



China Foods Limited 中國食品有限公司

(Incorporated in Bermuda with limited liability)
(於百慕達註冊成立之有限公司)
(Stock Code 股份代號: 506)



Interim Report 2012
中期報告

CORPORATE PROFILE

公司概況

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: 506). 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.

中國食品有限公司(「本公司」)為中糧集團有限公司(「中糧集團」)的附屬公司，並在香港聯合交易所有限公司主板上市(股份代號：506)。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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CORPORATE INFORMATION

公司資料

DIRECTORS

Executive Directors

Mr. Chi Jingtao (*Chairman*)
Ms. Luan Xiuju (*Managing Director*)
Mr. Ning Gaoning
Mr. Mak Chi Wing, William

Non-executive Directors

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

Independent Non-executive Directors

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

AUDIT COMMITTEE

Mr. Stephen Edward Clark (*Committee Chairman*)

Mr. Paul Kenneth Etchells
Mr. Li Hung Kwan, Alfred
Mr. Yuen Tin Fan, Francis

REMUNERATION COMMITTEE

Mr. Yuen Tin Fan, Francis (*Committee Chairman*)

Mr. Chi Jingtao
Mr. Stephen Edward Clark
Mr. Paul Kenneth Etchells

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

COMPANY SECRETARY

Ms. Liu Kit Yee, Linda

SOLICITORS

Conyers, Dill & Pearman

AUDITORS

Ernst & Young

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

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)
包逸秋先生 (Mr. Paul Kenneth Etchells)
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*)

包逸秋先生 (Mr. Paul Kenneth Etchells)
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*)

遲京濤先生
祈立德先生 (Mr. Stephen Edward Clark)
包逸秋先生 (Mr. Paul Kenneth Etchells)

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

公司秘書

廖潔儀女士

律師

Conyers, Dill & Pearman

核數師

安永會計師事務所

CORPORATE INFORMATION

公司資料

PRINCIPAL BANKERS

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

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COMPANY WEBSITE

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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
交通銀行股份有限公司
中信銀行股份有限公司
中國建設銀行股份有限公司
東方滙理銀行
星展銀行(香港)有限公司
富邦銀行(香港)有限公司
恒生銀行有限公司
中國工商銀行股份有限公司
瑞穗實業銀行
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MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

2011 was the year in which the Company and its subsidiaries (collectively the “Group”) implemented its work theme of “Advance through Reform, Teamwork for Win-Win.” During a period of organisational restructuring and management change, it achieved solid growth in results performance.

Following the 2011 reorganisation, the Group needed promptly to integrate its new management team, sales channels and system resources. Our work theme for 2012 is “Progress through Cooperation, Join Forces to Excel.”

Starting 1 January 2012, the Group has been operating in accordance with the new organisational structure adopted following the reorganisation with nine sales regions across the country, managed via a central headquarters, each operating an integrated sales and distribution system across our range of products. Systems and procedures have been set up based upon the new organisational structure and are being regularly assessed and improved.

Review of 2012 Interim Results

We are pleased to announce that we have achieved encouraging results for the first half of 2012, compared with the same period of 2011:

- Revenue has grown by 15.6% to HK\$15,579 million.
- Operating profit* has grown by 24.6% to HK\$694 million.
- EBITDA^ has increased by 23.8% to HK\$1,008 million.
- Bottom Line# has increased by 50.4% to HK\$474 million.

過去的2011年是本公司及其附屬公司(統稱「本集團」)體現「變中求進、協力共贏」的一年。在保持業績良好增長的同時，我們完成了結構調整和人員重組。

經歷2011年的變革，本集團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。2012年，本公司的工作主題為「合中奮進，聚力龍騰」。

從2012年1月1日起，本集團已經按照變革時設立的「總部經營管控中心、九個銷售區域業務運營中心」的組織結構全面運營；在各銷售區域實現了跨品類集中銷售。制度和流程按照新的組織結構設置並在實際運行中不斷優化、完善。

回顧2012年中期業績

我們欣然宣佈令人鼓舞的2012年中期業績。對比2011年上半年同比：

- 我們的收入增長，達到155.79億港元，上升15.6%。
- 我們的經營利潤*增長，達到6.94億港元，上升24.6%。
- 我們的EBITDA^增長，達到10.08億港元，上升23.8%。
- 我們的淨利#增長，達到4.74億港元，上升50.4%。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

- Basic earnings per share has increased by HK5.68 cents to HK16.97 cents.
 - * Operating profit of the Group represents the aggregation of segment results less corporate and other unallocated expenses.
 - ^ EBITDA represents earnings before finance costs, income tax expense, depreciation, amortisation of other intangible assets, recognition of prepaid land premiums, and share of profits and losses of associates.
 - # Bottom Line represents profit attributable to owners of the parent company.
- 我們的每股基本盈利增長，達到16.97港仙，上升5.68港仙。
 - * 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及虧損前的利潤。
 - # 淨利指母公司擁有人應佔溢利。

Overall, the results for the first half of 2012 have shown satisfactory growth compared with the same period last year, with significant improvement in our profitability.

從整體而言，2012年中期業績對比去年上半年實現了良好增長，盈利水平有明顯的改善。

- Beverage Products: Solid volume growth was achieved despite severe competition in the industry. While having to incur raw material and logistics cost increases, segment result increased by 13.1% and the profit margin held steady.
 - Kitchen Food Products: Compared to the key competitors, our kitchen food products performed well in terms of revenue growth. In particular, sales of our star product, “Fortune Corn Oil”, achieved strong results and increased market share. However, despite price increases, the rising cost of raw materials and changes in product mix had an adverse impact on both margins and profit.
 - Wine Products: As a result of the continuing improvement in our product mix, through a greater emphasis on sales of the high-end “Greatwall Chateau Sungod” and mid- to high-end “Greatwall Terroir” product ranges, revenue growth exceeded that of our major competitors, and delivered improved margins, with segment results grew by a very strong 50.2%.
 - Confectionery Products: Revenue from confectionery products achieved satisfactory growth and this, coupled with improved margins, substantially reduced the loss for this segment compared with the same period in 2011.
- 在飲料品類方面，儘管行業競爭激烈，銷量仍持續增長。在原材料及物流成本增長下，分部業績仍上升13.1%及利潤率仍得以維持。
 - 在廚房食品品類方面，收入增長對比主要競爭對手有較好的表現，特別是明星產品「福臨門玉米油」市場份額提升，但原材料成本持續上漲及產品結構轉變令利潤率及利潤受到負面影響。
 - 在酒品類方面，產品結構持續優化，通過推進高端產品「長城桑干酒莊酒」及中高端產品「長城天賦葡園」系列產品的銷售，收入增長超過競爭對手，利潤率有改善及分部業績大幅增長50.2%。
 - 在休閒食品品類方面，收入有不錯的增長，加上利潤率有所改善，分部業績虧損同比大幅減少。

WINNING IN PRODUCTS

贏在產品



Management's key tasks and performance analysed using the "Five-Wins" benchmarking indicators are as follows:

1. WINNING IN PRODUCTS

- (1) Analysis of sales revenue for the first half of 2012

Beverage Products: Sales revenue for the first half of 2012 amounted to approximately HK\$6,134 million, an increase of approximately 15.4% compared with the same period in 2011. Sales volume reached approximately 342.1 million unit cases, an increase of approximately 12.6% compared with the same period in 2011. Steady growth was achieved in sparkling beverages, while water products grew more rapidly, leading to a change in product mix. Our plan is to further drive sales by introducing new packaging options and new flavours, and broadening the product range.

Kitchen Food Products: Sales revenue for the period was HK\$7,085 million, an increase of approximately 14.8% compared with the same period in 2011. Sales volume was approximately 561,000 tonnes, an increase of approximately 13.8% compared with the same period in 2011. This reflects improvements in our sales channel penetration and product competitiveness, allowing us to continue to increase overall market share. Our key product "Fortune Corn Oil" emerged as a strong challenger in the market.

Wine Products: Sales revenue for the period was HK\$1,956 million, an increase of 11.6% compared with the same period in 2011. This was driven in large part by the success of the high-end "Greatwall Chateau Sungod" and mid- to high-end "Greatwall Terroir" product range. The consequential improvement in product mix gave rise to higher average selling prices and an improvement in margins, which more than compensated for the consolidation of mid-end wines and table wines.

Confectionery Products: Sales revenue for the period was approximately HK\$308 million, an increase of approximately 26.6% compared with the same period in 2011. Sales volume was approximately 3,827 tonnes, an increase of approximately 9.8% compared with the same period in 2011. Improvements in product promotion, the implementation of our new regional sales, and cross product promotion resulted in increases in both average sales volume and selling prices.

管理團隊主要工作及表現以「五贏」的衡量指標分析如下：

一、 贏在產品

- (1) 2012年中期期間銷售收入分析

飲料品類方面：於中期期間，銷售收入約61.34億港元，同比增長約15.4%。銷量約達3.421億標箱，同比增長約12.6%。汽水增長保持穩定，水產品增長較快造成產品結構調整。我們已有規劃推出新包裝產品、新口味產品、豐富產品系列等方法進一步推動銷售。

廚房食品品類方面：於中期期間，銷售收入為70.85億港元，同比增長約14.8%。銷量約為56.1萬噸，同比增長約13.8%。反映我們的渠道滲透和產品力正在提升、整體市場份額持續提高，特別是明星產品「福臨門玉米油」已成了市場中的強勢挑戰者。

酒品類方面：於中期期間，銷售收入為19.56億港元，同比增長11.6%。主要受益於高端產品「長城桑干酒莊酒」及中高端產品「長城天賦葡園」系列的產品結構的提升持續拉動酒品類平均單價及利潤率，減低了大產區酒和佐餐酒產品線梳理過程中的影響。

休閒食品品類方面：於中期期間，銷售收入約3.08億港元，同比增長約26.6%。銷量約為3,827噸，同比增長約9.8%。產品促銷改善，實行新區域銷售系統及跨品類促銷拉動休閒食品品類的平均銷量及平均單價均有提升。

(2) Planning and launching of new products

Beverage Products: The new 300ml packaging for sparkling beverages and juices, the new flavour “Minute Maid Red Grape Juice”, and the “Minute Maid Refreshing Juice” for the non-pulp juice market were introduced to meet the needs of customers for refreshing beverages.

Kitchen Food Products: Planning for the launch of high-end Japanese-style sauces and seasoning products under the “Fortune” brand was undertaken during the period.

Wine Products: The new “Greatwall Chateau Sungod” series, including “Chateau Sungod Greatwall, Boao Premium Series”, “Chateau Sungod Greatwall, Long Yan Dry White Wine Reserve” and “Chateau Sungod Greatwall, Gewurztraminer Sweet White Wine Reserve” were introduced. Three new products were also added to our mid- to high-end “Greatwall Terroir” range. “Greatwall Cabernet Sauvignon” series was also added to the product line of our mid-end wines.

Confectionery Products: New products such as hazelnut filled chocolates in gift boxes and cans, hazelnut chocolate crisp bowl series and green apple flavoured Merveille Jelly Candy were under development during the period.

(3) Enhancing existing products

Beverage products, took advantage of business opportunities brought about by the Olympic Games by launching an environmentally-friendly, light-weight bottle series. For Kitchen Food products, the brand image of “Fortune” has been enhanced by unifying graphics and other distinguishing features under a single brand family. The endorsement of “China’s Space Program Partners” has been added to the design of the label of our blended oils. For Wine products, within several product ranges brand image has been enhanced by changes in bottle and label design. The range of imported wines has also been rationalised under the “COFCO International Selection” product range. For Confectionery products, a new label has been designed for Merveille Jelly Candy to upgrade the image of the products.

(2) 新品上市和計劃

飲料品類方面：推出汽水300毫升新包裝、果汁300毫升新包裝等，美汁源果汁增加了新口味「美汁源紅葡萄」，並推出「美汁源果清新」進入無果粒市場，以滿足消費者對於清爽解渴飲料的需求。

廚房食品品類方面：計劃期內推出以「福臨門」為品牌、以高端日式醬油醋為主的產品。

酒品類方面：推出「長城桑干」系列新品「長城桑干酒莊博鰲特供酒系列」、「長城桑干酒莊珍藏級龍眼干白」和「長城桑干酒莊珍藏級瓊瑤漿甜白」等。中高端產品「長城天賦葡園」系列推出3款新品，大產區酒亦推出「長城解百納」系列。

休閒食品品類方面：期內正開發榛仁夾心巧克力禮盒、榛仁夾心罐裝產品、榛仁脆心巧克力碗裝產品和美滋滋軟糖青蘋果新口味等。

(3) 現有產品精進

飲料品類方面：利用奧運契機，推動環保輕量瓶上市；廚房食品品類方面：「福臨門」品牌通過在統一的品牌家族下，統一形象特色區分，在調和油標籤設計中加入「中國航天事業合作夥伴」元素；酒品類方面：在若干產品系列採用新瓶設計及酒標設計以提升品牌形象，進口酒系列標記為「中糧海外甄選」產品系列；休閒食品品類方面：對美滋滋夾心果汁軟糖的包裝進行新瓶標籤設計，提升產品檔次感。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

(4) Developing star products

Beverage Products: An “Under the Cap” (“UTC”) promotional campaign was launched to increase the sales volume of key products, including “Coca-Cola”, “Sprite” and “Minute Maid Pulpy Orange”, and to promote sales of multi-pack canned products through the modern trade channel.

Kitchen Food Products: “Fortune Golden Origin Corn Oil” was the subject of a focused promotion, with particular emphasis on the use of high-quality raw materials. The identification of productions with Olympic Games and the space programme rapidly expanded sales. Aggregate sales volume for corn oil reached 49,000 tons, doubling sales volume compared with the same period in 2011.

Wine Products: Concerted effort have been made to develop “Greatwall Chateau Sungod” and “Chateau Junding” into star products under the banner of the “Greatwall International Chateau Alliance”, and to reinforce the market coverage of “Greatwall Terroir” as of a core product line for “Greatwall”. Currently, preparation is underway to launch a new product range, endorsed by chief winemaker Mr. Michel Rolland, which will become the premium high-end product of “Greatwall International Chateau Alliance.”

Confectionery Products: The product packaging has been refined for Merveille Jelly Candy, with the Olympic Games logo added. A new green apple flavour has also been developed.

(5) Product line consolidation

In order to improve overall profitability, our plan is to consolidate our brands strategies with a focus on core products, and rationalise product specifications. Accordingly, during the period, we phased out more than 500 individual products in the kitchen food, wine and confectionery categories. These were mainly products with negative or zero gross profits, or contributing low sales revenue.

