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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: HKSE: 73; AIM: ACHL)

ANNOUNCEMENT OF THE ANNUAL RESULTS FOR THE YEAR ENDED 30 JUNE 2011

The board of directors (the "Board") of Asian Citrus Holdings Limited (the "Company" or "Asian Citrus") is pleased to announce the consolidated results of the Company and its subsidiaries (collectively, the "Group") for the year ended 30 June 2011.

RESULTS HIGHLIGHTS

	Year ended 30 June			**For illustration only Year ended 30 June**	
	2011	2010	**% change**	**2011**	2010
	(RMB m)	*(RMB m)*		***(£ m*)***	*(£ m*)*
Reported financial information					
Revenue	**1,412.6**	812.5	**+73.9**	**136.4**	80.0
Gross profit	**738.6**	468.4	**+57.7**	**71.3**	46.1
EBITDA	**1,205.8**	652.4	**+84.8**	**116.4**	64.2
Profit before tax	**1,121.3**	587.3	**+90.9**	**108.2**	57.8
Net profit	**1,110.0**	585.5	**+89.6**	**107.1**	57.6
Basic EPS	**RMB1.06**	RMB0.74	**+43.2**	**10.2p**	7.3p
Final Dividend	**RMB0.10**	RMB0.10	**-**	**1.0p**	1.0p
Special Dividend	**RMB0.03**	RMB0.02	**+50.0**	**0.3p**	0.2p
Total Dividend	**RMB0.15**	RMB0.12	**+25.0**	**1.4p**	1.2p
Reported financial information adjusted to exclude biological gain					
EBITDA	**607.8**	346.4	**+75.5**	**58.7**	34.1
Profit before tax	**523.3**	281.3	**+86.0**	**50.5**	27.7
Net profit	**512.0**	279.5	**+83.2**	**49.4**	27.5
Basic EPS	**RMB0.49**	RMB0.35	**+40.0**	**4.7p**	3.4p
Payout ratio	**35.6%**	37.0%			

* *Conversion at £1 = RMB10.36 and RMB10.16 for the year ended 30 June 2011 and 2010 respectively for reference only*

BUSINESS OVERVIEW

- Continued to expand our direct sales to 20 supermarket chains with total supply of approximately 68,480 tonnes of oranges (2009/10: 61,157 tonnes), up approximately 12.0%

- Sold approximately 620,000 self-bred saplings to local farmers offering the Group the first right to purchase their oranges

- Achieved the annual renewal of the "Organic Products" accreditation by the China Organic Food Certification Center in both Hepu Plantation and Xinfeng Plantation

- Completed the acquisition of 92.94% equity interest in Beihai Perfuming Juice Co., Ltd. ("Beihai BPG") on 30 November 2010

- Expanding the production capacities of Beihai BPG by constructing a new production facility located in Baise city of the Guangxi Region with annual capacity of approximately 40,000 tonnes. The construction is expected to be substantially completed by the end of 2011 with trial production expected to commence before mid-2012.

- Continued the construction of the Hunan Plantation with 427,000 summer orange trees planted during the year

- Completed the share placement of 175,000,000 new ordinary shares in December 2010

- Recommended the final dividend of RMB0.10 and special dividend of RMB0.03 per share. Together with the interim dividend of RMB0.02 (2010: RMB Nil) per share, will make a total of RMB0.15 (2010: RMB0.12) per share for the whole year ended 30 June 2011. This equates to approximately 35.6% of the adjusted earnings excluding fair value gain of biological assets.

OPERATIONAL HIGHLIGHTS

Hepu Plantation

- Fully developed with approximately 1.3 million orange trees, of which 1.1 million are fruit-bearing trees

- Production slightly decreased as expected by approximately 2.5% to 123,711 tonnes (2009/10: 126,919 tonnes) due to the reduction in the number of productive winter orange trees under the replanting programme

- Replanting programme underway with 63,584 winter trees replaced during the year

- The first batch of 55,185 summer orange trees replanted in 2007 commenced its first crop yielding approximately 646 tonnes

Xinfeng Plantation

- Fully planted with 1.6 million winter orange trees, of which all are producing

- Production increased by approximately 55.3% to 93,181 tonnes (2009/10: 60,019 tonnes)

Hunan Plantation

- First batch of 427,000 summer orange trees planted

- RMB286.7 million invested which mainly represents expenditure for land clearing, land cultivation, planting costs and other farmland infrastructure

Beihai BPG

- Sold a total of approximately 20,653 tonnes of juice concentrates, 3,616 tonnes of fruit purees and 9,634 tonnes of frozen and dried fruits and vegetables for the seven months ended 30 June 2011

CHAIRMAN'S STATEMENT

I am very pleased to present the annual results of Asian Citrus Holdings Limited (the "Company" or "Asian Citrus") and its subsidiaries (collectively referred to as the "Group") for the year ended 30 June 2011. For the year ended 30 June 2011, the Group's revenue increased by approximately 73.9% from RMB812.5 million to RMB1,412.6 million while the net profit increased by approximately 89.6% from RMB585.5 million to RMB1,110.0 million.

STRATEGIC OVERVIEW

During the year ended 30 June 2011, the Group continued to expand our direct sales of oranges to supermarket chains in China. The Group supplied a total of 68,480 tonnes of oranges directly to 20 supermarket chains in most of the major cities and coastal provinces in China. This represented an increase of approximately 12.0% from 61,157 tonnes sold directly to supermarket chains in the previous year. The volume and revenue of sales to supermarkets accounted for approximately 31.6% and 39.0% of the Group's production and revenue from sales of oranges, respectively. We will continue to expand our supermarket sales coverage with increased volume and a wider customer base in the coming year.

The Group continues to mass produce self-bred saplings at both the Hepu Plantation and Hunan Plantation. In addition to supplying these saplings to these plantations under the replanting and the new planting programmes, we sold approximately 620,000 saplings to local farmers during the year. The continuous development of our nursery function along with our sales of self-bred saplings provides the Group with a long-term stable supply of high-quality oranges as there are reciprocal agreements with the farmers which offer the Group the first right to purchase their oranges.

Strict quality control and food safety of our products are always a top priority. During the year, our Hepu and Xinfeng Plantations both successfully achieved their annual renewal of the "Organic Products" accreditation by the China Organic Food Certification Center which evidences the outstanding quality of our products.

The acquisition of our 92.94% equity interest in Beihai Perfuming Garden Juice Co., Ltd. ("Beihai BPG") was completed on 30 November 2010 and this represents a major milestone for the Group to expand into the concentrated juice market in China. In addition to the existing production facilities of approximately 60,000 tonnes annual production capacity located in Beihai city and Hepu county of Guangxi Zhuang Autonomous Region (the "Guangxi Region"), we are currently expanding the production capacities of Beihai BPG by establishing a new production facility in Baise city of the Guangxi Region with an annual output capacity of approximately 40,000 tonnes. We expect to substantially complete the construction of this new juicing plant by the end of 2011 and the trial production is expected to commence before mid-2012.

OPERATING REVIEW

There are approximately 1.3 million orange trees in the Hepu Plantation of which approximately 1.1 million trees were producing oranges during the year ended 30 June 2011. Production output for the year was approximately 123,711 tonnes, representing a decrease of approximately 2.5% over the previous year's production of 126,919 tonnes. This slight decrease was due mainly to the reduction in the number of productive winter orange trees due to the replanting programme, partially offset by the increase in production from some of the winter orange trees as they become more mature and the first crop from the summer orange trees replanted in 2007.

The Group's replanting programme in the Hepu Plantation is ongoing and so far this year, 63,584 winter trees have been removed and replanted with the same number of the new species of summer orange trees.

There are currently approximately 120,000 winter orange trees at the Hepu Plantation, all of which are due to be replaced over the next two years. We are very confident that the replanting programme will deliver long term economic benefits by increasing average yields and achievable revenue per tonne from the improved species of summer oranges trees. The first batch of 55,185 orange trees replanted in 2007 commenced its first crop in the summer of 2011, yielding approximately 646 tonnes of oranges. We expect the later batches of replanted trees to commence their production in the coming few years. As a result, the Hepu Plantation will soon be producing increasing tonnage of summer oranges benefiting from both the commencement of production from the replanting programme and increasing maturity of the replanted summer orange trees.

The Xinfeng Plantation is fully planted with 1.6 million winter orange trees all of which were producing, albeit at different stages of maturity. During the year they yielded approximately 93,181 tonnes of oranges, representing an increase of approximately 55.3% over the previous year's production of 60,019 tonnes. This growth was mainly due to the increased production from the first three batches of 1.2 million winter oranges trees, which are yet to achieve full maturity, together with trial production from the final batch of 400,000 trees.

