



产业链 好产品

INTERIM REPORT 2016 中期報告



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

CORPORATE PROFILE

China Foods Limited (“China Foods” or 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 and kitchen food. 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 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.



GREATWALL®

长城葡萄酒



公司概況

中國食品有限公司(「中國食品」或「本公司」)為中糧集團有限公司(「中糧」)的附屬公司，並在香港聯合交易所有限公司主板上市(股票代碼：506)。本公司主要業務包括飲料、酒類及廚房食品。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。



Coca-Cola



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DIRECTORS

Chairman and Non-executive Director

Mr. Ma Jianping

Executive Directors

Mr. Jiang Guojin (*Managing Director*)

Ms. Wu Wenting (*Chief Financial Officer*)

Non-executive Directors

Ms. Liu Ding

Mr. Wang Zhiying

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. Stephen Edward Clark

Mr. Paul Kenneth Etchells

Mr. Ma Jianping

Mr. Wang Zhiying

NOMINATION COMMITTEE

Mr. Ma Jianping (*Committee Chairman*)

Mr. Li Hung Kwan, Alfred

Mr. Yuen Tin Fan, Francis

EXECUTIVE COMMITTEE

Mr. Jiang Guojin (*Committee Chairman*)

Ms. Wu Wenting

COMPANY SECRETARY

Ms. Liu Kit Yee, Linda

董事

主席兼非執行董事

馬建平先生

執行董事

江國金先生(*董事總經理*)

吳文婷女士(*首席財務官*)

非執行董事

柳丁女士

王之盈先生

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*)

祈立德先生(Mr. Stephen Edward Clark)

包逸秋先生(Mr. Paul Kenneth Etchells)

馬建平先生

王之盈先生

提名委員會

馬建平先生(*委員會主席*)

李鴻鈞先生

袁天凡先生

執行委員會

江國金先生(*委員會主席*)

吳文婷女士

公司秘書

廖潔儀女士

SOLICITORS

Conyers, Dill & Pearman

AUDITOR

Ernst & Young

PRINCIPAL BANKERS

Agricultural Bank of China Limited, Hong Kong Branch
Bank of China Limited
Bank of China (Hong Kong) Limited
Bank of Communications Co., Ltd.
China CITIC Bank Corporation Limited
China Construction Bank Corporation
DBS Bank (Hong Kong) Limited
Hang Seng Bank Limited
Industrial and Commercial Bank of China Limited
Mizuho Bank, Ltd.
Oversea-Chinese Banking Corporation Limited,
Hong Kong Branch
Sumitomo Mitsui Banking Corporation, Hong Kong Branch
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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律師

Conyers, Dill & Pearman

核數師

安永會計師事務所

主要往來銀行

中國農業銀行股份有限公司香港分行
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
星展銀行(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
瑞穗銀行
華僑銀行有限公司香港分行

三井住友銀行香港分行
東京三菱UFJ銀行香港分行
香港上海滙豐銀行有限公司

註冊辦事處

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▶ LETTER FROM THE MANAGING DIRECTOR 董事總經理函件

Jiang Guojin
江國金
Managing Director
董事總經理



REVIEW – FIRST HALF OF 2016

In the first half of 2016, the continued slow growth of the macro-economy in China, coupled with increasingly fierce competition, put pressure on the revenue growth of the Group's beverage and wine businesses.

Faced with unfavorable external challenges, the Group has followed the strategies formulated at the beginning of the year and adopted effective measures to implement various key areas of work.

During the period, the Group has made considerable effort to streamline its business, to optimize its business portfolio and to reallocate resources in order to enhance the return to our shareholders. In achieving that, the Company has taken the following actions during the period:

On 31 December 2015, the Company announced its intention to transfer its equity interest in Prized Developments Limited (a wholly-owned subsidiary of the Company and an investment holding company for the production assets of our confectionery business), and the shareholder's loans payable by Prized Developments Limited to the Company, to Tops Properties Limited. This transaction was a disclosable and connected transaction, which was duly approved by the independent shareholders of the Company by way of poll at the special general meeting held on 6 May 2016. The closing of the transaction was successfully completed on 31 May 2016. The transaction generated a one-off disposal income of approximately HK\$523 million for the Company.

On 14 April 2016, the Company issued a voluntary announcement in relation to its intention to dispose of the Group's 55% equity interests in COFCO Junding Vineyard Co., Ltd., and its 55% equity interests of Shandong COFCO Junding Wines & Spirits Co., Ltd., respectively, by way of public auctions for sale on the China Beijing Equity Exchange on 15 April 2016. As at the date of this interim report, the Company has yet to find a qualified transferee and the public auctions are still ongoing.

回顧－2016年上半年

2016年上半年，國內宏觀經濟增速持續放緩，加上行業競爭更趨激烈，對本集團的飲料和酒品類業務的收入增長構成壓力。

面對不利的外部環境，本集團按照年初制定的經營思路，積極採取有效措施，深入貫徹落實各項重點工作任務。

期內，本集團大力推進業務和戰略更加聚焦，優化業務組合，重新配置資源發展核心業務，以提高股東回報。為達此目標，本公司於期內採取了以下行動：

於2015年12月31日，本公司公告向華高置業有限公司轉讓其於Prized Developments Limited（交割前為本公司的全資附屬公司，休閒食品業務生產主體的投資控股公司）的股權及Prized Developments Limited應付本公司的股東貸款的意圖。此交易為須予披露及關連交易，於2016年5月6日舉行的股東特別大會上已獲獨立股東投票通過，並於2016年5月31日成功交割，為本公司帶來一次性出售收益約5.23億港元。

於2016年4月14日，本公司發佈自願性公告披露本集團已將持有的中糧君頂酒莊有限公司（「君頂酒莊」）55%權益及山東中糧君頂酒業有限公司（「君頂酒業」）的55%權益自2016年4月15日起分別在北京產權交易所公開掛牌出售。截至本中期報告之日，本公司仍未能徵集到符合交易條件的受讓方，公開掛牌程序仍然繼續。

Apart from these transactions, faced with a range of unfavorable external factors, the Company continued to implement a series of initiatives in order to improve our performance, which included (1) launching strategic products based on the Group's market insights and product innovation so as to lay a foundation for repositioning of brands and to boost sales growth; (2) continuing to increase brand investments strategically in order to enhance marketability of our brands; and (3) continuing to promote distribution channel diversification, by increasing penetration into county-level markets, and actively exploring other emerging channels such as electronic commerce and convenience stores, so as to increase the number of points of sale.

As a result, the overall operational efficiency of the Group continued to improve during the first half of 2016. Excluding the effect of the RMB depreciation, overall revenue of the continuing operations of the Group increased by 5.2%, which was mainly due to the increase in revenue of the kitchen food business, but the growth was partially offset by a decline in beverage segment revenue caused by a shift in industry-wide consumer trends, and by changes in sales mix. In respect of operating profit, the kitchen food, wine and beverage businesses experienced moderate improvements compared with that of the same period last year. During the period, including the one-off income from the disposal of discontinued operation, profit attributable to owners of the parent of the Group increased significantly by 441.0%. In respect of the financial situation, inventory levels, gearing ratio and net leverage ratio were lower compared with the same period last year.

OUTLOOK – SECOND HALF OF 2016

The economy in China is expected to be still under pressure in the second half of the year. The increasing competition in the food and beverage industry will continue to bring uncertainty to our business operations.

Under such circumstances, we will strive to improve our results for the full year of 2016 by implementing our key tasks laid down at the beginning of the year.

Finally, on behalf of China Foods, I wish to express my sincere gratitude to our shareholders, customers and business partners for their continued support. I would also like to thank members of the board of directors ("the Board"), the entire management team and our employees for their devotion and hard work.

此外，面對外部環境的嚴峻挑戰，本公司繼續採取以下一系列改善經營表現的舉措：(1) 在深入市場洞察和產品創新基礎上，推出戰略大單品，為品牌重新定位和拉動銷售增長奠定基礎；(2) 繼續推行加大品牌投入的激勵政策，提升品牌營銷能力；及(3) 繼續推動渠道多樣化及向縣級市場下沉，大力拓展電商和便利店等新興渠道，增加終端售點數量。

因此，2016年上半年，本集團的整體營運效率繼續改善。在撇除人民幣貶值影響後，整體持續經營業務收入同比增加5.2%，主因飲料業務受行業消費趨勢變化和品類結構變化影響，抵消廚房食品業務收入之增長；經營利潤方面，廚房食品業務、酒品類業務及飲料業務較同期略有改善；結合期內錄得出售終止經營業務之一次性收益，本集團母公司擁有人應佔溢利同比大幅增長441.0%。財務狀況方面，存貨水平、資產負債率及淨槓桿比率均同比下降。

展望 – 2016年下半年

2016年下半年，中國經濟仍面臨較大壓力，食品飲料行業競爭持續加劇等因素將給企業經營帶來較大不確定性。

在此情況下，本集團將通過繼續落實年初制定的重點工作，改善2016年全年業績。

最後，本人謹此代表中國食品向股東、客戶及業務夥伴一直給予的支持表示最深厚的謝意，也感謝董事會（「董事會」）成員、管理層及員工的勤勉工作。



这感觉 够爽

► MANAGEMENT DISCUSSION AND ANALYSIS 管理層論析

BUSINESS REVIEW

BEVERAGE BUSINESS

Business Introduction

- The beverage business of the Company is primarily carried out by COFCO Coca-Cola Beverages Limited (“CCBL”), an entity jointly established by the Company and The Coca-Cola Company (“The Coca-Cola Company”), in which the Company holds a 65% interest.
- CCBL has the exclusive right to manufacture, market and distribute Coca-Cola products in 15 provinces, municipalities and regions including Tianjin, Hebei, Beijing, Shandong, Hunan, Jiangxi, Guizhou, Hainan, Gansu, Ningxia, Qinghai, Tibet, Inner Mongolia, Xinjiang and Guangdong (Zhanjiang and Maoming). CCBL has minority equity stakes in Coca-Cola bottling companies located in Guangdong, Zhejiang and Jiangsu. CCBL also has associate interests in Coca-Cola Bottlers Manufacturing Holdings Limited, a manufacturing company which mainly supplies still beverages to all Coca-Cola franchisees in mainland China.

業務回顧

飲料業務

業務簡介

- 本公司的飲料業務主要是透過與可口可樂公司(「可口可樂公司」)合作成立的合營公司中糧可口可樂飲料有限公司(「中可」)來經營，其中，本公司持有65%權益。
- 中可擁有在天津、河北、北京、山東、湖南、江西、貴州、海南、甘肅、寧夏、青海、西藏、內蒙、新疆、廣東(湛茂)15個省、市、地區的可口可樂系列產品的生產、市場營銷及分銷專營權。還通過參股方式，在廣東、浙江及江蘇可口可樂裝瓶企業持有少數權益及一家生產公司的聯屬權益。該生產公司為Coca-Cola Bottlers Manufacturing Holdings Limited，主要向中國內地所有可口可樂專營公司供應不含汽飲料。



Development Strategy

The strategic goal of CCBL is to build a world-class bottling group with a well-regarded professional team, to build the most valuable sales and distribution network, and to become the most efficient beverage industry player in every region in which we operate. To this end, CCBL has been implementing the following strategies:

- Insistence on commitment to food safety and quality;
- The continued improvement of our product offering to the trade by ensuring that our core products have enduring appeal to consumers, and by introducing new higher margin products. At the same time, we will seek to develop strategic cooperative relationships with, and to raise gross margin for, both CCBL and its distributors through a reasonable margin sharing model, and accelerate the inventory turnover at point-of-sale;
- Strengthen our relationship with participants in our outlet delivery partners program, and provide support for the growth of our customers through product category management, and the application of route-to-market strategies for the sales and distribution network;

發展策略

中可的目標是建立世界級裝瓶集團，擁有業務的所有區域，擁有受讚賞的專業團隊，建設最具價值的營銷網絡，成為最佳效益的裝瓶集團。為此，中可一直奉行以下策略：

- 堅持在食品安全和質量方面的承諾；
- 持續優化產品結構，培育汽水的持續發展，選擇上市高毛利新品，通過合理的價值鏈設計提升中可和分銷客戶的毛利水平，發展戰略合作體系，加快終端產品動銷；
- 加強生意合作夥伴的客戶管理，通過合理的通路策略以及對客戶的品類管理及客戶營銷網絡的管理，攜手客戶一起成長；

► MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

- Focus on further improving retail execution as this is our contact point with consumers;
 - Effective control of costs and improvement of efficiency; and
 - Encouragement of creative concepts and innovative ideas in business processes, marketing and management systems.
- 專注做好零售點的市場執行，透過零售點每天向數以百萬計的消費者售賣產品，推廣品牌；
 - 持續有效地管理成本和提高效率；及
 - 鼓勵創新，積極推動觀念創新、流程創新、市場創新和管理機制創新。

On 10 February 2016, the Company announced that: (1) the Company has entered into a letter of intent (by the Company, The Coca-Cola Company and Swire Beverages Holdings Limited) relating to the bottling operations of The Coca-Cola Company in mainland China, and (2) the letter of intent includes an expression of intent to negotiate the refranchising of the existing bottling operations of The Coca-Cola Company to its existing partners, which include CCBL. As at the date of this interim report, no agreements have been entered into between the relevant parties and there is no assurance that such agreements will be entered into.

Industry Overview

Among the principal beverage product categories, CCBL is a major player in the Sparkling, Juice and Packaged Water categories. According to industry data in the first quarter of 2016, in terms of volume growth, the overall non-alcohol ready-to-drink (NARTD) beverages market (excluding white milk and bulk water) grew by 3.2%, while the growth rates of the Sparkling and Juice categories decreased by 5.3% and 4.2% respectively while the Packaged Water category rose by 9.2%.

於2016年2月10日，本公司公告確認：(1)本公司已簽訂了一項關於一份可口可樂公司在中國內地裝瓶業務的意向書(簽訂方為本公司，可口可樂公司和太古飲料控股有限公司)及(2)該意向書包含了表達洽談可口可樂公司將其現有裝瓶業務重新特許予其現有的合作夥伴(其中包括中可)的意向。截至本中期報告之發佈日，有關各方之間尚沒有簽訂協議，且並不保證將會簽訂該等協議。

行業概覽

在主要飲料品類中，中可為汽水、果汁和包裝水品類的主要參與者。根據2016年第一季度的行業數據顯示，從銷量增速看，整體可供飲用非酒精飲料行業(不包含白奶和大桶水)增長3.2%，其中，汽水品類和果汁品類分別呈現負增長5.3%和4.2%，包裝水品類增長9.2%。

2016 Interim Results

A comparison of the 2016 interim results with those of the comparative period in 2015 of the beverage business segment is summarized below:

		For the six months ended 30 June 2016 截至2016年6月30日止 六個月 (HK\$' million) (百萬港元)	For the six months ended 30 June 2015 截至2015年6月30日止 六個月 (HK\$' million) (百萬港元)	Changes 變動 (note) (註)
Revenue	收入	6,156.5	7,095.4	-13.2%
Segment result	分部業績	455.4	445.6	+2.2%
As percentage of revenue	佔收入百分比	7.40%	6.28%	+1.12 percentage points +1.12個百分點
Percentage increase in sales volume	銷量增加百分比			+2%
Percentage point increase of gross profit margin	毛利率增加百分點			+3.8 percentage points +3.8個百分點

(Note): In RMB terms, segment revenue declined by 6.9% while the segment result grew by 9.6%.

Sales volume of Sparkling and Juice products decreased by 5% and 18% respectively, while sales volume of Packaged Water products increased by 27%. As a result, overall sales volume only increased slightly by 2%. In RMB terms, overall sales revenue dropped by 6.9% with Packaged Water, on which net selling prices are relatively low falling, despite strong volume growth, to fully offset the decline in the revenue contribution from Sparkling and Juice products.

Benefiting from falling raw material prices, the overall gross profit margin increased by 3.8 percentage points. Meanwhile, the spending on marketing increased in response to increased competition. By continuing implementation of effective budget management, including effective control on expenses per unit case, and measures to enhance promotional efficiency, the ratio of selling and distribution expenses only increased by 2.6 percentage points.

