



**中糧**  
**COFCO**  
自然之源 重塑你我

# CHINA FOODS LIMITED

中國食品有限公司

(Incorporated in Bermuda with limited liability)

(於百慕達註冊成立之有限公司)

(Stock Code 股份代號 : 506)

Interim Report 2011 中期報告



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## Corporate Profile

China Foods Limited (the “Company”) is a subsidiary of COFCO Corporation (“COFCO”) and listed on the main board of The Stock Exchange of Hong Kong Limited (Stock Code: 00506). The primary business of the Company includes wines, beverages, kitchen foods and confectionery. The Company is committed to providing consumers with nutritious, healthy, delicious and quality food. Currently, the Company’s product portfolio includes a number of well-known brands, such as “Greatwall” wine, “福臨門” consumer-pack edible oil, “Le conté” chocolate and “黃中皇” Shaoxing rice wine. As a strategic partner of The Coca-Cola Company in the People’s Republic of China (“China” or the “PRC”), the Company also bottles and distributes Coca-Cola beverages.

## 公司概況

中國食品有限公司(「本公司」)為中糧集團有限公司(「中糧」)的附屬公司、並在香港聯合交易所有限公司主板上市(股票代碼：00506)。本公司主要業務包括酒類、飲料、廚房食品及休閒食品。本公司致力於為消費者提供營養、健康、美味的優質食品。本公司現時的產品組合包括眾多知名品牌，例如「長城」葡萄酒、「福臨門」小包裝食用油、「金帝」巧克力及「黃中皇」紹興酒等。作為可口可樂公司在中華人民共和國(「中國」)的戰略夥伴，本公司亦裝瓶和銷售可口可樂系列飲料。

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# CORPORATE INFORMATION

## 公司資料

### DIRECTORS

#### Executive Directors

Mr. Ning Gaoning (Chairman)  
Mr. Chi Jingtao (Executive Vice Chairman)  
Ms. Luan Xiuju (Managing Director)  
Mr. Mak Chi Wing, William  
Mr. Zhang Zhentao

#### Non-executive Directors

Ms. Liu Ding  
Mr. Ma Jianping  
Ms. Wu Wenting

#### Independent Non-executive Directors

Mr. Stephen Edward Clark  
Mr. Li Hung Kwan, Alfred  
Mr. Yuen Tin Fan, Francis

### AUDIT COMMITTEE

Mr. Stephen Edward Clark  
(Committee Chairman)  
Mr. Li Hung Kwan, Alfred  
Mr. Yuen Tin Fan, Francis

### REMUNERATION COMMITTEE

Mr. Yuen Tin Fan, Francis (Committee Chairman)  
Mr. Stephen Edward Clark  
Mr. Chi Jingtao

### EXECUTIVE COMMITTEE

Mr. Chi Jingtao (Committee Chairman)  
Mr. Ning Gaoning  
Ms. Luan Xiuju  
Mr. Mak Chi Wing, William  
Mr. Zhang Zhentao

### COMPANY SECRETARY

Ms. Liu Kit Yee, Linda

### 董事

#### 執行董事

寧高寧先生(主席)  
遲京濤先生(執行副主席)  
樂秀菊女士(董事總經理)  
麥志榮先生  
張振濤先生

#### 非執行董事

柳丁女士  
馬建平先生  
吳文婷女士

#### 獨立非執行董事

祈立德先生(Mr. Stephen Edward Clark)  
李鴻鈞先生  
袁天凡先生

### 審核委員會

祈立德先生(Mr. Stephen Edward Clark)  
(委員會主席)  
李鴻鈞先生  
袁天凡先生

### 薪酬委員會

袁天凡先生(委員會主席)  
祈立德先生(Mr. Stephen Edward Clark)  
遲京濤先生

### 執行委員會

遲京濤先生(委員會主席)  
寧高寧先生  
樂秀菊女士  
麥志榮先生  
張振濤先生

### 公司秘書

廖潔儀女士

## SOLICITORS

Conyers, Dill & Pearman

## AUDITORS

Ernst & Young

## PRINCIPAL BANKERS

Bank of China Limited  
Bank of China (Hong Kong) Limited  
China Construction Bank Corporation  
Industrial and Commercial Bank of China Limited  
China CITIC Bank Corporation Limited  
Bank of Communications Co., Ltd.  
Hang Seng Bank Limited  
The Bank of Tokyo-Mitsubishi UFJ, Ltd., Hong Kong Branch  
Mizuho Corporate Bank, Ltd.  
The Hongkong and Shanghai Banking Corporation Limited  
Credit Agricole Corporate and Investment Bank  
Fubon Bank (Hong Kong) Limited

## REGISTERED OFFICE

Clarendon House  
2 Church Street  
Hamilton HM 11  
Bermuda

## HEAD OFFICE

33/F  
Top Glory Tower  
262 Gloucester Road  
Causeway Bay  
Hong Kong

## BRANCH SHARE REGISTRAR AND TRANSFER OFFICE IN HONG KONG

Tricor Progressive Limited  
26/F Tesbury Centre  
28 Queen's Road East  
Hong Kong

## COMPANY WEBSITE

[www.chinafoodsltd.com](http://www.chinafoodsltd.com)

## 律師

Conyers, Dill & Pearman

## 核數師

安永會計師事務所

## 主要往來銀行

中國銀行股份有限公司  
中國銀行(香港)有限公司  
中國建設銀行股份有限公司  
中國工商銀行股份有限公司  
中信銀行股份有限公司  
交通銀行股份有限公司  
恒生銀行有限公司  
三菱東京UFJ銀行香港分行  
瑞穗實業銀行  
香港上海滙豐銀行有限公司  
東方滙理銀行  
富邦銀行(香港)有限公司

## 註冊辦事處

Clarendon House  
2 Church Street  
Hamilton HM 11  
Bermuda

## 總部

香港  
銅鑼灣  
告士打道262號  
鵬利中心33樓

## 香港股份過戶登記分處

卓佳廣進有限公司  
香港  
皇后大道東28號  
金鐘滙中心26樓

## 公司網站

[www.chinafoodsltd.com](http://www.chinafoodsltd.com)

# MANAGEMENT MESSAGES

## 管理層寄語

- We are pleased with our interim results with a significant growth in segment results of the Kitchen Foods business due to the benefit of operating leverage as a result of expansion in business scale, with stable growth in segment results of the Beverages business due to the strong growth in business scale, the effective cost management and expense control, and with the recovery growth in segment results of the Wines business after the strategic restructuring of its sales and distribution model last year.
- We are continually optimizing our food safety risk management systems which provide us with an unparalleled advantage in consumer confidence and trust in our branded consumer foods businesses.
- We are focusing on our work theme of “advance through reform, teamwork for win-win”. The Company’s new management team clearly identified two major drivers for future growth as organic growth and external expansion, supported by the strategic development of four core competencies which are product innovation, brand building, sales network building and supply chain management. Also, efforts have been made to optimize organizational structure to strengthen management systems and to build a professional team.
- We are winning in the product competitiveness, market place, channel management and profitability in both of the Kitchen Foods business and the Beverages business, with notable growths in both of sales volume and sales revenue, gaining market share of product categories by volume and by value, continuing to increase the numbers of retail points of sale and distributors under our coverage and encouraging growth in segment results.
- We are winning in the product mix enhancement and profitability of the Wines business, with nearly half of its sales revenue attributable to medium- to high-end and high-end product types.
- 我們欣然宣佈滿意的中期業績，原因為廚房食品業務提升業務規模取得營運槓杆效益故其分部業績大幅增長、飲料業務的業務規模持續強勁增長、有效成本管理及費用控制所致分部業績平穩增長及酒類業務去年的營銷模式戰略性轉型後分部業績出現恢復性增長。
- 我們不斷改進食品安全風險管理系統，我們的品牌消費食品業務在消費者信心及信賴方面均取得獨一無二的優勢。
- 我們的新任管理團隊聚焦於「變中求進，協力共贏」的工作主題，確認了未來內涵及外延兩大增長方向，明確了公司的四大核心競爭力：產品創新、品牌建設、營銷網絡建設及供應鏈管理的發展策略。通過改進組織結構、完善管理系統及加強人才隊伍建設。
- 我們的廚房食品業務及飲料業務均成功提升產品力、市場地位、渠道管控能力及盈利能力，體現於銷量及銷售收入均顯著增長、品類市場銷量份額及銷售份額均有所提高、覆蓋的終端售點數量及經銷商客戶數量持續增長及令人興奮的分部業績。
- 我們成功優化酒類業務產品組合及提升其盈利能力，其近一半銷售收入來自於高端及中高端產品之貢獻。

## Management Messages 管理層寄語

- We have granted the second batch of share options to senior management as a further incentive. This can help drive the sustainable growth of the Company's business scale and profitability.
- We have defined selection criteria for acquisition targets under our external expansion plans. We are actively seeking potential opportunities under these selection criteria during the six months ended 30 June 2011 (the "interim period").
- Our goal is to develop the Company as a large scale downstream consumer foods player. To achieve this goal, we plan to replace the existing decentralized sales organization structure managed by individual business units with a highly coordinated, centrally managed regional operational platform organization structure through a centralized back-office with differentiated front-desks covering the entire China market. This strategic move will further streamline existing operations and help realize synergies across different businesses. Key preparations for this have been initiated during the interim period.
- Last but not least, we are aiming to surpass average industry growth, to gain market share and to maintain strong growth momentum as a return to our shareholders.
- 我們向高級管理層授出第二批股票期權作進一步激勵，這將有助推動本公司經營規模和盈利水平的持續穩健增長。
- 我們確定了在外延擴張工作下收購目標方面的選擇標準。於截至2011年6月30日6個月期間(「中期期間」)，我們積極尋求潛在的收購機會。
- 我們的目標為致力發展本公司成為一間具備規模的大型品牌消費食品企業。為實現此目標，我們規劃了「後臺集約化、前臺差異化」、高度協調及中央管控模式的區域平臺組織結構以更替現時業務單元為本、下放管控模式的銷售組織結構，以覆蓋全中國市場。此戰略改動將進一步精簡現時業務及實現各業務單元間的協同。於中期期間，我們已開展了主要準備工作。
- 最後，我們目標是實現超越行業平均增長，以提高市場份額及保持強勁增長勢頭，從而回報本公司股東。

# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論及分析



Offer nutritious, healthy, delicious and quality food and realize maximum value for customers, shareholders and employees

奉獻營養、健康、美味的優質食品；實現客戶、股東和員工的價值最大化

**Luan Xiuju 樂秀菊**  
*Managing Director 董事總經理*





# Management Discussion and Analysis

## 管理層討論及分析

### HEADQUARTER LEVEL

Leveraging on COFCO group's complete value chain strategic business model, the Company has clearly positioned itself as a large scale downstream branded consumer foods player with a key responsibility to create demand pull for the entire upstream value chain. Our aim is to become a leading branded consumer foods conglomerate in China of international standard. Together with the continuing optimization of our food safety risk management system, we are well positioned to deliver safe, reliable and healthy foods to the consumers.

As a company controlled by a state-owned enterprise, our mission is to ensure food safety and deliver nutritious and healthy foods. The Company places great emphasis on food safety and strives to establish a comprehensive risk management system through internal and external preventive measures. As the DEHP contamination scandal unfolded during the interim period, the Company promptly established a special team and conducted thorough inspections on all product formulations and workflow processes, sent samples of products and packaging materials for inspections by third party laboratories and accepted inspections by government organizations. No DEHP was detected. Meanwhile, we have strengthened food safety risk management via the inspections of our suppliers' product formulations and production processes. Up to present, our additive and packaging materials suppliers are in compliance with the national standards according to relevant inspection reports.

### 總部層面

本公司以中糧集團全產業鏈統一戰略為指引，以做大終端出口、推動價值鏈前移為重任，致力實現成為一個具有國際水平、擁有市場領導地位的綜合性品牌消費食品企業的目標。堅持持續優化我們的食品安全管理體系，把安全、放心及健康的產品送到老百姓的餐桌上。

本公司作為國有控股企業，保證食品安全、奉獻營養健康的食品是我們的使命。本公司高度重視食品安全，通過一系列內、外預防措施，致力建立完備的安全體系。於中期期間發生「塑化劑」風波後，本公司迅速成立了應急團隊對所有產品配方和工藝流程展開全面核查，自有產品和包材樣品送第三方檢測機構檢驗，並接受官方組織的抽查與檢測，所有樣品均未檢出塑化劑。同時，本公司也加強食品安全風險管理，對供應商的產品配方與工藝流程進行檢查。目前，添加劑及包材供應商的送檢報告均顯示符合國家標準。





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# Management Discussion and Analysis

## 管理層討論及分析

During the interim period, the Company's new management team focused on the work theme of "advance through reform, teamwork for win-win" and identified two major drivers for future growth as organic growth and external expansion, supported by the strategic development of four core competencies which are product innovation, brand building, sales network building and supply chain management. Together with the optimization of organization structure, improvement of management systems and strengthening of team building, we have achieved solid overall performance compared to first half of last year as follows:

- Revenue Growth: reached HK\$13,482 million, up 59.7%.
- Gross Profit Growth: reached HK\$3,187 million, up 39.1%.
- Operating Profit\* Growth: reached HK\$557 million, up 75.2%.
- EBITDA^ Growth: reached HK\$814 million, up 50.8%.
- Bottom Line# Growth: reached HK\$315 million, up 76.5%.
- Basic Earnings Per Share Growth: reached HK11.29 cents, up HK4.89 cents.

\* Operating Profit of the Company and its subsidiaries (together the "Group") represents the aggregation of segment results less corporate and other unallocated expenses.

^ EBITDA represents earnings before finance cost, income tax expense, depreciation, amortization of other intangible assets, recognition of prepaid land premiums and share of profits of associates.

# Bottom Line represents the profit attributable to owners of the parent.

l. With respect to realising organic growth, the Company has confirmed the direction for existing business development and adopted the "Five Wins" benchmarking indicators to achieve healthy growth through products, brands, networks, systems and profits.

### Winning in Profits

- Improve earnings ability of each business
- Increase scale and enhance profitability
- Increase investment returns to shareholders

於中期期間，本公司新任管理團隊聚焦於「變中求進，協力共贏」的工作主題，確認了未來內涵及外延兩大增長方向，明確了公司的四大核心競爭力的發展策略，包括產品創新、品牌建設、營銷網絡建設及供應鏈管理。通過改進組織結構、完善管理系統及加強人才隊伍建設，對比去年上半年，我們的整體業績實現了良好的增長：

- 收入增長，達到134.82億港元，上升59.7%。
- 毛利增長，達到31.87億港元，上升39.1%。
- 經營利潤\*增長，達到5.57億港元，上升75.2%。
- EBITDA^增長，達到8.14億港元，上升50.8%。
- 淨利#增長，達到3.15億港元，上升76.5%。
- 每股基本盈利增長，達到11.29港仙，上升4.89港仙。

\* 本公司及其附屬公司(統稱「本集團」)之經營利潤指分部業績之總和減公司及其他未分配支出。

^ EBITDA指融資成本、所得稅支出、折舊、其他無形資產攤銷、確認預付土地金及應佔聯營公司溢利前的利潤。

# 淨利指母公司擁有人應佔溢利。

一、在實現內涵增長方面，本公司確認了現有業務的發展方向，並採納了「五贏」的衡量指標，通過產品、品牌、網絡、系統及利潤五個方面的健康增長。

### 贏在利潤

- 提高業務盈利能力
- 提高公司規模及盈利水平
- 提高股東投資回報

# Management Discussion and Analysis

## 管理層討論及分析

### Winning in Products

- Develop core products and enhance product competitiveness
- Ensure food safety
- Enhance product innovation ability

### Winning in Brands

- Clarify brand positioning
- Strengthen brand influence
- Improve the market position of product categories

### Winning in Networks

- Increase distribution network coverage
- Improve retail execution ability
- Realize win-win with customers

### Winning in Systems

- Enhance efficiency of operational systems
- Reduce operational risks in management systems
- Improve organization structure and human resources system

II. With respect to external expansion, the Company has defined selection criteria for acquisition targets including industry scale, rapid growth, high profit margins, low concentration and similar business model to the existing businesses of the Company.

III. Steps taken to improve the Company's core competencies include:

### Product Innovation

A unified new product research and development process has been formulated to help realize resources sharing among the business units. Training has been conducted to increase the chances of success in new product launch and drive our business development.

### Brand Building

To improve continuously our brand management by adopting measures including centralized purchasing of media resources and third-party research reports, unified brand and product management processes, joint marketing campaigns and information sharing between working partners to create a consumer-oriented brand management culture and to enhance the influence of our product brands.

### 贏在產品

- 打造核心產品，提升產品競爭力
- 保證食品安全
- 提高新產品研發能力

### 贏在品牌

- 明確品牌定位
- 強化品牌影響力
- 提高品類市場地位

### 贏在網絡

- 提高營銷網絡覆蓋率
- 改善零售終端執行力
- 實現與客戶的共贏

### 贏在系統

- 提高業務系統運營效率
- 降低管理系統運營風險
- 完善組織結構及人才系統建設

二、在外延擴張方面，本公司確定了以行業規模大、品類高速發展、利潤率高、集中度低且業務模式相近為收購目標的選擇標準。

三、提升本公司核心競爭力的舉措：

### 產品創新

完成產品研發流程的統一，以便各業務單元共享研究資源。統一團隊培訓，藉以提高新品上市的成功率，為各項業務發展注入新動力。

### 品牌建設

持續通過媒體資源、第三方調研數據的集中購買，統一品牌及產品的管理，與工作夥伴共同參與聯合促銷推廣及分享服務商信息等措施，形成以消費者為中心的品牌管理文化，以及提升本公司產品品牌之影響力。

# Management Discussion and Analysis

## 管理層討論及分析

### Sales Network Building

For off-trade channels, we launched joint promotional activities with chain stores to enhance efficiency. For on-trade channels, we established a professional team to leverage the competitive advantages across different business units. For group purchase channels, product lines for group purchases have been defined and a unified settlement and service platform was established to drive sales. A strategic distributors committee has also been set up to enhance cooperation with our distributors.

### Supply Chain Management

To ensure product quality, product safety and production safety, we have formulated a unified set of requirements for quality management systems and engaged reputable third-party audit agencies to perform reviews. The Company's OEM factory certification and management standards have been issued and implemented to enable the management of the entire OEM subcontracting process. Key projects were actively managed to ensure smooth execution.

- IV. In respect of organizational structure, the Company has planned and designed a centrally managed regional operational platform organization structure to be managed by professional functional groups after considering existing conditions and future business development needs. We aim to realize a “multi-category and multi-brand operational platform” through a centralized back-office with differentiated front-desks.
- V. In respect of management system optimization, continuing efforts have been made to improve the Company's operational management processes, develop management tools, reduce operational risk and enhance operational efficiency.
- VI. In respect of talent development, we have provided leadership training for our management staff, and focused on a culture which emphasizes professionalism, dedication and passion, with a view to improve overall productivity.

During the interim period, the Company has granted the second batch of share options to the senior management team as a further incentive. This can help drive sustainable growth in the Company's business scale and profitability. We aim to become market leaders of our product categories and continuously achieve outstanding results as a return to our shareholders.

### 營銷網絡建設

商超渠道方面，利用連鎖賣場聯合促銷推廣活動提升效率；餐飲渠道方面，各業務間實現優勢互補，建立餐飲專業團隊；團購渠道方面，梳理團購產品線，建立統一的團購結算和服務平臺來推動銷售；成立戰略經銷商委員會，提升與經銷商的合作水平。

### 供應鏈管理

為保證產品質量安全和生產安全，我們制定了統一的質量管理體系要求，聘請知名第三方審核機構進行審查；發布及執行了本公司OEM工廠認證和管理標準，對OEM工程實施全過程管理；對重大項目進行積極的管理，以確保順利執行。

- 四、在組織結構方面，本公司根據現時情況和未來業務發展的需要，規劃設計了基於專業功能組分工的區域平臺運作模式，以實現「後臺集約化、前臺差異化」的多品類品牌食品運營平臺。
- 五、在管理系統優化方面，本公司不斷完善各項運營管理流程，開發管理工具，降低運營風險，提高運作效率。
- 六、在人才系統發展方面，持續推動經理人員領導力培訓，致力於打造專業、敬業、激情的人才隊伍文化，藉以提升整體的生產力。

於中期期間，本公司向高級管理團隊授出第二批購股權作為激勵，這將有助推動本公司經營規模和盈利水平的持續穩健增長。我們的目標是要成為我們所經營品類的市場領導者，並不斷取得傑出的業績來回饋股東。

# BEVERAGES

## BUSINESS 飲料業務



## BEVERAGES BUSINESS

The Group's COFCO Coca-Cola beverages bottling group is engaged in the bottling production and sale and distribution of Coca-Cola sparkling beverages, as well as the sale and distribution of Coca-Cola still beverages, such as juices, juice milk, tea and water, in sixteen provinces, cities and autonomous regions in the PRC under franchise agreements with The Coca-Cola Company.

During the interim period, we succeeded in the following key tasks:

### 1. Winning in Products

Compared to the corresponding period of last year, our beverages business recorded sales revenue of approximately HK\$5,313 million, an increase of approximately 34.4%; sales volume reached approximately 303.7 million unit cases, up 18.2% during the interim period. Strong growth momentum in sales revenue and sales volume was mainly attributable to the lower comparative figures with lower growth in sales volume recorded during the first four months of last year as a result of unusually cold weather.

In respect of food safety, we closely follow strict quality standards established by The Coca-Cola Company within our beverages business, focusing on enhancement of the quality of work at our product quality control departments and strengthening the monitoring and inspection of our production run. Notwithstanding the outbreak of the DEHP contamination scandal during the interim period, all products of our beverages business have passed the inspection by the State Administration of Quality Supervision.

