



ASIAN CITRUS HOLDINGS LIMITED



Corporate Presentation

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Introduction to Asian Citrus

Overview

- Asian Citrus is the single largest orange producer and plantation owner in the People's Republic of China (PRC)
- Two operational plantations occupying a total area of c.68sq.km of farmland with total of c.2.9 million trees planted
 - Hepu Plantation is fully operational with a replanting programme aiming at replacing winter orange trees with higher yielding and more disease resistance summer orange trees is scheduled at 5% per annum
 - Xinfeng Plantation is also fully operational with its first commercial harvest since November 2007
 - Temperature, sunshine, soil, water retention levels and topography conducive to growing oranges
 - Both plantations were accredited as "Organic Products" by the China Organic Food Certification Centre in 2008
- Produce both summer (Valencia) and winter (various species including Navel) oranges
- Expansion of sales to supermarkets (about 35,000 tonnes in FY2007/08 and about 43,000 tonnes in FY2008/09 with expanded sale coverage to Beijing and Guizhou Province for FY2008/09)
- Basic infrastructure of the Group's third plantation in the Dao County of Hunan Province commenced in FY2008/09 with an aim to plant 2.4 million orange trees upon completion in an area of approximately 35 sq.km
- Continued to expand the saplings nursery function by setting up a new nursery centre at Hunan Plantation and commenced the sales of self-bred saplings to local farmers in FY2008/09



Introduction to Asian Citrus (con't)

Asian Citrus operations

- Operate in accordance with international standards
- Two operational plantation bases in PRC, approximately 68 sq. km of land in total and over 2.9 million orange trees planted
- New plantation in Hunan

Hunan Plantation Base

- Area of c.35 sq. km
- Proposed for plantation of c.2.4 million orange trees
- Nursery

Hepu Plantation Base (Guangxi)

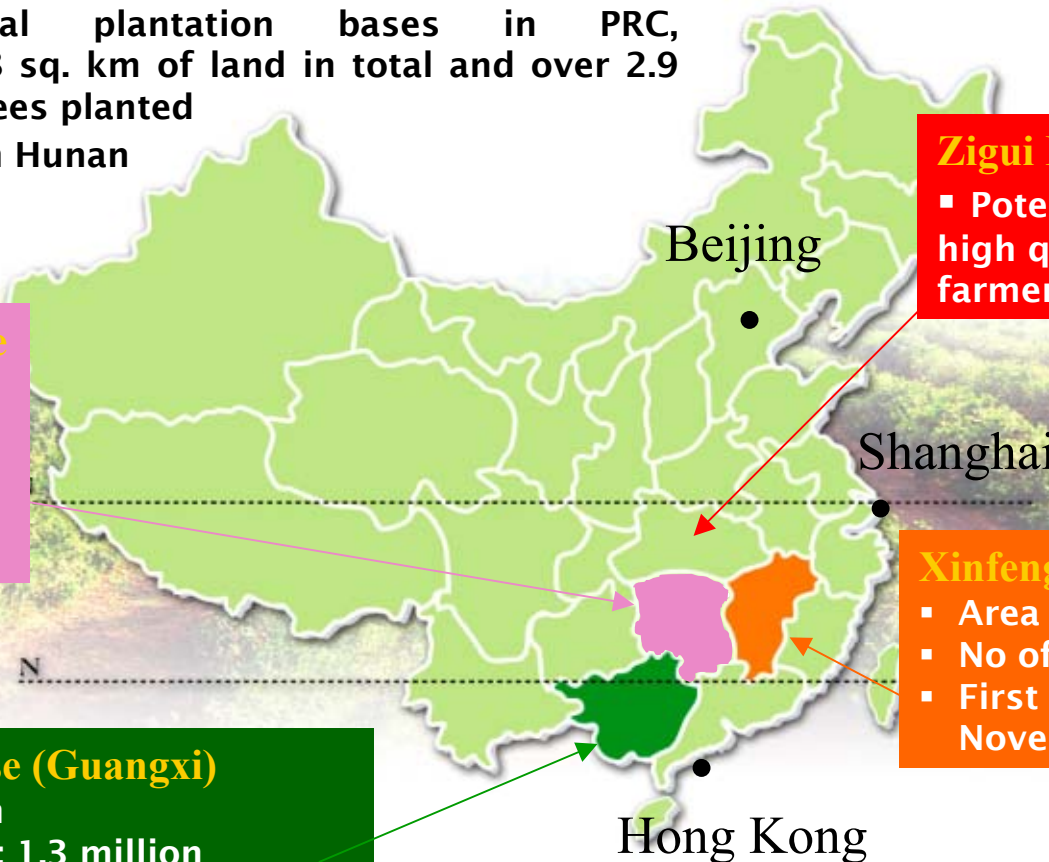
- Area of c.31 sq. km
- No of orange trees: 1.3 million
- Main operating and plantation base
- Nursery

