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 2013

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 2013.

RESULTS HIGHLIGHTS

	Year ended 30 June			**For illustration only Year ended 30 June**	
	2013	2012	**% change**	**2013**	2012
	(RMB m)	*(RMB m)*		***(£ m**)***	*(£ m**)*
Reported financial information					
Revenue	**1,485.9**	1,776.1	**-16.3**	**158.8**	178.7
Gross profit	**497.6**	792.4	**-37.2**	**53.2**	79.7
EBITDA	**211.3**	876.7	**-75.9**	**22.6**	88.2
Profit attributable to shareholders	**114.4**	750.2	**-84.8**	**12.2**	75.5
Basic EPS	**RMB0.09**	RMB0.62	**-85.5**	**1.0p**	6.2p
Final Dividend	**RMB0.05**	RMB0.13	**-61.5**	**0.5p**	1.3p
Interim and Special Dividends	**RMB0.05**	RMB0.05	**-**	**0.5p**	0.5p
Total Dividend	**RMB0.10**	RMB0.18	**-44.4**	**1.1p**	1.8p
Core net profit#					
EBITDA	**496.5**	755.6	**-34.3**	**53.0**	76.0
Net profit	**399.6**	629.1	**-36.5**	**42.7**	63.3
Basic EPS	**RMB0.33**	RMB0.52	**-36.5**	**3.5p**	5.2p

** *Conversion at £1 = RMB9.36 and RMB9.94 for the years ended 30 June 2013 and 2012 respectively for reference only.*

Core net profits refers to profit for the year excluding net gain on change in fair value of biological assets and share-based payment.

- Total orange production decreased by 10.2% to 218,600 tonnes due to the replanting programme and outbreak of citrus canker in Hepu Plantation.

- Taken measures to combat the citrus canker such as trimming, additional application of fertilisers, pesticides and bactericides and strengthening the inspection.

- Core net profit was RMB399.6 million (2012: RMB629.1 million).

- Strong operating cash inflow of RMB560.3 million (2012: RMB754.7 million) and cash and cash equivalent of RMB2,141.2 million as at 30 June 2013 (2012:RMB2,388.1 million).

- Planted approximately 1.4 million summer orange and grapefruit trees in Hunan Plantation with an additional 400,000 grapefruit trees scheduled for planting before end of 2013.

- Commenced trial production at the 40,000 tonnes fruit processing plant in Basie City Guangxi, which is expected to start normal operation in the 2013/2014 financial year. This is the Group's third processing plant.

- Diversified our product mix to plant banana trees and grapefruit trees in Hepu Planation and Hunan Plantation respectively.

- Recommended final dividend of RMB0.05 (2012: RMB0.13) per share which together with the interim and special dividends of RMB0.05 per share, will represent a total dividend of RMB0.10 (2012: RMB0.18) per share for the full year ended 30 June 2013. This equates to approximately 30.7% of the core net profit.

- Confident of more encouraging results in the year ahead.

CHAIRMAN'S STATEMENT

For the year ended 30 June 2013, we again faced a number of challenges. These for the most part proved to be of a temporary nature and are currently being resolved.

The most serious challenge we experienced was the decline in production of winter and summer oranges at our Hepu Plantation in Guangxi, which led to a drop in revenue for the year. There were two reasons for the decrease in our crop yield. First was the ongoing replanting programme for replacing our existing winter orange trees at the Hepu Plantation. The second, also at Hepu, was an outbreak of citrus canker caused by the severe weather conditions of last year.

In addition, our fruit processing business continued to suffer from the lower average selling price of pineapple juice concentrates, our main product, over the whole year as compared with the previous year.

Nevertheless, we are confident in the prospects for our business and have taken proactive measures to ensure 2013/14 will be a more productive year for Asian Citrus.

Financial Highlights

The Group's total revenues for the year under review decreased by approximately 16.3% from RMB1,776.6 million to RMB1,485.9 million, whilst core net profit for the year declined by approximately 36.5% from RMB629.1 million to RMB399.6 million.

Revenue from the sale of oranges at our two operating plantations (Hepu and Xinfeng) decreased by 13.0% to RMB920 million for the year ended 30 June 2013. This was mainly due to a decrease of approximately 10.2% in the Group's production to 218,600 tonnes, combined with a 2.9% decrease in the average selling price of oranges.

Revenue from the sale of processed fruits fell by 20.8% to RMB564.1 million for the year as compared with the same year in 2012, due primarily to the lower average selling price of pineapple juice concentrates. The price for pineapple juice concentrates reached a low in August 2012, recovered slightly through to and during the first quarter of 2013 and remained flat thereafter.

Our fruit processing business, Beihai BPG, processes over 22 different types of fruit with differing gross profit margins. The normalised gross profit margin of Beihai BPG for the year ended 30 June 2013 decreased to 26.0% compared with 30.8% last year.

Operational Review

Our three plantations in mainland China occupy a total area of around 103 square kilometres with two currently in operation: Hepu Plantation in Guangxi Zhuang Autonomous Region ("Guangxi") and Xinfeng Plantation in Jiangxi Province. Our third plantation in Hunan province remains on track to begin production in 2014.

For the year to 30 June 2013, the production at Hepu Plantation decreased by 22.7% from 116,720 tonnes to 90,205 tonnes. This was mainly due to the ongoing replanting programme started last year to replace the existing winter orange trees. Another contributing factor in the decline at the Hepu Plantation was the unstable weather in 2012 that led to an extensive infection of citrus canker, a latent infection amongst oranges and other citrus crops that affects the leaf and the fruit, and causes premature fruit drop. To combat this outbreak, we have been trimming trees to reduce the disease's impact and have applied additional fertilisers, pesticides and bactericide from May to August 2013. We have also doubled our inspections of the trees from twice a month to once a week during the typhoon period from June to September. Although we believe the effect of the citrus canker infection will be limited to the current year's summer crop, as of the time of writing there are still two months left in the typhoon season so the ultimate effectiveness of our treatment programme is yet to be determined.

The production from the Xinfeng Plantation, on the other hand, increased by 1.3% to 128,395 tonnes for the year ended 30 June 2013 compared with 126,701 tonnes last year as the orange trees continued to mature.

Our third plantation in Hunan province, which was developed in 2007, is on schedule to begin first harvesting from the first batch of the summer orange trees in 2014. By June 2013, our fourth phase of planting, we had planted 1.4 million trees and will plant another 400,000 trees by the end of 2013 to reach a total of 1.8 million trees.

Through our 92.94% equity interest in Behai BPG we operate two fruit processing plants: one in Beihai city and the other in Hepu county in Guangxi. Covering a total site area of nearly 110,000 square metres, these plants have an annual production capacity of over 60,000 tonnes with an average utilisation rate of 87.7% for the year ended 30 June 2013.

We will be increasing our overall production capacity with a third plant in Baise City, Guangxi, which has successfully commenced trial production and is scheduled to start normal operation in the 2013/2014 financial year. It is expected that in the first year of full operation, the utilisation rate of the new plant will not be as high as the two existing plants as it typically take three to five years for a new plant to achieve full capacity.

Diversifying Our Product Mix

In order to diversify our product portfolio and minimise the seasonal impact of relying on one crop, we are replacing some of our winter orange trees at the Hepu Plantation with banana trees.

We believe that bananas are an excellent replacement crop. Unlike orange trees which require four years before first harvest, new banana trees can be harvested after only 12 months giving us a faster payback period. Following a trial planting of approximately 220,000 banana trees in August 2013, we expect that we can begin harvesting in September 2014.

