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)

INTERIM REPORT
2011/2012

** For identification purposes only*

CONTENT

Financial Highlights

RESULTS OF OPERATIONS (RMB MILLION)

	For the six months ended 31 December 2011	2010	% change
Reported financial information			
Revenue	1,043.4	624.0	+67.2
Gross profit	406.3	275.4	+47.5
EBITDA	470.4	578.5	-18.7
Profit before tax	391.5	526.4	-25.6
Profit attributable to shareholders	383.6	523.4	-26.7
Basic earnings per share (RMB)	0.32	0.59	-45.8
Interim dividend per share (RMB)	0.03	0.02	+50.0
Special dividend per share (RMB)	0.02	–	N/A
Total dividend per share (RMB)	0.05	0.02	+150.0
Core net profit#			
EBITDA	395.6	259.8	52.3
Profit before tax	316.7	207.8	52.4
Profit attributable to shareholders	308.8	204.7	50.9
Basic earnings per share (RMB)	0.25	0.23	8.7
FINANCIAL RATIOS			
Gross profit margin (%)	38.9	44.1	
Core net profit over equity (%)	3.9	3.0	
Return on equity (%)	4.9	7.5	
Asset turnover (x)	0.13	0.08	

\# Core net profit refers to profit for the period excluding net gain on change in fair value of biological assets and share-based payment. The Group's management considers this revised presentation more appropriately reflects the performance of the core operations. In order to conform to the current period's presentation, certain comparative figures for prior reporting period have been reclassified.

FINANCIAL POSITION (RMB MILLION)

	31 December 2011	30 June 2011
Total assets	7,990.5	7,685.7
Net current assets	2,614.3	2,465.0
Cash and cash equivalents	2,413.6	2,232.2
Shareholders' fund	7,824.6	7,535.8
Current ratio (x)	38.51	41.05

Chairman's Statement

I am very pleased to report the results of Asian Citrus Holdings Limited (the "Company" or "Asian Citrus") and its subsidiaries (collectively referred to as the "Group") for the six months ended 31 December 2011. For the six months ended 31 December 2011, the Group's revenue increased by 67.2% from RMB624.0 million to RMB1,043.4 million, core net profit before net gains on change in fair value of biological assets and share based payments increased by 50.9% from RMB204.7 million to RMB308.8 million while net profit, after net gains on change in fair value of biological assets and share based payments decreased by 26.7% from RMB523.4 million to RMB383.6 million.

STRATEGIC OVERVIEW

Agricultural business

The Group continued to expand its direct sales to supermarkets. During the six months ended 31 December 2011, the Group sold approximately 48,447 tonnes of oranges directly to 22 supermarket chains, representing an increase of approximately 25.6% over the comparable period's volume of sales to supermarkets of 38,572 tonnes. The Group believes that the increasing volume of direct sales to supermarkets will continue to enhance the Group's profitability and lead to better product recognition within China.

The Group continued to mass produce self-bred saplings from both the Hepu Plantation and Hunan Plantation. In addition to using these saplings for our own replanting programme at the Hepu Plantation and the new planting in our Hunan Plantation, the Group sold approximately 191,000 self-bred saplings to local farmers during the six months ended 31 December 2011. The sales of self-bred saplings provide the Group with a high margin revenue stream and the capability to secure long-term supplies of high-quality oranges through reciprocal agreements with the farmers, which offer the Group the first right to purchase their oranges.

Fruit-processing business

The Group conducts its fruit processing business through Beihai Perfuming Garden Juice Company Limited ("Beihai BPG") and our customers include most of the major food and beverages producers in China and globally. In addition to the existing production facilities with an annual output capacity of approximately 60,000 tonnes located in Beihai city and Hepu county of Guangxi Zhuang Autonomous Region (the "Guangxi Region"), we are expanding the production capacities of Beihai BPG by establishing a new juicing facility with an annual output capacity of approximately 40,000 tonnes in the Baise city of the Guangxi Region. The construction progress of the new production facility is broadly in line with our expectation but the trial production is revised to commence shortly after mid 2012 due to certain administrative issues.

OPERATIONS REVIEW

Agricultural business

The Hepu Plantation is fully planted with approximately 1.3 million orange trees of which 1.0 million are currently producing oranges. Output from the Hepu Plantation was approximately 44,906 tonnes for the six months ended 31 December 2011 which represents a decrease of approximately 11.1% over the comparable year's production of 50,517 tonnes. The decrease in production volume was mainly due to the ongoing replanting programme at the plantation where 63,584 winter orange trees were replaced with the same number of summer orange trees during the year ended 30 June 2011.

The Group's replanting programme in the Hepu Plantation continues and there were approximately 120,000 winter oranges trees as at 31 December 2011 which are expected to be replanted in the next two years. 66,449 winter orange trees are expected to be removed and the corresponding land area to be replanted with the same number of the new species of summer orange trees before the end of March 2012. We believe the improved species of trees being planted will deliver long term economic benefits by increasing average yields and achievable revenue per tonne. It is expected that the second batch of 76,135 trees replanted during 2008 will commence production in the coming summer of 2012 which will add to our existing summer oranges production.

The Xinfeng Plantation is fully planted with 1.6 million winter orange trees. During the six months ended 31 December 2011, all the 1.6 million trees were producing oranges (2010: 1.6 million), yielding approximately 126,701 tonnes of oranges, which represents an increase of approximately 36.0% over the previous year's production of 93,181 tonnes. Growth was mainly due to increased production from the winter oranges trees, which are still yet to achieve their full maturity.

During the six months ended 31 December 2011, the Group continued to invest in the Hunan Plantation. As at 31 December 2011, the Group has invested approximately RMB375.6 million in the Hunan Plantation which mainly represents expenditure for land clearing, land cultivation, planting costs for the orange trees and other farmland infrastructure. The development of this plantation is in line with our expectations and approximately 707,000 orange trees have been planted as at 31 December 2011. Another 343,000 orange trees are expected to be planted in the Hunan Plantation before end of March 2012. Expenditure for the infant trees in the Hunan Plantation, comprising mainly fertilisers, pesticides and staff costs, of approximately RMB11.4 million (2010: Nil) was expensed as general and administrative expenses for the six months ended 31 December 2011.

Fruit-processing business

For the six months ended 31 December 2011, Beihai BPG sold a total of approximately 14,604 tonnes of juice concentrates, 15,076 tonnes of fruit purees and 8,738 tonnes of frozen and dried fruits and vegetables.

As at 31 December 2011, the Group has invested approximately RMB54.3 million in the new juicing facility in Baise city which mainly represents expenditure for production machinery, land improvements and prepayments for land use rights and other construction works. The utilisation rate of the production facilities in Beihai city and Hepu county was approximately 92.2% and 93.4% respectively.

DIVIDENDS

The Board recommended the payment of an interim dividend of RMB0.03 and a special dividend of RMB0.02 per share for the six months ended 31 December 2011. We believe that the declaration of the interim and special dividends is in the interest of the shareholders and allow our shareholders to share the successful results of the Group.

The interim and special dividends will be paid in sterling or HK Dollars on or before 4 May 2012 to shareholders that appear on the Company's register of members at the close of business on the record date of 9 March 2012, with an ex-dividend date of 8 March 2012 and 7 March 2012 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 13 March 2012.

In order to qualify for receiving the interim and special dividends, 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 9 March 2012.

SHARE REPURCHASE PROGRAMME

On 24 February 2012, the Board approved a programme to buy back up to HK$250 million of Asian Citrus shares by way of "on-market repurchases" from now till the next annual general meeting. The share repurchase programme will be funded by the Company's free cash flow as well as existing working capital.

INVESTOR RELATIONS AND CORPORATE GOVERNANCE

The Board is convinced that transparency and accountability are key elements in maintaining good investor relationship. The Group's management pays regular visits to institutional investors and private client investment advisers and attends investor conferences in order to update existing shareholders and potential investors on the Group's latest business developments.

The Board is fully committed to adhering to the corporate governance best practises as set out in the Combined Code, which is the key source of corporate governance recommendations for UK listed companies. The Group has also adopted the code provisions set out in the Code on Corporate Governance Practices contained in Appendix 14 to the Rules Governing the Listing of Securities on the HKEx as its additional code on corporate governance practices. The Board is continuing to improve our corporate governance and transparency by increasing information disclosure on our website and public documents.

OUTLOOK

The Group is progressing well as a comprehensive fruit and juice production company with an increasing presence in the Chinese retail market with higher production volume and market penetration. With the continuous growth of the Chinese economy and the government's promotion of domestic consumption, we are confident that the demand for consumables like fruits and juice concentrates in China will continue to grow, providing the Group with an exciting opportunity to further expand its business in both the agricultural and fruits processing businesses through both organic growth and potential acquisitions.

On behalf of the Board, I would also like to take this opportunity to thank our shareholders, business partners, customers and employees for their continuous support and contribution to the growth of Asian Citrus. I am very confident that Asian Citrus will continue to deliver strong operational performances and create more success in the future.

Tony Tong Wang Chow
Chairman
24 February 2012

Management Discussion and Analysis

OPERATING PERFORMANCE

Revenue

The breakdown of revenue by types is as follows:

	For the six months ended 31 December			
	2011		2010	
	RMB'000	% of total revenue	RMB'000	% of total revenue
Hepu Plantation	180,405	17.3%	194,736	31.2%
Xinfeng Plantation	463,873	44.5%	330,988	53.0%
Sales of oranges	644,278	61.8%	525,724	84.2%
Sales of processed fruits	396,903	38.0%	69,410	11.1%
Sales of self-bred saplings	2,235	0.2%	2,705	0.5%
Sales of properties	–	–	26,198	4.2%
Total revenue	1,043,416	100.0%	624,037	100.0%

The Group's revenue increased by approximately 67.2% from RMB624.0 million to RMB1,043.4 million for the six months ended 31 December 2011.

Sale of oranges

Revenue from sale of oranges grew by 22.6% to RMB644.3 million for the six months ended 31 December 2011. This was achieved by an increase of approximately 19.4% in the Group's production to 171,607 tonnes combined with increase in average selling price of oranges of approximately 3.0% to 4.2% year on year.

The production yield from Hepu Plantation decreased by 11.1% from 50,517 tonnes to 44,906 tonnes for the six months ended 31 December 2011 due to the ongoing replanting programme. In the previous year, 63,584 winter orange trees were removed and replanted with the same number of the summer orange trees. As the orange trees continue to mature, the production yield from the Xinfeng Plantation increased significantly by 36.0% to 126,701 tonnes for the six months ended 31 December 2011 from 93,181 tonnes in the comparable period last year.

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

	For the six months ended 31 December	
	2011	2010
	RMB (per tonne)	RMB (per tonne)
Hepu Plantation	4,085	3,922
Xinfeng Plantation	3,770	3,660

All of the Group's oranges were sold domestically. The Group's customers from the sales 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 six months ended 31 December	
	2011	2010
	% of sale of oranges	
Corporate customers	42.9%	40.3%
Supermarket chains	32.0%	31.4%
Wholesale customers	24.6%	27.6%
Other	0.5%	0.7%
Total	100.0%	100.0%

For the six months ended 31 December 2011, the production volume and revenue to supermarket chains represented approximately 28.2% and 32.0% respectively of the Group, compared to approximately 26.8% and 31.4% for the six months ended 31 December 2010. For the Hepu Plantation, the production volume and revenue to supermarkets increased to 35.9% and 48.0% of the Group respectively (12/2010: 32.2% and 44.1%).

Sale of processed fruits

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

	For the six months ended 31 December			
	2011		2010	
	Production volume (Tonnes)	**Revenue RMB'000**	Production volume (Tonnes)	Revenue RMB'000
Pineapple juice concentrates	9,421	114,129	2,475	30,707
Other fruit juice concentrates	5,183	79,668	443	11,710
Mango purees	7,966	57,187	91	683
Papayas purees	6,825	48,970	771	5,233
Other fruit purees	285	3,566	–	–
Frozen and fried fruits and vegetables	8,738	62,970	265	5,201
	38,418	366,490	4,045	53,534
Fruit juice trading	N/A	30,413	N/A	15,876
	38,418	396,903	4,045	69,410

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

Revenue from the sale of processed fruits increased by 471.9% to RMB396.9 million for the six months ended 31 December 2011. It is mainly attributable by the six months results of Beihai BPG which are consolidated into the Group's results for the six months ended 31 December 2011 compared to one month results of Beihai BPG being consolidated into the Group's results for the six months ended 31 December 2010 follow by the completion of acquisition as of 30 November 2010.

The utilisation rate of two existing processing plants in Beihai and Hepu is approximately 92.2% and 93.4% for the six months ended 31 December 2011.

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

Sale of self-bred saplings

For the six months ended 31 December 2011, RMB2.2 million was recognised from the sales of the approximately 191,000 selfbred saplings developed from the nursery centre at the Hepu Plantation to local farmers.

Cost of sales

The breakdown of cost of sales is as follows:

	For the six months ended 31 December			
	2011		2010	
	RMB'000	% of cost of sales of respective segment	RMB'000	% of cost of sales of respective segment
Agricultural business				
Inventories used				
Fertilisers	204,504	57.5%	158,326	55.6%
Packaging materials	14,405	4.1%	16,643	5.8%
Pesticides	34,427	9.7%	25,095	8.8%
	253,336	71.3%	200,064	70.2%
Production overheads				
Direct labour	32,487	9.1%	26,902	9.5%
Depreciation	44,114	12.4%	41,546	14.6%
Others	25,502	7.2%	16,127	5.7%
Cost of sales of oranges	355,439	100%	284,639	100%
Fruit processing business				
Fruit	217,593	77.4%	40,694	82.8%
Packaging material	18,870	6.7%	2,539	5.2%
Direct labour	11,115	4.0%	1,651	3.4%
Other production overheads	33,336	11.9%	4,226	8.6%
Cost of sales of processed fruits	280,914	100%	49,110	100%
Cost of sales of self-bred saplings	789		1,109	
Cost of sales of properties	–		13,742	
Total	637,142		348,600	

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 24.9% to RMB355.4 million (12/2010: RMB284.6 million). The increase in production costs was principally due to the increase in fertilisers and pesticides utilised for higher production volumes and generally warmer weather during the period.

The unit cost of production in the Hepu Plantation remained at approximately RMB1.76 per kg for the six months ended 31 December 2011 (12/2010: RMB1.72 per kg).

The unit cost of production in the Xinfeng Plantation slightly increased by 2.8% to RMB2.18 per kg for the six months ended 31 December 2011 (12/2010: RMB2.12 per kg) as a result of higher amount of pesticides used and related expenses due to generally warmer weather during the period.

The combined unit cost of production increased by 4.5% to RMB2.07 per kg from RMB1.98 per kg in the comparable period due to higher contribution from Xinfeng Plantation with relatively higher unit cost.

Cost of sales of processed fruit mainly includes the costs of fruit and packaging materials and other direct costs such as direct labour, depreciation and production overheads. For the six months ended 31 December 2011, the cost of processed fruits increased by 472.1% from RMB49.1 million to RMB280.9 million. The increase was mainly due to six months results of Beihai BPG which are consolidated into the Group's results for the six months ended 31 December 2011 compared to one month results of Beihai BPG being consolidated into the Group's results for the six months ended 31 December 2010 follow by the completion of acquisition as of 30 November 2010.

Gross profit

The Group's overall gross profit increased by 47.5% to approximately RMB406.3 million for the six months ended 31 December 2011 (12/2010: RMB275.4 million). The improvement in gross profit was due to an increase in the production output of the Group's winter orange trees of 19.4%, an increase in the average price of oranges of approximately 3.0% to 4.2% year on year and inclusion of the six months gross profit of Beihai BPG of RMB116.0 million.

