

			
	Oilseed processing business	Rice trading and processing business	Biofuel and biochemical business
Company Information			
Business Description	The second largest edible oil and oilseed meal producer in China	China's largest rice exporter, primarily engaging in the trading and processing of white and parboiled rice	A leading fuel ethanol producer with the first and only non-food grain production line in China. One of the largest biochemical producers in China
Products	Edible oils and oilseed meals	Parboiled rice, white rice	Biofuel: Fuel ethanol, consumable ethanol Biochemical: Corn starch, sweetener and feed ingredients
Brands	四海(Four Seas), 福掌櫃, 椰皇, 五湖(Five Lakes Feed), 天耕, 艾維(Avalon), 大一, 福之源, 谷花, 魯蒙, 香谷坊, 祥瑞, 喜盈盈	五湖(Wuhu), 薪(Xin), 東海明珠(Donghai Mingzhu), 紅楓(Hongfeng)	
2008 Performance			
2008 Operating Highlights	<ul style="list-style-type: none"> The biggest contributor to the Company's business, accounting for 65.9% of revenue and 72.0% of operating profit The business posted above market average gross profit margin at 11.5% on prudent hedging activities in the agricultural commodities market 	<ul style="list-style-type: none"> Enhance own branded direct sales to retail consumers in China and overseas Strengthen own branded rice for sales to supermarkets in Hong Kong 	<ul style="list-style-type: none"> The first non-food grain biofuel plant to commence operations in Guangxi in March 2008; the overall annual production capacity for fuel ethanol was doubled to 380,000 tonnes from 180,000 tonnes Sales of fuel ethanol and anhydrous ethanol improved on growing demand; sales of food and feed ingredients also reached new heights this year
2008 Revenue	<ul style="list-style-type: none"> HK\$27,539.5 million 	<ul style="list-style-type: none"> HK\$3,383.0 million 	<ul style="list-style-type: none"> HK\$5,824.5 million
2008 GP Margin	<ul style="list-style-type: none"> 11.5% 	<ul style="list-style-type: none"> 22.8% 	<ul style="list-style-type: none"> 10.4%
2008 OP Margin	<ul style="list-style-type: none"> 11.8% 	<ul style="list-style-type: none"> 14.2% 	<ul style="list-style-type: none"> 9.5%
2009 Outlook			
Mission for Year 2009	Focus on capacity expansion to take advantage of preferential government policy and strong growth in demand	Drive the sales in China to exceed that of the overseas market in next few years	Prepare for approval of new biofuel license by NDRC, upon which the efficiency for biofuel business will be enhanced; continue to improve efficiency of existing capacity, to transform and upgrade to downstream high-value added products in biochemical business
2009 Disclosed Projects	<ul style="list-style-type: none"> Acquired Kindgain Limited, an investment holding company of COFCO Xinsha Oils & Grains Industrial (Dongguan) Co., Ltd., for a consideration of HK\$592,798,843 (in 160,650,093 Company Shares at an issue price of HK\$3.69 each) Acquired Uptech Investments Limited, an investment holding company of Fei County COFCO Oils & Fats Industrial Co., Ltd., for a consideration of HK\$55,770,568 (in 15,113,975 Company Shares at an issue price of HK\$3.69 each) <p>Establishment of new JVs with COFCO Limited</p> <ul style="list-style-type: none"> Zhangjiagang COFCO East Ocean Storage Co., Ltd. (Total investment and the registered capital: RMB336,000,000; total commitment of the Company: RMB241,050,000) Hubei COFCO Xiangrui Oils & Grains Industries Co., Ltd. (Total investment and the registered capital: RMB35,600,000; total commitment of the Company: RMB26,110,000) <p>Establishment of new JV with COFCO Limited and Tianjin Lingang Industry Port Corporation</p> <ul style="list-style-type: none"> Tianjin COFCO Excel Joy Oils and Grains Terminal Co., Limited (Total investment: RMB409,830,000; the registered capital: RMB260,000,000; total commitment of the Company: RMB136,000,000) 		<ul style="list-style-type: none"> Acquired Cheerlink International Limited, an investment holding company of Huanglong Food Industry Company Limited, for a consideration of HK\$271,175,683 (in 73,489,345 Company Shares at an issue price of HK\$3.69 each) Acquired Parkwing Limited, an investment holding company of Jilin CRC Biochemistry Packaging Company Limited, for a consideration of HK\$53,036,628 (in 14,373,070 Company Shares at an issue price of HK\$3.69 each) COFCO Gongzhuling, a wholly-owned subsidiary of the Company acquired assets, comprising of the land, buildings, structures and equipment and machinery for a consideration of HK\$127,893,229



Brewing material business

Wheat processing business

The second largest brewing material supplier in China engaging in the production and distribution of malt from barley

The largest wheat processor in China engaging in the processing and distribution of flour and other flour products such as bread and noodles

Malt

Flour, noodles, bread

香雪(Xiangxue), 神象(Shenxiang)

- Phase 2 of the Jiangyin facilities completed in October 2008, boosting annual production capacity to 660,000 tonnes from 480,000 tonnes

- The “sole” supplier for bread to the Beijing Olympics

- Strengthen own branded products such as bread, high end specialized flour and noodles for sales directly to retail consumers

- HK\$1,806.2 million
- 17.1%
- 11.0%

- HK\$3,248.9 million
- 9.6%
- 3.2%

Expand capacity to meet strong growth in beer consumption in Mainland China. China has been the largest beer consuming country in the world since 2007

Continue to increase market shares for bread, high and customized flour and noodles

Company Information

Business Description

Products

Brands

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2008 Operating Highlights

2008 Revenue

2008 GP Margin

2008 OP Margin

2009 Outlook

Mission for Year 2009

2009 Disclosed Projects