Another advantage of bananas is that less land is needed for their cultivation, which provides us with greater flexibility to lease more land should the trial prove successful as anticipated. Bananas will be sold in the domestic market and processed as frozen fruit at our processing facilities.

We are also planting another new crop, grapefruit, in the Hunan Plantation using high quality seedlings from the United States. This is the first time grapefruits, a type of citrus fruit which until now have been imported from the US or Thailand, are being cultivated by a large plantation operation in China. Again, grapefruits will extend our harvesting period (from mid-August to Chinese New Year) and help us balance our revenue stream.

In future, we will consider other fruits, such as pineapples for processing into juice concentrates, and are investigating land suitable for growing this fruit.

Corporate Governance

During the year, there were a number of changes to our management and board. On behalf of the Board, I would like to express my appreciation to Mr. Ip Chi Ming, Mr. Nicholas Smith and Mr. Sung Chi Keung for the invaluable contributions to the Company. I would also like to thank and welcome Mr. Ng Hoi Yue to the Board.

With the changes to the Board's composition, five of the members (over half) are now Independent Non-Executive Directors, which more than fulfils the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited ("Hong Kong Listing Rules") and reflects our commitment to good corporate governance.

Despite the changes in the Board and senior management, the transition has been smooth with no material impact on our operations. Further, a committee has been formed to select the replacement of the Chief Financial Officer of the Company by December 2013.

Dividend

We have decided to recommend a dividend to our shareholders, in line with our existing dividend policy of issuing dividends of at least 30% of our core net profit.

The Directors are pleased to recommend that a final dividend of RMB0.05 (2012: RMB0.13) per share. The final dividend, together with the interim and special dividends of RMB0.03 (2012: RMB0.03) and RMB0.02 (2012: RMB0.02) per share, will make a total of RMB0.10 (2012: RMB0.18) per share for the whole year ended 30 June 2013.

The final dividend, if approved at the annual general meeting on 12 November 2013, will be paid in Sterling or HK Dollars on or before 31 December 2013, to shareholders on the register at the close of business on 15 November 2013, with an ex-dividend date of 14 November 2013 and 13 November 2013 on The Stock Exchange of Hong Kong Limited ("HKEx") 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 19 November 2013.

In addition to a cash dividend, the Directors have also decided to continue the Scrip Dividend Scheme, in which shareholders can choose to receive the final dividend for the year in the form of shares. This scheme offers an additional option to shareholders as well as the opportunity to buy more shares at a low price.

Share Repurchase Programme

We instituted a share repurchase programme in October 2011 under which the repurchased shares are for cancellation. To date, we have spent close to HK$90 million in share buybacks.

The Year Ahead

The year under review was challenging for Asian Citrus, but we are confident that the coming year offers much brighter prospects for our business.

As I mentioned earlier, the severe citrus canker outbreak may be temporary and we are taking preventive measures to minimize the risk to our future crops. We also anticipate that production volumes of summer oranges from the Hepu Plantation will return to previous levels in the financial year 2014, subject to normal weather conditions.

Over the medium term, we also expect the Hunan plantation to begin producing oranges and contribute to the overall production volume of oranges.

The diversification of our product portfolio with the addition of bananas, grapefruits and possibly other fruits will help shield us from the price fluctuations and biological threats that leave us vulnerable when specialising in a single crop.

We can also expect greater production capacity from our fruit processing business when the new plant at Baise City comes fully on stream. Together with our diversification strategy for our plantations, this will fuel the organic growth of the Company. The Group will also be seeking opportunities for flexible growth through suitable merger and acquisition activities.

On behalf of the Board, I would like to take this opportunity to thank our management team and employees for their unwavering commitment to the Company. I would also like to extend my gratitude to our shareholders, business partners and investors for their continuing support during this challenging period. Although we have faced challenges over the past year, our fundamentals are sound and I remain confident that we will begin to provide more encouraging results in the year ahead.

Tony Tong
Chairman

27 September 2013

MANAGEMENT DISCUSSION AND ANALYSIS

OPERATING PERFORMANCE

Revenue

The breakdown of revenue by types is as follows:

	For the year ended 30 June			
	2013		2012	
	RMB'000	***% of total revenue***	*RMB'000*	*% of total revenue*
Hepu Plantation	**449,230**	**30.2%**	593,454	33.4%
Xinfeng Plantation	**470,753**	**31.7%**	463,873	26.1%
Sale of oranges	**919,983**	**61.9%**	1,057,327	59.5%
Sale of processed fruit	**564,089**	**38.0%**	715,473	40.3%
Sale of self-bred saplings	**1,840**	**0.1%**	3,344	0.2%
Total revenue	**1,485,912**	**100.0%**	1,776,144	100.0%

The Group's revenue decreased by 16.3% from RMB1,776.1 million to RMB1,485.9 million for the year ended 30 June 2013.

Sale of oranges

Revenue from sale of oranges decreased by 13.0% to RMB920.0 million for the year ended 30 June 2013. This was mainly due to a decrease of approximately 10.2% in the Group's production to 218,600 tonnes combined with 2.9% decrease in average selling price of the Group.

The production yield from Hepu Plantation decreased by 22.7% from 116,720 tonnes to 90,205 tonnes for the year ended 30 June 2013. This was mainly due to the ongoing replanting programme to replace the existing winter orange trees in the last year and the unstable weather conditions experienced during 2012 which led to an extensive infection of citrus canker, a latent infection amongst oranges and other citrus crops which is for the most part controllable in normal weather conditions but to which such crops are at much higher risk during periods of heavy rainfall and typhoons, such as those experienced in 2012. The infection resulted in a significant volume of premature fruit drop in the summer oranges. The Board considers the effect of this severe outbreak of citrus canker infection will probably be limited to the current year's summer crop and anticipates that production volumes of summer oranges from Hepu Plantation will return in the financial year 2014 to volumes akin to previously reported levels, subject to normal weather conditions.

As the orange trees continue to mature, the production yield from the Xinfeng Plantation increased by 1.3% to 128,395 tonnes for the year ended 30 June 2013 from 126,701 tonnes in the comparable year. The unstable weather and persistent heavy rainfall in 2012 also limited the growth of this year's winter orange crop in the Xinfeng Plantation.

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

	Year ended 30 June				
	2009 (RMB/tonne)	2010 (RMB/tonne)	2011 (RMB/tonne)	2012 (RMB/tonne)	**2013 (RMB/tonne)**
Hepu Plantation					
– Winter Oranges	3,470	3,567	3,922	4,085	**4,013**
– Summer Oranges	5,057	5,516	6,061	5,856	**5,694**
Xinfeng Plantation					
– Winter Oranges	3,260	3,330	3,660	3,770	**3,776**

The average selling prices of winter and summer oranges were relatively stable for the year ended 30 June 2013.

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

	For the year ended 30 June	
	2013	2012
	% of sale of oranges	
Types of customers		
Supermarket chains	**27.9%**	34.8%
Corporate customers	**43.6%**	36.6%
Wholesale customers	**28.1%**	28.0%
Other	**0.4%**	0.6%
Total	**100.0%**	100.0%

For the year ended 30 June 2013, the volume and revenue from supermarket chains represented approximately 23.7% and 27.9% respectively of the Group, compared to approximately 29.5% and 34.8% respectively for the year ended 30 June 2012. As the Xinfeng Plantation has not yet achieved full maturity, 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 volume sold to supermarkets was 24,907 tonnes and 26,901 tonnes for the year ended 30 June 2013, down from 39,423 tonnes and 32,347 tonnes for the year ended 30 June 2012 respectively. The decrease in Hepu Plantation was mainly due to the lower production yield of oranges for the year ended 30 June 2013. Also, starting from this year, the Group has supplied several major domestic and international supermarket chains with graded oranges through sizeable distributors instead of through direct sales.