The overall gross profit margin decreased from 44.1% to 38.9% for the six months ended 31 December 2011 due to higher contribution from processed fruits segment which has a relatively lower margin.

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

	For the six months ended 31 December	
	2011	2010
Hepu Plantation	**56.2%**	55.4%
Xinfeng Plantation	**40.4%**	40.2%

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

	For the six months ended 31 December	
	2011	2010
Sales of oranges	**44.8%**	45.9%
Sales of processed fruits	**29.2%**	29.2%
Sales of self-bred saplings	**64.7%**	59.0%
Sales of properties	**N/A**	47.5%
Overall gross profit margin	**38.9%**	44.1%

The gross profit margin of the Hepu Plantation kept at 56.2% for the six months ended 31 December 2011 (12/2010: 55.4%).

Despite better economies of scale being achieved, the gross profit margin of Xinfeng Plantation only grew to 40.4% (12/2010: 40.2%) due to a higher amount of pesticides used and related expenses as a result of generally warmer weather in current period. Over the medium term, as the continuous growth in production volume and better economies of scale, we expect the margin of the Xinefeng Plantation will grow again.

Due to higher contribution from Xinfeng Plantation with a relatively lower margin, the overall gross profit margin from sales of oranges slightly dropped to approximately 44.8% (12/2010: 45.9%) for the six months ended 31 December 2011.

Beihai BPG processes over 22 different types of fruit with different gross profit margins. The normalised gross profit margin of Beihai BPG for the six months ended 31 December 2011 was unchanged at 29.2% compared to one month ended 31 December 2010.

Gain on change in fair value of biological assets

The Group recorded a gain of RMB100.6 million from net gain on change in fair value of biological assets for the six months ended 31 December 2011, compared to a gain of RMB338.2 million for the corresponding period last year in 2010. The lower increase was mainly due to all the orange trees in the Xinfeng Plantation becoming fruit bearing in the previous period and there was no transfer of infant trees to orange trees during the six months ended 31 December 2011. The net gain on change in fair value of biological assets does not have any effect on the cash flow of the Group for the six months ended 31 December 2011.

The gain on change in fair value of biological assets is summarised as follows:

	For the six months ended 31 December	
	2011	2010
	RMB'000	RMB'000
Gain due to transfer of infant trees to orange trees	**–**	151,895
Gain due to price change	**37,430**	140,141
Decrease due to replanting programme	**(70,213)**	(64,251)
Gain due to yield, maturity, cost and other changes	**133,391**	110,419
Total	**100,608**	338,204

Selling and distribution expenses

Selling and distribution expenses mainly comprise sales commissions, advertising, salaries and welfare of sales personnel, travelling and transportation expenses. The selling and distribution expenses of the Group increased from approximately RMB27.4 million for the six months ended 31 December 2010 to approximately RMB29.0 million for the six months ended 31 December 2011, representing an increase of 5.8%, mainly resulting from the increased sale activities in Xinfeng Plantation and Beihai BPG.

Selling and distribution expenses represented 2.8% of the Group's revenue, a decrease of 1.6 percentage points as compared to 4.4% in corresponding period last year, demonstrating the Group's ability to achieve economies of scale amid rapid development.

General and administrative expenses

General and administrative expenses comprise mainly salary, office administration expenses, depreciation, amortization, raw material utilised for infant trees and research costs. The general and administrative expenses of the Group were approximately RMB94.3 million for the six months ended 31 December 2011 (12/2010: RMB63.9 million). The increase was mainly due to the raw materials and related expenses of RMB11.4 million utilised for the first batch of 427,000 infant trees planted in Hunan Plantation last year, inclusion of the general and administrative expenses of RMB6.4 million of Beihai BPG, the increase of the share based payment of RMB6.3 million in relation to the employee share options and higher research expenses of RMB4.3 million for developing and testing new species of orange.

General and administrative expenses represented 9.0% of the Group's revenue, a decrease of 1.2 percentage points as compared to 10.2% in last corresponding period, demonstrating the Group was able to control the cost effectively amid rapid business expansion.

Profit

The profit attributable to shareholders for the six months ended 31 December 2011 decreased to approximately RMB383.6 million, compared to approximately RMB523.4 million for corresponding period last year, representing a decrease of approximately 26.7%. The decrease in profit is mainly due to lower increase in the net gain on change in fair value of biological assets as all the orange trees in the Xinfeng Plantation becoming fruit bearing in the previous period and there was no transfer of infant trees to orange trees during the six months ended 31 December 2011.

The core net profit, which refers to profit for the period excluding net gain on change in fair value of biological assets and share-based payments, for the six months ended 31 December 2011 was approximately RMB308.8 million, compared to approximately RMB204.7 million for corresponding period last year, representing an increase of approximately 50.9%. The increase was mainly attributable to the increase in production volume of winter orange, the increase in average selling price of oranges and six months results of Beihai BPG are consolidated into the Group during the period compared to one month results in corresponding period last year.

INTERIM DIVIDEND

The Directors are pleased to declare an interim dividend of RMB0.03 (12/2010: RMB0.02) and a special dividend of RMB0.02 (12/2010: Nil) per share.

PRODUCTIVITY

The production volume of winter oranges increased to 171,607 tonnes for the six months ended 31 December 2011, representing an increase of 19.4%.

The production volume of winter oranges in Hepu Plantation dropped from approximately 50,517 tonnes last year to approximately 44,906 tonnes in the current year, representing a decrease of approximately 11.1%, which was due to the ongoing replanting programme. In the year to 30 June 2011, 63,584 winter orange trees were removed and replanted with the same number of the summer orange trees.

In addition, the production volume of winter orange from the Xinfeng Plantation increased from approximately 93,181 tonnes last year to approximately 126,701 tonnes in the current year, representing an increase of approximately 36.0% due to increased maturity during the period.

CAPITAL STRUCTURE

As at 31 December 2011, there were 1,228,052,182 shares in issue. Based on the closing price of HKD4.09, the market capitalisation of the Company was approximately HKD5,022.7 million as at 31 December 2011 (GBP417.2 million).

HUMAN RESOURCES

There were a total of 1,595 employees of the Group as at 31 December 2011. The Group aims to attract, retain and motivate high calibre individuals with a competitive remuneration package. Remuneration packages are performance-linked and business performance, market practices and competitive market conditions are all taken into consideration. The Group reviews the employees' remuneration packages on an annual basis. The Group also places heavy emphasis on staff training and development so that employees can reach their maximum potential.

FINANCIAL PERFORMANCE

	31 December 2011	30 June 2011
Current ratio (x)	38.51	41.05
Quick ratio (x)	36.96	37.83
Net debt to equity (%)	Net cash	Net cash

	For the six months ended	
	31 December 2011	31 December 2010
Asset turnover (x)	0.13	0.08
Core net profit per share (RMB)	0.25	0.23
Basic earnings per share (RMB)	0.32	0.59

Liquidity

The current ratio and quick ratio was 38.51 and 36.96 respectively. The liquidity of the Group remains healthy with sufficient reserves for both operation and development.

Profitability

The asset turnover of the Group improved to 0.13 (12/2010: 0.08) for the six months ended 31 December 2011. The higher asset turnover was mainly due to six months results of Beihai BPG being consolidated into Group in current period compared to one month results in last corresponding period.

The basic earnings per share for the six months ended 31 December 2011 was RMB0.32 (12/2010: RMB0.59). This was driven by the 26.7% decrease in profit attributable to shareholders for the period and the dilution effect from the issuance of new ordinary shares in December 2010. The decrease in profit attributable to shareholders is mainly due to substantial decrease in the net gain on change in fair value of biological assets as all the orange trees in the Xinfeng Plantation becoming fruit bearing in the previous and there was no transfer of infant trees to orange trees during the six months ended 31 December 2011.

The core net profit per share for the six months ended 31 December 2011 increased to RMB0.25 (12/2010: RMB0.23).

Debt ratio

The net cash positions of the Group were RMB2,413.6 million and RMB2,232.2 million at 31 December 2011 and 30 June 2011 respectively.

Internal cash resource

The Group's major internal cash resource is its cash and bank balances. The Group did not have any outstanding bank borrowings as at 31 December 2011.

Charge on assets and contingent liabilities

None of the Group's assets were pledged and the Group did not have any material contingent liabilities as at 31 December 2011.

Capital commitment

As at 31 December 2011, the Group had a capital commitment of approximately RMB69.8 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 operations to which they relate. 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 1.3 million orange trees of which, approximately 1.0 million trees were producing oranges.

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 0.7 million summer orange trees as at 31 December 2011. During the period, approximately 280,000 summer orange trees were planted with a further approximately 340,000 summer orange trees to be planted in the second half of financial year ending 30 June 2012.

The below table sets out the age profile as at 31 December 2011 and the production volume of the plantations for the six months ended 31 December 2011:

Summer orange trees

Age	Hepu Plantation No. of trees	Hepu Plantation Yield (tonnes)	Hunan Plantation No. of trees	Hunan Plantation Yield (tonnes)	Total No. of trees	Total Yield (tonnes)
0	–	–	280,000	–	280,000	–
1	63,584	–	427,400	–	490,984	–
2	64,194	–		–	64,194	–
3	81,261	–	–	–	81,261	–
4	76,135	–	–	–	76,135	–
5	55,185	–	–	–	55,185	–
15	29,996	–	–	–	29,996	–
16	128,966	–	–	–	128,966	–
17	186,003	–	–	–	186,003	–
18	223,741	–	–	–	223,741	–
	909,065	–	707,400	–	1,616,465	–

Winter orange trees

Age	Hepu Plantation No. of trees	Hepu Plantation Yield (tonnes)	Xinfeng Plantation No. of trees	Xinfeng Plantation Yield (tonnes)	Total No. of trees	Total Yield (tonnes)
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	91,386	13,469	–	–	91,386	13,469
16	10,133	1,524	–	–	10,133	1,524
17	12,988	1,978	–	–	12,988	1,978
	383,064	44,906	1,600,000	126,701	1,983,064	171,607
Grand total					3,599,529	171,607

The below table sets out the age profile as at 31 December 2010 and the production volume of the plantations for the six months ended 31 December 2010:

Summer orange trees

Age	Hepu Plantation No. of tree	Hepu Plantation Yield (tonnes)	Hunan Plantation No. of tree	Hunan Plantation Yield (tonnes)	Total No. of tree	Total Yield (tonnes)
0	–	–	120,760	–	120,760	–
1	64,194	–	–	–	64,194	–
2	81,261	–	–	–	81,261	–
3	76,135	–	–	–	76,135	–
4	55,185	–	–	–	55,185	–
14	29,996	–	–	–	29,996	–
15	128,966	–	–	–	128,966	–
16	186,003	–	–	–	186,003	–
17	223,741	–	–	–	223,741	–
	845,481	–	120,760	–	966,241	–

Winter orange trees

Age	Hepu Plantation No. of tree	Hepu Plantation Yield (tonnes)	Xinfeng Plantation No. of tree	Xinfeng Plantation Yield (tonnes)	Total No. of tree	Total Yield (tonnes)
4	–	–	400,000	3,600	400,000	3,600
5	–	–	400,000	23,200	400,000	23,200
6	46,077	1,935	400,000	28,800	446,077	30,735
8	180,180	17,742	400,000	37,581	580,180	55,323
9	42,300	4,221	–	–	42,300	4,221
14	154,970	23,107	–	–	154,970	23,107
15	10,133	1,536	–	–	10,133	1,536
16	12,988	1,976	–	–	12,988	1,976
	446,648	50,517	1,600,000	93,181	2,046,648	143,698
Grand total					3,012,889	143,698

VALUATION OF BIOLOGICAL ASSETS

The valuation of the Group's orange trees as at 31 December 2011 was conducted on the basis of discounted cash flow. The discount rate being applied to the discounted cash flow model is based on The Capital Asset Pricing Model. We begin with the appraised value of the orange trees by discounting the future income streams attributable to the orange trees to arrive at a present value and deduct the tangible assets (including plantation related machinery and equipment and land improvements) from the appraised value which are employed in the operation of the plantations.

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 as follows:

1) The discount rate applied for the six months ended 31 December 2011 was 20.0% (2010: 19.8%). The discount rate reflected the expected market return on the asset and can be affected by the interest rate, market sentiments and risk of the asset versus the general market risk.

2) The yield per tree variables represent the harvest level of the orange trees. The yield of orange trees is affected by the age, species and health of the orange trees, the climate, location, soil conditions, topography and infrastructure. In general, yield per tree increases from age 3 to 10, remains stable for about 22 years, and then decreases until age 35.

3) The market prices variables represent the assumed market price for the Summer Oranges and Winter Oranges produced by the Group. We adopted the market sales prices prevailing as of the relevant balance sheet date for each type of orange produced as the sales price estimate. Such estimation was based on real terms without considering inflationary effect and planned future business activity that may impact the future prices of oranges harvested from the plantations. The selling prices of winter oranges and summer oranges from the Hepu Plantation and winter oranges from the Xinfeng Plantation adopted were RMB3,310 per tonne, RMB5,300 per tonne and RMB3,730 per tonne, respectively, for the six months ended 31 December 2011 and RMB3,230 per tonne, RMB4,830 per tonne and RMB3,660 per tonne, respectively, for the six months ended 31 December 2010.

4) The direct production cost variables represent the direct costs necessary to bring the oranges to their sales form, which mainly include raw material costs and direct labour costs. The direct production cost variables are determined by reference to actual costs incurred for areas that have been previously harvested and cost information for comparable areas with regards to areas that have not been harvested previously. We applied direct production costs of 34% (2010: 32% to 37%) and 34% to 50% (2010: 32% to 65%) of sale of oranges for the Hepu Plantation and the Xinfeng Plantation, respectively, during the six months ended 31 December 2011.

Sensitive analysis

1) Changes in the discount rate applied result in significant fluctuations in the Group's gain from changes in fair value of orange trees less costs to sell. The following table illustrates the sensitivity of the Group's gain from changes in fair value of orange tree less costs to sell to increases or decreases by 100 basis points in the discount rate of 20.0% applied for the six months ended 31 December 2011:

	100 basis points Decrease	Base Case	100 basis points Increase
Discount rate	19.0%	20.0%	21.0%
Net gain on change in fair value of biological assets (RMB'000)	248,399	100,608	(35,361)

2) Changes in the yield per orange tree can also result in significant fluctuations in gain from changes in fair value of orange trees less costs to sell. The following table illustrates that sensitivity of the Group's gain from changes in fair value of orange trees less costs to sell to 5.0% increase or decrease in the yield per tree applied for the six months ended 31 December 2011:

	5.0% Decrease	Base Case	5.0% Increase
Net gain on change in fair value of biological assets (RMB'000)	5,783	100,608	195,435

3) Changes in assumed market prices of the oranges can also result in significant fluctuations in gain from changes in fair value of orange trees less costs to sell. The following table illustrates the sensitivity of the Group's gain from changes in fair value of orange trees less costs to sell to 5.0% increase or decrease in the assumed market prices of oranges as at 31 December 2011 used to calculate gain from changes in fair value of orange trees less costs to sell for the six months ended 31 December 2011:

	5.0% Decrease	Base Case	5.0% Increase
Net gain on change in fair value of biological assets (RMB'000)	(45,406)	100,608	246,623

4) Changes in the assumed direct production costs can also result in significant fluctuations in gain from changes in fair value of orange trees less costs to sell. The following table illustrates the sensitivity of the Group's gain from changes in fair value of orange trees less costs to sell to 5.0% increases or decreases in the Group's assumed direct production costs used to calculate gain from changes in fair value of orange trees less costs to sell for the six months ended 31 December 2011:

	5.0% Decrease	Base Case	5.0% Increase
Net gain on change in fair value of biological assets (RMB'000)	206,341	100,608	(5,124)

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

Valuation

The aggregate value of the orange trees in the Hepu Plantation and Xinfeng Plantation as at 31 December 2011 was estimated to be approximately RMB2,146 million.

