



中糧
COFCO
自然之源 重塑你我

中國食品有限公司 CHINA FOODS LIMITED

(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)

ADVANCE THROUGH REFORM 變中求進
TEAMWORK FOR WIN-WIN 協力共贏

BEVERAGE



WINE



KITCHEN FOOD



CONFECTIONERY



ANNUAL REPORT 2011年報

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 beverage, wine, kitchen food 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 China, 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(「中糧公司」)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飲料、酒類、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」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國的戰略夥伴，本公司也有裝瓶和銷售可口可樂系列飲料。

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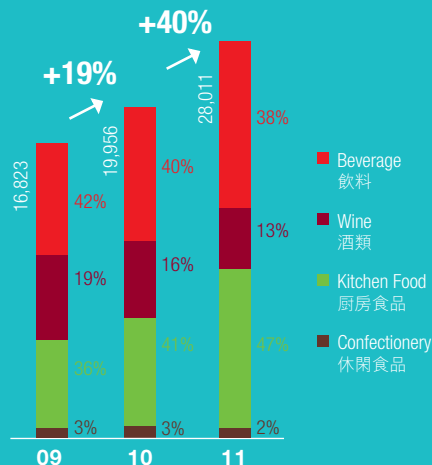
FINANCIAL CALENDAR
財務日誌



財務摘要 FINANCIAL HIGHLIGHTS

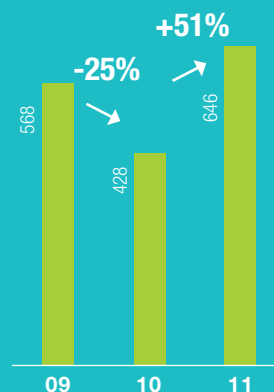
Revenue 收入

(HK\$' million)(百萬港元)



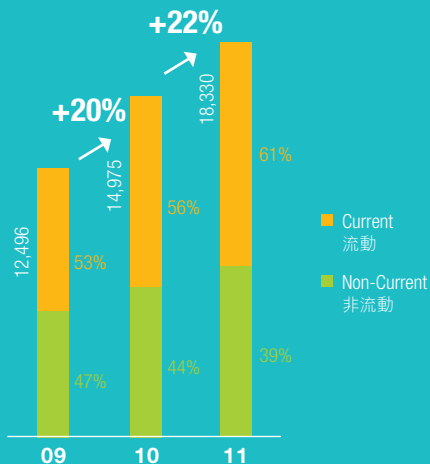
Earnings 盈利

(HK\$' million)(百萬港元)



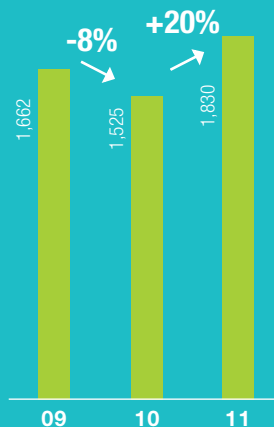
Total Assets 總資產

(HK\$' million)(百萬港元)



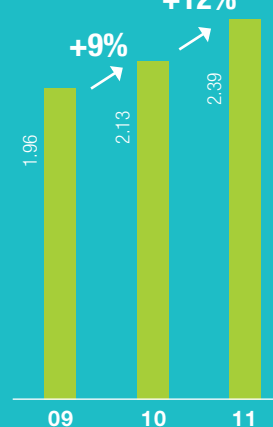
Net Current Assets 流動資產淨值

(HK\$' million)(百萬港元)

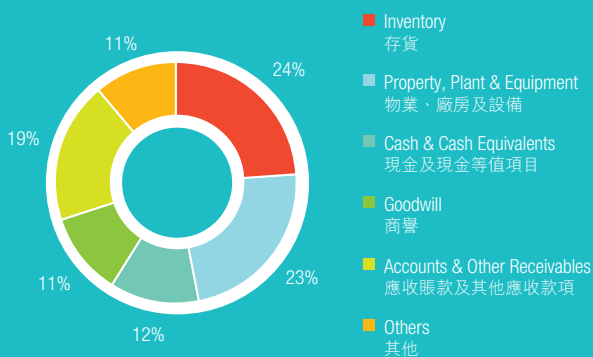


Net Assets Per Share 每股資產淨值

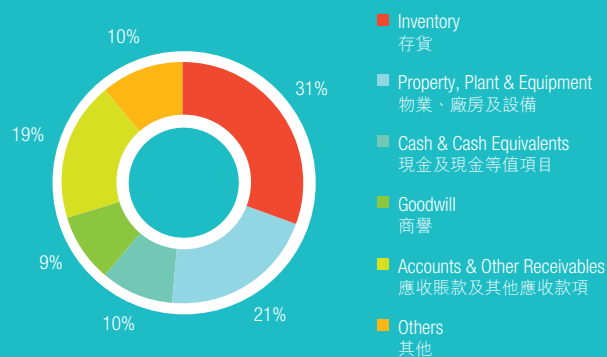
(HK\$/Share)(港元/每股)



Year 2010 Composition of Total Assets 2010年總資產構成



Year 2011 Composition of Total Assets 2011年總資產構成





贏在**產品** Winning in **Products**

FEB 二月

After acquiring the San Andrea Winery in Chile, the Group successfully acquired Chateau de Viaud in Bordeaux, France, which enables us to increase our pace in implementing the globalization strategy of the Greatwall wines.

繼收購智利聖利亞酒莊之後，本集團成功收購法國波爾多雷沃堡酒莊，進一步加速長城葡萄酒全球化戰略步伐。



JUNE 四月

The new Greatwall Terroir wine series, a mid-to high-end product of Greatwall, was launched throughout the nation.

長城品牌中高端新品「長城天賦葡園」葡萄酒全國上市。



MAY 五月

Formally issued the management procedures for new product research and development, launching and assessment. Stringent control over critical areas in new product research and development was implemented through streamlining existing product lines, concept planning of new products, and specifying procedures for product design, trial, launching and assessment.

新品研發、上市及評估管理流程正式頒佈，通過對現有產品線的梳理、新產品的概念策劃、產品設計與驗證、上市、評估等流程的規定，嚴格控制新品研發關鍵環節。

Greatwall Chateau Sungod Limited Edition for Chinese Communist Party's 90th Anniversary was launched which attached importance to this national event and highlighted the national wine status of Greatwall.

長城桑干酒莊建黨90周年限量版紀念酒上市，緊扣這一國家大事，烘托並強化長城品牌的國酒地位。





2011 中國食品大事一覽 MAJOR EVENTS OF CHINA FOODS IN 2011

JUNE 六月

Fortune Golden Origin Maize Oil in new packages was launched throughout the nation.

福臨門黃金產地玉米油全國新裝切換上市。



JULY 七月

The strawberry flavoured Merveille Jelly Candy was launched, providing consumers with more choice of flavors.

美滋滋品牌推出草莓口味夾心果汁軟糖，豐富產品口味，給消費者更多選擇。



OCT 十月

The new product of Minute Maid Peach Flavour was launched. Minute Maid now offers four great flavours of fresh fruits.

美汁源滑粒蜜桃口味新品上市，填補了美汁源產品在果汁第四大口味－桃味上的空白。





贏在品牌 Winning in Brands

MARCH 三月

Fortune was elected as "The Most Favorite Brand of Edible Oil" in The "Safety, Environment, Responsibility – The Second Food Industry 3•15 Online Survey" held by People's Daily Online.

福臨門在人民網舉辦的「安全•環保•責任—第二屆食品行業3•15網上調查」活動中，榮獲「網友最喜愛的糧油品牌」稱號。



APRIL 四月

Greatwall wine sponsored the Boao Forum for Asia for the third time, serving politicians, business elites and scholars from around the world with its wines and a taste of China's hospitality. At the forum, Greatwall announced its globalization strategy, aiming to enhance its comprehensive strength through its advantages in global resources and creating a premier international brand and an Asian wine culture with Chinese characteristics.

長城葡萄酒三度攜手亞洲博鰲論壇，代表中國款待世界各國政要、商界精英及專家學者。本次論壇，長城葡萄酒發佈全球化戰略，通過全球資源優勢、軟硬實力的雙重提升，打造具有中國特色的東方葡萄酒文化和國際頂級品牌。



In tandem with the launch of Fortune Golden Origin Maize Oil, a large-scale marketing campaign was executed under the theme of "Golden Storm". Communicating with consumers through above-the-line advertising and below-the-line advertising, and distribution through ten thousand sales persons. The initiative prevented competitors' advance effectively and significantly lifted the market position of corn oil.

配合福臨門黃金產地玉米油的上市，福臨門品牌「黃金風暴」活動全面鋪開，通過線上線下消費者溝通、萬人大鋪貨等舉措，有效擊退競品攻勢，大幅提升了玉米油市場地位。





2011 中國食品大事一覽 MAJOR EVENTS OF CHINA FOODS IN 2011

APRIL-JUNE 四至六月

In 2011, the "COFCO Fortune • 2011 National Vocational Students Cooking Skills Competition" was successfully held. This activity not only promoted the healthy philosophy of the Fortune brand: "good ingredients, good cooking skills", but also effectively facilitated the cooking industry of China. Fortune was awarded the "育才典範 名品楷模" issued by the Ministry of Education and Adult Education Department.

「中糧福臨門杯2011年全國職業院校烹飪技能大賽(中職)」成功舉辦，不僅推廣了福臨門品牌「好食材、好廚藝」的健康概念，還有效推動了中國烹飪行業的規範發展。福臨門榮獲教育部職業教育與成人教育司頒發「育才典範 名品楷模」稱號。



JUNE 六月

"Le conté" chocolate received the "Most Popular Food Brand" award and the "Most Trusted Food Brand" award at the "Taste 2011-My Most Trusted Food Brand Selection" award presentation ceremony.

金帝巧克力在「品味2011•我最信賴的食品品牌評選中」獲得「最佳人氣食品品牌獎」和「最受信賴食品品牌大獎」。



AUG 八月

Greatwall wine became the designated wine at the state banquets of the opening and closing ceremonies of the Universiade Shenzhen. From the Olympics, the Asian Games to the Universiade Shenzhen, Greatwall wines has taken part in a series of world-class sports events, perfectly combining "sportsmanship, brand content and consumer education".

長城葡萄酒成為深圳大運會開閉幕式國宴用酒。從奧運、亞運到大運會，長城葡萄酒登頂一系列國際頂級體育賽事，將「體育精神、品牌內涵、消費者教育」完美結合。



"Greatwall International Chateau Alliance" signed a contract with Mr. Michel Rolland, a world-renowned chief winemaker from France. With his expertise and influence, the product quality as well as the international image of Greatwall can be enhanced. Greatwall is the first and sole wine company in Asia teaming up with this world-class winemaker.

長城全球酒莊群簽約法國首席釀酒師米歇爾•羅蘭先生。利用其專業性和影響力，提升長城產品的品質和長城品牌的國際化形象。長城葡萄酒是這位全球最頂尖的葡萄酒釀造大師在亞洲範圍內的首家也是獨家合作方。





SEP 九月

Greatwall wine received three major awards: "No.1 in brand value of wine brands", "Top ten most competitive brands of wine in China" and "Top ten fastest growing brands of wine in China". This is the third consecutive year that Greatwall wine was named the "No. 1 brand in the wine industry of China".

長城葡萄酒獲得「葡萄酒類品牌價值第一」、「中國酒類十大最具全球競爭力品牌」以及「中國酒類十大成長最快品牌」等三項重要獎項。這已經是長城葡萄酒連續第三年問鼎「中國葡萄酒行業第一品牌」的榮譽。



NOV 十一月

COFCO Food Sales & Distribution Co., Ltd. and the China Space Foundation entered into a formal contract, and became partners of China's Space program. Fortune Algal Oil DHA Blended Oil became the first designated blended oil used by China Space Foundation. This cooperation creates business opportunities between the Fortune brand and the China space industry for the next ten years.

中糧食品營銷有限公司與中國航天基金會正式簽約，成為「中國航天事業合作伙伴」。福臨門藻油DHA調和油更成為首款「中國航天專用調和油」。該合作將開啟未來長達十年的福臨門品牌與中國航天事業的攜手奮進。



DEC 十二月

"BrandZ top 50" most valuable Chinese brands were announced in December. Due to its good social image, outstanding product quality and active brand-building, Fortune brand was once again included in this highly respected list.

BrandZ最具價值中國品牌50強12月揭曉，福臨門品牌憑藉其良好的社會形象、卓越的產品品質和積極的品牌建設，再次入選榜單。





2011 中國食品大事一覽 MAJOR EVENTS OF CHINA FOODS IN 2011

贏在網絡 Winning in Network

JUL 七月

“Negotiate together, teamwork for a win-win relationship”, China Foods strategic distributors’ seminar was successfully held in Beijing. About 80 strategic distributors met with the managers of the Group to discuss the future business development of the branded food business of the Group in a frank and effective way. Mutual understanding has been reached between the parties in respect of their long term development.

「同商大計，協力共贏」—中國食品戰略經銷商研討會北京成功舉行。80餘名戰略經銷商與本集團經理人共聚一堂，就未來品牌食品業務的發展和雙方合作，進行了坦誠而富有成就的探討，就未來的共同長遠發展達成共識。



AUG 八月

China Foods officially launched the distributor management system (“DMS”) project. Through DMS, key transactional data of distributors or shops can be retrieved, such that we can master the information on the status of products’ trend within the distribution channels, as well as the sales, inventory position and gross profit of distributors. Accordingly, it will enable the Company to help the distributors to strengthen and enhance their business development.

中國食品正式啟動經銷商管理系統（「DMS」）項目。通過DMS可以獲取經銷商或門店的交易及關鍵業務數據，從而掌控渠道產品流向，瞭解經銷商的銷售、庫存及毛利情況，並幫助經銷商做大做強，獲得更長遠的發展。

Rationalised and established the unified distribution channel standard and classification. Customers and distribution channels were categorized according to their attributes. A unified structure of 4 first level, 26 second level and 73 third level distribution channels was established.

梳理並建立中國食品統一的渠道標準和分類，按照客戶屬性和渠道屬性，將公司客戶和渠道進行統一規劃。統一設置4個一級渠道和26個二級渠道以及73個三級渠道。

NOV 十一月

China Foods held a nationwide sales manager and distributors’ meeting, during which 680 sales managers and 481 distributors nationwide listened to and discussed the company’s reform plan, the sales development strategy, the brand development strategy, the new product development strategy and the Chinese New Year promotion plans for 2012.

中國食品舉行全國銷售經理及經銷商大會，來自全國的680位銷售經理及481位經銷商客戶，聽取和討論了中國食品變革方案及2012年銷售發展策略、品牌發展策略、新產品發展策略以及農曆新年促銷計劃。





贏在系統 Winning in Systems

FEB 二月

New management members of China Foods took offices, with Mr. Chi Jingtao as the executive vice chairman and Ms. Luan Xiuju as the managing director.

中國食品新的管理團隊正式就任，遲京濤先生出任中國食品執行副董事長及樂秀菊女士出任董事總經理。



MAY 五月

COFCO Coca-Cola Beverages (Inner Mongolia) Limited passed the LEED (Leadership in Energy and Environmental Design) gold certification. LEED is a certification system established by USGBC (US Green Building Council, the most authoritative organization in international architecture at present). The plant in Inner Mongolia became the first bottling plant of Coca-Cola in China to receive this class of certification.

中糧可口可樂飲料(內蒙古)有限公司通過了LEED(能源與環境審計先鋒)金級認證。LEED是由USGBC(美國綠色建築委員會—目前國際建築方面最權威的機構組織)建立的認證體系。內蒙廠為可口可樂中國系統首個獲此級別認證的裝瓶廠。



JUL 七月

China Foods held the 2011 Managers Meeting, with over 200 middle and senior management personnels attended. During the meeting, discussion and studies were made on reform plan and future development of China Foods, and consensus were reaffirmed on our future direction, visions and goals.

中國食品召開2011年度經理人會議，二百餘名中高層管理人員參加會議，對於中國食品的變革方案及未來發展進行了研討，共同確認了未來的發展方向和願景目標。





2011 中國食品大事一覽 MAJOR EVENTS OF CHINA FOODS IN 2011

AUG 八月

The Ningxia winery project of China Foods commenced and the Greatwall wine production platform will be further expanded. The project's investment amounts to RMB310 million and will have a capacity of 20,000 tonnes of mid- to high-end wine per year. It is expected to commence operation by the end of 2012.

中國食品寧夏葡萄酒廠項目正式啟動，長城葡萄酒的生產平台進一步擴大。寧夏項目投資3.1億元人民幣，年生產中高檔葡萄酒2萬噸，預計2012年底正式投產。



The foundation laying ceremony of the Hebei bottling plant of COFCO Coca-Cola Beverages Limited in Shijiazhuang was held, which is the 12th bottling plants of COFCO Coca-Cola. Its initial investment was RMB248 million and is expected to commence operation by the end of 2012.

中糧可口可樂飲料有限公司河北裝瓶廠在石家莊市正式奠基。河北廠是中可的第12個裝瓶廠，初期投資2.48億人民幣，預計2012年底正式投入使用。



In order to put into practice the strategic requirements of China Foods' organizational reform, the I506 project was launched. This project is aimed to facilitate the true integration of China Foods' organization, businesses and procedures, and to establish a regional operation and decision-making management platform through an information system to enhance efficiency.

為落實中國食品組織變革的戰略要求，I506項目正式啟動。此項目旨在促進中國食品在組織、業務、流程方面的真正整合，通過信息系統搭建中國食品業務運作、決策管理的落地平台，提高運作效率。



OCT 十月

COFCO Coca-Cola Beverages Limited was named the "2011 Best Employer" by various business associations in China including the International Public Management Association for Human Resources, the China Employers Brand Forum Council and the Human Resource Association for Chinese & Foreign Enterprises, Beijing.

中糧可口可樂飲料有限公司榮獲由國際人力資源管理協會、中國僱主品牌論壇理事會、中企聯合(北京)人力資源管理中心等單位聯合頒出的「2011年最佳僱主」殊榮。





NOV 十一月

After five months' development, the business process management ("BPM System") of China Foods was launched. The system accelerated internal review procedures and work efficiency. At the same time, these procedures were effectively controlled and managed, thereby strengthening China Foods' overall business performance.

經過為期5個月的開發，中國食品企業流程管理（「BPM系統」）正式上線。BPM系統加快了公司內部審批速度和辦公效率，同時對審批流程進行有效的控制和管理，為中國食品業務做大做強提供了有力支持。

China Foods' nationwide customer service center commenced operation. Customers across the country can call the service hotline 4008-506-506 to make enquiries or complaints. The center will further strengthen our service and raise the image of our products, brands and corporate image.

中國食品全國客戶服務中心正式開始運作。通過全國服務熱線4008-506-506，接受全國客戶、消費者對各品類產品的諮詢、投訴，進一步強化服務，提升產品、品牌及企業形象。

贏在利潤 Winning in Profits

NOV 十一月

China Foods Limited received the "The Most Potential Company Award" from the Capital Magazine and the Capital Weekly (Hong Kong's most influential investment magazines) in 2011. Receiving this award signifies that the capital market's confidence in the future development of China Foods.

中國食品有限公司榮獲由香港最有影響力的投資雜誌《資本雜誌》、《資本壹周》頒出的2011年「最具投資前景企業大獎」。這一獎項的獲得，代表著資本市場對中國食品未來發展的信心。





主席函件

CHAIRMAN'S STATEMENT



提供安全、營養、健康的產品，使中國食品的產品真正符合中國消費者的需要

Our goal is to provide safe, nutritious and healthy products via our nationwide distribution network. We aim to ensure that China Foods' products truly satisfy the needs of Chinese consumers

Ning Gaoning 寧高寧
Chairman 主席



增長 GROWTH

Dear Shareholders,

To date, China Foods Limited (“China Foods”) has made gradual improvements in its business scale, asset size, social influence and market participation. But at the same time, we are facing an increasingly complex international and domestic environment as well as increasingly intense market competition.

Under the new positioning of China Foods, our goal is to provide safe, nutritious and healthy products via our nationwide distribution network. We aim to ensure that China Foods’ products truly satisfy the needs of Chinese consumers, effectively improving their quality of life and ultimately expanding China Foods’ consumer base. Through continuous innovation to improve product quality, our Company is well-positioned to better meet the demand of consumers.

2011 WAS A CHALLENGING YEAR FOR CHINA FOODS

In order to improve upon the leadership position of China Foods in the branded food industry for future long-term rapid development and to create a large-scale downstream consumer foods sales and distribution platform under COFCO group’s “complete value chain strategy” business model with a key responsibility to create demand pull for the entire upstream value chain, we need to apply an integrated approach to manage research and development, sales and supply chain through an advanced management model, enabling China Foods to become a modern reference standard food company.

致親愛的股東

中國食品有限公司(「中國食品」)發展到今天，無論是產業和資產規模，還是社會影響力和市場參與度，都在逐步提高，但同時我們面臨的國際國內形勢也更加複雜，市場競爭更加激烈。

中國食品在新定位下的新任務就是：要在大的佈局和網絡背景下，提供安全、營養、健康的產品，使中國食品的產品真正符合中國消費者的需要，使中國食品的品牌消費品被更多的中國消費者所喜愛和依賴，切實提升人民的生活品質。我們要通過持續創新，不斷提升產品質量，使我們公司更好地滿足消費者的需求。

2011年是中國食品極富挑戰的一年

為了提升中國食品在品牌食品行業中的領導地位，為了未來的長線快速發展，為了打造中糧集團「全產業鏈戰略」模式下大終端出口的唯一平台，為了承擔起推動價值鏈前移的重任，我們採用了整體方法來管理研發、銷售、供應鏈，並納入到先進管理模式中，使中國食品成為一個規範化、現代化、典範式的食品公司。



主席函件 CHAIRMAN'S STATEMENT

To this end, we have implemented a “large scale reform”, making adjustments to our management team, management methods and organization to achieve a structure which is truly meaningful and suitable for long-term development. This year, we have reorganized our team to deal with market challenges in a more professional and market-oriented manner; we have clarified our operating strategy and realized improved sales and profitability growth; we have improved our Company's valuation with share price rising against market trend, and outperforming both the market and our peers.

Based on the outcome, our “large scale reform” has achieved successful preliminary results.

OUR PARENT COFCO GROUP CONTINUES ITS STRONG SUPPORT IN OUR EFFORTS TO CREATE DOWNSTREAM SYSTEM CAPACITY

Up to the present, there is no other enterprise in the China food industry with a product range and a comprehensive industrial chain comparable to our parent COFCO group. China Foods positioned itself as the only large-scale downstream branded food platform within COFCO group's complete value chain. The quality of our products from upstream to downstream is guaranteed. This will provide great confidence to our consumers.

For future business development, COFCO group will continue its strong support to China Foods in developing its downstream system capacity through coordinated policies and reasonable allocation of resources within the value chain. COFCO group will collaborate with China Foods to establish a complete value chain sales and marketing platform in anticipation of expanding the branded food business in the future.

FOCUSING ON MARKET-ORIENTED INCENTIVE PROGRAM

During the reform, we placed great importance in establishing the incentive mechanism to motivate our team to support, participate and cooperate to achieve sound results. The incentive mechanism aligns the interest of our employees with the development of the Company. For future development, the assessment of the capital market will be better reflected in the incentive program of our employees. With reference to a market-oriented incentive program which links the

為此，我們進行了一場「大變革」。我們對管理團隊、管理方式和組織架構進行了調整，實現了更適合未來長線發展、有真正意義的整合。這一年，我們實現了團隊的重組和融合，以更加專業和市場化的姿態面對市場的挑戰；我們明確了經營思路，實現了業績的增長和盈利的提升；我們實現了公司價值的提升，股價逆市上揚，遠遠領先於大市和同行企業。

從最終達成的效果看，「大變革」已取得了初步的成績。

母公司中糧集團持續給力，全力以赴打造下游系統能力

迄今，在全國的食品行業中，尚無一家企業能像母公司中糧集團這樣擁有如此廣泛的產品種類和完備的產業鏈。中國食品定位為母公司中糧集團全產業鏈終端品牌食品業務唯一的平台，背靠雄厚的實力，我們的產品從上游至下游均有質量保證，可以給消費者以巨大的信心。

在未來業務發展上，母公司中糧集團將持續給力中國食品，全力以赴打造下游系統能力，以最強勁、最集中的資源，包括政策協調和全產業鏈的合理資源分配來全力支持和配合。母公司中糧集團與中國食品攜手共同建立成功圖像，形成聯合體的力量，建造全產業鏈大營銷平台，以期在未來承載更多品牌食品業務。

注重市場化激勵方法

在變革期間，我們重視激勵機制的建設，激勵團隊更好的支持和參與「大變革」，齊心協力取得良好業績。激勵機制把員工與公司發展聯繫起來。對於未來的發展，資本市場的評價將會很好地體現在對員工的激勵方案中。參照中國食品市值與管理團隊收入掛鉤的市場化激勵方法，有效鼓舞團隊的積極



management team's income to the market value of China Foods, we can effectively inspire our team's proactiveness and creativity and raise the overall performance, thereby enhancing value for both the employees and the Company.

PROSPECTS

In 2012, the management team of China Foods need to have a high level strategic view on our future business development and to establish a keen sense of competition in order to succeed in every single battle within this competitive market.

Under the new organizational structure, the new division of business responsibilities and the new team, our resources will be better allocated to further improve our product strength, improve the distributor and supply chain management, remodel and enhance brand image and accelerate the pace of brand building.

I am confident that by taking today as a new starting point, China Foods will ultimately win the market competition with its professional team and gradually expand its market share with a leading position in the industry. We will create demand pull for the entire upstream value chain of the COFCO group and deliver outstanding results in the branded food industry. Our business scale and results performance will truly live up to the name of "China Foods".

ACKNOWLEDGEMENTS

On behalf of the board of directors of the Company (the "board"), I would like to express my sincere gratitude to our shareholders for their support of and trust in our management team. My gratitude also extends to my fellow members of the board for their support and contribution. I would also like to thank our staff for fulfilling their duties and for their unremitting efforts in the development of the business of the Group.

Ning Gaoning
Chairman

性、創造性和素質的全面提高，與公司一起實現價值的提升。

期望

2012年，中國食品團隊要站在更高的層面上看待未來的企業發展，樹立競爭意識，在每個陣地和戰線上切實地打贏。

在新的組織架構、新的業務分工和新的團隊下再造的公司，將更好地分配資源，進一步提升產品力，完善經銷商管理和供應鏈管理，重塑和提升品牌形象，加快品牌建設的步伐。

我深信，中國食品以今天作為新的起點，憑著專業的團隊，最終一定可以贏得市場競爭，逐步擴大市場份額，獲得行業的主導權，推動中糧集團的價值鏈前移，在中國的品牌食品行業中做出最好的成績，讓中國食品的規模和業績能與「中國食品」命名的相符。

致謝

本人謹代表本公司董事會（「董事會」），感謝各位股東對管理團隊的支持和信任。感謝董事會所有成員的支持和貢獻。感謝全體員工盡守職責，為推進本公司業務而做出的不懈努力。

主席
寧高寧



董事總經理函件

STATEMENT FROM MANAGING DIRECTOR



展望2012：
「合中奮進，聚力龍騰」

2012 Prospects:
“Progress through Cooperation,
Join Forces to Excel”

Luan Xiuju 樂秀菊
Managing Director 董事總經理



業績 RESULTS

Dear Shareholders,

2011 REVIEW: ADVANCE THROUGH REFORM, TEAMWORK FOR WIN-WIN

I must extend my gratitude to every member of the board for the trust and support during 2011, providing me with the opportunity to lead this professional and passionate team to achieve profit growth during a period of management model and organizational structure reform, thus realizing an exciting year for China Foods.

In 2011, we undertook an organizational reform with great courage. China Foods has transformed from a “product specific” business unit management model to an “operation specific” matrix organization model of a typical fast moving consumer goods company. After considering the industry characteristics and our needs for future development, we established an operational platform made up of sixteen professional functional departments to serve nine sales regions across the country. This change enables China Foods to operate as a large scale integrated sales and marketing platform which integrates its personnel and resources efficiently. From a future development perspective, China Foods not only aim to achieve leading market positions in the industry sectors in which we operate, but more importantly to develop an efficient nationwide sales and marketing platform capable of handling multiple product categories and multiple brands.

致親愛的股東：

回顧 2011：變中求進 協力共贏

在過去的一年中，我必須感謝董事會每位成員給予我的信任和支持，讓我有機會帶領這支專業而激情的團隊，在管理模式和組織架構變革的同時，實現了良好的業績增長，共同成就了中國食品 2011 年的精彩。

2011 年，我們以極大的勇氣開啟了組織變革。中國食品從以「產品種類」為劃分依據的事業部模式變革為按照快消品業務「運作環節」劃分的矩陣式管理模式；根據行業特徵和自身發展需要，建立了以十六個職能部門服務於全國九大銷售區域的運營平台。這種轉變，將使中國食品從各品類人員、資源獨立運作的營銷方式，轉變為人員、資源整合的大營銷模式。從發展願景看，中國食品未來不僅要在經營的各個行業內獲得領先的市場地位，更要打造一個能夠運作多品類、多品牌產品的全國性高效營銷平台。



董事總經理函件 STATEMENT FROM MANAGING DIRECTOR

The objective of this reform is for China Foods to create a win-win situation by enhancing the values of our customers, employees and shareholders. To China Foods, “reform” is required for future development. To become a genuine branded consumer foods company capable of carrying multiple products, China Foods must develop a large scale nationwide sales and marketing platform. For every employee of China Foods, “reform” represents an “opportunity” to further develop one’s career, to enhance and realize greater value. For customers, “reform” represents an “opportunity for closer alliance”. Our customers will receive more comprehensive, more efficient and higher quality services, enabling them to achieve business growth together with the expanding business scale and product portfolio of China Foods.

During 2011, China Foods adopted a new business concept, identifying two major drivers for future growth as “organic growth” and “external expansion” which share equal importance. With respect to organic growth, we confirmed “Five Wins” as our operating philosophy and performance evaluation standard, namely “Winning in Profits, Winning in Products, Winning in Brands, Winning in Network and Winning in Systems”. With respect to external expansion, we have defined specific evaluation criteria for future acquisitions. For healthy business development, we not only continue to improve upon the four core competencies, namely “product innovation”, “brand building”, “sales and distribution network” and “supply chain management”, but also continue to refine our management system, organizational structure and human resources management.

During 2011, we not only completed our organisational reform successfully but also achieved satisfactory growth. It was under this challenging condition that we have delivered promising growth: sales revenue increased by 40.4%, operating profit increased by 41.1% and net profit was up by 51.0%. The stock price of China Foods advanced against the declining trend of the stock market with an increase of 21.8% during 2011 while the Hang Seng Index declined by 21.3%. Looking at the development of specific product categories, the beverage business continues to maintain its highest growth among the bottling groups in China; market shares by revenue of Fortune edible corn oil rose from 12.1% to 21% during 2011, significantly faster than competing brands; both the Greatwall and the Fortune brands were further enhanced compared with the previous year.

這次變革的目標是實現共贏，實現客戶、員工、股東價值的共同提升。對於中國食品而言，「變革」是未來發展的需求。中國食品未來成為一個能夠承載更多產品的真正意義的品牌食品公司，必須打造一個大營銷平台，能承載更多品類的運作。對中國食品每位員工而言，「變革」代表著「機會」，每個人獲得了更廣闊的發展空間和提升自我價值的好機會。對於客戶而言，「變革」意味著合作的升級，未來客戶將得到來自公司更全面、更高效、更優質的服務，隨著中國食品品類、規模的增長實現自身業務的增長。

2011年，中國食品更新了經營理念，強調「內涵」和「外延」發展並重。對於內涵發展，確定了「贏在利潤、贏在產品、贏在品牌、贏在網絡、贏在系統」的「五贏」經營思路及評價目標。對於外延發展，確定了未來進入品類的具體衡量依據。在此目標的指引下，通過「產品創新」、「品牌建設」、「營銷網絡」、「供應鏈管理」四大核心競爭力的不斷夯實，管理系統、組織系統、人才系統三大基石的不斷鞏固完善，推動業務的健康發展。

2011年，我們不僅順利地完成了組織變革，同時亦實現了良好的業績增長：銷售收入增長40.4%，經營利潤增長41.1%，淨利潤增長51.0%。中國食品實現股價逆市上揚，比上年同期增長了21.8%，而同期的恒生指數下降21.3%。從品類業務發展看，飲料業務繼續保持中國區裝瓶集團增長率首位；福臨門品牌玉米油銷售額份額在一年之內從12.1%提升到21%，提升幅度遠遠超越競品；而長城和福臨門品牌的健康度比上年同期也均有提升。



For the first time since 2007, China Foods received from the Capital Magazine “The Most Potential Company Award”. Such recognition appropriately illustrates China Foods’ 2011 work theme of “Advance through Reform, Teamwork for Win-Win”.

2012 PROSPECTS: PROGRESS THROUGH COOPERATION, JOIN FORCES TO EXCEL

In 2012, the work theme for China Foods is “Progress through Cooperation, Join Forces to Excel”.

Following the reform in 2011, our new management team, sales channels and system resources must promptly integrate in order to form a cohesive force to stay ahead in the market. This will enable our businesses to keep high growth continuously, and enable the value of our Company to be further enhanced.

In the long-run, as an integrated food and beverage enterprise, China Foods is committed to becoming the leader in terms of business scale and profitability in the China food and beverage industry. With the strong background of our parent COFCO, the solid market foundation of China Foods and the vast development potential of the China market, it is envisaged that China Foods will have unlimited future development potentials.

To achieve this long-term goal, we have set milestones for every development stage. If the process of achieving these goals is a grand journey, then the year 2012 marks its starting point.

In conclusion, on behalf of the Company, I would like to express my sincere gratitude to our shareholders for their support of and trust in our management team and to thank our staff for their unremitting efforts. Let us join hands together and embrace this new journey.

Luan Xiuju
Managing Director

自2007年以來，中國食品第一次被資本雜誌授予「最具投資前景企業大獎」，很好地詮釋了中國食品2011年「變中求進，協力共贏」的工作主題！

展望2012：合中奮進聚力龍騰

2012年，中國食品的工作主題為「合中奮進，聚力龍騰」。

歷經2011年的變革，2012年需要新團隊的迅速融合、通路管道的迅速融合、系統資源的迅速融合。以形成聚力之勢，馳騁於市場，讓我們業務成長繼續保持較高增速，讓本公司價值得到進一步提升。

長遠來看，中國食品作為一個綜合的食品飲料類企業，我們致力於能成為中國市場上食品飲料行業規模最大、盈利能力最好的企業。無論中國食品母公司中糧公司所具有的背景實力，還是中國食品今天所具有的市場地位基礎，以及中國食品所處的中國大陸市場的廣闊發展空間，都預示了中國食品具有無限發展潛力。

為實現這個長期目標，我們為每個發展階段都設定了里程碑。如果把實現目標的過程作為龍騰之旅，2012就是一個起點。

最後，本人謹代表公司，感謝各位股東對管理團隊的支持和信任，並衷心感謝每位員工的不懈努力。讓我們攜手並肩，繼續我們新的征程。

董事總經理
樂秀菊



管理層討論及分析 MANAGEMENT DISCUSSION AND ANALYSIS

In 2011, 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." We established the "Five-Wins" benchmarking indicators as our operating philosophy and performance evaluation standard, namely "Winning in Profits, Winning in Products, Winning in Brands, Winning in Network and Winning in Systems". Also, we defined specific evaluation criteria for future acquisitions. For healthy business development, we not only continued to improve upon our four core competencies, namely "product innovation", "brand building", "sales and distribution network" and "supply chain management", but also continued to refine our management systems, organisational structure and human resources management.

During the year the management team has executed the following key tasks:

(A) CHANGE IN ORGANISATIONAL STRUCTURE:

Reform has been the most distinct characteristic of China Foods in 2011.

During 2011, the Company formulated a detailed execution plan for the reform of its organisational structure in line with its development plan. We organised various functional departments to develop the restructuring plan and timetable. In order to succeed, we convened various meetings with managers and strategic distributors to canvas the reform proposals. Through this we refined the division of responsibilities and departments' functions, selected key personnel, formulated policies and procedures and also made adjustments to our management team, management method and organisation.

By the end of 2011, the Company has completed the reform and integration of its overall organisational structure. Save for the beverage business unit which will continue to operate independently as its operation is restricted to its franchised territories, the other business units, namely the wine, kitchen foods and confectionery business units were dissolved. The new organisational structure consists of a nine-region sales platform covering the entire China market and a centrally-

2011年，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，確認了未來發展的「內涵」和「外延」兩大增長方向，確定了「贏在利潤、贏在產品、贏在品牌、贏在網絡、贏在系統」的「五贏」經營思路及評價目標，確定了未來進入品類的具體衡量依據。我們亦確認了未來持續通過「產品創新」、「品牌建設」、「營銷網絡」、「供應鏈管理」四大核心競爭力的不斷夯實，管理系統、組織系統、人才系統三大基石的不斷鞏固完善，推動業務的健康發展。

年內管理團隊主要工作內容包括：

(一) 組織結構調整：

變革，是中國食品2011年最大的特徵。

2011年年內，根據發展規劃，本公司制定了組織變革的詳細推進計劃，組織各功能組制定整合路徑和時間表，通過經理人會議、戰略經銷商會議、變革宣講、組織結構設置和關鍵人才選拔、制度和流程建立，細化職能分工、明確部門職責，牽扯到隊伍的梳理、調整。

截至2011年底，本公司已完成自上而下的組織結構調整和整合，除了飲料事業部因為授權區域限制繼續作為獨立的事業部運營外，本公司取消了酒類事業部、廚房食品事業部和休閒食品事業部，建立了以十六個職能部門為支持並覆蓋全國的九大營銷區域平台和統一管理的供應鏈管理結構設



managed supply chain system with the support from sixteen professional functional department. This structure has achieved a “clear division of functions and a centrally managed regional operational platform managed by a professional team”. We have transformed our organisation from a “product specific” business unit management model to an “operation specific” matrix organisation model of a typical “fast moving consumer goods company”.

Commencing from January 1, 2012, save for our beverage business unit, we are operating under the new organisational structure. Accordingly, the management structure and information systems and sales of multiple product categories are operating under the unified sales platform which demonstrates the successful implementation of this reform.

This change has enabled China Foods to operate a large scale integrated sales and marketing platform with personnel, resources and management being integrated. From a future developmental perspective, it is envisaged that China Foods will not simply own a few industry-leading product categories, but more importantly, it will own and operate an efficient sales and marketing platform capable of handling multiple product categories and multiple brands.

(B) ACHIEVING THE BUDGETED PERFORMANCE DURING THE REFORM:

The development of our business is as important as our reform.

We are pleased to announce that we have achieved encouraging annual results for 2011. Compared with 2010:

- Our Revenue Growth reached HK\$28,011 million, up 40.4%.
- Our Gross Profit Growth reached HK\$6,662 million, up 31.1%.
- Our Operating Profit* Growth reached HK\$1,112 million, up 41.1%.

置，實現「職能分工專業化，業務經營區域化」、以「產品類型」為劃分依據的事業部模式變革為按照「快消品業務」運作環節劃分的矩陣式的管控模式。

自2012年1月1日，除了飲料事業部外，本公司的業務在全新的組織結構、管理架構、資訊系統上開始正式運營，各品類在統一的營銷平台上共同運作，意味著整體變革的圓滿完成。

這種轉變，使我們能在人員、資源、管理整合的大營銷模式下運作。從發展願景看，中國食品未來發展的堅實基礎不僅僅是擁有幾個行業領先地位的產品，更重要的是擁有一個能夠運作多品類、多品牌產品的高效營銷平台。

(二) 變革過程中實現業績預算指標：

與變革同樣重要並且同步推進的，是業務的發展。

我們欣然宣布令人鼓舞的2011年全年業績。對比2010年全年業績：

- 我們的收入增長，達到280.11億港元，上升40.4%。
- 我們的毛利增長，達到66.62億港元，上升31.1%。
- 我們的經營利潤*增長，達到11.12億港元，上升41.1%。



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- Our EBITDA[^] Growth reached HK\$1,596 million, up 32.0%.
 - Our Bottom Line[#] Growth reached HK\$646 million, up 51.0%.
 - Our Earnings Per Share Growth reached HK23.12 cents, up HK7.81 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.
- 我們的EBITDA[^]增長，達到15.96億港元，上升32.0%。
 - 我們的淨利[#]增長，達到6.46億港元，上升51.0%。
 - 我們的每股基本盈利增長，達到23.12港仙，上升7.81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。

As a whole, our 2011 results achieved satisfactory growth and an improvement in profitability compared with those in 2010. Except for confectionery products, our overall performance in 2011 achieved our budgeted performance as the performance of each product type was better than its respective key competing products.

- Kitchen Food Products: Significant improvement for consumer-pack edible oil has been recorded in terms of both market share and profitability compared to 2010.
- Beverage Products: Robust growth in sales volume and sales revenue have been recorded in our bottling group's franchised territories driven by its marketing of the leading brands, resulting in an increase in market share and furthering its leading position amongst major competitors. Our profit margin remained relatively stable under the pressure of rising raw material costs.

從整體而言，我們的2011年業績對比2010年業績實現了良好增長，盈利水平有明顯的改善。除了休閒食品品類外，我們的2011年整體業績達到了預算指標，各品類對比各自主要競爭對手有滿意的表現。

- 廚房食品品類：小包裝油品類無論是市場份額還是盈利水平比2010年都有明顯的改善；
- 飲料品類：銷量、收入在飲料業務獲授權銷售區域內增長強勁，領導品類的市場份額繼續擴大相對主要競爭對手的領先優勢，在原材料成本上漲壓力下，利潤率相對穩定；



- Wine Products: Sales volume has further recovered due to refinement of our new sales and distribution model and the continuing enhancement of product mix. Attributable to the continuing enhancement of product mix is the focus on high-end “Greatwall Chateau Sungod” product and the launch of the new “Greatwall Terroir” wine series, which features medium-to-high end products from around the world. The average unit selling price in 2011 has markedly improved and, as a result, profit margins have also improved.
- Confectionery Products: Performance fell below our expectations at the beginning of the year, mainly due to rising costs of raw materials and the lack of economies of scale.
- 酒品類：新的營銷渠道模式持續優化、產品結構調整中，銷量下跌已在明顯收窄。整體隨著產品結構調整、聚焦高端「長城桑干酒莊」系列產品、通過新品中高端產品「長城天賦葡園」上市，2011年平均單價大幅提高，利潤率有一定改善；
- 休閒食品品類：沒有達到年初預期，跟原材料成本上漲、規模小有關。






(C) EXPLORING NEW CATEGORIES FOR FUTURE EXTERNAL EXPANSION:

With respect to future external expansion, the Company has defined five selection criteria for acquisition targets including industry scale, rapid growth, high profit margins, low concentration and a similar business model to the existing product categories of the Company. We plan to select our product categories based on these five criteria. Following the acquisition of a Chilean vineyard and winery last year, the Group successfully acquired Château de Viaud in Bordeaux, France this year. 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. In addition, we are preparing the launch of our new seasoning sauces including soy source and vinegar.

(三) 為未來外延發展準備考慮新品類領域：

為未來外延發展準備，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5個判斷原則。我們希望遵循這5個原則選擇我們進入的領域。年內，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。另外，內部研發的調味品的醬油醋品類的正式上市在籌備中。



			
	<p>長城天賦葡園葡萄酒 Greatwall Terroir</p>		
<p>美汁源蜜桃口味 Minute Maid Peach Flavour</p>		<p>福臨門黃金產地玉米油 Fortune Golden Origin Maize Oil</p>	
			
	<p>金帝充氣巧克力 Le conté Aerated Chocolate</p>		<p>美滋滋果味凝膠軟糖 Merveille Jelly Candy</p>

贏在產品
WINNING 產品
in PRODUCTS



Management's performance on key tasks during the year analysed by the "five-wins" benchmarking indicators are as follows:

1. WINNING IN PRODUCTS

(1) 2011 sales revenue analysis

- Beverage Products: Our sales revenue amounted to approximately HK\$10,517 million in 2011, an increase of approximately 32.8% compared to 2010; sales volume reached approximately 570.35 million unit cases in 2011, up 17.3% compared to 2010. Strong growth in sales revenue and sales volume were mainly attributed to the effective execution of our distribution channel and market development strategy. At the same time, sales revenue per unit case was higher than that of last year through the optimisation of pricing and an improvement of our product mix.
- Wine Products: Our wine business was actively involved in the strategic restructuring of its sales and distribution model in 2010. It also enhanced its brand marketing and product mix by focusing on high-end and medium-to-high end products. During 2011, as the new sales and distribution model underwent further refinements, annual sales volume decreased by 2.1% compared to 2010, being approximately 132.29 million bottles (which is equivalent to approximately 1,330 bottles/ton based on a 750ml/bottle.) The decrease in volume was also a result of the comparatively high proportion of low-end wines sold during 2010 under the old distribution model. However, the decline in sales volume has clearly recovered when compared to the decrease in sales volume of 9.1% recorded during the 2011 interim period. Our newly launched medium-to-high end "Greatwall Terroir" wine series, contributed approximately 10% of our sales revenue in the first year of launch. The sales revenue of our high-end brand, "Greatwall Chateau Sungod", increased by approximately 72% compared to 2010 whereas our high-end

年內管理團隊的主要工作及表現以「五贏」的衡量指標分析如下：

一、贏在產品

(1) 2011年銷售收入分析

- 飲料品類：2011年內，銷售收入約105.17億港元，同比2010年增長約32.8%。銷量約達5.7035億標箱，同比2010年增長17.3%。銷售收入及銷量強勁增長，主要歸因於渠道與市場開發策略的有效執行。同時，通過優化價格管理及改善產品結構，產品單箱銷售收入同比提高。
- 酒品類：2010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。2011年內，新營銷渠道模式持續優化中，全年銷量約為1.3229億瓶（以每瓶750ml計算，每噸約為1,330瓶），同比2010年銷量仍下跌2.1%，主要反映2010年基數為舊營銷渠道模式下較多低端產品的銷量佔比結果，對比2011年中期銷量下跌9.1%，下跌比率在進一步收窄中。受益於新上市的中高端產品「長城天賦葡園」系列產品，首年上市銷售收入佔比約10%；主推的高端產品「長城桑干」酒莊酒的銷售收入同比2010年增長約72%；高端



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“Chateau Junding”, which conducted an ongoing promotion and marketing campaign, recorded an increase of approximately 96% in sales revenue compared to 2010. Driven by the above factors, the average unit selling price of wine products has markedly improved, and the total sales revenue stood at approximately HK\$3,693 million, an increase of 18.6% compared to 2010.

- Kitchen Food Products: Sales revenue was approximately HK\$13,141 million in 2011, an increase of 57.5% over 2010, and sales volume was approximately 1.035 million tons, an increase of 28.9% over 2010, which mainly reflects the strengthening of our channel penetration and the broadening of our sales network, the increase of product competitiveness and a significant increase in our market share.
- Confectionery Products: Sales revenue for the year 2011 was approximately HK\$659 million, an increase of 14.4% over 2010, and sales volume was approximately 9,070 tons, up 19.1% over 2010, which mainly reflects the launch of new products, the strengthening of our channel penetration and an enlargement of our sales network.

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2010年增長近96%。所以，酒品類整體平均單價同比大幅提高，銷售收入約36.93億港元，同比2010年增長18.6%。

- 廚房食品品類：2011年內銷售收入約為131.41億港元，較2010年增長57.5%。銷量約為103.5萬噸，較2010年增長28.9%，主要反映加強渠道滲透及建設、產品力提升，市場份額明顯提高。
- 休閒食品品類：2011年內銷售收入6.59億港元，較2010年增長14.4%，銷量約為9,070噸，較2010年增長19.1%，主要反映新品上市、加強渠道滲透及建設的成效。



(2) Formulation of new product research and development management processes

During the year, the Company has formulated, unified and standardised management processes for the research and development, and the launching and assessment of new products focusing on specifications in key areas. These management processes were approved by the research and development and innovation committee of the Company. We have been focusing on the application of new products research and development management process. This has included holding a wine products gift boxes workshop which has helped to create new concepts for presenting and packaging our products. Furthermore, we have proceeded to conduct customer trial exercises for new products in advance of their formal launch.

(3) Key new products launched in 2011 and their performance

- Beverage Products: A new product type “Minute Maid peach juice drink” (美汁源滑粒蜜桃) has expanded the product category of the Minute Maid series (美汁源“果粒家族”), thus boosting the sales volume of the Minute Maid series and becoming a growth driver for sales revenue.
- Wine Products: To commemorate the founding of the Chinese Communist Party and to further consolidate our brand positioning as the “Honour and Pride of our Nation,” we launched a Greatwall Chateau Sungod Limited Edition Wine for the Chinese Communist Party’s 90th Anniversary (長城桑干酒莊建黨90周年限量版紀念酒). In order to meet the demand for high-end wine gift products, we have successfully developed the new Greatwall Chateau Sungod two-bottle pack and four-bottle pack gift boxes. With respect to medium-to-high end products, we have launched

(2) 制定新品研發流程工作

本公司於年內制定了統一、規範的新品研發、上市及評估管理流程，明確關鍵點，由本公司研發創新委員會審批；並重點推廣新品流程的應用，完成酒業禮盒新品工作坊，產生新產品概念；開始逐步實施新品上市前，進行消費者驗證。

(3) 2011年上市的重點新品及表現

- 飲料品類：新產品「美汁源滑粒蜜桃」，拓寬了美汁源「果粒家族」系列的產品線，增加了美汁源「果粒家族」系列銷量，成為銷售收入增長點。
- 酒品類：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。為滿足高端酒禮品市場需求，成功開發新品「長城桑干酒莊雙支裝、四支裝禮盒產品」。中高端產品則打造新推出「長城天賦葡園」系列產品，以「全球



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our new “Greatwall Terroir” wine series with a core brand positioning emphasising quality wines selected from the finest wine regions in the world. The “Greatwall Terroir” wine series was successfully launched through nine trade fairs and sales promotion seminars.

- Kitchen Food Products: We focused on the promotion of “Fortune Golden Origin Maize Oil” by communicating the theme of the health benefits of our edible corn oil to consumers, and thereby enhancing the image of “Fortune” corn oil. We aimed to develop the “Fortune” brand as the leading brand in the edible corn oil sub-category. Furthermore, we actively promoted another key product “Fortune Algal Oil DHA Grain Blended Oil” under the theme of “nurturing the brain, caring for all 關愛大腦、呵護老幼”. We also launched the “Fortune zero-additive soy sauce series” under the Fortune brand, which is in line with Fortune brand’s core values of “Product safety, healthy nutrition, care and happiness”.
- Confectionery Products: We focused on the adoption of our product differentiation strategy for the innovation of new products such as our black hazelnut syrup aerated chocolate bowl series, orange flavored jelly candy with chocolate and strawberry flavored jelly candy.

Overall, new products launched in 2011, being products launched within two years, performed well, contributing some 16.3% of our sales revenue, an increase of 5.3 percentage points compared with 2010.

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。

- 廚房食品品類：我們重點發展「福臨門黃金產地玉米油」，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，我們的目標是將「福臨門」玉米油打造成品類第一品牌。此外，我們通過倡導「關愛大腦，呵護老幼」之產品理念，打造強勢明星產品「福臨門藻油DHA穀物多調和油」。我們亦推出了「福臨門零添加系列醬油」，合乎「福臨門」品牌「質量安全、營養健康、關愛幸福」的核心價值。
- 休閒食品品類：我們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。

整體而言，2011年推出的上市新品（新品定義：從上市之日起，二年以內被稱之為新品）表現不俗，貢獻銷售收入的16.3%，較2010年增加了5.3個百分點。



(4) Optimisation of production lines

- Beverage Products: We have optimised the volume of certain bottled sparkling beverages and juices to cater for customer preferences for container sizes.
- Wine Products: We have substantially consolidated our product mix and developed specific product series aimed at different markets and price points by optimising the different tiers of “Greatwall” wine from high-end to low-end and eliminating poorly performing products to help further enhance the brand image of “Greatwall.”
- Kitchen Food Products: As consumer demand increases for enhanced oil types is on the rise due to a greater awareness of health, we have adopted a product differentiation strategy by increasing our efforts to promote the continued growth in high value-added oil products through the launch of “安達露西” olive oil and “亞油酸型” premium soybean oil. Capitalising on the advantage of the COFCO group’s upstream production capacity, we have promoted further development of our two key products, namely the “Fortune Golden Origin Maize Oil” and “Fortune Algal Oil DHA Grain Blended Oil”.
- With respect to confectionery products, we have refined the flavour, packaging and cost of our products and upgraded their market image.

(4) 產品線優化工作

- 飲料品類：我們對汽水和果汁的部分產品容量進行改良，更加迎合消費者對包裝容量的選擇傾向。
- 酒品類：我們基本完成對現有產品結構梳理，並針對不同市場及售價逐漸形成清晰的產品組合。「長城」葡萄酒完善了高中低端產品線優化，淘汰了銷售業績不佳的產品，明確並鞏固「長城」葡萄酒的高端品牌形象。
- 廚房食品品類：「福臨門」食用油方面隨著消費者健康意識進一步提升，消費升級加快，我們運用差異化的產品策略，通過「安達露西」橄欖油、「亞油酸型」一級大豆油的上市，推動高附加值產品快速突破發展，依托中糧集團的上游產業鏈優勢，力推「福臨門黃金產地玉米油」、「福臨門藻油DHA穀物多調和油」兩大主力產品持續擴張發展。
- 休閒食品品類方面，我們對部分產品的口味、包裝、成本、概念等進行了精進，提升了檔次感。



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贏在品牌
WINNING BRANDS
in BRANDS



2. WINNING IN BRANDS

(1) Market performance analysis

- Beverage Products: Coca-Cola sparkling beverage and Minute Maid juice brands recorded significant growth in sales volume according to market research conducted by AC Nielsen at the end of 2011. Market share by volume for Coca-Cola sparkling beverage and Minute Maid juice brands improved by 0.6 percentage points and 1.2 percentage points respectively, which continue to exceed their respective competitors and maintain the No.1 ranking in market share of their respective categories within the franchised territories of our bottling group. The overall market performance of sparkling beverages outperformed competing products. Minute Maid juice brand achieved outstanding market performance as evidenced by maintaining its lead over competitors in both sales volume and distribution coverage.
- Wine Products: While the new sales and distribution model has been subjected to on-going refinement, sales volume decreased compared to 2010. According to market research conducted by AC Nielsen at the end of 2011, the “Greatwall” brand recorded a slight decline in market share by value of 1.2 percentage points, but it still maintains its leading position over its key competitor by a material margin and continues to maintain its No.1 ranking. Its market penetration remains stable and brand healthiness testing still ranks higher than its peers, although a slight decrease in distribution coverage has been experienced.

二、贏在品牌

(1) 市場表現分析

- 飲料品類：根據AC Nielsen於2011年底的市場調查數據，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，令其相關的市場銷量份額分別提升0.6和1.2個百分點，繼續領先分別的競爭對手，繼續排名第一。汽水的整體市場表現領先於競品。「美汁源」果汁市場表現優異，銷售量份額和鋪貨率均高於競爭對手。
- 酒品類：新營銷渠道模式已經在全年運行及持續優化過程中，故銷量同比2010年仍下跌，根據AC Nielsen於2011年底的市場調查數據，「長城」品牌市場銷售額份額錄得1.2個百分點之輕微跌幅，但仍然與主要競爭對手保持一定距離，繼續排名第一。儘管加權鋪貨率指標有微弱下降，但滲透率穩定，品牌健康度仍領先於競爭對手。



- Kitchen Food Products: According to market research conducted by AC Nielsen at the end of 2011, the “Fortune” brand consumer-pack edible oil secured a No. 2 ranking in market share and its market share by value increased by 1.3 percentage points, as a result the gap between “Fortune” and the market’s leading brand has narrowed. All other benchmarks such as distribution coverage, brand healthiness and market penetration have also improved.
- Confectionery Products: Key competing brands have increased their marketing investments during the year. According to market research conducted by AC Nielsen at the end of 2011, the “Le conté” brand ranked No. 3 by market share and its market share by value declined 1.2 percentage points. In order to enhance market penetration, we have organised sales outlet promotions and brand communication activities during major festivals.
- 廚房食品品類：根據AC Nielsen於2011年底的市場調查數據，「福臨門」品牌小包裝油市場銷售額份額提升1.3個百分點，穩居第二並縮小與第一品牌的差距。其它各項市場指標包括鋪貨率，品牌健康度，滲透率均有所提升。
- 休閒食品品類：主要競爭品牌加大投入，根據AC Nielsen於2011年底的市場調查數據，「金帝」品牌市場銷售額份額下滑1.2個百分點，位居第3位。我們利用重要節日開展終端促銷推廣活動與品牌溝通，提升滲透率。



(2) Clearly defined brand position and optimised brand strategy

- Beverage Products: We continue to consolidate the leading position of sparkling beverages by strengthening the brand message of “Refreshing (爽動)” for Coca-Cola, “Cool to heart (透心涼·心飛揚)” for Sprite and “Everybody loves fruit pulp 人人愛果粒” for Minute Maid juice respectively.
- Wine Products: We completed the repositioning of the Greatwall brand by giving it a clear focus on its position as the “Wine Expert” and by consistently emphasising the high-end premium wine image of the “Greatwall Chateau Sungod” and medium-to-high end wine image of the “Greatwall Terroir”. We continued to rationalise our existing regional and table wine ranges by the release of new product offerings and elimination of less popular wines. We also initiated Greatwall International Chateau concept to promote our brand image.
- Kitchen Food Products: We clearly defined consumer-pack edible corn oil as the breakthrough category in our range and rapidly established a leading position for the category and enhanced its brand image. We positioned Fortune brand as the “Kitchen Foods Expert” with the intention of creating a wide range of kitchen products under the brand. This has been supported by our new promotion of Fortune offering a “Safe quality, Happy life (品質安全，幸福臨門)”.
- Confectionery Products: We continued the dual-brand strategy for “Le conté” and “Merveille”. We completed the rationalisation of all the “Le conté” product line, refined its positioning and packaging. Our “Merveille” brand has positioned its product as being “delicious” and enhancing “happiness” through brand communication and sales promotion activities.

(2) 明確品牌定位、梳理品牌戰略

- 飲料品類：我們繼續鞏固汽水優勢，強化可口可樂「爽動」、雪碧「透心涼心飛揚」、以及美汁源果汁「人人愛果粒」品牌核心內涵的溝通。
- 酒品類：我們完成了長城品牌戰略梳理，明確長城品牌「葡萄酒行家」的定位。持續打造「長城桑干酒莊」作為高端酒、「長城天賦葡園」作為中高端酒的品牌形象。規劃大產區酒、佐餐酒新產品線，加快現有產品線優化。籌備長城全球酒莊群品牌上市，推動長城國際化品牌戰略實施。
- 廚房食品品類：我們明確以小包裝玉米油為突破品類，快速建立品類優勢，同步提升品牌形象。我們明確了福臨門「廚房食品專家」的定位，清晰梳理了跨品類發展方向，並藉著福臨門品牌提供「品質安全，幸福臨門」來進行新的推廣。
- 休閒食品品類：我們繼續實行「金帝」、「美滋滋」雙品牌戰略。對金帝品牌旗下各系列產品進行了重新梳理，明晰及調整各系列產品定位及視覺表現。美滋滋品牌，堅持溝通「美味」、「快樂」的品牌定位，並貫穿於系列產品品牌溝通與推廣活動中。



(3) Online media communication

- Beverage Products: We have integrated our advertising resources by placing advertisements through television, internet and outdoor broadcasting. Our advertising resources were mainly invested in core brands such as Coca-Cola, Sprite and Minute Maid juice. Furthermore, we have selectively increased media communication for Fanta and juice milk in certain key sales markets.
- Wine Products: We continue to advertise through national media which has strong national and industry influence and high credibility such as CCTV/Airlines and national news and business magazines to consolidate a high-end brand image. We also used new media and interactive channels such as internet blogs, LED display screens at office buildings and celebrity testimonials to promote the “Greatwall Terroir” series.
- Kitchen Food Products: We conducted television and outdoor media activities on a theme of DHA for the brain and also launched nationwide “Fortune Golden Origin Maize Oil” under the theme of “Golden Storm” edible corn oil in a multi-media campaign using television, outdoor advertising, radio, print and other media. Integrated with the concept of “Fortune becomes the designated edible oil for aerospace”, we commenced a series of marketing activities to promote our products at the end of November 2011.
- Confectionery Products: We integrated the official websites for “Le conté” and “Merveille” and commenced the promotion and network communication of the “happy and affectionate Merveille” concept. We also conducted network marketing and promotion activities through the flagship store on taobao.com, and group purchase websites.

(3) 線上媒體溝通

- 飲料品類：我們採取媒體整合投入，強調電視、網絡、戶外的配合投放。資源主要集中投入可口可樂、雪碧、美汁源果汁等核心品牌。另外在部分重點市場針對芬達和果奶增強媒體投入。
- 酒品類：我們借助全國影響力大、公信力強，行業權威性高的中央級媒體持續投放，如央視、航機、新聞、財經類雜誌等，奠定品牌高端形象。並在中高端產品「長城天賦葡園」品牌的2011年傳播中注重並增加了對新媒體及互動營銷的應用，如微博、辦公樓LED顯示屏幕、名人證言等。
- 廚房食品品類：我們進行DHA頭腦篇電視及戶外媒體廣告投放，配合福臨門黃金產地玉米油上市，以「黃金風暴」為主題的玉米油全國鋪市活動通過電視、戶外、廣播、平面等多媒體多緯度與消費者進行深度溝通。2011年11月底，我們結合「福臨門成為航天專用食用油」進行廣告宣傳。
- 休閒食品品類：我們整合金帝／美滋滋官網，開展「快樂有禮美滋滋」消費者促銷及網絡傳播。通過淘寶商城旗艦店及團購網，開展網絡營銷與促銷。



(4) Sponsorship and promotional events

- Beverage Products: We have continued to build a strong public image of corporate citizenship by organising the “Contest to select torchbearers, reporters and support teams at stadium of Universiade Shenzhen 2011”, the “Sprite NBA Slam Dunk Contest” under the theme of 「雪碧搜尋中國創意灌籃王」 and the “COFCO Coca-Cola Photo Taking Contest” and effectively increased our brand’s exposure to consumers and enhance the awareness and acceptance of our brands.
- Wine Products: We held a news conference following our appointment of international wine-making master Mr. Michel Rolland, sponsored the Boao Forum for Asia and held press release events following our acquisition of Château de Viaud in France with an aim of strengthening the international image of the Greatwall brand. These activities attracted the attention of both foreign and domestic news agencies, China national and local media, resulting in many press releases and in-depth interviews.
- Kitchen Food Products: “Fortune” was the only edible oil brand selected by Millward Brown as one of the “Top 50 Most Valuable Chinese Brands”. We also organised the “COFCO Fortune – 2011 National Vocational Students Cooking Skills Competition” with the Ministry of Education and commenced a nationwide project named “Beneficial to the People” to supply edible oil to low-income households.
- Confectionery Products: The “Le conté” brand cooperated with twelve magazines including “Rayli 瑞麗” and “Fellow Traveller (旅伴)” to promote the brand with soft advertising under the theme of “For the Love of Chocolate” (《濃情巧克力》) during Valentine’s Day in 2011.

(4) 事件營銷及消費者公關

- 飲料品類：我們舉辦了2011年深圳國際大學生運動會•火炬手、大學生記者及場館運營團隊選拔活動，「雪碧搜尋中國創意灌籃王」主題的雪碧NBA灌籃大賽，「中糧可口可樂杯攝影大賽」等，在提升品牌與消費者間的溝通力的同時，也提升了品牌的影響力、樹立了企業公民的良好公眾形象。
- 酒品類：我們策劃了國際釀酒大師米歇爾羅蘭簽約新聞發佈會，贊助了博鰲論壇，舉辦了法國雷沃堡酒莊收購新聞發佈會等，覆蓋外電、國內通訊社、央級及地方核心、發佈深度訪談及新聞稿至全國平面媒體等，強化長城品牌國際化形象。
- 廚房食品品類：「福臨門」作為唯一糧油品牌入選Millward Brown發佈的「最具價值中國品牌50強」，並聯合教育部舉辦「中糧福臨門杯2011年全國職業院校烹飪技能大賽(中職)」，開展全國性的惠民工程提供食用油給低保家庭。
- 休閒食品品類：2011年情人節期間，「金帝」與《瑞麗》、《旅伴》等12家雜誌合作，開展《濃情巧克力》主題傳播。



(5) Promotional activities at points-of-sale

- Beverage Products: We have promoted all our brands under Sprite's theme of "Relaxing at Home 在家休閒" during the Mid-Autumn Festival and the National Day holidays. We boosted the sales volume of sparkling beverages, Minute Maid juice and juice milk by our "揭金蓋，贏一夏" free-drink promotional campaign and, as a result, we successfully translated consumers' brand preference and loyalty into their desire to purchase.
- Wine Products: We conducted a marketing campaign for the launch of the "Greatwall Terroir" wine series through direct marketing by arranging free-tasting, complimentary offerings on purchases and outlet marketing at points of sale located in all key cities across the country with an aim of successfully promoting our core message of "Exquisite Wines selected from the Finest Wine Regions in the World (全球甄選、共享天賦)" to our target customers. Also, we organised "Greatwall Chateau Sungod" wine tasting events followed by in-depth discussions with opinion leaders and core customers. The Mid-Autumn Festival and National Day Holiday promotion activity which covered all wine categories was the first of such large scale in-store promotion activity to take place in China.
- Kitchen Food Products: We conducted a nationwide marketing campaign under the theme of "Happy to you, Happy life (HAPPY免YOU, 幸福臨門)" during the Chinese New Year and "Safe quality, Happy life (品質安全, 幸福臨門)" during the Mid-Autumn Festival and National Day Holiday. We enhanced the "Fortune" brand image by launching the "Fortune Golden Origin Maize Oil" with the theme "Originates from the Golden Corn Fields of the World 源自世界黃金玉米帶."