During the year, the Group continued the construction of the Hunan Plantation with an investment of approximately RMB185.7 million. As at 30 June 2011, approximately RMB286.7 million has been invested in the Hunan Plantation. As of the date of this report, 427,000 summer orange trees have been planted in the Hunan Plantation and we expect the entire Hunan planting programme will be completed by 2013.

Following its acquisition in November 2010, Beihai BPG continues to deliver strong operational and financial results with optimal utilisation of its production facilities. During the seven months ended 30 June 2011, Beihai BPG sold a total of approximately 20,653 tonnes of juice concentrates, 3,616 tonnes of fruit purees and 9,634 tonnes of frozen and dried fruits and vegetables.

SHARE PLACEMENT

In December 2010, 175,000,000 new ordinary shares were placed at HK$8.88 each, raising net proceeds of approximately HK$1,510 million. The proceeds have been used for paying the cash consideration of HK$780 million in relation to the acquisition of Beihai BPG, and will be used for financing the expansion of the production capacity of Beihai BPG; and financing the corresponding additional working capital requirement resulting from the expansion of its production capacity.

DIVIDENDS

The Board recommends the payment of a final dividend of RMB0.10 and a special dividend of RMB0.03 per share for the financial year ended 30 June 2011. Together with the interim dividend of RMB0.02 per share, this equates to approximately 35.6% of the adjusted earnings excluding fair value gain of biological assets for the year ended 30 June 2011 which the Board views as an appropriate payout to provide shareholders with an attractive yield while leaving the Group with sufficient capital for further developments. The Company has decided to institute a Scrip Dividend Scheme whereby shareholders will be offered the opportunity to elect to receive the final and special dividend for the year ended 30 June 2011 in the form of shares. A document providing further details of this Scrip Dividend Scheme will be sent to shareholders in due course.

The final and special dividend, if approved at the Annual General Meeting on 8 November 2011, will be paid in sterling or HK Dollars on or before 30 December 2011, to shareholders on the register on 11 November 2011, with an ex-dividend date of 10 November 2011 and 9 November 2011 on The Stock

Exchange of Hong Kong Limited and London Stock Exchange PLC, respectively. The actual translation rate for the purpose of dividend payment in sterling or HK Dollars will be determined by reference to the exchange rate on 15 November 2011.

CORPORATE GOVERNANCE

Following the Company's listing on AIM of the London Stock Exchange in 2005, we have consistently provided a return for our shareholders by way of dividends and the dividend payout ratio has always been 25% or more of the adjusted earnings excluding fair value gain of biological assets for the respective financial year.

In addition to the consistent dividend policy, the Group is committed to protect our shareholders' interest by way of securing proper titles over our major assets. We have properly secured the land use rights for all our plantations by way of leasing contracts in accordance with the PRC Rural Land Contracting Law. The Group is also duly registered as the owners of the orange trees at the Hepu Plantation and Xinfeng Plantation in accordance with the PRC Property Law and the PRC Forestry Law. The Group will register its ownership over the orange trees at the Hunan Plantation once the construction work at the Hunan Plantation is completed.

OUTLOOK

During the year, we made very good progress in increasing the volume of direct sales to supermarkets. The acquisition of Beihai BPG is an important step for the Group in moving downstream and provides the Group with better flexibility to meet the changing needs of the consumer market and to explore other opportunities in the agricultural sector. The acquisition of Beihai BPG brought the Group an accretive effect to the earnings per share from operations, thus creating better shareholders' value.

The Group aims to increase its production of high quality citrus fruits through organic growth in production from its existing plantations, the potential acquisition of high quality and sizeable citrus plantations in China and the ongoing saplings program with local farmers which will enable the Group to source high-quality oranges without major capital expenditure. Apart from fresh citrus products, the Group is considering the diversification of its agricultural business into the production of tropical fruits which will enhance the synergy with Beihai BPG, building on the Group's successful track record and expertise in the agricultural industry and extensive distribution network for fresh products.

The outlook for fruit juice consumption in China looks very positive and the acquisition of Beihai BPG provides us with the techniques, processing capacity and distribution network for effective expansion into the concentrated juice market in the PRC. The addition of new production capacity will strengthen the Group's leading position in the juice concentrates market in China.

On behalf of the Board, I would like to express my deepest gratitude to the management and our employees for their dedication and contributions to the growth of Asian Citrus. In addition, I would also like to take this opportunity to thank all our shareholders, business partners and investors for their continuous support and care. We are very excited about our growth in both the agricultural and processing businesses and we are confident that Asian Citrus will continue to deliver value to its shareholders in the context of continuing economic growth in China and the increasing health consciousness of its people.

Tony Tong
Chairman

16 September 2011

MANAGEMENT DISCUSSION AND ANALYSIS

OPERATING PERFORMANCE

Revenue

The breakdown of revenue by types is as follows:

	For the year ended 30 June			
	2011		2010	
	RMB'000	***% of total revenue***	*RMB'000*	*% of total revenue*
Hepu Plantation	**631,139**	**44.7%**	583,649	71.8%
Xinfeng Plantation	**330,988**	**23.4%**	194,016	23.9%
Sale of oranges	**962,127**	**68.1%**	777,665	95.7%
Sale of processed fruit	**417,393**	**29.5%**	–	0.0%
Sale of self-bred saplings	**6,903**	**0.5%**	7,056	0.9%
Sale of properties	**26,198**	**1.9%**	27,761	3.4%
Total revenue	**1,412,621**	**100.0%**	812,482	100.0%

The Group's revenue increased by approximately 73.9% from RMB812.5 million to RMB1,412.6 million for the year ended 30 June 2011.

Sale of oranges

Revenue from sale of oranges grew by approximately 23.7% to RMB962.1 million for the year ended 30 June 2011. This was achieved by an increase of approximately 16.0% in the Group's production to 216,892 tonnes combined with an increase in the average selling price of oranges in different plantations of approximately 10.0% year on year.

The production yield from Hepu Plantation decreased by approximately 2.5% to 123,711 tonnes for the year ended 30 June 2011 due to the ongoing replanting programme. In the previous year, 64,194 winter orange trees were removed and replanted with the same number of the summer orange trees. As the orange trees continued to mature and more trees reached orange-bearing age, the production yield from the Xinfeng Plantation increased significantly by 55.3% to 93,181 tonnes for the year ended 30 June 2011 from 60,019 tonnes in the comparable year.

The following table sets out the average selling prices of oranges in different plantations:

	Year ended 30 June	
	2011	2010
	RMB	*RMB*
	(per tonne)	*(per tonne)*
Hepu Plantation		
– Winter Oranges	**3,922**	3,567
– Summer Oranges	**6,061**	5,516
Xinfeng Plantation		
– Winter Oranges	**3,660**	3,330

All of the Group's oranges were sold domestically. The Group's customers for the sale of oranges can be divided into three categories, namely corporate customers, wholesale customers, and supermarket chains. The breakdown of the types of customers is as follows:

	For the year ended 30 June	
	2011	2010
	% of sale of oranges	
Types of customers		
Supermarket chains	**39.0%**	40.8%
Corporate customers	**30.5%**	34.5%
Wholesale customers	**30.0%**	23.8%
Other	**0.5%**	0.9%
Total	**100.0%**	100.0%

For the year ended 30 June 2011, the production volume and revenue to supermarket chains represented approximately 31.6% and 39.0%, respectively, of the Group, compared to approximately 32.7% and 40.8%, respectively, for the year ended 30 June 2010. For the Hepu Plantation, the production volume and revenue to supermarket chains increased to approximately 37.3% and 47.0%, respectively, (2010: 35.7% and 45.6%). As the Xinfeng Plantation was still at the early stage, the oranges were mainly sold to corporate and wholesale customers, thereby reducing the percentage of sales to supermarket chains.

For the Hepu Plantation and Xinfeng Plantation, the production volume sold to supermarkets was 46,156 tonnes and 22,324 tonnes for the year ended 30 June 2011, increased from 45,298 tonnes and 15,859 tonnes for the year ended 30 June 2010, respectively.

Sale of processed fruits

After the completion of acquisition of 92.94% equity interest of Beihai BPG on 30 November 2010, the results of Beihai BPG have been consolidated into the Group.

For the seven months ended 30 June 2011, the revenue from the sale of processed fruits such as fruit juice concentrates, fruit purees, frozen fruits and vegetables and dried fruits and beverages was approximately RMB417.4 million.

