

THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult your licensed securities dealer, or registered institution in securities, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in Asian Citrus Holdings Limited (the “**Company**”), you should at once hand this circular, together with the enclosed form of proxy, to the purchaser or other transferee or to the bank manager, licensed securities dealer or registered institution in securities, or other agent through whom the sale or transfer was effected for transmission to the purchaser or the transferee.

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this circular, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this circular.



ASIAN CITRUS HOLDINGS LIMITED

亞洲果業控股有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 73)

**(1) PROPOSED CAPITAL REORGANISATION; AND
(2) NOTICE OF SPECIAL GENERAL MEETING**

Financial adviser to the Company



紅日資本有限公司
RED SUN CAPITAL LIMITED

Capitalized terms used in the lower portion of this cover page shall have the same respective meanings as those defined in the section headed “Definitions” in this circular.

A letter from the Board is set out on pages 6 to 14 of this circular.

A notice convening the special general meeting of the Company to be held on Monday, 19 February 2024 at 10:30 a.m. at United Conference Centre, Level 10, United Centre, 95 Queensway, Admiralty, Hong Kong (the “**SGM**”), is set out on pages 15 to 18 of this circular. A form of proxy for use at the SGM is enclosed with this circular.

A form of proxy for use at the SGM is enclosed with this circular. If you are a Shareholder and are not able to attend the SGM, you are requested to complete and return the accompanying form of proxy in accordance with the instructions printed thereon and any power of attorney or other authority (if any) under which it is signed, or a certified copy of that power of attorney, to Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong not less than 48 hours before the time appointed for holding the SGM, or to Computershare Investor Services (Jersey) Limited, c/o The Pavilions, Bridgwater Road, Bristol BS99 6ZY, United Kingdom by 5:00 p.m. (UK time) on Wednesday, 14 February 2024. Completion and return of the form of proxy will not preclude Shareholders from attending and voting in person at the SGM, or any adjournment thereof, should they so wish and in such event the form of proxy shall be deemed to be revoked.

* *For identification purposes only*

CONTENTS

	<i>Page</i>
DEFINITIONS	1
EXPECTED TIMETABLE	4
LETTER FROM THE BOARD	6
NOTICE OF SGM	15

DEFINITIONS

In this circular, unless the context otherwise requires, the following expressions have the following meanings:

“Accumulated Losses”	the accumulated losses of the Company as at the effective date of the Capital Reorganisation
“Announcement”	the announcement of the Company dated 14 December 2023 in relation to, among others, the proposed Capital Reorganisation
“Announcements”	the Announcement and the Supplemental Announcement
“Board”	the board of Directors
“business day”	any day on which the Stock Exchange generally is open for business of dealing in securities in Hong Kong. For the avoidance of doubt, where the Stock Exchange is closed for the business of dealing in securities in Hong Kong on a business day by reason of a Number 8 or higher typhoon signal or “extreme conditions” caused by super typhoons is announced by the Government of Hong Kong or black rainstorm warning or other similar event, such day shall for the purposes of this circular be counted as a business day
“Bye-Laws”	the bye-laws of the Company for the time being adopted by the Company and as amended from time to time
“Capital Reduction”	the reduction of the issued share capital of the Company by (a) eliminating any fraction of a Consolidated Share in the issued share capital of the Company arising from the Share Consolidation in order to round down the total number of Consolidated Shares to a whole number; and (b) cancelling the paid-up share capital of the Company to the extent of HK\$1.99 per issued Consolidated Share such that the nominal value of each issued Consolidated Share be reduced from HK\$2.00 to HK\$0.01
“Capital Reorganisation”	the proposed share capital reorganisation, including the Share Consolidation, the Capital Reduction, the Sub-division and the Share Premium Reduction
“CCASS”	the Central Clearing and Settlement System established and operated by HKSCC
“CCASS Operational Procedures”	the Operational Procedures of HKSCC in relation to CCASS, containing the practices, procedures and administrative requirements relating to operations and functions of CCASS, as from time to time

DEFINITIONS

“Companies Act”	the Companies Act 1981 of Bermuda, as amended from time to time
“Company”	Asian Citrus Holdings Limited, a company incorporated in Bermuda with limited liability and whose Shares are listed on the Main Board of the Stock Exchange (Stock Code: 73)
“Consolidated Share(s)”	ordinary share(s) of HK\$2.00 each in the share capital of the Company after the Share Consolidation becoming effective
“Director(s)”	the director(s) of the Company
“Existing Share(s)”	ordinary share(s) of HK\$0.01 each in the existing share capital of the Company prior to the Share Consolidation becoming effective
“General Rules of CCASS”	the terms and conditions regulating the use of CCASS, as may be amended or modified from time to time and where the context so permits, shall include the CCASS Operational Procedures
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollar(s), the lawful currency of Hong Kong
“HKSCC”	the Hong Kong Securities Clearing Company Limited
“Hong Kong”	Hong Kong Special Administrative Region of the People’s Republic of China
“Latest Practicable Date”	17 January 2024, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information contained herein
“Listing Committee”	has the same meaning ascribed thereto under the Listing Rules
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Main Board”	the main board of the Stock Exchange
“New Share(s)”	ordinary share(s) with a par value of HK\$0.01 each in the share capital of the Company immediately following the Capital Reorganisation becoming effective