Independent Review Report

BAKER TILLY
HONG KONG LIMITED
CERTIFIED PUBLIC ACCOUNTANTS
天職香港會計師事務所有限公司

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INDEPENDENT REVIEW REPORT
TO THE BOARD OF DIRECTORS OF ASIAN CITRUS HOLDINGS LIMITED

(Incorporated in Bermuda with limited liability)

INTRODUCTION

We have reviewed the interim financial information of Asian Citrus Holdings Limited and its subsidiaries set out on pages 19 to 62 which comprise the condensed consolidated statement of financial position as at 31 December 2011 and the related condensed consolidated income statement, condensed consolidated statement of comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated cash flow statement for the six-month period then ended and explanatory notes. The directors are responsible for the preparation and presentation of this interim financial information in accordance with International Accounting Standard 34, Interim financial reporting, issued by the International Accounting Standards Board. Our responsibility is to express a conclusion, based on our review, on this interim financial information. This report is made solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

SCOPE OF REVIEW

We conducted our review in accordance with International Standard on Review Engagements 2410, Review of interim financial information performed by the independent auditor of the entity, issued by the International Auditing and Assurance Standards Board. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

CONCLUSION

Based on our review, nothing has come to our attention that causes us to believe that the interim financial information for the six-month period ended 31 December 2011 is not prepared, in all material respects, in accordance with International Accounting Standard 34, Interim financial reporting.

Baker Tilly Hong Kong Limited
Certified Public Accountants
Hong Kong, 24 February 2012

Chan Kwan Ho, Edmond
Practising Certificate Number P02092

Condensed Consolidated Income Statement

For the six months ended 31 December 2011

	Note	Six months ended 31 December 2011 (unaudited) RMB'000	2010 (unaudited) RMB'000	Year ended 30 June 2011 (audited) RMB'000
Turnover	5	1,043,416	624,037	1,412,621
Cost of sales		(637,142)	(348,600)	(674,019)
Gross profit		406,274	275,437	738,602
Other income	6	8,008	4,201	9,787
Net gain on change in fair value of biological assets	15	100,608	338,204	598,000
Selling and distribution expenses		(29,016)	(27,434)	(63,314)
General and administrative expenses		(94,346)	(63,937)	(161,621)
Profit from operations		391,528	526,471	1,121,454
Finance costs	7(a)	(39)	(25)	(177)
Profit before income tax	7	391,489	526,446	1,121,277
Income tax expense	8	–	(1,785)	(1,785)
Profit for the period/year		391,489	524,661	1,119,492
Attributable to				
Equity shareholders of the Company		383,552	523,351	1,109,992
Non-controlling interest		7,937	1,310	9,500
		391,489	524,661	1,119,492
		RMB	RMB	RMB
Earnings per share	11			
– Basic		0.316	0.586	1.056
– Diluted		0.314	0.583	1.050

Details of dividends payable to equity shareholders of the Company attributable to the profit for the period/year are set out in note 23(b).

The accompanying notes form part of this interim financial information.

Condensed Consolidated Statement of Comprehensive Income

For the six months ended 31 December 2011

	Six months ended 31 December 2011 (unaudited) *RMB'000*	2010 (unaudited) *RMB'000*	Year ended 30 June 2011 (audited) *RMB'000*
Profit for the period/year	**391,489**	524,661	1,119,492
Other comprehensive income for the period/year			
Exchange differences on translation of financial statements of foreign operations, net of nil tax	**(658)**	2,045	901
Total comprehensive income for the period/year	**390,831**	526,706	1,120,393
Attributable to			
Equity shareholders of the Company	**382,894**	525,396	1,110,893
Non-controlling interest	**7,937**	1,310	9,500
	390,831	526,706	1,120,393

The accompanying notes form part of this interim financial information.

Condensed Consolidated Statement of Financial Position

At 31 December 2011

	Note	31 December 2011 (unaudited) RMB'000	31 December 2010 (unaudited) RMB'000	30 June 2011 (audited) RMB'000
ASSETS				
Non-current assets				
Property, plant and equipment	12	**1,787,784**	1,479,227	1,638,339
Land use rights	13	**69,208**	70,569	69,889
Construction-in-progress	14	**59,966**	131,943	70,611
Biological assets	15	**2,158,118**	1,791,810	2,055,298
Intangible assets	16	**56,102**	52,598	53,287
Deposits	17	**18,132**	161,888	114,500
Goodwill	18	**1,157,261**	1,157,261	1,157,261
		5,306,571	4,845,296	5,159,185
Current assets				
Biological assets	15	**33,833**	3,412	145,561
Properties for sale	19	**5,830**	5,280	5,830
Inventories	20	**67,926**	20,446	46,407
Trade and other receivables	21	**162,762**	141,088	96,503
Cash and cash equivalents	22	**2,413,626**	2,929,439	2,232,203
		2,683,977	3,099,665	2,526,504
Total assets		**7,990,548**	7,944,961	7,685,689
EQUITY AND LIABILITIES				
Equity				
Share capital	23(a)	**12,145**	12,013	12,030
Reserves		**7,812,422**	6,924,690	7,523,764
Total equity attributable to equity shareholders of the Company		**7,824,567**	6,936,703	7,535,794
Non-controlling interest		**95,247**	79,120	87,310
		7,919,814	7,015,823	7,623,104

The accompanying notes form part of this interim financial information.

Condensed Consolidated Statement of Financial Position

At 31 December 2011

	Note	31 December 2011 (unaudited) RMB'000	31 December 2010 (unaudited) RMB'000	30 June 2011 (audited) RMB'000
Non-current liability				
Obligations under finance leases	24	1,034	–	1,034
Current liabilities				
Trade and other payables	25	69,610	928,966	58,461
Due to a related party	25 & 28(b)	–	–	3,000
Obligations under finance leases	24	90	–	90
Income tax payable		–	172	–
		69,700	929,138	61,551
Total liabilities		70,734	929,138	62,585
Total equity and liabilities		7,990,548	7,944,961	7,685,689
Net current assets		2,614,277	2,170,527	2,464,953
Total assets less current liabilities		7,920,848	7,015,823	7,624,138

Approved and authorised to issue by the Board of Directors on 24 February 2012.

Tong Wang Chow
Director

Cheung Wai Sun
Director

The accompanying notes form part of this interim financial information.

Condensed Consolidated Statement of Changes in Equity

For the six months ended 31 December 2011

		Attributable to equity shareholders of the Company										
	Note	Share capital RMB'000	Share premium RMB'000 (Note (a))	Merger reserve RMB'000 (Note (b))	Share option reserve RMB'000 (Note (c))	Capital reserve RMB'000 (Note (d))	Statutory reserve RMB'000 (Note (e))	Exchange reserve RMB'000 (Note (f))	Retained profits RMB'000	Total RMB'000	Non-controlling interest RMB'000	Total equity RMB'000
At 1 July 2011 (audited)		**12,030**	**3,623,938**	**(4,473)**	**55,944**	**482,519**	**99,075**	**901**	**3,265,860**	**7,535,794**	**87,310**	**7,623,104**
Changes in equity for the six months ended 31 December 2011:												
Profit for the period		–	–	–	–	–	–	–	383,552	383,552	7,937	391,489
Exchange differences on translation of foreign operations		–	–	–	–	–	–	(658)	–	(658)	–	(658)
Total comprehensive income for the period		–	–	–	–	–	–	(658)	383,552	382,894	7,937	390,831
Transfer to statutory reserve		–	–	–	–	–	78,593	–	(78,593)	–	–	–
		–	–	–	–	–	78,593	(658)	304,959	382,894	7,937	390,831
Share-based payments		–	–	–	25,811	–	–	–	–	25,811	–	25,811
Issue of shares to shareholders participating in the scrip dividend	23(a)(i)	85	41,107	–	–	–	–	–	–	41,192	–	41,192
Issue of shares upon exercises of share options	23(a)(ii)	62	17,130	–	(4,735)	–	–	–	–	12,457	–	12,457
Shares repurchased and cancelled	23(a)(iii)	(32)	(15,839)	–	–	–	–	–	–	(15,871)	–	(15,871)
2010/11 final and special dividends	23(b)	–	–	–	–	–	–	–	(157,710)	(157,710)	–	(157,710)
		115	42,398	–	21,076	–	78,593	(658)	147,249	288,773	7,937	296,710
At 31 December 2011 (unaudited)		**12,145**	**3,666,336**	**(4,473)**	**77,020**	**482,519**	**177,668**	**243**	**3,413,109**	**7,824,567**	**95,247**	**7,919,814**

The accompanying notes form part of this interim financial information.

Condensed Consolidated Statement of Changes in Equity

For the six months ended 31 December 2011

	Attributable to equity shareholders of the Company										
	Share capital RMB'000	Share premium RMB'000 (Note (a))	Merger reserve RMB'000 (Note (b))	Share option reserve RMB'000 (Note (c))	Capital reserve RMB'000 (Note (d))	Statutory reserve RMB'000 (Note (e))	Exchange reserve RMB'000 (Note (f))	Retained profits RMB'000	Total RMB'000	Non-controlling interest RMB'000	Total equity RMB'000
At 1 July 2010 (audited)	**8,767**	**924,116**	**(4,473)**	**25,260**	**482,519**	**44,216**	**–**	**2,339,049**	**3,819,454**	**–**	**3,819,454**
Changes in equity for the six months ended 31 December 2010:											
Profit for the period	–	–	–	–	–	–	–	523,351	523,351	1,310	524,661
Exchange differences on translation of foreign operations	–	–	–	–	–	–	2,045	–	2,045	–	2,045
Total comprehensive income for the period	–	–	–	–	–	–	2,045	523,351	525,396	1,310	526,706
Transfer to statutory reserve	–	–	–	–	–	54,268	–	(54,268)	–	–	–
	–	–	–	–	–	54,268	2,045	469,083	525,396	1,310	526,706
Share-based payments	–	–	–	19,542	–	–	–	–	19,542	–	19,542
Issue of shares to shareholders participating in the scrip dividend	63	58,799	–	–	–	–	–	–	58,862	–	58,862
Issue of shares upon exercises of share options	130	44,370	–	(16,378)	–	–	–	–	28,122	–	28,122
Issue of shares as part of the consideration for acquisition of subsidiaries	1,478	1,303,026	–	–	–	–	–	–	1,304,504	–	1,304,504
Issue of shares on placement	1,575	1,283,303	–	–	–	–	–	–	1,284,878	–	1,284,878
Acquisition of subsidiaries	–	–	–	–	–	–	–	–	–	77,810	77,810
2009/10 final and special dividends	–	–	–	–	–	–	–	(104,055)	(104,055)	–	(104,055)
	3,246	2,689,498	–	3,164	–	54,268	2,045	365,028	3,117,249	79,120	3,196,369
At 31 December 2010 (unaudited)	**12,013**	**3,613,614**	**(4,473)**	**28,424**	**482,519**	**98,484**	**2,045**	**2,704,077**	**6,936,703**	**79,120**	**7,015,823**

The accompanying notes form part of this interim financial information.

Condensed Consolidated Statement of Changes in Equity

For the six months ended 31 December 2011

	Attributable to equity shareholders of the Company										
	Share capital RMB'000	Share premium RMB'000 (Note (a))	Merger reserve RMB'000 (Note (b))	Share option reserve RMB'000 (Note (c))	Capital reserve RMB'000 (Note (d))	Statutory reserve RMB'000 (Note (e))	Exchange reserve RMB'000 (Note (f))	Retained profits RMB'000	Total RMB'000	Non-controlling interest RMB'000	Total equity RMB'000
At 1 July 2010 (audited)	**8,767**	**924,116**	**(4,473)**	**25,260**	**482,519**	**44,216**	**–**	**2,339,049**	**3,819,454**	**–**	**3,819,454**
Changes in equity for the year ended 30 June 2011:											
Profit for the year	–	–	–	–	–	–	–	1,109,992	1,109,992	9,500	1,119,492
Exchange differences on translation of foreign operations	–	–	–	–	–	–	901	–	901	–	901
Total comprehensive income for the year	–	–	–	–	–	–	901	1,109,992	1,110,893	9,500	1,120,393
Transfer to statutory reserve	–	–	–	–	–	54,859	–	(54,859)	–	–	–
	–	–	–	–	–	54,859	901	1,055,133	1,110,893	9,500	1,120,393
Share-based payments	–	–	–	47,715	–	–	–	–	47,715	–	47,715
Issue of shares to shareholders participating in the scrip dividend	72	65,964	–	–	–	–	–	–	66,036	–	66,036
Issue of shares upon exercises of share options	138	47,786	–	(17,031)	–	–	–	–	30,893	–	30,893
Issue of shares as part of the consideration for acquisition of subsidiaries	1,478	1,303,026	–	–	–	–	–	–	1,304,504	–	1,304,504
Issue of shares on placement	1,575	1,283,046	–	–	–	–	–	–	1,284,621	–	1,284,621
Acquisition of subsidiaries	–	–	–	–	–	–	–	–	–	77,810	77,810
2009/10 final and special dividends	–	–	–	–	–	–	–	(104,055)	(104,055)	–	(104,055)
2010/11 interim dividend	–	–	–	–	–	–	–	(24,267)	(24,267)	–	(24,267)
	3,263	2,699,822	–	30,684	–	54,859	901	926,811	3,716,340	87,310	3,803,650
At 30 June 2011 (audited)	**12,030**	**3,623,938**	**(4,473)**	**55,944**	**482,519**	**99,075**	**901**	**3,265,860**	**7,535,794**	**87,310**	**7,623,104**

The accompanying notes form part of this interim financial information.

Condensed Consolidated Statement of Changes in Equity

For the six months ended 31 December 2011

Notes:

a) The application of the share premium account is governed by the Companies Act of Bermuda.

b) The merger reserve represents the excess of the value of the net assets of the subsidiaries acquired over the nominal value of the share capital of the Company issued in exchange pursuant to the group reorganisation on 29 June 2005 in preparation for the admission of the Company's shares to AIM of the London Stock Exchange (the "Reorganisation").

c) The share option reserve represents the fair value of unexercised share options recognised in accordance with the accounting policy adopted for share-based payments.

d) The capital reserve represents amounts due to shareholders capitalised upon the Reorganisation.

e) The statutory reserve represents the appropriation of 10% of profit after taxation (after offsetting prior year losses) determined based on the regulations of the People's Republic of China (the "PRC") as required by the relevant PRC rules and regulations and the Articles of Association of the Company's PRC subsidiaries. The appropriation may cease to apply if the balance of the statutory reserve has reached 50% of that PRC subsidiary's registered capital.

f) The exchange reserve comprises all foreign exchange differences on translation of the financial statements of foreign operations.

The accompanying notes form part of this interim financial information.