The Company is selling two types of oranges to customers, namely ungraded oranges and graded oranges. Ungraded oranges are packaged and the customers have to arrange for the transportation of the oranges at their own cost. Usually, the ungraded oranges are sold to wholesale customers. Graded oranges are oranges that the Company grades, packages and delivers to the customers at our cost, usually to supermarket customers. The graded oranges are sold under the "Royal Star" brand to supermarket customers at a premium price compared to the selling price of ungraded oranges without brand. The breakdown of types of oranges is as follows:

	For the year ended 30 June	
	2013	2012
	% of sale of oranges	
Types of oranges		
Graded oranges	**18.2%**	25.7%
Ungraded oranges	**81.8%**	74.3%
Total	**100.0%**	100.0%

As the Xinfeng Plantation was still at the early stage, the oranges were mainly sold to corporate and wholesale customers without grading, thereby negatively impacting the percentage of sale of graded oranges.

Sale of processed fruits

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

	For the year ended 30 June			
	2013		2012	
	Volume (Tonnes)	***Revenue RMB'000***	*Volume (Tonnes)*	*Revenue RMB'000*
Pineapple juice concentrates	**18,295**	**176,929**	24,348	271,650
Other fruit juice concentrates	**11,230**	**191,606**	10,017	162,239
Other Fruit purees	**13,354**	**88,962**	17,472	125,555
Frozen and dried fruits and vegetables	**14,051**	**93,743**	18,170	119,087
	56,930	**551,240**	70,007	678,531
Fruit juice trading	**N/A**	**12,849**	N/A	36,942
Total	**56,930**	**564,089**	70,007	715,473

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

Revenue from the sale of processed fruits decreased by 21.2% to RMB564.1 million for the year ended 30 June 2013. This was mainly due to the lower average selling price of pineapple juice concentrates, the Group's main juice concentrate product, for the year ended 30 June 2013 compared to the corresponding period in 2012 as a result of the destocking by Thailand and Philippine producers. The price of pineapple juice concentrates started to decrease in January 2012, reached a low in August 2012 and has improved slightly through to and during the first quarter of 2013 and remained flat thereafter. Also, the unstable weather conditions limited the supply of several types of fruit available for juice processing.

The overall average selling price for the year ended 30 June 2013 was therefore lower than last year. The average utilisation rate of two existing processing plants in Beihai and Hepu is approximately 87.7% for the year ended 30 June 2013.

Beihai BPG currently generates most of its sales from the People's Republic of China ("PRC"), with key customers being beverage mixers supplying major beverage groups.

Sale of self-bred saplings

For the year ended 30 June 2013, RMB1.8 million was recognised from the sale of approximately 153,000 self-bred saplings to local farmers.

Cost of sales

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

	For the year ended 30 June			
	2013		2012	
	RMB'000	***% of cost of sales of respective segment***	*RMB'000*	*% of cost of sales of respective segment*
Inventories used				
Fertilisers	**297,510**	**52.2%**	252,868	51.8%
Packaging materials	**34,597**	**6.1%**	40,420	8.3%
Pesticides	**74,664**	**13.1%**	54,844	11.2%
	406,771	**71.4%**	348,132	71.3%
Production overheads				
Direct labour	**55,836**	**9.8%**	45,123	9.3%
Depreciation	**67,557**	**11.9%**	61,638	12.6%
Others	**39,600**	**6.9%**	33,250	6.8%
Cost of sales of oranges	**569,764**	**100.0%**	488,143	100.0%
Fruits	**258,550**	**62.0%**	308,783	62.4%
Packaging materials	**34,696**	**8.3%**	34,103	6.9%
Direct labour	**28,903**	**6.9%**	26,169	5.3%
Other production overheads	**95,017**	**22.8%**	125,695	25.4%
Cost of sales of processed fruits	**417,166**	**100.0%**	494,750	100.0%
Cost of sales of self-bred saplings	**1,383**		850	
Total	**988,313**		983,743	

Cost of sales 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 sales of oranges increased by 16.7% from RMB488.1 million to RMB569.8 million. The increase in production costs was mainly due to the increase in fertilisers and pesticides consumed as a result of the unstable weather and citrus canker during the year and higher labour costs incurred due to general wage inflation in the PRC during the year. As a result, the unit cost of production in the Hepu Plantation and Xinfeng Plantation increased to approximately RMB2.84 and RMB2.44 per kg respectively for the year ended 30 June 2013 (2012: RMB1.81 per kg and RMB2.18 per kg respectively).

Cost of sales of processed fruits mainly includes the costs of fruits and packaging materials and other direct costs such as direct labour and production overheads. For the year ended 30 June 2013, the cost of sales of processed fruits decreased by 15.7% from RMB494.8 million to RMB417.2 million. The decrease was mainly due to a decrease in the fruits cost by 16.3% from RMB308.8 million to RMB258.6 million.

Gross profit

The Group's overall gross profit decreased by 37.2% to approximately RMB497.6 million for the year ended 30 June 2013 (2012: RMB792.4 million).The overall gross profit margin decreased from 44.6% to 33.5% for the year ended 30 June 2013.

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

	For the year ended 30 June	
	2013	2012
Hepu Plantation	**43.0%**	64.3%
Xinfeng Plantation	**33.4%**	40.4%

The gross profit margin of the Hepu Plantation and Xinfeng Planation decreased to approximately 43.0% and 33.4% respectively (2012: 64.3% and 40.4% respectively). The decrease was mainly due to the lower production volume, higher volume of fertilisers and pesticides consumed as a result of the unstable weather and citrus canker during the year and higher labour costs incurred as a result of the general wage inflation in the PRC.

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

	For the year ended 30 June	
	2013	2012
Sale of oranges	**38.1%**	53.8%
Sale of processed fruits	**26.0%**	30.8%
Sale of self-bred saplings	**24.8%**	75.0%
Overall gross profit margin	**33.5%**	44.6%

Due to the higher contribution from Xinfeng Plantation with a relatively lower margin and the decrease in the gross profit margin in both Hepu Plantation and Xinfeng Planation, the overall gross profit margin from sales of oranges dropped to approximately 38.1% (2012: 53.8%) for the year ended 30 June 2013.

Beihai BPG processes over 22 different types of fruit with different gross profit margins. The normalised gross profit margin of Beihai BPG for the year ended 30 June 2013 decreased to 26.0% compared to 30.8% in last year. This was mainly due to the overall lower selling price for the year.

Loss on change in fair value of biological assets

The Group recorded a loss of RMB260.5 million from the change in fair value of biological assets for the year ended 30 June 2013, compared to a gain of RMB166.9 million last year. The loss was mainly due to the combined impact from the slight decrease in yield per tree, slight increase in orange price and the increase in direct production costs during the year. The Board wishes to emphasise that the loss on change on fair value of biological assets is non-operational and does not have any effect on the cash flow of the Group for the year ended 30 June 2013.

Other income

The increase in other income was mainly due to the higher interest income arising from the bank balance during the year as more money has been placed in the fixed deposits with higher interest rate. The effective interest rate for bank deposits for the year is approximately 2.23% (2012: 0.93%).

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 decreased from approximately RMB60.6 million for the year ended 30 June 2012 to approximately RMB45.6 million for the year ended 30 June 2013, mainly due to the reduction in transportation costs in the Hepu Plantation resulting from the reduction in graded oranges sold during the year.

