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ASIAN CITRUS HOLDINGS LIMITED

亞洲果業控股有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 73)

UPDATE ANNOUNCEMENT AND DELAY IN PUBLICATION OF INTERIM RESULTS FOR THE SIX MONTHS ENDED 31 DECEMBER 2017

This announcement is made by the board of directors of Asian Citrus Holdings Limited (the “**Company**” and, together with its subsidiaries, the “**Group**”) pursuant to Rules 13.09 and 13.49(6) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and the Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The Company wishes to update its shareholders of the latest major development on the status of publication of the outstanding financial statements of the Group and to inform its shareholders of the delay in publication of interim results for the six months ended 31 December 2017. Reference is made to the Company’s announcements dated 30 June 2017, 30 November 2017, 28 December 2017 and 31 January 2018 (the “**Announcements**”). Unless otherwise defined, capitalised terms used in this announcement shall have the same meanings as those defined in the Announcements.

UPDATE ON AUDIT WORK FOR THE PUBLICATION OF OUTSTANDING FINANCIAL STATEMENTS

Reference is made to the indicative expected timeline in respect of the outstanding works to be performed by the Group and/or the Company’s auditors with a view to publishing the outstanding financial statements, as set out in the announcement of the Company dated 31 January 2018 (the “**Indicative Timeline**”).

* For identification purposes only

As disclosed in the Announcements, the Company's auditors have been performing audit procedures with respect to the Company and its subsidiaries (save and except for the deconsolidated subsidiaries) for the financial years ended 30 June 2016 and 2017. However, the Company is advised by its auditors that the collection of confirmations from third parties including banks, suppliers and customers of the Group has taken longer than expected which might be due to the Chinese New Year holidays in the PRC and in Hong Kong, which had resulted in a delay in completion of such audit work procedures. In addition, the audit procedures relating to 廣西合浦冠華農業有限公司 (the "**Agriculture Company**") (including but not limited to the verification of records and the review of valuation report on the agricultural produce) are still ongoing due to the complexity of the valuation. The Group will continue to work closely with the auditors to follow up on any outstanding third party confirmations and incomplete audit work. It is currently anticipated that the audit field work for the Group shall be completed by mid March 2018.

The Company is also advised by its auditors that Lucky Team Hepu would only be accounted for and reconsolidated into the Group's accounts as a subsidiary from the date which the Group resumed control over it (which is after 30 June 2017), and therefore Lucky Team Hepu would not be accounted for and consolidated into the Group's accounts as a subsidiary for the purpose of the outstanding financial statements.

In view of the above development and after consultation with its auditors, the Company currently anticipates that the outstanding financial statements will be available for publication by the end of March 2018. Below set forth the updated Indicative Timeline in respect of outstanding works to be performed by the Group and/or the Company's auditors:

Indicative expected timeline

- | | | |
|----|--|-------------------|
| 1) | Completion of audit field work for the Group (for the financial years ended 30 June 2016 and 2017) | mid March 2018 |
| 2) | Publication of the outstanding financial statements | end of March 2018 |

The Company will continue to do such actions as may be necessary to strive for publishing the outstanding financial statements by the end of March 2018 and make further announcement(s) to update shareholders of any major changes to the above Indicative Timeline, as appropriate.

DELAY IN PUBLICATION OF INTERIM RESULTS FOR THE SIX MONTHS ENDED 31 DECEMBER 2017

Pursuant to Rule 13.49(6) of the Listing Rules, the Company shall publish its interim results announcement for the six months ended 31 December 2017 (the "**2017 Interim Results Announcement**") no later than the end of February 2018. As the 2017 Interim Results Announcement would include financial information derived from the outstanding financial statements and due to the latest status of the audit work for the outstanding financial statements as disclosed above, the Board is of the view that it would not be prudent or appropriate for the Company to make any publication at this time given that any financial

information published now may not accurately reflect the current financial performance and position of the Group. Based on the above updated Indicative Timeline, it is currently anticipated that the 2017 Interim Results Announcement will be published by the end of March 2018, around the time of publication of the outstanding financial statements. The Company will make further announcement(s) to update shareholders of any changes to the proposed publication date or any update information as and when appropriate.

UPDATE ON LEGAL PROCEDURES IN RESPECT OF THE RELEVANT PRC SUBSIDIARIES

Information right proceedings relating to Beihai Perfuming Garden

As disclosed in the announcement of the Company dated 31 January 2018, under the BPG Order, Guangxi Zhuang Autonomous Region Beihai City Intermediate People's Court (廣西壯族自治區北海市中級人民法院) of the PRC has rejected amongst others, the Group's request for the production of certain accounting records of Hepu Perfuming Garden Food Co., Ltd. (合浦果香園食品有限公司) and Beihai Super Fruit Co., Ltd. (北海盛果商貿有限公司) (the subsidiaries of Beihai Perfuming Garden) for the Group's inspection and photocopying ("Rulings"). In early February 2018, the Group lodged a request for appeal of the Rulings. Subsequently, the Group was made aware that the matter will be transferred to Guangxi Zhuang Autonomous Region Higher People's Court (廣西壯族自治區高級人民法院) for the processing of the appeal. The Company will continue to progress the relevant legal procedures in preparation for formal court proceedings for the appeal.

Contractual dispute relating to Tianyang Perfuming Garden

In addition to the judgment issued by Guangxi Zhuang Autonomous Region Tianyang County People's Court (廣西壯族自治區田陽縣人民法院) against Tianyang Perfuming Garden as disclosed in the announcement of the Company dated 31 January 2018 ("First Judgment"), the Company is made aware by the senior management of Tianyang Perfuming Garden in late February 2018 that Tianyang Perfuming Garden had been served with a service of proceeding from Guangxi Zhuang Autonomous Region Tianyang County People's Court (廣西壯族自治區田陽縣人民法院) whereby the same claimant under the First Judgment has commenced a legal proceeding against Tianyang Perfuming Garden alleging that it had defaulted in the payment of RMB836,590.46 together with interests for the same construction work. The Company is further made aware by the senior management of Tianyang Perfuming Garden that a hearing requiring the attendance of Tianyang Perfuming Garden is scheduled in late March 2018. The Company will continue to monitor the progress of the relevant legal procedure as reported to it by the senior management of Tianyang Perfuming Garden and make further announcement to inform its shareholders of any material developments of this case as and when appropriate.

Save as otherwise disclosed in this announcement, there is no other new material development at this stage and the Company will make further announcement(s) to update its shareholders and investors as and when appropriate.

CONTINUED SUSPENSION OF TRADING

Trading in the shares of the Company on the Hong Kong Stock Exchange will remain suspended pending release of the outstanding financial statements and the 2017 Interim Results Announcement and the fulfilment of the resumption conditions as set out in the Company's announcement dated 27 January 2017.

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

Hong Kong, 28 February 2018

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