The following table sets out the volume and revenue from the sale of processed fruits:

	For the year ended 30 June			
	2011		2010	
	Volume (Tonnes)	***Revenue RMB'000***	*Volume (Tonnes)*	*Revenue RMB'000*
Pineapple juice concentrates	**16,636**	**222,283**	–	–
Other fruit juice concentrates	**4,017**	**87,340**	–	–
Fruit purees	**3,616**	**25,783**	–	–
Frozen and dried fruits and vegetables	**9,634**	**81,987**	–	–
	33,903	**417,393**	–	–

Beihai BPG processes over 22 different types of tropical fruits, including pineapples, passion fruit, lychees, mangoes and papayas. Only single product accounting for over 10% of the revenue from the sale of processed fruits is shown separately in the table above.

The utilisation rate of two existing processing plants in Beihai and Hepu is approximately 92.7% (2010: 89.9%) and 90.4% (2010: 84.5%) for the year ended 30 June 2011, respectively.

Beihai BPG currently generates most of its sales from the PRC market, with key customers being beverage mixers supplying major beverage groups.

Whilst tropical fruits juice concentrates and purees continue to be its major product, Beihai BPG started to increase the production of orange juice concentrate in December 2010 with revenue and sales volume of RMB4.2 million and 241 tonnes, respectively, for the seven months ended 30 June 2011.

Sale of self-bred saplings

For the year ended 30 June 2011, approximately RMB6.9 million was recognised from the sale of approximately 620,000 self-bred saplings to local farmers.

Sale of properties

In addition, the transfer of ownership and titles of 49 wholesale units of Phase I of the Xinfeng Development was completed during the year ended 30 June 2011. The Group recognised revenue and corresponding costs (excluding business tax and other relevant taxes and charges that may be levied) of approximately RMB26.2 million and RMB13.7 million, respectively.

Cost of sales

The breakdown of cost of sales of the Group is as follows:

	For the year ended 30 June			
	2011		2010	
	RMB'000	***% of cost of sales of respective segment***	*RMB'000*	*% of cost of sales of respective segment*
Inventories used				
Fertilisers	**193,713**	**50.8%**	164,613	51.2%
Packaging materials	**42,907**	**11.2%**	39,982	12.4%
Pesticides	**32,010**	**8.4%**	27,153	8.5%
	268,630	**70.4%**	231,748	72.1%
Production overheads				
Direct labour	**37,140**	**9.7%**	30,855	9.6%
Depreciation	**50,498**	**13.2%**	49,637	15.4%
Others	**25,481**	**6.7%**	9,266	2.9%
Cost of sales of oranges	**381,749**	**100%**	321,506	100%
Fruit	**205,920**	**74.8%**	–	–
Packaging materials	**18,136**	**6.6%**	–	–
Direct labour	**15,041**	**5.5%**	–	–
Other production overheads	**36,196**	**13.1%**	–	–
Cost of sales of processed fruits	**275,293**	**100%**	–	–
Cost of sales of self-bred saplings	**3,235**		2,262	
Cost of sales of properties	**13,742**		20,337	
Total	**674,019**		344,105	

Cost of sale of oranges principally consists of the costs of raw materials such as fertilisers, packaging materials, pesticides and other direct costs such as direct labour, depreciation and production overheads. The production cost of oranges increased by approximately 18.7% from RMB321.5 million to RMB381.7 million. The increase in production costs was mainly due to an increase in raw materials utilised for higher production volume and the trial production of the final batch of 400,000 orange trees in Xinfeng Plantation and the first batch of 55,185 orange trees replanted in Hepu Plantation in 2007.

The unit cost of production in the Hepu Plantation maintained at approximately RMB1.49 per kg for the year ended 30 June 2011 (2010: RMB1.49 per kg).

The unit cost of production in the Xinfeng Plantation decreased by 4.5% to approximately RMB2.12 per kg for the year ended 30 June 2011 (2010: RMB2.22 per kg) as a result of the better economies of scale achieved from the increased maturity of the orange trees.

The combined unit cost of production increased by approximately 2.3% to RMB1.76 per kg from 1.72 per kg in the last year.

Cost of sales of processed fruits mainly includes the cost of fruits and packaging materials and other direct costs such as direct labour, depreciation and production overheads. For the seven months ended 30 June 2011, the cost of sales of processed fruits was approximately RMB275.3 million.

The fruit cost is the most significant part of our cost of processed fruit. For the seven months ended 30 June 2011, the fruit cost accounted for approximately 74.8% of the cost of processed fruit. The packaging material, direct labor and other production overhead accounted for approximately 6.6%, 5.5% and 13.1%, respectively of the cost of processed fruit, for the seven months ended 30 June 2011.

Gross profit

The Group's overall gross profit increased by approximately 57.7% to approximately RMB738.6 million for the year ended 30 June 2011 (2010: RMB468.4 million). The improvement in gross profit was the result of an increase in the production output of orange of approximately 16.0%, an increase in the average selling price of oranges in different plantations year on year and the inclusion of the seven months' gross profit of Beihai BPG of RMB142.1 million.

The following table sets out a breakdown of the Group's gross profit margin by plantation:

	For the year ended 30 June	
	2011	2010
Hepu Plantation	**70.9%**	67.7%
Xinfeng Plantation	**40.2%**	31.3%

The following table sets out a breakdown of the Group's gross profit margin by business:

	For the year ended 30 June	
	2011	2010
Sale of oranges	**60.3%**	58.7%
Sale of processed fruits	**34.0%**	N/A
Sale of self-bred saplings	**53.1%**	67.9%
Sale of properties	**47.5%**	26.7%
Overall gross profit margin	**52.3%**	57.6%

The gross profit margin of the Hepu Plantation increased to approximately 70.9% (2010: 67.7%) as a result of the higher average selling price achieved but partially offset by the decrease of the production volume of winter oranges as a result of the ongoing replanting programme.

The Xinfeng Plantation, benefiting from trees continuing to mature and an increase in the number of trees reaching orange bearing age, saw the gross profit margin rising to approximately 40.2% for the year ended 30 June 2011 (2010: 31.3%). As a result of the continuous growth in production volume and better economies of scale, we expect the gross profit margin of the Xinfeng Plantation will continue to grow over the medium term.

Combined the above, the overall gross profit margin from sale of oranges slightly increased to approximately 60.3% (2010: 58.7%) for the year ended 30 June 2011.

Beihai BPG processes over 22 different types of fruit with different profit margin. The normalised profit margin of Beihai BPG for the seven months ended 30 June 2011 was 34.0%.

Gain on change in fair value of biological assets
The Group recorded a gain of approximately RMB598.0 million from changes in fair value of biological assets for the year ended 30 June 2011, compared to a gain of RMB306.0 million for the last year. The increase was mainly due to the higher average selling price of the oranges achieved by the Group and the transfer of 455,185 infant trees to orange trees and the increased maturity of orange trees in Xinfeng Plantation during the year.

Selling and distribution expenses

Selling and distribution expenses mainly comprise sales commissions, advertising, salaries and welfare of sales personnel, traveling and transportation expenses. The selling and distribution expenses of the Group increased from approximately RMB45.5 million for the year ended 30 June 2010 to approximately RMB63.3 million for the year ended 30 June 2011, representing an increase of approximately 39.1%, mainly resulting from the increased sale activities in Xinfeng Plantation and Beihai BPG.

Selling and distribution expenses represented 4.5% of the Group's revenue, a decrease of 1.1 percentage points as compared to 5.6% year-on-year, demonstrating that the Group was able to control cost effectively amid rapid business expansion.

General and administrative expenses

General and administrative expenses comprise mainly salary, office administration expenses, depreciation, amortisation, raw material utilised for infant trees and research costs. The general and administrative expenses of the Group were approximately RMB161.6 million for the year ended 30 June 2011 (2010: RMB143.3 million), representing an increase of approximately 12.8%. The increase was mainly due to an increase in share based payment of approximately RMB37.3 million in relation to the employee share option scheme, more raw materials amounting to approximately RMB21.8 million utilised for the infant trees replanted in Hepu Plantation and the first batch of 427,400 infant trees planted in Hunan Plantation during the year and inclusion of the general and administrative expenses amounting to approximately RMB11.1 million of Beihai BPG.

The increase was partially offset by less raw materials amounted to approximately RMB45.9 million being utilised for the infant trees in Xinfeng Plantation as all trees became fruit bearing during the year and there was no one-off listing expenses of approximately RMB16.3 million this year.

General and administrative expenses represented 11.4% of the Group's revenue, a decrease of 6.2 percentage points as compared to 17.6% year-on-year, demonstrating the Group's ability to achieve economies of scale after acquisition of Beihai BPG.

Profit

The profit attributable to shareholders for the year ended 30 June 2011 increased to approximately RMB1,110.0 million, compared to approximately RMB585.5 million for 2010, representing an increase of approximately 89.6%.

The profit attributable to shareholders excluding the biological gain for the year ended 30 June 2011 was approximately RMB512.0 million, compared to approximately RMB279.5 million for 2010, representing an increase of approximately 83.2%.