Selling and distribution expenses represented 3.1% of the Group's revenue, a decrease of 0.3 percentage points as compared to 3.4% in last year, demonstrating the Group's ability to control costs effectively.

General and administrative expenses

General and administrative expenses comprise mainly salary, office administration expenses, depreciation, amortization, raw material and research costs. The general and administrative expenses of the Group were approximately RMB120.1 million for the year ended 30 June 2013 (2012: RMB157.6 million), representing a decrease of 23.8%. The decrease was mainly due to the lower share based payment in relation to the employee share options.

General and administrative expenses represented 8.1% of the Group's revenue, a decrease of 0.8 percentage points as compared to 8.9% in last year, demonstrating the Group's ability to control costs effectively.

Profit

The profit attributable to shareholders for the year ended 30 June 2013 decreased to approximately RMB114.4 million, compared to approximately RMB750.2 million in last year, representing a decrease of approximately 84.8%.

The core net profit, which refers to profit for the period excluding net change in fair value of biological assets and share-based payments, for the year ended 30 June 2013 was approximately RMB399.6 million, compared to approximately RMB629.1 million in last year, representing a decrease of approximately 36.5%.

FINAL DIVIDEND

The Directors are pleased to recommend a final dividend of RMB0.05 (2012: RMB0.13) per share. The final dividend, together with the interim and special dividends of RMB0.03 (2012: RMB0.03) and RMB0.02 (2012: RMB0.02) per share, will make a total of RMB0.10 (2012: RMB0.18) per share for the whole year ended 30 June 2013.

PRODUCTIVITY

	For the year ended 30 June			
	2013		2012	
Types of produce	***Tonnes***	***% of Total output***	*Tonnes*	*% of total output*
Winter oranges	**161,233**	**73.8%**	171,607	70.5%
Summer oranges	**57,367**	**26.2%**	71,814	29.5%
Total	**218,600**		243,421	

The production volume of winter oranges decreased 6.0% to 161,233 tonnes during the year ended 30 June 2013. The production volume of winter oranges in Hepu Plantation decreased 26.9% from approximately 44,906 tonnes last year to approximately 32,838 tonnes in the current year due to the ongoing replanting programme. In the year to 30 June 2012, 66,449 winter orange trees were removed and replanted with the same number of the summer orange trees. The production volume of winter oranges from the Xinfeng Plantation increased by 1.3% from approximately 126,701 tonnes last year to approximately 128,395 tonnes in the current year due to increased maturity during the year. However, the unstable weather and persistent heavy rainfall in 2012 limited the growth of this year’s winter orange crop in the Xinfeng Plantation.

The production volume of summer oranges decreased to 57,367 tonnes for the year ended 30 June 2013 (2012: 71,814 tonnes) due to the unstable weather conditions experienced during 2012 which led to an extensive infection of citrus canker, a latent infection amongst oranges and other citrus crops which is for the most part controllable in normal weather conditions but to which such crops are at much higher risk during periods of heavy rainfall and typhoons, such as those experienced in 2012. The infection resulted in a significant volume of premature fruit drop in the summer oranges. The Board considers the effect of this citrus canker infection may be limited to the current year’s summer crop and anticipates that production volume of summer oranges from Hepu Plantation will return in the financial year 2014 to volumes akin to previously reported levels, subject to normal weather conditions.

CAPITAL STRUCTURE

As at 30 June 2013 there were 1,229,558,555 shares in issue. Based on the closing price of HK$2.76 as at 28 June 2013, the market capitalisation of the Company was approximately HK$3,393.6 million (GBP287.5 million).

HUMAN RESOURCES

There were a total of 1,697 employees of the Group as at 30 June 2013 (2012: 1,692 employees). 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 2013	30 June 2012
Current ratio (x)	**23.62**	47.49
Quick ratio (x)	**21.14**	43.49
Asset turnover (x)	**0.18**	0.21
Core net profit per share (RMB)	**0.33**	0.52
Basic earnings per share (RMB)	**0.09**	0.62
Net debt to equity (%)	**Net cash**	Net cash

Liquidity

The current ratio and quick ratio was 23.62 and 21.14 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 decreased to 0.18 (2012: 0.21) for the year ended 30 June 2013. The decline in the ratio was mainly due to the reduction in the revenue for the year as mentioned previously.

The basic earnings per share for the year ended 2013 was RMB0.09 (2012: RMB0.62). This was due to the 84.8% decrease in profit attributable to shareholders for the year.

The core net profit per share for the year ended 30 June 2013 was RMB0.33 (2012: RMB0.52), representing a decrease of 36.5%.

Debt ratio

The net cash positions of the Group were RMB2,141.2 million and RMB2,388.1 million at 30 June 2013 and 2012 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 2013.

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 2013.

Capital commitments

As at 30 June 2013, the Group had capital commitments of approximately RMB74.7 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.) located in the Hepu county of the Guangxi Zhuang Autonomous Region, the Hepu Plantation, approximately 56,000 mu (equivalent to approximately 37.3 sq.km.) in the Xinfeng county of the Jiangxi province, the Xinfeng Plantation and approximately 53,000mu (equivalent to approximately 35.3 sq.km) in the Dao county of the Hunan province, the Hunan Plantation.

Hepu Plantation

The Hepu Plantation is fully planted and comprises approximately 1.2 million orange trees of which approximately 1.0 million trees were producing oranges. During the year, the last batch of 48,058 winter orange trees were removed according to the replanting programme and we commenced a trial planting of banana trees in the same area to diversify its range of produce so as to reduce the reliance on one agricultural product. A total of approximately 220,000 banana trees were planted in August 2013. The first harvest of banana is expected in August to September 2014.

Xinfeng Plantation

The Xinfeng Plantation is fully planted and comprises 1.6 million winter orange trees, all of which are now producing oranges.

Hunan Plantation

The Hunan Plantation is still under development and comprises approximately 1.4 million summer orange trees and grapefruit trees as at 30 June 2013. During the year ended 30 June 2013, approximately 300,000 grapefruit trees were planted with a further 450,000 grapefruit trees to be planted by end of 2013. By that time, the construction of Hunan Planation is expected to be completed.

The below table sets out the age profile as at 30 June 2013 and the production volume of the plantations for the year ended 30 June 2013:

Summer orange trees

Age	Hepu Plantation	Hepu Plantation	Hunan Plantation	Hunan Plantation	Total	Total
	No. of trees	*Yield (tonnes)*	*No. of trees*	*Yield (tonnes)*	*No. of trees*	*Yield (tonnes)*
1	**66,449**	**–**	**622,475**	**–**	**688,924**	**–**
2	**63,584**	**–**	**427,400**	**–**	**490,984**	**–**
3	**64,194**	**–**	**–**	**–**	**64,194**	**–**
4	**81,261**	**1,326**	**–**	**–**	**81,261**	**1,326**
5	**76,135**	**2,831**	**–**	**–**	**76,135**	**2,831**
6	**55,185**	**2,689**	**–**	**–**	**55,185**	**2,689**
16	**29,996**	**2,587**	**–**	**–**	**29,996**	**2,587**
17	**128,966**	**11,134**	**–**	**–**	**128,966**	**11,134**
18	**186,003**	**17,436**	**–**	**–**	**186,003**	**17,436**
19	**223,741**	**19,364**	**–**	**–**	**223,741**	**19,364**
	975,514	**57,367**	**1,049,875**	**–**	**2,025,389**	**57,367**

Grapefruit trees

Age	Hepu Plantation	Hepu Plantation	Hunan Plantation	Hunan Plantation	Total	Total
	No. of trees	*Yield (tonnes)*	*No. of trees*	*Yield (tonnes)*	*No. of trees*	*Yield (tonnes)*
0	**-**	**–**	**301,200**	**–**	**301,200**	**–**
	-	**-**	**301,200**	**–**	**301,200**	**-**

Note: Grapefruit is a type of citrus fruit and is harvested during the winter period in the PRC.