DEFINITIONS

“PRC”	the People’s Republic of China, and for the purpose of this circular only, excluding Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
“RMB”	Renminbi, the lawful currency of the PRC
“SGM”	the special general meeting of the Company to be convened and held for the Shareholders to consider and, if thought fit, approve the Capital Reorganisation
“Share(s)”	the Existing Share(s), the Consolidated Share(s) or the New Share(s), as the content may require
“Share Consolidation”	the proposed consolidation of every two hundred (200) issued and unissued Shares with a par value of HK\$0.01 each into one (1) Consolidated Share with a par value of HK\$2.00
“Share Premium Account”	the share premium account of the Company
“Share Premium Reduction”	the proposed reduction of the entire amount standing to the credit of the Share Premium Account of the Company to nil
“Shareholder(s)”	registered holder(s) of the Existing Share(s) and/or the Consolidated Share(s), as the case may be
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Sub-division”	the sub-division of each authorised but unissued Consolidated Share of par value of HK\$2.00 each into two hundred (200) New Shares of par value of HK\$0.01 each
“Supplemental Announcement”	the supplemental announcement of the Company dated 27 December 2023 in relation to, among others, the revised timetable of the proposed Capital Reorganisation
“%”	per cent.

For reference only, an exchange rate of RMB1 to HK\$1.075 has been used for the conversion of Renminbi into Hong Kong dollars in this circular.

EXPECTED TIMETABLE

The expected timetable for the Capital Reorganisation is set out below. The expected timetable is subject to the results of the SGM and satisfaction of the respective conditions to the Capital Reorganisation, and is therefore for indicative purpose only. Any changes to the expected timetable will be announced in a separate announcement by the Company as and when appropriate.

Save where otherwise specified, all times and dates in this circular refer to Hong Kong local times and dates.

Event	Time and Date
Despatch date of circular with notice of the SGM	Monday, 22 January 2024
Latest date and time for lodging transfers of the Existing Shares for attending and voting at the SGM	4:30 p.m. on Friday, 9 February 2024
Closure of register of members for the entitlements to attend and vote at the SGM	Wednesday, 14 February 2024 to Monday, 19 February 2024 (both days inclusive)
Latest time for lodging forms of proxy for the SGM	10:30 a.m. on Saturday, 17 February 2024
Date and time of the SGM	10:30 a.m. on Monday, 19 February 2024
Publication of the announcement of poll results of the SGM	Monday, 19 February 2024

The following events are conditional on the fulfilment of the conditions for the implementation of the Capital Reorganisation and therefore the dates are tentative only:

Event	Time and Date
Expected effective date of the Capital Reorganisation	Wednesday, 21 February 2024
First day of free exchange of existing share certificates for new share certificates for the New Shares	Wednesday, 21 February 2024
Dealing in the New Shares commences	9:00 a.m. on Wednesday, 21 February 2024
Original counter for trading in the Existing Shares in board lot of 1,000 Shares (in the form of existing share certificates) temporarily closes	9:00 a.m. on Wednesday, 21 February 2024

EXPECTED TIMETABLE

Event	Time and Date
Temporary counter for trading in the New Shares in board lot of 5 New Shares (in the form of existing share certificates) opens	9:00 a.m. on Wednesday, 21 February 2024
Original counter for trading in the New Shares in board lot of 1,000 New Shares (in the form of new share certificates) re-opens	9:00 a.m. on Wednesday, 6 March 2024
Parallel trading in the New Shares (in the form of new share certificates in board lot of 1,000 New Shares and existing share certificates in board lot of 5 New Shares) commences.....	9:00 a.m. on Wednesday, 6 March 2024
Designated broker starts to stand in the market to provide matching services for the sale and purchase of odd lots of New Shares	9:00 a.m. on Wednesday, 6 March 2024
Designated broker ceases to stand in the market to provide matching services for the sale and purchase of odd lots of New Shares	4:00 p.m. on Tuesday, 26 March 2024
Temporary counter for trading in board lot of 5 New Shares (in the form of existing share certificates) closes.....	4:10 p.m. on Tuesday, 26 March 2024
Parallel trading in the New Shares (in the form of new share certificates in board lot of 1,000 New Shares and existing share certificates in board lot of 5 New Shares) ends	4:10 p.m. on Tuesday, 26 March 2024
Latest date and time for free exchange of existing share certificates for new share certificates for the New Shares.....	4:30 p.m. on Thursday, 28 March 2024