The increase was mainly attributable to an increase in production volume of oranges, the increase in average selling price of oranges in different plantations year on year, the results of Beihai BPG having been consolidated into the Group after the completion of acquisition of 92.94% equity interest of Beihai BPG by the Group on 30 November 2010 and the net gain on change in fair value of the biological assets.

FINAL AND SPECIAL DIVIDEND

The Directors are pleased to recommend that a final dividend of RMB0.10 and a special final of RMB0.03 (2010: RMB0.10, special dividend of RMB0.02) per share. The final and special dividend, together with the interim dividend of RMB0.02 (2010: RMB Nil) per share, will make a total of RMB0.15 (2010: RMB0.12) per share for the whole year ended 30 June 2011. This equates to approximately 35.6% of the adjusted earnings excluding fair value gain of biological assets for the year.

PRODUCTIVITY

The increasing maturity of the oranges trees together with effective managerial planning and production supervision, have led to productivity gains.

	For the year ended 30 June			
	2011		2010	
Types of produce	***Tonnes***	***% of Total output***	*Tonnes*	*% of total output*
Winter oranges	**143,698**	**66.3%**	114,530	61.3%
Summer oranges	**73,194**	**33.7%**	72,408	38.7%
Total	**216,892**		186,938	

The production volume of winter oranges increased to 143,698 tonnes for the year ended 30 June 2011, representing an increase of approximately 25.5%. The production volume of winter oranges in Hepu Plantation decreased by approximately 7.3% from 54,511 tonnes for the year ended 30 June 2010 to 50,517 tonnes for the year ended 30 June 2011 due to the replanting programme. With the increased maturity and more trees becoming fruit bearing during the year, the production volume of winter oranges from Xinfeng Plantation increased significantly by approximately 55.3% to 93,181 tonnes for the year ended 30 June 2011 from 60,019 tonnes in the last year.

The production volume of summer oranges increased slightly to 73,194 tonnes for the year ended 30 June 2011 (2010: 72,408 tonnes).

CAPITAL STRUCTURE

As at 30 June 2011, there were 1,215,156,963 shares in issue. Based on the closing price of HK$7.07 as at 30 June 2011, the market capitalisation of the Company was approximately HK$8,591.2 million (GBP688.7 million).

HUMAN RESOURCES

There were a total of 1,730 employees of the Group as at 30 June 2011. The Group aims to attract, retain and motivate high calibre individuals with a competitive remuneration package. Remuneration packages are performance-linked and business performance, market practices and competitive market conditions are all taken into consideration. The Group reviews the employees' remuneration packages on an annual basis. The Group also places heavy emphasis on staff training and development so that employees can reach their maximum potential.

FINANCIAL PERFORMANCE

	30 June 2011	30 June 2010
Current ratio (x)	**41.05**	21.33
Quick ratio (x)	**37.83**	19.21
Asset turnover (x)	**0.18**	0.21
Basic earnings excluding revaluation from biological assets per share (RMB)	**0.49**	0.35
Basic earnings per share (RMB)	**1.06**	0.74
Net debt to equity (%)	**Net cash**	Net cash

Liquidity

The current ratio and quick ratio was approximately 41.05 and 37.83, respectively. The liquidity of the Group remained healthy with sufficient reserves for both current operation and future development.

Profitability

The asset turnover of the Group dropped to approximately 0.18 (2010: 0.21) for the year ended 30 June 2011 as we only consolidated seven months' result of Beibai BPG during the year.

Basic earnings per share for the year ended 30 June 2011 was approximately RMB1.06 (2010: RMB0.74).

Basic earnings excluding biological gain per share for the year ended 30 June 2011 increased to approximately RMB0.49 (2010: RMB0.35).

Debt ratio

The net cash positions of the Group were approximately RMB2,232.2 million and RMB975.1 million at 30 June 2011 and 2010, respectively.

Internal cash resource

The Group's major internal cash resource is its cash and cash equivalents. The Group did not have any outstanding bank borrowings as at 30 June 2011.

Charge on assets and contingent liabilities

None of the Group's assets were pledged and the Group did not have any material contingent liabilities as at 30 June 2011.

Capital Commitments

As at 30 June 2011, the Group had capital commitments of approximately RMB149.0 million mainly in relation to the construction of the farmland infrastructure in the Hunan Plantation and the new juicing plant in Baise city.

Foreign exchange risk

The Group is exposed to currency risk primarily through its cash and cash equivalents that are denominated in a currency other than the functional currency of the operation to which they related. The currencies giving rise to this risk are primarily Hong Kong dollars, United States dollars and British pounds.

The Group undertakes certain transactions denominated in foreign currencies, hence exposures to exchange rate fluctuation arise. The Group currently does not use any derivative contracts to hedge against its exposure to currency risk. Management manages its currency risk by closely monitoring the movement of the foreign currency rate and considers hedging significant foreign currency exposure should the need arise.

PLANTATIONS

The Group has three orange plantations in the PRC occupying in total approximately 155,000 mu (equivalent to approximately 103.3 sq.km.) of land, with approximately 46,000 mu (equivalent to approximately 30.7 sq.km.) Hepu Plantation located in the Hepu county of the Guangxi Zhuang Autonomous Region, approximately 56,000 mu (equivalent to approximately 37.3 sq.km.) Xinfeng Plantation in the Xinfeng county of the Jiangxi province and approximately 53,000 mu (equivalent to approximately 35.3 sq.km) Hunan Plantation in the Dao county of the Hunan province.

Hepu Plantation

The Hepu Plantation is fully planted and comprises approximately 1.3 million orange trees and in which, approximately 1.1 million trees were producing oranges during the year ended 30 June 2011. During the year, 63,584 winter orange trees were removed and the same number of summer orange trees were replanted due to the ongoing replanting programme.

Xinfeng Plantation

The Xinfeng Plantation is fully planted and comprises 1.6 million winter orange trees and all of which are now producing oranges during the year ended 30 June 2011.

Hunan Plantation

The Hunan Plantation is still under development and 427,400 summer orange trees were planted during the year ended 30 June 2011.

The below table sets out the age profile as at 30 June 2011 and the production volume of the plantations for the year ended 30 June 2011:

Summer orange trees

Age	Hepu Plantation	Hepu Plantation Yield	Hunan Plantation	Hunan Plantation Yield	Total	Total Yield
	No. of trees	*(tonnes)*	*No. of trees*	*(tonnes)*	*No. of trees*	*(tonnes)*
0	**63,584**	**–**	**427,400**	**–**	**490,984**	**–**
1	**64,194**	**–**	**–**	**–**	**64,194**	**–**
2	**81,261**	**–**	**–**	**–**	**81,261**	**–**
3	**76,135**	**–**	**–**	**–**	**76,135**	**–**
4	**55,185**	**646**	**–**	**–**	**55,185**	**646**
14	**29,996**	**2,775**	**–**	**–**	**29,996**	**2,775**
15	**128,966**	**15,552**	**–**	**–**	**128,966**	**15,552**
16	**186,003**	**23,676**	**–**	**–**	**186,003**	**23,676**
17	**223,741**	**30,545**	**–**	**–**	**223,741**	**30,545**
	909,065	**73,194**	**427,400**	**–**	**1,336,465**	**73,194**

Winner orange trees

Age	Hepu Plantation	Hepu Plantation Yield	Xinfeng Plantation	Xinfeng Plantation Yield	Total	Total Yield
	No. of trees	*(tonnes)*	*No. of trees*	*(tonnes)*	*No. of trees*	*(tonnes)*
4	**–**	**–**	**400,000**	**3,600**	**400,000**	**3,600**
5	**–**	**–**	**400,000**	**23,200**	**400,000**	**23,200**
6	**46,077**	**1,935**	**400,000**	**28,800**	**446,077**	**30,735**
8	**180,180**	**17,742**	**400,000**	**37,581**	**580,180**	**55,323**
9	**42,300**	**4,221**	**–**	**–**	**42,300**	**4,221**
14	**91,386**	**23,107**	**–**	**–**	**91,386**	**23,107**
15	**10,133**	**1,536**	**–**	**–**	**10,133**	**1,536**
16	**12,988**	**1,976**	**–**	**–**	**12,988**	**1,976**
	383,064	**50,517**	**1,600,000**	**93,181**	**1,983,064**	**143,698**
Grand total					**3,319,529**	**216,892**

The below table sets out the age profile as at 30 June 2010 and the production volume of the plantations for the year ended 30 June 2010:

Summer orange trees

Age	Hepu Plantation *No. of trees*	Hepu Plantation Yield *(tonnes)*	Total *No. of trees*	Total Yield *(tonnes)*
0	64,194	–	64,194	–
1	81,261	–	81,261	–
2	76,135	–	76,135	–
3	55,185	–	55,185	–
13	29,996	2,649	29,996	2,649
14	128,966	14,969	128,966	14,969
15	186,003	23,646	186,003	23,646
16	223,741	31,144	223,741	31,144
	845,481	72,408	845,481	72,408

Winter orange trees

Age	Hepu Plantation *No. of trees*	Hepu Plantation Yield *(tonnes)*	Xinfeng Plantation *No. of trees*	Xinfeng Plantation Yield *(tonnes)*	Total *No. of trees*	Total Yield *(tonnes)*
3	–	–	400,000	–	400,000	–
4	–	–	400,000	4,009	400,000	4,009
5	46,077	1,228	400,000	23,195	446,077	24,423
7	180,180	12,766	400,000	32,815	580,180	45,581
8	42,300	3,996	–	–	42,300	3,996
13	154,970	32,940	–	–	154,970	32,940
14	10,133	1,590	–	–	10,133	1,590
15	12,988	1,991	–	–	12,988	1,991
	446,648	54,511	1,600,000	60,019	2,046,648	114,530
Grand total					2,892,129	186,938

VALUATION OF BOLOGICAL ASSETS

The Group has engaged Vigers Appraisal & Consulting Limited ("Vigers"), an independent valuer, to determine the fair value of the orange trees less estimated point-of-sale costs as at 30 June 2011.

