UNI-PRESIDENT CHINA HOLDINGS LTD.
統一企業中國控股有限公司*

(a company incorporated in the Cayman Islands with limited liability)

(Stock Code: 220)

ANNOUNCEMENT OF 2010 INTERIM RESULTS

- Revenue reached RMB6,163.6 million, up by 36.6%
- Group gross margin of 34.4%, down by 7.5 percentage points
- EBITDA of RMB545.3 million, down by 18.2%
- Profit attributable to equity holders of the Company of RMB298.3 million, decreased by 30.1%

The board of directors (the "Board") of Uni-President China Holdings Ltd. (the "Company") is pleased to present the unaudited condensed consolidated interim financial information of the Company and its subsidiaries (together, the "Group") for the six months ended 30 June 2010. The condensed consolidated interim financial information is unaudited but has been reviewed by the audit committee of the Company and PricewaterhouseCoopers, the independent auditor of the Company, in accordance with Hong Kong Standard on Review Engagements 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Hong Kong Institute of Certified Public Accountants.

MANAGEMENT DISCUSSION AND ANALYSIS

Economic Environment

In the first half of 2010, the government of the People's Republic of China ("PRC") carried out a series of plans to accelerate the shift in and structural reform of the country's economic development in response to the global financial crisis. In the first half of 2010, the gross domestic product (GDP) of the PRC recorded a year-on-year growth of 11.1%, which was 3.7% higher than that of the first half of last year, despite the drop in growth rate of 1.6% from 11.9% in the first quarter to 10.3% in the second quarter. The economy continued to grow at a relatively fast pace in the early half of the year. The consumer price index (CPI), producer price index (PPI) and total sales of consumer products rose by 2.6%, 6.0% and 18.2% respectively, as compared with the first half of last year. Overall, the national economy exhibited a healthy growth under the guidance of the government's macro-economic control measures, notwithstanding the slower growth rate of the second quarter in comparison to the first quarter.

Financial Results

For the half year ended 30 June 2010 (the "period under review"), the Group recorded revenue of RMB6,163.6 million, representing an increase of 36.6% from RMB4,512.2 million for the first half of last year. During the period under review, gross profit increased by 12.3% to RMB2,123.0 million and gross profit margin dropped 7.5 percentage points from 41.9% for the first half of last year to 34.4%. The increase in gross profit and the decrease in gross profit margin during the period under review were mainly due to the substantial growth in the price of raw materials. Benefitting from the rapid economic growth in the PRC, the Group expanded its customer base by strengthening product promotion, causing selling and marketing expenses during the period under review to increase to RMB1,659.0 million (first half of 2009: RMB1,299.8 million). During the period under review, administrative expenses decreased by 0.8% to RMB170.6 million (first half of 2009: RMB171.9 million), which was mainly attributable to the effective control over the cost of the supporting departments and the enhancement of their operation efficiency that helped us to maintain a stable amount of administrative expenses while expanding our turnover. During the period under review, the bank deposits of the Group were mainly denominated in Renminbi. The net finance income for the period under review increased to RMB26.0 million (first half of 2009: net finance income of RMB19.5 million). During the period under review, the Group recorded a decrease in the share of net profit of jointly controlled entities and associates to RMB28.2 million (first half of 2009: RMB57.7 million) and a sharp drop in profit attributable to equity holders of the Company for the period under review to RMB298.3 million (first half of 2009: RMB426.8 million).

Business Review

Instant Noodles

During the first half of 2010, the Group continued to adopt its operating strategies implemented in the instant noodles business since the second half of 2008, namely the optimization of its products mix and focusing on the middle to high-end noodles market, which is characterized by higher gross profit and returns. During the period under review, the Group's concerted effort paid to outstanding products, as well as the pooling of marketing resources to develop major products and key markets, has brought momentous growth in revenue of 53.5% as compared to the same period of last year, with revenue of RMB1,470.6 million. Meanwhile, loss has been significantly reduced to RMB12.6 million, a decrease of 52.3% in loss from the same period of last year. Notwithstanding a general rise in prices of raw materials such as palm oil and flour, the Group's gross margin has, nonetheless, decreased slightly from 30.5% for the same period of last year to 29.6%, representing a drop of 0.9 percentage point. The adjustment in products mix has greatly improved the Group's capacity in withstanding the impact of fluctuations in raw material prices.