2016年中期業績

飲料業務分部2016年中期業績與2015年同期業績相比摘要如下：

(註)：按人民幣口徑，分部收入減少6.9%，而分部業績增長9.6%。

汽水品類銷量和果汁品類銷量同比分別下降5%和18%，包裝水產品銷量則同比上升27%。因此，整體銷量同比僅小幅增加2%。按人民幣口徑，儘管銷量額較低的包裝水產品銷售收入顯著增加，但不足以彌補汽水品類及果汁品類銷售收入的下降，導致整體收入下滑6.9%。

受益於原材料價格同比降低，使得整體毛利率上升3.8個百分點。同時，由於競爭加劇，營銷開支亦隨之增加。通過持續實施有效的全面預算管理，包括有效控制單箱費用，加強費效比跟進，使得銷售及分銷費用佔收入比率只增加了2.6個百分點。



► MANAGEMENT DISCUSSION AND ANALYSIS

管理層論析

Attributable to above factors, segment profit in HKD terms increased by 2.2% from HK\$445.6 million to HK\$455.4 million whereas the amount in RMB terms increased by 9.6% compared with the corresponding period in 2015.

Outlook

In view of the current economic situation and competition in the industry, overall sales volume and selling prices are still expected to be under pressure in the second half of 2016. Given falling raw material prices during the first half of 2016, and increased utilisation of production lines, it is expected that unit costs will fall compared with the corresponding period in 2015. However, marketing expenses will continue to increase in view of intensifying competition in the beverage market. Benefiting from the upcoming peak season and marketing activities in the second half of the year, we will strive to improve the sales mix in favour of increased sales of Sparkling beverages, promote the launch and sale of new guarana flavour in the Juice category and the new product of Ice Dew “Chun Yue” (冰露•純悅) in the Packaged Water category. In addition, we will continue to maintain tight control over expenses.

綜合上述因素，以港元口徑呈報的分部利潤增長2.2%，由4.456億港元增長至4.554億港元，按人民幣口徑則同比增長9.6%。

展望

鑑於目前經濟形勢和市場競爭狀況，2016年下半年整體銷量和銷售價仍然面臨壓力。但2016年上半年以來原材料價格持續下降，及隨著產能使用率提高，預計單位成本較去年同期下降。然而，由於飲料市場競爭依然激烈，市場投入仍將加大。隨著下半年旺季來臨及市場推廣的支持，將致力改善銷售組合，提升汽水晶類即飲包裝的銷量佔比，推動果汁品類瓜拉納新口味產品和包裝水晶類「冰露•純悅」包裝水新產品的上市和銷售，並且持續嚴謹控制費用。

好土壤 好产区 好工艺
品质佳酿 长城酿
长城葡萄酒 品质国新 万安运牌儿加田



Wine 酒品類

WINE BUSINESS

Business Introduction

- The Group's wine business is mainly based on its famous "Greatwall" brand, which has a fine tradition and has long been a leader in the China wine market. Due to the popularity of the brand and the high quality of its products, "Greatwall" wine is the top pick for state banquets.
- The "Greatwall" brand covers a variety of wines which include Cabernet Sauvignon, Merlot, Pinot Noir, Cabernet Franc, Shiraz for red wines; and Chardonnay, Riesling, Sauvignon Blanc for white wines. In addition, brandies and sparkling wines are also produced.
- "Greatwall" wine offers single varietal wines and blended wines using different grape varieties. The majority of the grapes that we use come from vineyards that are either managed by us or from sources with whom we have cooperative agreements. In our wine business, there are four wineries in China, namely Huaxia Wine Manor at Changli in Hebei, Chateau Sungod at Huailai in Hebei, Chateau Junding at Yantai in Shandong and Chateau YunMo in Ningxia, and two overseas wineries, namely Sas du Château de Viaud in France and Viña Santa Andrea Ltda in Chile.
- The Group is developing its imported wines platform, 中糧名莊薈, based on distribution cooperation with a number of well-known international wine companies, and well-known château brands from various countries, for the import of value-added wines into the PRC market.

酒品類業務

業務簡介

- 酒品類業務主要依靠著名品牌「長城」葡萄酒的優良傳統，在國產葡萄酒市場擁有領導地位。依託品牌知名度和產品高品質，長城葡萄酒為國宴用酒首選品牌。
- 「長城」品牌旗下葡萄酒品種覆蓋各式酒品，包括由赤霞珠(Cabernet Sauvignon)、梅鹿輒(Merlot)、黑比諾(Pinot Noir)、品麗珠(Cabernet Franc)、西拉(Shiraz)等釀成的紅葡萄酒，以及由霞多麗(Chardonnay)、雷司令(Riesling)、長相思(Sauvignon Blanc)等釀成的白葡萄酒。此外，我們還生產白蘭地、起泡酒。
- 「長城」葡萄酒有單品種和混合品種釀製。使用的葡萄主要來自本集團自有管理和協議合作的葡萄園。酒品類業務旗下擁有四家國內酒廠，及數家酒莊分別是位於河北昌黎的華夏酒莊、位於河北懷來的桑干酒莊、位於山東煙台的君頂酒莊、位於寧夏的雲漠酒莊、位於法國的雷沃堡酒莊和位於智利的聖利亞酒莊。
- 本集團正發展旗下中糧名莊薈進口酒業務平臺基於與世界眾多國際知名酒商和多國知名酒莊著名品牌建立代理合作，向國內市場引進性價比高的若干進口葡萄酒品。

► MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Development Strategy

In order to raise the competitiveness of the “Greatwall” brand, our focus is to reposition “Greatwall” as a mid-to high-end quality wine icon in China. Our business strategies for the new brand positioning are described as follows:

- Products: to satisfy consumers’ demand for healthy, mid-to high-end quality wine products and focus on developing “Greatwall” strategic products to developing “Greatwall” products that will attract consumers to upgrade to higher quality wines;
- Brand promotion strategy: to underscore Greatwall’s national wine status with continuous promotions for important national events by promoting “Greatwall” strategic products; to promote experiential marketing and direct communication with consumers to effectively increase brand awareness and loyalty;
- Channel strategy: to streamline the distribution system of “Greatwall”, actively seize sales growth opportunities in third-tier and fourth-tier cities, and enhance our channel penetration; strengthen customer management and enhance sales coverage; and
- Supply chain strategy: to strengthen supply chain management, and improve efficiency to lower costs.

Industry Overview

The wine industry has begun to recover slowly since the second half of 2014. Currently, official spending and banquet expenditures are at an historically low level. However, on premise and at home consumption are experiencing growth. Domestic wine consumers tend to favour better value-for-money wine products. Wine is becoming a trendy drink among young people, and with the rise of the middle class, long-term growth is expected for the wine industry.

The current wine market in China is mainly dominated by domestic wine. However, imported wine consumption is increasing rapidly, though no individual imported wine brand dominates the market.

發展策略

為提升「長城」品牌的競爭力，本年度重點工作為明確「長城」品牌新定位，成為高性價比的中國中高端葡萄酒代表。各項業務策略都將圍繞新品牌定位展開，策略如下：

- 產品策略：以消費者需求為導向，滿足消費者對健康、中高品質和高性價比的訴求，推動產品聚焦，打造長城中高端戰略單品，引領消費升級；
- 品牌傳播策略：以中高端戰略單品為載體，加大品牌傳播力度；堅持國酒定位，持續開展大事件傳播；加強體驗營銷，通過與消費者直接溝通，有效提升品牌知名度和忠誠度；
- 渠道策略：推動營銷網絡扁平化佈局，積極把握三四線城市的銷售增長機會，大力推動渠道下沉；加強客戶分級管理，提升終端售點覆蓋；及
- 供應鏈策略：加強供應鏈管理，務求提質增效。

行業概覽

葡萄酒行業自2014年下半年開始緩步回暖。公務消費和宴請支出處於歷史低位，個人消費和商務消費重新佔據主導地位，內地紅酒消費漸趨理性，傾向於選擇高性價比的紅酒。主動飲用葡萄酒的趨勢在年輕人群中正在逐步形成，加之中產階級的崛起，葡萄酒消費的增長長遠可期。

目前國內葡萄酒市場仍由國產葡萄酒主導，雖然尚無獨立進口葡萄酒的品牌能主導市場，但進口葡萄酒消費正在快速增長。

2016 Interim Results

A comparison of the 2016 interim results with those of the comparative period of 2015 for the wine business segment is summarized below:

		For the six months ended 30 June 2016 截至2016年 6月30日止 六個月 (HK\$' million) (百萬港元)	For the six months ended 30 June 2015 截至2015年 6月30日止 六個月 (HK\$' million) (百萬港元)	Changes 變動 (note) (註)
Revenue	收入	1,285.2	1,296.4	-0.9%
Segment results	分部業績	111.0	103.1	+7.7%
As percentage of revenue	佔收入百分比	8.64%	7.95%	+0.69 percentage point +0.69個百分點
Percentage (decrease) in sales volume of "Greatwall" wine	「長城」酒銷量(減少)百分比			-11%
Percentage point increase of gross profit margin	毛利率增加百分點			+6.4 percentage points +6.4個百分點

(Note): In RMB terms, segment revenue and segment results grew by 6.4% and 15.5%, respectively.

During the period, the repositioning of the "Greatwall" brand was implemented as scheduled and achieved initial success. In this respect, we focused on the optimization of our product mix by the launch of high-end products, raising ex-factory prices, and reducing the sales of low-end products. Although the overall sales volume of "Greatwall" wine decreased by 11%, the improvement in sales mix resulted in a slight revenue growth in RMB. In addition, the business of our imported wines platform 中糧名莊薈 grew substantially during the period, albeit from a low base. As a result, overall sales revenue grew by 6.4% in RMB terms.

Due to the enhancement of the product mix, and coupled with the decrease in the prices of raw wine, the gross profit margin increased by 6.4 percentage points, with the proportion of high-end products (that is, those products with a gross profit margin in excess of 60%) increasing by 9.7 percentage points to 28.4% of overall sales.

2016 年中期業績

酒品類業務分部2016年中期業績與2015年同期業績相比摘要如下：

(註)：按人民幣口徑，分部收入及分部業績分別增長6.4%及15.5%。

期內，「長城」品牌新定位工作按計劃推進已初見成效。圍繞「長城」品牌新定位，實施聚焦戰略，通過提高出廠價、取代低端產品銷售政策，中高端戰略單品上市等舉措，積極推動產品結構優化。儘管整體「長城」酒銷售量減少11%，但銷售結構提升帶來人民幣口徑銷售收入小幅增長。再加上進口酒平臺中糧名莊薈業務的同比基數較低，本期間大幅增長，人民幣口徑整體銷售收入同比增長6.4%。

由於銷售結構改善，結合原酒成本下降因素，毛利率同比提高約6.4個百分點。其中高端產品(為60%以上毛利率)的銷售佔比同比提高9.7個百分點達至28.4%。



► MANAGEMENT DISCUSSION AND ANALYSIS

管理層論析

The ratio of selling and distribution expenses increased 7.0 percentage points mainly due to the the new positioning strategy of the “Greatwall” brand. To enhance the efficiency of promotions, we continued to cooperate with distributors by entering into jointly developed distribution plans, which strengthened our supervision and management in the formulation and implementation of promotional events. Meanwhile, we continued to implement benchmarking projects in order to reduce costs, and improve efficiency.

Segment profit in HKD terms increased by 7.7% from HK\$103.1 million to HK\$111.0 million, whereas the amount in RMB terms increased by 15.5% during the period, mainly due to our strategy of enhancing the “Greatwall” wine product mix.

Outlook

In the second half of 2016, we will continue to reposition “Greatwall” as a high-end wine brand. To this end, we will launch a number of key products and substantially increase above-the-line promotion according to our brand promotion strategy; further streamline the distribution system; focus on brand promotion activities at points of sale so as to improve inventory turnover; further implement channel penetration; and enhance efficiency in the supply chain. With these initiatives, we will strive for the continuing growth of our wine business.

由於重新定位長城品牌，銷售及分銷費用佔銷售收入比率增加7.0個百分點，為提高費效比，加大與經銷商的「方案制」合作模式，加強對經銷商促銷費用投入方案制訂和實施的監督管理；同時，繼續執行標杆管理項目，落實系統低成本，以提升效率。

以港元口徑呈報的分部利潤增長7.7%，由1.031億港元增加至1.110億港元，按人民幣口徑同比則增長15.5%，主要得益於期內主動調整產品銷售結構策略。

展望

2016年下半年，按照我們的品牌傳播策略，酒品類業務將繼續圍繞「長城」品牌中高端定位，以戰略單品為載體，大幅度加大品牌線上傳播；加大推動營銷網絡的扁平化建設，重點開展基於銷售終端和消費者的品牌推廣活動，拉動終端動銷；深入落實渠道下沉；提升供應鏈管理效率。多措並舉下，我們將致力實現酒品類業務持續增長。



KITCHEN FOOD BUSINESS

Business Introduction

The Kitchen Food business covers the sale, distribution and marketing of edible oil which is the principal product category, as well as the sale, distribution and marketing of sugar, soy sauce, vinegar, MSG, seasoning sauce and cereals. “Fortune” brand is a well-known consumer-pack edible oil brand in China and is ranked number two nationwide in terms of market share.

Development Strategy

The Group’s strategic objective in the kitchen food business is to remain one of the leading companies in the market. To this end, we will pursue the following strategies:

- Strengthen the “Fortune” brand value and improve the sales network for branded product portfolio;
- Conduct product research and development to respond effectively to changes consumer preferences;
- Enhance channel management to seize opportunities in rapid growing new channels;
- Enhance the supply chain system and save operation costs; and
- Continue to explore new business models to drive sales growth.

As part of our strategic development, since the second quarter of 2015, we have further expanded our sales and distribution of large-pack edible oil (8-20 litre per container) to meet the growing demand of the catering industry in China.

廚房食品業務

業務簡介

廚房食品業務主要從事包裝油和兼營白糖、醬油、醋、味精、調味醬及雜糧的銷售、分銷及市場推廣。「福臨門」品牌是國內著名的小包裝糧油廚房食品品牌，小包裝食用油銷售份額穩居第二位。

發展策略

廚房食品業務策略目標是保持廚房食品行業領導者之一，為此，採取以下策略：

- 增強「福臨門」品牌價值，完善全線品牌產品佈局；
- 推進有效應對消費變化的產品研發；
- 加強渠道管理，以便在快速增長的新渠道中抓住機會；
- 精益供應鏈體系，系統性優化運營成本；及
- 持續探索創新商業模式推動銷售增長。

以戰略發展為目的，自2015年第二季度開始，我們進一步擴大了中包裝油(8-20升包裝)銷售及分銷業務以滿足國內餐飲業日益增長的需求。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Industry Overview

During the period, the overall sales volume of packaged edible oil only grew slightly, while market prices remained relatively stable. According to industry data for the first quarter of 2016 on the sales volume consumer-pack edible oil, sunflower seed oil achieved a growth of 18%; corn oil reported a decline of up to 8% after several years of high growth; the growth of rapeseed oil and peanut oil was relatively stable at 5% and 4%, respectively and blended oil and soybean oil continued to decline with negative growth of 4% and 16%, respectively. Consumers tend to prefer a wider variety of nutritious and tasty oils, and increasing demand for products with unique aroma.