(5) 消費者促銷、體驗

- 飲料品類：我們以雪碧「在家休閒」為主題領導所有品牌的中秋國慶雙節促銷。我們通過「揭金蓋，贏一夏」促銷推廣活動來推動汽水、果汁和果奶銷量，將消費者對品牌的喜好和忠誠轉化為購買。
- 酒品類：我們策劃並實施「長城天賦葡園」系列上市推廣活動：發現天賦之旅，完成全國重點城市KA賣場的新品品鑒、買贈、互動推廣活動，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。我們舉辦了「長城桑干酒莊酒」品鑒會，與消費領袖、核心消費群進行深度溝通。我們通過中秋國慶雙節促銷，實現了全品類的第一次全國性消費者促銷。
- 廚房食品品類：我們通過春節「HAPPY免YOU，幸福臨門」、中秋國慶雙節「品質安全，幸福臨門」主題活動，在全國執行消費者促銷活動。我們通過「福臨門」玉米油「源自世界黃金玉米帶」上市主題活動，使「福臨門」玉米油形象得到全面提升。

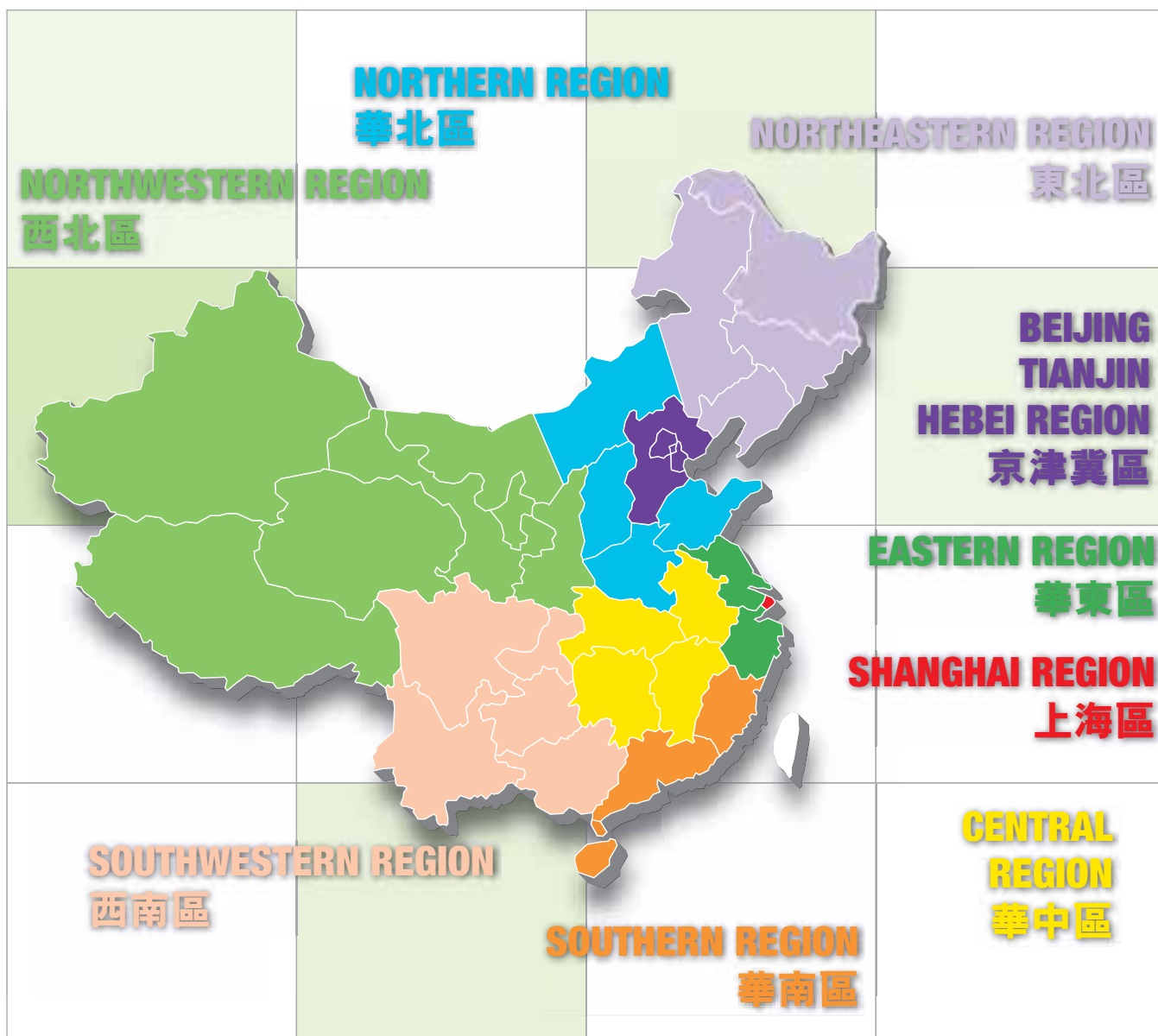


- Confectionery Products: We employed a thematic promotion under the catch phrase of “Most rich and pure, Le conté my favorite (至濃至醇·至愛金帝)” during important festivals throughout the year as the major platform to promote sales and increasing brand awareness with, for example, the expression of love during the Seven Sisters Festival and Valentine’s Day and celebrating family love during the Mid-Autumn Festival, Christmas and Chinese New Year. We also promoted new products such as aerated chocolate and juice jelly candy in major cities and stores in China by direct marketing through free-tastings.
- 休閒食品品類：我們全年貫穿「至濃至醇·至愛金帝」的傳播主題，以重要節假日主題推廣作為促進銷售與品牌溝通的主要活動方式，包括七夕、情人節以重在表達愛意，中秋、聖誕、春節則以渲染親情為主題。充氣巧克力、夾心果汁軟糖新產品則通過全國重點城市和門店供消費者品嚐為主題。



管理層討論及分析

MANAGEMENT DISCUSSION AND ANALYSIS



贏在網絡
WINNING 網絡
in **NETWORK**



3. WINNING IN NETWORK

(1) Regional integration of sales platforms

In 2011, the Company decided to divide the national market into nine regions, namely the Beijing-Tianjin-Hebei region, Northeastern region, Northern region, Eastern region, Shanghai region, Southern region, Central region, Northwestern region and Southwestern region. This was based on our assessment of each region's potential and our presence and performance in each region. We designed the organisational structure both at the head office and regionally, established key positions and formed core management teams in all regions. We also developed the grouping criteria for different cities and different customer groups, set up unified customer service centres and mapped respective corporate customers and sales channels based on their differing characteristics. As an essential part of this restructuring, we have implemented the change stage by stage in order to ensure its completion will not have any negative effect to the stability of the Company's businesses.

In July 2011, we successfully held the first strategic distributor meeting to publicise the Company's development plan. This received a very positive response from customers. Over 80 strategic distributors and 110 managers of the Group attended the meeting in which the new management team explained its organisational development plans. The Company's new management team also addressed questions raised by customers and openly discussed any matter of concern with them during a forum session. The meeting helped to align the development plan of the Company and the interests of its customers, and was successful in promoting our communication with customers and their confidence in the Company.

三、贏在網絡

(1) 區域整合平台建設工作

本公司於2011年內通過區域潛力模型測算並結合公司的實際業務特點，統一了全國9個大區的劃分，包括京津冀大區、東北大區、華北大區、華東大區、上海大區、華南大區、華中大區、西北大區、西南大區，我們完成了總部和區域標準組織結構和重要崗位設計，所有區域的核心管理團隊組建完畢。我們明確了全國城市群和客戶組的劃分，按照客戶屬性和渠道屬性，將公司客戶和渠道進行統一規劃設置，建立統一的客服中心，根據整合計劃逐步調整實現組織的平穩過渡，避免對公司業務造成負面影響。

於2011年7月，本公司圓滿召開了中國食品第一次戰略經銷商大會，宣傳和溝通公司的發展思路，鼓舞客戶信心。中國食品80餘家戰略性經銷商客戶，110位本公司經理人共同出席了會議，聽取了本公司新管理團隊的發展設想，同時本公司新管理團隊對客戶提出的反饋意見逐一回答和開誠布公的討論。此次會議，清晰和統一了本公司和客戶的發展思路，達到有效溝通、鼓舞客戶、建立共同願景等預期目標。



(2) System building in sales and distribution channels

With respect to beverage products, based on our analysis principles of visibility, controllability and profitability, we applied different sales models for differentiated markets with different degree of market sophistication. In rural markets, we selected 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 and joint business plans.

The Company has taken the following steps to strengthen our sales and marketing platform by achieving synergy between different channels during 2011:

- We established a group purchase platform with centralised communication, settlement and customer services by formulating a group purchase plan and assessed the process effectiveness of the platform by evaluating it against various case studies. We completed a number of projects on this platform including group purchases of multi-product categories from Datang Microelectronics Technology, Shanghai Dulux and Shanghai Sanofi.
- We promoted the synergies of on-premise channels and developed a sales plan for a dining-in channel via sharing and discussion of experience. We set up a typical catering store under the model of “Serving both Frontend Store + Backend Kitchen 前台+後廚” in Beijing during the second half of 2011 and by selecting certain “South Beauty (俏江南)” chain restaurants as our “flagship stores” for on-premise channels which was a successful demonstration of a multi-product collaboration.

(2) 渠道協同平台建設工作

飲料品類方面，本著可見度、可控度和盈利度的原則，依據不同的市場，採用對應適合的銷售模式組合。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，建立開放的數據平台、共同的分析機制及制定聯合生意計劃。

另外，本公司於2011年內還強化渠道協同平台建設工作包括以下方面：

- 建立對外統一溝通、結算、服務的團購平台，完成團購渠道規劃並通過具體案例對平台的流程進行檢驗，在統一團購平台上運作完成多個項目，其中包括大唐微電子公司、上海多樂士、上海賽諾菲等多項跨品類綜合性團購項目；
- 推進餐飲渠道的協同及制定現飲即食渠道規劃，進行經驗分享及研討。2011年下半年開始在北京建立餐飲渠道「前臺+後廚」模式的樣本店，具體選擇「俏江南」某些門店做餐飲渠道「形象店」試點，並形成「前台+後廚」的多品類統一合作樣本案例；



- We coordinated joint promotional activities for multi-product categories at a number of large supermarkets, including Walmart and Beijing Hualian Hypermarket during major festivals, and further promoted sales in Beijing convenience stores operating under the 7-11 franchise. Benefiting from the Company's overall synergy, we entered into a national strategic cooperation framework with PetroChina uSmile convenience stores and formulated a unified development plan for multi-product categories. We will continue to promote business cooperation in other provinces and regions.
- Currently, China Foods has established a unified 4-tier sales organisational structure comprising its head office, regions, provinces and cities, together with central management team for special channels, on-premise channels and off-premise key accounts channels, ensuring professionalism and synergies for our regional platform in both channel management and customer management.
- 協同各品類，在北京各大賣場包括沃爾瑪、北京華聯綜合超市等大型超市公司開展重要節假日聯合促銷活動，推動原來在7-11系統北京地區未進店的銷售。通過公司整體協同，與中石油昆侖好客便利店簽訂了全國性戰略合作框架，統一制定了多品類的生意發展目標，將陸續推動落實各省區的業務合作。
- 目前中國食品已經形成了總部、大區、省區、城市群等4層級統一的銷售組織架構，同時在縱向上建立了特渠、現飲即食、商業KA等多個渠道的垂直管理模式，保證渠道管理和客戶管理的專業性與區域平台協同性的統一。



內控系統 Internal Control System			
	財務系統 Financial System		資訊系統 Information System
		供應鏈系統 Supply Chain System	
	組織與人才系統 Organisation and Talent Management System		

贏在系統
WINNING
in SYSTEMS



4. WINNING IN SYSTEMS

(1) Supply chain system

The Company regards food safety as critically important and has made strenuous efforts to establish a comprehensive risk management system through strictly complying with various external and internal quality standards and precautionary measures, enhancing the management of our product quality control department and strengthening the monitoring and inspection of our production processes. As the DEHP contamination scandal unfolded in 2011, the Company promptly established a specialised team to conduct thorough inspections of all product formulations and workflow processes, sent samples of products and packaging materials for inspection by third party laboratories and made arrangements for inspections by government organisations. No DEHP was detected. Meanwhile, we have strengthened food safety risk management through the inspection of our suppliers' product formulations and production processes. All relevant inspection reports showed that all the samples of our products, additive materials and packaging materials of our suppliers are in compliance with national standards.

In 2011, the Company contracted with an external audit firm to conduct a quality management system certification for our factories. All of our factories passed both the external and internal audits. We formulated a risk control framework for the complete value chain and a traceability system framework, and required each factory to establish a food protection programme. We have also issued unified "Health Standards for Quality Management System" and "Original Equipment Manufacturer ("OEM") Certification Standards". The pollutants emitted from the factories of the Company and the concentration of pollutant conformed to national standards. Energy consumption per RMB10,000 production was reduced by 4% and total COD emissions reduced by 18%. The results of tests on energy consumption, efficiency and technique were all

四、贏在系統

(1) 供應鏈系統

本公司高度重視食品安全，通過一系列內、外預防措施，務求嚴格執行外部以及內部各項的質量標準，提高產品質量監控部門工作的質量要求，加強生產程序監控和檢驗，致力建立完備的安全體系。於2011年內發生「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，對供貨商的产品配方與工藝流程進行檢查。結果，所有產品、添加劑及包材供貨商的送檢報告均全部通過國家質檢部門檢驗。

本公司於2011年內，簽訂了統一的外部審核公司，對中國食品的工廠進行質量管理體系審核認證合同，而我們的工廠全部通過了外部以及內部各項審核檢查。我們編製了產業鏈風險控制大綱和可追溯體系大綱，各工廠按要​​求建立食品防護計劃，已經發佈中國食品統一的「質量管理體系健康度標準」和原廠委托制造（「OEM」）認證標準。本公司下屬各工廠的各類污染物和排放濃度符合國家標準，其中包括萬元產值能耗下降4%，COD排放總量下降18%。能耗指標、效率指



管理層討論及分析 MANAGEMENT DISCUSSION AND ANALYSIS

better than the benchmarks we had established. We have also instituted new operational management standards for all new, renovation and expansion construction projects. These new standards have applied to the construction of a new bottling plant in Shijiazhuang and the installation of three new production lines in other bottling plants, the expansion of Château Sungod and the construction of our Ningxia winery.

To improve the quality of raw materials and enhance food safety assurance, we have committed to increase the ratio of grape supply from self-owned and co-operative vineyards for our wine production.

In respect of production capacity expansion, we commissioned a new PET production line at our Gansu plant for our beverage products. We are now planning to add new production lines at our Hunan, Shandong and Hebei plants in order to support the expansion of our sales coverage in the area and improve our operational efficiency. As of the end of 2011, our annual sparkling beverages bottling capacity was approximately 600 million unit cases, a moderate increase compared with that at the end of 2010. Our wine production bases in Ningxia and Xinjiang are under construction. Bottling capacity at the Ningxia plant will be approximately 20,000 tons per annum while the fermentation capacity of the Xinjiang fermentation centre will be approximately 30,000 tons per annum. These production bases will enable us to expand our sales coverage and improve our operational efficiency.

標、技術指標好於內部承諾和要求。按照內部對新、改、擴建項目管理有關規定，我們已執行各類項目的運營管理工作，包括石家莊新裝瓶廠及其它裝瓶廠新增3條生產線擴容、桑干酒莊擴建工程、寧夏酒廠等等。

在提升原材料質量和產品安全方面，酒品類方面致力於持續提升自有和合作基地葡萄供應量佔比。

在產能建設方面，飲料品類在甘肅廠新增PET生產線一條，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。截至2011年底，我們汽水的年罐裝產能約為6億標箱，較2010年底小幅增長。本公司酒品類位於寧夏、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。



In light of the increasing market demand for our edible oils, we have strengthened the collaboration with our parent COFCO group in order to benefit from their increased upstream capacity from new production factories and we have clearly identified the production capabilities for each oil type and category. This will enable us to optimise and improve the logistics efficiency and to ensure sufficient supply within our sales regions. Our relationship with third party OEM sub-contractors allows us to plan for optimal utilisation and logistic support to increase our responsiveness to the market and to improve our customer order fulfillment rate.

(2) Organisation and talent management system

During 2011, with respect to talent planning, the Company has formulated the “China Food 2011-2015 Talent Planning Report,” which set out the talent demands, talent development measures and key projects for the next five years.

We used a variety of recruitment channels for our talent recruitment and focused on attracting talent in research and development, marketing, information technology and supply chain to fill causal vacancies arising from staff turnover. During the organisational restructuring, the staff turnover rate of provincial sales managers was lower than the average staff turnover rate of the Company.

During the organisational restructuring, we formulated clear standards and procedures for selecting appropriate talent. The candidates' experience in the fast-moving consumer goods industry, management experience in multi-product categories, educational attainment, leadership in managing large teams and past work performance are carefully reviewed and assessed. On this basis, we thoroughly assessed the leadership skills of the candidates by 360 degree assessment and conducted independent evaluations of their approach to work, which enable us to understand better the overall qualifications of the candidates before conducting two rounds of group interviews. Following this, candidates who fulfilled the specific requirements of the posts were then selected.

鑒於市場對我們食用油需求量持續增加，我們持續加強與母公司中糧集團上游工廠的協同，充分發揮其新增工廠產能，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，更好的提升及保障供貨能力；我們亦充分利用第三方加工廠，改善物流布局，提高了市場響應速度並提升客戶訂單滿足率。

(2) 組織與人才系統

本公司於2011年內，在人才規劃方面，我們對未來五年人才需求、人才發展的措施和重點項目等進行了規劃，形成了《中國食品2011-2015年人才規劃報告》。

人才招聘方面，採用多種招聘渠道，重點引進研發、市場營銷、信息技術、供應鏈等方面的人才，彌補員工流動產生的崗位空缺。在組織結構調整過程中，省級銷售經理層級人員的離職率低於公司平均離職率。

人才選拔方面，在組織結構調整過程中，我們先建立了清晰的標準和流程，包括對人員在快速消費品行業的經驗、從事多品類管理的經驗、教育經歷、帶領大規模團隊的經歷、過往工作業績等進行嚴格審查，在此基礎上對候選人才領導能力進行360°綜合評估，對工作行為風格進行獨立測評，通過匯總形成候選人才的基本情況並進行兩輪集體面試，在此基礎上進行集中討論，結合崗位具體情況綜合考慮、確定人選。



管理層討論及分析 MANAGEMENT DISCUSSION AND ANALYSIS

In regard to our talent training, we completed a leadership development training for front-line supervisors and middle management during the period when we were implementing our organisational reform, and established the “China Foods Business School” in line with the development strategy of the Company. Upon the completion of the implementation of reforms, we organised cross-product category training for front-line business managers in order to improve their understanding and knowledge of, and familiarity with all our product categories, brands, sales and marketing models.

In order to retain and incentivise management, we granted a second batch of share options to our core management team. In coordination with the new organisational structure, the Company also set up an incentive program specifically for the sales teams of different product categories.

We continue our efforts to promote our corporate culture. In this regard, we promoted the smooth implementation of our reforms of our organisation structure, and communicated the philosophy behind the organisational restructuring through the core concept of “advance through reform, teamwork for win-win”.

With respect of our system building, we continued to optimise performance management and commenced the use of an electronic performance assessment system.

人才培養方面，組織變革之後我們組織跨品類的產品知識培訓，提高一線業務管理者對所有產品、品牌、營銷模式的認識、理解和熟悉；在變革推進前後，完成一線主管和中級管理人員領導力發展培訓並結合本公司發展戰略籌備成立「中國食品商學院」。

激勵保留方面，我們針對核心管理團隊，授出第二批股份期權作進一步激勵。配合新的組織結構，本公司專門針對不同的品類的營銷團隊制定了營銷激勵計劃等。

企業文化方面，本公司著力傳播「變中求進 協力共贏」的核心理念，推動變革順利開展，有計劃地推進組織變革宣講和溝通。

系統建設方面，我們持續優化績效管理，建立電子化績效考核信息系統等。



(3) Information system

The Company continued to refine the use of its enterprise resource planning system (“ERP System”) and customer relationship management system (“CRM System”) and installed its business process management system (“BPM System”). Through internal and external network platforms, we have created an integrated management and control platform to manage our business by centralising the approval process and strengthening budget management with an aim of facilitating our organisational restructuring.

In addition, the Company launched a distributor management system (“DMS”) to obtain channel stock data at distributor level and points of sale as well as information on retail prices. This will enable us to monitor the value chain of distributors and retail prices at terminal points of sale more effectively and promote the computerisation of distributors and refine their management. Such measures will strengthen our knowledge and control of the stock levels within the channel system. By the end of 2011, save for the beverage products, we have installed the DMS System at over 300 distributors of various product categories and we aim to complete the installation of our DMS System for a total of 500 key distributors by the first half of 2012. It is expected that the sales of those key distributors will comprise the majority of our sales revenue after the completion of installation and provide comprehensive real-time information on our distributor chain.

(3) 資訊系統

本公司持續完善企業資源計劃系統(「ERP系統」)，客戶關係管理系統(「CRM系統」)，實施企業流程管理(「BPM」)系統，利用內外網平台，建立整合的管控平台，統一審批流程、加強費用預算核銷等業務管理，支持組織結構調整。

另外，本公司啟動經銷商管理系統(「DMS」)系統項目，獲取經銷商庫存、下線售點庫存和零售價格信息，掌控經銷價值鏈和終端售價，推動經銷商管理的數字化和精細化管理，加強對經銷商通路庫存的瞭解。截至2011年底，除了飲料品類外，我們已在300家以上其他品類的經銷商安裝DMS系統，目標是在2012年上半年完成全國500個核心經銷商安裝DMS系統，預計核心經銷商合計貢獻本公司的大部份銷售收入，建立一個相對完整的實時數據DMS系統。



管理層討論及分析 MANAGEMENT DISCUSSION AND ANALYSIS

For our beverage products, we have been taking measures to promote and expand the coverage of our mobile customer management system, as it can improve the efficiency of customer site visits by standardising the services provided by our sales representatives to customers and enhancing the quality of our service. Meanwhile, we have commenced our research and development of our “E3S Electronic Receipt and Payment Platform Project” with a view to provide our customers with one-stop delivery, receipt and payment services through mobile technologies and an electronic payment platform to improve efficiency in settlement and reduce operational risks.

(4) Internal control system

In order to support organisational restructuring and regional integration, we have modified the overall structure of the audit department by establishing an information technology audit team and a sales region audit team along with the existing internal audit team and disciplinary and supervisory team. We hope that these new teams will help to strengthen the monitoring of the core SAP system as well as the daily management and control of various sales regions.

With respect to risk management, we focused on certain high-risk areas identified in our risk assessment being principally food safety, authority and cost control risks. We conducted further analysis and refined our risk management system by clarifying specific control measures, control record keeping and personnel-in-charge for the respective risks.

飲料品類方面，主要工作在持續擴大「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效率，規範業務代表對客戶的服務，提高服務質量；同時，開始「E3S電子簽收及付款平台項目」的調研，計劃通過移動技術和網上代扣平台，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。

(4) 內控系統

為了支持組織結構調整、區域整合工作，我們對審計監察部的整體結構進行了調整，在已有的內部控制審計部和紀檢監察部的基礎上，設立IT審計部和銷售大區審計部。一方面強化對核心SAP系統的應用監控，另一方面強化對各銷售大區的日常管理和監控。

在風險管理方面，針對風險評估中的若干高風險項目：食品安全風險、權限風險和成本費用控制風險進行了進一步分析和完善風險管理，明確了相關風險的具體控制措施、控制記錄和責任人。



In order further to codify and strengthen the internal management of the Company, we formulated the “China Foods Chart of Authority” which clearly defined the rights and responsibilities of all internal departments to ensure more effective control over costs and to ensure that our business activities are conducted in an efficient and orderly manner.

During the implementation of certain information systems, the audit department has verified and confirmed that all processes complied with internal control requirements.

Furthermore, the Company continued vigorously to combat various types of intellectual property infringement and strengthened the protection of intellectual property during the year. We also mitigated our legal risks through standardising contract management, effectively resolving outstanding litigation and disputes, improving the compliance system and completing special audits.

我們編製了《中國食品授權審批權限表》，以進一步規範和加強中國食品內部管理，明確內部各級組織的權利和責任，從而有效控制企業成本費用，保障各項經營活動高效、有序地進行。

在若干資訊系統的實施過程中，審計監察部對所有涉及改變的流程進行了審核與確認，以確保流程符合內部控制的要求。

另外，於2011年內，我們持續嚴厲打擊各種侵權行為，強化知識產權保護，規範合同管理，妥善解決訴訟糾紛，持續完善合規制度，落實專項審計等工作，降低法律風險。



	淨利潤 Net Profits		股東權益回報率 Return on Equity
經濟增加值 Economic Value Added		營業利潤 Operating Profit	
	投資資本回報率 Return on Invested Capital		

贏在利潤
WINNING **利 潤**
in **PROFITS**



5. WINNING IN PROFITS

Beverage Products: We were able partially to pass through pressure from rising costs of key raw materials with the optimisation of the pricing and improvement of our product mix. To cope with the pressure from rising raw material costs under our cost management measures, we also applied diversified procurement strategies, strengthened cost control and budget management to improve cost efficiency. Segment results stood at approximately HK\$531 million, an increase of 1.3%.

Wine Products: With our continuing effort to promote the high-end “Greatwall Chateau Sungod” and the successful launch of the medium-to-high end “Greatwall Terroir” series, the sales portfolio of our wine business continued to improve and gross profit margin increased by approximately 4.9 percentage points. Segment results recovered substantially to approximately HK\$633 million, an increase of 73.4% compared to last year.

Kitchen Food Products: In order to cooperate with the government’s goal of stabilising the volume supply and the selling price of edible oils, the Company has taken proactive measures to stock expected volumes in advance whilst seeking relevant government support. The Company actively optimised the product mix, strengthened its market penetration and developed sales and distribution channels, monitored the level of channel stock and maintained a balance between its business objectives and those of the government. As a result, both sales volume and profits increased significantly. Benefiting from its operating leverage, segment results improved substantially to approximately HK\$162 million, an increase of 376.5% compared to last year.

五、贏在利潤

飲料品類在盈利能力分析方面，由於原材料成本上漲壓力下，通過優化價格管理及改善產品結構，部分轉嫁了主要原材料成本上漲壓力。我們持續採用靈活的採購策略、加強成本及費用預算管理及提高費用的使用效率等措施，消除了部分原材料成本上漲壓力。分部業績約為5.31億港元，同比去年增長1.3%。

酒品類在盈利能力分析方面，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，毛利率上升約4.9個百分點。分部業績出現恢復性增長約為6.33億港元，同比去年增73.4%。

廚房食品品類在盈利能力分析方面，針對國家保供穩價的政策要求，本公司積極響應，落實保障供應同時爭取國家保障供應資源。本公司積極優化產品結構，加強渠道滲透及建設，監控渠道庫存，平衡整體經營方向，實現了銷量及利潤均大幅增長。營運杠杆效益下，分部業績亦出現大幅增長，約為1.62億港元，同比去年增長376.5%。



管理層討論及分析 MANAGEMENT DISCUSSION AND ANALYSIS

Confectionery Products: Segment results recorded a loss of approximately HK\$95 million, an increase of 20.2% compared to last year. As mentioned above, the performance of confectionery products fell below our expectations at the beginning of the year, which was principally attributable to the rising costs of raw materials and the lack of economies of scale. Despite this, we believe this sector holds out the prospects of satisfactory returns and it is apparent that a number of our competitors have performed well. We are confident that we can achieve better performance after the implementation of our new sales and marketing model in 2012.

For our treasury and liquidity management, the Company established capital planning procedures during 2011 to strengthen the predictability of cash flows and to enhance centralised capital management and allocate fund flows through centralised capital pool for the purpose of saving external financial costs. With respect to our financing management, besides the use of centralised capital management, we continued to promote the use of supply chain financing and to utilise Hong Kong Dollar borrowings to finance our mainland business to reduce the effective cost of financing.

As regards our tax planning, the Company completed its feasibility study on the rationalisation of the effective rate of income tax and introduced more effective tax planning. As a result, the effective tax rate was reduced to 29.8%, compared to the effective tax rate of 31.9% in 2010.

休閒食品品類在盈利能力分析方面，分部業績虧損約為0.95億港元，同比去年增加20.2%。如前述，休閒食品品類沒有達到年初預期，跟原材料成本上漲、規模小有關。雖然如此，但我們相信此休閒食品仍有令人滿意的回報的前境，且個別品類的競爭對手尚有好表現。自2012年開始管控模式調整後，我們有信心追趕競爭對手的表現。

本公司於2011年內，資金頭寸管理方面，建立資金計劃機制，加強整體資金預測能力，持續提升資金集中管理的廣度和深度，通過資金池進行資金調劑，節約財務費用。融資模式方面，除了通過資金池調劑外，我們持續利用港元貸款為國內業務提供資金以減低有效融資成本，並持續推進經銷商融資模式。

稅務籌劃方面，本公司完成所得稅有效稅率合理化的可行性分析，實施更有效之稅務籌劃，所得稅有效稅率下降至29.8%（2010年有效稅率為31.9%）。



OVERVIEW

In 2011, we not only completed our organisational reform successfully but also achieved satisfactory growth. Following the organisational reforms in 2011, our new management team, sales channels and system resources must promptly integrate in order to form a cohesive force to stay ahead in the market. This will enable our businesses to keep high growth continuously, and enable the value of our Company to be further enhanced.

FINANCIAL REVIEW

Supplemental information to segment results of the Group for the year ended 31 December 2011 with comparative figures, are set out below:

總述

於2011年內，我們不僅順利地完成了組織變革，同時亦實現了良好的業績增長。歷經2011年的變革，2012年需要新團隊的迅速融合、通路渠道的迅速融合、系統資源的迅速融合。形成聚力之勢，馳騁於市場，讓我們業務成長繼續保持較高增速，讓本公司價值得到進一步提升。

財務回顧

本集團截至2011年12月31日止年度分部業績的補充資料連比較數字載列如下：

		For the year ended 31 December 截至12月31日止年度	
		2011 %	2010 %
Growth of volume by segment:	按業務類別劃分之銷量增長：		
– Beverage (unit cases)	– 飲料(標箱)	17.3	14.4
– Wine (bottles)	– 酒類(瓶)	-2.1	-18.4
– Kitchen Foods (tons)	– 廚房食品(噸)	28.9	25.6
– Confectionery (tons)	– 休閒食品(噸)	19.1	8.0
Growth of revenue by segment:	按業務類別劃分之收入增長：		
– Beverage	– 飲料	32.8	11.6
– Wine	– 酒類	18.6	-2.6
– Kitchen Foods	– 廚房食品	57.5	38.9
– Confectionery	– 休閒食品	14.4	10.9
Segment results to revenue ratio:	分部業績對收入比率：		
– Beverage	– 飲料	5.1	6.6
– Wine	– 酒類	17.1	11.7
– Kitchen Foods	– 廚房食品	1.2	0.4
– Confectionery	– 休閒食品	-14.4	-13.8
Effective tax rate (Note 1)	有效稅率(附註1)	29.8	31.9

Note:

1. 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：

1. 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。



管理層討論及分析 MANAGEMENT DISCUSSION AND ANALYSIS

REVENUE

The Group's total revenue for the year grew by approximately 40.4% over the last year, with the combined effects of:

- The revenue growth of Kitchen Foods segment, with explosive growth in sales volume attributable to the strengthening of our channel penetration and sales network building, increasing product competitiveness and significant expansion of our market share.
- The revenue growth of Beverage segment, with strong growth momentum in sales volume mainly driven by the effective execution of distribution channel and market development strategy. At the same time, sales revenue per unit case was higher than that of last year through the optimisation of the pricing mechanism and improvement of our product mix.
- The revenue growth of Wine segment, with progressive improvement in its product mix enhancement mainly driven by key product types such as “Greatwall Chateau Sungod”, “Chateau Junding” and “Greatwall Terroir” under the new sales and distribution model, that outweighed the impact of a slight decline in overall sales volume as the comparative volume was partially conducted under the old sales and distribution model; and
- The revenue growth of Confectionery segment, with improvement in sales volume attributable to the launch of new products and the strengthening of our channel penetration and sales network building.

GROSS PROFIT MARGIN

Overall gross profit margin dropped from 25.5% to 23.8% due to higher contribution to revenue by Kitchen Foods segments with relatively lower gross profit margin during the year.

For Wine segment, our continuing sales and promotion of the high-end Greatwall Chateau Sungod and the successful launch of the medium-to-high end Greatwall Terroir series contributed to the sales revenue together with gross profit margin increase of approximately 4.9 percentage points.

收入

於本年內，本集團之總收入較去年增加約40.4%，原因綜合如下：

- 廚房食品分部之銷售收入出現爆發性增長，乃由於加強渠道滲透及建設、產品力提升，市場份額明顯提高；
- 飲料分部之銷量之增長勢頭強勁，主要由渠道與市場開發策略的有效執行。同時，通過優化價格管理及改善產品結構，產品單箱銷售收入同比提高；
- 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」系列及「長城天賦葡園」系列採用新銷售及分銷模式下收入錄得增長，並蓋過了整體銷量小幅下跌之影響，因去年銷量部份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，乃由於反映新品上市、加強渠道滲透及建設的成效。

毛利率

年內整體毛利率由25.5%下降至23.8%，主要由於毛利率較低的廚房食品分部在本年收入中權重上升所致。

酒類分部，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，毛利率上升約4.9個百分點。



For Kitchen Foods segment, in cooperation with the government's goal to stabilize the volume supply and the selling price of edible oils, the Company has taken proactive measures to stock expected volumes in advance whilst seeking relevant government's support. Also, the Company actively optimised the product mix.

For Beverage segment, we were able to partially pass through pressure from rising costs of key raw materials with the optimisation of the pricing mechanism and improvement of our product mix. To cope with the pressure from rising raw material costs under our cost management measures, we also applied diversified procurement strategies, strengthened cost control and budget management in improving cost efficiency.

As a result, gross profit margin of both Kitchen Foods segment and Beverage segment slightly dropped.

For the small-scale Confectionery segment, gross profit margin decreased due to cost pressure from price increases in its key raw materials and packaging materials.

SELLING AND DISTRIBUTION COSTS

Aggregate selling and distribution costs grew by 26.5%, less than the magnitude of revenue growth. Overall selling and distribution costs to revenue ratio dropped mainly due to the benefit of operating leverage and tightened selling and distribution cost control with room for on-going improvement.

ADMINISTRATIVE EXPENSES

Aggregate administrative expenses grew by 25.6%, less than the magnitude of revenue growth. Administrative expenses to revenue ratio dropped mainly due to operating leverage despite the increase in administrative expenses attributable to the general expansion of management functions, pre-operating expenses of new subsidiaries in the PRC and overseas and increase in share option expense.

廚房食品分部，針對國家保供穩價的政策要求，本公司積極響應並預先提高存貨水平，落實保障供應同時爭取國家保障供應資源及本公司積極優化產品結構。

飲料分部，通過優化價格管理及改善產品結構，部分覆蓋了主要原材料成本上漲壓力。我們持續採用靈活的採購策略、加強成本及費用預算管理及提高費用的使用效率等措施。

故此，廚房食品分部及飲料分部毛利率僅僅輕微下降。

但小規模之休閒食品分部毛利率下降是由於其受主要原材料及包裝材料成本價格上升壓力所致。

銷售及分銷成本

整體銷售及分銷成本增長26.5%，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，主要是由於營運杠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25.6%，低於收入增長幅度。儘管管理職能整體擴大、中國及海外新附屬公司之前期營運開支及購股權費用增加致使行政開支增加，行政開支對收入之比率卻有所下跌，主要是由於營運杠杆效益所致。



管理層討論及分析 MANAGEMENT DISCUSSION AND ANALYSIS

FINANCE COSTS

Overall finance costs dropped by 18.5% which was mainly due to continuing enhancement of the centralised capital management by allocating funds from centralised capital pool with an aim to save external financial costs.

SHARE OF PROFITS OF ASSOCIATES

Share of profits of associates increased slightly by 2.2%, mainly due to cost pressure from price increases in its key raw materials and packaging materials.

INCOME TAX EXPENSE

The Company completed the feasibility analysis regarding rationalisation of the effective income tax rate and started tax planning arrangement. Effective tax rate decreased to 29.8% during the year, decreased by 2.1 percentage point due to a progressive improvement of the tax planning arrangement.

The combined impacts of 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 contributed to an effective income tax rate relatively higher than statutory tax rate in the PRC, 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 centralised 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.

融資成本

整體融資成本下跌 18.5%，主要由於持續提升資金集中管理的廣度和深度，通過資金池進行資金調劑，節約財務費用。

應佔聯營公司溢利

應佔聯營公司溢利輕微上升 2.2% 主要由於其受主要原材料及包裝材料成本價格上升壓力所致。

所得稅支出

本公司完成所得稅有效稅率合理化的可行性分析，實施稅務籌劃方案，年內所得稅有效稅率下降至 29.8% 下跌 2.1 個百分點乃由於稅務籌劃改進所致。

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等因素的綜合影響，有效稅率仍然高於中國法定稅率，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。



As at 31 December 2011, the Group's unpledged cash and cash equivalents totalled approximately HK\$1,790 million (31 December 2010: approximately HK\$1,741 million), and the Group's net current assets were approximately HK\$1,830 million (31 December 2010: approximately HK\$1,525 million).

During the year, due to working capital changes for preparation of peak season sales during Chinese New Year, the net cash inflow from operating activities was approximately HK\$666 million (2010: approximately HK\$125 million) whereas the EBITDA amounted to approximately HK\$1,596 million (2010: approximately HK\$1,209 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.

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 downside 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. Entering into derivative transactions for speculative purposes and investing liquidity resources in financial products with significant underlying leverage or derivative exposure are absolutely prohibited.

於2011年12月31日，本集團之無抵押現金及現金等值項目合共約為17.90億港元(2010年12月31日：約17.41億港元)，本集團之流動資產淨值約為18.30億港元(2010年12月31日：約15.25億港元)。

於本年內，由於準備在中國農曆新年銷售旺季帶來的經營資金的改變，經營活動產生之淨現金流入約為6.66億港元(2010年：約1.25億港元)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15.96億港元(2010年：約12.09億港元)。

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。

持有至到期投資指預期贖回日期為未來兩年期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下行風險不大。

為了就原材料價格大幅上漲及利率波動所產生之風險並對現金流量作出對沖，本公司審慎規劃於適當情況下利用衍生工具(主要為期貨合約及利率掉期)，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杠杆作用或衍生工具風險之財務產品。



管理層討論及分析 MANAGEMENT DISCUSSION AND ANALYSIS

CAPITAL STRUCTURE

During the year, the total number of issued shares of the Company increased by 432,000 shares as a result of certain employees of the Group exercising their share options granted in 2007. As at 31 December 2011, the total number of issued shares of the Company was 2,792,891,756.

As at 31 December 2011, the Group had certain interest-bearing bank borrowings of approximately HK\$1,761 million (31 December 2010: approximately HK\$1,487 million) and other borrowing of approximately HK\$56 million (31 December 2010: approximately HK\$29 million).

Bank borrowings carried annual interest rates ranging between 0.61% and 4.63% (31 December 2010: between 0.72% and 5.31%). Other borrowing carried annual interest rate of 6.1% (31 December 2010: 4.59%).

As at 31 December 2011, net assets attributable to owners of the parent were approximately HK\$6,670 million (31 December 2010: approximately HK\$5,947 million) and net borrowing position of the Group (unpledged cash and cash equivalents less interest-bearing bank and other borrowings) was approximately HK\$27 million (31 December 2010: net cash position of approximately HK\$225 million) and the net gearing ratio was approximately 0.4% (the ratio of net borrowing to net assets attributable to owners of the parent) (31 December 2010: not applicable due to net cash position).

CONTINGENT LIABILITIES AND ASSETS PLEGDED

As at 31 December 2011, the Group had no material contingent liabilities.

As at 31 December 2011, certain bank borrowings of the Group were secured by charges over certain buildings and time deposits of the Group with aggregate net book value of approximately HK\$118 million (31 December 2010: approximately HK\$168 million).

資本結構

於本年度，本公司之已發行股份總數因本集團若干僱員行使其於2007年獲授的購股權而增加432,000股股份。於2011年12月31日，本公司之已發行股份總數為2,792,891,756股股份。

於2011年12月31日，本集團之借貸包括若干計息銀行貸款約為17.61億港元(2010年12月31日：約14.87億港元)及其他貸款約為5,600萬港元(2010年12月31日：約2,900萬港元)。

銀行貸款按介乎0.61厘至4.63厘之年利率計息(2010年12月31日：介乎0.72厘至5.31厘)。其他貸款按6.1厘之年利率計息(2010年12月31日：4.59厘)。

於2011年12月31日，母公司擁有人應佔淨資產約為66.70億港元(2010年12月31日：約59.47億港元)，本集團淨借貸(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2,700萬港元(2010年12月31日：淨現金約2.25億港元)及淨債務比率約0.4%(淨借貸比母公司擁有人應佔淨資產比率)(2010年12月31日：為淨現金，故不適用)。

或然負債及資產抵押

於2011年12月31日，本集團並無任何重大或然負債。

於2011年12月31日，本集團若干銀行貸款乃以本集團賬面淨值總額約1.18億港元(2010年12月31日：約1.68億港元)之若干物業和定期存款作抵押。



EMPLOYEE AND REMUNERATION POLICY

As at 31 December 2011, the Group employed approximately 17,546 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 “Other employee benefits” under note 2.4 “Summary of significant accounting policies” to the financial statements in this annual report.

The Company’s share option scheme (the “Option Scheme”) was adopted on 21 November 2006 for a term of ten years for the purpose of rewarding eligible employees of the Group (including executive directors and non-executive directors of the Company) based on individual merits.

As at 1 January 2011, a total of 16,344,500 share options of the Company remained outstanding. During the year, 30,880,000 share options were granted pursuant to the terms of the Option Scheme, whilst a total of 855,400 share options were cancelled and a total of 412,600 share options lapsed. In addition, a total of 432,000 shares were issued and allotted by the Company upon the exercise of share options by a former director and a former employee of the Company. Accordingly, as at 31 December 2011, a total of 45,524,500 share options of the Company remained outstanding.

CORPORATE GOVERNANCE

In the view of the board, the Company worked on the principles and complied with code provisions set out in the Code on Corporate Governance Practices contained in Appendix 14 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited throughout the year, 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. Details of the Company’s work in corporate governance during the year are disclosed in the corporate governance report on pages 81 to 102 of this annual report.

僱員和薪酬政策

於2011年12月31日，本集團於中國內地及香港共僱用約17,546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本年報中財務報表附註2.4「主要會計政策概要」中「其他僱員福利」內。

本公司的購股權計劃(「購股權計劃」)於2006年11月21日獲採納，為期十年，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)。

於2011年1月1日，本公司尚未行使之購股權總數為16,344,500份。年內，本公司根據購股權計劃之條款授出30,880,000份購股權，惟合共855,400份購股權已註銷及合共412,600份購股權已失效。此外，本公司因一名前董事及一名前僱員行使購股權而配發合共432,000股股份。因此，於2011年12月31日，本公司尚未行使之購股權總數有45,524,500份。

企業管治

董事會認為於整個年度內，本公司一直遵守《香港聯合交易所有限公司證券上市規則》附錄十四所載《企業管治常規守則》之原則及守則條文，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。本公司於年內之企業管治工作詳情載於本年報第81至102頁「企業管治報告」內。



董事及高級管理人員簡介

DIRECTORS' AND SENIOR MANAGEMENT'S PROFILE



CHI JINGTAO 遲京濤

CHI JINGTAO

EXECUTIVE DIRECTOR AND CHAIRMAN OF THE BOARD

Mr. Chi, 49, was appointed as an executive director and the executive vice chairman of the board with effect from 10 February 2011 and became the chairman of the board with effect from 30 March 2012. Mr. Chi is currently the chairman of each of the executive committee and the nomination committee and a member of the remuneration committee of the board. Mr. Chi is also a vice president of COFCO Corporation ("COFCO") and a director of certain subsidiaries of COFCO and the Company. Currently, Mr. Chi is an independent director of China Hainan Rubber Industry Group Co., Ltd, a company listed in Shanghai. He was a non-executive director of China Agri-Industries Holdings Limited ("China Agri"), a company listed in Hong Kong, until 29 March 2011. Mr. Chi joined COFCO in August 2003 and was the director of human resources department of COFCO during October 2004 and February 2011. Prior to joining COFCO, Mr. Chi held various positions in China Minmetals Corporation, including his position as the general manager of human resources department.

Mr. Chi holds a Bachelor's degree in engineering from the Academy of Armored Forces Engineering in Beijing and an Executive Master of Business Administration degree from the University of International Business and Economics.

遲京濤

執行董事兼董事會主席

遲先生，現年49歲，自2011年2月10日起獲委任為本公司執行董事及董事會執行副主席，並於2012年3月30日起出任董事會主席。遲先生現時亦分別為董事會執行委員會主席、提名委員會主席及薪酬委員會成員。遲先生亦擔任中糧集團有限公司（「中糧公司」）副總裁及中糧公司與本公司若干附屬公司董事。目前，遲先生擔任上海上市公司海南天然橡膠產業集團股份有限公司的獨立董事。他曾擔任香港上市公司中國糧油控股有限公司（「中國糧油」）的非執行董事直至2011年3月29日。遲先生於2003年8月加入中糧公司，於2004年10月至2011年2月期間擔任中糧公司人力資源部總監。在加入中糧公司前，遲先生擔任中國五礦集團公司人力資源部總經理等多個職位。

遲先生畢業於北京裝甲兵工程學院並獲工程學學士學位，後又獲對外經濟貿易大學高級管理人員工商管理碩士學位。



LUAN XIUJU 樂秀菊

LUAN XIUJU

EXECUTIVE DIRECTOR AND MANAGING DIRECTOR

Ms. Luan, 47, was appointed as an executive director of the Company in March 2007 and became the managing director of the Company with effect from 10 February 2011. Ms. Luan is currently a member of the executive committee of the board. Ms. Luan has been the chief executive officer of COFCO Coca-Cola Beverages Limited, a 65% subsidiary of the Company, since 2003. Ms. Luan is currently a director of certain members of the Company and its subsidiaries. Ms. Luan joined COFCO in 1989 and has extensive experience in food and beverage production, marketing and general management.

Ms. Luan graduated from Renmin University of China with a Bachelor of Arts degree in economics and a Master of Arts degree in economics.

樂秀菊

執行董事兼董事總經理

樂女士，現年47歲，於2007年3月獲委任為本公司執行董事，並於2011年2月10日起出任本公司董事總經理。樂女士現時亦為董事會執行委員會成員。樂女士自2003年起一直擔任中糧可口可樂飲料有限公司（本公司擁有其65%股權的附屬公司）行政總裁。樂女士為本公司及其附屬公司若干成員公司的董事。樂女士於1989年加入中糧公司，於食品及飲料生產、營銷及綜合性管理方面擁有豐富經驗。

樂女士畢業於中國人民大學，獲經濟學學士學位及經濟學碩士學位。



NING GAONING

EXECUTIVE DIRECTOR

Mr. Ning, 53, was appointed as an executive director of the Company and chairman of the board in January 2005 and ceased to act as the chairman of the board with effect from 30 March 2012. Mr. Ning is currently a member of the executive committee of the board. Mr. Ning is also the chairman of COFCO, the chairman of COFCO (Hong Kong) Limited ("COFCO (HK)"), as well as a director of certain subsidiaries of COFCO. Currently, Mr. Ning is a non-executive director of China Agri, a company listed in Hong Kong; a non-executive director of CPMC Holdings Limited, a company listed in Hong Kong; and a non-executive director and chairman of China Mengniu Dairy Company Limited ("China Mengniu"), a company listed in Hong Kong.

Mr. Ning is also an independent director of Huayuan Property Co. Ltd, a company listed in Shanghai and a director of BOC International Holdings Limited. Mr. Ning was a non-executive director of Lippo China Resources Limited, a company listed in Hong Kong, until August 2009; and a director of Smithfield Foods, Inc., a company listed in New York, until 2 March 2011. Mr. Ning has over 20 years of experience in corporate management, investment and corporate finance, business restructurings and governmental relations.

Mr. Ning graduated from Shandong University in China with a Bachelor of Arts degree in economics and from the University of Pittsburgh in the United States with a Master of Business Administration degree in finance.

寧高寧

執行董事

寧先生，現年53歲，於2005年1月獲委任為本公司執行董事及董事會主席，並於2012年3月30日起不再兼任董事會主席。寧先生現時亦為董事會執行委員會成員。寧先生亦擔任中糧公司董事長、中糧集團(香港)有限公司(「中糧香港」)董事長及中糧公司若干附屬公司董事。目前，寧先生擔任香港上市公司中國糧油非執行董事、香港上市公司中糧包裝控股有限公司非執行董事及香港上市公司中國蒙牛乳業有限公司(「中國蒙牛」)非執行董事及主席。

寧先生亦兼任上海上市公司華遠地產股份有限公司獨立董事及中銀國際控股有限公司董事。寧先生曾擔任香港上市公司力寶華潤有限公司非執行董事直至2009年8月及紐約上市公司Smithfield Foods, Inc.董事直至2011年3月2日。寧先生於企業管理、投資及企業融資、業務重組及政府關係方面擁有逾二十年經驗。

寧先生畢業於中國山東大學，獲經濟學學士學位，其後畢業於美國匹茲堡大學，獲金融學工商管理碩士學位。



NING GAONING 寧高寧



董事及高級管理人員簡介 DIRECTORS' AND SENIOR MANAGEMENT'S PROFILE



MAK CHI WING, WILLIAM 麥志榮

MAK CHI WING, WILLIAM EXECUTIVE DIRECTOR AND DEPUTY GENERAL MANAGER

Mr. Mak, 50, was appointed as an executive director and a deputy general manager of the Company in October 2006 and is currently a member of the executive committee of the board. Mr. Mak is also in charge of investor relations function of the Company and a director of Global Lander Limited, a wholly-owned subsidiary of the Company. Mr. Mak is also the chief financial officer of COFCO (HK). Mr. Mak is a member of each of the Institute of Management Accountants, Institute of Internal Auditors, Association of Certified Fraud Examiners, Information Systems Audit and Control Association and an international affiliate of the Hong Kong Institute of Certified Public Accountants. Prior to joining COFCO (HK) in May 2006, Mr. Mak had worked with Philips Electronics for over 15 years.

Mr. Mak graduated from the University of British Columbia in Canada with a Bachelor of Commerce degree in finance.

麥志榮

執行董事兼副總經理

麥先生，現年50歲，於2006年10月獲委任為本公司執行董事兼副總經理，現亦為董事會執行委員會成員。麥先生兼管本公司的投資者關係功能及擔任本公司全資附屬公司環宇泛達有限公司的董事。麥先生亦出任中糧香港財務總監。麥先生分別為管理會計師協會、內部審計師協會、註冊舞弊審核師協會、國際電腦稽核協會及香港會計師公會國際分會會員。在2006年5月加入中糧香港之前，麥先生曾於飛利浦電子工作逾十五年。

麥先生畢業於加拿大英屬哥倫比亞大學，獲金融專業商業學士學位。



ZHANG ZHENTAO 張振濤

ZHANG ZHENTAO EXECUTIVE DIRECTOR

Mr. Zhang, 48, was appointed as an executive director of the Company in March 2007 and is currently a member of the executive committee of the board. Mr. Zhang is currently the general manager of the strategy department. Prior to joining the strategy department of the Company, Mr. Zhang was the general manager of COFCO Food Sales & Distribution Co., Ltd., a wholly-owned subsidiary of the Company. Mr. Zhang joined COFCO in 1984 and has more than 20 years of experience in oil trade and management.

Mr. Zhang graduated from Zhongnan University of Economics and Law with a Bachelor of Arts degree in economics and from Peking University with a Master of Business Administration degree.

張振濤

執行董事

張先生，現年48歲，於2007年3月獲委任為本公司執行董事，現亦為董事會執行委員會成員。張先生現為本公司戰略部總經理。張先生於加入本公司戰略部之前，曾任中糧食品營銷有限公司(本公司全資附屬公司)總經理。張先生於1984年加入中糧公司，於食油貿易及管理方面擁有逾二十年經驗。

張先生畢業於中南財經政法大學，獲經濟學學士學位，其後畢業於北京大學，獲工商管理碩士學位。



LIU DING

NON-EXECUTIVE DIRECTOR

Ms. Liu, 57, was appointed as a non-executive director of the Company on 28 March 2011. Ms. Liu joined COFCO in April 2005 and is currently a director, member of the Communist Party Committee and the head of the Communist Party Discipline and Inspection Team of COFCO. She was a director of COFCO Property (Group) Co., Ltd. ("COFCO Property"), a company listed in Shenzhen, until 21 July 2011. Prior to joining COFCO, she was deputy director of the Propaganda and Education Bureau of the Propaganda Department of the Communist Party of China. Ms. Liu has more than 20 years of experience in legal affairs, general management, government relation, public relation, corporate culture development, organization development and propaganda and education.

Ms. Liu graduated from Beijing Normal University with a Bachelor's degree in history and holds an Executive Master of Business Administration degree from Cheung Kong Graduate School of Business.



LIU DING 柳丁

柳丁

非執行董事

柳女士，現年57歲，於2011年3月28日獲委任為本公司非執行董事。柳女士於2005年4月加入中糧公司工作，現為中糧公司董事、黨組成員及紀檢組組長。她曾擔任深圳上市公司中糧地產(集團)股份有限公司(「中糧地產」)董事直至2011年7月21日。在加入中糧公司前，她曾任中共中央宣傳部宣傳教育局副局長。柳女士在法律事務、綜合性管理、政府關係、公共關係、企業文化建設、組織發展及宣傳教育等方面有超過20年的經驗。

柳女士畢業於北京師範大學並獲歷史學學士學位，並持有長江商學院高級工商管理碩士學位。

MA JIANPING

NON-EXECUTIVE DIRECTOR

Mr. Ma, 48, was appointed as an executive director of the Company in March 2007 and was re-designated as a non-executive director of the Company in March 2008. Mr. Ma was a deputy general manager of the Company from June 2003 to February 2008 and was a director of certain members of the Group. Mr. Ma joined COFCO in 1986 and is currently a vice president and the director of the strategy department of COFCO, a director of COFCO Property, a company listed in Shenzhen, and a non-executive director of China Mengniu, a company listed in Hong Kong. Mr. Ma has extensive experience in corporate finance, investment, strategic planning and management and worked in Japan for over five years.

Mr. Ma graduated from University of International Business and Economics in Beijing with a degree of Executive Master of Business Administration.



MA JIANPING 馬建平

馬建平

非執行董事

馬先生，現年48歲，於2007年3月獲委任為本公司執行董事，並於2008年3月調任為本公司非執行董事。馬先生曾於2003年6月至2008年2月期間擔任本公司副總經理，並為本集團若干成員公司董事。馬先生於1986年加入中糧公司，他目前為中糧公司副總裁兼戰略部總監及深圳上市公司中糧地產董事及香港上市公司中國蒙牛非執行董事。馬先生於企業融資、投資、戰略規劃及管理方面擁有廣泛經驗，並曾於日本工作逾五年。

馬先生畢業於北京對外經濟貿易大學，獲高級管理人員工商管理碩士學位。



董事及高級管理人員簡介

DIRECTORS' AND SENIOR MANAGEMENT'S PROFILE



WU WENTING 吳文婷

WU WENTING

NON-EXECUTIVE DIRECTOR

Ms. Wu, 48, was appointed as a non-executive director of the Company in March 2007. Ms. Wu joined COFCO in 1992 and is currently the director of the audit department of COFCO. Ms. Wu has extensive experience in auditing and financial management.

Ms. Wu graduated from Beijing Technology and Business University with a Bachelor of Arts degree in economics and from Central University of Finance and Economics with a Master of Arts degree in professional accounting.

吳文婷

非執行董事

吳女士，現年48歲，於2007年3月獲委任為本公司非執行董事。吳女士於1992年加入中糧公司，目前擔任中糧公司審計監察部總監。吳女士於審計及財務管理方面擁有廣泛經驗。

吳女士畢業於北京工商大學，獲經濟學學士學位，其後畢業於中央財經大學，獲專業會計學碩士學位。



STEPHEN EDWARD CLARK 祈立德

STEPHEN EDWARD CLARK

INDEPENDENT NON-EXECUTIVE DIRECTOR

Mr. Clark, 62, was appointed as an independent non-executive director of the Company in January 2005 and is currently the chairman of the audit committee and a member of the remuneration committee of the board. Mr. Clark is a joint managing director of The Anglo Chinese Investment Company, Limited, the chairman of the Takeovers and Mergers Panel and a member of the Takeovers Appeal Committee of the Securities and Futures Commission ("SFC"), a former director of the Hong Kong Securities Institute and has served as an alternate member of the Listing Committee of The Stock Exchange of Hong Kong Limited (the "Stock Exchange"). Mr. Clark has extensive experience in corporate finance.

Mr. Clark holds a joint honors degree of Bachelor in History and History of Art from the University of Nottingham in England and a degree of Master in Business Administration from the University of Witwatersrand, Johannesburg, South Africa.

祈立德

獨立非執行董事

祈先生，現年62歲，於2005年1月獲委任為本公司獨立非執行董事，現亦分別為董事會審核委員會主席及薪酬委員會成員。祈先生是英高投資有限公司聯席董事總經理、證券及期貨事務監察委員會（「證監會」）收購及合併委員會主席及收購上訴委員會委員、前香港證券專業學會學院董事及曾擔任香港聯合交易所有限公司（「聯交所」）上市委員會後補委員。祈先生於企業融資方面擁有廣泛經驗。

祈先生持有英國諾定咸大學歷史及藝術史學士學位及南非約翰尼斯堡維瓦特斯蘭大學工商管理碩士學位。



LI HUNG KWAN, ALFRED

INDEPENDENT NON-EXECUTIVE DIRECTOR

Mr. Li, 59, was appointed as an independent non-executive director of the Company in November 2008 and is currently a member of each of the audit committee and the nomination committee of the board. Mr. Li is currently the chairman of HM Corporate Advisory Limited. Mr. Li was a director of My Top Home (China) Holdings Limited, until January 2012. Mr. Li was a member of each of the Takeovers and Mergers Panel of SFC and the Listing Committee of the Stock Exchange and an expert member of the Finance Committee of the Kowloon Canton Railway Corporation and the chief finance officer and an executive director of Hang Lung Group Limited, a company listed in Hong Kong. Mr. Li has more than 30 years of experience in finance and accounting.

Mr. Li holds a Bachelor of Social Sciences degree in economics and sociology from The University of Hong Kong, and is a fellow member of the Hong Kong Institute of Certified Public Accountants and a member of Institute of Chartered Accountants of Scotland.

李鴻鈞

獨立非執行董事

李先生，現年59歲，於2008年11月獲委任為本公司獨立非執行董事，現亦分別為董事會審核委員會及提名委員會成員。李先生現為御用企業顧問有限公司董事長。李先生曾為滿堂紅(中國)有限公司董事直至2012年1月止。李先生曾擔任證監會收購及合併委員會委員、聯交所上市委員會委員、九廣鐵路公司財務委員會專家成員及香港上市公司恒隆集團有限公司財務總監及執行董事。李先生於財務和會計領域擁有超過三十年的經驗。

李先生持有香港大學經濟及社會科學學士學位，並為香港會計師公會資深會員及蘇格蘭特許會計師公會會員。



LI HUNG KWAN, ALFRED 李鴻鈞

YUEN TIN FAN, FRANCIS

INDEPENDENT NON-EXECUTIVE DIRECTOR

Mr. Yuen, 59, has been an independent non-executive director of the Company since 1993 and is currently the chairman of the remuneration committee and a member of each of the audit committee and the nomination committee of the board. Mr. Yuen is currently the deputy chairman of Pacific Century Regional Developments Limited, a company listed in Singapore, and an independent non-executive director of China Pacific Insurance (Group) Co., Ltd., a company listed in Shanghai and Hong Kong. Mr. Yuen was a former chief executive of the Stock Exchange from 1988 to 1991 and a non-executive director of Kee Shing (Holdings) Limited, a company listed in Hong Kong, until November 2010.

Mr. Yuen holds a Bachelor of Arts degree in economics from the University of Chicago and is currently a member of the university's board of trustees. Mr. Yuen is also the chairman of the board of trustees of Hong Kong Centre for Economic Research, a member of Shanghai People's Political Consultative Conference and a member of the board of trustees of Fudan University in Shanghai.

袁天凡

獨立非執行董事

袁先生，現年59歲，自1993年起擔任本公司獨立非執行董事，現亦分別為董事會薪酬委員會主席、審核委員會及提名委員會成員。袁先生現時亦為新加坡上市公司盈科亞洲拓展有限公司副主席及上海及香港上市公司中國太平洋保險(集團)股份有限公司獨立非執行董事。袁先生於1988年至1991年期間曾擔任聯交所行政總裁及曾擔任香港上市公司奇盛(集團)有限公司非執行董事直至2010年11月。

袁先生持有芝加哥大學經濟學文學學士學位，目前為該大學董事會成員。袁先生亦為香港經濟研究中心董事會主席、上海市政治協商會議委員及上海復旦大學董事會成員。



YUEN TIN FAN, FRANCIS 袁天凡



PROLOGUE

China Foods Limited (the “Company” or “China Foods”) has always regarded corporate social responsibilities as inherent in the sustainable development of its business and the society to which it belongs. We fulfill our corporate mission and responsibilities by “offering nutritious, healthy, delicious and quality foods and realizing maximum value for our customers, shareholders and employees”.

This report summarizes the various social responsibility programs undertaken by the Company and its subsidiaries (collectively “China Foods Group”) during the year from the perspective of our code of ethics, as well as the responsibilities that we have taken for our staff, customers, shareholders and the public at large. Through this report, you will understand more about the efforts we have taken as well as the progress we have made during the year.

FOOD SAFETY

Ensuring Food Safety from the Supply Source

- Further improved the quality and safety of suppliers and the environmental management system:
 - Strengthening management from the source, strictly implement the management of a list of qualified suppliers and strictly prohibit procurement from unqualified suppliers.
 - Carried out the classification and grading management of raw materials based on the type and importance of such materials. All suppliers are assessed continuously by the Company’s business units, including tracking and verification of the qualification documents, product inspection, quality and safety assessment of purchased goods and use of products.

前言：

中國食品有限公司(「本公司」)或(「中國食品」)一直以積極參與企業社會責任為己任，努力實現自身和社會的可持續發展，致力於「奉獻營養、健康、美味的優質食品，實現客戶、股東、員工價值最大化」的企業使命和責任。

這份報告從道德規範、本公司對員工、對顧客、對股東、對社會的責任，總結了本公司及其附屬公司(統稱「中國食品集團」)於年度內履行社會責任的各種方式，從中了解我們的努力，看到我們在年度內所取得的進步。

食品安全

從供應源頭保障食品安全

- 進一步完善供應商的品質及安全 and 環境管理制度：
 - 從源頭加強管理並嚴格實施合格供應商目錄管理，禁止採購不合格供應商之貨源。
 - 根據原料種類和重要性進行原料分類分級管理，所有的供應商接受各事業部持續動態評估，包括供應商的資料檔案、產品廠商品質驗證、工廠進貨品質安全驗收、產品使用等資訊的跟蹤與驗證。



- Further improved the audit and assessment procedures of the suppliers:

- Six suppliers were spot-checked. On-site audits which included the suppliers' quality and food safety management, production safety status, pollutant emission management, energy management and resources management were carried out. Recommendations and rectification and improvement requests were made accordingly.

Strict Management and Control of Quality Procedures

In 2011, as part of its main policy of the overall enhancement of its management policies, China Foods strictly managed and controlled the quality procedures:

- The FSSC 22000 food safety management system and ISO 9001 quality management system have been established for all subsidiaries in operation for more than one year.
- Subsidiaries were actively encouraged to implement internationally accepted product safety management systems and the International Safety Rating System (ISRS) adopted by the Group.
- Quantitative assessment standards and implementation rules were formulated for the maturity of the factory systems. The effectiveness of the Company's food safety management system was comprehensively assessed through 16 first class indicators, 71 second class indicators and 318 rules. In 2011, on-site audit and quantitative assessment of the food safety management system were arranged for all factories of the Group.

- 進一步完善供應商審核和評估程式：

- 重點抽查6家供應商。對供應商的品質和食品安全管理、生產安全狀況、污染物排放管理情況、能源和資源管理等進行現場審核，並提出改進建議和改善要求。

嚴格品質過程管理與控制

2011年中國食品以抓緊基礎管理為主線，嚴格要求品質過程管理與控制：

- 投入營運超過一年的下屬企業已全部建立FSSC 22000食品安全管理體系和ISO9001品質管制體系。
- 積極推動下屬企業實行國際通行的安全生產管理體系和本集團的ISRS安全監測系統。
- 制定工廠體系成熟度量評估標準與實施細則，通過16個一級指標、71個二級指標、318項細則全方位評估企業家食品安全管理體系運行有效性。2011年下屬工廠100%安排食品安全管理體系現場審核與量化評估。



Strict Management of Food Safety

- Food safety management was one of the indicators in the performance assessment. Each business unit has formulated a performance target that included a 100% passing rate in product quality spot check. No food safety incident occurred and no negative report was recorded and published on quality deficiencies.
- A food safety monitoring system in respect of the raw materials of agricultural products has been launched.
 - Heavy metal residue tests were carried out on 417 batches of wine and pesticide residue tests were carried out on 94 batches. All the test results complied with the product quality requirements, and no quality safety risk was identified.
- Compliance verification and tracing of the use of additives was enhanced, which completely prevented the out-of-scope use and over-use of additives. During the plasticizer crisis, self-inspection was actively carried out. A total of 74 batches of raw materials and 107 batches of finished goods were inspected, and no plasticizer was found in any raw material or product.
- During 2011, the overall performance of the food safety management of China Foods was stable and there was no food safety incident occurred.

嚴把食品安全管理關

- 將食品安全管理納入績效考核，各事業部制定了產品品質抽檢合格率100%、不發生食品安全事故及不發生負面品質報導的績效目標。
- 對涉及農產品的原料開展食品安全專項監測計畫。
 - 葡萄酒檢測417批次產品重金屬殘留、94批次農殘，均符合產品品質要求，沒有出現品質安全風險。
- 加強添加劑使用合規性核查及追溯，徹底預防添加劑超範圍、超量使用情況；在塑化劑風波中，積極開展自檢，共計排查74批次原料、107批次成品，沒有發現涉嫌原料與產品。
- 中國食品在2011年食品安全管理過程中，總體表現穩定，沒有出現食品安全事故。



Strict management of food safety
嚴把食品安全管理關



Strengthen Production Safety Management

- In respect of wine production, “data monitoring” is enhanced to ensure that the operation process is effectively monitored.
 - A filter integrity detector has been installed to replace the existing “bubble point method”. Data and decision outcome regarding the integrity of the film can be directly generated from the instrument, which raises the accuracy and controllability of the test and at the same time carries out “data monitoring” in respect of the operating process to ensure the safety and reliability in production process.