Ever since its nationwide market introduction, "Lao Tan Pickled Cabbage and Beef（老壇酸菜牛肉）" flavour noodles have achieved satisfactory results and rapid growth. In the first half of 2010, the "Experience the Perfect Sourness and al dente" marketing activity for Lao Tan Pickled Cabbage and Beef noodles was launched and expanded across the nation with marketing booths extending from modern sales channels to special channels, schools and other channels in the community so as to facilitate interaction with consumers. In order to promote the products of the Group among young consumers and cultivate their loyalty to the Group's brand, campus marketing competitions were also held in key regional markets such as central, eastern, southern and southwestern China.

The Group will continue to concentrate on key regional markets and increase its market share. At the same time, it will also expand its market coverage with a view to boosting its results across the country.

Drinks

In the first half of 2010, attributable to the prolific results of the Group's structural reform and streamlined sales channels, the rapid development of its drinks business withstood the impact of the abnormal weather that hit various regions in the PRC. During the period under review, overall sales of drinks amounted to RMB4,593.7 million, representing a growth of 30.1% over the first half of last year, with a segment profit of RMB408.4 million.

Tea Drinks

In the first half of 2010, the rapid growth of this business was brought by the expansion of sales area of the Group's new product, "Jasmine Tea（冰醇茉莉）", to all major markets in the PRC. This product was well-received by young consumers and helped us obtain a share in the jasmine tea market. The scale of tea drinks operation was further enhanced by the fact that existing product segments have adjusted their channel and pricing strategies to better fit the "One More（再來一瓶）" marketing tactics.

The Group has further integrated brand promotion with its corporate social responsibilities. The Group promoted the idea of green, environmental-friendly and low-carbon living among consumers while it marketed United Green Tea（統一綠茶）in the "You Drink, I Plant（你喝綠茶，統一植樹）" event. "Uni Ice Tea（統一冰紅茶）" and the NBA Rockets team collaborated in launching the charity donation campaign "一分百金，為愛灌籃" encouraging the participation by young consumers who are interested in basketball, in which a donation of approximately RMB5 million has been accumulated and applied to the construction of 20 Hope Primary Schools. Meanwhile, the Group and the Yao Foundation will collaborate to establish the "Uni-Yao Foundation（統一•姚基金）" Hope Primary School, and the Group will participate in the 2010 Yao Foundation Charity Tour in the PRC with a view to introducing the healthy brand and corporate images of the Group to more consumers who are concerned with charity, life and health.

Juice Drinks

In the first half of 2010, as a result of effective marketing in the diluted juice market and the wide range of flavour, the Group's revenue from juice drinks recorded a significant growth as compared with the first half of last year.

The juice market showed a trend towards multi- and mixed flavoured juices. The Group's juices grasped the trend and geared towards multi-flavours development. As such, the Group's "Sweet-sour Plum Juice (統一酸梅湯)", as the very first move, launched into the market in northwestern China and attained the expected results. A mixed flavour drink, "Kumquat and Lemon Mix Drink (金桔檸檬)", was also put into the market in key cities, offering more choices to consumers. With the introduction of new flavours and our product diversification policy, the Group's juices will strive for the expansion of market share and the perfection of edges in the industry.

Others

According to the latest information in June from AC Nielson, after the successful launch of "Assam Milk Tea (阿薩姆奶茶)" into the market, the Group's milk tea became the leading brand in the milk tea market with a market share of 41.9%, representing a significant move towards the market diversification in the PRC.

In the first half of 2010, the water business of the Group continued to implement its stated policy to optimize its product mix by gradually increasing the sales of its natural water.

Conclusion

In general, in light of the pressures on the production cost brought by the increasing raw material prices and on the operating cost rise brought by the change in labour supply and demand, the Group continued to expand in the market through its fine product mix and effective sales channels in the first half of the year. The Group recorded a high operating income in the flourishing fast-moving consumer goods market in the PRC. The Group will continue to improve its product combinations and selling strategy, and is optimistic about and looks forward to the operating results for the second half of the year.

Financial Position

As at 30 June 2010, the Group had cash and cash equivalents of approximately RMB2,451.4 million (31 December 2009: approximately RMB3,359.8 million). Current assets amounted to approximately RMB4,894.2 million (31 December 2009: approximately RMB4,492.6 million) and current liabilities were approximately RMB2,442.6 million (31 December 2009: approximately RMB1,679.6 million). Contingent liabilities were approximately RMB219.1 million (31 December 2009: approximately RMB206.8 million). With net current assets of approximately RMB2,451.6 million (31 December 2009: approximately RMB2,813.0 million), the Group maintained strong liquidity. The Group had no bank borrowings as at 30 June 2010 and 31 December 2009. The Group had a negative gearing ratio as its cash and cash equivalents balance is larger than its total borrowings.