(4) 打造明星產品

飲料品類方面：通過揭蓋有獎(「UTC」)活動推動主要明星產品，包括「可口可樂」、「雪碧」、「美汁源果粒橙」產品等銷量增長，在現代渠道推動易拉罐多罐裝品類。

廚房食品品類方面：通過產地原料差異化、優質產地核心優勢，聚焦資源宣傳「黃金產地福臨門玉米油」，借勢奧運及航天背書，渠道快速擴散，玉米油累計銷量達4.9萬噸，同比大幅增長一倍。

酒品類方面：共同打造「長城桑干酒莊」和「君頂酒莊」等全球酒莊群明星產品，強化「長城天賦葡園」作為「長城」新核心產品線的市場佈局。目前，緊密籌備「米歇爾·羅蘭」首席釀酒師系列新品，該系列將成為「長城全球酒莊群」旗下超高端產品。

休閒食品品類方面：美滋滋夾心果汁軟糖已完成產品包裝精進並增加奧運標誌及青蘋果新口味開發。

(5) 產品線梳理

我們計劃通過重新梳理品牌策略，明確核心品類及規格，以改善整體獲利能力。於中期期間，我們在廚房食品品類、酒品類、休閒食品品類共淘汰約500個以上單品，主要為負毛利或零毛利或低營業額單品。

WINNING IN BRANDS

贏在品牌



Coca-Cola



美滋滋™
Marville



GREATWALL®
长城葡萄酒



福臨門
品質安全
幸福臨門



金帝
Le conté™



美汁源
果汁健康專家



2. WINNING IN BRANDS

(1) Market performance

Beverage Products: According to market research conducted by ACNielsen at the end of June 2012, “Coca-Cola” series sparkling beverages and “Minute Maid” brand juice series have continued to outperform their respective competitors in our franchised territories and maintained a comparatively stable market share compared with the same period in 2011, and retained their No. 1 ranking.

Kitchen Food Products: According to market research conducted by ACNielsen at the end of June 2012, “Fortune” brand consumer-pack edible oil had secured a No. 2 position and continued to narrow the gap with the No. 1 brand, while the market share of the No. 1 brand fell by 2.5 percentage points. The market share of the “Fortune Corn Oil” in terms of sales value increased by 11 percentage points compared with the same period last year, only a few percentage points behind the No. 1 brand, thus securing its position as a strong challenger in the market.

Wine Products: Market research conducted by ACNielsen at the end of June 2012 showed that the market share of “Greatwall” brand in terms of sales value had remained stable compared with the same period last year. As the No. 1 brand, it still maintained a 6.7 percentage points lead over major competing brands.

Confectionery Products: Major competing brands have continued to increase their investment in the confectionery product category. According to the market research conducted by ACNielsen at the end of June 2012, the market share of the “Le conté” brand in terms of sales value had declined, while the brand still ranked the third in market share.

二、 贏在品牌

(1) 市場表現

飲料品類方面，根據ACNielsen於2012年6月底的市場調查數據，「可口可樂」系列汽水及「美汁源」系列果汁品牌獲授權銷售區域內繼續領先分別的競爭對手，其相關的市場銷量份額同比相對保持穩定，分別繼續排名第一位。

廚房食品品類方面，根據ACNielsen於2012年6月底的市場調查數據，「福臨門」品牌小包裝油穩居第二位並繼續縮小與第一品牌的差距，對標的第一品牌市場銷售份額則下降2.5個百分點。其中，福臨門玉米油市場銷售額份額同比提升11個百分點，與第一品牌的差距僅數個百分點，肯定了「福臨門玉米油」為強勢挑戰者的地位。

酒品類方面，根據ACNielsen於2012年6月底的市場調查數據，「長城」品牌市場銷售額份額同比基本保持穩定，與主要競爭品牌仍然保持6.7個百分點的距離，繼續排名第一。

休閒食品品類方面，主要競爭品牌繼續加大投入，根據ACNielsen於2012年6月底的市場調查數據，「金帝」品牌市場銷售額份額下滑，但仍然位居第3位。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

(2) Implementation of brand strategy

Beverage Products: During the Spring Festival, we successfully carried out a promotional sales strategy that encompassed all beverage categories, with sparkling beverages and juice leading the way. The new 300ml packaging for both sparkling beverages and juice was introduced as part of the promotion, and along with the UTC promotion. This initiations were successful in driving the sales volume growth of key products. During the period, we launched our Olympic publicity campaign by holding two hundred roadshows to promote our brands.

Kitchen Food Products: During the period, “Fortune” brand edible oil passed the stringent safety tests required by authorities in China, and became a partner of China’s Space Program for a term of ten years. This attests to the reliability of the quality of our products. Furthermore, we leveraged off the national representation of our parent company COFCO, which has entered an eight-year partnership agreement with the Chinese Olympic Committee and the Chinese Sports Delegation after a rigorous selection process conducted by the Chinese Olympic Committee. This allows certain brand products, including our “Fortune” brand edible oil to provide support to the Chinese Sports Delegation during international sporting events. We have devised an overall marketing strategy for “Fortune” brand products based on a Community Scholarship Fund, “Fortune” brand blended oil based on the space programme, and the “Fortune” brand corn oil based on sports events respectively. During the period, we effectively carried out the first across-the-board promotional activity encompassing all product categories with the focus on the overall “Fortune” brand during the Spring Festival. Interaction with consumers has been enhanced through many activities, such as the “Interactive Fortune DHA Algal Oil Grain Blended Oil Mom and Baby Happy Family Photo Contest” held through the internet and Weibo, the promotional activity with the theme of Rapeseed Oil “The Home Flavour Brings You to the Scene of Rapeseed Flowers”, and the promotional group shopping of Olive Oil for the Spring Festival.

(2) 品牌戰略實施

飲料品類方面：我們在春節期間成功執行以汽水和果汁為主導的全品類促銷戰略，推出汽水300毫升新包裝、果汁300毫升新包裝促銷，通過UTC活動成功推動主要明星產品銷量增長。我們在中期期間啟動奧運中國節拍促銷，舉行200場路演推廣品牌。

廚房食品品類方面：於中期期間，「福臨門」品牌食用油通過了國家權威機構的層層考驗，成為中國航天項目的十年合作夥伴，證明我們質量的可靠。並且，借力具有國家代表性的母公司中糧集團，經中國奧組委的嚴格選拔後，與中國奧組委、中國體育代表團簽訂了為期八年的合作夥伴協議，「福臨門」品牌食用油亦包括在內，通過中國奧委會的層層篩選和把關，為中國體育代表團征戰國際賽場提供能量支持。我們明確了「福臨門」大品牌以公益助學基金、「福臨門」調和油以航天、「福臨門」玉米油以體育為營銷手段的策略，於中期期間，第一次以福臨門大品牌為依託的全品類促銷推廣活動在春節期間得到有效執行，並通過「福臨門DHA藻油食用調和油」網絡及微博母嬰全家幸福秀互動活動、菜籽油「家香味帶您看菜花」主題推廣活動、橄欖油春節團購促銷等活動，加強與消費者的互動。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Wine Products: We continued to establish and enrich our domestic and foreign wine product lines, forming the “Greatwall International Chateau Alliance”, in order to satisfy consumers’ need for high-end chateau wine products, thus helping to drive multi-brand growth and enhance the international image of the overall “Greatwall” brand. “Greatwall” has been enhanced as an international high-end brand by sponsoring the Boao Forum, the “Greatwall Chateau Sungod” range being served at the National People’s Congress and the Chinese People’s Political Consultative Conference, Michel Rolland’s China Tour, “Chateau Junding” being served at the opening ceremony of Hua Yue Beijing Club, as well as the “Greatwall Terroir” series being served at the Greatwall Terroir Art Journey 2012 Beijing, Shanghai and Suzhou, and above-the-line and below-the-line interaction with consumers in the official website and Weibo of “Greatwall Terroir”.

Confectionery Products: We continued to implement our dual-brand strategy: “Le conté” and “Merveille”. Each brand’s strategic focus allows it to be profit-oriented, rational, competitive and innovative. We became closer to our target market and have developed a distinct brand which has help to distinguish ourselves from our competitors. We have also benefited from sales activities by leveraging on important holiday themes to promote sales and brand communication, including “Send your blessing with Le conté” for the Spring Festival, “Pure Love, Pure Le conté” for Valentine’s Day and “As Pure and Special as a Woman, Le conté” for International Women’s Day.

(3) Media communication

Beverage Products: We integrated our advertising resources and achieved a unified publicity campaign through television, internet and outdoor advertising, focusing on core brands such as sparkling beverages and “Minute Maid” juice.

酒品類方面：我們不斷建立、豐富國內、國外酒莊酒產品線，構建「長城全球酒莊群」，以滿足高端人群對於高品質酒莊酒的需求，並帶動多品牌成長，提升「長城」大品牌國際化形象。我們通過「長城」品牌圍繞博鰲論壇贊助、「長城桑干」品牌圍繞全國人民代表大會和中國人民政治協商兩會會議、米歇爾•羅蘭訪華系列活動、「君頂」品牌圍繞華悅北京俱樂部揭幕、「長城天賦葡園」品牌圍繞長城天賦藝術之旅北京站、上海站、蘇州站巡展活動、以及「長城天賦葡園」官網及微博活動線上線下消費者互動營銷，提升「長城」國際化、高端品牌形象。

休閒食品品類方面：我們繼續實行「金帝」、「美滋滋」雙品牌戰略。每個品牌戰略聚焦，精進後做到：有利，有理，有力，新穎。拉近與目標用戶的距離，明晰與競品的差異。並以重要節日主題推廣作為促進銷售與品牌溝通的主要活動方式，包括春節「濃醇金帝悅享新春」、情人節「至濃至醇至愛金帝」、三八婦女節「濃醇享金帝愜意麗人節」等主題活動。

(3) 媒體溝通

飲料品類方面：我們採取媒體整合投入，實現電視、網絡、戶外的有效統一投放，資源主要集中投入汽水和「美汁源」果汁等核心品牌。

Kitchen Food Products: With the help of the Spring Festival peak sales season, we launched a coordinated TV and outdoor media advertising campaign with the theme of “Bring Fortune Home.” We also took advantage of the successful launch of Shenzhou-9 spacecraft to kick off marketing with a theme of promoting the aerospace quality of the “Fortune” edible oil through television, outdoor and network media advertising. The marketing of edible oil leveraged “Golden Origin” and “Olympic” as the core communication theme in order to complete our visual publicity promotion.

Wine Products: We continued to advertise through national media which commanded strong national and industry influence and has high credibility. Media, such as CCTV, airlines, news and business magazines were used to heighten the image of “Greatwall” as a quality, high-end brand. Advertising for the mid- to high-end products – “Greatwall Terroir” – took advantage of new media and interactive marketing applications such as Weibo and LED displays on buildings. During the National People’s Congress of the PRC and the Chinese People’s Political Consultative Conference in March and the Boao Forum in April, we invested in higher frequency advertising with the aim of enhancing the influence of the brand. We leveraged key political and economic events to establish the image that “Where there are grand national events, there is Greatwall for celebration.”

Confectionery Products: During the Spring Festival and Valentine’s Day, we maximised exposure via in-store LED display advertising in eight key cities. During Valentine’s Day period, we also launched network marketing activities of “Sweet words for her, sweet words for him” through Sina Weibo.

廚房食品品類方面：我們借助春節銷售旺季，以帶「福」回家為傳播主題進行電視及戶外媒體廣告投放。我們借力神舟九號飛船發射升空，啟動航天營銷，進行電視、戶外及網絡媒體廣告投放，傳播「福臨門」食用油的航天品質。我們啟動玉米油奧運營銷，以「黃金產地」及「奧運」為核心傳播訴求，完成主視覺等傳播準備工作。

酒品類方面：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，烘托「長城」品牌優質、高端形象。中高端產品「長城天賦葡園」品牌的傳播中注重對新媒體及互動營銷的應用，如微博及樓宇LED廣告投放。在3月全國人民代表大會和中國人民政治協商會議期間、在4月博鰲論壇期間，我們加大廣告投放力度，借力熱點政治經濟事件，推廣「國有盛事，必有長城」的形象，提升品牌結合度和影響力。

休閒食品品類方面：在春節、情人節期間，我們在8個重點城市的賣場加大LED廣告投放。情人節期間，我們通過新浪微博「濃情蜜語，對Ta說」傳播活動開展網絡營銷。

WINNING IN NETWORK

贏在網絡



3. WINNING IN NETWORK

We have formulated an overall Route-To-Market (“RTM”) plan under a sustainable RTM strategy. Under this RTM plan, we have continuously improved the distribution network by converting individual single product type distributors into multiple product type distributors, and individual single product type multi-channel distributors into channel focused multiple product type distributors.

Regarding distribution management, we have streamlined and improved the distribution management system, policies and procedures. In addition, we will regularly and monitor distributors who have installed Distribution Management System (“DMS”) to ensure the accuracy and timeliness in data transmission, in order to achieve our common objective of data sharing to help create a win-win business situation.

During the period, we completed printing, distribution and training on each sales channel’s “picture of success”. We initiated business planning and review of modern channels. We continued to promote our “Frontend Store + Backend Kitchen” business model for the on-trade (food and beverage) channel, and continued to establish model outlets to provide one-stop solutions in supplying high-quality foodstuffs to socially responsible restaurant operators. We signed a strategic cooperation framework agreement with Shanghai Xiaonanguo Restaurants Co., Ltd, an operator of franchised chain restaurants. We completed planning for a group purchase channel and improved a unified group purchase service platform. Sales through group purchase channels increased during the period. In order to build our capability in the imported wine channel, focus will be placed on the e-commerce sales, group purchase sales and the international hotel sales. These three channels are to be developed and expanded for imported wine products.

三、 贏在網絡

我們制定了本公司整體的通向市場路徑(「RTM」)規劃，建立強大並可持續的RTM策略。根據本RTM規劃，我們持續完善推進經銷商客戶佈局，調整個別單一品類經銷商轉變為全品類綜合經銷商、及個別單品類多渠道經銷商轉變為專業渠道綜合品類經銷商。

規範經銷商管理方面，我們推動梳理並完善經銷商管理體系、制度及流程。另外，我們將跟進已經安裝「經銷商管理系統」(「DMS系統」)的經銷商，確保數據上傳的準確性與及時性，實現共同目標進行數據分享，實現生意的雙贏。

於中期期間，我們已完成各銷售渠道成功圖像的印製、下發及培訓。現代渠道建設方面，我們已積極開展生意回顧和規劃。現飲即食(餐飲)渠道建設方面，我們持續推進“前台+後廚”的業務模式及推動樣本店建設，為負責任的餐飲經營者供應一站式優質食材，與連鎖餐飲經營者上海小南國餐飲有限公司簽署戰略合作框架協議。我們已完成團購渠道規劃，完善統一的團購服務平台，於中期期間團購渠道銷售佔比增加。進口酒渠道營運能力建設方面，重點開發電子商務、團購渠道和國際酒店渠道，針對進口酒產品對此3個渠道精耕細作。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Through our spring sales campaigns, we achieved greater large-scale market coverage and improved in-store execution. In addition, sales volume growth was supported during the Spring Festival through a series of themed promotional activities involving joint sales promotion for multiple product categories. Overall implementation of such activities met our expectations. We created a unique approach to promoting all products, across-the-board, under the “COFCO Island” concept characterised by “combined showcasing at point of sales + free tasting + free gifts with purchase.” In future, more emphasis will be placed on the “COFCO Island” concept to enhance further the effectiveness of cross product category sales promotion.