## 飲料業務

本集團旗下的中糧可口可樂飲料裝瓶集團獲可口可樂公司授權在中國十六個省、市及自治區裝瓶生產及配送銷售可口可樂系列汽水，並配送銷售可口可樂系列果汁、果奶、茶和水等不含氣飲料。

本公司於中期期間的主要工作內容如下：

### 1. 贏在產品

於中期期間，飲料業務銷售收入約53.13億港元，同比去年增長約34.4%。銷量約達3.037億標箱，同比去年增長18.2%。銷售收入及銷量強勁增長，主要歸因於去年同期基數較低，去年前四個月受到異常寒冷天氣影響，銷量增長較緩慢。

在食品安全工作方面，飲料業務嚴格執行可口可樂公司的質量標準，提高產品質量監控部門工作質量要求，加強生產程序監控和檢驗。於中期期間發生的「塑化劑」風波中，飲料業務所有產品均全部通過國家質檢部門檢驗。



# Management Discussion and Analysis

## 管理層討論及分析

### 2. Winning in Brands

According to market research conducted by AC Nielsen at the end of June 2011, Coca-Cola sparkling beverages and Minute Maid juices brand recorded significant growth in volume so that market share improved by 1.4 and 1.2 percentage points respectively, which continue to stay ahead of their respective competitors and maintain a No.1 ranking in the market share of their respective categories within the franchised territories of our bottling group. To accelerate the growth momentum and diversify the product types in the Minute Maid juice category, the beverages business has focused on the development of the Minute Maid Refreshing Pulpy Grape flavor. To explore the new category of premium vitamin water, pilot projects for the sale of Glacéau Vitamin Water have been launched in Beijing and Qingdao.

In respect of marketing, the sales volume of sparkling beverages has been boosted by the “揭金蓋，暢飲暢贏” free-drink promotional campaign, which has successfully turned consumers’ brand preference to their desire to purchase. Moreover, the “雪碧搜尋中國創意灌籃王” basketball-sponsorship campaign was launched to link Sprite brand and basketball game for the first time in China, which was well-received among young consumers. As for still beverages, we launched the “果粒滿橙，樂滿中國” internet-blog campaign to create a 360° above-the-line and below-the-line two-way interactive platform for communication with our consumers. In coordination with these marketing strategies, we will continue our work on effective merchandising campaigns and product promotions at points of sale.

### 3. Winning in Networks

With respect to sales and distribution network optimization, during the interim period, we continued to develop rural markets and applied different combinations of sales models for different markets depending on market maturity. In rural markets, we carefully chose business partners with capability to expand our retail outlet coverage in these markets. In urban markets, we continued to foster strategic partnerships with our key account customers with a view to establishing long-term, stable and strategic business relationships with major regional customers in order to develop an information sharing platform, joint information analysis mechanism and joint business plans.

### 2. 贏在品牌

根據ACNielsen於2011年6月底的市場調查數據，可口可樂系列汽水及「美汁源」系列果汁品牌在飲料業務獲授權銷售區域內銷量增長強勁，令其相關的市場份額分別提升1.4和1.2個百分點，繼續領先分別的競爭對手，排名第一。為加速「美汁源」系列的增長及拓寬產品線，飲料業務正重點發展「美汁源爽粒葡萄」口味。為開闢高端維他命水新領域，利用試點形式在北京和青島銷售「酷樂士維他命獲得」之維他命水產品。

營銷推廣方面，通過「揭金蓋，暢飲暢贏」促銷推廣活動來推動汽水的銷量，將消費者對品牌的喜好度轉化為購買，並開展「雪碧搜尋中國創意灌籃王」的主題活動，將雪碧與籃球首次在中國結合，受到年輕消費者的熱捧。不含氣飲料方面，推出「果粒滿橙，樂滿中國」主題活動，打造線上、線下360°消費者雙向溝通平臺。我們將繼續推行有效的售點產品生動化活動和產品營銷活動來配合上述營銷策略。

### 3. 贏在網絡

優化營銷網絡建設工作方面，於中期期間，我們持續開拓鄉鎮級市場，在依據市場的成熟度的不同在不同的市場使用不同的銷售模式組合。在鄉鎮市場選擇具有業務實力的合作夥伴，擴大產品在鄉鎮級市場售點的覆蓋。在城市市場建立重點客戶戰略合作聯盟，旨在與區域大客戶建立長期、穩定、戰略的業務關係，建立開放的數據平臺、共同的分析機制及制定聯合生意計劃。



# Management Discussion and Analysis

## 管理層討論及分析

### 4. Winning in Systems

As to system building, we have been taking measures to promote and then expand the coverage of the “Mobile Customer Management System” (“MCM System”), as it can improve discipline and quality of site visits to customers by our sales representatives while enhancing efficiency. Meanwhile, we have commenced our research and development of “E3S Electronic Receipt and Payment Platform Project” with a view to providing our customers with one-stop delivery, receipt and payment services through mobile technologies and electronic payment platform to improve efficiency in settlement and reduce operational risks. During the interim period, our internal audit work was completed as planned, with the risks found during previous audits all being addressed as required. With respect to human resources function, we have completed the evaluation of our senior management talent databank by way of a sand table simulation, which has helped us to select key personnel for future development. Customized development plans will be implemented in accordance with the results of the evaluation.

In respect of production capacity expansion, a PET production line newly built in our Gansu plant during the interim period will increase our annual capacity by 6.9 million unit cases. We are planning to add new production lines in our Hunan, Shandong and Hebei plants in order to help expand our sales coverage area and improve our operational efficiency. Currently, our annual sparkling beverages bottling capacity is approximately 600 million unit cases, a moderate increase compared with December 2010.

### 5. Winning in Profits

As the result of effective merchandising campaigns and implementation of product promotions at points of sale, sales volume was significantly boosted during the interim period. Together with the moderate increase in unit selling price and improved product category management, we were able to partially pass through pressure from rising costs of key raw materials. To cope with the pressure of rising raw material costs under our cost management measures, we also applied diversified procurement strategies such as locking in the key raw material costs in advance with suppliers, using more light-weight packaging materials and strengthening budget management and improving cost efficiency. Segment results stood at approximately HK\$274.9 million, an increase of 29.6%.

Notwithstanding the cost of raw materials is expected to remain at a high level in the second half of current year, we will try reducing the negative impact of the rising raw material costs by having sensitive pricing strategy, functioning together with cost management measures. Should there be any chance of short-term downward correction in the key raw material costs, we will promptly seize the opportunity to lock in the key raw material costs.

### 4. 贏在系統

系統建設方面主要在持續擴大「移動客戶管理系統」(「MCM系統」)的覆蓋，通過MCM系統的推廣改善業務代表的客戶拜訪紀律和質量，提高拜訪效率。同時，開始「E3S電子簽收及付款平臺項目」的調研，計劃通過移動技術和網上代扣平臺，將對客戶的送貨、簽收及付款一氣呵成，提高收款效率及降低運營風險。於中期期間按計劃完成內部審計工作，過往審計發現的風險均能按照要求予以改正。人力資源方面，通過沙盤模擬完成高層管理崗位人才庫測評，對未來重點發展人員進行篩選，未來將依據測評結果進行定制培養計劃。

產能建設方面，於中期期間在甘肅廠新增PET生產線一條，預計年產能將增加690萬標箱。而我們正計劃在湖南，山東，河北等地增加新生產線，將有助於擴大我們的銷售地區覆蓋及提升我們的運營效率。目前，我們汽水的年罐裝產能約為6億標箱，較2010年12月底小幅增長。

### 5. 贏在利潤

由於中期期間飲料業務執行有效的售點產品生動化活動和產品營銷活動，拉動銷量增長。在原材料成本上漲壓力下，通過提價及改善產品品類管理，部分轉移了主要原材料成本上漲壓力。飲料業務亦透過採用多元化採購策略、與供貨商提前適當地鎖定主要原材料價格、採用輕量包裝材料來控制產品成本、加強費用預算管理及提高費用的使用效率等措施，消化部分原材料成本上漲壓力。分部業績約為274.9百萬港元，同比去年增長29.6%。

預計下半年的原材料成本仍會保持在較高水平，我們將通過明智的定價策略，並做好成本管理，來減低材料成本上漲所造成的負面影響。如果原材料市場在下半年有短期向下調整的機會，我們會及時抓緊時機鎖定主要原材料價格。

# W BUSINESS WINES 酒類業務



## WINES BUSINESS

The Group's wines business is principally engaged in the production, marketing and sale of wines under the “長城”, “Greatwall”, “Greatwall Chateau Sungod” and “Chateau Junding” brands, in addition to importing wine and the production and marketing of yellow rice wine. The business is vertically integrated, encompassing the management of vineyards, wine-making, marketing and sales, brand management and development. Following the acquisition of a Chilean vineyard and winery last year, the Group successfully acquired Château de Viaud in Bordeaux, France, during the interim period. We are actively seeking potential acquisition opportunities in the United States, Australia, Spain and other regions as sources of good quality and competitively priced wine for importation into China. Together with three existing wineries and two chateaux in Yantai, Shacheng and Changli, the Group is well positioned to develop a “Greatwall Global Chateaux Cluster (長城全球酒莊群)” led by Greatwall Chateau Sungod to continuously gain market share in the high-end chateau wine market segment.

## 酒類業務

本集團的酒類業務主要是在國內從事「長城」及「Greatwall」葡萄酒、「長城桑干」和「君頂」等高端酒莊酒的生產、市場推廣和銷售，以及進口酒代理及黃酒業務。從經營葡萄園、釀酒、市場推廣及銷售延伸到品牌管理及開發，屬縱向式、一體化的產業鏈。於中期期間，繼去年成功收購位於智利的葡萄園及酒廠後，本集團成功收購位於法國波爾多產區的法國雷沃堡酒莊。我們仍積極尋求美國、澳大利亞、西班牙等產區的潛在收購機會，向中國市場輸入具價格競爭力的優質葡萄酒。結合原有的煙臺、沙城和昌黎三個生產基地和兩家酒莊，進一步打造整個以「長城桑干」酒莊酒為代表的「長城全球酒莊群」，不斷提升高端酒莊酒在行業的佔有率。



# Management Discussion and Analysis

## 管理層討論及分析

During the interim period, we succeeded in the following key tasks:

### 1. Winning in Products

Our wines business further improved and optimized its product mix strategy to create the concept of a “Greatwall Global Chateaux Cluster (長城全球酒莊群)” led by the high-end Greatwall Chateau Sungod. We have positioned Greatwall Chateau Sungod as the wine for state banquets as well as the “Wine of our Nation” in order to occupy the high-end market. To commemorate the 90th anniversary of the Chinese Communist Party and to further consolidate our brand positioning as the “Honor and Pride of our Nation”, we have launched a Greatwall Chateau Sungod Limited Edition Wine for Chinese Communist Party’s 90th Anniversary (長城桑干酒莊建黨90周年限量版紀念酒). In respect of medium- to high-end products, we have launched our new “Greatwall Terroir” wine series with a core brand positioning which emphasizes exquisite wines selected from the finest wine regions in the world. Greatwall Terroir wine series was rapidly launched through nine trade fairs and sales promotion seminars. At the same time, we have further consolidated and eliminated medium- to low-end stock keeping units to help further enhance the brand image of “Greatwall”. At present, approximately half of our sales revenue of “Greatwall” wines is attributable to the high-end and medium- to high-end series.

Last year, the wines business was actively involved in the strategic restructuring of its sales and distribution model, and continuously enhanced its brand marketing and product mix by focusing on the high-end and medium- to high-end products. During the interim period, as the new sales and distribution model underwent further refinements, sales volume decreased by 9.1% to approximately 47,000 tons compared to the first half of last year. The decrease in volume was also due to the comparatively higher proportion of low-end wines sold during last year under the old distribution model. Nevertheless, sales volume is expected to further recover in the second half of this year.

With regard to increase the business scale, the sales revenue of our high-end Greatwall Chateau Sungod nearly doubled as compared to the first half of last year. Our high-end Chateau Junding, which conducted an ongoing promotion and marketing campaign, recorded an increase of approximately 1.25 times in sales revenue compared to the first half of last year. The newly introduced medium- to high-end Greatwall Terroir series conducted product launch campaigns in major cities and achieved a successful start. Attributable to the strong momentum in turnover growth, the average unit selling price recorded a year-on-year growth of approximately 30%. Total sales revenue stood at approximately HK\$1,753 million, up 20.4% compared to the first half of last year.

於中期期間的主要工作內容如下：

### 1. 贏在產品

酒類業務進一步優化及梳理產品結構戰略，建立「長城全球酒莊群」概念，通過聚焦高端長城桑干酒莊系列產品，持續推廣及鞏固國宴用酒之選、「國酒」地位，佔領行業制高點。為紀念建黨90周年，開發新品「長城桑干酒莊建黨90周年限量版紀念酒」，通過新品的上市宣傳來進一步鞏固「中國葡萄酒的代表和驕傲」的品牌定位。中高端產品則打造新推出「長城天賦葡園」系列產品，以「全球甄選、共享天賦」為核心訴求，品牌定位於「精選世界天賦產區、孕育長城天賦美酒」，通過9場招商推介會將「長城天賦葡園」系列迅速重點推廣。同時，進一步梳理大產區酒，佐餐酒的產品線，淘汰銷售業績不佳的產品，以明確並鞏固「長城」葡萄酒的高端品牌形象。目前「長城」高端和中高端產品銷售收入佔比約近五成。

去年酒類業務積極推進營銷模式再改造的戰略性轉型工作，合理調整渠道及品牌營銷戰略，持續通過高端及中高端戰略明星產品打造，調整產品結構。於中期期間，新的營銷渠道模式持續優化，故銷量約為4.7萬噸，同比去年仍下跌9.1%，主要反映去年同期基數為舊營銷渠道模式下較多低端產品的銷量佔比結果，且下跌比率已在收窄過程中，預期下半年可持續改善。

提升業務規模方面，於中期期間主推的高端產品「長城桑干」酒莊酒的銷售收入同比去年增長近倍；高端產品君頂酒莊酒持續進行酒莊推廣以及市場開發建設，銷售收入同比去年增長近1.25倍。新鋪市的中高端產品長城天賦葡園系列產品，完成全國重點城市上市推介；受益於銷售強勁增長，平均單價同比去年增長近三成，銷售收入規模約17.53億港元，同比去年增長20.4%。

# Management Discussion and Analysis

## 管理層討論及分析

With regard to the improvement of the quality of the raw materials and the assurance of food safety, our wines business is committed to increase the ratio of grape supply from self-owned and cooperative vineyards. At present, approximately 63% of our grape supply comes from self-owned and cooperative vineyards.

### 2. Winning in Brands

During the interim period, while the new sales and distribution model has been subjected to on-going refinement, sales volume decreased by 9.1%. As a result, according to a market research conducted by AC Nielsen at the end of June 2011, the “Greatwall” brand recorded a decline in market share by volume of 1.7 percentage points, but still stayed ahead of its key competitor by a material margin and continued to maintain its No.1 ranking.

The image of Greatwall Chateau Sungod wine, as the “Wine of our Nation”, has been further consolidated by its presence at the National People’s Congresses and the Chinese People’s Political Consultative Conference. Once again, Greatwall Chateau Sungod has been selected as the only official wine for the Boao Forum for Asia. Uncompromising efforts have been made to promote our high-end and quality image of “Official Wine at State Banquets” and “Wine of our Nation” by comprehensive and continuous advertising campaigns on CCTV, advertisements at key areas in airports and high-end consumer magazines to maintain communication with our core consumer group. Regarding the Greatwall Terroir wine series, our product launch activities in all major cities have been carried out by way of promotional and marketing campaigns covering all communication channels including advertisements, newspaper reporting, public relations activities, promotions campaigns, outlets marketing, direct marketing (free trial) and gift packaging. Through a 360° above-the-line and below-the-line integrated marketing communications strategy, we have successfully promoted our core message of “exquisite wines selected from the finest wine regions in the world” to our key consumer group.

在提升原材料質量和產品安全方面，酒類業務致力於持續提升自有和合作基地葡萄供應量佔比。目前，自有和合作基地葡萄供應量佔比已達到63%。

### 2. 贏在品牌

於中期期間，新的營銷渠道模式已經在全期間運行及持續優化過程中，故銷量同比去年仍下跌9.1%，根據ACNielsen於2011年6月底的市場調查數據，「長城」品牌市場銷量份額錄得1.7個百分點之跌幅，但仍然與主要競爭對手保持一定距離，繼續排名第一。

長城桑干酒莊酒於地方各級人民代表大會和中國人民政治協商會議中亮相，進一步鞏固了國酒形象，並再次成為博鰲亞洲論壇唯一指定葡萄酒。通過央視平臺、機場媒體黃金位置以及高端綜合類雜誌全面持續投放，長期與核心消費群保持溝通，大力推廣國宴用酒之選、「國酒」高端、優質形象。長城天賦葡園系列則通過廣告全媒體接觸、鎖定重點區域、強勢公關造勢、推廣深度溝通的傳播策略形成線上、線下360°整合營銷傳播，把廣告、新聞媒體、公關、促銷、終端推廣、直銷(品鑒)、包裝等一切傳播活動都涵蓋於營銷活動的範圍之內，完成全國重點城市的上市推介工作，統一將「全球甄選，共享天賦」的核心訴求傳達到我們的核心消費群。

# Management Discussion and Analysis

## 管理層討論及分析

### 3. Winning in Networks

Our wines business currently has approximately 900 first-tier distributors. Sales revenue from our 10 largest distributors declined from 34% in the whole last year to 28% during the interim period this year. We will continue to adopt a refined and flattened distribution systems, strengthen controls for the use of brand and marketing resources, rationalize price strategies and explore market expansion within the system. Moreover, channel management and the evaluation and tracking of retail points of sale has been strengthened with the introduction of third-party inspections to perform quick tracking of market performance at retail points of sale. Execution at retail points of sale has been enhanced and facilitated by sophisticated, quantitative channel management methods. The wines business and our central sales operation department jointly formed a wines business route-to-market project team to focus on optimizing channel structure and to gain greater control over the use of distribution resources through continuous improvements in sales model, distribution network, segregation of responsibilities, organization structure and sales policy management, with a view to enhance sales performance at terminal points of sales. Regarding untapped market expansion, continuous efforts will be made to explore special channels such as tobacco and wine shops and group purchases. The consumption of our wines at official government functions will also be further promoted to government officials at all levels. Meanwhile, we will expand our sales team and strengthen its management to further enhance our business development.

### 4. Winning in Systems

Under the new sales and distribution model and with regard to the improvement of our sales organization, we are continuing to set up regional sales offices and to improve our sales team by focusing on the currently untapped markets in order to promptly capture market share. Our regional sales offices will be further sub-divided to progressively refine our sales efforts in the regions where our wines are currently distributed. A special channels department, a key accounts department and a sales and operation department were set up within our wines business unit to better serve our customers. The appropriate deployment of our sales force within our integrated sales platform enabled us to ensure the proper execution of our sales objectives.

### 3. 贏在網絡

酒類業務目前擁有約900個一級經銷商，前十大經銷商銷售收入佔比從去年全年34%下跌至中期期間的28%。我們將繼續採用精細化、扁平化的模式布局經銷體系，加強經銷體系費用控制、價格管理及市場拓展。亦加強渠道管控及終端售點的評估與追蹤，引入了第三方市場檢查，對終端售點的市場表現進行實時追蹤，以提高售點執行水平，並推動對渠道的深化、細化、量化管理。與本公司銷售運營部一起成立酒業通向市場路徑(RTM)項目組，著重從持續完善銷售模式、經銷商網絡布局、組織架構、銷售政策管理及清晰廠商職能分工等方面，理順渠道結構，整合及加強管理經銷商資源，提升終端銷售表現。開發空白市場方面，不斷加強對特殊渠道如煙酒行與團購渠道的拓展，並積極與各級政府部門協商，開拓政務用酒渠道；同時亦擴充並加強管理銷售團隊，推動我們業務的進一步發展。

### 4. 贏在系統

在銷售組織體系建設方面，配合酒類事業部營銷模式轉型，我們繼續在空白市場成立辦事處，完善業務團隊建設，迅速搶佔空白市場份額。對原有的多核心城市的辦事處進行細分，分別組建獨立的業務團隊，逐步實現經銷區域精細化。酒類事業部本部成立了特殊渠道部、主要客戶部和銷售運作部，配合特殊渠道和主要客戶業務的實施落地，在營銷平臺層面配置相應人力資源，從而保證銷售目的的落實執行。

# Management Discussion and Analysis

## 管理層討論及分析

In respect of the supply chain, our production bases in Ningxia and Xinjiang are under construction. Bottling capacity at the Ningxia plant will be approximately 20,000 tons and, upon full completion of the Xinjiang fermentation centre, the fermentation capacity will be approximately 30,000 tons. This will help to expand our sales coverage and will improve our operational efficiency.

Under our “2011 COFCO Wines & Spirits Trainee Program (中糧酒業青藤計劃)”, team-building was promoted, new sales trainees were recruited and talent development and training programs were conducted in all regions to ensure the proper talent support for our wines business. Our wines business unit also improved the management mechanism of its division managers.

### 5. Winning in Profits

In order to increase its profitability, the wines business continued to improve its product mix and marketing efforts. The promotion of our high-end product, Greatwall Chateau Sungod, and the successful launch of our medium- to high-end wine series, Greatwall Terroir resulted in an increase in gross profit margin of 5.2 percentage points. Meanwhile, under the new sales and distribution model which enhances the efficient use of our marketing resources, the wines business unit allocated appropriate resources to improve the performance of our various sales channels, such as on-premise sales, other modern channels and wholesale distribution. Furthermore, we have increased our above-the-line marketing investment for Greatwall Chateau Sungod and the Greatwall Terroir. The overall selling expense ratio was still comparable to first half of last year under tightened expense control.

With objectives of improving shareholders' returns, we drive to enhance profitability and to increase business scale. The wines business showed a recovering growth in segment results of approximately HK\$299.5 million, up 81.0% compared to the first half of last year, showing the signs of an initial turnaround after the implementation of our new sales and distribution model. Moreover, as a result of integrated income tax planning, the overall effective tax rate was down by 3.63 percentage points compared to the first half of last year.

在供應鏈方面，我們位於寧夏、新疆的生產基地正在建設中。寧夏工廠完全投產後產成品生產能力約為2萬噸；新疆發酵中心完全投產後年發酵能力約為3萬噸原酒，將有助於拓展銷售覆蓋面並提升運營效率。

在人才系統建設方面，啟動「2011中糧酒業青藤計劃」，完成了全國各區域銷售儲備生招聘及人才培養規劃，為酒類事業部的人才儲備提供充足的保障。我們亦完善了酒類事業部經理人管理機制。

### 5. 贏在利潤

提升業務盈利能力方面，酒類業務通過持續推進高端產品長城桑干酒莊酒的銷售，並成功將中高端產品長城天賦葡園系列產品鋪市，引領酒類業務銷售結構持續提升，毛利率上升5.2個百分點。同時，酒類業務通過營銷模式轉型，將酒類業務按現飲、商超、批發流通分別配置資源，提升市場資源使用效率，在增加長城桑干酒莊酒及長城天賦葡園線上投入及市場推廣的基礎上，整體營業費用率與去年同期基本持平。

提升股東投資回報方面，我們致力於提升盈利能力及提升業務規模，分部業績出現恢復性增長約為299.5百萬港元，同比去年增長81.0%，新的營銷渠道模式初見成效。同時，酒類業務進行所得稅稅收籌劃，使整體有效稅率同比去年下降3.63個百分點。

# KITCHEN FOODS BUSINESS

## 廚房食品業務





## KITCHEN FOODS BUSINESS

Our kitchen foods business principally engages in sales and distribution of consumer-pack edible oil, seasoning sauces and related products in the PRC under the “福臨門”, “Fortune”, “四海”, “五湖” and “家禾” brands.