The valuations of the Group's orange trees were conducted on the basis of discounted cash flow. The discount rate being applied to the discounted cash flow model is based on Capital Asset Pricing Model. Vigers begins with the appraised value of the Group's orange trees by discounting the future income streams attributable to the Group's orange trees to arrive at a present value and deducts the tangible assets (including plantation related machinery and equipment and land improvements) from the appraised value which are employed in the operation of the Group's plantations.

Vigers conducted inspections of the plantations and performed sample counts on the oranges trees in connection with their valuation exercise of the Group's orange trees.

Major assumptions

The discounted cash flow method adopted a number of key assumptions, which include the discount rate, market prices of oranges, production yield per tree, related production costs, etc. The values of such variables are determined by Vigers using information supplied by the Group, as well as proprietary and third-party data, as follows:

1) The discount rate applied for the year ended 30 June 2011 was 20.0% (2010: 19.8%). The discount rate reflected the expected market return on the asset and can be affected by the interest rate, market sentiments and risk of the asset versus the general market risk.

2) The yield per tree variables represent the harvest level of the orange trees. The yield of orange trees is affected by the age, species and health of the orange trees, the climate, location, soil conditions, topography and infrastructure. In general, yield per tree increases from age 3 to 10, remains stable for about 22 years, and then decreases until age 35. Vigers' agricultural consultant estimates that the yield per tree based on field inspection of general growth conditions of orange trees and average yield data of typical orange plantations in the PRC.

3) The market prices variables represent the assumed market price for the Summer Oranges and Winter Oranges produced by the Group. Vigers adopted the market sales prices prevailing as of the relevant balance sheet date for each type of orange produced by the Group as the sales price estimate. Such estimation was based on real terms without considering inflationary effect and planned future business activity that may impact the future prices of oranges harvested from the Group's plantations. The selling prices of winter oranges and summer oranges from the Hepu Plantation and winter oranges from the Xinfeng Plantation adopted were RMB3,230 per tonne, RMB5,300 per tonne and RMB3,660 per tonne, respectively, for the year ended 30 June 2011 and RMB2,990 per tonne, RMB4,830 per tonne and RMB3,330 per tonne, respectively, for the year ended 30 June 2010.

4) The direct production cost variables represent the direct costs necessary to bring the oranges to their sales form, which mainly include raw material costs and direct labour costs. The direct production cost variables are determined by reference to actual costs incurred for areas that have been previously harvested and cost information for comparable areas with regards to areas that have not been harvested previously. Vigers applied direct production costs of 34% (2010: 32% to 37%) and 34% to 55% (2010: 32% to 77%) of sale of oranges for the Hepu Plantation and the Xinfeng Plantation, respectively, during the year ended 30 June 2011.

Sensitive analysis

1) Changes in the discount rate applied result in significant fluctuations in the Group's gain from changes in fair value of orange trees less estimated point-of-sale costs. The following table illustrates the sensitivity of the Group's gain from changes in fair value of orange tree less estimated point-of-sale costs to increases or decreases by 100 basis points in the discount rate of 20.0% applied by Vigers for the year ended 30 June 2011:

	100 basis points Decrease	**Base Case**	**100 basis points Increase**
Discount rate	19.0%	20.0%	21.0%
Net gain on change in fair value of biological assets (RMB'000)	747,000	598,000	461,000

2) Changes in the yield per orange tree can also result in significant fluctuations in gain from changes in fair value of orange trees less estimated point-of-sale costs. The following table illustrates that sensitivity of the Group's gain from changes in fair value of orange trees less estimated point-of-sale costs to 5.0% increase or decrease in the yield per tree applied for the year ended 30 June 2011:

	5.0% Decrease	**Base Case**	**5.0% Increase**
Net gain on change in fair value of biological assets (RMB'000)	455,000	598,000	742,000

3) Changes in assumed market prices of the oranges can also result in significant fluctuations in gain from changes in fair value of orange trees less estimated point-of-sale costs. The following table illustrates the sensitivity of the Group's gain from changes in fair value of orange trees less estimated point-of-sale costs to 5.0% increase or decrease in the assumed market prices of oranges as at 30 June 2011 used to calculate gain from changes in fair value of orange trees less estimated point-of-sale costs for the year ended 30 June 2011:

	5.0% Decrease	**Base Case**	**5.0% Increase**
Net gain on change in fair value of biological assets (RMB'000)	467,000	598,000	730,000

4) Changes in the assumed direct production costs can also result in significant fluctuations in gain from changes in fair value of orange trees less estimated point-of-sale costs. The following table illustrates the sensitivity of the Group's gain from changes in fair value of orange trees less estimated point-of-sale costs to 5.0% increases or decreases in the Group's assumed direct production costs used to calculate gain from changes in fair value of orange trees less estimated point-of-sale costs for the year ended 30 June 2011:

	5.0% Decrease	**Base Case**	**5.0% Increase**
Net gain on change in fair value of biological assets (RMB'000)	706,000	598,000	491,000

The above sensitivity analyses are intended for illustrative purposes only, and any variation could exceed the amounts shown above.

Valuation

According to the valuation report of Vigers, the aggregate value of the orange trees in the Hepu Plantation and Xinfeng Plantation as at 30 June 2011 was estimated to be approximately RMB2,045 million (2010: RMB1,443 million).

CONSOLIDATED INCOME STATEMENT

For the year ended 30 June 2011

	Note	2011 RMB'000	2010 RMB'000
Turnover	4	**1,412,621**	812,482
Cost of sales		**(674,019)**	(344,105)
Gross profit		**738,602**	468,377
Other income		**9,787**	1,845
Net gain on change in fair value of biological assets		**598,000**	306,000
Selling and distribution expenses		**(63,314)**	(45,502)
General and administrative expenses		**(161,621)**	(143,318)
Profit from operations		**1,121,454**	587,402
Finance costs		**(177)**	(81)
Profit before income tax	6	**1,121,277**	587,321
Income tax expense	7	**(1,785)**	(1,854)
Profit for the year		**1,119,492**	585,467
Attributable to			
Equity shareholders of the Company		**1,109,992**	585,467
Non-controlling interest		**9,500**	–
		1,119,492	585,467
		RMB	*RMB*
Earnings per share	8		
– Basic		**1.056**	0.741
– Diluted		**1.050**	0.735

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the year ended 30 June 2011

	2011 *RMB'000*	2010 *RMB'000*
Profit for the year	**1,119,492**	585,467
Other comprehensive income for the year		
Exchange differences on translation of financial statements of foreign operations, net of Nil tax	**901**	–
Total comprehensive income for the year	**1,120,393**	585,467
Attributable to		
Equity shareholders of the Company	**1,110,893**	585,467
Non-controlling interest	**9,500**	–
	1,120,393	585,467

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 30 June 2011

	Note	**2011**	2010
		RMB'000	*RMB'000*
ASSETS			
Non-current assets			
Property, plant and equipment		**1,638,339**	1,161,437
Land use rights		**69,889**	54,841
Construction-in-progress		**70,611**	64,328
Biological assets		**2,055,298**	1,449,565
Intangible assets		**53,287**	36,800
Interest in an associate		**–**	–
Deposits		**114,500**	–
Goodwill		**1,157,261**	–
		5,159,185	2,766,971
Current assets			
Biological assets		**145,561**	90,221
Properties for sale		**5,830**	18,497
Inventories		**46,407**	841
Trade and other receivables	10	**96,503**	19,629
Cash and cash equivalents		**2,232,203**	975,074
		2,526,504	1,104,262
Total assets		**7,685,689**	3,871,233

