



Australia China Holdings Limited

ARBN 067 993 506

Level 11, 32 Martin Place, Sydney, NSW 2000, Australia

Email: sec@aakch.com

By e-Lodgment

28 November 2014

Company Announcement Office
Australian Stock Exchange Limited
Australia.

Dear Shareholders,

Re: 30 September 2014 Interim financial Results

The Directors of Australia China Holdings Limited ('AAK') are pleased to report to Shareholders the following Group's interim financial results for the half year ended 30 September 2014 :

Financial results for the half year ended	30/09/2014	30/09/2013
	A\$'000	A\$'000
Revenue	244	244
Profit before taxation and extraordinary items	20	13
Extraordinary Items	-	-
Profit after taxation and extraordinary items	20	13
Basic earnings per share (Aust ¢)	0.0006	0.0004

Review of Operations

The Group's revenue and net profit after extraordinary items for the six months ended 30th September 2014 were \$244,000 and \$20,045 respectively. There is no significant change in revenue generated from rental income but an increase of 57% in net profit over the September 2013 period.



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Business Prospects

The Group's operation could see some improvement in our new line of business, we would make full use of the demographics of China and business opportunity on our recent acquisition in the health care industry. Our Board remains committed in identifying several projects which are beneficial to the AAK Group with long term sustainable growth.

Our Group has entered into negotiations with several potential investors for a possible fund injection. We are hopeful this could materialize in the coming months or sometime in the first quarter of 2015. The Group's overall business has remained the same with no significant changes being reported for the six months.

Dividend

The Directors are not proposing any dividend payment for the half year ended 30 September 2014.

Should you have any queries, please send your enquiry to the Company Secretary by emailing to sec@aakch.com.

Yours faithfully,

For and on behalf of

Australia China Holdings Ltd



Stonely Sek
Company Secretary

AUSTRALIA CHINA HOLDINGS LIMITED

DIRECTORS' REPORT

The Directors present their report together with the half year financial statements of Australia China Holdings Limited (the "Parent Entity") and its controlled entities (the "Economic Entity") for the half year ended 30th September 2014 and the auditor's review report thereon.

Directors

The names of Directors in office as at the date of this report are:

Nelson HS CHIU	Chairman (Deceased and is passed away on 30.10.2014)
Mason MS Lam	Acting Deputy Chairman (effective from 18.11.2014 till date of 2014 AGM)
Michael MF CHAI	Director
Henry XB QIN	Independent Non- Executive Director

Statement of Comprehensive Income

The result of the Economic Entity for the half year ended 30th September 2014 is summarized as follows:

	30/09/2014	30/09/2013
	\$'000	\$'000
Revenue	244	244
Profit after taxation and minority interest	20	13
Basic earnings per share (cents per share)	0.0006	0.0004

Review of Operation

The Group's revenue and profit after taxation for the half year ended 30th September 2014 was \$244,000 and \$20,045. There was an increase of 57% in net profit and no change in revenue generated from rental income compared for the half year ended 30th September 2013. The increase in net profit was mainly due to reduction of financing costs after loan repayments made in prior year.

Significant Changes in State of Affairs

Australia China Capital Group Ltd, a wholly owned subsidiary of Australia China Holdings Limited, acquired 19% of the issued shares of JMC China Strategy Inc. and Pacific Resource Enterprise Limited respectively.

Dividend

The Economic Entity did not pay any dividends during the half year and does not recommend the payment of any final dividends for the half year ended 30th September 2014.

Australian Takeover Provisions

The Parent Entity is not subject to any takeover provisions of the Australian Corporation Law.

Controlled Entities

Particulars of the Parent Entity's controlled entities are set out in note10 to the financial statements.

AUSTRALIA CHINA HOLDINGS LIMITED

DIRECTORS' REPORT (continued)

Directors' service contracts

No Director of the Parent Entity has a service contract with the Parent Entity or any of the controlled entities. For Directors who are only Directors of the controlled entities, their contracts can all be terminated within one year and will only need to meet statutory compensations.