2016 Interim Results

A comparison of the 2016 interim results with those for the comparative period of 2015 for the kitchen food business segment is summarized below:

行業概覽

期內，廚房食品主營核心品類包裝油整體銷量增長趨緩，市場售價相對穩定。根據2016年第一季度的行業數據顯示，從小包裝食用油銷量增速看，葵籽油增長18%；玉米油經過幾年的強勁增長後，下降達8%，菜籽油和花生油發展相對穩定分別增長5%和4%，調和油和大豆油繼續呈下降趨勢分別負增長4%和16%。消費者更傾向於營養與美味、多油種交替使用，且對風味產品需求日趨明顯。

2016年中期業績

廚房食品業務分部2016年中期業績與2015年同期業績相比摘要如下：

		For the six months ended 30 June 2016 截至2016年6月30日止六個月 (HK\$' million) (百萬港元)	For the six months ended 30 June 2015 截至2015年6月30日止六個月 (HK\$' million) (百萬港元)	Changes 變動 (note) (註)
Revenue	收入	6,987.2	6,265.2	+11.5%
Segment results	分部業績	45.1	41.7	+8.2%
As percentage of revenue	佔收入百分比	0.65%	0.67%	-0.02 percentage point -0.02百分點
Percentage increase in sales volume	銷量增加百分比			+20%
Percentage point (decrease) of gross profit margin	毛利率(減少)百分點			-1.1 percentage points -1.1百分點

(Note): In RMB terms, segment revenue and segment results grew by 19.7% and 16.0%, respectively.

(註)：按人民幣口徑，分部收入及分部業績分別增長19.7%及16.0%。

Overall sales volume increased by 20% (in which overall sales volume of “Fortune” branded consumer-pack edible oil increased by 13%), mainly attributable to the strong 34% volume growth of large-pack edible oil. In RMB terms, the average sales price remained stable and the overall sales revenue increased by 19.7%. Affected by changes in sales mix, the overall gross profit margin for oil products dropped by approximately 1.1 percentage points due to the relatively lower margins for the large-pack edible oil business.

Attributable to economies of scale, enhanced supply chain management, increased marketing efficiency and saving in administrative expenses, the overall expenses to revenue ratio improved by 1.2 percentage points, offsetting the effect of the decline in gross profit margin.

Segment profit in HKD terms increased by 8.2%, from HK\$41.70 million to HK\$45.10 million, whereas the amount in RMB terms increased by 16.0%, mainly due to the growth of “Fortune” branded consumer-pack edible oil and the large-pack edible oil businesses.

Outlook

In the second half of 2016, it is expected that there will be no significant changes in supply and demand in the international and domestic markets of edible oils. Selling prices and gross profit margins for packaged edible oil products will remain relatively stable. Under intensified competition in the market, further increases in marketing expenses are expected. We will continue to enhance our product mix, increase marketing efficiency and implement effective expense controls. As a result of a planned increase in channel penetration, the overall ratio of expense to revenue is expected to further improve.

整體銷售量增加20%，其中「福臨門」品牌小包裝油銷量同比增長13%，主要由於中包裝油銷量同比大幅上升34%所致。按人民幣口徑，銷售均價保持平穩，整體銷售收入同比增長19.7%。受銷售結構變化的影響，中包裝油業務毛利率較低，使油產品整體毛利率同比下降約1.1個百分點。

在規模效應下，通過提高供應鏈管理效率，聚焦市場費用和促銷費用投入提高投入產出比，控制營運及管理費用，整體費用率改善1.2個百分點，抵銷毛利率下降的影響。

以港元口徑呈報的分部利潤增長8.2%，由4,170萬港元增加至4,510萬港元，按人民幣口徑同比則增長16.0%，主要得益於「福臨門」品牌小包裝油及中包裝油業務的增長。

展望

2016年下半年，預期國際國內供給關係暫無較大變化，包裝油終端價格及毛利率將進入相對穩定期。受市場競爭持續激烈影響，市場投入仍將加大。將致力改善產品結構，提高市場投入產出比，嚴控營運及管理費用，隨著渠道下沉效益進一步釋放，預期整體費用率將進一步改善。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

FINANCIAL REVIEW – CONTINUING OPERATIONS

REVENUE

(reported in HKD terms) (以港元口徑呈列)		For the six months ended	As	For the six months ended	As
		30 June 2016	percentage of	30 June 2015	percentage of
		截至2016年	total revenue	截至2015年	total revenue
		6月30日	佔總收入	6月30日	佔總收入
		止六個月	百分比	止六個月	百分比
		(HK\$' million)	%	(HK\$' million)	%
		(百萬港元)		(百萬港元)	
– Beverage segment	– 飲料分部	6,156.5	42.2	7,095.4	47.7
– Wine segment	– 酒品類分部	1,285.2	8.8	1,296.4	8.7
– Kitchen Food segment	– 廚房食品分部	6,987.2	47.9	6,265.2	42.1
– Others segment	– 其他分部	161.7	1.1	225.9	1.5
Total	總計	14,590.6	100	14,882.9	100

Revenue from continuing operations of the Group decreased slightly by 2.0% in HKD terms, whereas the amount in RMB terms, increased by 5.2%.

Revenue growth in RMB is mainly due to the strong revenue growth of the kitchen food segment, which was partially offset by a decline in beverage segment revenue caused by changes in industry-wide consumer trends, and changes in sales mix of its business.

GROSS PROFIT MARGIN

The overall gross profit margin from continuing operations increased from 23.4% to 23.7%, mainly attributable to the margin improvements in Beverage segment and Wine segment, which was partially offset by a decline in gross profit margin of Kitchen Food segment.

財務回顧 – 持續經營業務

收入

本集團以港元口徑呈報的持續經營業務收入微跌2.0%，然而以人民幣口徑呈報的則上升5.2%。

人民幣口徑呈報的收入增長乃主要由於廚房食品分部的收入增長強勁，然而飲料分部因行業的消費趨勢改變及其業務的銷售結構改變收入下跌，抵消部份收入增長。

毛利率

來自持續經營業務的整體毛利率由23.4%上升至23.7%，主要由於飲料分部及酒品類分部毛利率上升，抵銷廚房食品分部毛利率下降之影響。

SELLING AND DISTRIBUTION EXPENSES/ ADMINISTRATIVE EXPENSES

Aggregated amount of selling and distribution expenses and administrative expenses from continuing operations was HK\$3,102.9 million, a decrease of 0.5%, mainly due to management's ongoing efforts to optimize supply chain management, enhance promotional efficiency and control expenses, in the midst of additional spending in advertising, brand promotion and marketing expenses as a result of intensifying market competition.

FINANCE COSTS

Finance costs were HK\$21.6 million, a decrease of 32.7%, mainly due to lower outstanding loan balances during the period, compared to the same period of 2015.

SHARE OF PROFITS OF ASSOCIATES

Share of profits of associates were HK\$26.3 million, a decrease of 50.9%, mainly attributable to drop in profitability of Beverage segment's associates.

INCOME TAX EXPENSES

Income tax expense was HK\$193.6 million, an increase of 3.5%, after including the relevant tax of the one-off income from the disposal of a discontinued operation.

LIQUIDITY AND FINANCIAL RESOURCES

The Company's treasury function operates as a centralized service for:

- Reallocating financial resources within the Group;
- Procuring cost-efficient funding;
- Managing financial risks, including interest rate and foreign exchange rate risks; and
- Targeting yield enhancement opportunities.

銷售及分銷支出／行政支出

來自持續經營業務的銷售及分銷支出以及行政支出總額為31.029億港元，下跌0.5%，主要由於管理層有鑒於激烈的市場競爭，於宣傳、品牌推廣及營銷費用的額外開支下，努力不懈地優化供應鏈管理、提升推廣效益及控制開支。

融資成本

期內融資成本為2,160萬港元，與2015年同期比較減少32.7%，主要由於未償還貸款餘額減少所致。

應佔聯營公司溢利

應佔聯營公司溢利為2,630萬港元，減少50.9%，主要由於飲料分部之聯營公司之盈利能力下降所致。

所得稅支出

所得稅支出為1.936億港元，增加3.5%（包括出售終止經營業務的一次性收入的相關稅項）。

流動資金及財務資源

本公司資金部集中管理：

- 重新分配本集團之財務資源；
- 爭取有成本效益之資金；
- 管理利率及匯率風險在內之財務風險；及
- 抓緊提高收益之機會。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

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. Cash pooling is applied in mainland China for more efficient utilization of cash. Also, the treasury function formulated financial risk management procedures, which are subject to periodic review by the senior management of the Company.

During the year, EBITDA from continuing operations decreased slightly by HK\$16.7 million to HK\$768.1 million. However, margin of EBITDA from continuing operations of the Group was basically unchanged compared to same period of 2015.

As at 30 June 2016, the Group's unpledged cash and cash equivalents totalled approximately HK\$1,814 million (31 December 2015: approximately HK\$899 million), mainly due to seasonal fluctuation of businesses. The amount of net current assets improved to approximately HK\$631 million (31 December 2015: approximately HK\$189 million).

Having considered (i) the budgeted cash flow from operating activities from continuing operations, (ii) existing financial resources and gearing level of the Group, and (iii) the existing 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, and contracted capital expenditures of approximately HK\$294 million as at 30 June 2016.

CAPITAL STRUCTURE

As at 30 June 2016 and for the interim period, the total number of issued shares of the Company remained unchanged at 2,797,223,396.

As at 30 June 2016, the Group had interest-bearing bank borrowings of approximately HK\$1,937 million (31 December 2015: approximately HK\$2,610 million). Bank borrowings carried annual interest rates ranging between 0.94% and 5.34% (31 December 2015: between 0.92% and 5.66%). Majority of bank borrowings carried at floating rates. As at 30 June 2016, the Group had other borrowings of approximately HK\$38 million (31 December 2015: approximately HK\$38 million), carried at fixed, annual interest rates ranging between 4.35% and 7.23% (31 December 2015: 5.60%).

資金部定期及密切監察其整體現金及債務狀況、積極檢討其融資成本及到期情況以方便於適當情況下再融資。為更有效的使用現金，本集團已在中國大陸使用現金池。此外，資金部制定財務風險管理流程，並由本公司高級管理層定期審閱。

年內，持續經營業務的EBITDA微跌1,670萬港元至7.681億港元，然而，本集團持續經營業務之EBITDA率與2015年同期相比基本不變。

於2016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18.14億港元(2015年12月31日：約8.99億港元)，乃主要由於業務的季節性波動。流動資產淨值改善至約6.31億港元(2015年12月31日：約1.89億港元)。

經考慮(i)持續經營業務的經營活動預算現金流量；(ii)本集團的現有財務資源及槓杆水平；及(iii)本集團可供使用的現有銀行授信，管理層相信，本集團有充足財務資源清還債務，為其日常業務營運及於2016年6月30日的已訂約資本開支約2.94億港元提供資金。

資本結構

於2016年6月30日及於中期期間，本公司之已發行股份總數保持不變，仍為2,797,223,396股股份。

於2016年6月30日，本集團有計息銀行借貸約19.37億港元(2015年12月31日：約26.10億港元)。銀行借貸按年利率介乎0.94%至5.34%(2015年12月31日：介乎0.92%至5.66%)計息。大部分銀行借貸按浮動利率計息。於2016年6月30日，本集團擁有其他借貸約3,800萬港元(2015年12月31日：約3,800萬港元)，按固定年利率介乎4.35%至7.23%(2015年12月31日：5.60%)計息。

As at 30 June 2016, maturity profile of interest-bearing bank and other borrowings is analyzed as:

- HK\$1,175 million borrowings repayable within one year or on demand; and
- HK\$800 million borrowings repayable in the second year.

As at 30 June 2016, net assets attributable to owners of the parent were approximately HK\$5,914 million (31 December 2015: approximately HK\$5,493 million (restated)) and net borrowing position of the Group (interest-bearing bank and other borrowings less unpledged cash and cash equivalents) was approximately HK\$161.5 million (31 December 2015: approximately HK\$1,748.5 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 2.7% (31 December 2015: approximately 31.8% (restated)).

CONTINGENT LIABILITIES AND ASSETS PLEDGED

As at 30 June 2016, the Group has no significant contingent liabilities.

As at 30 June 2016, certain bank borrowings of the Group were secured by charges over certain buildings, land use rights and time deposits of the Group with aggregate net book value of approximately HK\$175 million (31 December 2015: approximately HK\$188 million).

FOREIGN EXCHANGE MANAGEMENT

Majority of monetary assets, monetary liabilities and transactions of the Group were principally denominated in Renminbi and recorded in the books of subsidiaries operating in mainland China (functional currency as Renminbi), while majority of bank borrowings were denominated in Hong Kong dollar and recorded in the book of the Company (functional currency as Hong Kong dollars). For consolidated financial statements reporting of the Group (reporting currency as Hong Kong dollars), foreign exchange differences, arising from translation of financial statements of subsidiaries operating in mainland China, are directly recognized in other comprehensive income and accumulated in the exchange fluctuation reserve.

於2016年6月30日，計息銀行借貸及其他借貸的到期詳情分析如下：

- 11.75億港元借貸須於年內或按要求償還；及
- 8億港元借貸須於第二年償還。

於2016年6月30日，母公司擁有人應佔淨資產約為59.14億港元(2015年12月31日：約54.93億港元(經重列))，本集團淨借貸(計息銀行借貸及其他借貸減無抵押現金及現金等值項目)約為1.615億港元(2015年12月31日：約為17.485億港元)及淨槓桿比率(本集團淨借貸對比母公司擁有人應佔淨資產比率)約為2.7%(2015年12月31日：約31.8%(經重列))。

或有負債及資產抵押

於2016年6月30日，本集團並無任何重大或有負債。

於2016年6月30日，本集團若干銀行借貸乃以本集團賬面淨值總額約1.75億港元(2015年12月31日：約1.88億港元)之若干物業、土地使用權和定期存款作抵押。

外匯管理

本集團之貨幣資產、貨幣負債及交易主要以人民幣計值及計入於在中國大陸運營的附屬公司(功能貨幣為人民幣)的賬目，而銀行借貸主要以港元計值及計入於本公司賬目(功能貨幣為港元)。就本集團的綜合財務報表(呈報貨幣為港元)而言，換算於中國大陸運營的附屬公司之財務報表產生的匯兌差額，直接於其他全面收益確認並累計於外匯變動儲備中。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

The foreign exchange risk exposure at the operational level is not significant. Nevertheless, the currency mismatch by using Hong Kong dollar borrowings to finance assets and businesses denominated in Renminbi, exposes the Group to the risk of unexpected cash outflows for repayment of such borrowings by realization of assets denominated in Renminbi, if any.

Although the Group has not used any financial instruments for hedging purpose, the treasury function actively and closely monitors foreign exchange rate fluctuation, particularly the exchange rate of Renminbi to Hong Kong dollar. Appropriate measures, including but not limited to entering of hedging agreements, will be critically considered to mitigate any significant foreign exchange risk exposure.

During the period, the Group repaid certain Hong Kong dollar borrowings from the proceeds from the disposal of a discontinued operation. Upon the maturity of existing bank borrowings denominated in Hong Kong dollars, the Group will gradually repay and/or refinance them by Renminbi financing, if it's appropriate.

HUMAN RESOURCES

As at 30 June 2016, the Group employed 16,897 staff in Mainland China and Hong Kong (31 December 2015: 17,325). 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 2015 Annual Report.

The Company's share option scheme (the "Option Scheme") was adopted on 21 November 2006 for a term of ten years for the purpose of rewarding eligible employees of the Group (including executive directors and non-executive directors of the Company) based on individual merits. Details of the Option Scheme are set out in the section of Corporate Governance Highlights and Other Information headed "Share Option Scheme" below.

Hong Kong, 23 August 2016

運營方面的外匯風險並不重大。然而，使用港元借貸融資以支持人民幣計值的資產及業務的錯配使本集團面對通過變現以人民幣計值的資產及業務(如有)償還該借貸的預期外現金流出風險。

儘管本集團並無使用任何金融工具用作對沖目的，本集團的資金部積極及密切監察匯率波動，尤其是人民幣兌港元的匯率。本集團將慎重考慮適當措施，包括但不限於訂立對沖協議，降低任何重大外匯風險。

期內，本集團從出售終止營運業務的所得款項償還若干港元借貸。於以港元計值的現有銀行借貸到期後，本集團將考慮逐步償還及/或以人民幣融資的方式對其進行再融資(如適當)。

人力資源

於2016年6月30日，本集團於中國內地及香港共僱用16,897名僱員(2015年12月31日：17,325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2015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企業管治摘要及其他資料下「購股權計劃」一節內。

香港，2016年8月23日

► CORPORATE GOVERNANCE HIGHLIGHTS AND OTHER INFORMATION 企業管治摘要及其他資料

DIRECTORS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES

As at 30 June 2016, the interests and short positions of the directors of the Company (the “Director(s)”) 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 set out below.