Winter orange trees

Age	Hepu Plantation	Hepu Plantation	Xinfeng Plantation	Xinfeng Plantation	Total	Total
	No. of trees	*Yield (tonnes)*	*No. of trees*	*Yield (tonnes)*	*No. of trees*	*Yield (tonnes)*
6	**–**	**–**	**400,000**	**27,860**	**400,000**	**27,860**
7	**–**	**–**	**400,000**	**28,907**	**400,000**	**28,907**
8	**46,077**	**3,963**	**400,000**	**31,052**	**446,077**	**35,015**
10	**180,180**	**18,341**	**400,000**	**40,576**	**580,180**	**58,917**
11	**42,300**	**4,574**	**–**	**–**	**42,300**	**4,574**
16	**–**	**3,142**	**–**	**–**	**–**	**3,142**
17	**–**	**1,246**	**–**	**–**	**–**	**1,246**
18	**–**	**1,572**	**–**	**–**	**–**	**1,572**
	268,557	**32,838**	**1,600,000**	**128,395**	**1,868,557**	**161,233**
Grand total					**4,195,146**	**218,600**

Note: 24,937 winter orange trees (age: 16), 10,133 winter orange trees (age: 17) and 12,988 winter orange trees (age:18) were removed during the year ended 30 June 2013.

The below table sets out the age profile as at 30 June 2012 and the production volume of the plantations for the year ended 30 June 2012:

Summer orange trees

Age	Hepu Plantation	Hepu Plantation	Hunan Plantation	Hunan Plantation	Total	Total
	No. of trees	*Yield (tonnes)*	*No. of trees*	*Yield (tonnes)*	*No. of trees*	*Yield (tonnes)*
0	**66,449**	**–**	**622,475**	**–**	**688,924**	**–**
1	**63,584**	**–**	**427,400**	**–**	**490,984**	**–**
2	**64,194**	**–**	**–**	**–**	**64,194**	**–**
3	**81,261**	**–**	**–**	**–**	**81,261**	**–**
4	**76,135**	**877**	**–**	**–**	**76,135**	**877**
5	**55,185**	**2,818**	**–**	**–**	**55,185**	**2,818**
15	**29,996**	**2,955**	**–**	**–**	**29,996**	**2,955**
16	**128,966**	**15,161**	**–**	**–**	**128,966**	**15,161**
17	**186,003**	**21,133**	**–**	**–**	**186,003**	**21,133**
18	**223,741**	**28,870**	**–**	**–**	**223,741**	**28,870**
	975,514	**71,814**	**1,049,875**	**–**	**2,025,389**	**71,814**

Winter orange trees

Age	Hepu Plantation	Hepu Plantation	Xinfeng Plantation	Xinfeng Plantation	Total	Total
	No. of trees	*Yield (tonnes)*	*No. of trees*	*Yield (tonnes)*	*No. of trees*	*Yield (tonnes)*
5	**–**	**–**	**400,000**	**23,243**	**400,000**	**23,243**
6	**–**	**–**	**400,000**	**28,023**	**400,000**	**28,023**
7	**46,077**	**3,364**	**400,000**	**33,604**	**446,077**	**36,968**
9	**180,180**	**19,597**	**400,000**	**41,831**	**580,180**	**61,428**
10	**42,300**	**4,974**	**–**	**–**	**42,300**	**4,974**
15	**24,937**	**13,469**	**–**	**–**	**24,937**	**13,469**
16	**10,133**	**1,524**	**–**	**–**	**10,133**	**1,524**
17	**12,988**	**1,978**	**–**	**–**	**12,988**	**1,978**
	316,615	**44,906**	**1,600,000**	**126,701**	**1,916,615**	**171,607**
Grand total					**3,942,004**	**243,421**

Note: 66,449 winter orange trees (age: 15) were removed and replanted with the same number of summer orange trees (age: 0) during the year ended 30 June 2012.

VALUATION OF BIOLOGICAL ASSETS

The Group has engaged an independent valuer to determine the fair value of the orange trees less costs to sell as at 30 June 2013.

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. The independent valuer 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. The independent valuer conducted inspections of the plantations and performed sample counts on the oranges trees in connection with its 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 the independent valuer 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 2013 was 18.0% (2012: 18.0%). 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, the yield per tree increases from age 3 to 10, remains stable for about 22 years, and then decreases until age 32. The agricultural consultant of the independent valuer 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. The independent valuer 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. The selling prices of winter oranges and summer oranges from the Hepu Plantation and winter oranges from the Xinfeng Plantation adopted were RMB3,320 per tonne, RMB5,220 per tonne and RMB3,740 per tonne, respectively, for the year ended 30 June 2013 and RMB3,310 per tonne, RMB5,200 per tonne and RMB3,730 per tonne, respectively, for the year ended 30 June 2012.

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.

Sensitive analysis

1) Changes in the discount rate applied result in significant fluctuations in the 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 18.0% applied by the independent valuer for the year ended 30 June 2013:

	100 basis points Decrease	**Base Case**	**100 basis points Increase**
Discount rate	17.0%	18.0%	19.0%
Net change in fair value of biological assets (RMB'000)	(93,268)	(260,468)	(413,668)

2) Changes in the yield per orange tree can also result in significant fluctuations in the 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 a 5.0% increase or decrease in the yield per tree applied for the year ended 30 June 2013:

	5.0% Decrease	**Base Case**	**5.0% Increase**
Net change in fair value of biological assets (RMB'000)	(423,768)	(260,468)	(97,168)

3) Changes in assumed market prices of the oranges can also result in significant fluctuations in the 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 a 5.0% increase or decrease in the assumed market prices of oranges as at 30 June 2013 used to calculate the changes in fair value of orange trees less estimated point-of-sale costs for the year ended 30 June 2013:

	5.0% Decrease	**Base Case**	**5.0% Increase**
Net change in fair value of biological assets (RMB'000)	(622,168)	(260,468)	101,232

4) Changes in the assumed direct production costs can also result in significant fluctuations in the 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 a 5.0% increase or decrease in the Group's assumed direct production costs used to calculate the changes in fair value of orange trees less estimated point-of-sale costs for the year ended 30 June 2013:

	5.0% Decrease	**Base Case**	**5.0% Increase**
Net change in fair value of biological assets (RMB'000)	(67,568)	(260,468)	(453,368)

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 the independent valuer, the aggregate value of the orange trees in the Hepu Plantation and Xinfeng Plantation as at 30 June 2013 was estimated to be approximately RMB1,983 million (2012: RMB2,226 million).