Since the integration of our sales network, a number of international and domestic companies have indicated their intention to cooperate with us in order to leverage our sales network. They regard us as their preferred potential partner in entering the China market. Such cooperation could help further develop our own brand, and thus enhance our brand value.

Regarding beverage products, we have continued to expand our market coverage and point of sales penetration by implementing an effective RTM portfolio strategy and focusing on the on-trade channel, which will enable us to gradually convert certain wholesale points of sales into controlled outlets. Meanwhile, we enhanced the management of our business partners through the improvement of our systems.

我們通過春季攻勢開展大規模的鋪市和店內執行活動，迅速拓展市場，已經初步達成預定目標。此外，通過春節及一系列主題促銷活動，包括多品類聯合促銷，推動銷量增長，活動達成率總體良好。結合「門店終端陳列+試吃+買贈」的「中糧島」主題活動項目，我們開創了中國食品跨品類促銷先例，未來將深入推廣「中糧島」主題活動項目，進一步提升跨品類促銷效果。

自整合營銷網絡後，眾多國際和國內的食品公司和廠商正積極地向我們表達合作意願，希望借力於我們的營銷網絡。其中，眾多國際性品牌食品公司視我們為進入中國市場時的首選潛在合作夥伴。同時，通過這種合作也可以進一步帶動我們自有品牌的發展，提升品牌價值。

飲料品類方面，我們通過實施有效的組合式RTM策略，鎖定餐飲渠道，繼續擴大市場覆蓋及售點滲透，逐步將部分批發服務的售點轉為我們的可控售點，同時，結合系統化建設及合作夥伴升級等項目，提升合作夥伴管理質量。

WINNING IN SYSTEMS

贏在系統



Internal
Control
System
內控系統

Financial
System
財務系統



Supply
Chain System
供應鏈系統



Organisation and
Talent Management
System
組織與人才系統



Information
System
資訊系統

4. WINNING IN SYSTEMS

(1) Supply Chain System

Our goal is to provide safe, nutritious and healthy food products to our customers through systematic and stringent management and control over the quality and safety of our products and production processes.

To improve quality and safety, we have implemented daily control in our major plants on a batch-by-batch basis, which enables products to be tracked and traced. Meanwhile, sample checks conducted on products from each batch have yielded good results. Furthermore, to ensure food safety, we have carried out on-site assessments of all our existing original equipment manufacturers (“OEM”), in order to assess which supplier will continue to be retained by the Group. As part of our effort to promote quality, environmental protection and occupational safety, we will continue to conduct regular inspections of our own plants, OEM plants and major raw material suppliers, and ensure new OEM suppliers meet our standards. The frequency in which we conduct sample checks during production will also be increased.

In terms of improvement in production efficiency and energy saving, our per capita production efficiency has shown improvement during the period, while energy consumption in our plants has declined and the utilisation rate of raw materials has improved.

In the areas of production capacity planning and long-term development, we have completed safety risk assessment for all projects-in-progress during the period, including the bottling plant in Shijiazhuang, the expansion of Chateau Sungod and the wine production base in Ningxia. We are also preparing for the construction of a wine production base in Xinjiang.

四、 贏在系統

(1) 供應鏈系統

本公司一直結合本公司的產品特點與製造流程，通過系統、嚴謹的質量安全管理與控制，以提供安全、營養及健康的產品為目標。

在食品質量安全方面，目前我們已經完成在主要工廠均實現日批次管理，產品可以實現正、反向追溯並且持續完善可追溯體系已經基本建立完成。同時，我們對各批次的各類產品進行質量抽查，檢測結果為全部良好。而且，我們完成對現有代工工廠的到廠評估、保留合格代工工廠，淘汰不合格代工工廠，以確保食品安全。我們將進一步推進針對自有工廠、代工工廠、主要原材料供應商的質量、環保、職業安全審核，並確保新代工工廠的認證檢查達到標準，提高產品生產抽樣頻率等。

在提高生產效率和節能降耗方面，於中期期間，人均生產效率有所提升，各工廠持續減能耗、提高原材料利用率等。

在產能規劃和長遠發展方面，於中期期間，我們已經完成了已開工項目的安全風險評估，包括於石家莊的裝瓶廠、桑干酒莊擴建工程和位於寧夏的酒品類生產基地等等，並籌備新疆的酒品類生產基地施工。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

(2) Organisation and Talent Management System

With respect to talent planning, we have continued to optimise the system of our personnel management. In order to improve the professionalism and capability of our market research, the Company has established market research departments for each segment by product type during the period, and has recruited well-experienced professionals.

We have progressed with the integration of our management team in line with our plans following our organisational restructuring, and established a sharing platform for best practice and creative thinking. Staff integration is also underway. During the period, the Company has maintained a stable workforce with a lower turnover rate compared with the same period last year.

With regard to our talent training and capability enhancement, we have set up the China Foods Business School with the aim of developing professional skills in the fast moving consumer goods business. Programmes have been initiated to provide training in work flow, leadership development, sales and marketing supervision, quality and safety management in order to meet the needs for the future development of the Group.

We continued to improve our performance assessment system by enhancing our electronic performance assessment information system and establishing a standardised approach to performance assessment.

We have completed the assessment of the performance of over 5,000 staff from both our headquarters and various major sales regions and have formulated and implemented the annual incentive programme, which includes the existing “Above-Target Profit Sharing Program for Sales Regions”, the “Innovation Incentive Scheme for the Research and Development Team”, the “Annual Awards” and “Assessment and Annual Bonus Scheme” intended for teams as well as individuals. As a result, an improvement in overall labour efficiency has been achieved during the period as compared with the same period last year.

(2) 組織與人才系統

在人才規劃方面，我們持續優化人員管理體系。為提高分品類市場研發的專業水準和能力，於中期期間，本公司設立了分品類的市場研發部，持續引進行業資深專業人才。

團隊融合方面，我們有計劃地推進變革之後的團隊融合，為我們搭建最佳實踐及創新思維的分享平台，並開展新組織結構下的員工融合活動。於中期期間，本公司團隊持續保持穩定，人員流失率低於去年同期。

人才培養和能力提升方面，我們建立了以快速消費品人才能力發展為主線的中國食品商學院，推進新組織結構運行下制度流程培訓、領導力發展培訓、促銷督導培訓、質量與安全管理等專題培訓，滿足本公司未來發展對人才能力提升的需要。

績效考核方面，我們持續完善績效考核體系，提升電子化績效考核信息系統，建立統一的績效考核方法。

激勵機制方面，我們在完成總部到銷售大區5,000餘名員工崗位評估，制定並開始實施年度激勵方案，包括已經建立的《銷售大區超額利潤分享計劃》、《研發團隊創新激勵方案》、涵蓋團隊和個人的《年度獎項設置》和《考核及年終獎金方案》等。故此，於中期期間，本公司整體勞動效率同比明顯提升。

(3) Information systems

The Company's Project I506 was launched as scheduled at the beginning of the year to coordinate the new organisation structure, the change of business requirements and the necessary adjustments in approval processes. Project I506 was nominated as a best case study by the IBM Institute for Business Value. During the period, we further strengthened the management of distributors and promoters. Currently, we have completed the installation of the DMS for some 500 non-beverage key distributors across the country. Over time we will be able to obtain comprehensive real-time inventory data at the distributor level and downstream points of sales, as well as information on retail prices, thus enabling us to monitor the value chain of distributors and retail prices at points of sales. We will also be able to strengthen the management of stock levels within the distribution system. Furthermore, we will introduce the Mobile Customer Management System ("MCM") to enhance the performance of frontline promoters through standardised procedures and information feedback. The promoters' MCM is expected to be introduced to the key cities within the nine sales regions during the second half of the year.

(4) Internal control system

During the period, we have continued to refine the "China Foods Chart of Authority" and conducted audits to improve cost management in relation to sales and marketing costs. In addition to regular internal auditing assignments, we have started to perform monthly audits and internal control audits in the nine sales regions, and strengthened the full tracking of engineering and construction projects. To facilitate standardisation, computerisation and specification of auditing, we have completed the implementation of the "Teammate" online auditing management system.

For contract management, we continued to execute overall management of contracts relating to the headquarters, all major sales regions and factories, and completed the development and function testing of the contract management information system. With a view to protecting the value of our brands and our intellectual property rights, and to guarding against infringement of our rights, and counterfeiting of our products, we will combine the effort of internal specialised personnel and external counsel.

(3) 資訊系統

本公司I506項目按計劃於年初正式上線，以配合新組織結構、業務需求改變和審批流程調整。此I506項目已入選IBM價值研究院最佳案例。於中期期間，我們持續強化經銷商和促銷員管理項目。目前，我們已完成全國500家非飲料品類的核心經銷商安裝DMS系統，將可逐步建立一個相對完整的實時數據DMS系統，以獲取經銷商庫存、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，及將可加強對經銷商通路庫存的管理。另外，我們將開發「移動客戶管理系統」(「MCM系統」)，旨在以標準化程序和信息反饋來提升前線導購員的表現。導購員MCM系統計劃下半年推廣到九個銷售區域的中心城市。

(4) 內控系統

於中期期間，我們持續完善《中國食品授權審批權限表》及進行審計以改善銷售市場費用相關的成本管理。除一般內部審計項目外，我們已開始對九個銷售大區進行月度審核及內部控制審計，並且加強工程建設項目的全程跟蹤基建審計。為促進審計工作標準化、電子化和規範化，我們完成「Teammate」審計管理系統的上線實施。

合同管理方面，我們持續對總部、各大區和工廠合同進行全面管理，及完成合同管理信息系統的開發和功能測試。我們將結合內部專職人員及外部律師以維護品牌價值及知識產權，以及防犯侵權及假冒產品。

WINNING IN PROFITS

贏在利潤



Net Profits

淨利潤

Return on Equity

股東權益回報率

Economic Value Added

經濟增加值

Operating Profit

營業利潤

Return on Invested Capital

投資資本回報率



5. WINNING IN PROFITS

With respect to beverage products, there was a rapid increase in the share of water products within the product range during the period. In addition, there were certain delayed effects as a result of rising raw material costs in 2011. This, in combination with the rising fuel price and distribution costs due to higher contribution from sales in remote regions, which place pressure on our trading margin. Notwithstanding these cost pressures, the segment's results of approximately HK\$311 million, showed an increase of 13.1% compared with the same period in 2011. With the aim of improving the operating profit margin, we will continue to adjust the product mix, optimise product category management, introduce products with new packaging and new flavours as planned, and diversify product range, while applying a flexible procurement strategy, and strengthening cost control and budget management.

With respect to kitchen food products, the volume growth rate was high during the period. However, due to increases in the costs of a number of raw materials, including soybeans, corn, peanuts and rapeseed oil, and the adjustment in the product mix, overall gross margin declined compared with the same period in 2011, even though retail prices have increased. Nevertheless, we managed to alleviate the pressure from rising raw material costs through savings in distribution costs and administrative expenses. The segment's results stood at approximately HK\$46 million, a decrease of 37.8% compared with the same period in 2011.

With respect to wine products, despite the on-going streamlining of medium- to low-end product lines, we were able to obtain revenue growth and margin improvement through the good performance of the high-end "Greatwall Chateau Sungod" and the medium- to high-end "Greatwall Terroir" ranges. This, combined with effective control of distribution costs and administrative expenses under the new organisational structure, led to a segment result of approximately HK\$450 million, a very creditable increase of 50.2% compared with the same period in 2011.

With respect to confectionery products, improvements in products and more effective marketing led to a rise in sales volume, which together with an optimised product mix and an improved purchasing strategy, brought about growth in gross margin, while the distribution costs ratio declined, compared with the same period last year. This segment recorded a loss of approximately HK\$13 million, a significant decrease of 68.9% compared with the same period in 2011.

五、贏在利潤

飲料品類方面，於中期期間，水產品佔比提升較快造成產品結構調整，而且去年原材料成本上漲尚有部分滯後影響，結合由於燃油價格上升以及遠距離區域銷量比重上升造成分銷成本上漲，對利潤率帶來壓力分部業績約為3.11億港元，同比去年增長13.1%。我們會持續調整產品結構，優良品類管理，已有規劃推出新包裝產品、新口味產品、豐富產品系列等方法，同時採用靈活的採購策略、加強成本及費用預算管理等方法，目標是改善經營利潤率。

廚房食品品類方面，於中期期間銷量持續高增長，但大豆、玉米、花生及菜籽油等原材料成本上漲及產品結構調整，即使通過提價，整體毛利率仍然同比降低，即使我們已經通過分銷成本及行政支出節約，消除部分原材料成本上漲壓力，分部業績約為4,600萬港元，同比去年減少37.8%。

酒品類雖然中低端產品線在梳理過程中，但我們通過高端產品「長城桑干酒莊酒」及中高端產品「長城天賦葡園」系列的良好表現，銷售收入增長及利潤率均有改善，連同新組織結構下有效控制分銷成本及行政支出，分部業績約為4.50億港元，同比去年大幅增長50.2%。

休閒食品品類方面，得益於推動產品精進，更有效的營銷帶動銷量明顯增長，連同產品結構優化及採購策略改善，產品毛利率同比提升，結合分銷成本率同比下降。分部業績虧損約為1,300萬港元，同比去年大幅減虧68.9%。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

In order to support the new organisational structure, we have established a financial information platform to provide multi-dimensional, in-depth and detailed operational analysis, and to improve further the effectiveness of budget management and cost control. With respect to financing, we continued to allocate internal funds through a centralised treasury function, and financed business operations by taking advantage of lower financing costs overseas, and continued to promote supply chain financing for distributors. In terms of tax planning, our effective income tax rate has declined considerably to 22.1% (effective income tax rate for the same period in 2011 was 32.6%), as a result of the changed organisational structure which made it possible to utilise management fees of the headquarters as tax credit and take advantage of the Group's prior tax losses.

PREPARATION FOR FUTURE EXTERNAL EXPANSION

During the period, with the aim of importing good quality wines at competitive price into China, we continued to carry out our plan of securing high-quality wine resources overseas following completion of the acquisitions of the San Andrea Winery in Chile and Château de Viaud in Bordeaux, France. We are in the process of researching and selecting potential acquisition targets in Australia, Europe and the United States, to be followed by on-site visits.

We will also continue to seek opportunities to drive additional growth through the expansion of other product categories, where appropriate through acquisitions that meet the Company's selection criteria. Priority will be given to categories such as Chinese liquors and seasonings. Through internal research and development, we are developing a range of seasoning products, including soy sauce, vinegar and MSG, under the "Fortune" brand. We aim to launch these products during the year.

Conclusion

These interim results have been delivered under circumstances in which domestic economic growth rate has declined, credit has been tightly controlled, and fierce competition in all product categories. At the same time, the Company has had to adapt to its new operating model. We are confident that China's change in emphasis of its economic policy from investment-led growth to consumption led-growth, will deliver an improved standard of living and continuing strong demand for our products, thus providing favourable conditions for long-term sustainable growth of our Group.