董事於股份及相關股份之權益及淡倉

於2016年6月30日，本公司董事（「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」）之記錄載於下文。

CORPORATE GOVERNANCE HIGHLIGHTS AND OTHER INFORMATION

企業管治摘要及其他資料

(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. Jiang Guojin 江國金先生	Beneficial Owner 實益擁有人	426,000	–	426,000	0.02%
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	–	600,000	600,000	0.02%
Ms. Wu Wenting 吳文婷女士	Beneficial Owner 實益擁有人	–	600,000	600,000	0.02%
Mr. Paul Kenneth Etchells 包逸秋先生	Beneficial Owner 實益擁有人	200,000	–	290,000	0.01%
	Interest of Spouse 配偶權益	90,000	–		

Notes:

1. Long positions in the shares of the Company, other than equity derivatives such as share options, warrants or convertible bonds.
2. Long positions in the underlying shares of the Company under share options granted to Directors pursuant to the Option Scheme.
3. The percentages were calculated based on the total number of shares of the Company in issue as at 30 June 2016, i.e. 2,797,223,396 shares.

附註：

1. 本公司股份之好倉(股本衍生工具如購股權、認股權證或可換股債券除外)。
2. 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。
3. 百分比乃根據本公司於2016年6月30日之已發行股份總數(即2,797,223,396股股份)計算。

(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. Jiang Guojin 江國金先生	Beneficial Owner 實益擁有人	100	–	100	0.00%
Mr. Wang Zhiying 王之盈先生	Beneficial Owner 實益擁有人	39,000	583,000	622,000	0.01%

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 2016, i.e., 5,249,880,788 shares.

Save as disclosed herein, as at 30 June 2016, 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2016年6月30日之已發行股份總數(即5,249,880,788股股份)計算。

除本報告所披露者外，於2016年6月30日，董事及其聯繫人概無其他須披露權益。

► CORPORATE GOVERNANCE HIGHLIGHTS AND OTHER INFORMATION

企業管治摘要及其他資料

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

As at 30 June 2016, 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2016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：

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	
China Foods (Holdings) Limited 中國食品(控股)有限公司	2,072,688,331	–	2,072,688,331	74.10%
COFCO (Hong Kong) Limited 中糧集團(香港)有限公司	–	2,072,688,331 (Note 3) (附註3)	2,072,688,331	74.10%
COFCO Corporation 中糧集團有限公司	–	2,072,688,331 (Note 4) (附註4)	2,072,688,331	74.10%

Notes:

- Long positions in the shares of the Company, other than equity derivatives such as share options, warrants or convertible bonds.
- The percentages were calculated based on the total number of shares of the Company in issue as at 30 June 2016, i.e. 2,797,223,396 shares.

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)。
- 百分比乃根據本公司於2016年6月30日之已發行股份總數(即2,797,223,396股股份)計算。

3. COFCO (Hong Kong) Limited (“COFCO (HK)”) was deemed to be interested in 2,072,688,331 shares held by China Foods (Holdings) Limited which was a wholly-owned subsidiary of COFCO (HK).
4. COFCO Corporation was deemed to be interested in 2,072,688,331 shares held by China Foods (Holdings) Limited and COFCO (HK) which were wholly-owned subsidiaries of COFCO Corporation.

Save as disclosed herein, as at 30 June 2016, so far as was known to the Directors, no other persons had an interest or short position in the shares and underlying shares of the Company which would fall to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO or as recorded in the register kept by the Company under section 336 of the SFO.

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, remains in force for 10 years until 20 November 2016. Share options granted under the Option Scheme are valid for seven years, must be held for a minimum period of two years from the date of grant before it can be exercised subject to the satisfaction of certain requirements under the Option Scheme.

The first batch of share options, which were granted on 27 September 2007, has lapsed on 27 September 2014 due to the expiry of the exercised period.

3. 中糧集團(香港)有限公司(「中糧香港」)被視為於中國食品(控股)有限公司(為中糧香港的全資附屬公司)所持2,072,688,331股股份中擁有權益。
4. 中糧集團有限公司被視為於中國食品(控股)有限公司及中糧香港(均為中糧集團有限公司的全資附屬公司)所持合共2,072,688,331股股份中擁有權益。

除本報告披露者外，於2016年6月30日，就董事所知悉，概無其他人士於本公司的股份及相關股份中擁有權益或淡倉而須根據證券及期貨條例第XV部第2及第3分部條文的規定向本公司及聯交所披露，或根據證券及期貨條例第336條的規定須記錄於本公司所存置的權益登記冊內。

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，其有效期為10年至2016年11月20日止。根據購股權計劃授出之購股權的有效期為七年，參與者於行使前須自授出日期起持有最短兩年時間，惟須符合購股權計劃項下之若干規定。

於2007年9月27日授出的第一批購股權因行使期限屆滿已於2014年9月27日失效。

► CORPORATE GOVERNANCE HIGHLIGHTS AND OTHER INFORMATION

企業管治摘要及其他資料

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%

As at 1 January 2016, a total of 25,080,000 share options of the Company remained outstanding. During the period, a total of 900,000 share options lapsed. Accordingly, as at 30 June 2016, a total of 24,180,000 share options of the Company remained outstanding. Details of the movements in the share options during the period are as follows:

於2016年1月1日，本公司尚未行使的購股權總數為25,080,000份。期內，合共900,000份購股權已失效。因此，於2016年6月30日，本公司尚未行使的購股權總數有24,180,000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	Date of grant of share options 授出購股權日期	Number of share options 購股權的數目					At 30.06.2016 於2016年6月30日	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 01.01.2016 於2016年1月1日	Granted during the period 期內授出	Exercised during the period 期內行使	Lapsed during the period 期內失效	At 30.06.2016 於2016年6月30日			
Current Directors 現任董事									
Ms. Liu Ding 柳丁女士	29.03.2011	600,000	-	-	-	600,000	29.03.2013 – 28.03.2018	4.910	
Mr. Ma Jianping 馬建平先生	29.03.2011	600,000	-	-	-	600,000	29.03.2013 – 28.03.2018	4.910	
Ms. Wu Wenting 吳文婷女士	29.03.2011	600,000	-	-	-	600,000	29.03.2013 – 28.03.2018	4.910	
Former Director 前任董事									
Mr. Ning Gaoning 寧高寧先生 (Note 1) (附註1)	29.03.2011	740,000	-	-	(740,000) (Note 1) (附註1)	-	29.03.2013 – 28.03.2018	4.910	
Other employees 其他僱員	29.03.2011	22,540,000	-	-	(160,000) (Note 2) (附註2)	22,380,000	29.03.2013 – 28.03.2018	4.910	
Total 總數		25,080,000	-	-	(900,000)	24,180,000			

Note:

1. M. Ning Gaoning resigned as a non-executive Director with effect from 15 February 2016.
2. During the period, 474,000 vested options lapsed upon the expiry of stipulated period in accordance with the term of the Option Scheme, while 426,000 unvested options lapsed upon the resignations of Mr. Ning Gaoning, a former director, and certain employees of the Company in accordance with the terms of the Option Scheme.

附註：

1. 寧高寧先生已辭任非執行董事，自2016年2月15日起生效。
2. 期內，根據購股權計劃的條款，474,000份已歸屬的購股權在所規定的時間屆滿時失效，而426,000份未歸屬的購股權因本公司前任董事寧高寧先生及若干僱員辭職而失效。

► CORPORATE GOVERNANCE HIGHLIGHTS AND OTHER INFORMATION

企業管治摘要及其他資料

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\$148,000 during the period (six months ended 30 June 2015: HK\$826,000). The share options granted on 27 September 2007 had been expired on 27 September 2014.

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:

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為148,000港元(截至2015年6月30日止六個月：826,000港元)。於2007年9月27日授出的購股權已於2014年9月27日失效。

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 March 2011 2011年3月29日	27 September 2007 2007年9月27日
Dividend yield (%)	股息率(%)	2.109	0.8
Expected volatility (%)	預期波幅(%)	33.716	30.570
Historical volatility (%)	過往波幅(%)	33.716	30.570
Risk-free interest rate (%)	無風險利率(%)	2.40	4.102
Expected life of options (year)	購股權預計年期(年)	7	5
Weighted average share price (HK\$)	加權平均股份價格(港元)	4.910	4.952

The expected life of the options is determined with reference to the vesting term and original contractual term of the 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.

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。

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

並無其他已授出購股權的特點列入公平值的計算當中。

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.

CORPORATE GOVERNANCE CODE

The Company has applied the principles and complied with all the code provisions of the Corporate Governance Code as set out in Appendix 14 to the Listing Rules throughout the six months ended 30 June 2016.

SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") contained in Appendix 10 to the Listing Rules as its code of conduct regarding directors' securities transactions. Following specific enquiries by the Company, all directors of the Company confirmed that they have complied with the required standards set out in the Model Code throughout the six months ended 30 June 2016.

UPDATES ON DIRECTORS' INFORMATION

At the annual general meeting of the Company held on 1 June 2016, ordinary resolutions were passed to re-elect Mr. Paul Kenneth Etchells as independent non-executive director, Mr. Ma Jianping as non-executive director and Ms. Wu Wenting as executive director. Please refer to Appendix 1 to the Company's circular dated 27 April 2016 for their biographies and other information.

With effect from 15 February 2016, (i) Mr. Ning Gaoning resigned as a non-executive director of the Company; and (ii) Mr. Yu Xubo resigned as a non-executive of the Company and a member of the Remuneration Committee. Please refer to the announcement of the Company dated 15 February 2016.

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。

企業管治守則

本公司於截至2016年6月30日止六個月整個期間內一直採用上市規則附錄十四所載《企業管治守則》之原則並遵守其所有守則條文。

董事進行的證券交易

本公司已採納上市規則附錄十所載的《上市發行人董事進行證券交易的標準守則》(「標準守則」)作為董事進行證券交易之操守守則。經本公司作出具體查詢後，本公司所有董事確認彼等於截至2016年6月30日止六個月整個期間內一直遵守標準守則所載列之規定標準。

更新有關董事信息

於2016年6月1日本公司舉行的股東週年大會，普通決議案已獲通過重選包逸秋先生為獨立非執行董事、馬建平先生為非執行董事及吳文婷女士為執行董事。有關彼等的履歷及其他資料，請參閱本公司於2016年4月27日發出的通函之附錄一。

自2016年2月15日起生效，(i)寧高寧先生已辭任為本公司非執行董事；及(ii)于旭波先生已辭任為本公司非執行董事及薪酬委員會成員。請參閱本公司於2016年2月15日發出的公告。

► CORPORATE GOVERNANCE HIGHLIGHTS AND OTHER INFORMATION 企業管治摘要及其他資料

REVIEW OF INTERIM RESULTS

The unaudited condensed consolidated interim financial information of the Group for the six months ended 30 June 2016 has been reviewed by the Audit Committee of the Board.

INTERIM DIVIDEND

The Board declared the payment of an interim dividend of HK1.2 cents per share (“2016 Interim Dividend”) for the six months ended 30 June 2016 (30 June 2015: Nil) to shareholders whose names appear at the register of members of the Company on Friday, 9 September 2016 (the “Record Date”). The ex-dividend date for the 2016 Interim Dividend will be on Tuesday, 6 September 2016.

The declared 2016 Interim Dividend will be distributed on or after Friday, 14 October 2016 to shareholders whose names appear on the register of members of the Company on the Record Date.

As disclosed in the Company’s announcement made on 9 June 2013, the Company received the approvals of State Administration of Taxation of the People’s Republic of China which confirmed that (i) the Company is regarded as a Chinese resident enterprise; and (ii) relevant enterprise income tax policies shall be applicable to the Company starting from 1 January 2013. Thus, the Company will withhold 10% enterprise income tax when the 2016 Interim Dividend is distributed to non-resident enterprise shareholders.

CLOSURE OF REGISTER OF MEMBERS

For determining the shareholders’ entitlement to the 2016 Interim Dividend, the register of members of the Company will be closed from Thursday, 8 September 2016 to Friday, 9 September 2016, both days inclusive, during which period no transfer of shares will be registered. In order to qualify for the 2016 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 Level 22, Hopewell Centre, 183 Queen’s Road East, Hong Kong, not later than 4:30 p.m. on Wednesday, 7 September 2016.

審閱中期業績

本集團截至2016年6月30日止六個月之未經審核簡明綜合中期財務資料已由董事會轄下的審核委員會審閱。

中期股息

董事會向在2016年9月9日(星期五)(「股權登記日」)名列本公司股東名冊內之股東宣派截至2016年6月30日止六個月之中期股息每股1.2港仙(「2016年中期股息」)(2015年6月30日：無)。2016年中期股息除淨日為2016年9月6日(星期二)。

所宣派之2016年中期股息將於2016年10月14日(星期五)或之後分派予於股權登記日名列本公司股東名冊之股東。

誠如本公司日期為2013年6月9日的公告披露，本公司收到中華人民共和國國家稅務總局批覆，確認本公司(i)被認定為中國居民企業，及(ii)自2013年1月1日起適用企業所得稅相關稅收政策。因此，本公司向非居民企業股東派發2016年中期股息時將代扣除10%企業所得稅款。

暫停辦理過戶登記手續

為釐定股東獲派建議之2016年中期股息之權利，本公司股東名冊將於2016年9月8日(星期四)至2016年9月9日(星期五)(包括首尾兩天)暫停辦理股份過戶登記手續。為符合資格獲派建議之2016年中期股息，所有辦理登記的股份過戶文件連同有關股票最遲須於2016年9月7日(星期三)下午4時30分前送達本公司的香港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183號合和中心22樓。

▶ 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 35 to 68 which comprises the condensed consolidated statement of financial position of China Foods Limited (the “Company”) and its subsidiaries as at 30 June 2016, and the related condensed consolidated statement of profit or loss, comprehensive income, changes in equity and cash flows for the six-month period then ended, and explanatory notes. The Main Board Listing 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”).