Directors' Rights to Acquire Shares

Apart from the share options detailed in "Directors' interests in contracts and shares", at no time during the six- months period was the Parent Entity a party to any arrangement to enable the Parent Entity's Directors or their associates to acquire benefits by means of the acquisition of shares or debentures of the Parent Entity or any other related body of corporate.

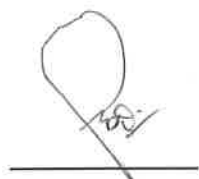
After Statement of Financial Position Date Events

There were no significant events subsequent to the statement of financial position date.

Rounding of Amounts

The company is an entity to which ASIC Class Order 98/100 applies and, accordingly, amounts in the financial statements and Directors' report have been rounded to the nearest thousand dollars.

Signed in accordance with a resolution of the Board of Directors.



Michael MF CHAI

Director

Date: 28 November 2014

AUSTRALIA CHINA HOLDINGS LIMITED

DIRECTORS' DECLARATION

The Directors declare that the financial statements and notes set out on pages 4 to 14:

- (a) Comply with International Accounting Standards (IAS 34) Interim Financial Reporting and
- (b) Give a true and fair value of the Economic Entity's financial position as at 30th September 2014 and of its performance for the half year ended on that date.

In the Directors' opinion, there are reasonable grounds that the Parent Entity will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors.



Michael MF CHAI

Director

Date: 28 November 2014

AUSTRALIA CHINA HOLDINGS LIMITED

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE HALF YEAR ENDED 30TH SEPTEMBER 2014

		Economic Entity	
		30.09.2014	30.09.2013
	Note	\$'000	\$'000
CONTINUING OPERATIONS			
Revenue	3	243	243
Cost of sales		-	-
Gross profit		243	243
Other revenue	3	1	1
Administrative expenses		(200)	(173)
Finance costs	5	(24)	(58)
Profit before income tax	4	20	13
Income tax expense	6	-	-
Profit for the half year		20	13
Other comprehensive (expense)/income:		-	-
Total comprehensive (expense)/income for the half year		20	13
Profit for the half year attributable to:			
Owners of the Parent Entity		20	13
Minority interest		-	-
Total		20	13
Total comprehensive (expense)/income for the profit attributable to:			
Owners of the Parent Entity		20	13
Minority interest		-	-
Total		20	13
Basis earnings per share (cents per share)		0.0006	0.0004
Diluted earnings per share (cents per share)		0.0004	0.0002

The accompanying notes form part of these financial statements.

AUSTRALIA CHINA HOLDINGS LIMITED

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 30TH SEPTEMBER 2014

		Economic Entity	
		30.09.2014	31.03.2014
	Note	\$'000	\$'000
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	7	7	52
Receivables	8	121	2,688
Financial assets	12	-	37
TOTAL CURRENT ASSETS		128	2,777
NON-CURRENT ASSETS			
Deposits paid	9	75,613	75,613
Financial assets	12	3,172	-
Property, plant and equipment		-	1
TOTAL NON-CURRENT ASSETS		78,785	75,614
TOTAL ASSETS		78,913	78,391
LIABILITIES			
CURRENT LIABILITIES			
Payables and accruals	13	568	225
TOTAL CURRENT LIABILITIES		568	225
NON-CURRENT LIABILITIES			
Payables and accruals	13	2,905	2,916
Financial liabilities	14	705	535
TOTAL NON-CURRENT LIABILITIES		3,610	3,451
TOTAL LIABILITIES		4,178	3,676
NET ASSETS		74,735	74,715
EQUITY			
Share capital	16	72,105	72,105
Reserves		302	302
Retained earnings		2,328	2,308
TOTAL EQUITY		74,735	74,715

The accompanying notes form part of these financial statements.

AUSTRALIA CHINA HOLDINGS LIMITED

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE HALF YEAR ENDED 30TH SEPTEMBER 2014

Economic Entity	Share Capital \$'000	Options Reserve \$'000	Retained Earnings \$'000	Total \$'000
Balance at 31 st March 2013	70,805	302	1,891	72,998
<u>Transactions with owners</u>				
Issues of shares	1,300	-		1,300
Total comprehensive (expense)/income for the year	-	-	417	417
Balance at 31 st March 2014	72,105	302	2,308	74,715
Total comprehensive (expense)/income for the half year	-	-	20	20
Balance at 30 th September 2014	72,105	302	2,328	74,735

The accompanying notes form part of these financial statements.