為配合新組織結構，我們根據新架構下進行多維度、深度、細化運營分析，搭建財務信息平台，進一步有效改善預算管理，有效地控制費用率。融資模式方面，我們持續通過資金集中功能調劑內部資金及利用境外相對低成本融資平台融資，和進一步推進經銷商供應鏈融資模式。稅務籌劃方面，通過組織結構調整，總部管理費用全額用於利潤中心抵稅及更有效地利用過往內部可抵扣稅務虧損，所得稅有效稅率大幅下降至22.1% (2011年中期同比有效稅率為32.6%)。

未來外延發展準備工作

期內，在完成智利聖利利亞酒廠及法國雷沃堡酒莊和葡萄園併購的基礎上，我們持續開展海外優質葡萄產地資源的佈局，目標是向中國市場輸入具價格競爭力的優質葡萄酒。我們在研究及選擇澳大利亞、歐洲和美國等地區的潛在併購目標，將進行實地考察。

我們亦將繼續於其他品類上尋求外延發展機會，而該品類系列乎合本公司收購目標的判斷原則。我們將優先考慮白酒及調味品品類等等。其中，我們通過內部研發，發展一系列「福臨門」品牌開展醬油品類、食醋品類、味精品類等調味品業務，籌備於本年內開始上市。

總述

本中期業績在國內經濟增長下調、緊縮信貸、行業中品類競爭激烈的情況下完成。同時，本公司已採納新運營模式，我們有信心國家由著重投資主導增長轉為著重消費主導增長後，能為生活水平帶來改善及對我們的產品帶來持續強勁的需求，將對本公司的長遠發展非常有利。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

FINANCIAL REVIEW

Supplemental information to segment results of the Group for the six months ended 30 June 2012 with comparative figures, are set out below:

財務回顧

本集團截至2012年6月30日止六個月分部業績的補充資料連同比較數字載列如下：

		For the six months ended 30 June	
		截至6月30日止六個月	
		2012	2011
		2012年	2011年
		%	%
Growth of revenue by segment:	按分部劃分之收入增長：		
– Beverage	– 飲料	15.4	34.4
– Wine	– 酒類	11.6	20.4
– Kitchen Food	– 廚房食品	14.8	116.3
– Confectionery	– 休閒食品	26.6	33.2
– Others	– 其他	N/A不適用	N/A不適用
Segment results to revenue ratio:	分部業績對收入比率：		
– Beverage	– 飲料	5.1	5.2
– Wine	– 酒類	23.0	17.1
– Kitchen Food	– 廚房食品	0.7	1.2
– Confectionery	– 休閒食品	-4.2	-17.1
– Others	– 其他	0.1	N/A不適用
Effective tax rate (Note)	有效稅率(附註)	22.1	32.6

Note:

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

REVENUE

The Group's total revenue for the interim period grew by approximately 15.6% over the comparatives last year. The revenue growth contributors are Beverage segment and Kitchen Food segment, with aggregated contribution of 85% of the Group's total revenue and with growth rates at 15.4% and 14.8% respectively.

The revenue growth rate of Wine segment is double-digit, higher than the revenue growth rate of benchmarking during the interim period.

附註：

本集團有效稅率乃按稅項除以經調整除稅前溢利(不包括應佔聯營公司溢利及虧損貢獻)計算。

收入

於中期期間，本集團之總收入較去年比較數字增加約15.6%。收入增長之貢獻因素為飲料分部及廚房食品分部，合共為本集團總收入貢獻85%，增長率分別為15.4%及14.8%。

酒類分部的收入增長率為雙位數，高於中期期間的對標收入增長率。

MANAGEMENT DISCUSSION AND ANALYSIS

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The strong revenue growth of Confectionery segment reflects that with the improving packaging design of products, the implementation of centralized sales of different products in sales regions, cross products sales promotion and sales synergy have driven up the average unit price as well as the sales volume of confectionery products.

Revenue of Others segment is related to the cross products sales and distribution of certain consumer food and beverage products after the implementation of centralized sales of different products in sales regions.

GROSS PROFIT MARGIN

Overall gross profit margin dropped from 23.6% to 22.2% due to lower gross profit margin of Kitchen Food segment during the interim period as Kitchen Food accounts for 45.5% of the Group's total revenue.

For Kitchen Food segment, due to continued increases in raw material costs of soybean, corn, peanut and rapeseed oil and adjustment in the product mix, gross margin declined even though the average selling price have increased partially during the interim period.

For Beverage segment, there has been a rapid increase in the share of water products in the product mix during the interim period, leading to a change in the product portfolio. In addition, there have been certain brought forward effects caused by the rising costs of raw materials in last year.

For Wine segment, continuous improvement in product mix was noted during the interim period through continuously driving up sales of the high-end Greatwall Chateau Sungod and the medium-to high-end Greatwall Terroir series.

For Confectionery segment, gross profit margin improved due to an optimised product mix and an improved purchasing strategy.

For a small-scale Others segment, gross profit margin contribution is still insignificant to the Group.

休閒食品分部收入之增長勢頭強勁，反映出產品包裝設計之持續改善、於銷售地區實施不同產品之集中銷售、跨品促銷及銷售協同效益均推升平均單價以及帶動休閒食品之銷售量。

於銷售地區實施不同產品之集中銷售後，其他分部之收入乃與跨品銷售及分銷若干消費食品及飲料產品有關。

毛利率

於中期期間，整體毛利率由23.6%減至22.2%，乃因廚房食品佔本集團總收益之45.5%而廚房食品分部的毛利率減少所致。

就廚房食品分部而言，由於大豆、玉米、花生及菜籽油原材料成本持續增加，加上產品組合進行調整，儘管平均售價於中期期間部份上漲，毛利率卻仍減少。

就飲料分部而言，於中期期間，產品組合中飲用水產品份額急升，令產品組合發生變動。另外，由於去年原材料的成本上升致帶來若干延後影響。

就酒類分部而言，於中期期間，由於高端產品「長城桑干酒莊」及中高端產品「長城天賦葡園」系列銷售持續上升，故產品組合持續明顯改善。

就休閒食品分部而言，由於產品組合經過優化，加上改進採購策略，故其毛利率有所改善。

就小規模的其他分部而言，毛利率貢獻對於本集團仍是微乎其微。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

SELLING AND DISTRIBUTION COSTS/ ADMINISTRATIVE EXPENSES

With the benefit of operating leverage in business scales of respective segments, various synergies in expense savings after the implementation of centralized sales of different products in sales regions and tightened expense control, aggregate selling and distribution costs grew by 5.2% while aggregate administrative expenses was steady. Selling and distribution costs to revenue ratio dropped significantly by 1.6 percentage points to 15.3% while administrative expenses to revenue ratio dropped 0.4 percentage points to 2.6%.

FINANCE COSTS

Overall finance costs dropped by 39.2% which was mainly due to continuing enhancement of the centralized capital management by allocating funds from centralized treasury function and by the utilisation of overseas financing platform with relatively lower financing costs.

SHARE OF PROFITS AND LOSSES OF ASSOCIATES

Share of profits and losses of associates dropped by 41.7% mainly due to cost pressure from price increases in key raw materials and packaging materials of the associates.

INCOME TAX EXPENSE

Effective income tax rate decreased to 22.1% during the interim period, down considerably by 10.5 percentage points. As a result of organisational structure which made it possible to take advantage in the effective utilization of the Group's deductible headquarters expenses and certain subsidiaries' tax losses by allocation to profit centres under a progressive improvement of group tax planning arrangement.

LIQUIDITY AND FINANCIAL RESOURCES

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

銷售及分銷成本／行政開支

由於各分部業務規模發生經營槓桿作用，加上銷售地區實施不同產品之集中銷售後出現節約開支之多個協同效益，同時更嚴格管控開支，故銷售及分銷成本總額雖增加5.2%，惟行政開支總額維持穩定。銷售及分銷成本與收入之比率大幅減少1.6個百分點至15.3%，同時行政開支與收入之比率減少0.4個百分點至2.6%。

融資成本

總體融資成本減少39.2%，主要乃因透過從資金集中功能調配資金以及利用融資成本相對較低之海外融資平台實現持續改善資金集中管理所致。

應佔聯營公司溢利及虧損

應佔聯營公司溢利及虧損減少41.7%，主要乃因聯營公司之主要原材料及包裝材料價格上漲令成本受壓所致。

所得稅支出

於中期期間，有效所得稅率減少至22.1%，顯著減少10.5個百分點。而組織架構令本集團可利用扣減總部開支及若干附屬公司的稅項虧損致利潤中心，以逐步改善集團稅務籌劃的實施。

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及時再融資。

MANAGEMENT DISCUSSION AND ANALYSIS

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As at 30 June 2012, the Group's unpledged cash and cash equivalents totalled approximately HK\$1,672 million (31 December 2011: approximately HK\$1,790 million), and the Group's net current assets were approximately HK\$2,724 million (31 December 2011: approximately HK\$1,830 million).

During the interim period, although the EBITDA amounted to approximately HK\$1,008 million or up by 23.8% (six months ended 30 June 2011: approximately HK\$814 million), mainly due to the one-off demand for working capital based upon the new organisational structure made up of "a headquarters managing nine regional sales and operational centres" and the execution of procurement strategy of raw material, the net cash outflow used in operating activities was approximately HK\$1,017 million (six months ended 30 June 2011: operating cash inflow of approximately HK\$1,122 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.

CAPITAL STRUCTURE

During the interim period, the total number of issued shares of the Company increased by 1,883,000 shares as a result of a director and an ex-director of the Company and certain employees of the Group exercising their share options granted in 2007. As at 30 June 2012, the total number of issued shares of the Company was 2,794,774,756.

As at 30 June 2012, the Group had certain interest-bearing bank borrowings of approximately HK\$2,147 million (31 December 2011: approximately HK\$1,761 million) and other borrowing of approximately HK\$1,472 million (31 December 2011: approximately HK\$56 million).

於2012年6月30日，本集團之無抵押現金及現金等值項目合共約為16.72億港元（2011年12月31日：約17.90億港元），本集團之流動資產淨值約為27.24億港元（2011年12月31日：約18.30億港元）。

於中期期間，儘管EBITDA達約10.08億港元或增加23.8%（截至2011年6月30日止六個月：約8.14億港元），主要乃因新組織結構「總部管理九區銷售及經營中心」及採取原材料採購策略產生營運資金之「一次性」需求所致，經營活動所用現金流出淨額約為10.17億港元（截至2011年6月30日止六個月：經營現金流入約11.22億港元）。

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有限。

資本結構

於中期期間，本公司之已發行股份總數因本公司一名董事、一名前任董事及本集團若干僱員行使彼等於2007年獲授之購股權而增加1,883,000股股份。於2012年6月30日，本公司之已發行股份總數為2,794,774,756股。

於2012年6月30日，本集團之若干計息銀行貸款約為21.47億港元（2011年12月31日：約17.61億港元）及其他貸款約為14.72億港元（2011年12月31日：約5,600萬港元）。

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Bank borrowings carried annual interest rates ranging between 0.80% and 1.80% (31 December 2011: between 0.61% and 4.63%). Other borrowing carried annual interest rate ranging from 5.85% to 6.1% (31 December 2011: 6.1%).

As at 30 June 2012, net assets attributable to owners of the parent were approximately HK\$7,011 million (31 December 2011: approximately HK\$6,670 million) and net borrowing position of the Group (unpledged cash and cash equivalents less interest-bearing bank and other borrowings) was approximately HK\$1,947 million (31 December 2011: approximately HK\$27 million) and the net gearing ratio (ratio of net borrowing position of the Group to net assets attributable to owners of the parent) was approximately 27.8% (31 December 2011: approximately 0.4%).

CONTINGENT LIABILITIES AND ASSETS PLEDGED

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

As at 30 June 2012, certain bank borrowings of the Group were secured by charges over certain time deposits of the Group with aggregate net book value of approximately HK\$116 million (31 December 2011: approximately HK\$118 million).

EMPLOYEE AND REMUNERATION POLICY

As at 30 June 2012, the Group employed 17,738 staff in Mainland China and Hong Kong (31 December 2011: 17,546). Employees are paid according to their positions, performance, experience and prevailing market practices, and are provided with management and professional training. Employees in Hong Kong are provided with retirement benefits, either under a Mandatory Provident Fund exempted ORSO scheme or under the Mandatory Provident Fund scheme, as well as life insurance and medical insurance. Employees in Mainland China are provided with basic social insurance and housing fund in compliance with the requirements of the laws of China. Details of these benefit schemes are set out in the Annual Report 2011.

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. Details of the Option Scheme are set out in the section headed "Share Option Scheme" below.

銀行貸款按介乎0.80厘至1.80厘之年利率計息(2011年12月31日:介乎0.61厘至4.63厘)。其他貸款按介乎5.85厘至6.1厘之年利率計息(2011年12月31日:6.1厘)。

於2012年6月30日,母公司擁有人應佔淨資產約為70.11億港元(2011年12月31日:約66.70億港元),本集團借款淨額(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19.47億港元(2011年12月31日:約2,700萬港元),淨資產負債比率(本集團借款淨額與母公司擁有人應佔淨資產之比率)約為27.8%(2011年12月31日:約0.4%)。

或然負債及抵押資產

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

於2012年6月30日,本集團若干銀行貸款乃以本集團賬面淨值總額約1.16億港元(2011年12月31日:約1.18億港元)之若干定期存款作抵押。

僱員和薪酬政策

於2012年6月30日,本集團於中國內地及香港共僱用17,738名僱員(2011年12月31日:17,546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2011年年報內。

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)。購股權計劃之詳情載於下文「購股權計劃」內。

INTERIM DIVIDEND

The board of directors (the “Board”) declared the payment of an interim dividend of HK6.11 cents (30 June 2011: HK4.07 cents) per share for the interim period, which will be payable on Friday, 19 October 2012, to shareholders of the Company whose names appear on the register of members of the Company on Friday, 5 October 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 interim dividend to its enterprise shareholders other than those enterprises which are duly incorporated in the PRC or under the laws of foreign countries (or regions) but with PRC-based de facto management bodies (such enterprises are defined as resident enterprises in the Enterprise Income Tax Law). The withholding and payment obligation lies with the Company.

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

If any enterprise shareholder listed on the Company’s register of members considers itself to be a resident enterprise and does not wish the Company to withhold the 10% enterprise income tax, it shall lodge with the Company’s branch share registrar and transfer office in Hong Kong, Tricor Progressive Limited, at 26/F., Tesbury Centre, 28 Queen’s Road East, Hong Kong, documents from its governing tax authority confirming that the Company is not required to withhold and pay the enterprise income tax in respect of the dividend to which it is entitled no later than 4:00 p.m. on Wednesday, 3 October 2012.