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

SCOPE OF REVIEW

We conducted our review in accordance with Hong Kong Standard on Review Engagement 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 such 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35頁至第68頁之中國食品有限公司(「貴公司」)及其附屬公司之中期財務資料，此中期財務資料包括於2016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損益報表、全面收入報表、股本變動報表和現金流量表以及解釋性附註。根據《香港聯合交易所有限公司主板證券上市規則》，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報告。

貴公司董事須負責根據香港會計準則第34號編製及列報中期財務資料。我們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。因此我們不會發表有關意見。

▶ 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

22/F CITIC Tower
1 Tim Mei Avenue
Central, Hong Kong

23 August 2016

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

2016年8月23日

▶ CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

簡明綜合損益報表

For the six months ended 30 June 2016

截至2016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		
		2016 2016年 HK\$'000 千港元 (Unaudited) (未經審核)	2015 2015年 HK\$'000 千港元 (Unaudited and restated) (未經審核 並經重列)	
	Notes 附註			
CONTINUING OPERATIONS REVENUE	持續經營業務收入	4	14,590,646	14,882,901
Cost of sales	銷售成本		(11,134,307)	(11,401,539)
Gross profit	毛利		3,456,339	3,481,362
Other income and gains	其他收入及收益	4	667,760	159,109
Selling and distribution expenses	銷售及分銷支出		(2,761,856)	(2,750,071)
Administrative expenses	行政支出		(341,042)	(369,139)
Other expenses and losses	其他支出及虧損		(14,507)	(29,301)
Finance costs	融資成本	5	(21,605)	(32,111)
Share of profits of associates	應佔聯營公司溢利		26,254	53,481
PROFIT BEFORE TAX FROM CONTINUING OPERATIONS	來自持續經營業務之除稅前溢利	6	1,011,343	513,330
Income tax expense	所得稅支出	7	(193,627)	(187,004)
PROFIT FOR THE PERIOD FROM CONTINUING OPERATIONS	期內來自持續經營業務之溢利		817,716	326,326
DISCONTINUED OPERATION	已終止經營業務			
Loss for the period from a discontinued operation	期內來自已終止經營業務之虧損	8	(43,518)	(53,272)
PROFIT FOR THE PERIOD	期內溢利		774,198	273,054
Attributable to:	應佔方：			
Owners of the parent	母公司擁有人		616,677	113,969
Non-controlling interests	非控股權益		157,521	159,085
			774,198	273,054
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	10		
Basic	基本			
– For the profit for the period	– 期內溢利		HK22.05 cents 港仙	HK4.07 cents 港仙
– For the profit from continuing operations	– 期內來自持續經營業務之溢利		HK23.60 cents 港仙	HK5.98 cents 港仙
Diluted	攤薄			
– For the profit for the period	– 期內溢利		HK22.05 cents 港仙	HK4.07 cents 港仙
– For the profit from continuing operations	– 期內來自持續經營業務之溢利		HK23.60 cents 港仙	HK5.98 cents 港仙

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

簡明綜合全面收入報表

For the six months ended 30 June 2016

截至2016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	
		2016	2015
		2016年	2015年
		HK\$'000	HK\$'000
		千港元	千港元
		(Unaudited)	(Unaudited and restated)
		(未經審核)	(未經審核並經重列)
PROFIT FOR THE PERIOD	期內溢利	774,198	273,054
OTHER COMPREHENSIVE LOSS	其他全面虧損		
Other comprehensive loss to be reclassified to profit or loss in subsequent periods:	將於以後期間重新分類至損益之其他全面虧損：		
Exchange differences on translation of foreign operations	換算海外業務時之匯兌差額	(188,544)	(5,010)
Share of other comprehensive income of an associate	應佔一間聯營公司其他全面收入	-	117
Net other comprehensive loss to be reclassified to profit or loss in subsequent periods	將於以後期間重新分類至損益之其他全面虧損淨額	(188,544)	(4,893)
Other comprehensive income not to be reclassified to profit or loss in subsequent periods:	將不會於以後期間重新分類至損益之其他全面收入：		
Gains on property revaluation	物業重估之收益	-	5,760
Income tax effect	所得稅影響	-	(1,440)
Net other comprehensive income not to be reclassified to profit or loss in subsequent periods	將不會於以後期間重新分類至損益之其他全面收入淨額	-	4,320
OTHER COMPREHENSIVE LOSS FOR THE PERIOD, NET OF TAX	期內其他全面虧損(已扣除稅項)	(188,544)	(573)
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	期內全面收入總額	585,654	272,481
Attributable to:	應佔方：		
Owners of the parent	母公司擁有人	449,090	114,329
Non-controlling interests	非控股權益	136,564	158,152
		585,654	272,481

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

簡明綜合財務狀況表

30 June 2016
2016年6月30日

			30 June 2016 2016年 6月30日 HK\$'000 千港元 (Unaudited) (未經審核)	31 December 2015 2015年 12月31日 HK\$'000 千港元 (Audited and restated) (經審核 並經重列)	1 January 2015 2015年 1月1日 HK\$'000 千港元 (Audited and restated) (經審核 並經重列)
NON-CURRENT ASSETS	非流動資產				
Property, plant and equipment	物業、廠房及設備	11	4,579,801	4,670,644	4,901,078
Investment properties	投資物業		34,048	34,735	98,331
Prepaid land premiums	預付土地金		543,779	459,851	424,026
Prepayments for items of property, plant and equipment	物業、廠房及設備項目 之預付款項		100,332	15,500	14,286
Goodwill	商譽		1,665,883	1,684,061	1,742,224
Other intangible assets	其他無形資產		13,645	15,610	27,370
Investments in associates	於聯營公司之投資		779,085	780,759	758,932
Available-for-sale investments	可供出售投資		209,356	209,637	214,106
Deferred tax assets	遞延稅項資產		177,441	182,837	184,521
Total non-current assets	非流動資產總值		8,103,370	8,053,634	8,364,874
CURRENT ASSETS	流動資產				
Inventories	存貨		3,533,270	4,038,615	4,301,418
Accounts and bills receivables	應收賬款及票據	12	1,685,532	1,376,410	1,771,192
Prepayments, deposits and other receivables	預付款項、按金及 其他應收款項		1,072,263	1,372,867	1,186,912
Due from fellow subsidiaries	同系附屬公司欠款	17(d)	348,047	351,977	578,278
Due from the ultimate holding company	最終控股公司欠款	17(d)	13,855	14,157	15,202
Due from the immediate holding company	直系控股公司欠款	17(d)	162	162	171
Due from non-controlling shareholders of subsidiaries	附屬公司之非控股 股東欠款	17(d)	16,322	15,394	37,711
Due from associates	聯營公司欠款	17(d)	12,708	10,496	16,273
Prepaid tax	預繳稅項		29,298	42,703	41,225
Available-for-sale investments	可供出售投資		-	-	399,305
Equity investments at fair value through profit or loss	按公平值列入損益 之權益投資		-	-	14,728
Restricted bank balances	受限制銀行結餘		6,837	6,974	-
Pledged deposits	抵押存款		55,966	64,980	162,947
Cash and cash equivalents	現金及現金等值項目		1,813,810	899,170	1,356,458
Assets of a disposal group classified as held for sale	分類為持作出售 之出售組別資產	8	-	375,131	-
Total current assets	流動資產總值		8,588,070	8,569,036	9,881,820

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

簡明綜合財務狀況表

30 June 2016

2016年6月30日

			30 June 2016 2016年 6月30日 HK\$'000 千港元 (Unaudited) (未經審核)	31 December 2015 2015年 12月31日 HK\$'000 千港元 (Audited and restated) (經審核 並經重列)	1 January 2015 2015年 1月1日 HK\$'000 千港元 (Audited and restated) (經審核 並經重列)
CURRENT LIABILITIES	流動負債				
Accounts and bills payables	應付賬款及票據	13	1,516,188	1,300,096	1,372,106
Other payables and accruals	其他應付款項及應計負債		2,498,501	3,246,483	3,368,978
Due to fellow subsidiaries	欠同系附屬公司款項	17(d)	2,052,613	1,270,244	1,253,117
Due to the ultimate holding company	欠最終控股公司款項	17(d)	25,160	25,467	27,915
Due to related companies	欠關連公司款項	17(d)	8,621	9,817	88,765
Due to non-controlling shareholders of subsidiaries	欠附屬公司之非控股股東 款項	17(d)	366,072	553,991	48,103
Due to associates	欠聯營公司款項	17(d)	178,775	176,405	154,453
Dividend payable	應付股息		27,977	-	-
Interest-bearing bank and other borrowings	計息銀行貸款及其他貸款		1,175,311	1,647,650	1,360,994
Tax payable	應付稅項		107,817	48,536	96,784
			7,957,035	8,278,689	7,771,215
Liabilities directly associated with the assets of a disposal group classified as held for sale	與分類為持作出售 之出售組別資產直接 相關之負債	8	-	101,694	-
Total current liabilities	流動負債總值		7,957,035	8,380,383	7,771,215
NET CURRENT ASSETS	流動資產淨值		631,035	188,653	2,110,605
TOTAL ASSETS LESS CURRENT LIABILITIES	資產總值減流動負債		8,734,405	8,242,287	10,475,479
NON-CURRENT LIABILITIES	非流動負債				
Interest-bearing bank borrowings	計息銀行貸款		800,000	1,000,000	2,100,000
Due to non-controlling shareholders of subsidiaries	欠附屬公司之非控股 股東款項	17(d)	-	-	28,446
Deferred income	遞延收入		308,718	155,888	160,613
Deferred tax liabilities	遞延稅項負債		35,190	34,200	63,873
Total non-current liabilities	非流動負債總值		1,143,908	1,190,088	2,352,932
Net assets	資產淨值		7,590,497	7,052,199	8,122,547
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		279,722	279,722	279,722
Reserves	儲備		5,634,300	5,213,039	5,607,927
			5,914,022	5,492,761	5,887,649
Non-controlling interests	非控股權益		1,676,475	1,559,438	2,234,898
Total equity	股本總值		7,590,497	7,052,199	8,122,547

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

簡明綜合股本變動報表

For the six months ended 30 June 2016
截至2016年6月30日止六個月

		Attributable to owners of the parent 母公司擁有人應佔										
		Employee share-based compensation			Capital reserve	Reserve funds	Exchange fluctuation reserve	Asset revaluation reserve	Retained profits	Non-controlling interests	Total equity	
		Issued capital	premium account	reserve								
		已發行股本	股份溢價賬	僱員股本結算薪酬儲備	資本儲備	儲備金	波動儲備	重估儲備	保留溢利	總計	非控股權益	股本總值
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		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 2016	於2016年1月1日											
As previously reported	原先呈列	279,722	37,367	31,074	3,247,332	352,019	673,553	16,573	878,677	5,516,317	1,559,857	7,076,174
Prior year adjustments	過往年度之調整	-	-	-	-	-	964	-	(24,520)	(23,556)	(419)	(23,975)
As restated	經重列	279,722	37,367	31,074	3,247,332	352,019	674,517	16,573	854,157	5,492,761	1,559,438	7,052,199
Profit for the period	期內溢利	-	-	-	-	-	-	-	616,677	616,677	157,521	774,198
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	-	-	-	-	-	(167,587)	-	-	(167,587)	(20,957)	(188,544)
Total comprehensive income for the period	期內全面收入總額	-	-	-	-	-	(167,587)	-	616,677	449,090	136,564	585,654
Disposal of subsidiaries	出售附屬公司	-	-	-	-	-	-	(6,910)	6,910	-	-	-
Equity-settled share option arrangements	股本結算購股權安排	-	-	148	-	-	-	-	-	148	-	148
Transfer of employee share-based compensation reserve upon the forfeiture or expiry of share options	於購股權沒收或到期時轉撥僱員股本結算薪酬儲備	-	-	(1,371)	-	-	-	-	1,371	-	-	-
Final 2015 dividend declared	宣派之2015年期末股息	-	-	-	-	-	-	-	(27,977)	(27,977)	-	(27,977)
Dividends paid to non-controlling shareholders of subsidiaries	向附屬公司之非控股股東已支付之股息	-	-	-	-	-	-	-	-	-	(19,527)	(19,527)
At 30 June 2016	於2016年6月30日	279,722	37,367*	29,851*	3,247,332*	352,019*	506,930*	9,663*	1,451,138*	5,914,022	1,676,475	7,590,497

* These reserve accounts comprise the consolidated reserves of HK\$5,634,300,000 (31 December 2015: HK\$5,213,039,000) 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5,634,300,000港元(2015年12月31日: 5,213,039,000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 2016

截至2016年6月30日止六個月

		Attributable to owners of the parent 母公司擁有人應佔										
		Employee share-based compensation			Exchange fluctuation		Asset revaluation		Retained profits		Non-controlling interests	Total equity
		Issued capital	premium account	reserve	Capital reserve	Reserve funds	reserve	reserve	profits	Total	interests	equity
		已發行股本	股份溢價賬	僱員股本結算薪酬儲備	資本儲備	儲備金	波動儲備	重估儲備	保留溢利	總計	非控股權益	股本總值
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		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 2015	於2015年1月1日	279,722	37,367	29,807	3,246,889	250,813	1,131,139	12,384	899,528	5,887,649	2,234,898	8,122,547
Profit for the period (restated)	期內溢利(經重列)	-	-	-	-	-	-	-	113,969	113,969	159,085	273,054
Other comprehensive income/(loss) for the period:	期內其他全面收入/(虧損):											
Exchange differences on translation of foreign operations (restated)	換算海外業務時之匯兌差額(經重列)	-	-	-	-	-	(4,077)	-	-	(4,077)	(933)	(5,010)
Share of other comprehensive income of an associate	應佔一間聯營公司其他全面收入	-	-	-	117	-	-	-	-	117	-	117
Gains on property revaluation, net of tax	物業重估之收益(已扣除稅項)	-	-	-	-	-	-	4,320	-	4,320	-	4,320
Total comprehensive income for the period	期內全面收入總額	-	-	-	117	-	(4,077)	4,320	113,969	114,329	158,152	272,481
Equity-settled share option arrangements	股本結算購股權安排	-	-	826	-	-	-	-	-	826	-	826
Transfer of employee share-based compensation reserve upon the forfeiture or expiry of share options	於購股權沒收或到期時轉撥僱員股本結算薪酬儲備	-	-	(1,202)	-	-	-	-	1,202	-	-	-
Transfer from retained profits	自保留溢利轉撥	-	-	-	-	48,450	-	-	(48,450)	-	-	-
Dividends paid or payable to non-controlling shareholders of subsidiaries	向附屬公司之非控股股東已支付或應付之股息	-	-	-	-	-	-	-	-	-	(770,629)	(770,629)
At 30 June 2015 (restated)	於2015年6月30日(經重列)	279,722	37,367	29,431	3,247,006	299,263	1,127,062	16,704	966,249	6,002,804	1,622,421	7,625,225

► CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

簡明綜合現金流量表

For the six months ended 30 June 2016

截至2016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	
		2016 2016年 HK\$'000 千港元 (Unaudited) (未經審核)	2015 2015年 HK\$'000 千港元 (Unaudited and restated) (未經審核 並經重列)
	Notes 附註		
CASH FLOWS FROM OPERATING ACTIVITIES	經營業務之 現金流量		
Profit/(loss) before tax:	除稅前溢利/(虧損):		
From continuing operations	來自持續經營業務	1,011,343	513,330
From a discontinued operation	來自終止經營業務	(43,723)	(53,098)
Adjustments for:	就下列項目作出調整:		
Finance costs	融資成本	21,605	32,111
Share of profits of associates	應佔聯營公司溢利	(26,254)	(53,481)
Interest income	利息收入	(7,653)	(18,319)
Dividend income from available-for-sale investments	可供出售投資 之股息收入	(48,689)	(46,862)
Gain on disposal of equity investments at fair value through profit or loss	出售按公平值列入損益 之權益投資之收益	-	(4,466)
Impairment of receivables	應收款項減值	13,014	25,595
Equity-settled share option expense	股本結算購股權開支	148	826
Amortisation of other intangible assets	其他無形資產攤銷	2,270	5,422
Depreciation	折舊	247,807	254,960
Changes in fair value of investment properties	投資物業之公平值 變動	174	-
Loss on disposal/write-off of items of property, plant and equipment	物業、廠房及設備項目 之出售虧損/撇銷	1,535	2,764
Impairment of available-for-sale investments	可供出售投資 之減值	-	3,034
Recognition of prepaid land premiums	確認預付土地金	6,874	5,609
Provision against inventories	存貨撥備	19,579	9,992
Government grants	政府補助	(38,876)	(36,408)
Gain on disposal of subsidiaries	出售附屬公司之收益	(522,969)	-
		636,185	641,009

► CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

簡明綜合現金流量表

For the six months ended 30 June 2016

截至2016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	
		2016	2015
		2016年	2015年
		HK\$'000	HK\$'000
		千港元	千港元
		(Unaudited)	(Unaudited and restated)
		(未經審核)	(未經審核並經重列)
Decrease in inventories	存貨減少	530,918	340,840
Decrease/(increase) in accounts and bills receivables	應收賬款及票據減少/(增加)	(311,647)	195,747
Decrease in prepayments, deposits and other receivables	預付款項、按金及其他應收款項減少	302,143	62,805
Decrease/(increase) in amounts due from fellow subsidiaries	同系附屬公司欠款減少/(增加)	33,073	(24,879)
Decrease/(increase) in an amount due from the ultimate holding company	最終控股公司欠款減少/(增加)	302	(770)
Decrease in an amount due from the immediate holding company	直接控股公司欠款減少	-	9
Decrease/(increase) in amounts due from non-controlling shareholders of subsidiaries	附屬公司非控股股東欠款減少/(增加)	(928)	21,253
Decrease/(increase) in amounts due from associates	聯營公司欠款減少/(增加)	(2,212)	317
Increase in accounts and bills payables	應付賬款及票據增加	196,331	573,149
Decrease in other payables and accruals	其他應付款項及應計負債減少	(775,153)	(304,042)
Increase/(decrease) in amounts due to fellow subsidiaries	欠同系附屬公司款項增加/(減少)	781,422	(271,633)
Increase/(decrease) in an amount due to the ultimate holding company	欠最終控股公司款項增加/(減少)	(307)	951
Decrease in amounts due to related companies	欠關連公司款項減少	(1,258)	(45,208)
Increase/(decrease) in amounts due to non-controlling shareholders of subsidiaries	欠附屬公司非控股股東款項增加/(減少)	(187,919)	2,529
Increase in amounts due to associates	欠聯營公司款項增加	2,370	42,483
Effect of foreign exchange rate changes, net	匯率變動影響淨額	(7,273)	3,982
Cash generated from operations	經營業務所得之現金	1,196,047	1,238,542
Interest received	已收利息	7,653	18,319
Interest paid	已付利息	(21,605)	(32,111)
Mainland China income tax paid	已付中國大陸所得稅	(118,560)	(221,526)
Net cash flows from operating activities	經營業務所得之現金流淨額	1,063,535	1,003,224