	Note	2011 RMB'000	2010 RMB'000
EQUITY AND LIABILITIES			
Equity			
Share capital		**12,030**	8,767
Reserves		**7,523,764**	3,810,687
Total equity attributable to equity shareholders of the Company		**7,535,794**	3,819,454
Non-controlling interest		**87,310**	–
		7,623,104	3,819,454
Non-current liability			
Obligations under finance leases		**1,034**	–
Current liabilities			
Trade and other payables	11	**58,461**	44,391
Due to a related party		**3,000**	7,110
Obligations under finance leases		**90**	–
Income tax payable		–	278
		61,551	51,779
Total liabilities		**62,585**	51,779
Total equity and liabilities		**7,685,689**	3,871,233
Net current assets		**2,464,953**	1,052,483
Total assets less current liabilities		**7,624,138**	3,819,454

CONSOLIDATED CASH FLOW STATEMENT

For the year ended 30 June 2011

	2011	2010
	RMB'000	*RMB'000*
Cash flows from operating activities		
Profit before income tax	**1,121,277**	587,321
Adjustments for:		
Interest income	**(7,308)**	(1,845)
Finance costs	**177**	81
Depreciation	**94,830**	68,492
Share-based payments	**47,715**	10,363
Amortisation of land use rights	**1,312**	1,244
Amortisation of intangible assets	**5,562**	2,400
Loss on disposal of property, plant and equipment	**148**	–
Net gain on change in fair value of biological assets	**(598,000)**	(306,000)
Operating profit before working capital changes	**665,713**	362,056
Movements in working capital elements:		
Properties for sale	**12,667**	19,656
Inventories	**(23,979)**	(202)
Biological assets	**(55,340)**	(35,583)
Trade and other receivables	**34,885**	(4,728)
Trade and other payables	**(10,623)**	(4,344)
Due to a related party	**(4,110)**	4,356
Cash generated from operations	**619,213**	341,211
Income tax paid	**(2,063)**	(1,883)
Net cash generated from operating activities	**617,150**	339,328
Cash flows from investing activities		
Proceeds from disposal of property plant and equipment	**46**	–
Purchase of property, plant and equipment	**(8,832)**	(1,698)
Additions to construction-in-progress	**(201,976)**	(133,822)
Deposits paid for acquisition of property, plant and equipment	**(21,538)**	–
Net addition to biological assets	**(7,733)**	(1,540)
Additions to intangible assets	**(6,600)**	(8,500)
Increase in time deposits with terms over three months	**(166,000)**	–
Interest received	**7,308**	1,845
Acquisition of subsidiaries	**(161,083)**	–
Net cash used in investing activities	**(566,408)**	(143,715)

	2011 *RMB'000*	2010 *RMB'000*
Cash flows from financing activities		
Proceeds from issue of new shares from placement, net of shares issuance costs	**1,284,621**	328,375
Proceeds from issue of new shares upon exercise of share options	**30,893**	10,138
Obligations under finance leases	**1,124**	–
Repayment of amount due to a shareholder	**(213,788)**	–
Dividends paid	**(62,286)**	(20,212)
Finance costs paid	**(177)**	(81)
Net cash generated from financing activities	**1,040,387**	318,220
Net increase in cash and cash equivalents	**1,091,129**	513,833
Cash and cash equivalents at beginning of year	**975,074**	461,241
Cash and cash equivalents at end of year	**2,066,203**	975,074

Major non-cash transactions

During the year, additions to construction-in-progress included an amount of RMB47,388,000 (2010: RMBNil) transferred from non-current deposits.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1 GENERAL INFORMATION

Asian Citrus Holdings Limited (the "Company") was incorporated in Bermuda on 4 June 2003 as an exempted company with limited liability under the Companies Act of Bermuda and its shares are listed on the Main Board of the Stock Exchange Hong Kong Limited (the "HKEx"), AIM of the London Stock Exchange and PLUS Markets plc.

The address of the registered office of the Company is Clarendon House, 2 Church Street, Hamilton, HM11, Bermuda. The principal place of business of the Company is located at Rooms 1109 – 1112, Wayson Commercial Building, 28 Connaught Road West, Hong Kong.

The principal activities of the Company and its subsidiaries (together the "Group") are planting, cultivation and sale of agricultural produce, manufacture and sale of fruit juice concentrates, fruit purees, frozen fruits and vegetables, and developing and sale of property units in an agricultural wholesale market and orange processing centre.

2 SIGNIFICANT ACCOUNTING POLICIES

a) Statement of compliance

These consolidated financial statements have been prepared in accordance with all applicable International Financial Reporting Standards ("IFRSs"), which comprise International Financial Reporting Standards, International Accounting Standards ("IAS") and Interpretations, issued by the International Accounting Standards Board ("IASB") and the International Financial Reporting Interpretations Committee, and the disclosure requirements of the Hong Kong Companies Ordinance. The consolidated financial statements also comply with the applicable disclosure provisions of the Rules Governing the Listing of Securities on the HKEx and the AIM Rules.

The IASB has issued certain new and revised IFRSs that are first effective or available for early adoption for the current accounting period of the Group. Note 3 provides information on any changes in accounting policies resulting from initial application of these developments to the extent that they are relevant to the Group for the current and prior accounting periods reflected in these consolidated financial statements.

b) Basis of preparation of the consolidated financial statements

These consolidated financial statements are presented in Renminbi ("RMB"), which is also the functional currency of the Group, rounded to the nearest thousand, unless otherwise stated. They have been prepared under the historical cost convention, as modified by the revaluation of biological assets which are carried at their fair values.

The preparation of consolidated financial statements in conformity with IFRSs requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

3 CHANGES IN ACCOUNTING POLICIES

The IASB has issued one new IFRS, a number of amendments to IFRSs and new Interpretations that are first effective for the current accounting period of the Group and the Company. Of these, the following developments are relevant to the Group's consolidated financial statements:

- Amendments to IFRS 2 "Share-based Payment – Group Cash-settled Share-based Payment Transactions"
- Improvements to IFRSs (2009)
- Amendments to IFRSs contained in Improvements to IFRSs (2010) and effective for accounting periods on or after 1 July 2010

The above amendments to IFRSs have had no material impact on the Group's results of operations and financial position, or do not contain any additional disclosure requirements specifically applicable to the consolidated financial statements.

Up to the date of issue of the consolidated financial statements, the IASB has issued a number of amendments, new standards and interpretations which are not yet effective for the year ended 30 June 2011 and which have not been adopted in the consolidated financial statements. Of these developments, the following relate to matters that may be relevant to the Group's operations and consolidated financial statements:

	Effective for accounting periods beginning on or after
IAS 24 (revised 2009), Related party disclosures	1 January 2011
Amendments to IFRSs contained in Improvements to IFRSs (2010)	1 January 2011
IFRS 9, Financial instruments	1 January 2013
Amendments to IAS 12, Income taxes	1 January 2012
Amendments to IAS 1, Presentation of financial statements	1 July 2012
IAS 27 (2011), Separate consolidated financial statements	1 January 2013
IFRS 10, Consolidated financial statements	1 January 2013
IFRS 12, Disclosure of interests in other entities	1 January 2013
IFRS 13, Fair value measurement	1 January 2013

The directors have confirmed that the Group is in the process of making an assessment of what the impact of these amendments and new standards is expected to be in the period of initial application. So far it has concluded that their adoption is unlikely to have a significant impact on the Group's results or financial position.

4 TURNOVER

Turnover represented the total invoiced value of goods supplied to customers and completed property units delivered to buyers. The amount of each significant category of revenue recognised in turnover is as follows:

	2011	2010
	RMB'000	*RMB'000*
Sales of oranges	**962,127**	777,665
Sales of self-bred saplings	**6,903**	7,056
Sales of processed fruits	**417,393**	–
Sales of property units	**26,198**	27,761
	1,412,621	812,482

5 SEGMENT INFORMATION

The Group manages its business by lines of business. In a manner consistent with the way in which information is reported internally to the Group's most senior executive management for the purposes of resources allocation and performance assessment. The Group has three reportable segments. The segments are managed separately as each business offers different products and requires different business strategies. The following summary describes the operations in each of the Group's reportable segment:

- Agricultural produce – planting, cultivation and sale of agricultural produce
- Processed fruits – manufacture and sale of fruit juice concentrates, fruit purees, frozen fruits and vegetables
- Others – developing and sale of property units in an agricultural wholesale market and orange processing centre

Following the completion of acquisition of BPG Food & Beverage Holdings Ltd. ("BPG Food & Beverage") and its subsidiaries (together the "BPG group") on 30 November 2010, the Group has expanded its business into processed fruits operation.

