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ASIAN CITRUS HOLDINGS LIMITED

亞洲果業控股有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 73)

ANNOUNCEMENT

This announcement is made by the board of directors (the “**Board**”) of the Company pursuant to Rule 13.09 of the Hong Kong Listing Rules and the Inside Information Provisions (as defined under the Hong Kong Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

Reference is made to the Company’s announcement dated 29 September 2016 (the “**Announcement**”) in connection with the delay in publication of its annual results and annual report. Unless otherwise defined herein, capitalised terms used hereunder shall have the same meanings as those defined in the Announcement.

LEGAL PROCEEDINGS

During the month of June 2017, the Company was made aware of service of proceedings from a PRC court whereby Mr. Man Gui Fu has commenced legal proceedings against a subsidiary of the Company alleging that he has the right to require such subsidiary to transfer 46.14% equity interest in the Company’s indirect PRC subsidiary Beihai Perfuming Garden Juice Co., Ltd. (“**Beihai Perfuming Garden**”) pursuant to certain contractual arrangements alleged to have been executed by the Group, Mr. Man and the original shareholders of Beihai Perfuming Garden in February 2010.

Furthermore the Company was made aware of a PRC court order requiring a subsidiary of the Company to repay a loan of RMB17 million and the interest in arrears. Pursuant to the court documents received, the Group understands the allegations to be that the Company’s PRC subsidiary Tianyang Perfuming Garden Food Industrial Co., Ltd. (“**Tianyang Perfuming Garden**”) had entered into a loan facility agreement with a person called Xue Zhen* (薛珍) on 1 June 2016 in respect of a loan in the amount of RMB17 million with interest rate of 6% p.a.. It is alleged that such loan and the interests are due for repayment. It is further alleged that Tianyang Perfuming Garden has also pledged two pieces of land to Xue Zhen as security for the loan but such pledge had not been registered with the PRC authorities. The Board had since becoming aware of the legal proceedings made enquiries with Tianyang Perfuming

* *For identification purposes only*

Garden in connection with information related to this loan, but up to the date of this announcement Tianyang Perfuming Garden (which to the Company's knowledge its senior management, includes Mr. Huang Xin, Mr. Pang Yi, Mr. Man Gui Fu and Mr. Wang Jia Yi) has yet to respond or cooperate. The Company has also instructed its PRC legal advisers to attend the office of Tianyang Perfuming Garden to exercise its shareholders' right and make enquiries. Nevertheless the management at Tianyang Perfuming Garden refused to cooperate. The Board believes that the non-cooperation of the management of the PRC subsidiaries has adversely affected the normal operations of the Company and is against the interests of its shareholders.

The Board is not aware of the existence of the above contractual documents or arrangements prior to receiving the above legal proceedings and is taking PRC legal advice in respect of possible actions to be taken in response to such claims, including but not limited to checking the authenticity of the contracts received. The Board reiterates that it will defend such legal proceedings vigorously and will endeavour to claim against any and all losses the Group may suffer as a result.

Separately, the Company continues to progress relevant legal procedures in preparation for possible formal court proceedings and to change the relevant senior management members of relevant subsidiaries as referred to in the Company's announcement on 15 March 2017. Further the PRC courts have on 26 June 2017 formally accepted the Group's application to commence formal legal proceedings to enforce its information rights as shareholder of Beihai Perfuming Garden. The Group is in the process of commencing similar legal proceedings to enforce its information rights as shareholder of other relevant PRC subsidiaries.

MAJOR TRANSACTION

Reference is made to the Company's announcement dated 23 December 2016 in relation to the delay in despatch of circular in connection with the major transaction in the proposed acquisition of 100% of Eagleton Global Investments Limited and the related placement of shares.

The long stop date for the sale and purchase agreement and the related placement agreement was extended to 30 June 2017. The vendor continued to show its support to the Group and has agreed, together with the placing agent, to extend the long stop date for the major transaction to 30 September 2017.

The Company will update shareholders as to the despatch date of the major transaction circular in due course.

Trading in the shares of the Company on the Hong Kong Stock Exchange will remain suspended pending the release of the Group's annual results.

By Order of the Board
Asian Citrus Holdings Limited
Ng Ong Nee
Chairman

Hong Kong, 30 June 2017

As at the date of this announcement, the board of directors of the Company comprises two executive directors, namely Mr. Ng Ong Nee (Chairman and Chief Executive Officer) and Mr. Ng Hoi Yue (Deputy Chief Executive Officer); a non-executive director, namely Mr. He Xiaohong; and three independent non-executive directors, namely Mr. Chung Koon Yan, Dr. Lui Ming Wah, SBS, JP and Mr. Yang Zhen Han.