CONSOLIDATED INCOME STATEMENT
For the year ended 30 June 2013

	Note	**2013** *RMB'000*	2012 *RMB'000*
Turnover	*4*	**1,485,912**	1,776,144
Cost of sales		**(988,313)**	(983,743)
Gross profit		**497,599**	792,401
Other income		**53,438**	24,089
Net (loss)/gain on change in fair value of biological assets		**(260,468)**	166,900
Selling and distribution expenses		**(45,640)**	(60,579)
General and administrative expenses		**(120,141)**	(157,607)
Profit from operations		**124,788**	765,204
Finance costs		**(126)**	(146)
Profit before income tax	*6*	**124,662**	765,058
Income tax expense	*7*	**-**	-
Profit for the year		**124,662**	765,058
Attributable to			
Equity shareholders of the Company		**114,395**	750,200
Non-controlling interest		**10,267**	14,858
		124,662	765,058
		RMB	*RMB*
Earnings per share	*8*		
– Basic		**0.094**	0.615
– Diluted		**0.093**	0.613

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
For the year ended 30 June 2013

	2013 *RMB'000*	2012 *RMB'000*
Profit for the year	**124,662**	765,058
Other comprehensive expense for the year		
Item that may be reclassified subsequently to profit or loss:		
- Exchange differences on translation of financial statements of foreign operations, net of nil tax	**(352)**	(636)
Total comprehensive income for the year	**124,310**	764,422
Attributable to		
Equity shareholders of the Company	**114,043**	749,564
Non-controlling interest	**10,267**	14,858
	124,310	764,422

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 30 June 2013

	Note	**30 June 2013**	30 June 2012
		RMB'000	*RMB'000*
ASSETS			
Non-current assets			
Property, plant and equipment		**1,989,625**	1,835,518
Land use rights		**72,701**	68,527
Construction-in-progress		**304,196**	178,302
Biological assets		**2,168,501**	2,305,224
Intangible assets		**64,463**	58,506
Deposits		**84,303**	4,251
Goodwill		**1,157,261**	1,157,261
		5,841,050	5,607,589
Current assets			
Biological assets		**212,098**	158,636
Properties for sale		**5,830**	5,830
Inventories		**40,277**	63,094
Trade and other receivables	10	**68,315**	86,865
Cash and cash equivalents		**2,141,224**	2,388,114
		2,467,744	2,702,539
Total assets		**8,308,794**	8,310,128

	Note	**30 June 2013**	30 June 2012
		RMB'000	*RMB'000*
EQUITY AND LIABILITIES			
Equity			
Share capital		**12,159**	12,083
Reserves		**8,078,888**	8,138,036
Total equity attributable to equity shareholders of the Company		**8,091,047**	8,150,119
Non-controlling interest		**112,420**	102,168
		8,203,467	8,252,287
Non-current liability			
Obligation under finance lease		**832**	937
Current liabilities			
Trade and other payables	11	**104,390**	56,807
Obligation under finance lease		**105**	97
		104,495	56,904
Total liabilities		**105,327**	57,841
Total equity and liabilities		**8,308,794**	8,310,128
Net current assets		**2,363,249**	2,645,635
Total assets less current liabilities		**8,204,299**	8,253,224

CONSOLIDATED CASH FLOW STATEMENT

For the year ended 30 June 2013

	2013	2012
	RMB'000	*RMB'000*
Cash flows from operating activities		
Profit before income tax	**124,662**	765,058
Adjustments for:		
Interest income	**(50,509)**	(21,559)
Finance costs	**126**	146
Share-based payments	**24,698**	45,812
Amortisation of land use rights	**1,360**	1,362
Amortisation of intangible assets	**12,723**	9,781
Depreciation	**144,603**	126,044
Loss on disposals of property, plant and equipment	**2,172**	4,828
Loss on disposal of land use right	**4,902**	-
Loss on deregistration of subsidiaries	**192**	-
Net loss/(gain) on change in fair value of biological assets	**260,468**	(166,900)
Operating profit before working capital changes	**525,397**	764,572
Movements in working capital elements:		
Biological assets	**(53,462)**	(13,075)
Inventories	**22,817**	(16,687)
Trade and other receivables	**18,342**	25,150
Trade and other payables	**47,232**	(2,290)
Due to a related party	**-**	(3,000)
Net cash generated from operating activities	**560,326**	754,670
Cash flows from investing activities		
Proceeds from disposals of property, plant and equipment	**1,853**	6,258
Proceed from disposal of land use right	**3,565**	-
Purchases of property, plant and equipment	**(32,823)**	(38,098)
Purchase of land use right	**(14,001)**	-
Additions to construction-in-progress	**(391,561)**	(305,115)
Deposits paid for acquisition of property, plant and equipment	**(84,297)**	(4,050)
Net additions to biological assets	**(123,745)**	(51,827)
Additions to intangible assets	**(18,680)**	(15,000)
Decrease in time deposits with terms over three months	**62,960**	103,040
Interest received	**50,509**	21,559
Net cash used in investing activities	**(546,220)**	(283,233)

	2013	2012
	RMB'000	*RMB'000*
Cash flows from financing activities		
Proceeds from issue of new shares upon exercise of share options	**2,746**	12,457
Repurchase of shares	**(34,548)**	(46,859)
Repayments of obligation under finance lease	**(97)**	(90)
Dividends paid	**(166,011)**	(177,848)
Finance costs paid	**(126)**	(146)
Net cash used in financing activities	**(198,036)**	(212,486)
Net (decrease)/increase in cash and cash equivalents	**(183,930)**	258,951
Cash and cash equivalents at beginning of year	**2,325,154**	2,066,203
Cash and cash equivalents at end of year	**2,141,224**	2,325,154

Major non-cash transactions

During the year, purchases of property, plant and equipment included an amount of RMB4,245,000 (2012: RMB98,787,000) 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 HKEx, AIM of the London Stock Exchange and PLUS Markets plc.

The address of the Company's registered office is Clarendon House, 2 Church Street, Hamilton, HM11, Bermuda. The principal place of business of the Company is located at Rooms 1109-1111, 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.

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 ("IASs") 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"), the functional currency of the Group, rounded to the nearest thousand, unless otherwise stated. They have been prepared under the historical cost convention, except that certain biological assets 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 APPLICATIONS OF NEW AND REVISED IFRSs

The IASB has issued a number of amendments to IFRSs that are first effective for the current accounting period of the Group and the Company. Of these, IAS 1 (Amendments), Presentation of financial statements - Presentation of items of other comprehensive income is relevant to the Group's consolidated financial statement.

The amendments to IAS 1 require entities to present the items of other comprehensive income that would be reclassified to profit or loss in the future if certain conditions are met separately from those that would never be reclassified to profit or loss. The Group's presentation of other comprehensive income in these consolidated financial statements has been modified accordingly.

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 2013 and which have not been adopted in the consolidated financial statements. Of these developments, the following relates to matters that may be relevant to the Group's operations and consolidated financial statements:

Improvements to IFRSs	Annual improvements to IFRSs 2009 – 2011 cycle[1]
Amendments to IFRS 9 and IFRS 7	Mandatory effective date of IFRS 9 and transition disclosures[3]
Amendments to IFRS 10, IFRS 11 and IFRS 12	Consolidated financial statements, joint arrangements and disclosure of interests in other entities: transition guidance[1]
Amendments to IFRS 7	Disclosures – Offsetting financial assets and financial liabilities[1]
Amendments to IAS 32	Offsetting financial assets and financial liabilities[2]
Amendments to IAS 36	Recoverable amount disclosures for non-financial assets[2]
IFRS 9	Financial instruments[3]
IFRS 10	Consolidated financial statements[1]
IFRS 12	Disclosure of interests in other entities[1]
IFRS 13	Fair value measurement[1]
IAS 27 (2011)	Separate financial statements[1]

1 Effective for annual periods beginning on or after 1January 2013.

2 Effective for annual periods beginning on or after 1 January 2014.

3 Effective for annual periods beginning on or after 1 January 2015.

The Group is in the process of making an assessment of what the potential 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 of operations or financial position.