LETTER FROM THE BOARD



ASIAN CITRUS HOLDINGS LIMITED

亞洲果業控股有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 73)

Executive Director:

Ms. Li Ziyang (*Chairman*)

Non-executive Director:

Mr. James Francis Bittl

Independent non-executive Directors:

Mr. Liu Ruiqiang

Mr. Wang Tianshi

Ms. Liu Jie

Registered office:

Clarendon House

2 Church Street

Hamilton

Bermuda HM11

*Principal place of business
in Hong Kong:*

Room 2510, 25/F

Arion Commercial Centre

2–12 Queen's Road West

Sheung Wan

Hong Kong

22 January 2024

To the Shareholders

Dear Sir or Madam,

**(1) PROPOSED CAPITAL REORGANISATION; AND
(2) NOTICE OF SPECIAL GENERAL MEETING**

INTRODUCTION

Reference is made to the Announcements in relation to the proposed Capital Reorganisation.

The purpose of this circular is to provide you with information regarding the proposed Capital Reorganisation, together with a notice convening the SGM for the purpose of considering, and if thought fit, approving the resolutions to be proposed.

* *For identification purposes only*

LETTER FROM THE BOARD

PROPOSED CAPITAL REORGANISATION

As at the Latest Practicable Date, the authorised share capital of the Company is HK\$50,000,000 divided into 5,000,000,000 Shares of a par value of HK\$0.01 each, of which 2,980,105,859 Shares have been issued and are fully paid or credited as fully paid. The Board proposes the Capital Reorganisation to be implemented in the following manner:

- (i) the Share Consolidation whereby every two hundred (200) issued and unissued Existing Shares of par value of HK\$0.01 each will be consolidated into one (1) Consolidated Share of par value of HK\$2.00 each;
- (ii) immediately following the Share Consolidation becoming effective, the Capital Reduction whereby the issued share capital of the Company will be reduced from an amount of HK\$29,801,058.59 by an amount of HK\$29,652,053.30 to an amount of HK\$149,005.29 such that the par value of each issued Consolidated Share be reduced from HK\$2.00 to HK\$0.01 by (a) an elimination of any fraction of a Consolidated Share arising from the Share Consolidation in order to round down the total number of the Consolidated Shares to a whole number; and (b) a cancellation of HK\$1.99 of the paid-up capital of the Company on each issued Consolidated Share so that each issued Consolidated Share will be treated as one (1) fully paid-up share of par value HK\$0.01 each in the share capital of the Company;
- (iii) immediately following the Share Consolidation becoming effective, the Sub-division, whereby each authorised but unissued Consolidated Shares (including the authorized unissued Consolidated Shares arising from the Capital Reduction) be subdivided into two hundreds (200) authorised but unissued New Shares of par value HK\$0.01 each so that immediately following the Capital Reorganisation, the authorised share capital of the Company shall remain HK\$50,000,000 divided into 5,000,000,000 New Shares;
- (iv) immediately following the Capital Reduction and Sub-division becoming effective, the Share Premium Reduction, whereby the entire amount standing to the credit of the Share Premium Account will be reduced to nil; and
- (v) upon the Capital Reorganisation becoming effective, the credits arising from the Capital Reduction of HK\$29,652,053.30 and the Share Premium Reduction of approximately HK\$4,077,782,700 (equivalent to approximately RMB3,793,370,000) will be transferred to the contributed surplus account of the Company within the meaning of the Companies Act to then be applied to set off the Accumulated Losses of the Company or be applied by the Board in a manner as permitted by the Bye-Laws and all applicable laws of Bermuda from time to time without further authorisation from the Shareholders.

Each of the New Shares arising from the Capital Reorganisation shall rank *pari passu* in all respects with each other in accordance with the Bye-Laws.

LETTER FROM THE BOARD

Conditions of the Capital Reorganisation

The Capital Reorganisation is conditional on the following conditions being fulfilled:

- (i) the passing of a special resolution by the Shareholders at the SGM to approve the Capital Reorganisation;
- (ii) the Listing Committee granting the approval for listing of, and permission to deal in, the New Shares in issue and to be issued upon the Capital Reorganisation becoming effective;
- (iii) the compliance with the relevant procedures and requirements under the Companies Act and applicable laws of Bermuda to effect the Capital Reorganisation, which includes the Directors being satisfied that on the date the Capital Reorganisation is to take effect, there are no reasonable grounds for believing that the Company is, or after the Capital Reorganisation would be, unable to pay its liabilities as they become due;
- (iv) the compliance with the relevant procedures and requirements under the Bye-Laws, the laws of Bermuda and the Listing Rules to effect the Capital Reorganisation; and
- (v) the obtaining of all necessary approvals from the regulatory authorities or otherwise as may be required in respect of the Capital Reorganisation.