Condensed Consolidated Cash Flow Statement

For the six months ended 31 December 2011

	Note	Six months ended 31 December 2011 (unaudited) RMB'000	2010 (unaudited) RMB'000	Year ended 30 June 2011 (audited) RMB'000
Cash flows from operating activities				
Profit before income tax		391,489	526,446	1,121,277
Adjustments for:				
Interest income	6	(6,451)	(2,290)	(7,308)
Finance costs	7	39	25	177
Depreciation	7	61,478	38,887	94,830
Share-based payments	7	25,811	19,542	47,715
Amortisation of land use rights	7	681	632	1,312
Amortisation of intangible assets	7	4,805	1,651	5,562
Loss on disposal of property, plant and equipment	7	259	71	148
Net gain on change in fair value of biological assets	15	(100,608)	(338,204)	(598,000)
Operating profit before working capital changes		377,503	246,760	665,713
Movements in working capital elements:				
Properties for sale		–	13,217	12,667
Inventories		(21,519)	1,982	(23,979)
Biological assets		111,728	86,809	(55,340)
Trade and other receivables		(57,087)	(9,700)	34,885
Trade and other payables		10,491	(19,286)	(10,623)
Due to a related party		(3,000)	(7,110)	(4,110)
Cash generated from operations		418,116	312,672	619,213
Income tax paid		–	(1,891)	(2,063)
Net cash generated from operating activities		418,116	310,781	617,150

The accompanying notes form part of this interim financial information.

Condensed Consolidated Cash Flow Statement

For the six months ended 31 December 2011

	Note	Six months ended 31 December 2011 (unaudited) RMB'000	2010 (unaudited) RMB'000	Year ended 30 June 2011 (audited) RMB'000
Cash flows from investing activities				
Proceeds from disposal of property, plant and equipment		27	–	46
Purchase of property, plant and equipment		(6,440)	(2,338)	(8,832)
Additions to construction-in-progress		(106,928)	(101,998)	(201,976)
Deposits paid for acquisition of property, plant and equipment		–	(21,538)	(21,538)
Net addition to biological assets		(2,212)	(4,041)	(7,733)
Additions to intangible assets		(7,620)	(2,000)	(6,600)
Increase in time deposits with terms over three months		(82,094)	–	(166,000)
Interest received		6,451	2,290	7,308
Acquisition of subsidiaries	27(e)	–	505,427	(161,083)
Net cash (used in)/generated from investing activities		(198,816)	375,802	(566,408)
Cash flows from financing activities				
Proceeds from issue of new shares from placement, net of shares issuance costs		–	1,284,878	1,284,621
Proceeds from issue of new shares upon exercises of share options		12,457	28,122	30,893
Shares repurchased and cancelled		(15,871)	–	–
Obligations under finance leases		–	–	1,124
Repayment of amount due to a shareholder	27(b)	–	–	(213,788)
Dividends paid		(116,518)	(45,193)	(62,286)
Finance costs paid		(39)	(25)	(177)
Net cash (used in)/generated from financing activities		(119,971)	1,267,782	1,040,387
Net increase in cash and cash equivalents		99,329	1,954,365	1,091,129
Cash and cash equivalents at beginning of period/year		2,066,203	975,074	975,074
Cash and cash equivalents at end of period/year	22	2,165,532	2,929,439	2,066,203

Major non-cash transactions

During the six months ended 31 December 2011, purchase of property, plant and equipment included an amount of RMB87,196,000 (six months ended 31 December 2010: RMBNil, year ended 30 June 2011: RMBNil) transferred from non-current deposits, and additions to construction-in-progress included an amount of RMBNil (six months ended 31 December 2010: RMBNil, year ended 30 June 2011: RMB47,388,000) transferred from non-current deposits.

The accompanying notes form part of this interim financial information.

Notes to the Interim Financial Information

1 GENERAL INFORMATION

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

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

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

Details of subsidiaries as at 31 December 2011 are as follows:

Name	Place of incorporation/ establishment	Percentage of equity interest attributable to the Group	Principal activities
Directly held:			
Access Fortune Investments Limited	British Virgin Islands ("BVI")	100%	Investment holding
A-One Success Limited	BVI	100%	Investment holding
Newasia Global Limited	BVI	100%	Investment holding
Raised Energy Investments Limited	BVI	100%	Investment holding
Indirectly held:			
Asian Citrus Management Company Limited	BVI	100%	Proprietor and licensor of the Group's intellectual property rights
Asian Citrus (H.K.) Company Limited	Hong Kong	100%	General commercial and leasing of properties
Beihai Perfuming Garden Juice Co., Ltd. ("Beihai BPG")	PRC	92.94%	Trading of fruit juice concentrates, manufacture and sale of frozen fruits and vegetables
BPG Food & Beverage Holdings Ltd. ("BPG Food & Beverage")	Cayman Islands	100%	Investment holding
Chance Lead Holdings Limited	Hong Kong	100%	Investment holding
Fame Zone Limited	BVI	100%	Investment holding

1 **GENERAL INFORMATION** *(Continued)*

Details of subsidiaries as at 31 December 2011 are as follows: *(Continued)*

Name	Place of incorporation/ establishment	Percentage of equity interest attributable to the Group	Principal activities
Indirectly held (continued):			
Guilin Perfuming Garden Agricultural Technology Co., Ltd.	PRC	92.94%	Not commenced business yet
Hepu Perfuming Garden Food Co., Ltd.	PRC	92.94%	Manufacture and sale of fruit juice concentrates, fruit purees and others
Litian Biological Sciences & Technology Development (Xinfeng) Company Limited	PRC	100%	Planting, cultivation and sale of oranges
Lucky Team Biotech Development Yongzhou Limited	PRC	100%	Planting, cultivation and sale of oranges
Lucky Team Biotech Development (Hepu) Limited	PRC	100%	Planting, cultivation and sale of oranges
Lucky Team Biotech Development (Zigui) Limited	PRC	100%	Sourcing of oranges and development of nursery
Lucky Team Industrial (Ganzhou) Company Limited	PRC	100%	Development of orange processing centre
Lucky Team Logistics (Yi Chang) Limited (formerly known as Lucky Team Real Estate (Yi Chang) Limited)	PRC	100%	Dormant
Lucky Team (Hepu) Agriculture Development Limited	PRC	100%	Development of nursery
Tianyang Perfuming Garden Food Industrial Co., Ltd.	PRC	100%	Trading, manufacture and sale of fruit juice concentrates
Top Honest Holdings Limited	BVI	100%	Investment holding
Wealth Elite Investments Limited	Hong Kong	100%	Investment holding
Zhanjiang Perfuming Garden Food Co., Ltd.	PRC	92.94%	Not commenced business yet

2 BASIS OF PREPARATION

This interim financial information has been prepared in accordance with International Accounting Standard ("IAS") 34, Interim financial reporting, issued by the International Accounting Standards Board ("IASB"), the applicable disclosure provisions of the Rules Governing the Listing of Securities on the HKEx and the AIM Rules issued by the London Stock Exchange. The interim financial information is presented in Renminbi ("RMB"), rounded to the nearest thousand, unless otherwise stated.

The interim financial information has been prepared under the historical cost convention, as modified by the revaluation of biological assets which are carried at their fair values. The principal accounting policies adopted in the preparation of this interim financial information are consistent with those followed in the Group's annual financial statements for the year ended 30 June 2011, except for the accounting policy changes that are expected to be reflected in the Group's annual financial statements for the year ending 30 June 2012. Details of these changes in accounting policies are set out in note 3.

The preparation of interim financial information in conformity with IAS 34 requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses on a year to date basis. Actual results may differ from these estimates.

This interim financial information contains condensed consolidated financial statements and explanatory notes. The notes include an explanation of events and transactions that are significant to an understanding of the changes in financial position and performance of the Group since the 2011 annual financial statements. The condensed consolidated financial statements and notes thereon do not include all of the information required for a full set of financial statements prepared in accordance with International Financial Reporting Standards ("IFRSs").

The interim financial information is unaudited, but has been reviewed by the Company's Audit Committee. This interim financial information has also been reviewed by the Company's auditor in accordance with International Standard on Review Engagements 2410, Review of interim financial information performed by the independent auditor of the entity.

3 CHANGES IN ACCOUNTING POLICIES

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

- Amendments to IFRSs contained in Improvements to IFRSs (2010)
- Disclosures – Transfers of financial assets (Amendments to IFRS 7)
- IAS 24 (Revised 2009), Related party disclosures

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

3 CHANGES IN ACCOUNTING POLICIES *(Continued)*

Up to the date of issue of this interim financial information, the IASB has issued a number of amendments, new standards and interpretations which are not yet effective for the year ending 30 June 2012 and which have not been adopted in the interim financial information. Of these developments, the following relates to matters that may be relevant to the Group's operations and financial statements:

	Effective for accounting periods beginning on or after
• Amendments to IAS 12, Income taxes	1 January 2012
• Amendments to IAS 1, Presentation of financial statements	1 July 2012
• IAS 19, Employee benefits	1 January 2013
• IAS 27, Separate financial statements	1 January 2013
• IFRS 9, Financial instruments	1 January 2013
• IFRS 10, Consolidated financial statements	1 January 2013
• IFRS 12, Disclosure of interests in other entities	1 January 2013
• IFRS 13, Fair value measurement	1 January 2013

The Group is in the process of making an assessment of what the potential impact of these amendments is expected to be in the period of initial application but is not yet in a position to determine whether their adoption will have a significant impact on the Group's results of operations and financial position.

4 SEGMENT INFORMATION

The Group manages its businesses 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 identified three reportable segments. The segments are managed separately as each business offers different products and required different business strategies. The following summary describes the operations in each of the Group's reportable segments:

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

Following the completion of acquisition of BPG Food & Beverage and its subsidiaries (together the "BPG group") on 30 November 2010 (see note 27), the Group has expanded its businesses into processed fruits operation.

4 SEGMENT INFORMATION *(Continued)*

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.

Segment results, assets and liabilities

Six months ended 31 December 2011:

	Agricultural produce (unaudited) *RMB'000*	Processed fruits (unaudited) *RMB'000*	Others (unaudited) *RMB'000*	Total (unaudited) *RMB'000*
RESULTS				
Reportable segment revenue and revenue from external customers	646,513	396,903	–	1,043,416
Reportable segment results	322,487	109,326	(1,615)	430,198
Unallocated corporate expenses				(41,539)
Unallocated corporate other revenue				2,830
Profit before income tax				391,489
Income tax expense				–
Profit for the period				391,489
ASSETS				
Segment assets	4,774,471	1,441,153	156,877	6,372,501
Unallocated corporate assets				1,618,047
Total assets				7,990,548
LIABILITIES				
Segment liabilities	(57,728)	(8,719)	(2,216)	(68,663)
Unallocated corporate liabilities				(2,071)
Total liabilities				(70,734)
OTHER INFORMATION				
Additions to segment non-current assets	97,106	111,000	–	208,106

4 SEGMENT INFORMATION *(Continued)*

Segment results, assets and liabilities *(Continued)*

Six months ended 31 December 2010:

	Agricultural produce (unaudited) *RMB'000*	Processed fruits (unaudited) *RMB'000*	Others (unaudited) *RMB'000*	Total (unaudited) *RMB'000*
RESULTS				
Reportable segment revenue and revenue from external customers	528,429	69,410	26,198	624,037
Reportable segment results	529,007	18,031	9,310	556,348
Unallocated corporate expenses				(32,381)
Unallocated corporate other revenue				2,479
Profit before income tax				526,446
Income tax expense				(1,785)
Profit for the period				524,661
ASSETS				
Segment assets	3,973,328	1,141,093	162,033	5,276,454
Unallocated corporate assets				2,668,507
Total assets				7,944,961
LIABILITIES				
Segment liabilities	(32,301)	(226,989)	(1,583)	(260,873)
Unallocated corporate liabilities				(668,265)
Total liabilities				(929,138)
OTHER INFORMATION				
Additions to segment non-current assets	105,679	657	–	106,336

4 SEGMENT INFORMATION *(Continued)*

Segment results, assets and liabilities *(Continued)*

Year ended 30 June 2011:

	Agricultural produce (audited) *RMB'000*	Processed fruits (audited) *RMB'000*	Others (audited) *RMB'000*	Total (audited) *RMB'000*
RESULTS				
Reportable segment revenue and revenue from external customers	969,030	417,393	26,198	1,412,621
Reportable segment results	1,042,192	131,845	6,035	1,180,072
Unallocated corporate expenses				(63,073)
Unallocated corporate other revenue				4,278
Profit before income tax				1,121,277
Income tax expense				(1,785)
Profit for the year				1,119,492
ASSETS				
Segment assets	4,308,483	1,341,034	158,962	5,808,479
Unallocated corporate assets				1,877,210
Total assets				7,685,689
LIABILITIES				
Segment liabilities	(40,244)	(17,268)	(2,687)	(60,199)
Unallocated corporate liabilities				(2,386)
Total liabilities				(62,585)
OTHER INFORMATION				
Additions to segment non-current assets	236,521	28,197	–	264,718

5 TURNOVER

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

	Six months ended 31 December		Year ended 30 June
	2011	2010	2011
	(unaudited)	(unaudited)	(audited)
	RMB'000	*RMB'000*	*RMB'000*
Sales of oranges	**644,278**	525,724	962,127
Sales of self-bred saplings	**2,235**	2,705	6,903
Sales of processed fruits	**396,903**	69,410	417,393
Sales of property units	**–**	26,198	26,198
	1,043,416	624,037	1,412,621

6 OTHER INCOME

	Six months ended 31 December		Year ended 30 June
	2011	2010	2011
	(unaudited)	(unaudited)	(audited)
	RMB'000	*RMB'000*	*RMB'000*
Interest income	**6,451**	2,290	7,308
Reversal of impairment loss on interest in an associate	**–**	1,703	1,703
Government grants	**1,450**	–	315
Sundry income	**107**	208	461
	8,008	4,201	9,787

7 PROFIT BEFORE INCOME TAX

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

	Note	Six months ended 31 December 2011 (unaudited) RMB'000	Six months ended 31 December 2010 (unaudited) RMB'000	Year ended 30 June 2011 (audited) RMB'000
(a) Finance costs				
Bank charges		39	25	81
Finance charges on obligations under finance leases		–	–	96
		39	25	177
(b) Staff costs (including directors' emoluments)				
– salaries, wages and other benefits		56,039	36,429	73,498
– share-based payments		25,811	19,542	47,715
– contribution to defined contribution retirement plans		1,150	446	1,561
		83,000	56,417	122,774
(c) Other items				
Amortisation of land use rights	13	681	632	1,312
Amortisation of intangible assets	16	4,805	1,651	5,562
Auditor's remuneration		1,200	650	1,755
Cost of agricultural produce sold#		356,228	285,748	384,984
Cost of property units sold		–	13,742	13,742
Cost of inventories of processed fruits recognised as expenses##		280,914	48,700	275,293
Depreciation of property, plant and equipment	12	61,478	38,887	94,830
Add: Realisation of depreciation previously capitalised as biological assets		21,821	12,746	12,746
Less: Amount capitalised as biological assets		(9,879)	(1,891)	(22,796)
		73,420	49,742	84,780
Exchange losses, net		6,551	1,218	10,475
Operating lease expenses				
– plantation base		6,365	4,378	8,641
– properties		630	1,525	941
Research and development costs		3,888	4,753	8,164
Loss on disposal of property, plant and equipment		259	71	148

7 PROFIT BEFORE INCOME TAX *(Continued)*

\# Cost of agricultural produce sold includes RMB81,689,000 (six months ended 31 December 2010: RMB73,097,000, year ended 30 June 2011: RMB96,330,000) 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 RMB30,097,000 (six months ended 31 December 2010: RMB3,937,000, year ended 30 June 2011: RMB35,615,000) relating to staff costs, amortisation of land use rights, amortisation of intangible assets and depreciation, which amount is also included in the respective total amount disclosed separately above for each of these types of expenses.

