ASIAN CITRUS HOLDINGS LIMITED
亞洲果業控股有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 73)

PROFIT WARNING

This announcement is made by Asian Citrus Holdings Limited (the "**Company**") pursuant to Rule 13.09(2) of the Rules Governing the Listing of Securities (the "**Listing Rules**") on The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") and the Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The board of directors (the "**Directors**") of the Company (the "**Board**") wishes to inform the shareholders and potential investors of the Company that, based on its preliminary assessment of the unaudited financial information and management accounts of the Company, together with its subsidiaries, (the "**Group**") for the year ended 30 June 2021 ("**FY2020/21**") and information currently available to the Board, the Group is expected to record a revenue of approximately RMB195.6 million for FY2020/21 and a net operating profit of approximately RMB4.0 million for FY2020/21, representing a decrease of approximately 56.7% and 83.9%, respectively, as compared to that of the corresponding year ended 30 June 2020. The decrease in the Group's net operating profit in FY2020/21 was mainly due to the significant decrease in revenue generated from the Group's planting, cultivation and sales of agricultural produce in the PRC market (the "**Plantation Business**") and distribution of high-quality fruits in the PRC (the "**Fruit Distribution Business**").

The decrease in revenue of the Group was mainly attributable to: (i) with respect to the Plantation Business, the decrease in (1) both production volume and sales volume for oranges as a result of poor weather in Hepu area between January to April 2021, and (2) the average selling price of summer oranges during the harvest season in 2021 as a result of the reduction in the volume of premium-grade oranges being sold at a higher price caused by poor weather; and (ii) with respect to the Fruit Distribution Business, (1) the reduction in the volume of fruit imported due to (a) the imposition of more restriction controls on certain fruits imported from the United States of America ("**USA**") and Australia by the Chinese government; (b) the negative impact on logistics for transportation of durians from Malaysia under tightened lockdown measures to curb the risk of COVID-19 infection during the first half of 2021; (2) the negative impact on customers' confidence in the fruit market due to rumors associated with imported fruits carrying coronavirus; and (3) a temporary decline in the demand for high-quality fruits from certain major customers of the Fruit Distribution Business as a result of weak consumer spending sentiment suffering from the impact of the COVID-19 pandemic and the trade war negotiation between China and the USA.

Nevertheless, whilst the Group will remain conservative and formulate different sales strategies towards market changes caused by the COVID-19 epidemic in the remainder of 2021 and in 2022, the Board will take precautionary measures to mitigate any possible impact of economic downturn faced by the Group and the Company will also continue to explore new business opportunities with a view to generating revenue to the Group and creating returns to the Shareholders.

The information contained in this announcement is based only on the preliminary assessment of the unaudited financial information and management accounts of the Group for the FY2020/21 currently available to the Board. The audit now being conducted by the auditor of the Company on the management accounts has not yet been completed and the management accounts may still be subject to adjustments. The annual results of the Group for FY2020/21 are expected to be published on 30 September 2021.

Shareholders 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
Ng Ong Nee
Chairman

Hong Kong, 23 September 2021

* *For identification purposes only*

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); two non-executive directors, namely Mr. He Xiaohong and Mr. James Francis Bittl; and three independent non-executive directors, namely Mr. Liu Ruiqiang, Dr. Lui Ming Wah, PhD, SBS, JP and Mr. Yang Zhen Han.