	30 June 2010	31 December 2009
	RMB'000	*RMB'000*
Total borrowings	**2,357,682**	1,649,187
Less: cash and cash equivalents	**(2,451,427)**	(3,359,788)
Net debt	**(93,745)**	(1,710,601)
Total equity	**6,447,408**	6,453,826
Total capital	**6,353,663**	4,743,225
Gearing ratio (negative)	**(1.48%)**	(36.06%)

As at 30 June 2010, the Group did not create any charges on its assets.

Treasury Policy

The Group has consistently followed its principles of financial prudence even though the impact of the global financial crisis is beginning to wane. Except for the PRC which has resumed its momentum of growth, the economy in many countries has not yet picked up. Against this backdrop of economic uncertainties, the Group's prudential treasury policy has effectively supported its continuous growth. During the period under review, although the prices of most raw materials have increased significantly which resulted in lower gross profit margin, the Group's overall financial position remained sound with a low gearing ratio and net cash position due to the fact that its revenue from operations recorded a double digit growth. The Group financed its operation and business development primarily with a combination of internally generated resources and funds raised through the listing in 2007. The borrowings of the Group were utilized by its subsidiaries and were interest-bearing loans. Since most of the Group's deposits were denominated in Renminbi, its exposure to currency risk was minimal.

Prospects

The PRC government's policies of stimulating domestic demand and strengthening export, coupled with the improvement in the international trade market, have resulted in the stable but relatively fast economic growth as well as increased demand for consumer products in the PRC during the first half of 2010. The development trend in the domestic and export markets of the PRC for the second half of the year will be overcast with uncertainties since the economy in many countries has not fully recovered from the effects of the 2008 financial crisis. However, the Group will seize every market opportunity in the future through various measures, namely to explore new markets while securing the existing ones, strengthen its relationships with distributors and consumers, continue to optimize the products mix and closely control costs in order to raise the profit margin of its products. It will enhance its internal operations, staff quality and financial management so as to improve its cost effectiveness and meet market demand. The quality assurance procedures will be strictly followed with a view to ensuring that the products will satisfy all safety standards. The Group will make every effort to enhance its corporate value, achieve sustainable development and protect the best interests of its shareholders.

Human Resources and Benefits

As at 30 June 2010, the Group had 21,839 employees. The Group enters into individual employment contracts with its employees covering their wages, statutory subsidies, employee benefits, workplace safety and hygienic conditions, confidentiality obligations of trade secrets and termination conditions. Apart from the employment contracts with our middle and senior management, our employment contracts have terms between one to three years, and the probation period for our new employees is one to three months. The Group offers bonus to its staff as a reward for their innovations and improved performance.

To enhance the skills and professionalism of our management staff and other employees, the Group invests in continuing education and training programmes. We have arranged internal and external on-the-job training for our employees to improve their skills and professional knowledge. The scope of these training programmes ranges from basic production procedures to advanced skills training and professional development courses for our management staff.

Contributions to Employee Benefits

Pursuant to the applicable social insurance regulations in the PRC, we provide pension insurance, medical insurance, unemployment insurance and housing provident fund to our employees as required by the local governments. In addition, we maintain employer's liability insurance for our employees and subsidize our staff's additional medical insurance covering outpatient care and hospitalization.

The labour union of the Group is a member of All China Federation of Trade Unions. Our labour union is responsible for organizing the staff's recreational activities and improving the living quality of our employees. Furthermore, the labour union has held meetings to communicate with and receive feedback from our employees in the past few years which directly and indirectly created economic value for the Group. The Group has not experienced any strikes, material labour disputes or industrial actions.

GROUP RESULTS

The Board of the Company is pleased to announce the unaudited condensed consolidated interim results of the Group for the six months ended 30 June 2010.