The Capital Reorganisation will become effective when the conditions mentioned above are fulfilled. As at the Latest Practicable Date, none of the above conditions have been fulfilled.

Fractional entitlement to New Shares

Fractional New Shares arising from the Capital Reorganisation, if any, will be disregarded and will not be issued to the Shareholders but all such fractional New Shares will be aggregated and, if possible, sold for the benefits of the Company.

The Shareholders concerned about losing out on any fractional entitlement are recommended to consult their professional advisers and may wish to consider the possibility of buying or selling the Existing Shares in a number sufficient to make up an entitlement to receive a whole number of the New Shares.

Arrangement on odd lot trading and matching services

In order to facilitate the trading of odd lots (if any) of the New Shares, the Company has appointed an agent to provide matching services, on a best-effort basis, to those Shareholders who wish to acquire odd lots of the New Shares to make up a full board lot, or to dispose of their holding of odd lots of the New Shares during the period from 9:00 a.m. on Wednesday, 6 March 2024 to 4:00 p.m. on Tuesday, 26 March 2024. Shareholders who wish to take advantage of this service should contact Mr. Leung Siu Wa of Cinda International Securities Limited at 45/F Cosco Tower, 183 Queen's Road Central, Hong Kong or at telephone number

LETTER FROM THE BOARD

(852) 2235 7801 during office hours (i.e. 9:00 a.m. to 6:00 p.m.) of such period. Shareholders are recommended to make an appointment in advance by dialing the telephone number of Cinda International Securities Limited as indicated above to trading of odd lots (if any) of the New Shares.

Shareholders should note that matching of the sale and purchase of odd lots of New Shares is not guaranteed. Shareholders, who are in any doubt about the odd lot arrangement, are recommended to consult their own professional advisers.

Effect of the Capital Reorganisation

Assuming there will be no change in the issued share capital of the Company from the Latest Practicable Date up to the date on which the Capital Reorganisation becoming effective, the share capital structure of the Company immediately after the Capital Reorganisation becoming effective will be as follows:

	As at the Latest Practicable Date	Immediately after the Share Consolidation becoming effective but prior to the Capital Reduction, the Sub-division and the Share Premium Reduction becoming effective	Immediately after the Capital Reorganisation becoming effective
Par value	HK\$0.01 per Existing Share	HK\$2.00 per Consolidated Share	HK\$0.01 per New Share
Amount of the authorised share capital	HK\$50,000,000	HK\$50,000,000	HK\$50,000,000
Number of authorised Shares	5,000,000,000 Existing Shares	25,000,000 Consolidated Shares	5,000,000,000 New Shares
Amount of the issued share capital	HK\$29,801,058.59	HK\$29,801,258.59	HK\$149,005.29
Number of issued shares	2,980,105,859 Existing Shares	14,900,529.295 Consolidated Shares	14,900,529 New Shares

As at the Latest Practicable Date, 2,980,105,859 Shares have been issued and are fully paid or credited as fully paid. Immediately upon the Capital Reduction and the Share Premium Reduction becoming effective and assuming there will be no change in the issued share capital of the Company from the Latest Practicable Date up to and including the effective date of the Capital Reorganisation, the authorised share capital of the Company will be HK\$50,000,000 divided into 5,000,000,000 New Shares of par value of HK\$0.01 each, of which 14,900,529 New Shares would have been issued as fully paid or credited as fully paid. The New Shares will rank *pari passu* in all respects with each other.

LETTER FROM THE BOARD

Exchange of new share certificates for the New Shares

Subject to the Capital Reorganisation becoming effective, Shareholders may submit the share certificates for the Existing Shares (in green colour) to Computershare Hong Kong Investor Services Limited, at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong to exchange, at the expense of the Company, for new share certificates of the New Shares (in blue colour).

After 4:10 p.m. on Tuesday, 26 March 2024, trading will only be in New Shares which share certificates will be issued in blue colour. Existing share certificates in green colour for the existing Shares will cease to be valid for trading and settlement purpose, but will remain valid and effective as documents of title.

Application for listing of the New Shares

An application will be made by the Company to the Stock Exchange for the listing of, and the permission to deal in, the New Shares.