AUSTRALIA CHINA HOLDINGS LIMITED

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE HALF YEAR ENDED 30TH SEPTEMBER 2014

	Economic Entity	
	30.09.2014	30.09.2013
	\$'000	\$'000
CASH FLOWS USED IN OPERATING ACTIVITIES		
Payments to suppliers and employees	(262)	(203)
Net cash used in operating activities	(262)	(203)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of other investment	-	-
Net cash used in investing activities	-	-
CASH FLOWS FROM FINANCING ACTIVITIES		
Advances from/(to) other companies	92	-
Advances from/(to) related parties	125	190
Net cash from financing activities	217	190
Net (decrease)/increase in cash held	(45)	(13)
Effect of exchange rates	-	1
	(45)	(12)
Cash at the beginning of the period	52	37
Cash at the end of the period	7	25

The accompanying notes form part of these financial statements.

AUSTRALIA CHINA HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED 30TH SEPTEMBER 2014

Note 1 : Basis of Preparation

The half year financial report is a general purpose financial report that has been prepared in accordance with International Accounting Standards Interim Financial Reporting (IAS 34).

The half year financial report is presented in Australian Dollars.

The half year financial report does not include full disclosures of the type normally included in an annual financial report. As such, it is recommended that this financial report be read in conjunction with the annual financial report for the financial year ended 31st March 2014 and any public announcements made by Australia China Holdings Limited during the half year ended 30th September 2014 in accordance with continuous disclosure requirements.

(a) Reporting Basis and Conventions

The half year financial report has been prepared on an accrual basis and is based on historical costs modified by the revaluation of selected non-current assets, financial assets and financial liabilities for which the fair value basis of accounting has been applied.

For the purpose of preparing the half year financial report, the half year has been treated as a discrete reporting period.

The half year financial report has been prepared using the same accounting policies as used in the audited annual report for the year ended 31st March 2014.

Note 2 : Fundamental Accounting Concept

In the previous year, Eco Agriculture Holdings Limited, a wholly owned subsidiary of the company, had signed a lease agreement for the use of 16,000 mou (Chinese unit of land measurement) of farmland in the Inner Mongolia Autonomous Region of China. The ability of the Economic Entity to continue as a going concern is based on the cash flows generated from the successful utilization of the farmland in Inner Mongolia, thereby indicating the existence of a material uncertainty which may cast significant doubt about the Economic Entity's ability to continue as a going concern.

The financial statements of the Economic Entity have been prepared on the assumption that the Economic Entity will continue as a going concern. The Directors of the Economic Entity are of the view that the substantial utilization of the farmland in Inner Mongolia and the cash flows generated therefrom is expected to improve the long term operation viability of the Economic Entity.

	Economic Entity	
	30.09.2014	30.09.2013
Note 3 : Revenue	\$'000	\$'000
Operating activities		
- Rental Income	243	243
Revenue	243	243
Non-operating activities		
Other revenue		
Exchange gain (loss)	1	1

AUSTRALIA CHINA HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED 30TH SEPTEMBER 2014

Note 4 : Profit Before Income Tax

	Economic Entity	
	30.09.2014	30.09.2013
	\$'000	\$'000
Depreciation	-	(2)

Note 5 : Finance Costs

Finance costs are interest expenses at 8% per annum charged on loans from related parties (2013: 8%).

Note 6 : Income Tax Expense

No provision for tax has been made as the Economic Entity did not generate any assessable profits arising in Australia, China and Hong Kong during the half year ended 30th September 2014 (2013: Nil).