Zigui Base (Hubei)

- Potential sourcing of additional high quality oranges from local farmers

Xinfeng Plantation Base (Jiangxi)

- Area of c.37 sq. km
- No of orange trees: 1.6 million
- First commercial harvest in November 2007

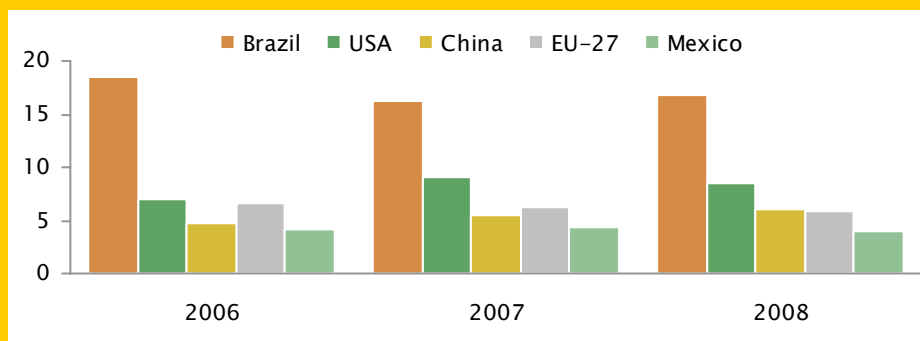


Growth potential of the PRC orange market

Characteristics of the PRC orange market

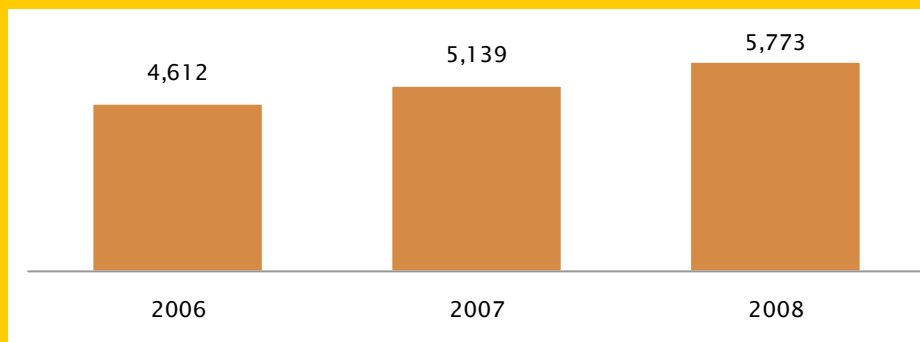
- Rapid growth compared with other global producers, particularly since 1980s
- Increasing domestic consumption
- Low cost agricultural labour
- Fragmented and generally small scale plantations
- Limited supply of high quality domestic oranges
- Competitive advantage over importers due to lower production costs, and no VAT and import tariffs

Global production of oranges (m tonnes)



Source: USDA estimates (2009)

Total orange consumption in PRC ('000 tonnes)



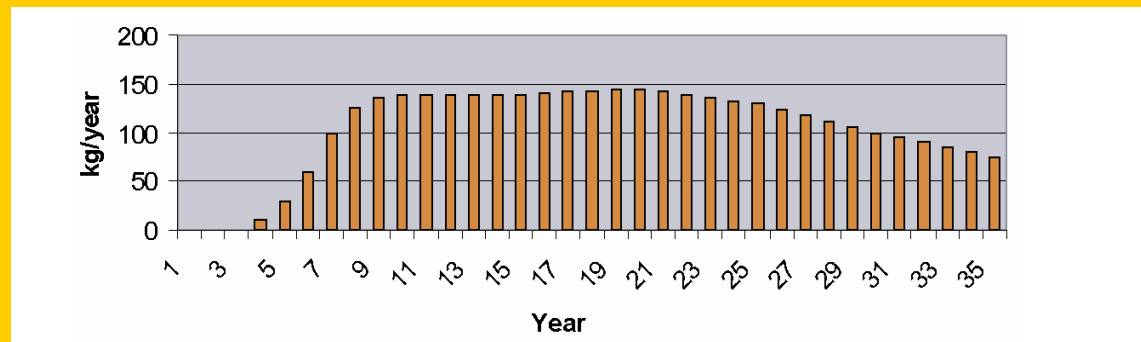
Source: USDA estimates (2009)