Subject to the granting of the listing of, and permission to deal in, the New Shares on the Stock Exchange, as well as compliance with the stock admission requirements of the HKSCC, the New Shares will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the commencement date of dealing in the New Shares on the Stock Exchange or such other date as determined by HKSCC. Settlement of transactions between participants of the Stock Exchange on any trading day is required to take place in CCASS on the second trading day thereafter. All activities under CCASS are subject to the General Rules of CCASS and CCASS Operational Procedures in effect from time to time. All necessary arrangements will be made for the New Shares to be admitted into CCASS established and operated by HKSCC.

At the time the Capital Reorganisation becomes effective, the New Shares in issue will not be listed or dealt in on any stock exchange other than the Stock Exchange, and no such listing or permission to deal is being or is proposed to be sought.

Adjustments in relation to other securities of the Company

The Company has adopted a share option scheme at the annual general meeting of the Company held on 30 December 2020 (the “**2020 Share Option Scheme**”), which is valid and effective for a period of 10 years commencing on 30 December 2020.

No share option was granted, cancelled or exercised or lapsed pursuant to the 2020 Share Option Scheme up to the Latest Practicable Date and none of the Directors or Chief Executive of the Company or their respective spouses or children under 18 years of age were granted or exercised any right to subscribe for any equity or debt securities of the Company or any of its associated corporations within the meaning of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) under the 2020 Share Option Scheme.

LETTER FROM THE BOARD

As at the Latest Practicable Date, the total number of Existing Shares that may be issued upon the maximum number of share options available to be granted and exercised under the 2020 Share Option Scheme shall be 149,005,293 representing approximately 5% of the entire issued share capital of the Company, and the Company had no outstanding share options under the 2020 Share Option Scheme.

Upon the Capital Reorganisation having become effective, the Company will be able to grant 745,026 share options under the 2020 Share Option Scheme, entitling the holder(s) thereof to subscribe for up to 745,026 New Shares.

Save for the above, the Company does not have any other derivatives, options, warrants, other securities or conversion rights or other similar rights which are convertible or exchangeable into any Shares.

Board lot size

The Existing Shares are currently traded on the Stock Exchange in the board lot size of 1,000 Existing Shares. Upon the Capital Reorganisation becoming effective, the board lot size for trading in the New Shares will remain as 1,000 New Shares.

Based on the closing price of HK\$0.019 per Existing Share (equivalent to the theoretical closing price of HK\$3.8 per New Share) as quoted on the Stock Exchange as at the Latest Practicable Date, the market value of each board lot of the Existing Shares is HK\$19 and the theoretical market value of each board lot of the new Shares, assuming the Capital Reorganisation had become effective, would be HK\$3,800.

REASONS FOR AND EFFECTS OF THE CAPITAL REORGANISATION

Pursuant to Rule 13.64 of the Listing Rules and with reference to the “Guide on Trading Arrangements for Selected Types of Corporate Actions” issued by the Stock Exchange on 28 November 2008 and updated on 1 October 2020 (the “**Stock Exchange Guide**”), (i) where the market price of the securities of an issuer approaches the extremities of HK\$0.01 or HK\$9,995.00, the issuer may be required either to change the trading method or to proceed with a consolidation or splitting of its securities; and (ii) the expected value per board lot should be greater than HK\$2,000. On this basis, the Board considers that it is appropriate to undertake the Capital Reorganisation.

For illustrative purposes only, with reference to the closing price of HK\$0.019 per Share as quoted on the Stock Exchange at the Latest Practicable Date, (i) the value of each board lot of 1,000 Shares would be HK\$19; and (ii) after the Capital Reorganisation becoming effective, the theoretical closing price per New Share would be HK\$3.8, and each board lot of 1,000 New Shares would be HK\$3,800, which complies with the market price of the securities of an issuer and the expected value per board lot as set out in the Stock Exchange Guide.

The Company has considered other alternative ratios for the Share Consolidation and have proposed the current consolidation ratio after taken into account factors, including, the recent notable market volatility, the size of board lot would make the Shares more marketable and suitable for trading by existing Shareholders and potential investors. If the consolidation ratio

LETTER FROM THE BOARD

is notably less than the proposed consolidation of every two hundred (200) issued and unissued Shares into one (1) Consolidated Share (the “**Proposed Consolidation Ratio**”), the value per board lot would be relatively close to or below the stipulated HK\$2,000 per board lot level as set out in the Stock Exchange Guide. If the consolidation ratio is notably higher than the Proposed Consolidation Ratio, the entry amount of one board lot of Shares may become too high and less attractive to existing Shareholders and/or potential investors and possibly leading to lower trading volume. On this basis, the Company considered that the Proposed Consolidation Ratio to be reasonable and appropriate. In view of the foregoing, the Company considers the Share Consolidation to be justifiable notwithstanding the potential costs and impact arising from creation of odd lots (if any) to Shareholders. The Board is of the view that the Share Consolidation is beneficial to and in the interests of the Company and the Shareholders as a whole.

