

OUTLOOK

The proposed acquisitions of COFCO Trading and COFCO Chocolate (including relevant shareholders' loans) were approved by independent shareholders of the Company on 16 July 2001. Completion of the acquisitions will take place upon the fulfillment of all legal requirements. Upon completion of the acquisitions, the Group will own five well-established food related businesses, namely international food trading, edible oils and fats refining, wine making and beverage, flour milling and confectionery. These businesses provide a firm base for the Group to achieve its aim of becoming one of the major food enterprises in the Asia-Pacific region.

Currently the Group's liquidity is strong. The Group will continue to seek out new acquisition or merger opportunities with the COFCO Group or independent third parties, and form strategic alliance with major companies engaged in food related businesses to expand our businesses in China and throughout the world. The Group is confident that with the Group's strong resources and the opportunities brought by China's admission to the WTO, the Group will develop into one of the most influential cereals, oils and foodstuffs enterprises in the Mainland and even the Asia-Pacific region.