CONDENSED CONSOLIDATED INTERIM INCOME STATEMENT

FOR THE SIX MONTHS ENDED 30 JUNE 2010
(All amounts in thousands of Renminbi unless otherwise stated)

		Unaudited	
		Six months ended 30 June	
	Note	**2010**	2009
Revenue	*3*	**6,163,574**	4,512,200
Cost of sales	*4*	**(4,040,572)**	(2,622,526)
Gross profit		**2,123,002**	1,889,674
Other gains/(losses), net		**23,440**	(3,184)
Other income		**26,420**	39,251
Selling and marketing expenses	*4*	**(1,658,989)**	(1,299,805)
Administrative expenses	*4*	**(170,571)**	(171,934)
Operating profit		**343,302**	454,002
Finance income		**27,099**	22,351
Finance costs		**(1,083)**	(2,823)
Finance income – net		**26,016**	19,528
Share of profits from jointly controlled entities and associates		**28,235**	57,749
Profit before income tax		**397,553**	531,279
Income tax expense	*5*	**(99,218)**	(104,434)
Profit for the period, attributable to equity holders of the Company		**298,335**	426,845
Earnings per share for profit attributable to equity holders of the Company (expressed in RMB per share)			
– Basic and diluted	*6*	**8.29 cents**	11.86 cents
Dividends	*7*	**–**	–

CONDENSED CONSOLIDATED INTERIM STATEMENT OF COMPREHENSIVE INCOME

FOR THE SIX MONTHS ENDED 30 JUNE 2010

(All amounts in thousands of Renminbi unless otherwise stated)

	Unaudited	
	Six months ended 30 June	
	2010	2009
Profit for the period	**298,335**	426,845
Other comprehensive income:		
Fair value gains on available-for-sale financial assets, net of tax	**60,532**	84,140
Transfer of fair value gain previously taken to reserve to income statement upon disposal of available-for-sale financial assets	**(12,827)**	–
Transfer of fair value loss upon reclassification of an available-for-sale financial asset to an associate	**–**	11,324
Other comprehensive income for the period, net of tax	**47,705**	95,464
Total comprehensive income for the period, attributable to equity holders of the Company	**346,040**	522,309

CONDENSED CONSOLIDATED INTERIM BALANCE SHEET

AS AT 30 JUNE 2010

(All amounts in thousands of Renminbi unless otherwise stated)

	Note	**Unaudited 30 June 2010**	Audited 31 December 2009
ASSETS			
Non-current assets			
Leasehold land		**182,725**	184,985
Property, plant and equipment		**2,419,904**	2,174,043
Intangible assets		**11,929**	12,878
Interests in jointly controlled entities and associates		**786,586**	737,177
Available-for-sale financial assets		**475,576**	447,608
Deferred income tax assets		**144,951**	104,521
		4,021,671	3,661,212
Current assets			
Inventories		**661,062**	687,988
Trade and bills receivables	*8*	**469,638**	272,758
Prepayments, deposits and other receivables		**206,149**	147,430
Other current financial assets	*9*	**1,103,000**	–
Pledged bank deposits		**2,908**	24,627
Cash and cash equivalents		**2,451,427**	3,359,788
		4,894,184	4,492,591
Total assets		**8,915,855**	8,153,803
EQUITY			
Capital and reserves attributable to equity holders of the Company			
Share capital		**34,047**	34,047
Share premium		**2,243,980**	2,243,980
Other reserves			
– Proposed dividends		**–**	352,458
– Others		**4,169,381**	3,823,341
Total equity		**6,447,408**	6,453,826

	Note	**Unaudited 30 June 2010**	Audited 31 December 2009
LIABILITIES			
Non-current liabilities			
Deferred income tax liability		**23,950**	17,119
Deferred government grants		**1,879**	3,239
		25,829	20,358
Current liabilities			
Trade and bills payables	*10*	**904,307**	507,391
Other payables and accruals		**1,453,375**	1,141,796
Current income tax liabilities		**84,936**	30,432
		2,442,618	1,679,619
Total liabilities		**2,468,447**	1,699,977
Total equity and liabilities		**8,915,855**	8,153,803
Net current assets		**2,451,566**	2,812,972
Total assets less current liabilities		**6,473,237**	6,474,184

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

1 Basis of preparation

This condensed consolidated interim financial information for the six months ended 30 June 2010 has been prepared in accordance with HKAS 34, 'Interim financial reporting'. The condensed consolidated interim financial information should be read in conjunction with the annual financial statements for the year ended 31 December 2009, which have been prepared in accordance with Hong Kong Financial Reporting Standards ("HKFRS") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA").