It is expected that the Share Consolidation will increase the value of each board lot of the Consolidated Shares to more than the stipulated minimum board lot value of HK\$2,000 as set out by the Stock Exchange Guide. Therefore, the Board considers that the Share Consolidation are justifiable and in the interests to the Company and the Shareholders as a whole.

Based on the annual report of the Company for the year ended 30 June 2023, the Company recorded accumulated losses of approximately RMB3,662.1 million as at 30 June 2023. The Board intends to transfer all the credits arising from the Capital Reduction (i.e. HK\$29,652,053.30) and the Share Premium Reduction (i.e. HK\$4,077,782,700 (equivalent to approximately RMB3,793,370,000)) to the contributed surplus account of the Company within the meaning of the Companies Act upon the Capital Reduction and the Share Premium Reduction becoming effective, to then be applied in full to set off the Accumulated Losses of the Company.

The Board is of the opinion that the proposed Capital Reorganisation will enable the Company to offset part of its Accumulated Losses, provide the Company with greater flexibility to undertake any corporate exercise which requires the use of contributed surplus account in the future, subject to the Company’s then performance and when the Board considers that it is appropriate to do so in the future.

The Capital Reorganisation will reduce the par value of the Consolidation Shares from HK\$2.00 to HK\$0.01 each, which shall further enhance the Company’s flexibility to issue new shares in the future given under the laws of Bermuda, a company may not issue shares at a discount to the par value of its shares. It is important for Shareholders to note that, as at the Latest Practicable Date, there can be no assurance that any dividends will be declared or paid in the future, or that the Company will issue new shares, even if the Capital Reorganisation takes effect.

As such, the Directors are of the view that the Capital Reorganisation is in the interests of the Company and its Shareholders as a whole.

LETTER FROM THE BOARD

Save for applying the credit arising from the Capital Reduction and the Share Premium Reduction towards offsetting the Accumulated Losses and the expenses to be incurred in relation to the Capital Reorganisation, the Directors consider that the Capital Reorganisation will have no material effect on the underlying assets, business operations, financial position of the Company as a whole.

As at the Latest Practicable Date, the Company has no intention to carry out other corporate actions in the next 12 months which may have an effect of undermining or negating the intended purpose of the Capital Reorganisation, and the Company does not have any concrete plan to conduct any fund raising activities in the next 12 months. However, the Board cannot rule out the possibility that the Company will conduct debt and/or equity fund raising exercises when suitable fund raising opportunities arise in order to support future development of the Group. The Company will make further announcement in this regard in accordance with the Listing Rules as and when appropriate.

RECOMMENDATION

The Board considers that the proposed resolutions in relation to the Capital Reorganisation to be put forward at the SGM is in the best interests of the Company and the Shareholders as a whole. Accordingly, the Board recommends all Shareholders to vote in favour of the resolutions to be proposed at the SGM.

SGM

The SGM will be held at United Conference Centre, Level 10, United Centre, 95 Queensway, Admiralty, Hong Kong on Monday, 19 February 2024 at 10:30 a.m. for the purpose of considering and, if thought fit, to approve the resolutions regarding the Capital Reorganisation. To ascertain shareholders' eligibility to attend and vote at the SGM, the register of members of the Company will be closed from Wednesday, 14 February 2024 to Monday, 19 February 2024, both days inclusive, during which period no transfer of Shares will be effected. In order to qualify to attend and vote at the SGM, all transfers accompanied by the relevant share certificates must be lodged with Computershare Hong Kong Investor Services Limited, the address of which is Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not later than 4:30 p.m. on Friday, 9 February 2024.

A form of proxy for use at the SGM is enclosed. Whether or not you intend to attend the SGM, you are requested to complete and return the form of proxy in accordance with the instructions printed thereon to Computershare Hong Kong Investor Services Limited, the address of which is 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for the holding of the SGM (i.e. by 10:30 a.m. on Saturday, 17 February 2024) or Computershare Investor Services (Jersey) Limited, c/o The Pavilions, Bridgwater Road, Bristol BS99 6ZY, United Kingdom by 5:00 p.m. (UK time) on Wednesday, 14 February 2024, any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the SGM or any adjournment thereof should you so wish and, in such event, the relevant form of proxy shall be deemed to be revoked.

LETTER FROM THE BOARD

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, no Shareholders are required to abstain from voting on the resolutions approving the Capital Reorganisation at the SGM.