中期股息

董事會(「董事會」)宣派於中期期間之中期股息每股6.11港仙(2011年6月30日：4.07港仙)。中期股息將於2012年10月19日(星期五)，向於2012年10月5日(星期五)(「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中期股息時代扣10%的企業所得稅。代扣代繳企業所得稅是本公司的義務。

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

如任何名列本公司股東名冊上的企業股東認為其為居民企業而不希望本公司代扣代繳上述10%的企業所得稅，請不遲於2012年10月3日(星期三)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。

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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.

CLOSURE OF REGISTER OF MEMBERS

For determining the shareholders' entitlement to the interim dividend, the register of members of the Company will be closed from Thursday, 4 October 2012 to Friday, 5 October 2012, both days inclusive, during which period no transfer of shares will be registered. The ex-dividend date will be Friday, 28 September 2012.

In order to qualify for the interim 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 Wednesday, 3 October 2012.

DIRECTORS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES

As at 30 June 2012, the interests and short positions of the directors and their associates in the shares, underlying shares or debentures of the Company or any associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO") as recorded in the register of interests of the Company required to be kept under section 352 of the SFO; or as notified to the Company and The Stock Exchange of Hong Kong Limited (the "Stock Exchange") under Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were deemed or taken to have under such provisions of the SFO) or pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") contained in the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules") (collectively the "Discloseable Interests") were as follows:

如任何人需更改股東名冊中之股東身份，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。

暫停辦理過戶登記手續

為釐定股東獲派中期股息之權利，本公司將於2012年10月4日(星期四)至2012年10月5日(星期五)(包括首尾兩天)暫停辦理股份過戶登記手續。股息除淨日為2012年9月28日(星期五)。

為符合資格獲派中期股息，所有股份過戶文件連同有關股票最遲須於2012年10月3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號金鐘匯中心26樓，以辦理登記。

董事於股份及相關股份之權益及淡倉

於2012年6月30日，董事及彼等之聯繫人於本公司或其任何相聯法團(定義見《證券及期貨條例》(「證券及期貨條例」)第XV部)之股份、相關股份或債券中擁有之權益及淡倉而根據證券及期貨條例第352條記錄於本公司所存置之權益登記冊內；或根據證券及期貨條例第XV部第7及第8分部(包括據此他們被視作或當作擁有之權益及淡倉)或根據《香港聯合交易所有限公司證券上市規則》(「上市規則」)所載《上市發行人董事進行證券交易的標準守則》(「標準守則」)知會本公司及香港聯合交易所有限公司(「聯交所」)(統稱「須披露權益」)之記錄如下：

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

(a) 於本公司之股份及相關股份之須披露權益

Name of director 董事姓名	Capacity/ Nature of Interest 身份／權益性質	Number of shares held 所持 股份數目 (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. 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. Ning Gaoning 寧高寧先生	Beneficial Owner 實益擁有人	–	1,620,000	1,620,000	0.06%
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 (Note 4) (附註4)	Beneficial Owner 實益擁有人	–	1,020,000	1,020,000	0.04%
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	–	1,020,000	1,020,000	0.04%

Notes:

- Long positions in the shares of the Company, other than equity derivatives such as share options, warrants or convertible bonds.
- Long positions in the underlying shares of the Company under share options granted to directors pursuant to the Option Scheme.
- The percentages were calculated based on the total number of shares of the Company in issue as at 30 June 2012, i.e. 2,794,774,756 shares.
- Mr. Zhang Zhentao resigned as an executive director of the Company with effect from 9 August 2012.

附註：

- 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）。
- 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的好倉。
- 百分比乃根據本公司於2012年6月30日之已發行股份總數（即2,794,774,756股股份）計算。
- 張振濤先生已辭去本公司執行董事職務，於2012年8月9日起生效。

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

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

Name of director 董事姓名	Capacity/ Nature of Interest 身份／權益性質	Number of shares held 所持 股份數目 (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. Chi Jingtao 遲京濤先生	Beneficial Owner 實益擁有人	–	480,000	480,000	0.01%
Mr. Ning Gaoning 寧高寧先生	Beneficial Owner 實益擁有人	–	1,300,000	1,300,000	0.03%

Notes:

1. Long positions in the shares of China Agri, other than equity derivatives such as share options, warrants or convertible bonds.
2. Long positions in the underlying shares of China Agri under share options granted to directors pursuant to a share option scheme of China Agri.
3. The percentages were calculated based on the total number of shares of China Agri in issue as at 30 June 2012, i.e., 4,038,369,839 shares.

Save as disclosed herein, as at 30 June 2012, none of the directors nor their associates had any other Discloseable Interests.

附註：

1. 中國糧油股份之好倉（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。
3. 百分比乃根據中國糧油於2012年6月30日之已發行股份總數（即4,038,369,839股股份）計算。

除本報告所披露者外，於2012年6月30日，董事及其聯繫人概無其他須披露權益。

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

As at 30 June 2012, 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2012年6月30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：

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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總數

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	68.79%
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	74.16%
COFCO Corporation 中糧集團有限公司	–	2,072,688,331 (Note 4) (附註4)	2,072,688,331	74.16%

Notes:

附註：

- | | |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1. Long positions in the shares of the Company, other than equity derivatives such as share options, warrants or convertible bonds. | 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. The percentages were calculated based on the total number of shares of the Company in issue as at 30 June 2012, i.e. 2,794,774,756 shares. | 2. 百分比乃根據本公司於2012年6月30日之已發行股份總數(即2,794,774,756股股份)計算。 |
| 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). | 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. 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. | 4. 中糧集團被視為於Wide Smart、COFCO (BVI) 108及中糧香港(均為中糧集團的全資附屬公司)所持合共2,072,688,331股股份中擁有權益。 |

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

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 of and a member of the communist party committee and the head of the communist party discipline and inspection team of COFCO.

Save as disclosed herein, as at 30 June 2012, the director of the Company were not aware of substantial shareholders and other persons who had interests or short positions in the shares or underlying shares of the Company.

SHARE OPTION SCHEME

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

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

執行董事兼董事會主席遲京濤先生亦為中糧集團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集團董事長、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集團副總裁兼戰略部總監。非執行董事吳文婷女士亦為中糧集團審計部總監。非執行董事柳丁女士為中糧集團董事及黨組成員及紀檢組組長。

除本報告披露者外，於2012年6月30日，本公司董事並不知悉主要股東及其他人士於本公司股份或相關股份中擁有之權益或淡倉。

購股權計劃

本公司設有購股權計劃，藉以吸引、挽留及激勵本公司高級管理層人員及主要僱員，讓合資格參與者藉此在本公司購入個人的權益，鼓勵合資格參與者致力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。

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

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

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

於2007年9月27日授出的購股權須受以下歸屬時間表限制：

Periods 期間		Maximum percentage of options 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:

於2011年3月28日以後授出的購股權則須受以下新歸屬時間表限制：

Periods 期間		Maximum percentage of options 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%

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

As at 1 January 2012, a total of 45,524,500 share options of the Company remained outstanding. During the period, a total of 1,400,000 share options were cancelled and a total of 282,360 share options lapsed. In addition, a total of 1,883,000 shares were issued and allotted by the Company upon the exercise of share options by a director, an ex-director and certain employees of the Company. Accordingly, as at 30 June 2012, a total of 41,959,140 share options of the Company remained outstanding. Details of the movements in the share options during the period were as follows:

於2012年1月1日，本公司尚未行使的購股權總數為45,524,500份。期內，有合共1,400,000份購股權已被註銷及合共282,360份購股權已失效。此外，本公司因一名董事、一名前任董事及若干僱員行使購股權而配發合共1,883,000股股份。因此，於2012年6月30日，本公司尚未行使的購股權總數有41,959,140份。期內，購股權的變動詳情如下：

Name or category of participants 參與者姓名及類別	Number of share options 購股權的數目					At 30.06.2012 於2012年6月30日	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 01.01.2012 於2012年1月1日	Granted during the period 期內授出	Exercised during the period 期內行使	Cancelled during the period 期內註銷	Lapsed during the period 期內失效				
Directors 董事									
Mr. Chi Jingtao 遲京濤先生	740,000	-	-	-	-	740,000	29.03.2011	29.03.2013 - 28.03.2018	4.910
Ms. Luan Xiuju 樂秀菊女士	560,000	-	-	-	-	560,000	27.09.2007	27.09.2009 - 26.09.2014	4.952
	740,000	-	-	-	-	740,000	29.03.2011	29.03.2013 - 28.03.2018	4.910
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	-	-	-	-	740,000	29.03.2011	29.03.2013 - 28.03.2018	4.910
Mr. Mak Chi Wing, William 麥志榮先生	800,000	-	-	-	-	800,000	27.09.2007	27.09.2009 - 26.09.2014	4.952
	600,000	-	-	-	-	600,000	29.03.2011	29.03.2013 - 28.03.2018	4.910
Mr. Zhang Zhentao 張振濤先生 (Note 1) (附註1)	700,000	-	(280,000) (Note 2) (附註2)	-	-	420,000	27.09.2007	27.09.2009 - 26.09.2014	4.952
	600,000	-	-	-	-	600,000	29.03.2011	29.03.2013 - 28.03.2018	4.910
Ms. Liu Ding 柳丁女士	600,000	-	-	-	-	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	-	-	-	-	600,000	29.03.2011	29.03.2013 - 28.03.2018	4.910
Ms. Wu Wenting 吳文婷女士	700,000	-	(280,000) (Note 3) (附註3)	-	-	420,000	27.09.2007	27.09.2009 - 26.09.2014	4.952
	600,000	-	-	-	-	600,000	29.03.2011	29.03.2013 - 28.03.2018	4.910
Other employees 其他僱員	10,604,500	-	(1,323,000) (Note 4) (附註4)	-	(282,360) (Note 5) (附註5)	8,999,140	27.09.2007	27.09.2009 - 26.09.2014	4.952
	25,260,000	-	-	(1,400,000) (Note 6) (附註6)	-	23,860,000	29.03.2011	29.03.2013 - 28.03.2018	4.910
	45,524,500	-	(1,883,000)	(1,400,000)	(282,360)	41,959,140			

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Notes:

1. Mr. Zhang Zhentao resigned as an executive director of the Company with effect from 9 August 2012.
2. The weighted average closing price of the shares of the Company immediately before the dates on which the options were exercised was HK\$7.98.
3. The weighted average closing price of the shares of the Company immediately before the dates on which the options were exercised was HK\$7.97.
4. The weighted average closing price of the shares of the Company immediately before the dates on which the options were exercised was HK\$7.88.
5. The options vested lapsed during the period upon the expiry of stipulated period in accordance with the terms of the Option Scheme.
6. The options unvested were cancelled during the period upon the resignations of certain employees of the Company.

The fair values of the share options granted on 27 September 2007 and the share options granted on 29 March 2011 under the Option Scheme were HK\$32,227,000 (approximately HK\$1.563 each) and HK\$47,124,000 (approximately HK\$1.526 each), respectively, of which the Company recognised a share option expense of HK\$5,970,000 during the period (six months ended 30 June 2011: HK\$3,536,000).

The fair values 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 models used:

附註：

1. 張振濤先生已辭去本公司執行董事職務，於2012年8月9日起生效。
2. 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7.98港元。
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7.97港元。
4. 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7.88港元。
5. 期內，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. 期內，該等未歸屬的購股權因若干僱員辭任而被取消。

根據購股權計劃於2007年9月27日及2011年3月29日授出的購股權之公平值分別為32,227,000港元(每份約1.563港元)及47,124,000港元(每份約1.526港元)，其中本公司於期內確認購股權開支5,970,000港元(截至2011年6月30日止六個月：3,536,000港元)。

於截至2007年12月31日止年度及截至2011年12月31日止年度內授出以股本結算之購股權之公平值乃於授出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。下表列出該等模式之輸入數值：

		2011 Options 2011年購股權	2007 Options 2007年購股權
Date of grant	授出日期	29.03.2011	27.09.2007
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

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

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

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

CORPORATE GOVERNANCE CODE

Throughout the six months ended 30 June 2012, the Company complied with code provisions set out in the Code on Corporate Governance Practices (formerly set out in Appendix 14 to the Listing Rules) and the Corporate Governance Code (the new edition of the Code on Corporate Governance Practices, which is applicable to financial reports covering a period after 1 April 2012), with the exception of Code Provision A.6.7 (non-executive directors and independent non-executive directors should attend general meetings). Three non-executive directors and an independent non-executive director were unable to attend the annual general meeting of the Company held on 1 June 2012 due to their unavoidable business engagements.

SECURITIES TRANSACTIONS BY DIRECTORS AND RELEVANT EMPLOYEES

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

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

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。

企業管治守則

截至2012年6月30日止六個月內，除守則條文A.6.7條(非執行董事及獨立非執行董事應出席股東大會)外，本公司一直遵守《企業管治常規守則》(前載於上市規則附錄十四)及《企業管治守則》(《企業管治常規守則》的更新版，適用於涵蓋2012年4月1日後期間的財務報表)的其他守則條文。三名非執行董事及一名獨立非執行董事因不可避免的公務而未能出席於2012年6月1日舉行的股東周年大會。

董事及有關僱員進行證券交易

本公司已採納上市規則附錄十所載標準守則作為董事進行證券交易之操守守則。經本公司作出具體查詢後，所有董事確認彼等於期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的守則(「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。期內，概無從任何該等僱員收到違規報告。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

CHANGES OF THE BOARD

Mr. Zhang Zhentao has resigned as an executive director of the Company with effect from 9 August 2012.

Mr. Paul Kenneth Etchells was appointed as an independent non-executive director of the Company and a member of each of the audit committee and the remuneration committee of the Board with effect from 9 August 2012.

CHANGES IN DIRECTORS' PROFILE

Mr. Chi Jingtao, an executive director and the chairman of the Board of the Company, was appointed as the general manager of China Grain and Logistics Corporation, with effect from 16 July 2012.

Mr. Ning Gaoning, an executive director of the Company, was appointed as an independent non-executive director of BOC Hong Kong (Holdings) Limited, a company listed in Hong Kong, with effect from 24 August 2012.

Mr. Ma Jianping, a non-executive director of the Company, was appointed as an executive director and the chairman of the board of directors of The Hong Kong Parkview Group Limited, a company listed in Hong Kong, with effect from 28 August 2012.

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 period.

Hong Kong, 29 August 2012

董事會變動

張振濤先生已辭去本公司執行董事職務，於2012年8月9日起生效。

包逸秋先生(Mr. Paul Kenneth Etchells)獲委任為本公司的獨立非執行董事及董事會之審核委員會及薪酬委員會的成員，於2012年8月9日起生效。

董事簡介之變更

本公司執行董事兼董事會主席遲京濤先生獲委任為中國華糧物流集團公司總經理，於2012年7月16日起生效。

本公司執行董事寧高寧先生獲委任為香港上市公司中銀香港(控股)有限公司的獨立非執行董事，於2012年8月24日起生效。

本公司非執行董事馬建平先生獲委任為香港上市公司僑福建設企業機構(The Hong Kong Parkview Group Limited)的執行董事兼董事會主席，於2012年8月28日起生效。

購買、出售或贖回本公司之上市證券

本公司及其任何附屬公司於期內並無購買、出售或贖回本公司任何上市證券。

香港，2012年8月29日

REPORT ON REVIEW OF INTERIM FINANCIAL INFORMATION

中期財務資料審閱報告



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

INTRODUCTION

We have reviewed the interim financial information set out on pages 43 to 68 which comprises the condensed consolidated statement of financial position of China Foods Limited as at 30 June 2012, and the related condensed consolidated income statement, condensed consolidated statement of comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the six-month period then ended, and explanatory information. The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited require the preparation of a report on interim financial information to be in compliance with the relevant provisions thereof and Hong Kong Accounting Standard 34 *Interim Financial Reporting* ("HKAS 34") issued by the Hong Kong Institute of Certified Public Accountants.