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

簡明綜合現金流量表

For the six months ended 30 June 2016

截至2016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	
		2016	2015
		2016年	2015年
		HK\$'000	HK\$'000
		千港元	千港元
		(Unaudited)	(Unaudited and restated)
		(未經審核)	(未經審核並經重列)
	Notes 附註		
CASH FLOWS FROM INVESTING ACTIVITIES	投資活動之現金流量		
Decrease/(increase) in pledged deposits	抵押存款減少/(增加)	9,014	(14,087)
Dividends received from available-for-sale investments	已收可供出售投資之股息	48,689	46,862
Dividends received from associates	已收聯營公司股息	27,928	51,826
Proceeds from disposal of items of property, plant and equipment	出售物業、廠房及設備項目所得款項	2,729	2,824
Proceeds from disposal of equity investment through profit or loss, net	出售列入損益之權益投資所得款項淨額	-	19,194
Disposal of subsidiaries	出售附屬公司	683,220	-
Purchases of items of property, plant and equipment	購置物業、廠房及設備項目	(237,672)	(454,590)
Additions to prepaid land premiums	預付土地金增加	(102,502)	(1,209)
Decrease/(increase) in prepayments for items of property, plant and equipment	預付物業、廠房及設備項目減少/(增加)	(84,832)	871
Receipt of government grants	收到政府補助	204,919	64,453
Proceeds from redemption of available-for-sale investments	贖回可供出售投資所得款項	-	399,371
Net cash flows from investing activities	投資活動所得之現金流淨額	551,493	115,515
CASH FLOWS FROM FINANCING ACTIVITIES	融資活動之現金流量		
New bank borrowings	新增銀行貸款	2,408,502	325,357
New other borrowings	新增其他貸款	1,276	3,481
Repayments of bank borrowings	償還銀行貸款	(3,077,223)	(325,357)
Dividends paid to non-controlling shareholders of subsidiaries	向附屬公司之非控股股東已支付之股息	(19,527)	(14,753)
Net cash flows used in financing activities	融資活動所用之現金流淨額	(686,972)	(11,272)

▶ CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

簡明綜合現金流量表

For the six months ended 30 June 2016

截至2016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	
		2016 2016年 HK\$'000 千港元 (Unaudited) (未經審核)	2015 2015年 HK\$'000 千港元 (Unaudited) (未經審核)
NET INCREASE IN CASH AND CASH EQUIVALENTS	現金及現金等值項目 增加淨額	928,056	1,107,467
Cash and cash equivalents at beginning of period	期初之現金及現金等值項目	908,470	1,356,458
Effect of foreign exchange rate changes, net	匯率變動影響淨額	(22,716)	7
CASH AND CASH EQUIVALENTS AT END OF PERIOD	期末之現金及現金等值項目	1,813,810	2,463,932
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 and cash equivalents as stated in the condensed consolidated statement of financial position and the condensed consolidated statement of cash flows	簡明綜合財務狀況表及簡明綜合現金流量表所載之現金及銀行結餘及現金等值項目	1,813,810	2,463,932

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

簡明綜合中期財務資料附註

30 June 2016

2016年6月30日

1. CORPORATE INFORMATION

The Company is a limited liability company incorporated in Bermuda. The registered office of the Company is located at Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda.

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

During the six months ended 30 June 2016, 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 seasoning 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 2015.

1. 公司資料

本公司為一家於百慕達註冊成立之有限責任公司。本公司之註冊辦事處為Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda。

本公司乃在香港註冊成立之中糧集團(香港)有限公司之附屬公司。根據董事會之確認，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。

截至2016年6月30日止六個月期間，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；
- 葡萄酒及其他酒品類產品的生產、銷售及貿易；
- 分銷零售型包裝烹調油及調味品；
- 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2015年12月31日止年度之財務報表一併閱讀，始屬完備。

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

簡明綜合中期財務資料附註

30 June 2016

2016年6月30日

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 2015, except in relation to the following revised Hong Kong Financial Reporting Standards (“HKFRSs”) that affect the Group and are adopted for the first time for the current period’s financial information:

Amendments to HKFRS 10, HKFRS 12 and HKAS 28 (2011)	<i>Investment Entities: Applying the Consolidation Exception</i>
Amendments to HKFRS 11	<i>Accounting for Acquisitions of Interests in Joint Operations</i>
Amendments to HKAS 1	<i>Disclosure Initiative</i>
Amendments to HKAS 16 and HKAS 38	<i>Clarification of Acceptable Methods of Depreciation and Amortisation</i>
Amendments to HKAS 16 and HKAS 41	<i>Agriculture: Bearer Plants</i>
Amendments to HKAS 27 (2011)	<i>Equity Method in Separate Financial Statements</i>
Annual Improvements 2012-2014 Cycle	<i>Amendments to a number of HKFRSs</i>

Other than as explained below regarding the impact of amendments to HKAS 16 and HKAS 41 *Agriculture: Bearer Plants*, the adoption of above revised HKFRSs has no material impact on the accounting policies of the Group.

The HKAS 16 and HKAS 41 Amendments change the accounting requirements for biological assets that meet the definition of bearer plants. Under the amendments, biological assets that meet the definition of bearer plants will be within the scope of HKAS 16 instead of HKAS 41. After initial recognition, bearer plants will be measured under HKAS 16 at accumulated cost before maturity. After the bearer plants mature, they will be measured either using the cost model or revaluation model in accordance with HKAS 16. The amendments also require that produce growing on the bearer plants will remain in the scope of HKAS 41 and is measured at fair value less costs to sell. Government grants relating to bearer plants will now be accounted for in accordance with HKAS 20 *Accounting for Government Grants and Disclosure of Government Assistance*.

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」)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2015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10號、香港財務報告準則第12號及香港會計準則第28號(2011年)(修訂本)	投資實體：應用綜合入賬的例外情況
香港財務報告準則第11號(修訂本)	收購合營業務權益之會計法
香港會計準則第1號(修訂本)	披露方案
香港會計準則第16號及香港會計準則第38號(修訂本)	釐清可予接受之折舊及攤銷方法
香港會計準則第16號及香港會計準則第41號(修訂本)	農業：生產性植物
香港會計準則第27號(2011年)(修訂本)	獨立財務報表之權益法
2012年至2014年週期之年度改進	若干香港財務報告準則之修訂

除下文所述有關香港會計準則第16號及香港會計準則第41號有關農業：生產性植物的修訂的影響外，採納上述經修訂的香港財務報告準則對本集團的會計政策並無重大影響。

香港會計準則第16號及香港會計準則第41號之修訂改變對於符合生產性植物定義之生物資產之會計規定。根據有關修訂，符合生產性植物定義之生物資產納入香港會計準則第16號而非香港會計準則第41號之範圍。在首次確認後，生產性植物於成熟前將根據香港會計準則第16號按累計成本計量。生產性植物成熟之後將根據香港會計準則第16號採用成本模式或重估模式計量。有關修訂亦規定，在生產性植物上生長之農作物將仍然屬於香港會計準則第41號之範圍並按公平值減出售成本計量。與生產性植物有關之政府補助金現將根據香港會計準則第20號政府補助金之會計及政府協助之披露入賬。

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

簡明綜合中期財務資料附註

30 June 2016
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2. BASIS OF PREPARATION AND ACCOUNTING POLICIES (continued)

The application of amendments to HKAS 16 and HKAS 41 has affected the accounting for the Group's grape vines. Upon the adoption of amendments to HKAS 16 and HKAS 41 on 1 January 2016, retrospective adjustments have been made to the previous accounting and grape vines has been accounted for as properties, plant and equipment since 1 January 2015, using their corresponding fair values as at 1 January 2015 as their deemed costs at that date. The opening balances as at 1 January 2015 and comparative information for the six months ended 30 June 2015 have been restated in the financial information. The quantitative impact on the financial information is summarised below:

Impact on the condensed consolidated statement of profit or loss:

2. 編製基準及會計政策(續)

應用香港會計準則第16號及香港會計準則第41號之修訂對本集團葡萄酒的會計處理產生影響。香港會計準則第16號及香港會計準則第41號之修訂於2016年1月1日採納後，先前的會計處理已進行追溯調整，而葡萄酒於2015年1月1日按其於2015年1月1日的公允值為該日期的認定成本以物業、廠房及設備處理。於2015年1月1日的年初餘額與截至2015年6月30日止六個月的比較資料已於財務資料經重列。對財務資料的量化影響概述如下：

對簡明綜合損益報表之影響：

		Six months ended 30 June 2015 截至 2015年6月30日 止六個月 HK\$'000 千港元
Increase in cost of sales	銷售成本增加	5,173
Decrease in gross profit and profit before tax from continuing operations	毛利及來自經營業務之 除稅前溢利減少	(5,173)
Decrease in income tax expense	所得稅支出減少	507
Decrease in profit for the period from continuing operations and profit for the period	期內來自經營業務之溢利 及期內溢利 減少	(4,666)
Decrease in profit for the period attributable to:	應佔方期內溢利減少：	
Owners of the parent	母公司擁有人	(4,292)
Non-controlling interests	非控股權益	(374)
		(4,666)
Decrease in earnings per share attributable to ordinary equity holders of the parent:	母公司普通股權益持有人 應佔每股盈利減少：	
Basic and diluted	基本及攤薄	
– For the profit for the period	– 期內溢利	HK(0.16) cents 港仙
– For the profit from continuing operations	– 來自持續經營業務 之溢利	HK(0.16) cents 港仙

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

簡明綜合中期財務資料附註

30 June 2016
2016年6月30日

2. BASIS OF PREPARATION AND ACCOUNTING POLICIES (continued)

2. 編製基準及會計政策(續)

Impact on the condensed consolidated statement of comprehensive income:

對簡明綜合全面收入報表之影響：

		Six months ended 30 June 2015 截至 2015年6月30日 止六個月 HK\$'000 千港元
Decrease in profit for the period	期內溢利減少	(4,666)
Decrease in exchange differences on translation of foreign operations	換算海外業務時之匯兌差額減少	35
Decrease in net other comprehensive loss to be reclassified to profit or loss in subsequent periods and other comprehensive loss for the period, net of tax	將於以後期間重新分類至損益之其他全面虧損淨額及期內其他全面虧損(已扣除稅項)減少	35
Decrease in total comprehensive income for the period	期內全面收入總額減少	(4,631)
Decrease in total comprehensive income for the period attributable to:	應佔方期內全面收入總額減少：	
Owners of the parent	母公司擁有人	(4,256)
Non-controlling interests	非控股權益	(375)
		(4,631)

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

簡明綜合中期財務資料附註

30 June 2016
2016年6月30日

2. BASIS OF PREPARATION AND ACCOUNTING POLICIES (continued)

Impact on the condensed consolidated statement of financial position:

2. 編製基準及會計政策(續)

對簡明綜合財務狀況表之影響：

		As at 31 December 2015 於2015年 12月31日 HK\$'000 千港元	As at 1 January 2015 於2015年 1月1日 HK\$'000 千港元
Increase in properties, plant and equipment	物業、廠房及設備增加	168,910	200,806
Decrease in biological assets	生物資產減少	(198,172)	(200,806)
Decrease in total non-current assets	非流動資產總值減少	(29,262)	–
Decrease in deferred tax liabilities and total non-current liabilities	遞延稅項負債及非流動負債總值減少	5,287	–
Decrease in net assets	資產淨值減少	(23,975)	–
Decrease in equity attributable to owners of the parent	母公司擁有人應佔股本減少	(23,556)	–
Decrease in non-controlling interests	非控股權益減少	(419)	–
Decrease in total equity	股本總值減少	(23,975)	–

3. OPERATING SEGMENT INFORMATION

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

- the beverage segment is engaged in the processing, bottling and distribution of sparkling beverage products and the distribution of still beverage products;
- the wine segment is engaged in the production, sale and trading of grape wine and other wine products;

3. 經營分部資料

為管理目的，本集團按其產品性質劃分為不同的業務單元並擁有五項可予呈報經營分部如下：

- 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；
- 酒品類分部，從事生產、銷售及買賣葡萄酒及其他酒品類產品；

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

簡明綜合中期財務資料附註

30 June 2016

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3. OPERATING SEGMENT INFORMATION (continued)

- (c) the kitchen food segment is engaged in the distribution of retail packaged cooking oil and seasoning products;
- (d) the confectionery segment is engaged in the production and distribution of chocolate and other related products (discontinued operation (note 8)); 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 profit/(loss), which is a measure of adjusted profit/(loss) before tax from continuing operations. The adjusted profit/(loss) before tax from continuing operations is measured consistently with the Group's profit/(loss) before tax from continuing operations except that interest income, dividend income, gain on disposal of subsidiaries, finance costs, share of profits of associates, as well as unallocated head office and corporate results are all excluded from such measurement.

Segment assets exclude deferred tax assets, prepaid tax, restricted bank balances, pledged deposits, cash and cash equivalents, available-for-sale investments, investments in associates and other unallocated head office and corporate assets as these assets are managed on a group basis.

Segment liabilities exclude interest-bearing bank and other borrowings, tax payable, deferred tax liabilities and other unallocated head office and corporate liabilities as these liabilities are managed on a group basis.