No inter-segment transactions incurred within the Group companies.

No customer accounted for 10% or more of the total revenue for the both years.

As majority of the Group's non-current assets and revenue are located in/derived from the PRC, geographical information is not presented.

The directors assess the performance of the operating segments based on a measure of reportable segment results. This measurement basis excludes the central other income, expenses and finance costs.

Segment assets mainly exclude goodwill, certain property, plant and equipment land use rights and other assets that are managed on a central basis. Segment liabilities mainly exclude liabilities that are managed on a central basis.

	Agricultural produce		Processed fruits		Others		Total	
	2011	2010	**2011**	2010	**2011**	2010	**2011**	2010
	RMB'000	*RMB'000*	***RMB'000***	*RMB'000*	***RMB'000***	*RMB'000*	***RMB'000***	*RMB'000*
RESULTS								
Reportable segment revenue and revenue from external customers	**969,030**	784,721	**417,393**	–	**26,198**	27,761	**1,412,621**	812,482
Reportable segment results	**1,042,192**	625,115	**131,845**	–	**6,035**	2,707	**1,180,072**	627,822
Unallocated corporate expenses							**(63,073)**	(40,667)
Unallocated corporate other revenue							**4,278**	166
Profit before income tax							**1,121,277**	587,321
Income tax expense							**(1,785)**	(1,854)
Profit for the year							**1,119,492**	585,467
ASSETS								
Segment assets	**4,308,483**	3,377,498	**1,341,034**	–	**158,962**	165,624	**5,808,479**	3,543,122
Unallocated corporate assets							**1,877,210**	328,111
Total assets							**7,685,689**	3,871,233
LIABILITIES								
Segment liabilities	**(40,244)**	(36,170)	**(17,268)**	–	**(2,687)**	(13,599)	**(60,199)**	(49,769)
Unallocated corporate liabilities							**(2,386)**	(2,010)
Total liabilities							**(62,585)**	(51,779)
OTHER INFORMATION								
Additions to segment non-current assets	**236,521**	137,604	**28,197**	–	**–**	307	**264,718**	137,911
Amortisation of land use rights	**–**	–	**70**	–	**1,054**	1,053	**1,124**	1,053
Amortisation of intangible assets	**4,383**	2,400	**1,179**	–	**–**	–	**5,562**	2,400
Depreciation	**62,468**	62,195	**21,320**	–	**702**	666	**84,490**	62,861
Gain/(loss) on disposal of property, plant and equipment	**46**	–	**(152)**	–	**–**	–	**(106)**	–
Interest income	**2,740**	1,444	**1,694**	–	**300**	235	**4,734**	1,679
Finance charges on obligations under finance lease	**(96)**	–	–	–	–	–	**(96)**	–
Net gain or charge in fair value of biological assets	**598,000**	306,000	–	–	–	–	**598,000**	306,000
Share-based payments	**(19,569)**	(6,126)	**(11,172)**	–	–	–	**(30,741)**	(6,126)

6 PROFIT BEFORE INCOME TAX

Profit before income tax is stated after charging/(crediting) the following:

		2011 *RMB'000*	2010 *RMB'000*
(a)	**Finance costs**		
	Bank charges	**81**	81
	Finance charges on obligations under finance leases	**96**	–
		177	81
(b)	**Staff costs (including directors' emoluments)**		
	– salaries, wages and other benefits	**73,498**	45,632
	– share-based payments	**47,715**	10,363
	– contributions to defined contribution retirement plans	**1,561**	631
		122,774	56,626
(c)	**Other items**		
	Amortisation of land use rights	**1,312**	1,244
	Amortisation of intangible assets	**5,562**	2,400
	Auditor's remuneration	**1,755**	1,319
	Cost of agricultural produce sold#	**384,984**	321,506
	Cost of property units sold	**13,742**	20,337
	Cost of inventories of processed fruits recognised as expenses##	**275,293**	–
	Depreciation of property, plant and equipment	**94,830**	68,492
	Add: Realisation of depreciation previously capitalised as biological assets	**12,746**	8,021
	Less: Amount capitalised as biological assets	**(22,796)**	(13,332)
		84,780	63,181
	Exchange losses, net	**10,475**	1,277
	Operating lease expenses		
	– plantation base	**8,641**	7,410
	– properties	**941**	775
	Research and development costs	**8,164**	5,795
	Loss on disposal of property, plant and equipment	**148**	–

\# *Cost of agricultural produce sold includes RMB96,330,000 (2010: RMB87,205,000) relating to staff costs, depreciation and operating lease expenses, which amount is also included in the respective total amount disclosed separately above for each of these types of expenses.*

\## *Cost of inventories of processed fruits recognised as expenses includes RMB35,615,000 relating to staff costs, amortisation of land use rights, amortisation of intangible assets and depreciation, which amount is also included in the respective total amount disclosed separately above for each of these types of expenses.*

7 INCOME TAX EXPENSE

Income tax expense in the consolidated income statement represents:

	2011	2010
	RMB'000	*RMB'000*
Current tax		
PRC enterprise income tax		
– Provision for the year	**983**	1,041
Land appreciation tax		
– Provision for the year	**802**	813
	1,785	1,854

i) Pursuant to the rules and regulations of Bermuda, Cayman Islands and the British Virgin Islands ("BVI"), the Group is not subject to any income tax in Bermuda, Cayman Islands and the BVI.

ii) No Hong Kong profits tax has been provided as the Group did not have assessable profits arising in or derived from Hong Kong.

iii) The provision for PRC enterprise income tax is based on the respective applicable rates on the estimated assessable income of the Group's subsidiaries in the PRC as determined in accordance with the relevant income tax laws, rules and regulations of the PRC.

According to the PRC tax law, its rules and regulations, enterprises that engage in certain qualifying agricultural business are eligible for certain tax benefits, including full enterprise income tax exemption on profits derived from such business. Certain operating subsidiaries of the Group in the PRC engaged in qualifying agricultural business are entitled to full exemption of enterprise income tax.

The applicable enterprise income tax rate of the Group's other operating subsidiaries in the PRC is 25%.

iv) Land appreciation tax is levied at progressive rates ranging from 30% to 60% on the appreciation of land value, being the proceeds of sales of properties less deductible expenses including costs for land use rights and all property development expenses.

v) PRC withholding income tax

Under the PRC tax law, profits of the Group's subsidiaries in the PRC derived since 1 January 2008 is subject to withholding income tax at rates of 5% or 10% upon the distribution of such profits to foreign investors or companies incorporated in Hong Kong, or for other foreign investors, respectively. Pursuant to the grandfathering arrangements of the PRC tax law, dividends receivable by the Group from its PRC subsidiaries in respect of the undistributed profits derived prior to 31 December 2007 are exempt from the withholding income tax. At 30 June 2011, no deferred tax liabilities have been recognised in respect of the tax that would be payable on the unremitted profits of the PRC subsidiaries derived since 1 January 2008 as the Company is in a position to control the dividend policies of the PRC subsidiaries and no distribution of such profits is expected to be declared from the PRC subsidiaries in the foreseeable future.

8 EARNINGS PER SHARE

The calculation of the basic and diluted earnings per share is based on the following:

	2011	2010
	RMB'000	*RMB'000*
Earnings		
Profit attributable to equity shareholders of the Company used in basic and diluted earnings per share calculation	**1,109,992**	585,467
Weighted average number of shares	***'000***	*'000*
Issued ordinary shares at beginning of year	**852,650**	770,560
Effect of shares issued to shareholders participating in the scrip dividend	**3,650**	3,981
Effect of shares issued upon exercise of share options	**11,352**	2,881
Effect of shares issued as part of the consideration for acquisition of subsidiaries	**95,344**	–
Effect of shares issued upon placement	**88,219**	13,227
Weighted average number of ordinary shares used in basic earnings per share calculation	**1,051,215**	790,649
Effect of dilutive potential shares in respect of share options	**6,044**	5,673
Weighted average number of ordinary shares used in diluted earnings per share calculation	**1,057,259**	796,322

9 DIVIDENDS

(i) Dividends payable to equity shareholders of the Company attributable to the year

	2011	2010
	RMB'000	*RMB'000*
Interim dividend declared and paid of RMB0.02 (2010: RMB Nil) per ordinary share	**24,267**	–
Final dividend of RMB0.10 and special dividend of RMB0.03 per ordinary share proposed after the end of the reporting period (2010: final dividend of RMB0.10 and special dividend of RMB0.02 per ordinary share)	**157,970**	103,359
	182,237	103,359

The final and special dividends proposed after the end of the reporting period have not been recognised as liabilities at the end of reporting period.