External Recognitions

- In June, the Greatwall wine received the “Most Trusted Food Brand” award and the “Most Popular Food Brand” award at the “Taste 2011-My Most Trusted Food Brand Selection” award presentation ceremony.
- In August, Fortune Brand was included in the “Seven Stars Healthy Chinese Food •Trust 100” ranking.
- In September, “The 3rd Nationwide Customer Satisfaction Evaluation Results Announcement and Press Conference” jointly organized by China General Chamber of Commerce and China Consumer Benefits Protection Fund was held in Beijing. The Greatwall wine was named one of the “Top Ten Brands Most Appreciated By Customers Across The Nation” and one of the “Top Ten Brands In The Industry Most Appreciated By Customers Across The Nation”.

加強生產過程管理

- 在葡萄酒生產過程中，加強「數據監控」及每個操作程序。
 - 引入濾芯完整性檢測儀，代替原有的「泡點檢測法」，儀器可以直接輸出資料和膜完整性的判定結果，提高了檢測的準確性和可控性，同時對操作過程進行「數據監控」，確保生產過程安全可靠。

外部認可

- 6月，長城葡萄酒在「品味2011•我最信賴的食品品牌評選」頒獎典禮上，同時獲得「最受信賴食品品牌大獎」及「最佳人氣食品品牌獎」。
- 8月，福臨門榮登「中國食品健康七星獎•信賴100」排行榜。
- 9月，由中國商業聯合會、中國保護消費者基金會在京舉辦的「第三屆全國顧客滿意度測評結果揭曉儀式暨新聞發佈會」，長城葡萄酒榮獲「全國顧客最佳滿意十大品牌」及「全國顧客滿意行業十大品牌」。





ENVIRONMENTAL PROTECTION

Environmental Protection Data

- In 2011, the total emission of chemical oxygen demand (COD) of China Foods dropped by around 18%, and the total emission of sulfur dioxide decreased by around 15%. Eleven subsidiaries of the Company obtained the internationally recognized ISO14001 environmental management system certifications.
- In 2011, China Foods continued to encourage its subsidiaries to take energy saving measures and to reduce the emission of pollutants by organizing cleaner production audits and implementing energy saving and reduction reforms. In 2011, its subsidiaries invested a total of over RMB 9 million in cleaner production projects. As a result, COD emission was reduced by 2%, and over 300 tons of standard coal was saved.
- Apart from this, China Foods' subsidiaries were encouraged to carry out energy-saving reforms and technological upgrades. The recovery rate of water in our Beijing bottling plant of COFCO Coca-Cola Beverages Limited ("COFCO Coca-Cola") could be raised to around 85% through a reverse osmosis three-stage reform. Through the carbon dioxide cooling capacity recovery and reform, potential cooling capacity was recovered in our Jinan bottling plant of COFCO Coca-Cola. Our confectionery factory in Shenzhen upgraded its high efficiency heat exchanger, significantly raising heat-exchange efficiency and saving energy.

環境保護

數字環保

- 中國食品2011年化學需氧量(「COD」)排放總量下降18%左右，二氧化硫排放總量下降15%左右。下屬企業11家通過國際公認的ISO14001環境管理體系認證。
- 2011年，中國食品通過推動下屬企業組織清潔生產審核和節能減排改造，持續推動下屬企業能源節約和降低污染物排放。2011年下屬企業共投入清潔生產資金900多萬人民幣，通過清潔生產實現COD減排2%，節約能源300多噸標煤。
- 另外，中國食品積極鼓勵下屬企業節能改造和技術更新，中糧可口可樂飲料有限公司(「中糧可口可樂」)北京裝瓶廠通過反滲透三段式改造可將水的回收率可以提高到85%左右；中糧可口可樂濟南裝瓶廠通過二氧化碳冷量回收改造進行潛在冷能回收；我們深圳的糖果生產廠也進行了高效換熱器更新，極大提高了換熱效率，節約了能源。



Reducing Consumables through Product Research and Development

- Wine business: a total of 2.4 million non-woven bags were used to replace traditional paper bags for product packaging. As a result, RMB1.7 million was saved in procurement cost and over 600 tons of paper was saved.
- Confectionery business:
 - Without affecting product quality, wrapping bags of plastic cans for jelly candies were eliminated, saving approximately RMB600,000 of consumables per year.
 - Through adjusting the shape and structure of the plastic toffee can, the weight of the PET-jar materials was reduced and packaging process was made less difficult, helping to save approximately 30 tons of packaging materials annually.
 - Iron material which consumes less energy during manufacturing process was used for chocolate gift boxes, enabling them to be reused and recycled.

從產品研發降低耗材

- 葡萄酒業務：在產品包裝上採用無紡布環保手提袋代替傳統紙質手提袋，共計240萬隻，採購成本比手提袋節約人民幣170萬元，節約了紙張600噸以上。
- 休閒食品業務：
 - 在不影響產品品質的前提下，取消果汁軟糖塑膠罐套袋的工藝，每年節約耗材約人民幣60萬元。
 - 通過對太妃糖塑膠罐造型與結構的調整，降低了PET罐材料克重及包裝工藝的難度，每年節約包裝材料30餘噸。
 - 將巧克力禮盒改為製造環節能源耗損較少的鐵質材料，更有益於重複利用和回收再利用。



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Supporting Environmental Protection through Internal Management

Low carbon office:

- A BPM platform was developed and introduced. Currently, 28 processes were already linked-up with the platform which supports the approval process and workflow system for sales, finance and human resources. This platform not only increases working efficiency, but also reduces paper waste.

Putting environmental protection into practice:

- Drafting and issuance of the China Foods Quality Safety Environmental Protection Journal.
- Organizing activities such as the “Earth Hour” and the “Energy-Saving and Emission-Reduction Week” to raise the awareness of environmental protection of our employees and increase their knowledge on environmental protection issues.

External Recognitions

- In May, COFCO Coca-Cola Beverages (Inner Mongolia) Limited received “Leadership in Energy and Environment Design” Gold Certification.
- In September, COFCO Coca-Cola Beverages (Jinan) Limited was honored as a “Pioneering Unit in Pollution Reduction and Environmental Protection”.
- In November, Hunan COFCO Coca-Cola Beverages Company Limited was named as “An Outstanding Enterprise for Water-saving” for the third consecutive year.

從內部管理支援環保

低碳辦公：

- 開發BPM平台，目前已經上線流程28支，支援銷售、財務、人事系統的審批流程和公文流轉系統，提升辦公效率，大量減少紙張耗費。

實踐環保：

- 編寫並發行《中國食品品質安全環保期刊》。
- 組織舉辦「地球一小時」、「節能減排周」等專項活動，宣傳環保知識和提高員工環保意識。

外部認可

- 5月，中糧可口可樂飲料（內蒙古）有限公司榮獲國際「能源與環境設計先鋒」金級認證。
- 9月，中糧可口可樂飲料（濟南）有限公司榮獲「污染減排及環境保護先進單位」。
- 11月，湖南中糧可口可樂飲料有限公司連續三年獲「節水優秀企業」。





- In November, COFCO Coca-Cola Beverages (Jinan) Limited received two major awards, namely “An Outstanding Enterprise for Water-saving” and “An Outstanding Enterprise for Energy-saving”.
- In November, COFCO Le conté Food (Shenzhen) Co., Ltd. was named Shenzhen’s “Outstanding Pollution-reduction Enterprise of Peng Cheng”.

SERVICING THE “THREE RURAL NEEDS” AND PROMOTING RURAL ECONOMY

To promote the development of the rural economy, China Foods has also taken the initiative to raise the income level of the farmers, to provide training for them and to create more job opportunities.

COFCO Wines & Spirits Co., Ltd. has created an innovative production base building model and adopted a cooperative style whereby “the corporation, the cooperative association and the farmers” join hands for the production of wine. This will enable the corporation and the farmers to shoulder the risks and share the benefits together, thus reducing the risk undertaken by the farmers.

- Through the implementation of unified planting, standardized technology, unified material procurement and integrated sales mode, the cooperative association effectively reduces the production cost of farmers while enhancing the standard of management in the production base.

- 11月，中糧可口可樂飲料(濟南)有限公司榮獲「節水、節能優秀企業」兩項大獎。
- 11月，中糧金帝食品(深圳)有限公司獲得深圳市「鵬城減廢先進企業」榮譽稱號。

服務「三農」及推動農村經濟

為促進農村經濟發展，中國食品帶動農民增收、培訓農民和增加農民就業崗位。

中糧酒業有限公司創新生產基地建設模式，採取「企業+合作社+農戶」的組織形式進行建設，企業與農戶形成了風險共擔、利益共用的共同體，降低農戶生產風險。

- 合作社通過統一栽培苗木、統一技術標準、統一物資採購、統一銷售的模式，降低農戶生產成本並提高了生產基地之管理水準。



- Built to a high standard, an “integrated operation, standardized production” mode is adopted for the vineyard. Pollution-free planting is implemented and production is standardized. Agricultural mechanization and automation are utilized, enormously facilitating the upgrading and industrialization of farming, increases the income of the farmers and contributes to the development of the rural economy.
- 企業通過高標準建設葡萄園，「一體化經營，標準化生產」模式，推廣無公害栽培、標準化生產，推廣農業機械化、自動化，有力推動了農業產業化升級，加快現代農業發展，帶動農民增收，為農村經濟發展做出了貢獻。



Promote pollution free planting
推廣無公害栽培

SOCIAL SERVICE

In 2011, China Foods Group actively participated in various social service programs:

- Early 2011, COFCO Wines & Spirits Co. Ltd. donated Greatwall Chateau Sungod wines which valued approximately RMB60,000 to Anhui Hope Project Office.
- In an auction of the Greatwall wine, the RMB40,000 raised was donated for charity in China.
- 年初，中糧酒業有限公司向安徽省希望工程辦公室捐贈價值約人民幣60,000元的長城桑干酒莊紅酒。
- 長城葡萄酒將酒水拍賣的人民幣40,000元，全數贈予中國慈善事業。

社會公益

2011年，中國食品集團積極參與社會公益：



- More than 1,000 staff and their family members of COFCO Coca-Cola in Beijing, Gansu, Xinjiang and Hainan participated in a tree planting and forestation campaign.
- 中糧可口可樂在北京、甘肅、新疆及海南組織員工及家屬1,000多人，共同植樹造林。



Staff of COFCO Coca-Cola and their family members participated in a tree planting and forestation campaign
中糧可口可樂員工及家屬共同植樹造林

- We donated 200 cases of edible oil to the Civil Affairs Bureau of Zunyi City, Guizhou Province to express condolences to the victims of the flooding in Zunyi.
- 向貴州省遵義市民政局捐贈食用油200箱，對遭受洪水衝擊的遵義災區人民表示慰問。
- In August, we held activities with police forces in Hainan, Hunan, Xinjiang, Jiangxi and Gansu to send our great comfort to over 10,000 traffic policemen, armed policemen and ranger policemen.
- 8月，在海南、湖南、新疆、江西、甘肅舉行「警民共建」活動慰問交警、武警、特警逾萬。



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- In August, the COFCO Shi Bo Hui Shop for the benefit of people in Chao Yang Men Wai Avenue was opened. The Company is intended to service the low-income groups in the Chaowai district, realizing the goal of providing quality products to households. Quality products at favorable prices were offered to households in difficulty, such as households living on a guaranteed minimum allowance, households that became impoverished due to serious illness and elderly people living alone in the district.
- 8月，中糧食博匯朝外惠民店開業。旨在服務朝陽門外地區低收入群體，實現優質產品放心到家，將以優質的產品和優惠的價格供給該區的低保戶、重病致貧家庭、空巢老人困難戶等困難家庭。



Opening of COFCO Shi Bo Hui Shop in Chao Yang Men Wai Avenue
中糧食博匯朝外惠民店開業

- In October, the Greatwall Chateau Sungod donated cash in the amount of RMB45,000 to the Chinese Foundation for Prevention of STD and AIDS to help the children affected by AIDS in Yunnan Province. A bottle of World Expo limited edition Greatwall Chateau Sungod wine was also donated for charity auction.
- 10月，長城桑干酒莊向中國預防性病愛滋病基金會捐贈了人民幣45,000元現金，幫助雲南省受愛滋病影響的兒童，並捐贈一瓶長城桑干世博限量酒進行慈善拍賣。



- In October, Hunan COFCO Coca-Cola Beverages Company Limited successfully organized the “Flower Supporting Scheme” bursary-awarding ceremony at the Jixin primary school in Fenghuang County. Zhai Zhihao, a torchbearer of the 26th World University Games held in Shenzhen, brought with him the torch to Changsha and did a special torch relay with the students. During the ceremony, a total of 51 poor students received bursary awards as well as fine learning materials and other in-kind donations from the caring employees.
- In November, staff at COFCO Coca-Cola Beverages (Shandong) Limited were encouraged to make donations to the needy. Bedding materials were sent to workers who came to work in Qingdao from other places, so that they could enjoy a warm winter this year.
- In December, COFCO Coca-Cola Beverages (Xinjiang) Limited donated some daily necessities and learning materials to the local children’s welfare associations.
- In December, COFCO Le conté Food (Shenzhen) Co., Ltd. donated daily necessities such as rice, noodles, food and edible oil at the “COFCO Care to Shaoguan” event to benefit the elderly in elderly homes and the children in hope schools.
- 10月，湖南中糧可口可樂飲料有限公司舉辦的「花兒援助計畫」助學金發放儀式在鳳凰縣吉信完小成功舉辦，專程從長沙趕來的深圳第26屆世界大學生運動會火炬手翟志浩特意將大運火炬帶到現場，跟在場的學生們進行了一次別開生面的火炬傳遞。本次儀式上，共有51名貧困學生獲得了本公司的愛心員工所捐贈的助學金和精美的學習生活用品。
- 11月，中糧可口可樂飲料(山東)有限公司發動內部員工進行捐獻，將大量愛心被褥送到外地工人聚集的青島市城陽新市民家園，讓他們這個冬天不再寒冷。
- 12月，中糧可口可樂飲料(新疆)有限公司向當地兒童福利院捐獻孩子們生活必需品及學習用品。
- 12月，中糧金帝食品(深圳)有限公司舉辦了「中糧關愛常伴、情暖韶關行」活動，向當地敬老院和希望小學的老人和孩子們送去米、麵、糧油等生活必需品。



COFCO Care to Shaoguan
中糧關愛常伴情暖韶關行



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External Recognitions

- In March, Zhanjiang COFCO Coca-Cola Beverages Limited was honored as the “2010 Enterprise with The Best Sense of Social Responsibility in Zhanjiang”.
- In July, “The 3rd China Social Responsibility Annual Meeting” organized by the Southern Weekly newspaper was held in Xian. During the meeting, COFCO Wines & Spirits Co., Ltd. received one of the “Top Ten China Social Responsibility Examples” awards.

外部認可

- 3月，湛江中糧可口可樂飲料有限公司榮獲2010年度「湛江市最具社會責任感企業」光榮稱號。
- 7月，由《南方週末》舉行的「第三屆中國社會責任年會」在西安舉行，中糧酒業有限公司在此次活動中獲得了「十大中國社會責任案例」的獎項。

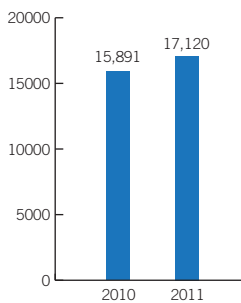
STAFF DEVELOPMENT

Information about the Staff of China Foods

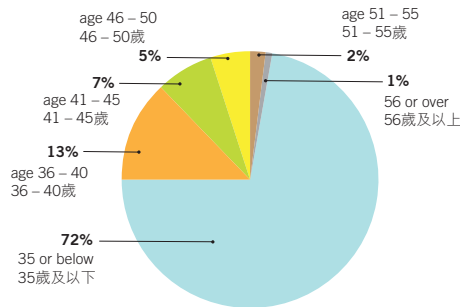
員工發展

中國食品員工基本情況

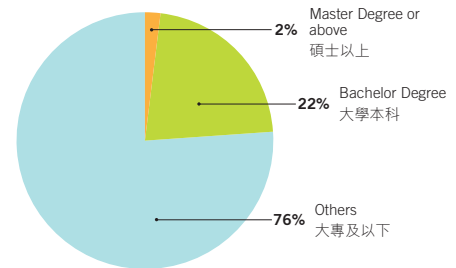
NUMBER OF STAFF IN 2011
2011 年度人員數量(人)



ANALYSIS BY AGE
年齡結構



ANALYSIS BY EDUCATION BACKGROUND
員工學歷結構



Staff Training

- During 2011, a total of 475,000 hours of training were provided to the staff of China Foods. Training time per staff exceeded 25 hours, representing an increase of 18% compared to last year.
- The Company provided different training sessions including orientation for new employees, leadership enhancement, professional skills training, etc. for managers and employees at different levels, so as to help them improve their management and professional skills. Whilst promoting organization development, it also strengthens the employees’ mission and improved their professional abilities.

員工培訓

- 2011年，中國食品全年提供員工培訓47.5萬小時，人均培訓時間超過25小時，同比增加18%。
- 本公司為不同級別的管理人員及員工提供入職引導、領導力提升及專業技能等各類培訓，幫助管理人員及員工提升管理及專業技能，在推動組織系統發展的同時，也使員工的理念強化和能力優化。



- Establishment of “China Foods Business School”. The Company has comprehensively reviewed and refined the training system and management procedures. Internal lecturers were chosen and training resources were integrated, so that an integrated internal training system covering leadership, marketing, supply chain and professional and working skills would be developed.
- 籌建「中國食品商學院」：本公司對培訓體系、管理流程進行全面梳理，選拔內部講師，整合培訓資源，形成涵蓋領導力、營銷、供應鏈、專業技能與職業技能的內部課程體系。



Staff training activity (1)
員工培訓活動(一)



Staff training activity (2)
員工培訓活動(二)

Staff Development and Motivation

- Throughout the organizational structure reforms in 2011, the Company adhered to the principle of “internal selection as well as appointing talents in a fair and just manner”. A comprehensive assessment and evaluation method was used. Talents were selected to build up the management team at each level and team members are reasonably matched to ensure that their experiences and knowledge will complement each other.

員工發展與激勵

- 在2011年組織架構調整中，本公司堅持以「公平公正、內部選拔、擇優任用」的原則，採用綜合的評價方法選拔人才，組建各級管理團隊，並通過合理的配置確保團隊成員之間的經驗和知識得以互補協調。



- During talent selections in 2011, 98% of the promotions to core positions were selected internally, providing a development platform for internal talents and establishing a benchmark for career development and an avenue for promotion.

Staff Care

- Apart from basic staff care, the Company also introduced various other measures to assist and take care of its staff, such as:
 - Actively promoting cultural and sports activities such as: workplace exercise programs, office yoga, tug of war, basketball matches, etc. in order to improve employees' health and fitness.
 - During the festivals of ethnic minorities, a half-day holiday is provided for the respective employees.
- China Foods has established a staff union system with comprehensive coverage to protect and care for the vital interests of its employees.
- A "Staff handbook" has been formulated to protect and codify the basic rights and interests of employees.

OUR RESPONSIBILITIES TO SHAREHOLDERS

Details of our responsibilities to shareholders are set out in "Communication with shareholders" and "Investor Relations" under "Corporate Governance Report" on page 102 of this annual report.

CONCLUSION

In 2011, China Foods has taken an active role in fulfilling its corporate social responsibilities, shouldering its duty in the protection of food safety. The Company has also initiated creative approaches in the process of production and sales, emphasizing a low carbon working environment. Through caring for our staff and by assuming its social obligations, the Company has played a significant part in contributing to the food industry of China.

- 在2011年的選拔中，98%被任用的核心崗位人才來自內部選拔，為更多內部人才提供了發展舞臺，為員工樹立清晰的職業發展和擢升路向。

員工關愛

- 除了基本的員工關懷，公司還開展了多項員工關愛的具體措施，例如：
 - 積極推廣工間操、辦公室瑜伽、拔河比賽、籃球賽等豐富多彩的文體活動，提升員工身體素質。
 - 在少數民族節日期間，少數民族員工放假半天。
- 中國食品成立了覆蓋全面的工會組織體系，維護員工切身利益。
- 編寫《員工手冊》，讓員工基本權益得到完善保護和規範。

對股東的責任

對股東的責任之詳情載於本年度的第102頁的「企業管治報告」內的「與股東的溝通」及「投資者關係」。

結語

2011年，中國食品積極履行企業社會責任，將維護食品安全為己任，在生產和銷售過程中進行產品的自主創新，積極回應低碳環保的號召。通過關懷員工和獻身社會公益的一些行為，為中國食品行業做出自己應有的貢獻。



INTRODUCTION

The board of directors of the Company (the “board”) firmly believes that a good and solid corporate governance framework is essential to the healthy and sustainable growth of the Company and ultimately the enhancement of long-term shareholders’ value. The board strives to adhere to corporate governance principles and adopts sound corporate governance practices in line with legal and commercial standards, and will continue to improve our corporate governance standards to ensure that our corporate governance standards meet our stakeholders’ expectations.

CORPORATE GOVERNANCE CODE

The Company adopts as its corporate governance code the Code on Corporate Governance Practices (the “Code”) contained in Appendix 14 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”). In the view of the board, the Company worked on the principles and complied with code provisions set out in the Code throughout the year ended 31 December 2011, 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. Details of our work in corporate governance is set out below.

EVOLUTION OF THE CORPORATE GOVERNANCE PRACTICES

Bearing in mind that sound corporate governance practices provide a solid foundation for sustainable growth, the Company and its subsidiaries (the “Group”) are strongly committed to continued improvement in our corporate governance. During the past few years, the Group has made a substantial effort to refine and strengthen our business operation management, risk management and internal control, policy and procedures management, information system management and also food safety management for the purpose of improving our corporate governance standards.

In 2011, China Foods implemented its organisational reform programme in order to address existing challenges and those of the future. Currently, we have completed the change in organisational structure with the establishment of a centralised regional sales platform and professional functional departments with a clear division of responsibilities. The organisational structure of China Foods comprises of a head office with its 16 functional departments, a beverages business unit, nine major sales regions, and production plants which report directly to the head office. The new management structure of China Foods clearly defines the responsibilities of its head office and its regional operations and production plants. Having identified the key risks facing our business and those which may arise during the implementation of our organisational reform, we have developed and improved systems and processes in the following areas:

- formalised our organisational structure throughout all levels of the group as part of our organisational reform, specifying the responsibilities and division of duties at all levels of the Group;

緒言

本公司董事會(「董事會」)堅信，健全而穩固的企業管治架構對本公司穩健及持續成長及最終達致股東長遠價值的提高至為重要。本公司致力遵守企業管治原則，採納健全而符合法律及商業準則的企業管治常規，並將持續提升本身企業管治水平，以確保我們的企業管治水平符合業務有關人士的期望。

企業管治守則

本公司採納《香港聯合交易所有限公司證券上市規則》(「上市規則」)附錄十四所載的《企業管治常規守則》(「守則」)作為其企業管治守則。董事會認為，截至2011年12月31日止年度，本公司已遵守載於守則中的原則及守則條文，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。有關企業管治工作詳情載於下文。

企業管治常規發展

本公司及其附屬公司(「本集團」)深知健全的企業管治常規乃持續發展的重要基礎，並持續改善我們的企業管治。在過去數年，本集團致力持續優化及加強我們的業務運作管理、風險管理及內部監控、政策及流程管理、信息系統管理，以及食品安全管理等各方面來提高我們的企業管治水平。

2011年是中國食品挑戰現狀，著眼未來，推行組織變革計劃落實。現時，我們已經完成了構建職能分工專業化、區域業務平台集中化管理的整體管理架構，形成中國食品總部16個功能組及飲料事業部，並由總部直接管理全國九個銷售大區和下屬工廠的組織體系，明確了總部、區域運作及工廠的職責劃分。針對經營和組織變革中可能出現的關鍵風險，制定和完善以下方面的制度和流程：

- 作為組織變革的一部份，制定本集團各級的組織架構，明確本集團各級的職責及分工；



EVOLUTION OF THE CORPORATE GOVERNANCE PRACTICES (continued)

- combined and streamlined over 200 business processes performed by our business units in line with China Foods' integration control requirements;
- standardised the expense approval process and authorisation limits of business units and established CRM System and BPM System;
- expanded the scope of CRM in our SAP system and so that it covers both our head office and all major sales regions;
- established a unified Quality Control System Standards and Original Equipment Manufacturer (OEM) certification, contracting with a single certification institute for all quality control system certifications;
- completed the introduction of the China Foods' Credit and Accounts Receivables Management Policy for the purpose of regulating credit rating systems, credit limits, collection and reconciliation management at the Company's head office and all major sales regions;
- reviewed and updated our accounting systems by updating our multi-level pricing and settlement system;
- revised and updated our internal compliance procedures with regard to, amongst other matters, the monitoring and approval of connected transactions, trademarks, licences and patents, legal documentation, the appointment of professional advisers and signing authorisations; and
- established a standard contract databank, to improve the efficiency in the approval and signing of contracts to reduce the legal risks in the course of the Group's business.

企業管治常規發展(續)

- 根據中國食品整合的管控要求，將事業部流程合併、梳理，梳理了200多個整體業務流程；
- 統一事業部費用審批流程、許可權和額度，通過CRM系統及BPM系統落地實施；
- 擴大SAP系統CRM模組的實施範圍，從總部到銷售大區全面使用CRM；
- 制定了統一的《品質管制體系標準》和原廠委托製造(OEM)認證標準；就品質管制體系的審核認證與單一的外部公司簽訂合同；
- 完成《中國食品信用及應收賬款管理制度》，規範公司總部和各銷售大區的信用評級、授信、催收和對賬管理；
- 重新審閱會計核算制度和更新了多級價格和結算體系；
- 修訂及更新了我們有關(包括其他事項)關連交易監控及審批、商標、專利權、法律文件、聘用專業顧問及簽署授權等內部合規程序；及
- 建立起標準合同文本庫，既提高了合同審核及簽訂的效率，又降低了公司經營過程中的法律風險。



EVOLUTION OF THE CORPORATE GOVERNANCE PRACTICES (continued)

As an ongoing commitment, the Group continues actively to undertake its social responsibilities in various areas. Details of the Group's activities to promote its social responsibilities are set out in the corporate social responsibility report included in this annual report.

CORPORATE GOVERNANCE PRACTICES OF THE COMPANY DURING THE YEAR

Key corporate governance practices of the Company during the year are summarised below. For easy reference, the summary adopts the paragraph references in the Code.

Code ref. Corporate governance practices of the Company

A Directors

A.1 The board

A.1.1 The Company adopts the practice of holding regular board meetings at least four times a year. The information on the number of full board meetings attended by each director during the year is set out below. Figures in brackets indicate the maximum number of meetings held during the year when an individual was a board member.

企業管治常規發展(續)

作為持續的承諾，本集團堅持並積極地承擔多方面的社會責任。本集團於社會責任方面的活動詳情載列於本年報的企業社會責任報告內。

本公司於年內的企業管治常規

年內，本公司的主要企業管治常規概述如下。為方便參考，以下概要按守則段落編號編排。

守則編號 本公司的企業管治常規

A 董事

A.1 董事會

A.1.1 本公司採納每年最少召開四次董事會常會的做法。年內，各董事出席全體董事會會議的次數載列如下。括號內的數字指有關人士為董事會成員時於年內召開的最多會議次數。

Board members 董事會成員		Attendance 出席次數
Executive directors	執行董事	
Ning Gaoning (Note 1)	寧高寧(附註1)	3/(7)
Chi Jingtao (Note 2)	遲京濤(附註2)	4/(6)
Luan Xiuju (Note 3)	樂秀菊(附註3)	6/(7)
Mak Chi Wing, William	麥志榮	5/(7)
Zhang Zhentao	張振濤	5/(7)
Qu Zhe (Note 4)	曲喆(附註4)	1/(1)
Non-executive directors	非執行董事	
Liu Ding (Note 5)	柳丁(附註5)	2/(5)
Ma Jianping	馬建平	2/(7)
Wu Wenting	吳文婷	6/(7)
Wang Zhiying (Note 6)	王之盈(附註6)	1/(1)
Independent non-executive directors	獨立非執行董事	
Stephen Edward Clark	祈立德	7/(7)
Li Hung Kwan, Alfred	李鴻鈞	7/(7)
Yuen Tin Fan, Francis	袁天凡	7/(7)



企業管治報告

CORPORATE GOVERNANCE REPORT

CORPORATE GOVERNANCE PRACTICES OF THE COMPANY DURING THE YEAR (continued)

Code ref. Corporate governance practices of the Company (continued)

A Directors (continued)

A.1 The board (continued)

A.1.1 (continued)

Notes:

- (1) Mr. Ning Gaoning ceased to act as the chairman of the board with effect from 30 March 2012 but remains as an executive director of the Company.
- (2) Mr. Chi Jingtao was appointed as an executive director and the executive vice chairman of the board with effect from 10 February 2011 and became the chairman of the board with effect from 30 March 2012.
- (3) Ms. Luan Xiuju became the managing director with effect from 10 February 2011.
- (4) Mr. Qu Zhe resigned as an executive director and the managing director with effect from 10 February 2011.
- (5) Ms. Liu Ding was appointed as a non-executive director with effect from 28 March 2011.
- (6) Mr. Wang Zhiying was re-designated as a non-executive director with effect from 10 February 2011 and then resigned as a non-executive director with effect from 28 March 2011.

A.1.2 In each of the notices for regular board meetings or board committee meetings, directors or committee members are advised that they may request the inclusion of additional matters in the agenda for such meetings.

A.1.3 Notices for regular board meetings or board committee meetings are sent to directors or committee members at least fourteen days prior to such meetings. For ad hoc meetings, shorter notice may be given.

A.1.4 All board members have access to the advice and services of the company secretary to ensure that board procedures and all applicable rules and regulations are followed.

A.1.5 Minutes of board meetings and board committee meetings are kept by the company secretary and are open for inspection during office hours on reasonable notice by any director.

本公司於年內的企業管治常規(續)

守則編號 本公司的企業管治常規(續)

A 董事(續)

A.1 董事會(續)

A.1.1 (續)

附註:

- (1) 寧高寧先生自2012年3月30日起不再兼任董事會主席，但仍留任為本公司之執行董事。
- (2) 遲京濤先生自2011年2月10日起獲委任為執行董事兼董事會執行副主席，並自2012年3月30日起出任董事會主席。
- (3) 樂秀菊女士自2011年2月10日起出任董事總經理。
- (4) 曲喆先生自2011年2月10日起辭任執行董事及董事總經理。
- (5) 柳丁女士自2011年3月28日起獲委任為非執行董事。
- (6) 王之盈先生自2011年2月10日起獲調任為非執行董事；其後於2011年3月28日辭任非執行董事。

A.1.2 每份召開董事會或董事會委員會常會會議的通告均列明董事或委員會成員可要求在該等會議議程內加插額外討論事項。

A.1.3 召開董事會或董事會委員會常會會議的通告均於該等會議前最少十四天發給董事或委員會成員。就其他特別會議，則可能發出較短時間的通知。

A.1.4 所有董事會成員均可徵詢公司秘書的意見，以及獲得其服務以確保董事會程序及所有適用規則及規例均獲得遵守。

A.1.5 董事會及董事會委員會的會議記錄由公司秘書保存，任何董事在提出合理通知後，可在辦公時間內查閱。



CORPORATE GOVERNANCE PRACTICES OF THE COMPANY DURING THE YEAR (continued)

Code ref. Corporate governance practices of the Company (continued)

A Directors (continued)

A.1 *The board (continued)*

A.1.6 Minutes of board meetings and board committee meetings have recorded in sufficient detail matters considered by the board and board committees, decisions reached, including any concerns raised by directors or dissenting views expressed. Draft and final versions of minutes of board meetings and/or board committee meetings are sent to directors or committee members (as the case may be) for their comment and records respectively, in both cases within a reasonable time after the meetings. The decision of the board can be made by written resolutions authorised by all directors.

A.1.7 In connection with discharging their duties to the Company, all directors have access to independent professional advice at the Company's expense where necessary, and upon reasonable request, the board may resolve to obtain for individual directors separate independent professional advice at the Company's expense to assist them in discharging their duties to the Company.

A.1.8 Directors are required to declare their direct and indirect interests, if any, in any proposals or transactions to be considered by the board and to withdraw from the relevant meetings, as appropriate.

If a substantial shareholder or a director has a conflict of interest in any matter or transaction which the board has determined to be material, a board meeting shall be convened to deal with such matter and independent non-executive directors who, and whose associates, have no material interest in the matter or transaction shall attend such board meeting.

Should the need arise, the board will authorise an independent board committee comprising the independent non-executive directors to review, approve and monitor connected transactions (including continuing connected transactions) that are requested to be approved by the board.

A.1.9 During the year, the Company arranged appropriate insurance for directors and officers of the Group.

本公司於年內的企業管治常規(續)

守則編號 本公司的企業管治常規(續)

A 董事(續)

A.1 董事會(續)

A.1.6 董事會及董事會委員會的會議記錄已對董事會及董事會委員會所考慮事項及達致的決定作足夠仔細的記錄，其中包括董事提出的疑問或表達的反對意見。董事會及／或董事會委員會會議記錄的初稿及終稿會於會議舉行後合理時間內發送給董事或委員會成員(視乎情況而定)，初稿供他們提供意見，終稿則作為其記錄。董事會決議可以全體董事批准的書面決議方式作出。

A.1.7 全體董事就履行其對本公司的責任時，如有需要可尋求獨立專業意見，費用由本公司支付。在合理的要求下，董事會可決議為個別董事提供獨立專業意見以協助他們履行彼等對本公司的責任，費用由本公司支付。

A.1.8 董事須就董事會審議的任何建議或交易申報其直接及間接利益(如有)，並在適當情況下避席。

倘主要股東或董事在任何事項或交易中存有董事會認為有重大的利益衝突，有關事項會以召開董事會會議方式處理。在事項或交易中本身及其聯繫人均沒有重大利益的獨立非執行董事會出席有關董事會會議。

倘有需要，董事會將授權由獨立非執行董事組成的獨立董事委員會審閱、批准並監督須由董事會批准的關連交易(包括持續關連交易)。

A.1.9 年內，本公司為本集團各董事及高級員工投購了適當保險。



企業管治報告

CORPORATE GOVERNANCE REPORT

CORPORATE GOVERNANCE PRACTICES OF THE COMPANY DURING THE YEAR (continued)

Code ref. Corporate governance practices of the Company (continued)

A Directors (continued)

A.2 Chairman and chief executive officer

A.2.1 The roles of chairman and the managing director have been clearly defined in the directors' handbook of the Company to ensure their independence.

The chairman takes lead in formulating overall strategies and policies of the Company, and ensures effective performance by the board of its functions, including compliance with good corporate governance practices.

The executive vice chairman assists the chairman to oversee and give guidance to the management in order to enhance the functions of the board.

The managing director, supported by other board members and management, is responsible for managing the day-to-day business of the Company. He/she is accountable to the board for the implementation of the Company's overall strategies as well as coordination of overall business operations and regularly reports to the board.

A.2.2 With the support of executive directors and management, the chairman and the executive vice chairman ensure that all directors are properly briefed on issues arising at board meetings. This objective is achieved through the adherence to proper procedures and comprehensive agenda and papers in English and Chinese. Directors are encouraged to discuss issues and make enquiries at board meetings in their working languages, and bilingual interpretation is provided to ensure that all directors are properly informed of the issues being discussed. The chairman and the executive vice chairman encourage and facilitate the active contribution of directors in board matters and constructive relations between executive and non-executive directors.

A.2.3 With the support of executive directors and management, the chairman and the executive vice chairman ensure that board papers including supporting documents containing complete and reliable information are sent to directors or committee members at least three days before board meetings or board committee meetings.

本公司於年內的企業管治常規(續)

守則編號 本公司的企業管治常規(續)

A 董事(續)

A.2 主席及行政總裁

A.2.1 主席與董事總經理的角色在本公司董事會手冊中有清晰界定，以確保其獨立性。

主席帶領制訂本公司的整體戰略及政策，確保董事會有效發揮其職能，包括遵守良好企業管治常規。

執行副主席協助主席監督及指導管理層進一步加強董事會功能。

董事總經理在其他董事會成員及管理人員的支持下負責管理本公司的日常業務。彼須向董事會就執行本公司的整體戰略以及協調整體業務運作負責，並定期向董事會匯報。

A.2.2 在執行董事及管理層的支持下，主席及執行副主席確保董事會會議上所有董事均適當知悉當前的事項。這個目標是透過遵守正確的董事會會議程序及資料全面的中、英文會議議程及文件而達成。鼓勵董事於董事會會議上以其日常工作語言討論事項及提問，並提供雙語傳譯以確保所有董事均適當地知悉討論事項。主席及執行副主席鼓勵及促進董事全力投入董事會事務以及執行董事與非執行董事之間維持建設性的關係。

A.2.3 主席及執行副主席在執行董事及管理層的支持下確保在董事會或董事會委員會會議舉行前至少三天向董事或委員會成員發送董事會文件，其中包括載有完整及可靠資料的支持文件。



CORPORATE GOVERNANCE PRACTICES OF THE COMPANY DURING THE YEAR (continued)

Code ref. Corporate governance practices of the Company (continued)

A Directors (continued)

A.3 Board composition

A.3.1 Composition of the board, by category of directors (currently including five executive directors, three non-executive directors and three independent non-executive directors) is disclosed in all corporate communications of the Company. The Company maintains on its website an updated list of directors identifying their categories and role together with a detailed profile for each director.

Throughout the year, the Company complied with the requirement of Rule 3.10 of the Listing Rules, and the board currently includes three independent non-executive directors, namely, Messrs. Stephen Edward Clark, Li Hung Kwan, Alfred and Yuen Tin Fan, Francis.

The Company has received annual confirmation of independence from the three independent non-executive directors in compliance with Rule 3.13 of the Listing Rules. The board has assessed their independence and concluded that all the independent non-executive directors are independent according to the guidelines set out in Rule 3.13 of the Listing Rules.

A.4 Appointments, re-election and removal

A.4.1 Formal appointment letters are signed by non-executive directors and independent non-executive directors of the Company. According to the appointment letters, non-executive directors and independent non-executive directors are appointed for a term of three years and subject to re-election.

本公司於年內的企業管治常規(續)

守則編號 本公司的企業管治常規(續)

A 董事(續)

A.3 董事會組成

A.3.1 本公司所有公司通訊中已按董事類別披露董事會的組成(目前包括五名執行董事、三名非執行董事及三名獨立非執行董事)。本公司的網站提供最新董事名單，以類別及角色為識別並載列每名董事的簡介。

於整個年度內，本公司遵守了上市規則第3.10條規定，董事會目前包括三名獨立非執行董事，即祈立德先生(Mr. Stephen Edward Clark)、李鴻鈞先生及袁天凡先生。

本公司已收到三名獨立非執行董事遵守上市規則第3.13條規定，就彼等的獨立性作出的年度確認書。董事會已評估彼等的獨立性，並認為所有獨立非執行董事根據上市規則第3.13條所載列的指引均為獨立人士。

A.4 委任、重選及罷免

A.4.1 本公司非執行董事及獨立非執行董事均會簽署正式委任函件。根據委任函件，非執行董事及獨立非執行董事獲委任年期為三年，並須經重選連任。



企業管治報告

CORPORATE GOVERNANCE REPORT

CORPORATE GOVERNANCE PRACTICES OF THE COMPANY DURING THE YEAR (continued)

Code ref. Corporate governance practices of the Company (continued)

A Directors (continued)

A.4 *Appointments, re-election and removal (continued)*

A.4.2 The board as a whole is responsible for the procedures of nominating appropriate persons and appointing them either to fill a casual vacancy or as an additional director to the board.

The appointment of the executive directors of the Company was based on their qualifications and experience in relation to the Group's business. The non-executive directors (including independent non-executive directors) were appointed based on their qualifications and experience and the requirements of the Company.

Pursuant to bye-law 94 of the Company's bye-laws, each director appointed to fill a casual vacancy shall be subject to re-election by shareholders at the first general meeting after his/her appointment. During the year, both Mr. Chi Jingtao and Ms. Liu Ding, who were appointed by the board to act as an executive director and the executive vice chairman and a non-executive director with effect from 10 February 2011 and 28 March 2011, respectively, retired and were re-elected as directors of the Company at the annual general meeting held on 8 June 2011.

Pursuant to bye-law 111(A) of the Company's bye-laws, each director (including those appointed for specific terms) shall be subject to retirement by rotation at least once every three years, that is the term of appointment of each director is effectively three years. In this regard, Mr. Mak Chi Wing, William and Mr. Yuen Tin Fan, Francis shall retire and, being eligible, offer themselves for re-election at the forthcoming annual general meeting of the Company to be held on 1 June 2012 (the "2012 AGM").

The circular for the 2012 AGM will contain detailed information on the re-election of directors including biographies of all directors subject to re-election and all matters of which the shareholders should aware to ensure that shareholders make an informed decision.

本公司於年內的企業管治常規(續)

守則編號 本公司的企業管治常規(續)

A 董事(續)

A.4 委任、重選及罷免(續)

A.4.2 董事會全體負責提名合適人選及委任成員以填補董事會臨時空缺或增添董事名額的程序。

本公司的執行董事乃基於彼等的資格及其對本集團業務的經驗而委任。非執行董事(包括獨立非執行董事)的委任乃基於彼等的資格及經驗，以及本公司的需要而作出。

根據本公司細則第94條，獲委任以填補臨時空缺的每名董事須於其獲委任後的首屆股東大會上由股東重選。年內，獲董事會委任分別自2011年2月10日及2011年3月28日起為執行董事兼執行副主席及非執行董事的遲京濤先生及柳丁女士均已於2011年6月8日舉行的股東周年大會上退任並獲股東重選為本公司董事。

根據本公司細則第111(A)條，每名董事(包括設有特定委任年期的董事)須最少每三年輪席退任一次，即各董事的實際任期為三年。據此，麥志榮先生及袁天凡先生將於本公司即將於2012年6月1日舉行的股東周年大會(「2012年股東周年大會」)輪席退任，且合資格膺選連任。

2012年股東周年大會通函將載有有關重選董事詳情(包括所有須重選的董事履歷及股東須知的事宜)，以確保股東作出知情決定。



CORPORATE GOVERNANCE PRACTICES OF THE COMPANY DURING THE YEAR (continued)

Code ref. Corporate governance practices of the Company (continued)

A Directors (continued)

A.5 Responsibilities of directors

A.5.1 The Company ensures that every newly appointed director has a proper understanding of the operations and business of the Group and that he or she is fully aware of his or her responsibilities under statute and common law, the Listing Rules, applicable legal requirements and other regulatory requirements and the business and governance policies of the Company. A newly appointed director receives from the chairman, the executive vice chairman, executive directors and senior management of the Company briefings on the operations and business of the Group and/or a package containing information on directors' responsibilities and duties and other requirements upon his or her appointment.

The Company ensures that directors are apprised of legislative, regulatory and corporate governance developments relating to the Group and take these into consideration when making decisions for the Group. From time to time, the company secretary disseminates relevant materials to the directors for their reference, and the Company organises seminars on specific topics of significance or interest for directors and management staff. The Company also sponsors directors to attend professional development seminars or other programmes where necessary.

During the year, the Company arranged a site visit for directors including non-executive directors and independent non-executive directors to the Group's vineyard and winery located at Peng Lai, Shandong province in order to better understand its business operations.

In April 2011, the Company provided training to management staff of the Group on connected transaction rules.

In December 2011, the Company provided directors training on the amendments to the Main Board Listing Rules which will be implemented in year 2012.

本公司於年內的企業管治常規(續)

守則編號 本公司的企業管治常規(續)

A 董事(續)

A.5 董事的責任

A.5.1 本公司確保每位新任董事對本集團的營運及業務有適當的瞭解，以及完全知悉彼在成文法及普通法、上市規則、適用法律規定及其他監管規定以及本公司的業務及管治政策下的責任。新任董事於彼獲委任後從本公司主席、執行副主席、執行董事及高級管理層獲得有關本集團營運及業務的介紹，及／或取得載有關於董事責任及職責以及其他要求的資料。

本公司確保董事們知悉與本集團相關的法律、監管規則及企業管治發展，並於本集團事務上決策時予以考慮。公司秘書不時向董事們發放有關資訊供彼等參考。本公司亦為董事及管理人員組織有重要性的或值得關注的專題講座。如有需要，本公司亦會資助董事出席專業發展講座或其他課程。

年內，本公司安排董事包括非執行董事及獨立非執行董事實地參觀了本集團位於山東省蓬萊市的葡萄園及葡萄酒廠，藉以加深對業務的瞭解。

於2011年4月，本公司為本集團管理人員提供有關關連交易規則的培訓。

於2011年12月，本公司就2012年實行的主版《上市規則》的修訂進行了相關的董事培訓。



企業管治報告

CORPORATE GOVERNANCE REPORT

CORPORATE GOVERNANCE PRACTICES OF THE COMPANY DURING THE YEAR (continued)

Code ref. Corporate governance practices of the Company (continued)

A Directors (continued)

A.5 Responsibilities of directors (continued)

A.5.2 The board currently comprises three independent non-executive directors who bring strong independent judgment, knowledge and experience to the board's deliberations.

The independent non-executive directors take an active role in board meetings and make independent judgment on issues relating to matters or transactions of a material nature. They also take a lead when potential conflicts of interest arise. They are also members of board committees and devote sufficient amount of time and attention to the affairs of the Group including attending general meetings of the Company.

The board also comprises three non-executive directors with one of them bringing corporate finance and strategy development and management experience and the other two bringing accounting and internal audit knowledge and experience, and corporate culture development and organisation development experience to the board, respectively.

A.5.3 Each director is committed to give sufficient time and attention to the affairs of the Company. Details of each director's attendance at board meetings and board committee meetings during the year are set out in A.1.1 above and B.1.1 and C.3.1 below.

A.5.4 The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (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 year.

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 year.

本公司於年內的企業管治常規(續)

守則編號 本公司的企業管治常規(續)

A 董事(續)

A.5 董事的責任(續)

A.5.2 董事會目前包括三名獨立非執行董事，為董事會在審議事務時帶來足夠的獨立判斷、知識及經驗。

獨立非執行董事於董事會會議上擔當積極角色，並就重大事項或交易作出獨立判斷。彼等會於出現潛在利益衝突時，發揮牽頭作用。彼等亦擔任董事會委員會成員，並付出足夠時間及注意力於本集團的事務，包括出席本公司的股東大會。

董事會亦包括三名非執行董事，其中一名擁有企業財務及戰略發展及管理經驗，而另外二名則分別擁有會計及內部審計知識及企業文化建設及組織發展經驗。

A.5.3 各董事承諾彼能給予充足時間及注意力於本公司事務。年內各董事出席董事會及董事會委員會會議的詳情載於上文第A.1.1節及下文第B.1.1節及第C.3.1節。

A.5.4 本公司已採納上市規則附錄十所載《上市發行人董事進行證券交易的標準守則》(「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整個年度內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。年內，概無從任何該等僱員收到違規報告。



CORPORATE GOVERNANCE PRACTICES OF THE COMPANY DURING THE YEAR (continued)

Code ref. Corporate governance practices of the Company (continued)

A Directors (continued)

A.6 Supply of and access to information

A.6.1 Board papers including supporting documents were sent to the directors at least three days before board meetings or board committee meetings during the year.

A.6.2 The company secretary, the financial controller and other senior management of the Group attend all board meetings and board committee meetings, as appropriate, to ensure that queries raised and clarifications sought by the directors in relation to the matters to be considered at the meetings are dealt with in a timely manner, and further information is provided, if necessary.

A.6.3 All directors have access to board papers and related materials. Details are set out in A.2.3 and A.6.2 above.

B. Remuneration of directors and senior management

B.1 The level and make-up of remuneration and disclosure

B.1.1 The Company established a remuneration committee in April 2005 with specific written terms of reference which set out its authority and duties. The role of the remuneration committee is to review and make recommendations to the board on the Company's policy and structure for all remuneration of directors and senior management, to determine the specific remuneration packages of all executive directors and senior management and make recommendations to the board on the remuneration of non-executive directors.

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, namely, Mr. Chi Jingtao.

本公司於年內的企業管治常規(續)

守則編號 本公司的企業管治常規(續)

A 董事(續)

A.6 資料提供及使用

A.6.1 年內，包括支持文件在內的董事會文件於董事會或董事會委員會會議舉行前至少三天發送給董事。

A.6.2 公司秘書、財務總監及本集團其他高級管理人員出席所有董事會及董事會委員會會議(視乎情況而定)，以確保董事在會議中就其所須要考慮的事項提問及要求澄清時獲得及時回應，並獲提供進一步資料(如需要)。

A.6.3 所有董事均可查閱董事會文件及相關材料。詳情載列於上文第A.2.3及A.6.2節。

B. 董事及高級管理層薪酬

B.1 薪酬水平及組成及披露

B.1.1 本公司已於2005年4月成立薪酬委員會，並制訂載有權限及職責的書面職權範圍書。薪酬委員會的職責為檢討本公司所有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；釐定全體執行董事及高級管理人員的特定薪酬待遇；及就非執行董事的薪酬向董事會提出建議。

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。



企業管治報告

CORPORATE GOVERNANCE REPORT

CORPORATE GOVERNANCE PRACTICES OF THE COMPANY DURING THE YEAR (continued)

Code ref. Corporate governance practices of the Company (continued)

B. Remuneration of directors and senior management (continued)

B.1 *The level and make-up of remuneration and disclosure (continued)*

B.1.1 (continued)

The information on the remuneration committee meetings attended by its members during the year is set out below. Figures in brackets indicate the maximum number of remuneration committee meetings held during the year when an individual was a remuneration committee member.

Remuneration committee members 薪酬委員會成員

Attendance 出席次數

Yuen Tin Fan, Francis (<i>chairman</i>)	袁天凡(主席)
Stephen Edward Clark	祈立德
Chi Jingtao	遲京濤

2/(2)
2/(2)
2/(2)

B.1.2 The remuneration committee may consult with the chairman, the executive vice chairman and/or managing director of the Company regarding proposals for the remuneration of other executive directors. Where necessary, the remuneration committee may have access to external professional services at the Company's expense.

The work performed by the remuneration committee during the year is summarised below:

- approval of the remuneration packages of the executive vice chairman, the managing director and a newly appointed senior management for the year 2011;
- approval and submission of the recommendation in respect of the grant of share options to eligible persons under the Company's share option scheme adopted in November 2006; and
- reviewed the remuneration packages of all executive directors, non-executive directors and independent non-executive directors for the year 2011.

B.1.3 The terms of reference of the remuneration committee closely follow the requirements of the Code.

本公司於年內的企業管治常規(續)

守則編號 本公司的企業管治常規(續)

B. 董事及高級管理層薪酬(續)

B.1 薪酬水平及組成及披露(續)

B.1.1 (續)

年內，薪酬委員會成員出席薪酬委員會會議的次數載列如下。括號內的數字指有關人士為薪酬委員會成員時於年內召開的最多薪酬委員會會議次數。

B.1.2 薪酬委員會可以就其他執行董事的薪酬建議諮詢本公司主席、執行副主席及／或董事總經理。如有需要，薪酬委員會亦可索取外部專業意見，費用由本公司支付。

年內，薪酬委員會的工作概要如下：

- 批准執行副主席、董事總經理及一名新任命的高級管理人員於2011年年度的薪酬組合；
- 批准及向董事會提呈有關根據本公司於2006年11月採納之購股權計劃向合資格人士授予購股權的推薦意見；及
- 檢討2011年度所有執行董事、非執行董事及獨立非執行董事的薪酬。

B.1.3 薪酬委員會的職權範圍書遵從守則的規定。



CORPORATE GOVERNANCE PRACTICES OF THE COMPANY DURING THE YEAR (continued)

Code ref. Corporate governance practices of the Company (continued)

B. Remuneration of directors and senior management (continued)

B.1 The level and make-up of remuneration and disclosure (continued)

B.1.4 The terms of reference of the remuneration committee are published on the Company's website (www.chinafoodsltd.com).

For shareholders who do not have access to the internet, hard copies of the terms of reference of the remuneration committee are available free of charge upon request to the company secretary.

B.1.5 The human resources department of the Company, with the support of the company secretary, provides administrative support to the remuneration committee, and implements the approved remuneration packages and other human resources related decisions. The Company will pay for all professional advice and other services as required by the remuneration committee.

C. Accountability and audit

C.1 Financial reporting

C.1.1 Directors are provided with a review of the Group's major business activities and key financial information on a quarterly basis.

C.1.2 The directors acknowledge their responsibilities for preparing all information and representations contained in the financial statements of the Company for the year ended 31 December 2011. The directors consider that the financial statements have been prepared in conformity with the generally accepted accounting standards in Hong Kong, and reflect amounts that are based on the best estimates and reasonable, informed and prudent judgment of the board and the management with an appropriate consideration as to materiality. As at 31 December 2011, the directors, having made appropriate enquiries, were not aware of any material uncertainties relating to events or conditions which may cast significant doubt upon the Company's ability to continue as a going concern. Accordingly, the directors have prepared the financial statements of the Company on a going concern basis.

本公司於年內的企業管治常規(續)

守則編號 本公司的企業管治常規(續)

B. 董事及高級管理層薪酬(續)

B.1 薪酬水平及組成及披露(續)

B.1.4 薪酬委員會的職權範圍書刊載於本公司的網站(www.chinafoodsltd.com)。

未能進入網站的股東，可以免費向公司秘書索取薪酬委員會的職權範圍書的打印件。

B.1.5 本公司人力資源部在公司秘書的協助下向薪酬委員會提供行政支援，並執行獲審批的薪酬組合及其他與人力資源相關的決定。本公司承擔薪酬委員會所需一切專業意見及其他服務的費用。

C. 問責及核數

C.1 財務匯報

C.1.1 董事每季均獲提供本集團的主要業務活動回顧及主要財務資料。

C.1.2 董事確認彼等有編製本公司截至2011年12月31日止年度的財務報表所載的一切資料及陳述的責任。董事認為財務報表已遵照香港公認會計準則編製，並反映根據董事會及管理層的最佳估計、合理知情及審慎的判斷，已適當考慮到重要事項後所得的數額。於2011年12月31日，經適當查詢後，董事並不知悉有關任何事件或情況的重大不確定性可能對本公司持續經營的能力產生重大質疑。因此，董事已按照持續經營基準編製本公司的財務報表。



企業管治報告

CORPORATE GOVERNANCE REPORT

CORPORATE GOVERNANCE PRACTICES OF THE COMPANY DURING THE YEAR (continued)

Code ref. Corporate governance practices of the Company (continued)

C. Accountability and audit (continued)

C.1 Financial reporting (continued)

C.1.2 (continued)

During the year, the Company announced its annual and interim results within three months and two months respectively after the dates on which relevant financial periods ended as required under Rules 13.49(1) and (6) of the Listing Rules.

A statement by the external auditors about their reporting responsibilities is included in its report on pages 130 to 131 of this annual report.

C.1.3 The board is committed to presenting a balanced, clear and comprehensible assessment of the Company's affairs to its shareholders and the public in accordance with all statutory requirements.

C.2 Internal controls

C.2.1 The board is responsible for ensuring the Company to maintain sound and effective internal control systems to safeguard the shareholders' investment and the Company's assets.

With reference to the framework recommended by COSO, the Company conducts regular reviews of the Group's internal control system. Management is primarily responsible for the design, implementation, and maintenance of internal controls, with the board and the audit committee overseeing the actions of management and monitoring the effectiveness of the internal controls that have been put in place. Monitoring of the effectiveness of the Group's internal controls is supported by three interrelated functions, namely, internal audit, compliance and risk management and control.

The internal audit department of the Company which reports directly to the audit committee and the managing director expresses an independent and objective opinion on the effectiveness of the internal control system of the Group. The internal audit department conducts risk-based audits on the business operations of the Group in accordance with the annual audit plan approved by the audit committee. Results of internal audit activities are reported to the audit committee semi-annually.

本公司於年內的企業管治常規(續)

守則編號 本公司的企業管治常規(續)

C. 問責及核數(續)

C.1 財務匯報(續)

C.1.2 (續)

年內，本公司按照上市規則第13.49(1)及(6)條規定在有關財政期間結束後的三個月及二個月內分別公佈年度及中期業績。

外聘核數師的報告責任聲明載於本年報第130頁至第131頁內。

C.1.3 董事會致力按照所有法例規定，就本公司的事務向股東及公眾呈報全面、清晰及易於理解的評估。

C.2 內部監控

C.2.1 董事會有責任確保本公司的內部監控系統穩健妥善，以保障股東的投資及本公司的資產。

本公司參考COSO建議的框架對內部監控系統進行定期檢討。管理層主要負責設計、實施及維持內部監控，董事會及審核委員會監督管理層之行動和監察已實施的內部監控的有效性。本集團內部監控有效性的監察工作，由內部審計、合規和風險管理與監控三個相互聯繫的職能作支持。

本公司內部審計部門直接向審核委員會及董事總經理報告，對本集團內部監控系統的有效性發表獨立客觀意見。該內部審計部門根據審核委員會批准的年度審計計劃對本集團的業務運作進行以風險為主的審計。內部審計結果會每半年向審核委員會匯報。



CORPORATE GOVERNANCE PRACTICES OF THE COMPANY DURING THE YEAR (continued)

Code ref. Corporate governance practices of the Company (continued)

C. Accountability and audit (continued)

C.2 Internal controls (continued)

C.2.1 (continued)

The compliance function works closely with management of the Group on compliance with relevant legal and regulatory requirements, as well as implementation of corporate values and ethical standards throughout the Group.

The risk management and control function works closely with management of the Group to develop a systematic risk management process, and to refine policies and procedures regularly to improve the Group's internal control system.

During the year, the Company conducted specific risk assessments regarding food safety risk, authorisation risk and cost control risk and clarified the risk control and process control standards, the expected control measures, control record keeping and personnel-in-charge for these risks. The Company will assess and analyze the relevant key risks every year to enhance its risk management systems, and its process and control measures.

During the year, the internal audit department reported to the management on important audit findings and general matters of interest to the Company's management. Both internal and external auditors received positive responses from the management in respect of their recommendations for further improvements to the Group's internal control systems.

In respect of the year, the board has reviewed through the audit committee the effectiveness of the Group's internal control systems, and considered that such systems were in place and functioned effectively.

C.2.2 The audit committee was asked by the board to review and consider the adequacy of resources, qualifications and experience of staff of the Company's accounting and financial reporting function, and their training programs and budget. Details are set out in C.3.1 below.

本公司於年內的企業管治常規(續)

守則編號 本公司的企業管治常規(續)

C. 問責及核數(續)

C.2 內部監控(續)

C.2.1 (續)

合規功能與本集團管理層協作，遵守有關法律及規例之規定，並在本集團全面落實企業價值及道德標準。

風險管理與監控功能與本集團管理層緊密合作，建立有系統的風險管理流程，並優化政策及程序，以便持續改善本集團的內部監控系統。

年內，本公司對選定的食品安全風險、許可權風險及成本費用風險進行了進一步的具體的風險評估，明確了風險控制標準、控制流程標準、預期的控制措施、控制文檔和風險責任人。本公司將逐年對相關關鍵風險進行梳理和分析，完善風險管理制度、流程和措施。

年內，內部審計部門多次向管理層進行報告，內容涵蓋重要審計結果和管理層須要關注的事項，管理層對內部審計人員及外聘核數師就進一步及持續提高本集團之內部監控系統建議有正面回應。

就本年度而言，董事會經審核委員會就本集團內部監控系統效益作出檢討，並認為該等系統有效運作。

C.2.2 董事會委託審核委員會檢討及考慮本公司會計及財務匯報職能方面的資源、員工資歷及經驗是否足夠，以及員工所接受的培訓課程及有關預算是否充足。詳情載列於下文第C.3.1節。



企業管治報告

CORPORATE GOVERNANCE REPORT

CORPORATE GOVERNANCE PRACTICES OF THE COMPANY DURING THE YEAR (continued)

Code ref. Corporate governance practices of the Company (continued)

C. Accountability and audit (continued)

C.3 Audit committee

C.3.1 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 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.

Minutes of the audit committee meetings have been recorded by the company secretary in sufficient detail on the matters considered by the audit committee, decisions reached, including any concerns raised by its members or dissenting views expressed. Draft and final versions of minutes of the audit committee meetings are sent to its members for their comment and records respectively, in both cases within a reasonable time after the meetings.

The information on the audit committee meetings attended by its members during the year is set out below. Figures in brackets indicate the maximum number of audit committee meetings held during the year when an individual was an audit committee member.

Audit committee members 審核委員會成員		Attendance 出席次數
Stephen Edward Clark (<i>chairman</i>)	祈立德(主席)	2/(2)
Li Hung Kwan, Alfred	李鴻鈞	2/(2)
Yuen Tin Fan, Francis	袁天凡	2/(2)

The work performed by the audit committee during the year is summarised below:

- reviewed the financial statements for the year ended 31 December 2010;
- reviewed matters relating to the Group's financial and accounting policies and practices;

本公司於年內的企業管治常規(續)

守則編號 本公司的企業管治常規(續)

C. 問責及核數(續)

C.3 審核委員會

C.3.1 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。

審核委員會在會議中所考慮的事項及達致的決定，已由公司秘書作足夠仔細的會議記錄，其中包括其成員提出的任何疑問或表達的反對意見。審核委員會會議記錄的初稿及終稿會於會議舉行後合理時間內發送給其成員，初稿供他們提供意見，終稿則作為其記錄。

年內，審核委員會成員出席審核委員會會議的次數載列如下。括號內的數字指有關人士為審核委員會成員時於年內召開的最多審核委員會會議次數。

審核委員會於年內的工作概要如下：

- 審閱截至2010年12月31日止年度的財務報表；
- 檢討本集團採用的財務及會計政策及實務的相關事宜；



CORPORATE GOVERNANCE PRACTICES OF THE COMPANY DURING THE YEAR (continued)

Code ref. Corporate governance practices of the Company (continued)

C. Accountability and audit (continued)

C.3 *Audit committee (continued)*

C.3.1 (continued)

- reviewed continuing connected transactions for the year of 2010;
- reviewed external auditor's management letter and management's response;
- reviewed and approved the appointment of external auditors for providing non-audit services to the Group;
- recommended to the board a proposal to the shareholders to re-appoint Ernst & Young as the Company's external auditors for the year 2011;
- discussed with management the effectiveness of the Group's internal control and risk management systems;
- reviewed the internal audit results and discussed areas for further improvement in the Group's internal control system;
- reviewed and approved the internal audit plan for the year 2011;
- reviewed and assessed the adequacy of resources, qualifications and experience of staff of the Company's accounting and financial reporting function, and their training programmes;
- reviewed the interim financial statements for the six month ended 30 June 2011, with a recommendation to the board for approval;
- met with the external auditors to discuss the general scope of their audit work for the financial year ended 31 December 2011; and
- reviewed the audit fee proposal for the Group for the year 2011.

本公司於年內的企業管治常規(續)

守則編號 本公司的企業管治常規(續)

C. 問責及核數(續)

C.3 *審核委員會(續)*

C.3.1 (續)

- 審閱2010年之持續關連交易；
- 檢討外聘核數師給予管理層的審核情況說明函件及管理層的回應；
- 檢討及批准委聘外聘核數師為本集團提供非核數服務；
- 建議董事會向股東提議續聘安永會計師事務所為本公司2011年年度的外聘核數師；
- 與管理層就本集團內部監控系統及風險管理系統的有效性進行討論；
- 審閱內部審計結果及討論進一步完善本集團內部監控系統；
- 審閱及批准2011年年度的內部審計計劃；
- 檢討並評估本公司會計及財務匯報職能方面的資源、員工資歷及經驗是否足夠，以及員工所接受的培訓課程是否充足；
- 審閱截至2011年6月30日止六個月的中期財務報表並建議董事會批准；
- 與外聘核數師會面，就截至2011年12月31日財政年度核數工作的一般範圍進行討論；及
- 審閱關於本集團2011年度的核數費用建議。



企業管治報告

CORPORATE GOVERNANCE REPORT

CORPORATE GOVERNANCE PRACTICES OF THE COMPANY DURING THE YEAR (continued)

Code ref. Corporate governance practices of the Company (continued)

- C. Accountability and audit (continued)**
C.3 Audit committee (continued)
 C.3.2 No member of the audit committee is a former partner of the existing auditing firm of the Company.
- C.3.3 The terms of reference of the audit committee closely follow the requirements of the Code.
- C.3.4 The terms of reference of the audit committee are published on the Company's website (www.chinafoodsltd.com).
- For shareholders who do not have access to the internet, hard copies of the terms of reference of the audit committee are available free of charge upon request to the company secretary.
- C.3.5 The audit committee was satisfied with the audit and non-audit service fees, process and effectiveness, independence and objectivity of the Company's auditors Ernst & Young. The board agreed to the audit committee's proposal for the re-appointment of Ernst & Young as the Company's auditors for the year 2012. The recommendation will be put forward for the approval of shareholders at the 2012 AGM.

During the year, the major remuneration paid or to be payable to Ernst & Young includes the following:

Services rendered 所提供的服務		Fees paid/payable 已付／應付的費用 HK\$'000 千港元
Audit services	審計服務	2,744
Non-audit services*	非審計服務*	974
Total	合計	3,718

* Such services included tax consultancy services, interim review and compliance review relating to continuing connected transactions.

本公司於年內的企業管治常規(續)

守則編號 本公司的企業管治常規(續)

- C. 問責及核數(續)**
C.3 審核委員會(續)
 C.3.2 審核委員會成員概非本公司現有核數師事務所的前任合夥人。
- C.3.3 審核委員會的職權範圍書遵從守則的規定。
- C.3.4 審核委員會的職權範圍書刊載於本公司的網站(www.chinafoodsltd.com)。
- 未能進入網站的股東，可以免費向公司秘書索取審核委員會的職權範圍書的打印件。
- C.3.5 審核委員會信納其對本公司核數師安永會計師事務所的審計及非審計服務費用、過程及有效性，以及獨立性和客觀性。董事會同意審核委員會有關續聘安永會計師事務所為本公司2012年度核數師的建議。推薦建議將在2012年股東周年大會上提呈予股東批准。

年內，向安永會計師事務所已支付或應支付的費用包括如下：



CORPORATE GOVERNANCE PRACTICES OF THE COMPANY DURING THE YEAR (continued)

Code ref. Corporate governance practices of the Company (continued)

C. Accountability and audit (continued)

C.3 Audit committee (continued)

C.3.6 The audit committee has unrestricted access to personnel, records, external auditors and senior management, as appropriate, in the discharge of its functions.