The directors are responsible for the preparation and presentation of this interim financial information in accordance with HKAS 34. Our responsibility is to express a conclusion on this interim financial information based on our review. Our report is made solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

SCOPE OF REVIEW

We conducted our review in accordance with Hong Kong Standard on Review Engagements 2410 *Review of Interim Financial Information Performed by the Independent Auditor of the Entity* issued by the Hong Kong Institute of Certified Public Accountants. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Hong Kong Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

致中國食品有限公司董事會
(於百慕達註冊成立的有限公司)

引言

我們已審閱列載於第43頁至第68頁之中國食品有限公司中期財務資料，此中期財務資料包括於2012年6月30日之簡明綜合財務狀況表與截至該日止六個月期間之有關簡明綜合收入報表、簡明綜合全面收入報表、簡明綜合股本變動報表和簡明綜合現金流量表以及解釋資料。根據《香港聯合交易所有限公司證券上市規則》，上市公司必須符合其中相關規定和香港會計師公會頒佈之《香港會計準則》第34號中期財務報告（「香港會計準則第34號」）之規定編製中期財務資料。

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

審閱範圍

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

REPORT ON REVIEW OF INTERIM FINANCIAL INFORMATION

中期財務資料審閱報告

CONCLUSION

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

Ernst & Young

Certified Public Accountants

22nd Floor
CITIC Tower
1 Tim Mei Avenue
Central
Hong Kong

29 August 2012

結論

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

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8月29日

CONDENSED CONSOLIDATED INCOME STATEMENT

簡明綜合收入報表

For the six months ended 30 June 2012
截至2012年6月30日止六個月

		For the six months ended 30 June 截至6月30日止六個月		
		2012 2012年 HK\$'000 千港元 (Unaudited) (未經審核)	2011 2011年 HK\$'000 千港元 (Unaudited) (未經審核)	
	Notes 附註			
REVENUE	收入	4	15,578,616	13,482,228
Cost of sales	銷售成本		(12,122,310)	(10,295,575)
Gross profit	毛利		3,456,306	3,186,653
Other income and gains	其他收入及收益	4	102,016	99,653
Selling and distribution costs	銷售費用及分銷成本		(2,390,450)	(2,272,196)
Administrative expenses	行政支出		(402,368)	(402,724)
Other expenses	其他支出		(4,757)	(2,948)
Finance costs	融資成本	5	(20,632)	(33,923)
Share of profits and losses of associates	應佔聯營公司溢利 及虧損		15,523	26,623
PROFIT BEFORE TAX	除稅前溢利	6	755,638	601,138
Income tax expense	所得稅支出	7	(163,497)	(187,118)
PROFIT FOR THE PERIOD	期內溢利		592,141	414,020
Attributable to:	應佔方：			
Owners of the parent	母公司擁有人		474,191	315,382
Non-controlling interests	非控股權益		117,950	98,638
			592,141	414,020
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	9		
Basic	基本		HK16.97 cents港仙	HK11.29 cents港仙
Diluted	攤薄		HK16.92 cents港仙	HK11.29 cents港仙

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

期間擬派股息詳情於簡明綜合中期財務資料附註8披露。

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

簡明綜合全面收入報表

For the six months ended 30 June 2012
截至2012年6月30日止六個月

		For the six months ended 30 June 截至6月30日止六個月	
		2012 2012年 HK\$'000 千港元 (Unaudited) (未經審核)	2011 2011年 HK\$'000 千港元 (Unaudited) (未經審核)
PROFIT FOR THE PERIOD	期內溢利	592,141	414,020
OTHER COMPREHENSIVE INCOME/(LOSS)	其他全面收入／(虧損)		
Exchange differences on translation of foreign operations	換算海外業務時之匯兌差額	(40,485)	148,185
OTHER COMPREHENSIVE INCOME/(LOSS) FOR THE PERIOD, NET OF TAX	期內其他全面收入／(虧損) (已扣除稅項)	(40,485)	148,185
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	期內全面收入總額	551,656	562,205
Attributable to:	應佔方：		
Owners of the parent	母公司擁有人	444,627	439,652
Non-controlling interests	非控股權益	107,029	122,553
		551,656	562,205

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

簡明綜合財務狀況表

30 June 2012
2012年6月30日

		Notes 附註	30 June 2012 2012年 6月30日 HK\$'000 千港元 (Unaudited) (未經審核)	31 December 2011 2011年 12月31日 HK\$'000 千港元 (Audited) (經審核)
NON-CURRENT ASSETS				
Property, plant and equipment	物業、廠房及設備	10	4,193,842	3,889,400
Investment properties	投資物業		81,908	82,361
Prepaid land premiums	預付土地金		314,809	308,078
Deposits for purchase of items of property, plant and equipment	購買物業、廠房 及設備項目之按金		67,849	52,802
Goodwill	商譽		1,722,188	1,727,793
Other intangible assets	其他無形資產		54,946	60,389
Investments in associates	於聯營公司之投資		605,500	567,934
Available-for-sale investments	可供出售投資		203,062	203,104
Deferred tax assets	遞延稅項資產		95,600	46,893
Biological assets	生物資產		169,988	165,833
Total non-current assets	非流動資產總值		7,509,692	7,104,587
CURRENT ASSETS				
Inventories	存貨		4,688,066	5,701,744
Accounts and bills receivables	應收賬款及票據	11	2,582,910	1,944,607
Prepayments, deposits and other receivables	預付款項、按金 及其他應收款項	12	1,624,544	1,446,782
Due from fellow subsidiaries	同系附屬公司欠款	18(d)	398,533	69,390
Due from the ultimate holding company	最終控股公司 欠款	18(d)	67,588	22,056
Due from the immediate holding company	直系控股公司 欠款	18(d)	165	165
Due from related companies	關連公司欠款	18(d)	2,087	4,076
Due from non-controlling shareholders of subsidiaries	附屬公司非控股 股東欠款	18(d)	9,805	9,510
Due from associates	聯營公司欠款	18(d)	2,658	1,551
Prepaid tax	預付稅項		40,564	23,653
Held-to-maturity investments	持有至到期投資		–	58,044
Equity investments at fair value through profit or loss	按公平值列入損益 之股本投資		14,822	15,016
Pledged deposits	抵押存款		116,807	139,005
Cash and cash equivalents	現金及現金等值項目		1,672,006	1,789,797
Total current assets	流動資產總值		11,220,555	11,225,396

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

簡明綜合財務狀況表

30 June 2012
2012年6月30日

		Notes 附註	30 June 2012 2012年 6月30日 HK\$'000 千港元 (Unaudited) (未經審核)	31 December 2011 2011年 12月31日 HK\$'000 千港元 (Audited) (經審核)
CURRENT LIABILITIES	流動負債			
Accounts and bills payables	應付賬款及票據	13	1,856,683	1,558,708
Other payables and accruals	其他應付款項及應計負債		2,346,504	3,939,495
Due to fellow subsidiaries	欠同系附屬公司款項	18(d)	1,010,403	1,057,344
Due to the ultimate holding company	欠最終控股公司款項	18(d)	28,994	41,031
Due to related companies	欠關連公司款項	18(d)	322,045	884,130
Due to non-controlling shareholders of subsidiaries	欠附屬公司非控股股東款項	18(d)	34,113	30,818
Due to associates	欠聯營公司款項	18(d)	284,553	292,150
Interest-bearing bank and other borrowings	計息銀行貸款及其他貸款	18(d)	2,518,546	1,516,936
Tax payable	應付稅項		94,276	75,230
Total current liabilities	流動負債總值		8,496,117	9,395,842
NET CURRENT ASSETS	流動資產淨值		2,724,438	1,829,554
TOTAL ASSETS LESS CURRENT LIABILITIES	資產總值減流動負債		10,234,130	8,934,141
NON-CURRENT LIABILITIES	非流動負債			
Interest-bearing bank borrowings	計息銀行貸款		1,100,000	300,000
Due to non-controlling shareholders of subsidiaries	欠附屬公司非控股股東款項	18(d)	27,526	27,680
Deferred income	遞延收入		44,278	42,532
Deferred tax liabilities	遞延稅項負債		49,303	50,132
Total non-current liabilities	非流動負債總值		1,221,107	420,344
Net assets	資產淨值		9,013,023	8,513,797
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	14	279,477	279,289
Reserves	儲備		6,560,527	6,271,636
Proposed dividend	擬派股息	8	170,764	118,698
			7,010,768	6,669,623
Non-controlling interests	非控股權益		2,002,255	1,844,174
Total equity	股本總值		9,013,023	8,513,797

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

簡明綜合股本變動報表

For the six months ended 30 June 2012
截至2012年6月30日止六個月

		Attributable to owners of the parent 母公司擁有人應佔											
		Employee share-based Share compensation			Capital	Reserve	Exchange fluctuation reserve	Asset revaluation reserve	Retained profits	Proposed dividend	Non- controlling interests		Total equity
		Issued capital	premium account	reserve 備	reserve 備	reserve 備	reserve 備	reserve 備	reserve 備	reserve 備	Total	Total	
		已發行股本	股份溢價賬	薪酬儲備	資本儲備	儲備金	波動儲備	重估儲備	保留溢利	擬派股息	總計	股本總值	
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	
		(未經審核)	(未經審核)	(未經審核)	(未經審核)	(未經審核)	(未經審核)	(未經審核)	(未經審核)	(未經審核)	(未經審核)	(未經審核)	
At 1 January 2012	於2012年1月1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
Profit for the period	期內溢利	-	-	-	-	-	-	-	474,191	-	474,191	117,950	592,141
Other comprehensive loss for the period:	期內其他全面虧損：												
Exchange differences on translation of foreign operations	換算海外業務時之匯兌差額	-	-	-	-	-	(29,564)	-	-	-	(29,564)	(10,921)	(40,485)
Total comprehensive income/(loss) for the period	期內全面收入/(虧損)總額	-	-	-	-	-	(29,564)	-	474,191	-	444,627	107,029	551,656
Exercise of share options (note 14)	行使購股權(附註14)	188	12,079	(2,942)	-	-	-	-	-	-	9,325	-	9,325
Equity-settled share option arrangements	股本結算購股權安排	-	-	5,970	-	-	-	-	-	-	5,970	-	5,970
Transfer of share option reserve upon the forfeiture or expiry of share options	購股權被沒收或屆滿時轉撥購股權儲備	-	-	(900)	-	-	-	-	900	-	-	-	-
Final 2011 dividend paid	已派2011年末期股息	-	-	-	-	-	-	-	(79)	(118,698)	(118,777)	-	(118,777)
Proposed 2012 interim dividend	擬派2012年中期股息	-	-	-	-	-	-	-	(170,764)	170,764	-	-	-
Transfer from retained profits	自保留溢利轉撥	-	-	-	-	1,682	-	-	(1,682)	-	-	-	-
Contribution from a non-controlling shareholder of a subsidiary	附屬公司之非控股股東之注資	-	-	-	-	-	-	-	-	-	-	51,052	51,052
At 30 June 2012	於2012年6月30日	279,477	21,729*	35,753*	3,246,709*	221,255*	912,357*	6,910*	2,115,814*	170,764	7,010,768	2,002,255	9,013,023

* These reserve accounts comprise the consolidated reserves of HK\$6,560,527,000 (31 December 2011: HK\$6,271,636,000) in the condensed consolidated statement of financial position.

* 該等儲備賬目構成簡明綜合財務狀況表中之綜合儲備6,560,527,000港元(2011年12月31日: 6,271,636,000港元)。

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

簡明綜合股本變動報表

For the six months ended 30 June 2012
截至2012年6月30日止六個月

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

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

簡明綜合現金流量表

For the six months ended 30 June 2012
截至2012年6月30日止六個月

		For the six months ended 30 June 截至6月30日止六個月	
		2012 2012年 HK\$'000 千港元 (Unaudited) (未經審核)	2011 2011年 HK\$'000 千港元 (Unaudited) (未經審核)
NET CASH FLOWS FROM/(USED IN) OPERATING ACTIVITIES	經營活動產生/(所用) 現金流淨額	(1,017,391)	1,121,993
NET CASH FLOWS USED IN INVESTING ACTIVITIES	投資活動所用 現金流淨額	(681,613)	(238,111)
NET CASH FLOWS FROM/(USED IN) FINANCING ACTIVITIES	融資活動產生/(所用) 現金流淨額	1,585,539	(133,755)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	現金及現金等值項目 增加/(減少)淨額	(113,465)	750,127
Cash and cash equivalents at beginning of period	期初現金及 現金等值項目	1,789,797	1,741,203
Effect of foreign exchange rate changes, net	匯率變動影響·淨額	(4,326)	47,051
CASH AND CASH EQUIVALENTS AT END OF PERIOD	期末現金及 現金等值項目	1,672,006	2,538,381
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS	現金及現金等值項目 結餘分析		
Cash and bank balances	現金及銀行結餘	1,671,412	1,976,366
Non-pledged time deposits with original maturity of less than three months when acquired	存入時原於三個月內到期 之無抵押 定期存款	594	562,015
Cash and cash equivalents as stated in the condensed consolidated statement of financial position and the condensed consolidated statement of cash flows	於簡明綜合財務狀況表 及簡明綜合現金流量表 所載列之現金 及現金等值項目	1,672,006	2,538,381

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

簡明綜合中期財務資料附註

30 June 2012
2012年6月30日

1. CORPORATE INFORMATION

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

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

During the six months ended 30 June 2012, the Group was involved in the following principal activities:

- processing, bottling and distribution of sparkling beverage and distribution of still beverage;
- production, sale and trading of grape wine and other wine products;
- distribution of retail packaged cooking oil and other consumer food products;
- production and distribution of chocolate and other related products; and
- distribution of other consumer food and beverage products that are not categorised under the aforementioned activities.

2. BASIS OF PREPARATION AND ACCOUNTING POLICIES

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

The condensed consolidated interim financial information does not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group’s financial statements for the year ended 31 December 2011.

