendant Jin further stated that “[w]e are *mapping our strategy*
18 *initiatives to improve the environment and facilities of our amusement parks*,
19 leveraging our parks good geographic locations and fun rides attractions, *we are*
20 *well positioned for even stronger business growth*, which we believe will translate
21 into greater shareholder value.”

22 42. This statement was materially false and misleading because it omitted
23 that many of the Company’s parks were in poor condition and as such attracted
24 little attendance, resulting in limited prospects for business growth.

25 43. On the earnings call, Defendant Jin stated the following regarding
26 how the Company would use the proceeds from its April 2023 initial public
27 offering:

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1 We have started *a comprehensive upgrade of our six parks since June 11,*
2 *2023,* and this upgrade *is expected to be completed by the end of September*
3 *this year[.]*

4 (Emphasis added).

5 44. This statement was materially false and misleading because the
6 Company did not, as of November 2023, complete or otherwise meaningfully
7 conduct a “comprehensive upgrade” of its six parks.

8 45. On October 23, 2023, the Company released a press release entitled
9 “Golden Heaven Group Holdings Ltd. Announces Approximately 10% Year-on-
10 Year Traffic Growth during China’s 2023 Mid-Autumn Festival and National Day
11 Holidays.”

12 46. In this press release, the Company stated “[s]ince September 30, 2023,
13 Mangshi Jinsheng Amusement Park, which is one of the six parks, has been
14 temporarily closed.” Further, the Company announced that the temporary closure
15 of Mangshi Jenshing Amusement Park (the “Mangshi Jenshing Park”) was a
16 “strategic decision to explore the future business development of such park[.]”

17 47. These statements were materially false and misleading because, on
18 information and belief, the Mangshi Jenshing Park had likely been closed for a
19 longer period of time than September 30, 2023, as discussed below.

20 48. The statements contained in ¶¶ 18, 20, 22, 24, 26, 28, 30, 32, 34, 36,
21 39, 41, 43, and 46 were materially false and/or misleading because they
22 misrepresented and failed to disclose the following adverse facts pertaining to the
23 Company’s business, operations and prospects, which were known to Defendants
24 or recklessly disregarded by them. Specifically, Defendants made false and/or
25 misleading statements and/or failed to disclose that: (1) Golden Heaven’s
26 amusement parks are generally in poor condition; (2) Golden Heaven materially
27 overstated the number of visitors to its amusement parks and overall growth
28 prospects, and (3) as a result, Defendants’ statements about its business, operations,

1 and prospects, were materially false and misleading and/or lacked a reasonable
2 basis at all relevant times.

3 THE TRUTH BEGINS TO EMERGE

4 49. On November 13, 2023, during market hours, *Hindenburg Research*
5 (“Hindenburg”) posted on X.com (formerly known as Twitter), a series of posts
6 under the heading “NEW FROM US: We Are Short Golden Heaven Group,
7 Another Classic ‘China Hustle’”.

8 50. Hindenburg first noted that Golden Heaven purportedly operates six
9 properties in southern China, including amusement parks, water parks and
10 recreational facilities.

11 51. Hindenburg then noted that Golden Heaven’s share price has
12 dramatically gone up in value since the Company’s April 2023 IPO, despite little
13 news to justify over the gains. Hindenburg posted, in pertinent part, the following:



1 52. Hindenburg then noted how Golden Heaven had claimed that, in 2022,
2 it had hosted 2.41 million guests across its 6 parks, driving over \$41.8 million in
3 revenue for the 2022 fiscal year. Hindenburg stated that these were “hardly levels”
4 that would justify the Company’s \$1.2 billion market capitalization as of
5 November 12, 2023.

6 53. Hindenburg then stated that its research showed that Golden Heaven’s
7 CEO has “a history of undisclosed fraud allegations and asset freezes in China”,
8 that “[t]he company was taken public by securities firms with multiple FINRA
9 infractions” and that Golden Heaven’s “*claimed high-tech parks appear to be*
10 *dystopian hellscapes.*” (Emphasis added).