Increasing yields

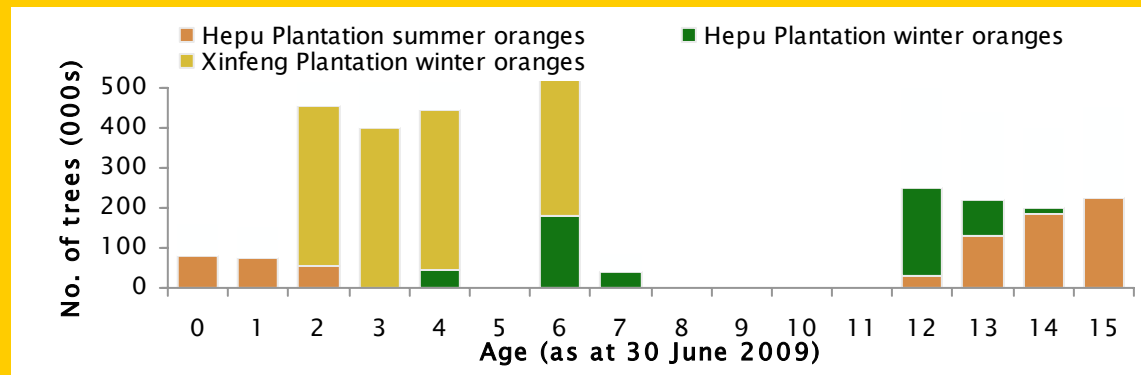
- Average production life of an orange tree commences after 4 years and lasts for over 30 years
- Inherent benefit from maturing plantations
 - Orange output grows until reaching full maturity at around 10 years
 - Volume increased by 83% from 83,170 in 2004 to 152,059 tonnes in 2009
- As at 30 June 2009
 - c.50% of trees aged five years or less
 - Hepu—average age: c.9.8 years
 - Xinfeng—average age: c.3.8 years
- More trees in Xinfeng Plantation will reach orange bearing age
 - 3rd batch of 400,000 trees will start its trial crops in winter 2009
 - Final batch of 400,000 trees will start its trial crops in winter 2010

Orange tree yields and maturity profile



Source: "Citrology" by China Agricultural press (1996)

Age of trees in the Group's plantations



Seasonal production of high-quality oranges

Summer oranges March to May

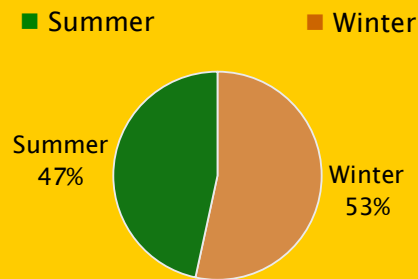
Winter oranges October to December



Timeline relates to the existing Hepu Plantation and Xinfeng Plantation with the expected Hunan Plantation harvest period superimposed for illustrative purposes only (demonstrating the extension of the harvesting season). The first harvest at Hunan Plantation is not expected before 2014.

- Peak harvesting period
- Harvesting period
- Expected Hunan Plantation harvest period

Orange production (tonnes) (FY2008/09)



Source: Annual Report

Pricing

- Positive wholesaling pricing environment
- 40—50% premium achieved for supermarket sales over wholesale
- Prices dependent on availability and quality

- Xinfeng Plantation produces winter oranges (Navel) only
- Hunan Plantation is anticipated to be planted with summer oranges with different ripening period to extend harvesting season

- 3.2% increase in average selling prices for the year ended 30 June 2009



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Key strengths

Key factors

- Well located plantations, high quality oranges and inherent growth potential
 - US varieties of oranges
 - 50% of trees aged 5 years or less driving medium-term growth
 - Increasing maturity of orange trees in the Xinfeng Plantation and more trees reached orange bearing age, yielding approximately 27,665 tonnes for FY2008/09, representing a growth of 173% from FY2007/08
- Significant anticipated market demand
 - Economic growth
 - Demand for higher quality oranges
- Strong research and development capacity
 - In-house research and development team
 - Development of new orange species of better yields and quality
- Barriers to entry
 - Significant capital requirements
 - Time to plantation maturity
 - Land lease procedures
- Scale advantage over domestic competition
 - Competitors are small and market is fragmented
 - Benefits of well established production, sales, marketing and brand development
- Price and cost advantages over imports
 - Low labour costs
 - Low land and transportation costs
 - No import tax or VAT
- Experienced management team