(ii) Dividends payable to equity shareholders of the Company attributable to the previous financial year, approved and paid during the year

	2011	2010
	RMB'000	*RMB'000*
Interim dividend for the year, approved and paid during the year, of RMB0.02 per ordinary share (2010: RMB Nil per ordinary share)	**24,267**	–
Final dividend of RMB0.10 and special dividend of RMB0.02 per ordinary share in respect of the previous financial year, approved and paid during the year (2010: final dividend of RMB0.08 per ordinary share)	**104,055**	61,645
	128,322	61,645

10 TRADE AND OTHER RECEIVABLES

Included in trade and other receivables are trade receivables with the ageing analysis of trade receivables is as follows:

	2011	2010
	RMB'000	*RMB'000*
Neither past due nor impaired	**22,191**	1,348
Less than 1 month past due	**5,064**	116
1 to 3 months past due	**220**	–
3 to 6 months past due	**87**	–
6 to 12 months past due	**1,024**	506
Over 1 year past due	**75**	545
Amounts past due but not impaired	**6,470**	1,167
	28,661	2,515

Trade receivables from sales of goods are normally due for settlement within 30 to 45 days from the date of billing, while that from the sale of property units are due for settlement in accordance with the terms of the related sale and purchase agreements.

Receivables that were neither past due nor impaired relate to a wide range of customers for whom there was no recent history of default.

Receivables that were past due but not impaired relate to a number of independent customers that have a good track record with the Group. Based on past experience, management believes that no impairment allowance is necessary in respect of these balances as there has not been a significant change in credit quality and the balances are considered fully recoverable.

11 TRADE AND OTHER PAYABLES

Included in trade and other payables are trade payables with the ageing analysis of trade payables including amount due to a related party, by invoice date is as follows:

	2011	2010
	RMB'000	*RMB'000*
Due within 3 months or on demand	**28,456**	26,442
Due after 3 months but within 6 months	**93**	51
Due after 6 months but within 1 year	**126**	95
Due over 1 year	**136**	–
	28,811	26,588
Represented by:		
Trade payables	**25,811**	19,478
Amount due to a related party	**3,000**	7,110
	28,811	26,588

12 FINANCIAL INFORMATION

The results announcement was approved by the board on 16 September 2011. The financial information has been prepared on a going concern basis in accordance with International Financial Reporting Standards. The accounting policies applied in preparing the financial information are consistent with those adopted and disclosed in the Group's consolidated financial statements for the year ended 30 June 2010, except for the accounting policies changes as detailed in Note 3.

The consolidated financial statements for the year ended 30 June 2011 will be delivered to the Registrar of Companies following the Company's annual general meeting. The auditors have reported on the consolidated financial statements for the year ended 30 June 2011 and their report was unqualified and did not contain a statement under section 237 (2) or (3) of the Companies Act 1985.

OTHER INFORMATION

DIVIDENDS

The Directors are pleased to recommend that a final dividend of RMB0.10 and a special dividend of RMB0.03 (2010: RMB0.10, special dividend of RMB0.02) per share on or before 30 December 2011, subject to the approval of the forthcoming annual general meeting on 8 November 2011. The final and special dividend, together with the interim dividend of RMB0.02 (2010: RMB Nil) per share, will make a total of RMB0.15 (2010: RMB0.12) per share for the whole year ended 30 June 2011. The actual translation rate for the purpose of dividend payment in sterling and HK Dollar will be referenced to exchange rate on 15 November 2011.

The register of members of the Company will be closed on the record date of 11 November 2011, with an ex-dividend date of 10 November 2011 and 9 November 2011 on The Stock Exchange of Hong Kong Limited and London Stock Exchange PLC, respectively. Only shareholders that appear on the Company's register of members on the record date will be qualified for the proposed dividends.

In order to qualify for receiving the final and special dividend, shareholders registered on the Hong Kong branch register of the Company are reminded to ensure that all transfers of shares, accompanied by the relevant share certificates and transfer forms, must be lodged with the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong for registration not later than 4:30p.m. on 11 November 2011.

The shareholders will receive their cash dividends in sterling or HK Dollar. It is also intended that the scrip dividend alternative to the cash dividend will be offered during 2011. A document providing further details of his Scrip Dividend Scheme will be sent to shareholders in due course.

PURCHASE, SALE OR REDEMPTIONS OF THE COMPANY'S LISTED SECURITIES

Neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company's listed securities during the year ended 30 June 2011, except for the issue of 15,345,000 ordinary shares under the Share Option Scheme, the issue of 8,008,223 ordinary shares to shareholders participating in the scrip dividend scheme and the issue of 164,153,646 ordinary shares in connection with the acquisition of 92.94% equity interest in Beihai Perfuming Garden Juice Company Limited on 30 November 2010 and the placing of 175,000,000 ordinary shares to investors in December 2010 as set out below:

Fund Raising Activity

For the purpose of strengthening the shareholder base and capital base for further expansion and growth, the Group completed the following fund raising activity during the period under review. The Company issued 175,000,000 ordinary shares to eight placees who and whose ultimate beneficial owners are independent third parties under a placing agreement with net proceeds of approximately HK$1,510 million which is intended to be used for (i) paying the cash consideration of HK$780 million in relation to the acquisition of the entire issued share capital of BPG Food & Beverage Holdings Ltd.; (ii) financing the expansion of the production capacity of BPG Food & Beverage Holdings Ltd.; and (iii) financing the corresponding additional working capital requirement for BPG Food & Beverage Holdings Ltd. due to the expansion of its production capacity, further details of which are stated in the Company's circular dated 3 December 2010.

CODE ON CORPORATE GOVERNANCE PRACTICES

During the year ended 30 June 2011, the Directors, where practicable, for an organisation of the Group's size and nature sought to comply with the Combined Code. The Combined Code is the key source of corporate governance recommendations for UK listed companies. It consists of principles of good governance covering the following areas: (i) Directors; (ii) Directors' remuneration; (iii) accountability and audit; (iv) relations with shareholders; and (v) institutional investors.

In connection with the listing of the Company on the HKEx in November 2009, the Company adopted the code provisions set out in the Code on Corporate Governance Practices ("CCG") contained in Appendix 14 to the Hong Kong Listing Rules as its additional code on corporate governance practices on 17 November 2009.

The Company has complied with the CCG since its listing on the HKEx on 26 November 2009, except the deviation from provision A.2.1 as described below:

– **Code Provision A.2.1.**

  The roles of Chairman and Chief Executive Officer are performed by the same individual, Mr. Tong Wang Chow, and are not separated. The Board meets regularly to consider issues related to corporate matters affecting operations of the Group. The Board considers the structure will not impair the balance of power and authority of the Board and the Company's management and thus, the Board believes this structure will enable effective planning and implementation of corporate strategies and decisions.

CODE FOR DIRECTORS' DEALINGS

The Company has adopted a code for Directors' dealings appropriate for a company whose shares are admitted to trading on AIM and takes all reasonable steps to ensure compliance by the Directors and any relevant employees. The form of this code is substantially the same as that set out in Appendix 10 of the Hong Kong Listing Rules.

In connection with the listing of the Company on the HKEx in November 2009, the Company adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix 10 of the Hong Kong Listing Rules as its own code of conduct regarding securities transactions by the Directors on 17 November 2009. Having made specific enquiry, the Company confirmed that all Directors have complied with the required standard set out in the Model Code for the year under review.

AUDIT COMMITTEE

The Audit Committee comprises of three independent non-executive directors. Mr. Ma Chiu Cheung Andrew acts as Chairman of the committee with Mr. Nicholas Smith and Mr. Yang Zhenhan act as members. The arrangement of Audit Committee is in compliance with Rule 3.21 of the Hong Kong Listing Rules.

The Audit Committee has reviewed with management the accounting principles and practices adopted by the Group, and discussed auditing, internal control and financial reporting matters including the review of the Company's audited consolidated financial statements for the year ended 30 June 2011.

PUBLICATION OF ANNUAL REPORT

The annual report will be published on the respective websites of the Company (www.asian-citrus.com) under the investor relations section and the HKEx (www.hkex.com.hk) in due course.

BY ORDER OF THE BOARD
Asian Citrus Holdings Limited
Tong Wang Chow
Chairman

Hong Kong, 16 September 2011

As at the date of this announcement, the board of directors of the Company comprises five executive directors, namely Mr. Tong Wang Chow, Mr. Tong Hung Wai, Tommy, Mr. Cheung Wai Sun, Mr. Pang Yi and Mr. Sung Chi Keung; two non-executive directors, namely Mr. Ip Chi Ming and Hon Peregrine Moncreiffe and four independent non-executive directors, namely Mr. Ma Chiu Cheung, Andrew, Mr. Nicholas Smith, Mr. Yang Zhenhan and Dr. Lui Ming Wah, SBS JP.