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，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(「中糧集團」)。

於截至2012年6月30日止六個月，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；
- 生產及分銷巧克力及其他相關產品；及
- 分銷未經上述業務劃分之其他消費食品及飲料產品。

2. 編製基準及會計政策

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

本簡明綜合中期財務資料並不包括年度財務報表中所規定之全部資料及披露，因此須與本集團截至2011年12月31日止年度之財務報表一併閱讀，始屬完備。

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2. BASIS OF PREPARATION AND ACCOUNTING POLICIES (Continued)

The accounting policies and basis of preparation adopted in the preparation of the condensed consolidated interim financial information are the same as those used in the annual financial statements for the year ended 31 December 2011, except in relation to the following revised Hong Kong Financial Reporting Standards (“HKFRSs”) (which include all Hong Kong Financial Reporting Standards, HKASs and Interpretations) that affect the Group and are adopted for the first time for the current period’s financial information:

HKFRS 1 Amendments	Amendments to HKFRS 1 <i>First-time Adoption of Hong Kong Financial Reporting Standards – Severe Hyperinflation and Removal of Fixed Dates for First-time Adopters</i>
HKFRS 7 Amendments	Amendments to HKFRS 7 <i>Financial Instruments: Disclosures – Transfers of Financial Assets</i>
HKAS 12 Amendments	Amendments to HKAS 12 <i>Income Taxes – Deferred Tax: Recovery of Underlying Assets</i>

Other than as further explained below regarding the impact of HKAS 12 Amendments, the adoption of the above revised HKFRSs has no material impact on the accounting policies of the Group and the methods of computation in the Group’s condensed consolidated interim financial information.

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.

2. 編製基準及會計政策 (續)

除下列影響本集團及本集團首次於本期間財務資料採納之經修訂香港財務報告準則（「香港財務報告準則」，當中包括全部香港財務報告準則、香港會計準則及詮釋）外，編製本簡明綜合中期財務資料所採納之會計政策及編製基準，與截至2011年12月31日止年度之年度財務報表所採用者一致：

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 — 嚴重高通脹及剔除首次採用者的固定日期
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
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

除下文就香港會計準則第12號(修訂本)作出之進一步說明外，採納上述經修訂香港財務報告準則對本集團之會計政策以及本集團之簡明綜合中期財務資料內之計算方法並無任何重大影響。

香港會計準則第12號修訂本闡明如何釐定按公平值計量之投資物業之遞延稅項。有關修訂本引入可推翻推定，按公平值計量之投資物業之遞延稅項應按其賬面金額將透過銷售收回之基礎釐定。此外，修訂本併入香港(國際財務報告詮釋委員會) — 詮釋第21號所得稅 — 已重估非折舊資產之收回早前所載規定，即使用香港會計準則第16號之重估模式計量之非折舊資產之遞延稅項應一直按銷售基準計量。

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2. BASIS OF PREPARATION AND ACCOUNTING POLICIES (Continued)

Such presumption is rebutted because all of the Group's investment properties are held within a business model whose objective is to consume substantially all of the economic benefits in the investment properties over time, rather than through sale. Accordingly, deferred tax on the Group's investment properties is not determined on a sale basis. The adoption of HKAS 12 Amendments has no impact on the accounting policies and has no impacts on the Group's condensed consolidated interim financial information.

3. OPERATING SEGMENT INFORMATION

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

- (a) the beverage segment is engaged in the processing, bottling and distribution of sparkling beverage products and distribution of still beverage products;
- (b) the wine segment is engaged in the production, sale and trading of grape wine and other wine products;
- (c) the kitchen food segment is engaged in the distribution of retail packaged cooking oil and other related consumer food products;
- (d) the confectionery segment is engaged in the production and distribution of chocolate and other related products; and
- (e) the "others" segment is engaged in the distribution of other consumer food and beverage products that are not categorised under the aforementioned segments.

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

2. 編製基準及會計政策 (續)

相關推定可予以推翻，乃因本集團全部投資物業乃按以下業務模式進行持有，其目的旨在消耗大部份投資物業期內之所有經濟利益，而非進行出售。因此，本集團投資物業之遞延稅項並無按出售基準予以釐定。採納香港會計準則第12號(修訂本)並無對會計政策造成任何影響，且對本集團簡明綜合中期財務資料並無造成任何影響。

3. 經營分部資料

為管理目的，本集團按其產品及服務性質劃分為不同的業務單元且有如下五項可予呈報經營分部：

- (a) 飲料分部，從事汽水產品的加工、裝瓶及分銷及不含氣飲料產品的分銷；
- (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相關消費食品；
- (d) 休閒食品分部，從事生產及分銷巧克力及其他相關產品；及
- (e) 「其他」分部，從事分銷未經上述分部所劃分之其他消費食品及飲料產品。

管理層監察本集團個別經營分部之業績，藉此作出有關資源分配及表現評估的決定。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虧損及未分配總部及公司業績。

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3. OPERATING SEGMENT INFORMATION

(Continued)

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, financial products included in prepayments, deposits and other receivables, investments in associates and other unallocated head office and corporate assets as these assets are managed on a group basis.

3. 經營分部資料 (續)

分部資產不包括遞延稅項資產、預付稅項、抵押存款、現金及現金等值項目、可供出售投資、按公平值列入損益之股本投資、計入預付款項、按金及其他應收款項下之金融產品、於聯營公司之投資及其他未分配總部及公司資產，因為該等資產按集團基準管理。

Six months ended 30 June 2012

截至2012年6月30日止六個月

		Beverage 飲料 HK\$'000 千港元 (Unaudited) (未經審核)	Wine 酒類 HK\$'000 千港元 (Unaudited) (未經審核)	Kitchen Food 廚房食品 HK\$'000 千港元 (Unaudited) (未經審核)	Confec- tionery 休閒食品 HK\$'000 千港元 (Unaudited) (未經審核)	Others 其他 HK\$'000 千港元 (Unaudited) (未經審核)	Total 合計 HK\$'000 千港元 (Unaudited) (未經審核)
Segment revenue:	分部收益:						
Sales to external customers	銷售予外界客戶	6,133,568	1,955,822	7,085,097	308,428	95,701	15,578,616
Other revenue	其他收入	20,528	10,615	545	3,586	-	35,274
		6,154,096	1,966,437	7,085,642	312,014	95,701	15,613,890
Segment results	分部業績	311,018	449,817	46,267	(12,927)	49	794,224
<i>Reconciliation:</i>	<i>對賬:</i>						
Interest income	利息收入						18,001
Dividend income	股息收入						48,949
Finance costs	融資成本						(20,632)
Share of profits and losses of associates	應佔聯營公司溢利及虧損						15,523
Corporate and other unallocated expenses	公司及其他未分配支出						(100,427)
Profit before tax	除稅前溢利						755,638
30 June 2012	2012年6月30日						
Segment assets	分部資產	6,808,315	6,154,706	2,437,741	628,230	20,273	16,049,265
<i>Reconciliation:</i>	<i>對賬:</i>						
Elimination of intersegment receivables	撤銷分部間應收款項						(4,271,898)
Investments in associates	於聯營公司之投資						605,500
Corporate and other unallocated assets	公司及其他未分配資產						6,347,380
Total assets	資產總值						18,730,247

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3. OPERATING SEGMENT INFORMATION

(Continued)

Six months ended 30 June 2011

3. 經營分部資料 (續)

截至2011年6月30日止六個月

	Beverage 飲料 HK\$'000 千港元 (Unaudited) (未經審核)	Wine 酒類 HK\$'000 千港元 (Unaudited) (未經審核)	Kitchen Food 廚房食品 HK\$'000 千港元 (Unaudited) (未經審核)	Confectionery 休閒食品 HK\$'000 千港元 (Unaudited) (未經審核)	Others 其他 HK\$'000 千港元 (Unaudited) (未經審核)	Total 合計 HK\$'000 千港元 (Unaudited) (未經審核)
Segment revenue:	分部收益：					
Sales to external customers	銷售予外界客戶					
Other revenue	其他收入					
	5,313,178	1,752,939	6,172,412	243,699	-	13,482,228
	18,203	16,054	10,174	2,893	-	47,324
	5,331,381	1,768,993	6,182,586	246,592	-	13,529,552
Segment results	分部業績					
<i>Reconciliation:</i>	<i>對賬：</i>					
Interest income	利息收入					
Dividend income	股息收入					
Finance costs	融資成本					
Share of profits of associates	應佔聯營公司溢利					
Corporate and other unallocated expenses	公司及其他未分配支出					
	274,927	299,525	74,335	(41,588)	-	607,199
						14,055
						36,992
						(33,923)
						26,623
						(49,808)
Profit before tax	除稅前溢利					
						601,138
31 December 2011	2011年12月31日					
	Beverage 飲料 HK\$'000 千港元 (Audited) (經審核)	Wine 酒類 HK\$'000 千港元 (Audited) (經審核)	Kitchen Food 廚房食品 HK\$'000 千港元 (Audited) (經審核)	Confectionery 休閒食品 HK\$'000 千港元 (Audited) (經審核)	Others 其他 HK\$'000 千港元 (Audited) (經審核)	Total 合計 HK\$'000 千港元 (Audited) (經審核)
Segment assets	分部資產					
<i>Reconciliation:</i>	<i>對賬：</i>					
Elimination of intersegment receivables	撤銷分部間應收款項					
Investments in associates	於聯營公司之投資					
Corporate and other unallocated assets	公司及其他未分配資產					
	7,097,198	5,516,375	3,105,889	537,171	-	16,256,633
						(5,837,810)
						567,934
						7,343,226
Total assets	資產總值					
						18,329,983

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4. REVENUE, OTHER INCOME AND GAINS

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

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

4. 收入、其他收入及收益

收入(本集團之營業額)乃指於期內扣除退貨及貿易折扣後的已售出貨品發票淨值。

本集團其他收入及收益分析如下：

		For the six months ended 30 June 截至6月30日止六個月	
		2012 2012年 HK\$'000 千港元 (Unaudited) (未經審核)	2011 2011年 HK\$'000 千港元 (Unaudited) (未經審核)
Other income	其他收入		
Gross rental income	租金收入總額	4,237	3,423
Bank interest income	銀行利息收入	10,415	10,847
Interest income from financial products	金融產品之利息收入	5,317	–
Interest income from held-to-maturity investments	持有至到期投資之利息收入	2,269	3,208
Dividend income from available-for-sale investments	可供出售投資之股息收入	48,807	36,926
Dividend income from equity investments at fair value through profit or loss	按公平值列入損益之股本投資之股息收入	142	231
Government grants*	政府補助*	11,264	9,386
Compensation income	補償收入	848	6,209
Sale of by-products and scrap items	出售副產品及廢料項目	1,047	4,396
Others	其他	17,421	25,027
		101,767	99,653
Gains	收益		
Foreign exchange differences, net	匯兌差額，淨額	249	–
		249	–
		102,016	99,653

* 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。

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5. FINANCE COSTS

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

5. 融資成本

本集團融資成本分析如下：

		For the six months ended 30 June 截至6月30日止六個月	
		2012 2012年 HK\$'000 千港元 (Unaudited) (未經審核)	2011 2011年 HK\$'000 千港元 (Unaudited) (未經審核)
Interest on:	利息：		
Bank loans wholly repayable within five years	五年內全數償還之銀行貸款	10,172	10,266
Loans from a fellow subsidiary	同系附屬公司之貸款	5,895	81
Others	其他	4,565	23,576
		20,632	33,923

6. PROFIT BEFORE TAX

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

6. 除稅前溢利

本集團之除稅前溢利乃於扣除/(計入)下列各項之後得出：

		For the six months ended 30 June 截至6月30日止六個月	
		2012 2012年 HK\$'000 千港元 (Unaudited) (未經審核)	2011 2011年 HK\$'000 千港元 (Unaudited) (未經審核)
Cost of inventories sold	售出存貨成本	12,118,540	10,292,059
Provision against inventories	存貨撥備	3,770	3,516
Cost of sales	銷售成本	12,122,310	10,295,575
Depreciation	折舊	237,942	197,251
Amortisation of other intangible assets	其他無形資產攤銷	5,317	5,223
Recognition of prepaid land premiums	確認預付土地金	3,521	2,993
Loss on disposal of items of property, plant and equipment	出售物業、廠房及設備項目之虧損	3,362	2,357
Impairment of available-for-sale investments	可供出售投資之減值	-	318
Fair value losses on equity investments at fair value through profit or loss	按公平值列入損益之股本投資之公平值虧損	194	165
Impairment/(reversal of impairment) of receivables	應收款項減值/(減值撥回)	1,201	(139)
Foreign exchange differences, net	匯兌差額，淨額	(249)	247

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7. INCOME TAX EXPENSE

Hong Kong profits tax has been provided at the rate of 16.5% on the estimated assessable profits arising in Hong Kong during the period (six months ended 30 June 2011: 16.5%). Taxes on profits assessable elsewhere have been calculated at the rates of tax prevailing in the jurisdictions in which the Group operates.

Under the PRC income tax laws, enterprises are subject to corporate income tax ("CIT") at a rate of 25%. In Mainland China, tax holidays were granted by the relevant authorities to certain 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.

7. 所得稅支出

香港利得稅撥備已按於期間於香港產生的估計應課稅溢利以16.5% (截至2011年6月30日止六個月：16.5%) 的稅率作出。其他地區之應課稅溢利之稅項按本集團經營所在之司法權區之現行稅率計算。

根據中國所得稅法，企業須按稅率25%繳納企業所得稅（「企業所得稅」）。於中國內地，相關部門向部分附屬公司授予稅項寬免，即附屬公司首兩個溢利年度獲豁免企業所得稅且其後三個年度按適用稅率減半繳納。

		For the six months ended 30 June 截至6月30日止六個月	
		2012 2012年 HK\$'000 千港元 (Unaudited) (未經審核)	2011 2011年 HK\$'000 千港元 (Unaudited) (未經審核)
Current charge for the period:	期內扣除：		
Hong Kong	香港	51	612
Mainland China	中國內地	212,584	187,277
Deferred	遞延	(49,138)	(771)
Total tax charge for the period	本期間稅項支出總額	163,497	187,118

The share of tax attributable to associates amounting to HK\$5,350,000 (six months ended 30 June 2011: HK\$8,257,000) is included in "Share of profits and losses of associates" in the condensed consolidated income statement.

聯營公司應佔稅項達致5,350,000港元 (截至2011年6月30日止六個月：8,257,000港元)，乃計入簡明綜合收入報表中「應佔聯營公司溢利及虧損」。

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7. INCOME TAX EXPENSE (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 the interim financial information.

8. DIVIDEND

7. 所得稅支出 (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內部的重組活動(「重組」)。倘「集團重組稅務規則」所載的基準獲採納，本集團可能面臨相關稅務風險。經審慎考慮主要因素(包括「集團重組稅務規則」的相關法律詮釋及意見以及現行稅務實務)後，本公司認為，重組不大可能引致本集團的相關稅務風險(倘有)。因此，概無就此於該中期財務資料中作出撥備。

8. 股息

		For the six months ended 30 June	
		截至6月30日止六個月	
		2012	2011
		2012年	2011年
		HK\$'000	HK\$'000
		千港元	千港元
		(Unaudited)	(Unaudited)
		(未經審核)	(未經審核)
Interim – HK6.11 cents	中期 – 每股普通股6.11港仙		
(six months ended 30 June 2011:	(截至2011年6月30日		
HK4.07 cents) per ordinary share	止六個月：4.07港仙)	170,764	113,661

9. EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT

The calculation of basic earnings per share amount for the period ended 30 June 2012 is based on the profit for the period attributable to ordinary equity holders of the parent of HK\$474,191,000 (six months ended 30 June 2011: HK\$315,382,000), and the weighted average number of ordinary shares of 2,793,634,575 (six months ended 30 June 2011: 2,792,460,861) in issue during the period.