Note 7 : Cash and Cash Equivalents

	Economic Entity	
	30.09.2014	31.03.2014
	\$'000	\$'000
Cash at bank and on hand	7	52

Note 8 : Receivables

	Economic Entity	
	30.09.2014	31.03.2014
	\$'000	\$'000
Receivables from other company	82	-
Other receivables	39	6,788
Allowance for doubtful debts*	-	(4,100)
Total receivables	121	2,688

AUSTRALIA CHINA HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED 30TH SEPTEMBER 2014

Note 9 : Deposits paid

	Economic Entity	
	30.09.2014	31.03.2014
	\$'000	\$'000
Deposits paid on farmland in Inner Mongolia, China	75,613	75,613

As at 30th September 2014, ECO-Agriculture Group Limited (ECO), a controlled entity of Australia China Development Limited, which is wholly owned by the Parent Entity entered into a contract to acquire 95% interest in a 2,133 hectares farmland situated in Inner Mongolia with the total consideration of A\$75,613,290.

ECO-Agriculture Group Limited (ECO), a controlled entity of Australia China Development Limited, is in the process of registering the title of the farmland to a China Incorporated Company. It is estimated that the registration of the title will be completed by 31st December 2014. Title registration will follow soon afterward on payment of the registration fee.

Note 10 : Controlled Entities

(a) Details of Controlled Entities

	Country Of Incorporation	Percentage Owned		Principal Activities
		30.9.2014	31.3.2014	
Parent Entity:				
Australia China Holdings Limited	Bermuda	N/A	N/A	Holding
Controlled Entities of Australia China Holdings Limited:				
*Australia China Development Limited	BVI	100%	100%	Investment Holding
# Australia China Capital Group Limited	Hong Kong	100%	100%	Investment
Controlled Entities of Australia China Development Limited:				
* Australia China Capital Limited	BVI	100%	100%	Fund Management
# ECO-Agriculture Group Limited	Hong Kong	100%	100%	Property Holding
Controlled Entity of Australia China Capital Group Limited:				
*Australia China Business Limited	BVI	100%	100%	Investment Holding

Controlled Entities audited by another firm of Accountants

* These Controlled Entities have not been reviewed as they are not required to be reviewed in their corresponding jurisdictions. However, review procedures on consolidation have been applied by the auditors on the financial statements of these Controlled Entities.

AUSTRALIA CHINA HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED 30TH SEPTEMBER 2014

Note 11 : Associated Entity	Country of Incorporation	Percentage Owned		Principal Activities
		30.09.2014	31.03.2014	
Associated Entity of Australia China Business Limited:				
Sino (HK) International Corporate Investment Limited	Hong Kong	48% [#]	48% [#]	Business consultancy
Associated Entities of Australia China Capital Group Limited:				
JMC China Strategy Inc.	BVI	19% [#]	-	Investment Holding
Pacific Resources Enterprises Limited	BVI	19% [#]	-	Investment Holding
Direct controlled in Associated Entity :: Entity of JMC China Strategy Inc.				
Shenzhen Berg Transformer Co. Ltd.	CHINA	51% [^]	-	Manufacturing and sales of electrical transformers
Entity of Pacific Resources Enterprises Limited.				
Shandong JMC Electric Group Co. Ltd.	CHINA	30% [^]	-	Manufacturing and sales of electrical transformers

No equity accounting was applied in the consolidated financial statements since the investment and the loss in the associate entity during the half year were not material.

[^]- Held through Associated entities

AUSTRALIA CHINA HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED 30TH SEPTEMBER 2014

Note 12 : Financial Assets

	Note	30.09.2014	31.03.2014
		\$'000	\$'000
At fair value through profit or loss	(a)	1	1
Available-for-sale financial assets	(b)	3,171	36
		<u>3,172</u>	<u>37</u>

(a) At Fair Value Through Profit or Loss

Listed investments, at fair value

- shares in other listed company

1	1
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(b) Available-For-Sale Financial Assets

Unlisted investments, at cost

- unquoted investments

3,171	36
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Note 13 : Payable

Economic Entity

	30.09.2014	31.03.2014
	\$'000	\$'000
Payable – Current Portion	568	225
Payable – Non-current Portion	2,905	2,916

Note 14 : Financial Liabilities

Economic Entity

	30.09.2014	31.03.2014
	\$'000	\$'000
Loans from related parties – Current Portion	-	-
Loans from related parties – Non-current Portion	705	535

Loans from related parties bear interest at 8% per annum (31.3.2014: 8%) with interest charge made against the Parent Entity.