8 INCOME TAX EXPENSE

(a) Income tax expense in the condensed consolidated income statement represents:

	Six months ended 31 December		Year ended 30 June
	2011	2010	2011
	(unaudited)	(unaudited)	(audited)
	RMB'000	*RMB'000*	*RMB'000*
Current tax			
PRC enterprise income tax			
– Provision for the period/year	–	983	983
Land appreciation tax			
– Provision for the period/year	–	802	802
	–	1,785	1,785

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

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

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

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

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

8 INCOME TAX EXPENSE *(Continued)*

(a) *(Continued)*

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

(v) PRC withholding income tax

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

(b) Reconciliation between income tax expense and profit before income tax in the condensed consolidated income statement at applicable rates:

	Six months ended 31 December		Year ended 30 June
	2011 (unaudited) ***RMB'000***	2010 (unaudited) *RMB'000*	2011 (audited) *RMB'000*
Profit before income tax	**391,489**	526,446	1,121,277
Notional tax at the rates applicable to profits in the jurisdictions concerned	**107,478**	138,937	296,955
Tax effect of non-deductible expenses	**762**	57	598
Tax effect of non-taxable revenue	**(112,540)**	(137,361)	(299,755)
Tax effect of temporary differences not recognised for deferred tax purpose	**3,401**	338	4,218
Land appreciation tax	**–**	802	802
Others	**899**	(988)	(1,033)
Actual tax expense	**–**	1,785	1,785

9 DIRECTORS' REMUNERATION

	Directors' fees RMB'000	Salaries, allowances and benefits in kind RMB'000	Share-based payments RMB'000	Retirement scheme contribution RMB'000	Six months ended 31 December 2011 (unaudited) RMB'000	Six months ended 31 December 2010 (unaudited) RMB'000	Year ended 30 June 2011 (audited) RMB'000
Directors' emoluments							
Executive Directors							
Tong Wang Chow	–	945	307	–	1,252	1,270	2,737
Tong Hung Wai, Tommy	–	497	239	5	741	865	1,791
Cheung Wai Sun	–	378	238	5	621	779	1,588
Pang Yi	–	630	1,042	3	1,675	2,454	4,944
Sung Chi Keung	–	630	640	5	1,275	1,705	3,469
Non-executive Directors							
Ip Chi Ming	270	–	141	–	411	553	1,083
Ma Chiu Cheung, Andrew	164	–	141	–	305	447	886
Lui Ming Wah	108	–	141	–	249	391	759
Yang Zhen Han	108	–	141	–	249	391	759
Nicholas Smith	164	–	141	–	305	447	886
Peregrine Moncreiffe	108	–	141	–	249	391	759
	922	3,080	3,312	18	7,332	9,693	19,661

There were no arrangements under which a director waived or agreed to waive any remuneration during the period (six months ended 31 December 2010: RMBNil, year ended 30 June 2011: RMBNil).

10 INDIVIDUALS WITH HIGHEST EMOLUMENTS

The five highest paid individuals of the Group during the period/year included four directors, details of whose emoluments are set out in note 9 above. The emoluments in respect of the remaining highest paid individual are as follows:

	Six months ended 31 December 2011 (unaudited) RMB'000	Six months ended 31 December 2010 (unaudited) RMB'000	Year ended 30 June 2011 (audited) RMB'000
Salaries, wages and other benefits	524	448	972
Share-based payments	177	359	675
Retirement scheme contribution	5	5	11
	706	812	1,658

No emoluments were paid by the Group to the directors or any of the five highest paid individuals as an inducement to join or upon joining the Group or as compensation for loss of office (six months ended 31 December 2010: RMBNil, year ended 30 June 2011: RMBNil).

11 EARNINGS PER SHARE

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

	Six months ended 31 December 2011 (unaudited) *RMB'000*	Six months ended 31 December 2010 (unaudited) *RMB'000*	Year ended 30 June 2011 (audited) *RMB'000*
Earnings			
Profit attributable to equity shareholders of the Company used in basic and diluted earnings per share calculation	383,552	523,351	1,109,992
Weighted average number of shares	*'000*	*'000*	*'000*
Issued ordinary shares at beginning of period/year	1,215,157	852,650	852,650
Effect of shares issued to shareholders participating in the scrip dividend	51	38	3,650
Effect of shares issued upon exercises of share options	1,433	8,308	11,352
Effect of shares issued as part of the consideration for acquisition of subsidiaries	–	28,549	95,344
Effect of shares issued upon placement	–	3,804	88,219
Effect of shares repurchased and cancelled	(1,114)	–	–
Weighted average number of ordinary shares used in basic earnings per share calculation	1,215,527	893,349	1,051,215
Effect of dilutive potential shares in respect of share options	4,401	3,690	6,044
Weighted average number of ordinary shares used in diluted earnings per share calculation	1,219,928	897,039	1,057,259

12 PROPERTY, PLANT AND EQUIPMENT

	Buildings RMB'000	Leasehold improvements RMB'000	Plant and machinery RMB'000	Furniture, fixtures and equipment RMB'000	Motor vehicles RMB'000	Farmland infrastructure and machinery RMB'000	Total RMB'000
Cost							
At 1 July 2010 (audited)	38,984	3,062	–	8,479	6,234	1,377,090	1,433,849
Additions	257	606	2,117	734	1,403	3,715	8,832
Acquisition of subsidiaries (note 27(b))	117,800	–	193,151	1,206	3,735	–	315,892
Transfer from construction-in-progress (note 14)	14,911	–	1,943	250	–	230,112	247,216
Disposals	–	–	(232)	(86)	(443)	(172)	(933)
Exchange alignment	–	–	–	–	(17)	–	(17)
At 30 June 2011 (audited)	171,952	3,668	196,979	10,583	10,912	1,610,745	2,004,839
Additions	185	–	93,113	323	5	10	93,636
Transfer from construction-in-progress (note 14)	628	–	13,656	133	–	103,156	117,573
Disposals	(41)	–	(186)	(99)	(50)	(235)	(611)
Reclassification	(320)	–	320	–	–	–	–
At 31 December 2011 (unaudited)	172,404	3,668	303,882	10,940	10,867	1,713,676	2,215,437
Accumulated depreciation							
At 1 July 2010 (audited)	3,234	759	–	2,565	2,491	263,363	272,412
Charge for the year	6,044	102	16,006	1,193	1,209	70,276	94,830
Written back on disposals	–	–	(80)	(44)	(443)	(172)	(739)
Exchange alignment	–	–	–	–	(3)	–	(3)
At 30 June 2011 (audited)	9,278	861	15,926	3,714	3,254	333,467	366,500
Charge for the period	5,089	63	14,637	644	781	40,264	61,478
Written back on disposals	–	–	(6)	(70)	(14)	(235)	(325)
At 31 December 2011 (unaudited)	14,367	924	30,557	4,288	4,021	373,496	427,653
Carrying amount							
At 31 December 2011 (unaudited)	**158,037**	**2,744**	**273,325**	**6,652**	**6,846**	**1,340,180**	**1,787,784**
At 31 December 2010 (unaudited)	152,228	2,256	190,973	7,161	8,156	1,118,453	1,479,227
At 30 June 2011 (audited)	162,674	2,807	181,053	6,869	7,658	1,277,278	1,638,339

At 31 December 2011, the carrying amount of farmland infrastructure and machinery held under finance leases was RMB1,137,000 (31 December 2010: RMBNil, 30 June 2011: RMB1,198,000).

13 LAND USE RIGHTS

	31 December 2011 (unaudited) RMB'000	31 December 2010 (unaudited) RMB'000	30 June 2011 (audited) RMB'000
Cost			
At beginning of period/year	78,013	61,653	61,653
Acquisition of subsidiaries (note 27(b))	–	16,360	16,360
At end of period/year	78,013	78,013	78,013
Accumulated amortisation			
At beginning of period/year	8,124	6,812	6,812
Charge for the period/year	681	632	1,312
At end of period/year	8,805	7,444	8,124
Carrying amount	69,208	70,569	69,889

Land use rights represent the rights to use certain pieces of land which are located in the PRC, and are valid for a period of 50 years from respective dates of grant and will be expiring in the years 2053 to 2056.

14 CONSTRUCTION-IN-PROGRESS

	31 December 2011 (unaudited) RMB'000	31 December 2010 (unaudited) RMB'000	30 June 2011 (audited) RMB'000
At beginning of period/year	70,611	64,328	64,328
Additions	106,928	101,998	249,364
Acquisition of subsidiaries (note 27(b))	–	4,135	4,135
Transfer to property, plant and equipment (note 12)	(117,573)	(38,518)	(247,216)
At end of period/year	59,966	131,943	70,611

15 BIOLOGICAL ASSETS

Biological assets represent orange trees, infant trees and self-bred saplings. The role of the orange trees is to supply oranges through the processes of growth in each production cycle. The infant trees and self-bred saplings are held for transforming into orange trees. The biological assets can be summarised as follows:

	Self-bred saplings *RMB'000*	Infant trees *RMB'000*	Orange trees *RMB'000*	Total *RMB'000*
At 1 July 2010 (audited)	2,100	4,465	1,533,221	1,539,786
Net additions	10,967	–	–	10,967
Sales of self-bred saplings	(3,234)	–	–	(3,234)
Intra transfer to infant trees	(4,306)	4,306	–	–
Intra transfer to orange trees	–	(4,000)	4,000	–
Net increase due to cultivation	–	–	55,340	55,340
Net change in fair value				
– Gain due to price, yield, maturity and cost changes	–	–	662,251	662,251
– Decrease due to replanting programme	–	–	(64,251)	(64,251)
	–	–	598,000	598,000
At 30 June 2011 (audited)	5,527	4,771	2,190,561	2,200,859
Net additions	3,001	–	–	3,001
Sales of self-bred saplings	(789)	–	–	(789)
Intra transfer to infant trees	(1,729)	1,729	–	–
Net decrease due to harvest	–	–	(111,728)	(111,728)
Net change in fair value				
– Gain due to price, yield, maturity and cost changes	–	–	170,821	170,821
– Decrease due to replanting programme	–	–	(70,213)	(70,213)
	–	–	100,608	100,608
At 31 December 2011 (unaudited)	**6,010**	**6,500**	**2,179,441**	**2,191,951**
At 31 December 2010 (unaudited)	5,444	1,162	1,788,616	1,795,222
At 30 June 2011 (audited)	5,527	4,771	2,190,561	2,200,859

15 BIOLOGICAL ASSETS *(Continued)*

Represented by:

	Self-bred saplings RMB'000	Infant trees RMB'000	Orange trees RMB'000	31 December 2011 (unaudited) Total RMB'000	31 December 2010 (unaudited) Total RMB'000	30 June 2011 (audited) Total RMB'000
Non-current	6,010	6,500	2,145,608	**2,158,118**	1,791,810	2,055,298
Current	–	–	33,833	**33,833**	3,412	145,561
	6,010	6,500	2,179,441	**2,191,951**	1,795,222	2,200,859

The movements in biological assets can be summarised as follows:

	Self-bred saplings *Number*	Infant trees *Number*	Orange trees *Number*
At 1 July 2010	1,847,306	676,775	2,215,354
Net additions	764,284	–	–
Sale of self-bred saplings	(620,359)	–	–
Intra transfer to infant trees	(490,984)	490,984	–
Intra transfer to orange trees	–	(455,185)	455,185
Decrease due to replanting programme	–	–	(63,584)
At 30 June 2011	1,500,247	712,574	2,606,955
Net additions	324,680	–	–
Sales of self-bred saplings	(191,406)	–	–
Intra transfer to infant trees	(280,000)	280,000	–
At 31 December 2011	1,353,521	992,574	2,606,955

The replanting programme replaces existing species with more advanced and better quality species that have greater resistance to disease and produce a higher yield. In the year ended 30 June 2011, 63,584 winter orange trees were removed and the corresponding land area was replanted with the same amount of new species. Subsequent to 31 December 2011, 66,449 winter orange trees have been identified to be removed and the corresponding land area will be replanted with the same number of new species.

The infant trees and self-bred saplings are undergoing biological transformation leading to them being able to produce oranges. Once the infant trees and self-bred saplings become mature and productive, they will be transferred to the category of orange trees.

15 BIOLOGICAL ASSETS *(Continued)*

In preparing the interim financial information for the six months ended 31 December 2011, the management determined the fair value of orange trees less costs to sell using the same valuation methodology with respect to the valuation as at 30 June 2011. The valuation methodology adopted by the management in determining the fair value of orange trees less costs to sell is in compliance with both IAS 41, Agriculture, and the International Valuation Standards issued by the International Valuation Standards Council which aims to determine the fair value of a biological asset in its present location and condition.

The fair value of orange trees less costs to sell is calculated by deducting the fair value of plantation-related machinery and equipment and land improvements from the fair value of the orange tree operation. In estimating the fair value of the orange trees, the following key assumptions were applied:

a) The market price variables, which represent the assumed market price for summer oranges and winter oranges produced by the Group. The valuation adopted the market sales prices prevailing as of the end of the reporting period for each type of oranges produced by the Group as the sales price estimation. This estimation is in real terms without considering inflationary effect and planned future business activity that may impact the future prices of oranges from the Group's plantations.

b) The yield per tree variables, which 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, as well as the climate, location, soil condition, topography and infrastructure. In general, yield per tree increases from age 3 to 10, remains stable for about 22 years, and then decreases until age 35.

c) The direct production cost variables, which represent the direct costs necessary to bring the oranges to their sale form. These 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 regard to areas that have not been harvested previously.

d) The Capital Asset Pricing Model has been used to determine a discount rate of 20% (six months ended 31 December 2010: 19.8%, year ended 30 June 2011: 20.0%) to be applied to the orange tree operations.

e) Other key assumptions which have taken into account in valuing the Group's biological assets includes, among other things,

   i) cash flows are calculated from the current rotation of orange trees only, without taking into account the projected revenue or costs related to the re-establishment of new orange trees;

   ii) projected cash flows have not taken into account finance costs and taxation and were adopted based on real terms without considering inflationary effect;

   iii) as discounted cash flows are based on current orange prices, planned future business activities that may impact the future prices of oranges harvested from the Group's plantations are not considered; and

   iv) no allowance is made for cost improvements in future operations.

15 BIOLOGICAL ASSETS *(Continued)*

The land currently occupied by the Group is leased from third parties, and has no commercial value. With reference to the value of machinery and equipment and other assets (represented by improvements in structures and buildings, wind breakers, etc.), the total values of the assets involved as at 31 December 2011 for Hepu plantation and Xinfeng plantation are approximately RMB281 million (31 December 2010: RMB286 million, 30 June 2011: RMB297 million) and RMB494 million (31 December 2010: RMB500 million, 30 June 2011: RMB518 million), respectively.

The quantity and value, measured at fair value less costs to sell, of agricultural produce harvested during the period/year were as follows:

	Six months ended 31 December				Year ended 30 June	
	2011		2010		2011	
	Quantity	**Value**	Quantity	Value	Quantity	Value
	Tonnes	***RMB'000***	*Tonnes*	*RMB'000*	*Tonnes*	*RMB'000*
Oranges	**171,607**	**644,278**	143,698	524,430	216,891	962,127

The net change in fair value during the period on the initial recognition of agricultural produce recognised in profit or loss:

	Six months ended 31 December		Year ended 30 June
	2011	2010	2011
	RMB'000	*RMB'000*	*RMB'000*
Oranges	**287,295**	239,794	577,255

The Group is exposed to a number of risks relating to its orange plantations:

1) Regulatory and environmental risks

   The Group is subject to laws and regulations in the jurisdiction in which it operates. The Group has established environmental policies and procedures aimed at compliance with local environmental and other laws. Management performs regular reviews to identify environmental risks and to ensure that the systems in place are adequate to manage those risks.

2) Supply and demand risks

   The Group is exposed to risks arising from fluctuations in the price and sales volume of oranges. Where possible the Group manages these risks by aligning its harvest volume to market supply and demand. Management performs regular industry trend analyses to ensure that the Group's pricing structure is in line with the market and to ensure that projected harvest volumes are consistent with the expected demand.