11 54. Hindenburg then referenced how Defendant Qiong and her husband
12 were accused of defrauding Chinese investors in Fujian Haichuan Pharmaceutical
13 Technology Development Co., Ltd. (“Fujian”), a company that they controlled.
14 According to Hindenburg, “[u]npaid judgments from the alleged fraud resulted in
15 Jin Qiong being restricted from travel [. . .].”

16 55. Hindenburg then stated “[w]e visited each [Golden Heaven] park on
17 the weekend, typically when amusement parks are busiest, expecting to find vibrant
18 and heavily trafficked parks as suggested in the company’s investor materials.”

19 56. In particular, Hindenburg noted that Golden Heaven’s largest park (by
20 number of guests), Yueyang Amusement World, accounted for 36% of total guests.
21 As seen below, Hindenburg stated that “[a]ccording to the company, [Yueyang]
22 had 890,000 guests in 2022, or 2,400/day, despite having just a 1,100 guest
23 capacity”:
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Hindenburg Research @HindenburgRes · Nov 13

\$GDHG's largest park, Yueyang, accounted for 36% of total reported guests.

According to the company, it had 890,000 guests in 2022, or 2,400/day, despite having just a 1,100 guest capacity.

(14/n)

Category	Value
Local Population	5.05 Million
Full Capacity	1,100 Guests
Guests (FY21)	930,000
Guests (FY22)	890,000

(Source: [Slide 10](#))

2 1 99 28K

57. In contrast to Golden Heaven’s claims about the Yueyang Park, Hindenburg stated that its investigator visited the property on a Saturday and observed only “*about 10 cars in the lot around noon*”, and that the amusement park was nearly empty. (Emphasis added).

58. Hindenburg noted that, as seen below, a “water attraction” was a “large pond full of trash”:



Hindenburg Research @HindenburgRes · Nov 13

Our investigator visited [\\$GDHG's](#) claimed most-visited property on a Saturday and observed only about 10 cars in the lot around noon.

The park was nearly empty.

A "water attraction" was a large pond full of trash.

(15/n)



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59. Hindenburg then discussed Golden Heaven’s second largest park by number of guests, the Changde Jinsheng Amusement Park (“Changde Jinsheng”), which Hindenburg stated had accounted for 21% of guests across all parks. Hindenburg stated that “[w]e visited [the Changde Jinsheng amusement park] on a Sunday at around 10am. ***There were about 20 cars in the lot and slightly more visitors.***” (Emphasis added). Hindenburg then showed images of the park with very few guests on rides, calling into question Golden Heaven’s claims about its visitor numbers:

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60. Hindenburg then noted that Golden Heaven’s third largest park, the Yunnan Yuxi Jinsheng Amusement Park (the “Yunnan Yuxi Park”), which purportedly accounted for 16% of total guests in 2022, had a reported 370,000 guests in 2022, an average of a little over 1,000 guests per day.

61. Hindenburg revealed that its investigator arrived at the Yunnan Yuxi Park “around 9am on a Saturday, and stayed for around 7 hours.” Further, “[t]he investigator checked the parking lot roughly every hour. The checks show activity peaked at around 63 cars in the afternoon.” Hindenburg then included the below image in its posts, showing that the Yunnan Yuxi park was uncrowded on a Saturday:



(Source: Hindenburg Investigator)

62. Hindenburg then noted that Tongling West Lake, Golden Heaven’s 4th largest park, which purportedly accounted for 15% of Golden Heaven’s total guests in 2022, had a *‘water feature’* which was a *“small blow-up pool with dirty water in what seemed to be a far larger, otherwise empty pool structure.”* (Emphasis added). Below is an image of the blow-up pool:



Hindenburg Research @HindenburgRes · Nov 13

The company's 4th Largest Park, Tongling West Lake, accounted for 15% Of Golden Heaven's total guests in 2022.