AUSTRALIA CHINA HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED 30TH SEPTEMBER 2014

Note 15 : Segment Reporting

Primary Reporting — Business Segments

	Property Investment		Trading and Others	
	30.09.2014	30.09.2013	30.09.2014	30.09.2013
	\$'000	\$'000	\$'000	\$'000
REVENUE				
External revenue	243	243	-	-
Other revenue	-	-	1	1
Total Revenue	243	243	1	1
OPERATING RESULTS				
Segment results	202	197	(159)	(127)
Finance costs	(7)	(6)	(17)	(52)
Profit before income tax	195	191	(175)	(178)
Income tax expense	-	-	-	-
Profit for the half year	195	191	(175)	(178)

	30.09.2014	30.03.2014	30.09.2014	31.03.2014
	\$'000	\$'000	\$'000	\$'000
Segment Assets	75,725	78,330	3,188	61
Segment Liabilities	839	489	3,339	3,187

Secondary Reporting— Geographical Segments

	Segment Revenue		Segment Assets	
	30.09.2014	30.09.2013	30.09.2014	31.03.2014
	\$'000	\$'000	\$'000	\$'000
The People's Republic of China	243	243	75,725	78,330
Australia	-	-	-	-
Total	243	243	75,725	78,330

Primary Reporting— Business Segments:

Property Investment— Property holding.

Trading and Others— Investments in businesses and trading.

Secondary Reporting— Geographical Segments:

The People's Republic of China— Property Investment.

Australia— Trading and Others.

NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED 30TH SEPTEMBER 2014

Note 16 : Share Capital

	Economic Entity	
	30.09.2014	31.03.2014
	\$'000	\$'000
Authorized:		
6,000,000,000 authorized ordinary shares at \$0.02 each	120,000	120,000
Issued And Fully Paid:		
3,605,239,953 fully paid ordinary shares at \$0.02 each	72,105	72,105

Note 17 : Related Parties

(a) Identification of Related Parties

Related party	Relationship with the Parent Entity
Supreme Australasian Investments Limited	Shareholder of the parent Entity
Harvard Business Management & Consultancy Limited	Shareholder of the Parent Entity

The Parent Entity has controlling related party relationship with its direct and indirect subsidiaries.

(b) Related Parties Transactions

Related party	Economic Entity	
	30.09.2014	30.09.2013
	\$'000	\$'000
Advances for expenses incurred	125	161
Expense paid on behalf	21	-
Interest expense charged	24	53

Other than above transactions, there were no related party transactions.

Note 18 : Events after the reporting date

There are no matters or circumstances that have arisen since the end of the half year and the date of the report which significantly affect or may significantly affect the operations of the Economic Entity, the results of those operations, or the state of affairs of the Economic Entity in future financial years.

AUSTRALIA CHINA HOLDINGS LIMITED
(An Australian Listed Company)
(ARBN 067 993506)

Appendix 4D

Financial Report For The Half Year Ended 30 September 2014

1) The reporting period is 30 September 2014 and the previous corresponding period is 30 September 2013.

2) Results for announcement to the market:

		Half year ended 30 Sep.	
	Increase/ Decrease	2014	2013
2.1) Revenue from ordinary activities (AUD '000)	0.0%	244	244
2.2) Profit/(Loss) from ordinary activities after tax attributable to members (AUD '000)	57%	20	13
2.3) Net profit/(Loss) for the period attributable to members (AUD '000)	57%	20	13

	Half year ended 30 Sep.	
	2014	2013
Basic earnings per share (AUD cents)	0.0006	0.0004
Diluted earnings per share (AUD cents)	0.0004	0.0002

2.4) Interim dividend	Half year ended 30 Sep.	
	2014	2013
Amount per security	Nil	Nil
Franked amount per security	Nil	Nil
2.5) The record date for determining entitlements to the dividend	Nil	Nil

2.6) Increase in profit after tax mainly represents no change on rental income on land.
And the reduction of finance cost after loan repayment in previous year

	Half year ended 30 Sep.	
	2014	2013
3) Net tangible assets backing per share (AUD cents)	2.07	2.06
4) Acquisition of Associated Entities in controlled Entities for the half year ended 30 September 2014.		
JMC China Strategy Inc.	19%	-
Pacific Resources Enterprises Limited	19%	-

5) No dividend payment or payable.