3) Climate and other risks

   The Group's orange plantations are exposed to the risk of damage from climatic changes, diseases, forest fires and other natural forces. The Group has extensive processes in place aimed at monitoring and mitigating those risks, including regular forest health inspections and industry pest and disease surveys. The Group also insures itself against natural disasters such as floods and tropical storms.

16 INTANGIBLE ASSETS

	Capitalised development costs *RMB'000*	Trademark *RMB'000*	Total *RMB'000*
Cost			
At 1 July 2010 (audited)	52,000	–	52,000
Additions	6,600	–	6,600
Acquisition of subsidiaries (note 27(b))	15,446	3	15,449
At 30 June 2011 (audited)	74,046	3	74,049
Additions	7,620	–	7,620
At 31 December 2011 (unaudited)	81,666	3	81,669
Accumulated amortisation			
At 1 July 2010 (audited)	15,200	–	15,200
Charge for the year	5,561	1	5,562
At 30 June 2011 (audited)	20,761	1	20,762
Charge for the period	4,805	–	4,805
At 31 December 2011 (unaudited)	25,566	1	25,567
Carrying amount			
At 31 December 2011 (unaudited)	**56,100**	**2**	**56,102**
At 31 December 2010 (unaudited)	52,595	3	52,598
At 30 June 2011 (audited)	53,285	2	53,287

The amortisation charge for the period included RMB925,000 (six months ended 31 December 2010: RMB168,000, year ended 30 June 2011: RMB1,179,000) and RMB3,880,000 (six months ended 31 December 2010: RMB1,483,000, year ended 30 June 2011: RMB4,383,000) in cost of sales and general and administrative expenses, respectively, in the condensed consolidated income statement.

16 INTANGIBLE ASSETS *(Continued)*

	31 December 2011 (unaudited) RMB'000	31 December 2010 (unaudited) RMB'000	30 June 2011 (audited) RMB'000
Capitalised development costs are represented by:			
Incomplete development projects	**7,620**	15,000	19,600
Completed development projects	**48,480**	37,595	33,685
	56,100	52,595	53,285
	Years	Years	Years
Average remaining amortisation period for completed development projects	**6.6**	5.6	5.2

Capitalised development costs represent expenditure incurred in developing techniques relating to the cultivation of orange trees and processing of fruits, which will increase the productivity of the relevant operations in the future periods.

17 DEPOSITS

	31 December 2011 (unaudited) RMB'000	31 December 2010 (unaudited) RMB'000	30 June 2011 (audited) RMB'000
Deposits paid for acquisition of property, plant and equipment	**18,132**	161,888	114,500

18 GOODWILL

	31 December 2011 (unaudited) RMB'000	31 December 2010 (unaudited) RMB'000	30 June 2011 (audited) RMB'000
Goodwill arising in acquisition of BPG group (see note 27(d))	**1,157,261**	1,157,261	1,157,261

For the purposes of impairment testing, goodwill has been allocated to the cash generating unit ("CGU") in relation to the Group's processed fruits segment in the PRC.

18 GOODWILL *(Continued)*

The recoverable amount of the CGU has been determined based on a value in use calculation which uses cash flow projections from financial budgets approved by management covering a 5 – year period, and a discount rate of 11.4%. The cash flows beyond the 5 year period are extrapolated using a steady 10% growth rate. This growth rate does not exceed the average long-term growth rate for the business in which the CGU operates. Other key assumptions for the value in use calculations relate to the estimation of cash flows which include budgeted sales and gross margin, and such estimations are based on the CGU's past performance and management's expectations based on market developments. Management believes that any reasonably possible change in any of these assumptions would not cause the aggregate carrying amount of the CGU to exceed the aggregate recoverable amount of the CGU.

19 PROPERTIES FOR SALE

	31 December		30 June
	2011	2010	2011
	(unaudited)	(unaudited)	(audited)
	RMB'000	*RMB'000*	*RMB'000*
Properties under development for sale	**5,081**	4,581	5,081
Completed properties for sale	**749**	699	749
	5,830	5,280	5,830

The analysis of carrying value of land use rights included in the properties for sale is as follows:

	31 December		30 June
	2011	2010	2011
	(unaudited)	(unaudited)	(audited)
	RMB'000	*RMB'000*	*RMB'000*
In the PRC, held on leases between 10 to 50 years	**134**	134	134

The amount of properties for sale expected to be recovered after more than one year is RMB5,081,000 (31 December 2010: RMB4,581,000, 30 June 2011: RMB5,081,000). The remaining properties for sale are expected to be recovered within one year.

20 INVENTORIES

	31 December 2011 (unaudited) RMB'000	31 December 2010 (unaudited) RMB'000	30 June 2011 (audited) RMB'000
Raw materials	10,565	5,490	6,036
Work in progress	1,417	915	3,342
Finished goods	55,944	14,041	37,029
	67,926	20,446	46,407

21 TRADE AND OTHER RECEIVABLES

	31 December 2011 (unaudited) RMB'000	31 December 2010 (unaudited) RMB'000	30 June 2011 (audited) RMB'000
Trade receivables	97,226	58,155	28,661
Other receivables, deposits and prepayments	65,536	82,933	67,842
	162,762	141,088	96,503

The amount of the Group's other receivables, deposits and prepayments expected to be recovered or recognised as expenses in normal operating cycle after one year is RMB14,745,000 (31 December 2010: RMB18,007,000, 30 June 2011: RMB16,320,000). The remaining balance of trade and other receivables is expected to be recovered within one year.

The ageing analysis of trade receivables based on invoice date is as follows:

	31 December 2011 (unaudited) RMB'000	31 December 2010 (unaudited) RMB'000	30 June 2011 (audited) RMB'000
Less than 1 month	76,798	54,282	22,262
1 to 3 months	20,309	1,067	4,894
3 to 6 months	26	1	79
6 to 12 months	18	–	1,240
Over 1 year	75	2,805	186
	97,226	58,155	28,661

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

21 TRADE AND OTHER RECEIVABLES *(Continued)*

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

	31 December 2011 (unaudited) *RMB'000*	31 December 2010 (unaudited) *RMB'000*	30 June 2011 (audited) *RMB'000*
Neither past due nor impaired	**88,022**	57,972	22,191
Less than 1 month past due	**8,451**	–	5,064
1 to 3 months past due	**645**	–	220
3 to 6 months past due	**10**	43	87
6 to 12 months past due	**66**	35	1,024
Over 1 year past due	**32**	105	75
Amounts past due but not impaired	**9,204**	183	6,470
	97,226	58,155	28,661

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.

22 CASH AND CASH EQUIVALENTS

	31 December 2011 (unaudited) RMB'000	31 December 2010 (unaudited) RMB'000	30 June 2011 (audited) RMB'000
Bank deposits	**509,771**	181,926	584,305
Cash at bank and on hand	**1,903,855**	2,747,513	1,647,898
Cash and cash equivalents in the condensed consolidated statement of financial position	**2,413,626**	2,929,439	2,232,203
Time deposit with terms over three months	**(248,094)**	–	(166,000)
Cash and cash equivalents in the condensed consolidated cash flow statement	**2,165,532**	2,929,439	2,066,203

Included in the cash and cash equivalents of the Group as at 31 December 2011 is an amount of approximately RMB1,836,490,000 (31 December 2010: RMB1,382,008,000, 30 June 2011: RMB1,426,738,000) denominated in RMB and conversion of this RMB balance into foreign currencies is subject to the PRC Foreign Exchange Control Regulations and Administration of Settlement, Sale and Payment of Foreign Exchange Regulations of the PRC. The Group is permitted to exchange RMB for foreign currencies through banks that are authorised to conduct foreign exchange business.

Cash at bank earns interest at floating rates based on daily bank deposit rates. Bank deposits are made for terms ranging from one month to one year (31 December 2010: ranging from one week to one month, 30 June 2011: ranging from one month to one year) depending on the immediate cash requirements of the Group.

23 CAPITAL, RESERVES AND DIVIDENDS

(a) Share capital

	Note	Number of shares	HK$'000	RMB'000
Authorised:				
Ordinary shares of HK$0.01 each At 1 July 2010, 30 June 2011 and 31 December 2011		2,000,000,000	20,000	20,900
Issued and fully paid:				
At 30 June 2010 (audited)		852,650,094	8,526	8,767
Issue of shares to shareholders participating in the scrip dividend		175,000,000	1,750	1,575
Issue of shares upon exercises of share options		15,345,000	153	138
Issue of shares as part of the consideration for acquisition of subsidiaries		164,153,646	1,642	1,478
Issue of shares on placement		8,008,223	80	72
At 30 June 2011 (audited)		1,215,156,963	12,151	12,030
Issue of shares to shareholders participating in the scrip dividend	(i)	9,456,219	95	85
Issue of shares upon exercises of share options	(ii)	6,939,000	69	62
Shares repurchased and cancelled	(iii)	(3,500,000)	(35)	(32)
At 31 December 2011 (unaudited)		1,228,052,182	12,280	12,145

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company. All ordinary shares rank equally in regard to the Company's residual assets.

Notes:

(i) On 30 December 2011, 9,456,219 new ordinary shares of HK$0.01 each were issued at the price of HK$5.358 per share to shareholders participating in the scrip dividend in respect of the 2010/11 final and special dividends.

(ii) On 23 November 2011, share options were exercised with 6,939,000 ordinary shares being issued with exercise proceeds of RMB12,457,316. The related weighted average price at the time of exercise was HK$4.69.

(iii) During the period, the Company repurchased and cancelled a total of 3,500,000 its own shares on the HKEx. The premium paid on the repurchase of shares of RMB15,839,000 was charged to share premium.

23 CAPITAL, RESERVES AND DIVIDENDS *(Continued)*

(b) Dividends

An interim dividend of RMB0.03 (six months ended 31 December 2010: RMB0.02) and a special dividend of RMB0.02 (six months ended 31 December 2010: RMBNil) per ordinary share in respect of the six months ended 31 December 2011 was declared after the end of the reporting period. The interim and special dividends have not been recognised as a liability at the end of the reporting period.

Final dividend of RMB0.10 and special dividend of RMB0.03 per ordinary share in respect of the year ended 30 June 2011 were approved on 8 November 2011 and paid on 30 December 2011.

(c) Capital management

The Group manages its capital to ensure that the Group has sufficient liquidity to support the operations and development while maximising the value of shareholders. The Group's overall strategy remains unchanged from the prior year.

The Group regards total equity presented on the face of the condensed consolidated statement of financial position as capital for capital management purpose.

Management of the Group reviews its capital structure periodically by assessing budgets of major projects taking into account the provision of funding. The Group is not subject to externally imposed capital requirements.

24 OBLIGATION UNDER FINANCE LEASE

At 31 December 2011, the Group had obligation under finance lease repayable as follows:

	31 December				30 June	
	2011 (unaudited)		2010 (unaudited)		2011 (audited)	
	Present value of the minimum lease payments *RMB'000*	Total minimum lease payments *RMB'000*	Present value of the minimum lease payments *RMB'000*	Total minimum lease payments *RMB'000*	Present value of the minimum lease payments *RMB'000*	Total minimum lease payments *RMB'000*
Within 1 year	90	180	–	–	90	180
After 1 year but within 2 years	97	180	–	–	97	180
After 2 years but within 5 years	341	540	–	–	341	540
After 5 years	596	720	–	–	596	720
	1,034	1,440	–	–	1,034	1,440
	1,124	1,620	–	–	1,124	1,620
Less: Total future interest expenses		(496)		–		(496)
Present value of lease obligation		1,124		–		1,124

25 TRADE AND OTHER PAYABLES

	31 December 2011 (unaudited) RMB'000	31 December 2010 (unaudited) RMB'000	30 June 2011 (audited) RMB'000
Trade payables	**20,574**	12,188	25,811
Other payables and accruals	**49,036**	916,778	32,650
	69,610	928,966	58,461

All of the trade and other payables are expected to be settled within one year or are repayable on demand.

Included in other payables and accruals as at 31 December 2010 were cash consideration payable of HK$780,000,000 (equivalent to RMB666,510,000) in respect of the acquisition of BPG group (see note 27(a)), and an amount of RMB211,593,000 payable on demand to Sunshine Hero Limited, a former shareholder of BPG Food & Beverage, holding approximately 9.62% of the Company's total issued share capital as at 31 December 2010. These two balances were unsecured, interest free and fully settled subsequently in the period to 30 June 2011.

The ageing analysis of trade payables, including amount due to a related party, by invoice date is as follows:

	31 December 2011 (unaudited) RMB'000	31 December 2010 (unaudited) RMB'000	30 June 2011 (audited) RMB'000
Due within 3 months or on demand	**19,815**	11,612	28,456
Due after 3 months but within 6 months	**246**	413	93
Due after 6 months but within 1 year	**423**	104	126
Due over 1 year	**90**	59	136
	20,574	12,188	28,811
Represented by:			
Trade payables	**20,574**	12,188	25,811
Amount due to a related party	**–**	–	3,000
	20,574	12,188	28,811

26 COMMITMENTS

a) Operating lease commitments

At 31 December 2011, the Group's total future minimum lease payments under non-cancellable operating leases are payable as follows:

	31 December 2011 (unaudited) *RMB'000*	31 December 2010 (unaudited) *RMB'000*	30 June 2011 (audited) *RMB'000*
Within 1 year	**7,056**	8,109	6,737
After 1 year but within 5 years	**25,893**	25,304	25,885
After 5 years	**351,633**	359,039	354,799
	384,582	392,452	387,421

Operating lease payments represent rental payable by the Group in respect of certain properties premises and land on which the plantations are situated. The leases of properties typically run for an initial period of one to ten years, with options to renew the leases and renegotiate the terms at expiry dates or at dates mutually agreed with the respective lessors. The leases for the plantation bases are negotiated for a term of 50 years expiring from 2050 to 2060. None of the leases include contingent rentals.

b) Capital and other commitments

At 31 December 2011, the Group had the following capital and other commitments:

	31 December 2011 (unaudited) *RMB'000*	31 December 2010 (unaudited) *RMB'000*	30 June 2011 (audited) *RMB'000*
Contracted but not provided for			
Construction-in-progress, property, plant and equipment and land use rights	**62,335**	132,551	149,035
Research and development projects	**7,500**	4,600	–
	69,835	137,151	149,035

27 ACQUISITION OF SUBSIDIARIES

On 30 November 2010, the Company completed the acquisition of the entire issued share capital of BPG Food & Beverage which, through its wholly-owned subsidiaries, holds a total of 92.94% equity interest in Beihai BPG. Beihai BPG, together with its subsidiaries, is principally engaged in manufacture and sale of fruit juice concentrates, fruit purees, frozen fruits and vegetables in the PRC. Details of this acquisition are set out in the Company's circular dated 1 November 2010. The acquisition was made with the aims to expanding into the concentrated fruit juice market in the PRC.

a) The fair value of consideration transferred

	HK$'000	*Equivalent to RMB'000*
Cash	780,000	666,510
Fair value of 164,153,646 ordinary shares issued	1,526,629	1,304,504
	2,306,629	1,971,014

The fair value of the 164,153,646 ordinary shares issued as part of the consideration was determined based on the published share price available on 30 November 2010.