4 TURNOVER

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

	2013	2012
	RMB'000	*RMB'000*
Sales of oranges	**919,983**	1,057,327
Sales of self-bred saplings	**1,840**	3,344
Sales of processed fruits	**564,089**	715,473
	1,485,912	1,776,144

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 two (2012: 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 segments in the year ended 30 June 2013:

- Agricultural produce – planting, cultivation and sale of agricultural produce
- Processed fruits – manufacture and sale of fruit juice concentrates, fruit purees, frozen fruits and vegetables

Developing and sale of property units in an agricultural wholesale market and orange processing centre was no longer a reportable segment in the year ended 30 June 2013. Because of this change in the composition of the reportable segments, the corresponding segmental information for the year ended 30 June 2012 has been restated to conform with the current year's presentation.

No inter-segment transactions incurred between the companies in the Group.

No customer accounted for 10% or more of the total revenue for 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		Total	
	2013	2012	**2013**	2012	**2013**	2012
	RMB'000	*RMB'000*	***RMB'000***	*RMB'000*	***RMB'000***	*RMB'000*
RESULTS						
Reportable segment revenue and revenue from external customers	**921,823**	1,060,671	**564,089**	715,473	**1,485,912**	1,776,144
Reportable segment results	**31,912**	621,600	**138,711**	203,714	**170,623**	825,314
Unallocated corporate expenses					**(50,557)**	(67,518)
Unallocated corporate other revenue					**4,596**	7,262
Profit before income tax					**124,662**	765,058
Income tax expense					**–**	–
Profit for the year					**124,662**	765,058
ASSETS						
Segment assets	**5,253,592**	5,173,015	**1,689,669**	1,544,498	**6,943,261**	6,717,513
Unallocated corporate assets					**1,365,533**	1,592,615
Total assets					**8,308,794**	8,310,128
LIABILITIES						
Segment liabilities	**(76,016)**	(34,047)	**(24,483)**	(17,655)	**(100,499)**	(51,702)
Unallocated corporate liabilities					**(4,828)**	(6,139)
Total liabilities					**(105,327)**	(57,841)
OTHER INFORMATION						
Additions to segment non-current assets	**225,539**	216,946	**321,737**	247,376	**547,276**	464,322
Amortisation of land use rights	**–**	–	**306**	120	**306**	120
Amortisation of intangible assets	**7,360**	7,760	**5,363**	2,021	**12,723**	9,781
Depreciation	**71,225**	78,252	**50,764**	42,683	**121,989**	120,935
Loss on disposal of property, plant and equipment	**–**	7	**2,168**	4,819	**2,168**	4,826
Construction-in-progress written off	**1,480**	–	**189**	3,351	**1,669**	3,351
Interest income	**32,799**	8,618	**13,114**	5,714	**45,913**	14,332
Finance charges on obligation under finance lease	**83**	90	**–**	–	**83**	90
Net (loss)/gain on change in fair value of biological assets	**(260,468)**	166,900	**–**	–	**(260,468)**	166,900
Share-based payments	**4,980**	9,952	**16,086**	27,400	**21,066**	37,352

6 PROFIT BEFORE INCOME TAX

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

		2013	2012
		RMB'000	*RMB'000*
(a)	**Finance costs**		
	Bank charges	**43**	56
	Finance charges on obligation under finance lease	**83**	90
		126	146
(b)	**Staff costs (including directors' emoluments)**		
	– salaries, wages and other benefits	**114,510**	97,880
	– share-based payments	**24,698**	45,812
	– contributions to defined contribution retirement plans	**2,775**	2,635
		141,983	146,327
(c)	**Other items**		
	Amortisation of land use rights	**1,360**	1,362
	Amortisation of intangible assets	**12,723**	9,781
	Auditor's remuneration	**2,432**	2,390
	Cost of agricultural produce sold#	**571,147**	488,993
	Cost of inventories of processed fruits recognised as expenses##	**417,166**	494,750
	Depreciation of property, plant and equipment	**144,603**	126,044
	Add: Realisation of depreciation previously capitalised as biological assets	**23,423**	21,822
	Less: Amount capitalised as biological assets	**(45,059)**	(25,955)
		122,967	121,911
	Construction-in-progress written off	**1,669**	3,351
	Exchange (gains)/losses, net	**(989)**	6,435
	Operating lease expenses		
	– plantation base	**9,470**	9,394
	– properties	**1,020**	1,115
	Research and development costs	**4,963**	9,255
	Loss on disposals of property, plant and equipment	**2,172**	4,828
	Loss on disposal of land use right	**4,902**	–
	Loss on deregistration of subsidiaries	**192**	–

\# Cost of agricultural produce sold includes RMB133,321,000 (2012: RMB113,974,000) 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 RMB82,422,000 (2012: RMB67,667,000) 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

On the basis stated below, no income tax has been provided by the Group:

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 the respective tax jurisdictions.

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) No PRC enterprise income tax has been provided as the Group did not have assessable profit in the PRC during the year. The provision for PRC enterprise income tax for 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%.

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 2013, 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:

	2013	2012
	RMB'000	*RMB'000*
Earnings		
Profit attributable to equity shareholders of the Company used in basic and diluted earnings per share calculation	**114,395**	750,200
Weighted average number of shares	***'000***	*'000*
Issued ordinary shares at beginning of year	**1,221,097**	1,215,157
Effect of shares issued to shareholders participating in the scrip dividend	**8,811**	4,741
Effect of shares issued upon exercise of share options	**55**	4,182
Effect of shares repurchased and cancelled	**(7,236)**	(3,640)
Weighted average number of ordinary shares used in basic earnings per share calculation	**1,222,727**	1,220,440
Effect of dilutive potential shares in respect of share options	**10,035**	4,188
Weighted average number of ordinary shares used in diluted earnings per share calculation	**1,232,762**	1,224,628

9 DIVIDENDS

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

	2013	2012
	RMB'000	*RMB'000*
Interim dividend of RMB0.03 and special dividend of RMB0.02 per ordinary share declared and paid during the year (2012: interim dividend of RMB0.03 and special dividend of RMB0.02 per ordinary share)	**61,386**	61,330
Final dividend of RMB0.05 per ordinary share proposed after the end of the reporting period (2012: final dividend of RMB0.13 per ordinary share)	**61,478**	158,531
	122,864	219,861

The final dividend proposed after the end of the reporting period has not been recognised as a liability 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

	2013	2012
	RMB'000	*RMB'000*
Interim dividend of RMB0.03 and special dividend of RMB0.02 per ordinary share for the year, approved and paid during the year (2012: interim dividend of RMB0.03 and special dividend of RMB0.02 per ordinary share)	**61,386**	61,330
Final dividend of RMB0.13 per ordinary share in respect of the previous financial year, approved and paid during the year (2012: final dividend of RMB0.10 and special dividend of RMB0.03 per ordinary share)	**158,531**	157,710
	219,917	219,040

10 TRADE AND OTHER RECEIVABLES

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

	2013	2012
	RMB'000	*RMB'000*
Less than 1 month	**38,576**	28,352
1 to 3 months	**4,047**	84
3 to 6 months	**-**	291
6 to 12 months	**-**	-
Over 1 year	**113**	104
	42,736	28,831

Trade receivables from sales of goods are normally due for settlement within 30 to 60 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.