During the interim period, we succeeded in the following key tasks:

### 1. Winning in Products

During the interim period, when compared to the first half of last year, our kitchen foods business recorded sales revenue of approximately HK\$6,172 million, up 116.3%. Sales volume stood at approximately 493,000 tons, up 69.7%, as driven up by increased product competitiveness.

In keeping with the trend of increased health awareness among consumers and consumer demand for enhanced types of products, we are continuously pursuing product innovation and are launching new lines of delicious, nutritious and healthy edible oils. During the interim period, our kitchen foods business has developed new key products, increased product competitiveness and also adopted an enhanced product differentiation strategy, by increasing its effort to promote high value-added oils through the launch of “安達露西” olive oil, “亞油酸型” premium soybean oil as well as the regional sales of our “家香味” oil to achieve product mix enhancement, thereby improving our gross margin. Adapting to the market needs, we

## 廚房食品業務

廚房食品業務主要以「福臨門」、「Fortune」、「四海」、「五湖」和「家禾」等品牌在中國銷售及分銷小包裝油和調味品等相關產品。

本公司於中期期間主要工作內容如下：

### 1. 贏在產品

於中期期間，廚房食品業務的銷售收入約為61.72億港元，較去年同期增長116.3%。銷量約為49.3萬噸，較去年同期增長69.7%，主要反映產品力的提升。

隨著消費者健康意識進一步提升，消費升級加快，我們繼續積極推動產品創新，推出美味、營養、健康的食用油。於中期期間，廚房食品業務打造核心產品，提升產品力，主要採取了差異化策略，通過「安達露西」橄欖油、「亞油酸型」一級大豆油的上市及「家香味」系列的區域銷售，擴大高附加值產品推廣，實現產品結構優化與升級，進而改善毛利情況。根據市場發展需求，通過部分產品品類使用5公升輕量化圓瓶型等新品的研發以及對



## Management Discussion and Analysis 管理層討論及分析

have used new packaging types such as the 5 Litre light-weight, round-shaped bottle for some types of products and optimized the formulations of existing products to improve our product category management and gross profit margin. We will continue to strengthen our research and development capability and pursue the development of new products.

Our kitchen foods business has centralized marketing resources to focus on the promotion of edible corn oil under the “Fortune” brand through effective above-the-line and below-the-line marketing campaigns and by communicating the theme of the health benefits of our edible corn oil to consumers, thereby enhancing the image of edible corn oil. Leveraging on the advantage of our upstream production capacity, we proposed the concept of “corn oil from golden production region”, together with strengthening our sales process and channel coverage by launching a nationwide “Golden Storm” edible corn oil campaign and by increasing outlet merchandising inputs. Our “Fortune” brand will benefit from an accelerated consumption rate and higher purchase frequency of edible corn oil, and by shifting the purchase habits of consumers from competitive brands. Our aim is to develop the “Fortune” brand as the leading brand in the edible corn oil sub-category by increasing its market share. Furthermore, we will also fully capitalize on the advantage of the production capacity at our parent COFCO group by continuing to develop a high-margin rapeseed oil product under our “家香味” series. We also launched the “zero-additive soy sauce series” under the “Fortune” brand, which is in line with “Fortune” brand’s core values of “quality, safety, nutrition, health, care and happiness”.

現有產品的配方優化，完善品類結構及改善毛利情況。我們將繼續增強研發力量，研究儲備產品項目。

廚房食品業務聚焦資源，通過線上線下有效傳播，重點發展「福臨門」玉米油，強化玉米油在消費者心目中的健康功效，使「福臨門」玉米油形象得到全面提升。依托上游產業鏈優勢，提出「黃金產地玉米油」的概念，通過以「黃金風暴」為主題的玉米油全國鋪市活動加強銷售執行和渠道掌控能力，加大點對點的投入，通過轉換對手消費者購買習慣擴大「福臨門」玉米油的試用率和購買頻次搶佔市場份額。我們的目標是將「福臨門」玉米油打造成品類第一品牌。此外，我們亦全方位借助母公司中糧集團上游工廠的產能部署優勢，繼續以「家香味」菜籽油為核心打造以「家香味」系列的高毛利菜籽油產品群。我們亦推出了「福臨門零添加系列醬油」，合乎「福臨門」品牌「品質安全、營養健康、關愛幸福」的核心價值。

# Management Discussion and Analysis

## 管理層討論及分析

### 2. Winning in Brands

According to market research conducted by AC Nielsen at the end of June 2011, the “Fortune” brand consumer-pack edible oil secured a No. 2 ranking in market share by volume by having a 1 percentage point improvement, thereby continuing to narrow the gap with the leading brand.

We have increased our efforts in advertising, carrying out comprehensive consumer and community communication, by improving the efficiency of our key retail outlets, and by increasing market development at the county-level by investing in direct brand promotion. We increased our product and brand exposure through media advertising and public relations activities and strived to develop and improve our ranking among the various product categories with a focus to build a leading brand in each sub-category. We have also improved our multi-category product diversification strategy to meet the demands of different consumer groups, thus enhancing our brand impact. Our “Fortune” brand has been legally recognized by the Trademark Review and Adjudication Board of the State Administration for Industry and Commerce as a “well-known trademark” which significantly enhances our brand image. In “Safety, Environment, Responsibility-the Second Session of Food Industry 3•15 Online Survey” held by People’s Daily Online in March, COFCO’s “Fortune” brand was elected as most favorite brand of edible oil in an internet poll. In the good faith of “care for livelihood, family and community”, we supply high quality, safe and healthy consumer-pack edible oils, with the mission to help people enjoy their lives. We are committed to develop a diversified brand strategy to satisfy people’s desire for happiness. Staying in line with the national development and leading the industry trend, we captured the consumers’ attention to win recognition.

### 2. 贏在品牌

根據ACNielsen於2011年6月底的市場調查數據，「福臨門」品牌小包裝油市場銷量份額提升1個百分點，穩居第二並不斷縮小與第一品牌的差距。

我們加大廣告投入力度，全面開展市場消費者溝通及社區溝通等項目，提高核心售點銷售力度，增加縣鄉級市場開發和品牌傳播費用投入。我們通過媒介投放、公關傳播增加產品及品牌曝光度，並致力開發及完善各品類中尖端品類，聚焦打造分品類行業第一品牌。我們亦完善多品類經營策略以滿足不同消費群體需求，進而提升品牌影響力。「福臨門」商標被國家工商行政管理總局商標評審委員會依法認定為馳名商標，使品牌形象大幅提升。在3月人民網舉辦的「安全•環保•責任—第二屆食品行業3•15網上調查」中，中糧「福臨門」當選「網友最喜愛的糧油品牌」。「福臨門」品牌秉承「關愛民生，關愛家庭，關愛社會」的理念，生產高品質、安全、健康的小包裝食用油，倡導享受幸福生活為使命；致力形成品牌差異化，建立品牌高度；滿足大眾內心對幸福感的渴望；使消費者心中產生印記，同時與國家發展方向保持一致性，引領行業趨勢，贏到了消費者的認可與好評。

# Management Discussion and Analysis

## 管理層討論及分析

### 3. Winning in Networks

During the interim period, the number of retail points of sale, distributors and sales staff under our coverage have increased. We continue to strengthen our channel penetration and further develop various sales channels. We keep increasing the number of distributors and front-line sales teams to rapidly improve our coverage of cities of prefecture-level or above through a persistent development of retail points of sale, and by increasing market coverage at county-level by targeting the stores covered by major competing brands as major potential outlets for our own products. While increasing our city coverage, we continue to strengthen and flatten the channel operation in order to effectively develop and maintain the management of our sales outlets. With the urbanization of China accelerating, sales efforts are increasingly being devoted to third- and fourth-tier cities. We strengthened co-operations with county-level distributors by focusing on the development of the market at county-level. Meanwhile, our intensive marketing campaigns of “Happiness All Around China” for natural grains blended oil and “Golden Storm” for our edible corn oil under our “Fortune” brand have further enhanced the sales execution and the channel management at all levels. In addition, we upgraded the channel maintenance standards and improved the channels’ performance through launching of new products, a better distribution coverage and aggressive merchandising at retail points of sale of our natural grains blended oil and edible corn oil. The channel maintenance standards have been further consolidated so that distributors who are not up to standards will be subject to an improvement program to enhance their capabilities in managing their retail points of sale. With the optimization of our sales network and nationwide coverage, the sales volume grew further.

### 3. 贏在網絡

於中期期間，實現終端售點數量、經銷商客戶數量及銷售人員數量持續增長。我們繼續致力於加強渠道滲透及建設。通過不斷增加經銷商客戶和一線銷售團隊，快速實現城市覆蓋工作，主要對地級市以上市場堅持不懈開拓售點，加強縣級市場覆蓋，制定以主要競爭品牌覆蓋的門店作為我們的目標覆蓋門店。在加快城市覆蓋的同時，不斷強化渠道扁平化操作，有效拓展和維護終端售點。隨著城市化進程加快，我們針對性地向三四線城市進行滲透，主動加強與縣級經銷商合作，重點開發縣鄉級市場。同時，以「福臨門」天然穀物調和油「福滿全中國」、玉米油「黃金風暴」為主題的強力鋪市行動，以天然穀物調和油和玉米油等基礎油種的鋪市、分銷、形象陳列，進一步強化了各級隊伍的銷售執行和渠道管控執行力水平，強化渠道維護標準，增加渠道拓展寬度。按照渠道維護標準，找到與標準有差距的客戶，重點優化提升，全面提高經銷商客戶終端維護能力；通過客戶佈局的不斷完善也推動了渠道銷量的增長。

# Management Discussion and Analysis

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### 4. Winning in Systems

We have taken proactive measures to cope with the increased demand during the Chinese New Year, thereby ensuring an uninterrupted supply to the market. The effective order fulfillment rate continued to increase. In response to the increasing market demand for our edible oils, we have strengthened the collaboration with our parent COFCO group in order to benefit from their upstream capacity. Targetting especially their new additional capacity and based on our market data, incorporating data from our sales regions, we clearly defined the oil categories required under our production plan. Higher capacity utilization enabled us to optimize logistic cost, to ensure the supply of oils and to enjoy further cost advantages. Third party OEM subcontractors are also well utilized to optimize logistics planning, to increase responsiveness to the market and to improve our customer order fulfillment rate. Outsourcing of first-tier and second-tier logistics service providers and six storage facilities have been completed to ensure the quality of service, to improve efficiency and to optimize cost.

### 5. Winning in Profits

During the interim period and in order to cooperate with the government's goal to stabilize the volume supply and the selling price of edible oils, our kitchen foods business has taken proactive measures to stock expected volumes in advance, whilst seeking relevant government's support, optimizing product mix and continuously monitoring level of channel stock and ensuring supply at key retail points of sale. Significant growth in both sales volume and profits during the interim period has been enhanced by improving the utilization of working capital and reducing operating costs. During the interim period, when compared to the first half of last year, our kitchen foods business recorded strong sales revenue and sales volume growth. Due to the benefit of operating leverage, segment results of the kitchen foods business also recorded significant growth to approximately HK\$74.3 million, up 682.1%.

### 4. 贏在系統

我們積極配合春節需求，確保供應，實現有效訂單滿足率持續提升；鑒於市場對我們食用油需求量大幅增加，我們加強了與母公司中糧集團上游工廠的協同，充分發揮新增工廠產能，明確生產油種、品項等資源能力，並與所覆蓋的區域銷售進行匹配，優化供貨線路，挖掘產能潛力，更好的提升保障供貨能力；亦充分利用第三方加工廠，改善物流佈局，提高了市場響應速度，並直接提升了客戶訂單滿足率，完成對於中轉庫的一級、二級物流的招標，已完成六個中轉庫物流招標工作，確保服務質量，尋求效率提升和系統性成本最優化。

### 5. 贏在利潤

於中期期間，針對國家保供穩價的政策要求，廚房食品業務積極響應，落實保障供應，同時爭取國家保障供應資源，積極優化產品結構，監控渠道庫存，最大限度確保重要的終端貨源不斷，平衡整體經營方向。同時，通過提高資金使用率，降低運營成本，確保上半年銷量及利潤均大幅增長。於中期期間，廚房食品業務的銷售收入及銷量強勁增長，營運杠杆效益下，分部業績亦出現大幅增長，約為74.3百萬港元，同比去年增長682.1%。

# CONFECTIONERY

## 休閒食品 BUSINESS

業務



### CONFECTIONERY BUSINESS

Our confectionery business is mainly engaged in the production and distribution of chocolates and other products, candies, peanut snacks and other confectionery products in the PRC under the “Le conté” and “Merveille” brands.

During the interim period, we succeeded in the following key tasks:

#### 1. Winning in Products

During the interim period, when compared to the first half of last year, sales revenue was HK\$244 million, up 33.2%; sales volume stood at 3,486 tons, up 36.1%. Our confectionery business adopts an integrated product differentiation strategy for the innovation of new products such as the black hazelnut syrup aerated chocolate bowl series, the orange flavored jelly candy with chocolate and the strawberry flavored jelly candy. During the interim period, new products launched have contributed 16% of our sales revenue, of which our new product, the “Merveille” jelly candy, has become one of the best-sellers in its product category. Our aerated chocolate series was also well received among local consumers in the regions where the products are available for sale.

### 休閒食品業務

休閒食品業務主要以「金帝」、「美滋滋」兩個品牌在中國生產及分銷巧克力及巧克力製品、糖果、休閒花生等相關產品。

本公司於中期期間的主要工作內容如下：

#### 1. 贏在產品

於中期期間，實現銷售收入2.44億港元，較去年同期增長33.2%，銷量為3,486噸，較去年同期增長36.1%。休閒食品業務結合產品開發差異化策略，研發了黑榛子漿夾心充氣巧克力碗裝系列，香橙味凝膠糖果巧克力，以及草莓味夾心凝膠糖果等新口味產品。於中期期間，主推新產品的銷售收入佔比達16%，其中新產品美滋滋凝膠糖果已成為同品類中的暢銷產品之一，充氣巧克力亦在已鋪貨地區消費者接受度甚高。

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### 2. Winning in Brands

According to market research conducted by AC Nielsen at the end of June 2011, the “Le conté” brand ranked No. 4 in market share by volume and had 0.1 percentage point improvement. Our confectionery business continued to strengthen the core messages of “rich and classic” of our “Le conté” chocolate, and “brightening up your happy life” of our “Merveille” brands. Several marketing campaigns were launched during the Chinese New Year, Valentine’s Day and Women’s Day during the interim period. Meanwhile, we have taken measures to rationalize our product mix, to enhance the competitiveness of our products and to improve our product packaging according to the market positioning of our brands. We also introduced differentiated products to enrich our family-pack product category, thereby further consolidating our position in the family-pack chocolate industry segment.

### 3. Winning in Networks

Our confectionery business continued to increase the coverage of its retail points of sale and to improve the performance of the various outlets by further extending market penetration and developing our existing sales channels. During the interim period, the number of new retail points of sale under our direct control and indirect control have been increased. Also, a monitoring system has been established for all retail points of sale under our direct control as a tool to improve the systematic management of sales channels. The management provided front-line sales staff with an optimized route plan for sales visits in order to enhance our visit efficiency. During the peak season sales, a new display plan was implemented at retail points of sale which raised the quality of the displays and the image of our products.

### 4. Winning in Systems

Our confectionery business has implemented the MCM system on a nationwide basis. All front-line sales staff have used the system to achieve effective management over all retail points of sale under our direct control in addition to route plan for sales visits. This system not only improves the efficiency but also collects feedback information of the respective activities at retail points of sale under our direct control and also monitors the latest activities of our competitors, thereby greatly enhancing the front-line market information feedback and providing an objective basis for corporate decision-making.

### 2. 贏在品牌

根據ACNielsen於2011年6月底的市場調查數據，「金帝」品牌市場銷量份額提升0.1個百分點，位居第四位。休閒食品業務繼續深化「金帝」的「濃郁、經典」與「美滋滋」的「點亮快樂生活」等品牌核心。於中期期間的春節、情人節及三八婦女節期間開展節日營銷推廣活動。同時，梳理產品組合，根據品牌定位，持續升級產品包裝，提升產品的市場競爭力，並引入差異化產品，豐富家庭裝產品線，繼續鞏固我們在家庭裝巧克力行業中地位。

### 3. 贏在網絡

休閒食品業務持續提升終端售點覆蓋率及掌控能力，進一步加強渠道滲透及建設。於中期期間，新開可控售點及非可控售點數量持續增長。全部可控售點已經建立起檔案資料，並且進行系統化管理。針對一線業務人員進行了售點拜訪線路規劃，提升了業務拜訪的計劃性。於銷售旺季期間推動終端門店開展執行了陳列計劃，提升了產品在終端的陳列質量與形象。

### 4. 贏在系統

休閒食品業務推動了MCM系統的全國上線，所有一線業務人員已經全部使用，有效管理所有可控售點，管理所有業務拜訪線路，此系統不僅能提升線路拜訪效率而且能反饋終端售點的各項市場活動的信息以及競爭對手的最新動態，大大提升了一線市場信息的反饋效率，進一步為公司決策提供客觀依據。



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We have taken proactive measures to meet sales demand to ensure a smooth operation of the supply chain and thus achieved a rise in the fulfillment rate of our sales plan. We have introduced new tendering procedures for the annual procurement of all our packaging materials to ensure their quality and to realize cost advantages. We have also monitored the market price of key raw materials to promptly seize the opportunity of purchasing in bulk. We have established collaborations with member companies of the parent COFCO group for the use of storage facilities, and to improve our integrated warehousing, storage and distribution capabilities. Moreover, tendering process for five logistics services and storage facilities have been introduced to ensure our quality of service. The food safety risk management system, the food quality management system, the environmental protection management system and the occupational health and safety management system have been implemented and certified by a certification agency.

Regarding team building with talent development, we have commenced a “Leadership Development Program” to provide integrated capabilities training for our managers and to improve the management skills of our sales managers. We have also appointed three in-house trainers to share their expertise for the benefits of all.

### 5. Winning in Profits

We are pursuing various channel and new product marketing activities according to our annual sales plan. With continuous investment in marketing resources for new products, in particular the two jelly candy items, we achieved higher than expected sales revenues. Meanwhile, other new products have also shown favorable conditions for potential sales growth in the second half of this year. During the interim period, when compared to the first half of last year, both sales revenue and sales volume grew. However, gross profit margin dropped as a result of the rising cost of key raw materials and the changes of our product mix. In addition, higher selling expenses were recorded in relation to the launch of new products, thus resulting in a loss in our segment results of confectionery business of HK\$41.6 million. We expect to maintain the momentum of our high sales revenue growth and improve our gross profit margin by benefiting from an enhanced product mix during the second half of this year.

我們積極滿足銷售需求，確保供應鏈環節順暢，實現銷售計劃滿足率提升。我們對所有包裝材料進行新年度競價採購，確保質量和成本受控，並對主要原材料價格行情監察，及時抓緊時機採購，控制採購成本。我們完成總庫與母公司中糧集團系內的公司協同，提高倉、儲、配一體化的能力。現已完成五個中轉庫幹線、配送新年度招標工作，確保服務質量。推行食品安全管理體系建設、質量管理體系建設、環境管理體系建設及職業健康安全體系建設，使用統一的認證公司認證。

在人才系統建設方面，啟動「領導力發展培訓」，繼續實行經理人的綜合能力培訓，提高事業部經理人管理水平。我們亦推行內部培訓師培養，已經確定三名准培訓師發揮專業技能，做好人才隊伍建設。

### 5. 贏在利潤

我們正按年度經營計劃推進各項渠道營銷與新產品營銷工作，通過對新產品的持續投入，特別是凝膠軟糖兩個單品實現銷售收入遠超原來預期。其他新產品的開發與儲備也為下半年銷售的提升創造了條件。雖然中期期間實現了銷售收入及銷量較去年同期增長，但由於年度主要原材料價格上漲、產品結構的改變，使毛利率下降，另加大投放新產品進場等費用，造成銷售費用同比去年較高，故分部業績仍體現虧損41.6百萬港元。我們預期下半年銷售收入保持高增長，隨著產品結構的優化，毛利率會有所改善。

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### FINANCIAL REVIEW

Supplemental information to segment results of the Group for the interim period with comparative figures for the corresponding period of last year, are set out below:

### 財務回顧

本集團於中期期間之分部業績的補充資料連同去年同期比較數字載列如下：

		For the six months ended 30 June	
		截至6月30日止六個月	
		2011	2010
		2011年	2010年
		(Unaudited)	(Unaudited)
		(未經審核)	(未經審核)
		%	%
Growth of volume by segment:	按業務類別劃分之銷量增長：		
– Beverages (unit cases)	– 飲料(標箱)	18.2	14.8
– Wines (tons)	– 酒類(噸)	-9.1	-14.9
– Kitchen Foods (tons)	– 廚房食品(噸)	69.7	7.7
– Confectionery (tons)	– 休閒食品(噸)	36.1	10.7
Growth of revenue by segment:	按業務類別劃分之收入增長：		
– Beverages	– 飲料	34.4	2.4
– Wines	– 酒類	20.4	-7.3
– Kitchen Foods	– 廚房食品	116.3	10.3
– Confectionery	– 休閒食品	33.2	6.7
Segment results to revenue ratio:	分部業績對收入比率：		
– Beverages	– 飲料	5.2	5.4
– Wines	– 酒類	17.1	11.4
– Kitchen Foods	– 廚房食品	1.2	0.3
– Confectionery	– 休閒食品	-17.1	-17.8
Effective tax rate (Note 1)	有效稅率(附註1)	32.6	29.7

Note:

- The calculation of effective tax rate of the Group is based on tax divided by adjusted profit before tax after excluding the contributions by share of profits of associates.