Its 'water feature' was a small blow-up pool with dirty water in what seemed to be a far larger, otherwise empty pool structure.

(20/n)



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63. According to Hindenburg, Golden Heaven’s next-largest amusement park is the Qujing Jinsheng Amusement Park. Hindenburg stated that it “*counted a maximum of 44 cars in the parking lot during late morning and early afternoon.*” Further, “[a]n attendant told our investigator *that the park was as ‘busy as it normally was.’*” (Emphasis added).

64. Golden Heaven’s sixth largest park by attendance, the Mangshi Jinsheng amusement park, is temporarily closed as of September 30, 2023. However, while Hindenburg noted that Golden Heaven disclosed that the park has been closed since September 30, 2023, Hindenburg found evidence that this particular park has been closed for a longer-than-disclosed period of time.

1 65. In particular, Hindenburg found that the park had been “overgrown
2 with mature weeds and other signs of long-term deterioration”, and provided the
3 following images of the park:



25 (Source: Hindenburg Investigator)

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1 66. On this news, the price of Golden Heaven stock declined by \$6.63 per
2 ADS, or 27.9%, on high trading volume, to close at \$17.12 on November 13, 2023.

3 67. As a result of Defendants' wrongful acts and omissions, and the
4 precipitous decline in the market value of the Company's common shares, Plaintiff
5 and other Class members have suffered significant losses and damages.

6 **PLAINTIFF'S CLASS ACTION ALLEGATIONS**

7 68. Plaintiff brings this action as a class action pursuant to Federal Rule
8 of Civil Procedure 23(a) and (b)(3) on behalf of a class consisting of all persons
9 other than defendants who acquired the Company's securities publicly traded on
10 NASDAQ during the Class Period, and who were damaged thereby (the "Class").
11 Excluded from the Class are Defendants, the officers and directors of the Company,
12 members of the Individual Defendants' immediate families and their legal
13 representatives, heirs, successors or assigns and any entity in which Defendants
14 have or had a controlling interest.

15 69. The members of the Class are so numerous that joinder of all members
16 is impracticable. Throughout the Class Period, the Company's securities were
17 actively traded on NASDAQ. While the exact number of Class members is
18 unknown to Plaintiff at this time and can be ascertained only through appropriate
19 discovery, Plaintiff believes that there are hundreds, if not thousands of members
20 in the proposed Class.

21 70. Plaintiff's claims are typical of the claims of the members of the Class
22 as all members of the Class are similarly affected by Defendants' wrongful conduct
23 in violation of federal law that is complained of herein.

24 71. Plaintiff will fairly and adequately protect the interests of the
25 members of the Class and has retained counsel competent and experienced in class
26 and securities litigation. Plaintiff has no interests antagonistic to or in conflict with
27 those of the Class.
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1 72. Common questions of law and fact exist as to all members of the Class
2 and predominate over any questions solely affecting individual members of the
3 Class. Among the questions of law and fact common to the Class are:

- 4 • whether the Exchange Act was violated by Defendants' acts as alleged
5 herein;
- 6 • whether statements made by Defendants to the investing public during
7 the Class Period misrepresented material facts about the business and
8 financial condition of the Company;
- 9 • whether Defendants' public statements to the investing public during
10 the Class Period omitted material facts necessary to make the statements
11 made, in light of the circumstances under which they were made, not
12 misleading;
- 13 • whether the Defendants caused the Company to issue false and
14 misleading filings during the Class Period;
- 15 • whether Defendants acted knowingly or recklessly in issuing false
16 filings;
- 17 • whether the prices of the Company securities during the Class Period
18 were artificially inflated because of the Defendants' conduct complained of
19 herein; and
- 20 • whether the members of the Class have sustained damages and, if so,
21 what is the proper measure of damages.

