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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)**

### **PROFIT ALERT**

This announcement is made by Asian Citrus Holdings Limited (the “Company” together with its subsidiaries, the “Group”) pursuant to Rule 13.09(1) of the Listing Rules.

The board of directors of the Company (the “Board”) wishes to inform the shareholders of the Company and potential investors that, based on the preliminary assessment of the unaudited management accounts of the Group for the six months ended 31 December 2012, turnover and profit attributable to shareholders is unlikely to exceed the comparative figure for the six months ended 31 December 2011<sup>&</sup>. Core net profit<sup>#</sup> is expected to record a decrease for the six months ended 31 December 2012 as compared to that recorded for the corresponding period in 2011.

This profit alert announcement is based only on the preliminary assessment of the unaudited management accounts of the Group for the six months ended 31 December 2012 and the information currently available to the Board. The review now being conducted by the auditors of the Company on the management accounts has not yet been completed and the management accounts may still be subject to adjustments.

**Shareholders of the Company and potential investors are advised to exercise caution when dealing in the shares of the Company.**

This announcement is made by the Company pursuant to Rule 13.09(1) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”).

The Board wishes to inform the shareholders of the Company and potential investors that, based on the preliminary assessment of the unaudited management accounts of the Group for the six months ended 31 December 2012, turnover and profit attributable to shareholders is unlikely to exceed the comparative figure for the six months ended 31 December 2011. Core net profit<sup>#</sup> is expected to record a decrease for the six months ended 31 December 2012 as compared to that recorded for the corresponding period in 2011.

Key factors affecting the financial performance of the Company for the six months ended 31 December 2012 include, but not limited to:

- (i) as previously announced on 15 November 2012 and more recently in the winter orange crop update of 15 January 2013, there was a 26.9% decrease of winter orange production from the Group's Hepu Plantation for the six months ended 31 December 2012;
- (ii) a higher volume of fertilisers and pesticides consumed as a result of the unstable weather and persistent heavy rainfall in 2012 as stated in the Company's announcement dated 15 January 2013;
- (iii) higher labour costs incurred as a result of the general wage inflation in the PRC and
- (iv) lower average selling price of pineapple juice concentrates, the Group's main juice product, for the six months ended 31 December 2012 compared to the corresponding period in 2011 as a result of the destocking by Thai and Philippine producers as stated in the Company's annual report published on 21 September 2012. The price of pineapple juice concentrates started to decrease in January 2012, reached a low in August 2012 and has since improved.

It remains too early in the financial year to judge the materiality of the above factors to the Group's likely full year performance, which in the second half will reflect the price achieved for the Group's summer orange crop, the selling price of pineapple juice concentrates and the impact of weather on the volume of fertilisers and pesticides used by the Group.

The assessment of the net gain on the change in fair value of biological assets for the six months ended 31 December 2012 is still under review. The net gain on change in fair value of biological assets does not have any effect on cash flow.

The information contained in this announcement is based only on the preliminary assessment of the unaudited management accounts of the Group for the six months ended 31 December 2012 and the information currently available to the Board. The review now being conducted by the auditors of the Company on the management accounts has not yet been completed and the management accounts may still be subject to adjustments. The interim results of the Group for the six months ended 31 December 2012 are expected to be released in February 2013.

**Shareholders of the Company and potential investors are advised to exercise caution when dealing in the shares of the Company.**

By Order of the Board  
**ASIAN CITRUS HOLDINGS LIMITED**  
**Tong Wang Chow**  
*Chairman*

Hong Kong, 22 January 2013

\* *for identification purposes only*

& *For the six months ended 31 December 2011, turnover and profit attributable to shareholders was RMB1,043.4 million and RMB383.6 million respectively*

# *Core net profit refers to profit for the period excluding net gain on change in fair value of biological assets and share-based payments*

*As at the date of this announcement, the Board 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; one non-executive Directors, namely 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.*