9. 母公司普通股權益持有人應佔每股盈利

截至2012年6月30日止期間每股基本盈利數額乃按母公司普通股權益持有人應佔期內溢利474,191,000港元(截至2011年6月30日止六個月：315,382,000港元)，以及期內已發行普通股之加權平均數2,793,634,575股(截至2011年6月30日止六個月：2,792,460,861股)計算。

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9. EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT *(Continued)*

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

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

9. 母公司普通股權益持有人應佔每股盈利(續)

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

每股基本及攤薄盈利之計算乃根據：

		For the six months ended 30 June 截至6月30日止六個月	
		2012 2012年 HK\$'000 千港元 (Unaudited) (未經審核)	2011 2011年 HK\$'000 千港元 (Unaudited) (未經審核)
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之母公司普通股權益擁有人應佔溢利	474,191	315,382

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9. EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT (Continued)

9. 母公司普通股權益持有人應佔每股盈利 (續)

		Number of shares 股份數目	
		For the six months ended 30 June 截至6月30日止六個月	
		2012 2012年 (Unaudited) (未經審核)	2011 2011年 (Unaudited) (未經審核)
Shares	股份		
Weighted average number of ordinary shares in issue during the period, used in the basic earnings per share calculation	用於計算每股基本盈利之期內已發行普通股加權平均數	2,793,634,575	2,792,460,861
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	8,952,186	921,706
		2,802,586,761	2,793,382,567

10. PROPERTY, PLANT AND EQUIPMENT

During the six months ended 30 June 2012, the Group acquired items of property, plant and equipment at a total cost of HK\$579,962,000 (six months ended 30 June 2011: HK\$185,189,000) and disposed of items of property, plant and equipment with a total net carrying amount of HK\$14,136,000 (six months ended 30 June 2011: HK\$13,245,000).

10. 物業、廠房及設備

於截至2012年6月30日止六個月，本集團收購物業、廠房及設備項目之成本總額為579,962,000港元（截至2011年6月30日止六個月：185,189,000港元），出售物業、廠房及設備項目之賬面淨值總額為14,136,000港元（截至2011年6月30日止六個月：13,245,000港元）。

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11. ACCOUNTS AND BILLS RECEIVABLES

11. 應收賬款及票據

		30 June 2012 2012年 6月30日 HK\$'000 千港元 (Unaudited) (未經審核)	31 December 2011 2011年 12月31日 HK\$'000 千港元 (Audited) (經審核)
Accounts and bills receivables	應收賬款及票據	2,608,875	1,972,100
Impairment	減值	(25,965)	(27,493)
		2,582,910	1,944,607

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

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。

於報告期末之本集團應收賬款及票據賬齡按發票日期並扣除減值分析如下：

		30 June 2012 2012年 6月30日 HK\$'000 千港元 (Unaudited) (未經審核)	31 December 2011 2011年 12月31日 HK\$'000 千港元 (Audited) (經審核)
Within 3 months	三個月內	1,966,223	1,336,664
3 to 12 months	三個月至十二個月內	557,625	597,316
1 to 2 years	一年至兩年內	56,935	7,735
Over 2 years	超過兩年	2,127	2,892
		2,582,910	1,944,607

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12. PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES

Included in the Group's prepayments, deposits and other receivables are financial products of HK\$196,266,000 (2011: Nil) with original maturity of not more than three months when acquired from banks. The principals of these financial products are guaranteed by banks.

13. ACCOUNTS AND BILLS PAYABLES

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

		30 June 2012 2012年 6月30日 HK\$'000 千港元 (Unaudited) (未經審核)	31 December 2011 2011年 12月31日 HK\$'000 千港元 (Audited) (經審核)
Within 3 months	三個月內	1,479,721	1,288,808
3 to 12 months	三個月至十二個月內	370,594	263,213
1 to 2 years	一年至兩年內	5,892	5,972
Over 2 years	超過兩年	476	715
		1,856,683	1,558,708

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 30 June 2012, certain of the Group's bills payable were secured by the Group's bank deposits amounting to HK\$534,000 (2011: HK\$21,415,000).

14. SHARE CAPITAL

Share options

During the period, 1,883,000 share options were exercised for 1,883,000 shares of the Company of HK\$0.1 each at an exercise price of HK\$4.952 per share.

15. OPERATING LEASE ARRANGEMENTS

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.

12. 預付款項、按金及其他應收款項

計入本集團預付款項、按金及其他應收款項之財務產品價值196,266,000港元(2011年：無)，原定屆滿日自向銀行購入起計不超過三個月。該等財務產品之本金額由銀行擔保。

13. 應付賬款及票據

於報告期末之本集團應付賬款及票據賬齡按發票日期分析如下：

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2012年6月30日，本集團若干應付票據由本集團銀行存款534,000港元(2011年：21,415,000港元)進行抵押。

14. 股本

購股權

期內，1,883,000份購股權已獲行使，以按行使價每股4.952港元認購1,883,000股本公司每股面值0.1港元之股份。

15. 經營租約安排

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

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15. OPERATING LEASE ARRANGEMENTS

(Continued)

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

		30 June 2012 2012年 6月30日 HK\$'000 千港元 (Unaudited) (未經審核)	31 December 2011 2011年 12月31日 HK\$'000 千港元 (Audited) (經審核)
Within one year	一年內	98,999	61,068
In the second to fifth years, inclusive	第二至第五年， 包括首尾兩年	91,357	50,371
After five years	五年後	69,545	73,440
		259,901	184,879

16. CAPITAL COMMITMENTS

In addition to the operating lease commitments detailed in note 15 above, the Group had the following capital commitments at the end of the reporting period:

		30 June 2012 2012年 6月30日 HK\$'000 千港元 (Unaudited) (未經審核)	31 December 2011 2011年 12月31日 HK\$'000 千港元 (Audited) (經審核)
Property, plant and equipment: Authorised, but not contracted for	物業、廠房及設備： 已授權但未訂約	10,327	13,403
Contracted, but not provided for	已訂約但未計提	283,874	139,901
		294,201	153,304

17. CONTINGENT LIABILITIES

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

15. 經營租約安排 (續)

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：

16. 資本承擔

除上文附註15所載之經營租約承擔外，本集團於報告期末之資本承擔如下：

17. 或然負債

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

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18. RELATED PARTY TRANSACTIONS

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

18. 關連人士交易

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

		For the six months ended 30 June 截至6月30日止六個月	
		2012 2012年 HK\$'000 千港元 (Unaudited) (未經審核)	2011 2011年 HK\$'000 千港元 (Unaudited) (未經審核)
	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)	1,093	42,373
Purchases of goods	購買貨品 (i)	3,341,838	3,547,715
Service fee income	服務費用收入 (i)	–	9,801
Rental expenses	租金支出 (i)	15,105	7,472
Interest expenses	利息支出 (ii)	5,895	81
Transactions with the ultimate holding company:	與最終控股公司之交易：		
Sales of goods	銷售貨品 (i)	4,706	–
Purchases of goods	購買貨品 (i)	62,837	–
Rental expenses	租金支出 (i)	–	358
Transactions with associates:	與聯營公司之交易：		
Sales of goods	銷售貨品 (i)	9,252	11,484
Purchases of goods	購買貨品 (i)	1,034,159	838,158
Transactions with related companies#:	與關連公司之交易#：		
Sales of goods	銷售貨品 (i)	1,532	10,096
Purchases of goods	購買貨品 (i)	1,331,193	1,267,537

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

關連公司為受本集團最終控股公司重大影響之公司。

Notes:

附註：

(i) These transactions were carried out in accordance with terms and conditions mutually agreed by both parties.

(i) 該等交易乃按根據雙方互相議定之條款及條件進行。

(ii) Interest expenses arose from the loans from COFCO Finance Corporation Limited ("COFCO Finance"), a wholly-owned subsidiary of COFCO, which are unsecured and bear interest at rates ranging from 5.85% to 6.1% (six months ended 30 June 2011: 4.59%) per annum.

(ii) 該等利息開支產生於就中糧財務有限責任公司(「中糧財務」)(中糧集團之全資附屬公司)之貸款，該等貸款為無抵押，按年息5.85厘至6.1厘(截至2011年6月30日止六個月：4.59厘)計息。

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18. RELATED PARTY TRANSACTIONS

(Continued)

(b) Transaction 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 food business. The licensing fees for the current period and the prior period were waived by COFCO.

(c) Commitments with related parties

- (i) On 1 August 2011, a subsidiary of the Group entered into 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 period is included in note 18(a) to the condensed consolidated interim financial information. The Group expects total rental expenses payable to COFCO Plaza Development Co., Ltd. from July 2012 to October 2014 to be approximately HK\$19,904,000.
- (ii) On 19 January 2012, a subsidiary of the Group entered into a two-year agreement ending 31 December 2013 with Bapton Company Limited, a subsidiary of COFCO, to lease properties as its office. The amount of total rental expenses paid/payable to Bapton Company Limited for the period is included in note 18(a) to the condensed consolidated interim financial information. The Group expects total rental expenses payable to Bapton Company Limited from July 2012 to December 2013 to be approximately HK\$2,590,000.

18. 關連人士交易 (續)

(b) 與一名關連人士之交易

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

(c) 與關連人士之承諾

- (i) 於2011年8月1日，本集團附屬公司與中糧集團的附屬公司中糧廣場發展有限公司就租賃物業作為其辦公室訂立為期三年之協議，該協議截至2014年10月30日到期。期內已付／應付中糧廣場發展有限公司之總租金支出於簡明綜合中期財務資料附註18(a)內列賬。本集團預期，自2012年7月至2014年10月止應付中糧廣場發展有限公司之總租金支出將為約19,904,000港元。
- (ii) 於2012年1月19日，本集團附屬公司與中糧集團的附屬公司Bapton Company Limited就租賃物業作為其辦公室訂立為期兩年之協議，該協議截至2013年12月31日到期。期內已付／應付Bapton Company Limited之總租金支出於簡明綜合中期財務資料附註18(a)內列賬。本集團預期，自2012年7月至2013年12月止應付Bapton Company Limited之總租金支出將為約2,590,000港元。

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18. RELATED PARTY TRANSACTIONS

(Continued)

(d) Outstanding balances with related parties and non-controlling shareholders of the Group's subsidiaries and other borrowings

Except for the other borrowings of HK\$1,471,994,000 (2011: HK\$55,508,000) from COFCO Finance as at 30 June 2012, which are unsecured, bear interests at rates ranging from 5.85% to 6.1% (2011: 6.1%) per annum and are repayable within one year from the end of the reporting period, 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.

(e) Compensation of key management personnel of the Group

18. 關連人士交易 (續)

(d) 關連人士及本集團附屬公司之非控股股東之未償還餘額及其他貸款

除中糧財務於2012年6月30日之其他貸款1,471,994,000港元(2011年: 55,508,000港元)為無抵押、按年息介乎5.85厘至6.1厘(2011年: 6.1厘)計息及須於報告期末起一年內償還外, 本集團控股公司、同系附屬公司及彼等之聯營公司及本集團附屬公司之非控股股東之貸款餘額乃無抵押、免息及無固定還款期。

(e) 本集團主要管理層人員之報酬

		For the six months ended 30 June 截至6月30日止六個月	
		2012 2012年 HK\$'000 千港元 (Unaudited) (未經審核)	2011 2011年 HK\$'000 千港元 (Unaudited) (未經審核)
Short term employee benefits	短期僱員福利	5,745	4,425
Equity-settled share option expense	股本結算 購股權開支	1,154	1,123
Pension scheme contributions	退休計劃供款	38	201
Total compensation paid to key management personnel	付予主要管理層人員之報酬總額	6,937	5,749

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18. RELATED PARTY TRANSACTIONS

(Continued)

(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 period, 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.

19. FAIR VALUE AND FAIR VALUE HIERARCHY

As at 30 June 2012 and 31 December 2011, the carrying amounts of the Group’s financial instruments approximate to their fair values.

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

Fair value hierarchy

The Group uses the following hierarchy for determining and disclosing the fair values 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

18. 關連人士交易 (續)

(f) 與其他國有企業之交易及結餘

本集團於一個由中國政府直接或間接通過其各級機關、聯屬公司或其他機構擁有或控制之企業(統稱「國有企業」)為主之經濟環境中經營。期內，本集團與除中糧集團及其聯屬公司以外之若干國有企業按比非國有企業相若之條款訂立各類交易，包括但不限於銷售貨品、採購原料、收購物業、廠房及設備及其他資產、獲取服務以及存款及借款。董事會認為，與該等國有企業進行之交易均屬於正常日常業務過程進行之業務，本集團之該等交易並無因本集團及該等國有企業由中國政府最終控制或擁有而蒙受重大或不良影響。本集團亦制定有關產品及服務之定價政策，而該等政策不會視乎客戶是否屬國有企業而制定。

19. 公平值及公平值層級

於2012年6月30日及2011年12月31日，本集團金融工具之賬面值與其公平值相若。

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

公平值層級

本集團使用以下層級釐定及披露金融工具之公平值：

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

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

簡明綜合中期財務資料附註

30 June 2012
2012年6月30日

19. FAIR VALUE AND FAIR VALUE HIERARCHY (Continued)

Fair value hierarchy (Continued)

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)

Assets measured at fair value:

Group

As at 30 June 2012

		Level 1 第一層 HK\$'000 千港元 (Unaudited) (未經審核)	Level 2 第二層 HK\$'000 千港元 (Unaudited) (未經審核)	Level 3 第三層 HK\$'000 千港元 (Unaudited) (未經審核)	Total 總計 HK\$'000 千港元 (Unaudited) (未經審核)
Equity investments at fair value through profit or loss	按公平值計入損益之權益投資	14,822	-	-	14,822

As at 31 December 2011

		Level 1 第一層 HK\$'000 千港元 (Audited) (經審核)	Level 2 第二層 HK\$'000 千港元 (Audited) (經審核)	Level 3 第三層 HK\$'000 千港元 (Audited) (經審核)	Total 總計 HK\$'000 千港元 (Audited) (經審核)
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

20. APPROVAL OF THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

The condensed consolidated interim financial information was approved and authorised for issue by the Board on 29 August 2012.

19. 公平值及公平值層級 (續)

公平值層級 (續)

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

按公平值計量之資產：

本集團

於2012年6月30日

20. 簡明綜合中期財務資料之批准

該等簡明綜合中期財務資料於2012年8月29日經董事會批准及授權刊發。

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