22 73. A class action is superior to all other available methods for the fair
23 and efficient adjudication of this controversy since joinder of all members is
24 impracticable. Furthermore, as the damages suffered by individual Class members
25 may be relatively small, the expense and burden of individual litigation make it
26 impossible for members of the Class to individually redress the wrongs done to
27 them. There will be no difficulty in the management of this action as a class action.

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1 74. Plaintiff will rely, in part, upon the presumption of reliance
2 established by the fraud-on-the-market doctrine in that:

- 3 • the Company's shares met the requirements for listing, and were listed
4 and actively traded on NASDAQ, an efficient market;
- 5 • as a public issuer, the Company filed periodic public reports;
- 6 • the Company regularly communicated with public investors via
7 established market communication mechanisms, including through the
8 regular dissemination of press releases via major newswire services and
9 through other wide-ranging public disclosures, such as communications with
10 the financial press and other similar reporting services;
- 11 • the Company's securities were liquid and traded with moderate to
12 heavy volume during the Class Period; and
- 13 • the Company was followed by a number of securities analysts
14 employed by major brokerage firms who wrote reports that were widely
15 distributed and publicly available.

16 75. Based on the foregoing, the market for the Company's securities
17 promptly digested current information regarding the Company from all publicly
18 available sources and reflected such information in the prices of the shares, and
19 Plaintiff and the members of the Class are entitled to a presumption of reliance
20 upon the integrity of the market.

21 76. Alternatively, Plaintiff and the members of the Class are entitled to
22 the presumption of reliance established by the Supreme Court in *Affiliated Ute*
23 *Citizens of the State of Utah v. United States*, 406 U.S. 128 (1972), as Defendants
24 omitted material information in their Class Period statements in violation of a duty
25 to disclose such information as detailed above.

26 **COUNT I**

27 **For Violations of Section 10(b) And Rule 10b-5 Promulgated Thereunder**

28 **Against All Defendants**

1 77. Plaintiff repeats and realleges each and every allegation contained
2 above as if fully set forth herein.

3 78. This Count is asserted against Defendants is based upon Section 10(b)
4 of the Exchange Act, 15 U.S.C. § 78j(b), and Rule 10b-5 promulgated thereunder
5 by the SEC.

6 79. During the Class Period, Defendants, individually and in concert,
7 directly or indirectly, disseminated or approved the false statements specified
8 above, which they knew or deliberately disregarded were misleading in that they
9 contained misrepresentations and failed to disclose material facts necessary in
10 order to make the statements made, in light of the circumstances under which they
11 were made, not misleading.

12 80. Defendants violated §10(b) of the 1934 Act and Rule 10b-5 in that
13 they:

- 14 • employed devices, schemes and artifices to defraud;
- 15 • made untrue statements of material facts or omitted to state material
16 facts necessary in order to make the statements made, in light of the
17 circumstances under which they were made, not misleading; or
- 18 • engaged in acts, practices and a course of business that operated as a
19 fraud or deceit upon plaintiff and others similarly situated in connection with
20 their purchases of the Company's securities during the Class Period.

21 81. Defendants acted with scienter in that they knew that the public
22 documents and statements issued or disseminated in the name of the Company
23 were materially false and misleading; knew that such statements or documents
24 would be issued or disseminated to the investing public; and knowingly and
25 substantially participated, or acquiesced in the issuance or dissemination of such
26 statements or documents as primary violations of the securities laws. These
27 defendants by virtue of their receipt of information reflecting the true facts of the
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1 Company, their control over, and/or receipt and/or modification of the Company's
2 allegedly materially misleading statements, and/or their associations with the
3 Company which made them privy to confidential proprietary information
4 concerning the Company, participated in the fraudulent scheme alleged herein.