Acquisition-related costs amounting to RMB2,129,000 have been excluded from the cost of acquisition and have been recognised as an expense, within the general and administrative expenses in the condensed consolidated income statement.

b) The fair value of the identifiable assets and liabilities arising from the acquisition as at the date of acquisition is as follows:

	Fair value *RMB'000*
Non-current assets	
Property, plant and equipment (note 12)	315,892
Land use rights (note 13)	16,360
Construction-in-progress (note 14)	4,135
Intangible assets (note 16)	15,449
Deposits	140,350
Current assets	
Inventories	21,587
Trade and other receivables	111,759
Cash and cash equivalents	505,427
Current liabilities	
Trade and other payables*	(239,396)
	891,563

* Included in trade and other payables was an amount of RMB213,788,000 payable on demand to Sunshine Hero Limited. This balance was unsecured, interest free and fully settled subsequently in the period to 30 June 2011.

27 ACQUISITION OF SUBSIDIARIES *(Continued)*

c) Non-controlling interest

The non-controlling interest (7.06%) in certain subsidiaries of BPG Food & Beverage recognised at the acquisition date was measured at the non-controlling interest's proportionate share of the relevant net identifiable assets at the acquisition date.

d) Goodwill arising on acquisition

	RMB'000
Consideration transferred	1,971,014
Non-controlling interest	77,810
Less: fair value of net identifiable net assets acquired	(891,563)
Goodwill arising on acquisition (see note 18)	1,157,261

The goodwill arising on this acquisition is attributable to the expected earnings growth of BPG group and synergies expected to be achieved as a result of combining BPG group with the rest of the Group, and is not expected to be deductible for tax purposes.

e) Net cash inflow/(outflow) on acquisition of subsidiaries

	31 December		30 June
	2011	2010	2011
	(unaudited)	(unaudited)	(audited)
	RMB'000	*RMB'000*	*RMB'000*
Cash consideration paid	–	–	666,510
Cash and cash equivalent balances acquired	–	(505,427)	(505,427)
	–	(505,427)	161,083

f) Impact of acquisition on the results of the Group

The BPG group contributed RMB69,410,000 to turnover and RMB18,031,000 to profit for the period from date of acquisition to 31 December 2010, and RMB417,393,000 to turnover and RMB131,845,000 to profit for the period from date of acquisition to 30 June 2011.

Had this acquisition been effect on 1 July 2010, the BPG group would have contributed RMB426,237,000 to turnover and RMB125,463,000 to profit for the six months ended 31 December 2010, and RMB774,220,000 to turnover and RMB239,277,000 to profit for the year ended 30 June 2011. This pro-forma information is for illustration purposes and should not be viewed as an indication of the results of operations that would have occurred if the acquisition had been completed on 1 July 2010.

28 RELATED PARTY TRANSACTIONS

a) In addition to those disclosed elsewhere in the interim financial information, the Group had the following significant related party transactions during the period/year:

	Six months ended 31 December 2011 (unaudited) RMB'000	Six months ended 31 December 2010 (unaudited) RMB'000	Year ended 30 June 2011 (audited) RMB'000
Purchases of organic fertilisers from:			
Fujian Zhangzhou Chaoda Microbe Organic Fertiliser Company Limited ("Zhangzhou Chaoda")	**5,321**	6,900	23,357
Weizhou Chaoda Microbe Organic Fertiliser Company Limited ("Weizhou Chaoda")	**–**	10,800	10,800
Nanfeng Chaoda Microbe Organic Fertiliser Company Limited ("Nanfeng Chaoda")	**–**	–	28
	5,321	17,700	34,185
Operating lease expenses paid to:			
Alpha Best Limited	**190**	112	208
Pan Air and Sea Forwarders (HK) Limited	**116**	157	285
	306	269	493

Zhangzhou Chaoda, Weizhou Chaoda and Nanfeng Chaoda are related parties of the Group by virtue of Mr. Kwok Ho's interest. The entire registered capital of Zhangzhou Chaoda, Weizhou Chaoda and Nanfeng Chaoda is indirectly held by Mr. Kwok Ho, a director of Newasia Global Limited. Mr. Kwok Ho is a substantial shareholder in Chaoda Modern Agriculture (Holdings) Limited ("Chaoda"). Chaoda is in turn the holding company of Huge Market Investments Limited, a substantial shareholder of the Company until 25 November 2011. The purchases from Zhangzhou Chaoda, Weizhou Chaoda and Nanfeng Chaoda were charged at prices and terms comparable with those charged to and contracted with independent third parties. Starting from October 2011, the Group ceased to purchase organic fertilisers from Zhangzhou Chaoda, Weizhou Chaoda and Nanfeng Chaoda.

Alpha Best Limited and Pan Air and Sea Forwarders (HK) Limited are related to the Group by virtue of Mr. Tong Wang Chow's interest in these two companies.

28 RELATED PARTY TRANSACTIONS *(Continued)*

b) At 31 December 2011, the Group had the following amount due to a related party, which was trade in nature:

	31 December 2011 (unaudited) RMB'000	31 December 2010 (unaudited) RMB'000	30 June 2011 (audited) RMB'000
Weizhou Chaoda	–	–	3,000

c) Compensation of key management personnel

	Six months ended 31 December 2011 (unaudited) RMB'000	Six months ended 31 December 2010 (unaudited) RMB'000	Year ended 30 June 2011 (audited) RMB'000
Short-term employee benefits	5,082	3,925	9,024
Share-based payments	4,931	9,803	19,449
Post-employment benefits	35	37	73
	10,048	13,765	28,546

Total remuneration is included in staff costs (see note 7(b)).

29 EVENTS AFTER THE REPORTING PERIOD

Except as disclosed elsewhere in the interim financial information, there was no significant event after the end of the reporting period.

Purchase, Sale or Redemption of the Company's Listed Securities

During the six months ended 31 December 2011, the Company repurchased 3,500,000 ordinary shares of HK$0.01 on the HKEx at an aggregate consideration of HK$17,633,690 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:

Month of purchase in the six months ended 31 December 2011	No. of shares purchased	Purchase consideration per share		Aggregate consideration paid
		Highest price paid *HK$*	Lowest price paid *HK$*	*HK$*
October	2,000,000	5.20	5.09	10,362,420
November	1,500,000	5.00	4.69	7,271,270
Total	3,500,000			17,633,690

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 six months ended 31 December 2011.

Directors' and Chief Executive's Interests in Shares and Short Positions in Shares, Underlying Shares and Debentures

As at 31 December 2011, the interests or short positions of the Directors and the chief executive of the Company in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance, Cap. 571 of the Laws of Hong Kong ("SFO")) or which were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein, or which were notified to the Company and the HKEx, pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers ("Model Code"), are set out below:

		Number of shares held					
Name	Class of shares	Personal interests	Family interests	Corporate interests	Number of underlying shares held under equity derivatives	Total	Approximate percentage of the Company's total issued share capital
Tong Wang Chow	Ordinary shares/ Share options	200,000	–	275,069,919 *(Note 1)*	3,850,000 *(Note 2)*	279,119,919	22.73%
Tong Hung Wai Tommy	Share options	–	–	–	1,900,000 *(Note 3)*	1,900,000	0.15%
Cheung Wai Sun	Ordinary shares/ Share options	120,000	–	–	1,200,000 *(Note 4)*	1,320,000	0.11%
Pang Yi	Ordinary shares/ Share options	452,043	–	–	5,740,000 *(Note 5)*	6,192,043	0.50%
Sung Chi Keung	Ordinary shares/ Share options	520,000	–	–	4,560,000 *(Note 6)*	5,080,000	0.41%
Nicholas Smith	Ordinary shares/ Share options	982,458 *(Note 7)*	–	–	500,000 *(Note 8)*	1,482,458	0.12%
Ip Chi Ming	Share options	–	–	–	500,000 *(Note 9)*	500,000	0.04%
Peregrine Moncreiffe	Ordinary shares/ Share options	450,000	–	–	500,000 *(Note 10)*	950,000	0.08%
Lui Ming Wah	Share options	–	–	–	500,000 *(Note 11)*	500,000	0.04%
Yang Zhen Han	Share options	–	–	–	500,000 *(Note 12)*	500,000	0.04%
Ma Chiu Cheung Andrew	Share options	–	–	–	500,000 *(Note 13)*	500,000	0.04%

Notes:

(1) The 275,069,919 shares were held by Market Ahead Investments Limited ("Market Ahead"), the issued share capital of which is beneficially owned by the following persons:

Mr. Tong Wang Chow	76%
Mr. Tong Hung Wai Tommy	6%
Mrs. Tong Lee Fung Kiu	6%
Ms. Tong Mei Lin	6%
Mr. Lee Kun Chung	6%

Mr. Tong Wang Chow is deemed to be interested in 275,069,919 shares held by Market Ahead by virtue of the SFO. Mr. Tong Wang Chow is also a director of Market Ahead.

(2) 1,500,000 shares would be allotted and issued to Mr. Tong Wang Chow upon the exercise in full of the share options granted to Mr. Tong Wang Chow under the share option scheme of the Company adopted by the Shareholders on 29 June 2005 and terminated upon the commencement of dealings of the shares on the Stock Exchange on 26 November 2009 (the "Share Option Scheme"). These share options, all of which remained exercisable as at the 31 December 2011, were exercisable at the subscription price of £0.2045 per Share during the period from 27 July 2007 to 26 July 2014.

1,500,000 shares would be allotted and issued to Mr. Tong Wang Chow upon the exercise in full of the share options granted to Mr. Tong Wang Chow under the Share Option Scheme. These share options, all of which remained exercisable as at 31 December 2011, were exercisable at the subscription price of £0.139 per Share during the period from 15 October 2009 to 2 August 2015.

850,000 shares would be allotted and issued to Mr. Tong Wang Chow upon the exercise in full of the share options to Mr. Tong Wang Chow under the share option scheme of the Company conditionally adopted by the Shareholders on 2 November 2009 and became effective upon the commencement of dealings of the shares on the Stock Exchange on 26 November 2009 (the "Post Listing Share Option Scheme"). These share options, all of which remained exercisable as at 31 December 2011, were exercisable at the subscription price of HK$5.68 per Share during the period from 27 May 2011 to 26 May 2018.

(3) 550,000 shares would be allotted and issued to Mr. Tong Hung Wai Tommy upon the exercise in full of the share options granted to Mr. Tong Hung Wai Tommy under the Share Option Scheme. These share options, all of which remained exercisable as at 31 December 2011, were exercisable at the subscription price of £0.2045 per Share during the period from 27 July 2007 to 26 July 2014.

600,000 shares would be allotted and issued to Mr. Tong Hung Wai Tommy upon the exercise in full of the share options granted to Mr. Tong Hung Wai Tommy under the Share Option Scheme. These share options, all of which remained exercisable as at 31 December 2011, were exercisable at the subscription price of £0.139 per Share during the period from 15 October 2009 to 2 August 2015.

750,000 shares would be allotted and issued to Mr. Tong Hung Wai Tommy upon the exercise in full of the share options to Mr. Tong Hung Wai Tommy under the Post Listing Share Option Scheme. These share options, all of which remained exercisable as at 31 December 2011, were exercisable at the subscription price of HK$5.68 per Share during the period from 27 May 2011 to 26 May 2018.

(4) 90,000 shares would be allotted and issued to Mr. Cheung Wai Sun upon the exercise in full of the share options granted to Mr. Cheung Wai Sun under the Share Option Scheme. These share options, all of which remained exercisable as at 31 December 2011, were exercisable at the subscription price of £0.2045 per Share during the period from 27 July 2007 to 26 July 2014.

360,000 shares would be allotted and issued to Mr. Cheung Wai Sun upon the exercise in full of the share options granted to Mr. Cheung Wai Sun under the Share Option Scheme. These share options, all of which remained exercisable as at the 31 December 2011, were exercisable at the subscription price of £0.139 per Share during the period from 15 October 2009 to 2 August 2015.

750,000 shares would be allotted and issued to Mr. Cheung Wai Sun upon the exercise in full of the share options to Mr. Cheung Wai Sun under the Post Listing Share Option Scheme. These share options, all of which remained exercisable as at 31 December 2011, were exercisable at the subscription price of HK$5.68 per Share during the period from 27 May 2011 to 26 May 2018.

(5) 900,000 shares would be allotted and issued to Mr. Pang Yi upon the exercise in full of the share options granted to Mr. Pang Yi under the Share Option Scheme. These share options, all of which remained exercisable as at 31 December 2011, were exercisable at the subscription price of £0.112 per Share during the period from 3 August 2006 to 2 August 2015.

480,000 shares would be allotted and issued to Mr. Pang Yi upon the exercise in full of the share options granted to Mr. Pang Yi under the Share Option Scheme. These share options, all of which remained exercisable as at 31 December 2011, were exercisable at the subscription price of £0.2045 per Share during the period from 27 July 2007 to 26 July 2014.

960,000 shares would be allotted and issued to Mr. Pang Yi upon the exercise in full of the share options granted to Mr. Pang Yi under the Share Option Scheme. These Share options, all of which remained exercisable as at 31 December 2011, were exercisable at the subscription price of £0.139 per Share during the period from 15 October 2009 to 2 August 2015.

3,400,000 shares would be allotted and issued to Mr. Pang Yi upon the exercise in full of the share options to Mr. Pang Yi under the Post Listing Share Option Scheme. These share options, all of which remained exercisable as at 31 December 2011, were exercisable at the subscription price of HK$5.68 per Share during the period from 27 May 2011 to 26 May 2018.

(6) 600,000 shares would be allotted and issued to Mr. Sung Chi Keung upon the exercise in full of the share options granted to Mr. Sung Chi Keung under the Share Option Scheme. These share options, all of which remained exercisable as at 31 December 2011, were exercisable at the subscription price of £0.112 per Share during the period from 3 August 2006 to 2 August 2015.

1,000,000 shares would be allotted and issued to Mr. Sung Chi Keung upon the exercise in full of the share options granted to Mr. Sung Chi Keung under the Share Option Scheme. These share options, all of which remained exercisable as at 31 December 2011, were exercisable at the subscription price of £0.2045 per Share during the period from 27 July 2007 to 26 July 2014.

960,000 shares would be allotted and issued to Mr. Sung Chi Keung upon the exercise in full of the share options granted to Mr. Sung Chi Keung under the Share Option Scheme. These share options, all of which remained exercisable as at 31 December 2011, were exercisable at the subscription price of £0.139 per Share during the period from 15 October 2009 to 2 August 2015.

2,000,000 shares would be allotted and issued to Mr. Sung Chi Keung upon the exercise in full of the share options to Mr. Sung Chi Keung under the Post Listing Share Option Scheme. These share options, all of which remained exercisable as at 31 December 2011, were exercisable at the subscription price of HK$5.68 per Share during the period from 27 May 2011 to 26 May 2018.

(7) The 982,458 shares were held as to 334,091 shares by Carey Pensions & Benefits Limited as trustee of InterRetire–Smith Executive Retirement Plan (the "Plan") and as to 648,367 shares by Mr. Nicholas Smith in his own name. As at 31 December 2011, Mr. Nicholas Smith was a direct beneficiary of the Plan and is deemed to have an interest in the shares held by the Plan.

(8) 500,000 shares would be allotted and issued to Mr. Nicholas Smith upon the exercise in full of the share options to Mr. Nicholas Smith under the Post Listing Share Option Scheme. These share options, all of which remained exercisable as at 31 December 2011, were exercisable at the subscription price of HK$5.68 per Share during the period from 27 May 2011 to 26 May 2018.

(9) 500,000 shares would be allotted and issued to Mr. Ip Chi Ming upon the exercise in full of the share options to Mr. Ip Chi Ming under the Post Listing Share Option Scheme. These share options, all of which remained exercisable as at 31 December 2011, were exercisable at the subscription price of HK$5.68 per Share during the period from 27 May 2011 to 26 May 2018.