附註：

- 本集團有效稅率乃按稅項除以經調整除稅前溢利(不包括分佔聯營公司溢利貢獻)計算。

# Management Discussion and Analysis

## 管理層討論及分析

### REVENUE

The Group's total revenue for the interim period grew by approximately 59.7% over the same period of the last year, as the combined effects of:

- The revenue growth of Kitchen Foods segment, with explosive growth in sales volume attributable to increasing coverage of retail points of sale, penetration of channels, product mix enhancement with robust growth driven by focused product types such as corn oil and rapeseed oil product types and reflecting the general increase in unit selling price during second half of the last year;
- The revenue growth of Beverages segment, with strong growth momentum in sales volume mainly driven by sparkling beverages and juice beverages, together with moderate pass-through of raw material cost pressures to unit selling price of products, whereas the comparative revenue reflected the negative impact of cold weather during January to April of the last year;
- The revenue growth of Wines segment, with progressive improvement in its product mix enhancement mainly driven by key product types such as “Greatwall Chateau Sungod”, “Chateau Junding”, “Greatwall Terroir” and other medium- to high-end product types under the new sales and distribution model, that outweighed the impact of a decline in sales volume as the comparative volume was mainly conducted under the old sales and distribution model; and
- The revenue growth of Confectionery segment, with improvement in sales volume attributable to increasing coverage of retail points of sale.

### 收入

於中期期間，本集團之總收入較去年同期增加約59.7%，原因綜合如下：

- 廚房食品分部之銷售收入出現增長，乃由於售點之覆蓋層面擴大、銷售渠道之滲透程度提升，加上產品組合優化過程中核心產品類別如玉米油及菜籽油等大幅增長，帶來銷量的爆炸性增長，以及反映了去年下半年單位售價普遍上升所致；
- 飲料分部之銷量之增長勢頭強勁，主要由汽水及果汁飲料帶動而致其收入增長，同時原材料成本之壓力適度地轉嫁至產品之單位售價上，而去年同期之收入則反映去年1月至4月寒冷天氣之負面影響；
- 酒類分部積極優化其產品組合，主要為核心產品類如「長城桑干」酒莊系列、「君頂酒莊」系列、「長城天賦萄園」系列；及對其他中高端產品系列採用新銷售及分銷模式下收入錄得增長，並蓋過了銷量下跌之影響，因去年同期銷量反映了舊銷售及分銷模式下之經營成果；及
- 休閒食品分部之銷售數字有所改善，乃由於售點之覆蓋層面提升，銷售量上漲所致。

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### GROSS PROFIT MARGIN

Improvements of gross profit margins of both Wines segment and Kitchen Foods segment were attributable by product mix enhancements as mentioned above. Even Beverages segment continued its effective procurements strategies and packaging re-engineering and together with moderate pass-through of raw material cost pressures to the unit selling price of products, its gross profit margin dropped under pressure from marked price increases in key raw materials and packaging materials. Gross profit margin of the Confectionery segment decreased due to similar cost pressure from price increases in key raw materials and packaging materials.

### SELLING AND DISTRIBUTION COSTS

Aggregate selling and distribution costs grew by 33.4%, less than the magnitude of revenue growth. Overall selling and distribution costs to revenue ratio dropped mainly due to the benefit of operating leverage in scales of all business segments and tightened selling and distribution cost control with room for on-going improvement.

### ADMINISTRATIVE EXPENSES

Aggregate administrative expenses grew by 26.5%, less than the magnitude of revenue growth. Administrative expenses to revenue ratio dropped mainly due to operating leverage in scales of all business segments despite the increase in administrative expenses attributable by the general expansion of management functions and pre-operating expenses of new subsidiaries in the PRC and overseas.

### FINANCE COSTS

Overall finance costs grew by 41.9% which was mainly due to the impact of cash discounts offered to certain distributors.

### SHARE OF PROFITS OF ASSOCIATES

Share of profits of associates increased by 106.4% as the comparative figure for the six months ended 30 June 2010 reflected the adverse impact of cold weather during January to April of last year.

### 毛利率

酒類分部及廚房食品分部毛利率上升，改善歸因於上文所述之產品組合優化。即使飲料分部繼續其有效採購策略、包裝類別改良，連同適度將原材料成本壓力轉移至產品之單位售價，其毛利率仍面臨主要原材料及包裝材料價格顯著上漲的壓力故有所下降。糖果分部的毛利率下降是由於主要原材料及包裝材料價格顯著上漲的類似成本壓力所致。

### 銷售及分銷成本

整體銷售及分銷成本增長33.4%，低於收入增長幅度。整體銷售及分銷成本對收入之比率有所下跌，主要是由於所有業務分部規模之營運槓杆效益及緊縮銷售及分銷成本所致並尚有持續改善空間。

### 行政開支

整體行政開支增長26.5%，低於收入增長幅度。儘管管理職能整體擴大以及中國及海外新附屬公司之前期營運開支致使行政開支增加，行政開支對收入之比率卻有所下降，主要是由於所有業務分部規模之營運槓杆效益所致。

### 融資成本

整體融資成本增長41.9%，主要由於向若干分銷商提供現金折扣的影響所致。

### 應佔聯營公司溢利

應佔聯營公司溢利較截至2010年6月30日止六個月之比較數字上升106.4%，反映去年1月至4月寒冷天氣之負面影響。

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### INCOME TAX EXPENSE

The effective tax rate of the Group was 32.6% which was mainly due to uncertainty of tax deductibility of prolonged losses of certain subsidiaries, non-tax deductibility of certain corporate expenses at headquarter and certain business units, together with pre-operating expenses of new subsidiaries in the PRC and overseas, but with foreseeable room for improvement under group tax planning.

### LIQUIDITY AND FINANCIAL RESOURCES

The Company's treasury function formulated financial risk management procedures, which are also subject to periodic review by the senior management of the Company. This treasury function operates as a centralized service for managing financial risks, including interest rate and foreign exchange rate risks, reallocating surplus financial resources within the Group, procuring cost-efficient funding and targeting yield enhancement opportunities. The treasury function regularly and closely monitors its overall cash and debt positions, proactively reviews its funding costs and maturity profiles to facilitate timely refinancing, if appropriate.

As at 30 June 2011, the Group's unpledged cash and cash equivalents totalled approximately HK\$2,538 million (31 December 2010: approximately HK\$1,741 million), and the Group's net current assets were approximately HK\$2,142 million (31 December 2010: approximately HK\$1,525 million). During the interim period, the net cash inflow from operating activities of approximately HK\$1,122 million was recorded, including the impact of a decrease in general working capital, (six months ended 30 June 2010: net cash outflow from operating activities was approximately HK\$160 million) whereas the EBITDA amounted to approximately HK\$814 million (six months ended 30 June 2010: approximately HK\$540 million).

Having considered the normalized cash flow from operating activities, unpledged cash and bank deposits and current bank and other borrowings and banking facilities available to the Group, the management believes that the Group's financial resources are sufficient to fund its debt payments, day-to-day operations, capital expenditures and prospective business development projects.

### 所得稅支出

本集團之有效稅率為32.6%，主要由於不確定若干附屬公司長期虧損之減免稅項性質，總部及若干業務單位公司開支為非減免稅項性質及中國及海外新附屬公司之前期營運開支，但根據集團稅務籌劃有可預見改善空間。

### 流動資金及財務資源

本公司之庫務部門制定財務風險管理程序，並由本公司高級管理層定期審閱。該庫務部門集中管理包括利率及匯率風險在內之財務風險、重新分配本集團之財務資源盈餘及為本集團爭取有成本效益之資金，並抓緊提高收益之機遇。庫務部門定期及密切監察其整體現金及債務狀況、積極檢討其融資成本及到期情況以方便於適當情況下再融資。

於2011年6月30日，本集團之無抵押現金及現金等值項目合共約為25.38億港元（2010年12月31日：約17.41億港元），本集團之流動資產淨值約為21.42億港元（2010年12月31日：約15.25億港元）。於中期期間，經營活動產生之淨現金流入錄得約11.22億港元（截至2010年6月30日止六個月：經營活動產生之淨現金流出約為1.60億港元），當中包括一般營運資金減少之影響，而融資成本、所得稅支出、折舊、其他無形資產攤銷、確認預付土地金及應佔聯營公司溢利前的利潤則約為8.14億港元（截至2010年6月30日止六個月：約5.40億港元）。

經考慮正常情況下之經營活動現金流、無抵押現金及銀行存款及現時可供本集團使用之銀行及其他借貸及銀行授信，管理層相信，本集團有充足財務資源清還債務，為其日常業務營運、資本開支及未來業務發展項目提供資金。

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Held-to-maturity investments represented corporate bonds with expected redemption dates falling within the coming two years or three years at dates of purchase. The Company has no exposure in mortgage-backed securities, collateralized debt obligations or similar asset classes.

The Group's monetary assets, liabilities and transactions are principally denominated in Renminbi, Hong Kong dollars and United States dollars. The management is of the view that the exchange rate risk exposure of the Group is limited.

The Company cautiously uses derivatives principally in the form of future contracts and interest rate swaps as appropriate for financial risk management purpose only, in hedging cash flows against the exposure caused by sharp rise in raw material price and interest rate volatility, if necessary. Entering into derivative transactions for speculative purposes and investing liquidity resources in financial products with significant underlying leverage or derivative exposure are absolutely prohibited.

### CAPITAL STRUCTURE

During the interim period, the total number of issued shares of the Company increased by 200,000 shares as a result of an ex-director of the Group exercising his share options granted in 2007. As at 30 June 2011, the total number of issued shares of the Company was 2,792,659,756.

As at 30 June 2011, the Group had certain interest-bearing bank borrowings of approximately HK\$1,698 million (31 December 2010: approximately HK\$1,487 million) and other borrowing of Nil (31 December 2010: approximately HK\$29 million).

Bank borrowings carried annual interest rates ranging between 0.68% and 6.31% (31 December 2010: between 0.72% and 5.31%). Other borrowing carried annual interest rate of 4.59% as at 31 December 2010.

持有至到期投資指預期贖回日期為未來兩年內或三年期內之公司債券(購入時計算)。本公司並無抵押擔保證券、抵押債務承擔或類似資產類別之風險。

本集團之貨幣資產、負債及交易主要以人民幣、港元及美元計值。管理層認為，本集團所承受之匯率風險不大。

為了就原材料價格驟升及利率波動(如有)所產生之風險並對未來現金流量作出對沖，本公司審慎規劃於適當情況下利用衍生工具(主要為利率掉期及期貨合約)，以達致財務風險管理目的。本公司絕對禁止為投機目的而參與衍生工具交易及將流動資金投資於具重大相關槓杆作用或衍生工具風險之財務產品。

### 資本結構

於中期期間，本公司之已發行股份總數因本集團一名前董事行使其於2007年獲授的購股權而增加200,000股股份。於2011年6月30日，本公司之已發行股份總數為2,792,659,756股股份。

於2011年6月30日，本集團之借貸包括若干計息銀行貸款約為16.98億港元(2010年12月31日：約14.87億港元)及其他貸款為零港元(2010年12月31日：約2,900萬港元)。

銀行貸款按介乎0.68厘至6.31厘之年利率計息(2010年12月31日：介乎0.72厘至5.31厘)。於2010年12月31日其他貸款按4.59厘之年利率計息。

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## 管理層討論及分析

As at 30 June 2011, net assets attributable to owners of the parent were approximately HK\$6,301 million (31 December 2010: approximately HK\$5,947 million) and net cash position of the Group (unpledged cash and cash equivalents less interest-bearing bank and other borrowings) was approximately HK\$840 million (31 December 2010: approximately HK\$225 million).

### CONTINGENT LIABILITIES AND ASSETS PLEDGED

Save as disclosed in note 7 to the condensed consolidated interim financial information, the Group had no significant contingent liabilities at the end of the reporting period.

As at 30 June 2011, certain bank borrowings of the Group were secured by charges over certain property, plant, equipment and bank deposits of the Group with aggregate net book value of approximately HK\$371 million (31 December 2010: approximately HK\$168 million).

### EMPLOYEE AND REMUNERATION POLICY

As at 30 June 2011, the Group employed 16,817 staff in Mainland China and Hong Kong (31 December 2010: 16,027). Employees are paid according to their positions, performance, experience and prevailing market practices, and are provided with management and professional training. Employees in Hong Kong are provided with retirement benefits, either under a Mandatory Provident Fund exempted ORSO scheme or under the Mandatory Provident Fund scheme, as well as life insurance and medical insurance. Employees in Mainland China are provided with basic social insurance and housing fund in compliance with the requirements of the laws of China. Details of these benefit schemes are set out in the Annual Report 2010.

The Company adopted a share option scheme on 21 November 2006 (the "Option Scheme") for a term of ten years and the purpose of the Option Scheme is to reward eligible employees of the Group (including executive directors and non-executive directors of the Company) based on individual merits. Details of the Option Scheme are set out in the section headed "Share Option Scheme" below.

於2011年6月30日，母公司擁有人應佔淨資產約為63.01億港元(2010年12月31日：約59.47億港元)，本集團淨現金(無抵押現金及現金等值項目減計息銀行借貸及其他借貸)約為8.40億港元(2010年12月31日：約2.25億港元)。

### 或然負債及資產抵押

除於簡明綜合中期財務資料附註7所披露外，於報告期末本集團並無任何重大或然負債。

於2011年6月30日，本集團若干銀行借貸乃以本集團賬面淨值約3.71億港元(2010年12月31日：約1.68億港元)之若干物業、廠房、設備和定期存款作抵押。

### 僱員和薪酬政策

於2011年6月30日，本集團於中國內地及香港共僱用16,817名僱員(2010年12月31日：16,027名)。本集團根據僱員之崗位、表現、經驗及現時市場慣例釐定僱員薪酬，並提供管理及專業培訓予僱員。本集團透過豁免強制性公積金職業退休計劃或強制性公積金計劃為在香港的僱員提供退休福利，並提供人壽保險及醫療保險；及為中國內地僱員提供中國法律要求的基本社會保險及住房公積金。此等福利計劃之詳情載於2010年年報內。

於2006年11月21日，本公司採納購股權計劃(「購股權計劃」)，為期十年。購股權計劃旨在依據僱員個別表現獎勵本集團合資格僱員(包括本公司執行董事及非執行董事)。購股權計劃之詳情載於下文「購股權計劃」內。

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## 管理層討論及分析

### CHANGE IN THE STRUCTURE OF THE GROUP

During the interim period, Top Glory Wines & Spirits Europe SAS, an indirectly wholly-owned subsidiary of the Company, acquired the entire equity interest in Société Du Château de Viaud SAS, a simplified joint-stock company incorporated in France, from an independent third party at a consideration of EUR8,253,195. Société Du Château de Viaud SAS is mainly engaged in the operation of vineyard and production and sale of grape wines.

### INTERIM DIVIDEND

The board of directors (the “Board”) declared the payment of an interim dividend of HK4.07 cents (30 June 2010: HK2.30 cents) per share for the interim period, which will be payable on Friday, 21 October 2011, to shareholders whose names appear on the register of members of the Company on Friday, 7 October 2011 (the “Record Date”).

According to the Notice Regarding Matters on Determination of Tax Residence Status of Chinese-controlled Offshore Incorporated Enterprises under Rules of Effective Management dated 22 April 2009 issued by the State Administration of Taxation of the People's Republic of China, the Enterprise Income Tax Law of the People's Republic of China (the “Enterprise Income Tax Law”) and the Detailed Rules for the Implementation of the Enterprise Income Tax Law of the People's Republic of China, all implemented from 1 January 2008, since the Company is an offshore incorporated company and is, among others, controlled by a Chinese enterprise, the Company is likely to be regarded as a Chinese resident enterprise and, if so, it could be required to withhold a 10% enterprise income tax when it distributes the interim dividend to its enterprise shareholders other than those enterprises which are duly incorporated in the PRC or under the laws of foreign countries (or regions) but with PRC-based de facto management bodies (such enterprises are defined as resident enterprises in the Enterprise Income Tax Law). The withholding and payment obligation lies with the Company.

### 本集團架構之變動

於中期期間，本公司一家間接全資附屬公司Top Glory Wines & Spirits Europe SAS以8,253,195歐元向獨立第三方收購Société Du Château de Viaud SAS，一家於法國註冊成立的簡式股份公司的全部權益。Société Du Château de Viaud SAS主要經營葡萄園及從事葡萄酒的生產及銷售。

### 中期股息

董事會（「董事會」）宣派於中期期間之中期股息每股4.07港仙（2010年6月30日：2.30港仙）。中期股息將於2011年10月21日（星期五），向於2011年10月7日（星期五）（「登記日」）名列本公司股東名冊內之股東支付。

根據全部於2008年1月1日起執行的中華人民共和國國家稅務總局發出日期為2009年4月22日之《關於境外註冊中資控股企業依據實際管理機構標準認定為居民企業有關問題的通知》、《中華人民共和國企業所得稅法》（「《企業所得稅法》」）及《中華人民共和國企業所得稅法實施條例》，本公司是境外註冊並且（其中包括）由一家中資企業控股的公司，很可能被認定為中國居民企業。如是者，本公司可能需要向並非為依法在中國境內成立，或者依照外國（或地區）法律成立但實際管理機構在中國境內的企業（該等企業在《企業所得稅法》中所定義為居民企業）的企業股東派發中期股息時代扣10%的企業所得稅。代扣代繳企業所得稅是本公司的義務。



## Management Discussion and Analysis 管理層討論及分析

In respect of all shareholders whose names appear on the Company's register of members on the Record Date and who are not individuals (including HKSCC Nominees Limited, corporate nominees or trustees such as securities companies and banks, and other entities or organizations, which are all considered as enterprise shareholders), the Company will distribute the interim dividend after deducting the enterprise income tax of 10%. The Company will not withhold and pay income tax in respect of the interim dividend payable to any natural person shareholders whose names appear on the Company's register of members on the Record Date.

If any enterprise shareholder listed on the Company's register of members considers itself to be a resident enterprise and does not wish the Company to withhold the 10% enterprise income tax, it shall lodge with the Company's branch share registrar and transfer office in Hong Kong, Tricor Progressive Limited, at 26/F., Tesbury Centre, 28 Queen's Road East, Hong Kong, documents from its governing tax authority confirming that the Company is not required to withhold and pay the enterprise income tax in respect of the dividend to which it is entitled no later than 4:00 p.m. on Tuesday, 4 October 2011.

If anyone would like to change the identity of the shareholders in the register of members, please enquire about the relevant procedures with the nominees or trustees. The Company will withhold for payment of the enterprise income tax for its non-resident enterprise shareholders strictly in accordance with the relevant laws and requirements of the relevant government authorities and adhere strictly to the information set out in the Company's register of members on the Record Date.

In the event that the Company is not regarded as a Chinese resident enterprise and hence no enterprise income tax should have been withheld, to the extent that such tax remains in the custody of the Company and so far as it is legally able to do so, the Company will procure such tax to be refunded to the relevant enterprise shareholders in respect of whom enterprise income tax had been withheld pursuant to the arrangements set out above. The Company would make a further announcement in such event.

對於在登記日名列本公司股東名冊的所有以非個人名義登記的股東(包括香港中央結算(代理人)有限公司、企業代理人或受託人如證券公司及銀行、其他組織或團體等皆被視為企業股東)，本公司將於扣除10%的企業所得稅後派發中期股息；對於在登記日名列本公司股東名冊的所有自然人股東，本公司將不就應付的中期股息代扣代繳所得稅。

如任何名列本公司股東名冊上的企業股東認為其為居民企業而不希望本公司代扣代繳上述10%的企業所得稅，請不遲於2011年10月4日(星期二)下午四時正向本公司在香港的股份過戶登記分處卓佳廣進有限公司(地址為香港皇后大道東28號金鐘匯中心26樓)呈交其主管稅務機關所出具以證明本公司毋須就其所享有之股息代扣代繳企業所得稅之文件。

如任何人需更改股東身份，請向代理人或信託機構查詢相關手續。本公司將嚴格根據相關法律及有關政府部門的要求並依照於登記日載於本公司股東名冊的資料代扣代繳非居民企業股東的企業所得稅。

假若本公司不被認為中國居民企業，因而不需代扣企業所得稅，而該等稅款依然是在本公司的保管之中，在法律允許的情況下，本公司將促使該等根據以上安排代扣的稅款退還給相關企業股東。本公司將適時就該等事項發出公告。

# Management Discussion and Analysis

## 管理層討論及分析

### CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed from Thursday, 6 October 2011 to Friday, 7 October 2011, both days inclusive, for the purpose of determining shareholders' entitlements to the interim dividend, during which period no transfer of shares will be registered. The ex-dividend date will be Monday, 3 October 2011.

To qualify for the interim dividend, all transfer documents, accompanied by the relevant share certificates must be lodged with the Company's branch share registrar and transfer office in Hong Kong, Tricor Progressive Limited, at 26/F., Tesbury Centre, 28 Queen's Road East, Hong Kong, no later than 4:00 p.m. on Tuesday, 4 October 2011.

### DIRECTORS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES

As at 30 June 2011, the interests and short positions of the directors and their associates in the shares, underlying shares or debentures of the Company or any associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO") as recorded in the register of interests of the Company required to be kept under section 352 of the SFO; or as notified to the Company and The Stock Exchange of Hong Kong Limited (the "Stock Exchange") under Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were deemed or taken to have under such provisions of the SFO) or pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") contained in the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules") (collectively the "Discloseable Interests") were as follows:

### 暫停辦理過戶登記手續

本公司的股東名冊將自2011年10月6日(星期四)至2011年10月7日(星期五)(包括首尾兩天)暫停辦理股份過戶登記手續,以決定合資格獲派中期股息之股東。股息除淨日期為2011年10月3日(星期一)。

為符合獲派中期股息的資格,所有過戶文件連同有關股票須於2011年10月4日(星期二)下午四時正前送達本公司於香港的股份過戶登記分處卓佳廣進有限公司,地址為香港皇后大道東28號金鐘匯中心26樓。

### 董事於股份及相關股份之權益及淡倉

於2011年6月30日,董事及彼等之聯繫人於本公司或其任何相聯法團(定義見《證券及期貨條例》(「證券及期貨條例」)第XV部)之股份、相關股份或債券中擁有之權益及淡倉而根據證券及期貨條例第352條記錄於本公司所存置之權益登記冊內;或根據證券及期貨條例第XV部第7及第8分部(包括據此他們被視作或當作擁有之權益及淡倉)或根據《香港聯合交易所有限公司證券上市規則》(「上市規則」)所載《上市發行人董事進行證券交易的標準守則》(「標準守則」)知會本公司及香港聯合交易所有限公司(「聯交所」)(統稱「須披露權益」)之記錄如下:

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**(a) Discloseable Interests in the shares and underlying shares of the Company**

**(a) 於本公司之股份及相關股份之須披露權益**

Name of director 董事姓名	Capacity 持有股份的身份	Number of shares held (Note 1) (附註1)	Number of underlying shares held (Note 2) (附註2)	Total number of shares and underlying shares held 持有股份及相關股份總數	Approximate percentage of issued share capital (Note 3) (附註3)
Mr. Ning Gaoning 寧高寧先生	Beneficial Owner 實益擁有人	–	1,620,000	1,620,000	0.06
Mr. Chi Jingtao 遲京濤先生	Beneficial Owner 實益擁有人	–	740,000	740,000	0.03
Ms. Luan Xiuju 樂秀菊女士	Beneficial Owner 實益擁有人	–	1,300,000	1,300,000	0.05
Mr. Mak Chi Wing, William 麥志榮先生	Beneficial Owner 實益擁有人	–	1,400,000	1,400,000	0.05
Mr. Zhang Zhentao 張振濤先生	Beneficial Owner 實益擁有人	–	1,300,000	1,300,000	0.05
Ms. Liu Ding 柳丁女士	Beneficial Owner 實益擁有人	–	600,000	600,000	0.02
Mr. Ma Jianping 馬建平先生	Beneficial Owner 實益擁有人	–	1,400,000	1,400,000	0.05
Ms. Wu Wenting 吳文婷女士	Beneficial Owner 實益擁有人	–	1,300,000	1,300,000	0.05

*Notes:*

- Long positions in the shares of the Company, other than equity derivatives such as share options, warrants or convertible bonds.
- Long positions in the underlying shares of the Company under share options granted to directors pursuant to a share option scheme of the Company.
- The percentages were calculated based on the total number of shares of the Company in issue as at 30 June 2011, i.e. 2,792,659,756 shares.