The audit committee is authorised by the board to investigate any activity within its terms of reference, and is tasked with recommending to the board appropriate actions based on its investigations.

The senior management of the Group is required to provide adequate and timely support to the audit committee to perform its duties. The Company will pay for all professional advice and other services as required by the audit committee.

D. Delegation by the board

D.1 Management functions

D.1.1 The board, led by the chairman, is responsible for the leadership and control of the Company, formulation of overall strategies and policies, evaluation of the performance of the Group and its management, and approval of matters or transactions of a material nature or those requiring disclosure under the Listing Rules.

Management, under the leadership of the managing director, is responsible for the business and day-to-day operations of the Group and implementation of the strategies and policies set by the board. Management has been given clear directions of their powers and the circumstances when the management should report back to the board.

Each of the executive directors is delegated with individual responsibility for overseeing and monitoring the operations of specific business units or functional divisions in accordance with their respective areas of expertise.

本公司於年內的企業管治常規(續)

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C. 問責及核數(續)

C.3 審核委員會(續)

C.3.6 審核委員會在履行其職能時，可無限制地接觸合適人士、記錄、外聘核數師及高級管理人員(視乎情況而定)。

審核委員會獲董事會授權調查其職權範圍書內的任何活動，並根據有關調查向董事會建議合適的行動。

本集團的高級管理層有責任向審核委員會提供充足而及時的支持，以便彼等履行其職能。倘審核委員會有需要，本公司將支付所有專業顧問費用及其他服務費用。

D. 董事會權力的轉授

D.1 管理功能

D.1.1 董事會由主席領導，負責領導及監控本公司、制訂整體戰略及政策、評估本集團表現及管理、批准重大或根據上市規則須予以披露的事宜或交易。

管理層由董事總經理領導，負責本集團的業務及日常管理，以及落實董事會制定的戰略及政策。管理層的權力及其需向董事會進行匯報的情況均有清晰指引。

每名執行董事均獲委派各自職責，負責按照彼等各自的專業範疇監察及監督特定的業務單位或職能部門的運作。



企業管治報告

CORPORATE GOVERNANCE REPORT

CORPORATE GOVERNANCE PRACTICES OF THE COMPANY DURING THE YEAR (continued)

Code ref. Corporate governance practices of the Company (continued)

D. Delegation by the board (continued)

D.1 Management functions (continued)

D.1.2 The major responsibilities of the board include:

- reviewing and approving operational strategies and plans of the Group;
- setting and monitoring key business and financial objectives of the Group;
- monitoring the performance of the management;
- reviewing and approving policies for major activities, such as major acquisitions, investments, divestments, disposal of assets or any significant capital expenditure of the Group;
- ensuring sound and effective internal control and risk management systems; and
- reviewing and approving corporate governance policies, including setting ethical standards for the Group.

The board has delegated some of its authority and responsibilities to the audit committee, the remuneration committee and the executive committee, which are clearly set out in the terms of reference of these committees.

D.2 Board committees

D.2.1 Two board committees, namely, remuneration committee and audit committee, have been established with specific terms of reference as mentioned in B.1.1, B.1.3, C.3.1 and C.3.3 above.

On 28 March 2011, the Company established an executive committee with specific written terms of reference which set out its authority and duties. The executive committee currently consists of five executive directors, namely, Mr. Chi Jingtao (committee chairman), Ms. Luan Xiuju, Mr. Ning Gaoning, Mr. Mak Chi Wing, William and Mr. Zhang Zhentao. Under the terms of reference, the primary responsibility of the executive committee is to deal with and supervise the day-to-day business operations, management and administration of the Group.

本公司於年內的企業管治常規(續)

守則編號 本公司的企業管治常規(續)

D. 董事會權力的轉授(續)

D.1 管理功能(續)

D.1.2 董事會主要職責包括：

- 檢討及批准本集團的營運戰略及計劃；
- 制訂及監控本集團重大業務及財務目標；
- 監控管理層的表现；
- 檢討及批准重要活動的政策，如重大收購、投資、撤資、出售資產或本集團任何重大資本開支；
- 確保維持健全而有效的內部監控系統及風險管理系統；及
- 檢討及批准企業管治政策，包括確立本集團的道德風尚。

董事會已將若干權力及職責轉授予審核委員會、薪酬委員會及執行委員會，詳情清楚地載於該等委員會的職權範圍書內。

D.2 董事會轄下的委員會

D.2.1 如上文第B.1.1、B.1.3、C.3.1及C.3.3節所述，董事會轄下已成立兩個各有具體的職權範圍書的薪酬委員會及審核委員會。

董事會於2011年3月28日成立了執行委員會，並制訂載有權限及職責的書面職權範圍書。執行委員會目前由五名執行董事遲京濤先生(委員會主席)、樂秀菊女士、寧高寧先生、麥志榮先生及張振濤先生組成。根據職權範圍書，執行委員會的首要責任是處理及監督本集團日常業務的營運、管理及行政。



CORPORATE GOVERNANCE PRACTICES OF THE COMPANY DURING THE YEAR (continued)

Code ref. Corporate governance practices of the Company (continued)

D. Delegation by the board (continued)

D.2 Board committees (continued)

D.2.2 Board committees report to the board their decisions and recommendations at board meetings or such other occasions as appropriate.

E. Communication with shareholders

E.1 Effective communication

E.1.1 Separate resolutions are proposed at general meetings on each substantially separate issue, including the election of individual directors.

E.1.2 The chairman of the board was unable to attend the annual general meeting of the Company in 2011 as he had another engagement. The directors present at the meeting elected Mr. Chi Jingtao, the executive vice chairman of the Company, to chair the meeting in accordance with bye-law 73 of the Company's bye-laws.

During the year, chairmen and/or members of the audit committee and remuneration committee attended the annual general meeting of the Company held on 8 June 2011. Where transactions were subject to independent shareholders' approval, members of the independent board committees attend all general meetings for the approval of each transactions.

E.1.3 During the year, the notices for the annual general meeting and the special general meetings were sent to shareholders more than 20 clear business days and 10 clear business days, respectively before the meetings.

E.2 Voting by poll

E.2.1 During the year, the chairman of each of the annual general meeting and the special general meetings of the Company explained detailed procedures for conducting a poll and encouraged shareholders to ask questions regarding voting by poll. Tricor Progressive Limited, the Company's branch share registrar and transfer office in Hong Kong, was engaged as scrutineer to monitor and count the poll votes. Poll results were posted on the website of the Company (www.chinafoodsltd.com) and the HKExnews website of The Stock Exchange of Hong Kong Limited (www.hkexnews.hk) on the same day following the conclusion of the annual general meeting and the special general meetings.

本公司於年內的企業管治常規(續)

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D. 董事會權力的轉授(續)

D.2 董事會轄下的委員會(續)

D.2.2 董事會轄下各委員會於董事會會議或其他適當場合向董事會匯報其決定及建議。

E. 與股東的溝通

E.1 有效溝通

E.1.1 每項實質上獨立的事宜(包括選舉個別董事)均在股東大會上以個別決議案提呈。

E.1.2 本公司董事會主席因處理其他事務未能出席2011年股東周年大會。出席該次會議的董事，根據本公司細則第73條推選本公司的執行副主席遲京濤先生主持該次會議。

年內，審核委員會及薪酬委員會主席及／或成員已出席本公司於2011年6月8日舉行之股東周年大會。如須要獨立股東批准之交易，獨立董事委員會成員亦已出席批准該等交易之全部股東大會。

E.1.3 年內，召開股東周年大會及股東特別大會的通告分別於會議舉行前多於20個淨營業日及10個淨營業日向股東發送。

E.2 投票表決

E.2.1 年內，本公司股東周年大會會議及股東特別大會的主席已向股東解釋以投票方式進行表決的詳細程序，並鼓勵他們就以投票方式表決作出提問。本公司香港股份過戶登記分處卓佳廣進有限公司受聘擔任監票人監察及點算票數。投票結果於股東周年大會及股東特別大會結束後當日於本公司網站(www.chinafoodsltd.com)及香港聯合交易所有限公司披露易網站(www.hkexnews.hk)刊登。



企業管治報告 CORPORATE GOVERNANCE REPORT

INVESTOR RELATIONS

Along with the organisational reform, the mission and strategic objectives of China Foods' investor relations function have been clearly defined as follows:

Mission:

Through transparent and fair disclosure to facilitate mutual understanding between investors and the Company with a view to realising the full value of China Foods Limited.

Strategic objectives:

- 1) to raise the profile of China Foods Limited as a leading participant in the branded consumer foods industry in China in line with our strategic direction and our strategic positioning within the COFCO Group;
- 2) to build a long-term and trusting shareholder base that is willing to grow with us; and
- 3) to understand the key concerns of the investment community and provide timely feedback to management.

Besides effectively bridging the Company and the investment community through regular communications such as results announcements, post results roadshows, site visits, corporate days, conference calls, one-on-one meetings and e-mails, we have also made sustainable quality improvements in the underlying day-to-day internal management processes.

Our open and transparent communications have been well appreciated by the investment community and have been generally accepted as an improvement in corporate governance practice.

投資者關係

隨著組織改革，中國食品投資者關係職能的任務及策略目標已清晰界定如下：

使命：

為彰顯中國食品有限公司價值，透過公平透明的披露促進投資者與本公司之間的相互了解。

策略目標：

- 1) 與本公司策略導向及其在中糧集團中的策略定位相一致，提升中國食品有限公司作為在中國的消費食品行業的領導者的形象；
- 2) 奠定願與本公司共同成長的長期信任的股東基礎；及
- 3) 了解投資群的主要關注點並及時向管理層反饋。

除透過定期溝通（如業績公告、業績後路演、實地參觀、公司日、電話會議、一對一會晤及電子郵件）實現本公司與投資群之間的有效溝通外，本公司亦已對相關日常內部管理程序作出可持續質素改善。

本公司公開透明的溝通已獲得投資群好評，並就此企業管治常規的改善得到廣泛認可。



The board of directors (the “board”) is pleased to present their report and the audited financial statements of the Company and its subsidiaries (collectively the “Group”) for the year ended 31 December 2011, which were approved by the board on 30 March 2012.

PRINCIPAL ACTIVITIES

The principal activity of the Company is investment holding. Currently, the Company through its subsidiaries and associated companies operates four principal businesses involving beverage, wine, kitchen food and confectionery.

RESULTS AND DIVIDENDS

The Group’s profit for the year ended 31 December 2011 and the state of affairs of the Company and the Group as of that date are set out in the financial statements on pages 132 to 244.

The board recommended the payment of final dividend of HK4.25 cents (2010: HK3.21 cents) per share for the year ended 31 December 2011. An interim dividend of HK4.07 cents per share was paid on Friday, 21 October 2011 (2010: HK2.30 cents). Subject to shareholders’ approval at the annual general meeting to be held on Friday, 1 June 2012, the total dividend in cash for the year would be HK8.32 cents (2010: HK5.51 cents) per share, and the recommended final dividend will be payable on Friday, 29 June 2012, to shareholders of the Company whose names appear on the register of members of the Company on Monday, 18 June 2012 (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 final dividend to its enterprise shareholders other than those enterprises which are duly incorporated in the

董事會(「董事會」)同寅欣然提呈彼等於2012年3月30日批准截至2011年12月31日止年度之本公司及其附屬公司(統稱「本集團」)之報告及經審核財務報表。

主要業務

本公司之主要業務為投資控股。現時，本公司透過旗下附屬公司及聯營公司從事四項主要業務，涉及飲料、酒類、廚房食品及糖果。

業績及股息

截至2011年12月31日止年度本集團之溢利，及本公司與本集團於該日之業務狀況，載於財務報表第132頁至第244頁。

董事會建議宣派截至2011年12月31日之末期股息每股4.25港仙(2010年：3.21港仙)。中期股息每股4.07港仙已於2011年10月21日(星期五)派發(2010年：2.30港仙)。待股東於2012年6月1日(星期五)舉行之股東周年大會上批准後，年內之合計現金股息將為每股8.32港仙(2010年：5.51港仙)。建議之末期股息將於2012年6月29日(星期五)，向於2012年6月18日(星期一)(「登記日」)名列本公司股東名冊內之本公司股東支付。

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，本公司可能需要向除依法在中華人民共和國(「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)之外的企業股東派發末期股



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People's Republic of China (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.

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 final dividend after deducting the enterprise income tax of 10%. The Company will not withhold and pay income tax in respect of the final 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 Thursday, 14 June 2012.

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.

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。

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末期股息; 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末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2012年6月14日(星期四)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。

假若本公司不被認定為中國居民企業, 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。



CLOSURE OF REGISTER OF MEMBERS

For determining the shareholders' eligibility to attend and vote at the forthcoming annual general meeting, the register of members of the Company will be closed from Thursday, 31 May 2012 to Friday, 1 June 2012, both days inclusive, during which period no transfer of shares will be registered. In order to qualify for attending and voting at the forthcoming annual general meeting, all transfer documents, accompanied by the relevant share certificates must be lodged for registration 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, not later than 4:00 p.m. on Wednesday, 30 May 2012.

For determining the shareholders' entitlement to the proposed final dividend, the register of members of the Company will be closed from Friday, 15 June 2012 to Monday, 18 June 2012, both days inclusive, during which period no transfer of shares will be registered. The ex-dividend date will be Wednesday, 13 June 2012. In order to qualify for the proposed final dividend, all transfer documents, accompanied by the relevant share certificates must be lodged for registration 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, not later than 4:00 p.m. on Thursday, 14 June 2012.

暫停辦理過戶登記手續

為釐定股東出席即將舉行的股東周年大會並於會上投票之資格，本公司將於2012年5月31日(星期四)至2012年6月1日(星期五)(包括首尾兩天)暫停辦理股份過戶登記手續。為符合資格出席即將舉行的股東周年大會並於會上投票，所有辦理登記的股份過戶文件連同有關股票最遲須於2012年5月30日(星期三)下午四時正前送達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號金鐘滙中心26樓。

為釐定股東獲派建議之末期股息之權利，本公司將於2012年6月15日(星期五)至2012年6月18日(星期一)(包括首尾兩天)暫停辦理股份過戶登記手續。除淨日為2012年6月13日(星期三)。為符合資格獲派建議之末期股息，所有辦理登記的股份過戶文件連同有關股票最遲須於2012年6月14日(星期四)下午四時正前送達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號金鐘滙中心26樓。



SUMMARY FINANCIAL INFORMATION

A summary of the published results and assets, liabilities and non-controlling interests of the Group for the last five financial years, as extracted from the audited financial statements and restated/reclassified as appropriate, is set out on page 245. This summary does not form part of the audited financial statements.

PROPERTY, PLANT AND EQUIPMENT AND INVESTMENT PROPERTIES

Details of movements in the property, plant and equipment and investment properties of the Company and the Group during the year are set out in notes 14 and 15 to the financial statements, respectively.

SHARE CAPITAL

Details of movements in the Company's share capital during the year, together with the reasons therefore, are set out in note 31 to the financial statements.

SHARE OPTION SCHEME

The Company adopted a share option scheme on 21 November 2006 (the "Option Scheme"). Pursuant to the resolution passed on 28 March 2011 at the board meeting, the vesting and exercise periods for the options granted under the Option Scheme have been modified. The following are the principal terms of the Option Scheme:

1. Purpose of the Option Scheme

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 to encourage 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.

2. Participants of the Option Scheme

Participants of the Option Scheme include (i) any executive or non-executive directors (excluding independent non-executive directors) of any members of the Group; (ii) any senior executives, key technical staff, professional staff, managers and employees of any members of the Group; or (iii) any other individuals as may be proposed by the board.

財務資料概要

本集團過往五個財政年度公佈之業績、資產、負債及非控股權益概要(摘錄自經審核財務報表且經適當重列及重新分類)載於第245頁,該概要並非經審核財務報表之一部分。

物業、廠房及設備及投資物業

本公司及本集團於年內之物業、廠房及設備及投資物業變動之詳情,分別載於財務報表附註14及15。

股本

本公司於年內之股本變動詳情和相關原因載於財務報表附註31。

購股權計劃

本公司已於2006年11月21日採納購股權計劃(「購股權計劃」)。根據2011年3月28日董事會通過的一項決議,購股權計劃下的購股權歸屬期和行使期已被修訂。以下為購股權計劃之主要條款:

1. 購股權計劃之目的

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於為本公司及其股東整體利益提升本公司及其股份之價值。

2. 購股權計劃之參與者

購股權計劃之參與者包括(i)本集團任何成員公司之任何執行或非執行董事(但不包括獨立非執行董事);(ii)本集團任何成員公司之任何高級行政人員、主要技術人員、專業人員、經理及僱員;或(iii)董事會可能建議之任何其他人士。



SHARE OPTION SCHEME (continued)

3. Total number of shares available for issue under the Option Scheme

The total number of shares which may be issued upon the exercise of all options granted under the Option Scheme and all other share option schemes of the Company must not exceed 10% of the number of shares in issue from time to time. As at 31 December 2011 and at the date of this report, a total of 45,524,500 shares (representing approximately 1.63% of the issued share capital of the Company) may be issued by the Company if all options which were granted under the Option Scheme have been exercised.

4. Maximum entitlement of each participant under the Option Scheme

The total number of shares issued and to be issued upon exercise of the options granted to any grantee (including both exercised and outstanding options) in any 12-month period must not exceed 1% of the shares of the Company in issue (the "Individual Limit") at the relevant time. Any further grant of options in excess of the Individual Limit shall be subject to shareholders' approval with such grantee and his associates abstaining from voting.

5. Period within which an option must be exercised

The directors may in their absolute discretion determine the period during which an option may be exercised, save that in any event such period of time shall not exceed a period of seven years commencing on the date of acceptance of the option and expiring on the last date of such seven-year period, subject to early termination thereof as provided in the Option Scheme.

購股權計劃(續)

3. 購股權計劃項下可供發行之股份總數

根據購股權計劃及本公司所有其他購股權計劃授出之所有購股權獲行使後可予發行之股份總數不得超過本公司不時之已發行股份總數之10%。於2011年12月31日及本報告日期，倘根據購股權計劃已授出的購股權獲悉數行使，本公司可予發行之股份總數為45,524,500股股份(佔本公司已發行股本約1.63%)。

4. 購股權計劃項下每名參與者之最高限額

向任何承授人授出之購股權(包括已行使及未行使之購股權)在行使後所發行及將會發行之股份總數在任何十二個月期間內不得超過本公司於相關時間已發行股份的1%(「個別限額」)。進一步授出任何超逾個別限額之購股權須經股東批准，而有關承授人及其聯繫人均須放棄投票。

5. 購股權須予行使之期限

董事可全權酌情釐定行使購股權之期限，惟在任何情況下，該期限不得超過由接納購股權當日起計七年，並於七年期限最後一日屆滿，惟符合購股權計劃所載有關提早終止之條文者則除外。



SHARE OPTION SCHEME (continued)

6. Minimum period for which an option must be held before it can be exercised

An option must be held for a minimum period of two years from the date of grant before it can be exercised. The options granted on 27 September 2007 are subject to the following vesting schedule:

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%

The options granted after 28 March 2011 are subject to the following new vesting schedule:

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%

購股權計劃(續)

6. 購股權行使前必須持有之最短期限

購股權於行使前須自授出日期起持有最短兩年時間。於2007年9月27日授出的購股權須受以下歸屬時間表限制：

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：



SHARE OPTION SCHEME (continued)

7. Time of acceptance and the amount payable on acceptance of the option

The offer of an option made pursuant to the Option Scheme may be accepted within 28 days from the date of the offer and the amount payable on acceptance of the option is HK\$1.

8. Basis for determining the exercise price

The exercise price shall be determined by the board and shall be the higher of (a) the closing price of the shares as stated in the daily quotation sheets issued by The Stock Exchange of Hong Kong Limited (the "Stock Exchange") on the date of the offer; (b) the average closing prices of the shares as stated in the daily quotation sheets issued by the Stock Exchange for the five business days immediately preceding the date of the offer; or (c) the nominal value of a share.

9. Duration of the Option Scheme

The Option Scheme is valid until 20 November 2016.

10. Movement of share options

Details of the movements in the share options during the year ended 31 December 2011 are as follows:

購股權計劃(續)

7. 接納購股權之期限及應付款項

根據購股權計劃授出購股權之要約必須於要約日期起計二十八天內獲接納，而就接納購股權應付款項為1港元。

8. 釐定行使價之基準

行使價為董事會釐定，並須為以下三項之最高者：(a)於要約當日香港聯合交易所有限公司(「聯交所」)每日報價表所載股份收市價；(b)於緊接要約日期前五個營業日聯交所每日報價表所載股份之平均收市價；或(c)股份之面值。

9. 購股權計劃之有效期

購股權計劃之有效期於2016年11月20日屆滿。

10. 購股權之變動

截至2011年12月31日止年度，購股權之變動詳情如下：

Name or category of participants 參與者姓名及類別	Number of share options 購股權的數目					At 31.12.2011 於31.12.2011	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 year 年內授出	Exercised during the year 年內行使	Cancelled during the year 年內註銷	Lapsed during the year 年內失效				
Directors 董事									
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 Xiujia 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



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SHARE OPTION SCHEME (continued)

購股權計劃(續)

10. Movement of share options (continued)

10. 購股權之變動(續)

Name or category of participants 參與者姓名及類別	Number of share options 購股權的數目					At 31.12.2011 於31.12.2011	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 year 年內授出	Exercised during the year 年內行使	Cancelled during the year 年內註銷	Lapsed during the year 年內失效				
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
Ms. Liu Ding 柳丁女士	-	600,000 (Note 1) (附註1)	-	-	-	600,000	29.03.2011	29.03.2013 – 28.03.2018	4.910
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	-	(352,000) (Note 3) (附註3)	(290,400) (Note 4) (附註4)	(237,600) (Note 5) (附註5)	-	27.09.2007	27.09.2009 – 31.08.2011	4.952
Other employees 其他僱員	11,024,500	-	(80,000) (Note 6) (附註6)	(165,000) (Note 4) (附註4)	(175,000) (Note 5) (附註5)	10,604,500	27.09.2007	27.09.2009 – 26.09.2014	4.952
	-	25,660,000 (Note 1) (附註1)	-	(400,000) (Note 4) (附註4)	-	25,260,000	29.03.2011	29.03.2013 – 28.03.2018	4.910
	16,344,500	30,880,000	(432,000)	(855,400)	(412,600)	45,524,500			



SHARE OPTION SCHEME (continued)

10. Movement of share options (continued)

Notes:

1. The closing price of the shares of the Company immediately before the date of grant was HK\$4.800.
2. Mr. Qu Zhe resigned as an executive director of the Company with effect from 10 February 2011.
3. The weighted average closing price of the shares of the Company immediately before the dates on which the options were exercised was HK\$6.425.
4. The options unvested were cancelled during the year upon the resignations of a former executive director and certain employees of the Company.
5. The options vested were lapsed during the year upon the expiry of stipulated periods in accordance with the terms of the Option Scheme.
6. The closing price of the shares of the Company immediately before the date on which the options were exercised was HK\$6.250.

PRE-EMPTIVE RIGHTS

There are no provisions for pre-emptive rights under the Company's bye-laws or the laws of Bermuda which would oblige the Company to offer new shares on a pro rata basis to existing shareholders.

RESERVES

Details of movements in the reserves of the Company and the Group during the year are set out in note 33(b) to the financial statements and in the consolidated statement of changes in equity, respectively.

DISTRIBUTABLE RESERVES

As at 31 December 2011, the Company's reserves available for distribution, calculated in accordance with the Companies Act 1981 of Bermuda, amounted to approximately HK\$5,084,187,000.

購股權計劃(續)

10. 購股權之變動(續)

附註：

1. 於緊接授出購股權日期前，本公司股份的收市價為4.800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，本公司股份的加權平均收市價為6.425港元。
4. 年內，該等未歸屬的購股權因一名前執行董事及若干僱員辭任而被取消。
5. 年內，該等已歸屬的購股權根據購股權計劃的條款所規定的時期屆滿而失效。
6. 於緊接行使購股權日期前，本公司股份的收市價為6.250港元。

優先購買權

本公司細則或百慕達法例並無關於要求本公司須向現有股東按比例基準發售新股份之優先購買權規定。

儲備

年內，本公司及本集團之儲備變動詳情分別載於財務報表附註33(b)及綜合股本變動報表。

可供分派儲備

於2011年12月31日，本公司根據百慕達1981年公司法計算之可供分派儲備約為5,084,187,000港元。



董事會報告 DIRECTORS' REPORT

MAJOR CUSTOMERS AND SUPPLIERS

During the year, less than 3% of the Group's total sales were attributable to the Group's five largest customers. Approximately 63% of the Group's total purchases were attributable to the Group's five largest suppliers, with the largest supplier accounting for approximately 43%.

Apart from the Company's ultimate holding company, COFCO Corporation ("COFCO"), which is one of the Group's five largest suppliers, none of the directors of the Company or any of their associates or any shareholders (which, to the best knowledge of the directors, own more than 5% of the Company's issued share capital) had any beneficial interest in the other four largest suppliers or the five largest customers of the Group.

DIRECTORS

The directors of the Company during the year and up to the date of this report were:

Executive directors:

Mr. Chi Jingtao ^(Note 1)
 Ms. Luan Xiuju
 Mr. Ning Gaoning ^(Note 2)
 Mr. Mak Chi Wing, William
 Mr. Zhang Zhentao
 Mr. Qu Zhe ^(Note 3)

Non-executive directors:

Ms. Liu Ding ^(Note 4)
 Mr. Ma Jianping
 Ms. Wu Wenting
 Mr. Wang Zhiying ^(Note 5)

Independent non-executive directors:

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

Notes:

1. Mr. Chi Jingtao was appointed as an executive director and executive vice chairman of the board with effect from 10 February 2011 and became the chairman of the board with effect from 30 March 2012.
2. Mr. Ning Gaoning ceased to act as the chairman of the board with effect from 30 March 2012.
3. Ms. Qu Zhe resigned as an executive director and the managing director with effect from 10 February 2011.

主要客戶及供應商

年內，本集團對五名最大客戶的銷售額佔本集團總銷售額的比例低於3%。本集團五名最大供應商的採購額約佔本集團採購總額的63%，最大供應商約佔43%。

除本公司之最終控股公司中糧集團有限公司（「中糧公司」）為本集團五名最大供應商之一外，本公司董事或其任何聯繫人或任何股東（據董事所知擁有逾5%本公司之已發行股本者）概無於本集團其餘四名最大供應商或五名最大客戶中擁有任何實益權益。

董事

於年內及截至本報告日期，本公司董事如下：

執行董事：

遲京濤先生 ^(附註1)
 樂秀菊女士
 寧高寧先生 ^(附註2)
 麥志榮先生
 張振濤先生
 曲喆先生 ^(附註3)

非執行董事：

柳丁女士 ^(附註4)
 馬建平先生
 吳文婷女士
 王之盈先生 ^(附註5)

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

附註：

1. 遲京濤先生獲委任為執行董事及董事會執行副主席，於2011年2月10日起生效，並於2012年3月30日起出任董事會主席。
2. 寧高寧先生於2012年3月30日起不再兼任董事會主席。
3. 曲喆先生辭任執行董事及董事總經理，於2011年2月10日起生效。



DIRECTORS (continued)

Notes: (continued)

- Ms. Liu Ding was appointed as a non-executive director with effect from 28 March 2011.
- Mr. Wang Zhiying was appointed as an executive director with effect from 15 April 2010 and re-designated as a non-executive director with effect from 10 February 2011 and resigned as a non-executive director with effect from 28 March 2011.

The non-executive directors and independent non-executive directors are appointed with specific terms.

All directors are subject to retirement by rotation at least once every three years as required by bye-law 111(A) of the Company's bye-laws. Accordingly, Mr. Mak Chi Wing, William and Mr. Yuen Tin Fan, Francis will retire and, being eligible, will offer themselves for re-election at the forthcoming annual general meeting.

DIRECTORS' AND SENIOR MANAGEMENT'S PROFILE

Biographical details of the Company's directors and the Group's senior management are set out on pages 60 to 65 of this annual report.

DIRECTORS' SERVICE CONTRACTS

No director proposed for re-election at the forthcoming annual general meeting has a service contract with the Company or any of its subsidiaries which is not determinable by the Company or any of its subsidiaries within one year without payment of compensation, other than statutory compensation.

DIRECTORS' INTERESTS IN CONTRACTS

No director had a material interest, either directly or indirectly, in any contract of significance to the Group's business to which the Company, or any of its holding companies, subsidiaries or fellow subsidiaries was a party during the year.

DIRECTORS' REMUNERATION

The board is authorized by the shareholders to fix the directors' remuneration at general meetings. The directors' emoluments are determined by the board based on the recommendation by the remuneration committee with reference to their job complexity, workload and responsibilities and the Company's remuneration policy.

董事(續)

附註：(續)

- 柳丁女士獲委任為非執行董事，於2011年3月28日起生效。
- 王之盈先生獲委任為執行董事，於2010年4月15日起生效；於2011年2月10日起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。

非執行董事及獨立非執行董事具特定委任年期。

根據本公司細則第111(A)條，全體董事須最少每三年輪值退任一次。據此，麥志榮先生及袁天凡先生將退任，並符合資格在即將舉行之股東周年大會膺選連任。

董事及高級管理人員簡介

本公司董事及本集團高級管理人員簡介資料，載於本年報第60頁至第65頁。

董事服務合約

於即將舉行之股東周年大會上膺選連任之董事與本公司或其任何附屬公司之間概無訂立任何本公司或其任何附屬公司須給予賠償(法定賠償除外)始可於一年內終止之服務合約。

董事之合約權益

年內，董事概無在對本集團業務有重大影響之任何合約(本公司、其任何控股公司、附屬公司或同系附屬公司乃合約訂約方)中直接或間接擁有重大權益。

董事酬金

於股東大會上，股東授權董事會釐定董事酬金。董事薪酬乃由董事會根據薪酬委員會的建議並參照他們的工作複雜度、工作量及職責以及本公司的薪酬政策而釐定。



董事會報告 DIRECTORS' REPORT

DIRECTORS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES

As at 31 December 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 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 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:

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

Name of director 董事姓名	Capacity/ Nature of Interest 身份/權益性質	Number of shares held (Note 1) (附註1)	Number of underlying shares held 所持相關 股份數目 (Note 2) (附註2)	Total number of shares and underlying shares held 所持股份及 相關股份總數	Approximate percentage of issued shares 佔已發行股份 的概約百分比 (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%

董事於股份及相關股份之權益及淡倉

於2011年12月31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》知會本公司及聯交所（統稱「須披露權益」）之記錄如下：

(a) 於本公司之股份及相關股份之須披露權益



DIRECTORS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES (continued)

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

Notes:

1. Long positions in the shares of the Company, other than equity derivatives such as share options, warrants or convertible bonds.
2. Long positions in the underlying shares of the Company under share options granted to directors pursuant to the Option Scheme.
3. The percentages were calculated based on the total number of shares of the Company in issue as at 31 December 2011, i.e. 2,792,891,756 shares.

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

董事於股份及相關股份之權益及淡倉(續)

(a) 於本公司之股份及相關股份之須披露權益(續)

附註：

1. 本公司股份之好倉(股本衍生工具如購股權、認股權證或可換股債券除外)。
2. 根據購股權計劃向董事授出的購股權項下本公司相關股份之好倉。
3. 百分比乃根據本公司於2011年12月31日之已發行股份總數(即2,792,891,756股股份)計算。

(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/ Nature of Interest 身份/權益性質	Number of shares held 所持股份數目	Number of underlying shares held 所持相關 股份數目 (Note 1) (附註1)	Total number of shares and underlying shares held 所持股份 及相關股份總數	Approximate percentage of issued shares 佔已發行股份 的概約百分比 (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 31 December 2011, i.e., 4,038,369,839 shares.

附註：

1. 根據中國糧油購股權計劃向董事授出的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12月31日之已發行股份總數(即4,038,369,839股股份)計算。

Save as disclosed herein, as at 31 December 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12月31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

As at 31 December 2011, the interests and short positions of substantial shareholders in the shares and underlying shares of the Company as notified to the Company under Divisions 2 and 3 of Part XV of the SFO; or as recorded in the register of interests of the Company required to be kept under Section 336 of the SFO, were as follows:

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12月31日，根據證券及期貨條例第XV部第2及第3分部而知會本公司；或根據證券及期貨條例第336條記錄於本公司所存置之權益登記冊內，主要股東於本公司股份及相關股份之權益及淡倉如下：

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

於本公司股份及相關股份之好倉

Name of substantial shareholder 主要股東名稱	Number of shares held (Note 1) 所持股份數目(附註1)			Approximate percentage of issued shares 佔已發行股份的概約百分比 (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	1,922,550,331	–	1,922,550,331	68.84%
COFCO (BVI) No. 108 Limited	140,000,000	–	140,000,000	5.01%
COFCO (Hong Kong) Limited 中糧集團(香港)有限公司	10,138,000	2,062,550,331 (Note 3) (附註3)	2,072,688,331	74.21%
COFCO Corporation 中糧集團有限公司	–	2,072,688,331 (Note 4) (附註4)	2,072,688,331	74.21%

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 31 December 2011, i.e. 2,792,891,756 shares.

附註：

1. 本公司股份之好倉(股本衍生工具如購股權、認股權證或可換股債券除外)。
2. 百分比乃根據本公司於2011年12月31日之已發行股份總數(即2,792,891,756股股份)計算。



SUBSTANTIAL SHAREHOLDERS' AND OTHER PERSONS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES (continued)

3. COFCO (Hong Kong) Limited ("COFCO (HK)") was deemed to be interested in 2,062,550,331 shares in aggregate held by Wide Smart Holdings Limited ("Wide Smart") and COFCO (BVI) No. 108 Limited ("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. Chi Jingtao, an executive director and the chairman of the board, is the vice president and former director of human resources department of COFCO. Mr. Ning Gaoning, an executive director, is also the chairman of COFCO, the chairman of COFCO (HK) and a director of Wide Smart. 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, a non-executive director, is a director and a member of the communist party committee and the head of communist party discipline and inspection team of COFCO. Mr. Qu Zhe, former managing director, was an assistant president of COFCO; and Mr. Wang Zhiying, the former non-executive director, is the director of human resources department of COFCO.

Save as disclosed herein, as at 31 December 2011, the directors 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.

SUFFICIENCY OF PUBLIC FLOAT

Based on information that is publicly available to the Company and to the knowledge of the directors, at least 25% of the Company's total issued share capital was held by the public as at the date of this report.

主要股東及其他人士於股份及相關股份之權益及淡倉(續)

3. 中糧集團(香港)有限公司(「中糧香港」)被視為於Wide Smart Holdings Limited (「Wide Smart」)及COFCO (BVI) No. 108 Limited (「COFCO (BVI) 108」)(均為中糧香港的全資附屬公司)所持合共2,062,550,331股股份中擁有權益。
4. 中糧公司被視為於Wide Smart、COFCO (BVI) 108及中糧香港(均為中糧公司的全資附屬公司)所持合共2,072,688,331股股份中擁有權益。

執行董事及董事會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。執行董事寧高寧先生亦為中糧公司董事長、中糧香港董事長及Wide Smart之董事。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。非執行董事柳丁女士為中糧公司董事及黨組成員及紀檢組組長。前董事總經理曲喆先生亦曾為中糧公司總裁助理；及前非執行董事王之盈先生亦為中糧公司的人力資源部總監。

除本報告披露者外，於2011年12月31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。

足夠公眾持股量

根據本公司所得之公開資料及董事所知，於本報告日期，公眾人士持有本公司已發行股本總數至少25%。



CONTINUING CONNECTED TRANSACTIONS AND CONNECTED TRANSACTIONS

During the year, the Group, in the ordinary and usual course of business, conducted various transactions with certain connected persons of the Company including COFCO, the ultimate controlling shareholder of the Company, and its subsidiaries (including China Agri and its subsidiaries (the “China Agri Group”) and CPMC Holdings Limited (“CPMC”) and its subsidiaries (the “CPMC Group”), but excluding the Group, collectively the “COFCO Group”) and COFCO’s associates.

CONTINUING CONNECTED TRANSACTIONS

1. China Agri Purchase Agreement

On 21 November 2008, the Company and China Agri, a subsidiary of COFCO, thus a connected person of the Company, entered into a purchase agreement for a term of three years commenced from 1 January 2009 and expired on 31 December 2011 (the “China Agri Purchase Agreement”). Pursuant to the China Agri Purchase Agreement, the China Agri Group and China Agri’s associates should supply bulk edible oil and other raw materials and products and provide logistics and other related services to the Group. Details of the China Agri Purchase Agreement were disclosed in an announcement of the Company dated 21 November 2008 and a circular of the Company dated 12 December 2008 (the “December 2008 Circular”).

For the year ended 31 December 2011, the total amount paid/payable by the Group to the China Agri Group and China Agri’s associates for the purchase of edible oil and other raw materials and products and procurement of related services was approximately RMB8,524,074,000.

持續關連交易及關連交易

年內，本集團於日常及一般業務過程中與本公司若干關連人士（包括本公司最終控股股東中糧公司及其附屬公司（包括中國糧油及其附屬公司（「中國糧油集團」）及中糧包裝控股有限公司（「中糧包裝」）及其附屬公司（「中糧包裝集團」），但不包括本集團，統稱「中糧集團」）及中糧公司之聯繫人進行若干交易。

持續關連交易

1. 中國糧油採購協議

於2008年11月21日，本公司與中國糧油（其為中糧公司之附屬公司，故為本公司關連人士）訂立採購協議，自2009年1月1日起為期三年，並已於2011年12月31日屆滿（「中國糧油採購協議」）。根據中國糧油採購協議，中國糧油集團及中國糧油之聯繫人應向本集團供應食用散油及其他原材料及產品，並向本集團提供物流及其他相關服務。中國糧油採購協議的詳情於本公司日期為2008年11月21日的公告及本公司日期為2008年12月12日的通函（「2008年12月通函」）中披露。

截至2011年12月31日止年度，本集團就採購食用油及其他原材料及產品及相關服務向中國糧油集團及中國糧油之聯繫人支付／應付的總金額約為人民幣8,524,074,000元。



CONTINUING CONNECTED TRANSACTIONS (continued)

2. CPMC Purchase Agreement

On 28 November 2008, the Company and CPMC, a subsidiary of COFCO, thus a connected person of the Company, entered into a packaging materials purchase agreement for a term of three years commenced from 1 January 2009 and expired on 31 December 2011 (the "CPMC Purchase Agreement"). Pursuant to the CPMC Purchase Agreement, the CPMC Group should supply packaging materials (including miscellaneous cans and crown caps) and related parts to the Group for the production of confectionery products and the bottling production of beverage products. Details of the CPMC Purchase Agreement were disclosed in an announcement of the Company dated 1 December 2008 (the "December 2008 Announcement") and the December 2008 Circular.

For the year ended 31 December 2011, the total amount paid/payable by the Group to the CPMC Group for the purchase of packaging materials (including miscellaneous cans and crown caps) was approximately RMB8,513,000.

3. Sugar Purchase Agreement

On 28 November 2008, the Company and COFCO entered into a sugar purchase agreement for a term of three years commenced from 1 January 2009 and expired on 31 December 2011 (the "Sugar Purchase Agreement"). Pursuant to the Sugar Purchase Agreement, the Group should purchase sugar from the COFCO Group and COFCO's associates for the bottling production of beverage products. Details of the Sugar Purchase Agreement were disclosed in the December 2008 Announcement and the December 2008 Circular.

For the year ended 31 December 2011, the total amount paid/payable by the Group to the COFCO Group and COFCO's associates for the purchase of sugar was approximately RMB232,200,000.

持續關連交易(續)

2. 中糧包裝採購協議

於2008年11月28日，本公司與中糧包裝(其為中糧公司之附屬公司，故為本公司關連人士)訂立包裝材料採購協議，自2009年1月1日起為期三年，並已於2011年12月31日屆滿(「中糧包裝採購協議」)。根據中糧包裝採購協議，中糧包裝集團應向本集團為糖果產品的生產及飲料產品的裝瓶生產供應包裝材料(包括雜罐及皇冠蓋)及相關零件。中糧包裝採購協議的詳情於本公司日期為2008年12月1日的公告(「2008年12月公告」)及2008年12月通函中披露。

截至2011年12月31日止年度，本集團就採購包裝材料(包括雜罐及皇冠蓋)向中糧包裝集團支付/應付的總金額約為人民幣8,513,000元。

3. 白糖採購協議

於2008年11月28日，本公司與中糧公司訂立白糖採購協議，自2009年1月1日起為期三年，並已於2011年12月31日屆滿(「白糖採購協議」)。根據白糖採購協議，本集團應向中糧集團及中糧公司之聯繫人為飲料產品的裝瓶生產採購白糖。白糖採購協議的詳情於2008年12月公告及2008年12月通函中披露。

截至2011年12月31日止年度，本集團就採購白糖向中糧集團及中糧公司之聯繫人支付/應付的總金額約為人民幣232,200,000元。



CONTINUING CONNECTED TRANSACTIONS (continued)

4. Beverage Base Purchase Agreement

On 28 November 2008, the Company and Tianjin Jin Mei Beverage Company Limited (“Tianjin Jin Mei”), a connected person of the Company, entered into a beverage base purchase agreement for a term of three years commenced from 1 January 2009 and expired on 31 December 2011 (the “Beverage Base Purchase Agreement”). Pursuant to the Beverage Base Purchase Agreement, bottlers of the Group should purchase beverage base from Tianjin Jin Mei at prices determined by Coca-Cola Beverages (Shanghai) Company Limited (“Coca-Cola (Shanghai)”). Details of the Beverage Base Purchase Agreement were disclosed in the December 2008 Announcement and the December 2008 Circular.

For the year ended 31 December 2011, the total amount paid/payable by the Group to Tianjin Jin Mei for the purchase of beverage base was approximately RMB31,070,000.

5. Concentrate Purchase Agreement

On 28 November 2008, the Company and Coca-Cola (Shanghai), a connected person of the Company, entered into a concentrate purchase agreement for a term of three years commenced from 1 January 2009 and expired on 31 December 2011 (the “Concentrate Purchase Agreement”). Pursuant to the Concentrate Purchase Agreement, bottlers of the Group should purchase concentrate from Coca-Cola (Shanghai) at prices determined by Coca-Cola (Shanghai). Details of the Concentrate Purchase Agreement were disclosed in the December 2008 Announcement and the December 2008 Circular.

For the year ended 31 December 2011, the total amount paid/payable by the Group to Coca-Cola (Shanghai) for the purchase of concentrate was approximately RMB968,190,000.

持續關連交易(續)

4. 飲料主劑採購協議

於2008年11月28日，本公司與天津津美飲料有限公司「天津津美」(其為本公司關連人士)訂立飲料主劑採購協議，自2009年1月1日起為期三年，並已於2011年12月31日屆滿(「飲料主劑採購協議」)。根據飲料主劑採購協議，本集團裝瓶廠應向天津津美採購飲料主劑，價格由可口可樂飲料(上海)有限公司(「可口可樂(上海)」)釐定。飲料主劑採購協議的詳情於2008年12月公告及2008年12月通函中披露。

截至2011年12月31日止年度，本集團就採購飲料主劑向天津津美支付／應付的總金額約為人民幣31,070,000元。

5. 濃縮液採購協議

於2008年11月28日，本公司與可口可樂(上海)(其為本公司關連人士)訂立濃縮液採購協議，自2009年1月1日起為期三年，並已於2011年12月31日屆滿(「濃縮液採購協議」)。根據濃縮液採購協議，本集團裝瓶廠應按可口可樂(上海)釐訂的價格從可口可樂(上海)採購濃縮液。濃縮液採購協議的詳情於2008年12月公告及2008年12月通函中披露。

截至2011年12月31日止年度，本集團就採購濃縮液向可口可樂(上海)支付／應付的總金額約為人民幣968,190,000元。



CONTINUING CONNECTED TRANSACTIONS (continued)

6. Still Beverages Purchase Agreement

On 28 November 2008, the Company and Coca-Cola Bottlers Manufacturing (Dongguan) Co. Ltd. (“Coca-Cola (Dongguan)”), a connected person of the Company, entered into a still beverages purchase agreement for a term of three years commenced from 1 January 2009 and expired on 31 December 2011 (the “Still Beverages Purchase Agreement”). Pursuant to the Still Beverages Purchase Agreement, Coca-Cola (Dongguan) and its associates (the “Coca-Cola (Dongguan) Group”) should supply still beverages to bottlers of the Group for distribution and resale within designated areas in the PRC. Details of the Still Beverages Purchase Agreement were disclosed in the December 2008 Announcement and the December 2008 Circular.

For the year ended 31 December 2011, the total amount paid/payable by the Group to the Coca-Cola (Dongguan) Group for the purchase of still beverages was approximately RMB1,924,910,000.

7. Zijiang Packaging Materials Purchase Agreement

On 25 November 2008, Tianjin Coca-Cola Beverages Co., Ltd. (the “Tianjin Bottler”), a deemed subsidiary of the Company, and Tianjin Shifa Zijiang Packaging Co., Ltd. (“Zijiang”), a connected person of the Company, renewed the term of a packaging materials purchase agreement entered into between the parties in August 2001 for a term of two years and ten months commenced from 1 January 2009 and expired on 31 October 2011 (the “Zijiang Packaging Materials Purchase Agreement”). Tianjin Bottler and Zijiang entered into a supplemental agreement on 30 October 2011 to extend the expiry date of the Zijiang Packaging Materials Purchase Agreement to 31 December 2011. Pursuant to the Zijiang Packaging Materials Purchase Agreement, Zijiang should supply packaging materials and provide conversion services to the Tianjin Bottler. Details of the Zijiang Packaging Materials Purchase Agreement were disclosed in the December 2008 Announcement and the December 2008 Circular.

For the year ended 31 December 2011, the total amount paid/payable by the Tianjin Bottler to Zijiang for the purchase of packaging materials was approximately RMB60,420,000.

持續關連交易(續)

6. 非碳酸(不含氣)飲料採購協議

於2008年11月28日，本公司與可口可樂裝瓶商生產(東莞)有限公司(「可口可樂(東莞)」)(其為本公司關連人士)訂立非碳酸(不含氣)飲料採購協議，自2009年1月1日為期三年，並已於2011年12月31日屆滿(「非碳酸(不含氣)飲料採購協議」)。根據非碳酸(不含氣)飲料採購協議，可口可樂(東莞)及其聯繫人(「可口可樂(東莞)集團」)應向本集團裝瓶廠供應非碳酸(不含氣)飲料於中國指定區域內分銷及轉售。非碳酸(不含氣)飲料採購協議的詳情於2008年12月公告及2008年12月通函中披露。

截至2011年12月31日止年度，本集團就採購非碳酸(不含氣)飲料向可口可樂(東莞)集團支付/應付的總金額約為人民幣1,924,910,000元。

7. 紫江包裝材料採購協議

於2008年11月25日，天津可口可樂飲料有限公司(「天津裝瓶廠」)(視為本公司的附屬公司)與天津實發一紫江包裝有限公司(「紫江」)(其為本公司關連人士)就雙方於2001年8月訂立的包裝材料採購協議續期，自2009年1月1日起至2011年10月31日止，為期兩年零十個月(「紫江包裝材料採購協議」)。天津裝瓶廠與紫江於2011年10月30日訂立補充協議將紫江包裝材料採購協議的到期日展期至2011年12月31日。根據紫江包裝材料採購協議，紫江應向天津裝瓶廠供應包裝材料及提供來料加工服務。紫江包裝材料採購協議的詳情於2008年12月公告及2008年12月通函中披露。

截至2011年12月31日止年度，天津裝瓶廠就採購包裝材料向紫江支付/應付的總金額約為人民幣60,420,000元。



CONTINUING CONNECTED TRANSACTIONS (continued)

8. Cocoa Butter Purchase Agreement

On 24 February 2009, COFCO Le conté Food (Shenzhen) Co., Ltd. ("COFCO Le conté"), a wholly-owned subsidiary of the Company, and Shanghai Tiangong Coca Food Co., Ltd. ("Shanghai Tiangong"), a connected person of the Company, entered into a cocoa butter purchase agreement for a term commenced from 24 February 2009 and expired on 31 December 2011 (the "Cocoa Butter Purchase Agreement"). Pursuant to the Cocoa Butter Purchase Agreement, COFCO Le conté should purchase cocoa butter for the production of confectionery products from Shanghai Tiangong. Details of the Cocoa Butter Purchase Agreement were disclosed in an announcement of the Company dated 24 February 2009.

For the year ended 31 December 2011, no transaction was conducted under the Cocoa Butter Purchase Agreement.

9. Property Leasing and Property Management Services Agreement

On 2 November 2009, the Company and COFCO entered into a property leasing and property management services agreement (the "Property Leasing and Property Management Services Agreement"), for a term commenced from 2 November 2009 and expired on 31 December 2011. Pursuant to the Property Leasing and Property Management Services Agreement, the Group should lease from the COFCO Group and COFCO's associates various premises for their own use as offices and warehouses in Hong Kong and the PRC, as applicable. The COFCO Group and COFCO's associates would also provide property management services, property management related food and beverage services and other related services to the Group. Details of the Property Leasing and Property Management Services Agreement were disclosed in an announcement of the Company dated 3 November 2009.

For the year ended 31 December 2011, the total amount of rentals and management fees paid/payable by the Group to the COFCO Group and COFCO's associates was approximately RMB29,714,000.

持續關連交易(續)

8. 可可脂採購協議

於2009年2月24日，本公司的全資附屬公司中糧金帝食品(深圳)有限公司(「中糧金帝」)與上海天工可可食品有限公司(「上海天工」)(其為本公司關連人士)訂立可可脂採購協議，期限自2009年2月24日起，並已於2011年12月31日屆滿(「可可脂採購協議」)。根據可可脂採購協議，中糧金帝應向上海天工採購用於生產糖果產品的可可脂。可可脂採購協議的詳情於本公司日期為2009年2月24日的公告中披露。

截至2011年12月31日止年度，並無進行任何根據可可脂採購協議的交易。

9. 物業租賃及物業管理服務協議

於2009年11月2日，本公司與中糧公司訂立物業租賃及物業管理服務協議(「物業租賃及物業管理服務協議」)，期限自2009年11月2日起，並已於2011年12月31日屆滿。根據物業租賃及物業管理服務協議，本集團應向中糧集團及中糧公司之聯繫人租賃在香港及國內(視情況而定)的若干物業作為自用辦公室及倉庫。中糧集團及中糧公司之聯繫人亦會向本集團提供物業管理服務，物業管理相關的餐飲服務及其他相關服務。物業租賃及物業管理服務協議的詳情於本公司日期為2009年11月3日的公告中披露。

截至2011年12月31日止年度，本集團向中糧集團及中糧公司之聯繫人支付／應付的租金及管理費用的總金額約為人民幣29,714,000元。



CONTINUING CONNECTED TRANSACTIONS (continued)

10. CPMC Products Supply Agreement

On 13 October 2010, the Company and CPMC entered into a products supply agreement which commenced from 13 October 2010 and expired on 31 December 2011 (the “CPMC Products Supply Agreement”). Pursuant to the CPMC Products Supply Agreement, the CPMC Group should supply to the Group two-piece beverage cans and other packaging materials and products (excluding crown caps and miscellaneous cans) and ancillary parts. Details of the CPMC Products Supply Agreement and the revision of the transaction cap were disclosed in announcements of the Company dated 13 October 2010 and 10 December 2010, respectively.

For the year ended 31 December 2011, the total amount paid/payable by the Group to the CPMC Group for the purchase of two-piece beverage cans and other packaging materials and products (excluding crown caps and miscellaneous cans) and ancillary parts was approximately RMB49,690,000.

11. New COFCO Products Mutual Supply Agreement

On 31 January 2011, the Company and COFCO entered into a new products mutual supply agreement for a term of one year commenced from 31 January 2011 (the “New COFCO Products Mutual Supply Agreement”). New COFCO Products Mutual Supply Agreement was terminated on 31 December 2011. Pursuant to the New COFCO Products Mutual Supply Agreement, the COFCO Group should supply consumer-pack sugar products, honey products, tea products, peanut products, cheese products, microwave foods, vegetable and fruit juices and other products (excluding edible oils, sugar and packaging products) to the Group while the Group should supply wine products, confectionery products, sparkling beverages and still beverages, consumer-pack edible oils and other products to the COFCO Group. In addition, the COFCO Group should reimburse the Group for the expenses in connection with the promotion or sales and distribution of the products supplied by the COFCO Group (the “Expenses”). The Expenses should first be paid by the Group and then reimbursed by the COFCO Group. Details of the New COFCO Products Mutual Supply Agreement and the revision of the annual cap in relation to the products supplied by the Group to the COFCO Group were disclosed in announcements of the Company dated 31 January 2011 and 3 August 2011 (the “August 2011 Announcement”), respectively.

持續關連交易(續)

10. 中糧包裝產品供應協議

於2010年10月13日，本公司與中糧包裝訂立產品供應協議，期限自2010年10月13日起，並已於2011年12月31日屆滿(「中糧包裝產品供應協議」)。根據中糧包裝產品供應協議，中糧包裝集團應向本集團供應兩片罐(易拉罐)及其他包裝材料和產品(但不包括皇冠蓋及雜罐)及相關部件。中糧包裝產品供應協議及交易上限的修訂詳情分別載於本公司日期為2010年10月13日及2010年12月10日之公告中披露。

截至2011年12月31日止年度，本集團就採購有關兩片罐(易拉罐)及其他包裝材料和產品(但不包括皇冠蓋及雜罐)及相關部件向中糧包裝集團支付／應付的總金額約為人民幣49,690,000元。

11. 新中糧產品互供協議

於2011年1月31日，本公司與中糧公司訂立新產品互供協議，自2011年1月31日起為期一年，並已於2011年12月31日終止(「新中糧產品互供協議」)。根據新中糧產品互供協議，中糧集團應向本集團供應小包裝食用糖產品、蜂蜜產品、茶葉產品、花生產品、奶酪產品、微波替代食品、蔬果汁及其他產品(不包括食用油、白糖及包裝製品)；而本集團應向中糧集團供應酒類產品、糖果產品、碳酸飲料及非碳酸(不含氣)飲料、小包裝食用油及其他產品。此外，中糧集團應付還本集團因推廣及經銷中糧集團所供應產品而產生的有關費用(「費用」)。該等費用由本集團先行支付再由中糧集團付還。新中糧產品互供協議及有關修訂本集團向中糧集團供應產品的年度上限的詳情分別載於本公司日期為2011年1月31日的公告及2011年8月3日的公告(「2011年8月公告」)中披露。



CONTINUING CONNECTED TRANSACTIONS (continued)

11. New COFCO Products Mutual Supply Agreement (continued)

For the year ended 31 December 2011, the total amount paid/payable by the Group to the COFCO Group for the purchase of relevant products was approximately RMB83,703,000, the total amount paid/payable by the COFCO Group to the Group for the purchase of relevant products was approximately RMB78,293,000, and the total amount of the Expenses reimbursed by the COFCO Group to the Group was approximately RMB13,526,000.

12. COFCO Northsea Products Supply Agreement

On 3 August 2011, the Company and COFCO Northsea Oils & Grains Industries (Tianjin) Co., Ltd. ("COFCO Northsea"), a connected person of the Company, entered into a products supply agreement which commenced from 3 August 2011 and expired on 31 December 2011 (the "COFCO Northsea Products Supply Agreement"). Pursuant to the COFCO Northsea Products Supply Agreement, the Group should supply sunflower oil, rapeseed oil, corn oil and other products to COFCO Northsea. Details of the COFCO Northsea Products Supply Agreement were disclosed in the August 2011 Announcement.

For the year ended 31 December 2011, the total amount paid/payable by COFCO Northsea to the Group for the purchase of certain edible oils and other products was approximately RMB9,670,000.

持續關連交易(續)

11. 新中糧產品互供協議(續)

截至2011年12月31日止年度，本集團就採購有關產品向中糧集團支付／應付的總金額約為人民幣83,703,000元；而中糧集團就採購有關產品向本集團支付／應付的總金額約為人民幣78,293,000元；中糧集團向本集團付還費用的總額則為人民幣13,526,000元。

12. 中糧北海產品供應協議

於2011年8月3日，本公司與中糧北海糧油工業(天津)有限公司(「中糧北海」)(其為本公司關連人士)訂立產品供應協議，期限自2011年8月3日起，並已於2011年12月31日屆滿(「中糧北海產品供應協議」)。根據中糧北海產品供應協議，本集團應向中糧北海供應葵花籽油、菜籽油、玉米油及其他產品。中糧北海產品供應協議的詳情於2011年8月公告中披露。

截至2011年12月31日止年度，中糧北海就採購若干油脂產品及其他產品向本集團支付／應付的總金額約為人民幣9,670,000元。



CONTINUING CONNECTED TRANSACTIONS (continued)

13. 2011 Beverage Base Purchase Agreement

On 21 November 2011, the Company and Tianjin Jin Mei entered into a beverage base purchase agreement for a term of three years commencing from 1 January 2012 and expiring on 31 December 2014 (the “2011 Beverage Base Purchase Agreement”). Pursuant to the 2011 Beverage Base Purchase Agreement, members of the Group with prior approval from Tianjin Jin Mei shall purchase beverage bases from Tianjin Jin Mei at prices determined by Coca-Cola (Shanghai). The annual caps in respect of the purchase of the beverage bases by the Group for the years ending 31 December 2012, 2013 and 2014 will be RMB80 million, RMB120 million and RMB170 million, respectively. Details of the 2011 Beverage Base Purchase Agreement were disclosed in an announcement of the Company dated 21 November 2011 (the “November 2011 Announcement”).

14. 2011 Concentrate Purchase Agreement

On 21 November 2011, the Company and Coca-Cola (Shanghai) entered into a concentrate purchase agreement for a term of three years commencing from 1 January 2012 and expiring on 31 December 2014 (the “2011 Concentrate Purchase Agreement”). Pursuant to the 2011 Concentrate Purchase Agreement, members of the Group with prior written approval from Coca-Cola (Shanghai) shall purchase concentrates from Coca-Cola (Shanghai) at prices determined by Coca-Cola (Shanghai). The annual caps in respect of the purchase of the concentrates by the Group for the years ending 31 December 2012, 2013 and 2014 will be RMB2,000 million, RMB2,500 million and RMB2,900 million, respectively. Details of the 2011 Concentrate Purchase Agreement were disclosed in the November 2011 Announcement and a circular of the Company dated 12 December 2011 (the “December 2011 Circular”).

持續關連交易(續)

13. 2011年飲料主劑採購協議

於2011年11月21日，本公司與天津津美訂立飲料主劑採購協議，期限為三年，自2012年1月1日起至2014年12月31日止(「2011年飲料主劑採購協議」)。根據2011年飲料主劑採購協議，經天津津美事先書面確認的本集團成員將向天津津美採購飲料主劑，價格由可口可樂(上海)釐定。就本集團採購飲料主劑於截至2012年、2013年及2014年12月31日止各年度之年度上限將分別為人民幣8,000萬元、人民幣1.2億元及人民幣1.7億元。2011年飲料主劑採購協議的詳情於本公司日期為2011年11月21日的公告(「2011年11月公告」)中披露。

14. 2011年濃縮液採購協議

於2011年11月21日，本公司與可口可樂(上海)訂立濃縮液採購協議，期限為三年，自2012年1月1日起至2014年12月31日止(「2011年濃縮液採購協議」)。根據2011年濃縮液採購協議，經可口可樂(上海)事先書面確認的本集團成員將以可口可樂(上海)釐訂的價格向可口可樂(上海)採購濃縮液。就本集團採購濃縮液於截至2012年、2013年及2014年12月31日止各年度之年度上限將分別為人民幣20億元、人民幣25億元及人民幣29億元。2011年濃縮液採購協議的詳情於2011年11月公告及本公司日期為2011年12月12日的通函(「2011年12月通函」)中披露。



CONTINUING CONNECTED TRANSACTIONS (continued)

15. 2011 Still Beverages Purchase Agreement

On 21 November 2011, the Company and Coca-Cola (Dongguan) entered into a still beverages purchase agreement for a term of three years commencing from 1 January 2012 and expiring on 31 December 2014 (the "2011 Still Beverages Purchase Agreement"). Pursuant to the 2011 Still Beverages Purchase Agreement, members of the Group with prior written approval from The Coca-Cola Company shall purchase still beverages from the Coca-Cola (Dongguan) Group for distribution and resale within designated areas in the PRC. The annual caps in respect of the purchase of the still beverages by the Group for the years ending 31 December 2012, 2013 and 2014 will be RMB3,500 million, RMB5,500 million and RMB8,500 million, respectively. Details of the 2011 Still Beverages Purchase Agreement were disclosed in the November 2011 Announcement and the December 2011 Circular.

16. 2011 Zijiang Provision of Packaging Materials and Services Agreement

On 21 November 2011, Tianjin Bottler and Zijiang entered into a provision of packaging materials and services agreement for a term of three years commencing from 1 January 2012 and expiring on 31 December 2014 (the "2011 Zijiang Provision of Packaging Materials and Services Agreement"). Pursuant to the 2011 Zijiang Provision of Packaging Materials and Services Agreement, Zijiang shall supply packaging materials and provide conversion services to Tianjin Bottler. The annual caps in respect of the packaging materials and related services supplied by Zijiang for the years ending 31 December 2012, 2013 and 2014 will be RMB250 million, RMB300 million and RMB350 million, respectively. Details of the 2011 Zijiang Provision of Packaging Materials and Services Agreement were disclosed in the November 2011 Announcement.

持續關連交易(續)

15. 2011年不含氣飲料採購協議

於2011年11月21日，本公司與可口可樂(東莞)訂立不含氣飲料採購協議，期限為三年，自2012年1月1日起至2014年12月31日止(「2011年不含氣飲料採購協議」)。根據2011年不含氣飲料採購協議，經可口可樂公司事先書面確認的本集團成員將向可口可樂(東莞)集團採購不含氣飲料於中國指定區域內分銷及轉售。就本集團採購不含氣飲料於截至2012年、2013年及2014年12月31日止各年度之年度上限分別為人民幣35億元、人民幣55億元及人民幣85億元。2011年不含氣飲料採購協議的詳情於2011年11月公告及2011年12月通函中披露。

16. 2011年紫江包裝材料供應及服務協議

於2011年11月21日，天津裝瓶廠與紫江訂立包裝材料供應及服務協議，期限為三年，自2012年1月1日起至2014年12月31日止(「2011年紫江包裝材料供應及服務協議」)。根據2011年紫江包裝材料供應及服務協議，紫江將向天津裝瓶廠供應包裝材料及提供來料加工服務。就紫江所供應的包裝材料及相關服務於截至2012年、2013年及2014年12月31日止各年度之年度上限將分別為人民幣2.5億元、人民幣3億元及人民幣3.5億元。2011年紫江包裝材料供應及服務協議的詳情於2011年11月公告中披露。



CONTINUING CONNECTED TRANSACTIONS (continued)

17. 2011 COFCO Mutual Provision of Products and Services Agreement

On 21 November 2011, the Company and COFCO entered into a mutual provision of products and services agreement for a term of three years commencing from 1 January 2012 and expiring on 31 December 2014 (the “2011 COFCO Mutual Provision of Products and Services Agreement”). Pursuant to the 2011 COFCO Mutual Provision of Products and Services Agreement, the COFCO Group and COFCO’s associates shall supply certain oil products and other raw materials, consumer products, packaging materials and other products owned, manufactured, or resold by the COFCO Group and COFCO’s associates and provide property leasing and other services to the Group while the Group shall supply certain bulk edible oils and other raw materials and consumer products and other products owned, manufactured, or resold by the Group and provide information technology services and other services to the COFCO Group and COFCO’s associates. In addition, the COFCO Group and COFCO’s associates shall reimburse the Group for the expenses (the “Promotion and Sales and Distribution Expenses”) in connection with the promotion or sale and distribution of the certain products supplied by the COFCO Group and COFCO’s associates. The Promotion and Sales and Distribution Expenses shall first be paid by the Group and then reimbursed by the COFCO Group and COFCO’s associates. The annual caps in respect of (a) the supply of raw materials, products, services and others by the COFCO Group and COFCO’s associates to the Group for the years ending 31 December 2012, 2013 and 2014 will be RMB34,000 million, RMB44,700 million and RMB57,700 million, respectively; (b) the supply of raw materials, products, services and others by the Group to the COFCO Group and COFCO’s associates for the years ending 31 December 2012, 2013 and 2014 will be RMB5,800 million, RMB7,500 million and RMB9,200 million, respectively; and (c) the Promotion and Sales and Distribution Expenses for the years ending 31 December 2012, 2013 and 2014 will be RMB80 million, respectively. Details of the 2011 COFCO Mutual Provision of Products and Services Agreement were disclosed in the November 2011 Announcement and the December 2011 Circular.

持續關連交易(續)

17. 2011年中糧產品及服務互供協議

於2011年11月21日，本公司與中糧公司訂立產品及服務互供協議，期限為三年，自2012年1月1日起至2014年12月31日止（「2011年中糧產品及服務互供協議」）。根據2011年中糧產品及服務互供協議，中糧集團及中糧公司之聯繫人將向本集團供應若干油品及其他原材料、消費性產品、包裝材料及其他由中糧集團及中糧公司之聯繫人所擁有、生產或轉售的產品，以及提供物業租賃服務及其他服務；而本集團將向中糧集團及中糧公司之聯繫人供應若干散裝食用油及其他原材料、消費性產品及其他由本集團所擁有、生產或轉售的產品，以及提供資訊技術服務及其他服務。此外，中糧集團及中糧公司之聯繫人將付還本集團因推廣或促銷及經銷中糧集團及中糧公司之聯繫人所供應的若干產品而產生的有關費用（「推廣以及促銷及經銷費用」）。推廣以及促銷及經銷費用由本集團先行支付再由中糧集團及中糧公司之聯繫人付還。(a)就中糧集團及中糧公司之聯繫人向本集團供應原材料、產品、提供服務及其他於截至2012年、2013年及2014年12月31日止各年度之年度上限將分別為人民幣340億元、人民幣447億元及人民幣577億元；(b)就本集團向中糧集團及中糧公司之聯繫人供應原材料、產品、提供服務及其他於截至2012年、2013年及2014年12月31日止各年度之年度上限將分別為人民幣58億元、人民幣75億元及人民幣92億元；及(c)推廣以及促銷及經銷費用於截至2012年、2013年及2014年12月31日止各年度之年度上限將分別為人民幣8,000萬元。2011年中糧產品及服務互供協議的詳情於2011年11月公告及2011年12月通函中披露。



ANNUAL REVIEW OF CONTINUING CONNECTED TRANSACTIONS

Ernst & Young, the Company's auditors, was engaged to report on the Group's continuing connected transactions in accordance with Hong Kong Standard on Assurance Engagements 3000 "Assurance Engagements Other Than Audits or Reviews of Historical Financial Information" and with reference to Practice Note 740 "Auditor's Letter on Continuing Connected Transactions under the Hong Kong Listing Rules" issued by the Hong Kong Institute of Certified Public Accountants. Ernst & Young have issued their unqualified letter containing their findings and conclusions in respect of the continuing connected transactions numbered 1 to 12 disclosed above by the Group in accordance with Rule 14A.38 of the Listing Rules. A copy of the auditors' letter has been provided by the Company to the Stock Exchange.