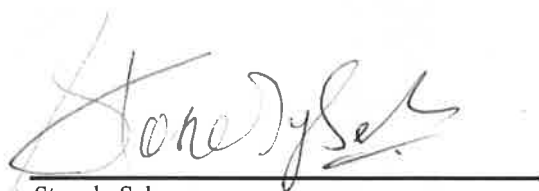
6) No dividend or distribution reinvestment plans in operation.

7) Name and equity of Controlled Entity in Associated Entity:

	Half year ended 30 Sep.	
	2014	2013
<u>Associated Entity of Australia China Business Limited:</u>	Percentage Owned	
Sino (HK) International Corporate Investment Limited	48%	48%
<u>Associated Entity of Australia China Capital Group Limited:</u>		
JMC China Strategy Inc.	19%	-
Pacific Resources Enterprises Limited	19%	-
<u>Controlled Entity of JMC China Strategy Inc.</u>		
Shenzhen Berg Transformer Co. Ltd.	51%	-
<u>Controlled Entity of Pacific Resources Enterprises Limited</u>		
Shandong JMC Electric Group Co. Ltd.	30%	-

8) The audited half year financial report has been prepared in accordance with International Financial Reporting Standards

9) The half year financial report has been reviewed and the independent review report is attached.



Stonely Sek
Company Secretary
Date : 28.11.2014

Kee & Co.

certified practising accountants

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INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of Australia China Holdings Limited

Report on the Half-Year Financial Report

We have reviewed the accompanying half-year financial report of Australia China Holdings Limited, which comprises the consolidated statement of financial position as at 30 September 2014, the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the half-year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration.

Directors' Responsibility for the Half-Year Financial Report

The directors of the company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with International Accounting Standards and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 Review of a Financial Report Performed by the Independent Auditor of the Entity (which conforms with International Standards on Review Engagements ISRE 2410), in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the half-year financial report is not giving a true and fair view of the company's financial position as at 30 September 2014 and its performance for the half-year ended on that date; and complying with International Accounting Standard IAS 34 Interim Financial Reporting. As the auditor of Australia China Holdings Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year financial report consists of making enquiries, 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 Australian Auditing Standards (which conforms with the 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.

Basis for Qualified Conclusion

As disclosed in the notes to the financial statements, the company's controlled entity paid deposits on 95% interest in a farmland in the Inner Mongolia Autonomous Region of China and carried the amount at \$75,613,288 on the consolidated Statement of Financial Position as at 30 September 2014. The title of the land can only be transferred to the company's controlled entity when an Incorporated Joint Venture Company in China has been registered. As at the date of this report, the Incorporated Joint Venture Company has not been registered and as a result, the title of the land has not been transferred to the company's controlled entity. Given the significant delays experienced in the registration of the new Joint Venture Company, we are unable to obtain sufficient appropriate review evidence to determine whether any adjustments to this amount were necessary.

Qualified Auditor's Conclusion

Based on our review, which is not an audit, with the exception of the matters described in the Basis for Qualified Conclusion paragraph, we have not become aware of any matter that makes us believe that the half-year financial report of Australia China Holdings Limited is not giving a true and fair view of the company's financial position as at 30 September 2014 and of its performance for the half-year ended on that date; and complying with International Accounting Standard IAS 34 Interim Financial Reporting .

Emphasis of Matter

We draw your attention to Note 2 to the financial statements which describe the ability of the Economic Entity to continue as a going concern is dependent on the cash flows generated from the successful utilisation of the farmland in Inner Mongolia of China. Our conclusion is not modified in respect of this matter.



Kee & Co.
Certified Practising Accountants



Wallace Kee

28 November 2014
Sydney, Australia