3. 經營分部資料(續)

- (c) 廚房食品分部，從事分銷零售型包裝烹調油及調味品；
- (d) 休閒食品分部，從事生產及分銷巧克力及其他相關產品(已終止經營業務(附註8))；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的業績，藉此作出有關資源分配的決定及評估表現。分部表現乃根據可予呈報分部溢利/(虧損)(其乃來自持續經營業務的經調整除稅前溢利/(虧損)之計量)進行評估。來自持續經營業務的經調整除稅前溢利/(虧損)與本集團來自持續經營業務的除稅前溢利/(虧損)之計量保持一致，惟該計量不包括利息收入、股息收入、出售附屬公司收益、融資成本、應佔聯營公司溢利以及未分配總部及公司業績。

分部資產不包括遞延稅項資產、預繳稅項、受限制銀行結餘、抵押存款、現金及現金等值項目、可供出售投資、於聯營公司之投資及其他未分配總部及公司資產，因為該等資產按集團基準管理。

分部負債不包括計息銀行貸款及其他貸款、應付稅項、遞延稅項負債及其他未分配總部及公司負債，因為該等負債按集團基準管理。

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

簡明綜合中期財務資料附註

30 June 2016
2016年6月30日

3. OPERATING SEGMENT INFORMATION (continued)

3. 經營分部資料(續)

Six months ended 30 June 2016

截至2016年6月30日止六個月

		Beverage	Wine	Kitchen food	Others	Total
		飲料	酒品類	廚房食品	其他	合計
		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
		(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)
Segment revenue:	分部收益:					
Sales to external customers	銷售予外界客戶	6,156,482	1,285,220	6,987,176	161,768	14,590,646
Other revenue	其他收益	59,368	14,997	4,838	8,310	87,513
		6,215,850	1,300,217	6,992,014	170,078	14,678,159
Segment results	分部業績	455,430	110,985	45,079	318	611,812
<i>Reconciliation:</i>	<i>對賬:</i>					
Interest income	利息收入					7,566
Dividend income	股息收入					48,689
Gain on disposal of subsidiaries	出售附屬公司收益					522,969
Finance costs	融資成本					(21,605)
Share of profits of associates	應佔聯營公司溢利					26,254
Corporate and other unallocated expenses	公司及其他未分配支出					(184,342)
Profit before tax from continuing operations	來自持續經營業務之除稅前溢利					1,011,343
30 June 2016	2016年6月30日					
Segment assets	分部資產	5,957,636	4,836,663	2,571,278	229,004	13,594,581
<i>Reconciliation:</i>	<i>對賬:</i>					
Investments in associates	於聯營公司之投資					779,085
Corporate and other unallocated assets	公司及其他未分配資產					2,317,774
Total assets	資產總值					16,691,440
Segment liabilities	分部負債	3,289,448	747,408	2,893,046	-	6,929,902
<i>Reconciliation:</i>	<i>對賬:</i>					
Corporate and other unallocated liabilities	公司及其他未分配負債					2,171,041
Total liabilities	負債總值					9,100,943

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3. OPERATING SEGMENT INFORMATION (continued)

3. 經營分部資料(續)

Six months ended 30 June 2015

截至2015年6月30日止六個月

		Beverage 飲料 HK\$'000 千港元 (Unaudited and restated) (未經審核 並經重列)	Wine 酒品類 HK\$'000 千港元 (Unaudited and restated) (未經審核 並經重列)	Kitchen food 廚房食品 HK\$'000 千港元 (Unaudited and restated) (未經審核 並經重列)	Others 其他 HK\$'000 千港元 (Unaudited and restated) (未經審核 並經重列)	Total 合計 HK\$'000 千港元 (Unaudited and restated) (未經審核 並經重列)
Segment revenue:	分部收益:					
Sales to external customers	銷售予外界客戶	7,095,363	1,296,432	6,265,239	225,867	14,882,901
Other revenue	其他收益	46,821	12,222	16,080	14,368	89,491
		7,142,184	1,308,654	6,281,319	240,235	14,972,392
Segment results	分部業績	445,602	103,056	41,700	3,838	594,196
<i>Reconciliation:</i>	<i>對賬:</i>					
Interest income	利息收入					18,290
Dividend income	股息收入					46,862
Finance costs	融資成本					(32,111)
Share of profits of associates	應佔聯營公司溢利					53,481
Corporate and other unallocated expenses	公司及其他未分配支出					(167,388)
Profit before tax from continuing operations	來自持續經營業務之除稅前溢利					513,330
31 December 2015	2015年12月31日					
		Beverage 飲料 HK\$'000 千港元 (Audited) (經審核)	Wine 酒品類 HK\$'000 千港元 (Audited and restated) (經審核 並經重列)	Kitchen food 廚房食品 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 and restated) (經審核 並經重列)
Segment assets	分部資產	6,174,395	4,846,579	2,768,845	243,919	14,033,738
<i>Reconciliation:</i>	<i>對賬:</i>					
Investments in associates	於聯營公司之投資					780,759
Corporate and other unallocated assets	公司及其他未分配資產					1,433,042
Assets related to a discontinued operation	與已終止經營業務相關之資產					375,131
Total assets	資產總值					16,622,670
Segment liabilities	分部負債	3,537,542	767,142	2,426,477	680	6,731,841
<i>Reconciliation:</i>	<i>對賬:</i>					
Corporate and other unallocated liabilities	公司及其他未分配負債					2,736,936
Liabilities related to a discontinued operation	與已終止經營業務相關之負債					101,694
Total liabilities	負債總值					9,570,471

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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 from continuing operations 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。

本集團來自持續經營業務之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	
		2016 2016年 HK\$'000 千港元 (Unaudited) (未經審核)	2015 2015年 HK\$'000 千港元 (Unaudited and restated) (未經審核 並經重列)
Other income	其他收入		
Gross rental income	租金收入總額	2,062	4,403
Bank interest income	銀行利息收入	7,566	12,410
Interest income from financial products	金融產品之利息收入	-	5,880
Dividend income from available-for-sale investments	可供出售投資之股息收入	48,689	46,862
Government grants*	政府補助*	38,876	36,319
Compensation income	補償收入	554	3,150
Sale of by-products and scrap items	出售副產品及廢料項目	13,818	8,605
Others	其他	32,203	37,014
		143,768	154,643
Gains	收益		
Foreign exchange differences, net	匯兌差額，淨額	1,023	-
Gain on disposal of subsidiaries (note 14)	出售附屬公司收益(附註14)	522,969	-
Gain on disposal of equity investments at fair value through profit or loss	出售按公平值列入損益之權益投資之收益	-	4,466
		523,992	4,466
		667,760	159,109

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4. REVENUE, OTHER INCOME AND GAINS (continued)

* Various government grants were granted for investments in certain provinces in Mainland China in which the Company's subsidiaries operate. Government grants for which related expenditure has not yet been undertaken are included in deferred income (non-current portion) and other payables and accruals (current portion) in the statement of financial position, respectively. There are no unfulfilled conditions or contingencies relating to these grants.

5. FINANCE COSTS

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

4. 收入、其他收入及收益(續)

* 本集團已獲授多項政府補助，用作投資本公司附屬公司經營所在之中國內地若干省份。政府補助相關的未承諾支出已分別包括在財務狀況表中的遞延收入(非流動部份)及其他應付款項及應計負債(流動部份)內。有關補助並無任何尚未符合之條件或其他或有事項。

5. 融資成本

本集團來自持續經營業務之融資成本分析如下：

		For the six months ended 30 June	
		截至6月30日止六個月	
		2016	2015
		2016年	2015年
		HK\$'000	HK\$'000
		千港元	千港元
		(Unaudited)	(Unaudited)
		(未經審核)	(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	19,654	30,519
Loans from a non-controlling shareholder of subsidiaries	附屬公司一名非控股股東之貸款	1,468	1,068
Others	其他	483	524
		21,605	32,111

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6. PROFIT BEFORE TAX FROM CONTINUING OPERATIONS

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

6. 來自持續經營業務之除稅前溢利

本集團來自持續經營業務之除稅前溢利乃扣除／(計入)下列各項：

		For the six months ended 30 June	
		截至6月30日止六個月	
		2016	2015
		2016年	2015年
		HK\$'000	HK\$'000
		千港元	千港元
		(Unaudited)	(Unaudited and restated)
		(未經審核)	(未經審核並經重列)
Cost of inventories sold	售出存貨成本	11,115,545	11,394,336
Provision against inventories	存貨撥備	18,762	7,203
Cost of sales	銷售成本	11,134,307	11,401,539
Depreciation	折舊	243,491	247,422
Amortisation of other intangible assets	其他無形資產攤銷	2,270	5,422
Recognition of prepaid land premiums	確認預付土地金	6,874	5,609
Loss on disposal/write-off of items of property, plant and equipment*	物業、廠房及設備項目之出售虧損／撇銷*	1,493	2,164
Impairment of receivables*	應收款項減值*	13,014	24,103
Impairment of available-for sale investments*	可供出售投資之減值*	-	3,034
Foreign exchange differences, net	匯兌差額，淨額	(1,023)	6,475

* These items are included in "other expenses and losses" on the face of the condensed consolidated statement of profit or loss.

* 該等項目已計入簡明綜合損益報表之「其他支出及虧損」內。

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7. INCOME TAX

No provision for Hong Kong profits tax has been made as the Group did not generate any assessable profits arising in Hong Kong during the period (six months ended 30 June 2015: Nil). Taxes on profits assessable elsewhere have been calculated at the rates of tax prevailing in the jurisdictions in which the Group operates.

Pursuant to the approvals issued by the State Administration of Taxation of the PRC during 2013, the Company and certain of its subsidiaries are regarded as Chinese Resident Enterprises (collectively the “CREs”) and relevant enterprise income tax policies of the PRC are applicable to the CREs commencing from 1 January 2013.

7. 所得稅支出

由於本集團於期內概無任何於香港產生的應課稅溢利，故並無就香港利得稅作出撥備（截至2015年6月30日止六個月：無）。其他地區之應課稅溢利之稅項乃根據本集團經營所在之司法權區之現行稅率計算。

根據中國國家稅務總局於2013年發出之批文，本公司及若干附屬公司被視為中國居民企業（統稱「中國居民企業」），中國相關企業所得稅政策由2013年1月1日起適用於中國居民企業。

		For the six months ended 30 June	
		截至6月30日止六個月	
		2016	2015
		2016年	2015年
		HK\$'000	HK\$'000
		千港元	千港元
		(Unaudited)	(Unaudited and restated)
		(未經審核)	(未經審核並經重列)
Current charge for the period:	中期期間扣除：		
Mainland China	中國內地	191,204	179,432
Elsewhere	其他地方	57	–
Deferred	遞延	2,366	7,572
Total tax charge for the period	期內稅項支出總額	193,627	187,004

The share of tax attributable to associates amounting to HK\$7,936,000 (six months ended 30 June 2015: HK\$17,995,000) is included in “Share of profits of associates” in the condensed consolidated statement of profit or loss.

聯營公司應佔稅項達致7,936,000港元（截至2015年6月30日止六個月：17,995,000港元），乃計入簡明綜合損益報表中「應佔聯營公司溢利」。

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8. DISCONTINUED OPERATION

Prized Developments Limited and its subsidiaries (the "Target Group") are engaged in the production of the Group's chocolate and other confectionery products, which are sold and distributed via COFCO Foods Sales & Distribution Co., Limited, a wholly-owned subsidiary of the Group. Together these two components comprise the Group's confectionery segment (the "Discontinued Segment").

On 31 December 2015, the Company announced the decision of its board of directors to dispose of the Target Group by entering into an equity transfer and debt assignment agreement with Tops Properties Limited, a wholly-owned subsidiary of COFCO Property (Group) Co., Ltd. which is a Shenzhen-listed company owned as to 45.67% by COFCO, for a total consideration of RMB611,000,000 (subject to certain potential adjustments). The Group has decided to exit the Discontinued Segment because it plans to focus its resources on its other business.

As a result, the Discontinued Segment was classified as a disposal group held for sale and as a discontinued operation. With the Discontinued Segment being classified as a discontinued operation, it is no longer included in the note for operating segment information.

The results of the Discontinued Segment for the period are presented below:

8. 終止經營業務

Prized Developments Limited 及其附屬公司(統稱「目標集團」)從事生產本集團的巧克力及其他休閒食品產品。該等產品經本集團的一家全資附屬公司中糧食品營銷有限公司進行出售及分銷。這兩部份共同組成本集團的休閒食品業務分部(「終止經營業務分部」)。

於2015年12月31日，本公司宣佈其董事會決定，通過與中糧地產(集團)股份有限公司的全資附屬公司(一家深圳上市公司，由中糧集團持有45.67%)華高置業有限公司訂立股權及債務轉讓協議以出售目標集團，總代價為人民幣611,000,000元(視乎若干潛在調整)。本集團由於計劃專注於投放資源於其他業務，因此決定退出終止經營業務。

因此，終止經營業務分部分類為持作出售之出售組合及終止經營業務。由於終止經營業務分部分類為終止經營業務，故其不再包括在經營分部資料附註內。

終止經營業務分部於期內的業績呈列如下：

		For the six months ended 30 June 截至6月30日止六個月	
		2016 2016年 HK\$'000 千港元	2015 2015年 HK\$'000 千港元
Revenue	收入	114,747	197,701
Cost of sales	銷售成本	(77,377)	(112,324)
Other income and gains	其他收入及收益	1,917	3,337
Selling and distribution expenses	銷售及分銷支出	(77,576)	(133,229)
Administrative expenses	行政支出	(5,218)	(6,491)
Other expenses and losses	其他支出及虧損	(216)	(2,092)
Loss before tax from a discontinued operation	終止經營業務之 除稅前虧損	(43,723)	(53,098)
Income tax credit/(expense) related to pre-tax loss	有關除稅前虧損之所得稅 抵免/(支出)	205	(174)
Loss for the period from a discontinued operation	終止經營業務之 期內虧損	(43,518)	(53,272)

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8. DISCONTINUED OPERATION (continued)

The major classes of assets and liabilities of the Discontinued Segment classified as held for sale as the end of reporting period are as follows:

8. 終止經營業務(續)

於申報期間期末分類為持作出售的終止經營業務分部的資產及負債的主要分類如下：

		30 June 2016 2016年 6月30日 HK\$'000 千港元	31 December 2015 2015年 12月31日 HK\$'000 千港元
Assets	資產		
Property, plant and equipment	物業、廠房及設備	–	133,338
Investment properties	投資物業	–	80,331
Inventories	存貨	–	89,043
Accounts and bills receivables	應收賬款及票據	–	21,112
Prepayments, deposits and other receivables	預付款項、按金及其他應收款項	–	15,661
Due from fellow subsidiaries	同系附屬公司欠款	–	24,840
Prepaid tax	預繳稅項	–	1,506
Cash and cash equivalents	現金及現金等值項目	–	9,300
Assets classified as held for sale	分類為持作出售之資產	–	375,131
Liabilities	負債		
Accounts and bills payables	應付賬款及票據	–	(38,114)
Other payables and accruals	其他應付款項及應計負債	–	(46,379)
Due to fellow subsidiaries	欠同系附屬公司款項	–	(1,893)
Due to related companies	欠關連公司款項	–	(62)
Deferred tax liabilities	遞延稅項負債	–	(15,246)
Liabilities directly associated with the assets of a disposal group classified as held for sale	直接與分類為持作出售之出售組合資產有關的負債	–	(101,694)
Net assets directly associated with the Discontinued Segment	直接與終止經營業務分部有關的資產淨值	–	273,437
Assets revaluation reserve of the Discontinued Segment	終止經營業務分部的資產重估儲備	–	6,910

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8. DISCONTINUED OPERATION (continued)

The net cash flows incurred by the Discontinued Segment are as follows:

8. 終止經營業務(續)

終止經營業務分部產生的現金流量淨額如下：

		For the six months ended 30 June 截至6月30日止六個月	
		2016 2016年 HK\$'000 千港元	2015 2015年 HK\$'000 千港元
Operating activities	經營活動	9,612	(1,955)
Investing activities	投資活動	(1,583)	(1,520)
Net cash flow inflow/(outflow)	現金流量流入/(流出)淨額	8,029	(3,475)
Loss per share:	每股虧損：		
Basic, from the discontinued operation	基本，來自終止經營業務	HK1.55 cents 港仙	HK1.91 cents 港仙
Diluted, from the discontinued operation	攤薄，來自終止經營業務	HK1.55 cents 港仙	HK1.91 cents 港仙

The calculations of basic and diluted loss per share from the discontinued operation are based on:

計算終止經營業務的每股基本及攤薄虧損乃基於：

		For the six months ended 30 June 截至6月30日止六個月	
		2016 2016年	2015 2015年
Loss attributable to ordinary equity holders of the parent from the discontinued operation	母公司普通股權益持有人應佔終止經營業務虧損	HK\$43,518,000 港元	HK\$53,272,000 港元
Weighted average number of ordinary shares in issue during the year used in the basic and diluted loss per share calculation (note 10)	計算每股基本及攤薄虧損使用的年內已發行普通股加權平均數(附註10)	2,797,223,396	2,797,223,396

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9. DIVIDEND

9. 股息

		For the six months ended 30 June	
		截至6月30日止六個月	
		2016	2015
		2016年	2015年
		HK\$'000	HK\$'000
		千港元	千港元
Interim – HK1.2 cents (six months ended 30 June 2015: Nil) per ordinary share	中期 – 每股普通股1.2港仙 (截至2015年6月30日 止六個月：無)	33,567	–

10. 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 2016 is based on the profit for the period attributable to ordinary equity holders of the parent of HK\$616,677,000 (six months ended 30 June 2015: HK\$113,969,000), and the weighted average number of ordinary shares of 2,797,223,396 (six months ended 30 June 2015: 2,797,223,396) in issue during the period.