The independent non-executive directors have reviewed the above continuing connected transactions numbered 1 to 12 for the year ended 31 December 2011 and the report of the Company's auditors, and confirmed that these continuing connected transactions were:

1. entered into in the ordinary and usual course of business of the Company;
2. either on normal commercial terms or, on terms no less favourable to the Company than terms available to or from (as appropriate) independent third parties; and
3. in accordance with the terms of respective agreements governing the transactions and are fair and reasonable and in the interests of the Company and its shareholders as a whole.

持續關連交易之年度審閱

本公司核數師安永會計師事務所已獲聘請根據香港會計師公會發出的香港審驗應聘服務準則第3000號的「歷史財務資料審計或審閱以外的審驗應聘」，及參照實務說明第740號「關於香港上市規則所述持續關連交易的核數師函件」就本集團的持續關連交易作出匯報。安永會計師事務所已根據上市規則第14A.38條出具無保留意見函件，函件載有對上述本集團已披露的第1至12項持續關連交易的發現和總結。本公司已將有關核數師函件副本送呈聯交所。

獨立非執行董事已審閱上述截至2011年12月31日止年度之第1至12項的持續關連交易及本公司核數師的報告，並確認該等持續關連交易乃：

1. 於本公司日常業務過程中進行；
2. 按一般商業條款進行，或按不遜於給予或來自（視情況而定）獨立第三方之條款進行；及
3. 根據約束該等交易之相應協議條款進行，公平合理且符合本公司及其股東的整體利益。



DIRECTORS' INTERESTS IN A COMPETING BUSINESS

During the year, no directors of the Company are considered to have interests in any business which is likely to compete directly or indirectly with that of the Group.

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 year.

AUDITORS

Ernst & Young will retire and a resolution for their re-appointment as auditors of the Company will be proposed at the forthcoming annual general meeting.

ON BEHALF OF THE BOARD

LUAN Xiuju
Managing Director

Hong Kong
30 March 2012

董事於競爭業務之權益

年內，本公司概無董事被視為於可能直接或間接與本集團業務構成競爭之任何業務中擁有權益。

購買、出售或贖回本公司之上市證券

年內，本公司及其任何附屬公司並無購買、出售或贖回本公司任何上市證券。

核數師

安永會計師事務所行將退任，本公司於即將舉行之股東周年大會上，提呈決議案以續聘其為本公司核數師。

謹代表董事會

董事總經理
樂秀菊

香港
2012年3月30日



獨立核數師報告 INDEPENDENT AUDITORS' REPORT



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

We have audited the consolidated financial statements of China Foods Limited (the "Company") and its subsidiaries (together, the "Group") set out on pages 132 to 244, which comprise the consolidated and company statements of financial position as at 31 December 2011, and the consolidated income statement, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Directors' responsibility for the consolidated financial statements

The directors of the Company are responsible for the preparation of consolidated financial statements that give a true and fair view in accordance with Hong Kong Financial Reporting Standards issued by the Hong Kong Institute of Certified Public Accountants and the disclosure requirements of the Hong Kong Companies Ordinance, and for such internal control as the directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. Our report is made solely to you, as a body, in accordance with Section 90 of the Bermuda Companies Act 1981, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

We conducted our audit in accordance with Hong Kong Standards on Auditing issued by the Hong Kong Institute of Certified Public Accountants. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

致中國食品有限公司全體股東
(於百慕達註冊成立的有限公司)

本核數師已審核中國食品有限公司(「貴公司」)及其附屬公司(統稱「貴集團」)列載於第132頁至第244頁的綜合財務報表，當中包括於2011年12月31日的綜合及公司財務狀況表以及截至該日止年度的綜合收入報表、綜合全面收入報表、綜合股本變動報表及綜合現金流量表，以及主要會計政策之概要及其他說明資料。

董事就綜合財務報表所承擔的責任

貴公司董事須負責根據香港會計師公會頒佈的香港財務報告準則以及香港公司條例的披露規定，編製表達真實且公平意見的綜合財務報表，以及維持董事認為必要的有關內部控制，以確保編製綜合財務報表時不存在由於欺詐或錯誤而導致的重大錯誤陳述。

核數師的責任

本核數師的責任乃根據吾等的審核，對該等綜合財務報表發表意見。本核數師的報告僅按照1981年百慕達公司法第90條向閣下整體作出，且並無其他目的。本核數師不會就本報告內容向任何其他人士負責或承擔責任。

本核數師按照香港會計師公會頒佈的香港核數準則進行審核。該等準則規定本核數師須遵守操守規範，並規劃及執行審核，以合理保證該等綜合財務報表不存在重大錯誤陳述。



Auditors' responsibility (continued)

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the entity's preparation of consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements give a true and fair view of the state of affairs of the Company and of the Group as at 31 December 2011, and of the Group's profit and cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards and have been properly prepared in accordance with the disclosure requirements of the Hong Kong Companies Ordinance.

Ernst & Young
Certified Public Accountants

22nd Floor
CITIC Tower
1 Tim Mei Avenue, Central
Hong Kong

30 March 2012

核數師的責任(續)

審核涉及執行程序以獲取有關綜合財務報表所載金額及披露資料的審核憑證。所選定的程序取決於核數師的判斷，包括評估綜合財務報表不論因欺詐或錯誤而導致存在重大錯誤陳述的風險。在作出該等風險評估時，核數師考慮與該公司編製表達真實且公平意見的綜合財務報表相關的內部監控，以設計適合於有關情況使用的審核程序，但並非為對公司的內部監控效能發表意見。審核亦包括評價所採用的會計政策是否合適，及董事作出的會計估計是否合理，以及評價綜合財務報表的整體呈列方式。

本核數師相信吾等獲取的審核憑證為充足及適當，為本核數師的審核意見提供基礎。

意見

本核數師認為綜合財務報表真實公平地顯示貴公司及貴集團於2011年12月31日之財務狀況及貴集團截至該日止年度之溢利及現金流量，並已按照香港財務報告準則及香港公司條例之披露規定而妥為編製。

安永會計師事務所
執業會計師

香港
中環
添美道1號
中信大廈22樓

2012年3月30日



綜合收入報表 CONSOLIDATED INCOME STATEMENT

截至2011年12月31日止年度
Year ended 31 December 2011

		Notes 附註	2011 2011年 HK\$'000 千港元	2010 2010年 HK\$'000 千港元
REVENUE	收入	5	28,010,761	19,955,984
Cost of sales	銷售成本		(21,348,376)	(14,874,639)
Gross profit	毛利		6,662,385	5,081,345
Other income and gains	其他收入及收益	5	238,524	305,791
Selling and distribution costs	銷售費用及分銷成本		(4,767,225)	(3,769,669)
Administrative expenses	行政支出		(939,583)	(748,202)
Other expenses	其他支出		(14,393)	(6,830)
Finance costs	融資成本	7	(37,043)	(45,425)
Share of profits of associates	應佔聯營公司溢利		65,437	64,038
PROFIT BEFORE TAX	除稅前溢利	6	1,208,102	881,048
Income tax expense	所得稅支出	10	(340,811)	(260,326)
PROFIT FOR THE YEAR	年度溢利		867,291	620,722
Attributable to:	應佔方：			
Owners of the parent	母公司擁有人	11	645,609	427,567
Non-controlling interests	非控股權益		221,682	193,155
			867,291	620,722
EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT	母公司普通股 權益持有人 應佔每股盈利	13		
Basic	基本		HK23.12 cents 港仙	HK15.31 cents 港仙
Diluted	攤薄		HK23.10 cents 港仙	HK15.30 cents 港仙

Details of the dividends payable and proposed for the year are disclosed in note 12 to the financial statements.

年內應付及擬派股息詳情於財務報表附註12披露。

綜合全面收入報表

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME



截至2011年12月31日止年度
Year ended 31 December 2011

		Note 附註	2011 2011年 HK\$'000 千港元	2010 2010年 HK\$'000 千港元
PROFIT FOR THE YEAR	年度溢利		867,291	620,722
OTHER COMPREHENSIVE INCOME	其他全面收入			
Gains on property revaluation	物業重估收益	14	–	9,092
Income tax effect	所得稅影響		–	(2,182)
			–	6,910
Share of other comprehensive income of associates	應佔聯營公司 其他全面收入		(1,357)	–
Exchange differences on translation of foreign operations	換算海外業務時 之匯兌差額		331,395	214,339
OTHER COMPREHENSIVE INCOME FOR THE YEAR, NET OF TAX	年度其他全面收入 (已扣除稅項)		330,038	221,249
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	年度全面收入 總額		1,197,329	841,971
Attributable to:	應佔方：			
Owners of the parent	母公司擁有人		913,544	609,152
Non-controlling interests	非控股權益		283,785	232,819
			1,197,329	841,971



綜合財務狀況表

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

2011年12月31日
31 December 2011

		<i>Notes</i> <i>附註</i>	2011 2011年 HK\$'000 千港元	2010 2010年 HK\$'000 千港元
NON-CURRENT ASSETS	非流動資產			
Property, plant and equipment	物業、廠房及設備	14	3,889,400	3,548,038
Investment properties	投資物業	15	82,361	73,966
Prepaid land premiums	預付土地金	16	308,078	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		52,802	31,783
Goodwill	商譽	17	1,727,793	1,680,015
Other intangible assets	其他無形資產	18	60,389	67,955
Investments in associates	於聯營公司之投資	20	567,934	545,201
Available-for-sale investments	可供出售投資	21	203,104	209,387
Held-to-maturity investments	持有至到期投資	22	–	57,915
Deferred tax assets	遞延稅項資產	30	46,893	35,003
Biological assets	生物資產	23	165,833	119,263
Total non-current assets	非流動資產總值		7,104,587	6,615,700
CURRENT ASSETS	流動資產			
Inventories	存貨	24	5,701,744	3,490,337
Accounts and bills receivables	應收賬款及票據	25	1,944,607	1,616,059
Prepayments, deposits and other receivables	預付款項、按金及其他應收款項		1,446,782	1,269,875
Due from fellow subsidiaries	同系附屬公司欠款	38	69,390	28,418
Due from the ultimate holding company	最終控股公司欠款	38	22,056	11,190
Due from the immediate holding company	直系控股公司欠款	38	165	165
Due from related companies	關連公司欠款	38	4,076	–
Due from a non-controlling shareholder	非控股股東欠款	38	9,510	–
Due from associates	聯營公司欠款	20	1,551	1,680
Prepaid tax	預繳稅項		23,653	28,831
Held-to-maturity investments	持有至到期投資	22	58,044	25,217
Equity investments at fair value through profit or loss	按公平值列入損益之權益投資	26	15,016	19,199
Pledged deposits	抵押存款	27	139,005	127,096
Cash and cash equivalents	現金及現金等值項目	27	1,789,797	1,741,203
Total current assets	流動資產總值		11,225,396	8,359,270

綜合財務狀況表(續) CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONTINUED)



2011年12月31日
31 December 2011

			2011 2011年 HK\$'000 千港元	2010 2010年 HK\$'000 千港元
	Notes 附註			
CURRENT LIABILITIES	流動負債			
Accounts and bills payables	應付賬款及票據	28	1,558,708	999,864
Other payables and accruals	其他應付款項及應計負債		3,939,495	2,663,330
Due to fellow subsidiaries	欠同系附屬公司款項	38	1,057,344	1,089,857
Due to the ultimate holding company	欠最終控股公司款項	38	41,031	31,337
Due to related companies	欠關連公司款項	38	884,130	692,062
Due to non-controlling shareholders	欠非控股股東款項	38	30,818	8,926
Due to associates	欠聯營公司款項	20	292,150	233,626
Interest-bearing bank and other borrowings	計息銀行貸款及其他貸款	29	1,516,936	1,021,152
Tax payable	應付稅項		75,230	94,217
Total current liabilities	流動負債總值		9,395,842	6,834,371
NET CURRENT ASSETS	流動資產淨值		1,829,554	1,524,899
TOTAL ASSETS LESS CURRENT LIABILITIES	資產總值減流動負債		8,934,141	8,140,599
NON-CURRENT LIABILITIES	非流動負債			
Interest-bearing bank borrowings	計息銀行貸款	29	300,000	495,000
Due to non-controlling shareholders	欠非控股股東款項	38	27,680	38,123
Deferred income	遞延收入		42,532	31,146
Deferred tax liabilities	遞延稅項負債	30	50,132	26,920
Total non-current liabilities	非流動負債總值		420,344	591,189
Net assets	資產淨值		8,513,797	7,549,410
EQUITY	股本			
Equity attributable to owners of the parent	母公司擁有人應佔股本			
Issued capital	已發行股本	31	279,289	279,246
Reserves	儲備	33(a)	6,271,636	5,578,010
Proposed final dividend	擬派末期股息	12	118,698	89,638
			6,669,623	5,946,894
Non-controlling interests	非控股權益		1,844,174	1,602,516
Total equity	股本總值		8,513,797	7,549,410

Luan Xiuju
樂秀菊
Director
董事

Mak Chi Wing, William
麥志榮
Director
董事



綜合股本變動報表 CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

截至2011年12月31日止年度
Year ended 31 December 2011

		Attributable to owners of the parent 母公司擁有人應佔											Total 股本 總值 HK\$'000										
		Notes 附註	Issued capital 已發行股本 HK\$'000 千港元	Share premium account 股份溢價賬 HK\$'000 千港元	Employee share-based compensation reserve 僱員 股本結算 薪酬儲備 HK\$'000 千港元	Capital reserve 資本儲備 HK\$'000 千港元	Reserve funds 儲備金 HK\$'000 千港元	Exchange fluctuation reserve 匯兌波動 儲備 HK\$'000 千港元	Asset revaluation reserve [†] 資產重估 儲備 [†] HK\$'000 千港元	Retained profits 保留溢利 HK\$'000 千港元	Proposed final dividend 擬派 末期股息 HK\$'000 千港元	Non- controlling interests 非控股 權益 總計 HK\$'000 千港元											
														Total									
														HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
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 year	年度溢利	-	-	-	-	-	-	-	427,567	-	427,567	193,155	620,722										
Other comprehensive income for the year:	年度其他全面收入:																						
Gains on property revaluation, net of tax	物業重估收益，已扣除稅項	-	-	-	-	-	-	6,910	-	-	6,910	-	6,910										
Exchange differences on translation of foreign operations	換算海外業務時之匯兌差額	-	-	-	-	-	174,675	-	-	-	174,675	39,664	214,339										
Total comprehensive income for the year	年度全面收入總額	-	-	-	-	-	174,675	6,910	427,567	-	609,152	232,819	841,971										
Exercise of share options	行使購股權	31	95	6,079	(1,481)	-	-	-	-	-	4,693	-	4,693										
Share issue expenses	股份發行開支	31	-	(26)	-	-	-	-	-	-	(26)	-	(26)										
Equity-settled share option arrangements	股本結算購股權安排	32	-	-	3,677	-	-	-	-	-	3,677	-	3,677										
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 paid	已派2009年末期股息	-	-	-	-	-	-	-	-	(96,340)	(96,340)	-	(96,340)										
Interim 2010 dividend paid	已派2010年中期股息	12	-	-	-	-	-	-	(64,227)	-	(64,227)	-	(64,227)										
Proposed 2010 final dividend	擬派2010年末期股息	12	-	-	-	-	-	-	(89,638)	89,638	-	-	-										
Dividends paid to non-controlling shareholders	向非控股股東支付股息	-	-	-	-	-	-	-	-	-	-	(43,512)	(43,512)										
Transfer from retained profits	自保留溢利轉撥	-	-	-	-	12,745	-	-	(12,745)	-	-	-	-										
At 31 December 2010	於2010年12月31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										

綜合股本變動報表(續)

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (CONTINUED)



截至2011年12月31日止年度
Year ended 31 December 2011

		Attributable to owners of the parent 母公司擁有人應佔											
		Issued capital 已發行股本 Notes 附註	Share premium account 股份溢價賬	Employee share-based compensation reserve 僱員股本結算薪酬儲備	Capital reserve 資本儲備	Reserve funds 儲備金	Exchange fluctuation reserve 匯兌波動儲備	Asset revaluation reserve# 資產重估儲備#	Retained profits 保留溢利	Proposed final dividend 末期股息	Non-controlling interests 非控股權益	Total equity 股本總值	
													HK\$'000 千港元
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 year	年度溢利	-	-	-	-	-	-	-	645,609	-	645,609	221,682	867,291
Other comprehensive income for the year:	年度其他全面收入:												
Exchange differences on translation of foreign operations	換算海外業務時之匯兌差額	-	-	-	-	-	268,817	-	-	-	268,817	62,578	331,395
Share of other comprehensive income of associates	分佔聯營公司之其他全面收入	-	-	-	(882)	-	-	-	-	-	(882)	(475)	(1,357)
Total comprehensive income for the year	年度全面收入總額	-	-	-	(882)	-	268,817	-	645,609	-	913,544	283,785	1,197,329
Exercise of share options	行使購股權	31	43	2,771	(675)	-	-	-	-	-	2,139	-	2,139
Equity-settled share option arrangements	股本結算購股權安排	32	-	-	10,357	-	-	-	-	-	10,357	-	10,357
Final 2010 dividend paid	已派2010年末期股息	12	-	-	-	-	-	-	-	(89,638)	(89,638)	-	(89,638)
Interim 2011 dividend paid	已派2011年中期股息	12	-	-	-	-	-	-	(113,673)	-	(113,673)	-	(113,673)
Proposed 2011 final dividend	擬派2011末期股息	12	-	-	-	-	-	-	(118,698)	118,698	-	-	-
Dividends paid to non-controlling shareholders	向非控股股東支付股息	-	-	-	-	-	-	-	-	-	-	(42,127)	(42,127)
Transfer from retained profits	自保留溢利轉撥	-	-	-	-	13,356	-	-	(13,356)	-	-	-	-
At 31 December 2011	於2011年12月31日	279,289	9,650*	33,625*	3,246,709*	219,573*	941,921*	6,910*	1,813,248*	118,698	6,669,623	1,844,174	8,513,797

* These reserve accounts comprise the consolidated reserves of HK\$6,271,636,000 (2010: HK\$5,578,010,000) in the consolidated statement of financial position.

* 該等儲備賬目構成綜合財務狀況表中的綜合儲備6,271,636,000港元(2010年: 5,578,010,000港元)。

The asset revaluation reserve arose from a change in use from owned-occupied properties to investment properties carried at fair value during the year ended 31 December 2010.

於截至2010年12月31日止年度內，自用物業轉變為投資物業產生的資產重估儲備按公平值列賬。



綜合現金流量表

CONSOLIDATED STATEMENT OF CASH FLOWS

截至2011年12月31日止年度

Year ended 31 December 2011

	Notes 附註	2011 2011年 HK\$'000 千港元	2010 2010年 HK\$'000 千港元
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before tax	經營業務之現金流量 除稅前溢利	1,208,102	881,048
Adjustments for:	就下列項目作出調整：		
Finance costs	融資成本 7	37,043	45,425
Share of profits of associates	應佔聯營公司溢利	(65,437)	(64,038)
Interest income	利息收入 5	(30,397)	(25,209)
Dividend income from available-for-sale investments	可供出售投資之股息收入 5	(36,926)	(43,963)
Dividend income from equity investments at fair value through profit or loss	按公平值列入損益之權益投資之股息收入 5	(343)	(210)
Fair value losses/(gains) on equity investments at fair value through profit or loss	按公平值列入損益之權益投資之公平值虧損/(收益) 5, 6	4,183	(4,775)
Loss on disposal of available-for-sale investments	處置可供出售投資之虧損 6	-	453
Fair value gains on biological assets, net	生物資產之公平值淨收益 6	(33,510)	(7,092)
Impairment of receivables	應收款項減值 6	2,616	1,937
Equity-settled share option expense	股本結算購股權開支 6	10,357	3,677
Amortisation of other intangible assets	其他無形資產攤銷 6	10,585	6,472
Depreciation	折舊 6	397,672	333,792
Fair value gains on investment properties	投資物業之公平值收益 5	(4,610)	(3,858)
Loss on disposal of items of property, plant and equipment	出售物業、廠房及設備項目之虧損 6	7,272	4,440
Loss on disposal of biological assets	生物資產處置損失 6	14,073	-
Impairment of an available-for-sale investment	可供出售投資之減值 6	322	-
Recognition of prepaid land premiums	確認預付土地金 6	7,580	5,933
Provision against inventories	存貨撥備 6	27,325	33,201
Government grants	政府補助 5	(62,240)	(32,595)
		1,493,667	1,134,638

綜合現金流量表(續)

CONSOLIDATED STATEMENT OF CASH FLOWS (CONTINUED)



截至2011年12月31日止年度
Year ended 31 December 2011

	2011 2011年 HK\$'000 千港元	2010 2010年 HK\$'000 千港元
	1,493,667	1,134,638
Increase in inventories	(2,001,576)	(568,890)
Increase in accounts and bills receivables	(244,610)	(491,133)
Increase in prepayments, deposits and other receivables	(110,522)	(589,692)
Increase in amounts due from fellow subsidiaries	(38,604)	(23,441)
Increase in an amount due from the ultimate holding company	(10,211)	(5,754)
Decrease in an amount due from the immediate holding company	-	190
Increase in amounts due from related companies	(3,977)	-
Decrease/(increase) in amounts due from associates	207	(641)
Increase in accounts and bills payables	496,376	50,859
Increase in other payables and accruals	1,317,362	242,911
(Decrease)/increase in amounts due to fellow subsidiaries	(84,499)	263,562
Increase/(decrease) in an amount due to the ultimate holding company	7,942	(4,136)
Increase in amounts due to related companies	153,907	216,706
Increase in amounts due to non-controlling shareholders	11,650	2,998
Increase in amounts due to associates	45,794	125,602
Cash generated from operations	1,032,906	353,779
Interest received	30,397	25,209
Interest paid	(37,043)	(45,425)
Hong Kong profits tax paid	(335)	(448)
Mainland China income tax paid	(359,543)	(208,380)
Net cash flows from operating activities	666,382	124,735



綜合現金流量表(續)

CONSOLIDATED STATEMENT OF CASH FLOWS (CONTINUED)

截至2011年12月31日止年度
Year ended 31 December 2011

	<i>Notes 附註</i>	2011 2011年 HK\$'000 千港元	2010 2010年 HK\$'000 千港元
Net cash flows from operating activities	經營業務產生之現金流淨額	666,382	124,735
CASH FLOWS FROM INVESTING ACTIVITIES			
Increase in pledged deposits	投資活動之現金流量 抵押存款增加	(11,298)	(95,081)
Repayments from available-for-sale investments	可供出售投資還款	–	934
Dividends received from associates	已收聯營公司股息	45,160	51,720
Dividends received from available-for-sale investments	已收可供出售投資之股息	36,926	43,963
Dividends received from equity investments at fair value through profit or loss	已收按公平值列入損益之權益投資之股息	343	210
Proceeds from disposal of items of property, plant and equipment	出售物業、廠房及設備項目所得款項	14,941	23,530
Partial disposal of a subsidiary	部分出售一間附屬公司	–	18,035
Redemption of held-to-maturity investments	持有至到期投資被贖回	24,960	14,410
Purchases of available-for-sale investments	購買可供出售投資	–	(3,856)
Acquisition of a subsidiary	收購一間附屬公司	(84,914)	–
Additional investment in an associate	於一間聯營公司之額外投資	(3,813)	(85,931)
Purchases of items of property, plant and equipment	購置物業、廠房及設備項目	(546,396)	(736,646)
Additions to other intangible assets	增置其他無形資產	(1,544)	(29,463)
Additions to prepaid land premiums	預付土地金增加	(55,664)	(31,793)
Increase in deposits for purchase of items of property, plant and equipment	購置物業、廠房及設備項目之按金增加	(21,019)	(17,544)
Additions to biological assets	生物資產增加	(12,953)	(19,929)
Receipt of government grants	收到政府補助	62,240	52,362
Proceeds from disposal of an available-for-sale investment	出售可供出售投資所得款項	6,415	–
Net cash flows used in investing activities	投資活動所用之現金流淨額	(546,616)	(815,079)

綜合現金流量表(續)

CONSOLIDATED STATEMENT OF CASH FLOWS (CONTINUED)



截至2011年12月31日止年度
Year ended 31 December 2011

			2011 2011年 HK\$'000 千港元	2010 2010年 HK\$'000 千港元
		Notes 附註		
Net cash flows used in investing activities	投資活動所用之現金流淨額		(546,616)	(815,079)
CASH FLOWS FROM FINANCING ACTIVITIES				
Proceeds from issue of shares	融資活動之現金流量 發行股份所得款項	31	2,139	4,667
New bank loans	新增銀行貸款		1,263,124	2,077,483
New other loans	新增其他貸款		84,255	102,806
Repayments of bank loans	償還銀行貸款		(988,240)	(1,387,317)
Repayments of other loans	償還其他貸款		(60,182)	(112,048)
Dividends paid	已付股息		(182,980)	(144,510)
Dividends paid to non-controlling shareholders	已付非控股股東股息		(42,127)	(43,512)
(Decrease)/increase in payables	應付款(減少)/增加		(209,115)	31,359
Decrease in amounts due to non-controlling shareholders of subsidiaries	欠附屬公司非控股股東款項減少		(12,036)	(91,229)
Net cash flows (used in)/from financing activities	融資活動(所用)/產生之現金流淨額		(145,162)	437,699
NET DECREASE IN CASH AND CASH EQUIVALENTS	現金及現金等值項目減少淨額		(25,396)	(252,645)
Cash and cash equivalents at beginning of year	年初之現金及現金等值項目		1,741,203	1,943,103
Effect of foreign exchange rate changes, net	匯率變動影響淨額		73,990	50,745
CASH AND CASH EQUIVALENTS AT END OF YEAR	年終之現金及現金等值項目		1,789,797	1,741,203
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS				
Cash and bank balances	現金及現金等值項目結餘分析 現金及銀行結餘	27	1,770,983	1,670,502
Non-pledged time deposits with original maturity of less than three months when acquired	存入時原於3個月內到期之無抵押定期存款	27	18,814	70,701
Cash and cash equivalents as stated in the statement of financial position and the statement of cash flows	財務狀況表及現金流量表所載之現金及現金等值項目		1,789,797	1,741,203



財務狀況表

STATEMENT OF FINANCIAL POSITION

2011年12月31日
31 December 2011

		Notes 附註	2011 2011年 HK\$'000 千港元	2010 2010年 HK\$'000 千港元
NON-CURRENT ASSETS	非流動資產			
Plant and equipment	廠房及設備	14	578	826
Investments in subsidiaries	於附屬公司之投資	19	2,106,711	2,106,711
Held-to-maturity investments	持有至到期投資	22	-	57,915
Total non-current assets	非流動資產總值		2,107,289	2,165,452
CURRENT ASSETS	流動資產			
Prepayments, deposits and other receivables	預付款項、按金及其他應收款項		8,414	6,527
Due from subsidiaries	附屬公司欠款	19	4,407,291	4,343,882
Due from the immediate holding company	直系控股公司欠款	38	165	165
Equity investments at fair value through profit or loss	按公平值列入損益之權益投資	26	10,283	13,310
Held-to-maturity investments	持有至到期投資	22	58,044	25,217
Cash and cash equivalents	現金及現金等值項目	27	12,489	22,463
Total current assets	流動資產總值		4,496,686	4,411,564
CURRENT LIABILITIES	流動負債			
Other payables and accruals	其他應付款項及應計負債		64,713	45,851
Due to subsidiaries	欠附屬公司款項	19	87,511	68,083
Interest-bearing bank borrowings	計息銀行貸款	29	745,000	636,000
Total current liabilities	流動負債總值		897,224	749,934
NET CURRENT ASSETS	流動資產淨值		3,599,462	3,661,630
TOTAL ASSETS LESS CURRENT LIABILITIES	資產總值減流動負債		5,706,751	5,827,082
NON-CURRENT LIABILITIES	非流動負債			
Interest-bearing bank borrowings	計息銀行貸款	29	300,000	195,000
Total non-current liabilities	非流動負債總值		300,000	195,000
Net assets	資產淨值		5,406,751	5,632,082
EQUITY	股本			
Issued capital	已發行股本	31	279,289	279,246
Reserves	儲備	33(b)	5,008,764	5,263,198
Proposed final dividend	擬派末期股息	12	118,698	89,638
Total equity	股本總值		5,406,751	5,632,082

Luan Xiuju
樂秀菊
Director
董事

Mak Chi Wing, William
麥志榮
Director
董事



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 of directors of the Company (the “board”), the ultimate holding company of the Company is COFCO Corporation (“COFCO”), which is a state-owned enterprise registered in the People’s Republic of China (“PRC”).

During the year, the Company and its subsidiaries (collectively, the “Group”) were 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 chocolates and other related products.

2.1 Basis of preparation

These financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards (“HKFRSs”) (which include all Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards (“HKASs”) and Interpretations) issued by the Hong Kong Institute of Certified Public Accountants (the “HKICPA”), accounting principles generally accepted in Hong Kong and the disclosure requirements of Hong Kong Companies Ordinance.

These financial statements have been prepared under the historical cost convention, except for investment properties, biological assets and equity investments at fair value through profit or loss, which have been measured at fair value. These financial statements are presented in Hong Kong dollars (“HK\$”) and all values are rounded to the nearest thousand except when otherwise indicated.

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。根據本公司董事會(「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(「中糧公司」)。

本年度內，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。

2.1 編製基準

該等財務報表乃根據由香港會計師公會頒佈之香港財務報告準則(「香港財務報告準則」)(其中包括所有香港財務報告準則、香港會計準則(「香港會計準則」)及詮釋)、香港公認會計原則及香港公司條例披露要求而編製。

該等財務報表乃根據歷史成本慣例而編製，惟按公平值計量之投資物業、生物資產及按公平值列入損益之權益投資除外。財務報表以港元(「港元」)呈列，而除另有註明者外，所有金額均已精確至千位。



財務報表附註(續)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

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2.1 Basis of preparation (continued)

Basis of consolidation

The consolidated financial statements include the financial statements of the Company and its subsidiaries for the year ended 31 December 2011. The financial statements of the subsidiaries are prepared for the same reporting period as the Company, using consistent accounting policies. The results of subsidiaries are consolidated from the date of acquisition, being the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases. All intra-group balances, transactions, unrealised gains and losses resulting from intra-group transactions and dividends are eliminated on consolidation in full.

Total comprehensive income within a subsidiary is attributed to the non-controlling interest even if that results in a deficit balance.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

If the Group loses control over a subsidiary, it derecognises (i) the assets (including goodwill) and liabilities of the subsidiary, (ii) the carrying amount of any non-controlling interest and (iii) the cumulative translation differences recorded in equity; and recognises (i) the fair value of the consideration received, (ii) the fair value of any investment retained and (iii) any resulting surplus or deficit in profit or loss. The Group's share of components previously recognised in other comprehensive income is reclassified to profit or loss or retained profits, as appropriate.

The Group has adopted the following new and revised HKFRSs for the first time for the current year's financial statements.

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>

2.1 編製基準(續)

綜合基準

綜合財務報表包括本公司及其附屬公司截至2011年12月31日止年度之財務報表。附屬公司財務報表乃就與本公司相同之報告期按相同會計政策編製。附屬公司之業績自收購日期起綜合入賬，收購日期即本集團取得控制權之日，並至該控制權終止為止一直綜合入賬。本集團內交易所產生之一切集團內結餘、交易、未變現收益及虧損以及股息於綜合入賬時悉數撇銷。

即使會產生虧損結餘，附屬公司之全面收入總額仍會歸屬於非控股權益。

於附屬公司擁有權權益之變動(並無失去控制權)於入賬時列作權益交易。

倘本集團失去附屬公司之控制權，則會終止確認(i) 該附屬公司之資產(包括商譽)及負債；(ii) 任何非控股權益之賬面值；及(iii) 計入權益的累計匯兌差額；並確認(i) 已收代價的公平值；(ii) 任何獲保留投資的公平值；及(iii) 計入損益的任何相關盈餘或虧損。先前於其他全面收益已確認的本集團應佔成份，乃視乎情況重新分類至損益或保留溢利。

本集團已於本年度財務報表中首次採納以下新訂及經修訂香港財務報告準則。

香港財務報告準則 第1號(修訂本)	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

財務報表附註(續)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)



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2.2 Changes in accounting policy and disclosures

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 these financial statements.

The principal effects of adopting these HKFRSs are as follows:

(a) HKAS 24 (Revised) *Related Party Disclosures*

HKAS 24 (Revised) clarifies and simplifies the definitions of related parties. The new definitions emphasise a symmetrical view of related party relationships and clarify the circumstances in which persons and key management personnel affect related party relationships of an entity. The revised standard also introduces an exemption from the general related party disclosure requirements for transactions with a government and entities that are controlled, jointly controlled or significantly influenced by the same government as the reporting entity. The accounting policy for related parties has been revised to reflect the changes in the definitions of related parties under the revised standard. The adoption of the revised standard did not have any impact on the financial position or performance of the Group. Details of the related party transactions, including the related comparative information, are included in note 38 to the financial statements.

2.2 會計政策及披露之變動

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號預付 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
<i>2010年香港財務 報告準則之改進</i>	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等財務報告並無任何重大財務影響。

採納該等香港財務報告準則之主要影響如下:

(a) 香港會計準則第24號(經修訂) *關連方披露*

香港會計準則第24號(經修訂)闡明及簡化了關連方的定義。新定義強調關連方關係的對稱觀念, 並闡明人士及主要管理人員影響實體的關連方關係的情況。經修訂準則亦提出, 與政府及受與報告實體相同的政府控制、共同控制或行使重大影響力的實體進行的交易所豁免的一般關連方披露的規定。有關關連方的會計政策經修訂後, 反映經修訂準則內關連方的定義。採納經修訂準則對本集團財務狀況或業績並無任何影響。關聯方交易的詳細信息, 包含相關對比數據在本財務報表附註38中披露。



財務報表附註(續)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

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2.2 Changes in accounting policy and disclosures (continued)

(b) *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 may result in changes in accounting policies, none of these amendments has had a significant financial impact on the financial position or performance of the Group. Details of the key amendments most applicable to the Group are as follows:

- **HKFRS 3 *Business Combinations*:** The amendment 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).

In addition, the amendment limits the scope of measurement choices for non-controlling interests. Only the components of non-controlling interests that are present ownership interests and entitle their holders to a proportionate share of the acquiree's net assets in the event of liquidation are measured at either fair value or at the present ownership instruments' proportionate share of the acquiree's identifiable net assets. All other components of non-controlling interests are measured at their acquisition date fair value, unless another measurement basis is required by another HKFRS.

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

- **HKAS 1 *Presentation of Financial Statements*:** The amendment clarifies that an analysis of each component of other comprehensive income can be presented either in the statement of changes in equity or in the notes to the financial statements. The Group elects to present the analysis of each component of other comprehensive income in the statement of changes in equity.

2.2 會計政策及披露之變動(續)

(b) 於二零一零年五月頒佈之2010年香港財務報告準則之改進制定對多項香港財務報告準則之修訂。各項準則均各自設有過渡條文。採納部份修訂可能會導致會計政策變動，惟此等修訂對本集團財務狀況或業績並無任何重大財務影響。有關最適用於本集團的重要修訂的詳情如下：

- **香港財務報告準則第3號業務合併：**該修訂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。

另外，該修訂限制非控股權益計量選擇範圍。僅為屬現時擁有的非控股權益成份方可賦予擁有人權利，於清盤時將按比例分佔被收購方之淨資產，方可以公平價值或以現時的擁有權工具按比例分佔被收購方可識別淨資產計量。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。

- **香港會計準則第1號財務報表之呈列：**該修訂闡明有關權益內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。本集團選擇於權益變動報表呈列有關權益內各成份的其他全面收益分析。

財務報表附註(續)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)



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2.2 Changes in accounting policy and disclosures (continued)

(b) (continued)

- *HKAS 27 Consolidated and Separate Financial Statements*: The amendment 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.

2.3 Issued but not yet effective Hong Kong Financial Reporting Standards

The Group has not applied the following new and revised HKFRSs, that have been issued but are not yet effective, in these financial statements.

HKFRS 1 Amendments	<i>Amendments to HKFRS 1 First-time Adoption of Hong Kong Financial Reporting Standards – Severe Hyperinflation and Removal of Fixed Dates for First-time Adopters</i> ¹
HKFRS 7 Amendments	<i>Amendments to HKFRS 7 Financial Instruments: Disclosures – Transfers of Financial Assets</i> ¹
HKFRS 7 Amendments	<i>Amendments to HKFRS 7 Financial Instruments: Disclosures – Offsetting Financial Assets and Financial Liabilities</i> ⁴
HKFRS 9	<i>Financial Instruments</i> ⁶
HKFRS 10	<i>Consolidated Financial Statements</i> ⁴
HKFRS 11	<i>Joint Arrangements</i> ⁴

2.2 會計政策及披露之變動(續)

(b) (續)

- 香港會計準則第27號綜合及獨立財務報表：該修訂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。

2.3 已頒佈但尚未生效之香港財務報告準則

本集團並未於該等財務報表中應用以下已頒佈但尚未生效之新訂及經修訂香港財務報告準則。

香港財務報告準則第1號(修訂本)	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—嚴重高通貨及剔除首次採用者的固定日期 ¹
香港財務報告準則第7號(修訂本)	香港財務報告準則第7號之修訂金融工具：披露—轉讓金融資產 ¹
香港財務報告準則第7號(修訂本)	香港財務報告準則第7號之修訂金融工具：披露—抵銷金融資產及金融負債 ⁴
香港財務報告準則第9號	金融工具 ⁶
香港財務報告準則第10號	綜合財務報表 ⁴
香港財務報告準則第11號	共同安排 ⁴



財務報表附註(續)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

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2.3 Issued but not yet effective Hong Kong Financial Reporting Standards (continued)

HKFRS 12	<i>Disclosure of Interests in Other Entities</i> ⁴
HKFRS 13 HKAS 1 Amendments	<i>Fair Value Measurement</i> ⁴ Amendments to HKAS 1 <i>Presentation of Financial Statements – Presentation of Items of Other Comprehensive Income</i> ³
HKAS 12 Amendments	Amendments to HKAS 12 <i>Income Taxes – Deferred Tax: Recovery of Underlying Assets</i> ²
HKAS 19 (2011)	<i>Employee Benefits</i> ⁴
HKAS 27 (2011)	<i>Separate Financial Statements</i> ⁴
HKAS 28 (2011)	<i>Investments in Associates and Joint Ventures</i> ⁴
HKAS 32 Amendments	Amendments to HKAS 32 <i>Financial Instruments: Presentation – Offsetting Financial Assets and Financial Liabilities</i> ⁵
HK(IFRIC)-Int 20	<i>Stripping Costs in the Production Phase of a Surface Mine</i> ⁴

- ¹ Effective for annual periods beginning on or after 1 July 2011
- ² Effective for annual periods beginning on or after 1 January 2012
- ³ Effective for annual periods beginning on or after 1 July 2012
- ⁴ Effective for annual periods beginning on or after 1 January 2013
- ⁵ Effective for annual periods beginning on or after 1 January 2014
- ⁶ Effective for annual periods beginning on or after 1 January 2015

2.3 已頒佈但尚未生效之香港財務報告準則(續)

香港財務報告準則第12號	於其他實體的 權益披露 ⁴
香港財務報告準則第13號 香港會計準則第1號 (修訂本)	公平值計量 ⁴ 香港會計準則 第1號之修訂 財務報告的呈 列—其他全面 收入項目呈列 ³
香港會計準則第12號 (修訂本)	香港會計準則第 12號之修訂所 得稅—遞延稅 項：收回相關 資產 ²
香港會計準則第19號 (2011年)	僱員福利 ⁴
香港會計準則第27號 (2011年)	獨立財務報表 ⁴
香港會計準則第28號 (2011年)	於聯營公司及合 營企業的投資 ⁴
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—抵銷 財務資產及 金融負債 ⁵
香港(國際財務報告 詮釋委員會)— 詮釋第20號	地表礦生產階段 的剝離成本 ⁴

- ¹ 於2011年7月1日或以後開始之年度
期間生效
- ² 於2012年1月1日或以後開始之年度
期間生效
- ³ 於2012年7月1日或以後開始之年度
期間生效
- ⁴ 於2013年1月1日或以後開始之年度
期間生效
- ⁵ 於2014年1月1日或以後開始之年度
期間生效
- ⁶ 於2015年1月1日或以後開始之年度
期間生效

財務報表附註(續) NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)



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2.3 Issued but not yet effective Hong Kong Financial Reporting Standards (continued)

Further information about those changes that are expected to significantly affect the Group is as follows:

HKFRS 9 issued in November 2009 is the first part of phase 1 of a comprehensive project to entirely replace HKAS 39 *Financial Instruments: Recognition and Measurement*. This phase focuses on the classification and measurement of financial assets. Instead of classifying financial assets into four categories, an entity shall classify financial assets as subsequently measured at either amortised cost or fair value, on the basis of both the entity's business model for managing the financial assets and the contractual cash flow characteristics of the financial assets. This aims to improve and simplify the approach for the classification and measurement of financial assets compared with the requirements of HKAS 39.

In November 2010, the HKICPA issued additions to HKFRS 9 to address financial liabilities (the "Additions") and incorporated in HKFRS 9 the current derecognition principles of financial instruments of HKAS 39. Most of the Additions were carried forward unchanged from HKAS 39, while changes were made to the measurement of financial liabilities designated at fair value through profit or loss using the fair value option ("FVO"). For these FVO liabilities, the amount of change in the fair value of a liability that is attributable to changes in credit risk must be presented in other comprehensive income ("OCI"). The remainder of the change in fair value is presented in profit or loss, unless presentation of the fair value change in respect of the liability's credit risk in OCI would create or enlarge an accounting mismatch in profit or loss. However, loan commitments and financial guarantee contracts which have been designated under the FVO are scoped out of the Additions.

HKAS 39 is aimed to be replaced by HKFRS 9 in its entirety. Before this entire replacement, the guidance in HKAS 39 on hedge accounting and impairment of financial assets continues to apply. The Group expects to adopt HKFRS 9 from 1 January 2015.

2.3 已頒佈但尚未生效之香港財務報告準則(續)

預期對本集團構成重大影響的該等變動詳情如下：

於2009年11月頒佈之香港財務報告準則第9號為完全取代香港會計準則第39號金融工具：確認及計量全面計劃之第一階段第一部分。此階段針對金融資產之分類及計量。實體須根據該實體管理金融資產之業務模式及金融資產之合約現金流特性，將金融資產分類為其後按攤銷成本或公平值計量，而非將金融資產分為四類，旨在改善及簡化香港會計準則第39號規定之金融資產分類及計量方法。

香港會計師公會於2010年11月就金融負債頒佈香港財務報告準則第9號之新增規定(「新增規定」)，並將香港會計準則第39號財務工具之現有取消確認原則納入香港財務報告準則第9號內。大部份新增規定乃從香港會計準則第39號中引用而無修改，而對使用公平值選擇(「公平值選擇」)計算之指定為按公平值計入損益之財務負債之計量則作出修改。就該等公平值選擇負債而言，由信貸風險變動而產生的負債公平值變動金額，必須於其他全面收益(「其他全面收益」)中呈列。除非於其他全面收益中就負債之信貸風險呈列公平值變動，會於損益中產生或擴大會計差異，否則其餘公平值變動金額於損益呈列。然而，新增規定並不涵蓋按公平值選擇誌入之貸款承諾及財務擔保合約。

香港財務報告準則第9號旨在全面取代香港會計準則第39號。於全面取代前，香港會計準則第39號於對沖會計及金融資產之減值方面的指引繼續適用。本集團預期自2015年1月1日起採納香港財務報告準則第9號。



財務報表附註(續)

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2.3 Issued but not yet effective Hong Kong Financial Reporting Standards (continued)

HKFRS 10 establishes a single control model that applies to all entities including special purpose entities or structured entities. It includes a new definition of control which is used to determine which entities are consolidated. The changes introduced by HKFRS 10 require management of the Group to exercise significant judgement to determine which entities are controlled, compared with the requirements in HKAS 27 and HK(SIC)-Int 12 *Consolidation – Special Purpose Entities*. HKFRS 10 replaces the portion of HKAS 27 *Consolidated and Separate Financial Statements* that addresses the accounting for consolidated financial statements. It also includes the issues raised in HK(SIC)-Int 12.

HKFRS 11 replaces HKAS 31 *Interests in Joint Ventures* and HK(SIC)-Int 13 *Jointly Controlled Entities – Non-Monetary Contributions by Venturers*. It describes the accounting for joint arrangements with joint control. It addresses only two forms of joint arrangements, i.e., joint operations and joint ventures, and removes the option to account for joint ventures using proportionate consolidation.

HKFRS 12 includes the disclosure requirements for subsidiaries, joint arrangements, associates and structured entities that are previously included in HKAS 27 *Consolidated and Separate Financial Statements*, HKAS 31 *Interests in Joint Ventures* and HKAS 28 *Investments in Associates*. It also introduces a number of new disclosure requirements for these entities.

Consequential amendments were made to HKAS 27 and HKAS 28 as a result of the issuance of HKFRS 10, HKFRS 11 and HKFRS 12. The Group expects to adopt HKFRS 10, HKFRS 11, HKFRS 12, and the consequential amendments to HKAS 27 and HKAS 28 from 1 January 2013.

2.3 已頒佈但尚未生效之香港財務報告準則(續)

香港財務報告準則第10號訂立適用於所有實體(包括特別目的實體或結構實體)的單一控制模型。其載有一項控制的新釋義，乃用以釐定綜合入賬之實體。香港財務報告準則第10號所引入的變動與香港會計準則第27號之規定與香港(國際財務報告詮釋委員會) — 詮釋第12號合併 — 特別目的實體比較，要求本集團管理層作出重大判決以釐定受控制之實體。香港財務報告準則第10號取代了部分香港會計準則第27號綜合及獨立財務報表，解決綜合財務報表的會計處理問題。其亦載有香港(國際財務報告詮釋委員會) — 詮釋第12號提出的問題。

香港財務報告準則第11號取代香港會計準則第31號於合營企業的權益及香港(國際財務報告詮釋委員會) — 詮釋第13號共同控制實體 — 投資者的非貨幣注資。其描述受共同控制的共同安排的會計方法。其僅提出兩類共同安排，即共同經營或合營企業，並取消以比例綜合法就合營企業入賬的選擇權。

香港財務報告準則第12號載有香港會計準則第27號綜合及獨立財務報表、香港會計準則第31號於合營企業的權益及香港會計準則第28號於聯營公司的投資以往所載的附屬公司、共同安排、聯營公司及結構實體的披露規定。其亦引進若干該等實體的新披露規定。

由於香港財務報告準則第10號、香港財務報告準則第11號及香港財務報告準則第12號出台，因此香港會計準則第27號及香港會計準則第28號須予進行後續修訂。本集團預期自2013年1月1日起採納香港財務報告準則第10號、香港財務報告準則第11號、香港財務報告準則第12號及香港會計準則第27號及香港會計準則第28號的後續修訂。

財務報表附註(續)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)



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2.3 Issued but not yet effective Hong Kong Financial Reporting Standards (continued)

HKFRS 13 provides a precise definition of fair value and a single source of fair value measurement and disclosure requirements for use across HKFRSs. The standard does not change the circumstances in which the Group is required to use fair value, but provides guidance on how fair value should be applied where its use is already required or permitted under other HKFRSs. The Group expects to adopt HKFRS 13 prospectively from 1 January 2013.

Amendments to HKAS 1 change the grouping of items presented in OCI. Items that could be reclassified to profit or loss at a future point in time would be presented separately from items which will never be reclassified. The Group expects to adopt the amendments from 1 January 2013.

HKAS 12 Amendments clarify the determination of deferred tax for investment property measured at fair value. The amendments introduce a rebuttable presumption that deferred tax on investment property measured at fair value should be determined on the basis that its carrying amount will be recovered through sale. Furthermore, the amendments incorporate the requirement previously in HK(SIC)-Int 21 *Income Taxes – Recovery of Revalued Non-Depreciable Assets* that deferred tax on non-depreciable assets, measured using the revaluation model in HKAS 16, should always be measured on a sale basis. The Group expects to adopt HKAS 12 Amendments from 1 January 2012.

HKAS 19 (2011) includes a number of amendments that range from fundamental changes to simple clarifications and rewording. The revised standard introduces significant changes in the accounting for defined benefit pension plans including removing the choice to defer the recognition of actuarial gains and losses. Other changes include modifications to the timing of recognition for termination benefits, the classification of short-term employee benefits and disclosures of defined benefit plans. The Group expects to adopt HKAS 19 (2011) from 1 January 2013.

2.3 已頒佈但尚未生效之香港財務報告準則(續)

香港財務報告準則第13號提供於香港財務報告準則使用之公平值之精確定義，以及公平值計量及披露規定之單一來源。該準則並無更改本集團須使用公平值的情況，惟提供在其他香港財務報告準則已規定或准許使用公平值時，如何應用公平值之指引。本集團預期自2013年1月1日以後採納香港財務報告準則第13號。

香港會計準則第1號修訂本更改其他全面收入內呈列的項目組合。可於日後時間重新分類至損益的項目，將與從不重新分類的項目分開呈列。本集團預期自2013年1月1日起採納該等修訂本。

香港會計準則第12號修訂本闡明如何釐定按公平值計量投資物業的遞延稅項。有關修訂本引入可推翻推定，使用公平值模型計量的投資物業的遞延稅項應按其賬面金額將會透過銷售收回的基礎釐定。此外，修訂本併入香港(國際財務報告詮釋委員會)一詮釋第21號*所得稅：已重估非折舊資產的收回*之早前所載規定，即使用香港會計準則第16號的重估模型計量的非折舊資產的遞延稅項應永遠按銷售基礎計量。本集團預期自2012年1月1日起採納香港會計準則第12號修訂本。

香港會計準則第19號(2011年)載有若干修訂，由基本轉變以至簡單的闡釋及改寫。經修訂準則引入界定福利退休計劃的會計方法的重大變動，包括刪除遞延精算盈虧的確認的選擇。其他變動包括修訂確認終止受僱福利的時間、短期僱員福利的分類及福利計劃的定義的披露。本集團預期自2013年1月1日起採納香港會計準則第19號(2011年)。



財務報表附註(續)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

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2.4 Summary of significant accounting policies

Subsidiaries

A subsidiary is an entity whose financial and operating policies the Company controls, directly or indirectly, so as to obtain benefits from its activities.

The results of subsidiaries are included in the Company's income statement to the extent of dividends received and receivable. The Company's investments in subsidiaries are stated at cost less any impairment losses.

Joint ventures

A joint venture is an entity set up by contractual arrangement, whereby the Group and other parties undertake an economic activity. The joint venture operates as a separate entity in which the Group and the other parties have an interest.

The joint venture agreement between the venturers stipulates the capital contributions of the joint venture parties, the duration of the joint venture and the basis on which the assets are to be realised upon its dissolution. The profits and losses from the joint venture's operations and any distributions of surplus assets are shared by the venturers, either in proportion to their respective capital contributions, or in accordance with the terms of the joint venture agreement.

A joint venture is treated as:

- (a) a subsidiary, if the Group has unilateral control, directly or indirectly, over the joint venture;
- (b) an associate, if the Group does not have unilateral or joint control, but holds, directly or indirectly, generally not less than 20% of the joint venture's registered capital and is in a position to exercise significant influence over the joint venture; or
- (c) an equity investment accounted for in accordance with HKAS 39, if the Group holds, directly or indirectly, less than 20% of the joint venture's registered capital and has neither joint control of, nor is in a position to exercise significant influence over, the joint venture.

2.4 主要會計政策概要

附屬公司

附屬公司指由本公司直接或間接控制其財務及經營政策以從其業務活動中獲益之公司。

附屬公司之業績按已收及應收股息計入本公司之收入報表內。本公司於附屬公司之投資按成本值扣除任何減值虧損入賬。

合營公司

合營公司指根據合約安排方式成立之公司，本集團與其他合營人士藉以進行經濟業務。合營公司以獨立實體方式運作，本集團與其他合營人士均在其中佔有權益。

合營方訂立之合營協議規定了合營各方之股本貢獻、合營期限及於合營公司解散時資產變現之基準。經營合營公司之損益及任何盈餘資產分派乃按合營方各自股本貢獻之比例或根據合營協議之條款分配。

合營公司可視作：

- (a) 附屬公司，倘本集團一方直接或間接控制合營公司；
- (b) 聯營公司，倘本集團並無單一或共同控制權，但通常直接或間接持有合營公司不少於20%之註冊資本，以及可對合營公司行使重大影響力；或
- (c) 根據香港會計準則第39號入賬之權益投資，倘本集團直接或間接持有合營公司之註冊資本不足20%，對其亦無共同控制權或重大影響力。

財務報表附註(續)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)



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2.4 Summary of significant accounting policies (continued)

Associates

An associate is an entity, not being a subsidiary, in which the Group has a long term interest of generally not less than 20% of the equity voting rights and over which it is in a position to exercise significant influence.

The Group's investments in associates are stated in the consolidated statement of financial position at the Group's share of net assets under the equity method of accounting, less any impairment losses. Adjustments are made to bring into line any dissimilar accounting policies that may exist. The Group's share of the post-acquisition results and reserves of associates is included in the consolidated income statement and consolidated reserves, respectively. Unrealised gains and losses resulting from transactions between the Group and its associates are eliminated to the extent of the Group's investments in associates, except where unrealised losses provide evidence of an impairment of the asset transferred. Goodwill arising from the acquisition of associates is included as part of the Group's investments in associates and is not individually tested for impairment.

Business combinations and goodwill

Business combinations are accounted for using the acquisition method. The consideration transferred is measured at the acquisition date fair value which is the sum of the acquisition date fair values of assets transferred by the Group, liabilities assumed by the Group to the former owners of the acquiree and the equity interests issued by the Group in exchange for control of the acquiree. For each business combination, the Group elects whether it measures the non-controlling interests in the acquiree that are present ownership interests and entitle their holders to a proportionate share of net assets in the event of liquidation either at fair value or at the proportionate share of the acquiree's identifiable net assets. All other components of non-controlling interests are measured at fair value. Acquisition costs are expensed as incurred.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree.

2.4 主要會計政策概要(續)

聯營公司

聯營公司並非附屬公司，而是本集團持有長期權益，且一般具有不少於20%股本投票權及對其可發揮重大影響力之公司。

本集團於聯營公司之投資以權益會計法計算所佔資產淨值扣除任何減值虧損後列於綜合財務狀況表內。倘若會計政策存在任何不一致，將會作出調整。本集團所佔聯營公司收購後業績及儲備分別計入綜合收入報表及綜合儲備內。本集團與其聯營公司之間交易所產生之未變現損益，均按本集團於聯營公司所佔之投資比率抵銷，惟可提供證據的未變現虧損是由所轉讓資產減值導致的則除外。收購聯營公司產生之商譽列入本集團於聯營公司投資之一部分且不個別進行減值測試。

業務合併及商譽

業務合併乃以購買法入賬。轉讓之代價乃以收購日期的公平值計算，該公平值為本集團轉讓的資產於收購日期的公平值、本集團自被收購方之前度擁有人承擔的負債，及本集團發行以換取被收購方控制權的股本權益的總和。於各業務合併中，本集團選擇是否以公平值或被收購方可識別資產淨值的應佔比例，計算於被收購方屬現時擁有人權益的非控股權益，並賦予擁有人權利，於清盤時按比例分佔實體的淨資產。非控制權益之一切其他成分乃按公平值計量。收購成本於產生時列為開支。

當本集團收購一項業務時，會根據合約條款、於收購日期的經濟環境及相關條件，評估將承接的金融資產及負債，以作出適合的分類及標示，其中包括將被收購方主合約中的嵌入式衍生工具進行分離。



財務報表附註(續)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

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2.4 Summary of significant accounting policies (continued)

Business combinations and goodwill (continued)

If the business combination is achieved in stages, the acquisition date fair value of the acquirer's previously held equity interest in the acquiree is remeasured to fair value as at the acquisition date through profit or loss.

Any contingent consideration to be transferred by the acquirer is recognised at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration which is deemed to be an asset or liability will be recognised in accordance with HKAS 39 either in profit or loss or as a change to other comprehensive income. If the contingent consideration is classified as equity, it will not be remeasured. Subsequent settlement is accounted for within equity. In instances where the contingent consideration does not fall within the scope of HKAS 39, it is measured in accordance with the appropriate HKFRS.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred, the amount recognised for non-controlling interests and any fair value of the Group's previously held equity interests in the acquiree over the identifiable net assets acquired and liabilities assumed. If the sum of this consideration and other items is lower than the fair value of the net assets of the subsidiary acquired, the difference is, after reassessment, recognised in profit or loss as a gain on bargain purchase.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. Goodwill is tested for impairment annually or more frequently if events or changes in circumstances indicate that the carrying value may be impaired. The Group performs its annual impairment test of goodwill as at 31 December. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units, or groups of cash-generating units, that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the Group are assigned to those units or groups of units.

Impairment is determined by assessing the recoverable amount of the cash-generating unit (group of cash-generating units) to which the goodwill relates. Where the recoverable amount of the cash-generating unit (group of cash-generating units) is less than the carrying amount, an impairment loss is recognised. An impairment loss recognised for goodwill is not reversed in a subsequent period.

2.4 主要會計政策概要(續)

業務合併及商譽(續)

倘業務合併分階段進行，收購方先前的持有的被收購方股權於收購日期的公平值應按收購日期的公平值列入損益而重新計量。

由收購方將予轉讓的任何或然代價將於收購日期按公平值確認。或然代價(被視為一項資產或負債)公平值的其後變動按香港會計準則第39號的要求，確認為損益或其他全面收入的變動。倘將或然代價分類為權益，則其毋須重新計量。其後結算於權益中入賬。在或然代價並未符合香港會計準則第39號範疇的情況下，其按合適的香港財務報告準則計量。

商譽起初按成本計量，即已轉讓總代價、已確認非控股權益及本集團先前由持有的被收購方股權的公平值總額，超逾與所收購可識別資產淨值及所承擔負債的差額。如總代價及其他項目低於所收購子公司資產淨值的公平值，於評估後其差額將於損益中確認為議價收購收益。

於初始確認後，商譽按成本減任何累計減值虧損計量。商譽須每年作減值測試，若有事件發生或情況改變顯示賬面值有可能減值時，則會更頻密地進行檢討。本集團於12月31日進行商譽之年度減值測試。為進行減值測試，因業務合併而購入的商譽自購入之日被分配至預期可從合併產生的協同效益中獲益的本集團各個現金產生單位或現金產生單位組別，而無論本集團其他資產或負債是否已分配予該等單位或單位組別。

減值乃通過評估與商譽有關的現金產生單位(或現金產生單位組別)的可收回金額釐定。當現金產生單位(或現金產生單位組別)的可收回金額低於賬面金額時，減值虧損便予以確認。已就商譽確認的減值虧損不得於未來期間撥回。

財務報表附註(續)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)



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2.4 Summary of significant accounting policies (continued)

Business combinations and goodwill (continued)

Where goodwill forms part of a cash-generating unit (group of cash-generating units) and part of the operation within that unit is disposed of, the goodwill associated with the operation disposed of is included in the carrying amount of the operation when determining the gain or loss on disposal of the operation. Goodwill disposed of in this circumstance is measured based on the relative values of the operation disposed of and the portion of the cash-generating unit retained.

Impairment of non-financial assets

Where an indication of impairment exists, or when annual impairment testing for an asset is required (other than inventories, deferred tax assets, biological assets, financial assets, investment properties, and goodwill), the asset's recoverable amount is estimated. An asset's recoverable amount is the higher of the asset's or cash-generating unit's value in use and its fair value less costs to sell, and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets, in which case the recoverable amount is determined for the cash-generating unit to which the asset belongs.

An impairment loss is recognised only if the carrying amount of an asset exceeds its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. An impairment loss is charged to the income statement in the period in which it arises, unless the asset is carried at a revalued amount, in which case the impairment loss is accounted for in accordance with the relevant accounting policy for that revalued asset.

An assessment is made at the end of each reporting period as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such an indication exists, the recoverable amount is estimated. A previously recognised impairment loss of an asset other than goodwill is reversed only if there has been a change in the estimates used to determine the recoverable amount of that asset, but not to an amount higher than the carrying amount that would have been determined (net of any depreciation/amortisation) had no impairment loss been recognised for the asset in prior years. A reversal of such an impairment loss is credited to the income statement in the period in which it arises, unless the asset is carried at a revalued amount, in which case the reversal of the impairment loss is accounted for in accordance with the relevant accounting policy for that revalued asset.

2.4 主要會計政策概要(續)

業務合併及商譽(續)

倘商譽構成現金產生單位(或現金產生單位組別)的部份而該單位的部份業務已出售,則在釐定所出售業務的收益或虧損時,與所出售業務相關的商譽會計入該業務的賬面值。在該情況下出售的商譽,乃根據所出售業務的相對價值及現金產生單位的保留份額進行計量。

非金融資產減值

倘有跡象顯示出現減值或須就資產進行年度減值測試(不包括存貨、遞延稅項資產、生物資產、金融資產、投資物業及商譽),則會估計資產之可收回金額。資產之可收回金額按資產或現金產生單位之使用價值或公平值減銷售成本(以較高者為準)而計算,並就個別資產而釐定,除非有關資產並無產生現金流入,且在頗大程度上獨立於其他資產或資產類別。在此情況下,可收回金額就資產所屬之現金產生單位而釐定。

減值虧損僅於資產賬面值超逾可收回金額時確認。於評估使用價值時,估計日後現金流量按可反映現時市場評估之貨幣時間價值及資產特定風險之稅前貼現率貼現至現值。減值虧損於產生期間自收入報表扣除,惟按重估價值列賬之資產除外,在這情況下,減值虧損乃根據該重估資產之相關會計政策而進行會計處理。

於每個報告期末會就是否有任何跡象顯示過往年度確認之減值虧損不再存在或可能已經減少進行評估。倘有任何該等跡象,便會估計可收回金額。僅當用以釐定資產之可收回金額之估計有所轉變時,先前所確認之減值虧損(商譽除外)方可撥回,惟撥回之金額不可高於假設過往年度該資產在並無減值虧損予以確認情況下資產之賬面值(扣除任何折舊/攤銷)。撥回之減值虧損於其產生之期間計入收入報表內,惟按重估價值列賬之資產除外,在這情況下,撥回之減值虧損乃根據該重估資產之相關會計政策而進行會計處理。



**2.4 Summary of significant accounting policies
(continued)**

Related parties

A party is considered to be related to the Group if:

- (a) the party is a person or a close member of that person's family and that person
 - (i) has control or joint control over the Group;
 - (ii) has significant influence over the Group; or
 - (iii) is a member of the key management personnel of the Group or of a parent of the Group;

or

- (b) the party is an entity where any of the following conditions applies:
 - (i) the entity and the Group are members of the same group;
 - (ii) one entity is an associate or joint venture of the other entity (or of a parent, subsidiary or fellow subsidiary of the other entity);
 - (iii) the entity and the Group are joint ventures of the same third party;
 - (iv) one entity is a joint venture of a third entity and the other entity is an associate of the third entity;
 - (v) the entity is a post-employment benefit plan for the benefit of employees of either the Group or an entity related to the Group;
 - (vi) the entity is controlled or jointly controlled by a person identified in (a); and
 - (vii) a person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).

2.4 主要會計政策概要(續)

關連人士

在下列情況下，有關人士將視為本集團之關連人士：

- (a) 該方為該名人士家族成員或直系親屬，而該名人士
 - (i) 控制或共同控制本集團；
 - (ii) 對本集團施加重大影響；或
 - (iii) 為本集團或本集團母公司的主要管理層成員；

或

- (b) 倘該方為符合下列任何條件的實體：
 - (i) 該實體與本集團屬同一集團之成員公司；
 - (ii) 一間實體為另一實體(或另一實體的母公司、附屬公司或同系附屬公司)的聯營公司或合營公司；
 - (iii) 該實體及本集團均為同一第三方的合營公司；
 - (iv) 一間實體為第三方實體的合營公司，而另一實體為該第三方實體的聯營公司；
 - (v) 該實體為離職後福利計劃，而該計劃的受益人為本集團或與本集團有關的實體的僱員；
 - (vi) 該實體由(a)項所述人士控制或共同控制；及
 - (vii) (a)(i)項所述人士對該實體有重大影響或屬該實體(或該實體的母公司)主要管理層成員。

財務報表附註(續)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)



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2.4 Summary of significant accounting policies (continued)

Property, plant and equipment and depreciation

Property, plant and equipment, other than construction in progress, are stated at cost less accumulated depreciation and any impairment losses. The cost of an item of property, plant and equipment comprises its purchase price and any directly attributable costs of bringing the asset to its working condition and location for its intended use.

Expenditure incurred after items of property, plant and equipment have been put into operation, such as repairs and maintenance, is normally charged to the income statement in the period in which it is incurred. In situations where the recognition criteria are satisfied, the expenditure for a major inspection is capitalised in the carrying amount of the asset as a replacement. Where significant parts of property, plant and equipment are required to be replaced at intervals, the Group recognises such parts as individual assets with specific useful lives and depreciates them accordingly.

Valuations are performed frequently enough to ensure that the fair value of a revalued asset does not differ materially from its carrying amount. Changes in the values of property, plant and equipment are dealt with as movements in the asset revaluation reserve. If the total of this reserve is insufficient to cover a deficit, on an individual asset basis, the excess of the deficit is charged to the income statement. Any subsequent revaluation surplus is credited to the income statement to the extent of the deficit previously charged. An annual transfer from the asset revaluation reserve to retained profits is made for the difference between the depreciation based on the revalued carrying amount of an asset and the depreciation based on the asset's original cost. On disposal of a revalued asset, the relevant portion of the asset revaluation reserve realised in respect of previous valuations is transferred to retained profits as a movement in reserves.