2 Accounting policies

Except as described below, the accounting policies adopted are consistent with those for the annual financial statements of the Company for the year ended 31 December 2009, as described in the annual financial statements.

Taxes on income in the interim periods are accrued using the tax rate that would be applicable to expected total annual earnings.

The following new standards and amendments to standards are mandatory for the first time for the financial year beginning 1 January 2010.

Relevant to the Group's operations:

- HKFRS 3 (revised), 'Business combinations', and consequential amendments to HKAS 27, 'Consolidated and separate financial statements', HKAS 28, 'Investments in associates', and HKAS 31, 'Interests in joint ventures', are effective prospectively to business combinations for which the acquisition date is on or after the beginning of the first annual reporting period beginning on or after 1 July 2009.

  The revised standard continues to apply the acquisition method to business combinations but with some significant changes compared with HKFRS 3. For example, all payments to purchase a business are recorded at fair value at the acquisition date, with contingent payments classified as debt subsequently re-measured through the income statement. There is a choice on an acquisition-by-acquisition basis to measure the non-controlling interest in the acquiree either at fair value or at the non-controlling interest's proportionate share of the acquiree's net assets. All acquisition-related costs are expensed.

  As the Group has adopted HKFRS 3 (revised), it is required to adopt HKAS 27 (revised), 'consolidated and separate financial statements', at the same time. HKAS 27 (revised) requires the effects of all transactions with non-controlling interests to be recorded in equity if there is no change in control and these transactions will no longer result in goodwill or gains and losses. The standard also specifies the accounting when control is lost. Any remaining interest in the entity is re-measured to fair value, and a gain or loss is recognised in profit or loss.

Not relevant to the Group's operations:

- HK(IFRIC)-Int 17, 'Distributions of non-cash assets to owners' is effective for annual periods beginning on or after 1 July 2009. This is not currently applicable to the Group, as it has not made any non-cash distributions.

- Additional exemptions for first-time adopters' (Amendment to HKFRS 1) is effective for annual periods beginning on or after 1 January 2010. This is not relevant to the Group, as it is an existing HKFRS preparer.

- HKAS 39 (Amendment), 'Eligible hedged items' is effective for annual period on or after 1 July 2009. That is not currently applicable to the Group, as it has no hedging.

- HKFRS 2 (Amendment), 'Group cash-settled share-based payment transaction' is effective for annual periods beginning on or after 1 January 2010. This is not currently applicable to the Group, as it has no such share-based payment transactions.

- First improvements to Hong Kong Financial Reporting Standards (2008) were issued in October 2008 by the HKICPA. Except for the amendments that are related HKFRS 3 "Business Combinations", other amendments are not currently applicable to the Group.

- Second improvements to Hong Kong Financial Reporting Standards (2009) were issued in May 2009 by the HKICPA. All improvements are effective in the financial year of 2010. Except for the amendments that are related HKFRS 3 "Business Combinations", other amendments are not currently applicable to the Group.

The HKICPA has also issued a number of new standards, amendments to standards and interpretations which are not effective for the financial year beginning 1 January 2010. The Group has not early adopted these standards.

3 Segment information

The chief operating decision-maker has been identified as the executive directors. The executive directors review the Group's internal reporting in order to assess performance and allocate resources. Management has determined the operating segments based on these reports.

The executive directors consider the business only from a product perspective as over 90% of the Groups sales and business activities are conducted in the PRC. From a product perspective, management assesses the performance of beverages, instant noodles and others.

The executive directors assess the performance of the operating segments based on segment profit or loss. Other information provided, except as noted below, to the executive directors is measured in a manner consistent with that in the financial statements.

The segment information for the six months ended 30 June 2010 is as follows:

	Six months ended 30 June 2010				
	Beverages	**Instant noodles**	**Others**	**Unallocated**	**Group**
Segment results					
Revenue	**4,593,742**	**1,470,622**	**99,210**	**–**	**6,163,574**
Segment profit/(loss)	**408,385**	**(12,558)**	**(12,631)**	**(39,894)**	**343,302**
Finance income – net					**26,016**
Share of profits/(losses) from jointly controlled entities and associates	**28,804**	**–**	**–**	**(569)**	**28,235**
Profit before income tax					**397,553**
Income tax expense					**(99,218)**
Profit for the period					**298,335**
Other income statement items					
Depreciation and amortisation	**130,820**	**34,928**	**3,021**	**4,986**	**173,755**
Capital expenditure	**391,359**	**25,623**	**3,186**	**3,476**	**423,644**