No adjustment has been made to the basic earnings per share amounts presented for the six months ended 30 June 2015 and 2016 in respect of the dilution as the impact of the Company's share options outstanding had no dilutive effect on the basic profit per share amounts presented.

11. PROPERTY, PLANT AND EQUIPMENT

During the six months ended 30 June 2016, the Group acquired items of property, plant and equipment at a total cost of HK\$237,672,000 (six months ended 30 June 2015: HK\$454,590,000), and disposed of items of property, plant and equipment with a total net carrying amount of HK\$4,264,000 (six months ended 30 June 2015: HK\$5,588,000).

10. 母公司普通股權益持有人應佔每股盈利

截至2016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616,677,000港元(截至2015年6月30日止六個月：113,969,000港元)，以及期內已發行普通股之加權平均數2,797,223,396股(截至2015年6月30日止六個月：2,797,223,396股)計算。

由於本公司尚未行使購股權對所呈列每股基本盈利金額並無攤薄影響，故並無對截至2015年及2016年6月30日止六個月所呈列每股基本盈利金額作出攤薄調整。

11. 物業、廠房及設備

於截至2016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237,672,000港元(截至2015年6月30日止六個月：454,590,000港元)，出售物業、廠房及設備項目之賬面淨值總額為4,264,000港元(截至2015年6月30日止六個月：5,588,000港元)。

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12. ACCOUNTS AND BILLS RECEIVABLES

12. 應收賬款及票據

		30 June 2016 2016年 6月30日 HK\$'000 千港元 (Unaudited) (未經審核)	31 December 2015 2015年 12月31日 HK\$'000 千港元 (Audited) (經審核)
Accounts and bills receivables	應收賬款及票據	1,792,002	1,481,028
Impairment	減值	(106,470)	(104,618)
		1,685,532	1,376,410

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 one to three months. Each customer has a maximum credit limit. The Group seeks to maintain strict control over its outstanding receivables and has a credit control department to minimise credit risk. Overdue balances are reviewed regularly by senior management. In view of the aforementioned and the fact that the Group's accounts receivable relate to a large number of diversified customers, there is no significant concentration of credit risk. The Group does not hold any collateral or other credit enhancements over its accounts and bills receivable balances. Accounts and bills receivables are non-interest-bearing.

An ageing 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。信貸期一般介乎一至三個月。每名客戶都設有信貸額上限。本集團尋求維持嚴格控制其未償還應收賬款及設有信貸控制部，務求將信貸風險減至最低。高級管理層定期審核逾期結餘。鑒於上述原因，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。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工具。應收賬款及票據為不計息。

於申報期間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 2016 2016年 6月30日 HK\$'000 千港元 (Unaudited) (未經審核)	31 December 2015 2015年 12月31日 HK\$'000 千港元 (Audited) (經審核)
Within 3 months	三個月內	1,555,270	1,298,638
3 to 12 months	三個月至十二個月內	107,415	55,587
1 to 2 years	一年至兩年內	13,665	13,309
Over 2 years	超過兩年	9,182	8,876
		1,685,532	1,376,410

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13. ACCOUNTS AND BILLS PAYABLES

An ageing 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:

13. 應付賬款及票據

於申報期間期末之本集團應付賬款及票據賬齡按發票日期分析如下：

		30 June 2016 2016年 6月30日 HK\$'000 千港元 (Unaudited) (未經審核)	31 December 2015 2015年 12月31日 HK\$'000 千港元 (Audited) (經審核)
Within 3 months	三個月內	1,364,355	1,173,579
3 to 12 months	三個月至十二個月內	142,170	107,137
1 to 2 years	一年至兩年內	4,300	11,615
Over 2 years	超過兩年	5,363	7,765
		1,516,188	1,300,096

At 30 June 2016, certain of the Group's bills payable were secured by the Group's bank deposits amounting to HK\$55,966,000 (31 December 2015: HK\$64,980,000).

於2016年6月30日，本集團若干應付票據由本集團銀行存款55,966,000港元(2015年12月31日：64,980,000港元)予以擔保。

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14. DISPOSAL OF SUBSIDIARIES

On 31 May 2016, the disposal transaction in relation to the Target Group was completed. Further details of the transaction are included in note 8 to the financial information.

The net assets disposed of as at the date of disposal were as follow:

14. 出售附屬公司

於2016年5月31日，有關目標集團之出售交易經已完成。交易的進一步詳情見本財務資料附註8。

於出售日期之出售資產淨值如下：

	Note 附註	HK\$'000 千港元 (Unaudited) (未經審核)
Property, plant and equipment	物業、廠房及設備	128,207
Investment properties	投資物業	79,297
Inventories	存貨	43,891
Accounts and bills receivables	應收賬款及票據	10,553
Prepayments, deposits and other receivables	預付款項、按金及其他應收款項	1,878
Prepaid tax	預繳稅項	1,490
Due from fellow subsidiaries	同系附屬公司欠款	5,666
Cash and bank balances	現金及銀行結餘	17,329
Accounts and bills payables	應付賬款及票據	(18,353)
Other payables and accruals	其他應付款項及應計負債	(23,474)
Due to fellow subsidiaries	欠同系附屬公司款項	(946)
Deferred tax liabilities	遞延稅項負債	(14,879)
		230,659
Exchange differences on translation of foreign operations	換算海外業務時之 匯兌差額	(43,110)
Gain on disposal of subsidiaries	出售附屬公司收益	4 522,969
		710,518
Satisfied by:	以下列方式償付：	
Cash	現金	700,549
Due from fellow subsidiaries	同系附屬公司欠款	9,969
		710,518

An analysis of the net inflow of cash and cash equivalents in respect of the disposal of subsidiaries is as follows:

有關出售附屬公司現金及現金等值項目流入淨額分析如下：

		HK\$'000 千港元 (Unaudited) (未經審核)
Cash consideration	現金代價	700,549
Cash and bank balances disposed of	於出售時之現金及銀行結餘	(17,329)
Net inflow of cash and cash equivalents in respect of the disposal of subsidiaries	有關出售附屬公司時之現金及 現金等值項目流入淨額	683,220

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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 fifty years.

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

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50年不等。

於申報期間期末，本集團根據不可撤銷經營租約應付之未來最低租金總額如下：

		30 June 2016 2016年 6月30日 HK\$'000 千港元 (Unaudited) (未經審核)	31 December 2015 2015年 12月31日 HK\$'000 千港元 (Audited) (經審核)
Within one year	一年內	93,950	91,973
In the second to fifth years, inclusive	第二至第五年，包括首尾兩年	44,852	59,430
After five years	五年後	4,469	4,753
		143,271	156,156

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:

16. 資本承擔

除上文附註15所載之經營租約承擔外，本集團於申報期間期末之資本承擔如下：

		30 June 2016 2016年 6月30日 HK\$'000 千港元 (Unaudited) (未經審核)	31 December 2015 2015年 12月31日 HK\$'000 千港元 (Audited) (經審核)
Contracted, but not provided for: Property, plant and equipment	已訂約但未計提： 物業、廠房及設備	293,871	343,702

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17. RELATED PARTY TRANSACTIONS

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

17. 關連人士交易

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

		For the six months ended 30 June 截至6月30日止六個月	
		2016 2016年 HK\$'000 千港元 (Unaudited) (未經審核)	2015 2015年 HK\$'000 千港元 (Unaudited) (未經審核)
Transactions with fellow subsidiaries:	與同系附屬公司之交易：		
Sales of goods	銷售貨品	190,540	91,782
Purchases of goods	購買貨品	5,901,953	5,160,104
Service fee income	服務費收入	8,310	14,368
Rental expenses	租金支出	8,064	10,063
Service fee expenses	服務費支出	10,480	22,097
Transactions with the ultimate holding company:	與最終控股公司之交易：		
Sales of goods	銷售貨品	19	11
Rental expenses	租金支出	11,773	14,083
Service fee expenses	服務費支出	1,174	–
Transactions with associates:	與聯營公司之交易：		
Sales of goods	銷售貨品	8	–
Purchases of goods	購買貨品	901,772	1,145,709
Service fee income	服務費收入	6,382	–
Compensation expenses	彌償支出	–	532
Commission income	佣金收入	29,424	36,692
Transactions with related companies#:	與關連公司之交易#：		
Purchases of goods	購買貨品	27,165	171,155

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

These transactions were carried out in accordance with terms and conditions mutually agreed by the parties involved.

關連公司為受本集團最終控股公司重大影響之公司。

該等交易乃根據各參與方互相議定之條款及條件進行。

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17. 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 Corporation, 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 Corporation.

(c) Commitments with a related party

Pursuant to certain lease agreements entered into between the Group and COFCO Plaza Development Co., Ltd., a subsidiary of COFCO Corporation, the Group's future minimum lease payments amounted to approximately HK\$22,132,000 as at 30 June 2016 (31 December 2015: HK\$30,723,000).

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

Except for (1) the loans due to a non-controlling shareholder of the Group's subsidiaries of HK\$38,104,000 (31 December 2015: HK\$37,571,000) which are unsecured, interest-bearing at rates ranging from 4.35% to 7.23% (31 December 2015: 5.60%) per annum and are repayable within one year; (2) amounts due to non-controlling shareholders of subsidiaries of the Group of HK\$54,676,000 (31 December 2015: HK\$55,778,000) which are unsecured, interest-free and repayable within one year; and (3) amounts due to the ultimate holding company of HK\$13,385,000 (31 December 2015: HK\$13,655,000) which are unsecured, interest-free and repayable within one year, the remaining balances with the holding companies, fellow subsidiaries, associates, related companies and non-controlling shareholders of the Group's subsidiaries are unsecured, interest-free and have no fixed terms of repayment.

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

(c) 與一名關連人士之承諾

根據本集團與中糧集團有限公司一間附屬公司中糧廣場發展有限公司訂立的若干租賃協議，於2016年6月30日本集團未來最小租賃付款額約為22,132,000港元(2015年12月31日：30,723,000港元)。

(d) 關連人士及本集團附屬公司非控股股東之未償還餘額

除(1)欠一名本集團附屬公司非控股股東貸款38,104,000港元(2015年12月31日：37,571,000港元)為無抵押、按固定年利率介乎4.35%至7.23%(2015年12月31日：5.60%)計息及須於一年內償還；(2)欠本集團一間附屬公司非控股股東款項54,676,000港元(2015年12月31日：55,778,000港元)為無抵押、免息及需於一年內償還；及(3)欠最終控股公司款項13,385,000港元(2015年12月31日：13,655,000港元)為無抵押、免息及須於一年內償還外，本集團附屬公司之控股公司、同系附屬公司、聯營公司、關連公司及非控股股東的其餘結餘均無抵押、免息且無固定還款期。

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17. RELATED PARTY TRANSACTIONS (continued)

(e) Compensation of key management personnel of the Group

		For the six months ended 30 June 截至6月30日止六個月	
		2016 2016年 HK\$'000 千港元 (Unaudited) (未經審核)	2015 2015年 HK\$'000 千港元 (Unaudited) (未經審核)
Short term employee benefits	短期僱員福利	5,166	5,267
Equity-settled share option expense	股本結算購股權開支	134	212
Pension scheme contributions	退休計劃供款	262	175
Total compensation paid to key management personnel	付予主要管理層人員之報酬總額	5,562	5,654

(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 Corporation 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.

17. 關連人士交易 (續)

(e) 本集團主要管理層人員之報酬

(f) 與其他國有企業之交易及結餘

本集團運營的經濟環境中的企業大多為中國政府通過其眾多機關、聯屬機構或其他組織直接或間接擁有或控制的企業(統稱「國有企業」)。期內，本集團與某些國有企業進行的廣泛交易包括但不限於銷售產品、購買原材料、物業、廠房及設備及其他資產，接受服務，並在中糧集團有限公司及其聯屬公司以外的國有企業存款和借款，這些交易的條款與非國有企業交易條款相似。董事認為，與其他國有企業的交易為在本集團日常業務過程中進行的活動，且本集團與那些中國政府最終控制或擁有的國有企業的貿易並沒有受到重大或不當影響。本集團還制定產品和服務的定價政策，而這些政策並不取決於客戶是否為國有企業。

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18. FAIR VALUE OF FINANCIAL INSTRUMENTS

As at 30 June 2016 and 31 December 2015, other than the available-for-sale investments, of which the range of reasonable fair value estimates is so significant that the directors are of the opinion that their fair value cannot be measured reliably, the carrying amounts of the Group's financial instruments approximate to their fair values largely due to the short term maturities or long term maturities with floating interest rates of these instruments.

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.

19. COMPARATIVE AMOUNTS

As further explained in note 2 to the financial information, due to the adoption of revised HKFRSs during the current period, the accounting treatment, presentation and disclosures of certain items and balances in the financial information have been revised to comply with the new requirements. Accordingly, certain prior period adjustments have been made, and certain comparative amounts have been reclassified and restated to conform with the current period's presentation and disclosures and accounting treatment, and a third statement of financial position as at 1 January 2015 has been presented. In addition, as further explained in note 8 to the financial information, due to the discontinuation of the Group's confectionery business, the comparative statement of profit or loss has been re-presented as if the operation discontinued had been discontinued at the beginning of the comparative period.

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 23 August 2016.

18. 金融工具之公平值

於2016年6月30日及2015年12月31日，除可供出售投資因合理的公平值估計範圍甚大，董事認為其公平值不能可靠計量外，本集團金融工具之賬面值與其公平值相若，主要由於該等工具到期期間較短或到期期間較長但按浮動利率計算。

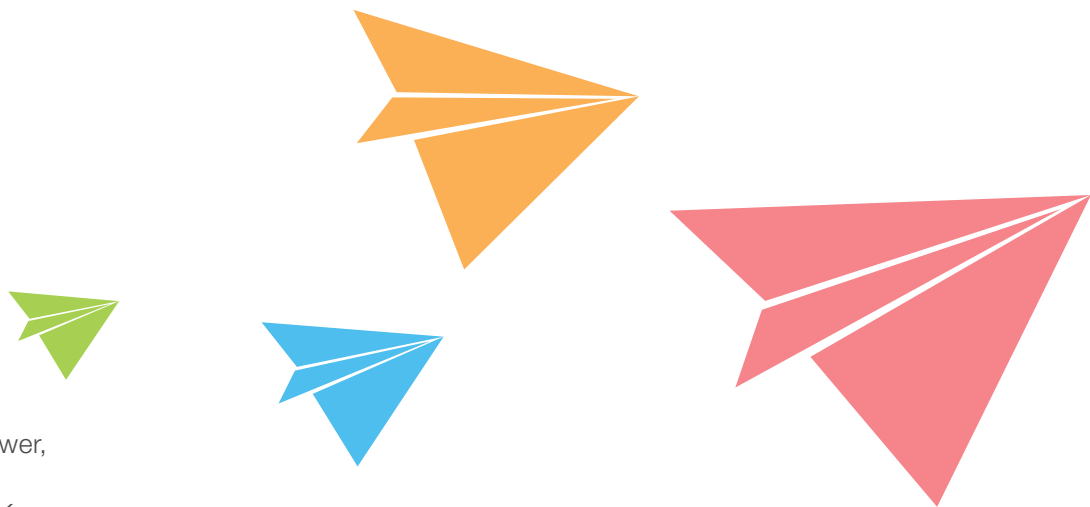
金融資產及負債之公平值以該工具於自願交易方（而非強迫或清倉銷售）當前交易下之可交易金額入賬。

19. 可資比較金額

如本財務資料附註2進一步詳述，由於於期內採納經修訂香港財務報告準則，已修改本財務資料若干項目及數值的會計處理、呈列及披露資料，以符合新規定。因此，已對若干先前期間進行調整，而若干可資比較金額已重新分類並重列以符合期內呈列、披露及會計處理，而於2015年1月1日之第三財務狀況報表已呈列。此外，如財務資料附註8進一步詳述，由於終止經營本集團的休閒食品業務，故損益表中的比較數字已重新呈報，猶如於年內的終止經營業務於可資比較期初已終止。

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2016年8月23日經董事會批准及授權刊發。



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