The ageing analysis of trade receivables that are neither individually nor collectively considered to be impaired is as follows:

	2013	2012
	RMB'000	*RMB'000*
Neither past due nor impaired	**41,492**	27,529
Less than 1 month past due	**1,174**	944
1 to 3 months past due	**-**	6
3 to 6 months past due	**-**	291
6 to 12 months past due	**-**	-
Over 1 year past due	**70**	61
Amounts past due but not impaired	**1,244**	1,302
	42,736	28,831

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 by invoice date is as follows:

	2013	2012
	RMB'000	*RMB'000*
Less than 3 months	**62,881**	21,246
3 to 6 months	**68**	93
6 to 12 months	**304**	543
Over 1 year	**299**	95
	63,552	21,977

12 FINANCIAL INFORMATION

The results announcement was approved by the board on 27 September 2013. 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 2012, except for the accounting policies changes as detailed in Note 3.

The consolidated financial statements for the year ended 30 June 2013 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 2013 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 the payment of a final dividend of RMB0.05 (2012: RMB0.13) per share on or before 31 December 2013, subject to the approval of the forthcoming annual general meeting on 12 November 2013. The final dividend, together with the interim and special dividends of RMB0.03 (2012: RMB0.03) and RMB0.02 (2012: RMB0.02) per share, will make a total of RMB0.10 (2012: RMB0.18) per share for the whole year ended 30 June 2013. The actual exchange rate for the purpose of dividend payment in Sterling and HK Dollar will be referenced to exchange rate on 19 November 2013.

Only shareholders that appear on the Company's register of members at the close of business on the record date of 15 November 2013 will be qualified for the proposed dividend, with an ex-dividend date of 14 November 2013 and 13 November 2012 on HKEx and London Stock Exchange PLC respectively.

In order to qualify for receiving the final 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 4:30 p.m. on 15 November 2013.

The shareholders will receive their cash dividend in Sterling or HK Dollar. It is also intended that the scrip dividend alternative to the cash dividend will be offered during 2013. A document providing further details of the Scrip Dividend Scheme will be sent to shareholders in due course.

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

During the year ended 30 June 2013, the Company repurchased 10,649,000 ordinary shares of HK$0.01 on the HKEx at an aggregate consideration of HK$38,387,280 before expenses. The repurchased shares were subsequently cancelled. The repurchases were effected by the Board for the enhancement of shareholder value in the long term. Details of the repurchases are as follows:
Details of the repurchases are as follows:

Month of purchase	No. of shares purchased	Purchase consideration per share Highest price paid HK$	Lowest price paid HK$	Aggregate Consideration paid HK$
July 2012	1,131,000	4.40	3.99	4,741,450
November 2012	9,518,000	3.67	3.21	33,645,830
Total	10,649,000			38,387,280

On 31 December 2012, 17,768,373 ordinary shares of HK$0.01 were issued at the price of HK$3.774 per share to shareholder participating in the scrip dividend.

On 19 June 2013, 415,000 and 1,422,000 ordinary shares of HK$0.01 were issued at the exercise price of GBP0.112 and GBP0.139 respectively upon exercise of a total of 1,837,000 share options under the Share Option Scheme.

Saved as disclosed above, 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 2013.

CODE ON CORPORATE GOVERNANCE PRACTICES

The Company is committed to the principles of corporate governance and corporate responsibility consistent with prudent management. It is the belief of the Board that such commitment will in the long term serve to enhance shareholders' value.

During the year ended 30 June 2013, 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) Leadership; (ii) Effectiveness; (iii) Accountability; (iv) Remuneration; and (v) Relations with shareholders.

On 23 February 2012, the Company also adopted the code provisions set out in Corporate Governance Code and Corporate Governance Report ("Code Provisions") contained in amended Appendix 14 to the Hong Kong Listing Rules which took effect on 1 April 2012 as its code on corporate governance practices.

The Company has complied with the Code Provisions for the year ended 30 June 2013 except the deviations set out 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 Provision A.5.1

The Companies does not have the Nomination Committee. The Directors does not consider that, given the size of the Group and stage of its development, it is necessary to have a Nomination Committee, however, this will be kept under regular review by the Board. The Board as a whole regularly reviews the plans for orderly succession for appointments to the Board and its structure, size and composition. If the Board considers that it is necessary to appoint new Director(s), it will set down the relevant appointment criteria which may include, where applicable, the background, experience, professional skills, personal qualities, availability to commit to the affairs of the Company and, in case of Independent Non-Executive Director, the independence requirements set out in the Hong Kong Listing Rules from time to time. Nomination of new Director(s) will normally be made by the Executive Directors and subject to the Board's approval. External consultants may be engaged, if necessary, to access a wider range of potential candidate(s).

Code Provision E.1.2

The chairman of the Board should attend the annual general meeting. He should also invite the chairman of the Audit Committee and Remuneration Committee to attend. However, Mr. Tong Wang Chow, Executive Chairman, was unable to attend the 2012 AGM due to other business engagements. In the absence of the Executive Chairman, Mr. Tong Hung Wai, Tommy, Executive Director, took the chair and, together with the other directors, made themselves available to answer questions at the 2012 AGM. Mr. Nicholas Smith, the chairman of the Remuneration Committee, was also unable to attend the 2012 AGM due to other business engagements and has appointed the Company Secretary of the Company to attend the 2012 AGM and to answer questions at the 2012 AGM.

DIRECTORS' SECURITIES TRANSACTIONS

In connection with the listing of the Company on the HKEx in November 2009, the Company adopted the Model Code as set out in Appendix 10 to 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.

RETIREMENT OF INDEPENDENT NON-EXECUTIVE DIRECTORS

This year, in accordance with the Company's Bye-laws, Mr. Ma Chiu Cheung, Andrew and Hon Peregrine Moncreiffe will retire at the AGM on 12 November 2013. Due to personal time constraint and other commitments, Mr. Ma Chiu Cheung, Andrew, and Hon Peregrine Moncreiffe being eligible, will not offer themselves for re-election. Accordingly, Mr. Ma Chiu Cheung, Andrew and Hon Peregrine Moncreiffe will retire as Independent Non-Executive Directors with effect from the conclusion of the AGM.

Mr. Ma Chiu Cheung, Andrew will also cease to be the chairman of the Audit Committee and a member of the Remuneration Committee upon his retirement as Independent Non-Executive Director. Mr. Ma Chiu Cheung, Andrew confirmed that there is no disagreement between him and the Board and there is no matter relating to his retirement that needs to be brought to the attention of the shareholders.

Hon Peregrine Moncreiffe, will also cease to be a member of the Remuneration Committee upon his retirement as Independent Non-Executive Director. Hon Peregrine Moncreiffe confirmed that there is no disagreement between him and the Board and there is no matter relating to his retirement that needs to be brought to the attention of the shareholders.

The Board would like to express its gratitude to Mr. Ma Chiu Cheung, Andrew and Hon Peregrine Moncreiffe for their contributions over the years.

The Board is currently identifying suitable candidate(s) to be appointed as the chairman of the Audit Remuneration Committee and the member of the Remuneration Committee to replace Ma Chiu Cheung, Andrew and Hon Peregrine Moncreiffe. Further announcement will be published by the Company.

AUDIT COMMITTEE

The Audit Committee comprises three Independent Non-Executive Directors. Mr. Ma Chiu Cheung Andrew acts as chairman of the committee with Mr. Yang Zhen Han and Mr. Ng Hoi Yue 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 2013.

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, 27 September 2013

As at the date of this announcement, the Board comprises four Executive Directors, namely Mr. Tong Wang Chow, Mr. Tong Hung Wai, Tommy, Mr. Cheung Wai Sun and Mr. Pang Yi and five Independent Non-Executive Directors, namely Hon Peregrine Moncreiffe, Mr. Ma Chiu Cheung, Andrew, Mr. Yang Zhen Han, Dr. Lui Ming Wah, SBS JP and Mr. Ng Hoi Yue.

* *For identification purpose only*