Strategy

Strategy

- Increasing profitability through growing sales to supermarkets
- Increasing production volumes and sourcing from third parties
- Expanding vertically
 - Juicing
 - Nursery
- Building a national brand
- Investing to capitalise on market growth
 - Hunan Plantation
 - Juicing
 - Investing beyond existing orange production business



Investing to capitalise on market growth

Hunan Plantation

- Basic infrastructure of Hunan Government commenced in FY2008/09 with nursery expected to be completed in September 2009
 - Plantation details
 - Located in Dao County of Hunan province
 - c.35sq.km
 - c.2.4 million trees (vs 1.6 million at Xinfeng and 1.3 million at Hepu)
 - Favourable topography, soil and weather conditions
 - Anticipated timetable
 - Completion by 2013
 - First commercial harvest in 2014
 - Anticipated total cost of approximately RMB572.3 million (HK\$650 million)

Juicing

- Limited availability of fresh orange juice in PRC, therefore significant growth potential
- Increasing disposable income and health awareness in PRC, thus significant demand
- Strategy being finalised
- Entered contract with a sub-contractor with an aim to launch of the Group's own-branded freshly-squeezed juice in Guangdong
- Discussions with third parties to explore possible strategic co-operation for not-from-concentrate juices



Investing to capitalise on market growth (cont.)

Investing beyond existing orange production business

- Investing in brand
 - Drives demand
 - Supports increased pricing
- Driving supermarket sales
 - Enhancing refrigeration and processing facilities
- Sourcing of additional oranges from third parties
 - Provides low capital intensive growth
- Established nursery in Hepu and new nursery in Hunan
 - Production capacity of more than 3m self-bred saplings every 12 -18 months
 - Principally to satisfy own requirements
 - Sale to third parties with surplus supply and proposed first right of refusal over produce

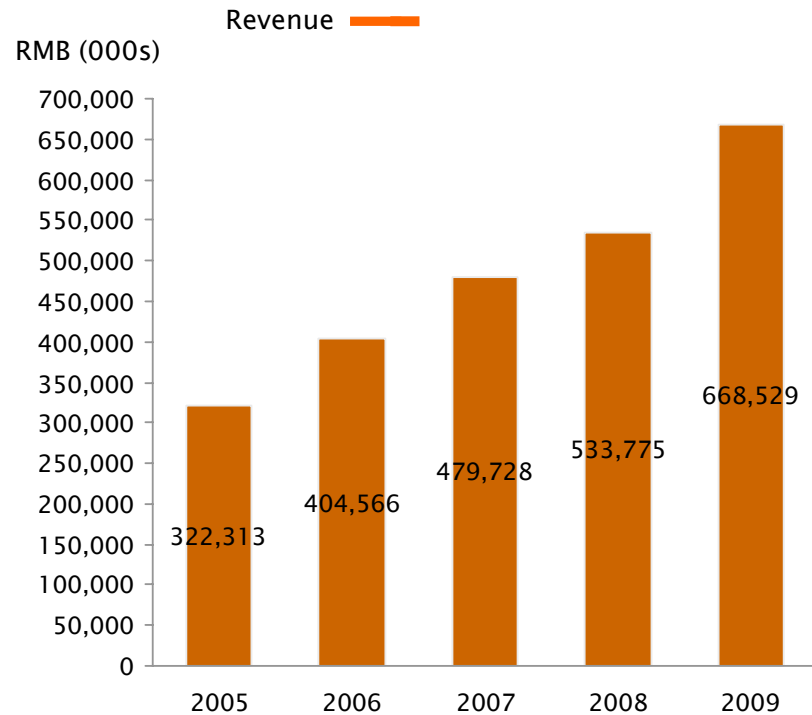


Strengthening market and competitive position



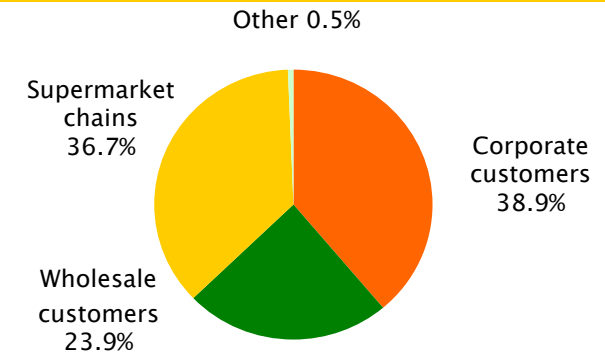
Revenue driven by increasing volume and average selling price