*附註：*

- 本公司股份之好倉(股本衍生工具如購股權、購股權證或可換股債券除外)。
- 根據本公司購股權計劃授予董事之購股權項下本公司相關股份之好倉。
- 百分比乃根據本公司於2011年6月30日之已發行股份總數(即2,792,659,756股)計算。

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### (b) Discloseable Interests in the shares and underlying shares of an associated corporation, China Agri-Industries Holdings Limited ("China Agri")

### (b) 於一家相聯法團(中國糧油控股有限公司(「中國糧油」))之股份及相關股份之須披露權益

Name of director 董事姓名	Capacity 持有股份的身份	Number of shares held 持有股份數目	Number of underlying shares held 持有相關股份數目 (Note 1) (附註1)	Total number of shares and underlying shares held 持有股份及相關股份總數	Approximate percentage of issued share capital 約佔已發行股本百分比 (Note 2) (附註2)
Mr. Ning Gaoning 寧高寧先生	Beneficial Owner 實益擁有人	–	1,300,000	1,300,000	0.03%
Mr. Chi Jingtao 遲京濤先生	Beneficial Owner 實益擁有人	–	480,000	480,000	0.01%

Notes:

1. Long positions in the underlying shares of China Agri under share options granted to directors pursuant to a share option scheme of China Agri.
2. The percentages were calculated based on the total number of shares of China Agri in issue as at 30 June 2011, i.e., 4,038,369,839 shares.

附註：

1. 根據中國糧油購股權計劃授予董事之購股權項下中國糧油相關股份之好倉。
2. 百分比乃根據中國糧油於2011年6月30日之已發行股份總數(即4,038,369,839股)計算。

Save as disclosed herein, as at 30 June 2011, none of the directors nor their associates had any other Discloseable Interests.

除本報告所披露者外，於2011年6月30日，董事及其聯繫人概無其他須披露權益。

## SUBSTANTIAL SHAREHOLDERS' AND OTHER PERSONS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES

The interests and short positions of substantial shareholders in the shares and underlying shares of the Company as at 30 June 2011, as recorded in the register of interests required to be kept under Section 336 of the SFO, were as follows:

### Aggregate long positions in the shares and underlying shares of the Company

The Company had been notified of the following substantial shareholders' interests in the shares and underlying shares as at 30 June 2011:

## 主要股東及其他人士於股份及相關股份之權益及淡倉

於2011年6月30日，根據證券及期貨條例第336條存置之權益登記冊所記錄，主要股東於本公司股份及相關股份之權益及淡倉如下：

### 於本公司股份及相關股份之好倉

本公司得悉，於2011年6月30日，主要股東持有以下本公司股份及相關股份之權益：

Name of substantial shareholder 主要股東名稱	Number of shares held (Note 1) 持有股份數目(附註1)			Approximate percentage of issued share capital 約佔已發行股本百分比 (Note 2) (附註2)
	Directly beneficially owned 直接實益擁有	Through controlled corporations 透過受控法團	Total 總數	
Wide Smart Holdings Limited ("Wide Smart") (「Wide Smart」)	1,922,550,331	–	1,922,550,331	68.84%
COFCO (BVI) No. 108 Limited ("COFCO (BVI) 108") (「COFCO (BVI) 108」)	140,000,000	–	140,000,000	5.01%
COFCO (Hong Kong) Limited 中糧集團(香港)有限公司 ("COFCO (HK)") (「中糧香港」)	10,138,000	2,062,550,331 (Note 3) (附註3)	2,072,688,331	74.22%
COFCO 中糧公司	–	2,072,688,331 (Note 4) (附註4)	2,072,688,331	74.22%

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### Notes:

1. Long positions in the shares of the Company, other than equity derivatives such as share options, warrants or convertible bonds.
2. The percentages were calculated based on the total number of shares of the Company in issue as at 30 June 2011, i.e. 2,792,659,756 shares.
3. COFCO (HK) was deemed to be interested in 2,062,550,331 shares in aggregate held by Wide Smart and COFCO (BVI) 108 which were wholly-owned subsidiaries of COFCO (HK).
4. COFCO was deemed to be interested in 2,072,688,331 shares in aggregate held by Wide Smart, COFCO (BVI) 108 and COFCO (HK) which were wholly-owned subsidiaries of COFCO.

Mr. Ning Gaoning, an executive director and the chairman of the Board, is also the chairman of COFCO, the chairman of COFCO (HK) and a director of Wide Smart. Mr. Chi Jingtao, an executive director and the executive vice chairman, is the vice president and former director of human resources department of COFCO. Mr. Mak Chi Wing, William, an executive director and a deputy general manager, is the chief financial officer of COFCO (HK). Mr. Ma Jianping, a non-executive director, is also the vice president and director of the strategy department of COFCO. Ms. Wu Wenting, a non-executive director, is the director of the audit department of COFCO. Ms. Liu Ding, was appointed as a non-executive director with effect from 28 March 2011, is a director and a member of the Communist Party Committee and the head of Communist Party Discipline and Inspection Team of COFCO. During the interim period, Mr. Qu Zhe, former managing director who resigned as executive director and managing director with effect from 10 February 2011, was an assistant president of COFCO; and Mr. Wang Zhiying, the then non-executive director who was appointed as an executive director in April 2010, re-designated as non-executive director in February 2011 and subsequently resigned as a non-executive director with effect from 28 March 2011, is the director of human resources department of COFCO.

Save as disclosed herein, as at 30 June 2011, the director of the Company were not aware of substantial shareholders and other persons who had interests or short positions in the shares or underlying shares of the Company which were required to be notified to the Company or the Stock Exchange pursuant to Divisions 2 and 3 of Part XV of the SFO, or which were required to be recorded in the register of interests required to be kept by the Company under section 336 of the SFO.

### 附註：

1. 本公司股份之好倉（股本衍生工具如購股權、購股權證或可換股債券除外）。
2. 百分比乃根據本公司於2011年6月30日之已發行股份總數（即2,792,659,756股）計算。
3. 中糧香港被視為於Wide Smart及COFCO (BVI) 108所持合共2,062,550,331股股份中擁有權益，該等公司為中糧香港的全資附屬公司。
4. 中糧公司被視為於Wide Smart、COFCO (BVI) 108及中糧香港所持合共2,072,688,331股股份中擁有權益，該等公司為中糧公司的全資附屬公司。

執行董事及董事會主席寧高寧先生亦為中糧公司主席、中糧香港主席及Wide Smart之董事。執行董事及執行副主席遲京濤先生亦為中糧公司副總裁及前人力資源部總監。執行董事兼副總經理麥志榮先生亦為中糧香港財務總監。非執行董事馬建平先生亦為中糧公司副總裁兼戰略部總監。非執行董事吳文婷女士亦為中糧公司審計部總監。柳丁女士，於2011年3月28日獲委任為非執行董事，為中糧公司董事及黨組成員及紀檢組組長。於中期期間，前董事總經理曲喆先生（已辭任執行董事及董事總經理，並於2011年2月10日起生效）亦曾為中糧公司總裁助理；及前非執行董事王之盈先生於2010年4月獲委任為執行董事及於2011年2月獲調任為非執行董事及其後辭任非執行董事，於2011年3月28日起生效，為中糧公司的人力資源部總監。

除本報告披露者外，於2011年6月30日，本公司董事並不知悉主要股東及其他人士於本公司股份或相關股份中擁有之權益或淡倉而須根據證券及期貨條例第XV部第2及第3分部，知會本公司及聯交所，或須根據證券及期貨條例第336條規定記錄於本公司存置之權益登記冊內。

# Management Discussion and Analysis

## 管理層討論及分析

Save as disclosed herein, as at 30 June 2011, the directors were not aware of any director of the Company being a director or employee of the entities which had interests or short positions in shares or underlying shares of the Company as disclosed above.

### SHARE OPTION SCHEME

The Company operates the Option Scheme for the purposes of attracting, retaining and motivating senior management personnel and key employees of the Company, and providing eligible participants with an opportunity to acquire proprietary interests in the Company and encouraging eligible participants to work towards enhancing the value of the Company and its shares for the benefit of the Company and its shareholders as a whole.

The Option Scheme was adopted on 21 November 2006 and unless otherwise cancelled or amended, will remain in force for 10 years from that date. Share options granted under the Option Scheme are valid for seven years, exercisable over five years after 24 months from the date on which they are granted subject to the satisfaction of certain requirements under the Option Scheme.

The options granted on 27 September 2007 are subject to the following vesting schedule:

除本報告披露者外，於2011年6月30日，董事並不知悉任何本公司董事為上文披露的於本公司股份或相關股份中擁有權益或淡倉的實體的董事或僱員。

### 購股權計劃

本公司設有購股權計劃，藉以吸引、挽留及激勵本公司高級管理層人員及主要僱員，讓合資格參與者藉此在本公司購入個人的權益，鼓勵合資格參與者致力為本公司及其股東整體利益提升本公司及其股份之價值。

購股權計劃於2006年11月21日獲採納，除非另行取消或修改，將自該日期起10年內有效。根據購股權計劃授出之購股權的有效期為七年，可於授出購股權日期起二十四個月後於五年內行使，惟須符合購股權計劃項下之若干規定。

於2007年9月27日授出的購股權須受以下歸屬時間表限制：

Periods 期間		Maximum percentage of an option which may be exercised 最多可行使 購股權之百分比
– Upon and after the second anniversary of the grant until the third anniversary of the grant	自授出日期起計第二周年及其後至第三周年	33%
– Upon and after the third anniversary of the grant until the fourth anniversary of the grant	自授出日期起計第三周年及其後至第四周年	67%
– Upon and after the fourth anniversary of the grant	自授出日期起計第四周年及其後	100%

## Management Discussion and Analysis

### 管理層討論及分析

Pursuant to the resolution passed at the board meeting held on 28 March 2011, the vesting period and exercise periods for the options under the Option Scheme have been modified. The options granted after 28 March 2011 are subject to the following new vesting schedule:

根據於2011年3月28日董事會通過的一項決議，購股權計劃項下的購股權歸屬期和行使期已被修改。於2011年3月28日以後授出的購股權則須受以下新歸屬時間表限制：

Periods 期間		Maximum percentage of an option which may be exercised 最多可行使 購股權之百分比
– Upon and after the second anniversary of the grant until the third anniversary of the grant	自授出日期起計第二周年及其後至第三周年	20%
– Upon and after the third anniversary of the grant until the fourth anniversary of the grant	自授出日期起計第三周年及其後至第四周年	40%
– Upon and after the fourth anniversary of the grant until the fifth anniversary of the grant	自授出日期起計第四周年及其後至第五周年	60%
– Upon and after the fifth anniversary of the grant until the sixth anniversary of the grant	自授出日期起計第五周年及其後至第六周年	80%
– Upon and after the sixth anniversary of the grant until the seventh anniversary of the grant	自授出日期起計第六周年及其後至第七周年	100%

As at 31 December 2010, the total number of outstanding share options granted on 27 September 2007 was 16,344,500. During the interim period, 30,880,000 share options were granted on 29 March 2011 to eligible employees of the Group (including executive directors and non-executive directors of the Company) pursuant to the terms of the Option Scheme, whilst a total of 455,400 share options were cancelled. In addition, a total of 200,000 shares were issued and allotted by the Company upon the exercise of share options by an ex-director. As at 30 June 2011, the total number of outstanding share options was 46,569,100. Details of the movements in the share options during the period are as follows:

於2010年12月31日，本公司於2007年9月27日授出且尚未行使的購股權總數為16,344,500份。於中期期間，本公司根據購股權計劃之條款，於2011年3月29日授出30,880,000份購股權予本集團合資格僱員（包括本公司執行董事及非執行董事），有合共455,400份購股權已被註銷。此外，本公司因一名前董事行使購股權而配發了合共200,000股股份。因此，於2011年6月30日，本公司尚未行使的購股權總數有46,569,100份。期內，購股權的變動詳情如下：



# Management Discussion and Analysis

## 管理層討論及分析

Name or category of participants 參與者姓名及類別	Number of share options 購股權的數目					At 30.06.2011 於 30.06.2011	Date of grant of share options 授出 購股權日期	Exercise period of share options 購股權 行使期	Exercise price of share options 購股權 行使價 HK\$ 港元
	At 01.01.2011 於 01.01.2011	Granted during the period 期內授出	Exercised during the period 期內行使	Cancelled during the period 期內註銷	Lapsed during the period 期內失效				
<b>Directors</b>									
<b>董事</b>									
Mr. Ning Gaoning 寧高寧先生	880,000	-	-	-	-	880,000	27.09.2007	27.09.2009 – 26.09.2014	4.952
	-	740,000 (Note 1) (附註1)	-	-	-	740,000	29.03.2011	29.03.2013 – 28.03.2018	4.910
Mr. Chi Jingtao 遲京濤先生	-	740,000 (Note 1) (附註1)	-	-	-	740,000	29.03.2011	29.03.2013 – 28.03.2018	4.910
Ms. Luan Xiuju 樂秀菊女士	560,000	-	-	-	-	560,000	27.09.2007	27.09.2009 – 26.09.2014	4.952
	-	740,000 (Note 1) (附註1)	-	-	-	740,000	29.03.2011	29.03.2013 – 28.03.2018	4.910
Mr. Mak Chi Wing, William 麥志榮先生	800,000	-	-	-	-	800,000	27.09.2007	27.09.2009 – 26.09.2014	4.952
	-	600,000 (Note 1) (附註1)	-	-	-	600,000	29.03.2011	29.03.2013 – 28.03.2018	4.910
Mr. Zhang Zhentao 張振濤先生	700,000	-	-	-	-	700,000	27.09.2007	27.09.2009 – 26.09.2014	4.952
	-	600,000 (Note 1) (附註1)	-	-	-	600,000	29.03.2011	29.03.2013 – 28.03.2018	4.910

# Management Discussion and Analysis

## 管理層討論及分析

Name or category of participants 參與者姓名 及類別	Number of share options 購股權的數目					At 30.06.2011 於 30.06.2011	Date of grant of share options 授出 購股權日期	Exercise period of share options 購股權 行使期	Exercise price of share options 購股權 行使價 HK\$ 港元
	At 01.01.2011 於 01.01.2011	Granted during the period 期內授出	Exercised during the period 期內行使	Cancelled during the period 期內註銷	Lapsed during the period 期內失效				
	Ms. Liu Ding 柳丁女士	-	600,000 (Note 1) (附註1)	-	-				
Mr. Ma Jianping 馬建平先生	800,000	-	-	-	-	800,000	27.09.2007	27.09.2009 – 26.09.2014	4.952
	-	600,000 (Note 1) (附註1)	-	-	-	600,000	29.03.2011	29.03.2013 – 28.03.2018	4.910
Ms. Wu Wenting 吳文婷女士	700,000	-	-	-	-	700,000	27.09.2007	27.09.2009 – 26.09.2014	4.952
	-	600,000 (Note 1) (附註1)	-	-	-	600,000	29.03.2011	29.03.2013 – 28.03.2018	4.910
Mr. Qu Zhe 曲詰先生 (Note 2) (附註2)	880,000	-	(200,000) (Note 3) (附註3)	(290,400) (Note 4) (附註4)	-	389,600	27.09.2007	27.09.2009 – 31.08.2011	4.952
<b>Other employees 其他僱員</b>	11,024,500	-	-	(165,000) (Note 4) (附註4)	-	10,859,500	27.09.2007	27.09.2009 – 26.09.2014	4.952
	-	25,660,000 (Note 1) (附註1)	-	-	-	25,660,000	29.03.2011	29.03.2013 – 28.03.2018	4.910
	16,344,500	30,880,000	(200,000)	(455,400)	-	46,569,100			

# Management Discussion and Analysis

## 管理層討論及分析

### Notes:

1. The closing price of the shares of the Company immediately before the date of grant was HK\$4.8.
2. Mr. Qu Zhe resigned as an executive director of the Company with effect from 10 February 2011.
3. The closing price of the shares of the Company immediately before the date on which the options were exercised was HK\$6.49.
4. The options unvested were cancelled during the interim period upon the resignations of former executive director and certain employees of the Company.

The fair value of the share options granted on 27 September 2007 and the share options granted on 29 March 2011 under the Option Scheme were HK\$32,227,000 (approximately HK\$1.563 each) and HK\$47,124,000 (approximately HK\$1.526 each), respectively, of which the Company recognised a share option expense of HK\$3,536,000 during the period (six months ended 30 June 2010: HK\$1,549,000).

The fair value of equity-settled share options granted during the year ended 31 December 2007 and the six months ended 30 June 2011 were estimated as at the date of grant, using the Black-Scholes-Merton option pricing model and the Binomial Option Pricing Model, respectively, taking into account the terms and conditions upon which the options were granted. The following table lists the inputs to the model used:

### 附註：

1. 於緊接授出購股權日期前，本公司股份的收市價為4.8港元。
2. 曲詰先生已辭任本公司執行董事，於2011年2月10日起生效。
3. 於緊接行使購股權日期前，本公司股份的收市價為6.49港元。
4. 於中期期間，該等未歸屬的購股權因前執行董事及若干僱員辭任而被取消。

根據購股權計劃於2007年9月27日及2011年3月29日授出的購股權之公平值分別為32,227,000港元(每份約1.563港元)及47,124,000港元(每份約1.526港元)，其中本公司於期內確認購股權開支3,536,000港元(截至2010年6月30日止六個月：1,549,000港元)。

於截至2007年12月31日止年度及截至2011年6月30日止六個月內授出以股本結算之購股權之公平值乃分別於授出購股權當日以柏力克-舒爾斯期權模式及二項式期權定價模式作出估計，並已考慮授出購股權之條款及條件。下表列出該模式之輸入數值：

		<b>2011 Options</b> <b>2011年購股權</b>	<b>2007 Options</b> <b>2007年購股權</b>
Date of grant	授出日期	29 March 2011 2011年3月29日	27 September 2007 2007年9月27日
Dividend yield (%)	股息率(%)	2.109	0.800
Expected volatility (%)	預期波幅(%)	33.716	30.570
Historical volatility (%)	過往波幅(%)	33.716	30.570
Risk-free interest rate (%)	無風險利率(%)	2.400	4.102
Expected life of options (year)	購股權預計年期(年)	7	5
Weighted average share price (HK\$)	加權平均股份價格(港元)	4.910	4.952

# Management Discussion and Analysis

## 管理層討論及分析

The expected life of the options was determined with reference to the vesting term and original contractual term of the Option Scheme and is not necessarily indicative of the exercise patterns that may occur. The expected volatility reflects the assumption that the historical volatility is indicative of future trends, which may also not necessarily be the actual outcome.

No other feature of the options granted was incorporated into the measurement of fair value.

### CODE ON CORPORATE GOVERNANCE PRACTICES

In the view of the Board, during the interim period, the Company complied with the principles and code provisions set out in the Code on Corporate Governance Practices contained in Appendix 14 to the Listing Rules, except that the chairman of the Board was unable to attend the annual general meeting of the Company held on 8 June 2011 due to other commitments.

### SECURITIES TRANSACTIONS BY DIRECTORS AND RELEVANT EMPLOYEES

The Company has adopted the Model Code contained in Appendix 10 to the Listing Rules as its own code of conduct regarding directors' securities transactions. Following specific enquiries by the Company, all directors confirmed that they have complied with the required standards set out in the Model Code throughout the interim period.

The Company has also adopted a code for securities transactions by relevant employees (the "Employees Trading Code") based on the Model Code concerning dealings by relevant employees in the securities of the Company. Relevant employees who are likely to be in possession of unpublished price-sensitive information of the Group are required to comply with the Employees Trading Code in respect of their dealings in the securities of the Company. The terms of the Employees Trading Code are no less exacting than the required standards set out in the Model Code. No non-compliance reports were received from any such employees during the interim period.

購股權預計年期乃參考購股權計劃之歸屬期限及原有合約條款而釐定，未必能顯示行使購股權的模式。預期波幅反映過往波幅可顯示未來趨勢的假設，惟未來趨勢未必是實際結果。

並無其他已授出購股權的特點列入公平值的計算當中。

### 企業管治常規守則

董事會認為於中期期間，本公司一直遵守上市規則附錄十四所載的《企業管治常規守則》規定的原則及守則條文，惟董事會主席因處理其他事務未能出席2011年6月8日舉行的股東周年大會。

### 董事及有關僱員進行證券交易

本公司已採納上市規則附錄十所載標準守則作為董事進行證券交易之操守守則。經本公司作出具體查詢後，所有董事確認彼等於中期期間一直遵守標準守則所載列之規定標準。

本公司亦已就有關僱員進行本公司證券交易採納一套根據標準守則而編製的有關僱員進行證券交易守則（「僱員交易守則」）。可能擁有有關本集團未公開發佈的股價敏感資料的有關僱員必須就進行本公司證券交易遵守僱員交易守則。僱員交易守則之條款不遜於標準守則所載列之規定標準。於中期期間，概無從任何該等僱員收到違規報告。

### CHANGES IN DIRECTORS' PROFILE

Mr. Ning Gaoning, an executive director and the Chairman of the Board, was appointed as the chairman of China Mengniu Dairy Company Limited, a company listed in Hong Kong, with effect from 10 June 2011.