Depreciation is calculated on the straight-line basis to write off the cost of each item of property, plant and equipment to its residual value over its estimated useful life. The principal annual rates used for this purpose are as follows:

Freehold land	Not depreciated
Buildings	2.8% to 16.2%
Plant, machinery and equipment	4.5% to 33.3%

Where parts of an item of property, plant and equipment have different useful lives, the cost of that item is allocated on a reasonable basis among the parts and each part is depreciated separately. Residual values, useful lives and the depreciation method are reviewed, and adjusted if appropriate, at least at each financial year end.

2.4 主要會計政策概要(續)

物業、廠房及設備及折舊

除在建工程外，物業、廠房及設備按成本減累計折舊及任何減值虧損後列賬。物業、廠房及設備項目成本包括購入價及使資產處於擬定用途之運作狀況及地點之任何直接應佔成本。

物業、廠房及設備項目投入運作後所產生之支出(例如維修及保養)，則一般於產生該筆支出期間從收入報表中扣除。倘若能滿足確認標準，則主要調查之開支將撥作該項資產之資本化賬面值作為替代項目。倘物業、廠房及設備之重大部分須不時替換，則本集團確認有關部分為具有特定使用年期之獨立資產並相對其進行折舊。

進行估值之頻密程度足以確保重估資產之公平值不會與其賬面值有重大差異。物業、廠房及設備價值之變動列作資產重估儲備變動處理。倘儲備總額不足以補足個別資產之虧絀，多出之虧絀則自收入報表扣除。日後任何重估盈餘按以往扣除之虧絀計入收入報表。資產重估儲備至保留溢利的年度轉換乃就重估之資產賬面值折舊與該資產原值折舊間之差額而作出。於出售重估資產時，按以往估值變現之重估儲備有關部份撥入保留盈利作儲備變動。

折舊以直線法計算，按每項物業、廠房及設備項目之估計使用年期撇銷其成本至其剩餘價值。就此而言，所使用之主要年度折舊率如下：

永久業權土地	不折舊
樓宇	2.8%至16.2%
廠房、機械及設備	4.5%至33.3%

當一項物業、廠房及設備的各部份擁有不同的可使用年期時，則該項目各部份的成本將按合理基準分配，且各部份將作單獨折舊。剩餘價值、可使用年期和折舊方法至少於每個財政年末進行覆核和調整(倘適用)。



財務報表附註(續)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

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2.4 Summary of significant accounting policies (continued)

Property, plant and equipment and depreciation (continued)

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on disposal or retirement recognised in the income statement in the year the asset is derecognised is the difference between the net sales proceeds and the carrying amount of the relevant asset.

Construction in progress is stated at cost less any impairment losses, and is not depreciated. Cost comprises the direct costs of construction and capitalised borrowing costs on related borrowed funds during the period of construction. Construction in progress is reclassified to the appropriate category of property, plant and equipment when completed and ready for use.

Investment properties

Investment properties are interests in land and buildings (including the leasehold interest under an operating lease for a property which would otherwise meet the definition of an investment property) held to earn rental income and/or for capital appreciation, rather than for use in the production or supply of goods or services or for administrative purposes; or for sale in the ordinary course of business. Such properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at fair value, which reflects market conditions at the end of the reporting period.

Gains or losses arising from changes in the fair values of investment properties are included in the income statement in the year in which they arise.

Any gains or losses on the retirement or disposal of an investment property are recognised in the income statement in the year of the retirement or disposal.

For a transfer from investment properties to owner-occupied properties or inventories, the deemed cost of a property for subsequent accounting is its fair value at the date of change in use. If a property occupied by the Group as an owner-occupied property becomes an investment property, the Group accounts for such property in accordance with the policy stated under "Property, plant and equipment and depreciation" up to the date of change in use, and any difference at that date between the carrying amount and the fair value of the property is accounted for as a revaluation in accordance with the policy stated under "Property, plant and equipment and depreciation" above.

2.4 主要會計政策概要(續)

物業、廠房及設備及折舊(續)

一項物業、廠房及設備及初始確認之任何重大部分於出售時或經其使用或出售而估計日後不再有經濟效益時，將不再被確認。於不再被確認之年度，資產因其出售或報廢於收入報表確認之任何收益或虧損乃有關資產之銷售所得款項淨額與賬面值之差額。

在建工程乃按成本減任何減值虧損後列賬，不作折舊。成本包括施工期間之直接建築成本及有關借貸資金之已資本化借貸成本。在建工程落成後及可投入使用时重新列入適當之物業、廠房及設備類別。

投資物業

投資物業乃指持有之土地及樓宇權益(包括原符合投資物業之定義之物業經營租約之租賃權益)，以賺取租金收入及/或資本增加，而非用作生產或供應貨品或提供服務或行政用途；或於日常業務範圍內出售。該等物業乃初步按成本(包括交易成本)計量。初步確認後，投資物業乃按公平值列賬，以反映於報告期末之市場狀況。

投資物業公平值變動而產生之收益或虧損，乃列入該產生年度之收入報表內。

投資物業報廢或出售所產生之任何收益或虧損，乃於該報廢或出售年度之收入報表內確認。

就轉為自用物業或存貨的投資物業而言，用作日後入賬的推定物業成本，為改變用途之日的公平值。若本集團擁有的自用物業轉變為投資物業，本集團將根據「物業、廠房及設備及折舊」的政策把該等物業入賬，直至改變用途之日，並計算物業在該日的賬面值和公平值的差額根據上述「物業、廠房及設備及折舊」所載政策確認之重估賬。

財務報表附註(續)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)



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2.4 Summary of significant accounting policies (continued)

Intangible assets (other than goodwill)

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is the fair value as at the date of acquisition. The useful lives of intangible assets are assessed to be either finite or indefinite. Intangible assets with finite lives are subsequently amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at each financial year end.

Computer software

Purchased computer software is stated at cost less any impairment losses and is amortised on the straight-line basis over its estimated useful life of five or eight years.

Water rights

Water rights are stated at cost less any impairment losses and are amortised on the straight-line basis over their estimated useful life of 40 years.

Biological assets

The fair value of the grape vines is estimated by reference to independent professional valuations using the discounted cash flows of the underlying biological assets. The expected cash flows from the whole life cycle of the grape vines are determined using the market price of the estimated yield of the agricultural produce, being grapes, net of maintenance and harvesting costs and any costs required to bring grape vines to maturity. The estimated yield of the grape vines is affected by the age of the grape vines, the location, soil type and infrastructure. The market price of the grapes is largely dependent on the prevailing market price of the processed products after harvest, being crude grape wine.

Operating leases

Leases where substantially all the rewards and risks of ownership of assets remain with the lessor are accounted for as operating leases. Where the Group is the lessor, assets leased by the Group under operating leases are included in non-current assets, and rentals receivable under the operating leases are credited to the income statement on the straight-line basis over the lease terms. Where the Group is the lessee, rentals payable under the operating leases are charged to the income statement on the straight-line basis over the lease terms.

Prepaid land premiums under operating leases are initially stated at cost and subsequently recognised on the straight-line basis over the lease terms.

2.4 主要會計政策概要(續)

無形資產(不包括商譽)

單獨購買的無形資產以初始成本計量。業務合併中獲得的無形資產的成本為收購日的公平值。無形資產的可使用年期被評估為有限或者無限。可使用年期有限之無形資產於可使用經濟年期內攤銷，並評估是否有跡象顯示無形資產可能出現減值。可使用年期有限之無形資產之攤銷年期及攤銷方法至少於各財務年末覆核一次。

電腦軟件

所購入之電腦軟件按成本減任何減值虧損列賬，並以直線法於估計可使用年期五年或八年攤銷。

水權

水權乃按成本減任何減值虧損呈列，並於其估計可使用年期40年按直線基準攤銷。

生物資產

葡萄樹之公平值乃經參考獨立專業估值後使用相關生物資產之貼現現金流量作出估計。葡萄樹整個生命週期產生之預期現金流量乃使用農產品(即葡萄)估計產量之市價，扣除保養及收成成本及任何令葡萄樹成熟所需之成本釐定。葡萄樹之估計產量受葡萄樹齡、位置、土壤種類及基礎建設所影響。葡萄之市價很大程度上取決於收成後之加工產品(即原葡萄酒)之現行市價。

經營租約

凡資產擁有權帶來之絕大部分回報及風險仍歸出租人所有，則有關租賃列為經營租約。倘本集團為出租人，由本集團於經營租約下出租之資產乃計入非流動資產，而經營租約下之應收租金則按租期以直線法計入收入報表；倘本集團為承租人，經營租約項下之應付租金則按租期以直線法於收入報表內扣除。

根據經營租約預付之土地金均初步按成本列賬，其後於租期內按直線法予以確認。



財務報表附註(續)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

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2.4 Summary of significant accounting policies (continued)

Investments and other financial assets

Initial recognition and measurement

Financial assets within the scope of HKAS 39 are classified as financial assets at fair value through profit or loss, loans and receivables, held-to-maturity investments and available-for-sale financial investments, as appropriate. The Group determines the classification of its financial assets at initial recognition. When financial assets are recognised initially, they are measured at fair value plus transaction costs, except in the case of financial assets recorded at fair value through profit or loss.

All regular way purchases and sales of financial assets are recognised on the trade date, that is, the date that the Group commits to purchase or sell the asset. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the period generally established by regulation or convention in the marketplace.

The Group's financial assets include cash and bank balances, accounts and bills receivables, deposits and other receivables, amounts due from group companies and related companies, quoted and unquoted financial instruments.

Subsequent measurement

The subsequent measurement of financial assets depends on their classification as follows:

Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss include financial assets held for trading and financial assets designated upon initial recognition as at fair value through profit or loss. Financial assets are classified as held for trading if they are acquired for the purpose of sale in the near term. Derivatives, including separated embedded derivatives, are also classified as held for trading unless they are designated as effective hedging instruments as defined by HKAS 39.

Financial assets at fair value through profit or loss are carried in the statement of financial position at fair value with net changes in fair value recognised in the income statement. These net fair value changes do not include any dividends or interest earned on these financial assets, which are recognised in accordance with the policies set out for "Revenue recognition" below.

Financial assets designated upon initial recognition at fair value through profit or loss are designated at the date of initial recognition and only if the criteria under HKAS 39 are satisfied.

2.4 主要會計政策概要(續)

投資及其他金融資產

最初確認及計量

在香港會計準則第39號範圍內之金融資產可以分類為按公平值列入損益之金融投資、貸款及應收款項、持有至到期投資和可供出售金融投資(視乎適用而定)。本集團於最初確認時釐定其金融資產之分類。金融資產初步確認時按公平值加交易成本計算,惟倘為按公平值列入損益之金融資產則除外。

正常情況下買入及出售之金融資產於交易日(即本集團承諾購買或出售資產之日)確認。正常情況下買入及出售指於規例或市場慣例一般設定之期間內交付金融資產之買入或出售。

本集團之金融資產包括現金及銀行結餘、應收賬款及票據、按金及其他應收款項、集團公司及關連公司欠款、有報價及無報價之金融工具。

其後計量

金融資產之其後計量取決於彼等之以下分類:

按公平值列入損益之金融資產

按公平值列入損益之金融資產包括持作買賣之金融資產及於首次確認後劃分為按公平值計入損益之金融資產。計劃於短期內出售而購入之金融資產,均列作為交易而持有之金融資產。各項衍生工具(包括已分開之嵌入式衍生工具)亦分類為持作買賣,除非彼等被指定為香港會計準則第39號所界定之有效對沖工具。

以公平值計入損益之金融資產以公平值在財務狀況表中入賬,公平值淨變動於收入報表中確認。該等公平淨值之變動並不包括該等金融資產按下文「收入之確認」所載政策確認之任何股息或利息。

於初步確認時指定為按公平值列入損益之金融資產乃於初步確認日期指定並僅當符合香港會計準則第39條之標準方予指定。



2.4 Summary of significant accounting policies (continued)

Investments and other financial assets (continued)

Financial assets at fair value through profit or loss (continued)

The Group evaluates its financial assets at fair value through profit or loss (held for trading) to assess whether the intent to sell them in the near term is still appropriate. When, in rare circumstances, the Group is unable to trade these financial assets due to inactive markets and management's intent to sell them in the foreseeable future significantly changes, the Group may elect to reclassify these financial assets. The reclassification from financial assets at fair value through profit or loss to loans and receivables, available-for-sale financial investments or held-to-maturity investments depends on the nature of the assets. This evaluation does not affect any financial assets designated at fair value through profit or loss using the fair value option at designation as these instruments cannot be reclassified after initial recognition.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. After initial measurement, such assets are subsequently measured at amortised cost using the effective interest rate method less any allowance for impairment. Amortised cost is calculated by taking into account any discount or premium on acquisition and includes fees or costs that are an integral part of the effective interest rate. The effective interest rate amortisation is included in the income statement. The loss arising from impairment is recognised in the income statement in finance costs for loans and in other expenses for receivables.

Held-to-maturity investments

Non-derivative financial assets with fixed or determinable payments and fixed maturity are classified as held to maturity when the Group has the positive intention and ability to hold them to maturity. Held-to-maturity investments are subsequently measured at amortised cost using the effective interest rate method less any allowance for impairment. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate. The effective interest rate amortisation is included in the income statement. The loss arising from impairment is recognised in the income statement in other expenses.

2.4 主要會計政策概要(續)

投資及其他金融資產(續)

按公平值列入損益之金融資產(續)

本集團評估其按公平值計入損益(持作交易)之金融資產是否於近期將其出售之意向仍然合適。倘於極少情況下本集團由於市場呆滯而無法交易該等金融資產且管理層出售該等金融資產之意向於可預見未來出現重大轉變,本集團或會重新分類該等金融資產。由按公平值計入損益之金融資產重新分類至貸款及應收款項、可供出售之金融投資或持有至到期之投資取決於該等資產之性質。該評估並不影響指定為按公平值計入損益的任何金融資產於指定過程中採用公平值選擇權,乃由於該等工具不能於初始確認後重新分類。

貸款及應收款項

貸款及應收款項指固定或可釐定付款金額而活躍市場中並無報價之非衍生金融資產。該等資產其後以實際利率法按已攤銷成本減任何減值虧損列賬。計算已攤銷成本時會計及任何收購折價或溢價,且包括為實際利率之組成部份之費用或成本。實際利率攤銷載於收入報表。因減值而產生之虧損於收入報表之貸款之融資成本及應收款項之其他支出內確認。

持有至到期之投資

有既定或可確定付款額並有既定屆滿日期之非衍生金融資產,在本集團有意且有能力持有彼等至到期日之情況下,會分類為持有至到期類別。持有至到期之投資其後使用實際利率法按已攤銷成本減任何減值虧損列賬,計算已攤銷成本時會計及任何收購折價或溢價及為實際利率之組成部份之費用或成本。實際利率攤銷載於收入報表。因減值而產生之虧損於收入報表之其他支出內確認。



財務報表附註(續)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

2011年12月31日
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2.4 Summary of significant accounting policies (continued)

Investments and other financial assets (continued)

Available-for-sale financial investments

Available-for-sale financial investments are non-derivative financial assets in unlisted equity investments and debt securities. Equity investments classified as available for sale are those which are neither classified as held for trading nor designated at fair value through profit or loss. Debt securities in this category are those which are intended to be held for an indefinite period of time and which may be sold in response to needs for liquidity or in response to changes in market conditions.

After initial recognition, available-for-sale financial investments are subsequently measured at fair value, with unrealised gains or losses recognised as other comprehensive income in the available-for-sale investment revaluation reserve until the investment is derecognised, at which time the cumulative gain or loss is recognised in the income statement in other income, or until the investment is determined to be impaired, when the cumulative gain or loss is reclassified from the available-for-sale investment revaluation reserve to the income statement in other expenses. Interest and dividends earned whilst holding the available-for-sale financial investments are reported as interest income and dividend income, respectively and are recognised in the income statement as other income in accordance with the policies set out for "Revenue recognition" below.

When the fair value of unlisted equity investments cannot be reliably measured because (a) the variability in the range of reasonable fair value estimates is significant for that investment or (b) the probabilities of the various estimates within the range cannot be reasonably assessed and used in estimating fair value, such investments are stated at cost less any impairment losses.

The Group evaluates whether the ability and intention to sell its available-for-sale financial assets in the near term are still appropriate. When, in rare circumstances, the Group is unable to trade these financial assets due to inactive markets and management's intent to do so significantly changes in the foreseeable future, the Group may elect to reclassify these financial assets. Reclassification to loans and receivables is permitted when the financial assets meet the definition of loans and receivables and the Group has the intent and ability to hold these assets for the foreseeable future or to maturity. Reclassification to the held-to-maturity category is permitted only when the Group has the ability and intent to hold until the maturity date of the financial asset.

2.4 主要會計政策概要(續)

投資及其他金融資產(續)

可供出售金融投資

可供出售金融投資乃指可供出售之非上市股本投資及債務證券中之非衍生金融資產。分類為可供出售之權益投資為既非屬於持作交易類又非指定為按公平值計入損益之投資。此類別之債務證券即為有意無限期持有且可能為滿足流動資金需求或為應對市場狀況變動而出售之證券。

可供出售金融投資於初始確認後以公平值入賬。未實現之盈利或虧損於可供出售之投資重估儲備中確認為其他全面收入，直至該投資取消確認為止，此時累計盈利或虧損於收入報表內之其他收入確認，或直至該投資被確認為減值為止，此時累計盈利或虧損由可供出售投資之重估儲備重新分類至收入報表內之其他支出。持有可供出售金融投資時賺取之利息及股息分別按利息收入及股息收入入賬，並根據下文「收入確認」所載列之政策於收入報表內確認為其他收入。

當非上市的股本投資的公平值，因為(a)合理的公平值估計範圍的變動對該投資而言屬重大的，或(b)在上述範圍內的各種估計值的概率不能夠合理地評估及用於估計公平值，而不能可靠計量時，該等投資以成本減任何減值虧損列賬。

本集團評估於近期出售其可供出售金融資產之能力及意向是否仍然合適。倘於極少情況下本集團由於市場呆滯而無法交易該等金融資產，且管理層交易該等金融資產之意向於可預見未來出現重大轉變，本集團或會重新分類該等金融資產。倘該金融資產符合貸款及應收款項之定義且本集團有意及有能力於可預見未來持有該等資產或直至其到期日，則可重新分類至貸款及應收款項。僅於本集團有能力且有意持有該金融資產至其到期日時，方可重新分類至持有至到期類別。



2.4 Summary of significant accounting policies (continued)

Investments and other financial assets (continued)

Available-for-sale financial investments (continued)

For a financial asset reclassified from the available-for-sale category, the fair value carrying amount at the date of reclassification becomes its new amortised cost and any previous gain or loss on that asset that has been recognised in equity is amortised to profit or loss over the remaining life of the investment using the effective interest rate. Any difference between the new amortised cost and the maturity amount is also amortised over the remaining life of the asset using the effective interest rate. If the asset is subsequently determined to be impaired, then the amount recorded in equity is reclassified to the income statement.

Derecognition of financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised when:

- the rights to receive cash flows from the asset have expired; or
- the Group has transferred its rights to receive cash flows from the asset, or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a “pass-through” arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risk and rewards of ownership of the asset. When it has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control of the asset, the asset is recognised to the extent of the Group's continuing involvement in the asset. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

2.4 主要會計政策概要(續)

投資及其他金融資產(續)

可供出售金融投資(續)

就自可供出售類別重新分類之金融資產而言，於重新分類日期之公平值賬面金額成為其新攤銷成本，且任何之前已於權益中確認之該資產之盈利或虧損，均於該投資之餘下年限使用實際利率攤銷至損益。新攤銷成本與到期金額之間之任何差額亦於該資產之餘下年限使用實際利率攤銷。倘該資產隨後被確認為減值，則記錄為權益之金額須重新分類至收入報表。

取消確認金融資產

金融資產(或一項金融資產的一部分或一組同類金融資產的一部分)在下列情況將取消確認：

- 收取該項資產所得現金流量的權利經已屆滿；或
- 本集團已轉讓其收取該項資產所得現金流量的權利，或已根據「轉道」安排向第三方承擔全額支付款項之責任並無重大延誤；且 (a) 本集團已轉讓該項資產的絕大部分風險及回報；或 (b) 本集團並無轉讓或保留該項資產絕大部分風險及回報，但已轉讓該項資產的控制權。

本集團凡轉讓其收取該項資產所得現金流量的權利或已訂立「轉道」安排，會評估其有否保留該項資產擁有權的風險及回報，以及其程度。倘本集團並無轉讓或保留該項資產的絕大部分風險及回報，且並無轉讓該項資產的控制權，只要本集團持續涉及該項資產，該項資產將確認入賬。於該情況下，本集團亦確認一項關連負債。轉讓資產及關連負債乃以反映本集團保留的權利及責任為基準計量。

就已轉讓資產作出保證的持續涉及，乃以該項資產的原賬面值及本集團或須償還的代價數額上限(以較低者為準)計量。



財務報表附註(續)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

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2.4 Summary of significant accounting policies (continued)

Impairment of financial assets

The Group assesses at the end of each reporting period whether there is any objective evidence that a financial asset or a group of financial assets is impaired. A financial asset or a group of financial assets is deemed to be impaired if, and only if, there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (an incurred "loss event") and that loss event has an impact on the estimated future cash flows of the financial asset or the group of financial assets that can be reliably estimated. Evidence of impairment may include indications that a debtor or a group of debtors is experiencing significant financial difficulty, default or delinquency in interest or principal payments, the probability that they will enter bankruptcy or other financial reorganisation and observable data indicating that there is a measurable decrease in the estimated future cash flows, such as changes in arrears or economic conditions that correlate with defaults.

Financial assets carried at amortised cost

For financial assets carried at amortised cost, the Group first assesses individually whether objective evidence of impairment exists for financial assets that are individually significant, or collectively for financial assets that are not individually significant. If the Group determines that no objective evidence of impairment exists for an individually assessed financial asset, whether significant or not, it includes the asset in a group of financial assets with similar credit risk characteristics and collectively assesses them for impairment. Assets that are individually assessed for impairment and for which an impairment loss is, or continues to be, recognised are not included in a collective assessment of impairment.

If there is objective evidence that an impairment loss has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not yet been incurred). The present value of the estimated future cash flows is discounted at the financial asset's original effective interest rate (i.e., the effective interest rate computed at initial recognition). If a loan has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate.

2.4 主要會計政策概要(續)

金融資產減值

本集團於每個報告期末評估是否存在客觀證據顯示一項或一組金融資產出現減值。若有客觀證據顯示因有一項或多項事項於金融資產之最初確認後發生(「虧損事項」)而使減值發生,而此虧損事項對該項或該組金融資產之估計未來現金流量之影響可予可靠估計,則該項或該組金融資產方會被視為須予減值。減值證據可能包括欠債人或一組欠債人出現重大財政困難、拖欠或延遲繳交利息或本金、彼等有可能進行破產或其他財務重組等跡象,並有可視數據顯示估計未來現金流量出現可予計算之減少,如與欠款有關之拖欠情況或經濟狀況變化。

按攤銷成本列賬之金融資產

就按攤銷成本列賬之金融資產而言,本集團首先個別評估是否有個別出現個別而言重大的金融資產乃屬重大之客觀減值證據,或同時出現且個別而言並不重大的金融資產之共同客觀減值證據。若本集團判定就個別評估之金融資產而言並無客觀減值證據(不論重大與否)出現,則其將該項資產列入一組具有類似信貸風險特色之金融資產內,並共同評估其減值情況。個別評估減值及就此確認或持續確認減值虧損之資產在共同評估減值中概不包括在內。

倘有明確證據顯示已產生減值虧損,則減值金額按該資產賬面值與估計未來現金流量(不包括並未產生的未來信貸虧損)現值之差額計量。估計未來現金流量之現值以金融資產之初始實際利率(即初次確認時計算之實際利率)折現。倘貸款之利率為浮動利率,則計量任何減值虧損之折現率為當前實際利率。

財務報表附註(續)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)



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2.4 Summary of significant accounting policies (continued)

Impairment of financial assets (continued)

Financial assets carried at amortised cost (continued)

The carrying amount of the asset is reduced through the use of an allowance account and the amount of the loss is recognised in the income statement. Interest income continues to be accrued on the reduced carrying amount and is accrued using the rate of interest used to discount the future cash flows for the purpose of measuring the impairment loss. Loans and receivables together with any associated allowance are written off when there is no realistic prospect of future recovery and all collateral has been realised or has been transferred to the Group.

If, in a subsequent period, the amount of the estimated impairment loss increases or decreases because of an event occurring after the impairment was recognised, the previously recognised impairment loss is increased or reduced by adjusting the allowance account. If a future write-off is later recovered, the recovery is credited to other expenses in the income statement.

Assets carried at cost

If there is objective evidence that an impairment loss has been incurred on an unquoted equity instrument that is not carried at fair value because its fair value cannot be reliably measured, or on a derivative asset that is linked to and must be settled by delivery of such an unquoted equity instrument, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the current market rate of return for a similar financial asset. Impairment losses on these assets are not reversed.

Available-for-sale financial investments

For available-for-sale financial investments, the Group assesses at the end of each reporting period whether there is objective evidence that an investment or a group of investments is impaired.

If an available-for-sale investment is impaired, an amount comprising the difference between its cost (net of any principal payment and amortisation) and its current fair value, less any impairment loss previously recognised in the income statement, is removed from other comprehensive income and recognised in the income statement.

2.4 主要會計政策概要(續)

金融資產減值(續)

按攤銷成本列賬之金融資產(續)

該資產之賬面值會通過使用備抵賬而減少，而虧損金額於收入報表確認。利息收入於減少後賬面值中持續產生，且採用計量減值虧損時用以折現未來現金流量之利率累計。若日後收回不可實現，則撇銷貸款及應收款項連同任何相關撥備，而所有抵押品已變現或轉至本集團。

倘若在其後期間估計減值虧損金額由於確認減值之後發生之事項增加或減少，則透過調整撥備賬目增加或減少先前確認之減值虧損。倘於其後收回未來撇銷，該項收回將計入收入報表內之其他支出。

按成本入賬之資產

倘有客觀跡象顯示因其公平值不能可靠計量而不按公平值入賬之無報價股本工具已產生減值虧損或該衍生資產與無報價權益工具相聯系並以該無報價權益工具進行交割，該虧損數額按該資產之賬面值與按同類金融資產之現時市場回報率折算之估計未來現金流量現值之差額而計量。該等資產之減值虧損不予撥回。

可供出售金融投資

對於可供出售之金融投資，本集團於各報告期末評估是否存在客觀證據顯示一項投資或一組投資出現減值。

倘可供出售投資出現減值，則其成本(已撇除本金及攤銷額)與當前公平值之差額，再扣減以往於收入報表確認之減值虧損之金額，將自其他全面收入轉出至收入報表。



財務報表附註(續)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

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2.4 Summary of significant accounting policies (continued)

Impairment of financial assets (continued)

Available-for-sale financial investments (continued)

In the case of equity investments classified as available for sale, objective evidence would include a significant or prolonged decline in the fair value of an investment below its cost. The determination of what is “significant” or “prolonged” requires judgement. “Significant” is evaluated against the original cost of the investment and “prolonged” against the period in which the fair value has been below its original cost. Where there is evidence of impairment, the cumulative loss – measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that investment previously recognised in the income statement – is removed from other comprehensive income and recognised in the income statement. Impairment losses on equity instruments classified as available for sale are not reversed through the income statement. Increases in their fair value after impairment are recognised directly in other comprehensive income.

Financial liabilities

Initial recognition and measurement

Financial liabilities within the scope of HKAS 39 are classified as financial liabilities at fair value through profit or loss and loans and borrowings. The Group determines the classification of its financial liabilities at initial recognition.

All financial liabilities are recognised initially at fair value plus, in the case of loans and borrowings, directly attributable transaction costs.

The Group’s financial liabilities include accounts and bills payables, other payables, amounts due to group companies and related companies and interest-bearing bank and other borrowings.

Subsequent measurement

The subsequent measurement of financial liabilities depends on their classification is as follows:

Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost, using the effective interest rate method unless the effect of discounting would be immaterial, in which case they are stated at cost. Gains and losses are recognised in the income statement when the liabilities are derecognised as well as through the effective interest rate amortisation process.

2.4 主要會計政策概要(續)

金融資產減值(續)

可供出售金融投資(續)

就列為可供出售投資之權益投資而言，客觀證據應包括投資之公平值大幅或持久低於其成本。釐定何為「大幅」或何為「持久」時需要判斷。「大幅」乃與該項投資之原成本比較後評估，而「持久」則按公平值低於其原成本之為時而評估。若有證據出現減值，按收購成本與本期公平值之間差額計量之累計虧損(減往期就該項投資於收入報表確認之減值虧損)於其他全面收入中轉出，並於收入報表中確認。權益工具之減值虧損不會透過收入報表撥回。減值後公平值之增幅乃直接於其他全面收入中確認。

金融負債

初步確認及計量

屬於香港會計準則第39號範圍內之金融負債可以分類為按公平值計入損益之金融負債及貸款以及借款。本集團於初步確認時釐定其金融負債之分類。

所有金融負債於初步確認時按公平值確認，而貸款及借款則加上直接應佔交易成本確認。

本集團之金融負債包括應付賬款及票據、其他應付款項、欠集團公司及關連公司款項以及計息銀行及其他借款。

其後計量

金融負債之其後計量乃根據如下所示分類：

貸款及借款

於初步確認後，計息貸款及借款其後採用實際利率法按攤銷成本計量，惟倘折現之影響並不重大，則按成本計量。盈虧於終止確認負債時於收入報表透過實際利率攤銷程序確認。

財務報表附註(續)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)



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2.4 Summary of significant accounting policies (continued)

Financial liabilities (continued)

Loans and borrowings (continued)

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate. The effective interest rate amortisation is included in finance costs in the income statement.

Derecognition of financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged or cancelled, or expires.

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and a recognition of a new liability, and the difference between the respective carrying amounts is recognised in the income statement.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the statement of financial position if, and only if, there is currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

Fair value of financial instruments

The fair value of financial instruments that are traded in active markets is determined by reference to quoted market prices or dealer price quotations (bid price for long positions and ask price for short positions), without any deduction for transaction costs. For financial instruments where there is no active market, the fair value is determined using an appropriate valuation technique. Such techniques include using recent arm's length market transactions; reference to the current market value of another instrument which is substantially the same; a discounted cash flow analysis; and option pricing models.

Inventories

Inventories, other than the agricultural products which are measured in accordance with the accounting policy for "Biological assets" above, are stated at the lower of cost and net realisable value. Cost is determined on the weighted average basis and, in the case of work in progress and finished goods, comprises direct materials, direct labour and an appropriate proportion of overheads. Net realisable value is based on estimated selling prices less any estimated costs to be incurred to completion and disposal.

2.4 主要會計政策概要(續)

金融負債(續)

貸款及借款(續)

攤銷成本乃經計及收購之折讓或溢價，以及構成實際利率一部份之費用或成本計算。實際利率攤銷計入收入報表之融資成本。

取消確認金融負債

當負債下的義務已被履行、取消或期滿，本集團取消確認該金融負債。

倘若一項現有金融負債被來自同一貸款方且大部分條款均有差別之另一項金融負債所取代，或現有負債之條款被大幅修改，此種置換或修改作取消確認原有負債並確認新負債處理，而兩者的賬面值之間的差額於收入報表確認。

抵銷金融工具

倘現時存在一項可依法強制執行的權利，可抵銷已確認金額，且亦有意以淨額結算或同時變現資產及償付債務，則金融資產及金融負債均可予抵銷，並將淨金額列入財務狀況表內。

金融工具之公平值

於活躍市場交易之金融工具之公平值乃經參考市場報價或交易人報價(好倉之競標價及淡倉之認購價)而釐定，且未因交易成本而減少。就並無活躍市場之金融工具而言，公平值使用適用估值技術釐定。此類技術包括，採用最近的公平市場交易；參照幾乎相同的其他工具的當前市場價值；現金流量分析的折現；及期權定價模型。

存貨

存貨(除按照上述「生物資產」會計政策計價之農產品之外)乃按成本或可變現淨值(以較低者為準)列賬。成本乃按加權平均基準釐定，倘屬在製品及製成品，則包括直接物料、直接人工及間接成本適當部分。可變現淨值乃根據估計售價減去任何估計在完成及出售時產生之成本計算。



財務報表附註(續)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

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2.4 Summary of significant accounting policies (continued)

Cash and cash equivalents

For the purpose of the consolidated statement of cash flows, cash and cash equivalents comprise cash on hand and demand deposits, and short term highly liquid investments that are readily convertible into known amounts of cash, are subject to an insignificant risk of changes in value, and have a short maturity of generally within three months when acquired, less bank overdrafts which are repayable on demand and form an integral part of the Group's cash management.

For the purpose of the statement of financial position, cash and cash equivalents comprise cash on hand and at banks, including term deposits, which are not restricted as to use.

Provisions

A provision is recognised when a present obligation (legal or constructive) has arisen as a result of a past event and it is probable that a future outflow of resources will be required to settle the obligation, provided that a reliable estimate can be made of the amount of the obligation.

When the effect of discounting is material, the amount recognised for a provision is the present value at the end of the reporting period of the future expenditures expected to be required to settle the obligation. The increase in the discounted present value amount arising from the passage of time is included in finance costs in the income statement.

A contingent liability recognised in a business combination is initially measured at its fair value. Subsequently, it is measured at the higher of (i) the amount that would be recognised in accordance with the general guidance for provisions above; and (ii) the amount initially recognised less, when appropriate, cumulative amortisation recognised in accordance with the guidance for revenue recognition.

Income tax

Income tax comprises current and deferred tax. Income tax relating to items recognised outside profit or loss is recognised outside profit or loss, either in other comprehensive income or directly in equity.

Current tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period, taking into consideration interpretations and practices prevailing in the countries in which the Group operates.

2.4 主要會計政策概要(續)

現金及現金等值項目

就綜合現金流量表而言，現金及現金等值項目包括手頭現金、活期存款及短期高流動性之投資，可即時兌換為已知金額之現金，價值變動風險輕微，且於收購時起計3個月內到期，再減去按要求應付銀行透支，屬本集團現金管理一部分。

就財務狀況表而言，現金及現金等值項目包括使用不受限制的手頭與銀行現金(包括定期存款)。

撥備

倘因過往事宜產生目前債務(法定或推定)及將來可能需要有資源流出，以償還債務，則撥備予以確認，惟該債務之金額須可予準確估計。

倘折現之影響屬重大者，就撥備之已確認金額乃是於報告期末償還債務預期所須之現值金額。折現現值金額因時間推移產生之增幅於收入報表計入「融資成本」。

於業務合併時確認之或然負債最初按其公平值計量。其後，以下列較高者計量：(i)將根據上述撥備之一般指引予以確認之數額；及(ii)最初確認之金額減(倘合適)根據收入確認指引所確認之累計攤銷。

所得稅

所得稅包括即期及遞延稅項。於損益外確認之項目有關之所得稅於損益外確認，於其他全面收入確認或直接計入權益。

於目前或過往期間的即期稅項資產及負債，按預期自稅務當局退回或付予稅務當局的金額計算。以於報告期末前已實行或實際已實行之稅率(及稅法)為基準，經計及本集團營運所在國家之現行詮釋及慣例。

財務報表附註(續)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)



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2.4 Summary of significant accounting policies (continued)

Income tax (continued)

Deferred tax is provided, using the liability method, on all temporary differences at the end of the reporting period between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- when the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- in respect of taxable temporary differences associated with investments in subsidiaries and associates, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, the carryforward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, the carryforward of unused tax credits and unused tax losses can be utilised, except:

- when the deferred tax asset relating to the deductible temporary differences arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- in respect of deductible temporary differences associated with investments in subsidiaries and associates, deferred tax assets are only recognised to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at the end of each reporting period and are recognised to the extent that it has become probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be recovered.

2.4 主要會計政策概要(續)

所得稅(續)

遞延稅項乃採用負債法就報告期末資產及負債之稅基與兩者用作財務報表之賬面值之間之各項暫時性差額作出撥備。

所有應課稅暫時性差額均被確認為遞延稅項負債，惟：

- 由商譽初始確認產生之遞延稅項負債或於進行交易時初次確認(非業務合併交易)之資產或負債並不對會計溢利或應課稅溢利或虧損構成影響；及
- 有關從附屬公司與聯營公司之投資中產生之應課稅暫時性差額，惟轉撥暫時性差額之可受控制時間及暫時性差額於可預見之將來可能不會轉撥除外。

所有可被扣減之暫時性差額及未被動用之稅項抵免與稅務虧損之結轉均被確認為遞延稅項資產。遞延稅項資產之確認只限於可能以應課稅溢利抵扣可扣減暫時性差額，及可動用結轉之未被動用之稅項抵免及稅務虧損，惟：

- 倘與可扣稅暫時差異有關的遞延稅項資產因於交易中首次確認有關資產或負債而起，而有關交易並非業務合併，及在交易進行時，對會計溢利或應課稅溢利或虧損均無影響；及
- 有關從附屬公司與聯營公司之投資中產生之可扣減暫時性差額，遞延稅項資產只限於暫時性差額可能於可預見將來轉撥及可動用應課稅溢利可用以抵扣暫時性差額時確認除外。

遞延稅項資產之賬面值於每個報告期末複核，並扣減至當不再可能有足夠應課稅溢利讓所有或部分遞延稅項資產被動用止。當未被確認遞延稅項資產可能有足夠應課稅溢利讓所有或部分遞延稅項資產被追回時於各報告期末被重新評估及確認。



財務報表附註(續)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

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2.4 Summary of significant accounting policies (continued)

Income tax (continued)

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Government grants

Government grants are recognised at their fair value where there is reasonable assurance that the grant will be received and all attaching conditions will be complied with. When the grant relates to an expense item, it is recognised as income over the periods necessary to match the grant on a systematic basis to the costs that it is intended to compensate.

Where the grant relates to an asset, the fair value is credited to a deferred income account and is released to the income statement over the expected useful life of the relevant asset by equal annual instalments.

Where the Group receives government loans granted with no or at a below-market rate of interest for the construction of a qualifying asset, the initial carrying amount of the government loans is determined using the effective interest rate method, as further explained in the accounting policy for "Financial liabilities" above. The benefit of the government loans granted with no or at a below-market rate of interest, which is the difference between the initial carrying value of the loans and the proceeds received, is treated as a government grant and released to the income statement over the expected useful life of the relevant asset by equal annual instalments.

Revenue recognition

Revenue is recognised when it is probable that the economic benefits will flow to the Group and when the revenue can be measured reliably, on the following bases:

- (a) from the sale of goods, when the significant risks and rewards of ownership have been transferred to the buyer, provided that the Group maintains neither managerial involvement to the degree usually associated with ownership, nor effective control over the goods sold;
- (b) from the rendering of services, in the period in which the services are rendered;

2.4 主要會計政策概要(續)

所得稅(續)

當資產被變現或負債被清還時，遞延稅項資產及負債以該期間預期之適用稅率衡量，並根據於報告期末之前已制定或實際會制定之稅率及稅務法例計算。

遞延稅項資產可與遞延稅項負債抵銷，惟必須存在容許將即期稅項資產抵銷即期稅項負債的可合法執行權利，且遞延稅項與同一應課稅實體及同一稅務當局有關，方可實行。

政府補助

政府補助在合理確保可收取有關撥款及符合一切附帶條件下按其公平值予以確認。如補助與開支項目有關，補助將有系統地按照擬補助之開支項目所需期間予以確認為收入。

如補助與資產有關，則先按其公平值於遞延收入賬內入賬，並在該有關資產之預期可用年期內以每年相同金額之方式轉入收入報表。

如本集團就建設合資格資產而獲取不計息或以低於市場利率計息的政府貸款，則有關政府貸款的初始賬面值將以實際利率法釐定，有關方法於上文會計政策內所載的「金融負債」進一步闡釋。獲授不計息或以低於市場利率計息的政府貸款的益處，即該等貸款初始賬面值與所得款項兩者之差額，會當作政府補貼處理，並於有關資產的預期可使用年期內按等額分期形式每年撥入收入報表。

收入之確認

收入於本集團將可獲得有關經濟利益並能夠可靠地衡量時按以下基準入賬：

- (a) 銷售貨物收入，於擁有權之重大風險及回報已轉移至買方而本集團不再保有通常與擁有權有關之管理或對售出貨物之有效控制；
- (b) 提供服務收入，在提供服務期間確認；

財務報表附註(續)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)



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2.4 Summary of significant accounting policies (continued)

Revenue recognition (continued)

- (c) rental income, on a time proportion basis over the lease terms;
- (d) interest income, on an accrual basis using the effective interest rate method by applying the rate that exactly discounts the estimated future cash receipts through the expected life of the financial instrument or a shorter period, when appropriate, to the net carrying amount of the financial asset; and
- (e) dividend income, when the shareholders' right to receive payment has been established.

Share-based payment transactions

The Company operates a share option scheme for the purpose of providing incentives and rewards to eligible participants who contribute to the success of the Group's operations. Employees (including directors) of the Group receive remuneration in the form of share-based payment transactions, whereby employees render services as consideration for equity instruments ("equity-settled transactions").

The cost of equity-settled transactions with employees for grants after 7 November 2002 is measured by reference to the fair value at the date at which they are granted. The fair value is determined by an external valuer using the Black-Scholes-Merton option pricing model and the Binomial option pricing model, further details of which are given in note 32 to the financial statements.

The cost of equity-settled transactions is recognised, together with a corresponding increase in equity, over the period in which the performance and/or service conditions are fulfilled. The cumulative expense recognised for equity-settled transactions at the end of each reporting period until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of equity instruments that will ultimately vest. The charge or credit to the income statement for a period represents the movement in the cumulative expense recognised as at the beginning and end of that period.

No expense is recognised for awards that do not ultimately vest, except for equity-settled transactions where vesting is conditional upon a market or non-vesting condition, which are treated as vesting irrespective of whether or not the market or non-vesting condition is satisfied, provided that all other performance and/or service conditions are satisfied.

2.4 主要會計政策概要(續)

收入之確認(續)

- (c) 租金收入，於資產租出期間在租賃期按時間比例基準確認；
- (d) 利息收入以應計方式按金融工具的估計年期內或較短期間(倘適合)實際利率將未來估計的現金收入確切貼現至金融資產的賬面淨值；及
- (e) 股息收入，於確立股東收款之權利時確認。

股份為本支付之交易

本公司採納購股權計劃，作為對曾為本集團取得之成就作出貢獻之合資格參與人士之鼓勵及獎勵。本集團僱員(包括董事)獲授以股份支付交易形式發出之酬金，而僱員則提供服務作為獲授權益工具之代價(「股本結算交易」)。

與僱員進行對其於2002年11月7日之後授出購股權以股權支付之交易之成本，乃參照授出日期之公平值計量。公平值由外界估值師採用柏力克-舒爾斯期權定價模式及二項式期權定價模式釐定，進一步詳情載於財務報表附註32。

股本結算交易之成本連同股本之相應增加會於達到表現及/或服務條件之期間內確認。由各報告期末直至歸屬日就股本結算交易確認之累計開支反映歸屬期屆滿時之程度，以及本集團就最終將會歸屬之權益工具數目作最佳估計。期內於收入報表扣除或計入收入報表之項目指於期初及期終確認之累計開支之變動。

尚未能最終歸屬之報酬不會確認為開支，除非股本結算交易須待某個市況或非歸屬條件達到後方可歸屬，在此情況下，不論是否達到該市況或非歸屬條件均會被視作歸屬處理，惟其他所有表現及/或服務條件必須達成。



財務報表附註(續)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

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2.4 Summary of significant accounting policies (continued)

Share-based payment transactions (continued)

Where the terms of an equity-settled award are modified, as a minimum an expense is recognised as if the terms had not been modified, if the original terms of the award are met. In addition, an expense is recognised for any modification that increases the total fair value of the share-based payment transaction, or is otherwise beneficial to the employee as measured at the date of modification.

Where an equity-settled award is cancelled, it is treated as if it had vested on the date of cancellation, and any expense not yet recognised for the award is recognised immediately. This includes any award where non-vesting conditions within the control of either the Group or the employee are not met. However, if a new award is substituted for the cancelled award, and is designated as a replacement award on the date that it is granted, the cancelled and new awards are treated as if they were a modification of the original award, as described in the previous paragraph.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of earnings per share.

Other employee benefits

Pension scheme

Retirement benefits are provided to certain staff employed by the Group. In accordance with the Mandatory Provident Fund Schemes Ordinance, the Group's Hong Kong employees enjoy retirement benefits under either the Mandatory Provident Fund Exempted Occupational Retirement Schemes Ordinance ("ORSO") Scheme, or the Mandatory Provident Fund Scheme under which employer contributions have to be made. The assets of the schemes are held separately from those of the Group in independently administered funds. The Group's contributions to both schemes are at a maximum of 10% of the monthly salaries of the employees. When an employee leaves employment prior to his or her interest in the Group's employer contributions vesting fully, the ongoing ORSO Scheme contributions payable by the Group may be reduced by the relevant amount of the forfeited contributions, in accordance with the rules of the Mandatory Provident Fund Exempted ORSO Scheme. However, in respect of the Mandatory Provident Fund Scheme, only the employer voluntary contribution amounts are refundable to the Group when the members leave employment prior to their contributions vesting fully. The Group's mandatory contributions vest fully with the employees when the employees leave employment.

2.4 主要會計政策概要(續)

股份為本支付之交易(續)

當股本結算報酬之條款修訂時，會確認最少之支出，猶如條款並無修訂一般，惟須符合獎勵之原始條款。此外，會就導致以股份支付之交易之公平值總額增加，或按於修訂日期計量而對僱員有利之任何修訂確認支出。

當股本結算報酬註銷時，會被視作於註銷當日經已歸屬處理，而報酬尚未確認之任何支出會即時確認。該報酬包括當非歸屬條件在本集團或其僱員的控制下未能得到滿足時的報酬。然而，倘已註銷報酬有任何替代之新報酬，並指定為授出當日之替代報酬，則該項註銷及新報酬會如上段所述被視為原有報酬之修訂般處理。

未行使購股權之攤薄影響，反映於計算每股盈利時之額外股份攤薄。

其他僱員福利

退休金計劃

本集團為受僱之若干僱員提供退休福利。根據《強制性公積金計劃條例》，本集團香港僱員享有根據強制性公積金豁免職業退休金計劃或強制性公積金計劃提供之退休福利。僱主須根據計劃作出供款。該等計劃之資產由獨立管理基金與本集團之資產分開處理。本集團向該兩個計劃之供款最多為僱員月薪之10%。根據強制性公積金豁免職業退休金計劃規則，倘本集團僱員於合資格全數取得其於強制性公積金規則豁免之職業退休金計劃之供款權益前離職，則本集團須持續作出之職業退休金計劃供款可由沒收供款填補。然而，就強制性公積金計劃而言，倘僱員在全數取得供款前離職，本集團僅可獲退還僱主自願供款。僱員離職時可悉數收取本集團之強制性供款。

財務報表附註(續)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)



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2.4 Summary of significant accounting policies (continued)

Other employee benefits (continued)

Pension scheme (continued)

The employees of the Group's subsidiaries which operate in Mainland China are required to participate in a central pension scheme operated by the relevant authorities of the provinces or the local municipal governments in Mainland China in which the Group's subsidiaries are located. The Group contributes to this scheme in respect of its employees in Mainland China and such costs are charged to the income statement as incurred.

Employment Ordinance long service payments

Certain of the Group's employees have completed the required number of years of service to the Group in order to be eligible for long service payments under the Hong Kong Employment Ordinance in the event of termination of their employment. The Group is liable to make such payments in the event that such a termination of employment meets the circumstances specified in the Employment Ordinance.

A provision has not been recognised in respect of such possible payments, as it is not considered probable that the situation will result in a material future outflow of resources from the Group.

Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, i.e., assets that necessarily take a substantial period of time to get ready for their intended use or sale, are capitalised as part of the cost of those assets. The capitalisation of such borrowing costs ceases when the assets are substantially ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs capitalised. All other borrowing costs are expensed in the period in which they are incurred. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

Dividends

Final dividends proposed by the directors are classified as a separate allocation of retained profits within the equity section of the statement of financial position, until they have been approved by the shareholders in a general meeting. When these dividends are approved by the shareholders and declared, they are recognised as a liability.

2.4 主要會計政策概要(續)

其他僱員福利(續)

退休金計劃(續)

本集團在中國大陸營運之附屬公司僱員須參加中央公積金計劃，計劃乃由本集團之附屬公司所在中國大陸省份之有關政府機構或當地市政府運作。本集團須替中國大陸僱員向該計劃供款，該等費用於產生時自收入報表中扣除。

《僱傭條例》長期服務金

本集團若干僱員已完成香港《僱傭條例》規定倘於終止僱用時可享有長期服務金之服務年期。倘終止僱用之情況符合《僱傭條例》規定者，則本集團須按例支付有關款項。

由於預期導致本集團於日後動用大量現金資源之機會並不大，故並無就可能須支付之款項確認任何撥備。

借貸成本

購買、建築或生產指定資產(即資產需經一段長時間，方能作擬定用途或銷售)所直接涉及之借貸成本，一律資本化，並列作該等資產成本之一部分。一旦資產之大部分已可作擬定用途或銷售，有關借貸成本即不再資本化。指定借貸所作臨時性質之投資在扣除指定資產所耗之開支後所賺得之投資收入於資本化之借貸成本中予以扣除。所有其他借貸成本於其產生期間內列作支出。借貸成本包括利息及一個實體於有關資金借貸產生之其他成本。

股息

董事會建議派付之末期股息於財務狀況表之股本項下，列作保留溢利之一項獨立分配，直至股東於股東大會批准派付該等股息。倘該等股息獲股東批准，並予以宣派，則確認為負債入賬。



財務報表附註(續)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

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2.4 Summary of significant accounting policies (continued)

Dividends (continued)

Interim dividends are simultaneously proposed and declared, because the Company's memorandum and articles of association grant the directors the authority to declare interim dividends. Consequently, interim dividends are recognised immediately as a liability when they are proposed and declared.

Foreign currencies

These financial statements are presented in Hong Kong dollars, which is the Company's functional and presentation currency. Each entity in the Group determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency. Foreign currency transactions recorded by the entities in the Group are initially recorded using their respective functional currency rates ruling at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are retranslated at the functional currency rates of exchange ruling at the end of the reporting period. All differences arising on settlement or translation of monetary items are taken to the income statement.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. The gain or loss arising on retranslation of a non-monetary item is treated in line with the recognition of the gain or loss on change in fair value of the item (i.e., translation differences on the item whose fair value gain or loss is recognised in other comprehensive income or profit or loss is also recognised in other comprehensive income or profit or loss, respectively).

The functional currencies of certain overseas subsidiaries and associates are currencies other than the Hong Kong dollar. As at the end of the reporting period, the assets and liabilities of these entities are translated into the presentation currency of the Company at the exchange rates ruling at the end of the reporting period and their income statements are translated into Hong Kong dollars at the weighted average exchange rates for the year. The resulting exchange differences are recognised in other comprehensive income and accumulated in the exchange fluctuation reserve. On disposal of a foreign operation, the component of other comprehensive income relating to that particular foreign operation is recognised in the income statement.

2.4 主要會計政策概要(續)

股息(續)

中期股息由本公司同時建議及宣派，因本公司之組織大綱及公司章程授權董事會宣派中期股息之權利。故此，中期股息於建議派付及宣派時隨即確認為負債。

外幣

財務報表以港元呈報，即本公司的功能及呈報貨幣。本集團內的實體各自決定其功能貨幣為何，各實體的財務報表項目均以所定功能貨幣計量。本集團各實體錄得的外幣交易初步按交易日彼等各自的功能貨幣的匯率換算入賬。以外幣計價單位的貨幣資產及負債，按有關功能貨幣於報告期末的匯率再換算。所有結算或換算貨幣項目產生的匯兌差額撥入收入報表處理。

按歷史成本列賬以外幣計量的非貨幣項目，採用初始交易日期的匯率換算。按公平值列賬以外幣計量的非貨幣項目，採用釐定公平值日期的匯率換算。重新換算非貨幣項目而產生的收益或虧損，按與確認該項目的公平值變動的收益或虧損一致的方法處理(即於其他全面收入或損益已確認的項目的公平值收益或虧損，其換算差額亦分別於其他全面收入或損益確認)。

部份海外附屬公司及聯營公司的功能貨幣為港元以外之貨幣。於報告期末，有關實體的資產與負債乃按報告期末的匯率換算為本公司的呈報貨幣，其收入報表則按本年度的加權平均匯率換算為港元。因此而產生的匯兌差額，於其他全面收入報表中確認及累計於外匯變動儲備中。出售外國業務時，有關該項外國業務的其他全面收入的組成部分會在收入報表中確認。

財務報表附註(續)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)



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2.4 Summary of significant accounting policies (continued)

Foreign currencies (continued)

Any goodwill arising on the acquisition of a foreign operation and any fair value adjustments to the carrying amounts of assets and liabilities arising on acquisition are treated as assets and liabilities of the foreign operation and translated at the closing rate.

For the purpose of the consolidated statement of cash flows, the cash flows of overseas subsidiaries are translated into Hong Kong dollars at the exchange rates ruling at the dates of the cash flows. Frequently recurring cash flows of overseas subsidiaries which arise throughout the year are translated into Hong Kong dollars at the weighted average exchange rates for the year.

3. Significant accounting judgement and estimates

The preparation of the Group's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities, at the end of the reporting period. However, uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amounts of the assets or liabilities affected in the future.

Judgement

In the process of applying the Group's accounting policies, management has made the following judgement, apart from those involving estimations, which has the most significant effect on the amounts recognised in the financial statements:

Withholding tax arising from the distribution of dividends

The Group's determination, as to whether to accrue withholding taxes arising from the distributions of dividends by certain subsidiaries according to the relevant tax rules enacted in the jurisdictions, is subject to judgement on the plan of the distribution of dividends.

Estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below.

2.4 主要會計政策概要(續)

外幣(續)

因收購海外業務產生的任何商譽及因收購產生的資產及負債賬面值的任何公平值調整，均被視為該海外業務的資產及負債，並以呈報期間完結時的匯率換算。

就綜合現金流量表而言，海外附屬公司之現金流量乃按現金流量日期之有關匯率折算為港元。海外附屬公司於本年度內產生之經常性現金流量則按本年度內加權平均匯率折算為港元。

3. 主要會計判斷及估計

編製本集團財務報表需要管理層作出判斷、估計及假設，而此等將影響於報告期末之收入、開支、資產及負債之呈報金額及或然負債之披露。然而，該等假設及估計之不明朗因素可能導致需要對未來有關資產或負債之賬面值作出重大調整。

判斷

在應用本集團的會計政策的過程中，除涉及估計的會計政策外，管理層已作出對財務報表內已確認金額構成最重大影響的以下判斷：

分派股息所產生之預扣稅

本集團就決定是否依照司法權區域制定之有關稅務規則計算若干附屬公司分派股息所產生之預扣稅時，須對分派股息之計劃作出判斷。

估計之不明朗因素

下文載述存在重大風險之未來主要假設及於報告期末存在的其他主要估計不明朗原因，極可能會導致須對下一個財政年度資產及負債賬面值作出重大調整。



財務報表附註(續)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

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3. Significant accounting judgement and estimates (continued)

Estimation uncertainty (continued)

Impairment of goodwill

The Group determines whether goodwill is impaired at least on an annual basis. This requires an estimation of the value in use of the cash-generating units to which the goodwill is allocated. Estimating the value in use requires the Group to make an estimate of the expected future cash flows from the cash-generating unit and also to choose a suitable discount rate in order to calculate the present value of those cash flows. The carrying amount of goodwill at 31 December 2011 was HK\$1,727,793,000 (2010: HK\$1,680,015,000). More details are given in note 17 to the financial statements.

Estimation of fair value of investment properties

As disclosed in note 15 to the financial statements, investment properties are revalued at the end of the reporting period on an income capitalisation approach by independent professional valuers. Such valuations were based on certain assumptions, which are subject to uncertainty and might materially differ from the actual results. In making the judgement, information from current prices in an active market for similar properties is considered and assumptions that are mainly based on market conditions existing at the end of the reporting period are used. The carrying amount of the Group's investment properties at 31 December 2011 was HK\$82,361,000 (2010: HK\$73,966,000).

Deferred tax assets

Deferred tax assets are recognised for all unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of future taxable profits together with future tax planning strategies. The carrying value of deferred tax assets relating to recognised tax losses at 31 December 2011 was HK\$4,639,000 (2010: HK\$154,000). The amount of unrecognised tax losses at 31 December 2011 was HK\$457,970,000 (2010: HK\$430,059,000). Further details are contained in note 30 to the financial statements.

Impairment of available-for-sale financial assets

The Group classifies certain assets as available for sale. When the fair value declines, management makes assumptions about the decline in value to determine whether there is an impairment that should be recognised in the income statement. The carrying amount of available-for-sale assets was HK\$203,104,000 (2010: HK\$209,387,000).

3. 主要會計判斷及估計(續)

估計之不明朗因素(續)

商譽減值

本集團至少每年釐定商譽有否出現減值。有關釐定需估計商譽所獲分配至之現金產生單位之使用價值。就估計使用價值而言，本集團需估計預計來自現金產生單位之未來現金流量及挑選合適貼現率以計算該等現金流量之現值。於2011年12月31日，商譽之賬面值為1,727,793,000港元(2010年：1,680,015,000港元)。更多詳情載於財務報表附註17。

投資物業公平值估計

誠如財務報表附註15所披露，投資物業乃於報告期末由獨立專業估值師按收入資本化法進行重估。該等估值乃基於若干假設，而該等假設涉及不明朗因素，可能與實際結果有重大差別。在作出判斷時，本集團考慮活躍市場內類似物業之現行價格，並使用主要基於報告期末存在之市況之假設。於2011年12月31日，本集團之投資物業之賬面值為82,361,000港元(2010年：73,966,000港元)。

遞延稅項資產

倘應課稅溢利可供扣減虧損，則會就所有未使用稅項虧損確認遞延稅項資產。釐定可予確認的遞延稅項資產數額，須管理層根據可能出現未來應課稅溢利的時間及數額連同未來稅務計劃策略作出重大判斷。與已確認稅項虧損有關的遞延稅項資產於2011年12月31日的賬面價值為4,639,000港元(2010年：154,000港元)。於2011年12月31日的未確認稅項虧損賬面價值為457,970,000港元(2010年：430,059,000港元)。其他詳情載於財務報表附註30。

可供出售金融資產之減值

本集團將若干資產分類為可供出售。於公平值下降時，管理層會就公平值下降作出假設，以釐定是否須於收入報表內確認之減值。可供出售資產之賬面值為203,104,000港元(2010年：209,387,000港元)。

財務報表附註(續)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)



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3. Significant accounting judgement and estimates (continued)

Estimation uncertainty (continued)

Impairment of receivables

Impairment of receivables is made based on an assessment of the recoverability of accounts and other receivables and the timing of their recovery. The identification of impairment of receivables requires management judgement and estimation. Where the actual outcome or expectation in future is different from the original estimates, such differences will impact on the carrying value of accounts and other receivables and the amount of impairment/write-back of impairment in the periods in which such estimates have been changed. Impairment of receivables of HK\$2,616,000 (2010: HK\$1,937,000) was recognised in the consolidated income statement for the year. The aggregate carrying amount of accounts and bills receivables, and prepayments, deposits and other receivables as at 31 December 2011 was HK\$3,391,389,000 (2010: HK\$2,885,934,000).

Estimation of fair value of biological assets

The Group's biological assets are stated at fair value less point-of-sale cost. This requires an independent valuer's assessment of the fair value of the biological assets. Changes in conditions of the biological assets could impact the fair value of the assets. The carrying amount of the Group's biological assets at 31 December 2011 was HK\$165,833,000 (2010: HK\$119,263,000). More details are given in note 23 to the financial statements.

3. 主要會計判斷及估計(續)

估計之不明朗因素(續)

應收款項減值

應收款項減值乃根據應收賬款及其他應收款項的可收回性及收回時間評估計提。識別應收款項減值需要管理層作出判斷及估計。若日後之實際結果或預期與原來估計有別，該等差額將於有關估計變動之期間影響賬目及其他應收款項之賬面值及減值／減值撥回金額。本年度應收款項減值2,616,000港元(2010年：1,937,000港元)已在綜合收入報表中確認。於2011年12月31日，應收賬款及應收票據、預付款項、按金及其他應收款項的賬面值總額為3,391,389,000港元(2010年：2,885,934,000港元)。

生物資產之估計公平值

本集團之生物資產按公平值減銷售點成本列賬。計算過程須要獨立估值師對生物資產估值。生物資產狀況的變動可能影響其公平值。本集團於2011年12月31日的生物資產賬面值為165,833,000港元(2010年：119,263,000港元)。詳情載於財務報表附註23。



財務報表附註(續)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

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4. 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 beverage segment is engaged in the processing, bottling and distribution of sparkling beverages and distribution of still beverages;
- (b) the wine 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.

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, prepaid tax, 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.

Segment liabilities exclude interest-bearing bank and other borrowings, tax payable, deferred tax liabilities and other unallocated head office and corporate liabilities as these liabilities are managed on a group basis.

4. 經營分部資料

為管理目的，本集團按產品及服務性質劃分不同的業務單元。本集團的四項可予呈報經營分部如下：

- (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。

管理層獨立監察其經營分部的業績，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、預繳稅項、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權益投資、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。

分部負債不包括計息銀行貸款及其他貸款、應付稅項、遞延稅項負債及其他未分配總部及公司負債，因為該等負債按集團基準管理。

財務報表附註(續)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)



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4. Operating segment information (continued)

4. 經營分部資料(續)

Year ended 31 December 2011 截至2011年12月31日止年度		Beverage 飲料 HK\$'000 千港元	Wine 酒類 HK\$'000 千港元	Kitchen foods 廚房食品 HK\$'000 千港元	Confectionery 休閒食品 HK\$'000 千港元	Total 合計 HK\$'000 千港元
Segment revenue:	分部收益：					
Sales to external customers	銷售予外界客戶	10,517,250	3,693,489	13,140,573	659,449	28,010,761
Other revenue	其他收益	78,653	67,459	14,572	9,818	170,502
		10,595,903	3,760,948	13,155,145	669,267	28,181,263
Segment results	分部業績	531,411	633,110	162,273	(94,612)	1,232,182
<i>Reconciliation:</i>	<i>對賬：</i>					
Interest income	利息收入					30,397
Dividend income	股息收入					37,269
Finance costs	融資成本					(37,043)
Share of profits of associates	應佔聯營公司溢利					65,437
Corporate and other unallocated expenses	公司及其他未分配開支					(120,140)
Profit before tax	稅前溢利					1,208,102
Segment assets	分部資產	7,097,198	5,516,375	3,105,889	537,171	16,256,633
<i>Reconciliation:</i>	<i>對賬：</i>					
Elimination of intersegment receivables	撤銷分部間應收款項					(5,837,810)
Investments in associates	於聯營公司之投資					567,934
Corporate and other unallocated assets	公司及其他未分配資產					7,343,226
Total assets	總資產					18,329,983



財務報表附註(續)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

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4. Operating segment information (continued)

4. 經營分部資料(續)

Year ended 31 December 2011 截至2011年12月31日止年度		Beverage 飲料 HK\$'000 千港元	Wine 酒類 HK\$'000 千港元	Kitchen foods 廚房食品 HK\$'000 千港元	Confectionery 休閒食品 HK\$'000 千港元	Total 合計 HK\$'000 千港元
Segment liabilities	分部負債	5,063,433	2,804,015	3,276,207	484,544	11,628,199
<i>Reconciliation:</i>						
Elimination of intersegment payables	對賬： 撤銷分部間 應付款項					(5,837,810)
Corporate and other unallocated liabilities	公司及其他 未分配負債					4,025,797
Total liabilities	總負債					9,816,186
Other segment information:						
Impairment losses recognised/(reversed) in the income statement	其他分部資料： 於收入報表 確認減值 虧損/(撥回)	447	1,817	816	(142)	2,938
Provision against/(write-back of provision against) inventories	存貨撥備/(撥回)	6,569	7,905	(1,211)	14,062	27,325
Depreciation and amortisation	折舊及攤銷	239,914	128,840	5,001	25,872	399,627
Unallocated amounts	未分配數額					16,210
						415,837
Capital expenditure	資本開支	368,828	224,337	2,057	3,147	598,369
Unallocated amounts	未分配數額					5,235
						603,604*

* Capital expenditure consists of additions to property, plant and equipment, other intangible assets and prepaid land premiums.

* 資本開支包括添置物業、廠房及設備、其他無形資產及預付土地金。

財務報表附註(續)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)



2011年12月31日
31 December 2011

4. Operating segment information (continued)

4. 經營分部資料(續)

Year ended 31 December 2010 截至2010年12月31日止年度	Beverage 飲料 HK\$'000 千港元	Wine 酒類 HK\$'000 千港元	Kitchen foods 廚房食品 HK\$'000 千港元	Confectionery 休閒食品 HK\$'000 千港元	Total 合計 HK\$'000 千港元
Segment revenue:	分部收益：				
Sales to external customers	7,920,983	3,114,386	8,344,341	576,274	19,955,984
Other revenue	165,096	46,169	10,831	6,375	228,471
	8,086,079	3,160,555	8,355,172	582,649	20,184,455
Segment results	分部業績				
<i>Reconciliation:</i>	<i>對賬：</i>				
Interest income					25,209
Dividend income and unallocated gains					48,948
Finance costs					(45,425)
Share of profits of associates					64,038
Corporate and other unallocated expenses					(54,875)
Profit before tax					881,048
Segment assets	分部資產				
<i>Reconciliation:</i>	<i>對賬：</i>				
Elimination of intersegment receivables					(4,977,394)
Investments in associates					545,201
Corporate and other unallocated assets					6,811,340
Total assets					14,974,970



財務報表附註(續)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

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4. Operating segment information (continued)

4. 經營分部資料(續)

Year ended 31 December 2010 截至2010年12月31日止年度	Beverage 飲料 HK\$'000 千港元	Wine 酒類 HK\$'000 千港元	Kitchen foods 廚房食品 HK\$'000 千港元	Confectionery 休閒食品 HK\$'000 千港元	Total 合計 HK\$'000 千港元	
Segment liabilities	分部負債	4,001,412	2,633,069	2,425,076	377,964	9,437,521
<i>Reconciliation:</i>	<i>對賬:</i>					
Elimination of intersegment payables	撤銷分部間應付款項					(4,977,394)
Corporate and other unallocated liabilities	公司及其他未分配負債					2,965,433
Total liabilities	總負債					7,425,560
Other segment information:	其他分部資料:					
Impairment losses recognised/(reversed) in the income statement	於收入報表確認減值虧損/(撥回)	122	1,520	(1,262)	1,557	1,937
Provision against inventories	存貨撥備	17,084	5,982	-	10,135	33,201
Depreciation and amortisation	折舊及攤銷	198,882	105,998	5,291	22,191	332,362
Unallocated amounts	未分配數額					13,835
						346,197
Capital expenditure	資本開支	447,123	307,950	3,846	18,923	777,842
Unallocated amounts	未分配數額					20,060
						797,902*

* Capital expenditure consists of additions to property, plant and equipment, other intangible assets and prepaid land premiums.