Revenue progression

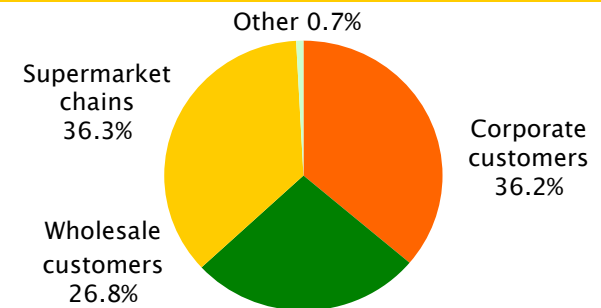


FY 05 - 09 CAGR: 20.0%

Revenue by customers—FY 2008/09*



Revenue by customers—FY 2007/08*



* Calculated as % of revenue from sale of oranges



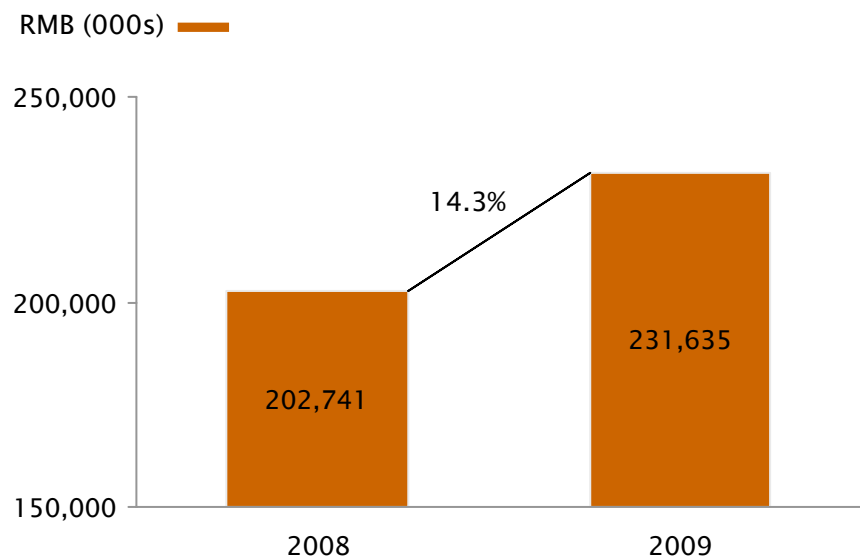
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Pre-tax profit growth and strong operating cash inflow

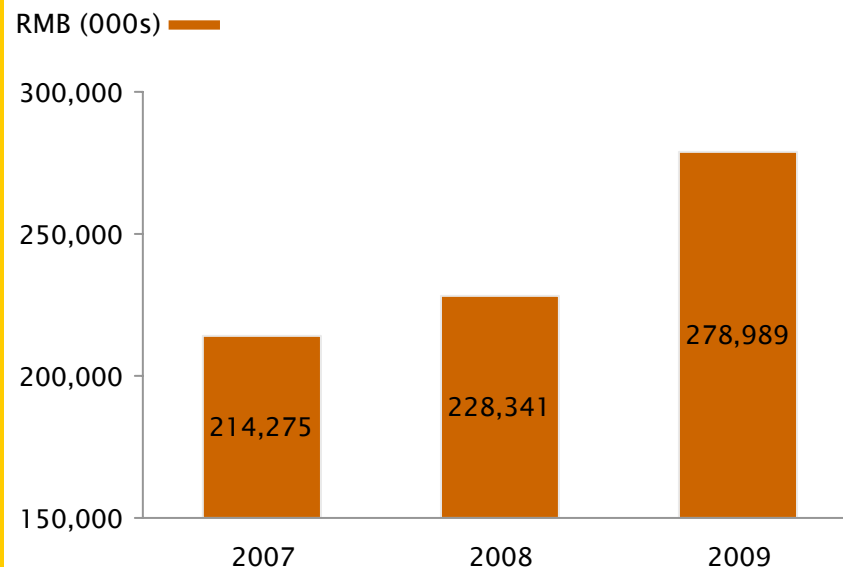
Profit before tax*



- Starting from 1 January 2008, the Group's income from growing and selling oranges will be exempted from EIT according to the new PRC Enterprise Income Tax Law.