Pursuant to Rule 13.39(4) of the Listing Rules, all votes of the Shareholders at the general meetings must be taken by poll except where the chairman, in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands. Therefore the chairman of the meeting will demand a poll on the resolutions regarding the Capital Reorganisation at the SGM. An announcement will be made by the Company on the poll results of the SGM.

RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this circular misleading.

MISCELLANEOUS

In case of any inconsistency between the English version and the Chinese translation of this circular, the English version shall prevail.

WARNING

Shareholders should take note that the Capital Reorganisation are conditional upon satisfaction of respective conditions set out in this circular. Therefore, the Capital Reorganisation may or may not proceed. Shareholders and potential investors are advised to exercise caution when dealing in the securities of the Company, and if they are in any doubt about their position, they should consult their professional advisers.

Yours faithfully,
For and on behalf of the Board of
Asian Citrus Holdings Limited
Li Ziying
Executive Director

NOTICE OF SGM



ASIAN CITRUS HOLDINGS LIMITED

亞洲果業控股有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 73)

NOTICE OF SPECIAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that a special general meeting (the “SGM”) of Asian Citrus Holdings Limited (the “Company”) will be held at United Conference Centre, Level 10, United Centre, 95 Queensway, Admiralty, Hong Kong on Monday, 19 February 2024 at 10:30 a.m. (or any adjournment thereof) to consider and, if thought fit, pass with or without amendments, the following resolutions:

SPECIAL RESOLUTIONS

1. **“THAT** subject to and conditional upon (i) the Listing Committee of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) granting the listing of, and permission to deal in, the New Shares (as defined below); and (ii) the compliance by the Company with the requirement of Section 46(2) of the Companies Act 1981 (as amended) of Bermuda and the Rules Governing the Listing of Securities on the Stock Exchange (the “**Listing Rules**”), with effect from the second business day immediately following the day of passing of this resolution:
 - a. every two hundred (200) issued and unissued ordinary shares with a par value of HK\$0.01 each (the “**Existing Share(s)**”) in the existing share capital of the Company be and are consolidated into one (1) ordinary share with a par value of HK\$2.00 (the “**Consolidated Share(s)**”) (the “**Share Consolidation**”), and such Consolidated Shares shall rank *pari passu* in all respects with each other and shall have the rights and privileges and be subject to the restrictions in respect of ordinary shares contained in the memorandum and articles of association of the Company;
 - b. immediately following the Share Consolidation becoming effective, the issued share capital of the Company will be reduced from an amount of HK\$29,801,058.59 by an amount of HK\$29,652,053.30 to an amount of HK\$149,005.29 by (a) an elimination of any fraction of a Consolidated Share arising from the Share Consolidation in order to round down the total number of the Consolidated Shares to a whole number; and (b) a cancellation of HK\$1.99 of the paid-up capital of the Company on each issued Consolidated Share so

* For identification purposes only

NOTICE OF SGM

that each issued Consolidated Share will be treated as one (1) fully paid-up share of par value of HK\$0.01 each in the share capital of the Company (the “**New Share(s)**”) (the “**Capital Reduction**”);

- c. subject to and forthwith upon the Share Consolidation becoming effective, each of the then authorised but unissued Consolidated Shares be sub-divided into two hundreds (200) New Shares (the “**Sub-division**”) so that the authorised share capital of the Company shall remain HK\$50,000,000 divided into 5,000,000,000 New Shares;
- d. immediately following the Capital Reduction becoming effective, the entire amount of approximately HK\$4,077,782,700 (equivalent to approximately RMB3,793,370,000) standing to the credit of the share premium account of the Company be reduced by HK\$4,077,782,700 (equivalent to approximately RMB3,793,370,000) to nil (the “**Share Premium Reduction**”, together with the Share Consolidation, Sub-division and the Capital Reduction, the “**Capital Reorganisation**”), and the entire credit amount arising from the Share Premium Reduction and the Capital Reduction be transferred to the contributed surplus account of the Company within the meaning of the Companies Act 1981 of Bermuda to then be applied to set off the accumulated losses of the Company as at the effective date of the Capital Reorganisation or be applied by the board of directors of the Company (the “**Directors**”) in a manner as permitted by the bye-laws of the Company and all applicable laws of Bermuda without further authorization from the shareholders of the Company;
- e. the Directors be authorised to apply the amount standing to the credit of the contributed surplus account of the Company, if any, in such manner as they consider appropriate; and
- f. the Directors and each of them be and are fully authorised to take any and all steps, and to do and/or procure to be done any and all acts and things, and to approve, sign and execute (under hand, seal or as a deed) any documents which they in their absolute discretion consider necessary, desirable, expedient or appropriate to effect and implement this resolution and to exercise such discretion in connection, relating to or arising from the Capital Reorganisation and/or the matters contemplated herein, with such modifications thereto (if any) as they or he may from time to time consider necessary, expedient and/or appropriate in order to implement, finalise and give full effect to the Capital Reorganisation.”