Ms. Liu Ding, a non-executive director, was appointed as a director of COFCO with effect from 24 May 2011 and resigned as a director of COFCO Property (Group) Co., Ltd., a company listed in Shenzhen, with effect from 22 July 2011.

### REMUNERATION COMMITTEE

The role of the remuneration committee is to review and make recommendations to the Board on the Company's policy and structure for remuneration of directors and senior management. The terms of reference of the remuneration committee are available on the Company's website [www.chinafoodsltd.com](http://www.chinafoodsltd.com).

The remuneration committee currently consists of two independent non-executive directors, namely, Mr. Yuen Tin Fan, Francis (committee chairman) and Mr. Stephen Edward Clark and an executive director, Mr. Chi Jingtao.

### AUDIT COMMITTEE

The role of the audit committee is to assist the Board in fulfilling its corporate governance and oversight responsibilities in relation to financial reporting, internal control, risk management and external audit functions. The terms of reference of the audit committee are available on the Company's website [www.chinafoodsltd.com](http://www.chinafoodsltd.com).

The audit committee currently consists of three independent non-executive directors, namely, Messrs. Stephen Edward Clark (committee chairman), Li Hung Kwan, Alfred and Yuen Tin Fan, Francis. All of them have extensive experience in the accounting, financial and commercial sectors.

### 董事簡介之變更

執行董事及董事會主席寧高寧先生於2011年6月10日起獲委任為香港上市公司中國蒙牛乳業有限公司主席。

非執行董事柳丁女士於2011年5月24日起獲委任為中糧公司董事及於2011年7月22日起辭任深圳上市公司中糧地產(集團)股份有限公司董事。

### 薪酬委員會

薪酬委員會的職責為審閱本公司董事及高級管理層的薪酬政策及架構並就此向董事會提供建議。薪酬委員會的職權範圍書載於本公司的網站[www.chinafoodsltd.com](http://www.chinafoodsltd.com)。

薪酬委員會目前由兩名獨立非執行董事袁天凡先生(委員會主席)及祈立德先生(Mr. Stephen Edward Clark)；以及一名執行董事遲京濤先生組成。

### 審核委員會

審核委員會的職責是協助董事會履行其有關財務報告、內部監控、風險管理，以及外聘核數功能的企業管治及監察責任。審核委員會的職權範圍書載於本公司的網站[www.chinafoodsltd.com](http://www.chinafoodsltd.com)。

審核委員會目前由三名獨立非執行董事祈立德先生(Mr. Stephen Edward Clark)(委員會主席)、李鴻鈞先生及袁天凡先生組成。彼等均具有廣泛會計、財務及商業經驗。

## Management Discussion and Analysis 管理層討論及分析

### **PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES**

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities during the interim period.

Hong Kong, 29 August 2011

### **購買、出售或贖回本公司之上市 證券**

本公司及其任何附屬公司於中期期間並無購買、出售或贖回本公司任何上市證券。

香港，2011年8月29日

# Report on Review of Interim Financial Information

## 中期財務資料審閱報告



To the board of directors of China Foods Limited  
(Incorporated in Bermuda with limited liability)

### Introduction

We have reviewed the interim financial information set out on pages 55 to 80 which comprises the condensed consolidated statement of financial position of China Foods Limited (the “Company”) as at 30 June 2011 and the related condensed consolidated income statement, condensed consolidated statement of comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the six-month period then ended, and explanatory information. The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited require the preparation of a report on interim financial information to be in compliance with the relevant provisions thereof and Hong Kong Accounting Standard 34 *Interim Financial Reporting* (“HKAS 34”) issued by the Hong Kong Institute of Certified Public Accountants.

The directors of the Company are responsible for the preparation and presentation of this interim financial information in accordance with HKAS 34. Our responsibility is to express a conclusion on this interim financial information based on our review. Our 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 Hong Kong Standard on Review Engagements 2410 *Review of Interim Financial Information Performed by the Independent Auditor of the Entity* issued by the Hong Kong Institute of Certified Public Accountants. 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 Hong Kong 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.

致中國食品有限公司董事會  
(於百慕達註冊成立的有限公司)

### 引言

我們已審閱列載於第55頁至第80頁之中國食品有限公司(「本公司」)中期財務資料。此中期財務資料包括於2011年6月30日的簡明綜合財務狀況報表與截至該日止六個月期間的有關簡明綜合收入報表、簡明綜合全面收入報表、簡明綜合股本變動報表和簡明綜合現金流量表以及解釋資料。根據《香港聯合交易所有限公司證券上市規則》，上市公司必須符合其中的相關規定和香港會計師公會頒佈的《香港會計準則》第34號*中期財務報告*(「香港會計準則第34號」)的規定編製中期財務資料。

本公司董事須負責根據香港會計準則第34號編製及列報中期財務資料。我們的責任是根據我們的審閱對本中期財務資料作出結論。我們按照我們雙方所協定的應聘條款，僅向全體董事會報告。除此以外，我們的報告不可用作其他用途。我們概不就本報告的內容，對任何其他人士負責或承擔法律責任。

### 審閱範圍

我們已根據香港會計師公會頒佈的《香港審閱工作準則》第2410號*實體的獨立核數師對中期財務資料的審閱*進行審閱。中期財務資料審閱工作包括向主要負責財務會計事項的人員詢問，並應用分析和其他審閱程序。由於審閱的範圍遠較按照香港審計準則進行審核的範圍為小，所以不能保證我們會注意到在審核中可能會被發現的所有重大事項。因此我們不會發表審核意見。

## Report on Review of Interim Financial Information (continued)

### 中期財務資料審閱報告(續)

#### Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the interim financial information is not prepared, in all material respects, in accordance with HKAS 34.

#### Ernst & Young

*Certified Public Accountants*

18th Floor  
Two International Finance Centre  
8 Finance Street  
Central  
Hong Kong

29 August 2011

#### 結論

根據我們的審閱工作，我們並沒有注意到任何事項，使我們相信中期財務資料在所有重大方面沒有按照香港會計準則第34號的規定編製。

#### 安永會計師事務所

*執業會計師*

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18樓

2011年8月29日



# Condensed Consolidated Income Statement

## 簡明綜合收入報表

For the six months ended 30 June 2011

截至2011年6月30日止六個月

		For the six months ended 30 June 截至6月30日止六個月		
		Notes 附註	2011 2011年 HK\$'000 千港元 (Unaudited) (未經審核)	2010 2010年 HK\$'000 千港元 (Unaudited) (未經審核)
<b>REVENUE</b>	收入	4	<b>13,482,228</b>	8,444,231
Cost of sales	銷售成本	6	<b>(10,295,575)</b>	(6,152,885)
Gross profit	毛利		<b>3,186,653</b>	2,291,346
Other income and gains	其他收入及收益	4	<b>99,653</b>	110,106
Selling and distribution costs	銷售費用及分銷成本		<b>(2,272,196)</b>	(1,703,657)
Administrative expenses	行政支出		<b>(402,724)</b>	(318,339)
Other expenses	其他支出		<b>(2,948)</b>	(2,820)
Finance costs	融資成本	5	<b>(33,923)</b>	(23,914)
Share of profits of associates	應佔聯營公司溢利		<b>26,623</b>	12,898
<b>PROFIT BEFORE TAX</b>	除稅前溢利	6	<b>601,138</b>	365,620
Income tax expense	所得稅支出	7	<b>(187,118)</b>	(104,598)
<b>PROFIT FOR THE PERIOD</b>	期內溢利		<b>414,020</b>	261,022
Attributable to:	應佔方：			
Owners of the parent	母公司擁有人		<b>315,382</b>	178,735
Non-controlling interests	非控股權益		<b>98,638</b>	82,287
			<b>414,020</b>	261,022
<b>EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT</b>	母公司普通股權益 持有人應佔每股盈利	9		
Basic	基本		<b>HK11.29 cents 港仙</b>	HK6.40 cents 港仙
Diluted	攤薄		<b>HK11.29 cents 港仙</b>	HK6.39 cents 港仙

Details of the dividend proposed for the period are disclosed in note 8 to the condensed consolidated interim financial information.

期間擬派股息詳情於簡明綜合中期財務資料附註8披露。

# Condensed Consolidated Statement of Comprehensive Income

## 簡明綜合全面收入報表

For the six months ended 30 June 2011

截至2011年6月30日止六個月

		For the six months ended 30 June	
		截至6月30日止六個月	
		2011	2010
		2011年	2010年
		HK\$'000	HK\$'000
		千港元	千港元
		(Unaudited)	(Unaudited)
		(未經審核)	(未經審核)
<b>PROFIT FOR THE PERIOD</b>	期內溢利	<b>414,020</b>	261,022
<b>OTHER COMPREHENSIVE INCOME</b>	其他全面收入		
Exchange differences on translation of foreign operations	換算海外業務時之匯兌差額	<b>148,185</b>	57,068
<b>OTHER COMPREHENSIVE INCOME FOR THE PERIOD, NET OF TAX</b>	期內其他全面收入(已扣除稅項)	<b>148,185</b>	57,068
<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD</b>	期內全面收入總額	<b>562,205</b>	318,090
Attributable to:	應佔方：		
Owners of the parent	母公司擁有人	<b>439,652</b>	223,940
Non-controlling interests	非控股權益	<b>122,553</b>	94,150
		<b>562,205</b>	318,090

# Condensed Consolidated Statement of Financial Position

## 簡明綜合財務狀況報表

30 June 2011  
2011年6月30日

		<i>Notes</i> <i>附註</i>	<b>30 June 2011</b> <b>2011年 6月30日</b> <b>HK\$'000</b> 千港元 <b>(Unaudited)</b> <b>(未經審核)</b>	31 December 2010 2010年 12月31日 HK\$'000 千港元 <b>(Audited)</b> <b>(經審核)</b>
<b>NON-CURRENT ASSETS</b>	<b>非流動資產</b>			
Property, plant and equipment	物業、廠房及設備	10	<b>3,663,418</b>	3,548,038
Investment properties	投資物業		<b>75,684</b>	73,966
Prepaid land premiums	預付土地金		<b>258,119</b>	247,174
Deposits for purchase of items of property, plant and equipment	購買物業、廠房及設備項目之按金		<b>66,254</b>	31,783
Goodwill	商譽		<b>1,704,566</b>	1,680,015
Other intangible assets	其他無形資產		<b>65,329</b>	67,955
Investments in associates	於聯營公司之投資		<b>571,824</b>	545,201
Available-for-sale investments	可供出售投資		<b>205,847</b>	209,387
Held-to-maturity investments	持有至到期投資		–	57,915
Deferred tax assets	遞延稅項資產		<b>41,513</b>	35,003
Biological assets	生物資產		<b>131,244</b>	119,263
<b>Total non-current assets</b>	<b>非流動資產總值</b>		<b>6,783,798</b>	6,615,700
<b>CURRENT ASSETS</b>	<b>流動資產</b>			
Inventories	存貨		<b>3,607,021</b>	3,490,337
Accounts and bills receivables	應收賬款及票據	11	<b>1,346,209</b>	1,616,059
Prepayments, deposits and other receivables	預付款項、按金及其他應收款項		<b>1,229,724</b>	1,269,875
Due from fellow subsidiaries	同系附屬公司欠款	17(c)	<b>228,238</b>	28,418
Due from the ultimate holding company	最終控股公司欠款	17(c)	<b>14,253</b>	11,190
Due from the immediate holding company	直系控股公司欠款	17(c)	<b>165</b>	165
Due from non-controlling shareholders of subsidiaries	附屬公司非控股股東欠款		<b>852</b>	–
Due from associates	聯營公司欠款	17(c)	<b>1,061</b>	1,680
Tax recoverable	可收回稅項		<b>17,728</b>	28,831
Held-to-maturity investments	持有至到期投資		<b>57,970</b>	25,217
Equity investments at fair value through profit or loss	按公平值列入損益之股本投資		<b>19,034</b>	19,199
Pledged deposits	抵押存款		<b>133,968</b>	127,096
Cash and cash equivalents	現金及現金等值項目		<b>2,538,381</b>	1,741,203
<b>Total current assets</b>	<b>流動資產總值</b>		<b>9,194,604</b>	8,359,270

## Condensed Consolidated Statement of Financial Position (continued)

### 簡明綜合財務狀況報表(續)

30 June 2011  
2011年6月30日

		<i>Notes</i> <i>附註</i>	<b>30 June</b> <b>2011</b> <b>2011年</b> <b>6月30日</b> <b>HK\$'000</b> 千港元 <b>(Unaudited)</b> (未經審核)	31 December 2010 2010年 12月31日 HK\$'000 千港元 (Audited) (經審核)
<b>CURRENT LIABILITIES</b>	<b>流動負債</b>			
Accounts and bills payables	應付賬款及票據	12	1,548,408	999,864
Other payables and accruals	其他應付款項及應計負債		2,417,728	2,663,330
Due to fellow subsidiaries	欠同系附屬公司款項	17(c)	1,339,791	1,089,857
Due to the ultimate holding company	欠最終控股公司款項	17(c)	42,629	31,337
Due to related companies	欠關連公司款項	17(c)	394,746	692,062
Due to non-controlling shareholders of subsidiaries	欠附屬公司非控股股東款項		30,529	8,926
Due to associates	欠聯營公司款項	17(c)	295,103	233,626
Interest-bearing bank and other borrowings	計息銀行貸款及其他貸款	17(c)	903,054	1,021,152
Tax payable	應付稅項		80,966	94,217
Total current liabilities	流動負債總值		<b>7,052,954</b>	6,834,371
<b>NET CURRENT ASSETS</b>	<b>流動資產淨值</b>		<b>2,141,650</b>	1,524,899
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>	<b>資產總值減流動負債</b>		<b>8,925,448</b>	8,140,599
<b>NON-CURRENT LIABILITIES</b>	<b>非流動負債</b>			
Interest-bearing bank borrowings	計息銀行貸款		795,000	495,000
Due to non-controlling shareholders of subsidiaries	欠附屬公司非控股股東款項		26,983	38,123
Deferred income	遞延收入		30,064	31,146
Deferred tax liabilities	遞延稅項負債		46,898	26,920
Total non-current liabilities	非流動負債總值		<b>898,945</b>	591,189
Net assets	資產淨值		<b>8,026,503</b>	7,549,410
<b>EQUITY</b>	<b>股本</b>			
<b>Equity attributable to owners of the parent</b>	<b>母公司擁有人應佔股本</b>			
Issued capital	已發行股本		279,266	279,246
Reserves	儲備		5,908,507	5,578,010
Proposed dividend	擬派股息	8	113,661	89,638
			<b>6,301,434</b>	5,946,894
<b>Non-controlling interests</b>	<b>非控股權益</b>		<b>1,725,069</b>	1,602,516
Total equity	股本總值		<b>8,026,503</b>	7,549,410

# Condensed Consolidated Statement of Changes in Equity

## 簡明綜合股本變動報表

For the six months ended 30 June 2011

截至2011年6月30日止六個月

		Attributable to owners of the parent 母公司擁有人應佔												
		Employee share-based compensation			Exchange fluctuation reserve		Asset revaluation reserve		Retained profits		Proposed dividend		Non-controlling interests	Total equity
		Issued capital	Share premium account	Employee compensation reserve	Capital reserve	Reserve funds	Exchange fluctuation reserve	Asset revaluation reserve	Retained profits	Proposed dividend	Total	Non-controlling interests	Total equity	
		已發行股本	股份溢價賬	薪酬儲備	資本儲備	儲備金	匯兌波動儲備	資產重估儲備	保留溢利	擬派股息	總計	非控股權益	股本總值	
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	
		(未經審核)	(未經審核)	(未經審核)	(未經審核)	(未經審核)	(未經審核)	(未經審核)	(未經審核)	(未經審核)	(未經審核)	(未經審核)	(未經審核)	
At 1 January 2011	於2011年1月1日	279,246	6,879	23,943	3,247,591	206,217	673,104	6,910	1,413,366	89,638	5,946,894	1,602,516	7,549,410	
Profit for the period	期內溢利	-	-	-	-	-	-	-	315,382	-	315,382	98,638	414,020	
Other comprehensive income for the period:	期內其他全面收入：													
Exchange differences on translation of foreign operations	換算海外業務時之匯兌差額	-	-	-	-	-	124,270	-	-	-	124,270	23,915	148,185	
Total comprehensive income for the period	期內全面收入總額	-	-	-	-	-	124,270	-	315,382	-	439,652	122,553	562,205	
Exercise of share options	行使購股權	20	1,283	(313)	-	-	-	-	-	-	990	-	990	
Equity-settled share option arrangements	股本結算購股權安排	-	-	3,536	-	-	-	-	-	-	3,536	-	3,536	
Transfer from retained profits	自保留溢利轉撥	-	-	-	-	594	-	-	(594)	-	-	-	-	
Final 2010 dividend paid	已派2010年末期股息	-	-	-	-	-	-	-	-	(89,638)	(89,638)	-	(89,638)	
Proposed 2011 interim dividend	擬派2011年中期股息	-	-	-	-	-	-	-	(113,661)	113,661	-	-	-	
At 30 June 2011	於2011年6月30日	279,266	8,162*	27,166*	3,247,591*	206,811*	797,374*	6,910*	1,614,493*	113,661	6,301,434	1,725,069	8,026,503	

\* These reserve accounts comprise the consolidated reserves of HK\$5,908,507,000 (31 December 2010: HK\$5,578,010,000) in the condensed consolidated statement of financial position.

\* 該等儲備賬目構成簡明綜合財務狀況報表中的綜合儲備5,908,507,000港元(2010年12月31日: 5,578,010,000港元)。

## Condensed Consolidated Statement of Changes in Equity (continued)

### 簡明綜合股本變動報表(續)

For the six months ended 30 June 2011

截至2011年6月30日止六個月

		Attributable to owners of the parent 母公司擁有人應佔										
		Issued capital 已發行股本 HK\$'000 千港元 (Unaudited) (未經審核)	Share premium account 股份溢價賬 HK\$'000 千港元 (Unaudited) (未經審核)	Employee share-based compensation reserve 僱員薪酬儲備 HK\$'000 千港元 (Unaudited) (未經審核)	Capital reserve 資本儲備 HK\$'000 千港元 (Unaudited) (未經審核)	Reserve funds 儲備金 HK\$'000 千港元 (Unaudited) (未經審核)	Exchange fluctuation reserve 匯兌波動儲備 HK\$'000 千港元 (Unaudited) (未經審核)	Retained profits 保留溢利 HK\$'000 千港元 (Unaudited) (未經審核)	Proposed dividend 擬派股息 HK\$'000 千港元 (Unaudited) (未經審核)	Total 總計 HK\$'000 千港元 (Unaudited) (未經審核)	Non-controlling interests 非控股權益 HK\$'000 千港元 (Unaudited) (未經審核)	Total equity 股本總值 HK\$'000 千港元 (Unaudited) (未經審核)
At 1 January 2010	於2010年1月1日	279,151	826	21,747	3,240,525	193,472	498,429	1,152,409	96,340	5,482,899	1,402,240	6,885,139
Profit for the period	期內溢利	-	-	-	-	-	-	178,735	-	178,735	82,287	261,022
Other comprehensive income for the period:	期內其他全面收入：											
Exchange differences on translation of foreign operations	換算海外業務時之匯兌差額	-	-	-	-	-	45,205	-	-	45,205	11,863	57,068
Total comprehensive income for the period	期內全面收入總額	-	-	-	-	-	45,205	178,735	-	223,940	94,150	318,090
Exercise of share options	行使購股權	95	6,053	(1,481)	-	-	-	-	-	4,667	-	4,667
Equity-settled share option arrangements	股本結算購股權安排	-	-	1,549	-	-	-	-	-	1,549	-	1,549
Partial disposal of a subsidiary	部分出售一間附屬公司	-	-	-	7,066	-	-	-	-	7,066	10,969	18,035
Final 2009 dividend declared	宣派2009年末期股息	-	-	-	-	-	-	-	(96,340)	(96,340)	-	(96,340)
Proposed 2010 interim dividend	擬派2010年中期股息	-	-	-	-	-	-	(64,227)	64,227	-	-	-
At 30 June 2010	於2010年6月30日	279,246	6,879	21,815	3,247,591	193,472	543,634	1,266,917	64,227	5,623,781	1,507,359	7,131,140

# Condensed Consolidated Statement of Cash Flows

## 簡明綜合現金流量表

For the six months ended 30 June 2011

截至2011年6月30日止六個月

		For the six months ended 30 June 截至6月30日止六個月	
		2011 2011年 HK\$'000 千港元 (Unaudited) (未經審核)	2010 2010年 HK\$'000 千港元 (Unaudited) (未經審核)
NET CASH FLOWS FROM/(USED IN) OPERATING ACTIVITIES	經營活動產生/(所用)現金流 淨額	<b>1,121,993</b>	(160,093)
NET CASH FLOWS USED IN INVESTING ACTIVITIES	投資活動所用現金流 淨額	<b>(238,111)</b>	(225,380)
NET CASH FLOWS USED IN FINANCING ACTIVITIES	融資活動所用現金流 淨額	<b>(133,755)</b>	(67,396)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	現金及現金等值項目增加/ (減少)淨額	<b>750,127</b>	(452,869)
Cash and cash equivalents at beginning of period	期初現金及 現金等值項目	<b>1,741,203</b>	1,943,103
Effect of foreign exchange rate changes, net	匯率變動影響， 淨額	<b>47,051</b>	16,080
CASH AND CASH EQUIVALENTS AT END OF PERIOD	期末現金及 現金等值項目	<b>2,538,381</b>	1,506,314
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS	現金及現金等值項目 結餘分析		
Cash and bank balances	現金及銀行結餘	<b>1,976,366</b>	1,491,535
Non-pledged time deposits with original maturity of less than three months when acquired	存入時原於三個月內到期之 無抵押定期存款	<b>562,015</b>	14,779
Cash and cash equivalents as stated in the condensed consolidated statement of financial position and the condensed consolidated statement of cash flows	於簡明綜合財務狀況報表及 簡明綜合現金流量表所載列 之現金及現金等值項目	<b>2,538,381</b>	1,506,314

# Notes to the Condensed Consolidated Interim Financial Information

## 簡明綜合中期財務資料附註

30 June 2011

2011年6月30日

### 1. Corporate information

China Foods Limited (the “Company”) is a limited liability company incorporated in Bermuda. The registered office of the Company is located at Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda.