* Adjusted to exclude biological gain and corresponding tax effect

Strong operating cash inflow

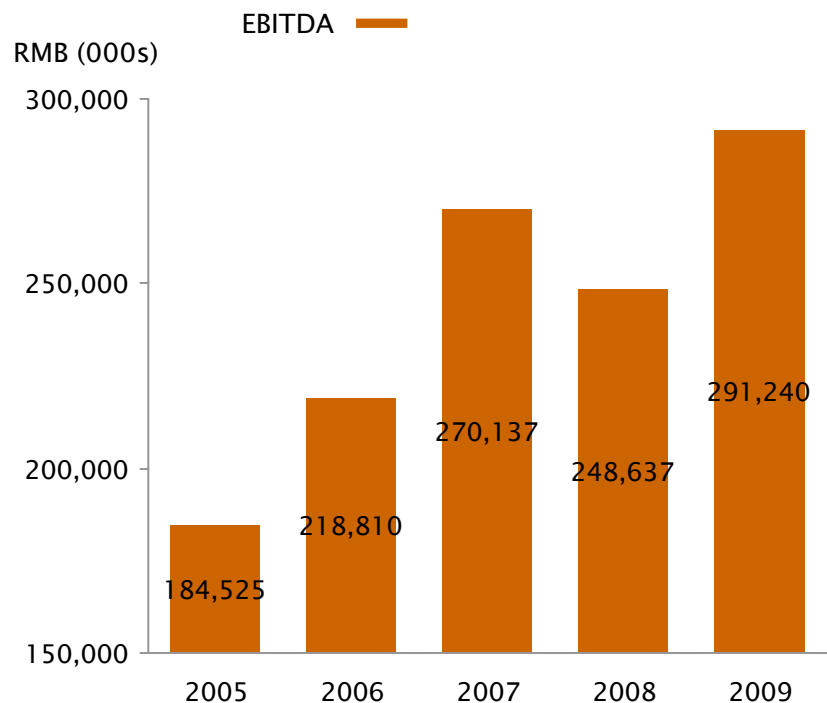


- Capital expenditure has been principally on Xinfeng Plantation over this period.



EBITDA growth in last five years

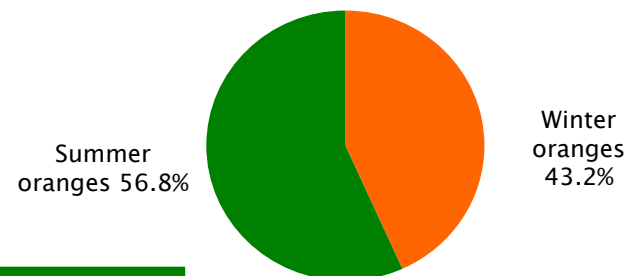
EBITDA*



FY 05 - 09 CAGR: 12.1%

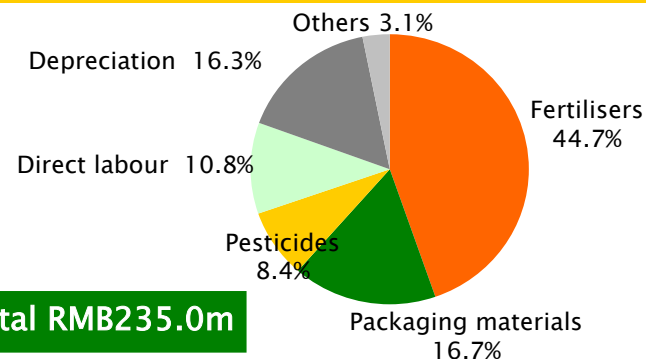
* Adjusted to exclude biological gain and corresponding tax effect