By order of the Board
Asian Citrus Holdings Limited
Li Ziyang
Executive Director

Hong Kong, 22 January 2024

NOTICE OF SGM

Registered office:
Clarendon House
2 Church Street
Hamilton
Bermuda HM11

*Head office and principal place of
business in Hong Kong:*
Room 2510, 25/F
Arion Commercial Centre
2–12 Queen’s Road West
Sheung Wan
Hong Kong

Notes:

- a. A member of the Company (a “**Member**” or the “**Members**”) entitled to attend and vote at the SGM is entitled to appoint one or if he/she/it is a holder of more than one share of the Company, one or more proxies to attend and vote in his/her/its stead in accordance with the articles of association of the Company. A proxy need not be a member of the Company, but must be present to represent the member.
- b. In order to be valid, the instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed, or a notarially certified copy of that power of attorney or other authority, must be lodged with Computershare Hong Kong Investor Services Limited, the address of which is 17M Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong (for Members whose names appear in the Company’s branch register of members in Hong Kong and who hold Shares in certificated form) not later than 10:30 a.m. on Saturday, 17 February 2024 or not less than 48 hours before the time for holding of the adjourned meeting or Computershare Investor Services (Jersey) Limited, c/o The Pavilions, Bridgwater Road, Bristol BS99 6ZY, United Kingdom by 5:00 p.m. (UK time) on Wednesday, 14 February 2024 (for Members whose names appear in the Company’s register of members in Jersey and who hold Shares in certificate form). Delivery of an instrument appointing a proxy shall not preclude a shareholder of the Company from attending and voting in person at the SGM convened or any adjournment thereof, if he/she/it so wish. In such event, the form of proxy previously submitted shall be deemed to be revoked.
- c. To ascertain the shareholders’ entitlement to attend and vote at the SGM, the register of members of the Company will be closed from Wednesday, 14 February 2024 to Monday, 19 February 2024, both days inclusive, during which period no transfer of shares of the Company will be registered. In order to qualify for the entitlement to attend and vote at the SGM, all transfer of shares of the Company accompanied by the relevant share certificate(s) must be lodged with the branch share registrar and transfer office of the Company, Computershare Hong Kong Investor Services Limited, the address of which is 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 Friday, 9 February 2024.
- d. Pursuant to Rule 13.39(4) of the Listing Rules, at any general meeting a resolution put to the vote of the meeting shall be decided by poll.
- e. Where there are joint holders of shares of the Company, any one of such joint holders may vote at the SGM (or any adjournment thereof), either in person or by proxy, in respect of such share of the Company as if he/she/it is solely entitled thereto; but if more than one of such joint holders be present at the SGM in person or by proxy, that one of the said persons so present whose name stands first on the register of members in respect of such share of the Company will alone be entitled to vote in respect thereof.
- f. References to time and dates in this notice are to Hong Kong time and dates.
- g. Pursuant to Regulation 41 of the Uncertificated Securities Regulations 2001 of the United Kingdom, only those Shareholders registered in the Register as of 14 February 2024 are entitled to attend or vote at the SGM of the Company in respect to the number of Shares registered in their names at that time. For Members whose names appear in the Company’s register of members in Jersey and who hold Shares in certificated form, in order to qualify for attending the SGM, all transfer documents, accompanied by the relevant share certificates, have to be lodged for registration with Computershare Investor Services (Jersey) Limited, c/o The Pavilions, Bridgwater Road, Bristol BS99 6ZY, United Kingdom by 5:00 p.m. (UK time) on Wednesday, 14 February 2024.

NOTICE OF SGM

For Members whose names appear in the Company's register of members in Hong Kong and who hold Shares in certificated form, the register of members of the Company in Hong Kong will be closed from Wednesday, 14 February 2024 to Monday, 19 February 2024, both days inclusive, during the period of which no transfer of shares will be effected. In order to qualify for attending the SGM, all transfer documents, accompanied by the relevant share certificates, have to be lodged for registration with Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong no later than 4:30 p.m. (Hong Kong time) on Friday, 9 February 2024.

- h. Changes to entries on the Register after that time will be disregarded when determining the rights of any person to attend or vote at the SGM. As at the date of this notice, the Board comprises one executive Director, namely Ms. Li Ziyang (Chairman); a non-executive Director, namely Mr. James Francis Bittl; and three independent non-executive Directors, namely Mr. Liu Ruiqiang, Mr. Wang Tianshi and Ms. Liu Jie.