5 82. Individual Defendants, who are the senior officers of the Company,
6 had actual knowledge of the material omissions and/or the falsity of the material
7 statements set forth above, and intended to deceive Plaintiff and the other members
8 of the Class, or, in the alternative, acted with reckless disregard for the truth when
9 they failed to ascertain and disclose the true facts in the statements made by them
10 or any other of the Company's personnel to members of the investing public,
11 including Plaintiff and the Class.

12 83. As a result of the foregoing, the market price of the Company's
13 securities was artificially inflated during the Class Period. In ignorance of the
14 falsity of Defendants' statements, Plaintiff and the other members of the Class
15 relied on the statements described above and/or the integrity of the market price of
16 the Company's securities during the Class Period in purchasing the Company's
17 securities at prices that were artificially inflated as a result of Defendants' false and
18 misleading statements.

19 84. Had Plaintiff and the other members of the Class been aware that the
20 market price of the Company's securities had been artificially and falsely inflated
21 by Defendants' misleading statements and by the material adverse information
22 which Defendants did not disclose, they would not have purchased the Company's
23 securities at the artificially inflated prices that they did, or at all.

24 85. As a result of the wrongful conduct alleged herein, Plaintiff and other
25 members of the Class have suffered damages in an amount to be established at trial.

26 86. By reason of the foregoing, Defendants have violated Section 10(b)
27 of the 1934 Act and Rule 10b-5 promulgated thereunder and are liable to the
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1 plaintiff and the other members of the Class for substantial damages which they
2 suffered in connection with their purchase of the Company's securities during the
3 Class Period.

4 **COUNT II**

5 **Violations of Section 20(a) of the Exchange Act**

6 **Against the Individual Defendants**

7 87. Plaintiff repeats and realleges each and every allegation contained in
8 the foregoing paragraphs as if fully set forth herein.

9 88. During the Class Period, the Individual Defendants participated in the
10 operation and management of the Company, and conducted and participated,
11 directly and indirectly, in the conduct of the Company's business affairs. Because
12 of their senior positions, they knew the adverse non-public information about the
13 Company's false financial statements.

14 89. As officers of a publicly owned company, the Individual Defendants
15 had a duty to disseminate accurate and truthful information with respect to the
16 Company's financial condition and results of operations, and to correct promptly
17 any public statements issued by the Company which had become materially false
18 or misleading.

19 90. Because of their positions of control and authority as senior officers,
20 the Individual Defendants were able to, and did, control the contents of the various
21 reports, press releases and public filings which the Company disseminated in the
22 marketplace during the Class Period concerning the Company's results of
23 operations. Throughout the Class Period, the Individual Defendants exercised their
24 power and authority to cause the Company to engage in the wrongful acts
25 complained of herein. The Individual Defendants therefore, were "controlling
26 persons" of the Company within the meaning of Section 20(a) of the Exchange
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1 Act. In this capacity, they participated in the unlawful conduct alleged which
2 artificially inflated the market price of the Company's securities.

3 91. By reason of the above conduct, the Individual Defendants are liable
4 pursuant to Section 20(a) of the Exchange Act for the violations committed by the
5 Company.

6 **PRAYER FOR RELIEF**

7 **WHEREFORE**, Plaintiff, on behalf of himself and the Class, prays for
8 judgment and relief as follows:

9 (a) declaring this action to be a proper class action, designating Plaintiff
10 as Lead Plaintiff and certifying Plaintiff as a class representative under Rule 23 of
11 the Federal Rules of Civil Procedure and designating Plaintiff's counsel as Lead
12 Counsel;

13 (b) awarding damages in favor of Plaintiff and the other Class members
14 against all Defendants, jointly and severally, together with interest thereon;

15 (c) awarding Plaintiff and the Class reasonable costs and expenses
16 incurred in this action, including counsel fees and expert fees; and

17 (d) awarding Plaintiff and other members of the Class such other and
18 further relief as the Court may deem just and proper.

19 **JURY TRIAL DEMANDED**

20 Plaintiff hereby demands a trial by jury.

21
22 Dated:

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Counsel for Plaintiff

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