* 資本開支包括添置物業、廠房及設備、其他無形資產及預付土地金。

Geographical information

Revenue from external customers

Over 90% of the Group's revenue is derived from customers in Mainland China and over 90% of the Group's non-current assets, other than financial instruments and deferred tax assets, are situated in Mainland China.

Information about a major customer

During the year, there was no external customer accounted for 10% or more of the Group's total revenue (2010: Nil).

地域資料

外部客戶之收益

超過90%之本集團收入源於中國大陸的客戶，以及除金融工具及遞延稅項資產外，本集團超過90%的非流動資產均位於中國大陸。

主要客戶資料

在本年度，來自於單一外部客戶之收入不超過集團之全年總收入的10% (2010年：無)。

財務報表附註(續)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)



2011年12月31日
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5. 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 year.

An analysis of other income and gains is as follows:

5. 收入、其他收入及收益

收入(本集團之營業額)乃指於本年度扣除退貨及貿易折扣後的已售出貨品發票淨值。

其他收入及收益分析如下：

		Group 本集團	
		2011 2011年 HK\$'000 千港元	2010 2010年 HK\$'000 千港元
Other income	其他收入		
Gross rental income	租金收入總額	7,104	2,047
Bank interest income	銀行利息收入	24,442	17,983
Interest income from held-to-maturity investments	持有至到期投資之利息收入	5,955	7,226
Dividend income from available-for-sale investments	可供出售投資之股息收入	36,926	43,963
Dividend income from equity investments at fair value through profit or loss	按公平值列入損益之權益投資之股息收入	343	210
Government grants*	政府補助*	62,240	37,733
Compensation income	補償收入	28,823	35,529
Sale of by-products and scrap items	出售副產品及廢料項目	10,194	10,856
Others	其他	57,887	55,025
		233,914	210,572
Gains	收益		
Realised gains on derivative instruments – transactions not qualifying as hedges	衍生工具之變現收益 – 不獲確認為對沖之交易	–	85,690
Foreign exchange differences, net	匯兌差額，淨額	–	896
Fair value gains on equity investments at fair value through profit or loss	按公平值列入損益之權益投資之公平值收益	–	4,775
Fair value gains on investment properties (note 15)	投資物業之公平值收益 (附註15)	4,610	3,858
		4,610	95,219
		238,524	305,791

* 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。



財務報表附註(續)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

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6. Profit before tax

Profit before tax is arrived at after charging/(crediting):

6. 除稅前溢利

除稅前溢利乃扣除/(計入)下列各項:

		Group 本集團		
		2011 2011年 HK\$'000 千港元	2010 2010年 HK\$'000 千港元	
		Notes 附註		
Cost of inventories sold	售出存貨成本		21,340,488	14,848,530
Provision against inventories	存貨撥備		27,325	33,201
Loss on disposal of biological assets	生物資產處置損失		14,073	-
Fair value gains on biological assets, net	生物資產公平值淨收益		(33,510)	(7,092)
Cost of sales	銷售成本		21,348,376	14,874,639
Auditors' remuneration	核數師薪酬		2,744	4,130
Depreciation	折舊	14	397,672	333,792
Amortisation of other intangible assets	其他無形資產攤銷	18	10,585	6,472
Recognition of prepaid land premiums	確認預付土地金	16	7,580	5,933
Minimum lease payments under operating leases in respect of land and buildings	有關土地及樓宇的經營租賃的最低租金款項		119,262	112,032
Employee benefit expense (including directors' remuneration – note 8):	僱員福利開支 (包括董事薪酬 – 附註8):			
Wages and salaries	工資及薪金		1,155,288	894,091
Equity-settled share option expense	以股本結算的購股權開支		10,357	3,677
Pension scheme contributions*	退休計劃供款*		116,037	93,696
			1,281,682	991,464
Other expenses include the followings:	其他開支包括以下各項:			
Loss on disposal of items of property, plant and equipment	出售物業、廠房及設備項目之虧損		7,272	4,440
Impairment of an available-for-sale investment	可供出售投資之減值		322	-
Fair value losses on equity investments at fair value through profit or loss	按公平值列入損益之權益投資之公平值虧損		4,183	-
Impairment of accounts receivable	應收賬款減值	25	2,372	1,634
Impairment of other receivables	其他應收款項減值		244	303
Loss on disposal of available-for-sale investments	處置可供出售投資之虧損		-	453
Foreign exchange differences, net	匯兌差額, 淨額		5,292	(896)

* At 31 December 2011, the Group had no forfeited contributions available to reduce its contributions to the pension scheme in future years (2010: Nil).

* 於2011年12月31日, 本集團概無已沒收供款以抵銷其於未來年度對退休計劃的供款(2010年: 無)。

財務報表附註(續)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)



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7. Finance costs

An analysis of finance costs is as follows:

7. 融資成本

融資成本分析如下：

		Group 本集團	
		2011 2011年 HK\$'000 千港元	2010 2010年 HK\$'000 千港元
Interest on:	利息：		
Bank loans wholly repayable within five years	五年內全數償還之銀行貸款	20,844	24,159
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	756	2,551
Others	其他	15,443	18,715
		37,043	45,425

8. Directors' remuneration

Directors' remuneration for the year, disclosed pursuant to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules") and Section 161 of the Hong Kong Companies Ordinance, is as follows:

8. 董事酬金

本年度內，根據香港聯合交易所有限公司證券上市規則(「上市規則」)及香港公司條例第161條須予披露之董事酬金如下：

		Group 本集團	
		2011 2011年 HK\$'000 千港元	2010 2010年 HK\$'000 千港元
Fees:	袍金：		
Executive directors	執行董事	100	200
Independent non-executive directors	獨立非執行董事	1,080	645
Non-executive directors	非執行董事	139	200
		1,319	1,045
Other emoluments:	其他酬金：		
Salaries, allowances and benefits in kind	薪金、津貼及實物利益	6,079	5,927
Discretionary bonuses	酌情花紅	2,620	2,161
Equity-settled share option expense	股本結算購股權開支	2,198	1,411
Pension scheme contributions	退休計劃供款	150	253
		11,047	9,752
		12,366	10,797



財務報表附註(續)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

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8. Directors' remuneration (continued)

During the year and in the prior year, certain directors were granted share options of the Company in respect of their services to the Group, further details of which are set out in note 32 to the financial statements. The fair value of such options which has been recognised in the income statement over the vesting period, was determined as at the date of grant and the amount included in the financial statements for the current year is included in the above directors' remuneration disclosures.

(a) Independent non-executive directors

The fees paid to independent non-executive directors during the year were as follows:

		2011 2011年 HK\$'000 千港元	2010 2010年 HK\$'000 千港元
Mr. Li Hung Kwan, Alfred	李鴻鈞先生	360	215
Mr. Stephen Edward Clark	祈立德先生	360	215
Mr. Yuen Tin Fan, Francis	袁天凡先生	360	215
		1,080	645

There were no other emoluments payable to the independent non-executive directors during the year (2010: Nil).

8. 董事酬金(續)

於本年度及以前年度，若干董事就彼等向本集團提供之服務而獲授予本公司購股權，其詳情載於財務報表附註32。該等購股權之公平值(已於歸屬期在收入報表內確認)乃於授出日期釐定，其金額計入本年度財務報表，並於上述董事酬金內披露。

(a) 獨立非執行董事

年內，支付予獨立非執行董事之袍金如下：

年內，並無向獨立非執行董事支付其他酬金(2010年：無)。

財務報表附註(續)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)



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8. Directors' remuneration (continued)

8. 董事酬金(續)

(b) Executive directors and non-executive directors

(b) 執行董事及非執行董事

		Salaries, allowances and benefits in kind		Discretionary bonuses	Equity-settled share option	Pension scheme contributions	Total remuneration
		Fees	薪金、津貼及實物利益		expense	retirement contributions	
		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
2011	2011年						
Executive directors:	執行董事：						
Mr. Ning Gaoning	寧高寧先生	100	-	-	333	-	433
Mr. Chi Jingtao	遲京濤先生	-	1,517	-	250	-	1,767
Ms. Luan Xiuju	樂秀菊女士	-	2,696	2,052	316	100	5,164
Mr. Mak Chi Wing, William	麥志榮先生	-	725	142	279	-	1,146
Mr. Zhang Zhentao	張振濤先生	-	758	426	269	50	1,503
Mr. Qu Zhe #	曲喆先生#	-	256	-	-	-	256
Mr. Wang Zhiying*	王之盈先生*	-	127	-	-	-	127
		100	6,079	2,620	1,447	150	10,396
Non-executive directors:	非執行董事：						
Ms. Liu Ding	柳丁女士	26	-	-	203	-	229
Mr. Ma Jianping	馬建平先生	50	-	-	279	-	329
Ms. Wu Wenting	吳文婷女士	50	-	-	269	-	319
Mr. Wang Zhiying*	王之盈先生*	13	-	-	-	-	13
		139	-	-	751	-	890
		239	6,079	2,620	2,198	150	11,286

Mr. Qu Zhe resigned as an executive director with effect from 10 February 2011.

* Mr. Wang Zhiying was appointed as an executive director with effect from 15 April 2010 and re-designated as a non-executive director with effect from 10 February 2011 and resigned as a non-executive director with effect from 28 March 2011.

曲喆先生於2011年2月10日辭任執行董事。

* 王之盈先生於2010年4月15日獲委任為執行董事，並於2011年2月10日調任為非執行董事，並於2011年3月28日辭任非執行董事。



財務報表附註(續)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

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8. Directors' remuneration (continued)

(b) Executive directors and non-executive directors (continued)

8. 董事酬金(續)

(b) 執行董事及非執行董事(續)

		Salaries, allowances and benefits		Discretionary bonuses	Equity-settled share option	Pension scheme	Total remuneration
		in kind	expense		contributions		
Fees	薪金、津貼及實物利益	酌情花紅	股本結算購股權開支	退休計劃供款		總酬金	
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	
2010	2010年						
Executive directors:	執行董事:						
Mr. Ning Gaoning	寧高寧先生	200	-	-	227	-	427
Mr. Qu Zhe	曲喆先生	-	1,536	670	227	94	2,527
Mr. Wang Zhiying	王之盈先生	-	728	330	-	11	1,069
Mr. Mak Chi Wing, William	麥志榮先生	-	683	26	207	-	916
Ms. Luan Xiuju	樂秀菊女士	-	2,252	814	181	99	3,346
Mr. Zhang Zhentao	張振濤先生	-	728	321	181	49	1,279
		200	5,927	2,161	1,023	253	9,564
Non-executive directors:	非執行董事:						
Mr. Ma Jianping	馬建平先生	100	-	-	207	-	307
Ms. Wu Wenting	吳文婷女士	100	-	-	181	-	281
		200	-	-	388	-	588
		400	5,927	2,161	1,411	253	10,152

Three non-executive directors (2010: Nil) and one executive director (2010: Nil) agreed to waive their entitlements to directors' fees totalling HK\$150,000 (2010: Nil) and HK\$100,000 (2010: Nil), respectively, for the year. Other than the aforementioned, there was no arrangement under which a director waived or agreed to waive any remuneration during the year (2010: Nil).

本年內，三位非執行董事(2010年：無)和一位執行董事(2010年：無)同意分別放棄他們合計150,000港元(2010年：無)和100,000港元(2010年：無)的董事酬金。除上述董事外，年內無其他董事據此而放棄或同意放棄任何酬金之安排(2010年：無)。

財務報表附註(續)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)



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9. Five highest paid employees

The five highest paid employees during the year included two (2010: three) directors, details of whose remuneration are set out in note 8 above. Details of the remuneration of the remaining three (2010: two) non-director, highest paid employees for the year are as follows:

		Group 本集團	
		2011 2011年 HK\$'000 千港元	2010 2010年 HK\$'000 千港元
Salaries, allowances and benefits in kind	薪金、津貼及實物利益	3,522	1,594
Discretionary bonuses	酌情花紅	2,612	1,082
Equity-settled share option expenses	股本結算購股權開支	709	181
Pension scheme contributions	退休計劃供款	172	86
		7,015	2,943

The number of non-director, highest paid employees whose remuneration fell within the following bands is as follows:

最高薪僱員(非董事)之薪酬介於下列組別之人數如下:

		Number of employees 僱員數目	
		2011 2011年	2010 2010年
HK\$1,000,001 to HK\$1,500,000	1,000,001 港元至 1,500,000 港元	–	1
HK\$1,500,001 to HK\$2,000,000	1,500,001 港元至 2,000,000 港元	1	1
HK\$2,000,001 to HK\$2,500,000	2,000,001 港元至 2,500,000 港元	1	–
HK\$2,500,001 to HK\$3,000,000	2,500,001 港元至 3,000,000 港元	1	–
		3	2



財務報表附註(續)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

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9. Five highest paid employees (continued)

During the year and in the prior year, the non-director, highest paid employees were granted share options of the Company in respect of their services to the Group, further details of which are set out in note 32 to the financial statements. The fair value of such options, which has been recognised in the income statement over the vesting period, was determined as at the date of grant and the amount included in the financial statements for the current year is included in the above non-director, highest paid employees' remuneration disclosures.

10. Income tax

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

9. 五名最高薪酬之僱員(續)

於年內及過往年度，非董事最高薪酬僱員就彼等對本集團提供的服務被授予本公司的購股權，有關詳情載於財務報表附註32。該等購股權的公平值已於歸屬期間的收入報表內確認，於授出日期釐定以及本年財務報表中包括的金額已包括於上述非董事、最高薪酬僱員的酬金披露內。

10. 所得稅

香港利得稅撥備已按於本年度於香港產生的估計應課稅溢利以16.5%(2010年：16.5%)的稅率作出。其他地區之應課稅溢利之稅項乃根據本集團經營之司法權區之現行稅率計算。

		2011 2011年 HK\$'000 千港元	2010 2010年 HK\$'000 千港元
Group:	本集團：		
Current – Hong Kong	即期－香港		
Charge for the year	於本年度扣除	335	1,267
Current – Mainland China	即期－中國大陸		
Charge for the year	於本年度扣除	339,701	256,147
Underprovision in prior years	過往年度不足撥備	1,702	3,166
Current – Elsewhere	即期－其他地區		
Charge for the year	於本年度扣除	753	–
Deferred (note 30)	遞延(附註30)	(1,680)	(254)
Total tax charge for the year	年度總稅款	340,811	260,326

財務報表附註(續)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)



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10. Income tax (continued)

A reconciliation of the tax expense applicable to profit/(loss) before tax at the statutory rates for the jurisdictions in which the Company and the majority of its subsidiaries are domiciled to the tax expense at the effective tax rates, and a reconciliation of the applicable rates (i.e., the statutory tax rates) to the effective tax rates, are as follows:

Group – 2011

10. 所得稅(續)

以下為利用本公司、其大部分附屬公司註冊所在司法區之法定稅率計算而適用於稅前溢利/(虧損)之稅項支出，按照有效稅率計算之調節項目，以及適用稅率(即法定稅率)與有效稅率之調節項目：

本集團 – 2011年

		Hong Kong 香港		Mainland China 中國大陸		Elsewhere 其他地區		Total 合計	
		HK\$'000 千港元	%	HK\$'000 千港元	%	HK\$'000 千港元	%	HK\$'000 千港元	%
Profit/(loss) before tax	稅前溢利/(虧損)	(51,278)		1,297,501		(38,121)		1,208,102	
Tax at the statutory tax rates	按法定稅率計算之稅項	(8,461)	16.5	324,375	25.0	(8,485)	22.2	307,429	25.4
Lower tax rate for specific provinces or enacted by local authority *	個別省或地方機構 制定的較低稅率*	-	-	(11,181)	(0.9)	-	-	(11,181)	(0.9)
Profit not subject to tax due to concessions **	因稅務優惠而無 須課稅之溢利**	-	-	(2,961)	(0.2)	-	-	(2,961)	(0.2)
Profits attributable to associates	聯營公司應佔溢利	-	-	(16,359)	(1.4)	-	-	(16,359)	(1.4)
Income not subject to tax	無須課稅之收入	(179)	0.3	(9,677)	(0.7)	-	-	(9,856)	(0.8)
Expenses not deductible for tax	不可扣稅之支出	8,975	(17.5)	19,121	1.5	5,761	(15.1)	33,857	2.8
Adjustment in closing deferred tax due to change in deferred tax rate	因遞延稅率變動而作出 遞延稅項結餘調整	-	-	1,097	0.1	-	-	1,097	0.1
Adjustment in respect of current tax of previous periods	過往期間即期 稅項之調整	-	-	1,702	0.1	-	-	1,702	0.1
Effect of withholding tax at 10% on the dividend income	按股息收入的10% 代扣所得稅之影響	-	-	15,072	1.2	-	-	15,072	1.2
Tax losses utilised from previous periods	動用過往期間之稅損	-	-	(24,832)	(1.9)	-	-	(24,832)	(2.0)
Tax losses not recognised	未確認稅損	-	-	43,937	3.4	2,906	(7.6)	46,843	3.9
Tax charge at the Group's effective rate	按集團有效稅率計算 之稅項支出	335	(0.7)	340,294	26.2	182	(0.5)	340,811	28.2



財務報表附註(續)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

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10. Income tax (continued)

Group – 2010

		Hong Kong 香港		Mainland China 中國大陸		Total 合計	
		HK\$'000 千港元	%	HK\$'000 千港元	%	HK\$'000 千港元	%
Profit/(loss) before tax	稅前溢利/(虧損)	(45,213)		926,261		881,048	
Tax at the statutory tax rates	按法定稅率計算之稅項	(7,460)	16.5	231,565	25.0	224,105	25.4
Lower tax rate for specific provinces or enacted by local authority *	個別省或地方機構 制定的較低稅率*	-	-	(8,522)	(0.9)	(8,522)	(1.0)
Profit not subject to tax due to concessions **	因稅務優惠而無須 課稅之溢利**	-	-	(12,486)	(1.3)	(12,486)	(1.4)
Profits attributable to associates	聯營公司應佔溢利	-	-	(16,009)	(1.7)	(16,009)	(1.8)
Income not subject to tax	無須課稅之收入	(1,970)	4.3	(22,955)	(2.5)	(24,925)	(2.8)
Expenses not deductible for tax	不可扣稅之支出	11,127	(24.6)	21,065	2.3	32,192	3.6
Adjustment in closing deferred tax due to change in deferred tax rate	因遞延稅率變動而作 出遞延稅項結餘調整	-	-	706	0.1	706	0.1
Adjustment in respect of current tax of previous periods	過往期間即期 稅項之調整	-	-	3,166	0.3	3,166	0.4
Effect of withholding tax at 10% on the dividend income	按股息收入的10% 代扣所得稅之影響	-	-	9,568	1.0	9,568	1.1
Tax losses utilised from previous periods	動用過往期間之稅損	(430)	1.0	(2,893)	(0.3)	(3,323)	(0.4)
Tax losses not recognised	未確認稅損	-	-	55,854	6.0	55,854	6.3
Tax charge at the Group's effective rate	按集團有效稅率計算 之稅項支出	1,267	(2.8)	259,059	28.0	260,326	29.5

* 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 a preferential CIT rate of 24%.

** In addition to the preferential CIT rate granted to the Group's certain subsidiaries in Mainland China, tax holidays were also granted by the relevant authorities to these subsidiaries, 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.

The share of tax attributable to associates amounting to HK\$18,881,000 (2010: HK\$16,328,000) is included in "Share of profits of associates" in the consolidated income statement.

10. 所得稅(續)

本集團 – 2010年

		Hong Kong 香港		Mainland China 中國大陸		Total 合計	
		HK\$'000 千港元	%	HK\$'000 千港元	%	HK\$'000 千港元	%
Profit/(loss) before tax	稅前溢利/(虧損)	(45,213)		926,261		881,048	
Tax at the statutory tax rates	按法定稅率計算之稅項	(7,460)	16.5	231,565	25.0	224,105	25.4
Lower tax rate for specific provinces or enacted by local authority *	個別省或地方機構 制定的較低稅率*	-	-	(8,522)	(0.9)	(8,522)	(1.0)
Profit not subject to tax due to concessions **	因稅務優惠而無須 課稅之溢利**	-	-	(12,486)	(1.3)	(12,486)	(1.4)
Profits attributable to associates	聯營公司應佔溢利	-	-	(16,009)	(1.7)	(16,009)	(1.8)
Income not subject to tax	無須課稅之收入	(1,970)	4.3	(22,955)	(2.5)	(24,925)	(2.8)
Expenses not deductible for tax	不可扣稅之支出	11,127	(24.6)	21,065	2.3	32,192	3.6
Adjustment in closing deferred tax due to change in deferred tax rate	因遞延稅率變動而作 出遞延稅項結餘調整	-	-	706	0.1	706	0.1
Adjustment in respect of current tax of previous periods	過往期間即期 稅項之調整	-	-	3,166	0.3	3,166	0.4
Effect of withholding tax at 10% on the dividend income	按股息收入的10% 代扣所得稅之影響	-	-	9,568	1.0	9,568	1.1
Tax losses utilised from previous periods	動用過往期間之稅損	(430)	1.0	(2,893)	(0.3)	(3,323)	(0.4)
Tax losses not recognised	未確認稅損	-	-	55,854	6.0	55,854	6.3
Tax charge at the Group's effective rate	按集團有效稅率計算 之稅項支出	1,267	(2.8)	259,059	28.0	260,326	29.5

* 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，有關當局還授予該等附屬公司免稅期，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。

聯營公司應佔稅項達致18,881,000港元(2010年：16,328,000港元)，乃計入綜合收入報表中「應佔聯營公司溢利」。

財務報表附註(續)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)



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10. Income tax (continued)

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 these financial statements.

11. Profit attributable to owners of the parent

The consolidated profit attributable to owners of the parent for the year ended 31 December 2011 includes a loss of HK\$34,516,000 (2010: a loss of HK\$21,565,000) which has been dealt with in the financial statements of the Company (note 33(b)).

12. Dividends

		2011 2011年 HK\$'000 千港元	2010 2010年 HK\$'000 千港元
Interim – HK4.07 cents (2010: HK2.30 cents) per ordinary share	中期—每股普通股 4.07港仙(2010年: 2.30港仙)	113,673	64,227
Proposed final – HK4.25 cents (2010: HK3.21 cents) per ordinary share	建議末期—每股普通股 4.25港仙(2010年: 3.21港仙)	118,698	89,638
		232,371	153,865

At a meeting held on 30 March 2012, the board proposed a final dividend of HK4.25 cents per share for the year. This recommended dividend is subject to the approval of the Company's shareholders at the forthcoming annual general meeting and will be paid out of the Company's contributed surplus. It is not reflected as dividend payable in the consolidated statement of financial position.

10. 所得稅(續)

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，概無就此於該等財務報表中作出撥備。

11. 母公司擁有人應佔溢利

截至2011年12月31日止年度母公司擁有人應佔綜合溢利包括計入本公司之財務報表內之虧損34,516,000港元(2010年：21,565,000港元)(附註33(b))。

12. 股息

		2011 2011年 HK\$'000 千港元	2010 2010年 HK\$'000 千港元
Interim – HK4.07 cents (2010: HK2.30 cents) per ordinary share	中期—每股普通股 4.07港仙(2010年: 2.30港仙)	113,673	64,227
Proposed final – HK4.25 cents (2010: HK3.21 cents) per ordinary share	建議末期—每股普通股 4.25港仙(2010年: 3.21港仙)	118,698	89,638
		232,371	153,865

於2012年3月30日舉行的會議上，董事會建議就本年度派發每股4.25港仙之末期股息。此建議股息須獲本公司股東於應屆股東周年大會上批准，並將以本公司之繳入盈餘支付，此項目並未於綜合財務狀況表反映為應付股息。



財務報表附註(續)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

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

The calculation of basic earnings per share amount for the year ended 31 December 2011 is based on the profit for the year attributable to ordinary equity holders of the parent of HK\$645,609,000 (2010: HK\$427,567,000), and the weighted average number of ordinary shares of 2,792,666,792 (2010: 2,792,434,710) in issue during the year.

The calculation of diluted earnings per share amount for the year is based on the profit for the year 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 year, 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.

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

13. 母公司普通股權益持有人應佔每股盈利

截至2011年12月31日止年度之每股基本盈利數額乃按母公司普通股權益持有人應佔本年度溢利645,609,000港元(2010年: 427,567,000港元), 以及本年度已發行加權平均普通股2,792,666,792股(2010年: 2,792,434,710股)計算。

本年度每股攤薄盈利數額乃按母公司普通股權益持有人應佔本年度溢利計算。計算所用的加權平均普通股乃本年度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。

每股基本及攤薄盈利的計算如下:

		2011 2011年 HK\$'000 千港元	2010 2010年 HK\$'000 千港元
Earnings	盈利		
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 持有人應佔溢利	645,609	427,567
		Number of shares 股份數目	
		2011 2011年	2010 2010年
Shares	股份		
Weighted average number of ordinary shares in issue during the year, used in the basic earnings per share calculation	用於每股基本盈利計算 的本年度已發行 普通股加權平均數	2,792,666,792	2,792,434,710
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	2,129,258	2,599,733
		2,794,796,050	2,795,034,443

財務報表附註(續)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)



2011年12月31日
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14. Property, plant and equipment

14. 物業、廠房及設備

		Group 本集團				Company 本公司	
		Freehold land 永久業權 土地 HK\$'000 千港元	Buildings 樓宇 HK\$'000 千港元	Plant, machinery and equipment 廠房、 機械及設備 HK\$'000 千港元	Construction in progress 在建工程 HK\$'000 千港元	Total 總計 HK\$'000 千港元	Plant and equipment 廠房及設備 HK\$'000 千港元
31 December 2011	於2011年12月31日						
At 31 December 2010 and at 1 January 2011: Cost	於2010年12月31日 及2011年1月1日: 成本	68,523	1,971,843	3,485,136	112,293	5,637,795	2,799
Accumulated depreciation and impairment	累計折舊及減值	-	(436,129)	(1,653,628)	-	(2,089,757)	(1,973)
Net carrying amount	賬面淨值	68,523	1,535,714	1,831,508	112,293	3,548,038	826
At 1 January 2011, net of accumulated depreciation and impairment	於2011年1月1日， 扣除累計折舊及 減值	68,523	1,535,714	1,831,508	112,293	3,548,038	826
Additions	添置	-	73,994	277,654	194,748	546,396	-
Acquisition of a subsidiary (note 34)	收購一間附屬公司 (附註34)	38,998	19,661	2,730	-	61,389	-
Disposals	出售	-	(7,313)	(14,900)	-	(22,213)	-
Depreciation provided during the year	年內折舊撥備	-	(67,586)	(330,086)	-	(397,672)	(248)
Transfers	轉撥	-	57,271	21,151	(78,422)	-	-
Exchange realignment	匯兌調整	(8,245)	68,413	85,093	8,201	153,462	-
At 31 December 2011, net of accumulated depreciation and impairment	於2011年12月31日， 扣除累計折舊及 減值	99,276	1,680,154	1,873,150	236,820	3,889,400	578
At 31 December 2011: Cost	於2011年12月31日: 成本	99,276	2,214,656	3,877,742	236,820	6,428,494	2,799
Accumulated depreciation and impairment	累計折舊及減值	-	(534,502)	(2,004,592)	-	(2,539,094)	(2,221)
Net carrying amount	賬面淨值	99,276	1,680,154	1,873,150	236,820	3,889,400	578



財務報表附註(續)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

2011年12月31日
31 December 2011

14. Property, plant and equipment (continued)

14. 物業、廠房及設備(續)

		Freehold land 永久 業權土地 HK\$'000 千港元	Buildings 樓宇 HK\$'000 千港元	Group 本集團 Plant, machinery and equipment 廠房、 機械及設備 HK\$'000 千港元	Construction in progress 在建工程 HK\$'000 千港元	Total 總計 HK\$'000 千港元	Company 本公司 Plant and equipment 廠房及設備 HK\$'000 千港元
31 December 2010	於2010年12月31日						
At 1 January 2010:	於2010年1月1日：						
Cost	成本	-	1,737,261	3,018,247	75,711	4,831,219	2,799
Accumulated depreciation and impairment	累計折舊及減值	-	(344,670)	(1,385,832)	-	(1,730,502)	(1,725)
Net carrying amount	賬面淨值	-	1,392,591	1,632,415	75,711	3,100,717	1,074
At 1 January 2010, net of accumulated depreciation and impairment	於2010年1月1日， 扣除累計折舊及 減值	-	1,392,591	1,632,415	75,711	3,100,717	1,074
Additions	添置	68,523	84,662	270,177	313,284	736,646	-
Disposals	出售	-	(438)	(22,152)	(5,380)	(27,970)	-
Depreciation provided during the year	年內折舊撥備	-	(55,494)	(278,298)	-	(333,792)	(248)
Surplus on revaluation	重估盈餘	-	9,092	-	-	9,092	-
Transfer to investment properties	轉撥至投資物業	-	(48,400)	-	-	(48,400)	-
Transfers	轉撥	-	103,722	170,807	(274,529)	-	-
Exchange realignment	匯兌調整	-	49,979	58,559	3,207	111,745	-
At 31 December 2010, net of accumulated depreciation and impairment	於2010年12月31日， 扣除累計折舊及 減值	68,523	1,535,714	1,831,508	112,293	3,548,038	826
At 31 December 2010:	於2010年12月31日：						
Cost	成本	68,523	1,971,843	3,485,136	112,293	5,637,795	2,799
Accumulated depreciation and impairment	累計折舊及減值	-	(436,129)	(1,653,628)	-	(2,089,757)	(1,973)
Net carrying amount	賬面淨值	68,523	1,535,714	1,831,508	112,293	3,548,038	826

財務報表附註(續)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)



2011年12月31日
31 December 2011

14. Property, plant and equipment (continued)

All of the Group's buildings are situated outside Hong Kong.

At 31 December 2010, certain of the Group's buildings with a net book value of approximately HK\$41,042,000 were pledged to banks to secure the bank loans granted to the Group (note 29).

At 31 December 2011, certificates of ownership in respect of certain buildings of the Group in Mainland China with an aggregate net book value of HK\$67,069,000 (2010: HK\$57,927,000) had not been issued by the relevant PRC authorities.

15. Investment properties

All of the Group's investment properties are situated outside Hong Kong under medium term leases.

The Group's investment properties were revalued on 31 December 2011 by Savills Valuation and Professional Services Limited, independent professionally qualified valuers, at HK\$82,361,000 (2010: HK\$73,966,000) on an income capitalisation approach. The investment properties are leased to third parties under operating leases, further summary details of which are included in note 36(a) to the financial statements.

14. 物業、廠房及設備(續)

本集團擁有之樓宇均位於香港以外地區。

於2010年12月31日，本集團賬面淨值約為41,042,000港元之樓宇，乃就本集團獲授銀行貸款而抵押予銀行(附註29)。

於2011年12月31日，本集團於中國大陸賬面淨值合共67,069,000港元(2010年：57,927,000港元)的若干樓宇尚未獲相關中國機關發出所有權證。

15. 投資物業

		Group 本集團	
		2011 2011年 HK\$'000 千港元	2010 2010年 HK\$'000 千港元
Carrying amount at 1 January	於1月1日之賬面值	73,966	20,103
Net gain from a fair value adjustment	因公平值調整而產生收益淨額	4,610	3,858
Transfer from owner-occupied properties	轉撥自業主自用物業	-	48,400
Exchange realignment	匯兌調整	3,785	1,605
Carrying amount at 31 December	於12月31日之賬面值	82,361	73,966

本集團擁有之投資物業均於香港以外地區根據中期租約持有。

於2011年12月31日，獨立專業合資格估值師第一太平戴維斯估值及專業顧問有限公司按收入資本化法對本集團之投資物業重新估值為82,361,000港元(2010年：73,966,000港元)。該等投資物業均根據經營租約而租予第三方，其他詳情概述於財務報表附註36(a)。



財務報表附註(續)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

2011年12月31日
31 December 2011

16. Prepaid land premiums

16. 預付土地金

		Group 本集團	
		2011 2011年 HK\$'000 千港元	2010 2010年 HK\$'000 千港元
Carrying amount at 1 January	於1月1日之賬面值	253,392	219,462
Additions	添置	55,664	31,793
Recognised during the year	年內確認	(7,580)	(5,933)
Exchange realignment	匯兌調整	13,767	8,070
Carrying amount at 31 December	於12月31日之賬面值	315,243	253,392
Current portion included in prepayments, deposits and other receivables	包括於預付款項、 按金及其他應收 款項之即期部分	(7,165)	(6,218)
Non-current portion	非即期部分	308,078	247,174

The leasehold land is situated in Mainland China and is held under medium term leases.

租賃土地位於中國大陸並根據中期租約持有。

At 31 December 2011, certificates of land use rights in respect of certain land of the Group in Mainland China with an aggregate net book value of HK\$122,788,000 had not been issued by the relevant PRC authorities.

於2011年12月31日，本集團於中國大陸賬面淨值合共為122,788,000港元的若干土地，尚未獲相關中國機關發出與之有關的土地使用權證。

財務報表附註(續)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)



2011年12月31日
31 December 2011

17. Goodwill

17. 商譽

		Group 本集團	
		2011 2011年 HK\$'000 千港元	2010 2010年 HK\$'000 千港元
At 1 January:	於1月1日：		
Cost	成本	1,680,015	1,641,854
Accumulated impairment	累計減值	-	-
Net carrying amount	賬面淨值	1,680,015	1,641,854
Cost at 1 January, net of accumulated impairment	於1月1日之成本， 扣除累計減值	1,680,015	1,641,854
Acquisition of subsidiaries (note 34)	收購附屬公司(附註34)	7,483	-
Exchange realignment	匯兌調整	40,295	38,161
Cost at 31 December, net of accumulated impairment	於12月31日之成本， 扣除累計減值	1,727,793	1,680,015
At 31 December:	於12月31日：		
Cost	成本	1,727,793	1,680,015
Accumulated impairment	累計減值	-	-
Net carrying amount	賬面淨值	1,727,793	1,680,015

Impairment testing of goodwill

Goodwill acquired through business combinations has been allocated to the following cash-generating units, which are reportable segments, for impairment testing:

- Beverage cash-generating unit
- Wine cash-generating unit
- Confectionery cash-generating unit

The recoverable amount of each of the above cash-generating units has been determined based on a value in use calculation using cash flow projections based on financial budgets covering a five-year period approved by senior management. The discount rates applied to the cash flow projections ranged from 11% to 14% and cash flows beyond the five-year period are extrapolated using growth rates ranged from 3% to 4%.

商譽之減值測試

透過業務合併而收購之商譽，已分配至以下現金產生單位(可予呈報分部)以作減值測試：

- 飲料現金產生單位
- 酒類現金產生單位
- 休閒食品現金產生單位

上述各現金產生單位之可收回款額，乃根據使用價值釐定。使用價值則按照高級管理層批准涵蓋五年期間財政預算下運用現金流量預算計算。現金流量預算所應用之貼現率介乎於11%至14%，而五年期間之外的現金流乃按3%至4%之增長率予以推測。



財務報表附註(續)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

2011年12月31日
31 December 2011

17. Goodwill (continued)

Impairment testing of goodwill (continued)

The carrying amounts of goodwill allocated to each of the cash-generating units are as follows:

		2011 2011年 HK\$'000 千港元	2010 2010年 HK\$'000 千港元
Beverage	飲料	1,207,018	1,187,704
Wine	酒類	509,165	480,701
Confectionery	休閒食品	11,610	11,610
		1,727,793	1,680,015

Key assumptions were used in the value in use calculation of the cash-generating units for 31 December 2011 and 31 December 2010. The following describes each key assumption on which management has based its cash flow projections to undertake impairment testing of goodwill:

Budgeted gross margins – The basis used to determine the value assigned to the budgeted gross margins is the average gross margins achieved in the years immediately before the budget year, increased for expected market development.

Discount rates – The discount rates used are after tax and reflect specific risks relating to the relevant units.

17. 商譽(續)

商譽之減值測試(續)

分配至各現金產生單位之商譽賬面值如下：

於2011年12月31日及2010年12月31日，在計算現金產生單位之使用價值時，已應用若干關鍵假設。以下載述管理層設定現金流量預算所依據之每一關鍵假設，以進行商譽減值測試。

預算毛利率 – 用作釐定預算毛利率所指定價值之基準，為緊接預算年度前若干年度取得之平均毛利率，並就預期市場發展而增升。

貼現率 – 所使用貼現率為計算稅項後，並反映相關單位所涉及之特定風險。

財務報表附註(續)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)



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31 December 2011

18. Other intangible assets

18. 其他無形資產

Group 本集團		Computer software 電腦軟件 HK\$'000 千港元	Water rights 水權 HK\$'000 千港元	Total 合計 HK\$'000 千港元
31 December 2011	2011年12月31日			
At 31 December 2010 and at 1 January 2011:	於2010年12月31日 及2011年1月1日：			
Cost	成本	71,812	11,153	82,965
Accumulated amortisation	累計攤銷	(15,010)	-	(15,010)
Net carrying amount	賬面淨值	56,802	11,153	67,955
Cost at 1 January 2011, net of accumulated amortisation	於2011年1月1日之 成本，扣除累計攤銷	56,802	11,153	67,955
Additions	添置	1,544	-	1,544
Amortisation provided during the year	年內攤銷撥備	(10,218)	(367)	(10,585)
Exchange realignment	匯兌調整	2,604	(1,129)	1,475
Cost at 31 December 2011, net of accumulated amortisation	於2011年12月31日之 成本，扣除累計攤銷	50,732	9,657	60,389
At 31 December 2011:	於2011年12月31日：			
Cost	成本	76,893	10,006	86,899
Accumulated amortisation	累計攤銷	(26,161)	(349)	(26,510)
Net carrying amount	賬面淨值	50,732	9,657	60,389



財務報表附註(續)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

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31 December 2011

18. Other intangible assets (continued)

18. 其他無形資產(續)

Group 本集團		Computer software 電腦軟件 HK\$'000 千港元	Water rights 水權 HK\$'000 千港元	Total 合計 HK\$'000 千港元
31 December 2010	2010年12月31日			
At 1 January 2010:	於2010年1月1日:			
Cost	成本	51,260	–	51,260
Accumulated amortisation	累計攤銷	(8,003)	–	(8,003)
Net carrying amount	賬面淨值	43,257	–	43,257
Cost at 1 January 2010, net of accumulated amortisation	於2010年1月1日之 成本，扣除累計攤銷	43,257	–	43,257
Additions	添置	18,310	11,153	29,463
Amortisation provided during the year	年內攤銷撥備	(6,472)	–	(6,472)
Exchange realignment	匯兌調整	1,707	–	1,707
Cost at 31 December 2010, net of accumulated amortisation	於2010年12月31日之 成本，扣除累計攤銷	56,802	11,153	67,955
At 31 December 2010:	於2010年12月31日:			
Cost	成本	71,812	11,153	82,965
Accumulated amortisation	累計攤銷	(15,010)	–	(15,010)
Net carrying amount	賬面淨值	56,802	11,153	67,955

19. Investments in subsidiaries

19. 於附屬公司之投資

		Company 本公司	2010 2010年 HK\$'000 千港元
Unlisted shares, at cost	非上市股份，按成本值	2,106,711	2,106,711

財務報表附註(續)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)



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19. Investments in subsidiaries (continued)

The amounts due from and to subsidiaries included in the Company's current assets and current liabilities of HK\$4,407,291,000 (2010: HK\$4,343,882,000) and HK\$87,511,000 (2010: HK\$68,083,000), respectively, are unsecured, interest-free and are repayable on demand.

Particulars of the Company's principal subsidiaries as at 31 December 2011 are set out in note 39 to the financial statements.

19. 於附屬公司之投資(續)

計入本公司流動資產及流動負債之附屬公司欠款及欠附屬公司款項分別為4,407,291,000港元(2010年: 4,343,882,000港元)及87,511,000港元(2010年: 68,083,000港元), 均為無抵押、免息及按要求償還。

本公司主要附屬公司於2011年12月31日之詳情, 載於財務報表附註39。

20. Investments in associates

20. 於聯營公司之投資

		Group 本集團	
		2011 2011年 HK\$'000 千港元	2010 2010年 HK\$'000 千港元
Share of net assets	分佔資產淨值	567,934	545,201

The amounts due from and to associates included in current assets and current liabilities of HK\$1,551,000 (2010: HK\$1,680,000) and HK\$292,150,000 (2010: HK\$233,626,000), respectively, are unsecured, interest-free and are repayable on demand.

The following table illustrates the summarised financial information of the Group's associates extracted from their financial statements, or where appropriate, management accounts:

計入流動資產及流動負債之聯營公司欠款及欠聯營公司款項分別為1,551,000港元(2010年: 1,680,000港元)及292,150,000港元(2010年: 233,626,000港元), 均為無抵押、免息及按要求償還。

下表載有摘錄自本集團聯營公司之財務報表或管理賬目(如適用)之財務資料概要:

		2011 2011年 HK\$'000 千港元	2010 2010年 HK\$'000 千港元
Assets	資產	10,744,283	8,821,300
Liabilities	負債	7,434,668	5,953,302
Revenue	收入	17,480,253	13,487,229
Profit	溢利	447,784	314,979

Particulars of the Group's principal associates as at 31 December 2011 are set out in note 40 to the financial statements.

有關本集團於2011年12月31日之主要聯營公司詳情, 載於財務報表附註40。



財務報表附註(續)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

2011年12月31日
31 December 2011

21. Available-for-sale investments

21. 可供出售投資

		Group 本集團	
		2011 2011年 HK\$'000 千港元	2010 2010年 HK\$'000 千港元
Unlisted equity investments, at cost	非上市權益投資，按成本	203,104	209,387

The unlisted equity investments were outside Hong Kong. They were stated at cost less impairment because the range of reasonable fair value estimates is so significant that the directors are of the opinion that their fair value cannot be measured reliably. The Group does not intend to dispose of them in the near future.

非上市權益投資均於香港地區之外。由於合理的公平值估計範圍甚大，董事認為非上市權益投資之公平值無法可靠計量，故以成本值扣除減值列賬。本集團並無意於近期內將其出售。

22. Held-to-maturity investments

The held-to-maturity investments consist of debt investments with fixed maturity dates and coupon rates, and are carried at amortised cost.

22. 持有至到期投資

持有至到期投資包括有固定到期日期、票面利率及以攤銷後成本列賬的債務投資。

23. Biological assets

23. 生物資產

		Group 本集團	
		2011 2011年 HK\$'000 千港元	2010 2010年 HK\$'000 千港元
At 1 January	於1月1日	119,263	92,242
Decrease due to harvest	因收成減少	(7,213)	(24,429)
Acquisition of a subsidiary (note 34)	收購一間附屬公司(附註34)	14,426	-
Additions during the year	年內添置	12,953	19,929
Disposal during the year	年內處置	(14,073)	-
Gains arising from changes in fair value attributable to physical changes	因實質變動令公平值出現變動所產生之收益	40,723	31,521
Exchange realignment	匯兌調整	(246)	-
At 31 December	於12月31日	165,833	119,263

財務報表附註(續) NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)



2011年12月31日
31 December 2011

23. Biological assets (continued)

(a) Analysis of biological assets

At the end of each reporting period, the Group's total planted area of mature plantations is as follows:

		Group 本集團			
		2011 2011年		2010 2010年	
		Hectares 公頃	HK\$'000 千港元	Hectares 公頃	HK\$'000 千港元
Planted area:	種植面積：				
– Mature	– 已成熟	828	165,833	884	119,263

(b) Analysis of grape production

During the year, the Group harvested approximately 1,192,000 kilograms (2010: 4,342,000 kilograms) of grapes, which had a fair value less estimated point-of-sale costs of HK\$7,213,000 (2010: HK\$24,429,000). The fair value of grapes was determined with reference to their market prices.

Significant assumptions made in determining the fair value of the biological assets based on discounted cash flow projections are as follows:

- (i) the grape vines will continue to be competently managed and remain free from irremediable diseases in the remaining estimated useful lives; and
- (ii) the expected prices of grapes are based on the past actual average district prices.

23. 生物資產(續)

(a) 生物資產之分析

於各報告期終結時，本集團已有成熟種植園之種植總面積如下：

(b) 葡萄生產之分析

於本年度，本集團有葡萄收成約1,192,000公斤(2010年：4,342,000公斤)，其公平值減估計銷售點成本為7,213,000港元(2010年：24,429,000港元)。葡萄之公平值乃按市價而釐定。

基於現金流折現法釐定生物資產之公平值時所作出之主要假設如下：

- (i) 葡萄樹將繼續獲悉心管理，於餘下之估計可用期限內亦不會變壞；及
- (ii) 葡萄之預計價格乃按該地區過往之實際平均價格作基準。

24. Inventories

		Group 本集團	
		2011 2011年	2010 2010年
		HK\$'000 千港元	HK\$'000 千港元
Raw materials	原料	2,754,112	1,599,702
Work in progress	在製品	62,013	59,718
Finished goods	製成品	2,885,619	1,830,917
		5,701,744	3,490,337

24. 存貨



財務報表附註(續)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

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25. Accounts and bills receivables

25. 應收賬款及票據

		Group 本集團	
		2011 2011年 HK\$'000 千港元	2010 2010年 HK\$'000 千港元
Accounts and bills receivables	應收賬款及票據	1,972,100	1,640,697
Impairment	減值	(27,493)	(24,638)
		1,944,607	1,616,059

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. The Group does not hold any collateral or other credit enhancements over its accounts and bills receivable balances. 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.

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

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。本集團並無就其應收賬款及票據結餘持有任何抵押品或其他信用增級。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。

於申報期間期末之應收賬款及票據賬齡按發票日期並扣除減值分析如下：

		Group 本集團	
		2011 2011年 HK\$'000 千港元	2010 2010年 HK\$'000 千港元
Within 3 months	三個月內	1,336,664	1,216,256
3 to 12 months	三個月至十二個月內	597,316	396,730
1 to 2 years	一年至兩年內	7,735	2,898
Over 2 years	超過兩年	2,892	175
		1,944,607	1,616,059

財務報表附註(續)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)



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25. Accounts and bills receivables (continued)

The movements in the provision for impairment of accounts receivable are as follows:

		Group 本集團	
		2011 2011年 HK\$'000 千港元	2010 2010年 HK\$'000 千港元
At 1 January	於1月1日	24,638	24,001
Impairment losses recognised (note 6)	已確認減值虧損(附註6)	2,372	1,634
Amount written off as uncollectible	列為壞賬被撇銷之數額	(779)	(1,827)
Exchange realignment	匯兌調整	1,262	830
At 31 December	於12月31日	27,493	24,638

Included in the above provision for impairment of accounts receivable is a provision for individually impaired accounts receivable of HK\$20,071,000 (2010: HK\$20,808,000) with a carrying amount before provision of HK\$20,071,000 (2010: HK\$23,993,000).

The individually impaired accounts receivable relate to customers that were in financial difficulties and the full amount of the receivables is expected to be irrecoverable.

The aged analysis of the accounts and bills receivables that are not considered to be impaired is as follows:

25. 應收賬款及票據(續)

應收賬款減值撥備變動如下：

		Group 本集團	
		2011 2011年 HK\$'000 千港元	2010 2010年 HK\$'000 千港元
At 1 January	於1月1日	24,638	24,001
Impairment losses recognised (note 6)	已確認減值虧損(附註6)	2,372	1,634
Amount written off as uncollectible	列為壞賬被撇銷之數額	(779)	(1,827)
Exchange realignment	匯兌調整	1,262	830
At 31 December	於12月31日	27,493	24,638

上述應收賬款減值撥備包括個別減值應收賬款之撥備約20,071,000港元(2010年：20,808,000港元)，該等應收賬款撥備前之賬面值約為20,071,000港元(2010年：23,993,000港元)。

已個別減值之應收賬款乃與處於財政困難之客戶有關，預期該應收賬款全數無法收回。

認為未發生減值之應收賬款及票據之賬齡分析如下：

		Group 本集團	
		2011 2011年 HK\$'000 千港元	2010 2010年 HK\$'000 千港元
Neither past due nor impaired	未逾期亦未減值	1,764,955	1,402,869
Less than 1 month past due	逾期1個月以內	20,183	8,537
1 to 3 months past due	逾期1至3個月	9,745	3,310
More than 3 months but less than 12 months past due	逾期3個月以上但少於12個月	53,364	31,338
		1,848,247	1,446,054



財務報表附註(續)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

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25. Accounts and bills receivables (continued)

Receivables that were neither past due nor impaired relate to a large number of diversified customers for whom there was no recent history of default.

Receivables that were past due but not impaired relate to a number of independent customers that have a good track record with the Group. Based on past experience, the directors of the Company are of the opinion that no provision for impairment is necessary in respect of these balances as there has not been a significant change in credit quality and the balances are still considered fully recoverable.

25. 應收賬款及票據(續)

未逾期亦未減值之應收賬款乃與多名近期並無出現拖欠情況之各類客戶有關。

已逾期但未減值之應收賬款乃與多名過往與本集團交易記錄良好之獨立客戶有關。基於以往經驗，本公司董事認為，由於該等結餘之信貸質素並無出現重大變動且仍被視為可悉數收回，故並無必要就該等結餘作出減值撥備。

26. Equity investments at fair value through profit or loss

26. 按公平值列入損益之權益投資

		Group 本集團		Company 本公司	
		2011 2011年 HK\$'000 千港元	2010 2010年 HK\$'000 千港元	2011 2011年 HK\$'000 千港元	2010 2010年 HK\$'000 千港元
Listed equity securities in Hong Kong, at fair value	香港上市股票，按公平值	15,016	19,199	10,283	13,310

The above investments at 31 December 2011 and 2010 were classified as held for trading and were, upon initial recognition, designated by the Group as financial assets as at fair value through profit or loss.

於2011年及2010年12月31日，上述投資歸類為持作交易，且於初始確認後，均被本集團指定為按公平值計入損益之金融資產。

27. Cash and cash equivalents and pledged deposits

27. 現金及現金等值項目及已抵押存款

		Group 本集團		Company 本公司	
		2011 2011年 HK\$'000 千港元	2010 2010年 HK\$'000 千港元	2011 2011年 HK\$'000 千港元	2010 2010年 HK\$'000 千港元
Cash and bank balances	現金及銀行結餘	1,770,983	1,670,502	12,302	22,463
Time deposits	定期存款	157,819	197,797	187	-
		1,928,802	1,868,299	12,489	22,463
Less: Pledged time deposits:	減：已抵押定期存款：				
Pledged for short term bank loans (note 29)	就短期銀行貸款而抵押(附註29)	(117,590)	(127,096)	-	-
Pledged for bills payable (note 28)	就應付票據而抵押(附註28)	(21,415)	-	-	-
Cash and cash equivalents	現金及現金等值項目	1,789,797	1,741,203	12,489	22,463

財務報表附註(續)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)



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27. Cash and cash equivalents and pledged deposits (continued)

At the end of the reporting period, the cash and cash equivalents and pledged deposits of the Group denominated in Renminbi (“RMB”) amounted to HK\$1,728,564,000 (2010: HK\$1,624,604,000). The RMB is not freely convertible into other currencies, however, under Mainland China’s Foreign Exchange Control Regulations and Administration of Settlement, Sale and Payment of Foreign Exchange Regulations, the Group is permitted to exchange RMB for other currencies through banks authorised to conduct foreign exchange business.

Cash at banks earns interest at floating rates based on daily bank deposit rates. Short term time deposits are made for varying periods between one day and three months depending on the immediate cash requirements of the Group, and earn interest at the respective short term time deposit rates. The bank balances and pledged deposits are deposited with creditworthy banks with no recent history of default.

28. Accounts and bills payables

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

		Group 本集團	
		2011 2011年 HK\$'000 千港元	2010 2010年 HK\$'000 千港元
Within 3 months	三個月內	1,288,808	825,497
3 to 12 months	三個月至十二個月內	263,213	161,753
1 to 2 years	一年至兩年內	5,972	11,879
Over 2 years	超過兩年	715	735
		1,558,708	999,864

The accounts and bills payables are non-interest-bearing and are normally settled in one to three months and one to six months, respectively.

At 31 December 2011, certain of the Group’s bills payable were secured by the Group’s bank deposits amounting to HK\$21,415,000 (2010: Nil) (note 27).

27. 現金及現金等值項目及已抵押存款(續)

於報告期末，本集團以人民幣為單位之現金和現金等值物以及已抵押存款為1,728,564,000港元(2010年：1,624,604,000港元)。人民幣不可自由兌換為其他貨幣，然而，根據中國大陸外匯管制條例及結匯、付匯及售匯管理規定，本集團獲准透過特許進行外匯業務之銀行將人民幣兌換為外幣。

存放於銀行之現金乃按每日銀行存款利率計算之浮息利率賺取利息。視乎本集團即時之現金需求而定，短期定期存款乃按一日至三個月不等之年期存放，並按各短期定期存款利率賺取利息。銀行結餘及已抵押存款存入最近並無違約記錄之信譽良好之銀行。

28. 應付賬款及票據

於申報期間期末之應付賬款及票據賬齡按發票日期分析如下：

應付賬款及票據為不計息，一般的付款期分別為一至三個月及一至六個月。

於2011年12月31日，本集團部分應付票據以金額為21,415,000港元之本集團銀行存款(2010年：無)予以擔保(附註27)。



財務報表附註(續)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

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29. Interest-bearing bank and other borrowings

29. 計息銀行貸款及其他貸款

Group		本集團					
		Effective contractual interest rate (%) 實際合約利率(%)	2011 2011年	Effective contractual interest rate (%) 實際合約利率(%)	2010 2010年		
			Maturity 到期日	HK\$'000 千港元		Maturity 到期日	HK\$'000 千港元
Current	即期						
Bank loans – secured	銀行貸款—有抵押	0.75 – 4.63	2012	116,428	4.78 – 5.31	2011	152,774
Bank loans – unsecured	銀行貸款—無抵押	0.61 – 1.34	2012 or on demand 2012年或 按通知	1,345,000	0.72 – 5.1	2011	838,998
Other loans – unsecured	其他貸款—無抵押	6.10	2012	55,508	4.59	2011	29,380
				1,516,936			1,021,152
Non-current	非即期						
Bank loans – unsecured	銀行貸款—無抵押	0.93	2014	300,000	1.1	2012 – 2015	495,000
				300,000			495,000
				1,816,936			1,516,152
Analysed into:	分析:						
Bank loans repayable:	待償還之銀行貸款:						
Within one year or on demand	一年內到期或按通知償還			1,461,428			991,772
In the second year	第二年			-			300,000
In the third to fifth years, inclusive	第三年至第五年 (包括首尾兩年)			300,000			195,000
				1,761,428			1,486,772
Other loans:	其他貸款:						
Within one year or on demand	一年內到期或按通知償還			55,508			29,380
				55,508			29,380
				1,816,936			1,516,152

Notes:

- (a) Certain of the Group's bank loans were secured by the pledge of certain of the Group's time deposits amounting to HK\$117,590,000 (2010: HK\$127,096,000) (note 27).

In addition, certain of the Group's bank loans at 31 December 2010 were secured by mortgages over certain of the Group's buildings, which had an aggregate carrying value of approximately HK\$41,042,000 (note 14).

附註:

- (a) 本集團之部份銀行貸款乃以金額為117,590,000港元(2010年: 127,096,000港元)之本集團若干已抵押定期存款作抵押(附註27)。

此外,於2010年12月31日,本集團之部份銀行貸款乃以按揭總賬面值約41,042,000港元之本集團之若干樓宇予以抵押(附註14)。

財務報表附註(續)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)



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29. Interest-bearing bank and other borrowings (continued)

Notes: (continued)

- (b) Except for bank loans of HK\$311,428,000 (2010: HK\$39,840,000) denominated in United States dollars and HK\$1,450,000,000 (2010: HK\$936,000,000) denominated in Hong Kong dollars as at 31 December 2011, all other borrowings were denominated in RMB.
- (c) Included in the Group's bank loans repayable within one year or on demand at 31 December 2011 is a term loan of HK\$195,000,000, which will mature in 2015, with an on-demand clause.

The other loans represent loans of HK\$55,508,000 (2010: HK\$29,380,000) from COFCO Finance Corporation Limited ("COFCO Finance"), a wholly-owned subsidiary of COFCO. These balances are unsecured and bear interest at the rate of 6.1% (2010: 4.59%) per annum.

Company

29. 計息銀行貸款及其他貸款(續)

附註：(續)

- (b) 除於2011年12月31日311,428,000港元(2010年：39,840,000港元)的銀行貸款以美元計價及1,450,000,000港元(2010年：936,000,000港元)以港元計價外，所有其他貸款以人民幣計價。
- (c) 於2011年12月31日，本集團一年內或按通知償還銀行貸款包括一筆附有按通知償還條款的定期貸款，該定期貸款金額為195,000,000港元，並將於2015年到期。

其他貸款乃中糧公司擁有之全資子公司中糧財務有限責任公司(「中糧財務」)貸款55,508,000港元(2010年：29,380,000港元)。該等結餘為無抵押，按每年6.1厘(2010年：4.59厘)的利率計息。

本公司

		2011 2011年			2010 2010年		
		Effective contractual interest rate (%) 實際合約利率(%)	Maturity 到期日	HK\$'000 千港元	Effective contractual interest rate (%) 實際合約利率(%)	Maturity 到期日	HK\$'000 千港元
Current	即期						
Bank loans – unsecured	銀行貸款 – 無抵押	0.61 – 1.34	2012 or on demand 2012年或按通知	745,000	0.72 – 1.1	2011	636,000
				745,000			636,000
Non-current	非即期						
Bank loans – unsecured	銀行貸款 – 無抵押	0.93	2014	300,000	1.1	2015	195,000
				300,000			195,000
				1,045,000			831,000
Analysed into:	分析：						
Bank loans repayable:	待償還之銀行貸款：						
Within one year or on demand	一年內到期或按通知償還			745,000			636,000
In the third to fifth years, inclusive	於第三年至第五年(包括首尾兩年)			300,000			195,000
				1,045,000			831,000



財務報表附註(續)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

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30. Deferred tax

The movements in deferred tax liabilities and assets during the year are as follows:

Deferred tax liabilities

Group

		Fair value adjustments arising from investment properties and biological assets 投資物業及生物資產產生之公平值調整	
		2011 2011年 HK\$'000 千港元	2010 2010年 HK\$'000 千港元
At 1 January	於1月1日	26,920	17,104
Acquisition of a subsidiary (note 34)	收購一間附屬公司(附註34)	13,823	-
Deferred tax charged to the income statement during the year (note 10)	於本年度收入報表內扣除之遞延稅項(附註10)	8,227	6,883
Deferred tax charged to equity during the year	於本年度自股本中扣除之遞延稅項	-	2,182
Exchange realignment	匯兌調整	1,162	751
At 31 December	於12月31日	50,132	26,920

30. 遞延稅項

本年度內遞延稅項負債及資產之變動如下：

遞延稅項負債

本集團

財務報表附註(續)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)



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30. Deferred tax (continued)

The movements in deferred tax liabilities and assets during the year are as follows:

Deferred tax assets

Group

		Provision against inventories 存貨撥備 HK\$'000 千港元	Impairment of receivables 應收 款項減值 HK\$'000 千港元	Losses available for offsetting against future taxable profits 可用於抵消 未來應課稅 利潤的虧損 HK\$'000 千港元	Accruals 預提費用 HK\$'000 千港元	Others 其他 HK\$'000 千港元	Total 合計 HK\$'000 千港元
At 31 December 2010 and at 1 January 2011	於2010年12月31日 及2011年1月1日	2,714	6,453	154	22,544	3,138	35,003
Deferred tax credited/(charged) to the income statement during the year (note 10)	於本年度收入報表內 計入/(扣除)之 遞延稅項(附註10)	(1,930)	673	4,369	9,142	(2,347)	9,907
Exchange realignment	匯兌調整	87	337	116	1,346	97	1,983
At 31 December 2011	於2011年12月31日	871	7,463	4,639	33,032	888	46,893
At 1 January 2010	於2010年1月1日	2,082	8,170	-	9,663	6,896	26,811
Deferred tax credited/(charged) to the income statement during the year (note 10)	於本年度收入報表內 計入/(扣除)之 遞延稅項(附註10)	552	(1,967)	152	12,429	(4,029)	7,137
Exchange realignment	匯兌調整	80	250	2	452	271	1,055
At 31 December 2010	於2010年12月31日	2,714	6,453	154	22,544	3,138	35,003

The Group has tax losses arising in Mainland China of HK\$449,164,000 (2010: HK\$430,059,000) that are available for offsetting against future taxable profits to a maximum period of five years of the companies in which the losses arose. The Group also has tax losses arising in France of HK\$8,806,000 (2010: Nil) that are available for offsetting against future taxable profits of the company in which the losses arose. Deferred tax assets have not been recognised in respect of these losses as they have arisen in subsidiaries that have been loss-making for some time and it is not considered probable that taxable profits will be available against which the tax losses can be utilised.

30. 遞延稅項(續)

於本年度，遞延稅項負債及資產之變動如下：

遞延稅項資產

本集團

本集團來自中國大陸之稅損為449,164,000港元(2010年：430,059,000港元)，可供產生虧損之公司在日後最長達五年之期間用於抵銷未來應課稅溢利。本集團本年度來自法國之稅損為8,806,000港元(2010年：無)，可供產生虧損之公司在日後用於抵銷未來應課稅溢利。由於該等虧損來自已處於虧損狀態一段時間之附屬公司，而且不認為有應課稅溢利可供動用該等稅損，故並無就該等虧損確認遞延稅項資產。



財務報表附註(續)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

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31 December 2011

30. Deferred tax (continued)

Pursuant to the PRC Corporate Income Tax Law, a 10% withholding tax is levied on dividends declared to foreign investors from the foreign investment enterprises established in Mainland China. The requirement is effective from 1 January 2008 and applies to earnings after 31 December 2007. A lower withholding tax rate of 5% may be applied if there is a tax treaty between Mainland China and the jurisdiction of the foreign investors. The Group is therefore liable for withholding taxes on dividends distributed by those subsidiaries established in Mainland China in respect of earnings generated from 1 January 2008.

At 31 December 2011, no deferred tax has been recognised for withholding taxes that would be payable on the unremitted earnings that are subject to withholding taxes of the Group's subsidiaries established in Mainland China. In the opinion of the board, it is not probable that these subsidiaries will distribute such earnings in the foreseeable future.

31. Share capital

Shares

		2011 2011年 HK\$'000 千港元	2010 2010年 HK\$'000 千港元
Authorised:	法定：		
4,000,000,000 (2010: 4,000,000,000) ordinary shares of HK\$0.10 each	每股面值0.10港元之普通股 4,000,000,000股(2010年： 4,000,000,000股)	400,000	400,000
Issued and fully paid:	已發行及繳足：		
2,792,891,756 (2010: 2,792,459,756) ordinary shares of HK\$0.10 each	每股面值0.10港元之普通股 2,792,891,756股(2010年： 2,792,459,756股)	279,289	279,246

During the year, the subscription rights attaching to 432,000 share options were exercised at the subscription price of HK\$4.952 per share (note 32), resulting in the issue of 432,000 shares of HK\$0.10 each for a total cash consideration, before expenses, of approximately HK\$2,139,000. An amount of HK\$675,000 was transferred from the share option reserve to the share premium account upon the exercise of the share options.

30. 遞延稅項(續)

根據中國新企業所得稅法，在中國大陸成立之外資企業向外國投資者宣派股息，有關股息須繳納10%之預扣稅。此規定於2008年1月1日生效並適用於2007年12月31日之後獲得之盈利。倘中國與該等外國投資者所在司法權區域訂有稅收優惠條約，則預扣稅率准予下調至5%。因此，本集團須承擔於中國大陸成立之該等附屬公司就於2008年1月1日起所獲盈利分派股息產生之預扣稅。

於2011年12月31日，並未就本集團在中國成立之附屬公司須繳納預扣稅之未匯付盈利而應付之預扣稅確認遞延稅項。董事會認為該等附屬公司在可預見將來分派有關盈利的機會不大。

31. 股本

股份

本年度，432,000份購股權所附之認購權按認購價每股4.952港元(附註32)獲行使，導致發行432,000股每股面值0.10港元之股份，總現金代價扣除發行開支之前約為2,139,000港元。675,000港元因行使購股權而由購股權儲備轉撥至股份溢價賬。

財務報表附註(續)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)



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31. Share capital (continued)

Shares (continued)

A summary of the above movement in the Company's issued share capital during the year is as follows:

		Number of shares in issue 已發行股份數目	Issued capital HK\$'000 千港元	Share premium account 股份溢價賬 HK\$'000 千港元	Total 總計 HK\$'000 千港元
At 1 January 2010	於2010年1月1日	2,791,512,076	279,151	826	279,977
Share options exercised	已行使購股權	947,680	95	6,079	6,174
Share issue expenses	股份發行開支	–	–	(26)	(26)
At 31 December 2010 and 1 January 2011	於2010年12月31日 及2011年1月1日	2,792,459,756	279,246	6,879	286,125
Share options exercised	已行使購股權	432,000	43	2,771	2,814
At 31 December 2011	於2011年12月31日	2,792,891,756	279,289	9,650	288,939

Share options

Details of the Company's share option scheme and the share options issued under the scheme are included in note 32 to the financial statements.

32. Share option scheme

Pursuant to an ordinary resolution passed on 21 November 2006, the Company conditionally adopted a share option scheme (the "Scheme"). The Scheme became effective on 21 November 2006 (the "Effective Date") and unless otherwise cancelled or amended, will remain in force for 10 years from that date.

The purpose of the Scheme is to attract, retain and motivate senior management personnel and key employees of the Company, and provide eligible participants with an opportunity to acquire proprietary interests in the Company and to encourage 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.