	As at 30 June 2010				
	Beverages	**Instant noodles**	**Others**	**Unallocated**	**Group**
Segment assets and liabilities					
Assets	**2,790,390**	**827,203**	**115,571**	**4,396,105**	**8,129,269**
Interests in jointly controlled entities and associates	**713,122**	**–**	**–**	**73,464**	**786,586**
Total assets	**3,503,512**	**827,203**	**115,571**	**4,469,569**	**8,915,855**
Total liabilities	**1,750,776**	**542,387**	**48,147**	**127,137**	**2,468,447**

The segment information for the six months ended 30 June 2009 is as follows:

	Six months ended 30 June 2009				
	Beverages	Instant noodles	Others	Unallocated	Group
Segment results					
Revenue	3,530,954	958,048	23,198	–	4,512,200
Segment profit/(loss)	542,748	(26,305)	(5,414)	(57,027)	454,002
Finance income – net					19,528
Share of profits/(losses) from jointly controlled entities and associates	58,174	–	–	(425)	57,749
Profit before income tax					531,279
Income tax expense					(104,434)
Profit for the period					426,845
Other income statement items					
Depreciation and amortisation	111,646	37,613	3,497	1,920	154,676
Capital expenditure	239,703	24,919	476	21,078	286,176

	As at 31 December 2009				
	Beverages	Instant noodles	Others	Unallocated	Group
Segment assets and liabilities					
Assets	2,429,380	836,114	40,584	4,110,548	7,416,626
Interests in jointly controlled entities and associates	666,520	–	–	70,657	737,177
Total assets	3,095,900	836,114	40,584	4,181,205	8,153,803
Total liabilities	1,149,160	458,155	13,697	78,965	1,699,977

4 Expenses by nature

Expenses included in cost of sales, selling and marketing expenses and administrative expenses are analysed as follows:

	Six months ended 30 June	
	2010	2009
Raw materials, packaging materials, consumables and purchased commodity used	**3,494,749**	2,139,572
Changes in inventories of finished goods	**(32,461)**	60,593
Promotion and advertising expenses	**791,746**	694,628
Employee benefit expenses	**614,213**	488,929
Transportation expenses	**335,075**	206,862
Amortisation and depreciation of leasehold land, property, plant and equipment and intangible assets	**173,755**	154,676
Operating lease in respect of buildings	**43,513**	30,865
Write-down/(reversal of write-down) of inventories to net realisable value	**1,883**	(2,383)
Provision for impairment of trade receivables	**541**	816
Utility expenses	**68,308**	53,289
Manufacturing outsourcing expenses	**133,091**	66,309
Others	**245,719**	200,109
Total	**5,870,132**	4,094,265

5 Income taxes

	Six months ended 30 June	
	2010	2009
Current income tax		
– Mainland China corporate income tax (“CIT”)	**132,317**	140,419
Deferred income tax	**(33,099)**	(35,985)
	99,218	104,434

The Company was incorporated in the Cayman Islands as an exempted company with limited liability under the Company Law of Cayman Islands and, accordingly, is exempted from payment of Cayman Islands income tax.

Income tax expense is recognised based on management’s best estimate of the weighted average annual income tax rate expected for the full financial year.

Effective from 1 January 2008, the Company’s subsidiaries incorporated in the PRC are required to determine and pay the CIT in accordance with the Corporate Income Tax Law of the PRC as approved by the National People’s Congress on 16 March 2007 and the related regulations (the “New CIT Law”). According to the new CIT Law, the income tax rates for both domestic and foreign investment enterprises have been unified at 25% effective from 1 January 2008. For enterprises which were established before the publication of the new CIT Law and were entitled to preferential treatments of reduced CIT rates granted by relevant tax authorities, the new CIT rates will be gradually increased from the preferential rates to 25% within 5 years after the effective date of the new CIT Law on 1 January 2008. For the regions that enjoy a reduced CIT rate of 15%, the tax rate would gradually increase to 18% for 2008, 20% for 2009, 22% for 2010, 24% for 2011 and 25% for 2012 according to the grandfathering rules stipulated in the related regulations. Enterprises that are currently entitled to exemptions or reductions from the standard income tax rate for a fixed term may continue to enjoy such treatment until the fixed term expires.