Revenue by type breakdown—FY 2009



Total RMB634.9m

Cost of sales breakdown FY 2009



Total RMB235.0m



Key Highlights – Annual results

Reported financial information

| | Jun 2009 (RMBm) | Jun 2008 (RMBm) | % change |
|--------------------------|--------------------|--------------------|----------|
| Revenue | 668.5 | 533.8 | +25.2 |
| EBITDA | 501.9 | 413.6 | +21.3 |
| Profit before tax | 442.3 | 367.7 | +20.3 |
| Net profit | 440.1 | 399.3 | +10.2 |
| Basic EPS (RMB) | 5.81 | 5.38 | +8.0 |
| Dividend per share (RMB) | 0.8 | 0.8 | – |

Reported financial information adjusted to exclude biological gain

| | | | |
|-------------------|-------|-------|-------|
| EBITDA | 291.2 | 248.6 | +17.1 |
| Profit before tax | 231.6 | 202.7 | +14.3 |
| Net profit | 229.4 | 234.3 | –2.1 |
| Basic EPS (RMB) | 3.03 | 3.16 | –4.1 |



Key Highlights – Annual results

| Reported financial information | Jun 2009 (£m*) | Jun 2008 (£m*) | % Change # |
|---|---------------------------|---------------------------|-------------------|
| Revenue | 58.8 | 39.0 | +50.8 |
| EBITDA | 44.1 | 30.2 | +46.0 |
| Profit before tax | 38.9 | 26.8 | +45.1 |
| Net profit | 38.7 | 29.1 | +33.0 |
| Basic EPS (GBP) | 51.1p | 39.3p | +30.0 |
| Dividend per share (GBP) | 7.0p | 5.8p | +20.7 |
| Reported financial information adjusted to exclude biological gain | | | |
| EBITDA | 25.6 | 18.1 | +41.4 |
| Profit before tax | 20.4 | 14.8 | +37.8 |
| Net profit | 20.2 | 17.1 | +18.1 |
| Basic EPS (GBP) | 26.6p | 23.1p | +15.2 |

The exchange rate changed significantly during the period

*Conversion at £1 = RMB11.37 and RMB13.70 for the year ended 30 June 2009 and 2008 respectively for reference only



Operational Highlights – Annual Results

Operational highlights

- Revenues from the sales of oranges up 20.5% to RMB634.9m, achieved by an increase of 16.7% in production and a 3.2% increase in average selling price
- Revenues from the sales of retail units in Xinfeng Development was RMB31.3m (FY2007/08: RMB6.8m) with gross margin of 24.4% (FY2007/08: 19.4%)
- Revenues from the first sales of self-bred saplings was RMB2.2m
- Gross profit increased by 14.0% to RMB409.2m with an overall profit margin of 61.2% (FY2007/08: 67.3%)
- Profit before tax* increased by 14.3% to RMB 231.6m
- Continued increase in the volume sold to higher margin supermarket customers to 42,977 tonnes (FY2007/08: 35,303 tonnes)
- Signed new contracts with two new supermarket customers in Beijing and Guizhou province
- Commenced the commercial sales of self-bred saplings to local farmers during the year with reciprocal agreements with the farmers offering the Group the first right to purchase their oranges

* Adjusted to exclude biological gain and corresponding tax effect



Operational Highlights – Annual Results

Hepu Plantation

- Fully developed with approximately 1.3m orange trees, of which approximately 1.2m trees were fruit-bearing
- Production increased by 3.5% to 124,394 tonnes (FY2007/08: 120,189 tonnes)
- Gross margin decreased slightly to 68.6% (FY2007/08: 69.9%)
- Replanting underway with approximately 80,000 new summer orange trees planted

Xinfeng Plantation

- Fully developed with 1.6m winter orange trees
- Production increased by 173.4% to 27,665 tonnes from the first 800,000 (two batches of 400,000) winter orange trees (FY2007/08: 10,119 tonnes)
- Gross margin decreased to 29.1% (FY2007/08: 33.8%) as a result of the trial production of second batch of 400,000 trees
- Third batch of 400,000 winter oranges expected to start its trial crops in the winter of 2009
- Final batch of 400,000 orange trees expected to reach their fruit-bearing age in the winter of 2010



Operational Highlights – Annual Results

Hunan Plantation

- Commenced the basic infrastructure with RMB20.3 million invested during the year
- Started the construction work of a new nursery at Hunan Plantation which occupies approximately 7,000 square metres
- Plan is to plant a total of 2.4 million orange trees before the end of 2013



