

Supplementary Information to Shareholders

The accompany supplemental information has been extracted from the Company's unaudited pro forma financial information (the "Pro forma Financial Information"), which has been prepared by the Company solely for illustrative purpose only, to provide information about how the Spin-off and the Disposal might have affected the financial information presented, as if the Spin-off and the Disposal had taken place at the beginning of the financial year ended 31 December 2005. The accounting policies adopted for the pro forma Financial Information are consistent with those followed in the preparation of the financial statements for the year ended 31 December 2006.

As details in the Company's circular dated 28 October 2006, COFCO Foods Sales and Distribution Co., Ltd. ("COFCO Foods") and China Agri-Industries Limited, a subsidiary of China Agri Holdings, entered into the Supply and Packaging Agreement on 8 October 2006, pursuant to which certain subsidiaries of China Agri-Industries Limited will supply consumer-pack edible oil under the instructions of COFCO Foods from time to time. The price payable by COFCO Foods will be agreed between the parties by reference to the prevailing market price of bulk edible oil as in the past ("the Basis").

In preparation of the pro forma financial information by the management as supplemental information to shareholders for the two financial years ended 31 December 2006 ("the Pro forma Account"), the Pro forma Account presents the operating results of consumer-pack edible oil business unit that is prepared based on the Basis as stated above.

PRO FORMA CONDENSED CONSOLIDATED INCOME STATEMENT

For the year ended 31 December 2006 and 2005

	2006	2005
	(Unaudited)	(Unaudited)
	HK\$'000	HK\$'000
REVENUE	6,509,387	5,748,781
Cost of sales	(4,507,139)	(4,090,453)
Gross profit	2,002,248	1,658,328
Other income and gains	106,720	99,771
Distribution costs	(1,262,076)	(1,075,145)
Administrative expenses	(294,427)	(249,874)
Other expenses	(14,130)	(13,449)
Finance costs	(45,425)	(40,988)
Share of profits and losses of associates	49,623	55,430
PROFIT BEFORE TAX	542,533	434,073
Tax	(105,876)	(80,814)
PROFIT FOR THE YEAR	436,657	353,259
Attributable to:		
Equity holders of the Company	342,104	257,413
Minority interests	94,553	95,846
	436,657	353,259
EARNINGS PER SHARE ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY		
Basic	HK12.9 cents	HK9.8 cents
Diluted	HK12.9 cents	HK9.7 cents

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PRO FORMA CONDENSED CONSOLIDATED BALANCE SHEET

	31 December 2006 (Unaudited) HK\$'000	31 December 2005 (Unaudited) HK\$'000
NON-CURRENT ASSETS		
Property, plant and equipment	1,407,145	1,263,444
Investment properties	52,389	50,562
Prepaid land premiums	96,269	69,149
Deposits for purchase of property, plant and equipment	3,219	–
Goodwill	918,843	672,485
Interests in associates	156,215	159,463
Available-for-sale investments and related advances	330,355	339,358
Deferred tax assets	13,165	7,647
Biological assets	53,584	35,840
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TOTAL NON-CURRENT ASSETS	3,031,184	2,597,948
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CURRENT ASSETS		
Inventories	1,419,552	1,185,933
Accounts and bills receivable	683,600	640,656
Prepayments, deposits and other receivables	272,792	233,142
Due from fellow subsidiaries	56,182	79,412
Due from related companies	–	15,054
Due from the immediate holding company	165	165
Due from the ultimate holding company	12,527	20,219
Tax recoverable	2,563	2,197
Investments at fair value through profit and loss	48,300	555
Pledged deposits	2,305	–
Cash and cash equivalents	1,308,058	515,604
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TOTAL CURRENT ASSETS	3,806,044	2,692,937
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	31 December 2006 (Unaudited) HK\$'000	31 December 2005 (Unaudited) HK\$'000
CURRENT LIABILITIES		
Accounts and bills payable	(504,195)	(552,287)
Other payables and accruals	(692,366)	(499,500)
Due to fellow subsidiaries	(299,073)	(166,416)
Due to the ultimate holding company	(20,137)	(40,996)
Due to related companies	–	(4,977)
Due to minority shareholders of subsidiaries	(10,117)	–
Tax payable	(47,058)	(17,491)
Interest-bearing bank and other borrowings	(596,103)	(548,576)
TOTAL CURRENT LIABILITIES	(2,169,049)	(1,830,243)
NET CURRENT ASSETS	1,636,995	862,694
TOTAL ASSETS LESS CURRENT LIABILITIES	4,668,179	3,460,642
NON-CURRENT LIABILITIES		
Interest-bearing other borrowings	–	(52,834)
Due to the ultimate holding company	(19,906)	(19,212)
Due to minority shareholders of subsidiaries	(35,832)	–
Deferred tax liabilities	(5,902)	(5,339)
TOTAL NON-CURRENT LIABILITIES	(61,640)	(77,385)
NET ASSETS	4,606,539	3,383,257
EQUITY ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY		
Issued capital	279,138	263,819
Reserves	3,596,761	2,326,118
	3,875,899	2,589,937
MINORITY INTERESTS	730,640	793,320
TOTAL EQUITY	4,606,539	3,383,257

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PRO FORMA CONDENSED CONSOLIDATED CASH FLOW STATEMENT

For the year ended 31 December 2006 and 2005

	2006	2005
	(Unaudited)	(Unaudited)
	HK\$'000	HK\$'000
NET CASH INFLOW FROM OPERATING ACTIVITIES	480,864	512,505
NET CASH OUTFLOW FROM INVESTING ACTIVITIES	(598,390)	(222,279)
NET CASH (OUTFLOW)/INFLOW BEFORE FINANCING ACTIVITIES	(117,526)	290,226
NET CASH INFLOW/(OUTFLOW) FROM FINANCING ACTIVITIES	936,007	(195,771)
NET INCREASE IN CASH AND CASH EQUIVALENTS	818,481	94,455
Cash and cash equivalents at beginning of year	515,604	418,005
Effect of foreign rate changes, net	(26,027)	3,144
CASH AND CASH EQUIVALENTS AT END OF YEAR	1,308,058	515,604
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS		
Cash and bank balances	646,494	513,683
Non-pledged time deposits with original maturity of less than three months when acquired	661,564	1,921
	1,308,058	515,604