The Company is a subsidiary of COFCO (Hong Kong) Limited, a company incorporated in Hong Kong. Based on the confirmation of the Board, the ultimate holding company of the Company is COFCO Corporation, which is a state-owned enterprise registered in the People’s Republic of China (the “PRC”).

During the six months ended 30 June 2011, the Company and its subsidiaries (together the “Group”) was involved in the following principal activities:

- processing, bottling and distribution of sparkling beverages and distribution of still beverages;
- production, sale and trading of grape wine and other wine products;
- distribution of retail packaged cooking oil and other consumer food products; and
- production and distribution of chocolate and other related products.

### 2. Basis of preparation and accounting policies

The condensed consolidated interim financial information is prepared in accordance with Hong Kong Accounting Standard (“HKAS”) 34 *Interim Financial Reporting* issued by the Hong Kong Institute of Certified Public Accountants.

The condensed consolidated interim financial information does not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group’s financial statements for the year ended 31 December 2010.

The accounting policies and basis of preparation adopted in the preparation of the interim financial information are the same as those used in the annual financial statements of the Group for the year ended 31 December 2010, except in relation to the following new and revised Hong Kong Financial Reporting Standards (“HKFRSs”) (which include all Hong Kong Financial Reporting Standards, HKASs and Interpretations) that affect the Group and are adopted for the first time for the current period’s financial information:

### 1. 公司資料

中國食品有限公司(「本公司」)為一家於百慕達註冊成立之有限責任公司。本公司之註冊辦事處為Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda。

本公司乃在香港註冊成立之中糧集團(香港)有限公司之附屬公司。根據董事會之確認，本公司之最終控股公司為於中華人民共和國(「中國」)註冊的國有企業中糧集團有限公司。

於截至2011年6月30日止六個月，本公司及其附屬公司(統稱「本集團」)從事下列主要業務：

- 加工、裝瓶及分銷汽水及分銷不含氣飲料；
- 葡萄酒及其他酒類產品的生產、銷售及貿易；
- 分銷零售型包裝烹調油及其他消費食品；及
- 生產及分銷巧克力及其他相關產品。

### 2. 編製基準及會計政策

簡明綜合中期財務資料乃根據香港會計師公會頒佈之香港會計準則(「香港會計準則」)第34號*中期財務報告*而編製。

本簡明綜合中期財務資料並無包括年度財務報表規定之所有資料及披露，因此須與本集團截至2010年12月31日止年度之財務報表一併閱讀，始屬完備。

除下列影響本集團及本集團首次於本期間財務資料採納之新訂及經修訂香港財務報告準則(「香港財務報告準則」，當中包括香港財務報告準則、香港會計準則及詮釋)外，編製中期財務資料所採納之會計政策及編製基準，與截至2010年12月31日止年度之年度財務報告所採用者一致：



## Notes to the Condensed Consolidated Interim Financial Information (continued)

### 簡明綜合中期財務資料附註(續)

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## 2. Basis of preparation and accounting policies (continued)

HKFRS 1 Amendment	Amendment to HKFRS 1 <i>First-time Adoption of Hong Kong Financial Reporting Standards – Limited Exemption from Comparative HKFRS 7 Disclosures for First-time Adopters</i>
HKAS 24 (Revised)	<i>Related Party Disclosures</i>
HKAS 32 Amendment	Amendment to HKAS 32 <i>Financial Instruments: Presentation – Classification of Rights Issues</i>
HK(IFRIC)-Int 14 Amendments	Amendments to HK(IFRIC)-Int 14 <i>Prepayments of a Minimum Funding Requirement</i>
HK(IFRIC)-Int 19	<i>Extinguishing Financial Liabilities with Equity Instruments</i>
<i>Improvements to HKFRSs 2010</i>	Amendments to a number of HKFRSs issued in May 2010

Other than as further explained below regarding the impact of HKAS 24 (Revised) and amendments to HKFRS 3, HKAS 1 and HKAS 27 included in *Improvements to HKFRSs 2010*, the adoption of the new and revised HKFRSs has had no significant financial effect on this financial information.

The principal effects of adopting these new and revised HKFRSs are as follows:

HKAS 24 (Revised) clarifies and simplifies the definition of related parties. It also provides for a partial exemption of related party disclosure to government-related entities for transactions with the same government or entities that are controlled, jointly controlled or significantly influenced by the same government.

*Improvements to HKFRSs 2010* issued in May 2010 sets out amendments to a number of HKFRSs. There are separate transitional provisions for each standard. While the adoption of some of the amendments results in changes in accounting policies, none of these amendments has had a significant financial impact on the Group. Details of the key amendments most applicable to the Group are as follows:

- (a) HKFRS 3 *Business Combinations*: Clarifies that the amendments to HKFRS 7, HKAS 32 and HKAS 39 that eliminate the exemption for contingent consideration do not apply to contingent consideration that arose from business combinations whose acquisition dates precede the application of HKFRS 3 (as revised in 2008).

## 2. 編製基準及會計政策(續)

香港財務報告準則第1號(修訂本)	對香港財務報告準則第1號之修訂首次採納香港財務報告準則—首次採納香港財務報告準則第7號之披露比較數字之有限豁免
香港會計準則第24號(經修訂)	關連方披露
香港會計準則第32號(修訂本)	香港會計準則第32號之修訂—金融工具：呈報—分類供股
香港(國際財務報告詮釋委員會)—詮釋第14號(修訂本)	對香港(國際財務報告詮釋委員會)之修訂—詮釋第14號—付最低撥款規定
香港(國際財務報告詮釋委員會)—詮釋第19號	以權益工具抵銷財務負債
2010年香港財務報告準則之改進	對2010年5月頒佈之多項香港財務報告準則之修訂本

除下文就香港會計準則第24號(經修訂)及香港財務報告準則第3號之修訂本作出之進一步說明外，*2010年香港財務報告準則之改進*包括香港會計準則第1號及香港會計準則第27號，採納新訂及經修訂的香港財務報告準則對此財務資料並無任何重大財務影響。

採納該等新訂及經修訂的香港財務報告準則的主要影響如下：

香港會計準則第24號(經修訂)釐清及簡化關連人士之定義。其亦訂明倘若政府相關實體與同一政府或受同一政府所控制、共同控制或發揮重大影響力之實體進行交易，可獲部分豁免關連人士披露。

於2010年5月頒佈之*2010年香港財務報告準則之改進*載列若干香港財務報告準則之修訂。各項準則均各自設有過渡條文。雖然採納若干修訂可能引致會計政策之變動，惟預期該等修訂概不會對本集團產生重大財務影響。適用於本集團之主要修訂之詳情如下：

- (a) 香港財務報告準則第3號業務合併：闡明香港財務報告準則第7號、香港會計準則第32號及香港會計準則第39號之修訂所消除對或然代價之豁免，並不適用於採用香港財務報告準則第3號(於2008年經修訂)前所進行的業務合併之或然代價。

## Notes to the Condensed Consolidated Interim Financial Information (continued)

### 簡明綜合中期財務資料附註(續)

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## 2. Basis of preparation and accounting policies (continued)

(a) (continued)

In addition, the amendments limit the measurement choice of non-controlling interests at fair value or at the proportionate share of the acquiree's identifiable net assets to components of non-controlling interests that are present ownership interests and entitle their holders to a proportionate share of the entity's net assets in the event of liquidation. Other components of non-controlling interests are measured at their acquisition date fair value, unless another measurement basis is required by another HKFRS.

The amendments also added explicit guidance to clarify the accounting treatment for non-replaced and voluntarily replaced share-based payment awards.

- (b) HKAS 1 *Presentation of Financial Statements*: Clarifies that an analysis of other comprehensive income for each component of equity can be presented either in the statement of changes in equity or in the notes to the financial statements.
- (c) HKAS 27 *Consolidated and Separate Financial Statements*: Clarifies that the consequential amendments from HKAS 27 (as revised in 2008) made to HKAS 21, HKAS 28 and HKAS 31 shall be applied prospectively for annual periods beginning on or after 1 July 2009 or earlier if HKAS 27 is applied earlier.

## 3. Operating segment information

For management purposes, the Group is organised into business units based on the nature of their products and services and has four reportable operating segments as follows:

- (a) the beverages segment is engaged in the processing, bottling and distribution of sparkling beverages and distribution of still beverages;
- (b) the wines segment is engaged in the production, sale and trading of grape wine and other wine products;
- (c) the kitchen foods segment is engaged in the distribution of retail packaged cooking oil and other consumer food products; and
- (d) the confectionery segment is engaged in the production and distribution of chocolate and other related products.

## 2. 編製基準及會計政策(續)

(a) (續)

另外，該等修訂將以公平價值或被收購方可識別淨資產之比例權益的非控股權益計量選擇，限制為屬現時擁有的非控股權益成份，並賦予擁有人權利，於清盤時按比例分佔實體之淨資產。除非其他香港財務報告準則規定須採用其他計量基準，非控股權益之其他成份均以收購日期之公平價值計量。

該等修訂亦加入明文指引，以闡明尚未取代及自願取代的以股份為基礎的支付獎勵的會計處理方式。

- (b) 香港會計準則第1號*財務報告之呈列*：闡明有關權益各成份的其他全面收益分析，可於權益變動報表或財務報表附註呈列。
- (c) 香港會計準則第27號*綜合及獨立財務報表*：闡明香港會計準則第27號(於2008年經修訂)對香港會計準則第21號、香港會計準則第28號及香港會計準則第31號所作出的後續修訂預期將於2009年7月1日或之後開始之年度期間或開始應用香港會計準則第27號時(兩者中以較早者為準)應用。

## 3. 經營分部資料

為管理目的，本集團按其產品及服務性質劃分為不同的業務單元且有如下四項可予呈報經營分部：

- (a) 飲料分部，從事汽水的加工、裝瓶及分銷及不含氣飲料的分銷；
- (b) 酒類分部，從事生產、銷售及買賣葡萄酒及其他酒類產品；
- (c) 廚房食品分部，從事分銷零售型包裝烹調油及其他消費食品；及
- (d) 休閒食品分部，從事生產及分銷巧克力及其他相關產品。

## Notes to the Condensed Consolidated Interim Financial Information (continued)

### 簡明綜合中期財務資料附註(續)

30 June 2011

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### 3. Operating segment information (continued)

Management monitors the results of its operating segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on reportable segment results. Segment results are measured consistently with the Group's profit before tax except that interest income, dividend income, finance costs, share of profits of associates, as well as unallocated head office and corporate results are all excluded from such measurement.

Segment assets exclude deferred tax assets, tax recoverable, pledged deposits, cash and cash equivalents, available-for-sale investments, equity investments at fair value through profit or loss, investments in associates and other unallocated head office and corporate assets as these assets are managed on a group basis.

### 3. 經營分部資料(續)

管理層監察個別經營分部之業績，藉此作出有關資源分配的決定及評估表現。分部表現乃根據可予呈報分部業績進行評估。分部業績與本集團之除稅前溢利之計量保持一致，該計量不包括利息收入、股息收入、融資成本、應佔聯營公司溢利及未分配總部及公司業績。

分部資產不包括遞延稅項資產、可收回稅項、抵押存款、現金及現金等值項目、可供出售投資、按公平值列入損益之股本投資、於聯營公司之投資及其他未分配總部及公司資產，因為該等資產按集團基準管理。

Six months ended 30 June 2011 截至2011年6月30日止六個月		Beverages 飲料 HK\$'000 千港元 (Unaudited) (未經審核)	Wines 酒類 HK\$'000 千港元 (Unaudited) (未經審核)	Kitchen foods 廚房食品 HK\$'000 千港元 (Unaudited) (未經審核)	Confec- tionery 休閒食品 HK\$'000 千港元 (Unaudited) (未經審核)	Total 合計 HK\$'000 千港元 (Unaudited) (未經審核)
<b>Segment revenue:</b>	<b>分部收益：</b>					
Sales to external customers	銷售予外界客戶	5,313,178	1,752,939	6,172,412	243,699	13,482,228
Other revenue	其他收入	18,203	16,054	10,174	2,893	47,324
		<b>5,331,381</b>	<b>1,768,993</b>	<b>6,182,586</b>	<b>246,592</b>	<b>13,529,552</b>
<b>Segment results</b>	<b>分部業績</b>	<b>274,927</b>	<b>299,525</b>	<b>74,335</b>	<b>(41,588)</b>	<b>607,199</b>
<i>Reconciliation:</i>	<i>對賬：</i>					
Interest income	利息收入					14,055
Dividend income and unallocated gains	股息收入及未分配收益					36,992
Finance costs	融資成本					(33,923)
Share of profits of associates	應佔聯營公司溢利					26,623
Corporate and other unallocated expenses	公司及其他未分配支出					(49,808)
Profit before tax	除稅前溢利					601,138
<b>30 June 2011</b>	<b>2011年6月30日</b>					
<b>Segment assets</b>	<b>分部資產</b>	<b>5,416,924</b>	<b>4,805,311</b>	<b>2,222,490</b>	<b>471,533</b>	<b>12,916,258</b>
<i>Reconciliation:</i>	<i>對賬：</i>					
Elimination of intersegment receivables	撤銷分部間應收款項					(5,027,743)
Investments in associates	於聯營公司之投資					571,824
Corporate and other unallocated assets	公司及其他未分配資產					7,518,063
Total assets	資產總值					15,978,402

## Notes to the Condensed Consolidated Interim Financial Information (continued)

### 簡明綜合中期財務資料附註(續)

30 June 2011  
2011年6月30日

### 3. Operating segment information (continued)

### 3. 經營分部資料(續)

Six months ended 30 June 2010 截至2010年6月30日止六個月		Beverages 飲料 HK\$'000 千港元 (Unaudited) (未經審核)	Wines 酒類 HK\$'000 千港元 (Unaudited) (未經審核)	Kitchen foods 廚房食品 HK\$'000 千港元 (Unaudited) (未經審核)	Confec- tionery 休閒食品 HK\$'000 千港元 (Unaudited) (未經審核)	Total 合計 HK\$'000 千港元 (Unaudited) (未經審核)
<b>Segment revenue:</b>	<b>分部收益:</b>					
Sales to external customers	銷售予外界客戶	3,951,931	1,455,518	2,853,834	182,948	8,444,231
Other revenue	其他收入	32,950	9,097	8,370	1,137	51,554
<b>Segment results</b>	<b>分部業績</b>	3,984,881	1,464,615	2,862,204	184,085	8,495,785
<i>Reconciliation:</i>	<i>對賬:</i>	212,104	165,474	9,501	(32,497)	354,582
Interest income	利息收入					14,060
Dividend income and unallocated gains	股息收入及 未分配收益					44,492
Finance costs	融資成本					(23,914)
Share of profits of associates	應佔聯營公司溢利					12,898
Corporate and other unallocated expenses	公司及其他 未分配支出					(36,498)
Profit before tax	除稅前溢利					365,620
<hr/>						
31 December 2010 2010年12月31日		Beverages 飲料 HK\$'000 千港元 (Audited) (經審核)	Wines 酒類 HK\$'000 千港元 (Audited) (經審核)	Kitchen foods 廚房食品 HK\$'000 千港元 (Audited) (經審核)	Confec- tionery 休閒食品 HK\$'000 千港元 (Audited) (經審核)	Total 合計 HK\$'000 千港元 (Audited) (經審核)
<b>Segment assets</b>	<b>分部資產</b>	5,437,688	4,492,200	2,178,630	487,305	12,595,823
<i>Reconciliation:</i>	<i>對賬:</i>					
Elimination of intersegment receivables	撤銷分部間應收 款項					(4,977,394)
Investments in associates	於聯營公司之投資					545,201
Corporate and other unallocated assets	公司及其他 未分配資產					6,811,340
Total assets	資產總值					14,974,970

## Notes to the Condensed Consolidated Interim Financial Information (continued)

### 簡明綜合中期財務資料附註(續)

30 June 2011

2011年6月30日

#### 4. Revenue, other income and gains

Revenue, which is also the Group's turnover, represents the net invoiced value of goods sold, after allowances for returns and trade discounts, during the period.

An analysis of the Group's other income and gains is as follows:

#### 4. 收入、其他收入及收益

收入(本集團之營業額)乃指於期內扣除退貨及貿易折扣後的已售出貨品發票淨值。

本集團其他收入及收益分析如下：

		For the six months ended 30 June	
		截至6月30日止六個月	
		2011	2010
		2011年	2010年
		HK\$'000	HK\$'000
		千港元	千港元
		(Unaudited)	(Unaudited)
		(未經審核)	(未經審核)
<b>Other income</b>	<b>其他收入</b>		
Gross rental income	租金收入總額	3,423	748
Bank interest income	銀行利息收入	10,847	10,408
Interest income from held-to-maturity investments	持有至到期投資之利息收入	3,208	3,652
Dividend income from available-for-sale investments	可供出售投資之股息收入	36,926	43,918
Dividend income from equity investments at fair value through profit or loss	按公平值列入損益之股本投資之股息收入	231	60
Government grants*	政府補助*	9,386	14,885
Compensation income	補償收入	6,209	5,305
Commission income	佣金收入	21,452	22,756
Sale of by-products and scrap items	出售副產品及廢料項目	4,396	6,843
Others	其他	3,575	643
		<b>99,653</b>	<b>109,218</b>
<b>Gains</b>	<b>收益</b>		
Foreign exchange differences, net	匯兌差額，淨額	–	888
		–	888
		<b>99,653</b>	<b>110,106</b>

\* Various government grants have been received for investments in certain provinces in Mainland China in which the Company's subsidiaries operate. There are no unfulfilled conditions or contingencies relating to these grants.

\* 本集團已取得多項政府補助，用作投資本公司附屬公司經營所在之中國內地若干省份。有關補助並無任何尚未符合之條件或其他或有事項。

## Notes to the Condensed Consolidated Interim Financial Information (continued)

### 簡明綜合中期財務資料附註(續)

30 June 2011

2011年6月30日

#### 5. Finance costs

An analysis of the Group's finance costs is as follows:

		For the six months ended 30 June 截至6月30日止六個月	
		2011 2011年 HK\$'000 千港元 (Unaudited) (未經審核)	2010 2010年 HK\$'000 千港元 (Unaudited) (未經審核)
Interest on:	利息：		
Bank loans wholly repayable within five years	五年內全數償還之銀行貸款	10,266	13,435
Loans from a fellow subsidiary and a non-controlling shareholder of a subsidiary	同系附屬公司及附屬公司之非控股股東之貸款	81	1,878
Others	其他	23,576	8,601
		<b>33,923</b>	23,914

#### 5. 融資成本

本集團融資成本分析如下：

#### 6. Profit before tax

The Group's profit before tax is arrived at after charging/(crediting):

		For the six months ended 30 June 截至6月30日止六個月	
		2011 2011年 HK\$'000 千港元 (Unaudited) (未經審核)	2010 2010年 HK\$'000 千港元 (Unaudited) (未經審核)
Cost of inventories sold	售出存貨成本	10,292,059	6,143,297
Provision against inventories	存貨撥備	3,516	9,588
Cost of sales	銷售成本	<b>10,295,575</b>	6,152,885
Depreciation	折舊	197,251	157,312
Amortisation of other intangible assets	其他無形資產攤銷	5,223	2,624
Recognition of prepaid land premiums	確認預付土地金	2,993	3,010
Reversal of impairment of receivables	應收款項減值撥回	(139)	(5)
Loss on disposal of items of property, plant and equipment	出售物業、廠房及設備項目之虧損	2,357	1,142
Fair value losses on equity investments at fair value through profit or loss	按公平值列入損益之股本投資之公平值虧損	165	1,230
Loss on disposal of available-for-sale investments	出售可供出售投資之虧損	-	453
Foreign exchange differences, net	外匯淨差額	247	(888)
Impairment of available-for-sale investments	可供出售投資之減值	318	-

#### 6. 除稅前溢利

本集團之除稅前溢利乃扣除/(計入)下列各項：

## Notes to the Condensed Consolidated Interim Financial Information (continued)

### 簡明綜合中期財務資料附註(續)

30 June 2011

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#### 7. Income tax expense

Hong Kong profits tax has been provided at the rate of 16.5% on the estimated assessable profits arising in Hong Kong during the period (six months ended 30 June 2010: Nil). Taxes on profits assessable elsewhere have been calculated at the rates of tax prevailing in the jurisdictions in which the Group operates.

Under the PRC income tax laws, enterprises are subject to corporate income tax (“CIT”) at a rate of 25%. However, certain of the Group’s subsidiaries are operating in specific development zones in Mainland China, and the relevant authorities have granted these subsidiaries preferential CIT rate of 24%. In addition to the preferential CIT rates granted to the Group’s certain subsidiaries in Mainland China, tax holidays were also granted by the relevant authorities to some other subsidiaries of the Group, where CIT is exempted for the first two profitable years of the subsidiaries and is chargeable at half of the applicable rates for the subsequent three years.

#### 7. 所得稅支出

香港利得稅撥備已按於期間於香港產生的估計應課稅溢利以16.5% (截至2010年6月30日止六個月：無)的稅率作出。其他地區之應課稅溢利之稅項按本集團經營之司法權區之現行稅率計算。

根據中國所得稅法，企業須按25%的稅率繳納企業所得稅(「企業所得稅」)。然而，本集團若干附屬公司乃於中國大陸的特別發展地區經營業務，有關當局已授予該等附屬公司24%的優惠企業所得稅率。除本集團位於中國大陸的若干附屬公司獲授優惠企業所得稅率外，有關當局還授予本集團若干其他附屬公司免稅期，即在附屬公司首兩個獲利年度被豁免繳納企業所得稅，並於隨後的三個年度按適用稅率的一半繳納企業所得稅。

		For the six months ended 30 June	
		截至6月30日止六個月	
		2011	2010
		2011年	2010年
		HK\$'000	HK\$'000
		千港元	千港元
		(Unaudited)	(Unaudited)
		(未經審核)	(未經審核)
Current charge for the period	期內扣除		
Hong Kong	香港	612	—
Mainland China	中國內地	187,277	104,127
Deferred	遞延	(771)	471
Total tax charge for the period	本期間稅項支出總額	187,118	104,598

The share of tax attributable to associates amounting to HK\$8,257,000 (six months ended 30 June 2010: HK\$4,526,000) is included in “Share of profits of associates” in the condensed consolidated income statement.