(10) 500,000 shares would be allotted and issued to Mr. Peregrine Moncreiffe upon the exercise in full of the share options to Mr. Peregrine Moncreiffe under the Post Listing Share Option Scheme. These share options, all of which remained exercisable as at 31 December 2011, were exercisable at the subscription price of HK$5.68 per Share during the period from 27 May 2011 to 26 May 2018.

(11) 500,000 shares would be allotted and issued to Mr. Lui Ming Wah upon the exercise in full of the share options to Mr. Lui Ming Wah under the Post Listing Share Option Scheme. These share options, all of which remained exercisable as at 31 December 2011, were exercisable at the subscription price of HK$5.68 per Share during the period from 27 May 2011 to 26 May 2018.

(12) 500,000 shares would be allotted and issued to Mr. Yang Zhen Han upon the exercise in full of the share options to Mr. Yang Zhen Han under the Post Listing Share Option Scheme. These share options, all of which remained exercisable as at 31 December 2011, were exercisable at the subscription price of HK$5.68 per Share during the period from 27 May 2011 to 26 May 2018.

(13) 500,000 shares would be allotted and issued to Mr. Ma Chiu Cheung Andrew upon the exercise in full of the share options to Mr. Ma Chiu Cheung Andrew under the Post Listing Share Option Scheme. These share options, all of which remained exercisable as at 31 December 2011, were exercisable at the subscription price of HK$5.68 per Share during the period from 27 May 2011 to 26 May 2018.

Save as disclosed above, none of the Directors, the chief executive of the Company or their associates had any interests or short positions in any shares, underlying shares and debentures of the Company or any of its associated corporations as at 31 December 2011 as defined in Part XV of SFO as recorded in the register to be kept under section 352 of the SFO or as otherwise notified to the Company and the HKEx pursuant to the Model Code.

Substantial Shareholders' Interests and Short Positions in Shares and Underlying Shares

As at 31 December 2011, so far as is known to the Directors, the following persons or companies (other than the Directors and the chief executive) had an interest or short position in the shares or underlying shares of the Company as recorded in the register required to be kept by the Company pursuant to section 336 of the SFO were as follows:

Name	Number of shares held	Nature of business	Approximate percentage of the Company's total issued share capital
Market Ahead *(Note 1)*	275,069,919	Beneficial owner	22.40%
Tong Lee Fung Kiu *(Note 1)*	275,069,919	Interest of spouse	22.40%
Sunshine Hero Limited ("Sunshine Hero") *(Note 2)*	116,692,681	Beneficial owner	9.50%
Xu Xuefeng *(Note 2)*	116,692,681	Interest of controlled corporation	9.50%
Wellington Management Company, LLP	74,270,059	Investment manager	6.05%
Value Partners Limited *(Note 3)*	70,523,000	Investment manager	5.74%
Value Partners Group Limited *(Note 3)*	70,523,000	Interest of controlled corporation	5.74%
Cheah Capital Management Limited *(Note 3)*	70,523,000	Interest of controlled corporation	5.74%
Cheah Company Limited *(Note 3)*	70,523,000	Interest of controlled corporation	5.74%
Hang Seng Bank Trustee International Limited *(Note 3)*	70,523,000	Trustee (other than a bare trustee)	5.74%
To Hau Yin *(Note 3)*	70,523,000	Interest of spouse	5.74%
Cheah Cheng Hye *(Note 3)*	70,523,000	Founder of a discretionary trust	5.74%
Huge Market Investments Limited ("Huge Market") *(Note 4)*	65,761,540	Beneficial owner	5.35%
Chaoda Modern Agriculture (Holdings) Limited ("Chaoda") *(Note 4)*	65,761,540	Interest of controlled corporation	5.35%
Temasek Holdings (Private) Limited *(Note 5)*	65,126,000	Interest of controlled corporation	5.30%

Note:

(1) Market Ahead is a company incorporated in the British Virgin Islands, the issued share capital of which is beneficially owned by the following persons:

Mr Tong Wang Chow	76%
Mr Tong Hung Wai Tommy	6%
Mrs Tong Lee Fung Kiu	6%
Ms Tong Mei Lin	6%
Mr Lee Kun Chung	6%

Mr Tong Wang Chow is deemed to be interested in 275,069,919 Shares held by Market Ahead Investments Limited by virtue of the SFO.

Substantial Shareholders' Interests and Short Positions in Shares and Underlying Shares

Mrs Tong Lee Fung Kiu is the spouse of Mr Tong Wang Chow. By virtue of the SFO, Mrs Tong Lee Fung Kiu is also deemed, as spouse, to be interested in all the Shares in which Mr Tong Wang Chow is deemed to be interested.

Mr Tong Wang Chow is also a director of Market Ahead Investments Limited.

(2) Ms Xu Xuefeng is the sole owner of Sunshine Hero Limited and is deemed to be interested in 116,692,681 Shares held by Sunshine Hero Limited by virtue of the SFO.

(3) The 70,523,000 Shares were held by Value Partners Limited in the capacity as investment manager. These Shares were interests of a discretionary trust of which Mr. Cheah Cheng Hye is the founder. The trustee of the trust was Hang Seng Bank Trustee International Limited, which held the interests in the Company through its indirect control over Value Partners Limited. Value Partners Limited is 100% controlled by Value Partners Hong Kong Limited. Value Partners Hong Kong Limited is 100% controlled by Value Partners Group Limited, which in turn is 28.47% controlled by Cheah Capital Management Limited. Cheah Capital Management Limited is 100% controlled by Cheah Company Limited, which in turn is 100% controlled by Hang Seng Bank Trustee International Limited. Accordingly, Mr. Cheah Cheng Hye, Ms. To Hau Yin (spouse of Mr. Cheah Cheng Hye), Hang Seng Bank Trustee International Limited, Cheah Company Limited, Cheah Capital Management Limited and Value Partners Group Limited are deemed to have interests in the 70,523,000 Shares in the Company by virtue of the SFO.

(4) The entire issued share capital of Huge Market Investments Limited is held by Chaoda Modern Agriculture (Holdings) Limited. Chaoda Modern Agriculture (Holdings) Limited is deemed to be interested in 65,761,540 Shares held by Huge Market Investments Limited by virtue of the SFO.

Mr Ip Chi Ming is a director of Huge Market Investments Limited and Chaoda Modern Agriculture (Holdings) Limited.

(5) These 65,126,000 shares are held in the name of and registered in the capacity of Maxwell (Mauritius) Pte Ltd in its 61,126,000 shares and in the name of and capacity of Mantaray Investments (Mauritius) Pte Ltd in its 4,000,000 shares. Maxwell (Mauritius) Pte Ltd's entire interest is owned by Cairhill Investments (Mauritius) Pte Ltd, and Fullerton Management Pte Ltd beneficially owns 100% interest in Cairhill Investments (Mauritius) Pte Ltd. Temasek Holdings (Private) Limited owns 100% interest in Fullerton Management Pte Ltd. Mantaray Investments (Mauritius) Pte Ltd's entire interest is owned by Lionfish Investments Pte. Ltd., and Marina Capital Pte. Ltd. beneficially owns 100% interest in Lionfish Investments Pte. Ltd.. Marina Capital Pte. Ltd.'s entire interest is owned by Seatown Holdings Pte. Ltd., and Tembusu Capital Pte Ltd beneficially owns 100% interest in Seatown Holdings Pte. Ltd.. Temasek Holdings (Private) Limited owns 100% interest in Tembusu Capital Pte Ltd. Temasek Holdings (Private) Limited is deemed to be interested in the above said 65,126,000 Shares by virtue of the SFO.

Save as disclosed above, the Directors are not aware of any other persons who have interests or short positions in the shares or underlying shares of the Company as recorded in the register required to be kept under section 336 of the SFO.

Share Option Scheme and Post Listing Share Option Scheme

A summary of the principal terms of the Share Option Scheme and the Post Listing Share Option Scheme was included in the Company's Listing document dated 23 November 2009 under the section "Appendix IV Statutory and General Information – D. Other Information – I. Share Option Scheme". Movements of the share options granted under the Share Option Scheme and Post Listing Share Option Scheme during the period ended 31 December 2011 are as follows:

	Number of Shares in respect of Options								
Name or Category of participant	Balance as at 1 July 2011	Granted during the period	Exercised during the period	Cancelled/ Lapsed during the period	Outstanding as at 31 December 2011	Date of grant	Exercisable period	Exercise price per share	Weighted average closing price
Directors									
Tong Wang Chow	1,500,000	–	–	–	1,500,000	27/7/2006	27/7/2007 – 26/7/2014	GBP0.2045	–
	1,500,000	–	–	–	1,500,000	15/10/2008	15/10/2009 – 2/8/2015	GBP0.139	–
	850,000	–	–	–	850,000	27/5/2010	27/5/2011 – 26/5/2018	HKD5.68	–
Tong Hung Wai, Tommy	550,000	–	–	–	550,000	27/7/2006	27/7/2007 – 26/7/2014	GBP0.2045	–
	600,000	–	–	–	600,000	15/10/2008	15/10/2009 – 2/8/2015	GBP0.139	–
	750,000	–	–	–	750,000	27/5/2010	27/5/2011 – 26/5/2018	HKD5.68	–
Cheung Wai Sun	90,000	–	–	–	90,000	27/7/2006	27/7/2007 – 26/7/2014	GBP0.2045	–
	360,000	–	–	–	360,000	15/10/2008	15/10/2009 – 2/8/2015	GBP0.139	–
	750,000	–	–	–	750,000	27/5/2010	27/5/2011 – 26/5/2018	HKD5.68	–
Pang Yi	900,000	–	–	–	900,000	3/8/2005	3/8/2006 – 2/8/2015	GBP0.112	–
	480,000	–	–	–	480,000	27/7/2006	27/7/2007 – 26/7/2014	GBP0.2045	–
	960,000	–	–	–	960,000	15/10/2008	15/10/2009 – 2/8/2015	GBP0.139	–
	3,400,000	–	–	–	3,400,000	27/5/2010	27/5/2011 – 26/5/2018	HKD5.68	–
Sung Chi Keung	600,000	–	–	–	600,000	3/8/2005	3/8/2006 – 2/8/2015	GBP0.112	–
	1,000,000	–	–	–	1,000,000	27/7/2006	27/7/2007 – 26/7/2014	GBP0.2045	–
	960,000	–	–	–	960,000	15/10/2008	15/10/2009 – 2/8/2015	GBP0.139	–
	2,000,000	–	–	–	2,000,000	27/5/2010	27/5/2011 – 26/5/2018	HKD5.68	–
Nicholas Smith	500,000	–	–	–	500,000	27/5/2010	27/5/2011 – 26/5/2018	HKD5.68	–
Ip Chi Ming	500,000	–	–	–	500,000	27/5/2010	27/5/2011 – 26/5/2018	HKD5.68	–
Peregrine Moncreiffe	500,000	–	–	–	500,000	27/5/2010	27/5/2011 – 26/5/2018	HKD5.68	–
Lui Ming Wah	500,000	–	–	–	500,000	27/5/2010	27/5/2011 – 26/5/2018	HKD5.68	–
Yang Zhen Han	500,000	–	–	–	500,000	27/5/2010	27/5/2011 – 26/5/2018	HKD5.68	–
Ma Chiu Cheung	500,000	–	–	–	500,000	27/5/2010	27/5/2011 – 26/5/2018	HKD5.68	–

Share Option Scheme and Post Listing Share Option Scheme

Name or Category of participant	Balance as at 1 July 2011	Granted during the period	Exercised during the period	Cancelled/ Lapsed during the period	Outstanding as at 31 December 2011	Date of grant	Exercisable period	Exercise price per share	Weighted average closing price
	Number of Shares in respect of Options								
Employees:									
In aggregate	4,425,000	–	885,000	–	3,540,000	3/8/2005	3/8/2006 – 2/8/2015	GBP0.112	HKD4.69
	1,772,000	–	1,502,000	–	270,000	27/7/2006	27/7/2007 – 26/7/2014	GBP0.2045	HKD4.69
	1,550,000	–	660,000	–	890,000	14/9/2007	14/9/2008 – 2/8/2015	GBP0.2425	HKD4.69
	12,456,000	–	3,892,000	–	8,564,000	15/10/2008	15/10/2009 – 2/8/2015	GBP0.139	HKD4.69
	18,884,000	–	–	–	18,884,000	27/5/2010	27/5/2011 – 26/5/2018	HKD5.68	–
	20,000,000	–	–	–	20,000,000	28/2/2011	28/2/2012 – 27/2/2019	HKD9.00	–
	79,337,000	–	6,939,000	–	72,398,000				

Other than as disclosed above, no other share option was granted, cancelled, lapsed or exercised pursuant to the Share Option Scheme and Post Listing Scheme of the Company during the period ended 31 December 2011.

Code on Corporate Governance Practices

The Directors, where practicable for an organisation of the Group's size and nature, sought to comply with the UK 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:–

1. Directors;

2. Directors' Remuneration;

3. Accountability and Audit;

4. Relations with Shareholders; and

5. Institutional Investors.

In connection with the listing of the Company on the HKEx in November 2009, the Company adopted the code provisions set out in the Code on Corporate Governance Practices ("Code") contained in Appendix 14 to the HKEx Listing Rules as its additional code on corporate governance practices on 17 November 2009. The Company complied with applicable code provisions in the Code throughout six months ended 31 December 2011, with deviation(s) listed 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.

Compliance with the Model Code for Securities Transactions by Directors of Listed Issuers

The Company has adopted a code for Directors' dealings appropriate for a company whose shares are admitted to trading on AIM and takes all reasonable steps to ensure compliance by the Directors and any relevant employees. The Company also adopted the Model Code for Securities Transactions by Directors of Listed Issuers ("Model Code") set out in Appendix 10 to the HKEx Listing Rules. The Directors have confirmed, following a specific enquiry by the Company, that they have fully complied with the required standard as set out in the Model Code throughout the period ended 31 December 2011.

INFORMATION OF DIRECTOR

There were no substantial changes to the information of Directors as disclosed on pages 20 to 22 of the 2011 Annual Report except for non-executive director Hon Peregrine Moncreiffe.

Hon Peregrine Moncreiffe, age 60, was appointed to the Board on 1 February 2006 by Metage Funds Limited and Metage Special Emerging Markets Fund Limited, acting jointly, pursuant to the terms of the convertible bonds issued by the Company on 14 July 2005. Mr. Moncreiffe owns less than 2% interests in each of Metage Funds Limited and Metage Special Emerging Markets Fund Limited. Mr. Moncreiffe is also on the board of Metage Funds Limited and Metage Special Emerging Markets Fund Limited. After graduating from Oxford University, Mr. Moncreiffe spent much of his career in investment management and banking in London, New York and East Asia. Mr. Moncreiffe has worked for Credit Suisse First Boston Group, and was a managing director of Lehman Brothers in New York before helping to found Buchanan Partners, a London based investment company of which he was chief executive. He currently serves as Chairman of North Atlantic Smaller Companies Investment Trust Plc and director of NR Nordic and Russia Properties Ltd.

REVIEW OF FINANCIAL STATEMENTS

The Audit Committee comprises of three independent non-executive directors. Mr. Ma Chiu Cheung, Andrew acts as Chairman of the committee with Mr. Nicholas Smith and Mr. Yang Zhenhan act as members. The arrangement of Audit Committee is in compliance with Rule 3.21 of the HKEx 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 unaudited financial statements for the period ended 31 December 2011.

PUBLICATION OF INTERIM REPORT

The interim report will be published on the respective websites of the Company (www.asian-citrus.com) under the investor relations section and the Hong Kong Exchanges and Clearing Limited (www.hkex.com.hk).

By Order of the Board of
Asian Citrus Holdings Limited
Tong Wang Chow
Chairman

Hong Kong, 24 February 2012