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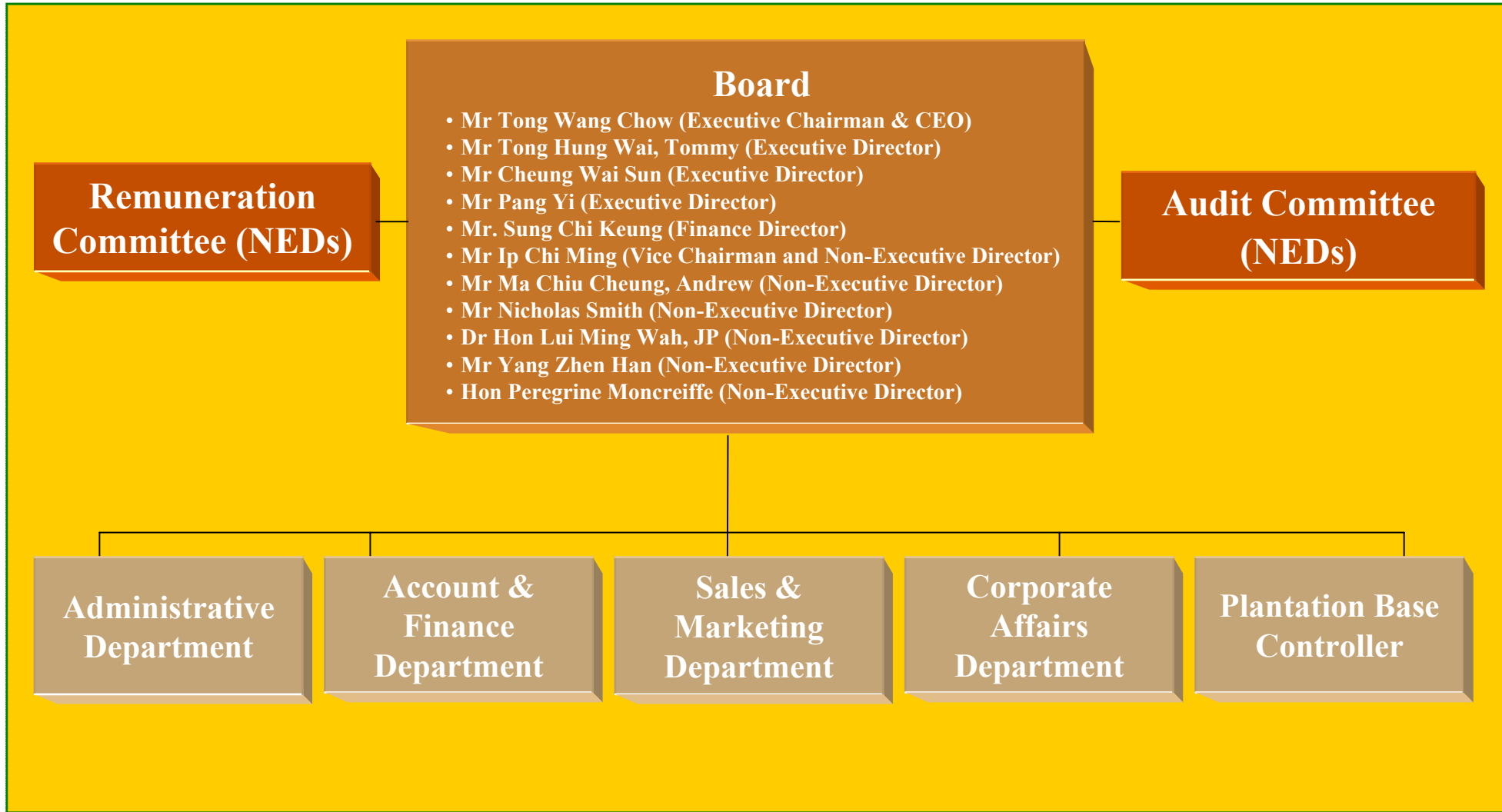
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Investment summary

- Leading producer in fragmented market benefiting from
 - Demand led growth
 - Increasing average selling prices
 - Low cost production
 - High margins
- Strong track record
 - Turnover up 20.0% CAGR over last 5 years
- Investment behind market growth
 - Anticipated increase in number of trees from 2.9 million as at 30 June 2009 to 5.3 million in 2013



Appendix I - Corporate Structure



Ownership Structure (as at 20 October 2009)