Since 2009, the Ministry of Finance and the State Administration of Taxation have issued a series of regulations and rules, with retroactive effect on 1 January 2008, concerning group restructuring (collectively, the “Group Restructuring Tax Rules”). During the year ended 31 December 2008, the Group undertook certain intra-group restructuring activities (the “Restructuring”). Should the basis set forth in the Group Restructuring Tax Rules be adopted, there might be relevant tax exposure to the Group. After giving due consideration of key factors including the relevant legal interpretation and opinion about the Group Restructuring Tax Rules and the prevailing tax practices, the Company considers that it is more likely than not that the Restructuring will not give rise to the relevant tax exposure to the Group, if any. Accordingly, no provision thereon has been made in the interim financial information.

應佔聯營公司稅項達至8,257,000港元(截至2010年6月30日止六個月：4,526,000港元)，已計入簡明綜合收入報表內的「應佔聯營公司溢利」中。

自2009年，財政部及國家稅務總局頒佈了關於集團重組的一系列條例及規則(統稱為「集團重組稅務規則」)，自2008年1月1日起具追溯效力。截至2008年12月31日止年度，本集團進行了若干集團間的重組活動(「重組」)。倘「集團重組稅務規則」所載的基準獲採納，本集團可能面臨相關稅務風險。經審慎考慮主要因素(包括「集團重組稅務規則」的相關法律詮釋及意見以及現行稅務實務)後，本公司認為，重組不大可能引致本集團的相關稅務風險(倘有)。因此，概無就此於該中期財務資料中作出撥備。

## Notes to the Condensed Consolidated Interim Financial Information (continued)

### 簡明綜合中期財務資料附註(續)

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#### 8. Dividend

#### 8. 股息

		For the six months ended 30 June	
		截至6月30日止六個月	
		2011	2010
		2011年	2010年
		HK\$'000	HK\$'000
		千港元	千港元
		(Unaudited)	(Unaudited)
		(未經審核)	(未經審核)
Interim – HK4.07 cents (six months ended 30 June 2010: HK2.30 cents) per ordinary share	中期 – 每股普通股4.07港仙 (截至2010年6月30日 止六個月：2.30港仙)	<b>113,661</b>	64,227

#### 9. Earnings per share attributable to ordinary equity holders of the parent

The calculation of basic earnings per share amount for the period ended 30 June 2011 is based on the profit for the period attributable to ordinary equity holders of the parent of HK\$315,382,000 (six months ended 30 June 2010: HK\$178,735,000) and the weighted average number of ordinary shares of 2,792,460,861 (six months ended 30 June 2010: 2,792,409,248) in issue during the period.

The calculation of diluted earnings per share amount for the period is based on the profit for the period attributable to ordinary equity holders of the parent. The weighted average number of ordinary shares used in the calculation is the number of ordinary shares in issue during the period, as used in the basic earnings per share calculation, and the weighted average number of ordinary shares assumed to have been issued at no consideration on the deemed exercise or conversion of all dilutive potential ordinary shares into ordinary shares.

#### 9. 母公司普通股權益擁有人應佔每股盈利

截至2011年6月30日期間每股基本盈利數額乃按母公司普通股權益擁有人應佔期內溢利315,382,000港元(截至2010年6月30日止六個月: 178,735,000港元), 以及期內已發行加權平均普通股2,792,460,861股(截至2010年6月30日止六個月: 2,792,409,248股)計算。

期內每股攤薄盈利數額乃根據母公司普通股權益擁有人應佔期內溢利計算。計算所用的加權平均普通股乃期內已發行普通股股份的數目, 亦用於每股基本盈利的計算, 及假設所有潛在攤薄普通股被視作行使或轉換為普通股而以零代價發行之普通股加權平均數。



## Notes to the Condensed Consolidated Interim Financial Information (continued)

### 簡明綜合中期財務資料附註(續)

30 June 2011

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#### 9. Earnings per share attributable to ordinary equity holders of the parent (continued)

The calculations of basic and diluted earnings per share are based on:

#### 9. 母公司普通股權益擁有人應佔每股盈利(續)

每股基本及攤薄盈利之計算乃根據：

		For the six months ended 30 June 截至6月30日止六個月	
		2011 2011年 HK\$'000 千港元 (Unaudited) (未經審核)	2010 2010年 HK\$'000 千港元 (Unaudited) (未經審核)
<b>Earnings</b>	<b>盈利</b>		
Profit attributable to ordinary equity holders of the parent used in the basic earnings per share calculation	用於計算每股基本盈利的 母公司普通股權益 擁有人應佔溢利	<b>315,382</b>	178,735
		<b>Number of shares</b>	
		For the six months ended 30 June 股份數目 截至6月30日止六個月	
		2011 2011年 (Unaudited) (未經審核)	2010 2010年 (Unaudited) (未經審核)
<b>Shares</b>	<b>股份</b>		
Weighted average number of ordinary shares in issue during the period used in the basic earnings per share calculation	用於計算每股 基本盈利之期內 已發行普通股 加權平均數	<b>2,792,460,861</b>	2,792,409,248
Effect of dilution – weighted average number of ordinary shares: Share options	攤薄影響 – 普通股 加權平均數： 購股權	<b>921,706</b>	3,288,427
		<b>2,793,382,567</b>	2,795,697,675

## Notes to the Condensed Consolidated Interim Financial Information (continued)

### 簡明綜合中期財務資料附註(續)

30 June 2011

2011年6月30日

#### 10. Property, plant and equipment

During the six months ended 30 June 2011, the Group acquired items of property, plant and equipment at a total cost of HK\$185,189,000 (six months ended 30 June 2010: HK\$214,493,000) and disposed of items of property, plant and equipment with a total net carrying amount of HK\$13,245,000 (six months ended 30 June 2010: HK\$7,473,000).

#### 11. Accounts and bills receivables

The Group's trading terms with its customers are mainly on credit, except for new customers, where payment in advance is normally required. The credit period is generally for 30 to 90 days. Each customer has a maximum credit limit. The Group seeks to maintain strict control over its outstanding receivables and has a credit control department to minimise credit risk. Overdue balances are reviewed regularly by senior management. In view of the aforementioned and the fact that the Group's accounts receivable relate to a large number of diversified customers, there is no significant concentration of credit risk. Accounts and bills receivables are non-interest-bearing.

#### 10. 物業、廠房及設備

於截至2011年6月30日止六個月，本集團收購物業、廠房及設備項目之成本總額為185,189,000港元(截至2010年6月30日止六個月：214,493,000港元)，出售物業、廠房及設備項目之賬面淨值總額為13,245,000港元(截至2010年6月30日止六個月：7,473,000港元)。

#### 11. 應收賬款及票據

		30 June 2011 2011年 6月30日 HK\$'000 千港元 (Unaudited) (未經審核)	31 December 2010 2010年 12月31日 HK\$'000 千港元 (Audited) (經審核)
Accounts and bills receivables	應收賬款及票據	1,369,481	1,640,697
Impairment	減值	(23,272)	(24,638)
		<b>1,346,209</b>	1,616,059

除新客戶外，本集團與客戶之貿易條款乃主要按信貸訂立，一般規定新客戶預先付款。信貸期一般介乎30日至90日。每名客戶都設有信貸額上限。本集團尋求維持嚴格控制其未償還應收賬款及設有信貸控制部，務求將信貸風險減至最低。高級管理層定期審核逾期結餘。鑒於上述，以及本集團涉及大量不同客戶之應收賬款，故信貸風險之集中程度並不嚴重。應收賬款及票據為不計息。

## Notes to the Condensed Consolidated Interim Financial Information (continued)

### 簡明綜合中期財務資料附註(續)

30 June 2011  
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#### 11. Accounts and bills receivables (continued)

An aged analysis of the Group's accounts and bills receivables as at the end of the reporting period, based on the invoice date and net of impairment, is as follows:

		<b>30 June 2011 2011年 6月30日 HK\$'000 千港元 (Unaudited) (未經審核)</b>	31 December 2010 2010年 12月31日 HK\$'000 千港元 (Audited) (經審核)
Within 3 months	三個月內	<b>1,014,629</b>	1,216,256
3 to 12 months	三個月至十二個月內	<b>322,208</b>	396,730
1 to 2 years	一年至兩年內	<b>9,243</b>	2,898
Over 2 years	超過兩年	<b>129</b>	175
		<b>1,346,209</b>	1,616,059

#### 11. 應收賬款及票據(續)

於報告期末之本集團應收賬款及票據賬齡按發票日期並扣除減值分析如下：

#### 12. Accounts and bills payables

An aged analysis of the Group's accounts and bills payables as at the end of the reporting period, based on the invoice date, is as follows:

		<b>30 June 2011 2011年 6月30日 HK\$'000 千港元 (Unaudited) (未經審核)</b>	31 December 2010 2010年 12月31日 HK\$'000 千港元 (Audited) (經審核)
Within 3 months	三個月內	<b>1,281,231</b>	825,497
3 to 12 months	三個月至十二個月內	<b>265,185</b>	161,753
1 to 2 years	一年至兩年內	<b>506</b>	11,879
Over 2 years	超過兩年	<b>1,486</b>	735
		<b>1,548,408</b>	999,864

#### 12. 應付賬款及票據

於報告期末之本集團應付賬款及票據賬齡按發票日期分析如下：

## Notes to the Condensed Consolidated Interim Financial Information (continued)

### 簡明綜合中期財務資料附註(續)

30 June 2011

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#### 13. Business combination

In February 2011, Top Glory Wines & Spirits Europe SAS, a wholly-owned subsidiary of the Company, acquired the 100% interest in Société Du Château de Viaud SAS (“Château de Viaud SAS”) from Philippe Raoux SAS, an independent third party, at a cash consideration of approximately EUR8,253,000 (equivalent to approximately HK\$85,714,000) (the “Acquisition”). The Acquisition was made as part of the Group’s strategy to diversify its vineyards and production bases in different regions.

A summary of the fair values of the identifiable assets and liabilities of Château de Viaud SAS as at the date of the Acquisition was as follows:

#### 13. 業務合併

於2011年2月，本公司全資附屬公司Top Glory Wines & Spirits Europe SAS自獨立第三方Philippe Raoux SAS收購Société Du Château de Viaud SAS(「Château de Viaud SAS」)100%股權(「收購事項」)，現金代價約為8,253,000歐元(相當於約85,714,000港元)。收購事項為本集團之策略，以將其葡萄園及生產基地分散於不同地區。

Château de Viaud SAS 於收購日期之可識別資產及負債之公平值概要如下：

		Fair value recognised on acquisition 收購時確認 之公平值 HK\$'000 千港元
Property, plant and equipment	物業、廠房及設備	61,389
Biological assets	生物資產	14,426
Inventories	存貨	16,098
Accounts receivable	應收賬款	102
Prepayments, deposits and other receivables	預付款項、按金及其他應收款項	213
Cash and bank balances	現金及銀行結餘	800
Accounts and bills payable	應付賬款及票據	(522)
Other payables and accruals	其他應付款項及應計負債	(407)
Interest-bearing bank borrowings	計息銀行貸款	(45)
Deferred tax liability	遞延稅項負債	(13,823)
Total identifiable net assets at fair value	按公平值確認之可識別資產淨總值	78,231
Goodwill on acquisition	收購時產生之商譽	7,483
Satisfied by cash	現金方式支付	85,714

## Notes to the Condensed Consolidated Interim Financial Information (continued)

### 簡明綜合中期財務資料附註(續)

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#### 13. Business combination (continued)

An analysis of the cash flows in respect of the Acquisition is as follows:

		HK\$'000 千港元
Cash consideration paid	已付現金代價	(85,714)
Cash and bank balances acquired	所購入現金及銀行結餘	800
Net cash outflow of cash and cash equivalents in respect of the Acquisition	就收購事項所產生之現金及現金等值項目流出淨額	(84,914)

Since the Acquisition, Château de Viaud SAS contributed HK\$7,082,000 to the Group's turnover and a profit of HK\$2,262,000 to the consolidated profit for the six months ended 30 June 2011.

#### 13. 業務合併(續)

就收購事項產生之現金流分析如下：

收購事項後，Château de Viaud SAS 截至2011年6月30日止六個月向本集團的營業額貢獻7,082,000港元及向本集團的綜合溢利貢獻溢利2,262,000港元。

#### 14. Operating lease arrangements

The Group leases certain of its office properties under operating lease arrangements. Leases for office properties are negotiated for terms ranging from one to ten years.

At the end of the reporting period, the Group had total future minimum lease payments under non-cancellable operating leases falling due as follows:

#### 14. 經營租約安排

本集團根據經營租約安排租用若干辦公室物業。辦公室物業租約經協商之租期由1至10年不等。

於報告期末，本集團根據不可撤銷經營租約應付之未來最低租金總額如下：

		30 June 2011 2011年 6月30日 HK\$'000 千港元 (Unaudited) (未經審核)	31 December 2010 2010年 12月31日 HK\$'000 千港元 (Audited) (經審核)
Within one year	一年內	52,534	44,143
In the second to fifth years, inclusive	第二至第五年， 包括首尾兩年	55,916	52,240
After five years	五年後	85,082	82,217
		193,532	178,600

## Notes to the Condensed Consolidated Interim Financial Information (continued)

### 簡明綜合中期財務資料附註(續)

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#### 15. Capital commitments

In addition to the operating lease commitments detailed in note 14 above, the Group had the following capital commitments at the end of the reporting period:

#### 15. 資本承擔

除上文附註14所載之經營租約承擔外，本集團於報告期末之資本承擔如下：

		<b>30 June 2011 2011年 6月30日 HK\$'000 千港元 (Unaudited) (未經審核)</b>	31 December 2010 2010年 12月31日 HK\$'000 千港元 (Audited) (經審核)
Property, plant and equipment:	物業、廠房及設備：		
Authorised but not contracted	已授權但未訂約	–	398
Contracted, but not provided for	已訂約但未計提	<b>76,785</b>	14,289
		<b>76,785</b>	14,687

#### 16. Contingent liabilities

Save as disclosed in note 7 to the condensed consolidated interim financial information, the Group had no significant contingent liabilities at the end of the reporting period.

#### 16. 或然負債

除於簡明綜合中期財務資料附註7所披露外，於報告期末本集團並無任何重大或然負債。

## Notes to the Condensed Consolidated Interim Financial Information (continued)

### 簡明綜合中期財務資料附註(續)

30 June 2011

2011年6月30日

#### 17. Related party transactions

- (a) Apart from the transactions and balances disclosed elsewhere in the financial information, the Group had the following material transactions with related parties during the period:

#### 17. 關連人士交易

- (a) 除財務資料其他地方所披露之交易及結餘外，本集團於期內與關連人士進行之重大交易如下：

		For the six months ended 30 June	
		截至6月30日止六個月	
		2011	2010
		2011年	2010年
		HK\$'000	HK\$'000
		千港元	千港元
		(Unaudited)	(Unaudited)
		(未經審核)	(未經審核)
Transactions with fellow subsidiaries:	與同系附屬公司之交易：		
Sales of goods	銷售貨品	42,373	4,822
Purchases of goods	購買貨品	3,547,715	1,486,503
Service fee income	服務費用收入	9,801	4,973
Rental expenses	租金支出	7,472	8,712
Interest expenses	利息支出	81	835
Transactions with the ultimate holding company:	與最終控股公司之交易：		
Sales of goods	銷售貨品	-	105
Rental expenses	租金支出	358	1,299
Transactions with associates:	與聯營公司之交易：		
Sales of goods	銷售貨品	11,484	7,004
Purchases of goods	購買貨品	838,158	527,935
Transactions with related companies#:	與關連公司之交易#：		
Sales of goods	銷售貨品	10,096	13
Purchases of goods	購買貨品	1,267,537	747,535

# Related companies are companies under significant influence by the Group's ultimate holding company.

Notes:

- (i) These transactions were carried out in accordance with the terms and conditions mutually agreed by both parties.
- (ii) Interest expenses arose from the loans from COFCO Finance Corporation Limited ("COFCO Finance"), a wholly-owned subsidiary of COFCO Corporation, which are unsecured, bear interest at a rate of 4.59% (six months ended 30 June 2010: 4.37% to 4.86%) per annum.

# 關連公司為受本集團最終控股公司重大影響之公司。

附註：

- (i) 該等交易乃按根據雙方互相議定之條款及條件進行。
- (ii) 該等利息開支產生於就中糧財務有限責任公司(「中糧財務」)(中糧集團有限公司之全資附屬公司)之貸款，該等貸款為無抵押，按年息4.59厘(截至2010年6月30日止六個月：4.37厘至4.86厘)計息。

## Notes to the Condensed Consolidated Interim Financial Information (continued)

### 簡明綜合中期財務資料附註(續)

30 June 2011

2011年6月30日

#### 17. Related party transactions (continued)

##### (b) Transaction with a related party

Pursuant to certain licensing agreements entered into between the Group and COFCO Corporation, the Group was granted the exclusive rights to use certain trademarks for its kitchen foods business. The licensing fees for the current period and the prior period were waived by COFCO Corporation.

##### (c) Outstanding balances with related parties

Except for the loans of HK\$29,380,000 from COFCO Finance as at 31 December 2010, which are unsecured, bear interest at a rate of 4.59% per annum and are repayable within one year from the end of the reporting period, the remaining balances with the holding companies, fellow subsidiaries, associates and related companies are unsecured, interest-free and have no fixed terms of repayment.

##### (d) Compensation of key management personnel of the Group

#### 17. 關連人士交易(續)

##### (b) 與一名關連人士之交易

根據本集團與中糧集團有限公司訂立之若干特許協議，本集團獲授獨家許可權，可於其廚房食品業務使用若干商標，而本期內及上期間之特許權費用獲中糧集團有限公司豁免。

##### (c) 關連人士之未償還餘額

除中糧財務於2010年12月31日之貸款29,380,000港元(為無抵押，按年息4.59厘計息及須於報告期末起一年內償還)外，控股公司、同系附屬公司、聯營公司及關連公司之貸款餘額乃無抵押、免息及無固定還款期。

##### (d) 本集團主要管理層人員之報酬

		For the six months ended 30 June	
		截至6月30日止六個月	
		2011	2010
		2011年	2010年
		HK\$'000	HK\$'000
		千港元	千港元
		(Unaudited)	(Unaudited)
		(未經審核)	(未經審核)
Short term employee benefits	短期僱員福利	4,425	2,854
Equity-settled share option expense	股本結算購股權開支	1,123	367
Pension scheme contributions	退休計劃供款	201	121
Total compensation paid to key management personnel	付予主要管理層人員之報酬總額	5,749	3,342



## Notes to the Condensed Consolidated Interim Financial Information (continued)

### 簡明綜合中期財務資料附註(續)

30 June 2011

2011年6月30日

#### 17. Related party transactions (continued)

##### (e) Transactions with other state-owned enterprises

The Group operates in an economic environment predominated by enterprises directly or indirectly owned or controlled by the PRC government through its numerous authorities, affiliates or other organisations (collectively "State-owned Enterprises"). During the period, the Group had transactions with State-owned Enterprises including, but not limited to, sales and purchases of processed foodstuffs and raw materials. The board considers that transactions with other State-owned Enterprises are activities conducted in the ordinary course of the business, and that dealings of the Group have not been significantly or unduly affected by the fact that the Group and other State-owned Enterprises are ultimately controlled or owned by the PRC government. The Group has also established pricing policies for products and services, and such policies do not depend on whether or not the customers are State-owned Enterprises. Having due regard to the substance of the relationships, the board is of the opinion that none of these transactions is a material related party transaction that requires separate disclosure.

#### 18. Fair value and fair value hierarchy

As at 30 June 2011 and 31 December 2010, the carrying amounts of the Group's financial instruments approximate to their fair values.

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

##### Fair value hierarchy

The Group uses the following hierarchy for determining and disclosing the fair value of financial instruments:

- Level 1: fair values measured based on quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2: fair values measured based on valuation techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly
- Level 3: fair values measured based on valuation techniques for which any inputs which have a significant effect on the recorded fair value are not based on observable market data (unobservable inputs)

#### 17. 關連人士交易(續)

##### (e) 與其他國有企業之交易

本集團於一個由中國政府直接或間接通過其各級機關、聯屬公司或其他機構擁有或控制的企業(統稱「國有企業」)為主的經濟環境中經營。期內，本集團與國有企業進行之交易包括但不限於銷售及採購經加工食品及原材料。董事會認為，與其他國有企業進行之交易均屬於日常業務過程進行之業務，本集團之該等交易並無受本集團及其他國有企業由中國政府最終控制或擁有之事實而有重大或不當影響。本集團亦制定有關產品及服務之定價政策，而該等政策不會視乎客戶是否屬國有企業而制定。經慎重考慮該等關係之實質，董事會認為，該等交易並不屬於需要單獨披露之重大關連人士交易。

#### 18. 公平值及公平值層級

於2011年6月30日及2010年12月31日，本集團金融工具之賬面值與其公平值相若。

金融資產及負債之公平值以該工具於自願交易方(而非強迫或清倉銷售)當前交易下之可交易金額入賬。

##### 公平值層級

本集團使用以下層級釐定及披露金融工具之公平值：

- 第一層：按同等資產或負債於活躍市場之報價(未經調整)計算之公平值
- 第二層：按估值技巧計算之公平值，而該等估值技巧之所有輸入值直接或間接為可觀察數據，並對已入賬公平值具有重大影響
- 第三層：按估值技巧計算之公平值，而該等估值技巧之所有輸入值並非依據可觀察市場數據(不可觀察輸入值)得出，並對已入賬公平值具有重大影響

## Notes to the Condensed Consolidated Interim Financial Information (continued)

### 簡明綜合中期財務資料附註(續)

30 June 2011  
2011年6月30日

#### 18. Fair value and fair value hierarchy (continued)

##### Fair value hierarchy (continued)

Assets measured at fair value:

##### Group 本集團

As at 30 June 2011 於2011年6月30日		Level 1 第一層 HK\$'000 千港元	Level 2 第二層 HK\$'000 千港元	Level 3 第三層 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Equity investments at fair value through profit or loss	按公平值計入損益之權益投資	19,034	–	–	19,034
As at 31 December 2010 於2010年12月31日		Level 1 第一層 HK\$'000 千港元	Level 2 第二層 HK\$'000 千港元	Level 3 第三層 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Equity investments at fair value through profit or loss	按公平值計入損益之權益投資	19,199	–	–	19,199

#### 18. 公平值及公平值層級(續)

##### 公平值層級(續)

按公平值計量之資產：

#### 19. Approval of the condensed consolidated interim financial information

The condensed consolidated interim financial information was approved and authorised for issue by the board on 29 August 2011.

#### 19. 簡明綜合中期財務資料之批准

該等簡明綜合中期財務資料於2011年8月29日經董事會批准及授權刊發。



**中糧**  
**COFCO**

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