6 Earnings per share

Basic earnings per share are calculated by dividing the profit attributable to equity holders of the Company by the weighted average number of ordinary shares in issue during the period.

	Six months ended 30 June	
	2010	2009
Profit attributable to equity holders of the Company	**298,335**	426,845
Weighted average number of ordinary shares in issue *(thousands)*	**3,599,445**	3,599,445
Basic earnings per share *(RMB per share)*	**8.29 cents**	11.86 cents

Diluted earnings per share are the same as basic earnings per share as there are no diluted ordinary shares.

7 Dividends

Dividend in relation to the year ended 31 December 2009 and 2008 amounting to RMB352,458,000 and RMB171,909,000 were paid in June 2010 and June 2009, respectively.

The directors do not recommend an interim dividend in respective of the six months ended 30 June 2010 (2009: Nil).

8 Trade and bills receivables

	30 June 2010	31 December 2009
Trade receivables		
– third parties	**471,335**	275,850
– related parties	**6,546**	5,060
	477,881	280,910
Less: provision for impairment	**(8,243)**	(8,152)
Trade and bills receivables, net	**469,638**	272,758

The credit terms granted to customers by the Group are usually 60 to 90 days. At 30 June 2010, the ageing analysis of trade receivables is as follows:

	30 June 2010	31 December 2009
Trade receivables, gross		
– Within 90 days	**447,860**	249,299
– 91-180 days	**26,428**	27,179
– 181-365 days	**1,906**	1,790
– Over 1 year	**1,687**	2,642
	477,881	280,910

9 Other current financial assets

As at 30 June 2010, other current financial assets of RMB1,103,000,000 (31 December 2009: Nil) represent investments in un-listed interest bearing financial products issued by commercial banks in China. The maturity periods of these financial products range from three to six months.

10 Trade and bills payables

	30 June 2010	31 December 2009
Trade payables		
– third parties	**833,978**	462,272
– related parties	**68,425**	43,130
	902,403	505,402
Bills payable – third parties	**1,904**	1,989
	904,307	507,391

At 30 June 2010, the ageing analysis of trade payables is as follows:

	30 June 2010	31 December 2009
Trade payables		
– Within 180 days	**889,457**	497,751
– 181 to 365 days	**9,120**	5,060
– Over 1 year	**3,826**	2,591
	902,403	505,402

AUDIT COMMITTEE

The Audit Committee reviewed with management the accounting principles and practices adopted by the Group and discussed financial reporting matters. The unaudited interim results for the six months ended 30 June 2010 have been reviewed by PricewaterhouseCoopers in accordance with Hong Kong Standard on Review Engagements 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Hong Kong Institute of Certified Public Accountants. The Audit Committee has reviewed the unaudited interim results for the six months ended 30 June 2010 and has recommended their adoption by the Board.

CODE ON CORPORATE GOVERNANCE PRACTICES

In the opinion of the directors of the Company, the Company has complied with all the code provisions of the Code on Corporation Governance Practices as set out in Appendix 14 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited throughout the six months ended 30 June 2010.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

The Company has not redeemed any of its shares during the six months ended 30 June 2010. Neither the Company nor any of its subsidiaries has purchased or sold any of the Company's shares during the six months ended 30 June 2010.

PUBLICATION OF INTERIM REPORT ON THE WEBSITE OF THE STOCK EXCHANGE OF HONG KONG LIMITED

The 2010 interim report will be dispatched to shareholders and made available on the website of The Stock Exchange of Hong Kong Limited and the Company's website at http://www.upch.com.cn on 24 August 2010.

The 2010 interim financial information set out above does not constitute the Company's statutory financial statements for the six months ended 30 June 2010 but is extracted from the financial statements for the six months ended 30 June 2010 to be included in the 2010 interim report.

By the order of the Board
Uni-President China Holdings Ltd.
Lo Chih-Hsien
Chairman

Hong Kong, 22 August 2010

As at the date of this announcement, the Board of Directors of the Company consists of Mr. Lo Chih-Hsien and Mr. Lin Wu-Chung as executive directors, Mr. Kao Chin-Yen, Mr. Lin Chang-Sheng, Mr. Lin Lung-Yi and Mr. Su Tsung-Ming as non-executive directors and Mr. Chen Sun-Te, Mr. Fan Ren-Da, Anthony, Mr. Yang Ing-Wuu and Mr. Lo Peter as independent non-executive directors.

* *For identification purpose only*