31. 股本(續)

股份(續)

年內，有關上述本公司已發行股本變動之概要如下：

購股權

本公司購股權計劃及已根據計劃發行的購股權詳情載於財務報表附註32。

32. 購股權計劃

根據於2006年11月21日通過之一項普通決議案，本公司有條件採納一項購股權計劃(「該計劃」)。該計劃於2006年11月21日(「生效日期」)生效，除非另行取消或修訂，將自該日期起維持有效10年。

該計劃旨在吸引、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於為本公司及其股東整體利益提升本公司及其股份之價值。



32. Share option scheme (continued)

The maximum number of unexercised share options currently permitted to be granted under the Scheme is an amount equivalent, upon their exercise, to 10% of the issued shares of the Company at the date of the adoption of the Scheme. The maximum number of shares issuable under share options granted to each eligible participant pursuant to the Scheme within any 12-month period is limited to 1% of the shares of the Company in issue at the relevant time. Any further grant of share options in excess of this limit is subject to shareholders' approval in a general meeting.

Share options granted to a director, chief executive or substantial shareholder of the Company, or to any of their associates, are subject to approval in advance by the independent non-executive directors. In addition, any share options granted to a substantial shareholder of the Company, or to any of its associates, in excess of 0.1% of the shares of the Company in issue at the relevant time or with an aggregate value (based on the closing price of the Company's shares at the date of grant) in excess of HK\$5,000,000, within any 12-month period, are subject to shareholders' approval in advance in a general meeting.

The offer of a grant of share options may be accepted within 28 days from the date of offer. The exercise periods of the share options granted commence subject to the applicable vesting schedule and in any event end on a date which is not later than seven years from the date of acceptance of the share options, subject to early termination thereof as provided in the Scheme.

The exercise price shall be determined by the board and shall be the higher of (a) the closing price of the shares as stated in the daily quotation sheets issued by The Stock Exchange of Hong Kong Limited (the "Stock Exchange") on the date of the offer; (b) the average closing prices of the shares as stated in the daily quotation sheets issued by the Stock Exchange for the five business days immediately preceding the date of the offer; or (c) the nominal value of a share.

Share options do not confer rights on the holders to dividends or to vote at shareholders' meetings.

On 27 September 2007, a total of 20,619,000 share options were granted to certain directors of the Company and certain employees of the Group in respect of their services to the Group (the "2007 Options"). The exercise price of the 2007 Options is HK\$4.952 per share. The closing price of the Company's shares immediately before the date of grant was HK\$4.85 per share.

32. 購股權計劃(續)

按該計劃目前可授予而未行使之購股權於行使時可認購之本公司股份最高上限數目，相當於本公司於採納該計劃當天已發行股份之10%。於任何十二個月期間，根據該計劃授予每位合資格參與者之購股權可發行股份之最高數目於相關時間均限於本公司已發行股份之1%。超越此限額之任何進一步授出之購股權須先獲得股東於股東大會批准。

授予本公司董事、主要行政人員或主要股東或彼等任何聯繫人之購股權須先由獨立非執行董事批准。此外，於任何十二個月期間內，授予本公司主要股東或其任何聯繫人之任何購股權，倘超逾本公司於相關時間已發行股份之0.1%，或按本公司於授出日期之股份收市價計算的總值超逾5,000,000港元，則須先由股東於股東大會批准。

購股權可於授出日期起計28日內接納。已授出購股權的行使期(須受制於適合的歸屬期)無論如何不得超過接納購股權日期起計七年，惟符合該計劃所載有關提早終止的條文者除外。

行使價為董事會釐定，並須為以下三項之最高者：(a)於要約當日香港聯合交易所有限公司(「聯交所」)每日報價表所載股份收市價；(b)於緊接要約日期前五個營業日聯交所每日報價表所載股份之平均收市價；或(c)股份之面值。

購股權並無賦予持有人收取有關股息或於股東大會投票之權利。

於2007年9月27日，本公司就本公司若干董事及本集團若干僱員向本集團提供服務而授出合共20,619,000份購股權(「2007年購股權」)。該2007年購股權的行使價為每股4.952港元。緊隨授出購股權日期前本公司股份的收市價為每股4.85港元。

財務報表附註(續)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)



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32. Share option scheme (continued)

The following 2007 Options were outstanding under the Scheme during the year:

		2011 2011年		2010 2010年	
		Exercise price HK\$ per share 行使價 港元/股	Number of options '000 購股權數目 千份	Exercise price HK\$ per share 行使價 港元/股	Number of options '000 購股權數目 千份
At 1 January	於1月1日	4.952	16,344	4.952	18,054
Cancelled during the year	年內註銷	4.952	(455)	4.952	(574)
Lapsed during the year	年內失效	4.952	(413)	4.952	(188)
Exercised during the year	年內行使	4.952	(432)	4.952	(948)
At 31 December	於12月31日	4.952	15,044	4.952	16,344

32. 購股權計劃(續)

年內，根據該計劃下列2007年購股權尚未行使：

The weighted average closing price of the shares at the date of exercise of share options during the year was approximately HK\$6.43 (31 December 2010: HK\$7.58).

年內於行使購股權當日的加權平均股份收市價約為6.43港元(2010年12月31日：7.58港元)。

The exercise price and exercise period of the 2007 Options outstanding at the end of the reporting period are as follows:

於報告期末尚未行使之2007年購股權之行使價及行使期如下：

Number of options granted 授出購股權數目			Vesting period 歸屬期	Exercise price HK\$ per share 每股行使價 港元	Exercise period 行使期
Directors 董事 '000 千份	Employees 僱員 '000 千份	Total 合計 '000 千份			
1,371	2,989	4,360	27-9-2007 to 至 26-9-2009	4.952	27-9-2009 to 至 26-9-2014
1,557	3,865	5,422	27-9-2007 to 至 26-9-2010	4.952	27-9-2010 to 至 26-9-2014
1,511	3,751	5,262	27-9-2007 to 至 26-9-2011	4.952	27-9-2011 to 至 26-9-2014
4,439	10,605	15,044			



財務報表附註(續)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

2011年12月31日
31 December 2011

32. Share option scheme (continued)

On 29 March 2011, a total of 30,880,000 share options were granted to certain directors of the Company and certain employees of the Group in respect of their services to the Group (the "2011 Options"). The exercise price of the 2011 Options is HK\$4.91 per share. The closing price of the Company's shares immediately before the date of grant was HK\$4.80 per share.

The following 2011 Options were outstanding under the Scheme during the year:

		2011 2011年		2010 2010年	
		Exercise price HK\$ per share 行使價 港元/股	Number of options '000 購股權數目 千份	Exercise price HK\$ per share 行使價 港元/股	Number of options '000 購股權數目 千份
At 1 January	於1月1日	-	-	-	-
Granted during the year	年內授予	4.910	30,880	-	-
Cancelled during the year	年內註銷	4.910	(400)	-	-
At 31 December	於12月31日	4.910	30,480	-	-

The exercise price and exercise periods of the 2011 Options outstanding at the end of reporting period are as follows:

32. 購股權計劃(續)

於2011年3月29日，本公司就本公司若干董事及本集團若干僱員向本集團提供服務而授出合共30,880,000份購股權(「2011年購股權」)。2011年購股權的行使價為每股4.91港元。緊隨授出購股權日期前本公司股份的收市價為每股4.80港元。

年內，根據該計劃下列2011年購股權尚未行使：

於報告期末尚未行使之2011年購股權之行使價及行使期如下：

Number of options granted 授出購股權數目			Vesting period 歸屬期	Exercise price HK\$ per share 每股行使價 港元	Exercise period 行使期
Directors 董事 '000 千份	Employees 僱員 '000 千份	Total 合計 '000 千份			
1,044	5,052	6,096	29-3-2011 to 28-3-2013	4.910	29-3-2013 to 28-3-2018
1,044	5,052	6,096	29-3-2011 to 28-3-2014	4.910	29-3-2014 to 28-3-2018
1,044	5,052	6,096	29-3-2011 to 28-3-2015	4.910	29-3-2015 to 28-3-2018
1,044	5,052	6,096	29-3-2011 to 28-3-2016	4.910	29-3-2016 to 28-3-2018
1,044	5,052	6,096	29-3-2011 to 28-3-2017	4.910	29-3-2017 to 28-3-2018
5,220	25,260	30,480			

財務報表附註(續)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)



2011年12月31日
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32. Share option scheme (continued)

The fair values of the 2007 Options and the 2011 Options granted under the Scheme during the year ended 31 December 2007 and 31 December 2011 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\$10,357,000 (2010: HK\$3,677,000), during the year ended 31 December 2011.

The fair value of equity-settled share options granted during the years ended 31 December 2007 and 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:

		2011 Options 2011年購股權	2007 Options 2007年購股權
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	0.8
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(%)	2.40	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

The expected life of the options is determined with reference to the vesting term and original contractual term of the 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.

The 432,000 share options exercised during the year resulted in the issue of 432,000 ordinary shares of the Company and new share capital of HK\$43,000 and share premium of HK\$2,771,000 (before issue expenses), as further detailed in note 31 to the financial statements.

32. 購股權計劃(續)

根據該計劃於截至2007年12月31日及2011年12月31日止年度授出的2007年購股權及2011年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)。其中本公司於截至2011年12月31日止年度確認購股權開支為10,357,000港元(2010年: 3,677,000港元)。

於截至2007年12月31日及2011年內授出以股本結算之購股權之公平值乃於授予購股權當日分別以柏力克-舒爾斯期權定價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：

購股權預計年期乃參考該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。

於年內行使432,000份購股權，導致本公司發行432,000股普通股及43,000港元新股本及2,771,000港元股份溢價(扣除發行開支前)，進一步詳情載於財務報表附註31。



財務報表附註(續)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

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31 December 2011

32. Share option scheme (continued)

At the end of the reporting period, a total of 45,524,000 (2010: 16,344,000) share options remained outstanding under the Scheme. The 2007 Options and 2011 Options outstanding at 31 December 2011 had remaining contractual lives of 2.74 years (2010: 3.74 years) and 6.24 years (2010: Nil), respectively. The exercise in full of the outstanding share options would, under the present capital structure of the Company, result in the issue of 45,524,000 (2010: 16,344,000) additional ordinary shares of the Company and additional share capital of approximately HK\$4,552,000 (2010: approximately HK\$1,634,000) and share premium of approximately HK\$219,605,000 (2010: approximately HK\$79,301,000) (before issue expenses).

33. Reserves

(a) Group

The amounts of the Group's reserves and the movements therein for the current and prior years are presented in the consolidated statement of changes in equity on pages 136 to 137 of the financial statements.

Pursuant to the relevant laws and regulations for Sino-foreign joint venture enterprises, a portion of the profits of certain of the Company's subsidiaries and associates in Mainland China has been transferred to reserve funds which are restricted as to use.

The Group's capital reserve includes:

- (1) the differences between the consideration and the book value of the share of net assets acquired/disposed of when there is a change in the ownership interest of a subsidiary, without a loss of control; and
- (2) the contributed surplus which represents:
 - (i) the excess value of the shares acquired over the nominal value of the Company's shares issued in exchange therefor under the group reorganisation in 1991, less the goodwill arising on the acquisition of subsidiaries and associates which remains eliminated against the capital reserve; and
 - (ii) the excess value of the shares acquired over the nominal value of the Company's shares issued in exchange therefor under the reorganisation in 2008.

32. 購股權計劃(續)

於報告期末，計劃項下尚未行使的購股權合共45,524,000份(2010年：16,344,000份)。2007年及2011年購股權於2011年12月31日尚未行使的購股權剩餘合約期限分別為2.74年(2010年：3.74年)及6.24年(2010年：無)。在本公司現時的資本結構下全面行使尚未行使的購股權將導致本公司發行45,524,000股(2010年：16,344,000股)額外普通股及額外股本約4,552,000港元(2010年：約1,634,000港元)及股份溢價約219,605,000港元(2010年：約79,301,000港元)(扣除發行開支前)。

33. 儲備

(a) 本集團

本集團當年及過往年度之儲備金額及其變動呈列於第136頁至第137頁財務報表之綜合股本變動報表中。

根據中外合營企業之有關法例及法規，本公司若干中國大陸附屬公司及聯營公司之溢利部分已轉撥至用途受限制之儲備金內。

本集團之資本儲備包括：

- (1) 在尚未失控制權的情況下，倘附屬公司所有權權益出現變動，所收購/出售資產淨值之代價與所佔所收購/出售資產淨值之賬面值之差額；及
- (2) 繳入盈餘，即：
 - (i) 於1991年集團重組時所收購股份之價值超過本公司因此而發行之股份面值之數額，減去仍然在資本儲備中扣除之收購附屬公司及聯營公司所產生之商譽；及
 - (ii) 於2008年重組時所收購股份之價值超過本公司因此而發行之股份面值之數額。

財務報表附註(續)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)



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33. Reserves (continued)

(b) Company

33. 儲備(續)

(b) 本公司

			Employee share-based Share compensation premium account	Employee share-based Share compensation reserve	Contributed surplus	Retained profits	Total 合計
	Notes 附註	HK\$'000 千港元	股份 溢價賬 HK\$'000 千港元	僱員股本 結算薪酬 儲備 HK\$'000 千港元	繳入盈餘 HK\$'000 千港元	保留溢利 HK\$'000 千港元	HK\$'000 千港元
At 1 January 2010	於2010年1月1日		826	21,747	4,968,313	439,493	5,430,379
Total comprehensive loss for the year	本年度全面虧損總額		-	-	-	(21,565)	(21,565)
Exercise of share options	行使購股權	31	6,079	(1,481)	-	-	4,598
Share issue expenses	股份發行開支	31	(26)	-	-	-	(26)
Equity-settled share option arrangements	股本結算購股權安排	32	-	3,677	-	-	3,677
Interim 2010 dividend paid	已派2010年中期股息	12	-	-	-	(64,227)	(64,227)
Proposed 2010 final dividend	擬派2010年末期股息	12	-	-	(89,638)	-	(89,638)
At 31 December 2010 and 1 January 2011	於2010年12月31日 及2011年1月1日		6,879*	23,943*	4,878,675*	353,701*	5,263,198
Total comprehensive loss for the year	本年度全面虧損總額		-	-	-	(34,516)	(34,516)
Exercise of share options	行使購股權	31	2,771	(675)	-	-	2,096
Equity-settled share option arrangements	股本結算購股權安排	32	-	10,357	-	-	10,357
Interim 2011 dividend paid	已派2011年中期股息	12	-	-	-	(113,673)	(113,673)
Proposed 2011 final dividend	擬派2011年末期股息	12	-	-	(118,698)	-	(118,698)
At 31 December 2011	於2011年12月31日		9,650*	33,625*	4,759,977*	205,512*	5,008,764

* These reserve accounts comprise the reserves of HK\$5,008,764,000 (2010: HK\$5,263,198,000) in the Company's statement of financial position.

* 該等儲備賬目構成本公司財務狀況表中的儲備5,008,764,000港元(2010年: 5,263,198,000港元)。



財務報表附註(續)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

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33. Reserves (continued)

(b) Company (continued)

The contributed surplus of the Company represents:

- (i) the difference between the underlying net assets of subsidiaries and the nominal value of the Company's shares issued in exchange therefor under a group reorganisation in 1991; and
- (ii) the difference between the consideration payable in respect of the acquisition of subsidiaries and the nominal value of the Company's shares issued in exchange therefor under the reorganisation in 2008.

On 15 April 2008, the board passed a resolution in relation to a share premium cancellation pursuant to Section 46 of the Companies Act 1981 of Bermuda, which was approved by shareholders on a special resolution on 19 May 2008, and was later approved by the registrar of companies of Bermuda on 3 June 2008. Accordingly, the share premium of approximately HK\$3,660,432,000 was transferred to contributed surplus during the year ended 31 December 2008.

The employee share-based compensation reserve represents the fair value of share options granted which are yet to be exercised, as further explained in the accounting policy for share-based payment transactions in note 2.4 to the financial statements. The amount will be transferred to the share premium account when the related options are exercised.

In addition to the retained profits of the Company, under the Companies Act 1981 of Bermuda, the contributed surplus of the Company is also available for distribution to its shareholders. However, the Company cannot declare or pay a dividend, or make a distribution out of its contributed surplus, if:

- (i) the Company is, or would after the payment be, unable to pay its liabilities as they become due; or
- (ii) the realisable value of the Company's assets would thereby be less than the aggregated realisable value of its liabilities and its issued share capital and share premium account.

33. 儲備(續)

(b) 本公司(續)

本公司之繳入盈餘指：

- (i) 附屬公司之基本資產淨值與本公司根據1991年之集團重組而發行之作交換之股份面值之差額；及
- (ii) 於2008年重組所收購附屬公司事項之應付代價與本公司據此而發行之股份作交換之股份面值之差額。

於2008年4月15日，董事會通過一項有關根據百慕達1981年公司法第46節註銷股份溢價之決議案，有關決議案已於2008年5月19日透過特別決議案形式獲股東批准，並其後於2008年6月3日獲百慕達公司註冊處批准。因此，截至2008年12月31日年度內股份溢價賬約3,660,432,000港元已轉撥至繳入盈餘。

如財務報表附註2.4有關股份支付交易之會計政策進一步詳述，僱員股本結算薪酬儲備指已授出但尚未獲行使購股權之公平值。於有關購股權獲行使時，該金額將會轉入股份溢價賬。

除本公司之保留溢利外，根據1981年百慕達公司法，本公司之繳入盈餘亦可供分派予其股東。然而，本公司在下列情況下不得宣派或派付股息，或分派繳入盈餘中之款項：

- (i) 本公司現時或在分派後將無法償還到期負債；或
- (ii) 本公司資產之可變現價值會因此而低於其負債可變現價值、其已發行股本及股份溢價賬三者合計之總額。

財務報表附註(續)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)



2011年12月31日
31 December 2011

34. Business combinations

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 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:

34. 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 payables	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 liabilities	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



財務報表附註(續)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

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34. Business combinations (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 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\$7,137,000 to the Group's turnover and a profit of HK\$174,000 to the consolidated profit for the year ended 31 December 2011.

34. 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，截至2011年12月31日止年度Château de Viaud SAS向本集團的營業額貢獻7,137,000港元及向本集團的綜合溢利貢獻溢利174,000港元。

35. Contingent liabilities

Save as disclosed in note 10, at the end of the reporting period, contingent liabilities not provided for in the financial statements were as follows:

		Company 本公司	
		2011 2011年 HK\$'000 千港元	2010 2010年 HK\$'000 千港元
Guarantees given to banks in connection with facilities granted to a subsidiary	就一間附屬公司獲授之融資而向銀行提供之擔保	387,500	387,500

At the end of the reporting period, the banking facilities granted to a subsidiary subject to guarantees given to banks by the Company were not utilised (2010: Nil).

35. 或然負債

除附註10所披露者外，於報告期末，於財務報表中未計提之或然負債如下：

於報告期末，根據本公司向銀行提供之擔保而授予附屬公司之銀行融資尚未動用(2010年：無)。

財務報表附註(續)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)



2011年12月31日
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36. Operating lease arrangements

(a) As lessor

The Group leases its investment properties (note 15) under operating lease arrangements, with leases negotiated for terms ranging from five or twelve years. The terms of the leases generally also require the tenants to pay security deposits and provide for periodic rent adjustments according to the then prevailing market conditions.

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

		Group 本集團	
		2011 2011年 HK\$'000 千港元	2010 2010年 HK\$'000 千港元
Within one year	一年內	4,979	5,719
In the second to fifth years, inclusive	第二至第五年(包括首尾兩年)	20,821	16,591
After five years	五年後	20,136	27,173
		45,936	49,483

(b) As lessee

The Group leases certain of its office properties under operating lease arrangements. Leases for 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:

		Group 本集團	
		2011 2011年 HK\$'000 千港元	2010 2010年 HK\$'000 千港元
Within one year	一年內	61,068	44,143
In the second to fifth years, inclusive	第二至第五年(包括首尾兩年)	50,371	52,240
After five years	五年後	73,440	82,217
		184,879	178,600

36. 經營租約安排

(a) 作為出租人

本集團根據經營租約安排出租其投資物業(附註15)，經協商之租期由五至十二年不等。一般而言，租約之條款亦規定租戶支付按金，並訂明可定期根據當時市況調整租金。

於報告期末，本集團根據其與租戶訂立之不可撤銷經營租約應收之未來最低租金總額如下：

(b) 作為承租人

本集團根據經營租約安排租用若干辦公室物業，物業租約經協商之租期由一年至十年不等。

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：



財務報表附註(續)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

2011年12月31日
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37. Capital commitment

In addition to the operating lease commitments detailed in note 36(b) above, the Group had the following capital commitments at the end of the reporting period:

		Group 本集團	
		2011 2011年 HK\$'000 千港元	2010 2010年 HK\$'000 千港元
Property, plant and equipment:	物業、廠房及設備：		
Authorised but not contracted	已授權但未訂約	13,403	398
Contracted, but not provided for	已訂約但未計提	139,901	14,289
		153,304	14,687

At the end of the reporting period, the Company had no significant commitments.

37. 資本承擔

除於上文附註36(b)詳述之經營租約承擔外，本集團於報告期末有以下資本承擔：

於報告期末，本公司並無重大承擔。

38. Related party transactions

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

		Group 本集團	
		2011 2011年 HK\$'000 千港元	2010 2010年 HK\$'000 千港元
		Notes 附註	
Transactions with fellow subsidiaries:	與同系附屬公司之交易：		
Sales of goods**	銷售貨品**	(i)	81,302
Purchases of goods**	購買貨品**	(i)	7,789,342
Service fee income**	服務費用收入**	(i)	18,988
Rental expenses*	租金支出*	(i)	32,874
Interest expenses	利息支出	(ii)	704
Transactions with the ultimate holding company:	與最終控股公司之交易：		
Sales of goods*	銷售貨品*	(i)	2,379
Purchases of goods*	購買貨品*	(i)	19,419
Rental expenses*	租金支出*	(i)	2,813
Transactions with associates:	與聯營公司之交易：		
Sales of goods	銷售貨品	(i)	14,708
Purchases of goods*	購買貨品*	(i)	2,316,894
Transactions with related companies:#	與關連公司之交易：#		
Sales of goods*	銷售貨品*	(i)	11,636
Purchases of goods*	購買貨品*	(i)	2,900,978

(a) 除財務報表其他地方所披露之交易及結餘外，本集團於本年度內與關連人士進行之重大交易如下：

財務報表附註(續)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)



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38. Related party transactions (continued)

(a) (continued)

* These related party transactions also constituted connected transactions or continuing connected transactions discloseable in accordance with the Listing Rules.

** A certain portion of these related party transactions are connected transactions or continuing connected transactions discloseable in accordance with the Listing Rules.

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, which are unsecured and bear interest at rates ranging from 4.59% to 6.1% (2010: 4.37% to 4.86%) per annum (note 29).

(b) Transactions with a related party

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

(c) Commitments with a related party

On 1 August 2011, a subsidiary of the Group entered in a three-year agreement ending 30 October 2014 with COFCO Plaza Development Co., Ltd., a subsidiary of COFCO, to lease properties as its office. The amount of total rental expenses paid/payable to COFCO Plaza Development Co., Ltd. for the year is included in note 38(a) to the financial statements. The Group expects total rental expenses payable to COFCO Plaza Development Co., Ltd. from 2012 to 2014 to be approximately HK\$22,083,000.

(d) Outstanding balances with related parties and non-controlling shareholders of the Group's subsidiaries

Except for the loans of HK\$55,508,000 (2010: HK\$29,380,000) from COFCO Finance, the terms of which are detailed in note 29 to the financial statements, the Group's balances with its holding companies, fellow subsidiaries, and their associates and non-controlling shareholders of the Group's subsidiaries are unsecured, interest-free and have no fixed terms of repayment.

38. 關連人士交易(續)

(a) (續)

* 該等關連人士交易根據上市規則規定，亦構成須予披露之關連交易或持續關連交易。

** 部分該等關連人士交易根據上市規則規定，為須予披露之關連交易或持續關連交易。

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) 利息開支產生於就中糧財務之貸款，該等貸款為無抵押及按年息4.59厘至6.1厘(2010年：4.37厘至4.86厘)計息(附註29)。

(b) 與一名關連人士之交易

根據本集團與中糧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，而該特許權費用獲中糧公司豁免。

(c) 與關連人士之承諾

於2011年8月1日，本集團一間附屬公司與中糧公司一間附屬公司中糧廣場發展有限公司訂立了一份三年協議，以租賃物業作為其辦公室，該協議於2014年10月30日屆滿。年內已付／應付中糧廣場發展有限公司之租賃開支總額列入財務報表附註38(a)。本集團預計自2012年至2014年應付中糧廣場發展有限公司之租賃開支總額約22,083,000港元。

(d) 關連人士及本集團附屬公司非控股股東之未償還餘額

除中糧財務之貸款55,508,000港元(2010年：29,380,000港元)(條款詳述於財務報表附註29)外，控股公司、同系附屬公司及其聯營公司及本集團附屬公司非控股股東之未償還餘額乃無抵押、免息及無固定還款期。



財務報表附註(續)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

2011年12月31日
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38. Related party transactions (continued)

(e) Compensation of key management personnel of the Group

		Group 本集團	
		2011 2011年 HK\$'000 千港元	2010 2010年 HK\$'000 千港元
Short term employee benefits	短期僱員福利	16,150	16,921
Equity-settled share option expense	股本結算購股權開支	2,906	2,145
Pension scheme contributions	退休計劃供款	323	473
Total compensation paid to key management personnel	付予主要管理人員之報酬總額	19,379	19,539

Further details of directors' emoluments are included in note 8 to the financial statements.

38. 關連人士交易(續)

(e) 本集團主要管理人員之報酬

董事酬金的進一步詳情載於財務報表附註8。

(f) Transactions and balances 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 year, the Group entered into extensive transactions covering, but not limited to, sales of goods, purchases of raw materials, property, plant and equipment and other assets, receiving of services, and making deposits and borrowings with certain State-owned Enterprises, other than COFCO and its affiliates, at terms comparable to those with non-state-owned enterprises. The directors consider that transactions with those State-owned Enterprises were entered into in the ordinary and usual course of business of the Group, and that dealings of the Group have not been significantly or unduly affected by the fact that the Group and those 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 directors of the Company are of the opinion that none of these transactions constitutes a related party transaction that requires separate disclosure.

(f) 與其他國有企業的交易及結餘

本集團運營的經濟環境中的企業大多為中國政府通過其眾多機關、聯屬機構或其他組織直接或間接擁有或控制的企業(統稱「國有企業」)。本年度本集團與某些國有企業進行的廣泛交易包括但不限於銷售產品、購買原材料、物業、廠房及設備及其他資產、接受服務，並在中糧公司及其聯屬公司以外的國有企業存款和借款，這些交易的條款與非國有企業交易條款相似。董事認為，與其他國有企業的交易為在本集團日常業務過程中進行的活動，且本集團與那些中國政府最終控制或擁有的國有企業的貿易並沒有受到不當影響。本集團還制定產品和服務的定價政策，而這些政策並不取決於客戶是否為國有企業。經周詳考慮與國有企業的關係的實質後，董事認為這些交易並非重大關聯方交易而須另行予以披露。

財務報表附註(續)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)



2011年12月31日
31 December 2011

39. Particulars of the principal subsidiaries

Particulars of the Company's principal subsidiaries as at 31 December 2011 are as follows:

39. 主要附屬公司之詳情

本公司主要附屬公司截至2011年12月31日之詳情如下：

Name 名稱	Place of incorporation/ registration and operations 註冊成立/ 註冊及經營地點	Nominal value of issued share capital/ registered capital 已發行股本/ 註冊資本面值	Percentage of equity attributable to the Company 本公司應佔 股本百分比	Principal activities 主要業務
China Great Wall Wine Co., Ltd. * 中國長城葡萄酒有限公司*	The PRC/Mainland China 中國/中國大陸	RMB180,000,000 人民幣180,000,000元	100	Production and sale of grape wine and beverage products 製造及銷售葡萄酒及飲料產品
Yantai Greatwall Wines and Spirits Co., Ltd. * 煙台長城酒業銷售有限公司*	The PRC/Mainland China 中國/中國大陸	RMB1,000,000 人民幣1,000,000元	100	Wholesale of grape wine 批發葡萄酒
Qinhuangdao Huaxia Greatwall Wines & Spirits Co., Ltd. * 秦皇島華夏長城酒業有限公司*	The PRC/Mainland China 中國/中國大陸	RMB1,000,000 人民幣1,000,000元	100	Wholesale of grape wine 批發葡萄酒
COFCO Greatwall Winery (Yantai) Co., Ltd. * 中糧長城葡萄酒(煙台)有限公司*	The PRC/Mainland China 中國/中國大陸	RMB108,000,000 人民幣108,000,000元	100	Production and sale of grape wine 製造及銷售葡萄酒
COFCO Huaxia Greatwall Wine Co., Ltd. * 中糧華夏長城葡萄酒有限公司*	The PRC/Mainland China 中國/中國大陸	RMB200,000,000 人民幣200,000,000元	100	Production and sale of grape wine 製造及銷售葡萄酒
COFCO Huaxiahong Wines & Spirits (Shenzhen) Co., Ltd. ** 中糧華夏紅酒業(深圳)有限公司**	The PRC/Mainland China 中國/中國大陸	RMB3,000,000 人民幣3,000,000元	80	Wholesale of grape wine 批發葡萄酒
COFCO Junding Vineyard Co., Ltd. ** 中糧君頂酒莊有限公司**	The PRC/Mainland China 中國/中國大陸	RMB140,000,000 人民幣140,000,000元	55	Production and sale of grape wine 製造及銷售葡萄酒
COFCO & Arrive Vine Plant (Yantai) R&D Co., Ltd. * 中糧長城阿海威葡萄苗木 (煙台)研發有限公司*	The PRC/Mainland China 中國/中國大陸	EUR500,000 500,000歐元	58.38	Plantation of vines and production of related products 種植葡萄及生產相關產品
COFCO Wines & Spirits Co., Ltd. * 中糧酒業有限公司*	The PRC/Mainland China 中國/中國大陸	RMB11,760,000 人民幣11,760,000元	100	Wholesale of grape wines 批發葡萄酒
COFCO Foods Penglai Co., Ltd. * 中糧食品蓬萊有限公司*	The PRC/Mainland China 中國/中國大陸	RMB1,000,000 人民幣1,000,000元	100	Wholesale of grape wines 批發葡萄酒
Shandong COFCO Junding World Famous Chateaus Club Co., Ltd. ** 山東中糧君頂世界名莊 俱樂部有限公司**	The PRC/Mainland China 中國/中國大陸	RMB10,000,000 人民幣10,000,000元	55	Sale and distribution and storage of grape wine, spirits, and other related products 葡萄酒、烈酒及其他相關用品 的銷售及分銷及儲藏



財務報表附註(續)

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39. Particulars of the principal subsidiaries (continued)

39. 主要附屬公司之詳情(續)

Name 名稱	Place of incorporation/ registration and operations 註冊成立/ 註冊及經營地點	Nominal value of issued share capital/ registered capital 已發行股本/ 註冊資本面值	Percentage of equity attributable to the Company 本公司應佔 股本百分比	Principal activities 主要業務
COFCO Shaoxing Winery Co., Ltd. * 中糧紹興酒有限公司*	The PRC/Mainland China 中國/中國大陸	RMB68,670,000 人民幣68,670,000元	100	Production and sale of Chinese yellow rice wine 生產及銷售中國黃米酒
Huailai Greatwall Vine Base Development Co., Ltd. ** 懷來縣長城葡萄基地開發有限公司**	The PRC/Mainland China 中國/中國大陸	RMB6,860,000 人民幣6,860,000元	75	Plantation of vine 種植葡萄
Huailai COFCO Greatwall Sungod Chateau Co., Ltd. * 懷來中糧長城桑干酒莊有限公司*	The PRC/Mainland China 中國/中國大陸	RMB1,000,000 人民幣1,000,000元	100	Production and sale of grape wine 生產及銷售葡萄酒
COFCO Greatwall (Zhulu) Wines Co., Ltd. * 中糧長城(涿鹿)葡萄酒有限公司*	The PRC/Mainland China 中國/中國大陸	RMB1,000,000 人民幣1,000,000元	100	Wine processing and bottling, sale and distribution of wine products 葡萄酒加工及裝瓶、銷售及分銷 酒類產品
COFCO Greatwall Wine (Ningxia) Co., Ltd. * 中糧長城葡萄酒(寧夏)有限公司*	The PRC/Mainland China 中國/中國大陸	USD16,080,000 16,080,000美元	100	Import and export of grape wine and related material 進出口葡萄酒及相關輔料
Shenzhen Le conté Marketing Services Co., Ltd.** 深圳市金帝營銷有限公司**	The PRC/Mainland China 中國/中國大陸	RMB15,000,000 人民幣15,000,000元	90	Distribution of chocolate products 分銷巧克力產品
COFCO Le conté Food (Shenzhen) Co., Ltd. * 中糧金帝食品(深圳)有限公司*	The PRC/Mainland China 中國/中國大陸	US\$24,994,370 24,994,370美元	100	Production and distribution of chocolate products 生產及分銷巧克力產品
COFCO Coca-Cola Beverages Limited 中糧可口可樂飲料有限公司	Hong Kong 香港	Ordinary HK\$2,463,217,002 普通股 2,463,217,002港元	65	Investment holding 投資控股
COFCO Coca-Cola Beverages (China) Investment Ltd. * 中糧可口可樂飲料(中國)投資 有限公司*	The PRC/Mainland China 中國/中國大陸	US\$30,000,000 30,000,000美元	65	Investment holding 投資控股
Tianjin Coca-Cola Beverages Co., Ltd. ** 天津可口可樂飲料有限公司**	The PRC/Mainland China 中國/中國大陸	US\$15,500,000 15,500,000美元	32.5*	Beverage bottling production, sale and distribution 飲料裝瓶生產、配送及銷售
Hainan COFCO Coca-Cola Beverages Limited * 海南中糧可口可樂飲料有限公司*	The PRC/Mainland China 中國/中國大陸	US\$11,700,000 11,700,000美元	65	Beverage bottling production, sale and distribution 飲料裝瓶生產、配送及銷售

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39. Particulars of the principal subsidiaries (continued)

39. 主要附屬公司之詳情(續)

Name 名稱	Place of incorporation/ registration and operations 註冊成立/ 註冊及經營地點	Nominal value of issued share capital/ registered capital 已發行股本/ 註冊資本面值	Percentage of equity attributable to the Company 本公司應佔 股本百分比	Principal activities 主要業務
Hunan COFCO Coca-Cola Beverages Company Limited * 湖南中糧可口可樂飲料有限公司*	The PRC/Mainland China 中國/中國大陸	US\$8,000,000 8,000,000美元	65	Beverage bottling production, sale and distribution 飲料裝瓶生產、配送及銷售
Zhanjiang COFCO Coca-Cola Beverages Limited * 湛江中糧可口可樂飲料有限公司*	The PRC/Mainland China 中國/中國大陸	RMB23,000,000 人民幣23,000,000元	65	Beverage bottling production, sale and distribution 飲料裝瓶生產、配送及銷售
Gansu COFCO Coca-Cola Beverages Limited * 甘肅中糧可口可樂飲料有限公司*	The PRC/Mainland China 中國/中國大陸	US\$5,000,000 5,000,000美元	65	Beverage bottling production, sale and distribution 飲料裝瓶生產、配送及銷售
COFCO Coca-Cola Beverages (Xinjiang) Limited ** 中糧可口可樂飲料(新疆)有限公司**	The PRC/Mainland China 中國/中國大陸	RMB60,000,000 人民幣60,000,000元	52	Beverage bottling production, sale and distribution 飲料裝瓶生產、配送及銷售
COFCO Coca-Cola Beverages (Jiangxi) Limited * 中糧可口可樂飲料(江西)有限公司*	The PRC/Mainland China 中國/中國大陸	RMB40,000,000 人民幣40,000,000元	65	Beverage bottling production, sale and distribution 飲料裝瓶生產、配送及銷售
COFCO Coca-Cola Beverages (Shandong) Limited ** 中糧可口可樂飲料(山東)有限公司**	The PRC/Mainland China 中國/中國大陸	US\$12,500,000 12,500,000美元	48.75 [#]	Beverage bottling production, sale and distribution 飲料裝瓶生產、配送及銷售
COFCO Coca-Cola Beverages (Jinan) Limited ** 中糧可口可樂飲料(濟南)有限公司**	The PRC/Mainland China 中國/中國大陸	US\$5,000,000 5,000,000美元	48.75 [#]	Beverage bottling production, sale and distribution 飲料裝瓶生產、配送及銷售
Beijing Coca-Cola Beverage Co., Ltd. ** 北京可口可樂飲料有限公司**	The PRC/Mainland China 中國/中國大陸	US\$19,500,000 19,500,000美元	48.75 [#]	Beverage bottling production, sale and distribution 飲料裝瓶生產、配送及銷售
COFCO Coca-Cola Beverages (Inner Mongolia) Limited ** 中糧可口可樂飲料(內蒙古)有限公司**	The PRC/Mainland China 中國/中國大陸	RMB48,000,000 人民幣48,000,000元	43.55 [#]	Beverage bottling production, sale and distribution 飲料裝瓶生產、配送及銷售
COFCO Food Sales & Distribution Co., Ltd. * 中糧食品營銷有限公司*	The PRC/Mainland China 中國/中國大陸	RMB200,000,000 人民幣200,000,000元	100	Distribution of consumer pack edible oils and other consumer food products 分銷小包裝食用油及其他消費食品
COFCO Foods Management Co., Ltd. * 中糧食品管理有限公司*	The PRC/Mainland China 中國/中國大陸	US\$10,000,000 10,000,000美元	100	Research and development in food, wine and beverage, management and consulting services 研究及開發食品、酒及飲料， 管理及諮詢服務



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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

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39. Particulars of the principal subsidiaries (continued)

39. 主要附屬公司之詳情(續)

Name 名稱	Place of incorporation/ registration and operations 註冊成立/ 註冊及經營地點	Nominal value of issued share capital/ registered capital 已發行股本/ 註冊資本面值	Percentage of equity attributable to the Company 本公司應佔 股本百分比	Principal activities 主要業務
Vina Santa Andrea Limitada	Chile 智利	CLP7,750,000,000 7,750,000,000 智利比索	100	Exploitation and operation of vineyards, production and sale of grape wine 開發及經營葡萄園， 生產及銷售葡萄酒
COFCO Wines & Spirits (Huailai) Co., Ltd. * 中糧酒業(懷來)銷售有限公司*	The PRC/Mainland China 中國/中國大陸	RMB1,000,000 人民幣1,000,000元	100	Sale of grape wine, brandy and beverage 銷售葡萄酒、白蘭地及飲料
COFCO (Ningxia) Vine Plantation Co., Ltd. * 中糧(寧夏)葡萄種植有限公司*	The PRC/Mainland China 中國/中國大陸	US\$7,040,000 7,040,000美元	100	Plantation and sale of vine, production and sale of grapes 種植及銷售葡萄苗木、 生產及銷售葡萄
Jinan Junding Hua Yue Hotel Management Co., Ltd. ** 濟南君頂華悅酒店管理有限公司**	The PRC/Mainland China 中國/中國大陸	RMB2,890,000 人民幣2,890,000元	55	Hospitality and conference service 酒店及會議服務
Beijing Junding Hua Yue Hotel Management Co., Ltd. ** 北京君頂華悅酒店管理有限公司**	The PRC/Mainland China 中國/中國大陸	RMB2,890,000 人民幣2,890,000元	55	Hospitality and conference service 酒店及會議服務
COFCO Coca-Cola Supply Chain (Tianjin) Limited * 中糧可口可樂供應鏈(天津)有限公司*	The PRC/Mainland China 中國/中國大陸	RMB10,000,000 人民幣10,000,000元	65	Retails of bulk foods and relevant materials, information consulting and management 散裝食品及相關原料的零售， 信息諮詢及管理
Top Glory Wines & Spirits Europe SAS	France 法國	EUR4,150,000 4,150,000歐元	100	Investment holding 投資控股
Société Du Château de Viaud SAS	France 法國	EUR3,920,000 3,920,000歐元	100	Exploitation and operation of vineyards, production and sale of grape wines 開發及經營葡萄園、 生產及銷售葡萄酒

* Wholly-foreign-owned enterprises

* 外方獨資企業

** Sino-foreign equity joint ventures

** 中外合資企業

These are subsidiaries of non-wholly-owned subsidiaries of the Company. Accordingly, they are accounted for as subsidiaries by virtue of the Company's control over them.

該等均為本公司非全資附屬公司之附屬公司，並且因本公司對該等公司有控制權而列為附屬公司。

All of the above principal subsidiaries are indirectly held by the Company.

以上所有主要附屬公司均由本公司間接持有。

財務報表附註(續)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)



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39. Particulars of the principal subsidiaries (continued)

Except for COFCO Coca-Cola Beverages Limited, the statutory audits of the above subsidiaries were not performed by Ernst & Young, Hong Kong or another member firm of the Ernst & Young global network.

The above table lists the subsidiaries of the Company which, in the opinion of the board, principally affected the results for the year or formed a substantial portion of the net assets of the Group. Giving details of all subsidiaries would, in the opinion of the board, result in particulars of excessive length.

40. Particulars of the principal associates

Particulars of the Company's principal associates as at 31 December 2011 are as follows:

Name 名稱	Nominal value of issued share capital/ registered capital 已發行股本/ 註冊資本面值	Place of incorporation/ registration 註冊成立/ 註冊地點	Percentage of equity attributable to the Company 本公司應佔 股本百分比	Principal activities 主要業務
Nanjing BC Foods Co., Ltd. 南京中萃食品有限公司	US\$19,000,000 19,000,000美元	The PRC 中國	13	Beverages processing 飲料加工
Hangzhou BC Foods Co., Ltd. 杭州中萃食品有限公司	US\$20,000,000 20,000,000美元	The PRC 中國	13	Beverages processing 飲料加工
CBPC Limited	Ordinary HK\$10,000 普通股 10,000港元	Hong Kong 香港	16.3	Procurement of raw materials for Coca-Cola bottlers in Mainland China 在中國大陸為可口可樂 裝瓶廠採購原料
Coca-Cola Bottlers Manufacturing Holdings Limited	Ordinary HK\$27,000 普通股 27,000港元	Hong Kong 香港	13.7	Investment holding 投資控股

The above table lists the associates of the Company which, in the opinion of the board, principally affected the results for the year or formed a substantial portion of the net assets of the Group. Giving details of all associates would, in the opinion of the board, result in particulars of excessive length.

In the opinion of the board, the Group is able to exercise significant influence over the above companies as the boards of these companies comprise representatives of the Group, who participate in the policy-making processes. Accordingly, they are accounted for as associates of the Group.

All of the above principal associates are indirectly held by the Company.

39. 主要附屬公司之詳情(續)

除中糧可口可樂飲料有限公司外，上述附屬公司並非由香港安永會計師事務所或安永全球網絡其他成員公司進行法定審核。

上表列示本公司之附屬公司，而董事會認為，該等附屬公司可對本年度業績產生重大影響或構成本集團資產淨值之主要部分。董事會認為，詳列所有附屬公司之詳情將會引致內容過於冗長。

40. 主要聯營公司之詳情

本公司主要聯營公司於2011年12月31日之詳情如下：

上表列出董事會認為主要影響本集團本年度業績或形成本集團資產淨值之大部分之本集團聯營公司。董事會認為，詳列所有聯營公司之詳情將會引致內容過度冗長。

董事會認為，因為該等公司之董事會中有本集團之代表，參與政策制定過程，本集團從而能夠對上述公司行使重大影響，因此，彼等被當作本集團之聯營公司。

以上所有主要聯營公司均由本公司間接持有。



財務報表附註(續)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

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40. Particulars of the principal associates (continued)

All of the above associates are indirectly held by the Company.

The statutory audits of the above associates were not performed by Ernst & Young, Hong Kong or another member firm of the Ernst & Young global network.

41. Financial instruments by category

The carrying amounts of each of the categories of financial instruments as at the end of the reporting period are as follows:

40. 主要聯營公司之詳情(續)

所有以上聯營公司均由本公司間接持有。

所有上述聯營公司均非由香港安永或安永全球網絡的其他成員事務所進行法定審核。

41. 按類別劃分之金融工具

於報告期末，各類別金融工具的賬面值如下：

2011 Financial assets	2011年 金融資產	Available-for-sale financial assets		Loans and receivables	Held-to- maturity investments	Financial assets at fair value through profit or loss		Total 總計
		可供出售之 金融資產	應收款項			按公平值 列入損益之 金融資產	按公平值 列入損益之 金融資產	
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Due from associates	聯營公司欠款	-	1,551	-	-	-	-	1,551
Due from fellow subsidiaries	同系附屬公司欠款	-	69,390	-	-	-	-	69,390
Due from the ultimate holding company	最終控股公司欠款	-	22,056	-	-	-	-	22,056
Due from the immediate holding company	直系控股公司欠款	-	165	-	-	-	-	165
Due from related companies	關連公司欠款	-	4,076	-	-	-	-	4,076
Due from a non-controlling shareholder	非控股股東欠款	-	9,510	-	-	-	-	9,510
Equity investments at fair value through profit or loss	按公平值列入損益 之權益投資	-	-	-	-	15,016	-	15,016
Available-for-sale investments	可供出售投資	203,104	-	-	-	-	-	203,104
Accounts and bills receivables	應收賬款及票據	-	1,944,607	-	-	-	-	1,944,607
Financial assets included in prepayments, deposits and other receivables	計入預付款項、按金 及其他應收款項之 金融資產	-	965,857	-	-	-	-	965,857
Held-to-maturity investments	持有至到期投資	-	-	-	58,044	-	-	58,044
Pledged deposits	已抵押存款	-	139,005	-	-	-	-	139,005
Cash and cash equivalents	現金及現金等值項目	-	1,789,797	-	-	-	-	1,789,797
		203,104	4,946,014	58,044	15,016	-	-	5,222,178

財務報表附註(續)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)



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41. Financial instruments by category (continued)

41. 按類別劃分之金融工具(續)

2011 Financial liabilities	2011年 金融負債	Group 本集團 Financial liabilities at amortised cost 按攤銷成本列值 之金融負債 HK\$'000 千港元
Due to associates	欠聯營公司款項	292,150
Due to fellow subsidiaries	欠同系附屬公司款項	1,057,344
Due to the ultimate holding companies	欠最終控股公司款項	41,031
Due to related companies	欠關連公司款項	884,130
Due to non-controlling shareholders	欠非控股股東款項	58,498
Loans from a fellow subsidiary	來自一間同系附屬公司貸款	55,508
Accounts and bills payables	應付賬款及票據	1,558,708
Financial liabilities included in other payables and accruals	計入其他應付款項及 應計負債之金融負債	2,157,813
Interest-bearing bank borrowings	計息銀行貸款	1,761,428
		7,866,610



財務報表附註(續)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

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41. Financial instruments by category (continued)

41. 按類別劃分之金融工具(續)

2010 Financial assets	2010年 金融資產	Available- for-sale financial assets 可供出售之 金融資產 HK\$'000 千港元	Loans and receivables 貸款及 應收款項 HK\$'000 千港元	Group 本集團 Held-to- maturity investments 持有至 到期投資 HK\$'000 千港元	Financial assets at fair value through profit or loss 按公平值 列入損益之 金融資產 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Due from associates	聯營公司欠款	-	1,680	-	-	1,680
Due from fellow subsidiaries	同系附屬公司欠款	-	28,418	-	-	28,418
Due from the ultimate holding company	最終控股公司欠款	-	11,190	-	-	11,190
Due from the immediate holding company	直系控股公司欠款	-	165	-	-	165
Equity investments at fair value through profit or loss	按公平值列入損益 之權益投資	-	-	-	19,199	19,199
Available-for-sale investments	可供出售投資	209,387	-	-	-	209,387
Accounts and bills receivables	應收賬款及票據	-	1,616,059	-	-	1,616,059
Financial assets included in prepayments, deposits and other receivables	計入預付款項、 按金及其他應收 款項之金融資產	-	633,697	-	-	633,697
Held-to-maturity investments	持有至到期投資	-	-	83,132	-	83,132
Pledged deposits	已抵押存款	-	127,096	-	-	127,096
Cash and cash equivalents	現金及現金等值項目	-	1,741,203	-	-	1,741,203
		209,387	4,159,508	83,132	19,199	4,471,226

財務報表附註(續)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)



2011年12月31日
31 December 2011

41. Financial instruments by category (continued)

41. 按類別劃分之金融工具(續)

2010 Financial liabilities	2010年 金融負債	Group 本集團 Financial liabilities at amortised cost 按攤銷成本列值 之金融負債 HK\$'000 千港元
Due to associates	欠聯營公司款項	233,626
Due to fellow subsidiaries	欠同系附屬公司款項	1,089,857
Due to the ultimate holding companies	欠最終控股公司款項	31,337
Due to related companies	欠關連公司款項	692,062
Due to non-controlling shareholders	欠非控股股東款項	47,049
Loans from a fellow subsidiary	來自同系附屬公司貸款	29,380
Accounts and bills payables	應付賬款及票據	999,864
Financial liabilities included in other payables and accruals	計入其他應付款項及 應計負債之金融負債	1,754,044
Interest-bearing bank borrowings	計息銀行貸款	1,486,772
		6,363,991

2011 Financial assets	2011年 金融資產	Company 本公司			Total 總計
		Loans and receivables 貸款及 應收款項 HK\$'000 千港元	Held-to- maturity investments 持有至 到期投資 HK\$'000 千港元	Financial assets at fair value through profit or loss 按公平值 列入損益之 金融資產 HK\$'000 千港元	HK\$'000 千港元
Due from subsidiaries	附屬公司欠款	4,407,291	-	-	4,407,291
Due from the immediate holding company	直系控股公司欠款	165	-	-	165
Financial assets included in prepayments, deposits and other receivables	計入預付款項、按金及其他 應收款項之金融資產	3,115	-	-	3,115
Cash and cash equivalents	現金及現金等值項目	12,489	-	-	12,489
Held-to-maturity investments	持有至到期投資	-	58,044	-	58,044
Equity investments at fair value through profit or loss	按公平值列入損益 之權益投資	-	-	10,283	10,283
		4,423,060	58,044	10,283	4,491,387



財務報表附註(續)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

2011年12月31日
31 December 2011

41. Financial instruments by category (continued)

41. 按類別劃分之金融工具(續)

2011 Financial liabilities	2011年 金融負債	Company 本公司 Financial liabilities at amortised cost 按攤銷成本列值 之金融負債 HK\$'000 千港元
Due to subsidiaries	欠附屬公司款項	87,511
Financial liabilities included in other payables and accruals	計入其他應付款項及 應計負債之金融負債	61,640
Interest-bearing bank borrowings	計息銀行貸款	1,045,000
		1,194,151

2010 Financial assets	2010年 金融資產	Company 本公司			Total 總計
		Loans and receivables 貸款及 應收款項 HK\$'000 千港元	Held-to- maturity investments 持有至 到期投資 HK\$'000 千港元	Financial assets at fair value through profit or loss 按公平值 列入損益之 金融資產 HK\$'000 千港元	HK\$'000 千港元
Due from subsidiaries	附屬公司欠款	4,343,882	-	-	4,343,882
Due from the immediate holding company	直系控股公司欠款	165	-	-	165
Financial assets included in prepayments, deposits and other receivables	計入預付款項、按金及其他 應收款項之金融資產	3,551	-	-	3,551
Cash and cash equivalents	現金及現金等值項目	22,463	-	-	22,463
Held-to-maturity investments	持有至到期投資	-	83,132	-	83,132
Equity investments at fair value through profit or loss	按公平值列入損益 之權益投資	-	-	13,310	13,310
		4,370,061	83,132	13,310	4,466,503

財務報表附註(續)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)



2011年12月31日
31 December 2011

41. Financial instruments by category (continued)

41. 按類別劃分之金融工具(續)

2010 Financial liabilities	2010年 金融負債	Company 本公司 Financial liabilities at amortised cost 按攤銷成本列值 之金融負債 HK\$'000 千港元
Due to subsidiaries	欠附屬公司款項	68,083
Financial liabilities included in other payables and accruals	計入其他應付款項及 應計負債之金融負債	45,851
Interest-bearing bank borrowings	計息銀行貸款	831,000
		944,934

42. Fair value and fair value hierarchy

As at 31 December 2010 and 31 December 2011, the carrying amounts of the Group's and the Company's financial instruments approximated 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)

42. 公平值及公平值層級

於2010年及2011年12月31日，本集團及本公司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



財務報表附註(續)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

2011年12月31日
31 December 2011

42. Fair value and fair value hierarchy (continued)

Fair value hierarchy (continued)
Assets measured at fair value:

		Group 本集團			
		As at 31 December 2011 於2011年12月31日			
		Level 1 第一層	Level 2 第二層	Level 3 第三層	Total 總計
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	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	15,016	–	–	15,016

		As at 31 December 2010 於2010年12月31日			
		Level 1 第一層	Level 2 第二層	Level 3 第三層	Total 總計
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	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

		Company 本公司			
		As at 31 December 2011 於2011年12月31日			
		Level 1 第一層	Level 2 第二層	Level 3 第三層	Total 總計
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	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	10,283	–	–	10,283

		As at 31 December 2010 於2010年12月31日			
		Level 1 第一層	Level 2 第二層	Level 3 第三層	Total 總計
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	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	13,310	–	–	13,310

42. 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:

財務報表附註(續)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)



2011年12月31日
31 December 2011

43. Financial risk management objectives and policies

The Group's principal financial instruments comprise interest-bearing bank loans and other loans, and cash and bank balances and time deposits. The main purpose of these financial instruments is to raise finance for the Group's operations. The Group has various other financial assets and liabilities such as accounts receivable and accounts payable, which arise directly from its operations.

The main risks arising from the Group's financial instruments are interest rate risk, foreign currency risk, credit risk and liquidity risk. The Group's overall risk management programme focuses on minimising potential adverse effects of these risks, with material impact, on the Group's financial performance. The board reviews and agrees policies for managing each of these risks and they are summarised below.

Interest rate risk

The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's long term and short term interest-bearing bank loans with floating interest rates. The effective interest rates and terms of repayment of the long term and short term interest-bearing bank loans of the Group are disclosed in note 29.

The following table demonstrates the sensitivity to a reasonably possible change in interest rates, with all other variables held constant, of the Group's profit before tax (through the impact on floating rate borrowings).

43. 財務風險管理目標及政策

本集團之主要金融工具包括計息銀行貸款及其他貸款，以及現金及銀行結餘及定期存款。該等金融工具主要目的乃為本集團之業務籌集資金。本集團擁有若干其他金融資產及負債，例如應收賬款及應付賬款(直接因其業務而產生)。

因本集團之金融工具而產生之主要風險為利率風險、外幣風險、信貸風險及流動資金風險。本集團整體風險管理計劃集中於盡量減少該等風險(對本集團之財務表現構成重大影響)之潛在不利影響。董事會複核並同意管理該等風險之政策，概述如下。

利率風險

本集團承受的市場利率變動之風險主要涉及本集團按浮動利率計算之長期及短期計息銀行貸款。本集團之長期及短期計息銀行貸款之實際利率及還款期均於附註29披露。

下表顯示在所有其他可變因素均保持不變之情況下本集團除稅前溢利(透過浮息借貸之影響)對利率可能之合理變動之敏感程度。

		Increase/ (decrease) in basis points 基點上升/ (下降)	Increase/ (decrease) in profit before tax 稅前溢利 增加/(減少) HK\$'000 千港元
2011	2011年		
Hong Kong dollar	港元	100	(14,500)
United States dollar	美元	100	(3,098)
Hong Kong dollar	港元	(100)	14,500
United States dollar	美元	(100)	3,098
2010	2010年		
Hong Kong dollar	港元	100	(6,238)
United States dollar	美元	100	(133)
Hong Kong dollar	港元	(100)	6,238
United States dollar	美元	(100)	133



財務報表附註(續)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

2011年12月31日
31 December 2011

43. Financial risk management objectives and policies (continued)

Foreign currency risk

The Group mainly operates in Mainland China and Hong Kong with most of the Group's monetary assets, liabilities and transactions principally denominated in Hong Kong dollars, Renminbi and United States dollar. The Group has not used any derivative to hedge its exposure to foreign currency risk.

The following table indicates the approximate change in the Group's profit before tax in response to reasonably possible changes in the foreign exchange rates to which the Group has significant exposure at the end of the reporting period, with all other variables held constant.

43. 財務風險管理目標及政策(續)

外幣風險

本集團主要於中國大陸及香港營業，而本集團之絕大部分貨幣資產、負債及交易則主要以港元，人民幣及美元計值。本集團並無利用任何衍生產品來對沖其所面對之外幣風險。

下表列示，在其他變量不變的情況下，本集團之稅前溢利隨匯率可能之合理變動(本集團就此於報告期末面臨重大風險)之概約變動值。

		Increase/ (decrease) in foreign exchange rate 匯率 上升/(下降) %	Increase/ (decrease) in profit before tax 稅前溢利 增加/(減少) HK\$'000 千港元
2011	2011年		
If Hong Kong dollar weakens against Renminbi	若港元兌人民幣貶值	5	6,734
If Hong Kong dollar strengthens against Renminbi	若港元兌人民幣升值	(5)	(6,734)
If Hong Kong dollar weakens against United States dollar	若港元兌美元貶值	5	(14,262)
If Hong Kong dollar strengthens against United States dollar	若港元兌美元升值	(5)	14,262
2010	2010年		
If Renminbi weakens against United States dollar	若人民幣兌美元貶值	5	(2,888)
If Renminbi strengthens against United States dollar	若人民幣兌美元升值	(5)	2,888

財務報表附註(續)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)



2011年12月31日
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43. Financial risk management objectives and policies (continued)

Results of the analysis as presented in the above table represent an aggregation of the effects on each of the Group entities' profit before tax and equity measured in the respective functional currencies, translated into Hong Kong dollars at the exchange rate ruling at the end of the reporting period for presentation purpose.

Credit risk

The Group has no significant concentration of credit risk. The carrying amount of the accounts receivable represents the Group's maximum exposure to credit risk in relation to its financial assets. The Group has policies in place to ensure that sales are made to customers with an appropriate credit history.

Liquidity risk

The Group's policies are to maintain sufficient cash and cash equivalents and to have available funding through bank and other borrowings to meet its working capital requirements.

The contractual maturities of financial liabilities of the Group including interest-bearing bank and other borrowings, amounts due to fellow subsidiaries, an amount due to the ultimate holding company, an amount due to the immediate holding company, amounts due to related companies, amounts due to non-controlling shareholders of subsidiaries, and amounts due to associates, have been disclosed in notes 29, 38, and 20, to the financial statements. For accounts and bills payables, they are generally on credit terms of one to three months after the invoice date or the date of the six months after the bills were issued. For the financial liabilities amounting to HK\$2,157,813,000 (2010: HK\$1,754,044,000) included in other payables and accruals disclosed in the consolidated statement of financial position, there are generally no specified contractual maturities for these liabilities, and they are paid on a regular basis or upon the counterparty's formal notification.

Capital management

The primary objectives of the Group's capital management are to safeguard the Group's ability to continue as a going concern and to maintain healthy capital ratios in order to support its business and maximise shareholders' value.

The Group manages its capital structure and makes adjustments to it in light of changes in economic conditions. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. No changes were made in the objectives, policies or processes for capital management during the years ended 31 December 2010 and 31 December 2011.

43. 財務風險管理目標及政策(續)

上表呈列之分析結果為以各自之功能貨幣計量之本集團各實體之稅前溢利及權益所受影響程度之總和，並就呈列目的按報告期末匯率換算為港元。

信貸風險

本集團之信貸風險並不集中。應收賬款之賬面值乃本集團面對有關其金融資產之最大信貸風險。本集團已制定政策，確保向具有妥當信譽歷史之客戶售貨。

流動資金風險

本集團之政策乃維持足夠之現金及現金等值項目，並透過銀行及其他借貸而具備資金以應付其營運資金需要。

本集團之金融負債之合約到期日包括計息銀行及其他借貸、欠同系附屬公司款項、欠最終控股公司款項、欠直系控股公司款項、欠關連公司款項、欠附屬公司非控股股東款項，以及欠聯營公司款項，已於財務報表附註29、38及20內披露。至於應付賬款及票據，一般信貸期為發票日後一至三個月或由票據發出日期起計六個月。列入其他應付款項及應計負債為數2,157,813,000港元(2010年：1,754,044,000港元)之金融負債已於綜合財務狀況表內披露，此等負債一般沒有特定合約到期日，該等負債按定期基準或於對手方發出正式通知時付款。

資本管理

本集團管理資本的首要目標是保障本集團的持續經營能力及維持穩健的資本比率，以支援其業務發展及最大化股東價值。

本集團會因應經濟環境變化管理其資本架構並對其作出調整。為維持或調整資本架構，本集團或會調整支付予股東的股息款額、返還資本予股東或發行新股份。截至2010年12月31日及2011年12月31日止年度內，有關資本管理的目標、政策及過程並無任何變動。



財務報表附註(續)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

2011年12月31日
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43. Financial risk management objectives and policies (continued)

Capital management (continued)

		Group 本集團	
		2011 2011年 HK\$'000 千港元	2010 2010年 HK\$'000 千港元
Interest-bearing bank and other borrowings	計息銀行貸款及其他貸款	1,816,936	1,516,152
Less: Cash and cash equivalents	減：現金及現金等值項目	(1,789,797)	(1,741,203)
Net borrowing/(cash) position	淨借貸/(現金)狀況	27,139	(225,051)
Net assets attributable to owners of the parent	母公司擁有人應佔淨資產	6,669,623	5,946,894
Net gearing ratio	淨債務比率	0.4%	-

44. Approval of the financial statements

The financial statements were approved and authorised for issue by the board on 30 March 2012.

44. 財務報表之批准

財務報表於2012年3月30日經董事會批准及授權刊發。

五年財務概要

FIVE YEAR FINANCIAL SUMMARY



A summary of the results and of the assets, liabilities and non-controlling interests of the Group for the last five financial years, as extracted from the published audited consolidated financial statements and reclassified as appropriate, is set out below:

本集團過去五個財政年度之業績及資產、負債與非控股權益概要乃摘錄自己刊發之經審核綜合財務報表，並已重新分類（視適用情況而定），有關內容載於下文：

		Year ended 31 December 截至12月31日止年度				
		2011 2011年 HK\$'000 千港元	2010 2010年 HK\$'000 千港元	2009 2009年 HK\$'000 千港元	2008 2008年 HK\$'000 千港元	2007 2007年 HK\$'000 千港元
CONTINUING OPERATIONS REVENUE	持續經營業務收入	28,010,761	19,955,984	16,823,475	14,240,283	9,743,011
PROFIT FROM OPERATING ACTIVITIES	經營溢利	1,179,708	862,435	943,190	662,716	917,353
Finance costs	融資成本	(37,043)	(45,425)	(53,927)	(31,382)	(33,078)
Share of profits of associates	應佔聯營公司溢利	65,437	64,038	60,438	124,996	49,167
PROFIT BEFORE TAX	除稅前溢利	1,208,102	881,048	949,701	756,330	933,442
Income tax expense	所得稅開支	(340,811)	(260,326)	(229,396)	(136,251)	(135,792)
PROFIT FOR THE YEAR FROM CONTINUING OPERATIONS	持續經營業務之年度溢利	867,291	620,722	720,305	620,079	797,650
DISCONTINUED OPERATIONS	已終止經營業務					
Profit for the year from discontinued operations	已終止經營業務年內之溢利	-	-	-	-	239,769
PROFIT FOR THE YEAR	年度溢利	867,291	620,722	720,305	620,079	1,037,419
Attributable to:	應佔方：					
Owners of the parent	母公司擁有人	645,609	427,567	568,081	483,427	791,686
Non-controlling interests	非控股權益	221,682	193,155	152,224	136,652	245,733
		867,291	620,722	720,305	620,079	1,037,419
ASSETS, LIABILITIES AND NON-CONTROLLING INTERESTS	資產、負債與非控股權益					
TOTAL ASSETS	總資產	18,329,983	14,974,970	12,495,840	10,447,863	8,992,460
TOTAL LIABILITIES	總負債	(9,816,186)	(7,425,560)	(5,610,701)	(4,122,889)	(3,358,959)
NON-CONTROLLING INTERESTS	非控股權益	(1,844,174)	(1,602,516)	(1,402,240)	(1,232,674)	(1,074,850)
		6,669,623	5,946,894	5,482,899	5,092,300	4,558,651



公司資料 CORPORATE INFORMATION

DIRECTORS

Executive Directors

Mr. Chi Jingtao (*Chairman*)
Ms. Luan Xiuju (*Managing Director*)
Mr. Ning Gaoning
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

NOMINATION COMMITTEE

Mr. Chi Jingtao (*Committee Chairman*)
Mr. Li Hung Kwan, Alfred
Mr. Yuen Tin Fan, Francis

EXECUTIVE COMMITTEE

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

COMPANY SECRETARY

Ms. Liu Kit Yee, Linda

董事

執行董事

遲京濤先生(*主席*)
樂秀菊女士(*董事總經理*)
寧高寧先生
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

提名委員會

遲京濤先生(*委員會主席*)
李鴻鈞先生
袁天凡先生

執行委員會

遲京濤先生(*委員會主席*)
樂秀菊女士
寧高寧先生
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
DBS 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

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
星展銀行(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



ANNOUNCEMENT OF ANNUAL RESULTS

Friday, 30 March 2012

CLOSURE OF REGISTER OF MEMBERS

For determining the shareholders' eligibility to attend and vote at the Annual General Meeting: Thursday, 31 May 2012 to Friday, 1 June 2012 (both days inclusive)

For determining the shareholders' entitlement to the proposed final dividend: Friday, 15 June 2012 to Monday, 18 June 2012 (both days inclusive)

ANNUAL GENERAL MEETING

Friday, 1 June 2012

DIVIDENDS

Interim dividend: HK4.07 cents per share

Proposed Final Dividend: HK4.25 cents per share (Payable on Friday, 29 June 2012)

全年業績公佈

2012年3月30日(星期五)

暫停股份過戶登記

為釐定股東出席股東周年大會並於會上投票之資格：2012年5月31日(星期四)至2012年6月1日(星期五)(包括首尾兩天)

為釐定股東獲派建議之末期股息之權利：2012年6月15日(星期五)至2012年6月18日(星期一)(包括首尾兩天)


股東周年大會

2012年6月1日(星期五)

股息

中期股息：每股4.07港仙

建議之末期股息：每股4.25港仙(於2012年6月29日(星期五)派付)



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Causeway Bay, Hong Kong

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